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United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 97th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Thursday, November 12, 1981*

The House met at 12 o'clock noon.

Rev. Charles Mallon, permanent deacon, Holy Family Church, Mitchellville, Md., offered the following prayer:

In the beginning God created the heavens and the Earth. The Earth was without form and void, and darkness was upon the face of the deep; and the Spirit of God was moving over the face of the waters.— Genesis 1: 1-3.

Father we pray for world peace through Your active participation in conflict resolution. Inspire us to seek optimal solutions that reduce world stress brought on by unacceptable solutions to complex problems.

Our hope and faith in eternal life comforts us against the threat of catastrophic destruction, however we are mindful of our responsibility as caretakers to this creation which You brought into being.

Father, You have entrusted us with this secular stewardship, allow your Spirit to dwell among us and preserve within us Your image.

We ask this through Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. WALKER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 337, nays 8, answered "present" 1, not voting 87, as follows:

[Roll No. 295]

YEAS—337

Addabbo	Crane, Daniel	Gaydos
Akaka	Crane, Philip	Gephardt
Alexander	Crockett	Gilman
Anderson	D'Amours	Gingrich
Annunzio	Daniel, Dan	Glickman
Anthony	Danielson	Gore
Archer	Dannemeyer	Gradison
Ashbrook	Daschle	Gramm
Aspin	Daub	Gray
AuCoin	Davis	Green
Bafalis	de la Garza	Gregg
Bailey (PA)	Deckard	Grisham
Barnard	Dellums	Guarini
Barnes	Derrick	Gunderson
Bedell	Derwinski	Hagedorn
Beilenson	Dicks	Hall (OH)
Benedict	Dingell	Hall, Ralph
Benjamin	Dixon	Hall, Sam
Bennett	Donnelly	Hamilton
Bereuter	Dorgan	Hammerschmidt
Bethune	Dougherty	Hansen (ID)
Bevill	Downey	Hansen (UT)
Biaggi	Dreier	Harkin
Bingham	Duncan	Hartnett
Bliley	Dwyer	Hatcher
Boland	Dymally	Hawkins
Bonior	Dyson	Heftel
Bouquard	Early	Hendon
Bowen	Eckart	Hertel
Brinkley	Edgar	Hightower
Brodhead	Edwards (AL)	Hiler
Brooks	Edwards (CA)	Hillis
Broomfield	Edwards (OK)	Holland
Brown (CO)	Emerson	Hollenbeck
Brown (OH)	Emery	Holt
Broyhill	English	Hopkins
Burgener	Erdahl	Howard
Burton, Phillip	Erlenborn	Hoyer
Butler	Ertel	Hubbard
Campbell	Evans (DE)	Hughes
Carman	Evans (GA)	Hunter
Carney	Evans (IN)	Hyde
Chappie	Fary	Ireland
Cheney	Fascell	Jacobs
Clausen	Fenwick	Jeffords
Clinger	Ferraro	Jeffries
Coats	Fiedler	Johnston
Coelho	Fields	Jones (OK)
Coleman	Findley	Jones (TN)
Collins (IL)	Fish	Kastenmeier
Collins (TX)	Fithian	Kazen
Conable	Foley	Kemp
Conte	Ford (MI)	Kildee
Conyers	Ford (TN)	Kogovsek
Corcoran	Fountain	Kramer
Coughlin	Fowler	LaFalce
Courter	Frenzel	Lagomarsino
Coyne, William	Frost	Lantos
Craig	Garcia	Latta
Leach	O'Brien	Skeen
Leath	Oakar	Skelton
LeBoutillier	Oberstar	Smith (AL)
Lee	Obey	Smith (IA)
Lehman	Oxley	Smith (NE)
Lent	Parris	Smith (NJ)
Levitas	Patman	Smith (PA)
Livingston	Patterson	Snowe
Loeffler	Pease	Snyder
Long (MD)	Perkins	Solarz
Lott	Petri	Spence
Lowry (WA)	Peyser	Stanton
Luken	Pickle	Staton
Lungren	Porter	Stenholm
Markey	Price	Stokes
Marlenee	Pursell	Stratton
Marriott	Quillen	Studds
Martin (IL)	Rahall	Stump
Martin (NC)	Railsback	Swift
Martin (NY)	Ratchford	Synar
Matsui	Regula	Tauke
Mavroules	Rhodes	Tauzin
Mazzoli	Richmond	Taylor
McClory	Rinaldo	Thomas
McCollum	Ritter	Traxler
McCurdy	Roberts (KS)	Trible
McDade	Roberts (SD)	Udall
McEwen	Robinson	Vander Jagt
McGrath	Rodino	Vento
McHugh	Roe	Volkmer
McKinney	Rogers	Walgren
Mica	Rose	Wampler
Michel	Rosenthal	Washington
Mikulski	Rostenkowski	Watkins
Miller (CA)	Roth	Weaver
Miller (OH)	Roukema	Weber (MN)
Mineta	Rousselot	Weber (OH)
Minish	Roybal	Weiss
Mitchell (NY)	Rudd	Whitehurst
Moffett	Russo	Whitley
Molinari	Santini	Whittaker
Montgomery	Sawyer	Williams (OH)
Moore	Schneider	Wirth
Moorhead	Schulze	Wolf
Morrison	Schumer	Wolpe
Mottl	Seiberling	Wortley
Murphy	Sensenbrenner	Wright
Murtha	Shamansky	Wyden
Myers	Shannon	Yates
Napier	Sharp	Yatron
Natcher	Shaw	Young (FL)
Nelligan	Shelby	Young (MO)
Nichols	Shumway	
Nowak	Shuster	

NAYS—8

Dickinson	Mitchell (MD)	Walker
Evans (IA)	Sabo	Young (AK)
Gejdenson	Schroeder	

ANSWERED "PRESENT"—1

Ottinger

NOT VOTING—87

Albosta	Beard	Breaux
Andrews	Blanchard	Brown (CA)
Applegate	Boggs	Burton, John
Atkinson	Bolling	Byron
Badham	Boner	Chappell
Bailey (MO)	Bonker	Chisholm

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Clay	Huckaby	Pepper
Coyne, James	Hutto	Pritchard
Daniel, R. W.	Jenkins	Rangel
DeNardis	Jones (NC)	Reuss
Dornan	Kindness	Roemer
Dowdy	Leland	Savage
Dunn	Lewis	Scheuer
Fazio	Long (LA)	Siljander
Flippo	Lowery (CA)	Simon
Florio	Lujan	Smith (OR)
Foglietta	Lundine	Solomon
Forsythe	Madigan	St Germain
Frank	Marks	Stangeland
Fuqua	Mattox	Stark
Gibbons	McCloskey	Waxman
Ginn	McDonald	White
Goldwater	Moakley	Whitten
Gonzalez	Mollohan	Williams (MT)
Goodling	Neal	Wilson
Hance	Nelson	Winn
Heckler	Panetta	Wylie
Hefner	Pashayan	Zablocki
Horton	Paul	Zeferetti

□ 1215

Mr. TAUKE changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

A MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 195. An act to incorporate the U.S. Submarine Veterans of World War II.

The message also announced that the Senate had passed bills and a concurrent resolution, of the following titles, in which the concurrence of the House is requested:

S. 1322. An act to designate the U.S. Department of Agriculture Boll Weevil Research Laboratory building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton;

S. 1551. An act to amend title 5, United States Code, to extend the period within which physicians comparability contracts may be entered into, and for other purposes; and

S. Con. Res. 43. Concurrent resolution granting the status of permanent residence to certain aliens.

The message also announced that the Vice President, pursuant to Public Law 84-372, appointed Mr. LEVIN to be a member, on the part of the Senate, of the Franklin Delano Roosevelt Memorial Commission.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The Speaker laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
November 12, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in the Rules of the House of Representatives, the Clerk received at 3:20 p.m. on Tuesday, November 10, 1981, the following message from the Secretary of the Senate: That the Senate passed without amendment H.R. 4734.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

MAKING IN ORDER CONSIDERATION OF DEFENSE APPROPRIATION BILL, FISCAL YEAR 1982

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that it be in order to take up the Defense appropriation bill for fiscal year 1982 on Wednesday next or any time thereafter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 4144, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 1982

Mr. BEVILL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4144) making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Mr. BEVILL, Mr. BOLAND, Mrs. BOGGS, Messrs. CHAPPELL, FAZIO, WATKINS, BENJAMIN, WHITTEN, MYERS, BURGENER, Mrs. SMITH of Nebraska, Mr. RUDD, and Mr. CONTE.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4144, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, FISCAL YEAR 1982

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Monday, November 16, to file a conference report on the bill (H.R. 4144) making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORT AND AMENDMENTS AND DISAGREEMENT THERETO ON H.R. 4144, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, FISCAL YEAR 1982

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Tuesday, November 17, of next week, or any day thereafter, to consider the conference report and any amendments in disagreement thereto on the bill (H.R. 4144) making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. WALKER. Mr. Speaker, reserving the right to object, I reserve the right to object to ask the gentleman whether or not this has been cleared with the minority and whether they are satisfied with that kind of timing.

Mr. BEVILL. Yes, so far as I know, there is no one objecting to it.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3455, MILITARY CONSTRUCTION AUTHORIZATION ACT, 1982

Mr. BRINKLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3455) to authorize certain construction at military installations for fiscal year 1982, and for other purposes, with the Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? The Chair hears none, and appoints the following conferees: Messrs. PRICE, BRINKLEY, MONTGOMERY, KAZEN, WON PAT, DICKINSON, TRIBLE, WHITEHURST, and MITCHELL of New York.

PERMISSION TO HAVE UNTIL MIDNIGHT THURSDAY, NOVEMBER 12, 1981, TO FILE CONFERENCE REPORT ON H.R. 4522, DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. DIXON. Mr. Speaker, I ask unanimous consent that the managers

may have until midnight tonight to file a conference report on the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3413, DEPARTMENT OF ENERGY NATIONAL SECURITY MILITARY APPLICATIONS OF NUCLEAR ENERGY AUTHORIZATION ACT OF 1982

Mr. PRICE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3413) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes, with the Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and appoints the following conferees: Mr. PRICE, Mr. STRATTON, Mrs. BYRON, Mr. MAVROULES, Mr. DICKINSON, Mrs. HOLT, and Mr. HILLIS.

REVENUE ENHANCEMENT FOR BIG CORPORATIONS

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, an article in the Atlantic Monthly quotes Budget Director David Stockman as acknowledging that "supply side" economics was just a new name for "trickle down" policies that favor the wealthy over the middle and lower income Americans.

According to published accounts, Mr. Stockman is said to have acknowledged that the taxing and spending numbers in his budget did not add up, that the strategists never really expected to get the Kemp-Roth tax cut, that the whole thing was slapped together hastily and "frenetically," and that for a period of weeks the trickle-down strategists "got away with that" because of the novelty of it all.

Many of us were saying exactly these same things at the time it was happening. We knew the tax cut was excessive. We knew that it favored the wealthy. We knew that it did practically nothing for the average American. We knew that it made big deficits unavoidable.

We are only beginning to discover, however, the astonishing extent to which the huge tax cut has opened gaping loopholes through which the wealthiest corporations in the country are benefiting by hundreds of millions of dollars at the expense of the average American taxpayer.

Surely Congress did not intend for Ford Motor Co. to sell $200 million worth of tax credits it could not use to a company as wealthy as IBM and thus enable IBM to avoid paying a reported $400 million in taxes.

Surely Congress did not intend that Occidental Petroleum Co., which earned more than $700 million in profits last year and paid not one penny in taxes to the United States, should be able to sell unused tax credits for a reported $20 million to a third company which uses them to avoid paying taxes which it otherwise owes to the Treasury.

That tax evasions of this magnitude could have been made legal by the machinations of the very planners who would reduce the milk in school lunches, cut payments for meals-on-wheels, reduce benefits to America's elderly and make it harder for young Americans to attend college, is worse than an outrage.

To learn now that some are cynically planning to make up for these multiple hundreds of millions in tax avoidance which some of the Nation's most profitable corporations have exploited, by increasing sales and excise taxes upon the middle and low income American families compounds the outrage and exposes the cynical nature of the "trickle down" conspiracy of which the Budget Director reportedly boasts.

The SPEAKER pro tempore (Mr. SYNAR). The time of the gentleman from Texas has expired.

RHETORIC AND REALITY

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute.)

Mr. BONIOR of Michigan. Mr. Speaker, the administration has flooded the American people in a great stream of paper promises. Now, just this week, they have revealed their real thinking.

The so-called across-the-board tax cut was always a trojan horse to bring down the top rate * * * the rest of it was secondary.

Perhaps the vast millions of working Americans will remember that they were promised real tax relief.

"Supply side is 'trickle down' theory." Perhaps the 8.5 million unemployed Americans will remember that it was billed as more jobs, new growth. "None of us really understand what's really going on with all these numbers."

Perhaps Mr. Stockman should talk to disabled children seeking an education, or families grappling with college tuition, or retirees facing minimum benefit cuts. The numbers are simple. After all the rhetoric, after all the promises, the numbers mean that the American people suffer while the "hogs" feed.

ECONOMIC POLICY HAS MEANT HAVOC FOR SMALL BUSINESSES

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GLICKMAN. Mr. Speaker, recently Fred Schoenfeld, head of Select Brands Industries of Kansas City, Kans., testified before the House Subcommittee on Domestic Monetary Policy on behalf of the National Small Business Association. He made some startling points that we in the Congress need to be alert to; let me quote:

I founded Select Brands in 1954. Since then, we have had 27 consecutive years of increased sales and 27 years of profitability. Now, for the first time ever, I feel my own business is being threatened with possible extinction. I am also extremely concerned that federal policy may be leading us to a point of no return for thousands of well-managed small firms, and severe financial damage for thousands of others, which will be felt for many years to come. . . . Although there has been a welcome reduction in short-term rates in recent weeks, our information is that medium and long-term rates have actually increased during this period. . . . Among the consequences (of high interest rates) we have observed so far are:

The amount of interest payable on farm debt has risen more than 20 percent in one year. . . .

Interest expenses of non-financial corporations have risen from 19 percent of pre-tax profits in the 1960's and about 25 percent in the 1970's to approximately 30 percent . . . in 1981.

Business bankruptcies have increased dramatically. . . .

The federal government has also experienced higher-than-expected interest costs. . . .

Mr. Schoenfeld was not talking about fly-by-night firms; he was talking about well-managed businesses on Main Streets all over America. With small businesses at the heart of our economy suffering, even failing, the potential for economic recovery seems increasingly doubtful.

FARM BILL CONFERENCE MUST BE DEFEATED

(Mr. PEYSER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, I am going to leave the demise of David Stockman to others today, and talk about something that does deeply concern me, which is the conference on the farm bill on which I was a conferee last week.

As many Members now know, the conferees accepted without any change the sugar part of the farm bill that the House had defeated, and had defeated over the previous years as well.

Mr. Speaker, I feel there is only one course of action for the Members of the House to take to defend what is vitally important not only to the Members here, but to the entire country, and that is to defeat the farm conference bill when it comes back to the floor, and then instruct the conferees to go back into conference and to come out without a sugar bill.

□ 1230

DAVID STOCKMAN, "WIZARD OF WISHFUL THINKING"

(Mr. DANIELSON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, I well remember the summer of 1972 when one day, in this well, was announced: "Watergate." And then awhile later came "Koreagate," and now we have "Ombigate."

It is a shock to find that the great economic plan we have heard so much about is nothing but experimental therapy for our ailing economy. The American people are being used as guinea pigs to test a new panacea.

But is it a new panacea? I understand that the truth is that it is not. It is the same old trickle-down theory. It is the same old snake oil in a better looking bottle, and we now find that the much heralded Kemp-Roth tax plan is nothing but a "Trojan Horse."

And from whose mouth do these words come? They come from that great architect of the economic plan, David Stockman, who now admits that his plan was made of sand, and now, instead of an architect, he turns out to be nothing but the wizard of wishful thinking.

And I just wonder if there was an 18-minute gap in that tape.

THE ADMINISTRATION'S FISCAL CREDIBILITY

(Mr. SHANNON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHANNON. Mr. Speaker, what this administration has had going for it was the trust of the American people. The offices of Members of Congress were flooded, when we were considering the budget resolution and the tax bill, with letters and phone calls from people who thought that the administration was on the level.

Now we find that the $38 billion tax cut and the $35 billion budget reduction for 1982—which have formed the basis for what has been called the most dramatic change in U.S. economic policy since the New Deal—was just a snap judgment. In the December issue of the Atlantic Monthly magazine, an article by William Greider, entitled, "The Education of David Stockman" quotes Budget Director David Stockman as saying:

> The numbers didn't quite mesh . . . But . . . for about a month and a half, we got away with all that because of the novelty of all those budget resolutions.

The whiz kid apparently had a crib sheet.

David Stockman also said though, it might all work, Who knows? Who knows? We have dismantled more than $35 billion in Federal budget allocations for fiscal 1982 and who knows?

Supply-side theory, Mr. Stockman says, is really not an economic theory but new language to conceal the old Republican idea of a tax cut for the rich. Democratic Members of the House and Senate recognized this and said so. Apparently even Mr. Stockman recognized it during the tax bill debate and he is saying it now.

I think the American people, who have been so trusting, deserve now to know what this administration's plans for them really are? Do not Mr. Stockman's extremely revealing cynical statements raise questions now about what the administration really intends to do about social security? About medicare? About the safety net? About the environment?

It has come down to a question of badly failed trust. Cynicism of this kind should not be rewarded with continued credibility.

BUDGET DEFICITS

(Mr. VOLKMER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, as reported recently, on Friday, the Office of Management and Budget projects that the fiscal year 1982 budget deficit will exceed $100 billion. This is an astounding admission, considering the earlier spring and summer projections from that same office.

We are constantly reminded of the Carter budget deficits. I think a little comparison is called for. The Reagan budget deficit of $100 billion is slightly less than the combined total of the last two Carter budget deficits. The next two fiscal year deficits will exceed the total 4-year Carter deficit by some $50 billion.

Mr. Speaker, let us consider a little history. Since the founding of this country, until 1981, in 205 years the total national debt reached $1 trillion. This is nothing to be proud of, but it is a fact.

Mr. Speaker, we are now told by the President's own people that in the next 3 years we can expect that $1 trillion debt to be increased by one-third, in excess of $300 billion. If we project that forward in the next 8 years at the same rate, we will double that $1 trillion and end up with a $2 trillion debt.

Mr. Speaker, we will do in 8 years what it took this country 205 years to do.

HISTORIC FIRST TELECAST OF HOUSE PROCEEDINGS TO WASHINGTON VIEWERS

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute.)

Mr. ANNUNZIO. Mr. Speaker, today marks the first time that the House of Representatives will be televised live in the Washington area on other than cable television. WNVT-TV channels 53/14 in northern Virginia, is carrying the broadcasts, and the station is to be commended for its efforts in bringing about these broadcasts.

I want to especially commend the gentleman fron North Carolina (Mr. ROSE), chairman of the Speaker's Advisory Committee on Broadcasting, for arranging for these telecasts. Mr. ROSE has protected both the integrity of the House and the right of the American people to see Congress in action by making certain that the proceedings of the House are available to the widest possible audience and on a cost-free basis.

Mr. Speaker, there are some who feel that the House broadcasts do not belong to the people, but rather are the property of private industry. Mr. ROSE has made certain by bringing about the start of live telecasts that the proceedings of the House, the House of the people, will be available to the people without charge.

Once again, I commend Chairman ROSE, and I commend WNVT, its president, B. W. Spiller, its vice president and general manager, Dan Ward, and its director of news and public affairs, Bruce Miller, for this television first.

A CALL FOR THE RESIGNATION OF DAVID STOCKMAN

(Mr. OBEY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, I take the floor today to call for the resignation of David Stockman and to urge the Congress to immediately reconsider the President's entire tax package.

We have already heard a number of Members here today detail cogently Mr. Stockman's startling comments in the Atlantic Monthly article. He is quoted as saying, for instance, that the whole supply-side tax program was nothing more than a "Trojan Horse"

which was designed to aid the rich under the guise of helping everybody.

On the defense budget, Mr. Stockman is quoted as saying that the Pentagon has been given "a blank check."

"I let it go," he said.

On taxes, Mr. Stockman is quoted as saying:

> The hogs were really feeding. The greed level, the level of opportunism, just got out of control.

On the overall program, he is quoted as saying:

> It didn't quite mesh . . . but, you see, for about a month and a half we got away with that because of the novelty of all these budget reductions.

I am convinced that the President is sincere, but we cannot afford to have cynical men around the President who are giving the President advice which they know to be wrong and not in the best interest of this country.

Mr. Speaker, Mr. Stockman's usefulness to this administration is over, and he will no longer be respected by the Congress. He is discredited and so is the economic policy of which he is the principal architect and for which he is the principal spokesman.

His words demonstrate that he has known since spring that you cannot double the defense budget and cut taxes by 30 percent at the same time without killing the economy.

The loser in this revelation is not just Mr. Stockman but the American people who were trusting enough to believe there was any purpose behind the administrations' tax plan except to help the rich at the expense of everyone else.

A SUGGESTED REPLACEMENT FOR MR. STOCKMAN

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, while most of my colleagues are outraged by David Stockman's remarks, I find myself scratching my head and wondering. Frankly, I am a bit puzzled, but not for the same reasons.

There is an overlooked link here.

Mr. Stockman admits the White House does not know what it is doing, that the Republican plan favors the rich, and that the President's scheme is just the same old trickle-down theory.

Yet Richard Richards, chairman of the Republican National Committee, and other GOP campaign groups are exploiting the inequity of Reaganomics and have raised millions of dollars through direct mail appeals. The GOP letters say the main goal of raising these millions is to take control of the House next year.

Since Mr. Richards has been so successful, and Mr. Stockman has admitted failure, I am considering asking the President to seek Mr. Stockman's resignation—but only if Mr. Richards is given the OMB job.

Mr. Richards obviously knows how to manage a budget and erase deficits; and Mr. Stockman, according to his own words, is just guessing.

Mr. Richards and his GOP committees plan to raise more than $100 million for the 1982 elections. In fact, the Senate GOP campaign group already has enough money to give the maximum amount to all GOP Senate candidates next year. They are already planning for 1984. Mr. Stockman is trying to figure out what happened last spring.

I know this President can be steadfast, and, as the morning news reported, Mr. Reagan may want to continue supporting Mr. Stockman.

But I would urge the President to consider putting someone at OMB who knows something about economic planning, budget control, and erasing deficits.

It is obvious Mr. Stockman does not. Perhaps Mr. Richards can do a better job and can be honest with the public and Congress.

A PLEA FOR VANADIUM PURCHASES FROM U.S. STOCKPILES

(Mr. KOGOVSEK asked and was given permission to address the House for 1 minute.)

Mr. KOGOVSEK. Mr. Speaker, the General Services Administration will announce today the award of a $6 million contract for the purchase of 1.8 million pounds of vanadium. This purchase by the U.S. Government could mean a substantial boost for the domestic mining industry, a boost which the vanadium-uranium mining companies sorely need. But instead of buying the ore from stockpiles in this country, the administration is awarding this $6 million contract to the Republic of South Africa. This initial buy is just the first part of a plan to purchase 15 million pounds of vanadium a multimillion-dollar package. I am wondering, and so are unemployed miners in Colorado and other States sitting on top of vanadium stockpiles, whether the administration will choose to purchase all 15 million tons from foreign sources. I am wondering why we are sending our capital to foreign countries when it would go a long way in boosting our economy and improving an unemployment rate which is already plaguing the administration and its master plan for revitalizing our economy. Sending this capital to South Africa will not revitalize our economy, and it obviously goes against the grain of the administration's rhetoric, and economic commonsense.

STOCKMAN'S STATEMENT—NOT EDUCATION BUT A CONFESSION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, today we have heard many references to the Atlantic Monthly article referring to the "Education of David Stockman."

Mr. Stockman's disclosures increase my concern that the Reagan economic policy, which cuts taxes by deficit spending and increases the military budget, contains no coherent plan to balance the Federal budget during the President's term. Mr. Stockman confirms that Reaganomics will produce big deficits which will perpetuate high interest rates. The President's deficit, as it is reported, will likely exceed $300 billion during the 3 years remaining in his term.

Mr. Speaker, the Atlantic Monthly article seems to report more of a confession than it does an education. But it is the American people who will pay the penance, not Mr. Stockman.

NO SWITCH IN PARTY ALLEGIANCE SEEN FOR DAVID STOCKMAN

(Ms. FERRARO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FERRARO. Mr. Speaker, Washington's gossip and rumor mills have been working overtime in the wake of the publication of OMB Director David Stockman's comments criticizing the Reagan tax cut as simply a recycled version of the old-time Republican "trickle-down" economics.

There have been reports that Mr. Stockman would soon be leaving the administration, or that other disciplinary actions were pending.

There have been the responses of the congressional Democratic leadership in both Houses that Mr. Stockman's credibility was irreparably damaged, and that the American people could not trust any information coming out of OMB any more.

There have been reports that Ed Meese decided not to wake the President up to tell him about the Stockman interview, and that Secretary of State Haig called Jack Anderson to deny that he had framed Mr. Stockman.

Mr. Speaker, I cannot say whether any of these other rumors or reports have any validity. I can say, however, in my role as Secretary of the Democratic Caucus of the House, that there is no truth whatsoever to the rumors that Mr. Stockman has been meeting clandestinely with members of the Steering and Policy Committee to discuss switching party allegiance.

I must add, however, that I have no comment on the rumored joint press conference that Speaker O'NEILL, DNC Chairman Charles Manatt, and Mr. Stockman have scheduled for later today.

PROPOSED HHS CUTS WOULD WREAK HAVOC ON NATION'S HELPLESS

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, in the context of the Stockman confessions, I want to express my dismay at the administration's newest assault on our Nation's helpless.

Secretary Schweiker of HHS has proposed cuts in his Department of $9.3 billion in fiscal year 1983 by implementing a series of Draconian measures, among which is one that would require mothers in the aid to families with dependent children program to work regardless of the age of their children.

Does the Reagan administration not care about the fate of those 2 million children less than 6 years old who would be affected by this proposal? We recoil in horror at stories of children who die in fires or who are injured when left unattended. Such incidents might well become common if mothers are forced to work without being provided with day care programs, yet funds for day care have been slashed and replaced with various tax incentives which will benefit middle and upper income families for the most part.

The AFDC program has been under relentless attack possibly because of the common misconception that its recipients are able, but unwilling, to work. The plain fact is that 80 percent of AFDC recipients are either children, or disabled, aged or blind people; 19 percent are mothers; and only 1 percent are fathers.

To undermine basic support to children and their families as proposed by Secretary Schweiker is unconscionable.

PROPOSED ABOLITION OF BATF CITED AS A MISTAKE

(Mr. HUGHES asked and was given permission to address the House for 1 minute.)

Mr. HUGHES. Mr. Speaker, the Reagan administration is moving to downgrade another Federal anticrime program. The Secretary of the Treasury has advised me that he has recommended the abolition of the Bureau of Alcohol, Tobacco and Firearms.

More than any other Federal law enforcement agency, the BATF is directly involved in fighting violent crime through its investigations of rings that sell stolen and illegal handguns, rifles, machineguns, silencers, and explosives.

ATF's experts in the area of fire and explosives help solve the most complex arson cases such as the MGM Grand Hotel fire in Las Vegas.

ATF's arson investigations save consumers millions of dollars in insurance premiums by stopping frauds against insurance companies.

Various administration spokespersons have given conflicting rationale for this move. When the move was first revealed in late September, Secretary Regan told the Budget Committee it was a cost-saving step. On the same day, a spokesman for the Director of OMB said it was not being done to save money, and that only a tiny percentage of the overall budget was involved. Testifying before our Crime Subcommittee a few days later, Assistant Treasury Secretary Walker denied that a decision to abolish BATF had even been made.

I do not oppose Government reorganization, and while BATF has done a good job in enforcing our Federal firearms, explosives, and arson laws, I do not even oppose reorganization of these functions. However, I do oppose any and all steps that will reduce our law enforcement capability.

The abolition of BATF and the proposed transfer of its functions is such a move, in my view. It is prompted by a need to placate a special interest lobby, and designed to augment the resources of other Treasury agencies at the expense of effective enforcement of firearms, explosives, and arson laws.

BATF has been so abused and maligned, both within and without the Government, that even its own agents welcome its abolition and the reassignment of its responsibilities. A more sensible solution, however, would be to transfer these functions to our primary law enforcement agency, the Department of Justice. The Attorney General's Task Force on Violent Crime recommended similar action, and I plan to introduce legislation to this effect in a few days.

UNEMPLOYMENT RATES INCREASING IN AUTO INDUSTRY

(Mr. HERTEL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HERTEL. Mr. Speaker, the economic picture in the auto industry in this country is becoming worse. In Michigan we are talking about a 12.7-percent unemployment rate now. We are talking about 500,000 people—a half million people—out of work in one State. That would be comparable, of course, to one congressional district—every man, woman and child—and if we divide that up among Members of the House, we would be talking about 10,000 per member in unemployment being added to one's own constituency.

□ 1245

We are talking about 8 million people nationwide under unemployment, and the worst year for the auto sales since 1958 when we had a recession under the Republican administration at that time. We have the highest unemployment rate in Michigan since 1975 when we had our last Republican administration.

Now the gentleman from Michigan (Mr. BLANCHARD) has asked for an auto summit, a bipartisan auto summit with the administration and they tell us no.

The policies have to change because the auto industry cannot be allowed to die in this country. It is important to millions of families in this country. It is also important to our national strength.

PRESIDENT'S ECONOMIC PROGRAM IS WORKING

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSSELOT. Mr. Speaker, we have had a lot of discussion in this House about interest rates. The President's economic program is working. T-bill rates are down, and so is the prime rate.

Look where T-bill rates started. It started with Jimmy Carter and the Democratic Congress under Democrats at 5.3 percent, skyrocketed to 14.7 percent. That is what the Treasury had to pay for all that debt you have created, you Democrats that work so hard for big spending and big deficits.

Now those T-bill rates are coming down because the Reagan economic program is working. It is finally working after years of going the wrong way. I want the record to show that the Democratic side is cheering.

Interest rates are now coming down, thanks to Reagan economics.

PRESIDENT'S ECONOMIC PROGRAM IS WORKING

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, today we have heard a lot about what the national economic policy is and how difficult some people find it to define it, and exactly where we are going economically.

One thing is for certain. We know where we have gone under the previous administration. I have heard Democrat, Republican, conservative, liberal, and everybody in between, say that one of the keys to getting ourselves out of an economic problem is increas-

ing the productivity of the American worker.

What did we do when you folk who are criticizing us had control of both sides of Congress?

On this chart, look how we moved in productivity growth on an annual basis of 3.3 percent to minus 0.2 percent, minus 0.3 percent, minus 0.2 percent over the lifetime of the Carter administration. Now we are going up. We are not going up fast enough but we are going up. And these are nonpartisan figures, by the way. These are from the Joint Economic Committee report that just came out last month.

It looks like we are going in the right direction. If those of you who would like to reverse our present course, to utilize those programs we have had in the past, then I think you ought to explain to the American people how 3 years back-to-back of productivity negative growth is going to solve our problem.

THE PRESIDENT'S ECONOMIC PROGRAM IS WORKING

(Mr. EVANS of Delaware asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVANS of Delaware. Mr. Speaker, there has been a lot of discussion recently about Dave Stockman, our former colleague, and now Director of the Office of Management and Budget. It has been implied that Dave does not agree that the President's economic program will work.

He does, in fact, believe that the President's comprehensive economic program will work. But I might add that all of the speculation as to Dave's subjective judgment is all academic. The program is, in fact, working.

May I remind those in this body who have been somewhat critical of the comprehensive economic plan that their major focus of criticism has been on high interest rates. Let me remind those same individuals of a few figures. The prime rate of interest in early 1981 was 21.5 percent. Today, November 12, 1981, it is 16.5 percent. In January of 1981, 90-day Treasury bills were at 15.7 percent and today they are under 11 percent. Inflation is also trending downward and this is progress even though we have a substantial way to go. There can be no instant solutions to our economic problems for they are the result of many years of bankrupt policies. You cannot tear down overnight what took over 30 years to build, no matter how poorly it has been constructed.

Now is not the time to play politics but to continue on our steadfast course toward full and long lasting economic recovery.

VOTE DOWN INTERIOR APPROPRIATION CONFERENCE REPORT

(Mr. HANSEN of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANSEN of Utah. Mr. Speaker, the Interior appropriation bill which we will be voting on today is $1.5 billion over the level proposed by President Reagan.

As the Congressman representing one of the Western States with many Federal lands, in fact my State has 70 percent of its land owned by the Federal Government, this Interior appropriation bill is too much money. The $1.5 billion would be nice. We would love to have it out there. We could really use the money. However, I am against that higher spending.

As a westerner, I could easily rationalize that this would help my district, it would be great for the district, and the State of Utah to have, but we all know that is the same kind of reasoning that got us into the economic mess that we are in today.

The Interior appropriation bill is $1.5 billion over budget, and it really needs to be cut. In my 11 months that we have sat here, I have heard people get up and deplore the high interest rates, deplore all of the deficits we have. Yet today we have a chance to see what we are really made of and that we really believe that.

I personally feel that this country is looking for legislators who have the courage to say we cannot afford it, and we cannot afford the one we are voting on today.

WAS JOHN F. KENNEDY A CLOSET TRICKLE-DOWNER?

(Mr. WEBER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEBER of Ohio. Mr. Speaker, all of this fuss about so-called trickle-down economics begs the question: Does cutting tax rates help or hurt the average American, no matter what it does for the rich?

The answer is clear and, in fact, well documented. President John F. Kennedy cut tax rates in the early 1960's and that cut helped all Americans.

Was J.F.K. a closet trickle-downer or a clandestine supply sider?

The answer is "who cares?" His theory worked. It helped America.

Instead of concentrating on labels, we would be better off looking at results.

The results of the economic philosophy of the Democratic leadership during the last 4 years are: Double-digit inflation, 20-percent interest rates, low productivity, low rate of savings, a deteriorating economy, and, in general, the political equivalent of the record of the Washington Capitals hockey team.

Call President Reagan's theory trickle-down if you want to. I call it wising up.

INTERIOR APPROPRIATION EXCEEDS BUDGET RESOLUTION

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, I believe very strongly in the need for a balanced budget in this country. I believe very strongly that we have not begun to ask for enough spending cuts.

But let me ask my colleagues how in the world do we ever expect to achieve those additional cuts or a balanced budget in the future if we cannot abide by the present budget resolution we are working under? Today's appropriation bills, the ones we will take up from the conference, and those down the road, do exceed that, particularly the Interior appropriations and the ones for related agencies under it.

The Interior appropriations for the Department of Interior alone are $0.6 billion, or 19 percent above the President's budget request. That portion of the Interior that is related to the DOE programs is $0.4 billion above the President's request. That is 95 percent above. The Forest Service programs are $0.2 of a billion, or 16 percent above.

I cannot imagine we are going to vote for a conference report on any appropriation bill in this day and age when we are looking to balance the budget and cut additional spending which that much exceeds our budget already. I call for the defeat of this conference report on Interior.

CONCERNED ABOUT INTERIOR AND RELATED AGENCY APPROPRIATIONS CONFERENCE REPORT

(Mr. MORRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON. Mr. Speaker, I, too, am concerned about the Interior and related agencies' appropriation conference report that is before us today. This report is $0.6 billion in budget authority and $0.4 billion in outlays above the March budget request. Notice I said March. It appears there was no effort at all to achieve the additional savings of $1.4 billion in budget authority and $1.1 billion in outlays that the President called for in September.

I am afraid this Congress is going to look pretty silly giving lipservice to controlling the Federal deficit but not

having the resolve to make individual appropriation bills fit the big picture.

Unfortunately, the Interior appropriation conference report reflects this irresponsibility.

REQUEST FOR PERMISSION TO CONSIDER HOUSE JOINT RESOLUTION 357, CONTINUING APPROPRIATIONS FISCAL YEAR 1982 ON MONDAY, NOVEMBER 16, 1981, OR ANY DAY THEREAFTER

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it be in order on Monday, November 16, 1981, or any day thereafter, to consider House Joint Resolution 357, making further continuing appropriations, fiscal year 1982.

The SPEAKER pro tempore. (Mr. MURTHA). Is there objection to the request of the gentleman from Mississippi?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, why is this unanimous consent necessary? Can the gentleman tell us?

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. There are at least two reasons.

Mr. ROUSSELOT. This is for the continuing resolution?

Mr. WHITTEN. That is right. First, it is to enable us to have a pro forma session tomorrow should the House want to. Otherwise we have to go to the Rules Committee. But if this is agreed to, we obviate the necessity of being here tomorrow.

Mr. ROUSSELOT. In other words, the only reason for the unanimous consent for this gigantic continuing resolution is to avoid having to get a rule?

Mr. WHITTEN. It is so that we can have a pro forma session tomorrow and then, by doing this, it enables the other body to have as many days as possible to consider the resolution. As the gentleman knows, we have to complete this by midnight of November 20 and as I understand it, the leadership in the other body has asked the House to act as promptly as possible.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Further reserving the right to object, I yield to my colleague from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding. Would I understand that under this procedure, if we adopt this procedure under unanimous consent, that it would mean we would not be able to offer any amendment to the resolution?

Mr. WHITTEN. Will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. If it is considered in the House, that would be the situation. However, with the whole Government involved, and with the deadline of November 20, I do not see any way to obviate that situation.

There would be a motion to recommit.

Mr. ROUSSELOT. There would be a motion to recommit?

Mr. CONTE. With or without instructions.

Mr. ROUSSELOT. With instructions?

I would yield to the gentleman.

Mr. WALKER. Mr. Speaker, I object.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I would like to yield to the gentleman from Massachusetts.

The SPEAKER pro tempore. Objection is heard. Objection is heard.

Mr. WALKER. Mr. Speaker, I withdraw my objection.

Mr. ROUSSELOT. I would like to yield to my colleague from Massachusetts.

The SPEAKER pro tempore. Objection has been heard from the gentleman from Pennsylvania.

Mr. ROUSSELOT. The gentleman withdrew his objection.

Mr. WALKER. Mr. Speaker, I withdraw my objection.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I would like to yield to my colleague from Massachusetts (Mr. CONTE).

□ 1300

Mr. CONTE. In regard to the question by the gentleman from California, under the unanimous-consent request we will protect the minority side with a motion to recommit with instructions.

Mr. ROUSSELOT. With instructions?

Mr. CONTE. With instructions.

Mr. ROUSSELOT. So the unanimous consent does include the right to offer a motion to recommit with instructions?

Mr. CONTE. That is right.

Mr. ROUSSELOT. And that does not require a rule?

Mr. CONTE. No.

Mr. ROUSSELOT. Is that correct?

Mr. CONTE. If we get unanimous consent.

Mr. ROUSSELOT. I appreciate that. But as the gentleman understands, when granting a unanimous consent that few of us have seen, except those offering it, we just want to be sure that there is the opportunity to offer a motion to recommit with instructions.

Mr. CONTE. The gentleman is absolutely right.

Now, if the gentleman persists on objecting, we will go to the Rules Committee and we are going to get a rule, so the problem here is that we are running out of time. I think this is November 12.

Mr. ROUSSELOT. I remember the date.

Mr. CONTE. We have 8 days left and the Senate would like to get this as fast as possible so that they can work on it and we can go to conference with the Senate and bring forth the continuing resolution.

Mr. ROUSSELOT. Further reserving the right to object, the chairman can assure us all people on the Appropriations Committee that drafted this substantial legislation are aware that it is coming up, it is very apt to come up next week?

Mr. WHITTEN. If the gentleman will yield, yes, that is true, and as the gentleman from Massachusetts said, and I concur in his understanding, that there will be in order a motion to recommit.

May I say we will file this report today which will make it available to the membership tomorrow. That is all we can do. We are doing everything we can do.

Mr. ROUSSELOT. Is this concurrent resolution over the budget?

Mr. WHITTEN. I did not hear the gentleman.

Mr. ROUSSELOT. Is this continuing resolution over the budget?

Mr. WHITTEN. No, it is under the March budget. There may be some question otherwise as to the other budget, but it is my understanding and from the figures that I have seen that it would be below the budget as it stands now.

Mr. ROUSSELOT. As of March, the March budget?

Mr. WHITTEN. Yes, sir; about $20 billion below the March budget.

Mr. ROUSSELOT. How about the September budget?

Mr. WHITTEN. My understanding at the present time is it would be very close at least and I think under the amendments which as the gentleman knows have come down in a constant stream. Some of them have not been received yet.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Further reserving the right to object, I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I am constrained to object, but before doing so I want to tell the gentleman, the distinguished chairman of the committee, that last week when we had the dialog with respect to why we would be meeting Thursday and Friday, it was for the express purpose of keeping people here to get a rule on the continuing resolution, expecting that it would be controversial and that there would probably be some amendments that Members would want to make a case for before the Rules Committee. This unanimous-consent request

comes to me unbeknownst with no prior notice. The whole schedule was predicated on having the Rules Committee meet Friday and be on the floor Monday. We are not altogether sure under this sudden change in procedures that a single motion to recommit is going to satisfy our needs.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say I agree with the gentleman as to the understanding the other day. May I say it only came to me recently, the reason being so many of our colleagues on both sides of the aisle wanted a pro forma session instead of having to stay here.

Mr. MICHEL. I know there was plenty of notice given and I guaranteed the ranking member of the Rules Committee, the gentleman from Louisiana (Mr. LONG) that I would have the Republican members there for a meeting because I knew how important it was.

We all like to run home. We have been home 4 or 5 days prior to today's meeting and I think it is not asking Members too much that we have a corporal's guard around here to get a rule for something as controversial as the continuing resolution.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, is the gentleman telling us then that he had no notice of this?

Mr. MICHEL. This is the first notice I have had of a unanimous-consent request.

Mr. WHITTEN. If the gentleman will yield, I apologize because we got in touch with the ranking member of the Committee on Appropriations and this came to me because so many people were asking if there was not some way to obviate the necessity to stay, even though we had to come back. We did have to come back today to get it out of committee.

May I say again that the bill was reported out of the committee by voice vote. That does not sound like it is so controversial.

Mr. MICHEL. Well, I might differ with the gentleman. For that reason I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard.

LAYING THE GROUNDWORK FOR PUTTING THE FEDERAL HOUSE IN ORDER

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, President Reagan has laid the groundwork for putting the Federal house in order for the first time in a decade and a half.

After years of unchecked expansion of nondefense programs, almost no one has been prepared to stand up and argue that no reductions should be made.

The fact is, however, that the President's first round of budget reductions are not really reductions in the previous year's outlays at all; they simply represent a reduction in the increase planned by the Carter administration. The budget changes represent a reduction in Government spending of roughly 10 percent.

Budget changes are never easy—there are always groups which benefit from any program, no matter how useless, wasteful, helpful, or worthless the program may be to the general welfare.

A review of the recent explosion in Government expenditures reveals this. It took only 9 years, from 1962-71, for the budget to pass the $200 billion mark. After that, it took only 4 years to reach the $300 billion, and just 2 more years to surpass $400 billion. By fiscal year 1982 the spiral of spending will reach over $700 billion.

The Interior appropriation bill we have before us today, does not conform to the budget reforms that are necessary to reduce Government spending. In fact, they will add fuel to the escalating Federal budget and deficit.

The budget for H.R. 4035 will be between $1.5 billion to $2 billion over the President's recommended groundwork for controlling Government spending.

If we truly want to lower interest rates and control inflation, then additional reductions are needed in these appropriation bills before they are sent to the President. Thank you.

LET US STOP BEING SO CRITICAL

(Mr. HARTNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARNETT. Mr. Speaker, I would like to ask for 3 minutes and 20 seconds. That is the time that was given to the distinguished majority leader. But I guess that would be out of order.

I have heard a lot said this morning about the Atlantic Monthly. Not only have most of my colleagues never heard of it, but they have never read it until this month, and now everything that they print is the gospel, according to the Democratic Party.

A few months ago David Stockman was saying a lot of things and everybody said he was crazy. Now he utters one sentence in an interview with a magazine no one ever heard of and everything he says is the truth.

It is amazing to me, we talk about a tax cut and an economic package that favors the rich. Try telling that man and woman making $15,000 that a 10-percent tax cut is not going to help him and he is not going to believe us, because he knows it is going to help him.

I urge those on this side of the aisle charged with the responsibility of doing something positive for this economy, try supporting what we have done as a body and quit being so critical. It falls close to the guise of treason, if you ask me.

INFLATION RATE IS DROPPING

(Mr. HILER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILER. Mr. Speaker, a year ago in polls that were taken of the American people, the No. 1 economic problems they presented was inflation, and the reason the American people said inflation was the No. 1 problem was because of the distrust of the economic policies of the previous administration and the leadership by the Democrats in both bodies of the Congress.

What happened for the American people to distrust the Democrat leadership? The last year of a Republican administration in 1976, there was 4.8 percent inflation. The first year under President Carter, inflation had climbed to 6.8; in 1978, 9 percent; in 1979, 13.3 percent; in 1980, 12.4 percent.

This year, the first year with a Republican in the White House since 1976, inflation will drop to about 9.5 percent. Now 9.5 percent is still too high, but I would say to my colleagues it is a far sight better than the trend that was going on under previous administration.

DEVASTATING ADMISSION

(Mr. FIELDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FIELDS. Mr. Speaker, this morning's Washington Post quotes the Speaker as saying he recently read what he called devastating admissions on the part of a well-known public figure.

If the Speaker is interested in devastating admissions let me quote to him the following words, spoken on the floor of the House, May 7, 1981:

> Sure, in the 1970's my party made mistakes. We overregulated. There was too much redtape and probably too much legislation * * * sure, we admit there were inequities and we had failures * * *

Those devastating admissions were made by the Speaker, about his party and about the political and economic goals they have pursued for a generation.

If the Speaker is not available to Atlantic Monthly to offer specific documentation of the failures of his party, I know of many Members, on both

sides of the aisle, who are more than willing to give facts and figures of the admitted failures of his party.

LET US SERIOUSLY ADDRESS PROBLEMS OF SOCIAL SECURITY

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, I would like to take this opportunity to further express my deep concern for the continued action by the Democratic National Committee with the cooperation of certain Members of this body to reduce social security to a partisan political issue. Two weeks ago, I stood on this floor and relayed the disgust and concerns of many of my constituents who had received a so-called important social security notice which, as you know, was nothing but a fundraising ploy by the Democratic National Committee. The social security system is not a fundraising matter.

Needless to say, I was surprised and extremely disappointed to learn that this letter continues to be mailed. The American people should not be abused by such direct mail chicanery. The very thought of using scare tactics on poor, elderly Americans who survive solely on social security benefits, is disgusting. No contribution to the Democratic National Committee will lessen the chances of any social security benefits being cut; all of us here know that.

It is time to seriously focus on the real issues, the problems of the social security system cannot be solved by sending an "emergency contribution of $15, $25, $100, or whatever you can afford." I remain committed to the fact that by working together, a sound bipartisan solution can be found to reviving this ailing system. And I call on all my colleagues to rise above partisan politics and seriously address the problems of social security.

INTEREST RATES AND INFLATION RATES ARE COMING DOWN

(Mr. GREGG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREGG. Mr. Speaker, talking about devastating admissions, I would like to quote from one of the more respected individuals of this House, the gentleman from California (Mr. PANETTA). He indicated Democrats simply cannot ignore the issue of controlling Federal spending, lowering deficits, moving toward a balanced budget, issues that frankly Democrats did ignore for a long time. In fact, they ignored it so long that when the Republican Party came into the position of executive leadership in this country we had 20-percent interest rates. We had 13.5-percent inflation rates.

Today those rates are coming down. They are down to 16½ percent on the interest side. They are down to 9 percent on the inflation side.

That is the type of program this country needs, a program that brings under control this economy, and I think it is about time we supported that program.

TAX INCREASES

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, in light of the certain huge deficits resulting from the 1982 budget, Senators BAKER and DOLE, Republican leaders in the Senate, are putting out "trial balloons"—proposals for massive tax increases.

The two courses of action being proposed are: First, passage of a national sales tax; and/or second, implementation of a windfall profit tax on natural gas. I, for one, will not even consider voting for either one of these tax increases right now.

In addition, David Stockman has suggested "midcourse" corrections are needed to reduce the 1982 deficit which he now projects to be closer to $100 billion—more than three times greater than the $31 billion projected in May when the administration's budget was adopted.

These mind-boggling deficits were forecast back in May and caused grave concern and reservations for many of us. The people who are now advocating massive tax increases were the same ones who applied pressure for huge tax cuts less than 3 months ago.

In lieu of the balanced budget for 1984 which was based on erroneous economic assumptions in May, David Stockman's projection now for 1984 is a deficit closer to $145 billion. The administration's own projected combined deficit for 1982, 1983, and 1984 is $338 billion—more than a third of $1 trillion in only 36 months. The figures Stockman now projects for the Reagan program are closer to what many were projecting last May. And they are clearly higher than what the administration was projecting at that time.

The administration's budget bill has been in effect only 40 days. Too much work was done by the Congress in adopting the administration's program last July for the Senators to now propose such immediate and drastic tax increases.

I do not believe the American people will accept these massive tax increases unless they are convinced some corrective action is needed for the Reagan economy program. The only person who can convince the American people that some corrective action is necessary is the President himself and according to the President's own remarks he will make his proposals in January 1982.

Before 535 Senators and Representatives propose their own solutions I would like a clearer signal from the President to the people and to the Congress on how he proposes to correct the problem.

QUALIFYING DEFICITS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I feel so much better having sat here and looked at all these wonderful charts that have been put together somewhere. There must be a lot of smoke and mirrors back there in one of the rooms. Voodoo economics is alive and well and generating charts.

Having just returned from my district, I certainly did not see people out tapdancing in the streets saying, "Everything is wonderful, Reaganeconomics is working. Inflation is coming down. Hallelujah." I heard just the opposite. People were upset that unemployment was going up, the deficit was going up and bankruptcies were going up.

So I do not know whose districts those little charts reflect, but they certainly do not reflect what I hear and see going on in my district.

I think the problem David Stockman has, for he is a very sincere man, is he honestly believed all deficits were wrong, and that we had to get the budget under control. And I think I basically would agree with him. Now he is very disillusioned for he found out the group he works for do not believe all deficits are wrong. People who won the election saying deficits were wrong were secretly qualifying their statement by saying deficits are wrong only if created by spending for people programs. They think deficits are terrific if they come about because you had all sorts of tax cuts for the rich, spending for defense, pork barrel projects, and other things. That is why David Stockman became disillusioned when he discovered the qualifier. Mink coats do not trickle down, they shed.

HYPOCRITS ARE NOT HELPING THE ECONOMY

(Mr. CAMPBELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CAMPBELL. Mr. Speaker, last year when President Reagan was sworn in we had just come through a

period that had given us 21½-percent interest rates, 20-percent inflation rates, and when the budget deficit was projected for 1984, using the preceding administration figures, it would have been double the amount that is now projected as a deficit for the Reagan administration.

Yes, there has been some success, but not enough. However, I would like to point this out to the Members. Those who have said that the tax program was a trickle-down program, should remember it was the Democratic side that offered a 30-percent corporate tax cut, not the Republican side. It was the Democratic side that cut the top marginal tax rate from 70 to 50 percent.

President Reagan asked for a 10-5-3 depreciation schedule and a 10-10-10 across-the-board tax cut for working Americans. If my colleagues are so concerned about it, why do they not put up a bill to repeal all of the tax cuts that they put in except what the President originally asked for and quit being hypocrits.

□ 1315

WHOSE CREDIBILITY?

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, we have heard a number of comments here this morning about an article that appeared in the Atlantic Monthly magazine. It seems to me the questions that were raised here were essentially questions of credibility; but those who raise such questions, it seems to me, ought to be credible themselves.

What is the Democratic leadership's record on giving the American people the facts?

Well, within the last few weeks we completed the fiscal year. The budget deficit for the end of that fiscal year was at $57 billion. That is the budget that the Democratic leaders brought to this floor and told the American people it was going to be a balanced budget. That is right. They said it was going to be a balanced budget. It just happened to be an election year, but they said in their promises that this is going to be a balanced budget, and what they delivered was a $57 billion deficit.

No one with such a record should be calling other people's credibility into question.

HONORING THE SERVICE OF REPRESENTATIVE JAMIE L. WHITTEN

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, last week, the House paid tribute to its longest serving Member, JAMIE L. WHITTEN of Mississippi. Unfortunately, I did not have the opportunity to express my congratulations at that time so I would like to take a moment today to salute this outstanding man for the many contributions he has made to this House and to this country.

First elected to the 77th Congress in a special election and subsequently sent back to Washington for every Congress since, Chairman WHITTEN is now the dean of House Members. As such, I want to personally congratulate him and extend him the very best on this special anniversary.

I have had the honor and privilege to serve with this outstanding American and able legislator for the past several years as a member of the Appropriations Committee. I have had the firsthand opportunity to witness his dedication to the principles of good government. He is a credit to the First District of Mississippi, to his State, and to the country as a whole. During this particularly difficult period when the battle of the budget is being fought almost daily in the Congress, it is reassuring to know that committee consideration of appropriations is in the very capable, very reasonable hands of Chairman WHITTEN.

Being a leader is not new to JAMIE WHITTEN. He was elected to the Mississippi House of Representatives at age 21. He was elected district attorney of Mississippi's 17th District at age 23 and served in that position until coming to Washington. He has since charted a true and steady course of leadership and fairness on a committee that literally touches the livelihood of every American household. He is a man who has accepted the most challenging and difficult legislative tasks cheerfully. He is a good friend and an enthusiastic chairman who has a rare talent which brings reason and reality to a process that sometimes can get lost in a fog of bureaucracy.

On this occasion, I extend my sincerest thanks for his service and my best wishes for continued good health and happiness.

FIFTY MILLION DOLLARS IN WELFARE PAID TO INELIGIBLE HERE

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, we have heard a lot today about trickle-down economics. Today's Washington Post has a story on the front page that is a different version of trickle down.

I show you the article, "$50 Million in Welfare Paid to Ineligible Here in Washington, D.C."

This story tells about $51 million paid out to people who were not eligible for welfare benefits in the District of Columbia during the past 2 years, and I think we can multiply that many times if we look across the country.

It appears to me that one of the things that is trickling down here is taxpayers' money down the drain in terms of waste and fraud.

Any time anyone raises the question about cutting back on the budget, trying to bring things in balance, we hear from the other side that we are taking money away from the poor and from poor and innocent homeless children. No credit is given to those who are seriously trying to deal with a budget that has grown out of control. No one on the other side of the aisle is addressing the question trying to do something about the waste of the taxpayer's money.

I think our purposes would be better served by not simply sitting around here and labeling each other and ascribing certain catch-all phrases, but by getting down to the business of bringing our budget in reasonable balance and doing what is necessary to make this country and this economy whole again.

HOUSE WAYS AND MEANS COMMITTEE ROAD SHOW IN BALTIMORE

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAUB. Mr. Speaker, just a point of interest that I hope does not turn out to be a prediction for what this House may be engaged in as the result of leadership planning for us next Tuesday. As I understand it, the House Ways and Means Committee will be engaged in hearings in Baltimore, Md., on that very important issue of the impact of the administration's so-called budget cuts.

I am wondering if we will be voting on Tuesday or postponing the very important business of this House for the convenience of that committee's chairman and its members in that road show in Baltimore until 4 o'clock or sometime thereafter on that day.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS AUTHORIZATION BILL WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. PRICE. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. PRICE moves that, pursuant to rule XXVIII 6(a) of the House rules, the conference committee meetings between the House and the Senate on H.R. 3413, the fiscal year 1982 Department of Energy national security programs authorization bill, be closed to the public at such times as classified national security information is under consideration: *Provided, however,* That any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. Does the gentleman from Illinois wish debate time?

Mr. PRICE. I do not seek any time, Mr. Speaker. I move the adoption of the motion.

RECORDED VOTE

The SPEAKER pro tempore. Under the rule, a recorded vote is necessary.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 385, noes 0, not voting 48, as follows:

[Roll No. 296]

AYES—385

Addabbo	Collins (IL)	Findley
Akaka	Collins (TX)	Fish
Albosta	Conable	Fithian
Alexander	Conte	Flippo
Anderson	Conyers	Foglietta
Andrews	Corcoran	Foley
Annunzio	Coughlin	Ford (MI)
Applegate	Courter	Ford (TN)
Archer	Coyne, James	Fountain
Ashbrook	Coyne, William	Fowler
Aspin	Craig	Frank
Atkinson	Crane, Daniel	Frenzel
AuCoin	Crane, Philip	Frost
Bafalis	D'Amours	Fuqua
Bailey (MO)	Daniel, Dan	Garcia
Bailey (PA)	Danielson	Gaydos
Barnard	Dannemeyer	Gejdenson
Barnes	Daub	Gephardt
Bedell	Davis	Gibbons
Beilenson	de la Garza	Gilman
Benedict	Deckard	Gingrich
Benjamin	Dellums	Glickman
Bennett	DeNardis	Gonzalez
Bereuter	Derrick	Gore
Bethune	Derwinski	Gradison
Bevill	Dickinson	Gramm
Biaggi	Dicks	Green
Bingham	Dingell	Gregg
Blanchard	Dixon	Grisham
Bliley	Donnelly	Guarini
Boggs	Dorgan	Gunderson
Boland	Dougherty	Hagedorn
Boner	Dowdy	Hall (OH)
Bonior	Downey	Hall, Sam
Bouquard	Dreier	Hamilton
Bowen	Duncan	Hammerschmidt
Breaux	Dwyer	Hansen (ID)
Brinkley	Dymally	Hansen (UT)
Brodhead	Dyson	Harkin
Brooks	Early	Hartnett
Broomfield	Eckart	Hatcher
Brown (CO)	Edgar	Hawkins
Brown (OH)	Edwards (AL)	Heckler
Broyhill	Edwards (CA)	Hefner
Burgener	Edwards (OK)	Heftel
Burton, John	Emerson	Hendon
Burton, Phillip	Emery	Hertel
Butler	English	Hightower
Campbell	Erdahl	Hiler
Carman	Erlenborn	Hillis
Carney	Ertel	Holland
Chappell	Evans (DE)	Hollenbeck
Chappie	Evans (GA)	Holt
Cheney	Evans (IA)	Hopkins
Chisholm	Evans (IN)	Horton
Clausen	Fary	Howard
Clay	Fascell	Hoyer
Clinger	Fenwick	Hubbard
Coats	Ferraro	Hughes
Coelho	Fiedler	Hunter
Coleman	Fields	Hutto
Hyde	Morrison	Sharp
Ireland	Mottl	Shaw
Jacobs	Murphy	Shelby
Jeffords	Murtha	Shuster
Jeffries	Myers	Siljander
Johnston	Napier	Simon
Jones (OK)	Natcher	Skeen
Jones (TN)	Neal	Skelton
Kastenmeier	Nelligan	Smith (AL)
Kazen	Nelson	Smith (IA)
Kemp	Nichols	Smith (NE)
Kildee	O'Brien	Smith (NJ)
Kindness	Oakar	Snowe
Kogovsek	Oberstar	Snyder
Kramer	Obey	Solarz
LaFalce	Ottinger	Spence
Lagomarsino	Oxley	St Germain
Lantos	Parris	Stangeland
Latta	Pashayan	Stanton
Leach	Patman	Staton
Leath	Patterson	Stenholm
Lee	Pease	Stokes
Lehman	Pepper	Stratton
Lent	Perkins	Studds
Levitas	Petri	Stump
Lewis	Peyser	Swift
Livingston	Pickle	Synar
Loeffler	Porter	Tauke
Long (LA)	Price	Tauzin
Long (MD)	Pursell	Taylor
Lott	Quillen	Thomas
Lowry (WA)	Rahall	Traxler
Lujan	Railsback	Trible
Luken	Ratchford	Udall
Lundine	Regula	Vander Jagt
Lungren	Reuss	Volkmer
Markey	Rhodes	Walgren
Marks	Richmond	Walker
Marlenee	Rinaldo	Wampler
Marriott	Ritter	Washington
Martin (IL)	Roberts (KS)	Watkins
Martin (NC)	Roberts (SD)	Waxman
Matsui	Robinson	Weaver
Mavroules	Rodino	Weber (MN)
Mazzoli	Roe	Weber (OH)
McClory	Roemer	Weiss
McCollum	Rogers	Whitehurst
McCurdy	Rose	Whitley
McDade	Rosenthal	Whittaker
McEwen	Rostenkowski	Whitten
McGrath	Roth	Williams (MT)
McHugh	Roukema	Williams (OH)
McKinney	Rousselot	Winn
Mica	Roybal	Wirth
Michel	Rudd	Wolf
Mikulski	Russo	Wolpe
Miller (CA)	Sabo	Wortley
Miller (OH)	Santini	Wright
Mineta	Sawyer	Wyden
Minish	Scheuer	Wylie
Mitchell (MD)	Schneider	Yates
Mitchell (NY)	Schroeder	Yatron
Moakley	Schulze	Young (AK)
Molinari	Schumer	Young (FL)
Mollohan	Seiberling	Young (MO)
Montgomery	Sensenbrenner	Zeferetti
Moore	Shamansky	
Moorhead	Shannon	

NOT VOTING—48

Anthony	Goldwater	Moffett
Badham	Goodling	Nowak
Beard	Gray	Panetta
Bolling	Hall, Ralph	Paul
Bonker	Hance	Pritchard
Brown (CA)	Huckaby	Rangel
Byron	Jenkins	Savage
Crockett	Jones (NC)	Shumway
Daniel, R. W.	LeBoutillier	Smith (OR)
Daschle	Leland	Smith (PA)
Dornan	Lowery (CA)	Solomon
Dunn	Madigan	Stark
Fazio	Martin (NY)	Vento
Florio	Mattox	White
Forsythe	McCloskey	Wilson
Ginn	McDonald	Zablocki

□ 1330

So the motion was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I take this time for the purpose of inquiring of the majority leader as to the schedule for the balance of the week and for next week.

I would be happy to yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

Mr. Speaker, the plan is, we shall take up immediately, after some other preliminary business, I think, a unanimous-consent request by the chairman of the Committee on Agriculture.

We shall take up the Interior Department appropriation conference committee report.

We hope to complete that today. We plan to complete that today.

There remains no business ripe for our action following the completion of that report. It had been hoped originally that the conference committees on the social security bill would have met as planned this morning and that we would have the social security conference report tomorrow. But this morning Senator DOLE, the chairman of the conferees on the Senate side, informed our chairman, the gentleman from Illinois (Mr. ROSTENKOWSKI) that he could not meet today and would have to postpone that conference meeting until Monday. Therefore, the social security conference will not be ready tomorrow, and we will have a pro forma session tomorrow.

On Monday, we will meet at noon and will consider the continuing appropriations resolution, fiscal 1982, subject to the granting of a rule. The Rules Committee will have to be meeting tomorrow in order to grant that rule, inasmuch as the unanimous-consent request to consider that bill, which was offered by the distinguished chairman, the gentleman from Mississippi (Mr. WHITTEN), was objected to. Therefore, the continuing appropriations, we assume, will be ready, a rule having been granted, for our consideration on Monday.

On Tuesday, we meet at noon. We have a Private Calendar, then six bills scheduled for consideration under suspension. They are, as enumerated:

H.R. 4500, pilot program extentions;

H.R. 4793, Federal physicians comparability allowance extension;

H.R. 4879, International Banking Facility Deposit Insurance Act;

H.R. 4515, remove certain limitations on FNMA and FHLMC purchase authority;

H.R. 4482, establish a U.S. Circuit Appeals Court and a U.S. Claims Court; and

H. Con. Res. 203, TVA bill.

Thereafter, we will consider the conference report on the defense authorization bill, subject to the granting of a rule on that bill.

We would anticipate that votes on Tuesday would occur at approximately 4 p.m.

On Wednesday and for the balance of the week, the House will meet at 10 a.m.

We would encourage Members to think in terms of a probable session on Friday of next week, inasmuch as there is still a certain amount of activity remaining before we can adjourn for the Thanksgiving district work period.

□ 1345

We have to pass the Defense Department appropriations, or we hope to do so. We have to pass the continuing resolution because the deadline on the existing resolution expires on the 20th. We hope to act upon a bill to authorize the U.S. participation in implementing the Egypt-Israeli Peace Treaty. So, that is it insofar as we are able to project the program at this moment.

Of course, conference reports may be brought up at any time, and it is conceivable that we might be able to take action on the energy and water appropriation conference as well as upon the District of Columbia appropriations conference, but that is not known at this time.

Adjournment times will be announced individually from day to day. When the House has completed its business for the week, it will adjourn for the Thanksgiving week recess and the district work period, and will reconvene at noon on Monday, November 30.

Mr. LOTT. I would like to ask the gentleman a couple of points for emphasis, and then others for information. We will not, then, have any votes tomorrow, but strictly pro forma. But, the gentleman does anticipate a vote or votes on Monday, is that correct?

Mr. WRIGHT. The gentleman is exactly correct. Tomorrow will be a pro forma session; no votes tomorrow. We do definitely expect to have votes on Monday next, on November 16. We expect to have a vote on the continuing resolution, continuing appropriations for fiscal year 1982.

Mr. LOTT. I would like to inquire of the distinguished majority leader, what has happened to the agricultural appropriations conference report? There is a lot of interest in that conference report. I understand the conference has been completed and it was on the schedule for today. There was some talk that it would come up tomorrow. Then, it was on a tentative schedule for next week, on Tuesday, but it has disappeared from there, too. Do we have any idea whether the Agriculture appropriations conference report might come up, if at all, or if there is some problem?

Mr. WRIGHT. There is no disposition on the part of the leadership to delay, most certainly. Perhaps the gentleman would like to yield to the distinguished chairman of the Appropriations Committee, Mr. WHITTEN.

Mr. LOTT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. There are two reasons involved. One of them, I do think it would be much better if we had an agreement on the farm bill, before the appropriation bill

The other conference, I understand, has been adjourned until next week. That is maybe not all that important. The primary reason is this continuing resolution, which covers the whole Government, and where we are trying our best to get it to the Senate and give them a week to deal with it. We need to devote full time and attention for the time being to finalizing this essential measure.

The chairman in the Senate believes, as well as myself and others, that as important as the Agriculture appropriations bill is, since it like other bills are covered by the continuing resolution, I thought it just better to be free to deal with the continuing resolution, which is of prime importance, until the others can be taken care of and we can get an agriculture bill through the Congress and to the President.

Mr. LOTT. Is the Chairman saying it is not anticipated that we would have the agriculture appropriations bill up next week?

Mr. WHITTEN. It is anticipated that we will bring it up as soon as we can get these other more pressing matters out of the way, but it is pretty hard to do it all at once, particularly since the continuing resolution deals with all 13 subcommittees, and the continuing operation of Government.

Mr. LOTT. So it could be next week, but the gentleman does not know for sure?

Mr. WHITTEN. It could be. I will try to give ample notice, but I do not know whether they will get together on the legislative bill, and it would be a whole lot better to know what the bill might be. As the gentleman knows, we have to anticipate many things.

Mr. LOTT. One final question. On Tuesday we have five, I presume, relatively noncontroversial suspensions that are listed here. I would assume that we will be through with the Private Calendar and those suspensions in a couple of hours or three at the most. But, I notice the votes would be delayed until approximately 4 o'clock. Is there some explanation as to why we would want to delay? If the Members are going to have to come back in there for votes and to be here Tuesday, or recess subject to the call of the Chair for 1 hour, or what is happening?

Mr. WRIGHT. I would suggest to the gentleman that experience dictates a prudent course. Once the gentleman from Texas (Mr. WRIGHT) was playing center field, and he thought "Well, that fellow is going to hit that ball and he can't hit it much beyond the shortstop, so I will play up real close."

But, he did, and I missed the ball and was embarrassed by the whole thing. Therefore, rather than suggesting that we might vote at 2 o'clock and take an optimistic view, I am suggesting that we might reasonably expect that those votes would occur at approximately 4 o'clock on Tuesday. I just regard it as prudent planning.

Mr. LOTT. I think you struck on that question, majority leader.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. PEPPER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight Friday, November 13, 1981, to file certain privileged reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. WALKER. Mr. Speaker, reserving the right to object, can the gentleman tell me whether one of those privileged reports has to do with the continuing resolution? Would one of those privileged reports have to do with the continuing resolution?

Mr. PEPPER. The subject of the Rules Committee meeting and hearing tomorrow is House Joint Resolution 349, from the Foreign Affairs Committee to authorize U.S. participation in the implementation of the treaty of peace between Egypt and Israel; House Joint Resolution 357, the continuing appropriation, to which the majority leader has just alluded; third, the conference report on S. 815, the Department of Defense authorization, from the Armed Services Committee. I understand the holding of the hearings in respect to the appropriations is dependent upon the application of the chairman of the Appropriations Committee for the rule.

Mr. WALKER. Reserving the right to object, Mr. Speaker, I would have no objection to any of the reports except for the one on the continuing resolution. I would be constrained to object to that one. If the gentleman wants to separate out that one, then I would not object. Otherwise, I will have to object to the whole request.

Mr. PEPPER. The gentleman does not object?

Mr. WALKER. I will object to the whole request if the continuing resolution is included in that. What I am suggesting to the gentleman, if he wants to separate out the other measures other than the continuing resolution I will not have any objection to those, but I do object to the continuing resolution.

Mr. PEPPER. Our committee does not have the determination of how the continuing resolution is ordered. That will come from the chairman of the Appropriations Committee, and I assume he contemplates the kind of continuing resolution the majority leader referred to a moment ago.

Mr. WHITTEN. May I say it was reported out by voice vote.

Mr. WALKER. Reserving the right to object, what I am saying to the gentleman is that in terms of his request, I will object to the whole request if it includes the continuing resolution. If it does not include the continuing resolution, if he takes that one out, I will allow the others to go through under unanimous consent, and if the gentleman wants to separate his request, that is fine. If not, I am going to object to the whole request.

Mr. PEPPER. Would the able gentleman hear the chairman of the Appropriations Committee before he interposes an objection?

Mr. WALKER. Reserving the right to object, I will be glad to yield to the gentleman from Mississippi.

Mr. WHITTEN. What I said when I made the earlier request, and the gentleman's position was understood by me, I had just been approached by a whole lot of Members who wanted to be sure it came up, so we approached it that way. I talked to my counterpart on the Appropriations Committee. We also had discussed it the other day with the leadership on both sides. The reason we came back is so that these matters could be considered, but then when they asked me to try to expedite it further for the reasons I stated when I made the request, I acceded and asked unanimous consent, at which time it was objected to, and I understand.

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. PEPPER. May I just say to the able gentleman, the committee is not disposed to separate these three subjects that we have scheduled for the hearing tomorrow. Now, the objection of the gentleman leaves us with the alternative of either requesting unanimous consent tomorrow to bring out the continuing resolution appropriation, or asking the leadership to keep the House in session tomorrow until we can bring from the Rules Committee the privileged reports on the matters I discussed earlier. I would hope maybe that the able gentleman might not wish to indispose his colleagues, that he might perhaps not be willing to interpose his objection.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield.

Mr. ROUSSELOT. Well, the gentleman can separate the one out from the other three, could he? Why not? We are not the ones holding it up. The gentleman is.

Mr. PEPPER. Well, it all depends on how you look at it.

Mr. ROUSSELOT. OK, that is fine.

HOUR OF MEETING ON FRIDAY, NOVEMBER 13, 1981

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on tomorrow, Friday, November 13, 1981.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR SPEAKER TO DECLARE RECESS ON FRIDAY, NOVEMBER 13, 1981

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker to declare recesses at any time tomorrow, Friday, November 13, 1981.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WALKER. Mr. Speaker, reserving the right to object——

The SPEAKER pro tempore. The objection comes too late. The gentleman was not on his feet.

DESIGNATING U.S. DEPARTMENT OF AGRICULTURE BOLL WEEVIL LABORATORY BUILDING, STARKVILLE, MISS., AS "ROBEY WENTWORTH HARNED LABORATORY"

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 1322), to designate the U.S. Department of Agriculture Boll Weevil Research Laboratory building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Department of Agriculture Boll Weevil Research Laboratory building, located adjacent to the campus of Mississippi State University, Starkville, Mississippi, shall hereafter be known and designated as the "Robey Wentworth Harned Laboratory". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be held and considered to be a reference to the "Robey Wentworth Harned Laboratory".

SEC. 2. (a) The Act of October 20, 1981 (Public Law 97-67), is amended by striking out "November 15, 1981" in the first section and inserting in lieu thereof "December 31, 1981, or the date of enactment of S. 884, the Agriculture and Food Act of 1981, whichever is earlier".

(b) The last sentence of section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out "November 15, 1981" and inserting in lieu thereof "January 1, 1982".

(c) Section 343 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1343) is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for cotton for the marketing year beginning August 1, 1982, may be conducted not later than the earlier of the following: (1) thirty days after adjournment sine die of the first session of the Ninety-seventh Congress, or (2) January 1, 1982.".

● Mr. DE LA GARZA. Mr. Speaker, S. 1322 designates a U.S. Department of Agriculture boll weevil research laboratory at Mississippi State University as the Robey Wentworth Harned Laboratory.

This bill is emergency legislation because of other provisions that were added on the floor of the Senate to delay and increase in the milk price support level that would otherwise become effective on November 16, and extend the time for conducting the wheat and cotton referendum that is required by permanent law for the 1982 crop in the absence of any new legislation.

The reason for taking action today is that the provisions of law which would be delayed by S. 1322 are provisions which would be superseded by new legislation contained in the farm bill which is now in conference. As you know, both the House and Senate con-

ferees have met a number of times over many hours and have made great progress in a attempt to reach agreement on the many issues contained in the farm bill. However, looking at the calendar, it seems quite obvious that we will not have a farm bill signed into law by November 15 and accordingly, find it necessary to take this action today. S. 1322 would extend the relevant dates from November 15, 1981, until January 1, 1982, or the date of enactment of the farm bill, whichever is the earlier. An earlier extension was adopted in Public Law 97-67 which extended until November 15, the date for the increase in the milk price support program and the time of the wheat referendum.

I am pleased to be able to report to the House that the conferees on the 1981 farm bill have reached tentative agreement on the dairy provisions of that bill. Under that agreement, the support price for milk for the current marketing year ending September 30, 1982, would remain at the present level of $13.10 per hundredweight. That was the level under both the House and Senate versions of the bill.

In view of that, it simply makes no sense to allow the milk price support level to go above $13.10 per hundredweight to 75 percent of parity under the law now in effect for a short period of time and then to have to lower it back to $13.10.

If the support price is allowed to increase to 75 percent of parity on November 15, the Government would have to purchase milk from handlers at some 40 cents above the $13.10 level.

This would not benefit dairy farmers, but would cause confusion and serve to invite abuse of our dairy price support program. If the support level adopted by the conferees is finally enacted, the price the Government pays handlers would then revert back to the $13.10 level. Because of the buyback provisions of the dairy program, these handlers will be able to purchase what they sold at $13.49 at 110 percent of $13.10, that is, $13.23. This will result in a 26 cents per hundredweight windfall to those handlers—plus the storage costs.

S. 1322 also amends section 336 of the Agricultural Adjustment Act of 1938 to extend from November 15, 1981, to January 1, 1982, the date by which the Secretary is required to conduct a referendum of eligible wheat producers to determine whether they favor establishment of a national marketing quota for wheat for the marketing year beginning June 1, 1982.

The original date for conducting such a referendum, August 1, 1981, was delayed to October 15, 1981, by Public Law 97-67.

With regard to the wheat referendum, as I pointed out, the farm bill cannot be enacted before November 15, 1981—the current date for the referendum. Extending this date to January 1, 1982, would prevent a costly and unnecessary exercise. The Department of Agriculture estimates the cost to be about $4 million.

Also, Mr. Speaker, the same principle applies to a similar referendum of eligible cotton producers which the Secretary will be required to conduct by December 15, 1981. Extending that date to January 1, 1982, at this time could save a potentially necessary effort to do that later this year if any kind of unforseeable impasse should result in the new farm bill not being enacted by December 15, 1981.

I urge adoption of this legislation.●

● Mr. WAMPLER. Mr. Speaker, I rise in support of the passage of S. 1322, a bill which would hold milk price supports at current levels through December 31, 1981, that would delay the wheat referendum, which has already been extended through November 15, 1981, to January 1, 1982; and would delay the cotton referendum called for in section 343 of the Agriculture Adjustment Act of 1938 from December 15, 1981, to January 1, 1982.

The Senate obviously has already acted on this matter and attached an amendment to this effect to S. 1322, this bill that would designate a boll weevil research laboratory building in Starkville, Miss., as the Robey Wentworth Harned Laboratory.

I would point out to my colleagues that if we do not take this action that milk price supports will rise from $13.10 per hundredweight to approximately $13.49 per hundredweight and will substantially increase the cost of the dairy price support program. We are in a conference on the farm bill and have tentatively resolved the dairy issue which calls for a price support of $13.10 per hundredweight for fiscal year 1982. So the action we take here today is the tentative action we have taken in the conference on this issue.

Meanwhile, we do in fact intend to move as swiftly as possible on the farm bill in conference, but there is no question but that it will be necessary to extend the dates for the wheat and cotton referendums so that we will have adequate time to get the farm bill passed and signed into law before we can conduct either referendum.

The action we take with respect to the wheat referendum will save approximately $4 million, and the cost of the cotton referendum were it to be conducted would be substantial. It does not make good sense to proceed with either of these referendums when it is highly likely that we will have a farm bill prior to the first of the new year.

I strongly urge my colleagues to support this measure. It is a money-saving economy measure which accords with the action we are taking in the conference on the farm bill, and I assure my colleagues we are working long and hard on this conference. We met yesterday on the Veterans Day holiday, and we are meeting today and tomorrow to see that we can conclude this conference as soon as possible. However, we do need to take this action which is contained in the amendment to S. 1322, and I urge you to support it.●

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 4035, DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR ENDING SEPTEMBER 30, 1982

Mr. YATES. Mr. Speaker, I call up the conference report on the bill (H.R. 4035) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of November 5, 1981.)

The SPEAKER pro tempore. The gentleman from Illinois (Mr. YATES) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. MCDADE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I bring to the House the conference report on the fiscal year 1982 appropriations bill for the Department of the Interior and related agencies. It is a good bill, Mr. Speaker. It is a realistic bill. It is a bill that incorporates the funding needed for the operations for the Department of the Interior and the agencies within the bill, with the realization of the fiscal restraints that this time calls for.

I want to pay my tribute to my good friend, the ranking minority members JOE MCDADE, for his superb work on this bill, and for all his work in the conference. I want to pay my tribute as well to the other members of the subcommittee, both Republican and Democratic, who cooperated in drafting the conference report.

This bill represents a compromise with the Senate that was a result of tough, hard bargaining. The chairman of the Senate subcommittee was in constant touch with the task force which met on so many occasions with

the Republican congressional leadership, with OMB, and with the White House in reviewing cuts recommended in the so-called September OMB budget, and that budget was always in the background of our discussions. We came to the same conclusions that the budget task force did, that the Stockman September budget was unrealistic and was unacceptable unless one is willing to accept figures without reference to facts. As our good friend, Dave Stockman said yesterday, according to the press, "None of us understands what's going on with all these numbers."

Mr. Speaker, these are the numbers that are pertinent to the conference report:

The conference statement that we bring to the Members provides $7,541,651,000 in new budget authority. This is $3,598,076,000 below the bill approved by the House—a substantial number, Mr. Speaker. It is $188,194,609 above the Senate bill.

□ 1400

When the House bill is adjusted for taking funds for the strategic petroleum reserve and timber purchaser credits off budget, this report is still $171 million—I want the Members to listen to this—this report is still $171,534,000 under the amount passed by the House, and it is $1,135,422,000 over the comparably adjusted budget estimates as of September 30, 1981. That is the so-called September budget that was promulgated by OMB 2 months after this House passed the bill.

It is also important to note that this is $675,345,000 below the Interior Subcommittee's section 302 allocation under Gramm-Latta. It is $675 million below that allocation. And that was the guide that we received from the House of Representatives and from the Congress that we were to proceed by in connection with our bill.

When the 302 allocation is adjusted for the fact the conference agreement takes the timber purchaser credits off budget, the adjusted allocation becomes $7,974,458,000, and the conference agreement is $432,807,000 below the adjusted allocation. It is almost half a billion dollars under the 302 allocation. That is an important figure.

An equally important figure is the one that shows the receipts that come into the Treasury under this bill. Seventeen billion dollars in receipts comes into the Treasury under this bill. I say that so that those who intend to make a case against this bill will realize that this bill brings into the Treasury approximately $15 billion over the amount that the bill is over the September budget.

Mr. Speaker, this has been an amazing and a difficult year for the Appropriations Committee. We hold our hearings on the President's budget recommendations; and we waited this year until the new President presented his budget after we had started our hearings on the Carter budget. We waited, and then the Budget Committee, for the second time in our history since the Budget Act was approved into law, came back with a reconciliation provision in the first budget resolution, and we were bound by that. Then we had to wait until the authorizing committees reconciled their legislative totals with the reconciliation.

But Gramm-Latta as enacted provided for $770 billion. That was the overall Gramm-Latta level. That level was then divided among the subcommittees of the Appropriations Committee of the House, and our subcommittee received a level to which we had to adhere. As I stated to the House before, this bill is $432.8 million below that level.

We thought the rules had been set by the Gramm-Latta budget resolution. They were new rules; they had not been tried before. Well, we presented our bill to the House last July, and we were well within the 302 level, as we were required to be, except for the strategic petroleum reserve which Gramm-Latta had taken off budget.

The total amount of this conference report is below the 302 level. We have complied with the law.

I received a call from OMB on Tuesday. OMB says it is opposed to this conference report. OMB had told us when we brought the bill to the floor in July that it was opposed to the bill at that time, and the House knew it at that time and approved our bill by a vote of 358 to 46.

The fact is that now OMB has forgotten the Gramm-Latta resolution. The subcommittees of the Appropriations Committee are bound by it. OMB says it is not bound by it; it has a new budget to which it says we have to adhere.

Well, even the task force of the White House and the Republican leadership have not agreed with the OMB budget. They cannot agree with that budget. They have not been able to come to an understanding as to how much they should ask for in cuts, and yet OMB says that we should recognize the budget that they presented.

Let us look at what happened to this bill as it went ahead chronologically. Why are we over budget?

At the time we passed our bill, on July 22, the bill was $79 million below the budget proposed by President Reagan. It was $79 million under that budget which President Reagan had sent to the Congress. On September 30, 1981, 10 weeks after the bill had passed the House, the President submitted his second budget to the Congress. That budget for this bill was $1.4 billion below the bill that the House had passed.

Ten weeks after we had passed our bill, OMB came forward with this new budget and said, "You should have paid attention to our budget," even though we did not know at the time we passed our bill what that budget was.

The Senate, on October 27, 3 weeks after the September 30 budget had been announced by OMB, passed its version of the bill by a vote of 87 to 8, and their bill was $947 million over the September 30 budget estimate.

I would observe that the Senate took 6 weeks to cut $160 million out of the amended request, not $1.4 billion as had been requested by OMB. And I might say in passing that the chairman of the Senate subcommittee was a part of the task force. He knew about the OMB resolution, and yet there was little attention paid to it in the amounts approved by the Senate.

Mr. Speaker, the conferees met last Wednesday, and we resolved the differences between the two bodies. The report we bring today—and it is a good report, I repeat—is the product of that conference. It is $171,534,000 below the bill passed by the House. It is $171 million below the bill that the House approved the last time it was before the House. It was approved by the Senate by a vote of 87 to 8.

The truth is that it is becoming clearer every day—and this is the reason for OMB's predicament—that the President's tax bill simply cut too much out of the revenues of the Treasury, and the Treasury does not have the money and it will not have the money to pay the Government's bills. Personally, I think we ought to defer some of the tax benefits that were voted in that bill, and I would be happy to vote against those. I note that some of the big corporations in the country are having a ball with just one "goodie" in that bill. IBM is buying Ford's tax losses for a couple of hundred million dollars, thereby reducing the taxes it would have to pay the Treasury. Occidental Petroleum is selling some of its depreciation benefits to another giant to reduce its taxes. It is no wonder that the Treasury is short of money.

Let me emphasize again that this bill will not cost the Treasury the amount of money that is in the overage, the amount that is over the budget. On the contrary, the conference report will provide more than $15 billion as a surplus in receipts to the Treasury.

Mr. Speaker, I suppose that we might have done more to meet the new OMB budget if, for example, we had closed the national parks, if we had slammed the gates on the national parks. But that does not make much sense when more Americans than ever before in our history are visiting the national parks.

We went the other way. We put money in the bill over the budget be-

cause we thought that the American people who were visiting the parks were entitled to a safer and more enjoyable reward as they visited the parks. We put funds in the bill for that purpose.

I suppose we could have closed the fish hatcheries throughout the country. We could have stopped stocking the rivers and the lakes with salmon and steelhead and trout and bass and all the other fish that the Fish and Wildlife Service produces.

My staff told me that it had received a call Tuesday from the office of the gentlewoman from Nebraska (Mrs. SMITH) wondering or inquiring if a hatchery in Nebraska had been closed. The budget would have closed that hatchery. It would have closed them in Georgia, it would have closed them through all the Southern States, throughout the country, but we do not think the American people want that. So in this agreement, they are open. We think it is important that our rivers be kept clean, and that they be well stocked with fish so the American people can enjoy their natural resources.

In passing, I want to pay my tribute to the gentleman from Massachusetts, Mr. SILVIO CONTE. I saw in the Smithsonian magazine the other day that Atlantic salmon are coming back in the Connecticut River. We can thank the gentleman from Massachusetts for going ahead with his above-budget fights to put the salmon back into that river, to restore that beauty of nature to New England.

Or, Mr. Speaker, we could have stopped the reforestation program, as another example. Ten years ago this committee dedicated itself to making sure that for every tree cut a new one would be planted. And we put enough money in our bill above the budget, may I say, to establish a 10-year reforestation program to replace the forests that are burned out by fire or that are crosscut by loggers' saws.

To omit these funds did not make any sense to us. We went over the budget in this bill to harvest the lumber, to begin the harvest of the lumber that now lies on the slopes of Mount St. Helens that was cut down when that volcano erupted. We have taken steps to save that timber because we think it is only good husbandry to do that so that the timber is not destroyed by insects or by fire or by other hazards. Moreover, that timber that is cut brings receipts into the Treasury, and we thought that, yes, there will be a day when high interest rates come down and we would need lumber in the future for a revived housing industry, with lower prices for timber because of the increased timber cuts that our committee had approved.

Mr. Speaker, let me say what else we might have done. We might have done to the Indians what so many generations of Americans had done to them for decades in the past, for almost a century, degrading them, ignoring them, and depriving them of funding to educate their children, to protect their resources, and to provide for their health. For some strange reason, for years OMB has refused to provide funds for schools that were unsafe and for health clinics that were so decrepit as to be nonusable.

Since I have been chairman of this subcommittee, with my good friend, the gentleman from Pennsylvania, Mr. JOSEPH MCDADE, the ranking minority member, we have tried to meet the problems of native Americans and to remedy in some measure the wrongs that have been done to them for decades, and we decided against continuing those wrongs. For example, in this bill, as we have in earlier bills, we put money in the budget to take care of the Indian children who were 100 percent unhoused. We have money here for two schools. There are extra funds in this bill to build only two schools, and there are many that should be built for the Indian children. OMB provided no money in its budget for any Indian schools.

I could go on and on to point out places where we went over the budget to do what we thought was good for America, for the conservation programs, for instance. For energy, for example, we provide funds to make us less dependent on Sheik Yamani of Saudi Arabia and his partners in OPEC for our oil needs. Yes, we are making progress in cutting down oil consumption in this country. That is one reason we have an oil glut now, and this committee's funding in past years for the Department of the Interior has helped toward that goal.

But OMB recommended relatively little funds in this budget for the conservation program, and we went over the budget to try to keep the program built up because we can see that a barrel of oil saved is a barrel of oil that we do not have to buy.

□ 1315

In sum, Mr. Speaker, our committee could have been as slavishly devoted to the account books as OMB. Important as that is, we could have done that without exercising our legislative judgment, without taking account of the actual conditions within the areas of funding responsibility that this committee has.

But we thought other things were more important, that there were higher purposes for this great, beautiful country of ours than worrying about a few less dollars when it comes to making the lives of Americans a little richer. And yes, to make their pocketbooks a little richer, too, for this bill pays its way. This bill provides funds for the Treasury over and above the overages that are here, $17 billion in receipts.

I notice in yesterday's paper, Mr. Speaker, that in his press conference the President said that he would veto any budget-busting bill the Congress sent to him, and I suppose he is talking about this bill, among others, because, as I said, this bill is $1 billion over the budget.

But I say to the President: this is not a budget-busting bill. Before he puts his pen to any veto, I would hope he would remember that this is a moneymaking bill for the Treasury, $17 billion worth, and capable of making more.

Mr. Speaker, I suggest, too, that the President remember his visits to the beautiful forest of Camp David on weekends and to his bodybuilding and soul-healing ranch in the mountains of California as he considers this bill. We hope he continues those trips because we wish him well and we want him to relax from the enormous pressures and tensions of his job and to build himself up. But I would hope the President would remember that Camp David, which he enjoys so much, is in the Catoctin National Park and that this bill gives the people of America the same opportunity, a similar opportunity, to enjoy themselves in the national park too, with their children, to ride, or to backpack in the majesty of the mountains at Grand Teton or the Rockies, or to enjoy the clear streams in our national forests, or to bring their children to view the wonders of Yellowstone or Yosemite.

Also in this bill we foster the tradition that was established by another President, a Republican President, about 100 years ago to set aside and to develop the national treasures of this Nation, our national heritage, to be enjoyed by our children and our children's children. That is what this bill does.

Can this rich, powerful, and wonderful country of ours afford to pay for this bill for the people's national heritage? I think so. I am sure the American people think so, too. That is why I asked for your support for this bill, for your vote, because this is a nonpartisan bill.

I see the gentlewoman from New Jersey (Mrs. FENWICK) on the floor. She and I were talking about New Jersey the other day, about the Pinelands that are such an excellent cooperative adventure between the Federal Government and the States. We put $6 million in this bill at the request of Governor Byrne of New Jersey because it is such a good idea. That is above the budget.

Again, Mrs. FENWICK and I were talking about the aquifers below the surface in New Jersey and how there the possibility exists of their being despoiled as a result of what is happen-

ing in the development of the State. The Geological Survey receives funds in this bill to protect that aquifer and every aquifer throughout this country. That is why I say this is a bill you can be proud of. This is a bill you can support, because you can take pride that in voting for this bill you will vote for America the beautiful.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I rise to compliment the gentleman and to thank him for a tremendous job. I am chairman of a subcommittee, too, and I know that problems can confront, especially in view of the fact that the gentleman has obtained a bipartisan coalition and recognizing the basic responsibilities as the gentleman has so eloquently pointed out in these very sensitive areas.

I really, sincerely want to congratulate the chairman of this committee for this excellent job. I intend to support the gentleman's recommendations.

Mr. YATES. I thank the gentleman.

Mr. GONZALEZ. I also had a question. That is with respect to the Bureau of Indian Affairs and the housing program. Am I correct in saying that the House prevailed in its views in that respect?

Mr. YATES. The gentleman is correct. I am glad the gentleman brought that up.

Because of a strained situation that pertains in the funding of Indian housing programs, another subcommittee of the House approves funding for construction of housing for the Indian people. For some strange reason that committee does not have jurisdiction over funding the sanitation facilities and OMB puts in neither of the bills that come before the subcommittee for those sanitation facilities. If this committee did not go over the budget, I think it is about $29 million that we put into this bill for sanitation facilities, those houses would be out there useless, just empty shells. But we have provided the money in this bill over the budget to make sure that the Indian people have dwellings that they can enjoy and that the money that has already been invested in the construction will not be lost.

Mr. GONZALEZ. I thank once again the gentleman and congratulate the chairman.

Mr. YATES. Mr. Speaker, there are several instances where the statement of the managers does not fully explain the actions of the conferees. The following information supplements the statement of the managers:

Amendment No. 20: The correct amount for the headquarters security system in Indiana Dunes NL is $50,000 rather than $500,000 as printed in Statement of the Managers.

Amendment No. 28: The managers expect that the recommendation of no state funding in fiscal year 1982 will be a one year moratorium. We recognize the value and importance of the program and expect the Administration to submit a budget request for State assistance in fiscal year 1983.

The managers urge the National Park Service to use any available deficiency account funds, or reprogram other available funds, in addition to the $6,150,000 provided herein to pay promptly court awards resulting from condemnation proceedings at Big Cypress NP, Florida.

The following tables provide a summary of the Land and Water Conservation Fund along with a listing of Federal acquisitions by agency:

LAND AND WATER CONSERVATION FUND SUMMARY

[In thousands of dollars

	March Budget	House	Senate	Conference
Bureau of Land Management	307	1,137	2,300	3,137
Fish and Wildlife	1,139	18,039	8,000	17,178
Forest Service	8,600	35,989	15,120	27,356
National Park Service	30,264	87,778	69,700	97,083
Pinelands	126	8,126	4,126	6,126
State Assistance			100,000	
State Administration	4,564	4,564	2,282	4,564
Total	45,000	155,633	201,528	155,444
Lake Tahoe			7,000	
Total	45,000	155,633	208,528	155,444

LAND AND WATER CONSERVATION FUND

[In thousands of dollars]

	March Budget	House	Senate	Conference
Bureau of Land Management:				
Acquisition management	307	307		307
King Range RCA		700		700
Pacific Crest Trail		130		130
Yaquina Head ONA			2,000	2,000
Emergency acquisition and deficiencies			300	
Total, Bureau of Land Management	307	1,137	2,300	3,137
Fish and Wildlife:				
Acquisition management	1,039	1,039		1,039
Alaska Maritime NWR		2,000		2,000
Yaquitopminnow Habitat, Ariz			850	850
Bon Secour NWR, Ala		3,500		3,500
San Francisco Bay NWR		1,700		1,000
Tensas River NWR, La		5,000	5,000	5,000
Bogue Chitto NWR, La, Miss		2,000	2,000	2,000
California condor habitat, Calif		1,199		1,199
Trustom Pond NWR, R.I		591		440
Emergency and inholdings	100	1,010	150	150
Total, Fish and Wildlife	1,139	18,039	8,000	17,178
National Park Service:				
Allegheny Portage and Johnstown		500		500
Appalachian Trail		5,000	8,000	2,800
Big Cypress NP		500	12,300	6,150
Biscayne NP		5,000	2,500	2,000
Buffalo River			2,200	2,200
Channel Island NP		4,000		4,000
Chattahoochee River			14,500	14,500
Cumberland Island NS		10,000	10,000	10,000
Cuyahoga Valley NRA		5,000		5,000
Delaware Water Gap NRA		1,000	1,500	1,000
Ebey's Landing NHR		2,100		2,100
Fort Sumter NM		383	400	383
Golden Gate NRA (Sweeney)		10,000	10,000	10,000
Indiana Dunes NL		2,400		2,400
Jean Lafitte NHP		2,500	2,500	2,500
Lower St. Croix			1,000	1,000
New River Gorge			4,000	2,000
Redwood NP-litigation		3,000		3,000
Santa Monica Mountains NRA		10,395		5,000
San Antonio Missions		1,400		1,400
St. Croix WSR			500	500
Upper Delaware SR		600		600
Valley Forge NHP			4,000	4,000
Virgin Islands NP			3,550	3,550
War on the Pacific NHP		2,000		
Acquisition management	8,500	8,500		8,500
Deficiencies	20,933	5,000	10,250	1,000
Inholdings		5,000		1,000

LAND AND WATER CONSERVATION FUND—Continued

[In thousands of dollars]

	March Budget	House	Senate	Conference
Slippage			−17,500	
A/Sec. FWP	831			
Subtotal	30,264	87,778	69,700	97,083
Pinelands NR	126	8,126	4,126	6,126
State assistance			100,000	
Administration of State program	4,564	4,564	2,282	4,564
Subtotal	4,690	12,690	106,408	10,690
Total, National Park Service and State assistance	34,954	100,468	176,108	107,773
Forest Service:				
Acquisition management	3,989	3,989		3,989
Appalachian Trail		2,179	2,200	2,200
Boundary Water Canoe Area		2,500	2,700	2,500
Lake Tahoe Basin		7,000	(7,000)	7,000
California condor habitat		325	350	325
Kirtland warbler habitat		80	80	80
Habitat management:				
Hoosier NF		360		
Hiawatha NF		50		
Wayne NF		350		
Allegheny NF		88	88	88
Nicolet NF		204	202	204
Sawtooth NRA			4,000	4,000
Spruce Knob-Seneca Rocks			1,300	1,300
Other high priority NRA		5,000		500
Middle Fork Salmon WSR			300	300
Eleven Point WSR			2,500	1,500
Other high priority WSR		3,000		500
Daniel Boone NF rec. comp			300	300
Nicolet NF rec. comp			500	500
Other high priority rec. comp		9,864		1,570
Deficiencies and inholdings	4,611	1,000	600	500
Total, Forest Service	8,600	35,989	15,120	27,356

Amendment No. 77: The managers note the contribution which helicopter logging has made to the harvest of forest products, particularly in areas which are environmentally sensitive and in salvaging timber that would otherwise be lost. It urges the Forest Service to consider the possibility of a program of helicopter logging within its overall management plans and as a fire-fighting tool.

The managers are aware of the concern with the Federal Prison Industry backlog and its effect on various Forest Service activities, as well as Department of Interior agencies. The managers expect the Forest Service to work closely with the FPI, as the various Interior agencies are, to reduce the backlog. If these efforts do not result in better service, the Committee will support legislative relief in fiscal year 1983.

Amendment No. 80: The managers agree with the Senate's concern over the Forest Service's failure to provide a consistent approach to the development and maintenance of the private air tanker fleet and the potential consequences of continuing this trend. Therefore, the Forest Service is directed to provide for at least the same level of service through air tanker contracts for the 1982 fire season as it provided for the 1981 fire season, which involved 44 air tanker contracts.

The managers further agree that the Forest Service should identify separately and justify the amount initially budgeted for air tanker services in its fiscal year 1983 and subsequent budget requests. The managers intend for this to result in development of a consistent long-range approach which will realistically enable the Congress to oversee, and the public to have a reliable expectation of, adequate air tanker fire protection.

Finally, the managers understand that existing contracting authority is sufficient, without the actual transfer of funds be-

tween budget categories, to enable the Forest Service not only to renew the present contracts, but also to contract for additional air tankers when conditions warrant.

This is to ensure that the critical availability of air tanker fire fighting services is determined by resource needs rather than competing internal budget considerations of the agency.

Amendment No. 99: The managers agree that Georgetown University will receive $1,500,000 to begin construction of cogeneration capability for its fluidized bed boiler.

Amendment No. 103: The managers agree that the $5,000,000 for the coal conversion program is to be used not only for the completion of outstanding prohibition orders, but also for the processing of prohibition orders for additional plants for which utilities submit the necessary certification under section 301 of the Powerplant and Industrial Fuel Use Act (as amended by the Omnibus Budget Reconciliation Act of 1981). The managers are concerned about the declining staff levels in this program. The $5 million will provide for the program to be maintained at no less than current staff levels, plus funds for outside contractors necessary to help in expeditiously processing new prohibition orders, and such additional personnel necessary for the anticipated workload and to permit the retention of experienced personnel whose valuable expertise is crucial the effectiveness of the program. Congress is concerned that this expertise not be lost and that the necessary level of personnel be maintained.

Amendment No. 127: The following table provides the distribution of funds agreed to by the National Council on the Arts referred to in the Statement of the Managers:

ALLOCATION OF FUNDS FOR NATIONAL ENDOWMENT FOR THE ARTS

Salaries and expenses:	
Artists in school	$5,075,000
Dance	7,992,000
Design arts	4,786,000
Expansion arts	7,316,000
Fellows	101,000
Folk arts	2,829,000
Inter-arts	3,987,000
Regional representatives	969,000
International	126,000
Literature	4,497,000
Media arts	9,632,000
Museums	10,803,000
Music	9,796,000
Opera—Music theater	3,034,000
Research	505,000
Special constituencies	252,000
State arts agencies	22,173,000
Theater	6,928,000
Visual arts	6,834,000
Subtotal, program funds	107,635,000
Administration	11,365,000
Total, salaries and expenses	119,000,000
Matching grants:	
Treasury funds	15,000,000
Challenge grants	15,000,000
Subtotal, matching grants	30,000,000
Grand total, National Endowment for the Arts	149,000,000

Amendment No. 131: The following table provides the distribution of funds agreed to by the National Council on the Arts referred to in the Statement of the Managers:

ALLOCATION OF FUNDS FOR THE NATIONAL ENDOWMENT FOR THE HUMANITIES

Salaries and expenses:	
State programs	$21,177,000
Media grants	8,800,000
Museums and historical organizations	7,200,000
Public libraries	2,760,000
Educational institutional grants	6,036,000
Higher education/regional and national	3,960,000
Elementary and secondary education grants	4,900,000
Endowment fellowships	6,280,000
Other study programs	7,683,000
Research grants	16,360,000
Special projects	8,284,000
Planning and analysis	760,000
Subtotal, program funds	94,200,000
Administration	11,800,000
Total, salaries and expenses	106,000,000
Matching grants:	
Treasury funds	8,400,000
Challenge grants	21,600,000
Total, matching grants	30,000,000
Grand total, National Endowment for the Humanities	136,000,000

Amendment No. 136: The following table provides the distribution of the $12,000,000 appropriated for the Institute of Museum Services:

Operating support grants	$10,580,000
Special project grants	750,000
Museum services board	70,000
Administration	600,000
Total	12,000,000

Mr. Speaker, I include at this point in the RECORD a table comparing new obligational authority recommended in the bill for 1982, and the respective recommendations contained in the House and Senate bills and comparison thereto:

[Fiscal years]

	New budget authority					Conference compared with—			
	Enacted 1981	Estimates 1982	House 1982	Senate 1982	Conference 1982	Enacted 1981	Estimates 1982	House bill	Senate bill
TITLE I—DEPARTMENT OF THE INTERIOR—LAND AND WATER RESOURCES									
Bureau of Land Management:									
Management of lands and resources	406,730,000	252,932,000	295,789,000	367,631,000	370,131,000	−36,599,000	+117,199,000	+74,342,000	+2,500,000
Acquisition, construction, and maintenance	14,768,000	11,310,000	12,720,000	12,370,000	12,720,000	−2,048,000	+1,410,000		+350,000
Payments in lieu of taxes	103,000,000	39,600,000		105,000,000	99,500,000	−3,500,000	+59,900,000	+99,500,000	+5,500,000
Land acquisition		270,000	1,137,000	2,300,000	3,137,000	+3,137,000	+2,867,000	+2,000,000	+837,000
General administration		82,541,000	82,638,000				−82,541,000	−82,638,000	
Oregon and California grant lands (indefinite, appropriation of receipts)	57,500,000	47,775,000	54,988,000	54,988,000	54,988,000	−2,512,000	+7,213,000		
Range improvements (indefinite, appropriation of receipts)	13,500,000	11,880,000	13,500,000	13,500,000	13,500,000		+1,620,000		
Service charges, deposits, and forfeitures (indefinite, special fund)	9,600,000	10,000,000	10,000,000	10,000,000	10,000,000	+400,000			
Miscellaneous trust funds (indefinite)	100,000	100,000	100,000	100,000	100,000				
Total, Bureau of Land Management	605,198,000	456,408,000	470,872,000	565,889,000	564,076,000	−41,122,000	+107,668,000	+93,204,000	−1,813,000
Salaries and expenses	24,585,000		9,755,000		11,194,000	−13,391,000	+11,194,000	+1,439,000	+11,194,000
Office of Water Policy: Salaries and expenses				6,873,000					−6,873,000
Total, Land Water Resources	629,783,000	456,408,000	480,627,000	572,762,000	575,270,000	−54,513,000	+118,862,000	+94,643,000	+2,508,000
FISH AND WILDLIFE AND PARKS									
U.S. Fish and Wildlife Service:									
Resource management	233,430,000	168,507,000	207,235,000	219,328,000	229,531,000	−3,899,000	+61,024,000	+22,296,000	+10,203,000
Construction and anadromous fish	35,397,000	6,355,000	9,475,000	6,611,000	6,961,000	−28,436,000	+606,000	−2,514,000	+350,000
Migratory bird conservation account (definite, repayable advance)	1,250,000		1,250,000	1,250,000	1,250,000		+1,250,000		
Land acquisition		1,002,000	18,039,000	8,000,000	17,178,000	+17,178,000	+16,176,000	−861,000	+9,178,000
National Wildlife Refuge Fund	8,500,000			7,000,000	6,000,000	−2,500,000	+6,000,000	+6,000,000	−1,000,000
General administration		26,517,000	29,208,000				−26,517,000	−29,208,000	

[Fiscal years]

	New budget authority					Conference compared with—			
	Enacted 1981	Estimates 1982	House 1982	Senate 1982	Conference 1982	Enacted 1981	Estimates 1982	House bill	Senate bill
Total, U.S. Fish and Wildlife Service	278,577,000	202,381,000	265,207,000	242,189,000	260,920,000	−17,657,000	+58,539,000	−4,287,000	+18,731,000
National Park Service:									
Operation of the national park system	459,041,000	394,030,000	527,606,000	530,982,000	534,252,000	+75,211,000	+140,222,000	+6,646,000	+3,270,000
National recreation and preservation	15,980,000	11,488,000	13,088,000	12,688,000	12,888,000	−3,092,000	+1,400,000	−200,000	−200,000
Urban park and recreation fund	1,000,000	.....	10,000,000	.....	8,000,000	+7,000,000	+8,000,000	−2,000,000	+8,000,000
Land and Water Conservation Fund (indefinite)	288,593,000	.....	.....	.....	.....	−288,593,000	.....	.....	.....
(Increase in limitation)	(413,000)	.....	.....	.....	.....	(−413,000)	.....	.....	.....
Historic preservation fund	26,000,000	4,136,000	26,500,000	26,500,000	26,500,000	+500,000	+22,364,000	.....	.....
Construction	43,367,000	53,434,000	108,771,000	88,721,000	88,721,000	+45,354,000	+35,287,000	−20,050,000	.....
Construction (trust fund) (rescission)	−12,000,000	.....	.....	.....	.....	+12,000,000	.....	.....	.....
Land acquisition and state assistance	.....	30,760,000	100,468,000	176,108,000	107,773,000	+107,773,000	+77,013,000	+7,305,000	−68,335,000
John F. Kennedy Center for the Performing Arts	4,541,000	3,797,000	4,315,000	4,315,000	4,315,000	−226,000	+518,000	.....	.....
Park restoration and improvement	.....	92,400,000	.....	.....	.....	.....	−92,400,000	.....	.....
General administration	.....	33,229,000	31,465,000	.....	.....	.....	−33,229,000	−31,465,000	.....
Total, National Park Service	826,522,000	623,274,000	822,213,000	839,314,000	782,449,000	−44,073,000	+159,175,000	−39,764,000	−56,865,000
Total, Fish and Wildlife and Parks	1,105,099,000	825,655,000	1,087,420,000	1,081,503,000	1,043,369,000	−61,730,000	+217,714,000	−44,051,000	−38,134,000
ENERGY AND MINERALS									
Geological Survey:									
Surveys, investigations, and research	516,201,000	465,984,000	535,561,000	508,703,000	515,151,000	−1,050,000	+49,167,000	−20,410,000	+6,448,000
Exploration of national petroleum reserve in Alaska	107,001,000	2,288,000	2,600,000	2,288,000	2,288,000	−104,713,000	.....	−312,000	.....
Digital cartography	.....	5,310,000	.....	.....	.....	.....	−5,310,000	.....	.....
Total, Geological Survey	623,202,000	473,582,000	538,161,000	510,991,000	517,439,000	−105,763,000	+43,857,000	−20,722,000	+6,448,000
Bureau of Mines: Mines and minerals	142,319,000	124,881,000	143,460,000	151,539,000	151,964,000	+9,645,000	+27,083,000	+8,504,000	+425,000
Office of Surface Mining Reclamation and Enforcement:									
Regulation and technology	89,679,000	56,820,000	66,033,000	60,838,000	60,953,000	−28,726,000	+4,133,000	−5,080,000	+115,000
Abandoned mine reclamation fund (definite, trust fund)	82,485,000	101,400,000	115,227,000	105,335,000	106,335,000	+23,850,000	+4,935,000	−8,892,000	+1,000,000
Total, Office of Surface Mining Reclamation and Enforcement	172,164,000	158,220,000	181,260,000	166,173,000	167,288,000	−4,876,000	+9,068,000	−13,972,000	+1,115,000
Total, Energy and Minerals	937,685,000	756,683,000	862,881,000	828,703,000	836,691,000	−100,994,000	+80,008,000	−26,190,000	+7,988,000
INDIAN AFFAIRS									
Bureau of Indian Affairs:									
Operation of Indian Programs	838,140,000	670,734,000	797,395,000	814,742,581	835,646,000	−2,494,000	+164,912,000	+38,251,000	+20,903,419
Construction	100,182,000	90,376,000	112,619,000	79,282,000	97,529,000	−2,653,000	+7,153,000	−15,090,000	+18,247,000
Road construction	48,625,000	42,741,000	48,800,000	50,816,810	49,125,000	+500,000	+6,384,000	+325,000	−1,691,810
General administration	.....	58,048,000	63,512,000	.....	.....	.....	−58,048,000	−63,512,000	.....
Alaska native fund	30,000,000	.....	.....	.....	.....	−30,000,000	.....	.....	.....
Trust funds (definite)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	.....	.....	.....	.....
Trust fund (indefinite)	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	.....	.....	.....	.....
Eastern Indians Land Claims Settlement	81,500,000	.....	.....	.....	.....	−81,500,000	.....	.....	.....
Revolving fund for loans (limitation on direct loans)	.....	(14,770,000)	(14,770,000)	(14,770,000)	(14,770,000)	(+14,770,000)	.....	.....	.....
Indian loan guaranty and insurance fund (limitation on guaranteed loans)	.....	(27,630,000)	(27,630,000)	(27,630,000)	(27,630,000)	(+27,630,000)	.....	.....	.....
Total, Bureau of Indian Affairs	1,126,447,000	889,899,000	1,050,326,000	972,841,391	1,010,300,000	−116,147,000	+120,401,000	−40,026,000	+37,458,609
TERRITORIAL AFFAIRS									
Office of Territorial Affairs:									
Administration of territories	77,915,000	71,152,000	92,571,000	87,869,000	89,679,000	+11,764,000	+18,527,000	−2,892,000	+1,810,000
(Limitation on guaranteed loans)	.....	.....	.....	.....	.....	.....	.....	.....	.....
Trust Territory of the Pacific Islands	94,522,000	63,800,000	78,830,000	79,561,000	79,330,000	−15,192,000	+15,530,000	+500,000	−231,000
Total, Office of Territorial Affairs	172,437,000	134,952,000	171,401,000	167,430,000	169,009,000	−3,428,000	+34,057,000	−2,392,000	+1,579,000
SECRETARIAL OFFICES									
Office of the Solicitor: Salaries and expenses	17,407,000	17,307,000	17,000,000	19,667,000	18,333,000	+926,000	+1,026,000	+1,333,000	−1,334,000
Office of the Secretary:									
Departmental Management	39,155,000	42,174,000	36,194,000	40,834,000	42,434,000	+3,279,000	+260,000	+6,240,000	+1,600,000
Office of Construction Management	8,789,000	.....	4,000,000	4,000,000	4,000,000	−4,789,000	+4,000,000	.....	.....
Office of Inspector General	9,172,000	9,478,000	10,770,000	10,770,000	10,770,000	+1,598,000	+1,292,000	.....	.....
Youth Conservation Corps	26,000,000	.....	.....	.....	.....	−26,000,000	.....	.....	.....
Rural Water Treatment and Distribution System	1,900,000	.....	.....	.....	.....	−1,900,000	.....	.....	.....
Total, Office of the Secretary	85,016,000	51,652,000	50,964,000	55,604,000	57,204,000	−27,812,000	+5,552,000	+6,240,000	+1,600,000
Total, Secretarial Offices	102,423,000	68,959,000	67,964,000	75,271,000	75,537,000	−26,886,000	+6,578,000	+7,573,000	+266,000
Total, title I, new budget (obligational) authority, Department of the Interior	4,073,874,000	3,132,556,000	3,720,619,000	3,698,510,391	3,710,176,000	−363,698,000	+577,620,000	−10,443,000	+11,665,609
Consisting of:									
Appropriations	4,073,874,000	3,132,556,000	3,720,619,000	3,698,510,391	3,710,176,000	−363,698,000	+577,620,000	−10,443,000	+11,665,609
Definite appropriations	3,671,081,000	3,037,801,000	3,617,031,000	3,587,922,391	3,600,588,000	−70,493,000	+562,787,000	−16,443,000	+12,665,609
Indefinite appropriations	402,793,000	94,755,000	103,588,000	110,588,000	109,588,000	−293,205,000	+14,833,000	+6,000,000	−1,000,000

[Fiscal years]

	New budget authority					Conference compared with—			
	Enacted 1981	Estimates 1982	House 1982	Senate 1982	Conference 1982	Enacted 1981	Estimates 1982	House bill	Senate bill
TITLE II—RELATED AGENCIES—DEPARTMENT OF AGRICULTURE									
Forest Service:									
Research	127,812,000	90,512,000	109,722,000	103,168,000	114,992,000	−12,820,000	+24,480,000	+5,270,000	+11,824,000
State and private forestry	74,184,000	58,772,000	68,715,000	63,935,000	−66,315,000	−7,869,000	+7,543,000	−2,400,000	+2,380,000
National forest system	1,036,050,000	650,533,000	769,093,000	996,410,000	1,007,074,000	−28,976,000	+356,541,000	+237,981,000	+10,664,000
Consultant services	−156,000					+156,000			
Construction and land acquisition	452,506,000	187,248,000	509,743,000	265,101,000	265,101,000	−187,405,000	+77,853,000	−244,642,000	
Timber receipts transfer			−78,700,000	−78,700,000	−78,700,000	−78,700,000	−78,700,000		
Timber purchaser credits		(191,152,000)		(242,542,000)	(242,542,000)	(+242,542,000)	(+51,390,000)	(+242,542,000)	
Land acquisition		7,568,000	35,989,000	15,120,000	27,356,000	+27,356,000	+19,788,000	−8,633,000	+12,236,000
Youth Conservation Corps			20,000,000					−20,000,000	
General administration		261,618,000	259,162,000				−261,618,000	−259,162,000	
Lake Tahoe acquisition				7,000,000					−7,000,000
Acquisition of lands for national forests:									
Special acts (special fund, indefinite)	754,000	754,000	754,000	754,000	754,000				
Acquisition of lands to complete land exchanges (special fund, indefinite)	446,000	288,000	327,000	327,000	327,000	−119,000	+39,000		
Rangeland improvements (special funds, indefinite)	6,800,000	5,720,000	6,500,000	7,500,000	7,500,000	+700,000	+1,780,000	+1,000,000	
Miscellaneous trust funds		90,000	90,000	90,000	90,000	+90,000			
Total, Forest Service	1,698,396,000	1,263,103,000	1,701,395,000	1,380,705,000	1,410,809,000	−287,587,000	+147,706,000	−290,586,000	+30,104,000
DEPARTMENT OF ENERGY									
Alternative fuels production (rescission)	−1,175,000,000					+1,175,000,000			
Fossil energy research and development	659,917,000	358,259,000	463,750,000	408,490,000	431,100,000	−228,817,000	+72,841,000	−32,650,000	+22,610,000
By transfer			(400,000)					(−400,000)	
Fossil energy construction	333,900,000	15,840,000		4,000,000	4,000,000	−329,900,000	−11,840,000	+4,000,000	
Naval petroleum and oil shale reserves	216,313,000	230,563,000	222,023,000	222,463,000	222,233,000	+5,710,000	−8,540,000		−440,000
Energy conservation	711,675,000	103,838,000	203,890,000	130,340,000	161,490,000	−550,185,000	+57,652,000	−42,400,000	+31,150,000
By transfer			(168,608,000)	(173,008,000)	(173,008,000)	(+173,008,000)	(+173,008,000)	(+4,400,000)	
(Limitation on guaranteed loans)									
Economic resolution	165,712,000	14,600,000	32,000,000	17,100,000	23,900,000	−141,812,000	+9,300,000	−8,100,000	+6,800,000
Strategic petroleum reserve	2,790,507,000	199,408,000	3,383,408,000	199,408,000	199,408,000	−2,591,099,000		−3,184,000,000	
Strategic petroleum reserve, petroleum acquisition and transportation		(3,217,991,000)		(3,684,000,000)	(3,684,000,000)	(+3,684,000,000)	(+466,099,000)	(+3,684,000,000)	
Energy Information Administration	90,417,000	70,400,000	84,986,000	79,851,000	82,207,000	−8,210,000	+11,807,000	−2,779,000	+2,356,000
Biomass energy development:									
(Limitation on direct loans)		(80,000,000)					(−80,000,000)		
(Limitation on guaranteed loans)		(35,000,000)					(−35,000,000)		
Total, Department of Energy	3,793,441,000	992,908,000	4,390,057,000	1,061,652,000	1,124,128,000	−2,669,313,000	+131,220,000	−3,265,929,000	+62,476,000
DEPARTMENT OF THE TREASURY									
Energy security reserve (rescission)	−469,500,000					+469,500,000			
DEPARTMENT OF HEALTH AND HUMAN RESOURCES									
Health Services Administration:									
Indian health services	606,795,000	551,601,000	629,484,000	606,905,000	624,630,000	+17,835,000	+73,029,000	−4,854,000	+17,725,000
Indian health facilities	83,053,000	7,128,000	46,739,000	46,617,000	49,117,000	−33,936,000	+41,989,000	+2,378,000	+2,500,000
Total, Indian health	689,848,000	558,729,000	676,223,000	653,522,000	673,747,000	−16,101,000	+115,018,000	−2,476,000	+20,225,000
DEPARTMENT OF EDUCATION									
Office of Elementary and Secondary Education:									
Indian education	81,680,000	71,364,000	82,096,000	81,096,000	81,096,000	−584,000	+9,732,000	−1,000,000	
NAVAHO AND HOPI INDIAN RELOCATION COMMISSION									
Salaries and expenses	2,737,000	13,254,000	15,051,000	4,981,000	10,481,000	+7,744,000	−2,773,000	−4,570,000	+5,500,000
SMITHSONIAN INSTITUTION									
Salaries and expenses	122,478,000	118,876,000	136,374,000	131,766,000	133,823,000	+11,345,000	+14,947,000	−2,551,000	+2,057,000
Museum programs and related research (special foreign currency program)	3,650,000	4,840,000	4,500,000	5,250,000	4,500,000	+850,000	−340,000		−750,000
Construction and improvements, National Zoological Park	3,290,000	6,290,000	1,150,000	1,650,000	1,150,000	−2,140,000	−5,140,000		−500,000
Restoration and renovation of buildings	7,539,000	6,600,000	8,500,000	7,000,000	8,000,000	+461,000	+1,400,000	−500,000	+1,000,000
Construction	5,000,000	880,000	1,000,000	1,000,000	1,000,000	−4,000,000	+120,000		
Subtotal	141,957,000	137,486,000	151,524,000	146,666,000	148,473,000	+6,516,000	+10,987,000	−3,051,000	+1,807,000
Salaries and expenses, National Gallery of Art	24,651,000	28,844,000	31,777,000	30,067,000	31,057,000	+6,406,000	+2,213,000	−720,000	+990,000
Salaries and expenses, Woodrow Wilson International Center for Scholars	1,830,000	1,989,000	2,260,000	1,903,000	1,950,000	+120,000	−39,000	−310,000	+47,000
Total, Smithsonian Institution	168,438,000	168,319,000	185,561,000	178,636,000	181,480,000	+13,042,000	+13,161,000	−4,081,000	+2,844,000
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES									
National Endowment for the Arts:									
Salaries and expenses	114,195,000	50,894,800	113,635,000	79,035,000	107,635,000	−6,560,000	+56,740,200	−6,000,000	+28,600,000
Administrative expenses	11,900,000	11,145,200	11,365,000	10,265,000	11,365,000	−535,000	+219,800		+1,100,000
Subtotal	126,095,000	62,040,000	125,000,000	89,300,000	119,000,000	−7,095,000	+56,960,000	−6,000,000	+29,700,000
Matching grants (indefinite)	32,700,000	15,400,000	32,500,000	30,000,000	30,000,000	−2,700,000	+14,600,000	−2,500,000	
Total, National Endowment for the Arts	158,795,000	77,440,000	157,500,000	119,300,000	149,000,000	−9,795,000	+71,560,000	−8,500,000	+29,700,000
National Endowment for the Humanities:									
Salaries and expenses	106,522,000	51,920,000	100,087,000	77,000,000	94,200,000	−12,322,000	+42,280,000	−5,887,000	+17,200,000
Administrative expenses	11,277,000	9,680,000	12,000,000	11,000,000	11,800,000	+523,000	+2,120,000	−200,000	+800,000
Subtotal	117,799,000	61,600,000	112,087,000	88,000,000	106,000,000	−11,799,000	+44,400,000	−6,087,000	+18,000,000

[Fiscal years]

	New budget authority					Conference compared with—			
	Enacted 1981	Estimates 1982	House 1982	Senate 1982	Conference 1982	Enacted 1981	Estimates 1982	House bill	Senate bill
Matching grants (indefinite)	33,500,000	13,200,000	31,974,000	25,700,000	30,000,000	−3,500,000	+16,800,000	−1,974,000	+4,300,000
Total, National Endowment for the Humanities	151,299,000	74,800,000	144,061,000	113,700,000	136,000,000	−15,299,000	+61,200,000	−8,061,000	+22,300,000
Institute of Museum Services	12,857,000	194,000	14,420,000	8,400,000	12,000,000	−857,000	+11,806,000	−2,420,000	+3,600,000
Total, National Foundation on the Arts and the Humanities	322,951,000	152,434,000	315,981,000	241,400,000	297,000,000	−25,951,000	+144,566,000	−18,981,000	+55,600,000
COMMISSION OF FINE ARTS									
Salaries and expenses	298,000	152,000	303,000	303,000	303,000	+5,000	+151,000		
ADVISORY COUNCIL ON HISTORIC PRESERVATION									
Salaries and expenses	1,590,000	1,641,000	1,632,000	1,632,000	1,632,000	+42,000	−9,000		
NATIONAL CAPITAL PLANNING COMMISSION									
Salaries and expenses	2,400,000	2,095,000	2,371,000	2,361,000	2,361,000	−39,000	+266,000	−10,000	
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION									
Salaries and expenses	30,000	35,000	30,000	30,000	30,000		−5,000		
ARCHITECT OF THE CAPITOL									
Preservation of area of historical significance				250,000					−250,000
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION									
Salaries and expenses	2,443,000	2,059,000	2,340,000	2,340,000	2,340,000	−103,000	+281,000		
Land acquisition and development fund (borrowing authority)	15,000,000	2,200,000	2,500,000	2,500,000	2,500,000	−12,500,000	+300,000		
Public development	14,169,000	12,496,000	14,200,000	14,200,000	14,200,000	+31,000	+1,704,000		
Total, Pennsylvania Avenue Development Corporation	31,612,000	16,755,000	19,040,000	19,040,000	19,040,000	−12,572,000	+2,285,000		
FEDERAL INSPECTOR FOR THE ALASKA GAS PIPELINE									
Permitting and enforcement	21,038,000	32,180,000	28,568,000	28,568,000	28,568,000	+7,530,000	−3,612,000		
HOLOCAUST MEMORIAL COUNCIL									
Salaries and expenses	722,000	704,000	800,000	770,000	800,000	+78,000	+96,000		+30,000
Total, title II, new budget (obligational) authority, related agencies	6,345,681,000	3,273,673,000	7,419,108,000	3,654,946,000	3,831,475,000	−2,514,206,000	+557,802,000	−3,587,633,000	+176,529,000
Consisting of:									
Appropriations	6,330,681,000	3,271,473,000	7,416,608,000	3,652,446,000	3,828,975,000	−2,501,706,000	+557,502,000	−3,587,633,000	+176,529,000
Definite appropriations	6,256,481,000	3,236,111,000	7,344,553,000	3,588,165,000	3,760,394,000	−2,496,087,000	+524,283,000	−3,584,159,000	+172,229,000
Indefinite appropriations	74,200,000	35,362,000	72,055,000	64,281,000	68,581,000	−5,619,000	+33,219,000	−3,474,000	+4,300,000
Borrowing authority	15,000,000	2,200,000	2,500,000	2,500,000	2,500,000	12,500,000	+300,000		
RECAPITULATION									
Total, new budget (obligational) authority, all titles	10,419,555,000	6,406,229,000	11,139,727,000	7,353,456,391	7,541,651,000	−2,877,904,000	+1,135,422,000	−3,598,076,000	+188,194,609
Consisting of:									
Appropriations	10,404,555,000	6,404,029,000	11,137,227,000	7,350,956,391	7,539,151,000	−2,865,404,000	+1,135,122,000	−3,598,076,000	+188,194,609
Definite appropriations	(9,927,562,000)	(6,273,912,000)	(10,961,584,000)	(7,176,087,391)	(7,360,982,000)	(−2,566,580,000)	(+1,087,070,000)	(−3,600,602,000)	(+184,894,609)
Indefinite appropriations	(476,993,000)	(130,117,000)	(175,643,000)	(174,869,000)	(178,169,000)	(−298,824,000)	(+48,052,000)	(+2,526,000)	(+3,300,000)
Borrowing authority	15,000,000	2,200,000	2,500,000	2,500,000	2,500,000	−12,500,000	+300,000		
(Limitation on direct loans)		(94,770,000	(14,770,000)	(14,770,000)	(14,770,000)	(+14,770,000)	(−80,000,000)		
(Limitation on guaranteed loans)		(62,630,000)	(27,630,000	(27,630,000)	(27,630,000)	(+27,630,000)	(−35,000,000)		
By transfer			(169,008,000)	(173,008,000)	(173,008,000)	(+173,008,000)	(+173,008,000)	(+4,000,000)	
TITLE I—DEPARTMENT OF THE INTERIOR									
Bureau of Land Management	605,198,000	456,408,000	470,872,000	565,889,000	564,076,000	−41,122,000	+107,668,000	+93,204,000	−1,813,000
Office of Water Research and Technology	24,585,000		9,755,000		11,194,000	−13,391,000	+11,194,000	+1,439,000	+11,194,000
Office of Water Policy				6,873,000					−6,873,000
United States Fish and Wildlife Service	278,577,000	202,381,000	265,207,000	242,189,000	260,920,000	−17,657,000	+58,539,000	−4,287,000	+18,731,000
National Park Service	826,522,000	623,274,000	822,213,000	839,314,000	782,449,000	−44,073,000	+159,175,000	−39,764,000	−56,865,000
Geological Survey	623,202,000	473,582,000	538,161,000	510,991,000	517,439,000	−105,763,000	+43,857,000	−20,722,000	+6,448,000
Bureau of Mines	142,319,000	124,881,000	143,460,000	151,539,000	151,964,000	+9,645,000	+27,083,000	+8,504,000	+425,000
Office of Surface Mining Reclamation and Enforcement	172,164,000	158,220,000	181,260,000	166,173,000	167,288,000	−4,876,000	+9,068,000	−13,972,000	+1,115,000
Bureau of Indian Affairs	1,126,447,000	889,899,000	1,050,326,000	972,841,391	1,010,300,000	−116,147,000	+120,401,000	−40,026,000	+37,458,609
Territorial Affairs	172,437,000	134,952,000	171,401,000	167,430,000	169,009,000	−3,428,000	+34,057,000	−2,392,000	+1,579,000
Office of the Solicitor	17,407,000	17,307,000	17,000,000	19,667,000	18,333,000	+926,000	+1,026,000	+1,333,000	−1,334,000
Office of the Secretary	85,016,000	51,652,000	50,964,000	55,604,000	57,204,000	−27,812,000	+5,552,000	+6,240,000	+1,600,000
Total, Title I—Department of the Interior	4,073,874,000	3,132,556,000	3,720,619,000	3,698,510,391	3,710,176,000	−363,698,000	+577,620,000	−10,443,000	+11,665,609
TITLE II—RELATED AGENCIES									
Forest Service	1,698,396,000	1,263,103,000	1,701,395,000	1,380,705,000	1,410,809,000	−287,587,000	+147,706,000	−290,586,000	+30,104,000
Department of Energy	3,793,441,000	992,908,000	4,390,057,000	1,061,652,000	1,124,128,000	−2,669,313,000	+131,220,000	−3,265,929,000	+62,476,000
Energy Security Reserve	−469,500,000					+469,500,000			
Indian Health	689,848,000	558,729,000	676,223,000	653,522,000	673,747,000	−16,101,000	+115,018,000	−2,476,000	+20,225,000
Indian Education	81,680,000	71,364,000	82,096,000	81,096,000	81,096,000	−584,000	+9,732,000	−1,000,000	
Navajo and Hopi Indian Relocation Commission	2,737,000	13,254,000	15,051,000	4,981,000	10,481,000	+7,744,000	−2,773,000	−4,570,000	+5,500,000
Smithsonian	141,957,000	137,486,000	151,524,000	146,666,000	148,473,000	+6,516,000	+10,987,000	−3,051,000	+1,807,000
National Gallery of Art	24,651,000	28,844,000	31,777,000	30,067,000	31,057,000	+6,406,000	+2,213,000	−720,000	+990,000
Woodrow Wilson International Center for Scholars	1,830,000	1,989,000	2,260,000	1,903,000	1,950,000	+120,000	−39,000	−310,000	+47,000
National Endowment for the Arts	158,795,000	77,440,000	157,500,000	119,300,000	149,000,000	−9,795,000	+71,560,000	−8,500,000	+29,700,000
National Endowment for the Humanities	151,299,000	74,800,000	144,061,000	113,700,000	136,000,000	−15,299,000	+61,200,000	−8,061,000	+22,300,000
Institute of Museum Services	12,857,000	194,000	14,420,000	8,400,000	12,000,000	−857,000	+11,806,000	−2,420,000	+3,600,000

[Fiscal years]

	New budget authority					Conference compared with—			
	Enacted 1981	Estimates 1982	House 1982	Senate 1982	Conference 1982	Enacted 1981	Estimates 1982	House bill	Senate bill
Commission of Fine Arts	298,000	152,000	303,000	303,000	303,000	+5,000	+151,000		
Advisory Council on Historic Preservation	1,590,000	1,641,000	1,632,000	1,632,000	1,632,000	+42,000	−9,000		
National Capital Planning Commission	2,400,000	2,095,000	2,371,000	2,361,000	2,361,000	−39,000	+266,000	−10,000	
Franklin Delano Roosevelt Memorial Commission	30,000	35,000	30,000	30,000	30,000		−5,000		
Pennsylvania Avenue Development Corporation	31,612,000	16,755,000	19,040,000	19,040,000	19,040,000	−12,572,000	+2,285,000		
Architect of the Capitol				250,000					−250,000
Federal Inspector for the Alaska Gas Pipeline	21,038,000	32,180,000	28,568,000	28,568,000	28,568,000	+7,530,000	−3,612,000		
Holocaust Memorial Council	722,000	704,000	800,000	770,000	800,000	+78,000	+96,000		+30,000
Total, Title II—Related Agencies	6,345,681,000	3,273,673,000	7,419,108,000	3,654,946,000	3,831,475,000	−2,514,206,000	+557,802,000	−3,587,633,000	+176,529,000
Grand total	10,419,555,000	6,406,229,000	11,139,727,000	7,353,456,391	7,541,651,000	−2,877,904,000	+1,135,422,000	−3,598,076,000	+188,194,609

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this conference report. Before proceeding, I wish to express my commendations and compliments once again to my friend, the chairman of the committee, the gentleman from Illinois (Mr. YATES), who does such an excellent job, and to thank all of the members of the committee and the staff who work on this bill. They do a superb job and they do it with their hearts and with their heads, because they recognize the importance of the bill and its impact on America.

Mr. Speaker, I would be less than honest if I were to say I was completely happy with the end product of this bill. It is the result of a tremendous amount of give and take with the other body. It is the work product of many meetings and informal negotiations between the conferees regarding the level of expenditures we would achieve in this bill.

I must say that throughout the course of our deliberations we were under the impression that we were making progress in bringing a bill to my colleagues that the administration could sign and which the Congress could embrace. Signals from the Office of Management and Budget in the last couple of days now indicate that our hopes were unfounded.

I know that all Members of Congress have been inundated with numbers and complaints from OMB about the great problems they have with this bill, and I recognize those problems. I do not, however, agree with all of the numbers and conclusions which they have reached to support their calculations.

I have, however, respect for their concerns and recognize that disagreements on such subjects are part of our political processes.

Mr. Speaker, as one who signed this conference report, it is my intention and expectation to vote to support the conference report.

Mr. MURTHA. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I yield to my colleague from Pennsylvania (Mr. MURTHA).

Mr. MURTHA. Mr. Speaker, I would like to request a point of clarification from the gentleman. Amendment No. 97 disapproves deferral D82-9 and makes those funds available to the SRC-I project. Am I correct that it is the intent of the conferees to make those funds available for continuing design activity on the SRC-I project regardless of whether D82-9 is ultimately classified as a deferral or as a rescission?

Mr. McDADE. The gentleman from Pennsylvania, my colleague, is correct. As you are well aware, the Comptroller General has yet to rule on letters from the majority leader and others questioning whether a deferral, when coupled with the transfer of those funds to another account, is truly a deferral. These letters state that, since the funds in question would be denied to the SRC-I program on a permanent basis, the action should be reclassified as a rescission.

The potential reclassification was not a factor in the conferees' decision. We would have rejected a rescission request just as we have ended the deferral.

In the Supplemental Appropriations and Rescission Act of 1981, we already have denied one request to rescind these funds. The strong votes in both Houses in favor of spending of $135 million on SRC-I which have occurred since the rejection of the last rescission, show that it is the intent of the Congress to make these funds available to the project throughout fiscal year 1982 to continue design activity. Clearly, further delay is counterproductive, and design work must proceed in a timely fashion on this, the sole remaining large coal liquefaction plant which is beyond the idea stage.

Mr. MURTHA. I thank the gentleman.

Mr. McDADE. Mr. Speaker, I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I have no further requests for time. If the gentleman from Pennsylvania has no further requests for time, it would be my intention to move the previous question.

Mr. McDADE. Mr. Speaker, I yield 10 minutes to the gentleman from Texas (Mr. LOEFFLER).

Mr. LOEFFLER. Mr. Speaker, I thank my distinguished ranking Republican member of the committee for the time he has yielded me. Before I get into the main body and thrust of my remarks this afternoon, I offer my sincere appreciation and thanks to our distinguished chairman of the subcommittee, to our ranking Republican, and to the members of the subcommittee who have genuinely made a very sincere effort to reach accommodations that this body and the other body have imposed upon the Interior appropriations process.

This conference report, on the Interior and related agencies appropriations bill, however, is a serious threat to the budget. When one takes into account deferrals from 1981 and increases in off-budget accounts, the bill is over the President's September request by almost $2 billion in budget authority, and $1.5 billion over in outlays.

Just as are many of us in this body and in the other body, the President is sincere in achieving additional budgetary savings. He has clearly stated, as the chairman of our subcommittee has indicated, that he will veto those appropriations bills that bust the budget.

While we may not be able to achieve a 12-percent across-the-board reduction in domestic expenditures over and above what we have already done, I believe we must make a concerted effort to do everything within our power to reduce the growth of Federal spending further. Our immediate objective must be to reduce fiscal year 1982 spending and to do it through the appropriation process, the process that, in fact, was instituted at the inception of the Congress to address the spending needs for the Federal Government.

All totaled, this bill adds some $2.3 billion to Federal deficits over the next 2 fiscal years, with more than $1.5 billion of that amount being added in fiscal year 1982. If threatened increases in other spending bills occur, we can very easily see $10 billion, $12 billion, or $15 billion being added to the deficit as a result of the pending appropriation bills that still

must work their way through our body and the other body.

In my judgment, now is the time for Members of Congress in this body and in the other body to be responsible and to address the needs that our economy dictates, the needs that say we must reduce further the growth in Federal spending.

Incidentally, if we make it possible through our efforts today to provide further reductions in discretionary funds, then that will ease the pressure somewhat on pending entitlement programs that we ultimately will have to addresss.

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Because of my concern with respect to the need for further reductions in spending through appropriations bills, and the outlay figures for fiscal year 1982 and thereafter, at the appropriate time I will move to recommit this conference report back to the conference. I do so because I believe in our institution and in our ability as Members of Congress to reach the final accommodation that is consistent with budgetary demands as well as the needs of our society.

I believe in the members of the Interior Subcommittee on our side, as well as on the other side, and I believe that through this motion we will be short-circuiting a problem that will occur if this appropriation bill passes Congress and goes to the White House, and that is a veto, as I also believe that veto will be sustained in the event it comes.

So why do we not circumvent that unnecessary delay? Why do we not be responsible and go back to conference knowing full well that this bill is, as the chairman indicated, at least a billion dollars over the President's request.

I urge my colleagues to join me and pass the motion to recommit so that we can go back to conference and do a better job with respect to fiscal outlays for 1982 within the Interior and related agencies appropriations bill.

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. LOEFFLER. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Speaker, I commend the gentleman for his efforts here and also certainly will support his motion to recommit. I think it shows good judgment to offer the motion to recommit so that the committee will have a chance and the conference will have another chance to take a look and see if they cannot make some savings.

Let me ask the gentleman some questions. First of all, is this conference report in fact over the March budget request of the President and, if it is, does the gentleman have some approximate figures as to how much it might be over in outlays and in budget authority?

Mr. LOEFFLER. This conference report is in fact over the President's March budget request, once you consider the fact that the SPRO acquisition funds have been removed both from the budget request and the amounts in the bill.

The conference report does exceed even the March budget by some $600 million in budget authority and $400 million in budget outlays.

Mr. LOTT. So obviously no effort was made to try to get closer to the September request of the President. If this is the case, obviously the conference report is substantially, as the gentleman has already said, over the President's September request by a billion dollars or more; is that correct?

Mr. LOEFFLER. It may be up to $2 billion over when one looks at the September request by the President.

Efforts were made, there is no question about that, on both sides of the conference, but not enough. Certainly with a little more determination I believe the conference can come up with something that will be compatible to the House and to the executive branch and the President of the United States.

Mr. LOTT. I think certainly they should have that opportunity to try. One impact of the 1981 supplemental and rescission bill, or one impact it will have on this whole process is that it will add some costs to this whole area of appropriations, too, will it not?

Mr. LOEFFLER. There is no question about that. I believe we must look at things such as we just mentioned, the strategic petroleum reserve acquisition funds which are off budget, in addition to the deferrals that have not been a part of the overall numbers provided by the Appropriations Committee in its analysis.

What we are doing in simple realistic terms is adding more and more numbers onto a budget or onto an appropriations bill that already exceeds the smallest amount of the request by the administration by a billion dollars. When we start adding the items that the gentleman just referred to, we are getting numbers that approach $2 billion over the request by the President in September.

Mr. LOTT. I would like to address one more question to the gentleman.

Suppose this conference report is a billion dollars over and I know that the HUD and the independent agencies appropriations conference report was over and we also understand the agriculture appropriations conference report will be a little over although some maybe not as much as others. We are adding up a substantial amount of overages in these conference reports.

As a member of the Appropriations Committee, does the gentleman have any idea what we are headed toward in terms of the overall cost of these various appropriations bills? That has to be the bottom line. How much are these things going to finally wind up costing more than what the President is asking for?

Mr. LOEFFLER. If the gentleman will allow me to respond, this bill is at least $1 billion over. The Agriculture appropriations bill is somewhere in the range of $1 billion over. The HUD appropriation bill is almost $1 billion over. That is three. There are nine more to go.

Assuming that a couple would be within the request of the administration, it could be $10 billion, $12 billion, $15 billion; I do not know where we will end up, but I do know we should have the opportunity to make responsible reductions where we can. $10 billion? $12 billion? Here is one. There is another. Where is it going to end?

We can stop it right here and avoid a veto and do the work people have elected us to do, and that is to authorize and appropriate in a responsible manner.

Mr. LOTT. I thank the gentleman.

Just a final comment. I know it is never easy to cut back on these appropriations bills. We want more funds for all these programs and many of them are good programs, many of them affect my State, but also my constituents are still very much interested in inflation and interest rates and moving toward a balanced budget and getting the Government under control.

When we look at some of the things that are in this bill, the Smithsonian, the Institution of Museum Services, Pennsylvania Avenue Development Corporation, the Alaska Pipeline Inspector, the National Capital Planning Commission, there have to be some places where we can make some savings. There must be some areas where we can cut more.

I urge my colleagues let us vote to recommit and I know that the distinguished chairman and the ranking minority member and the members of this subcommittee can do more to save a few hundred million dollars in this bill.

Mr. LOEFFLER. I might inform this body that I was a member of the conference and made a very difficult decision, which was not to sign the conference report, not because my chairman and the ranking member——

The SPEAKER pro tempore. The time of the gentleman from Texas (Mr. LOEFFLER) has expired.

Mr. McDADE. Mr. Speaker, I yield 3 additional minutes to the gentleman from Texas (Mr. LOEFFLER).

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. LOEFFLER. I yield to the gentleman from Illinois (Mr. YATES).

Mr. YATES. I thank the gentleman for yielding.

Did I understand the gentleman to say when we brought the bill to the House that we were over the March budget?

Mr. LOEFFLER. As we review what we have now versus when the bill came to the floor of the House, we were approximately $600 million over the March budget request, $400 million in outlays.

Mr. YATES. Well, that differs from my understanding of what happened at the time that we brought the bill to the floor. My understanding was that his was some 79 million under the budget, that what occurred was that the strategic petroleum reserve, which was on budget at the time, was subsequently removed by Gramm-Latta and that as a result of that removal that then that converted the bill from being under the budget to being over budget. That was not the fault of our committee. We brought the bill to the floor well under the budget, as I say, $79 million under the budget.

May I also ask the gentleman a question. The gentleman from Mississippi asked the gentleman about what the deferrals that we are using here will do to the bill, and the gentleman said that they will increase the bill. Of course they do.

But does not the gentleman agree with me that the deferrals that we are using in this bill for financing were for sums that were saved from the 1981 budget; that is, we agreed in our committee at the time when we considered those deferrals that we would indeed recognize some of them at that time and postpone others, postpone deferrals until the 1982 budget so that we would not have to use additionally appropriated funds at that time?

What the gentleman is doing by his argument is he is completely overlooking the fact that to the extent that we save those deferrals from the 1981 budget, that we are not going over expenditures as such. We saved the costs. We could have deferred them completely for 1981. We did not do that.

Mr. LOEFFLER. With all due respect to my distinguished chairman, who I have the great pleasure of working with, whether we say something is a deferral, whether we say something is off budget, or whether in fact we say it is on budget, we are going to have to pay for it in outlays of dollars by the Federal Government.

We can play charades with numbers, but the deferrals and the off-budget authority is still going to be dollars spent by the Federal Government. It is not included in the so-called $1 billion overage that the chairman referred to in his remarks. There will be an additional $800 million which may be spent in fiscal year 1982.

So while my chairman is correct in describing the way the numbers have been put into the system, and it only then is $1 billion over, the fact of the matter is that $800 million is going to have to be expended in addition to the $1 billion we are looking at—almost a $2 billion increase over the budget.

Mr. McDADE. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. LUNGREN).

Mr. LUNGREN. Mr. Speaker, I am not a member of the Appropriations Committee or the subcommittees involved here. I am not a member of the leadership. I am one of the large body of the membership who does not have the opportunity to serve in those positions, and oftentimes I think we do not speak and we allow those to speak who have the expertise here.

But I think that when we talk about the appropriations bill that is before us we have to start to make some fundamental judgments.

I heard the distinguished chairman talk about all the wonderful things that this bill actually produces money for. I agree with him. I have had the opportunity with my family to go to many of the national parks. I did so this summer. I think one of the most beautiful places in the world is the Grand Tetons, but, I do not think that is the question. I do not think anybody here ought to take it personally that some of us may believe that we are spending too much here. We are not questioning the integrity or motivations or the work that has gone into this, the good will that has gone into this on behalf of the chairman or ranking member or others.

It seems to me we have to confront some fundamental questions at a certain time, and that is where are we and where are we going?

I hate to be part of a show-and-tell class here. At times it seems to me sometimes we forget those fundamental questions that we have to resort to very simply displays.

When we talk about peaks of the Grand Tetons, they diminish, they diminish or pale into insignificance when we look at the peaks of Federal spending that we are about to charge the American taxpayer. This chart which I had done several months ago unfortunately now is out of date, because the acceleration or the rate of acceleration as we go more steeply over the next few years is even greater than I had anticipated or more than anybody had anticipated either here on the legislative side or the Executive side.

I would just ask anybody here on the floor, how much of this money do we think was the product of bad intentions? How much of this money was the product of our trying to spend too much? How much of it was the product of our trying to be wasteful? How much of it was going into programs that we thought at the time we voted for were unworthy programs? How much of the money that we paid in the past was because we intentionally wanted to get ourselves into difficulty?

I would suggest that there is nothing—there is nothing that is illustrated by this particular chart that was produced by an intention by the membership of the House of Representatives to do ill to the people we serve. In fact, we have done ill.

We have had all the best intentions and everyone here wants to give as much money as we possibly can for the National Park Service. We want to give as much money as we possibly can for these various programs. The fact of the matter is we do not have the money. We do not have the money to pay our bills right now. We do not have our moneys to pay our bills next year. We do not have the moneys to pay our bills the year after that.

And at some point in time we just have to say, with all good intentions, do we not have to look at the bottom line.

The President has made some suggestions about how we ought to make cuts and he is now being criticized because we have not made enough cuts and because the deficit is going to be larger than we had anticipated.

This is the first opportunity we have to give a clue to the American people, the taxpayers, the people we represent, as well as those people down there on the other side of Pennsylvania Avenue, that we mean something when we say we would like to bring the deficit down.

Now, as some would suggest, we are going about it the wrong way. Instead of cutting our spending we ought to get rid of the tax cuts we put into place.

I would be glad to show them figure after figure for the last administration in which we tried the policy of taxing the people to the greatest extent we possibly could and spending to the greatest extent that we possible could, showing that that would get us out of our problems.

It does not work. It has not worked. It has created a situation where we have 3 back-to-back years of negative productivity growth, and I would challenge anybody who would like to ask a question to suggest how we are going to get out of this problem as long as we have negative productivity growth in this country, as long as we are continuing the line where we have greater and greater tax burdens given to the American people, and even if we do not even take into consideration the fact that with the tax cut we passed, the average person we represent is going to pay higher tax this year because of bracket creep and because of the fact of the impact of the social security tax, laws that we passed just in the last 4 years, and when we take all of that together, we come to the conclusion that we tried higher taxes,

that we tried everything else, that the only thing we can do is try and bring our costs down, and I suggest we try to begin here.

□ 1445

Mr. McDADE. Mr. Speaker, I yield 5 minutes to the distinguished minority leader, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, may I first pay my respects to the distinguished chairman of the subcommittee who represents an urban district in our home State of Illinois, but still handles this measure dealing with the Interior appropriation bill with aplomb. I think he can look at the items involved here very dispassionately. I respect him for what he has done over a period of years on that particular subcommittee, and to the gentleman from Pennsylvania (Mr. McDADE) who is similarly situated and so well-informed. I would not attempt to argue specific figures with either one of the two gentlemen who are so much better informed on what is involved in this bill than I.

But I have some mixed emotions here because I am just so convinced that if we adopt the conference report as presented and send it on to the President that he would be compelled to veto it in view of its being over his budget figures.

I suspect there might very well be more publicity attended with a Presidential veto of this measure than simply voting down a conference report, if that were our inclination here today.

I think, too, that conditions have changed since we considered this measure on the floor, I believe it was in July. As I recall the figures in rough form, we were probably $600 million over the March budget at the time we adopted the bill. If I am incorrect in that, I would stand corrected by the distinguished chairman.

Mr. YATES. Actually, if the gentleman will yield, as the interchange between the gentleman from Texas (Mr. LOEFFLER) and myself indicated, at the time we brought the bill to the floor, the strategic petroleum reserve was an item within our bill. As long as it was included among the items in the bill, we were $79 million under the budget, the March budget.

When Gramm-Latta provided for the strategic petroleum reserve to be taken off budget, our overall bill then moved over the budget.

Mr. MICHEL. Well, that is true. It was only improved probably in the conference by $100 million in that respect; but the point is, I think the bottom line is that there is no question but that if the President had the opportunity to register his will on this measure, it would be vetoed.

So then we are in the kind of situation here where the ground rules have changed since the first of the year. The deficit situation when we look at the projections for this year and for the outyears is just becoming worse and worse.

I think we have no alternative but to try to look to you gentlemen who are the specialists in this field and to recommit the measure back to the conference to see if there is something more that could be wrung out to give the President an opportunity to sign the bill, rather than veto it.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield.

Mr. YATES. Why is it not just as feasible to suggest that perhaps there ought to be a deferral of some of the tax cuts and a disposal of some of the goodies that were voted in the tax bill, so that there may be more money coming to the Treasury through that route, rather than through the blood-wringing cuts that the gentleman and the President suggest?

Mr. MICHEL. I guess I have always said and taken the position that it took a lot more guts to cut spending around here than it ever did to reduce taxes. I still would stand by that.

Mr. YATES. I am suggesting that we add to the taxes.

Mr. MICHEL. I understand; but I think the gentleman would also concede that if we are in a recession, like most people will not admit and the President himself, the first thing we should be doing, as a Congress, would be to lower personal income taxes rather than increase them.

Mr. YATES. If the gentleman will yield further, I am talking about the outyears. I am not talking about current years. My impression is that we would be over the budget.

Mr. MICHEL. I understand, but my principal concern now is 1982 and what we are going to do about it in individual appropriation bills. This is one of those, and as I was looking over the group this morning of the entire batch of appropriation bills, I think the gentleman from Texas (Mr. LOEFFLER) alluded to several, including HUD and Agriculture in addition to Interior, but you can go down several others and when you add all those figures up, even if there are significant reductions from Defense, we have got a serious problem here to be dealt with.

So I would much rather opt today to support the motion to recommit from the gentleman from Texas back to the conference with the hope that there can be something more wrung out of it, rather than simply voting the conference report down.

So I am here to support that motion when it is made at the appropriate time by the gentleman from Texas (Mr. LOEFFLER) and I think that will, in turn, signal our willingness to do something about excessive spending.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. McDADE. Mr. Speaker, I yield 1 additional minute to the gentleman from Illinois.

Mr. MICHEL. I would suspect that then we would have the vehicle here for making adjustments and, hopefully, to have an appropriation bill sent down to the President and then, if it is within his figures, he will sign it. If it is not, obviously he will have an opportunity to veto it.

I am personally convinced that in this body we can marshal 145 to 150 votes, which is sufficient to sustain any veto.

So that is really the key here. We may not win on the motion to recommit the measure, but a significant number of votes would signal to those who have to be told, whatever, that there are a sufficient number of votes here in opposition to the bill because of it being so much over the President's budget.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume and I yield to the gentleman from Indiana (Mr. DECKARD).

Mr. DECKARD. Mr. Speaker, I thank the gentleman for yielding.

I take this time merely to clarify language in the conference committee report affecting the SRC-I coal liquefaction plant.

I am speaking specifically to language which says that the $135 million for the SRC-I may be used to pay all expenses of the project except for normal operation of the Wilsonville, Ala., pilot plant, whether or not they are considered operating expenses or construction expenses.

My question to the gentleman from Pennsylvania—and I would hope to have the gentleman's clarification for the record—is whether any of these $135 million will go beyond design work.

Mr. McDADE. May I say to my friend, the gentleman from Indiana, that it is the clear intent of the conferees that the money be limited to design work.

I now yield such time as he may consume to my colleague, the gentleman from Pennsylvania (Mr. RITTER).

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, today we have before us H.R. 4035 which provides $3.7 billion in offbudget financing for the strategic petroleum reserve. This reserve is the best insurance policy we have against prolonged oil supply disruptions, and filling the reserve in a timely fashion is vital to our Nation's security and our economy.

I know that many of us here do not like the idea of offbudget financing for the strategic petroleum reserve. Total Federal offbudget financing is at

record levels, and the sale of bonds for the reserve at current high interest rates adds a heck of a burden to the taxpayer.

I have introduced legislation, H.R. 4404, which will help ease the offbudget financing burden for the strategic petroleum reserve at no cost to the taxpayer. My bill channels all unidentifiable refunds that the Department of Energy has received from oil company fuel price violations into the strategic petroleum reserve account.

The bill also encourages the Secretary of the Department of Energy to negotiate with those companies who have violated the fuel pricing laws to pay back overcharges in kind in quantities of oil to the reserve. It has the support of Democrats and the Republicans on the Energy and Commerce Committee, which has jurisdiction over the bill, and bipartisan support in the House.

This bill is not intended to be the sole solution to funding the reserve. It is merely a way of assisting current efforts being made to fill the reserve in a timely fashion.

● Mr. LEVITAS. Mr. Speaker, I rise today to support H.R. 4035, the conference report for fiscal year 1982 appropriations for the Department of the Interior. This bill contains funding for a project which is of vital interest to the people of my State, and to all Americans genuinely concerned with protecting this Nation's resources for this and future generations.

Several years ago Congress created the Chattahoochee River National Recreation Area. Public Law 95-344, signed into law on August 15, 1978, authorized $72.9 million for the acquisition of lands and interest in lands for this national recreation area; $53 million of this authorization was appropriated in fiscal year 1980. No appropriations were made toward the remaining $19.9 million in fiscal year 1981. The Reagan administration's budget proposal for fiscal year 1982 contained no provision for land acquisition funds for the Chattahoochee Park.

As part of the acquisition process in this very important and beautiful park, there are parcels of land along the river which have been placed under option at very favorable prices to the Government. The guiding concept behind the park is that of a series of park tracts along the river, linked by the river like a string of pearls. One tract of land in particular, the Sope Creek/Powers Ferry tract, is of critical importance in the development of the entire park. This parcel is the vital in the chain—or the vital pearl on the string—lying between two other already acquired major tracts in the river corridor. At present it is undeveloped and unspoiled. But it is in danger of radical development if the Federal Government does not act to acquire it. Thankfully, this conference report contains the $14.2 million necessary to purchase it.

In 1979 the National Park Service acquired a 24-month option, for $500,000, to purchase this key piece of parkland, an option which was to have expired on October 31 of this year. The owners of this property have voluntarily extended this option until November 30, 1981. They have been extremely supportive of the creation of the Chattahoochee Park, but they appear over the last 2 years to have extended themselves to a point where they will not continue to hold up the development of the land when the nearby area is under so much pressure from development interests. So you can understand how crucial it is that this money be appropriated.

Earlier this year it did not seem likely that funding for the Chattahoochee parkland would be available, due to budgetary considerations. Earlier this year on several occasions, I contacted our colleague, SIDNEY YATES, chairman of the Appropriations Subcommittee on the Interior, to express my hope that his committee could include the $14.2 million needed to continue the orderly development of the park. While sympathetic, Representative YATES pointed out that his bill faced certain budget constraints and that the funds could not be added in the House version. At this point I would like to include a letter dated July 10, 1981, which I wrote to Mr. YATES describing the importance of this land acquisition:

Hon. SIDNEY R. YATES III,
Chairman, Subcommittee on Interior of the House Appropriations Committee, Rayburn House Office Building, Washington, D.C.

DEAR SID: I am writing you with an urgent request that you give favorable consideration to appropriating the necessary funds to acquire a critical tract of land within the Chattahoochee National Recreation Area.

These funds have already been authorized. The Chattahoochee River Recreation Area was authorized by Congress and signed into law on August 15, 1978 (Public Law 95-344). The land acquisition ceiling was set at $72.9 million. From that amount there was $53 million appropriated in fiscal year 1979 and 1980 for the acquisition of lands and interests in lands for the National Recreation Area. No appropriations were made in fiscal year 1981 toward the remaining $19.9 million. The administration's budget proposal for fiscal year 1982 and the House marked-up version contain no provision for land acquisition funds for the Chattahoochee River National Recreation Area.

The concept of this park is a series of park tracts along the river, linked by the river like a string of pearls.

Tract 103-34 (River Properties, Inc.) is the most critically needed parcel in the park. It is the vital link in the chain—or the vital pearl on the string. This 354.67 acre parcel lies between and separates two other already acquired major tracts (289 acres and 192 acres) in the river corridor. This key parcel, at present, is undeveloped and no business or persons would be displaced through its acquisition.

The National Park Service entered into a $500,000/24-month option to acquire Tract 103-34. This option expires on October 31, 1981, and there is no provision for an extension. It is highly likely that this property will be extensively developed if the option is not exercised. While the owners have been very supportive of the creation of the Chattahoochee River National Recreation Area, they appear over the last two years to have extended themselves to a point where they will not continue to hold up the development of the tract when the nearby area is under so much pressure from development interests. Unless Congress appropriates the already authorized approximately $14,2 million plus other associated overhead costs (title insurance, closing costs, etc.) needed to complete the purchase by October 31, 1981, the half million dollar option money supplied by the federal government will be lost.

In order to protect the initial investment and preserve the integrity of this key park unit, it is imperative that this tract be acquired at this time.

In addition to the monetary savings outlined above, the government will gain by:

1. Allowing full utilization of existing and future park facilities as determined by the General Management Plan to accommodate a wide range of visitor use activities.

2. Allowing management to concentrate on the development of a complete park unit for maximum visitor enjoyment. The unit as foreseen by Congress is at present incomplete. It is divided and creates problems in maintenance, law enforcement, interpretation, and visitor accessibility. The completion of this unit will allow the National Park Service to contain visitor use on public property thereby minimizing trespassing and encroachment on private property nearby.

3. Removing the area from the imminent threat of development thereby protecting the natural and scenic beauty of the Chattahoochee corridor and the preservation of archeological sites. If the area undergoes development, the sites could be severely impacted.

4. Enhancing the visitors' appreciation and use of one of the most heavily used recreational units on the river. The heavy use of jogging trails and open recreational activity areas is best exhibited in this unit. Approximately 80 percent of the present use takes place within Tract 103-34 with the full knowledge of the landowner. If the option is not exercised, this recreational use will be terminated.

5. Avoiding possible land value escalations, if the tract remains available for purchase, and maintaining credibility of the National Park Service with conservation and civic groups who have been working toward completion of the Chattahoochee National Recreation Area.

In light of the foregoing, I trust this will meet with your favorable consideration and that you will initiate or request such steps as are necessary to provide the necessary funds. It would truly be a shame as well as a loss of the taxpayer's investment to miss this opportunity. This is not a situation of expanding beyond the boundaries of the existing park, but rather it is filling in a predetermined, selected unit contiguous to the remainder of the park which has already begun to be acquired.

If there are other persons you feel I should contact regarding this, please let me

know. I will be happy to meet with them to discuss the matter.

With best wishes, I am

Very truly yours,

ELLIOTT H. LEVITAS,
Member of Congress.

When the bill came before the House I engaged Chairman YATES in a colloquy concerning this important matter. At that time he assured me that if it was at all possible for the House-Senate conference committee to negotiate a sum of money necessary to take up the Sope Creek option, they would do so. Subsequent to our discussion Senator MATTINGLY, at my urging, prevailed upon the Senate Appropriations Committee to include funding for the tract. After some deliberation, the Senate agreed, and the conference committee, true to Representative YATES' promise to me, concurred to fund the park's development.

So today, after our long and fruitful efforts, we have an Interior appropriations bill containing the $14.2 million for the Chattahoochee River National Recreation Area, and I want to express my deep appreciation to the gentleman from Illinois (Mr. YATES) for his generous consideration in this matter, and to the gentleman from Pennsylvania (Mr. MCDADE) for his efforts. I also want to especially thank my colleague from Georgia, BO GINN, also a member of the of the Appropriations Committee, for his invaluable support and the crucial role that he played in bringing this about.

Mr. Speaker, if this money is not appropriated, we will be losing not only $500,000, but also an irreplaceable area of natural beauty. Any future efforts to acquire this essential link in the park chain would be enormously more costly to the taxpayers and to the protection of the $53 million of taxpayer dollars already invested in this national treasure. In order to protect the initial investment and preserve the integrity of this key park unit, it is imperative that this tract be acquired at this time. It would be truly a shame as well as a loss of the taxpayer's money to miss this chance. I believe we would be pennywise and pound foolish to forgo obtaining this valuable property, at what amounts to a bargain price, and I urge my colleagues to support this bill.●

● Mr. RAILSBACK. Mr. Speaker, I would like to address one aspect of the Interior appropriations bill—the Energy Information Administration (EIA). Because I support the goal of reducing the Federal deficit, I am voting to recommit the Interior appropriations bill. The $1.5 billion above the President's September budget is excessive. However, I would like to recommend that conferees retain the $82,207,000 for the Energy Information Administration.

The energy information programs were set up during a crude oil shortage, they are in place, and we may waste money in the long run by cutting the EIA budget more than the amount in the conference report. Since the Middle East is extremely volatile, we have no guarantee another supply cutoff will not occur, and Congress will again recognize the need for energy data that is not produced by the oil industry.

Basically, $82,207,000 is barely adequate for maintaining a core energy information data bank, including specific programs of importance to me and the Northeast-Midwest Congressional Coalition. EIA, for example, can maintain the Financial Reporting System, State-level supply and price information, and development of a small- and medium-size dealer and wholesaler data base. However, personnel levels are already being lowered. A reduced budget would require termination or sharp curtailment of essential programs. I am also concerned that the conference agreement did not mention industrial and commercial consumption surveys and that, even with adequate funds, the petroleum marketing and price program may be severely limited by Office of Management and Budget (OMB) actions.

The commercial consumption survey looks at nonresidential building energy consumption, while the industrial survey views the boilers and machinery inside. Data obtained by the surveys will be invaluable in monitoring building and equipment efficiency. Knowledge of the fuel switching capabilities of boilers and machinery could be crucial in conservation and emergency planning. The data will aid in monitoring the health of regional economies, to foster conservation, and to monitor the regional impact of Federal energy policies. In addition, money for the industrial survey is used to fund the energy portion of the Census Bureau's "Annual Survey of Manufacturers." Without the money, the Census survey will not include that energy data. I understand the EIA may still have the option of maintaining the consumption surveys, and I would urge them to do so.

The second area of concern is the fact that OMB is considering the elimination of five of nine petroleum price and marketing forms, citing excessive industry burden and cost in furnishing data to EIA. EIA is making good effort to streamline forms to minimize duplication while maintaining the ability to acquire crucial statistical information. Twenty-three forms have already been eliminated. Seventeen others, including nine petroleum price and marketing forms, are being consolidated. EIA published a completed version of the so-called super form on June 5, but the hastily put together form was not acceptable to industry or other users, and another 2 years is needed to development. In the meantime, authority for five price and supply forms expired on September 30. These forms collect basic information needed by State and Federal Governments, research institutions, industry, and others. The OMB published a notice of agency forms under review in the September 24 Federal Register. The matter should have been routine, but OMB considers the forms too burdensome and costly, and the American Petroleum Institute (API) submitted a draft information system that is being seriously considered by OMB.

The API draft as originally submitted would have eliminated six of nine EIA forms which collect price and supply data on the national, regional, and State levels, information of particular interest to myself and the coalition. Although API has since indicated an interest in retaining supply data on the State level, State level price data is in question as is market share information, the percentage of the market distributed by retailers, wholesalers, and refiner-marketers.

EIA now has the most complete energy price data on a comparative basis for States, and no other organization is developing a data base for dealers and wholesalers, an aspect of EIA's petroleum market share reports. State policymakers need price information for planning and budgeting. Distribution data is used for analysis of refiner-marketer practices, monitoring changes in market shares, and refiner distribution patterns, and planning.

So, while I am certainly encouraged by the level of funds approved by the conferees for the Energy Information Administration, I felt it necessary to point out the need for industrial and commercial consumption surveys. I also wanted to comment on the importance of data collected by petroleum price and marketing forms currently under consideration by OMB. If we, as Members of Congress, do not make our need for energy information known, I fear we will terminate or sharply curtail programs that would prove essential during an emergency, in predicting another shortage, and—most importantly for the Northeast-Midwest Congressional Coalition—in monitoring prices and supplies by State and region.●

● Mrs. SCHROEDER. Mr. Speaker, I rise to congratulate the gentleman from Illinois, the chairman of the subcommittee (Mr. YATES), for his efforts to preserve efficiency and effectiveness in the Department of Interior. He and I have worked together to avoid a large waste of money which would have occurred had the reorganization plan for the Office of Surface Mining proposed by Secretary Watt in late May been implemented in its original form.

The original plan called for the needless move of the first rate techni-

cal unit of the Office of Surface Mining Region V from Denver to Casper, Wyo. Because of the disruption which this move would have caused, my Subcommittee on Civil Service held hearings in Denver on June 5. We learned that the move would be quite costly, that no rationale was provided for the move, that the employees were demoralized, and that Department management had failed to consult with the employees, or the companies or States involved. When the General Accounting Office looked into this move, on request of Chairman DINGELL, they came to many of the same conclusions.

This evidence convinced Chairman YATES that something was amiss. When efforts to get the Secretary to reconsider his decision failed, Chairman YATES inserted language in this bill to stop the move. The conferees accepted the key purpose of this language and prohibited the move of the technical service center out of Denver.

While I am pleased with the result, I do not consider it a major legislative victory because none of this should have happened. The Cabinet Secretary with responsibility for management of the Department of Interior should have developed a reorganization plan in an open and deliberate manner. Had he done so, he would have learned that moving an existing office from one city to another merely adds costs. He would have known that the incumbent, talented employees of OSM in Denver were unlikely to move and that, without them, the productivity of the office was sure to fall.

I commend Chairman YATES, as well as Chairmen UDALL and DINGELL for their efforts on this issue. It is too bad it took so much congressional effort to do the job for which the Secretary of the Interior is paid.●

● Mr. FRENZEL. Mr. Speaker, H.R. 4035, the Interior appropriation conference report is above the President's September request in both budget authority and outlays. Even with the strategic petroleum reserve off-budget shell game, the bill is over budget.

The House Early Warning Report for the week of November 9, 1981, states that the bill is under its 302(b) targets for discretionary spending. This wrongful conclusion, based on old economic assumptions, illustrates the difficulties and the damages built in to the incomprehensible scorekeeping procedures by the Budget Committee. It is essential that budget figures be based on, and compared to, up-to-date economic conditions and the most recent assumptions available. The committee insists on using numbers and assumptions which are obsolete. The practice of comparing apples to oranges must be stopped.

The President's September request is based on more current economic assumptions. They are not perfect, but I believe it is to that request that the conference report must be compared. The House Budget Committee's assumptions, approved today, would also be a good standard of comparison.

However, such comparisons are depressing. The conference report exceeds the President's request by $2 billion in budget authority. In outlays during 1982, the conference report is $1.5 billion over the September request. Total outlays are over the President's request by $2.3 billion when outyears are included. Further, fully funding the mandatory items will result in an excess of $88 million over the first resolution assumptions for mandatory items.

I object to the funding for the SRC-I demonstration project for which the President had requested a deferral of fiscal year 1981 funds. If the project is built, and that is doubtful, it will add $3 to $4 billion to the deficit's expenditure side over the next 5 years.

In addition, funding for the DOI is 19 percent over the President's budget request. DOE programs, other than the SPR, are funded at levels 95 percent over budget, the Forest Service is 16 percent over budget, and Arts and Humanities are 87 percent over budget.

Further, it appears the conferees failed to leave any room for October pay increases, nor did they properly reflect the $0.4 billion in fiscal year 1982 outlays mandated by the 1981 supplemental appropriations and rescissions bill.

Making this conference report yet more objectionable is the issue of its transfer of the SPS from on to off budget. This is a less conspicuous substitute for direct on budget Federal spending. The well disguised overbudgeting within this bill represents a major turnabout from this Congress progress toward bringing the growth of Federal spending under control. As one who believes in the accountability of Congress and the fundamental need for more restrained budgetary procedures, I cannot support this bill.

The Interior conference report has been camouflaged to appear to conform to the budget. Its true spending impact has been concealed. Someday Congress will learn that outlay targets must be met. The crowding out affect of Federal spending on the credit market is felt whether spending is done on budget or off. The old free-spending ways of the House can no longer be tolerated. Huge Federal deficits cannot be tolerated. Either we make the budget process work, or the taxpayers will find people who can. This bill should be defeated or vetoed.●

● Mr. AUCOIN. Mr. Speaker, I rise in strong support of the conference report on H.R. 4035, the Interior appropriations bill for fiscal year 1982. Preparing appropriation bills this year has not been an easy task. I commend my colleagues for their perseverance during this process. I would particularly like to acknowledge the efforts of the chairman of the subcommittee, SIDNEY YATES, and the ranking member, JOE MCDADE. The cooperation and skills they have exhibited serves as a model for all of us.

I know they have a deep commitment that the natural resources of this country be properly managed. The agreement we have reached with the Senate is a fair one that adequately funds the important natural resource agencies of the Federal Government.

Mr. Speaker, there are those who will suggest that this bill exceeds the President's budget request. In fact, the conference report is nearly $4 billion less than the President's March request. It is nearly $433 million under reconciliation. The President did recommend further unspecified cuts. But frankly, Mr. Speaker, I am perplexed as to what the administration intends to do about balancing the budget. Does it intend to cut the payment in lieu of taxes program, so vital to the counties of the Western States? Does it intend to follow through with cuts in the Forest Service budget—a cut designed to produce the largest drop in the timber sales program in 20 years? It is difficult to say, because the administration has not specified all of its recommendations. This means the President himself does not know how to make the further cuts he has sought.

Let me illustrate with a concrete example how pennywise and pound-foolish the administration's proposal is with respect to a 12-percent reduction in timber sales from our national forests. The Forest Service tells me that, at a level of 11.9 billion board feet, the level provided in this bill, receipts to the U.S. Treasury from timber sales over the next 3 to 5 years will be $2.3 billion. If the Forest Service budget is trimmed 12 percent, or $200 million, the revised timber sales level will be 10 billion board feet. That will produce $1.9 billion in revenue over the next 3 to 5 years. In other words, Mr. Speaker, the Treasury will suffer a net loss of $200 million if the 12-percent cut is enacted.

Let me suggest, Mr. Speaker, that when we consider this conference report we heed the words of the Director of the OMB, David Stockman. In essence, Mr. Stockman has admitted that the tax cut proposed by the administration is nothing more than the old trickle-down theory that has been discredited so many times in the past. He also admits that the budget proposals submitted by this administration have nothing to do with priorities based upon sound judgments, but were

numbers pulled out of the air to meet an artificial political deadline.

This conference report should be adopted by the House because it funds those agencies of the Federal Government that are revenue producers. Funding for the agencies of the Department of the Interior and the Forest Service is an investment that suffers irreparable harm if not carried out on a consistent basis.

Mr. Speaker, I suggest we take Dave Stockman at his word when he suggests that in Defense spending there is a total somewhere between $10 billion and $30 billion that can "be ferreted out if you really push hard." Let me also suggest, Mr. Speaker, that the amount this bill falls over the President's September budget request can be made up if we simply build three fewer B-1 bombers.

Mr. Speaker, this conference report should not be used as a political tool by the administration. This is a bill that invests tax dollars and actually guarantees revenues to the U.S. Treasury. I urge that my colleagues give it their full support.●

● Mr. SIMON. Mr. Speaker, I would like to compliment my colleague, Interior Appropriations Subcommittee Chairman SIDNEY YATES on his efforts to bring us a responsible and responsive conference report which funds programs through the Department of the Interior, the National Park Service, and the Bureau of Indian Affairs among other agencies. These programs are vital to the well-being of our Nation's lands, provide our citizens with access to national parks and monuments and protect and replenish our natural resources for future generations.

The conference report provides $7.5 billion in appropriations, $3.5 billion below the original House-approved budget for the coming fiscal year, and $188 million above the Senate version. Appropriations in this report are $675 million below the allocation under Gramm-Latta. It is, however, about $1 billion above the revised administration request, a request sent to us weeks after the House had completed action on the appropriations bill.

As chairman of the authorizing subcommittee for some of the agencies funded in this conference report, I have a special interest in the future of H.R. 4035.

The National Endowment for the Arts and the National Endowment for the Humanities are slated for budgets of $149 million and $136 million respectively in the conference report. This contrasts with the administration request to cut each Endowment by 50 percent to levels of $88 million and $85 million. The Institute for Museum Services will receive $12 million under the conference report as compared to zero program funds under the President's proposed budget.

Congress and Presidents from both parties have shown strong support for the Endowments through their 15 year history. It has been a history of growth not only for the Endowments but for the arts and humanities communities and corporate and private involvement in these areas.

Corporate support for the arts and humanities, encouraged by Endowment matching grants, has increased from $22 million in 1967 to over $400 million in 1978. This is directly reflected in the increase in symphony orchestras in this Nation, increased touring of performing companies to all States and increased access to live cultural events and museum exhibits as well as presentations on public television. All of this has been supported by a combination of private and public giving. I could cite an impressive list of performing companies, television broadcasts, translations, and editions, and prominent artists, and writers who have at one time received Endowment grants. But the major point is that the Endowments, with their seed money and matching funds serve two purposes—the encouragement of excellence and access to this cultural excellence for the American people. And it is been done in a partnership with individuals, the business community, and foundations. It is the kind of partnership the administration has been calling for. The Endowments are a superb example of how it works—of the immense return on a small investment of public dollars.

Now is not the time to slash the Endowments by 50 percent, to slash programs that embody the goal of a private-public partnership. The arts are alive and healthy in America. We can help keep them that way with continued support through the Endowments. It is not just good policy for the spirit of the Nation, it is good for the economy. One dollar invested in the arts results in a minimum of $5 in commercial spending in tourism, publishing, and so forth. To me that is $1 well spent.

It has been with the support of friends of the arts and humanities like SID YATES and the support of the Congressional Arts Caucus, chaired by FRED RICHMOND, that the Endowments will remain healthy and important foundations for the cultural and academic worlds.●

Mr. YATES. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. LOEFFLER

Mr. LOEFFLER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. LOEFFLER. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. LOEFFLER moves to recommit the conference report of the bill (H.R. 4035) to the Committee of Conference.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 199, nays 199, not voting 35, as follows:

[Roll No. 297]

YEAS—199

Applegate	Erlenborn	Marriott
Archer	Evans (DE)	Martin (IL)
Ashbrook	Evans (GA)	Martin (NC)
Atkinson	Evans (IA)	McClory
Bafalis	Fenwick	McCollum
Bailey (MO)	Fiedler	McCurdy
Barnard	Fields	McEwen
Benedict	Findley	McGrath
Bennett	Fish	Michel
Bereuter	Frenzel	Miller (OH)
Bethune	Gingrich	Mitchell (NY)
Bliley	Goodling	Molinari
Breaux	Gradison	Montgomery
Broomfield	Gramm	Moore
Brown (CO)	Gregg	Moorhead
Brown (OH)	Grisham	Morrison
Broyhill	Gunderson	Mottl
Burgener	Hagedorn	Murphy
Butler	Hall (OH)	Myers
Campbell	Hall, Ralph	Napier
Carman	Hall, Sam	Nichols
Carney	Hammerschmidt	O'Brien
Chappie	Hansen (ID)	Oxley
Cheney	Hansen (UT)	Parris
Clausen	Hartnett	Pashayan
Clinger	Heckler	Patman
Coats	Hendon	Petri
Coleman	Hiler	Pickle
Collins (TX)	Hillis	Porter
Conable	Hollenbeck	Pursell
Corcoran	Holt	Quillen
Coughlin	Horton	Railsback
Courter	Hughes	Rhodes
Coyne, James	Hunter	Rinaldo
Craig	Hyde	Ritter
Crane, Daniel	Ireland	Roberts (KS)
Crane, Philip	Jeffords	Roberts (SD)
Daniel, Dan	Jeffries	Robinson
Daniel, R. W.	Johnston	Roemer
Dannemeyer	Kemp	Rogers
Daub	Kindness	Roth
Davis	Kramer	Roukema
de la Garza	Lagomarsino	Rousselot
Deckard	Latta	Rudd
DeNardis	Leach	Sawyer
Derwinski	Leath	Schneider
Dickinson	LeBoutillier	Schulze
Dougherty	Lee	Sensenbrenner
Dreier	Lent	Shaw
Duncan	Lewis	Shelby
Dunn	Livingston	Shuster
Dyson	Loeffler	Siljander
Edwards (OK)	Lott	Skeen
Emerson	Lujan	Smith (AL)
Emery	Lungren	Smith (NE)
English	Marks	Smith (NJ)
Erdahl	Marlenee	Snowe

Snyder	Taylor	Williams (OH)
Solomon	Thomas	Winn
Spence	Trible	Wolf
Stangeland	Vander Jagt	Wortley
Stanton	Walker	Wylie
Staton	Wampler	Yatron
Stenholm	Weber (MN)	Young (AK)
Stump	Weber (OH)	Young (FL)
Tauke	Whitehurst	
Tauzin	Whittaker	

NAYS—199

Addabbo	Ford (MI)	Nelson
Akaka	Ford (TN)	Nowak
Albosta	Fountain	Oakar
Alexander	Fowler	Oberstar
Anderson	Frank	Obey
Andrews	Frost	Ottinger
Annunzio	Fuqua	Panetta
Anthony	Garcia	Patterson
Aspin	Gaydos	Pease
AuCoin	Gejdenson	Pepper
Bailey (PA)	Gephardt	Perkins
Barnes	Gibbons	Peyser
Bedell	Gilman	Price
Beilenson	Glickman	Rahall
Benjamin	Gonzalez	Ratchford
Biaggi	Gore	Regula
Bingham	Gray	Reuss
Blanchard	Green	Richmond
Boggs	Guarini	Rodino
Boland	Hamilton	Roe
Boner	Harkin	Rose
Bonior	Hawkins	Rosenthal
Bouquard	Hefner	Rostenkowski
Bowen	Heftel	Roybal
Brinkley	Hertel	Russo
Brodhead	Hightower	Sabo
Brooks	Holland	Santini
Brown (CA)	Howard	Scheuer
Burton, John	Hoyer	Schroeder
Burton, Phillip	Hubbard	Schumer
Chappell	Hutto	Seiberling
Chisholm	Jacobs	Shamansky
Clay	Jones (NC)	Shannon
Coelho	Jones (TN)	Sharp
Collins (IL)	Kastenmeier	Simon
Conte	Kazen	Skelton
Conyers	Kildee	Smith (PA)
Coyne, William	Kogovsek	Solarz
Crockett	LaFalce	St Germain
D'Amours	Lantos	Stokes
Danielson	Lehman	Stratton
Daschle	Leland	Studds
Dellums	Levitas	Swift
Derrick	Long (LA)	Synar
Dicks	Long (MD)	Traxler
Dingell	Lowry (WA)	Udall
Dixon	Luken	Vento
Donnelly	Lundine	Volkmer
Dorgan	Markey	Walgren
Dowdy	Matsui	Washington
Downey	Mavroules	Watkins
Dwyer	Mazzoli	Waxman
Dymally	McDade	Weaver
Early	McHugh	Weiss
Eckart	McKinney	Whitley
Edgar	Mica	Whitten
Edwards (AL)	Mikulski	Williams (MT)
Edwards (CA)	Miller (CA)	Wilson
Ertel	Mineta	Wirth
Evans (IN)	Minish	Wolpe
Fary	Mitchell (MD)	Wright
Fascell	Moakley	Wyden
Ferraro	Moffett	Yates
Fithian	Mollohan	Young (MO)
Flippo	Murtha	Zeferetti
Foglietta	Natcher	
Foley	Nelligan	

NOT VOTING—35

Badham	Hance	Neal
Beard	Hatcher	Paul
Bevill	Hopkins	Pritchard
Bolling	Huckaby	Rangel
Bonker	Jenkins	Savage
Byron	Jones (OK)	Shumway
Dornan	Lowery (CA)	Smith (IA)
Fazio	Madigan	Smith (OR)
Florio	Martin (NY)	Stark
Forsythe	Mattox	White
Ginn	McCloskey	Zablocki
Goldwater	McDonald	

□ 1500

The Clerk announced the following pairs:

On this vote:

Mr. McDonald for, with Mr. Huckaby against.

Mr. Badham for, with Mr. Florio against.

Mr. Beard for, with Mr. Fazio against.

Mr. Forsythe for, with Mr. Rangel against.

Mr. Smith of Oregon for, with Mr. Savage against.

Until further notice:

Mr. Ginn with Mr. Madigan.

Mr. Zablocki with Mr. Lowery of California.

Mr. Bevill with Mr. Paul.

Mr. Neal with Mr. Shumway.

Mr. White with Mr. Pritchard.

Mr. Stark with Mr. Hopkins.

Mr. Hance with Mr. Dornan of California.

Mr. Hatcher with Mr. Goldwater.

Mr. Jenkins with Mr. Martin of New York.

Mr. Bonker with Mr. McCloskey.

Mr. Jones of Oklahoma with Mr. Smith of Iowa.

Mr. Mattox with Mrs. Byron.

Messrs. MOLLOHAN, FOUNTAIN, ANDREWS, and RUSSO changed their votes from "aye" to "no."

Messrs. COLEMAN, HAGEDORN, WILLIAMS of Ohio, DAVIS of Michigan, and JEFFORDS changed their votes from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

□ 1515

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will designate the first amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 1: Page 2, line 9, after "Management," insert "including administrative expenses associated with the management of funds provided under the heads "Oregon and California Grant Lands" and "Acquisition, Construction, and Maintenance",".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 2: Page 2, line 10, strike out "$295,789,000" and insert "$367,631,000".

MOTION OFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$370,131,000".

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 4: Page 2, after lien 15, insert:

"PAYMENTS IN LIEU OF TAXES

"For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 1601), $105,000,000, of which not to exceed $400,000 shall be available for administrative expenses: *Provided*, That this appropriation may be used to correct underpayments in the previous fiscal year to achieve equity among all qualified recipients."

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"PAYMENTS IN LIEU OF TAXES

"For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 1601), $99,500,000, of which not to exceed $400,000 shall be available for administrative expenses: *Provided*, That this appropriation may be used to correct underpayments in the previous fiscal year to achieve equity among all qualified recipients."

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore (Mr. MOAKLEY). The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 6: Page 2, line 20, strike out "$1,137,000" and insert "$2,300,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$3,137,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 8: Page 7, line 12, after "filed" insert ": *Provided further*, That, none of the funds provided in this Act to the Bureau of Land Management may be

expended to determine suitability or nonsuitability for wilderness or for any wilderness study area designation as directed in 43 U.S.C. 1782 of the Federal Land Policy and Management Act of the lands withdrawn by the Executive Order numbered 3767 of December 19, 1922, to be used by the United States Department of Agriculture for a sheep experiment station".

MOTION OFFERED BY MR. YATES

Mr. Yates. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 9: Page 7, strike out lines 13 to 20, inclusive.

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

"OFFICE OF WATER RESEARCH AND TECHNOLOGY
"SALARIES AND EXPENSES

"For expenses necessary in carrying out the provisions of the Water Research and Developlment Act of 1978 (Public Law 95-467) and provisions of Public Law 95-84, as amended (42 U.S.C. 1959-1959i), $11,194,000 of which $2,955,000 shall remain available for obligation until September 30, 1983."

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 11: Page 8, line 5, after "Refuge," insert "including administrative expenses associated with the management of funds provided under the head 'Construction and Anadromous Fish',".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows: "including administrative expenses associated with the managment of funds provided under the head "Construction and Anadromous Fish", and up to $3,000,000 but not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408,".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 12: Page 8, line 5, strike out "$207,235,000" and insert "$219,328,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$229,531,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 20: Page 11, line 2, after "Commission," insert including administrative expenses associated with the management of funds provided under the heads "Construction" and "John F. Kennedy Center for the Performing Arts",".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "including administrative expenses associated with the management of funds provided under the heads "Construction" and "John F. Kennedy Center for the Performing Arts", and up to $3,000,000 but not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 94-408,".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 21 Page 11, line 2, strike out "$527,606,000" and insert "$530,982,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$534,252,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 22; Page 11, line 16, after "States" insert *"Provided further,* That $85,000 shall be available for the National Park Service to assist the Town of Harpers Ferry, West Virginia, for police force use".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 25: Page 12, line 14, after "1983" insert ": *Provided,* That of the amount included in this head, not to exceed $1,500,000 shall be used to reimburse fiscal year 1981 costs of those nine States which did not receive their full survey and planning grants in that year".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 31: Page 14, line 13, after "owner" insert ": *Provided further,* That none of the funds appropriated to the National Park Service shall be used to phase out livestock grazing as provided for in section 3 of Public Law 92-207 (85 Stat. 739)".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 33: Page 15, line 6, strike "$45,596,000" and insert "$46,946,000".

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein

with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$44,727,000".

The SPEAKER pro tempore. The gentleman from Illinois (Mr. YATES) is recognized for 30 minutes.

Mr. YATES. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, it was distressing to find language in the statement of managers accompanying this (Interior appropriations) bill which may not meet the terms of the Alaska Lands Act or the National Wildlife Refuge Administration Act.

The language appears in amendment 12, pertaining to the U.S. Fish and Wildlife Service:

Within available funds, the Service is . . . to provide $300,000 for the North Slope study for transfer to the Geological Survey. This will permit the Survey to discharge its duties *as the lead agency* in *assessment of* oil and gas exploration development and production on the Arctic Wildlife Refuge pursuant to Sec. 1002 of Public Law 96-487. *There is no objection to initial development on new Alaskan refuges while the refuge management plans are being prepared.*

The language is inaccurate and inappropriate in at least three aspects.

First, the legislative intent of section 1022 of Public Law 96-487 in combination with the title III of the act pertaining to the administration of the National Wildlife Refuge System, and the terms of the Refuge Administration Act itself clearly preclude the USGS from a "lead agency" role on a national wildlife refuge.

In fact, this very question was decided just 10 days ago in U.S. District Court, Alaska District. The judge found that a March 12 directive issued by Interior Secretary James Watt which stated:

This is to designate the Director of the USGS as the lead Federal agency for preparing the Arctic National Wildlife Refuge Oil and Gas Report required under Section 1002(h) and the exploration regulations required under 1002(d). . . .

It was a violation of both the Alaska Lands Act and the Refuge Administration Act:

From a review of the Refuge Act, ANILCA, and the legislative histories of both acts, the court holds that Secretary Watt's transfer of § 3142 (d) and (h) functions from FWS to USGS, and his assignment to USGS of lead responsibility for approving § 3142(e) plans, was a clear error of judgment beyond his statutory authority.

Accordingly, It is ordered: . . .

(4) That defendant James Watt re-assign and delegate to defendant Director of the U.S. Fish and Wildlife Service full responsibility for all of the requirements under § 1002(d), (e) and (h) of the Alaska National Interest Lands Conservation Act.

Second, the language fails to state correctly the purpose of section 1002, which is in part: "an analysis of the impacts of oil and gas exploration, development and production. * * *."

The assessment to be performed is of the impacts of oil and gas activities, not the activities themselves.

Third, the report makes reference to "initial development on new Alaskan refuges," suggesting erroneously that such activities may begin before management plans are complete.

While the report is unclear on the meaning of the term "development," in this context, it would appear to mean oil and gas development. Both the Alaska Lands Act and the Refuge Administration Act require a finding of compatibility with the legislatively determined purposes of a refuge before any such development is commenced. Findings of compatibility are to be based on a completed comprehensive management plan. Therefore, the report's suggestion that development could begin prior to the completion of plans for the new Alaskan refuges is contrary to law.

I would like to ask my distinguished colleague from Illinois whether there was any intent on the part of the conference committee to amend the Alaska Lands Act in any way, in these respects.

Mr. YATES. No, sir, there was not.

Mr. SEIBERLING. Was there any intent to amend the Refuge Administration Act in any way?

Mr. YATES. Certainly not.

Mr. SEIBERLING. I thank the gentleman from Illinois for assisting me in clarifying the record on these three matters.

I have prepared a few additional remarks on the legislative histories of these two acts and would ask unanimous consent that they be printed in full at this point.

As many of my colleagues will recall, the treatment given the coastal plain of the Arctic National Wildlife Refuge was one of the most hotly debated issues of the Alaska lands debate. The Senator from Washington, Mr. JACKSON, and our former colleague from Wisconsin, Senator Gaylord Nelson, discussed this very matter in floor debate, in which it was made clear that FWS would have lead responsibility in implementing section 1002.

Mr. NELSON. *I would assume that it is your intent that the Fish and Wildlife Service have the lead within the Department of the Interior in designing the criteria and guidelines to protect the caribou, other wildlife and their habitat.* Of course, other agencies would also be involved and consulted, but it seems to me appropriate that the FWS play the key role in this program. Does the Senator agree?

Mr. JACKSON. *Yes, I believe it is appropriate for the FWS to have the lead responsibility for developing the wildlife protection stipulations, in coordination with the appropriate offices of the Interior Department.* (Congressional Record, 96th Cong., 2nd Sess., August 18, 1980 at 21673 (emphasis added)).

However, this legislative history is merely a confirmation of a longstanding, congressionally established policy. I refer to the Refuge Administration Act, as amended in 1976. Congress explicitly forbid the administration of refuge lands by any agency other than the FWS.

The basic law governing the administration of units of the National Wildlife Refuge System is the National Wildlife Refuge System Administration Act of 1966, as amended, 16 U.S.C. §§ 668dd-668ee (hereinafter the "Refuge Act"). Section 4(a)(1) of the Refuge Act, 16 U.S.C. § 668dd(a)(1), requires that the National Wildlife Refuge System "be administered by the Secretary [of the Interior] through the United States Fish and Wildlife Service."

The requirement that wildlife refuges be administered only "through the United States Fish and Wildlife Service" was enacted by Congress in 1976 as an amendment to the Refuge Act. Public Law 94-223, 90 Stat. 199. This amendment stemmed from congressional dissatisfaction both with management of Refuge System units by agencies other than the U.S. Fish and Wildlife Service (hereinafter "USFWS") and with joint management by USFWS and other agencies.

The Senate report describes what is meant by subsection (a)(1) of the 1976 amendment in the following terms:

First, the Fish and Wildlife Service would be clearly designated as the agency through which the Secretary would be required to administer the units of the System, *thereby eliminating the possibility of the Secretary delegating this authority to* the Bureau of Land Management or *any other Interior agency.* Second, there will be *no joint administration* of any units within the System by the U.S. Fish and Wildlife Service and any other agency. (USCCAN at 293 (emphasis supplied)).

In the House of Representatives, Representative Sullivan, the chairman of the committee which reported the bill, described the primary purpose of the legislation was to make clear "that all units of the National Wildlife Refuge System are to be administered by the U.S. Fish and Wildlife Service." (CONGRESSIONAL RECORD, (page 36597, November 14, 1975).

Representative DINGELL, one of the cosponsors, said that the bill "finally lays to rest the question as to which agency will administer the refuges. They will be administered by the Fish and Wildlife Service by the legislation before us, which is the way the committee has always interpreted the existing law." (CONGRESSIONAL RECORD, page 36602, November 14, 1975).

The Arctic National Wildlife Refuge was established in 1960 and redesignated as a unit of the National Wildlife Refuge System by section 303(2) of the Alaska Lands Act in 1980. Section 304(a) of the act provides that each "refuge shall be administered by the Secretary, subject to valid existing rights, in accordance with the laws

governing the administration of units of the National Wildlife Refuge System, and this Act." Nothing in the Alaska Lands Act modified the requirements of the Refuge Administration Act. I trust that this discussion lays to rest any doubt that may have been created about the respective roles of the FWS and USGS in implementing section 1002 of the Alaska Lands Act.

Now, I would like to take up the sentence in the report which suggests that some unspecified form of "development" may begin before refuge management plans are completed.

If by "development," the conference committee included economic uses, such as timber harvesting, grazing, and oil and gas leasing, then the violation of another section of established law is being suggested. Such activities are allowed only if a "compatibility standard" is met. Section 4(d) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd) permits such uses:

> Whenever [the Secretary] determines that such uses are compatible with the major purposes for which such areas were established.

Section 304(b) of the Alaska Lands Act, Public Law 96-487, states that in applying section 4(d) of the Administration Act, "the Secretary may not permit any use, or grant easements for any purpose described in such section 4(d) unless such use (including but not limited to any oil and gas leasing permitted under paragraph (2)) or purpose is compatible with the purpose of the refuge."

A determination of compatibility is based on a refuge's comprehensive conservation plan. Section 304(g) of the act requires that the Secretary "prepare * * * a comprehensive conservation plan for each refuge." Before developing these plans, the Secretary is directed to "identify and describe" the wildlife and other values of the refuge (section 304(g)(2)). Section 304(g)(3) states that each plan shall:

> (iii) specify the uses within each such area which may be compatible with the major purposes of the refuge.

The terms of section 304, in combination with those of section 1008(a) clearly require that compatibility tests, based on comprehensive conservation plans, be completed prior to any decision to allow oil and gas leasing on refuge units in Alaska. This interpretation coincides with the legislative history of the act. In discussing this section of the law, the House Merchant Marine and Fisheries Committee states that:

> The committee expects that no uses disruptive of the natural habitat will be allowed before a [comprehensive conservation] plan is implemented (H. Rept. No. 96097, Part II, April 23, 1979, p. 177).

Mr. YATES. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Speaker, I rise to seek a clarification from the manager of the bill regarding the agreement reached by conferees on the procedure for future appropriation requests for Indian irrigation projects.

In their report, the conferees have directed the Bureau of Indian Affairs to continue to submit a complete justification of the funding required to the Appropriations Committees as a part of the budget submission. Additionally, and, for the first time, the BIA is similarly directed to submit a legislative package to the appropriate authorizing committees for any irrigation construction projects for which initial funding is being requested. The managers of the conference have further stated that no funds will be provided for any projects if these legislative packages are not submitted to the Congress in time to allow appropriate consideration by the committees involved.

Mr. Speaker, I understand that this procedure is intended to insure that sufficient authorization exists for new Indian irrigation projects as distinguished from requests for extension, modification or maintenance of systems on Indian lands when an irrigation project is already in existence. However, as chairman of the authorizing committee which would normally have jurisdiction over such matters as construction of Indian irrigation projects, I am somewhat puzzled as to why the conferees initiated this method of requesting funding. Of the 121 Indian irrigation projects constructed since 1867 only six have had separate authorizing laws enacted prior to appropriations being made available. Furthermore, it is my understanding that the Snyder Act, (25 U.S.C. 13), the general authorizing authority for BIA functions, has been regarded as sufficient authorization for initiating as well as continuing Indian irrigation projects for the past 60 years. If this Congress has amended the Snyder Act, I certainly am not aware of it.

Mr. YATES. Mr. Speaker, the gentleman from Arizona is correct. Since its enactment in 1921 the Snyder Act has served as general authority for Indian appropriations, including irrigation project construction. The report on the Conference has directed that submission be made to the authorizing committees for projects not already in existence to insure that sufficient authority does exist for all such future requests. A question had been raised in which the Appropriations Committees felt they could benefit by input from the Committees on Indian Affairs and Interior and Insular Affairs. This step was taken then, not because there had been any change in the law but simply to appraise the authorizing committees of such requests. If the authorizing committees conclude that any particular request needs additional authorization, we assume that they will take appropriate action and so notify the Appropriations Committees. If, on the contrary, the authorization committees conclude that sufficient authority already exists, either under the Snyder Act or any other law, then notice of such may also be provided.

Mr. BEREUTER. Will the gentleman yield?

Mr. UDALL. I would be pleased to yield to my colleague from Nebraska.

Mr. BEREUTER. Mr. Speaker, as the chairman of the Republican Task Force on Indian Affairs of the authorizing committee in question, I am very interested in seeking further clarification of this issue.

The distinguished gentleman from Illinois stated that the authorizing committees "may" notify the Appropriations Committees as to whether or not sufficient authority exists for new projects. My reading of this report language indicates that the authorizing committees are not required to respond to the legislative package but are required to be notified. Further, and more importantly, this language does not require that the Appropriations Committees must await an affirmative response from the authorizing committees prior to recommending funding for these types of projects, does it?

Mr. YATES. The gentleman is correct. This language clearly does not require action from the authorizing committees before the Appropriations Committees can report out bills.

Mr. BEREUTER. If the gentleman would further yield, I am concerned that in an era when we are looking toward increased economic development on Indian reservations to help deter the effects of program cutbacks, we not create any obstacles to such development. Section 383 of title 25 of the United States Code, enacted in 1910, sets forth a procedure for the BIA to follow when submitting requests for irrigation projects. This section of the code also requires the Congress to approve each individual project via appropriations bills, as opposed to the pre-1910 system when Congress just funded lump sums for irrigation project construction and maintenance and gave the Commissioner of the BIA discretion over what projects were funded. Does this report language amend 25 U.S.C. 383 and has the BIA been complying with the procedure set forth in that statute?

Mr. YATES. No, it does not change section 383 and; yes, in the fiscal year 1982 budget submission the BIA did strictly follow the procedure required

by that section of title 25 as they have for the years preceding it.

Mr. BEREUTER. If the gentleman from Arizona would yield again, I also hope we are not creating obstacles or additional burdens on the Federal agencies involved in this process. As the Snyder Act and section 383 set forth the authority and procedure for the BIA to request irrigation funding and since the authorizing committees are not required to act antecedent to the Appropriations Committees acting, would it not make sense to have the BIA and OMB simply submit the same funding justification to the authorizing committees as is normally submitted to the appropriating committees?

Mr. YATES. I would have no problem with what the gentleman suggests but I think the question should also be addressed to the chairman of the authorizing committee, for it is his committee which will have jurisdiction over whatever is submitted.

Mr. UDALL. As a proponent of reducing Federal paperwork I can see no reason for separate and distinct packages to be submitted to the two committees. My committee is not being asked to report out any new laws but to assist the Appropriations Committees in their reviews. What is good enough for my friend from Illinois is good enough for me.

Mr. BEREUTER. I thank the chairmen for this clarification.

Mr. UDALL. I thank the floor manager for answering these questions.

□ 1530

Mr. YATES. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 35: Page 16, line 20, strike out "$143,460,000" and insert "$151,539,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$151,964,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 36: Page 16, line 20, after "$143,460,000," insert "of which $9,629,000 shall be available to carry out the provisions of title III of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1221), and of which $850,000 shall be available for determining the limits of the Centralia, Pennsylvania fire, and".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "of which $9,629,000 shall be available to carry out the provisions of title III of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1221), and".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 41: Page 19, line 3, strike out "$797,395,000" and insert "$814,742,581".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$835,646,000, of which not to exceed $4,000,000 shall be available for grants to the Navajo Community College, pursuant to 25 U.S.C. 640C-1, as amended, and".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 55: Page 21, line 25, after "Secretary" insert *"Provided further,* That (except in the case of funds held in trust for Indian tribes or individuals) the funds available for expenditure under the "Indian moneys, proceeds of labor" accounts authorized by the Act of May 17, 1926 (Chap. 309, 44 Stat. 560; 25 U.S.C. 155); the Act of March 3, 1883 (22 Stat. 582) in the fifth paragraph under the heading "INDIAN AFFAIRS" (22 Stat. at 590; 25 U.S.C. 155); and the Act of March 2, 1887 (24 Stat. 449) in the first paragraph under the heading "MISCELLANEOUS" (24 Stat. at 463; 25 U.S.C. 155) may be expended until September 30, 1982 for any purpose for which funds are appropriated under the subheading "Operation of Indian Programs". On September 30, 1982, the balance of such accounts (except for the funds held in trust for Indian tribes or individuals) shall be miscellaneous receipts of the Treasury to offset outlays of the Bureau of Indian Affairs, and thereafter no funds shall be deposited in such accounts other than funds held in trust for Indian tribes or individuals".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: *"Provided further,* That (except in the case of funds held in trust for Indian tribes or individuals) the funds available for expenditure under the "Indian moneys, proceeds of labor" accounts authorized by the Act of May 17, 1926 (Chap. 309, 44 Stat. 560, 25 U.S.C. 155); the Act of March 3, 1883 (22 Stat. 582) in the fifth paragraph under the heading "INDIAN AFFAIRS" (22 Stat. 590; 25 U.S.C. 155); and the Act of March 2, 1887 (24 Stat. 449) in the first paragraph under the heading "MISCELLANEOUS" (24 Stat. 463; 25 U.S.C. 155) may be expended until September 30, 1982 for any purpose for which funds are appropriated under the subheading "Operation of Indian Programs". On September 30, 1982, the balance of such accounts (except for the funds held in trust for Indian tribes or individuals, and not to exceed $10,000,000 which shall be available until expended by eligible tribes for purposes approved by the Bureau of Indian Affairs) shall be deposited into miscellaneous receipts of the Treasury to offset outlays of the Bureau of Indian Affairs and thereafter no funds shall be deposited in such accounts other than funds held in trust for Indian tribes or individuals".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 64: Page 26, line 10, strike out "$36,194,000" and insert "$40,834,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$42,434,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 73: Page 30, line 25, insert:

"SEC. 110. Notwithstanding the provisions of section 6 of the Act of May 25, 1948 (62 Stat. 269, 273), appropriations of power revenues of the Flathead Irrigation Project on the Flathead Reservation, Montana, made pursuant to section 3 of the Act of August 7, 1946 (60 Stat. 895) shall hereafter be available in amount not exceeding 20 percent of the gross power revenues of said project for the preceding fiscal year, or $750,000, whichever is greater, for maintenance and operation of the dam: *Provided*, That no appropriations shall be made in excess of the Flathead Irrigation power revenues on deposit with Federal Government."

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 73 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"SEC. 112. Notwithstanding the provisions of section 6 of the Act of May 25, 1948 (62 Stat. 269, 273), appropriations of power revenues of the Flathead Irrigation Project on the Flathead Reservation, Montana, made pursuant to Section 3 of the Act of August 7, 1946 (60 Stat. 895) shall hereafter be available in an amount not exceeding 20 percent of the gross power revenues of said project for the preceding fiscal year, or $750,000, whichever is greater, for improvements and extensions to the power system: *Provided*, That no appropriations shall be made in excess of the Flathead Irrigation power revenues on deposit with the Federal Government."

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 74: Page 31, line 6, strike out "$109,722,000" and insert "$103,168,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 74 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$114,992,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 77: Page 31, line 22, after "rehabilitation," insert "including administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", and "Construction and Land Acquisition",".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 77 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "including administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", and "Construction and Land Acquisition", and up to $3,000,000 but not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408," ".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

PARLIAMENTARY INQUIRY

Mr. MILLER of Ohio. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. MILLER of Ohio. I noticed the reading clerk is using the amendment numbers in disagreement with the Senate and calling a page number that does not match with the bill, H.R. 4035, or with the House conference report. Could we clarify why that is?

The SPEAKER pro tempore. The Chair will state that the page numbers refer to the Senate engrossed amendments to which the Clerk always refers.

Mr. MILLER of Ohio. We are using the Senate conference report page numbers?

The SPEAKER pro tempore. For the Senate amendments. The references are to the pages and lines of the original papers, the Senate engrossed amendments.

Mr. MILLER of Ohio. I thank the Chair.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 78: Page 31, line 23, strike out "$769,093,000" and insert "$996,410,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 78 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$1,007,074,000".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 85: Page 32, line 13, after "States" insert ": *Provided further*, That $1,485,000 shall be available for construction of the Bald Mountain Road in the Siskiyou National Forest".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 85 and concur therein.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. YATES) is recognized for 30 minutes.

Mr. YATES. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. WEAVER).

Mr. WEAVER. Mr. Speaker, I wish to point out that amendment 85, which is reported in technical disagreement, deals with a Siskiyou National Forest Road in my congressional district. I strongly oppose spending money on this road. Further, the construction of this road is specifically not authorized by Congress. The Omnibus Budget Reconciliation Act clearly states that "none of the funds authorized to be appropriated hereby may be used for carrying out the Bald Mountain Road in the Siskiyou National Forest."

Given the dramatic decline of timber harvests due to the collapse of the housing market, there is little immediate need for the small amount of timber that the construction of this road would make available. At the end of this fiscal year, it is projected that the Siskiyou National Forest will have over 730 million board feet of timber—nearly 4 years' supply—sold, but not harvested. At a time of dramatic efforts to cut Federal expenditures, it is incredible that we would be willing to commit such funds for a project of such questionable need. If this road is constructed, it will be at tremendous cost to the Treasury, and to sound forest land management planning.

It will also be constructed at great cost to the watershed through which it will pass. The road is planned to be built through extremely difficult terrain—the side of a steep ridge—and through extremely sensitive soils. If constructed, it will jeopardize the water quality and valuable fisheries production of one of Oregon's last remaining pure running rivers.

Yet, the value of this road to increased timber production is minimal.

After construction, the Forest Service plans to log only 10 to 12 million board feet of timber from this area over a 5-year period. At the most, this amount represents an annual contribution of less than 2 percent to the annual volume of timber harvested on the Siskiyou National Forest. In addition, the road is designed to access only 6,600 acres of the Siskiyou Forest—less than 1 percent of the forest's land area.

Both the timber and the expenditure are clearly not needed at this time, and it would be the purest folly for the Forest Service to waste time and effort on this road.

REASONS FOR NOT CONSTRUCTING THE BALD MOUNTAIN ROAD

First. The road would make available a small amount of timber at high dollar and environmental cost. On the first entry, the area the Bald Mountain road would access—the Silver and Indigo Creek drainages of the Illinois River—could provide only 11 to 12 mmbf of timber over a 5-year period. Thereafter, barring soil resource or watershed damage, the area is programed to provide about 10 mmbf per year. This represents only 5 percent of the Siskiyou's average programed harvest volume, which has been about 208 mmbf over the years 1966 to 1981. Programed harvests have ranged from 144 to 254 mmbf during this period.

Second. The need for this timber is very low due to depressed housing market and consequent harvest reductions. As the following figures demonstrate, since fiscal year 1979 there has been a dramatic reduction in volume actually cut.

SISKIYOU NATIONAL FOREST

Fiscal year	Sell	Actual cut	Under contract
79	208 mmbf	214 mmbf	500 mmbf (approximate).
80	218 mmbf	129 mmbf	500 mmbf (approximate).
81	201 mmbf	92 mmbf (projected).	620 mmbf.
82	203 mmbf (target).		730 mmbf (if sell target met).

Third. The road will be extremely difficult to build. It must be constructed on the north slope of a steep ridge, through sensitive and unstable soils, according to the USFS Environmental Analysis. The soils are described as having moderate to "very severe" erosion potential. In fact, the document states that the first mile of the roadway will involve reconstruction of an existing road undergoing "active erosion." Part of the road will have to be blasted through a major cliff zone, and will have to pass through extensive areas of loose rock.

Fourth. The road will be extremely expensive. The total costs projected for approximately 14 miles of access and logging road is approximately $2,030,000—about $145,000 per mile. This compares extremely unfavorably with the following figures developed for the Region 6 Forest Plan:

Average per mile costs for local and collector roads

Siskiyou National Forest:	
Local	$30,000
Collector	50,000
Olimpia National Forest:	
Local	95,000
Collector	105,000
Mt. Hood National Forest:	
Local	45,000
Collector	82,000
Eastside of Cascades:	
Local	20,000
Collector	35,000

(The Bald Mount road would be classified as a collector road. Associated logging roads would be local roads.)

Fifth. Because much of the area accessed by this road is of marginal timber value, the Bald Mount road will have to be built with appropriated funds, not timber-purchaser credits. The environmental costs of cutting sufficient timber to pay for the road are too high, according to the Forest Service.

Sixth. Road construction and logging within the Silver Creek and Indigo Creek drainages will jeopardize water temperatures and water quality in one of Oregon's last pure rivers. These creeks are major tributaries of the Illinois, and maintaining high water quality within them is critical to the Illinois salmon and steelhead production. This fishery has an estimated value of $17 million per year.

Seventh. Silver Creek, which lies directly below the proposed road, has an extremely high soil erosion potential. According to an earlier Forest Service study, much of this drainage is subject to: First, rapid runoff; second, high to very high surface erosion potential; and third, increased or greatly increased expectations of mass soil movement due to man's activities (logging and road construction). This drainage provides 30 percent of the total flow of the Illinois during low water periods.

Eighth. The timber could also be accessed from the north or logged by helicopters, even if the Bald Mountain road was prohibited.

Ninth. Providing funds for the construction of this road will amend existing law (the Omnibus Budget Reconciliation Act of 1981) which prohibited such funding.

Tenth. There is strong public opposition to construction. It is now under administrative appeal to the Chief. Indications are that this appeal will continue past the Chief's level, if relief is not obtained by appellants.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 86: Page 32, line 13, after "States" insert ": *Provided further,* That section 10(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended (16 U.S.C. 1608) is amended by deleting all of the sentence after the word 'benefits': *Provided further,* That no more than $242,542,000 shall be obligated for the construction of forest roads by timber purchasers".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 86 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "*Provided further,* That section 9 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (Public Law 93-378 as amended), is amended by deleting all of the sentence after the word "benefits" and inserting in lieu thereof, the following: "*Provided,* That limitations on the level of obligations for construction of forest roads by timber purchasers shall be established in annual appropriation acts": *Provided further,* That no more than $242,542,000 shall be obligated for the construction of forest roads by timber purchasers".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. YATES) is recognized for 30 minutes.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. ASPIN).

Mr. ASPIN. Mr. Speaker, I rise in support of the committee amendment to require annual appropriations review of the financing system of forest development roads by timber purchasers.

Also, I would like to clarify the budgetary status of this activity. Regardless of whether the amendment is adopted, the activity is reflected in the unified budget. It is an on-budget activity. The committee amendment insures that the activity is subject to the appropriations process without altering the on-budget nature of the activity.

Mr. YATES. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. WEAVER).

Mr. WEAVER. Mr. Speaker, I wish to point out to the committee that amendment No. 86, which is reported in technical disagreement, would amend existing law under the jurisdiction of the Agriculture Committee and my Forests Subcommittee. It would do this even as it is proposed to be amended by the managers on the part of the House.

Without any hearings whatsoever, the Resources Planning Act of 1974 is being substantially amended. If this

action is taken we will simply move an expenditure—one now clearly accounted for in the appropriations process—off-budget.

There is no savings or real reduction of the budget through this action. Regardless of the language limiting obligations proposed by the managers, the construction of forest roads by timber purchasers, in lieu of paying cash for their timber, represents revenue lost to the Government. It does have an effect on the budget. Regardless of the budgetary mirrors we use, $242,542,000 will still be spent by the Treasury.

Mr. YATES. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 92: Page 34, line 6, after "year" insert ", and not less than $1,000,000 of unexpended balances from prior year receipts,".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 92 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 93: Page 36, after line 12, insert:

"ALTERNATIVE FUELS PRODUCTION

"The provisions in the next to last paragraph under this head in the Supplemental Appropriations and Rescission Act, 1980 (Public Law 96-304) regarding transfer of projects to the Synthetic Fuel Corporation from the Department of Energy shall not apply to any demonstration projects authorized pursuant to the Federal Nonnuclear Energy Research and Development Act, as amended (Public Law 93-577)."

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 93 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 95: Page 36, line 18, strike out "$463,750,000" and insert "$408,490,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 95 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "sections 302. (b), 302. (c), and 303. (c) of which are hereby repealed, $431,100,000".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 97: Page 36, after line 23, insert:

"FOSSIL ENERGY CONSTRUCTION

"For necessary expenses in connection with the purchase and construction of fossil energy plans, including the acquisition of interests, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, $4,000,000, to remain until expended: *Provided*, That of the funds deferred under this head in the Supplemental Appropriations and Recession Act, 1981, (Public Law 97-12) $135,000,000 shall be available for continuing design of the Solvent Refined Coal-I (SRC-I) demonstration facility (Project No. 78-2-d)."

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 97 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"FOSSIL ENERGY CONSTRUCTION

"For necessary expenses in connection with the purchase and construction of fossil energy plants, including the acquisition of interests, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, $4,000,000, to remain available until expended: *Provided*, That funds deferred under this head in the Supplemental Appropriations and Rescission Act, 1981 (Public Law 97-12) and further deferred (D82-9) in the special message transmitted by the President to the Congress on October 1, 1981 under section 1013 of the Impoundment Control Act of 1974 (Public Law 93-344), shall be used for continuing design of the Solvent Refined Coal-I (SRC-I) demonstration facility (Project No. 78-2-d) and that deferral (D82-9) is hereby disapproved."

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 101: Page 37, line 10, after "Energy," insert "and $400,000 to be derived from "Energy production, demonstration, and distribution," Department of Energy,".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 101 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 104: Page 37, line 22, after "Administration" insert ": *Provided further*, That of the funds deferred under this head in the Supplemental Appropriations and Rescission Act, 1981 (Public Law 97-12), $5,000,000 shall be available for the Federal coal conversion program, of which $4,500,000 shall be available only for expenses in issuing prohibition orders under the Powerplant and Industrial Fuel Use Act and other related laws, to remain available until expended.".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 104 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following: *"Provided further*, That of the funds deferred under this head in the Supplemental Appropriations and Rescission Act, 1981 (Public Law 97-12), $5,000,000 shall be available for the Federal coal conversion program, of which $4,500,000 shall be available only for expenses in issuing prohibition orders under the Powerplant and Industrial Fuel Use Act and other related laws".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

□ 1545

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 106: Page 38, after line 2, insert:

"PETROLEUM ACQUISITION AND TRANSPORTATION

"The limitation on the aggregate amount that may be obligated under section 167 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), for the acquisition and transportation of petroleum, and for other necessary expenses, is hereby established at $3,684,000,000, to remain until expended."

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 106 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"SPR PETROLEUM ACCOUNT

"The aggregate amount that may be obligated under section 167 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), for the acquisition and transportation of petroleum, and for other necessary expenses, is $3,684,000,000, to remain available until expended."

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 111: Page 42, line 6, after "facilities)" insert ": *Provided further,* That funding herein, and in any earlier appropriations Act, for scholarship programs under section 103 of the Indian Health Care Improvement Act and section 757 of the Public Health Service Act shall remain available until expended".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 111 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: ": *Provided further,* That funding contained herein, and in any earlier appropriations Act, for scholarship programs under section 103 of the Indian Health Care Improvement Act and section 757 of the Public Health Service Act shall remain available for expenditure until September 30, 1983".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 112: Page 42, line 16, strike out "$46,739,000" and insert "$46,617,000".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 112 and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment, insert "$49,117,000".

The motion was agreed to.

The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 114: Page 43, line 22, after "tation" insert ": *Provided further,* That employment funded by this Act shall not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 114 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 117: Page 44, line 7, after "$82,096,000" insert ": *Provided,* That none of such funds shall be obligated until the Secretary of Education has certified to the Congress that he has implemented effective procedures and requirements to verify and assure that the individuals benefiting from such funds on the basis of their Indian status actually are Indians within the meaning of section 453 of the Indian Education Act (86 Stat. 345), as amended (20 U.S.C. 1221h): *Provided further,* That none of such funds shall be obligated until the Secretary of Education has submitted to the Congress his report on the study and analysis of such definition of the term 'Indian' which said section 453 required be submitted to the Congress by January 1, 1980".

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 117 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided,* That no funds shall be obligated for expenses of the Office of the Director of Indian Education after March 1, 1982 until the Secretary of Education has submitted to the Congress his report and recommendations on the study and analysis of the definition of the term 'Indian' as required by section 453 of the Indian Education Act (86 Stat. 345), as amended (20 U.S.C. 1221h)".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my own remarks and that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material and tabular information on the conference report on H.R. 4035, just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., November 5, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following projects on November 5, 1981:

REPAIR AND ALTERATIONS

Norfolk, Virginia: U.S. Post Office and Courthouse.

Alameda, California: Federal Center Building, Building 1, 620 Central Avenue.

LEASE CONSTRUCTION

Tallahassee, Florida.

FEDERAL CONSTRUCTION

Ashland, Kentucky.

The original and one copy of the authorizing resolutions are enclosed.

Sincerely,

JAMES J. HOWARD,
Chairman.

CONTINUATION OF DECLARED EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 109)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

(For message, see proceedings of the Senate of today, November 12, 1981.)

GAO REPORTS THAT RAISING THE PAY CAP WOULD BE COST EFFECTIVE

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, the GAO placed in my hands today a letter report which indicates that raising the pay cap would be cost effective.

The current appropriation restriction on the payment of the legal salaries of career executives and other top Federal officials expires on November 20, 1981. The Congress has a golden opportunity to protect its finest investment—its senior executives—the FBI agents, the CIA agents—the people who have worked on the Space Shuttle—the men and women who provide for our national security. They are leaving in alarming numbers.

Now is the time to begin facing up to executive pay compression and its related problems. The exodus of valuable and able executives is costly as the GAO letter points out. In today's environment when the Government is being asked to do more with less, experienced executives with the knowledge and know-how are in a much better position than new, inexperienced executives, to run the Government and keep costs down.

I insert the text of the GAO letter of November 11 at this point in the RECORD.

I urge my colleagues to take the initiative now to address the salary dilemma which has plagued the Government for too long. We can no longer afford to ignore this critical problem.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., November 11, 1981.

Hon. FRANK R. WOLF,
House of Representatives.

DEAR MR. WOLF: We are providing you a copy of a letter we are sending to the Chairman, Subcommittee on Civil Service, Post Office, and General Services, Senate Committee on Governmental Affairs, on the merits and cost effectiveness of his proposal to raise the existing $50,112.50 executive pay cap to $57,500.

One of the most critical but perhaps least understood and appreciated problems facing the Government today is the executive pay dilemma. The problem stems from inadequate salary levels, irregular pay adjustments, distorted pay interrelationships, and the linkage of Federal executives' salaries with those for Members of Congress. In the last 3 years, Federal executives have been denied scheduled pay increases totaling 22.4 percent.

The current appropriation restriction on the payment of the legal salaries of career executives and other top Federal officials expires on November 20, 1981. Thus, the Congress has another opportunity to address the executive pay problem.

Raising the pay cap would relieve some of the pay compression and its resulting adverse effects. Moreover, our analysis shows that it would be cost effective.

We are also sending copies of this letter to the President of the United States; the President of the Senate; the Speaker of the House of Representatives; the Director, Office of Management and Budget; and to key House and Senate committees having a responsibility or interest in this critical matter.

Sincerely yours,

CHARLES A. BOWSHER,
Comptroller General
of the United States.

Enclosure.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., November 10, 1981.

Hon. TED STEVENS,
Chairman, Subcommittee on Civil Service, Post Office, and General Services, U.S. Senate

DEAR MR. CHAIRMAN: This letter is in response to your request that we evaluate your proposal to raise the "pay cap" for Federal career executives by 14.7 percent to $57,500. Your proposal also would raise the pay limitations for Executive Level III and IV positions to $59,500 and $58,500, respectively. Salary levels for Members of Congress, Cabinet officials, and equivalent positions in the executive, legislative, and judicial branches would not be changed.

While your proposal to raise but not lift entirely the pay restrictions for career executives and certain other Federal executives, excluding Members of Congress, would not fully alleviate the critical pay compression problem, it would provide a much-needed measure of relief. Moreover, if it encourages affected executives to delay their retirements for 3 years, the savings would offset virtually all of the additional salary costs involved.

The proposed raise would relieve some of the existing pay compression among career executives and senior managers, provide needed pay increases to most Federal executives, and preserve the small but important pay distinctions among the various executive levels. Raising the pay limitations and allowing a portion of the scheduled pay increases to become effective should have a positive effect on the Senior Executive Service (SES); the recruitment, retention, and morale of Federal executives and senior managers; and, ultimately, the management and operation of Government programs.

In our opinion, the executive pay dilemma is one of the most critical but perhaps least understood and appreciated problems facing the Government today. Since March 1977, the executive pay ceiling has been increased by only 5.5 percent. During that same period, retired Federal executives received annuity cost-of-living adjustments totaling 55 percent; Federal white-collar pay rates have been increased by 38 percent; and private sector executive pay has gone up about 40 percent.

Federal executives have been denied scheduled increases totaling 22.4 percent in the last 3 years. Executives were due pay raises of 7.02 percent, 9.1 percent, and 4.8 percent in October 1979, October 1980, and October 1981, respectively, but appropriation act language prohibited payment of these scheduled increases. The current appropriation restriction on the payment of the legal salaries of career executives and other top Federal officials expires on November 20, 1981. If the restriction is not reimposed, executive salaries, including those for Members of Congress, will rise by 22.4 percent to their legal levels.

Because of appropriation act pay restrictions, about 46,000 career executives at eight different levels of responsibility now receive the same salary—$50,112.50. As we stated at your Subcommittee's September 14, 1981, hearing on the "Government Brain Drain," this absurd situation creates a multitude of recruitment, retention, morale, and other problems. If allowed to continue, executive pay compression and its resulting adverse effects threaten to undermine the SES and other important reforms the Congress mandated in the Civil Service Reform Act of 1978. More critically, the effective management and operation of Government programs is at stake.

The Government is losing its most valuable, experienced career executives at a time when our country can least afford it. Experienced Federal executives at the peak of their managerial career are retiring at alarmingly high rates; 3,137 top executives retired in 1980, compared with only 508 in 1977. Besides the lost expertise and continuity, such retirements are very expensive. Not only must executives' retirement annuities be paid for a longer period, but salaries must be paid to their replacements as well. Thus, for each executive who retires, the Government must actually pay two persons—the retiree and his or her replacement—to get one job done.

We estimated the cost effects of raising the pay cap for the 34,000 Federal executives and senior managers who at September 30, 1981, were at the $50,112.50 pay ceiling. Raising the pay cap from $50,112.50 to $57,500 would result in a pay raise averaging about 11 percent for that group. A basic premise was that an 11 percent pay increase would cause executives to defer their retirements for 3 years. Conversely, with no immediate pay raise, we assumed that retirement-eligible executives would retire and be replaced.

According to our analysis, raising the pay cap to $57,500 would be cost effective. The net estimated present value of the additional salaries and retirement annuities, including income tax considerations, that would be paid over the remaining lifespans of the 34,000 executives and their replacements would be only about $230 million. The net additional long-range cost would represent an increase of less than 1 percent over the total cost if the cap is not raised. Granting the raise would reduce Federal outlays for the first 3 years because executives at the pay cap would not retire and replacement salary costs would be avoided.

Our analysis did not consider several other important factors such as the value of executives' experience, training, and morale, but if quantifiable, they would serve to enhance the cost effectiveness of raising the pay cap.

We trust that this letter is responsive to your request and will assist the Congress in evaluating the merits and cost effectiveness of lifting or raising the executive pay cap.

Sincerely yours,

CHARLES A. BOWSHER,
Comptroller General
of the United States.

MOBIL CORP'S TAKEOVER ATTEMPT OF MARATHON OIL CO.

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, as the Representative from Ohio's Fourth District, I am very concerned about Mobil Corp.'s recently announced takeover attempt of Marathon Oil Co. Marathon Oil is headquartered in my hometown of Findlay, Ohio, and has been a good corporate citizen of the State of Ohio for almost a century, playing a significant role in the petroleum market in Ohio.

Marathon employs more than 5,000 people statewide, most of those in my district, with a payroll of close to $100 million. Perhaps as significant, Marathon has a tradition of commitment that the multinational oil companies such as Mobil have not shown. Marathon has historically shown a deep commitment to Ohio to keep the flow of oil stable during times of supply interruptions. During the oil crisis of 1979, for example, Marathon maintained a 100-percent allocation to customers while other larger companies cut allocations in Ohio by an average of 20 percent.

Mr. Speaker, I am deeply disturbed about the loss of vigorous competition if these two oil companies are allowed to merge. The chilling fact of this proposed merger is clear—the Mobil Corp. would rather explore for oil on the floor of the New York Stock Exchange than searching for new oil in the ground. Even worse, the merger of these two companies would actually decrease the competition in the energy marketplace. Combined, a Marathon/Mobil Oil Co. would rank No. 1 in terms of gasoline sales and No. 1 in terms of crude oil delivered over U.S. oil pipelines. It would also rank second in terms of total refining capacity and refined petroleum product sales.

Everybody who suffered through the oil crisis of this past decade must question whether such a merger serves the best interest of the country. By taking over Marathon, Mobil will severely curtail all competitive aspects of the Marathon operation, including the shipping, production, exploration, refining, and marketing.

These consequences lead me to believe that such an acquisition would violate section 7 of the Clayton Act.

I have written a letter to Federal Trade Commission Chairman, James Miller, cosigned by the entire Ohio congressional delegation, requesting that the FTC conduct an immediate and thorough examination of all information necessary to determine whether Mobil's acquisition of Marathon Oil would be consistent with antitrust laws and public policy considerations.

I have also called upon the distinguished chairman of the House Judiciary Committee, Mr. RODINO, and the chairman of the Senate Judiciary Committee, Mr. THURMOND, to convene hearings as soon as possible to consider the antitrust implications of the acquisition.

I believe serious antitrust implications must be considered when the second largest oil company, Mobil Corp., attempts to purchase controlling interest in the 17th largest oil company, Marathon Oil, in the country. It seems fairly obvious to me that such a merger would not promote free and vigorous competition.

Most important, I am gravely concerned about the impact such a merger would have on the job market in my district and throughout Ohio. Just yesterday, the Hold Separate Agreement proposed by Mobil would give Marathon employees only a 72-hour notice of employment termination. I hardly consider this a good faith effort to protect the employees of Marathon Oil. With over 5,000 jobs at stake, I shudder to think of the ramifications if Marathon headquarters left Findlay. Such a move would go far beyond the dollar loss—it would deal a severe blow to the community.

I would hope that the Federal Trade Commission would rule favorably in this case, thereby maintaining free and vigorous competition between these two oil companies.

CONGRESSMAN STRATTON MAKES THE ANNUAL RELEASE OF HIS FEDERAL INCOME TAX RETURNS AS WELL AS HIS NET WORTH

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, today I am making public, as I have done ever since 1974, a copy of the joint income tax return of my wife and myself for the current year, 1980, together with a detailed statement of our estimated net worth.

Although some of the information contained in this release has been made public in accordance with the provisions of the Federal Disclosure Act, my annual report continues to go into far more detail than is required either by the Disclosure Act or the rules of the House.

The information follows:

The 1980 Joint Federal Tax Return[1] of Samuel S. and Joan H. Stratton

Line:	
7 Total exemptions: 2 (self and spouse)	
8 Wages (congressional salary)	$60,662.50
9 Interest income (U.S. Government bonds and savings accounts)	230.84
10a Dividends	(2)
17 Fully taxable pensions and annuities (Naval Reserve retirement)	10,834.25
22 Total income	71,727.60
30 Total adjustments (D.C. cost-of-living adjustment)	3,000.00
31 Adjusted gross income	68,727.60
33 Itemized deductions[3]	
33 Total medical expenses	150.00
34 Total taxes (State, real estate, sales)	9,284.98
35 Total interest expense	2,686.73
36 Total contributions	862.00
38 Total miscellaneous	158.15
39 Total of lines 33 thru 38	13,141.86
40 Zero bracket amount	3,400.00
41 Substract line 40 from 39	9,741.86
34 Taxable income	58,985.74
35 Total tax (from schedule TC)	18,201.01
54 Total Federal tax paid	18,201.01
Total taxes paid for 1980:	
1980 Federal tax paid	18,201.01
1980 New York State tax	6,572.62
Maryland real estate tax, 1980	1,868.46
Total taxes paid	26,642.09

[1] Data from form 1040.
[2] None.
[3] Summary from schedule A.

Net Worth of Samuel S. and Joan H. Stratton (as of Oct. 5, 1981)

Assets	
Cash on hand or in checking accounts	$2,588.01
Cash in savings accounts	4,895.10
Cash value of life insurance policies	3,006.33
Accumulated dividends on life insurance	244.35
U.S. Government bonds (series E and H), purchase price	2,250.00
Bethesda, Md., residence (estimated market value)	140,000.00
Automobiles:	
1975 Pinto, book value	1,575.00
1979 VW Beetle convertible, book value	7,025.00
Sailboat	400.00
Furniture, clothes, personal possessions (estimated)	7,500.00
Accumulated contributions to date in congressional retirement fund (available only for retirement purposes)	68,436.43
Total assets[1]	237,920.00
Liabilities	
Bankers Trust, Albany—Balance on auto loan on 1979 VW	3,392.64
Mortgage on Bethesda residence	22,701.66
Installment accounts payable	2,373.85
Total liabilities	28,468.15
Computation of net worth	
Total assets	237,920.22
Total liabilities	28,468.15
Net worth	209,452.07

[1] Note on assets:
1. Bethesda residence—purchased in 1965 for $42,600.
2. Amsterdam residence is a rented apartment.
3. Total term life insurance held: $89,600.

VETERANS DAY—VIETNAM VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. DASCHLE) is recognized for 60 minutes.

GENERAL LEAVE

Mr. DASCHLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. DASCHLE. Mr. Speaker, yesterday was Veterans Day and since it was a holiday I called this special order so that we might recognize a special group of veterans, the Vietnam veterans.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I thank the gentleman from South Dakota for his insight and leadership and for making this opportunity possible for all of us to speak with respect to Veterans Day. Because of the history of this particular matter, and because of the concern that I know the gentleman and I both share, I would like these remarks to be entered into the RECORD and made a part of this special order.

Mr. Speaker, throughout our history, over 38 million Americans have entered military service in the defense of our Nation. The number of living veterans today totals over 30 million with more than 26 million who are veterans of wartime eras.

The present veteran population is the largest in the Nation's history. It represents a sixfold increase since the Veterans' Administration was created more than 50 years ago. Today, 93 million individuals who are either veterans, dependents, or survivors of deceased veterans, are potentially eligible for VA benefits and services. With this rising number of citizens, the VA has grown to meet the changing needs of veterans.

Yesterday, Veterans Day, many of us spent the day in our home districts taking part in ceremonies to commemorate the sacrifices all veterans have made to this country. It was a day to reaffirm this Nation's historic commitment to honor and care for those who have borne arms in service to the country, in times of war and peace.

We owe a debt to recent veterans which we are just beginning to repay. At the same time our obligations to veterans of other eras remains as compelling as ever. No Government has a more legitimate function than to honor and provide for those who have selflessly defended its citizens.

Mr. Speaker, Veterans Day is one way Americans demonstrate their respect for those men and women who have endured hardship and sacrifice in the service of this country. It is my hope that many citizens paused yesterday to honor, to remember, and to care for him who shall have borne the battle.

Mr. DASCHLE. Mr. Speaker, it was a day off for most of us; many of us who cared deeply about this particular group of veterans had no opportunity really to express ourselves on the floor of this House. It was a day I think for many of us to reflect on the contribution made in past wars by all of those veterans who were called to service. While it is a time which is actually set aside for all veterans, as it should be, this year in particular I think it was a day for which we could give special recognition to the Vietnam veterans in our country.

This has been a special year for 8.5 million veterans who served in Vietnam, for it was before 1981 that those who served during the period in our history, that very troubled and confused period in our history, that those veterans who came back had a very difficult time and suffered the most grievous problems. It was before 1981 that those who served were hardly recognized for those problems, and yet it was that those problems would not go away. They were problems of acceptance, problems of adjustment, problems of orientation, and special problems unique to their own experience in Vietnam.

We had agent orange where we saw for the first time 10.5 million gallons of a most toxic substance, some call it the most toxic substance known to man, dumped on 6 million square miles, an incredible experience, the likes of which had not been seen, and the nightmares still persist for those who were subjected to that kind of exposure. Agent orange was something we had never heard anything about prior to the days of Vietnam.

There was another problem called delayed stress that no one heard anything about before Vietnam, a problem we are only now recognizing for its gravity, for the incredible complexity that it has, and the ramifications it has on people's minds.

I have talked to many of those veterans who were so plagued with delayed stress, problems that they still cannot recognize in many cases, problems that plague them in their nightmarish experiences that they go through yet today. They are problems, too, that their families have to contend with night after night. I have met so many of those veterans and, indeed, they do leave a lasting memory and an imprint on the minds of those that have had the same experiences that I have had in dealing with these veterans.

Drug abuse, too, became a critical problem for veterans coming home from Vietnam, drug abuse that was largely ignored because we did not want to recognize the fact that for the first time our veterans were having serious drug problems in a war that they did not want to be in.

For more than a decade these problems persisted. They were ignored. They were belittled, and they were even challenged as legitimate problems suffered by those in Vietnam. For more than a decade they were problems which many thought would go away and never went away at all. They only got worse. But because those veterans got organized, and because there were many in Congress long before I got here that had the courage and the conviction to recognize those veterans and the problems that they were experiencing, and the courage to do something about it, and because there were many in the media who recognized those problems and brought those problems forward to the people of our land, a growing realization developed in this country to resolve those problems, to do something about it and to finally put to rest the nightmarish experiences that so many of these veterans were having. But really it was not until 1981, this year, that the fruits of that effort became reality. It was only on November 3 of this year, 1981, that the President, very reluctantly, I understand, signed into law the Veterans Health Care Training and Small Business Loan Act of 1981.

As a result of that legislation veterans for the first time can walk into the doors of any veterans hospital, anywhere in the country, and be treated for agent orange. Veterans for the first time will have an on-the-job training program so they, too, can adjust to society and the demand of employment today.

□ 1600

Again, they can be reassured that for 3 more years we are going to have psychological readjustment and training, counseling that so many so desperately need in this country. So indeed, it has been a year of accomplishment and indeed we can relax and in a somewhat unusual fashion be jubilant about the way in which Vietnam veterans are finally being recognized in this country.

But if we are to be complacent, we are to lose, complacency is not going to resolve the problems that lie ahead, problems with what we do with veteran centers in the years ahead, problems with how we resolve still many of the complex issues on agent orange, problems that deal with the GI bill which is totally inadequate, problems now with contracting out many of the services that we have so long taken for granted in the Veterans' Administration.

Much yet needs to be done and so it is today that the day after Veterans Day that we call upon our country, that we call upon those Members in Congress for a recommitment, a renewal of our efforts, and we certainly must do that within ourselves.

So we renew our promise to those veterans who have waited so long, and we renew our commitment to those who gave so much.

Senator Robert Kennedy probably said it better than anybody has when he looked at the problems those of us face, and the way in which we must resolve to solve them. He said:

You know so many people see things as they are and ask why, but rather we should dream of things as they might be and ask why not.

For too many years Vietnam veterans have asked why not and at long last we are providing them with the answers.

Mr. Speaker, I would also like to take this opportunity to recognize the outstanding service five disabled Vietnam combat veterans have provided their fellow veterans in South Dakota. I have had the pleasure and privilege of working with all of these men.

Roger Andal has for years been a watchdog on behalf of veterans first as an employee of the VA, then as national service officer for the disabled veterans. I was honored to have Roger as my field director until he went into private business where he continues to advocate for his fellow veterans.

Larry Bouska assumed Roger's duties as service officer for the DAV and has continued to serve veterans in the mold Roger first established. Larry has had outstanding success in presenting and appealing veterans claims and South Dakota veterans are fortunate to have his expertise and knowledge behind them.

Chris Johnson, founder and president of Vietnam Veterans of South Dakota has been of immeasureable service to Vietnam veterans in South Dakota suffering from the doubt and uncertainty of exposure to agent orange. Chris also founded a self-help counseling group in Rapid City and is recognized throughout South Dakota as a champion for Vietnam veterans and their families.

Gene Murphy is the current DAV chapter president in Sioux Falls and past three-State commander of the Paralyzed Veterans of America. Gene continues to serve on the board of directors of PVA and is well known throughout South Dakota for his work with disabled and paralyzed veterans.

Last but not least is Earl Schultz. Earl is currently State director for the Veterans Employment Service in the Department of Labor. Earl has done a great deal for veterans in this area as South Dakota continues to have one of the best placement records for veterans seeking employment in the Nation. Earl has been the recipient of several awards for his achievements in this area.

All together, South Dakota veterans, especially Vietnam veterans, are fortunate to have these men behind them.

Mr. Speaker, I feel it is also important to note that the Justice Department recently announced that veterans were less likely to be in prison than nonveterans. Combat Vietnam veterans make up less than 5 percent of all State prison inmates as of late 1979. This is certainly encouraging news and is indicative of the quality of people who served in our Nation's Armed Forces during this bitter and divisive conflict.

Mr. RATCHFORD. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Connecticut.

Mr. RATCHFORD. Mr. Speaker, as we pause to reflect on the courage and dedication of the millions of men and women that have served in defense of this great country, and as we proceed in this very body to shape the largest peacetime defense budget in our history, let us not lose sight of the tragic human consequences of the Vietnam war—a conflict that far too many Americans would prefer to think never happened.

Indeed Veterans' Day serves as a solemn reminder of those Americans that fought so bravely and the many that lost their lives in defense of the Nation in wartime. In paying tribute in this fashion we come to recognize the importance of our free and democratic society. What we so often fail to do on this day of remembrance, however, is to assess the state of veterans who still bear the scars of conflict.

Despite an administration that would have terminated the Vietnam Veterans' Outreach and Counseling Center program, an administration that would limit the level of health care services available through the VA hospitals, and an administration bent on across-the-board budget cuts that cannot but harm critical veterans programs—yes, despite all this, this Congress has made great strides this session in assuring that key programs are not adversely impacted and that essential new programs are put into place.

VA hospital facilities and services have been dramatically improved by this Congress, administration efforts to force the VA to contract out for services have been stymied, compensation and pension cases are being handled in a more timely and compassionate manner than in the past, and a sweeping new program to assist the Vietnam veteran still experiencing readjustment problems has become law. The record is impressive. After a decade of sweeping the special problems of the Vietnam vet under the rug, we are beginning to take meaningful steps to address the psychological and health problems that linger for so many.

Far more must be done though, because of the 9 million men and women who served this country during the Vietnam war as many as one-fifth, or 500,000, still suffer from the psychological effects of delayed stress syndrome. Nearly the same number are still unemployed, and new information leads us to believe that some 2.5 million may have been exposed to the dangerous herbicide agent orange. It is my hope that when we proudly dedicate the new Vietnam Veterans Memorial next year at this time that we can point to significant new advances in addressing these horrible problems. In our haste to prepare the Nation's defenses for possible conflict in some remote corner of the world at some future time, let us not forget the tragic personal war that far too many Vietnam vets must still wage in order to once again gain full acceptance by our society and to secure much needed attention to their special health and psychological needs.

Last week I was joined in my district by a Member of this House that has done more to raise the level of the American conscience with regard to our Vietnam experience and the problems that remain. Congressman TOM DASCHLE and I conducted a number of activities on the subject of agent orange and other matters that were quite enlightening to us, and we hope of some help to the many Vietnam vets that attended. I submit for the RECORD the following article that I prepared in reflecting upon these activities and my special thoughts on this Veterans Day, 1981:

A VETERANS DAY COMMITMENT

(By BILL RATCHFORD, Member of Congress, Fifth District, Connecticut)

WASHINGTON.—Too slowly, the American government is beginning at last to acknowledge our nation's responsibility to the men and women who served in Vietnam.

It has been difficult to move our institutions as far as we have; it is essential that we not rest, satisfied with our significant yet incomplete gains, but press on for a square deal for the veterans of that unpopular war.

Two events just last week demonstrated both the progress we've made to date and the work that lies ahead.

One was the signing on Tuesday by President Reagan of a bill I'd cosponsored in Congress to extend veterans benefits to those who have been exposed to the highly toxic herbicide Agent Orange.

The other was the Vietnam Veterans Forum I sponsored the night before in Waterbury with a Vietnam-era veteran, Congressman TOM DASCHLE of South Dakota.

What I saw on Monday night was the anger of Vietnam veterans who have been denied the full benefits they earned on the battlefield, the unity of veterans of Korea and World War II standing by their fellow vets as they seek redress of government wrongs toward Vietnam combatants, and a growing public awareness of the shabby official treatment that has generally been accorded the Vietnam veteran.

More than 250 people, most of them veterans or members of their families, crowded into an upstairs meeting hall at the American Legion Post that night to discuss some of the problems still faced by the men and women who returned from Vietnam. They talked about Veterans Administration rules that overlook disabilities related to conditions unique to our nation's involvement in Vietnam—like Agent Orange poisoning, delayed stress syndrome, a host of rare medi-

cal disorders and acute emotional disorders. They talked about VA hospitals where the staff was generally concerned but so ill-equipped and overworked that the individual vet got little special attention.

Congressman Daschle and I reported on the slow but steady progress in Washington of legislation designed to aid Vietnam and Vietnam-era vets—including the symbolic law that deeded two acres of federal land near the Lincoln Memorial to a non-profit group for a Vietnam Veterans Memorial, due to be dedicated on Veterans Day 1982. And we came away from the three-hour forum saddened by the truly painful personal stories some of the Vietnam veterans had to tell, and more determined than ever to work to convince our colleagues in Congress of the need to right the wrongs that have been done to those who paid and continue to pay the price of service in Vietnam.

The Viet vet really has gotten a raw deal. No marching band met him when he got off the plane. No job, in so many cases, was waiting for him when his discharge came through. If he'd been exposed to some of the deadly chemicals we sprayed all over the countryside there—and even, our government has now admitted, on our own troop concentrations—and was suffering from numbness or dizziness, ugly rashes or other unusual medical conditions, the VA doctors and administrators couldn't give him the benefits and treatment that would be automatic in the case of a veteran with more physically obvious wounds. If the wounds he suffered in maddening jungle warfare were more psychological, his government offered little help in setting him on a path that would restore his place in society and his self-esteem. America had not only lost interest in its war in Southeast Asia; it lost compassion for its warriors.

Little by little, but years too late, we're coming to realize how badly our nation has treated the more than 2.5 million men and women who bore arms in Vietnam. The bill just passed by Congress and signed into law by the President starts the government on a more compassionate, responsible road. It mandates that the VA provide treatment for disabilities linked to exposure to toxic chemicals such as the defoliant Agent Orange; that the readjustment counseling centers for Viet vets remain in business for another three years; that educational benefits under the GI bill be extended; that the government help disabled and Vietnam-era vets get started in their own businesses.

We've made real progress in the past year. Let's pledge that next Veterans Day we'll be able to look back and say the same thing, ensuring justice for those who sacrificed to preserve it.

Mr. BAILEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Pennsylvania.

Mr. BAILEY of Pennsylvania. Mr. Speaker, I just would like to take this opportunity to thank the gentleman in the well, the gentleman from South Dakota (Mr. DASCHLE), for requesting this special order.

I have seen him in my brief tenure down here—we came to the Congress together—work unceasingly, tirelessly, with veterans from all eras, representing all of our wars, those who had fought in all of those wars, and I have also seen him concentrate with his heart and soul on programs to help, and benefit, and deal with the problems facing and help confront and help solve the difficulties faced by Vietnam veterans.

I am convinced, I am not afraid history will address the ultimate question, it is one of pride, one of respectability, and one I suppose of historic accounting, for policy decisions that the Nation made, for the reasons why the Nation was involved and most importantly to the individuals that fought there, the reasons why they were involved. That is an ultimate question and time will tell how that will come out.

Meanwhile this country is full of compassion, caring, loving people, whose kindness and generosity and honest concern is evident here, like the gentleman from Connecticut, who really do care. I hope all veterans who have an opportunity to read the CONGRESSIONAL RECORD and witness this special order here today understand those very important opinions about the war, as ultimate as they might be, that they will be resolved, they will be addressed.

Meanwhile there is a nation that cares, that is concerned, that wants to help, and very much wants to see justice done to them, for them and with them.

Mr. COATS. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Indiana.

Mr. COATS. Mr. Speaker, I also want to commend the gentleman for calling for this special order and for his work. I am a new Member here and as a member of the Veterans' Caucus, Vietnam Veterans' Caucus, followed more in the record than participation, but the gentleman's work is to be commended and his interests and efforts in behalf of our veterans.

I have taken the occasion in my district to meet with many of our Vietnam veterans in the outreach centers and in other areas and have listened to the stories and have heard of their struggles.

I was one of the fortunate ones that while serving during that period was serving in the States and not in Vietnam, and I know that difficult as it was for a young person just out of school, trying to raise a family, and give time to the service of our country, that pales by comparison with those who had to face the question of life or death, the warfare, the horrors that Vietnam was, and I think that this Nation instead of welcoming those people back who, not by their choice, but in a sense of duty to their country, did not ask where we are going and why we are going but went out of a sense of duty, instead of being welcomed back by bands and community turnouts, as all of our other veterans in many of our previous wars, came back in humiliation and shame and unable to get meaningful employment, meaningful employment for some of their injuries, whether psychological or physical, I am sorry we had to go through that period in the history of our country.

I am glad that I think we had at least turned the corner, the attitude has changed, events have changed those attitudes, and partly through the gentleman's efforts and others in that caucus, that attitude is changing and I hope this is the beginning, not the ending of the beginning of a recognition so long overdue.

□ 1610

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I would be happy to yield to the gentleman from Texas.

Mr. GONZALEZ. First, I wish to add my voice to those who preceded me in acknowledging the great contribution of the gentleman that sponsors this special order, as well as the gentleman from Pennsylvania (Mr. BAILEY) who had a prior special order with respect to the Vietnam veterans. Every one, in fact, that has participated here I have noticed they have taken the leadership in this most important concern.

The reason I rise is not only to compliment the gentleman and to thank him, but to ask two questions. The gentleman stated that now any veteran that is otherwise eligible would be received by a Veterans Hospital. I have one in my district.

I have also had occasion to be in pretty intimate contact. My district had the first man to fall in Vietnam, as well as Korea, came from my district. We had a greater proportion of volunteers in both wars from my district than any other single district in the country; so there is quite a bit of association with the plight of the Vietnam veteran.

Just 2 weeks ago I had a veteran complain that he felt he had been exposed to agent orange, but was having difficulty in being recognized for admission in that respect.

Can the gentleman tell me if there is no difficulty in effect; in other words, can a veteran really look to a VA hospital for consideration of treatment or at least examination?

Mr. DASCHLE. Well, I might tell the gentleman that right now the law has not yet been implemented. It was signed on the 3d of November. It will probably take about 6 weeks or perhaps as much as 2 months for the full implementation and then we, of course, have to be vigilant. I intend to pursue some vigilance on this. I want to make sure that the bill is being implemented to its complete intent. That will be up to us to insure that it gets done; but the law will now stipulate for the first time that they will be provided service-connected disability

treatment on a priority basis within a hospital. This is, of course, quite a turnabout from what it was in the past. They will be given a presumption of benefits here, just like in many cases we have so many other presumptive disabilities; so it is a major change, but we will have to wait as much as 2 months before the implementation can begin.

Mr. GONZALEZ. The second question begins with this. I notice that in the formulation, and I do not know that it is so specific at this point, but I thought it had been; in the administration's request for the second budgetary round, it reflects some cutbacks in the VA hospitals, which I think would impact on the ability to serve the victims of agent orange.

Can the gentleman explain, if he has that knowledge, what it is we will be confronting pretty soon with respect to the second budget, so that we can use this forum now to alert our Members to the need to stand fast.

Mr. DASCHLE. I appreciate the gentleman raising the issue. It is a major concern, because I think it will have a dramatic impact on the ability of the Veterans' Administration to provide these benefits.

The administration has suggested and proposed that $450 million in additional cuts be made within the Veterans' Administration. I do not know where those cuts are going to be made. They have indicated specifically where they will be made.

I think that it would be a real detriment.

Right along with that, in line with that, they have recommended that we begin contracting out many of the services within the Administration. That, too, is a major concern, because there is no way one can continue the service and the continuity of benefits that we have continued to depend upon within the Veterans' Administration, so both of those concerns, I think, will be met in the committee and certainly by a lot of Members in the House.

Mr. GONZALEZ. I thank the gentleman very much.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

As vice chairman of the Vietnam-Era Caucus here in the Congress, I want to commend the gentleman for his leadership in that caucus.

It is said that the true strength and compassion of a nation can best be measured by how that nation treats its children, its elderly, and its veterans.

On this Veterans Day of 1981, America must ask itself if it has abided by its commitment to those who have served and sacrificed for their nation, especially the more than 9 million veterans of our most recent conflict in Vietnam.

For many of our veterans from past conflicts, victory in battle has been rewarded by the just recognition and benefits of a grateful nation. Although these veterans must often still fight for full compensation in health care and retirement benefits, they enjoy the deep appreciation of their country for a job well done.

For the Vietnam veteran, the tragedy of war and sacrifice continues. It is a sad irony that the soldiers who returned from this tragic and unpopular war, having risked life, limb, and in some cases sanity, were hailed neither as patriots nor as heroes. In a collective expression of shame and embarrassment over a costly and futile war, this Nation closed its eyes to its returning fighting men and women, preferring to keep them out of sight and out of mind.

It has been over 6 years since our Vietnam involvement came to an end, but the war still goes on for its veterans. Almost half a million are unemployed; another 300,000 suffer from psychological effects of one kind or another; half a million are in criminal custody; and some 100,000 have committed suicide.

Only this past summer, a number of veterans felt compelled to turn to a hunger strike which lasted several weeks in order to draw attention to the inadequacy of their treatment by the Veterans' Administration.

Because of veterans like these, because of veterans organizations both new and old, because of the Vietnam-era Veterans in Congress, there is a growing awareness in this country of the plight of these dedicated Americans. In this session of Congress alone, steps have been taken to continue funding for counseling centers, to make veterans suffering from agent orange-related health problems eligible for VA health benefits, to provide for a 2-year extension of GI bill benefits, to authorize funding for veterans who own or are beginning a small business, and to provide an 11-percent benefit increase for veterans with service-connected disabilities.

There is obviously more that needs to be done. As an example, as vice chairman of the Vietnam-era Veterans in Congress, I have introduced legislation to establish patient ombudsmen at all VA medical facilities to improve essential services.

But a thousand new laws will never be worth very much unless there is a public consensus that these veterans have indeed earned the commitment of this Nation. That consensus—that change in public attitude—is essential not just for the veteran of today or yesterday but for the veteran of tomorrow as well.

We spend a great deal of time these days debating how the military strength of America can best be served by the newest in expensive war technology and equipment. But frankly, the finest in MX missiles or B-1 bombers is not worth very much if this Nation does not have dedicated and qualified men and women willing to serve their country.

The investment we make in recognizing and living up to our commitment to our veterans is an investment not only in the simple human justice of rewarding a sacrifice rendered but also in the arsenal of democracy that is essential to preserving mankind itself. The very strength and compassion of our Nation and our world is at stake. The judgment of future generations must be that the America of the 1980's served its veterans well. Let us as Americans in 1981 rededicate ourselves to that goal on this Veterans Day.

Mr. DASCHLE. Well, I thank the gentleman very much. His eloquence is only exceeded by the rationality of his argument.

There is absolutely no question that we can pass billions of dollars in additional defense spending and without question it is worthless unless we have good people that will help us implement that policy.

I want to commend the gentleman for the tremendous leadership he has shown, without which Vietnam veterans would have been far worse off and without which I doubt very much that we would have had the kind of accomplishment this year that we can look back to with some pride.

I thank the gentleman very much.

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. Yes, I would be happy to yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding.

I would like to begin by commending the gentleman for his outstanding leadership on behalf of Vietnam veterans. We both serve on the Veterans' Affairs Committee. I have seen time and time again where the gentleman has stood up and pushed the cause of the Vietnam veteran. I just would like to commend the gentleman for that, as well as for this special order.

Mr. Speaker, all of us who live in freedom in this great land are indebted to those Americans who served in the defense of peace and freedom for this Nation and for the world.

This year marks the fourth anniversary of the return of Veterans Day to the armistice date of our First World War, and is an occasion to pay tribute to the 1,081,000 Americans who have died in the defense of their country in all American wars since 1776, and to the more than 30 million living former servicemen who served during both war and peace.

While I believe that all of our Nation's veterans are equally deserving of our gratitude, I am pleased to join today with the Vietnam Veterans in Congress Caucus to honor the 9 million men and women who served this country during the Vietnam war.

Some 2½ million men passed through the crucible of Vietnam. Over 57,000 of them did not make it back. As many as one-fifth, or 500,000 of those who served in Vietnam may suffer from the psychological effects of posttraumatic delayed stress syndrome. Countless others were exposed to the hazards and uncertainty of agent orange and other toxic chemicals.

As a member of the Veterans' Affairs Committee, I am pleased and proud that the 97th Congress has responded favorably to some of these concerns, and passed legislation to help those veterans who are still having readjustment problems. On Tuesday, November 3, President Reagan signed into law the Veterans' Health Care, Training and Small Business Loan Act of 1981. This important legislation establishes eligibility for medical, hospital, or nursing home care for Vietnam veterans who were exposed to toxic herbicides or defoliants. This is intended as an interim measure while the full investigation of the effects of agent orange is going forward.

In addition, this bill extends Operation Outreach, the readjustment counseling program. This has been one of the best and most cost-effective programs ever and helps Vietnam-era vets readjust to civilian life. This legislation provides funding for 42 additional vet centers to be established nationwide, bringing the total to 133 facilities. These centers provide first-rate psychological counseling to veterans who did not receive a heroes welcome when they returned home—but were often maligned or forgotten. I am especially proud that one of these new vet centers will be located in my congressional district, in Trenton, N.J.

Under this recently passed legislation, educational, and vocational training programs for veterans will be extended. Another provision of the bill is a special small business loan program for disabled and Vietnam-era veterans.

Mr. Speaker, on April 26, we commemorated Vietnam Veterans Remembrance Day. July 18 was POW-MIA Memorial Day—a day on which we recalled and honored those of our servicemen who suffered the anguish, heartbreak, and cruelty of captivity. We also remembered those who are missing—of whom we know little or nothing.

More than 2,500 servicemen are not accounted for from the Vietnam conflict. For the wives, families, and friends of these men, this situation is a continuing nightmare.

Since 1973, there have been over 300 separate reports and sightings of American POW's and MIA's. Our Nation must use every means available—and not leave a stone unturned—to return the dead and repatriate the living.

Several months ago, the Vietnamese Government released the bodies of Navy Lts. Ronald Dodge and Steve Musselman, and Air Force Capt. Richard Van Dyke.

This action followed repeated denials by Vietnamese officials that these men were ever POW's. Despite the overwhelming evidence that these men had been taken alive, the Vietnamese Government denied that they ever heard of them until they sent home their remains.

Since 1973, the Vietnamese Government has desired American foreign aid to rebuild its war-ravaged land. The terms of the 1973 Paris peace accord, however, stipulates that any assistance hinges on the return of all POW's and MIA's. The Vietnamese and Laotion authorities owe us a full accounting, including all the records they have on these men. I urge all of my colleagues to join me in pressing for a full accounting—let us not forget this matter until all the facts are in and all of these men are accounted for.

I would like to commend the Vietnam Veterans in Congress Caucus for taking this occasion to honor our Vietnam veterans. Those who have given their lives for peace and freedom, those who suffered disabling war injuries, and those who survived the ordeal of combat are all deserving of the highest tribute from their fellow Americans. Without the sacrifices that have been made by the men and women who have served in our Nation's armed services, we today would not be living in the freest and strongest country on the face of the Earth.

□ 1620

Mr. DASCHLE. I thank the gentleman from New Jersey. He has demonstrated throughout this year to be one of the most effective new members on the Veterans' Committee. It has been a tremendous honor for me to work with him on these issues. I appreciate his contribution this afternoon.

Mr. WILLIAMS of Montana. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I would be happy to yield to the gentleman from Montana.

Mr. WILLIAMS of Montana. I thank the gentleman for his leadership on behalf of veterans, and most particularly on behalf of Vietnam veterans.

Mr. Speaker, yesterday morning I was back home in Helena, Mont., and many of my veteran friends, most particularly Vietnam veteran friends, and I sat down for breakfast together. This morning's newspapers in Montana carry a short story about that breakfast, which I will submit for the RECORD. However, I would like to read to the gentleman and the House from the first few paragraphs of that story.

The heavyset Vietnam veteran sobbed uncontrollably as his psychiatrist explained that the veteran was being harassed by bureaucrats and was on the "verge of self destructing" because of psychological problems.

Tears streaking his face, the veteran got up and pushed his way from the room where he and other former servicemen explained their problems Wednesday—Veterans Day—to Congressman Pat Williams.

After the emotionally wrought veteran left, Marciana Garay of Helena, the wife of a Vietnam veteran, jumped to her feet and turned to face Williams.

"We go through this on a day-to-day basis and you can't imagine how hurt we get to see this happen to our husbands," she said, her voice shaking.

The veterans themselves told Williams that many of them suffer from psychological problems brought on by the Vietnam War and that they haven't gotten adequate help from the Veterans Administration. Some said they have turned to drugs and alcohol; others said they have come close to killing themselves and members of their families.

The full article follows:

[From the Missoulian, Nov. 12, 1981]

VIETNAM VETS TELL WILLIAMS OF VA'S ILLS

(By Steve Shirley)

HELENA.—The heavyset Vietnam veteran sobbed uncontrollably as his psychiatrist explained that the veteran was being harassed by bureaucrats and was on the "verge of self destructing" because of psychological problems.

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"We go through this on a day-to-day basis and you can't imagine how hurt we get to see this happen to our husbands," she said, her voice shaking.

The veterans themselves told Williams that many of them suffer from psychological problems brought on by the Vietnam War and that they haven't gotten adequate help from the Veterans Administration. Some said they have turned to drugs and alcohol; others said they have come close to killing themselves and members of their families.

Several also complained that the VA is doing a poor job of examining veterans exposed to Agent Orange, the toxic chemical that was used to defoliate Vietnam's jungles.

"Guys shouldn't have to blow their brains out to have people recognize, yes, he's got a problem," said veteran Tim McBride.

"You guys in the government have got to get your shit together," said Mike Smith of St. Marys. "What do you want—us to get down on our hands and knees to beg? We just want what is ours, what we deserve."

Rep. Williams, obviously moved by the litany of complaints, prompted loud applause when he promised to bring the U.S.

House Veterans Affairs Committee to Montana to hear the veterans.

Williams said Congress has taken some steps in recent weeks to help veterans, but added that it hasn't done all that it can as fast as it can.

"A balanced life is more important than a balanced budget," he added.

Meanwhile, Frank Caldwell, director of the Veterans Administration Center at Fort Harrison, said he wasn't aware of some of the problems mentioned, and he promised to look into them.

Most of the talking at the meeting was done by veterans, their friends and families.

Max Weiss, a paralegal who helps student-veterans at the University of Montana, said one of his clients was wounded 11 times in the Vietnam War and is severely handicapped. To get help from the VA, Weiss said, the wounded veteran has had to produce "upwards of 4,000 pages of documentation of his claims."

Weiss also indicated that Montana veterans are collecting evidence to document malfeasance by VA officials. "Our intention is to launch a massive effort and sue them personally," he said.

Phillip Burgess, president of Vietnam Veterans of Montana, said some veterans feel VA doctors and nurses aren't responding as they should. "They feel they're not getting individual attention to individual complaints," he said.

Burgess also accused VA officials of discouraging some veterans from coming in for help.

Dr. Brian Davis, a Helena psychiatrist, said veterans make progress through therapy and then lose ground when they encounter bureaucratic hassles. Ted Koneski, a Helena veteran suffering from post-traumatic stress, said 60,000 to 100,000 veterans have committed suicide since the war.

"I wonder how many of those suicides were precipitated by a form letter," Davis said.

One veteran said most Americans don't understand the intensity of the psychological problems, and warned that some Vietnam vets are dangerous if not helped.

"It wouldn't bother me at all to take this knife and cut this guy's guts open," he said, motioning to the man sitting across the table. The veteran added that he can control his psychological problems, but others cannot.

"I don't want to hurt anybody. I want to get along," he said.

Mr. WILLIAMS of Montana. Mr. Daschle, I do not know what it was about the war in Vietnam that made it so inevitable that many of those who fought in that war and are now home carrying with them scars apparently unlike veterans of any other war have had to carry. But I do know from visiting with the gentleman, the other Vietnam veterans who serve here in the Congress, Vietnam veterans who are my constituents, that this Nation, more than just this body, this U.S. House of Representatives, has to pull together to do what they can to assist their brothers and sisters and neighbors who are Vietnam veterans, and who live with terror and quiet desperation seemingly every hour of the day.

I promised these veterans that I would again bring their message back to Congress, that I would do what I could do to convince the Members of this House and the administration that in this instance a balanced life is more important than a balanced budget, and that we must expand our efforts to help these men and to help their families.

I say to the gentleman, without asking for a commitment at this moment, that I also told these veterans, and it is reported in this article, that I would do what I could to bring an official meeting of the Veterans' Affairs Committee of the House to Montana, perhaps next spring, where hopefully the gentleman and others could listen firsthand to what I have tried to bring you today secondhand.

I thank the gentleman for the time.

Mr. DASCHLE. I thank the gentleman from Montana for his typically very eloquent address.

Mr. Speaker, I cannot speak for the Veterans' Committee. I can speak as a member of the committee in saying that, No. 1, from that position I would be more than interested in pursuing a trip to Montana to hear these people personally, and as chairman of the Vietnam Veterans in Congress, I can assure you that that group in particular would be represented at such a meeting, at such a time as we could mutually schedule.

I think that if there is a message that we could finally take back to some of those veterans, it would be that for once we are hearing them; we are hearing them in a way that no one heard them before, and that is going to make a difference in the short months ahead. I think they are going to hear a new voice when it comes to the realization that some of the issues that they have had to contend with for so long are now finally being dealt with. And it certainly is to our credit that the gentleman from Montana can bring forth the kind of sentiment that is being expressed in Montana, which in chorus with the rest of the country, calls out for this Congress to act, and I appreciate that very much.

● Mr. ROE. Mr. Speaker, Veterans Day is a time of remembrance of those who served their country and who have given their lives in the defense of this great Nation. The theme of this year's observance was "A Most Grateful Nation Remembers." I believe that to be a most appropriate expression of our thankfulness to the millions of Americans who have fallen on battlefields both here and abroad over the past 205 years.

With one unique exception, from the time of Bunker Hill, Americans have always given full support to our military forces in battle. That exception of course was the Vietnam war. Political dissent in the United States concerning that conflict reached unprecedented levels that resulted in some of the most violent public demonstrations in the history of our Nation.

While the battles in the rice paddies of that faraway land have long since ended, there is still much concern being expressed over our involvement in that war.

I say it is time to end our political dispute over the comparative values of our involvement there and to recognize one common fact: Some 214,000 American soldiers were either killed or wounded in Vietnam.

That total represents 58,000 more dead and wounded than the United States suffered in the Korean war. Yet the Korean veteran, as well as his counterparts from both our World Wars are held in the highest esteem.

It is shameful to say that the same has not been true for the Vietnam vet. While his mind too was tortured by war and his blood flowed, he did not come home to marching bands and flying flags.

Those who escaped injury in Vietnam, came home to face unique and difficult circumstances. As many as 500,000 of the Americans who served in Vietnam still suffer from the psychological effects of posttraumatic delayed stress syndrome.

Others suffered from previously unknown disabilities and diseases incurred by exposure to the chemical herbicide known as agent orange and other toxic chemicals.

In addition, the unemployment rate for the Vietnam veteran is still at a record 500,000 persons.

I am most pleased to note that this legislative body has approved a bill I sponsored to continue Federal aid to those veterans still suffering from readjustment problems. President Reagan signed that measure into law earlier this week.

Plans are currently underway to construct a monument to the Vietnam veteran on the grassy mall area between the Capitol Building and the Lincoln Memorial.

It is a tribute that is long overdue. I hope it will serve as a focal point to remind all Americans of the bravery on the battlefield and at home of the Vietnam veteran.●

● Mr. FORD of Michigan. Mr. Speaker, Wednesday, the House was not in session in order to commemorate Veterans Day. The United States has a historic commitment to honor those who have served in our Armed Forces. Today there are over 30 million living American veterans who have served our country from the Spanish-American War to date.

We are just beginning to pay the debt we owe to our recent Vietnam veterans. At the same time, we owe a continuing debt of gratitude to our veterans of other eras. Each and every one of these individuals has endured hardship and sacrifice to safeguard our freedom and preserve the peace.

Veterans Day is one way Americans can demonstrate their appreciation to this outstanding group of men and women. They truly deserve this special day of recognition.●

● Mrs. HECKLER. Mr. Speaker, Veterans Day 1981 is a special and historic Veterans Day. For reasons I shall discuss. This particular day stands out in its significance from all Veterans Days since the Vietnam war began in 1964.

It is on this day that the Vietnam veteran can be considered as finally coming into his own. He has become recognized as a true American veteran, both by his veteran peers and the American people.

As I shall point out, no longer is the Vietnam veteran considered a second class citizen and as less than a full veteran. No longer is the Vietnam veteran considered as the reason the United States did not successfully conclude the Vietnam war. America, at long last, has begun to separate the soldier from the war. It has begun to respect, honor, and appreciate the saçrifice and the faithful performance of duty of the Vietnam veteran.

Last night, Mr. Speaker, the Public Broadcasting System presented 2 hours of special programing about veterans of the Vietnam war, and about the little-known and special difficulties their wives and loved ones have experienced in adjusting to their husband's readjustment difficulties. I regard this special program, produced originally by WGBH, channel 2, in my State, as programing of exceptional quality; it is programing which contributes enormously to the public debate over Vietnam and its consequences. The documentary on Vietnam wives, while produced elsewhere, was especially informative and poignant.

The broadcast of this special programing is but the latest event in a series of events and developments during the past year that have led to changing views, attitudes and perceptions regarding the Vietnam veteran, for whom I long have had special concern and commitment. The events which most recently have led us to rethink and reconsider our attitudes about the Vietnam veteran began early this year, with the release of the American hostages by Iran. The tumultuous welcome given to these Americans, including a tickertape parade in New York City, shocked and stunned Vietnam veterans. Vietnam veterans did not particularly begrudge or demean the suffering of the hostages and their great welcome, but compared it to their own bleak homecoming. Vietnam veterans went to Vietnam and came home alone at best to an idling taxicab outside the airport terminal. There simply were not thank yous, no concern, precious little appreciation.

Vietnam veterans came forward to protest, and to force Americans to rethink their priorities and values. In this context, the recency of the failed rescue mission in Iran served as a reminder to Americans that military service is indeed a life and death business.

Simultaneously, the highly successful but spanking new Operation Outreach readjustment counseling program for Vietnam veterans was placed squarely under the budget ax by the Office of Management and Budget. Vietnam veterans were absolutely dejected. The mail I received on this matter from throughout the country was unprecedented for a Vietnam veteran issue. Vietnam veterans literally were coming out of the woodwork and their countrymen were taking notice. Less than a year old, Operation Outreach was working wonders. Vietnam veterans for the first time were talking about their pent-up experiences, and doing this with peers who had the same experiences and who were coping successfully. Vietnam veterans agree that they cannot get their war experience behind them until they are able to talk about it. For the first time Operation Outreach made this possible. But because of budget considerations, Vietnam veterans were on the verge of being dealt a severe blow. I spoke personally about this with President Reagan. He personally looked into the program. In a phone call to me in my home in Wellesley, Mass., President Reagan told me his review of Operation Outreach found it to be of such vital consequence to our Vietnam veterans that he would continue it. Congress now has authorized Operation Outreach for an additional 3 years.

Retaining Operation Outreach, so important to Vietnam veterans, was the first real victory for Vietnam veterans in their many years of frustrating efforts to obtain the readjustment assistance they so sorely have needed. Academy award winning films such as "The Deer Hunter," and "Coming Home," at a minimum contributed to the dialog, but were not singularly breakthrough events. The victory in retaining and expanding Operation Outreach was the great breakthrough. It was the singular great event.

The results of a congressionally mandated Louis Harris survey of public attitudes toward Vietnam veterans was completed and released approximately during this time. A wealth of information had been garnered, but two striking findings emerged. First, two thirds of the American public said they felt the American Government should do more for the Vietnam veteran. This revealed an important development: For the first time the Vietnam veteran was sympathetically on the minds of the American people who, as a priority public policy matter, said they specifically wanted a portion of their tax dollars to be invested in assisting the Vietnam veteran to readjust to civilian life. Second, among Vietnam veterans themselves, 90 percent said they were glad they served, and the majority said they would do it again if needed. That sentiment is summed up in one word: "patriotism." These veterans had acted out of the same motive as had previous veterans.

Vietnam veterans themselves during the past 2 years have become more active and involved in the political process. For the longest time with only a few exceptions, the Vietnam veteran had remained silent and sometimes brooding about his plight. But Vietnam veterans now have become involved in numbers enough and on a sustained enough basis to have produced an impact on public policy, nationally and in their respective States. Their involvement has generated new interest in the Vietnam veterans and created an air of activity, expectation, action and initiative. As a result Congress this year, acting on the recommendation of the Veterans' Committee on which I serve, has passed legislation that I and a handful of my colleagues for years have been advocating. We have had the support of the Vietnam veterans in Congress. In addition to saving and extending Operation Outreach, we have legislated for research into exposure to agent orange and other herbicides used in Vietnam. We have authorized VA treatment of agent orange and herbicide poisoning victims. We created in the VA a small business loan program to assist these young veterans in establishing business enterprise. We extended the on-the-job-training program to help veterans cope with economic conditions we are working to correct. There are many more provisions. They have been passed because of the work and stature of such members of the Veterans' Committee as Messrs. MONTGOMERY, HAMMERSCHMIDT, EDWARDS, MOTTL, EDGAR, DASCHLE, and Vietnam veterans in Congress Messrs. BONIOR and PANETTA.

This Veterans Day also marks a time of more active involvement and openness toward the Vietnam veteran by the traditional veterans' organizations, such as the Disabled American Veterans, VFW, American Legion. The DAV long has had an outreach program similar to that developed by the VA and is the distinctive leader in this effort. In my own State, such traditional organizations have joined with the Massachusetts Vietnam-Era Veterans Association (VEVA) to obtain office space in the statehouse, as the traditional groups always have had. The general court is moving toward establishing an agent orange Commission. These kinds of actions reflect a recognition and elevation of status for

VEVA and all of Massachusetts' 250,000 Vietnam era veterans. Jim Fitzpatrick has done an outstanding job in leading VEVA. Much of the impetus for recognizing the problems and needs of Vietnam veterans in Massachusetts derives from the tragic suicide of a VEVA founder, Brad Burns, who last December 14 shocked and deeply saddened us all. There have been many Brad Burns throughout the Nation, and I grieve deeply that we could not have helped them more when they needed our help.

But, again, without precedent, Congress declared a National Vietnam Veterans Day, April 26. In the 96th Congress, I became the first ever to introduce such legislation, however not to observe such a day on a one time only basis, but annually. I shall continue to pursue this goal.

But we have not yet arrived. We still need to pursue the serious health questions raised by agent orange. The congressional mandated study of Vietnam veterans by the Center For Policy Research at the City University of New York has documented the difficulties Vietnam veterans experience with a new disorder, delayed stress syndrome, which produces what was once known as combat fatigue long after the experience of war rather than simultaneously or immediately afterward, as in the instances of previous wars. We still need employment programs for the youngest veterans ever to fight any of our wars, veterans who had not begun careers and had no jobs to which they could return. Half a million Vietnam veterans remain chronically unemployed.

But the Vietnam veteran finally has become a veteran. He is becoming respected and appreciated both by his veteran peers and the American people. As I have noted before, we are all Vietnam veterans. We all experienced that time, and now we all want to put the war behind us and bind and heal the wounds.

Dr. Arthur Eggendorf of the Center For Policy Research has said that Americans are now separating the Vietnam veteran from the Vietnam war, and that the Vietnam war, ultimately, was a war we as a people chose to lose. If so, and it appears we are making this separation, it is time to get to know and help each other again.●

● Mrs. CHISHOLM. Mr. Speaker, yesterday this country, and her people, honored, in ceremonies around the Nation, those men and women who served, and in many cases died, as members of the Armed Forces. These commemorative activities reminded us, once again, of the sacrifices that were made by those Americans we now call veterans. These ceremonies also served, unfortunately, to highlight the fact that the Vietnam-era veteran still is not accorded the same respect and honor given to other veterans.

In the years since the end of America's involvement in Vietnam we have seen that, although the Vietnam veteran may have come home, he is yet to be welcomed home. For example, we are told in a minority report by the Vietnam Veterans of America, 8.6 percent of the Vietnam era veterans were unemployed as of the third quarter of 1981. These statistics indicate that 500,000 young men and women, are not in a financial position to support their families or themselves.

When we look at the minority Vietnam veteran the statistics are even more disheartening. We find that, although only 11 percent of the American population is black, 22 percent of all combat troops in Vietnam were black. Yet when these veterans applied for jobs after they were discharged, they found that they were prevented from reaping the benefits of service and sacrifice normally accorded to veterans. We also learn that of all the bad discharges given, during the Vietnam war, 650,000 were given to black service members. Needless to say these discharges restrict and inhibit employment opportunities for many young men, and women, who remain on the bottom rung of the social ladder.

As we consider the aforementioned information, we can see that the treatment afforded minority Vietnam veterans has had tragic consequences. At the present time between 25 and 33 percent of the entire prison population, are black Vietnam veterans. The unemployment picture, which is heightened by the bad discharges, could be a leading cause of black Vietnam veterans involvement with the criminal justice system. Recent revelations about the effects of agent orange and the lingering psychological problems of adjustment further complicate the plight of the Vietnam veterans.

What does this situation suggest as we continue to formulate ideas for assisting Vietnam veterans? In short we must, regardless of any policy formulation, in this area, develop holistic approaches to the problems of the Vietnam veteran. We must be concerned about the emotional, psychological, educational, familial security, and well-being of these veterans.

In a very short time we will unveil a memorial to the Vietnam veterans, here in Washington, D.C. This memorial will bear the names of all of the services members who gave their lives for America. This memorial is long over due. We can, however, take additional steps to aid this memorial. We can finally welcome home the Vietnam veterans and let them know that they did not serve, and sacrifice so much, in vain.●

● Mr. MONTGOMERY. Mr. Speaker, it is my distinct honor to join my colleagues on the House floor today in proud recognition of the sacrifices made by the Vietnam veteran as well as the extraordinary blend of courage, patriotism, and fortitude that misunderstood war demanded of him.

Over the last decade, the Congress has made special efforts to address these veterans' particular concerns and difficulties and has approved a large number of programs and benefits aimed at alleviating them.

The psychological readjustment counseling program is one such program established to aid Vietnam veterans in their adjustment to civilian life, and is directed at that small but significant element suffering psychological difficulties. Established pursuant to Public Law 96-22, it has been very successful and has elicited great support from the Congress, veterans, and many community organizations. A 3-year extension of this program was recently authorized in Public Law 97-72.

The Outreach program, however, is only one of many beneficial programs designed to assist this deserving group. Further examples of progress made in providing Vietnam-era veterans with a proper level of benefits and services are as follows:

First. Dramatic improvements in VA hospital staffing, facilities, and services. Since 1970, six new VA hospitals have been built; the staff-patient ratio has been increased from 157 FTEE's to 100 patients in 1974 to 200 FTEE's to 100 patients. The health care staff has been increased by 50,000 since 1970. The number of outpatient clinics has been increased from 209 to 226 in the last 5 years. Vietnam-era veterans accounted for 13.9 percent of all patients in VA hospitals on the 1979 census day—September 16. They accounted for 23.2 percent of psychiatric and 20 percent of psychotic patients, and 8.1 percent of general medical and surgical patients.

There were 3.6 million total outpatient visits by Vietnam-era veterans during fiscal year 1979. This represented 21 percent of all outpatient visits during that year.

Second. There were 663,000 active compensation and pension cases concerning Vietnam-era veterans as of September 1980.

Third. Through September 1980, more than 2,167,000 guaranteed or insured loans had been made to Vietnam-era veterans and service personnel. The amount of these loans is in excess of $63 billion. Over 20,000 direct loans, amounting to almost $370 million, have been made to qualifying veterans and service personnel of the Vietnam-era.

Fourth. Through the month of September 1980, application had been received from 6,625,000 Vietnam-era veterans and service personnel for GI bill education and training assistance. Of

these, 6,284,000 or 70 percent of the total Vietnam-era veteran population had entered training, compared with a 50.5 percent and 43.4 percent participation rate for World War II and Korean conflict veterans, respectively.

Fifth. As of September 30, 1980, a total of 117,500 service-connected disabled Vietnam-era veterans had entered vocational rehabilitation training.

Sixth. Unemployment rates not seasonally adjusted for Vietnam-era veterans reached a maximum of 11 percent in February 1975. The August 1981 rate was 5.1 percent.

Seventh. Vietnam veterans who have not completed the eighth grade may receive educational assistance allowance without charge against their basic entitlement.

Eighth. Vietnam veterans training at educational institutions on a half-time or more basis who need tutorial assistance may qualify for tutorial payments not to exceed $76 a month for a maximum amount of $911 with no charge against basic entitlement.

Ninth. Vietnam veterans enrolled as full-time students may receive additional educational allowances under VA's work-study program. A student who agrees to work 250 hours receives $837.50.

Tenth. Certain Vietnam veterans whose 10-year delimiting period has expired are eligible to borrow up to $2,500 per academic year under VA's education loan program.

Eleventh. To date, approximately 62,000 Vietnam veterans have received medical screening and counseling in VA medical facilities for physical conditions suspected to be attributed to exposure to the herbicide agent orange during Vietnam service. The results of these examinations are made part of the veteran's permanent record. The information is also used in conjunction with VA's on-going epidemiological study mandated by the Congress in Public Law 96-151 designed to isolate any possible link between exposure to herbicide and long-term adverse effects within the Vietnam veteran population. A major provision of Public Law 97-72, signed into law November 3, provides certain Vietnam veterans inpatient treatment for disabilities that may have been caused by exposure to agent orange.

Passage of this law, the veterans' health care, training, and small business loan program, may prove to be the single most significant legislative step taken for Vietnam-era veterans by the Congress in recent years. In addition to the two major provisions mentioned earlier, the measure will:

First. Create a new small business loan program specifically for Vietnam veterans.

Second. Expand the current epidemiological agent orange study.

Third. Extend for 3 years the Vietnam Veterans Reappointment Authority wherein Federal departments and agencies may appoint Vietnam veterans to positions without having to compete with other nonveterans.

Fourth. Extend for 2 years the time Vietnam veterans may participate in on-the-job, apprenticeship and secondary school training programs.

Mr. Speaker, we on the House Committee on Veterans' Affairs remain committed to the assurance that Vietnam veterans are accorded the dignity they strongly deserve by continuing the most tangible form of appreciation for them and their beneficiaries.

In closing, I would like to once again express my praise for our Vietnam veterans. Based on 12 trips I personally made to Vietnam, I can say without hesitation that those young men who served in combat in Southeast Asia fought under the most difficult of circumstances, and as hard and in most cases better than their fathers and uncles who served in World War II and Korea. I have a great deal of admiration for our Vietnam veterans, and I am pleased to join with my colleagues today in paying a special tribute to them.●

● Mr. DE LA GARZA. Mr. Speaker, we are assembled today, the day after Veterans Day, to give honor to those who served and sacrificed in our behalf in Vietnam.

Veterans of Vietnam, who make up a third of all surviving war veterans, have not received the recognition they deserve, from the media, from the Government, or from the public at large. It is good to see that this situation is finally changing.

No matter whether one agreed or disagreed with our Government's involvement in Vietnam, and however much we would like to put this period of our history behind us, we have been unfair to those who sacrificed for our country by serving in Vietnam.

Close to 9 million persons served in Vietnam during the many years we were involved there. Almost 57,700 died. Countless others were injured. Many came home with permanent disabilities. Returning after a year or more in Southeast Asia, they were met by a cold and stony silence. There were no parades, no public welcome home ceremonies for those who gave up a part of their lives in service to their country. Many, in fact, were told they should feel guilty for their activities. It should have come as no surprise that many Vietnam veterans expressed resentment over the tumultuous welcome given the hostages' return from Iran earlier this year.

The media has given much attention to the problems of the Vietnam veteran, whether it be the psychologial effects of "post traumatic delayed stress syndrome," chronic unemployment, or the physical effects of exposure to agent orange and other toxic chemcials. We in Congress have only begun to address ourselves to these problems, and must continue to use our resources to help the Vietnam veterans who suffer from them.

Let us not forget, however, the millions of veterans who returned and were able to pick up their lives where they left off, for they are truly the forgotten ones. We rarely hear of the Vietnam veteran who returned home to finish school, or to a job, and maybe rejoin or start a family. They too deserve our recognition.

One year from now, the Vietnam Veterans' Memorial will be dedicated here in Washington. The names of those who died there will be carved in stone to remind us of their ultimate sacrifice for their country. The building and dedication of this memorial provide an opportune time to give due recognition, honor, and respect to all who served in Vietnam. We must not continue to ignore those who fought in Vietnam as a result of unpopular Government policy, for to do so is only to perpetuate the disservice we have done them.●

● Mr. DINGELL. Mr. Speaker, today, I join my colleagues in tribute to America's veterans. The price of freedom is high. America owes a great deal to the courageous men and women who have unselfishly served their nation for freedom and peace. From the soldiers of World War I, to those who served in Vietnam, and, most recently, those eight who gave their lives in the Great Salt Desert in Iran, history has witnessed not only the valiant deeds and bravery of servicemen and women, but the commitment of our Nation to the principles of freedom, liberty, and justice. On this day, we stand together in lasting gratitude to our veterans for their sacrifices on the battlefield and their service as guardians of peace. We are proud of them as honored veterans and citizens.●

● Mr. SAM B. HALL, JR. Mr. Speaker, our colleagues from South Dakota, TOM DASCHLE, and from California, LEON PANETTA, are to be commended for securing this special order to honor the 9 million men and women who served their country during the Vietnam war.

When in 1961 John F. Kennedy said:

> Let every nation know, whether it wish us well or ill, we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty.

The applause came from all Americans, from all regions of the country, and from those representing a wide range of political persuasions. His words contributed to the mood of the country and to the sense of national purpose and mission as we entered the Vietnam-era. Further, his rhetoric

reenforced a national commitment initiated by the late Harry Truman to contain communism in the world. It was this sense of purpose which American soldiers carried with them to Southeast Asia and, more specifically, to Vietnam.

Vietnam veterans performed their duty to the end, and made every sacrifice demanded of them. These were America's sons. Yet they became outcasts fighting a cause that many of their countrymen denied. They became orphans of the storm. For many the journey home seemed longer than their travels to the war, and for some it must have proved longer than they might ever have imagined.

One must go back over 100 years in U.S. history to find a similar fate greeting American soldiers. In many respects, the War Between the States was similar to the Vietnam experience. Both wars divided the country and engendered a bitterness where friends and families divided against one another. At the outset of the hostilities in 1861, Kentuckians supportive of the secessionist movement joined the fighting for a cause their State denied and, in effect, became outcasts of Kentucky unable to see their homeland or visit their firesides. This, the 1st Kentucky Brigade, became known in annals of American military history as the "Orphan Brigade."

In a very real sense, our Vietnam veterans can be considered orphans. Four times during the 20th century, large numbers of American servicemen have returned home from a war overseas. The last homecoming—the return of servicemen from Vietnam—was different from earlier wars. There were few parades, no ticker tape, no hero's welcome for the men and women who served their country during the Vietnam war. Under these circumstances, one would reasonably expect to find veterans who rejected their military service just as Americans rejected the war in which their fellow citizens served. It is of considerable significance that the greatest majority of veterans having served in Vietnam look back on their service with pride and a high sense of patriotism and commitment to country. In spite of the Nation's disillusionment with the war, in spite of the disillusionment of the Nation's political leaders, and the manner in which this disillusionment was projected as a burden for our Vietnam veterans to bear, those who served in Southeast Asia maintain a very real and lasting love of country and appreciation for the principles for which it stands.

Six years after the end of the longest and least popular foreign war in American history, we today honor those Americans who honorably served in Vietnam. The public's sense that Vietnam veterans were received at home in a manner unappreciative of the duty that they performed and in a manner not in keeping with the receptions veterans of previous wars received has grown substantially. In observing Veterans Day 1981, Americans, more than ever before, want to recognize the sacrifices made of our Vietnam veterans and to thank them for a job well done. At the conclusion of the U.S. presence in Vietnam, when thinking of the impact of the war on this country, Americans most often noted the loss of public confidence in the country's major institutions. Today, when we think of the effect of the war on American society, our prime concern is over the personal price paid by the veterans who served in that war.

In a war in which individual courage was a constant requirement and acts of heroism occurred daily, this Nation could not be too proud of the American men and women who served our Nation in Vietnam. In war they were fighters and doers who displayed amazing ingenuity. In the words of Gen. William C. Westmoreland.

> The ingenuity of the American soldier and his compassion for the Vietnamese was only exceeded by the diversity of the jobs he performed: computer expert, stevedore, bridge builder, aircraft, boat, or helicopter pilot, rifleman, artilleryman, door gunner, radiotelephone operator, bulldozer operator, and the entire range of military specialties. The soldier did his job in a foreign, tropical, hostile environment in a war that was at once the most sophisticated in history and a return to the primitive, man pitted against man in a contest where wile and stamina might determine who would prevail.

The service of American soldiers in Vietnam was both long and exemplary. To observe the history of the American soldier in Vietnam is to be impressed with the dedication, determination, and day-to-day courage that he displayed. Though it is impossible to know all of those whose acts deserve recognition, a review of the deeds of those 215 men who during the course of the war received the Nation's highest award for valor, the Medal of Honor, presents some very stirring memories. How short the memory of those who will not remember.

The Vietnam cause was a noble cause, and one for which nearly 50,000 Americans paid the ultimate sacrifice in battle. The fighting could have stopped before it began in the 1950's had the people of South Vietnam preferred to foresake freedom for communism. The fighting began because the North Vietnamese continued their aggression and because millions of South Vietnamese fought communism to their death. Since the signing of the Geneva accords in 1954, the refugees had always flowed south, not north. Today, in the absence of a free Vietnam, the refugees flow west to the U.S. mainland by the millions.

The Nation and Congress should take every opportunity to pay public tribute to those highly deserving men and women who served the United States honorably in Vietnam. The Vietnam veterans should bask in the glory of having served. We should all teach our children and grandchildren those men of Vietnam—the "Orphan Brigade" of 20th century American military history—and point to them as men on whom this country can depend in time of need.

Vietnam veterans have a unique place in our history. Their's is a story worth remembering and worth repeating. Their example must be preserved and I thank my colleagues for presenting this opportunity to Members of the House of Representatives to stand in recognition of this proud heritage that must not be forgotten.●

● Mr. DREIER. Mr. Speaker, today, I rise to pay tribute to the thousands of men and women who served with honor and dignity in this Nation's Armed Forces throughout the Vietnam war.

Mr. Speaker, this Congress has done much to provide Vietnam-era veterans with the education, health, and pension benefits they so richly deserve. Yet, much more remains to be done before these veterans are accorded the same privileges and honors as those who have served our Nation in previous conflicts.

By far, the best we can do for America's Vietnam veterans is to insure that the flag under which they served continues to fly high. We must never again enter a conflict which we do not intend to win. And above all, we must be sure to maintain as strong a defense posture as possible. If we do this, Mr. Speaker, than no nation on Earth will dare to threaten our safety and integrity and we may eventually bring an end to the bittersweet ritual of honoring wartime veterans.●

● Mr. BARNES. Mr. Speaker, I am pleased to participate today in honoring a group of courageous and patriotic Americans—the men and women who served in the Vietnam war. Adlai Stevenson defined patriotism in our times as "a patriotism which is not short, frenzied outbursts of emotions, but the tranquil, steady dedication of a lifetime." This is the patriotism which these individuals have shown, and it is the patriotism that they deserve from us as a nation. Americans have a propensity for the "short, frenzied" kind of patriotism, and a tendency as well to try to shut out the darker and less glorious chapters of our past. But the contributions and sacrifices that were made by Vietnam veterans demand from us a more honorable response. As Theodore Roosevelt said, "A man who is good enough to shed his blood for his country is good enough to be given square deal afterwards."

Today, Vietnam veterans are finally beginning to get a "square deal." The 97th Congress has enacted legislation which will extend the Vietnam veterans counseling program for 3 years; allow Vietnam veterans to qualify for treatment at VA hospitals for physical problems associated with agent orange; make qualified Vietnam-era veterans eligible for low-cost SBA loans; and extend for 2 years the GI bill's vocational and on-the-job training. But this progress can only make a dent in the sense of exclusion that many of these veterans feel and in their conviction that their country does not care. It should be the responsibility of the Federal Government to at least listen to the anger, bitterness, pride, and loss which only those who served in the Vietnam war feel and which only they fully understand.

Walt Whitman said, "The real war will never get in the books." This is as true of the Vietnam war as any other—but the real Vietnam war does live on in the men and women who served in Vietnam and who bear the scars of that conflict. To forget that is to deny these individuals the right to a fulfilling and productive life which they so richly deserve.●

● Mr. FORSYTHE. Mr. Speaker, I am pleased to have the opportunity to participate in this special order commemorating the 9 million men and women who served this country during the Vietnam conflict.

One of my primary concerns as a Member of Congress has been meeting the needs of our Nation's veterans. The men and women who have defended our Nation in the past rightfully deserve our thanks and gratitude. While I have long advocated slowing the growth of Federal spending, I have always sought to provide needed benefits to our veterans.

Many of our Vietnam-era veterans have faced special problems in the job market and in readjusting to civilian life. No other group of veterans fought a war which caused such severe domestic upheaval. In our haste to put the Vietnam conflict behind us, we have generally ignored the Vietnam-era veteran as a society. Recently, however, Congress has moved to recognize those Americans who fought so bravely in Vietnam.

Vietnam veterans received some good news for Veterans Day when President Reagan signed into law the Veterans' Health Care, Training and Small Business Loan Act of 1981 on November 3. The act makes veterans who served in Vietnam eligible for Veterans' Administration health care and the treatment of ailments linked to agent orange exposure, the toxic herbicide used to defoliate the jungles in Vietnam. It also continues the "storefront" readjustment counseling centers for Vietnam veterans.

The act will also require the VA to maintain about 10,000 more beds in its hospitals and nursing homes, and will create a special small business loan program for disabled and Vietnam-era veterans.

Mr. Speaker, I recognize the very special sacrifice of those who served in our Nation's Armed Forces during the Vietnam conflict. Individual rights and societal values are only as strong as a nation's commitment to defend them. Because of this, our Nation must never forget its appreciation of and obligation to our veterans.●

● Mr. SANTINI. Mr. Speaker, we all owe a special debt of gratitude to our veterans. Veterans Day marks a day of honor for all veterans—living and dead. It is a day on which we remember the heroic deeds performed by American men and women who fought to keep this Nation free. It is also a day on which we remember all the nonheroic deeds performed by American men and women—who did nothing so noteworthy other than simply to come when called and to do their best for their country. Whether their names make the history texts, whether we learn each and every one of them, these are the persons to whom we say thank you on Veterans Day.

This day is rightly set aside as a day of solitude and memorial. It is therefore with sadness that I look at our society today and see the tragic commercialization of this solemn occasion. Instead of the plethora of parades that used to line our streets paying tribute to our brave soldiers, we now have parades of people racing to shopping malls, stores full of sales and bargains to twist and change the meaning of this national veterans holiday and turn it into nothing more than another shopping spree.

What has happened to the American sense of solemnity? We proclaim a special day of tribute for our veterans, then tarnish the day by paying more attention to bargain-hunting than meditating on what it means to live freely, in a country unhindered by totalitarianism, or how and why we have managed to maintain this freedom for over 200 years, growing to be the most powerful nation on the face of the Earth. Our veterans have made this possible and I for one, did not spend this special day careening through shopping centers, but spent it properly, in the midst of veterans and their families saying, "Thanks for your contribution in keeping this land free."●

● Mr. DWYER. Mr. Speaker, it is an honor for me to rise today and join in honoring those Americans who served their country during wartime. Yesterday, Veterans Day, veterans across the country were remembered and honored. For one group of veterans, however, the Vietnam veterans, the events of the war they participated in and the issues surrounding that conflict remain undigested in a social and psychological sense. It is to this group of men and women that my colleagues and I would like to pay special tribute.

The Vietnam war was ended by Presidential proclamation on May 7, 1975. Because this war was a divisive and painful period for all Americans, we are tempted to put it out of our minds. But it is important that we remember—honestly and realistically. As the longest and one of the most controversial wars in the U.S. history. The Vietnam war will continue to take on new meanings as Americans periodically evaluate the war and its after effects. It is in this context that we must not only acknowledge the fact that studies reveal that close to 20 percent of Vietnam veterans—some 700,000 people are markedly impaired by the after effects; that nearly 500,000 are also unemployed; and countless others were exposed to the hazards and uncertainty of agent orange and other and other toxic chemicals, but we must also provide these men and women with an environment which will enable them to resolve these effects.

I am please that the 97th Congress has responded favorably to these concerns and the plight of the Vietnam veteran. Legislation providing additional health care benefits, to research on the effects and remedies of agent orange, to continuing the very successful readjustment counseling centers has been passed.

We must also take time to honor those who have died in this conflict. To them we offer our respect and gratitude. To the loved ones left behind, we offer our concern and understanding and our help to build lives.

To all of the million of Americans who served in Southest Asia, and to all who have suffered because of that war, we must give our solemn pledge to pursue all honorable means to establish a just and lasting peace in the world, that no future generation need suffer in this way again.

Finally, let us express our sincere thanks for the service of all Vietnam-era veterans.●

● Mr. BINGHAM. Mr. Speaker, I am pleased to join with my colleagues in paying special tribute to the millions of men and women who have unselfishly served in the Armed Forces of the United States.

Yesterday marked the fourth anniversary of the return of the observance of Veterans Day to November 11. It was a day in which this Nation participated in appropriate parades and ceremonies honoring our veterans. Whether they served in time of war or in peace, their common commitment was service to their country.

Let us remember and pay special tribute to our Vietnam veterans who made the supreme sacrifice of laying down their lives in an unpopular war.

Let us not forget those who are still unaccounted for in Southeast Asia. Let us not forget our personal responsibility to our Vietnam living veterans, many of whom have lost their limbs or carry deep psychological scars from the incomparable horrors of combat. I am proud that this Congress has demonstrated our Nation's commitment to these veterans, even in these times of austerity, by preserving many of the essential benefits and services which are rightfully theirs for having served their country. I am particularly glad that this Congress has provided medical care for veterans suffering from exposure in Vietnam to the herbicide, agent orange. We have also extended until 1984, the psychological readjustment program, and have provided an average increase of 11.2 percent in the veterans' disability, dependency, and indemnity compensation program, to name a few. I would like, however, to see this Congress pass legislation to grant our veterans judicial review of their claims, a right which is guaranteed by the Constitution. As a sponsor of such legislation, I feel strongly that veterans' benefits are legal entitlements and denial of such entitlements should no longer be exempted from judicial scrutiny.

I am disappointed in the administration's proposal calling for an across-the-board cut in veterans' programs. We must remain aware of the great debt of gratitude we owe to the men and women who have served their country. Accordingly, I ask my colleagues to join with me in doing all we can to maintain and improve the various services available to our veterans.●

NINETIETH BIRTHDAY TRIBUTES TO W. AVERELL HARRIMAN

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 60 minutes.

GENERAL LEAVE

Mr. BINGHAM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject matter of the special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BINGHAM. Mr. Speaker, this coming Sunday, November 15, 1981, a noted world citizen and universally admired American, W. Averell Harriman, will celebrate the 90th anniversary of his birth.

Since the House will not be in session on Sunday and will have an abbreviated session tomorrow, I thought it appropriate to take this special order today so that we might have the opportunity of joining in the celebration of this memorable occasion.

Last evening, as many of you know from having been there and as others will have read in this morning's Washington Post, there was a great outpouring of affection and admiration for "the Governor." But that was a Democratic Party affair, and hence not too many of the Governor's friends on the Republican side of the aisle were there.

The dinner last night was held in what those of us on the Democratic side consider a vital cause, and it is characteristic of the Governor's devotion to his party that he should have agreed to have his birthday party a Democratic Party event. But the fact remains—and it is one of many remarkable facts about this man—that, although he is an active partisan, the admiration and affection that are felt for him throughout this country totally transcend party lines.

As the organizer of this special order, I should like to begin by briefly recounting some of the bare facts of Averell Harriman's extraordinary life. For 33 years, following his graduation from Yale College in 1913, Mr. Harriman played a major role in the world of railroads, business, and investment banking; he was, at various times, chairman of the board of the Union Pacific Railroad, chairman of the board of Merchant Shipbuilding Corp., and leading partner in Brown Brothers Harriman & Co. Having supported Al Smith and then Franklin D. Roosevelt for President, he became actively involved in Roosevelt's New Deal, holding various positions in the NRA and in the Office of Production Management, and serving first as a member and then as Chairman of the Business Advisory Council for the Department of Commerce.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. BINGHAM. I am happy to yield to my colleague, the dean of the New York delegation.

Mr. STRATTON. Mr. Speaker, I do not want to interrupt the gentleman's thought, but I want to commend him for taking this special order to pay tribute to Governor Harriman. I do not think any person in America today is perhaps more qualified to comment on the life and achievements of Averell Harriman, not only as Governor of New York State, but in his other capacities, than the gentleman from New York (Mr. BINGHAM).

I had the pleasure of serving as a city councilman and later as mayor of Schenectady when Governor Harriman was Governor of New York. I remember the gentleman from New York (Mr. BINGHAM) serving at that time as Governor Harriman's secretary, and in fact a very young assistant to the gentleman from New York (Mr. BINGHAM) was a fellow by the name of PAT MOYNIHAN, who is presently a Member of the other body. They learned a great deal of political insight and appreciation of the political structure, not only in the United States but abroad, under the leadership of Averell Harriman. He was a great Governor of New York, and he went on, of course, to serve in other capacities as well.

It is really incredible, at the age of 90, that Averell Harriman should still be concerned with the American political processes, and he and his lovely wife should be working so hard to provide financial support for the Democratic Party, to which he was converted at a relatively early age. He was originally a member of the Republican Party, but under the leadership of Franklin Roosevelt he switched to the Democratic Party. He used to say, "You have more fun if you are a Democrat."

So, I certainly want to join in paying tribute to Averell Harriman. I appreciate the gentleman from New York yielding to give me the opportunity to make these small remarks.

Mr. BINGHAM. I thank the gentleman very much for his contribution. I, too, recall very well our days in Albany together.

In March of 1941, F. D. R. sent him to Britain as the President's Special Representative; in that role he saw a great deal of Prime Minister Churchill and won his friendship and confidence. In August of the same year he headed a special mission to the Soviet Union and later served there as Ambassador from 1943 to 1946, when he was appointed Ambassador to the United Kingdom. Shortly thereafter, President Truman brought Mr. Harriman back to Washington to be Secretary of Commerce. Two years later Harriman was off to Europe again, to head the Economic Cooperation Administration, and Marshall Plan Agency in Paris. In 1951 he was the American representative on the NATO commission to study Western defense plans, and then for 2 years he served in the Truman White House as Director for Mutual Security. Returning home to New York, he was elected in 1954 to a 4-year term as Governor of New York State and was a prominent candidate for the Democratic nomination for President in 1956, enjoying the support of former President Truman. Later, under Presidents Kennedy and Johnson, Governor Harriman served as Assistant Secretary of State for Far Eastern Affairs, Under Secretary for Political Affairs, Ambassador at Large, and finally as the President's personal representative to the Vietnam peace talks in Paris. During the presidences of Richard Nixon, Gerald Ford, and Jimmy Carter, Governor Harriman was active behind the scenes and was frequently

consulted by executive branch and congressional leaders, including especially two Secretaries of State, Henry Kissinger and Cyrus Vance (who had been Harriman's deputy in the Vietnam talks in Paris). So far as I know, Governor Harriman has not been sought out by President Reagan (more is the pity), but his advice continues to be sought by the government leaders, both here and abroad.

It is a great pity that no adequate biography of Averell Harriman has yet appeared and that he himself has not chosen to write his own memoirs. But for those of my colleagues who are not familiar with it, I do most warmly recommend "Special Envoy to Churchill and Stalin 1941-46" by Harriman and Elie Abel. While covering only a portion of his life, it does describe vividly some of the most dramatic episodes of the war years, including his dealings with Churchill and Stalin.

I did not know Ambassador Harriman during those years, although, of course, I knew about him. I saw him once at the National Airport. My impression was that of a man going at high speed and under great tension, never resting. His face was green with strain and fatigue.

My first real contact with him was in the early 1950's when, as Director of Mutual Security, he was the coordinator for all the foreign aid programs, military, economic and technical, and I was Deputy (and for a while acting) Administrator of the Technical Assistance "Point Four" Administration. As a way of getting to know his associates and to learn about their activities, it was Harriman's custom to invite them to breakfast, one at a time, at this home on Foxhall Road. My principal recollection of the occasion was that it was a delicious meal, elegantly served, and that Mr. Harriman demonstrated his wide-ranging curiosity by asking a series of rapid-fire questions about our program, how we were faring on the Hill, what problems we had, et cetera, et cetera. He saw me out the door with a characteristic "Keep in touch."

During this period, I also had occasion to visit Mr. Harriman's outer office when a major speech was in preparation. I think it was one he delivered to a Democratic gathering in Texas in which he said that Senator Taft's brand of isolationism was in effect serving the interests of the Communists. That speech caused a national stir and was a kind of opening gun in Mr. Harriman's quest for the Presidency in 1952.

In any case, my recollection is that there were pages of the speech all over the outer office, on tables, chairs, desks, et cetera, waiting to be collated. Periodically, Mr. Harriman would emerge from his own office, rather frantically looking for a page that he wanted to change. He was never satisfied with speech drafts and, being a perfectionist at heart, he would continue to make changes, some of them seemingly insignificant, until the very last moment. This habit, of course, caused him and his staffers all kinds of problems when, during campaigns, he had to give several speeches in a day. Eventually, he learned to reduce the written material for each speech to a one-page press release, containing his main idea; for the balance, he would talk off the cuff; he was much more at ease winging it than he was reading from a text or a teleprompter.

In 1954, W. Averell Harriman, raised as a staunch Republican by his father, E. H. Harriman, the famous railroad magnate, won the Democratic nomination for Governor of New York, seizing that prize away from Congressman Franklin D. Roosevelt, Jr. Roosevelt was persuaded to accept the nomination for Attorney General, in order to strengthen the ticket, but in the end Roosevelt lost to Jacob Javits, and Harriman won.

I had worked with Harriman in the development of issues and policy proposals during the fall campaign, and after his victory he invited me to join him in Albany (he actually moved there and insisted that his top staff do likewise) as secretary to the Governor. In that capacity I had 4 wonderful years. Governor Harriman tackled the problems of New York State with the same vigor and enthusiasm he had devoted to international and national concerns, and he was always in search of fresh ideas, some of which he gave reality to. For example, at a time when State and local programs keyed to the needs of older people and consumers were virtually unknown, Governor Harriman say how much needed to be done in those areas and appointed special assistants to help him get the job done. Long before President Johnson used the phrase, Harriman launched a "war on poverty," thus confronting the sad reality that there were tens of thousands of people, even in the richest State of the Union, who had been left behind as the standard of living went steadily up in the postwar years. He chose his distinguished industrial commissioner, Isador Lubin, to coordinate the effort. In the field of mental health, he made a radical departure from past practice by appointing a research scientist instead of a professional administrator as commissioner and fully supported Dr. Paul Hoch's successful drive to broaden and intensify the therapy provided to the patients in State hospitals.

As always, Harriman gave himself heart and soul to the task at hand and expected the same of his subordinates. Vigorous was an adjective he constantly used to describe the kind of action he wanted.

Although he was good at delegating, he was also attentive to detail and frequently confounded his budget director and commissioners by his in-depth knowledge of the problems and his probing questions

Although both houses of the legislature were under Republican control at that time, Harriman got along well with the legislative leaders and showed himself adept at getting the bulk of his program through by way of negotiation, compromise and consensus.

Harriman was sometimes hard on his staff, but his outbursts were almost always over minor matters; if a staffer came to the Governor to report a major goof, Harriman took the news in a totally matter-of-fact way, never adding to the staffer's already acute sense of embarrassment. When he did use sharp words, it was not his way to apologize explicitly afterward; instead, he would go out of his way at the next contact to bestow a verbal pat on the back. For all that he later earned the nickname of "crocodile", he never really wanted to hurt anybody's feelings. Like Roosevelt, if he had an unpleasant message to convey, he always asked a staff member to make a call.

When he first appeared on the national stage, Averell Harriman was often described as shy, reserved and inarticulate. I found him to be none of these things. He positively loved the hurly-burly of campaigning, and, even when he was not campaigning, as he moved about the State, he would frequently stop the Governor's big car to shake hands and chat with startled passers-by.

The reporters liked him and gave him generally good coverage. I remember particularly the first legislative correspondents association dinner he had to address. The LCA dinner is a big event in Albany, involving an elaborate musical review making fun of all the State officials, followed by two or three speeches late in the evening which are expected to be hilarious. Harriman, who was not thought to be long on humor, was obviously nervous about the assignment, as were the members of his staff. We had seen other well-known figures in New York politics failing to be funny at 1 a.m. after a long evening. Harriman asked for suggestions, but he wrote the speech almost entirely himself. He had to follow a show-stopper by the then speaker of the assembly, Oswald "Ozzie" Heck. Much to the surprise of, I think everyone in the room, Harriman topped Heck. He had the reporters and the members of the legislature falling off their chairs with his barbs and his wit. It was a masterful performance.

With all these assets, with his acknowledged record of being a good Governor, with the midyear polls in 1958 showing him to be unbeatable, how could Harriman have been defeated for reelection?

In my view, he made two major mistakes. The first, for which I have to accept part of the blame, was that he gave his consent to the naming of Nelson Rockefeller as chairman of a commission established in 1956 to study the issues that would confront a possible State constitutional convention. Rockefeller had just left the Eisenhower administration and was not yet considered an active Republican Party man, having served with some distinction in the Roosevelt administration. Harriman, who shared responsibility for the commission chairman's appointment with the Republican legislative leaders, thought that Rockefeller, an old friend, would do a good, nonpartisan job. He asked my advice, and I concurred. What a mistake. Rockefeller stayed clear of the difficult issues, but held hearings all over the State, thus building himself up as an expert on State issues, and then secured the GOP nomination to run for Governor.

The other mistake Harriman made was to be insufficiently forceful at the 1958 Democratic State convention in insisting on his own choice for the Democratic nomination for Senator. Suffice it to say that he lost control of the convention on this matter, and handed Nelson Rockefeller the issue of "bossism." Rockefeller made the most of the issue and rode it to victory, in the process demonstrating what a formidable campaigner he was. Harriman's campaign, as he now admits, was lackluster.

Although hard hit by the loss, Harriman snapped back fast and soon became immersed again in Presidential politics. He campaigned hard for John F. Kennedy.

In 1961, Averell Harriman demonstrated his true dedication to his country when he accepted from Kennedy the post of Assistant Secretary of State for Far Eastern Affairs. To be sure, this was an important job, especially in view of the growing conflict in Vietnam, but a lesser man would have found it beneath his dignity to accept such a relatively lowly post when he had previously served in the Cabinet. Harriman took on the assignment with his unusual zest and soon proved his truly extraordinary talents to both Kennedy and L. B. J.

These remarks are already long enough, and I will not dwell on the many other facets of Harriman's remarkable life: his visits to the Soviet Union in the early 1920's; his championship skills at polo and a fiendish form of croquet; his railroadman's habit of being on time even when he was supposed to be late; his patronage of the arts (especially in partnership with his wonderful wife of many years, Marie Norton Harriman); his interest in parks (especially the Palisades Interstate Parks Commission); his generosity in turning over the great Harriman mansion, Arden House, to Columbia University as the headquarters of the American Assembly and for other purposes; his interest in skiing, culminating in the establishment of the Sun Valley complex and, while Governor, the Whiteface Mountain Ski Center; his childlike delight in small gifts; his loyalty to his friends and family—Peter Duchin, the noted musician, being in the latter category—and on and on.

For myself, let me just say that it has been one of the great privileges of my life to know Averell Harriman as a friend.●

● Mr. O'NEILL. Mr. Speaker, for more than half a century, America has been blessed by the extraordinary talents of Averell Harriman.

As his insights and advice continue to be priceless, his patriotism and dedication to public service inspire and enlighten us.

With gratitude and affection, Millie and I extend special good wishes to the Governor as he celebrates his 90th birthday.●

● Mr. ALEXANDER. Mr. Speaker, a great deal has been written and said about the enduring qualities of American institutions, their persistence in the face of adversity and their adaptability to the dynamic forces that have changed and are changing the world.

Yet, institutions are merely the manifestations of the ideas of the men and women who gave them birth and infuse them with life. Further, our institutions are defined for other people of the world by Americans from all walks of life by their actions and deeds but especially by a few individuals whose characters, personalities and, indeed, their very lives are accurate reflections of the ideals represented by our American institutions.

Averell Harriman is one of those rare individuals.

For more than six decades, Averell Harriman has devoted his time, energy and intelligence to the service of America. For the people he served as an elected official, he was both a leader and a reflection of their democratic aspirations. For those Presidents he advised, he has been both a source of innovation and a balance wheel for stability. For the foreign leaders with whom he has so ably and thoughtfully related, he has been both a clear channel link of communication with the United States and a resolute and courageous conveyor of American intentions. For Democrats, he has been a living nexus between the historical traditions of our Party and the challenges facing it today.

I am grateful for this opportunity to join my colleagues in paying tribute to Averell Harriman—an American who made a difference.●

● Mr. BOLAND. Mr. Speaker, on November 15, Averell Harriman will celebrate his 90th birthday. It is a celebration in which all Americans should join.

Averell Harriman has been one of the most distinguished public servants of the twentieth century. For more than half of his life, he has served the interests of his country in the pursuit of peace in a variety of important positions. In each of those positions, his efforts were characterized by an uncommon zeal, a willingness to undertake extraordinarily difficult tasks, and an independence of mind and spirit.

As a trusted adviser to five Presidents, Averell Harriman has had an opportunity to deal with some of the most challenging problems of our time. His experience as Abassador to the Soviet Union and Great Britain provided an insight into the terrible destruction brought by war; and the remainder of his public life has been devoted to the peaceful resolution of international conflicts. His administration of the Marshall plan and his negotiation of the Nuclear Test Ban Treaty are testaments to the depth of his commitment to reducing the risks of war.

Mr. Speaker, Averell Harriman's stature as a statesman is unquestioned. We are fortunate that he chose to devote his life to public service and we are especially fortunate that he is willing and able to continue to make himself available to those seeking to benefit from his wisdom and experience. Averell Harriman is a truly remarkable man and I wish him many more years of health and happiness.●

● Mr. FORD of Michigan. Mr. Speaker, I am proud to congratulate Gov. Averell Harriman on his 90th birthday. Senator Kennedy summed it up perfectly when he stated that "we couldn't have held the 20th century without him."

Often we are called upon to honor individuals who have served their country well, but I can think of no single individual who has served in so many vital capacities as Governor Harriman.

The Governor has been making and molding world history for decades. I feel certain that his work and achievements, carried on throughout the world, will be recorded carefully by the historians who will chronicle these past years. I want people across this country to know and understand the greatness of this man who I have had the privilege of knowing.

My hearty congratulations to Averell Harriman on his 90th birthday. He is an awesome gentleman who still continues to have a brilliant career in public service.●

● Mr. GUARINI. Mr. Speaker, on Sunday, November 15, Gov. W. Averell Harriman will celebrate his 90th birthday. Governor Harriman has played a central role in world events for well

over half a century. His career of banker, railroad director, nonelective Government official, Ambassador, statesman, author, and Governor has served as a model for many of this country's top business and governmental leaders.

W. Averell Harriman's world standing is so high that C. L. Sulzberger once called him the "most experienced" negotiator on Earth. President after President did not hesitate to request his involvement in the most diplomatically complex situations in the prewar, World War II, and postwar eras. He has been the envoy of Presidents, Ambassador to both Russia and Great Britain, Secretary of Commerce, and Governor of New York. His broad experience in dealing with the Soviet Union makes him one of this country's foremost experts on dealing with the Russians.

He has served this country, his State, and his party unhesitantly for all these years. At age 90, he is the eldest senior statesman in the Nation. However, even with all those years of achievements to reflect upon, Governor Harriman prefers to remain as active as possible. His voice is still one of clarity and his opinions should be reviewed in all debates of policy. We owe him a great debt for his years of unselfish service.●

● Mr. BARNES. Mr. Speaker, this Sunday, November 15, W. Averell Harriman, banker, railroad magnate, NRA Administrator, Lend-Lease Coordinator, Ambassador to Russia and to Great Britain, Secretary of Commerce, Under Secretary of State, Governor of New York, and adviser to five Presidents, will be 90 years old. As John F. Kennedy said of Harriman, except for John Quincy Adams, he held "as many important jobs as any American in our history."

Having worked with Harriman on the Foreign Affairs Task Force of the Democratic Advisory Council in the early 1970's, I have had the pleasure of observing the characteristics that have contributed to his enormously successful career: hard work, loyalty, forcefulness combined with restraint, an instinct for getting close to the source of power, and a legendary cunning. Harriman himself once said, however, that this toughness was merely put on for effect. "I'm really not all that tough," he said. "But it gets results."

There can be no question that his extraordinary negotiating skill got results, especially in dealing with the Soviet Union. Harriman was never intimidated by the Russians, or by the reactions at home to his dealings with the Kremlin. One former White House official who accompanied Harriman to Moscow said that the secret lay in his ability to keep on talking in that low monotone—"Nothing scares him," he said.

One of his greatest contributions was his negotiations of the Test Ban Treaty with the Soviet Union. Apparently, he thought so too—when a reporter once asked him whether the treaty was not worthless because of the Russians' history of breaking agreements, Harriman responded, "That is a typical question of a semi-informed person," adding, "If I offended anybody, I'm delighted."

The Test Ban Treaty discussions followed President Kennedy's speech at American University during which the President proclaimed that "If we cannot end now all our differences, at least we can help make the world safe for diversity" a speech which Khrushchev himself later told Harriman was "the greatest speech by any American President since Roosevelt." Several issues arose at the talks which demanded Harriman's hard style of negotiating. One was the inclusion of a withdrawal clause, which the Russians resisted as being implicit in all treaties, but which Harriman knew that the Senate would insist upon if China were to be included. (The result was a curious compromise phraseology granting the right to withdraw because of "extraordinary events.") Another problem arose regarding accession to the treaty, which provoked long and difficult discussions, dominated by Harriman who refused to give ground, although the British began complaining that his stubbornness might lose the whole treaty. Again, Harriman prevailed—he was "the great man of the meeting," said one of those present—and the treaty was signed.

Arthur Schlesinger, Jr., writing of the aftermath of the negotiations, in his book "A Thousand Days," described Harriman's return to Washington where his neighbors staged a welcoming celebration for him:

> Bearing torches and candles, they marched to his house on P Street, serenading him with "For He's a Jolly Good Fellow" and then one of his old campaign songs, adapted from George M. Cohan, "H-A-double-R-I-M-A-N spells Harriman." Finally Averell, tieless and in shirtsleeves, came out on his front steps and spoke a few quiet words of thanks. One girl with a very small baby in her arms said to him, "I brought my baby because what you did in Moscow will make it possible for him to look ahead to a full and happy life."

It is a privilege to honor Governor Harriman here today, and to wish him a continued full and happy life.●

● Mr. FASCELL. Mr. Speaker, I am honored to join in this tribute to William Averell Harriman, a man whose career in service to the United States exemplifies a dedication to the founding principles of this country.

How easy it would have been for a man of his status at an early age to simply be content with his lot. Rather, Averell Harriman chose to use his vast reservoir of talents in service to his Government and to an impressive list of Presidents.

Beginning in the 1930's, the presence of Averell Harriman weaves its way steadily through the patchwork of international events. Choose an important event in international affairs and the efficient, respected presence of Averell Harriman is bound to appear. Photographs are hardly needed to recall the images of Averell Harriman with Stalin, Averell Harriman with Churchill, Averell Harriman with Roosevelt, and Averell Harriman with Kennedy.

His efforts as America's point man in Britain during World War II and his mediations with Stalin and the Soviet Union at the birth of the cold war resulted in his reputation as an outspoken and insightful diplomat whose personal style radiated confidence, integrity, and vitality.

That reputation has stayed with Averell Harriman throughout his years—a man who never hesitated to go to the top.

As one who is intensely interested in international affairs and as a fellow Democrat, I am proud to honor this man on his 90th birthday for his service in international affairs, for his commitment to peace, and for his refreshing and unyielding service and loyalty to his country, his party, and his principles.●

● Mr. CORRADA. Mr. Speaker, it is a pleasure to join this tribute to a distinguished American, W. Averell Harriman, who celebrates his 90th birthday this Sunday.

As we pay honor to Averell Harriman, we pay honor to an individual who stands exceedingly tall on the American landscape of history in this century, an individual who heeded—with considerable zeal and fervor—his father's reported advice to "be something and somebody."

Arnold Toynbee wrote that civilization is a movement, not a condition, a voyage and not a harbor. This expression sums up the life of Averell Harriman.

An ambassador, statesman for peace, a former Governor, Averell Harriman has—all of his life—pursued the goals of excellence in public service, and most of all, that of peace in a troubled era.

During the critical period of World War II and the years immediately afterward, Averell Harriman, Ambassador to the Soviet Union during World War II, knew the long-range dangers of the Soviet aggression, and he has never wavered from that prescient understanding of the forces that shaped post-World War II history.

We were fortunate then, and in subsequent years equally fortunate, to have Averell Harriman at the service of his country. As we pay tribute to

him today, I wish the best for Averell and his wife, Pamela.●

● Mr. RICHMOND. Mr. Speaker, it is a privilege and a pleasure to join my colleagues today in honoring a great American, W. Averell Harriman, on the occasion of his 90th birthday.

On such an occasion it is, of course, customary to refer to a distinguished senior statesman as a great American. But, Mr. Speaker, few living Americans are more worthy of this accolade than W. Averell Harriman, whose extraordinary life and career of devoted public service have meant so much to our Nation and the world.

W. Averell Harriman has served as a close adviser to five Presidents. Among his many significant achievements in public life are service as Administrator of the NRA during the 1930's; Ambassador to Great Britain and to the Soviet Union during the war years; Secretary of Commerce in the postwar period; architect of the Marshall plan; negotiator of the Nuclear Test Ban Treaty in 1963; top negotiator at the Paris peace talks in 1968; and, "Ambassador to the World."

The post that Mr. Harriman recalls most fondly is his service as Governor of our beloved State of New York, the position he held when I worked most closely with him. I feel most enriched, in mind and spirit from having that opportunity to know and work with this unique individual.

"The Governor" inspires devotion in those around him. His integrity, diligence, and intelligence set a standard of excellence for public service

Today, Mr. Speaker, as we review the remarkable career and attainments of W. Averell Harriman, we recognize him as the living embodiment of all that we believe our Nation stands for—wisdom, compassion, commitment, and leadership.

Today we honor W. Averell Harriman, a man who has dedicated his long life to helping the poor and downtrodden in our society as well as overseas; a man engaged in a passionate, lifelong quest for world peace; a man whose tirelessness and resourcefulness have successfully met myriad challenges and, thereby, benefited so many—in short, a great American.●

● Mr. ADDABBO. Mr. Speaker, I am honored to be joining my colleagues in extending to Averell Harriman—one of this country's great treasures and a personal friend of mine—our best wishes on his approaching 90th birthday. Harriman helped to make our Nation the world leader it is today with his perseverance, humility, ingenuity, and sense of humor. He reminds me of a great composer or artist; his accomplishments, like their works of art, will never fade from the public eye.

I am humbled in the face of those accomplishments. Harriman won the esteem of every President since Calvin Coolidge, and most of the world's greatest leaders. He played an important role in decisions and negotiations on the New Deal, lend lease, the Yalta Conference, the Marshall plan, the Korean and Vietnam wars, and the Nuclear Non-Proliferation Treaty. And not least of all, he served as Governor of the great State of New York. Harriman is truly a figure whose experience spans the development of the modern world, and whose skill has taken us successfully through many highly sensitive national crises.

Lyndon Johnson once said that if the word patriotic did not exist, it would have to be invented to describe Averell Harriman. I take this opportunity to express my thanks for his devotion, and offer my best wishes for another 90 years.●

● Mr. SCHEUER. Mr. Speaker, I am delighted to join my colleagues in paying tribute to this dynamic man on his 90th birthday. It is impossible to conceive Averill Harriman of being old, young as he has always been and remains today—in heart, mind, and spirit.

I had the honor of working with Ambassador Harriman on several occasions. I was a campaign worker and speech writer when he campaigned for Governor; he honored me by giving me my first experience in public life by appointing me as chairman of the Housing Advisory Council for the New York State Commission on Human Rights during his stint as Governor; and I worked as an advance man and organizer in the Southwest in his campaign for the Presidency. In all of these experiences I developed an enormous respect and warm affection for this fine human being.

Coming from a traditional Republican background, he was first and foremost unshakeably liberal and enlightened in his views on all matters of public policy. I remember the pleasure and satisfaction he exhibited in describing how, as Secretary of Commerce in 1946-48, he insisted on desegregating restrooms and water fountains in the Nation's airports—and without relying on legislation which undoubtedly would not have been forthcoming during those years. So he did it by Executive order, with the result that at least in these small Federal enclaves the signs for separate drinking fountains and restrooms were eliminated, along with the squalid symbolism that they portrayed.

I remember how he recalled fighting for the Fair Employment Practices Act (FEPA), long before it was to be chic and acceptable to strive for human rights for all. And I remember how during his Governorship, he unhesitatingly backed me in support of a series of nondiscrimination-in-housing laws which successively covered public housing, publicly assisted private housing, and finally private housing.

And above all, I remember how he had faith and confidence in young people. I remember with admiration the start he gave in public life to such outstanding public servants as Congressman JONATHAN BINGHAM, who served as his Secretary in Albany; and Senator PAT MOYNIHAN, who worked with Congressman BINGHAM; James S. Lanigan, who subsequently defeated Carmin DeSapio and started a revolution in the New York political power structure; Lou Harris, the famed pollister who worked with him as a comparative unknown during the Presidental campaign; Blair Clark, now a distinguished writer and publisher, who served him as press secretary in charge of press and public relations during his Presidential campaign; Senator CLAIBORNE PELL, who worked valiently on his Presidential campaign; and Judge Theodore Tanenwald of the U.S. Tax Court. I remember with pride and gratitude the opportunity he gave me to taste the challenges, rewards, and occasional frustrations, of public life.

Successive generations of Americans whose lives he touched personnally benefited from his warm and compassionate spirit and his wise counsel. And our whole Nation has benefited immeasurably from half a century of uncompromising commitment to the best ideals of our founding fathers and the Judeo-Christian ethic.

Averill, we salute you with affection and respect, and wish you and Pamela many years of health and happiness together.●

● Mr. LONG of Louisiana. Mr. Speaker, I want to extend my congratulations and heartfelt best wishes to Averell Harriman on his 90th birthday.

For half a century this great American has been a catalytic and creative force in international affairs. Governor Harriman has served his country in many capacities, with flair and exemplary substance.

The Governor's historic roles—adviser to Presidents and world leaders, ambassador, Governor, a developer of the Marshall plan and the Western alliance, an expert on negotiating with the Soviet Union, and a brilliant diplomat with a paradoxical capacity for bluntness—mark him as an outstanding human being, not only of his generation, but of the century, for his life has been blessedly long and fruitful.

I am proud that Governor Harriman represents not only our great Nation, but the Democratic Party as well.●

● Mr. HUGHES. Mr. Speaker, it gives me great pleasure to pay tribute to a patriotic American and a champion of constitutional government, Gov. Averell Harriman. He has served and advised American Presidents for nearly half a century. I can say unequivocally that I know of no other American who

has served the Republic with more patriotism, wisdom, and honor. The Governor is indeed an exemplar of courageous public service based on honest convictions. Personal experience has taught him the futility of war, but also the urgency and wisdom of being constantly prepared for war so that it can be prevented. He knows that our strength and the maintenance of peace go hand and glove together. Over the years, the Governor has made a tremendous contribution to the welfare and security of our great country.

The Governor is a fine statesman, a man of singular characteristics—great ability, independent mind, and deep convictions—whose talents have been prized by American Presidents for nearly 50 years.

He has served his country well during his tenure as a State and Federal official. He has worked tirelessly and continues to do so, and now works even harder toward a strong democracy and free America.

I feel honored to be able to state that the Governor is my personal friend. He is a dedicated public servant and a sincere man of strong character, intense convictions, and great tenacity in pursuit of those convictions.

I wish him continued good health, happiness, and success over the years ahead, and a very, very happy birthday.●

● Mr. FLORIO. Mr. Speaker, for over 50 years this Nation has been graced with the skill and wisdom of a consummate diplomat, W. Averell Harriman. Governor Harriman is one of the great men of the 20th century and I am pleased to share in his birthday celebration today. His dedication to this country has been exemplary and his integrity in the performance of his duties has been inspiring.

As one of this Nation's leading internationalists, Averell Harriman has, as President Kennedy aptly stated, held "as many important jobs as any American in our history." From Ambassador to Great Britain for President Franklin Roosevelt to Secretary of Commerce for President Truman to Governor of the great State of New York and on to Assistant Secretary of State for President Kennedy, Averell Harriman has exhibited an omniscient ability to understand our world and implement appropriate policies for the public good.

We cannot forget that W. Averell Harriman was one of the first to proclaim to President Truman that "we must recognize that our objectives and the Kremlin's objectives are irreconcilable," a reality which has guided our foreign policy ever since.

In closing, I offer my heartfelt appreciation to Governor Harriman for his ceaseless devotion to the greatness of this Nation. Best wishes in all future endeavors.●

● Mr. CONTE. Mr. Speaker, on Sunday, November 15, W. Averell Harriman, former Governor of New York, will be 90 years old. I am honored to have the privilege to stand before my colleagues today and speak on behalf of this truly remarkable man.

Bill once described himself as "a hell of a good Governor." He was. He was also a hell of a great man, one who truly represents this great Nation and the American dream. He became a self-made man because of the American dream, but he never became corrupted by the dream. His father once told him that men of wealth must use their money for the public welfare, or it would be taken away from them. Bill never forgot that lesson—he always did all that he could to help his fellow man.

He became Winston Churchill's confidant and Franklin Roosevelt's trusted man in Britain. He was with the Prime Minister at Chequers when the word arrived on December 7, 1941. President Jack Kennedy said of him, "Bill has held as many important jobs as any American in our history, with the possible exception of John Quincy Adams." Bill served as an unofficial adviser to Jimmy Carter—at the ripe old age of 87.

It has been said that "until he has been a part of a cause larger than himself, no man is truly whole." If that quotation applies to any one human being, it is Bill Harriman. He is undoubtedly one of the greatest men of the 20th century. He was one hell of a Governor. He is one hell of a man. Happy birthday, Bill.●

Mr. BINGHAM. And now, let me just say, on behalf of all my other colleagues in the House of Representatives and many thousands of staff members here on the Hill, that we wish for Averell Harriman a happy birthday and for him and his beauteous wife, Pamela, many years of happiness and productive life together. America is proud of you, Governor, and America loves you.

As an example of Governor Harriman's clear and cogent current thinking, I should like to comment to my colleagues and to the administration the following article by him which appeared in the Washington Post of November 4, 1981:

THE WINDOW OF OPPORTUNITY

(By W. Averell Harriman)

We are in danger of ceding our destiny to the whims of nuclear weapons, trusting to good fortune to see us through the nuclear arms race when we should be trusting to ourselves.

The strategic forces of the United States and the Soviet Union carry explosive power more than 100,000 times greater than the Hiroshima bomb. Far from saying "enough," both nations are increasing these forces.

We are moving to deploy thousands of nuclear-armed cruise missiles, by their nature difficult to count because of their small size. These missiles—unverifiable—will make existing agreements to reduce the numbers of nuclear arms obsolete and future agreements impossible. We are allowing the seduction of a momentary technological advantage to foreclose future limits on Soviet forces.

Today there are five nations that have tested nuclear weapons; in 10 years there could be 10 more, as well as terrorists adding nuclear explosives to their menace. Yet our policy to prevent the spread of these weapons now features promotion of the exports and technologies that could be fashioned to destroy us.

The SALT II treaty, which put a cap on the strategic arms race and placed significant limits on Soviet military power, has been abandoned. In place of "real arms control" we were promised a year ago, we have only the promise of endless talks on nuclear arms in Europe and no talks at all on strategic arms until next year.

The results: a restive, divided NATO alliance that questions our competence to lead in a nuclear world, a progressive weakening of the negotiated restraints that can bound Soviet nuclear power and an emphasis on nuclear forces that are unusable in countering the Soviet challenge around the globe.

As we become more remote from the horrors of Hiroshima, there are doctrines of war fighting based on the fantasy of using nuclear destruction for some "rational" end. These doctrines blur the vital distinction between nuclear and non-nuclear weapons. And they encourage the nuclear choice by telling all nations that nuclear weapons are just another instrument of military power.

The truth is that nuclear weapons exist for one purpose only—to deter nuclear war. Once used, they will be instruments of mass destruction, consuming the destroyer as well as the destroyed.

If all Americans should be concerned about these developments, so should we be angered by those who weave a myth of America as a second-rate nuclear power, inferior to the Soviet Union. This myth demoralizes our friends, and it could tempt the Soviet Union to test our power when testing that power could have catastrophic consequences.

The nuclear arms race has a simple, unchanging rule: without limits, without verifiable negotiated restrictions, the United States can add to its nuclear forces, but so can the Soviet Union. For this reason, the MX missile and the B1 bomber are inadequate measures for American security. They merely attempt to match the Soviet military threat; they cannot reduce it. And they do nothing to reduce the risk of nuclear war.

Rather than seeking to close a false "window of vulnerability," America must take advantage of the window of opportunity it now has to limit nuclear arms. Without decisive leadership, suspicion and the weapons both nations are developing will see that this opportunity recedes perhaps forever beyond the reach of humanity. This means serious negotiations with the Soviet Union and mutual restraint while we negotiate. The objective should be major, equitable and verifiable reductions of nuclear arms, coupled with limits on the introduction of new weapons systems.

I emphasize the word "serious," for many in both nations will counsel proposals designed to be rejected by the other side but useful as an excuse for doing nothing.

Negotiations to limit nuclear arms and reduce the risk of war are hard-headed exer-

cises to improve our national security. They signal no approval of other Soviet actions, such as Afghanistan—no more than do sales of American grain to the Soviet Union. They seek, despite the irreconcilable ideologies of our two nations, the common goal that nuclear weapons have made a necessity—the prevention of nuclear war.

In our short time on Earth, we have a choice about the kind of world we leave behind. With nuclear weapons in our custody, our generation carries a heavy obligation. There will be no historian to record one day that we failed on our watch.

A TRIBUTE TO EDWARD CABRAL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 10 minutes.

● Mrs. HECKLER. Mr. Speaker, it is with great personal pleasure that I rise today to pay tribute to a very special man—a dear friend and trusted adviser who has worked with me for most of my congressional career, mixing wit with wisdom, commonsense with uncommon loyalty—Edward Cabral of Fall River, Mass.

This week the Prudential Insurance Co. of America will honor Eddie Cabral on this 30 years as one of the company's most dedicated, energetic and effective sales agents. In doing so, they will pay tribute to three decades of distinguished service not only to his company, but to the people of the city of Fall River.

The Prudential Insurance Co. has learned what I have also known for many years: that Eddie Cabral is a prized possession. He is indeed a rare human being—one who sees only the good in others and, even more important, is able to bring out that good in what they do, his generosity and friendship are unceasing, and they touch all of us who are so lucky to know him.

On more than one occasion I have had the chance to travel with Eddie to the Azores and Portugal, the land of his heritage. One of those visits occurred during the happy time of the Feast of Santo Christo: another came in the aftermath of a devastating earthquake. On all those occasions I was struck by the almost universal traits of the Portuguese people I met: Their deep religious faith, their unshakeable bravery and pride, their contagious warmth. And through those visists I came to understand Eddie Cabral better, because he personifies all of these qualities, and more.

Eddie Cabral has proven himself a success in every sense of the word. Together with his lovely wife, Lil, and their fine children, Eddie has shown that the American family is a source of strength and joy; their life together is an enduring example for others to follows.

This week Eddie Cabral will be honored as a great salesman, and that is certainly the truth. I know that he has sold me on the lesson that nice guys can—and do—finish first. And the only insurance that I need is the assurance that Edward Cabral's success will continue for many years to come. I am proud to take this opportunity to honor this outstanding man, and I ask all my colleagues in this House to join me in this tribute.●

WILL THE WHALE SWALLOW THE SHARK?

The SPEAKER pro tempore. Under a previous order of the House, the gentlemen from Iowa (Mr. BEDELL) is recognized for 5 minutes.

● Mr. BEDELL. Mr. Speaker, we all are familiar with the illustration of the small fish being swallowed up by a larger fish which in turn is to be eaten by a still larger one. This picture comes to mind as we follow developments in the proposed takover of Marathon Oil by Mobil.

Perhaps the analogy to the big fish and the little fish, is too kind to the companies in question. A takover of Marathon Oil, which ranks No. 39 on the Fortune 500 list, by Mobil, the Nation's second largest oil company, would be more like the shark being swallowed by the whale.

In fact, only 2 days before Mobil made its $5 billion-plus bid for Marathon, Marathon itself had announced the completion of a $650 million takover of the U.S. holdings of Husky Oil. Marathon barely had time to swallow, though, before Mobil moved to put the bite on them.

Under any previous administration, Republican or Democratic, this proposed merger would have been questioned immediately. But now we have an Assistant Attorney General in charge of antitrust who proclaims:

> There is nothing written in the sky that says the world would not be a perfectly satisfactory place if their were only 100 companies.

Fortunately, this merger is being reviewed by the Federal Trade Commission and not the Justice Department. This is the first big merger review to be done by the FTC under its new Chairman. Those of us who believe there is a useful purpose to be served by enforcement of our Nation's antitrust laws will be following this case very closely.●

A BILL TO IMPROVE THE FEDERAL EMPLOYEES COMPENSATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

● Mr. JONES of North Carolina. Mr. Speaker, I am today introducing legislation to provide for certain widows, widowers, and orphans of Federal employees who have sustained a permanent and total job-related disability for a period of 20 years or more.

Chapter 81 of title 5 of the United States Code, currently provides a monthly compensation benefit to employees who are totally and permanently disabled and who cannot engage in substantial productive work because of an injury incurred in the line of duty. The law also provides compensation for widows, widowers, and orphans of Federal employees in certain circumstances where the employee dies of injuries sustained in the performance of duty. This compensation is based on the percentage of monthly pay of the deceased employee. For example, a widow of a Federal employee killed in the line of duty may receive a monthly benefit equal to 50 percent of the monthly salary of her deceased husband until such time as she dies or remarries before reaching the age of 60.

The legislation which I am introducing concerns another situation which I think in all fairness, should be addressed in order to protect certain other widows, widowers, and orphans. The situation which I refer to occurs when an employee sustains an injury in the line of duty resulting in a total and permanent disability of a period of more than 20 years and, thereafter, dies without recovering from his or her disability. In one case, of which I have personal knowledge, the wife of a disabled employee has stood by her husband's side for 30 years or more, tending to his needs and offering support in the most noble tradition of the marital vows. Although a compensation benefit has provided a means of sustenance for the family and will continue to do so while the husband lives, if the husband should predecease his wife, she would be left without any substantial source of income. I also know, from reports I have received, that similar cases exist.

In a case such as the one I have described, a widow would have no substantial social security benefit or pension benefit to fall back on because she has not been in the work force. Instead, she has been a companion and an aid to her disabled husband. Such a widow normally has no assurance of a survivors benefit from social security as it is unlikely that her husband has participated to any substantial extent in the social security system. In almost all cases such as the one I have described, the widow will be in her later years of life and, in most cases, beyond normal retirement age. It is certainly unreasonable to expect such a person to obtain employment in this situation; yet, we have provided no provision for her maintenance. It is also no answer to say that a widow in this instance should have participated in the work force and provided her own pen-

sion instead of opting to stay with her spouse. First, she was needed by her husband. Also, had the husband not been injured and been able to participate in the work force for the 20 or more years during which he was disabled, the wife would have been provided for, either with a social security survivors benefit or Federal retirement benefit.

I understand the need to restrict the creation of any new Federal entitlements in this period of Federal budget austerity. I have addressed this problem in my legislation. First, only a very few deserving widows, widowers and orphans would be eligible for this benefit. The legislation requires that the employee be totally and permanently disabled for a period of 20 years and that a widow or widower claiming benefits under this provision have been dependent on that employee for at least 10 years prior to the employee's death. Furthermore, the legislation authorizes the Secretary of Labor to promulgate regulations to alter the amount of such benefit in order to achieve fair and equitable result after considering such factors as the degree of dependency of the spouse on the employee, the duration of the dependency, the age of the widow, widower or orphan, and the availability of other sources of income to the widow, widower or orphan. In addition, all restrictions normally applicable to the receipt of survivors' benefits under current law are applicable.

Mr. Speaker, I recommend this legislation to my colleagues.●

A VICTORY FOR HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. PEASE) is recognized for 5 minutes.

● Mr. PEASE. Mr. Speaker, as the chairman of the Human Rights Committee of Members of Congress for Peace Through Law, I would like to call the attention of my colleagues to excerpts from a State Department memorandum on human rights policy which appeared in the New York Times of November 5, 1981. The memorandum was prepared by Deputy Secretary of State William P. Clark and Richard T. Kennedy, Under Secretary of State for Management, and approved by Secretary of State Alexander M. Haig, Jr.

The memorandum's assertion that "human rights is at the core of our foreign policy" stands in stark contrast to the earlier pronouncements by Secretary Haig that the fight against international terrorism and the rearmament of the free world are the principal foreign policy objectives of the Reagan administration. I must say it has taken many months, and many false starts, for this administration to come around to the view—as expressed in the memorandum—that we will have to speak honestly about the human rights violations of our friends as well as our foes and that an effective human rights policy will entail hard choices which may adversely affect certain bilateral relationships.

The administration is, however, to be congratulated on its nomination of Elliott Abrams as the next Assistant Secretary of State for Human Rights and Humanitarian Affairs and for its human rights policy statement which, for the first time in the past 10 months, puts human rights back in its rightful place, at the forefront of our foreign policy concerns.

Following is the text of the memorandum:

[From the New York Times, Nov. 5, 1981]

WASHINGTON, NOVEMBER 4.—Following are excerpts from a State Department memorandum on human rights policy that was prepared by Deputy Secretary of State William P. Clark and Richard T. Kennedy, Under Secretary of State for Management, and approved by Secretary of State Alexander M. Haig, Jr.:

Human rights is at the core of our foreign policy because it is central to what America is and stands for. "Human rights" is not something we tack on to our foreign policy but is its very purpose: the defense and promotion of freedom in the world. This is not merely a rhetorical point. We will never maintain wide public support for our foreign policy unless we can relate it to American ideals and to the defense of freedom. Congressional belief that we have no consistent human rights policy threatens to disrupt important foreign policy initiatives. Human rights has been one of the main avenues for domestic attack on the Administration's foreign policy.

"Human rights"—meaning political rights and civil liberties—conveys what is ultimately at issue in our contest with the Soviet bloc. The fundamental distinction is our respective attitudes toward freedom. Our ability to resist the Soviets around the world depends in part on our ability to draw this distinction and to persuade others of it.

Neutralism abroad and a sagging domestic spirit partially are caused by fear of Soviet military might and our perceived inability or lack of desire to resist it. Perhaps even a more significant cause lies in the notion of "relativism"—why arm, and why fight, if the two superpowers are morally equal? Our human rights policy must be at the center of our response. Our audience is not only at home but in Western Europe and Japan and among electorates elsewhere. We must continue to draw the central distinction in international politics between free nations and those that are not free. To fail at this will ultimately mean failure in staving off movement toward neutralism in many parts of the West. That is why a credible U.S. policy in this area is so vitally important. Overall U.S. foreign policy, based on a strong human rights policy, will be perceived as a postive force for freedom and decency.

A TWO-TRACK POLICY

We recommend a two-track policy, positive as well as negative, to guide our rhetoric and our policy choices. On the positive track we should take the offensive:

Expounding our beliefs and affirmatively opposing the U.S.S.R. in the U.N., C.S.C.E. [Conference on Security and Cooperation in Europe] and other bodies.

Hitting hard at abuses of freedom and decency.

Reinforcing international moral and legal standards, including strong responses to outrages against diplomats and acts of terrorism.

Maintaining our reputation as a reliable partner for our friends so as to maximize the influence of our quiet diplomacy.

On the negative track, we must reconsider our relations in light of serious abuses. However, the human rights element in making decisions affecting bilateral relations must be balanced against U.S. economic, security and other interests. We must take into account the pressures a regime faces and the nature of its enemies. This policy must be applied evenhandedly. If a nation, friendly or not, abridges freedom, we should acknowledge it, stating that we regret and oppose it. However, our response or retaliatory actions should result from a balancing of all pertinent interests. Human rights is not advanced by replacing a bad regime with a worse one, or a corrupt dictator with a zealous Communist politburo.

In practice, we must, for instance, abstain from supporting or vote against friendly countries in the M.D.B.'s [multilateral development banks] on human rights grounds if their conduct merits it. We should, however, motivate improvement in human rights by voting "yes" when there has been substantial progress. In highly controversial areas such as crime control equipment, we should not issue licenses in questionable cases. The cost for such a decision would be minimal—this equipment is readily available from other sources. Thus, our decision will not damage another nation's security. On the other hand, failure to make such a decision would undercut our human rights policy.

COSTS OF THE POLICY

Any significant improvement in U.S.-Soviet relations must include demonstrable Soviet movement toward greater freedom.

A human rights policy means trouble, for it means hard choices which may adversely affect certain bilateral relations. At the very least, we will have to speak honestly about our friends' human rights violations and justify any decision wherein other considerations (economic, military etc.) are determinative. There is no escaping this without destroying the credibility of our policy, for otherwise we would be simply codding friends and criticizing foes. Despite the costs of such a human rights policy, it is essential. While we need a military response to the Soviets to reassure our friends and allies, we also need an ideological response. Our struggle is for political liberty. We seek to improve human rights performance whenever we reasonably can. We desire to demonstrate, by acting to defend liberty and identifying its enemies, that the difference between East and West is the crucial political distinction of our times.

RECOMMENDATIONS

1. Abrams [Elliott Abrams, nominee to be Assistant Secretary for Human Rights and Humanitarian Affairs] must be afforded the opportunity to appoint three new D.A.S.'s [deputy assistant secretaries] and make other personnel changes, if he finds it necessary. We have promised him our help in implementing personnel changes as fast as possible and in persuading F.S.O.'s [Foreign

Service Officers] to join this bureau. To have H.A. [Bureau of Human Rights and Humanitarian Affairs] successfully wage the "battle of ideas," internal restructuring may be necessary, as may be addition of a public affairs office to the bureau. We have told Abrams we will look sympathetically at reasonable requests for specific new positions.

2. Name of the Bureau. We propose the name of the H.A. Bureau remain as it is, so that we not create needless controversy which might even harm our nominee and undercut our policy. However, we should move away from "human rights" as a term, and begin to speak of "individual rights," "political rights" and "civil liberties." We can move on a name change at another time.

3. Policy Management. A new Assistant Secretary will need credibility before Congress and the public in stating, when necessary, that human rights issues have been raised at the highest levels. He should therefore be able to raise particularly crucial issues with you. The usual reporting relationship will be to the Deputy Secretary.

H.A. should be designated the lead agency on human rights not only for the department but also for the Government, with a specific role providing policy guidance on human rights issues to I.C.A. [International Communication Agency] and to all U.S. representatives to international organizations such as the U.N. and the M.D.B.'s H.A. should also be able, with proper approval, to involve other governmental agencies in implementing human rights policies—for example, by using defense attachés in some cases as part of our "quiet diplomacy."

FBI IS VINDICATED

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, a lot of people are walking around these days thinking, if not actually saying, "I told you so."

For years, those who have worked diligently for the exposure and conviction of individuals who actively sought the destruction of our Government and our society have been subjected to the worst kind of harassment and ridicule—none more so than the FBI. Now they are vindicated.

The enclosed editorial comment from the October 26 issue of Barron's does an excellent job of setting things in perspective and I commend it to the reading of our colleagues.

Let us now get on with the work of protecting our Nation from those who would subvert and destroy it. The editorial follows:

REAP THE WHIRLWIND—EVENTS HAVE DISCREDITED THE CRITICS OF THE FBI

"September 30, 1981, was not merely the close of the fiscal year of the Defense Fund, but it was a day of deep pride and happiness for the entire FBI family—present Bureau agents, Society members and all their friends in and out of law enforcement, who had been so responsive to the Fund's appeals. It was apparent on that day . . . that the Fund had at long last become solvent.

"In summary and rounded figures, contributions of $1,633,078 were received and $22,096 of interest was earned, making available funds of $1,655,274. Legal fees for about 140 individuals in the amount of $1,606,020 have been paid, with a payment still in process of an additional $3,916, for a total of $1,609,936. Administrative expenses for five years totaled $44,293, resulting in total expenditures for legal services and expenses of $1,654,229. The Fund has, thus, an excess of funds received above funds paid and payable of $945 before September interest and tax reserves. . . .

"The Fund was a sublime Society team effort. The result was a superb accomplishment against the insuperable. This is one of the Society's finest hours."

As annual reports go these days, here's something a little bit different. No slick brochure, complete with President's message and glass-eyed photos of top management; just a one-page letter to interested parties. And in a difficult year for many enterprises, when heavy deficits are by no means uncommon, this one is solidly, if modestly, in the black. However, for the Society of Former Special Agents of the FBI, the income and outgo of which are cited above, numbers aren't what count. For the Society—and its offshoot, the Defense Fund—have just closed the books on one of the most infamous chapters in U.S. judicial history.

Several years ago, at the behest of a gaggle of rabble-rousing journalists and leftwing politicians, the quaintly named Department of Justice brought charges against several top officials of the FBI for criminal conspiracy in violation of others' civil rights. Last autumn, they were found guilty in U.S. District Court; a few months ago, President Reagan granted them a full pardon. "Their convictions," stated the Chief Executive, "grew out of their good faith belief that their actions were necessary to preserve the security interests of our country. The record demonstrates that they acted not with criminal intent but in the belief that they had grants of authority reaching to the highest levels of government." All the funds raised by their colleagues and friends went to defend their good names.

Money well spent. For barely three weeks after the Defense Fund closed out its fiscal year, events at long last caught up with it. Last Tuesday, in Rockland County, New York, a Brink's guard and two local police officers were shot to death during the attempted hold-up of an armored car. Seized at the scene—with, so to speak, a smoking gun—were Katherine Boudin and Judith A. Clark, both original members of the Weather Underground Organization, a terrorist group dating back to the late 1960s, and one fugitive from justice (small j). According to The New York Times: "Another getaway car was traced to a former Barnard College student active in radical causes in the Sixties. She was being sought for questioning."

Subsequent investigation led police to a house in East Orange, N.J., where they found detailed diagrams of Manhattan courthouses and police stations, materials for making bombs and an arsenal of other weapons. "Killers Were Armed," ran a newspaper headline, "For War on Cops." What the story failed to disclose is that those whose civil rights the FBI agents were convicted of violating were also members of the Weather Underground. "They immobilized the investigations by the FBI," a former Special Agent told Barron's, "which might have resulted in the apprehension of the members of the Weather Underground and prevented the slayings."

That's not all they've done. Since the mid-'Seventies, under a ceaseless barrage of leftist propaganda, the nation's intelligence agencies have been all but destroyed. Throughout the country, files on subversive and violence-prone organizations, carefully built up over decades, have been systematically impounded, locked up or shredded (perhaps a better word is liquidated). Law enforcement bodies by and large now are barred from penetrating Marxist-Leninist cells or even avowedly terrorist groups. The House UnAmerican Activities Committee was abolished half a decade ago, the Senate Intelligence (Internal Security) Subcommittee in the following year. During recent public hearings on international terrorism and its probable link to Moscow, the newly constituted Senate Subcommittee on Security and Terrorism, headed by Sen. Jeremiah Denton, (R., Ala.), found itself confronted by a hostile, disbelieving press, which, in its biased accounts of the proceedings, relentlessly sniped at McCarthyism and witch-hunts. All very radical chic, no doubt, and good anytime for a laugh in the Hamptons. But not much help to the three who were gunned down on Tuesday, or the casualties to come. When you're naked to your enemies, you're easy prey.

And for more than a decade, the Weather Underground has been a dangerous enemy. Since 1969, the terrorist group, which calls itself "a revolutionary organization of communist men and women," has been waging open war on America. Among other acts of violence, it has claimed credit for blowing up police cars in Chicago, detonating a bomb which killed and injured a number of officers at a San Francisco police station and triggering explosions at other government and corporate buildings throughout the country. Despite efforts by the Carter Administration to pretend otherwise, Weathermen have always boasted curious foreign conncetions. Katherine Boudin—a daughter, by the way, of attorney Leonard Boudin, prominent figure in the National Emergency Civil Liberties Committee, once officially described as a Communist front—who disappeared in 1970 after a bomb factory blew up in Greenwich Village, reportedly spent much of her time in Moscow. According to a Canadian documentary (cited on Friday in *The Wall Street Journal*), members of the Weather Underground kept in touch with each other by phoning the Cuban Embassy and using a special code name. Reds under the Bed? perhaps not, but in lots of other strategic places.

After last week's murderous hold-up, fresh evidence of sinister linkages has begun to surface. One of the gang's getaway cars was registered in the name of Marilyn Jean Buck, a 34-year-old fugitive who in 1973 was sentenced to 10 years in jail as a gun-runner for the Black Liberation Army. That was the year Joanne Chesimard, BLO leader, murdered a New Jersey state trooper, a crime for which she was serving a life sentence until 1979, when three heavily armed men broke into a state prison and freed her. The owner of another car allegedly used in the robbery and ambush has just been arraigned on charges of riot and assault—a policeman was blinded—stemming from a violent protest last month against the Springboks, the South African rugby team. "Safe houses" and arms caches reportedly have turned up in cities throughout the country.

These were the people whom the FBI was desperately trying to keep tabs on in the late Sixties and early Seventies, when a handful of courageous journalists like Alice

Widener, in her own publication, U.S.A., as well as in the pages of Barron's, sought to sound the alarm. These were the subversives whose civil rights were found to be violated. To arrive at the findings, however, the Justice Department, then headed by Attorney General Benjamin R. Civiletti (who took a remarkably lenient view of the failure of Billy Carter to register as a Libyan agent) had to go to extraordinary lengths. In particular, it steered the case away from New York City, where it should have been heard, to Washington, D.C., where a sympathetic judge, in his charge to the jury, allowed the prosecution, for "security reasons," to omit all references to material that might have established the now-incontrovertible ties between the Weathermen and foreign powers. What might be called a travesty of Justice, now finally set to rights.

A good start, but no more. For as Sen. James O. Eastland (D., Miss.), who once headed the Judiciary Committee, has warned, the U.S. has become a land of "zero security." For this dangerous turn of events, the lawmaker (writing in U.S.A.) lays the blame squarely on "the widespread anti-intelligence hysteria in the wake of Watergate; the tendency of the media to take up the cudgels against law enforcement intelligence; the Fair Credit Reporting Act, Freedom of Information Act, Privacy Act—or to be more precise, certain provisions of these Acts and excessive interpretation of these provisions; recent restrictions, at every level, on the use of third party records; actions directed against law enforcement intelligence activities by organizations such as the American Civil Liberties Union, the National Lawyers Guild and the Alliance to End Repression." (Judith Clark, who was also arrested at the scene of the crime last week, is a plaintiff in a similar suit.) In a war for survival, the U.S. has tied its own hands.

REVENUE SHARING AND VOLUNTARISM

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, I have always said that I represent the finest people in the world—people who care for each other, who are concerned about their neighbors, and who believe in responsible government.

In the past few days, we have received resolutions from Halifax and Patrick Counties, Va. The first is a commentary on revenue sharing and the second on voluntarism.

I would like the Members of this body to be aware of the fine sentiments expressed in these resolutions and I include them in the RECORD at this point:

RESOLUTION

Whereas, Halifax County recognizes the need for cutbacks in Federal spending; and

Whereas, Halifax County expects to share its part of the burden as a result of funding cutbacks.

Now, therefore, be it resolved: by the Halifax County Board of Supervisors that the County petition the Reagan Administration to time any cutbacks in Revenue Sharing funds to begin June 30, 1982, instead of January, 1982 as reported. This change in timing would allow the County to plan for reductions in the normal budget cycle.

This is the 5th day of October, 1981.

RESOLUTION

On motion made and duly seconded:

Whereas, voluntarism has traditionally been an important part of American life, as neighbors, family members, churches, and other community organizations, unselfishly rendered services to the poor, the needy, and the handicapped, and

Whereas, government has over the year's increasingly assumed the role previously fulfilled by families and communities, whereby citizens began to lose sight of their duty to care for their families and to assist their neighbors in time of need, and

Whereas, government can no longer be the sole source of assistance for the poor and needy, and a greater part of such assistance must be assumed by private individuals and organizations, and

Whereas, the President has called for increased participation in voluntarism to sustain programs of assistance previously provided by government;

Now, therefore, be it resolved that the Patrick County Board of Supervisors does hereby support national, state and local efforts to return voluntarism to its traditional role of caring for family members and providing services to the poor and needy, and the handicapped through efforts exemplified by the Telephone Reassurance Program for the Elderly, the Patrick County Multi-Discipline Team for Child Abuse and Neglect, efforts to maintain elderly citizens in their own homes and in the homes of relatives, and efforts to provide emergency services to families in need.

Be it further resolved that copies of this resolution be forwarded to the Honorable Harry F. Byrd and the Honorable John W. Warner, United States Senate; the Honorable Dan Daniel representing the 5th Congressional District; the Honorable John N. Dalton, Governor of Virginia; the Honorable A. L. Philpott, Speaker of the House of Delegates; the Honorable Mary Sue Terry, Member of the House of Delegates; and the Honorable Virgil H. Goode, Jr., Virginia State Senate; the Director, Virginia Department of Welfare; and the Virginia Office of Voluntarism.

CONFERENCE REPORT ON H.R. 4522

Mr. DIXON submitted the following conference report and statement on the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes.

CONFERENCE REPORT (H. REPT. No. 97-327)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 17, 20, 21, 23, 24, 28, 29, 31, 32, 33, 34, 35, 36, 37, 38, and 39.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 9, 10, 13, 15, 18, and 40, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$85,234,300*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$29,096,100*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$377,921,300*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$784,100*; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$397,313,100*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the number proposed by said amendment insert *32,950*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the number proposed by said amendment insert *31,991*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the number proposed by said amendment, insert *28,857*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 5, 7, 11, 12, 22, 30, 41, and 42.

JULIAN C. DIXON,
WILLIAM H. NATCHER,
LOUIS STOKES,
CHARLES WILSON,
WILLIAM LEHMAN,
JAMIE L. WHITTEN,
LARRY COUGHLIN,
BILL GREEN,
JOHN EDWARD PORTER,
SILVIO O. CONTE,
Managers on the Part of the House.
ALFONSE M. D'AMATO,

LOWELL P. WEICKER, Jr.,
ARLEN SPECTER,
MARK O. HATFIELD,
DALE BUMPERS,
WILLIAM PROXMIRE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

Amendment No. 1: Appropriates $336,600,000 as proposed by the Senate instead of $300,000,000 as proposed by the House.

GOVERNMENTAL DIRECTION AND SUPPORT

Amendment No. 2: Appropriates $85,234,300 instead of $84,742,900 as proposed by the House and $86,747,400 as proposed by the Senate.

Office of Business and Economic Development.—The conference action provides $753,700 as proposed by the House instead of $1,086,100 as proposed by the Senate. The conference action also provides 24 positions as proposed by the Senate instead of 18 as proposed by the House with the understanding that the six positions above the House allowance are to be funded within resources presently available.

Department of General Services.—The conference action provides $24,563,100 as proposed by the Senate instead of $24,145,800 as proposed by the House and reflects an increase of $417,300 as proposed by the Senate for space rental costs and the renovation of the Lansburgh Building which will be used to house District personnel as existing leases expire.

Advisory Neighborhood Commissions.—The conference action provides $934,700 as proposed by the House instead of $1,680,000 as proposed by the Senate.

Office of Employee Appeals.—The conference action provides $601,800 and 14 positions instead of $527,700 and 12 positions as proposed by the House and $675,900 and 16 positions as proposed by the Senate.

District of Columbia Retirement Board.—The conference action provides $312,700 from the general fund as proposed by the House instead of $674,000 as proposed by the Senate. Amendments numbered 5, 6, and 7 are also related to this item.

Amendment No. 3: Substitutes a comma for the word "and" in connection with the proviso for representation allowances for certain District officials.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides a representation allowance for the City Administrator. Authorizing legislation has been approved by the District government and is currently awaiting completion of the layover period before the Congress. The House denied the request. The conferees expect that appropriate records will be kept detailing the amounts, purpose and dates expenditures are made from this allowance.

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds the phrase "notwithstanding any other provision of law" to the proviso dealing with appropriations for the District of Columbia Retirement Board. This language clarifies section 121(f)(1) of Public Law 96-122 which requires that all funds for operation of the Board be provided through the appropriations process.

Amendment No. 6: Provides that $312,700 for the District of Columbia Retirement Board shall be derived from the general fund as proposed by the House instead of $674,000 as proposed by the Senate.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: "not to exceed $1,035,600".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action provides that not to exceed $1,035,600 for the District of Columbia Retirement Board shall be derived from the earnings of the applicable retirement funds instead of a definite amount of $1,035,600 as proposed by the House and not to exceed $674,300 as proposed by the Senate.

ECONOMIC DEVELOPMENT AND REGULATION

Amendment No. 8: Appropriates $29,096,100 instead of $28,096,100 as proposed by the House and $29,748,900 as proposed by the Senate.

Comprehensive Plan.—The conferees agree that it is important for the District government to complete work on the City's Comprehensive Plan during fiscal year 1982 as was promised by the Mayor and the Director of the Office of Planning and Development during congressional hearings. Ample resources and personnel have been made available in the budgets for fiscal years 1981 and 1982 for this purpose, and the conferees expect District officials to perform whatever work is necessary to complete the Plan by the end of fiscal year 1982.

Department of Housing and Community Development.—The conference action provides $2,000,000 to cover the expenses of issuing $100 million in mortgage revenue bonds by the District of Columbia Housing Finance Agency as proposed by the Senate instead of $1,000,000 as proposed by the House.

District of Columbia Chamber of Commerce. —The conference action provides $75,200 as proposed by the House instead of $100,000 as proposed by the Senate. The conferees expect a detailed explanation of the use of these funds at the hearings on the fiscal year 1983 budget.

Lottery and Charitable Games Control Board.—Deletes funding under "Economic Development and Regulation" and establishes a separate enterprise fund under Amendment No. 11 for the Lottery and Charitable Games Control Board.

Amendments Nos. 9 and 10: Provide that $2,000,000 as proposed by the Senate instead of $1,000,000 as proposed by the House shall be repaid, from excess operating revenues, by the District of Columbia Housing Finance Agency to the District's Department of Housing and Community Development, subject to the rights of the holders of any bonds or notes issued by the Agency.

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: ": *Provided further,* That the District of Columbia will establish a special fund to assure that any moneys available to the Lottery and Charitable Games Control Board shall be derived from non-Federal District of Columbia revenues.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For establishment of the Lottery and Charitable Games Enterprise Fund, for the purpose of implementing D.C. Law 3-172 and for the budgeting and accounting of all revenues and expenses of the Lottery and Charitable Games Control Board, $628,000, to be derived from non-Federal District of Columbia revenues: *Provided further,* That the District of Columbia will identify the source of funding for this appropriation from its own locally generated revenues when the Enterprise Fund is established and that no revenues from Federal sources shall be used to support the operations of the Lottery and Charitable Games Control Board: *Provided further,* That the level of administrative expenses to be incurred by the Board shall be appropriated in the District's General Fund budget as a transfer from locally generated revenues; administrative expenses being defined as all anticipated expenses of the Board for the coming fiscal year excluding moneys necessary for the payment of prizes to the winners of the games specified in D.C. Law 3-172: *Provided further,* That the Board shall have the authority to expend, from revenues generated by its operations, funds necessary for the payments of prizes: *Provided further,* That the annual expenses for prizes and administration of the Board shall not exceed resources available to the Board from appropriated authority or revenues generated by the operations of the Board: *Provided further,* That all revenues received by the Board in excess of the funds used by the Board for prize money in a given month shall be transferred to the General Fund from the Lottery and Charitable Games Enterprise Fund through a general operating transfer, promptly after the first of the month for the preceding month: *Provided further,* That the Board may establish a reserve not to exceed 2 percent of projected annual prize payments to provide for prizes awarded in any month which may exceed the revenue generated during that month: *Provided further,* That the Mayor may approve a change in the reserve limit, as necessary, upon the request of the Board: *Provided further,* That the financial operations of the Board with respect to the amount appropriated for administrative expenses shall be in accordance with all laws, regulations and policies of the District of Columbia government regarding appropriated funds: *Provided further,* That for the fiscal year ending September 30, 1982 and for each fiscal year thereafter, the District of Columbia Auditor shall conduct a comprehensive audit on the financial status of the Fund, including but not limited to all appropria-

tions, revenues and transfers to the Fund, and provide such report to the Mayor, Chairman of the District of Columbia Council, and to the Subcommittees on the District of Columbia Appropriations of the House of Representatives and the Senate: *Provided further,* That in addition to current restrictions, advertising on public transportation and at stations and stops is prohibited: *Provided further,* That the advertising, sale, operation, or playing of the lotteries, raffles, bingos, or other games authorized by D. C. Law 3-172 is prohibited on the Federal enclave, and in adjacent public buildings and land controlled by the Shipstead-Luce Act as amended by 53 Stat. 1144, as well as in the Old Georgetown Historic District: *Provided further,* That the Board shall make an annual report to the Subcommittees on District of Columbia Appropriations of the House of Representatives and the Senate at the end of each year detailing the receipts and disbursements of the Board and summarizing measures of regulation and enforcement enacted as well as other information and recommendations deemed of value or which may be requested".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are agreed that no Federal funds shall be used in connection with the Lottery and Charitable Games Control Board and have included language in the bill establishing a separate fund to account for all administrative expenses of the Board and all payments to lottery winners. The conferees intend that administrative expenses be subject to the same annual budgetary review and audit as the expenses for all other District agencies. The Board is not authorized to embark on any new undertaking without obtaining prior approval of the required executive and legislative bodies through the normal budgetary process.

The conferees are agreed that the newly established Lottery and Charitable Games Enterprise Fund will receive funds appropriated to the Board for administrative purposes from locally-generated non-Federal revenues as well as all proceeds from the operations of the Board, including lottery receipts and any other fees and payments received by the Board. On the first of each month the Board will transfer from the enterprise fund to the general fund of the District of Columbia the amount not required to pay prize winners in that month. The bill language also requires an annual audit of all revenues, transfers, and appropriations to the fund. Copies of the audit report are to be forwarded to the Mayor, Chairman of the Council and the appropriate committees of the Congress.

The conferees are concerned about lottery advertising in areas of the District frequented by visitors or those who come to the District to do business with the Federal government. Language has been included in the bill prohibiting advertising on public transportation and at stations and stops. Language is also included in the bill prohibiting lottery activities on the Federal enclave and in certain other areas of the District. The conference agreement also requires the Board to prepare an annual report on its activities.

PUBLIC SAFETY AND JUSTICE

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: "$366,396,200".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Metropolitan Police Department.—The conference action provides $114,685,300 to fund 3,880 sworn police officers as proposed by the House instead of $113,286,900 to fund 3,800 officers as proposed by the Senate. The Mayor has stated that 200 police officers are in the process of being hired and he expects the strength of the force to exceed 3,800 sworn personnel by February 1, 1982. The Mayor is directed to take appropriate steps to bring the force up to the level of 3,880 uniformed officers by March 31, 1982, and to provide the Subcommittees on District of Columbia Appropriations with monthly reports on the progress being made in that regard. Sufficient funds are included in the bill to finance an average of 3,880 officers for the entire twelve months of fiscal year 1982. Accordingly the conferees direct the Mayor to maintain the average full-time employment level for uniformed officers at 3,880 personnel during the remaining months of fiscal year 1982.

Court of Appeals.—The conference action provides $60,800 for compensation and expenses related to bar examinations as proposed by the Senate instead of $46,400 as proposed by the House.

Superior Court.—The conference action provides $89,500 and six positions for the Probate Division as proposed by the Senate instead of $80,000 and five positions as proposed by the House.

District of Columbia Court System.—The conference action provides $3,641,100 for court-appointed legal representation for indigent defendants under the Criminal Justice Act program instead of $3,380,100 as proposed by the House and $3,902,200 as proposed by the Senate. The conferees note that this amount is less than requested and may be inadequate for the balance of this fiscal year. Language is included under the Public Defender Service relative to this issue.

Public Defender Service.—The conferees are pleased with the work of the Public Defender Service in providing legal representation to indigent defendants. With the reduction of $261,100 in funding request of $3,902,200 for court-appointed counsel under the Criminal Justice Act program the conferees urge appropriate officials to be prepared to discuss at next year's hearings the feasibility of expanding the role of the Public Defender Service in providing legal representation for indigent defendants.

Department of Corrections.—The conference action provides $14,918,100 for payment to the Federal Bureau of Prisons to cover the costs of maintaining District prisoners in Federal institutions as proposed by the Senate instead of $13,918,100 as proposed by the House.

Police and Fire Retirement Systems.—The conference action provides $88,240,000 as proposed by the Senate instead of $86,940,600 as proposed by the House.

Amendment No. 13: Provides a representation allowance of $2,500 for the Joint Committee on Judicial Administration as proposed by the Senate. The House denied this request. The conferees expect that appropriate records of expenditures will be kept and made available for public inspection upon request.

PUBLIC EDUCATION SYSTEM

Amendment No. 14: Appropriates $337,921,300 instead of $365,732,100 as proposed by the House and $378,301,700 as proposed by the Senate.

Amendment No. 15: Allocates $60,220,900 for the District of Columbia Teachers' Retirement Fund as proposed by the Senate instead of $48,119,200 as proposed by the House.

Amendment No. 16: Allocates $784,100 for the Commission on the Arts and Humanities instead of $696,600 as proposed by the House and $809,500 as proposed by the Senate. The increase of $87,500 above the House allowance will provide the Commission with a total of $557,900 for its grants-in-aid program as proposed by the Senate instead of $470,400 as proposed by the House. This allowance for the grants program reflects a 46 percent increase over the amount available in fiscal year 1981. The conferees direct that these funds are to be used only for the Commission's grants program and not for employee staffing. The conferees denied the increase of $25,400 for a new deputy director position proposed by the Senate.

Amendment No. 17: Allocates $4,115,000 for the school transit subsidy program as proposed by the House instead of $4,470,000 as proposed by the Senate. The conferees direct District officials to monitor this program carefully.

Amendment No. 18: Provides that $60,220,900 allocated for the District of Columbia Teachers' Retirement Fund shall be transferred to the Teachers' Retirement Fund as proposed by the Senate instead of $48,119,200 as proposed by the House.

HUMAN SUPPORT SERVICES

Amendment No. 19: Appropriates $397,313,100 instead of $394,259,300 as proposed by the House and $398,010,100 as proposed by the Senate.

Disability Compensation.—The conference action provides $11,374,600 as proposed by the House instead of $12,074,600 as proposed by the Senate.

Unemployment Compensation.—The conference action provides $8,477,000 as proposed by the Senate instead of $6,805,100 as proposed by the House.

Office of Human Rights.—The conference action provides $1,173,500 as proposed by the House instead of $1,229,500 as proposed by the Senate. The conference action also provides 52 positions as proposed by the Senate instead of 49 positions as proposed by the House with the understanding that the three positions above the House allowance are to be funded within resources presently available.

Office on Latino Affairs.—The conference action provides $225,600 as proposed by the House instead of $270,600 as proposed by the Senate. The conference action also provides seven positions as proposed by the Senate instead of five positions as proposed by the House with the understanding that the two positions above the House allowance are to be funded within resources presently available.

Department of Human Services.—The conference action provides $286,267,000 instead of $284,885,100 as proposed by the House and $286,163,000 as proposed by the Senate. The conference allowance provides $8,344,000 for Medicaid reimbursements to D.C. General Hospital as proposed by the Senate instead of $6,962,100 as proposed by the House. The conference allowance also restores $104,000 proposed by the House

and deleted by the Senate for the Sasha Bruce Home for Runaway and Homeless Youth. The Sasha Bruce Home is now the District's only shelter for runaway and homeless youth, providing services to over 300 families annually. Because of the revised allocation formula in the 1980 amendments to the Federal Runaway and Homeless Youth Act, the District's appropriation for this program from Federal grants has been cut from $130,000 last year to $26,000 this year. Additional cuts to human services programs would make it extremely difficult for the District government to ensure a quality program for runaway and homeless youth without this appropriation. In approving the amount of $104,000 for the runaway and homeless youth programs at the Sasha Bruce Home, the conferees direct District officials to expend these funds for this purpose exclusively.

Amendment No. 20: Provides that $11,374,600 shall remain available until expended for District of Columbia employees' disability compensation as proposed by the House instead of $12,074,600 as proposed by the Senate.

Amendment No. 21: Restores language proposed by the House and stricken by the Senate requiring District officials to obtain the approval of the House and Senate Subcommittees on District of Columbia Appropriations prior to obligating any funds appropriated for the summer youth jobs program. The conferees note the significant progress made by District officials in the administration of the summer jobs program in the past year in the areas of payroll accounting, employee orientation, worksite supervision, administrative oversight and other required operating responsibilities. The conferees urge that these efforts be continued in the future and that the annual detailed management plan be prepared and submitted in a timely manner.

PERSONAL SERVICES

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: "$36,279,100".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees note that the pay rates of District employees will be determined by collective bargaining which is now underway, and have approved an increase of $1,478,000 above the Senate allowance.

GENERAL PROVISIONS

Amendment No. 23. Restores language proposed by the House and stricken by the Senate placing a ceiling of $225,000 on the expenditure of funds for travel and per diem costs outside the District of Columbia, Maryland, and Virginia. In doing so, the conferees intend that District officials carefully review the President's recommendations of July 30, 1981 to strengthen the management of travel by Federal employees, and implement those changes which may provide savings in official travel expenditures for the District government.

Amendment No. 24: Changes section number.

Amendments Nos. 25, 26, and 27: Provide an employment ceiling of 32,950 including 31,991 general fund positions of which 28,857 are appropriated positions instead of employment ceiling of 32,922 including 31,963 general fund positions of which 28,829 are appropriated positions as proposed by the House and an employment ceiling of 32,953 including 31,994 general fund positions of which 28,860 are appropriated positions as proposed by the Senate.

Amendments Nos. 28 and 29: Change section numbers.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the budget for the District of Columbia government for fiscal year 1983 to be transmitted to the Congress by April 15, 1982 as proposed by the Senate instead of February 1, 1982 as proposed by the House. The conferees are agreed that this delay in the submission date of the District's fiscal year 1983 budget from February 1, to April 15 is being granted on a one-time basis for the fiscal year 1983 budget only. The conferees note that this action will allow the Mayor to submit the budget to the City Council on December 1 rather than October 1 as would be required by the February 1 transmittal date. This additional 60 days will allow time for the fiscal year 1983 budget to be approved at the local level as well as provide sufficient time for District officials to gather actual revenue and expenditure data for the previous fiscal year. By using more accurate data in the budget documents, the need for major reestimates each spring and the resulting changes in the budget should be eliminated, allowing for more expeditious handling of the District's budget by the Congress. In addition, District officials have stated that with this extension, budget amendments will be minimized.

The conferees will monitor this process during the coming year to determine the effect of this delay, and necessary adjustments will be made in the appropriation bill for fiscal year 1983.

Amendments Nos. 31, 32, 33, 34, 35, 36, 37, 38 and 39: Change section numbers.

Amendment No. 40: Deletes the phrase "before December 1, 1981," proposed by the House and stricken by the Senate.

Amendment No. 41: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language requiring that necessary permits must be obtained from appropriate State agencies before sludge from the District's municipal waste system may be disposed of in any public or private landfills not currently used for this purpose.

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

"SEC. 123A. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act (D.C. Code 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1981 shall be deemed to be the rate of pay payable for that position for September 30, 1981.

"(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945 (D.C. Code 5-803(a)), the board members of the Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action authorizes the Mayor to set the salary of the City Administrator at a rate not to exceed the maximum statutory rate established for level IV of the Federal Executive Schedule under 5 U.S.C. 5315, and provides that this salary may be payable to the City Administrator during fiscal year 1982. The conference action also authorizes the Mayor to set the per diem rate for board members of the Redevelopment Land Agency in the same manner consistent with his authority to set these rates for members of other boards and commissions of the District government. The Mayor does not have this authority at the present time.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1982 recommended by the Committee of Conference, with comparisons to the fiscal year 1981 amount, the 1982 budget estimates, and the House and Senate bills for 1982 follow:

Federal funds:	
New Budget (obligational) authority, fiscal 1981	$495,382,700
Budget estimates of new (obligational) authority, fiscal year 1982	570,170,000
House bill, fiscal year 1982	520,570,000
Senate bill, fiscal year 1982	557,170,000
Conference agreement, fiscal year 1982	557,170,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1981	+61,787,000
Budget estimates of new (obligational) authority, fiscal year 1982	−13,000,000
House bill, fiscal year 1982	+36,600,000
Senate bill, fiscal year 1982	
District of Columbia funds:	
New Budget (obligational) authority, fiscal year 1981	1,765,081,500
Budget estimates of new (obligational) authority, fiscal year 1982	1,905,258,200
House bill, fiscal year 1982	1,868,658,200
Senate bill, fiscal year 1982	1,905,258,200
Conference agreement	1,905,258,200
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1981	+140,176,700
Budget estimates of new (obligational) authority, fiscal year 1982	
House bill, fiscal year 1982	+36,600,000
Senate bill, fiscal year 1982	

JULIAN C. DIXON,
WILLIAM H. NATCHER,
LOUIS STOKES,
CHARLES WILSON,
WILLIAM LEHMAN,
JAMIE L. WHITTEN,
LARRY COUGHLIN,
BILL GREEN,
JOHN EDWARD PORTER,
SILVIO O. CONTE,
Managers on the Part of the House.

ALFONSE M. D'AMATO,
LOWELL P. WEICKER, JR.,
ARLEN SPECTER,
MARK O. HATFIELD,
DALE BUMPERS,
WILLIAM PROXMIRE,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FORSYTHE (at the request of Mr. MICHEL), for today and balance of the week, on account of official business as a member of the Committee on Merchant Marine and Fisheries.

Mr. IRELAND (at the request of Mr. WRIGHT), for today and Friday, November 13, on account of serving as a delegate to the U.N. General Assembly session.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FIELDS) to revise and extend their remarks and include extraneous material:)

Mr. DOUGHERTY, for 60 minutes, November 17, 1981.

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, November 13, 1981.

Mrs. HECKLER, for 10 minutes, today.

(The following Members (at the request of Mr. DASCHLE) to revise and extend their remarks and include extraneous materials:)

Mr. AUCOIN, for 15 minutes, today.

Mr. LAFALCE, for 30 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

Mr. NELSON, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today.

Mr. PEASE, for 5 minutes, today.

Mr. DONNELLY, for 60 minutes, November 18, 1981.

(The following Member (at the request of Mr. BINGHAM) to revise and extend his remarks and include extraneous material:)

Mr. MAVROULES, for 30 minutes, November 17, 1981.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FIELDS) and to include extraneous matter:)

Mr. GREEN.

Mr. HOLLENBECK.

Mr. MORRISON.

Mr. MCCLORY in two instances.

Mr. BEREUTER.

Mr. SMITH of New Jersey.

Mr. WOLF.

Mrs. SCHNEIDER.

Mr. PARRIS in two instances.

Mr. WHITEHURST in three instances.

Mr. WALKER.

Mr. DERWINSKI in three instances.

Mr. CARMAN.

Mr. CHENEY.

Mr. RUDD in two instances.

Mr. BENEDICT.

Mr. MADIGAN.

Mr. RAILSBACK.

Mr. DUNCAN.

Mr. ROTH.

Mr. FIELDS in three instances.

(The following Members (at the request of Mr. DASCHLE) and to include extraneous matter:)

Mr. COELHO.

Ms. OAKAR.

Mr. HAMILTON.

Mr. OTTINGER.

Mr. FLORIO.

Mr. SKELTON.

Mr. OBERSTAR.

Mr. CROCKETT.

Mr. TRAXLER in two instances.

Mr. FOUNTAIN.

Mr. RAHALL in two instances.

Mrs. SCHROEDER.

Mr. GLICKMAN.

Mr. HUGHES.

Mr. HUBBARD.

Mr. ROYBAL.

Mr. SANTINI.

Mr. LELAND in two instances.

Mr. FORD of Michigan in two instances.

Mr. RODINO.

Mr. YATRON.

Mr. DWYER.

Mr. DYSON in four instances.

Mr. WEISS.

Mr. GARCIA.

Mr. AUCOIN.

Mr. SWIFT.

Mr. HALL of Ohio.

Mr. SYNAR.

(The following Members (at the request of Mr. BINGHAM) and to include extraneous matter:)

Mr. LAFALCE.

Mr. SHANNON.

Mr. HARKIN.

Mr. ROE.

Mr. MINETA in two instances.

Mrs. COLLINS of Illinois.

Mr. YATES.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 43. Concurrent resolution granting the status of permanent residence to certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4734. An act to recognize the organization known as the Italian American War Veterans of the United States; and

H.R. 4792. An act to amend title 10, United States Code, to improve the military justice system.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 195. An Act to recognize the organization known as the U.S. Submarine Veterans of World War II; and

S. 999. An Act to amend the Earthquake Hazards Reduction Act of 1977 and the Federal Fire Prevention and Control Act of 1974 to authorize the appropriation of funds to the Director of the Federal Emergency Management Agency to carry out the earthquake hazards reduction programs and the fire prevention and control program, and for other purposes.

ADJOURNMENT

Mr. BINGHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p.m.) under its previous order, the House adjourned until Friday, November 13, 1981, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2502. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Air Force's proposed sale of certain defense equipment and services to Thailand (Transmittal No. 82-02), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

2503. A letter from the Deputy Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize support to Radio Broadcasting to Cuba, Inc.; to the Committee on Foreign Affairs.

2504. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2505. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense equipment and services to Thailand (Transmittal No. 82-02), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

2506. A letter from the Inspector General, Department of Agriculture, transmitting a report on computer matching of Federal employees who have Farmers Home Administration loans; to the Committee on Government Operations.

2507. A letter from the Executive Secretary, Federal Reserve Employee Benefits System, transmitting the annual report of the retirement plan for calendar year 1980, pursuant to section 121(a)(2) of the Budget

and Accounting Procedures Act of 1950, as amended; to the Committee on Government Operations.

2508. A letter from the Chairman, Board of Directors, Tennessee Valley Authority Retirement System, transmitting the annual report of the TVA retirement plan, covering the year ended September 30, 1980, pursuant to section 121(a)(2) of the Budget and Accounting Procedures Act of 1950, as amended; to the Committee on Government Operations.

2509. A letter from the Clerk, U.S. Court of Claims, transmitting the court's judgment order in Docket No. 277, *The Creek Nation of Oklahoma* v. *The United States;* to the Committee on Interior and Insular Affairs.

2510. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the ground water research plan, pursuant to section 2(3) of Public Law 96-569; to the Committee on Science and Technology.

2511. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on negotiated contracts for experimental, developmental, test, or research work, or for industrial mobilization in the interest of the national defense, covering the period January through June 1981, pursuant to 10 U.S.C. 2304(e); to the Committee on Science and Technology.

2512. A letter from the Acting Executive Secretary, Office of the Secretary of Defense, transmitting a report on Defense Department procurement from small and other businsess firms for October 1980 through August 1981, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

2513. A letter from the Deputy U.S. Trade Representative, Executive Office of the President, transmitting a semiannual report on the operation and effect of the International Sugar Agreement, 1977, pursuant to section 5 of Public Law 96-236 and Executive Order 12224; jointly, to the Committees on Agriculture and Ways and Means.

2514. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of the Board's letter appealing its proposed budget allowance for fiscal years 1982 and 1983, pursuant to section 304(b)(7) of Public Law 93-633; jointly, to the Committees on Appropriations and Public Works Transportation.

2515. A letter from the Acting Comptroller General of the United States, transmitting a report on the effect of recent changes in U.S. deterrence strategy on the performance requirements of strategic nuclear weapons, command, control, and communications systems, (MASAS-81-35, August 5, 1981); jointly, to the Committees on Government Operations and Armed Services.

2516. A letter from the Comptroller General of the United States, transmitting a report on the Department of Energy's regulatory reform efforts (EMD-82-6, November 6, 1981); jointly, to the Committees on Government Operations and Energy and Commerce.

2517. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a proposed regulation to protect unclassified nuclear safeguards information against unauthorized disclosure, pursuant to section 147.d. of the Atomic Energy Act of 1954, as amended; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLAND: Permanent Select Committee on Intelligence. H.R. 4448. A bill to amend title 10, United States Code, to increase the number of Assistant Secretaries in the Department of Defense, and for other purposes (Rept. No. 97-300, Pt. II). And ordered to be printed.

Mr. BOLAND: Permanent Select Committee on Intelligence. Report on implementation of the Foreign Intelligence Surveillance Act (Rept. No. 97-318). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. House Joint Resolution 357. Joint resolution making further continuing appropriations for the fiscal year 1982, and for other purposes (Rept. No. 97-319). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 841. A bill to name the U.S. Post Office Building in Portsmouth, Ohio, the "William H. Harsha United States Post Office Building" (Rept. No. 97-320). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 2494. A bill to designate the John Archibald Campbell Federal Building-U.S. Courthouse; with amendents (Rept. No. 97-321). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 4506. A bill to name the lock and dam authorized to replace locks and dam 26, Mississippi River, Alton, Ill., as "Melvin Price Lock and Dam" (Rept. No. 97-322). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 4569. A bill to designate the U.S. Post Office Building in Hartford, Conn., as the "William R. Cotter Federal Building" (Rept. No. 97-323). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 4716. A bill to amend Public Law 90-553, to authorize the transfer, conveyance, lease and improvement of, and construction on, certain property in the District of Columbia, for use as a headquarters site for an international organization, as sites for governments of foreign countries, and for other purposes (Rept. No. 97-324). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 4845. A bill to designate the building known as the Lincoln Federal Building and Courthouse in Lincoln, Nebr., as the "Robert V. Denney Federal Building and Courthouse" (Rept. No. 97-325). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. House Concurrent Resolution 203. Concurrent resolution requesting certain reports relating to the Tennessee Valley Authority Act of 1933, and prohibiting certain transactions by the Board of Directors of that Authority (Rept. No. 97-326). Referred to the House Calendar.

Mr. DIXON: Committee of conference. Conference report on H.R. 4522 (Rept. No. 97-327). And ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAFALIS:

H.R. 4939. A bill to amend the Internal Revenue Code of 1954 to make permanent the exclusion of labor performed by certain alien farmworkers from Federal unemployment tax; to the Committee on Ways and Means.

By Mr. BOLAND:

H.R. 4940. A bill to amend title 18, United States Code, to make it a felony to kill or attempt to kill officers or employees of the intelligence community, persons given entry into the United States for permanent residence pursuant to section 7 of the Central Intelligence Agency Act of 1949, and persons present in the United States under intelligence auspices, and for other purposes; to the Committee on the Judiciary.

By Mr. EVANS of Iowa:

H.R. 4941. A bill incentive to discourage price support loan defaults; to the Committee on Agriculture.

By Mr. FORD of Tennessee:

H.R. 4942. A bill to provide that certain amounts transferred to State unemployment funds will continue to be available for payment of administrative expenses, and for other purposes; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 4943. A bill to grant the consent of Congress to Harbour Island, Inc., Tampa, Fla., to construct and maintain two fix-span bridges in and over Garrison Channel, Tampa, Fla.; to the Committee on Public Works and Transportation.

By Mr. GLICKMAN:

H.R. 4944. A bill to amend the Internal Revenue Code to provide an income tax exemption for certain mutual benevolent insurance associations; to the Committee on Ways and Means.

By Mrs. HECKLER:

H.R. 4945. A bill to provide that petroleum company overcharges payable to the United States shall be available for low-income energy assistance and weatherization, and for other purposes; to the Committee on Energy and Commerce.

By Mr. JONES of North Carolina:

H.R. 4946. A bill to amend chapter 81 of title 5, United States Code, to provide benefits for survivors of certain Federal employees receiving disability compensation under such chapter; to the Committee on Education and Labor.

By Mr. LUNDINE:

H.R. 4947. A bill to amend the Federal Reserve Act to provide that deposits of State and local governments will not be subject to reserve requirements, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MATSUI:

H.R. 4948. A bill to amend the Internal Revenue Code of 1954 to provide for the application of cash or deferred-arrangement rules to money purchase plans; to the Committee on Ways and Means.

By Mr. NOWAK:

H.R. 4949. A bill to amend the Internal Revenue Code of 1954 to increase the small issue exemption from industrial development bond treatment to $20,000,000 for industrial-type property used in economically distressed areas and to reduce such exemption for other property not used in such an area, and for other purposes; to the Committee on Ways and Means.

By Mr. PARRIS:

H.R. 4950. A bill to amend the Internal Revenue Code of 1954 to allow retirement income to be taken into account in computing the deduction for two-earner married couples; to the Committee on Ways and Means.

By Mr. RAILSBACK:

H.R. 4951. A bill to amend the Internal Revenue Code of 1954 to provide an additional investment tax credit for fire prevention equipment; to the Committee on Ways and Means.

By Mr. RITTER (for himself and Mr. BAILEY of Pennsylvania):

H.R. 4952. A bill to provide States the option of implementing motor vehicle inspection and maintenance programs to meet legal requirements until such time that the Congress modifies or reaffirms the provisions in the Clean Air Act relating to motor vehicle inspection and maintenance; to the Committee on Energy and Commerce.

By Mr. ROTH:

H.R. 4953. A bill to direct the President to impose certain limitations on the amount of milk protein products that may be imported into the United States; to the Committee on Ways and Means.

By Mrs. SMITH of Nebraska:

H.R. 4954. A bill to authorize the Secretary of the Interior to engage in feasibility studies of water resource development and for other purposes in the Central Platte Valley, Nebr.; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of New Jersey:

H.R. 4955. A bill to provide a survivor annuity to surviving spouses of members of the Reserve components of the Armed Forces who died without having attained age 60 before October 1, 1978, but after they became eligible for retired pay for nonregular service; to the Committee on Armed Services.

H.R. 4956. A bill to amend title 10, United States Code, to authorize the retention in the Air Force Reserve until age 60 of certain retired regular enlisted members of the Air Force; to the Committee on Armed Services.

By Mr. WAXMAN:

H.R. 4957. A bill to amend the Public Health Service Act and the Federal Cigarette Labeling and Advertising Act to establish a national program under an Office of Smoking and Health to inform the public of the dangers from smoking, to change the label requirements for cigarettes, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DOWDY (for himself, Mr. WHITTEN, Mr. BOWEN, Mr. MONTGOMERY, and Mr. LOTT):

H.J. Res. 361. Joint resolution to grant official recognition to the International Ballet Competition; to the Committee on Post Office and Civil Service.

By Mr. DERWINSKI (for himself, Mr. FINDLEY, Mr. LEACH of Iowa, Mr. YATRON, and Mr. MICA):

H. Con. Res. 218. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment and treatment by the Government of the Soviet Union of Mart Niklus, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SMITH of New Jersey:

H. Con. Res. 219. Concurrent resolution calling upon the Union of Soviet Socialist Republics to end the current policies of Jewish emigration discrimination and anti-Semitism; to the Committee on Foreign Affairs.

By Mr. McGRATH:

H. Res. 267. Resolution opposing reductions in the revenue sharing program; to the Committee on Government Operations.

By Mrs. SCHNEIDER (for herself, Mr. RODINO, Mr. EDWARDS of California, Mrs. FENWICK, Mr. JEFFORDS, Mrs. SCHROEDER, Mrs. COLLINS of Illinois, Mrs. MARTIN of Illinois, Mrs. HECKLER, Mr. PRITCHARD, Mrs. CHISHOLM, Mr. LEACH of Iowa, Mr. FISH, Mrs. SNOWE, Ms. OAKAR, Ms. FERRARO, and Ms. MIKULSKI):

H. Res. 268. Resolution expressing the sense of the House of Representatives with respect to the need to maintain guidelines which insure equal rights with regard to education opportunity; to the Committee on Education and Labor.

By Mr. SMITH of New Jersey (for himself and Mr. WEBER of Ohio):

H. Res. 269. Resolution calling upon the Union of Soviet Socialist Republics to permit the emigration of Yuli Kosharovsky and his immediate family to Israel; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

[*The Memorial numbered 222 which appeared in the Record of November 10 has been reclassified as Petition No. 267*]

222. The SPEAKER presented a memorial of the Senate of the Commonwealth of Massachusetts, relative to prisoners of war and missing in action in Southeast Asia; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FAUNTROY:

H.R. 4958. A bill for the relief of S. Leon Levy; to the Committee on the Judiciary.

By Mr. LEE:

H.R. 4959. A bill to direct the Administrator of Veterans' Affairs to release a reverter interest of the United States in certain real property in Canandaigua, N.Y., previously conveyed by the United States to Sonnenberg Gardens, a nonprofit educational institution of the State of New York; to the Committee on Veterans' Affairs.

By Mr. SMITH of New Jersey:

H.R. 4960. A bill for the relief of Nancy O'Keefe Smythe; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 556: Mr. ROSE.

H.R. 637: Mr. SMITH of Pennsylvania, Mr. COLLINS of Texas, Mr. KINDNESS, and Mr. ROUSSELOT.

H.R. 1193: Mr. ROSENTHAL.

H.R. 1313: Mr. WEBER of Ohio, Mr. LEATH of Texas, and Mr. ANTHONY.

H.R. 1648: Mr. LANTOS, Ms. OAKAR, and Mr. MOFFETT.

H.R. 1779: Mr. SMITH of Alabama.

H.R. 2332: Mr. LEACH of Iowa.

H.R. 2389: Mr. FIELDS and Mr. LOWERY of California.

H.R. 2478: Mr. BLANCHARD.

H.R. 2488: Mr. LELAND.

H.R. 2631: Mr. GOODLING.

H.R. 2826: Mr. BENNETT.

H.R. 3614: Mr. JONES of Tennessee, Mr. BARNES, Mr. ALBOSTA, Mr. ZABLOCKI, Mr. DORGAN of North Dakota, Mr. BLANCHARD, Mr. LEHMAN, Mr. BREAUX, Mrs. HOLT, Mr. DUNN, Mr. GILMAN, Mr. VANDER JAGT, and Mr. DERRICK.

H.R. 4022: Mr. NEAL.

H.R. 4070: Mr. STUDDS and Mr. LOWRY of Washington.

H.R. 4147: Mr. FASCELL and Mr. DICKS.

H.R. 4184: Mr. WILLIAMS of Ohio, Mr. PORTER, Mr. CRAIG, Mr. DERWINSKI, Mr. DAVIS, Mr. ROBERTS of South Dakota, Mr. APPLEGATE, Mr. MARTIN of North Carolina, Mr. LOTT, Mr. NAPIER, Mr. WHITEHURST, Mr. BEREUTER, Mr. BROYHILL, Mr. LONG of Maryland, Mr. HILER, Mr. CORCORAN, and Mr. MOTTL.

H.R. 4362: Mr. BEDELL.

H.R. 4387: Mr. DAUB.

H.R. 4389: Mr. DWYER and Mr. FAUNTROY.

H.R. 4397: Mr. NELLIGAN.

H.R. 4400: Mr. DOWDY, Mr. ASHBROOK, Mr. HORTON, Mr. EVANS of Georgia, Mr. CHAPPIE, Mr. GINGRICH, Mr. WILSON, Mr. EMERSON, Mr. ALEXANDER, Mr. BOWEN, Mr. NICHOLS, Mr. LOEFFLER, Mr. WHITEHURST, Mr. COATS, Mr. ENGLISH, and Mr. HUCKABY.

H.R. 4422: Mr. RUDD, Mr. FORSYTHE and Mr. LAGOMARSINO.

H.R. 4423: Mr. FORSYTHE.

H.R. 4424: Mr. FORSYTHE and Mr. LAGOMARSINO.

H.R. 4425: Mr. FORSYTHE.

H.R. 4426: Mr. FORSYTHE and Mr. RUDD.

H.R. 4427: Mr. FORSYTHE.

H.R. 4449: Mr. TAUKE and Mr. DAVIS.

H.R. 4450: Mr. BEDELL, Mr. BENJAMIN, Mr. DICKS, Mr. LEBOUTILLIER, Mr. LAGOMARSINO, Mr. MCCLORY, Mr. OXLEY, Mr. PEPPER, Mr. PORTER, Mr. ROE, and Mr. SMITH of New Jersey.

H.R. 4526: Mr. DE LA GARZA.

H.R. 4528: Mr. WON PAT.

H.R. 4593: Mr. PORTER, Mr. WYDEN, Mr. DREIER, Mr. PEPPER, Mr. MCCLOSKEY, Mr. MADIGAN, and Mr. NEAL.

H.R. 4657: Mr. LANTOS, Mr. GUARINI, and Mr. RICHMOND.

H.R. 4665: Mr. DANIEL B. CRANE.

H.R. 4666: Mr. PETRI and Mr. MOORE.

H.R. 4720: Mr. MITCHELL of Maryland.

H.R. 4775: Mr. VENTO, Mr. FROST, Mr. ROSENTHAL, and Mr. WEAVER.

H.R. 4776: Mr. SMITH of Pennsylvania, Mr. WILLIAMS of Ohio, Mr. PORTER, Mr. DERWINSKI, Mr. DAVIS, Mrs. HOLT, Mr. ROBERTS of South Dakota, Mr. APPLEGATE, Mr. WON PAT, Mr. MARTIN of North Carolina, Mr. LOTT, Mr. NAPIER, Mr. WHITEHURST, Mr. BEREUTER, Mr. BROYHILL, Mr. LONG of Maryland, Mr. COATS, Mr. HILER, Mr. CORCORAN, Mr. CRAIG, and Mr. MOTTL.

H.R. 4781: Mr. FINDLEY.

H.R. 4808: Mr. BARNES, Mr. BURGENER, Mr. CORRADA, Mr. FORSYTHE, Mr. LAGOMARSINO, Mr. MARTIN of North Carolina, Mr. MCDONALD, Mr. MOLINARI, Mr. MOTTL, Mr. PORTER, Mr. TAUKE, Mr. WON PAT, Mr. WHITEHURST, Mr. SOLOMON, Mr. HANSEN of Idaho, Mr.

RICHMOND, Mr. MARRIOTT, and Mr. MITCHELL of Maryland.

H.R. 4829: Mr. LOWRY of Washington, Mr. STUDDS, Mr. GEJDENSON, and Mr. JEFFORDS.

H.R. 4858: Mr. MCKINNEY, Mr. DERWINSKI, Mr. MCCLORY, Mr. GUNDERSON, Mr. PORTER, Mr. ASHBROOK, and Mr. BROWN of Ohio.

H.R. 4862: Mr. CHAPPELL, Mr. SPENCE, Mr. BARNARD, and Mr. EVANS of Georgia.

H.R. 4879: Mr. WORTLEY and Mr. LAFALCE.

H.R. 4885: Mr. MCDONALD.

H.J. Res. 225: Mr. ANDERSON, Mr. LOEFFLER, Mr. GINN, Mr. PATTERSON, Mr. PAUL, Mr. KEMP, Mr. NOWAK, Mr. ARCHER, Mr. DOUGHERTY, Mr. MAZZOLI, Mr. MARTIN of New York, and Mr. FOGLIETTA.

H.J. Res. 316: Mr. MONTGOMERY, Mr. D'AMOURS, Mr. YOUNG of Florida, Mr. WALGREN, Mr. WYDEN, Mr. MOFFETT, Mr. SHELBY, Mr. MADIGAN, Mr. BROYHILL, Mr. SPENCE, Mr. BENEDICT, Ms. OAKAR, Mr. NATCHER, Mr. ROGERS, Mr. MAZZOLI, Mr. GREGG, Mrs. SCHNEIDER, Mr. BEARD, Mr. RINALDO, Mr. SHAMANSKY, Mr. FRENZEL, Mr. SOLARZ, Mr. ROSENTHAL, Mr. ADDABBO, Mr. GUNDERSON, Mr. MAVROULES, Mr. JEFFORDS, Mr. MARKEY, Mr. GEJDENSON, Mr. STUDDS, Mr. HARTNETT, Mr. ATKINSON, and Mr. BINGHAM.

H.J. Res. 323: Mr. EMERSON, Mr. GINGRICH, Mr. MORRISON, Mr. HANCE, and Mr. PERKINS.

H.J. Res. 354: Mr. WALGREN, Mr. SMITH of New Jersey, Mr. LOWERY of California, Mr. WEBER of Ohio, Mr. CLAUSEN, Mr. LOWRY of Washington, Mr. MITCHELL of Maryland, Mr. PERKINS, Mr. DYSON, and Mr. OBERSTAR.

H. Con. Res. 159: Mr. SILJANDER and Mr. BEREUTER.

H. Con. Res. 168: Mr. BLANCHARD and Mr. MINETA.

H. Con. Res. 178: Mr. TAUZIN, Mr. HILLIS, Mr. DUNN, Mr. QUILLEN, Mr. PAUL, Mr. FOUNTAIN, Mr. MAVROULES, and Mr. DUNCAN.

H. Con. Res. 205: Mr. FASCELL, Mr. DIXON, Mr. GEJDENSON, Mr. MINISH, Mr. LAFALCE, Mr. LOWRY of Washington, Mr. ROSENTHAL, Mr. YOUNG of Missouri, Mr. CRAIG, Mr. BIAGGI, Mr. BLANCHARD, Mr. GILMAN, Mr. DOUGHERTY, Ms. FERRARO, Mr. GOLDWATER, Mr. HUGHES, Mr. JEFFORDS, Mr. DANIEL B. CRANE, and Mr. LANTOS.

H. Res. 153: Mr. BRODHEAD and Mr. BEILENSON.

H. Res. 200: Mrs. ROUKEMA, Mr. SIMON, Mr. DORNAN of California, Mr. MCKINNEY, Mr. MOLINARI, Mr. SHANNON, Mr. FLORIO, Mr. CLINGER, Ms. OAKAR, and Mr. GOLDWATER.

H. Res. 211: Mr. MOLLOHAN.

H. Res. 264: Mr. BAILEY of Missouri, Mr. MCCOLLUM, Mr. MORRISON, Mr. WON PAT, Mr. LEBOUTILLIER, Mr. BUTLER, Mr. JOHNSTON, Mr. LUJAN, Mr. CRAIG, Mr. GLICKMAN, Mr. BLILEY, and Mr. EMERSON.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

[*The following Petition was submitted on November 10 as a Memorial. It has subsequently been reclassified as a Petition*]

267. By the SPEAKER: Petition of the House of Representatives of the Republic of Cyprus, Nicosia relative to disarmament; to the Committee on Foreign Affairs.

[*Submitted November 12, 1981*]

268. Also, petition of the 27th annual session of the North Atlantic Assembly, Munich, transmitting the resolutions and recommendations adopted by the meeting; to the Committee on Foreign Affairs.

269. Also petition of the House of Representatives of Columbia, Bogotá, relative to arms sales to Venezuela; to the Committee on Foreign Affairs.

270. Also, petition of the New England Regional Team, National Association for Foreign Student Affairs, Providence, R.I., relative to Federal programs for international exchange; to the Committee on Foreign Affairs.

SENATE—*Thursday, November 12, 1981*

(Legislative day of Monday, November 2, 1981)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

Let us pray.

Our Father in heaven, as I pray this morning, I am mindful of each person who is part of the Senate family. Help us to see each other as Thou dost see us; to understand that each one is of inestimable value to Thee; that each is unique and irreplaceable. Forgive us for ever evaluating others on the basis of criteria which are false and unworthy. Forgive us for comparing ourselves with others, forgetting that each is intended to be unlike all others in the divine diversity and that in Thy love, no one is more or less important than another.

We remember those who are in the hospital, Senators GOLDWATER and LEAHY. We pray for complete recovery for them and Thy comfort for their loved ones. We pray for any others who are ill or facing difficulty and ask Thy special blessings upon them and their families. Gracious Father, teach us to care for each other, to treat each other as we would like to be treated. Help us to love each other, to see in each other the image of God, and to reverence life. We ask this in the name of Him who loved and cared in perfection. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE TODAY

Mr. BAKER. Mr. President, according to my notes, this morning, we have special orders in favor of the Senator from Washington (Mr. GORTON), the Senator from Texas (Mr. TOWER), and the Senator from Texas (Mr. BENTSEN), to be followed by a period for the transaction of routine morning business to extend not past the hour of 1 p.m., during which Senators may speak for not more than 5 minutes each. It is my understanding as well, Mr. President, that at 1 p.m., under the order previously entered, the Senate will resume consideration of H.R. 4169, the Commerce-Justice-State appropriations bill, until not later than the hour of 6:10 p.m. At that time, the Senate will temporarily lay aside the Commerce-Justice-State appropriations bill if the same has not been disposed of at that time and resume consideration of S. 1112, the Export Administration authorization bill, at which time, the Percy-Dixon amendment will be the pending amendment, on which there is a time limitation of 20 minutes, to be followed by a rollcall, which has already been ordered, unless a second-degree amendment is offered to the Percy-Dixon amendment, in which case there will be 20 minutes of debate on the second-degree amendment, to be followed by a vote on the second-degree amendment.

After the disposition of the Percy-Dixon amendment as amended if amended, the Senate will turn to consideration of an amendment by the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) the minority leader, on which there is a time limitation of 30 minutes for debate, to be followed by a rollcall which has already been ordered; to be followed thereafter immediately by third reading of S. 1112, the Export Administration authorization bill. The Senate will then proceed to the companion bill, H.R. 3567, at which time, it is anticipated that there will be a motion to strike all after the enacting clause of the House-passed measure and substitute the Senate language as finally adopted; then proceed to third reading and a final vote by rollcall, which has been previously ordered, for disposition of this measure.

At that time, Mr. President, the Senate will resume consideration of H.R. 4169, the Commerce-Justice-State appropriations bill, if the same has not been disposed of earlier.

I recite that schedule, Mr. President, since I wish to remind Senators that these arrangements were made before the 1-day recess in the Senate's activities on yesterday for Veterans Day, and also to point out, Mr. President, that today, being Thursday, will be a late day. I expect the Senate to be in session past 8 o'clock tonight.

CONGRATULATIONS ON A SUCCESSFUL LAUNCH OF THE "COLUMBIA"

Mr. BAKER. Mr. President, I wish to announce to the Senate that the space shuttle *Columbia* was successfully launched on her second historic flight this morning. I want to take this opportunity to congratulate all of those involved in the flight, which began just over an hour ago, once again with a breathtaking liftoff from its launching pad at Cape Canaveral. Astronauts Joe Engle and Dick Truly are in good shape and in routine communication with Mission Control in Houston. I am sure Dick Truly would agree that there is perhaps no better way to celebrate his 44th birthday, which is today, than this unprecedented reuse of a space vehicle.

I extend to the crew of the shuttle and all of those associated with the launch my best wishes and congratulations, and I presume to speak on behalf of the Senate in sending them congratulations and the best wishes of the Senate as a whole.

Our colleague from New Mexico (Mr. SCHMITT) was present at the liftoff and I am sure that it was an especially exhilarating experience for him, since he was among the crew of the last U.S. space mission to land on the Moon and to return.

Mr. President, I have no further need for my time. If any remains under the standing order, I am prepared to yield to any Senator seeking recognition.

Mr. BENTSEN. Mr. President, if I may, I wish only to join in the accolades of the distinguished majority leader and state on the part of the minority that he has stated it well and we join in the excitement and pleasure of a successful launch.

Mr. BAKER. I thank the distinguished acting minority leader. It is a matter of pleasure for both of us to acknowledge

that the space program, which has been so singularly successful, has indeed been a bipartisan effort, spanning the Presidencies of both Republican and Democratic Chief Executives.

Mr. President, I yield back the remainder of my time under the standing order.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. COHEN). Under the previous order the acting minority leader is recognized.

Mr. BENTSEN. Mr. President, the acting Democratic leader has no need for the time allocated and I yield it back.

RECOGNITION OF SENATOR TOWER

The PRESIDING OFFICER. Under the previous order, the Senator from Texas (Mr. TOWER) is recognized for not to exceed 15 minutes.

CIA-DEFECTOR PHILIP AGEE AND THE EL SALVADOR WHITE PAPER

Mr. TOWER. Mr. President, on June 8 and 9 of this year, the Wall Street Journal and Washington Post, respectively, came out with articles highly critical of a State Department white paper on El Salvador issued in late February 1981. The two articles, while not the only critical statements on the subject, constituted the basis of a wide public perception that the white paper had been discredited and that the administration could not substantiate significant Soviet-bloc involvement in arming the leftist guerrillas in that country.

According to a Washington Post editorial on June 23, the white paper had been subjected to "closer inspection by this newspaper and the Wall Street Journal." It was consequently found to be "defective" and "in some degree discredited." A Newsweek article entitled "A U.S. White Paper Runs a Bit Dingy" cited "independent investigations" by the Post and Journal in raising "serious questions" about the State Department paper. The New Jersey Record exemplified local newspapers across the country when it wrote in an editorial:

> Now comes word that the White Paper . . . was incorrect and that the threat of direct Soviet intervention in El Salvador was more in the mind's eye of some CIA official than in anything resembling reality.

Representative MICHAEL BARNES, chairman of the House Inter-American Affairs Subcommittee, launched an attack on the white paper asserting that "the press interpretations seem sounder than the administration's interpretations." He declared that "it was only a matter of time until investigative reporters" demonstrated that the white paper evidence was circumstantial. My distinguished colleague, Senator ROBERT BYRD, in a column in the Washington Post stated:

> The nation's major newspapers have challenged the accuracy of the so-called White Paper.

The Post and Journal pieces were subsequently placed in the CONGRESSIONAL RECORD by my distinguished colleague, Senator LEVIN, and Representative VIN WEBER.

On April 9, 2 months before the Post and Journal analyses appeared, CIA defector Philip Agee issued his own 46-page critique of the white paper. It is a document which neither the Post nor Journal identified as a major source for their own articles. Agee is in fact not mentioned in either article although both newspapers now admit that their reporters had seen Philip Agee's critique before writing theirs. They also insist that any parallels between Agee and their own accounts were merely coincidental. Yet many of the criticisms offered by the two newspapers so closely parallel the Agee critique that errors in Agee's analyses are repeated in theirs.

Agee's paper, although released in April, received scant attention at the time. The exaggerated charges and errors in his criticism of the white paper were entirely consistent with his past record. But when two such respected newspapers as the Post and Journal printed reports reiterating Agee's inaccurate reading of the white paper, the effect was far greater. The criticisms gained credence because they were not attributed to Agee. The State Department issued an effective and specific rebuttal to the accusations of defects in the white paper. However, their response was buried on page 29 in the Post and not carried at all in the Journal until August 21 when the Journal attempted to defend its critique of the white paper.

On August 12, former Newsweek senior editor Arnaud de Borchgrave published an op-ed piece in the New York Times. It was mainly in response to the accusations he raised along with the investigations of Cliff Kincaid, a reporter for the weekly paper Human Events that the Journal felt compelled to answer charges of Agee influence on its reporting of the white paper. De Borchgrave charged in his New York Times article:

> Mr. Agee's allegations that the administration's white paper on Communist influence in El Salvador was a fraud were avidly gobbled up by the so-called alternative press before finding their way into other news reports. His material—supplied by his Cuban friends—was a primary source for recent articles in the Wall Street Journal and the Washington Post.

In early July, Cliff Kincaid had charged in his Human Events article entitled "The Invisible Hand of Philip Agee" that the Post and Journal stories were a warmed-over rehash of the work already done by Philip Agee. Kincaid presented for comparison statements from Agee's critique of the White Paper with the two articles from the Post and Journal. He also mentioned in his article that the Post reporter had cited Agee as a source in an early draft of his story, but at his editor's suggestion, that citation had been dropped.

There was a significant spinoff from the Post and Journal articles as local newspapers across the country and the international media carried the issue of the so-called faulty State Department white paper on El Salvador. Those seeking a way to discredit U.S. policy as well as those genuinely concerned with the validity of the white paper were presented with what appeared to be a case of the administration pursuing a defective central American policy based on faulty documentation.

Yet, the public would have reacted differently had it been told that CIA defector Philip Agee perhaps played a principal role in these critiques. The issue remains, that such instances of irresponsible journalism can only serve to damage U.S. foreign policy initiatives through misleading the American public as to what is at stake—and, I might add, misleading the foreign public as well.

I find it very disconcerting that the work of a man who was obviously a traitor to the United States of America would influence the American journalists and the kind of presentation of the news that they give to the American public.

Mr. President, I ask unanimous consent at this point to have printed in the RECORD a table providing point-by-point comparisons of Philip Agee's statements on the white paper, with the Washington Post and Wall Street Journal statements, as well as the State Department's response to the criticisms of the white paper.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

POINT-BY-POINT COMPARISON

PHILIP AGEE, APRIL 9, 1981	THE WASHINGTON POST, JUNE 9, 1981	THE WALL STREET JOURNAL, JUNE 8, 1981	STATE DEPARTMENT RESPONSE
Statements in the State Department analyses supposedly based on the documents but which find no support whatsoever in the documents.	On several major points, the documents do not support conclusions drawn from them by the administration.	Much information about the White Paper can't be found in the documents at all. This information now is attributed by the State Department to other, still secret sources.	The Special Report is not based on captured documents alone, and was never claimed to be. The captured documents go far toward confirming the Report's conclusions. But the Special Report also contains photographs of weapons captured from the guerrillas, and specifically points out that it is based on information going beyond the documents. The Report's second sentence begins: "The evidence drawn from captured guerrilla documents and war material and corroborated by intelligence reports . . ." Further, "The Cuban and Communist role in preparing for and helping to organize the abortive 'general offensive' early this year is spelled out in the following chronology based on the contents of captured documents and other sources" (emphasis added). In the February 23 on-the-record press conference in which the Special Report was presented, Acting Assistant Secretary John Bushnell stated, ". . . let me say that whereas the documents lay out a great deal of information in one place, they are not our only source. We have a great many other sources through technical means and human intelligence, through other intelligence methods. . . ." Even if the captured documents had not fallen into our hands, the foreign weapons supply effort, if not all of its details, would have been known. But it would not have been possible to give so full a picture of that effort in a publicly releasable form.
The White Paper analyst, without giving reasons, says that the guerrilla leader who made the trip is Shafik Handal, the PCS Secretary General.	The White Paper, in summarizing this document, makes it appear that Handal wrote it. In the book of documents released with the white paper, this document is not attributed to any specific author.	The White Paper was more certainly wrong. Mr. Glassman indicates, in attributing to Shafik Handal the authorship of an account of an arms soliciting trip last summer to the Soviet Union and six other countries.	The Special Report did not intend to attribute authorship of the Handal trip report. While the editorial short-hand used in one instance could be read to imply authorship, the translation makes clear that Handal is referred to in the third person. In any case, this ambiguity about authorship is not material to whether Handal made the trip and the nature of commitments received. A September 1 report of an August 30 meeting of the guerrilla joint directorate (Document F), obtained separately from the trip report, confirms that a trip to Vietnam, Ethiopia, and Eastern Europe was made by the Secretary-General of the Communist Party—that is, Handal. This document details commitments made on the trip which substantially confirm the listing in the report of Handal's trip. Another separate report of guerrilla meetings in Havana notes the departure, on May 30, by "Simon" on a trip (Document D). The pseudonym "Simon" is known to belong to Handal. Other intelligence information exists on the trip and the commitments made.

POINT-BY-POINT COMPARISON—Continued

PHILIP AGEE, APRIL 9, 1981	THE WASHINGTON POST, JUNE 9, 1981	THE WALL STREET JOURNAL, JUNE 8, 1981	STATE DEPARTMENT RESPONSE
In document G the EMGC does note that it had a meeting with Arafat on July 22. But there is not a word about military equipment, much less arms and aircraft, being promised by Arafat.	There is not a single word in the document about Arafat promising arms and aircraft.	Other major assertions in the White Paper seem questionable. One is that on July 22, 1980, Yasir Arafat, the PLO leader, met Salvadoran guerrilla leaders in Managua, Nicaragua, and gave promises (of) military equipment including arms and aircraft.	The document reports the meeting with Arafat. The promises referred to in the special report were reported by intelligence sources other than the documents. It was made clear in the White Paper that non-documentary information was also used.
. . . nowhere in the document is there any mention of the Political Commission, nor is there any date contained in the two pages of notes, nor is there any mention of Handal. . . . There are two very different handwritings involved in these notes.	. . . It is obvious that the document is written in two distinctly different handwritings. The document contains no reference to Handal or to a meeting of the Communist party, and it is not dated.	The White Paper also says Mr. Handal wrote another document—two pages of handwritten notes called Document C. The notes don't contain Mr. Handal's name or any date or identification, but the White Paper says that they are notes "taken during an April 28, 1980, meeting of the Salvadoran Communist Party." The notes, however, appear to be written in at least two different handwritings, making them difficult to ascribe to one author.	Our source of information on the April 28 Communist Party meeting (Document C) is the detailed notes taken during the meeting. The notes are handwritten and the handwriting clearly does change. This phenomenon is seen in other lengthy, handwritten guerrilla reports and presumably represents a change of rapporteur during the session. The crucial issue of the accuracy of reporting, not identification of the rapporteur. The person speaking in the cited notes is "Simon"—the known pseudonym of Communist Party leader Handal. His remarks are cited as reported in the detailed notes.
One has to wonder why, if the analyst mentioned 100 U.S. M–16 rifles captured in this incident, he only mentioned that "several" were traced to Vietnam—instead of giving the exact number—especially since no M–16s appear on the Vietnam weapons list.	. . . but the M–16 assault rifle . . . was not on the detailed list given in the document. . . . Why only "some" could be traced to Vietnam was not explained.		There is no doubt that weapons from Vietnam have been shipped to the Salvadoran guerrillas. The AR–15 rifle mentioned in the Handal trip report is the civilian designation of a version of the M–16 rifle. Why the Handal trip report or the Vietnamese used the AR–15 designator to refer to the M–16s being shipped is not known. Although many weapons only have lot numbers that do not allow definitive traces, M–16s can be individually traced once corresponding records of serial numbers are located. Most of the M–16s in the truck referred to in the Special Report were successfully traced directly to Vietnam, where they had been delivered by the manufacturer to U.S. units they left behind. The other captured M–16 rifles could only be traced as having been delivered during the Vietnam war period to U.S. reports where no documentation on further movement was readily available.
But the Spanish notes do not say "war footing" but estado de pelea which, if literally translated, would mean "a state of quarrel, dispute or struggle."	In fact, the author of this part of the document did not use the phrase for war footing (estado de querra) but refers instead to a struggle or dispute (estado de pelea).		"Pelea" means fight in Spanish. Had either of the writers really been interested in translation accuracy (which is immaterial to the White Paper's content since only the Spanish originals were used in analysis) they would have noticed another translation error. Line 6–7 of the English translation of Document C reads "Main tasks: Make adjustments in the Party to carry out the struggle." The translation should have read, "Main tasks: put the party in shape to make war (querra)."
The inaccuracies, fabrications, embellishments and false claims made on the White Paper . . . into little more than a blatant propaganda exercise.		A close reading of the White Paper indicates . . . that its authors probably were making a determined effort to create a "selling" document, no matter how slim the background material.	Most of the criticisms of the Special Report are either based on incorrect assumptions or are inaccurate. The few points of misstated detail or ambiguous formulations that have been correctly identified do not in any way change the conclusions of the Report; and the analysis and conclusions of the Special Report are soundly based and fully valid.

POINT-BY-POINT COMPARISON—Continued

Document I is another fragment and we are told nothing of the rest of this report. The introductory comment to Document I asserts that this report is dated September 26, 1980, but no date is to be seen on the original document. What the State Department analyst fails to say, because it did not fit into his scenario, is that in Document I, when the 130 tons in "Lagos" are mentioned, it is also stated that the guerrillas have been able to bring into El Salvador only 4 tons of the 130 supposedly in Nicaragua . . . and for the meeting which is the subject of this report, the three people who met had not even made arrangements for a place to hold their meeting.		Oddly enough, Document I, which provides the rationale for this extrapolation, seems largely given over to complaints by the unidentified author about the ineptitude of guerrilla leaders in even finding a meeting place, and the slowness of arms deliveries from outside El Salvador. The document purports to be the minutes of a meeting of three men, said to be the "Guerrilla Joint General Staff." The State Department translation of the minutes includes a date at the top, Sept. 26, 1980, which isn't on the document, and only the first page of an unknown number of pages was distributed.	This is an excerpt of a longer document. The date appears elsewhere. Large-scale arms deliveries began to move into El Salvador in November in preparation for the January offensive.
In addition, the original notes say "we are not taking advantage of it." There is no "yet" in the original notes.	The translation quotes the author as saying that the attitude of the socialist camp "is magnificent." He adds "we are not yet taking advantage of it." In fact, though, the word "yet" does not appear in the Spanish original.		Translations were not consulted in making the White Paper analysis, State Department officials told us.
The document does mention that 130 tons are in storage in "Lagos", and that these 130 tons are "one-sixth of all the material obtained with which the DRU will count on concentrated in Lagos". It is from this passage that the White Paper analyst extrapolated the figure of nearly 800 tons of weapons committed to the guerrillas.		The 800 tons figure also represents an extrapolation, Mr. Glassman says. He says he multiplied 130 (the tonnage of arms one document says are stored in Nicaragua) by six to arrive at "nearly 800."	The impression conveyed by the newspaper's account—that the multiplication by six was arbitrary and designed to inflate the estimate—is misleading. The calculation is drawn directly from the guerrilla documents. The account of the September 26, 1980 guerrilla general staff meeting (excerpted as Document I in the published document collection) states explicitly that 130 tons of arms and equipment were then in Nicaragua, specifying that this was "equivalent to one-sixth of all the material obtained that the DRU (joint guerrilla directorate) will have concentrated in Lago (Lagos) (code name for Nicaragua)." 130 tons is one sixth of 780 tons.
Nowhere in the documents is it established that 200 tons (of weapons) actually arrived in El Salvador.	There is no concrete evidence to support this claim (of 200 tons of weapons to El Salvador) in any of the documents released with the White Paper.	But nowhere in the documents is there any mention of 200 tons.	The overall estimate of "nearly 200 tons" contained in the Report is an intelligence community conclusion based on separate reporting on the increased volume of captured imported military weapons, on the mounting pace of land, sea, and air movement, and on the arms, munitions and other equipment actually used by the guerrillas during their January offensive. There is some data in the documents on this point, but it is not definitive. The guerrilla logistics coordinator in Managua on November 1, 1980, reported (Document K) that the Sandinistas provided him with a delivery schedule of 109 tons for the month of November alone—a figure which, considered in conjunction with mounting later deliveries, could be used to justify an estimate larger than 200 tons.
However, the analysis failed to mention that this "agreement in principle" would have to be approved by higher authority. Moreover, according to the document, the final approval for air transport (for arms to the Salvadoran guerrillas) was not given.	Neither this nor any other document released by the State Department indicates that the Soviets ever did provide the requested air transport.		Handal, as noted in the report on his trip, did encounter initial difficulty in securing Soviet commitment to transport arms from Vietnam by air. We assume the transportation difficulties were overcome in some form, given the arrival of Vietnamese-origin U.S. arms in Central America and the greatly increased availability of arms for the guerrillas beginning in November 1980.

POINT-BY-POINT COMPARISON—Continued

PHILIP AGEE, APRIL 9, 1981	THE WASHINGTON POST, JUNE 9, 1981	THE WALL STREET JOURNAL, JUNE 8, 1981	STATE DEPARTMENT RESPONSE
I found it interesting that of only two paragraphs of the 19 documents that were not translated in the English versions, one was the lines quoted above: "The same cable says that this cargo would leave on our ship on August 5." It is possible that the analyst was confused over "our ship", and decided to leave these lines out of the translation thinking that no one would read the originals carefully.	But the one sentence in the Spanish original (also released by State) which the Department dropped in its English translation of the document, seems to confirm numerous other hints within the document that it was written by a Cuban. . . . The last sentence says that this cargo arms "will leave on our ship the fifth of August."		Dropping of the line in the translation was inadvertent. If the goal was deception, the lines would have been dropped in the Spanish language original. Whether the Handal trip report was written by a Cuban, a Vietnamese, or an Eskimo, the only relevant question is whether it is an accurate report.
Certain documents are said to be "excerpts" and include no name of writer or date in the Spanish original. Yet the introductory remarks to these documents describe them as being written by such and such a person on such and such a date.		Several of the most important documents, its obvious, were attributed to guerrilla leaders who didn't write them, and it's unknown who did.	The specific identity of the author in this case and other cases . . . is irrelevant to the evidence in the document. With operational documents and reports of meetings it is the content which establishes validity, not identification of authorship . . . the author and people and places mentioned are sometimes identified by code names or abbreviations. The identification of these code names or abbreviations necessarily involve intelligence judgments.
In Document G the EMGC does note that it had a meeting with Arafat on July 22. But there is not a word about military equipment, much less arms and aircraft, being promised by Arafat.		Other major assertions in the White Papar seem questionable. One is that on July 22, 1980, Yasir Arafat, the Palestine Liberation Organization leader, met Salvadoran guerrilla leaders in Managua, Nicaragua, and gave "promises (of) military equipment, including arms and aircraft."	This came from intelligence sources other than the documents. It was made clear in the White Paper that non-documentary information was also used.
In all of the documents, even if you believe them, the only support actually given by the Soviet Union was an airline ticket for the PCS Secretary General from Moscow to Hanoi.	". . . this document (the Handal trip report) is the only one that linked the Soviets directly to the Salvadoran civil war."	The only concrete instance of Soviet aid delivered to the Salvadoran rebels reported in the 19 documents was an airplane ticket for one guerrilla, presumably Mr. Handal.	This is simply not true . . . published Document B refers to a guerrilla meeting with Soviets in Mexico City in April 1980 and Document D refers to a meeting with Soviets in Managua in May–June 1980. The Soviet Union is also repeatedly referred to in unpublished documents as the "strategic ally" of the Salvadoran guerrillas. The character of relations among Communist countries makes it most unlikely that parallel arms and military equipment commitments from virtually all of Moscow's Warsaw Pact allies (minus only Romania and Poland) plus other close Soviet allies (such as Cuba and Vietnam) would occur without Soviet blessing.
Moreover, there is no indication in the notes that the person writing was referring to a "unification of the armed movement." In the notes themselves the unification question related to the trade union movement and the possibility of a joint leadership not the military struggle.		. . . the White Paper quotes a report allegedly prepared by Handal as saying, "In reference to a unification of the armed movement. . ." The discussion, however, appears to be about labor unions.	Agee and Kwitny are both wrong, the point relates to regional Communist "parties" rather than "labor unions."
I simply cannot understand why the White Paper analyst and Juan de Onis failed to understand that this was meant to be an internal Cuban report, except that if they described it as such, they would have been unable to explain how the report could have made its way into a "document cache" in El Salvador.	If this was a Cuban report on Handal's trip, why was it found in a cache of rebel documents in Salvador?	Mr. Glassman acknowledges that the report couldn't have been written by Mr. Handal because from the contest the author clearly wrote from Cuba after Mr. Handal himself had left.	Foreign and domestic origin reports were received and held by guerrilla groups in El Salvador. The report was probably written in Cuba, but not necessarily by a Cuban. If a Cuban, indeed, had written it, this fact would reinforce, not weaken, the White Paper's conclusions.
Moreover, it is evident in the document that the Salvadoran General Staff was kept waiting for ten days before Bayardo Arce finally went to see them . . .		This reference is contained in an unsigned report. "Document G," in the contest of much complaining that a delegation of Salvadoran leftists was cold-shouldered and otherwise insulted on a visit to Nicaragua for the anniversary celebration of that country's revolution.	These observations ignore the bottom line—Arce offered to provide ammunition and to exchange Western-manufactured arms in the Sandinista army inventory for Communist (arms) that the Sandinistas would be receiving.

POINT-BY-POINT COMPARISON—Continued

The documents contain no suggestion that coordination achieved by the guerrilla organizations through their unity agreement was a "precondition for large-scale Cuban aid."	At another point, the White Paper says that Salvadoran guerrilla leaders formed a united front "as a precondition for large-scale Cuban aid." Mr. Glassman acknowledges that there is nothing to that effect in the documents.	The precondition conclusion is fully substantiated by large amounts of intelligence reporting on Cuban involvemeint with Salvadoran and other Central American revolutionary groups. Havana's encouragement of unification was motivated by a desire to maximize insurgent strength and to avoid use of Cuban support by one guerrilla group against another. The Cubans fostered the coalescence of the major Salvadoran guerrilla groups in Havana where two unification agreements were signed. The May 1980 Havana unification agreement was publicized. Major Communist bloc assistance appeared subsequent to this fusion. A similar sequence of events occurred during the Nicaraguan insurrection.
It is signed by "Ana Maria" who, in the glossary to this document and several others, is said to be in reality Ana Guadalupe Martinez, a well-known leader of the ERP guerrilla organization . . . There is (no) evidence that "Ana Maria" is the "nom de guerre" of Ana Guadalupe Martinez . . . If "Ana Maria" is indeed the ERP leader Ana Guadalupe Martinez, she would have never put the slogan "Revolution or Death! The People Armed Will Win!" because this is not the slogan of the ERP. This slogan is the slogan used by the Popular Liberation Forces (FPL) . . .	The document itself—the most prominently featured document in the White Paper—bears the name "Ana Maria." The Salvadorans say the list was really drawn up by Ana Maria Gonzalez, who belongs to another group, according to Mr. Glassman.	This document—a DRU meeting report—identifies its author only as "Ana Maria." When the document collection glossary conjectured that this was Ana Maria Guadalupe Martinez of the ERP guerrilla group, one official of the Salvadoran Embassy in Washington offered as his opinion that the author was instead Ana Maria Gomez of the FPL guerrilla group. It was we who first made this question of the author's identity known to reporters. The Analysis in the Special Report depends only on this being an account of an actual guerrilla meeting, not on which one of the Ana Marias wrote it.

RECOGNITION OF SENATOR BENTSEN

The PRESIDING OFFICER. Under the previous order, the Senator from Texas (Mr. BENTSEN) is recognized for not to exceed 15 minutes.

A SKILLED LABOR CRISIS—THE LOCATION OF NEW JOBS IN THE 1980's

Mr. BENTSEN. Mr. President, this speech is the fifth in a series I am devoting to a review of the prospects for a skilled craftsman and technical personnel shortage this decade.

In my fourth talk in this series, I summarized the outlook for growth in our labor force this decade. The conclusion was not encouraging. Because of the markedly low birth rates in our Nation during the 1960's and 1970's, our labor force may well grow as little as 15 million persons this decade. That is 4 million fewer persons than the number of jobs added to our economy during the sluggish 1970's. Consequently, if our economy grows as fast or faster this decade than it did during the 1970's, our Nation faces a prospective labor shortage of major magnitude in the coming years.

I noted, Mr. President, that this prospective labor shortage should result in reducing unemployment, rising real wages, and rising productivity—good news for us all. However, I also noted that this looming shortage could become a noose about our economy's throat and lead to a major wave of inflation if we does not rapidly develop laborsaving or laborstretching devices and equipment.

My speech today moves away from general macro labor markets to a review of the geographic distribution of new jobs this decade. I will examine where jobs are expected to be created through 1990. As we will see in a moment, the statistics on this question are revealing. It is important that Congress and our Nation have a clear view of where the benefits and burdens of employment growth are projected to fall in coming years as they debate the wisdom of new labor policies. In particular, it is important for us all to realize that the question of growth in the Sun Belt or Snow Belt greatly oversimplifies a complex issue.

REGIONAL JOB GROWTH

I noted in my last speech that our labor force will expand some 15 percent to about 120 million men and women by 1990. That growth will occur in an uneven pattern across our Nation and at a different pace for various occupations.

In November 1980, the Department of Commerce released a detailed study entitled "Regional and State Projections of Income, Employment, and Population to the Year 2000." This study contains a current review of prospective job growth by geographic location. It suggests that the pattern of job creation in the 1970's will be generally repeated this decade with the Sun Belt States of Texas, California, and Florida experiencing more growth than States elsewhere.

It is important to note that the Commerce Department projected an absolute rise in employment during the 1980's for every State. However, because of the declining rate of growth in the Nation's work force, virtually no State is projected to experience an increase in its employment growth rate through the year 2000 compared to the robust 1970's.

The two exceptions are service industry-intensive Rhode Island and New York. And the increased employment growth rate in New York State is the result of an employment gain projected for the 1980's compared to the loss of over 200,000 jobs in the past decade.

The rate of decline in employment growth projected by the Commerce Department was sharpest in those regions—the Far West, Rocky Mountains,

Southeast, and Southwest—which grew the fastest in the 1970's. Even so, the projected employment growth in these areas for the period 1978 to 1990 is far above the national average. The projected increase for the Southwest region, for example—a region which includes Arizona, New Mexico, Oklahoma, and Texas—is almost 50 percent more than the increase projected for the Nation as a whole. An even greater disparity from the national average exists for States in the Rocky Mountain region. Table I summarizes this regional data and I ask unanimous consent, Mr. President, for a table, entitled "Table I, Projected Regional Job Growth, 1978–90," to be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I—*Projected regional job growth, 1978–90*

[In percent]

Region:	Job Growth
Rocky Mountain	35.7
Southwest	30.8
Far West	27.3
Southeast	25.3
Great Lakes	17.3
Claims	16.7
New England	15.2
Mideast	10.5

Source: Department of Commerce, Survey of Current Business, November, 1980.

Mr. BENTSEN. Mr. President, this data reveals that the Southwest region, which includes my State of Texas, will see new jobs this decade created at about double the rate of New England and at about triple the rate of the Mideast States.

STATE JOB GROWTH

This regional relative growth data muffles much greater differences between individual States. For example, employment in Wyoming is projected to grow 45 percent and in Texas by 30 percent this decade, compared to less than 6 percent projected for New York State, or 11 percent for Pennsylvania. Relative data on employment growth rates are useful as one indicator of the stress which particular regions will experience in meeting the infrastructure demands posed by a growing work force. Perhaps more useful, however, are data on the absolute increase in jobs expected to occur among the States. Table II summarizes Commerce Department data projections of job growth for the 13 States expected to experience the greatest absolute increase in employment over the 1978–90 period. I ask unanimous consent for that table to be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II.—*State employment growth projected, 1978-90*

State:	Employment growth
California	2,572,000
Texas	1,905,000
Florida	1,174,000
Michigan	804,000
Ohio	786,000
Illinois	762,000
Tennessee	614,000
Pennsylvania	604,000
North Carolina	564,000
New Jersey	561,000
Virginia	559,000
Colorado	545,000
Washington	533,000

Source: Department of Commerce, Survey of Current Business, November, 1980.

Mr. BENTSEN. Mr. President, this table reveals where the greatest burden, as well as benefits, of job growth over this decade will fall. Keep in mind that about 19 million new civilian jobs are projected to be created over the period 1978 to 1990, by the Labor Department, comparable to the 15 million persons which I projected in an earlier speech to enter our labor force over the shorter period of the 1980's.

The new jobs will not be evenly distributed among the States. One in every four of these new jobs is projected to be added to the labor force either in Texas or California. One in every 10 new jobs will be in Texas, alone. For every one job added in Pennsylvania or Tennessee in the 1980's, better than three jobs are projected to be added in Texas and four in California. Other comparisons are equally striking. For every job added in New England to its labor force in the decade, over two other jobs will be added in Texas.

There will be two jobs added in Massachusetts for every one job in New Mexico and over two jobs in New York for every one added in Nevada or Utah. There will be six times as many jobs added to the labor force in Texas as in Massachusetts and four times as many in Texas as in New York State.

The States noted in table II will receive a disproportionate share of employment growth this decade. We saw a moment ago that the Sunbelt regions are expected to grow faster than the Snowbelt. The data in table II reveal, however, that the actual growth in employment is projected to be more evenly distributed than this statement suggests.

The hoopla over Sunbelt versus Snowbelt is not without justification because the States expecting the biggest job growth are Texas, California and Florida. Yet, it is also true that many other States and regions will experience major employment gains, as well. In fact, of the top 13 job growth States in the 1980's, four are in the Southwest or West, three are in the upper Midwest, four are in the South and two are in the East.

Consequently, while the burden and benefits of job growth in the 1980's fall relatively heavily on the Sunbelt, they will exist to a significant degree in every area of our Nation. No State will be immune to the burdens of growth or bereft of its benefits this decade.

For example, yesterday, I was in Detroit. It was interesting to me to note that the newspaper with the third largest circulation there is the Houston Chronicle, delivered daily by airplane. The reason it has the third largest circulation in Detroit is its classified section and the jobs that are being offered.

So what we are seeing is a transfer of employment. There are a lot of people who think that turns into a blessing for the State that is expanding, it is just not necessarily true.

Anyone who tries to use the Houston mass transit system will find it is one of the most clogged trafficways one can find anyplace in the Nation. And, because of continued growth, it is one that they are having a very difficult time overcoming.

PARAMETERS FOR ACCOMMODATING JOB GROWTH

Our Nation has always applauded economic and job growth, albeit more vigorously when it occurs down the street rather than next door. We have generally been willing to accept the burdens of such growth—congestion, noise, rising school populations—as a necessary tradeoff to the employment and income benefits of growth. Over the last decade, in fact, it has been our Nation's inability to sustain robust growth which created major voter discontent with both the Ford and Carter administrations.

In the last tax bill, I sponsored legislation that would give a very substantial tax credit for the refurbishing of old plants in order to encourage job creation and growth in places where jobs and people are now.

But if we try to go beyond that, I think we run into some problems that result in some very uneconomic results. There is some debate now, whether the Federal Government—acknowledging the benefits of growth—should go further than this and much more actively seek to spread that growth to all regions of our Nation. I do not believe that economic growth patterns should be subject to that sort of major manipulation. In fact, I am not convinced that the Federal Government—even should it want to—could effectively turn aside, much less halt, the population and job trends at work now. It would be a very inefficient use of taxpayer funds, in any case, to try to tilt against these winds. Indeed, it is important that public policy be designed in recognition of these trends and to accommodate them.

At the same time, it is important that steps taken now and in the future to deal with our current and prospective skilled labor shortage not be viewed as merely benefiting growth States.

The Congress placed a major stress in the recent tax bill in trying to put incentive into the economic system, with our shortened depreciation schedules and investment tax credits, to boost productivity in this country. It has really been lagging behind productivity growth in all other major industrial nations in the world except England.

We had been the world productivity leaders—out front in the past. Now, the Japanese are the ones who are leading and we are at the tail end. We put provisions into the tax structure to turn that situation around, but the one thing that we have not taken proper recognition of is what is going to happen to our supply of skilled labor as investment and productivity growth in the years ahead. We will have over a million new jobs created in the computer industries in this decade for which training facilities do not exist. Yet we have other major industries that are slowing down and where we see vast unemployment lines. I saw that yesterday in Detroit in the automobile industry.

We have to find a way to provide

those men and women in the auto and other labor-surplus industries with skills needed in the computer and other labor-short industries. Otherwise, we are going to continue seeing the paradox of page upon page of classified ads asking for people to come take jobs side by side with line after line of unemployed men and women whose skills do not meet the requirements of these new jobs.

We have some answers already. We must do more with our vocational school system. We have to do more to assist private industry find ways to accommodate and remedy the lack of labor skills that we are going to need in this decade. Other remedies will be needed, as well.

My point, Mr. President, is that we can take care of productivity on the one side with capital investments, but unless we have taken care of it on the human investments side, we are not going to achieve the kinds of gains in productivity that are being accomplished today in Germany and Japan and most of our other trading competitors.

There is little reason to expect the geographic pattern of labor-short skilled occupations to follow the general pattern of future labor force growth. Consequently, in designing remedies for our skilled labor shortage, it is not sufficient to merely target them at States projected to experience relatively rapid employment growth in the future. The needs of each State and region must be assessed before a truly efficient and comprehensive program to reduce the skilled labor shortage can be initiated.

This point cannot be emphasized too strongly. Even among the two States projected to grow the fastest through the 1980's, for example, a dissimilar occupational pattern of new job creation is projected to occur. Based on State government data, new jobs for computer system analysts will increase only 19 percent in California from 1980 to 1985, far less than the 38 percent projected by Texas for the longer 1978 to 1985 period. Growth comparisons for other labor-short occupations in these two States are presented in table III; this data emphasizes their disparate interstate growth rates. I ask unanimous consent. Mr. President, for a table entitled "Table III, Project Employment Growth. Selected Occupations. California and Texas" to be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE III.—*Projected employment growth, selected occupations, California, Texas* [1]

[In percent]

Occupation	California	Texas
Blue-collar worker supervisor	12	19
Computer systems analyst	19	38
TV and radio repairer	23	21
Tool and die worker	10	36
Licensed practical nurse	22	52
Millwright	6	25
Machinist	9	11

[1] Growth periods in California, 1980–1985; in Texas, 1978–1985.

SOURCES: Texas Employment Commission; California Employment Development Department.

Mr. BENTSEN. Mr. President, let me conclude by reemphasizing the finding based on current Federal data that every State and region of our Nation will enjoy the benefits and bear the burden of employment growth this decade. As always, however, those benefits and burdens will not fall evenly on individual States. The design of any steps to address these impacts must reflect these two realities. Similarly, any program designed to ameliorate our skilled labor shortage must be crafted as to reflect these realities, as well.

In my next talk, Mr. President, I will review the pattern of occupational skill training in Japan and Germany. As we move toward a review of the capability of our own training system to meet our skilled labor shortage, it will be useful to know how our major trading partners train their own skilled craftsmen.

Mr. President, I yield such time as I may have left to the Senator from Texas (Mr. TOWER).

Mr. TOWER. I would simply like to commend my distinguished colleague from Texas on his very thoughtful statement. I agree we should not be in the business of trying to manage the business and industrial growth in this country or try to change the demographic shifts that are already underway.

I note with some pride that when I was born in Houston, Tex., just a few short years ago it had a population of 230,000. Now it has a population of 10 times that, because there has been created in Texas and other States of the Southwest a favorable climate for business and industrial growth.

I am very proud of the fact that Texas stands out among the major industrial States in this country in having the highest per man productivity, of having the best return on the labor dollar, and having the lowest rate of unemployment of all the major industrial States.

While the national average is around 8 percent, in Texas it is slightly over 5 percent. I think some of the older States of the North and of the Midwest might think in terms of themselves creating a more favorable climate for business.

Certainly Senator BENTSEN has pointed to one problem, and that is very often our job-training programs are not meeting the needs that are going unfilled. I think that is an area in which perhaps we could be useful.

Mr. BENTSEN. I thank the senior Senator from Texas for his comments. To continue along that line, you can pick out States like New Hampshire where you are seeing job expansion—an area which has succeeded in encouraging business and industry to grow. It has been able to keep jobs instead of seeing jobs being transferred out to other States. States may not be able to generate a large growth in new jobs but they can successfully prevent the loss of existing jobs.

I yield back the remainder of my time.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SYMMS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO VITIATE SPECIAL ORDER

The PRESIDING OFFICER. The special order for Senator GORTON is vitiated.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

VICTORY FOR THE SENATE PAGE FOOTBALL TEAM

Mr. ROBERT C. BYRD. Mr. President, among the many traditions which occur on Capitol Hill is the annual House versus Senate page football game. On Wednesday, November 11, 1981, Veterans Day, the Senate—now, get this; pay close attention, I say to all Senators—the Senate defeated the House by a score of, now, get this, 21 to 0—a great big goose egg for the House. Twenty-one to zero. Long live the Senate page football team.

This was the second game of an ongoing struggle.

I commend our Senate pages, both Republicans and Democrats. I ask unanimous consent that the names of our players be printed in the RECORD. The commendation of the day goes to our Senate page football team for plastering the page football team from the "other body." Our Senate pages will show 'em.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

NAMES OF PLAYERS

Leon Calomiris, Bill Lanham, Tony Nicholas, Jeff Garn, Ashby Stokes, John Flowers, John Gilmer, Keith Brigman, Tim Page, Mike Prescott, Wilson Parry, Steve Boyden, Nancy Dynan, Hollie Iverson, Ken Dean, McKinley Hackett, Charles Carlson, Kevin Henry.

Head coach: Michael Henry.

Alumni: Bob Bean, Drew Griffith, John H. Harris III, John Pitts, Brad Smith, Bill Norton.

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators for the interest that they have demonstrated in this matter. I thank our pages. Excelsior. Ever upward.

SPAIN BELONGS IN NATO

Mr. HARRY F. BYRD, JR. Mr. President, last month King Juan Carlos of Spain paid an official visit to the United States and was received by President Reagan at the White House.

The President took the occasion to endorse publicly the complete integration of Spain into both the North Atlantic Treaty Organization and the European Economic Community.

I wish today to express my total support for the President's statement. Indeed, the time is long past due for the full membership of Spain in the European family of nations and the Atlantic alliance.

My support for Spanish membership in NATO goes back just over a decade.

In 1971, during a trip to Spain, North Africa, and NATO headquarters in Brussels, Belgium, I became particularly aware of the importance of including Spain in the Western alliance.

Its strategic location, relatively strong military force and strong anti-Communist commitment all argued for Spanish integration into NATO.

Returning to the United States, I reported my findings to the Senate in a speech which began as follows:

Mr. President, it is my view that the time has come to invite Spain to become a member of the North Atlantic Treaty Organization.

Five years later, after the death of Gen. Francisco Franco, and after I had had further opportunity to study the strategic situation in the Mediterranean and eastern Atlantic, I again spoke in the Senate, urging that our West European allies accept Spain as a full partner.

It seemed to me then, and seems to me today, that the passing of Franco, the accession of Juan Carlos and the institution of widespread democratic reform in Spain removed any objections which our European friends might have had in earlier years on ideological grounds.

So today, once again, I express the hope that Spain will be admitted as a full partner in the European family and the defense of the West.

I ask unanimous consent that the texts of my speeches on this subject on May 6, 1971, and April 27, 1976, be printed in the RECORD.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, May 6, 1971]

SPAIN SHOULD BECOME A MEMBER OF NATO

Mr. BYRD of Virginia. Mr. President, it is my view that the time has come to invite Spain to become a member of the North Atlantic Treaty Organization.

During the Easter recess of the Congress, I visited Spain, North Africa, and NATO headquarters at Brussels in an effort to assess two things:

The extent and significance of Soviet penetration of the Mediterranean region, particularly North Africa; and

The situation concerning the commitments of the United States and our partners in the North Atlantic Treaty Organization in Europe.

I came away deeply impressed with the strategic importance of Spain in the defense of Europe and the Mediterranean.

Spain always has been of great importance in European defense plans. The United States recognized this as early as 1951, when diplomatic relations between this country and Spain were renewed after the interlude of World War II and the immediate postwar period.

In 1953 the United States negotiated its first base agreement with the Spanish Government, which has been twice extended, with modifications.

Today the Spanish bases have greater importance than ever before.

One reason why this is so is the extensive penetration of the Middle East, the Mediterranean, and North Africa by the Soviet Union. During my visit to that region, it was driven home to me that the Russians are seeking to become the dominant power in the entire Mediterranean area.

Not only do the Soviets maintain a sizable fleet in the Mediterranean waters, but they have become the major force supporting the Arab Nations in their continuing struggle against Israel.

Today Egypt has become virtually a dependency of the Soviet Union. And just this month an Arab federation was formed.

Actually, of the five nations on the African shore of the Mediterranean, only Tunisia and Morocco are friendly to the West. Algeria, while not yet in the Soviet orbit, is unfriendly to the Western allies and represents a fertile field for Russian penetration.

After a revolution deposed the former Government of Libya, the United States was forced to close down the operations at Wheelus Air Base located in that country. These operations were moved to Zaragoza, one of two modern U.S. air bases in Spain. A third air base is on a standby basis in Spain.

The U.S. naval base at Rota, on the Spanish Atlantic coast near Gibraltar, is extremely important to the operations of the U.S. 6th Fleet in the Mediterranean Sea.

Given the present political and strategic situation in the Mediterranean region, it is clear that Spain is of critical importance to the south flank of the NATO alliance.

The exclusion of Spain from NATO results primarily from the opposition of powerful socialist parties in several European nations, notably Norway, Denmark, the Netherlands, and Belgium.

Much of the opposition to Spanish entry into NATO can be traced to the role of Spain in the early years of World War II.

It seems to me that it is time for such matters to be forgotten. We should bear in mind that two of this Nation's strongest allies are Japan and Germany, the nations who were the chief opponents of the Allies in World War II.

Portugal is already a member of NATO. Inclusion of Spain in the alliance would extend NATO coverage across the Iberian Peninsula. This in turn would greatly strengthen the position of NATO both in Europe and in the Mediterranean.

The peacetime army of Spain consists of five divisions and 16 brigades. The mobilization potential of this army is considered to be 40 divisions.

Spain also has a navy of 80 ships and an air force of nearly 200 modern aircraft. Both the navy and the air force could be more than doubled in time of war.

In overall military power, only two of our NATO partners—West Germany and Turkey—clearly are stronger than Spain. Spanish membership in NATO certainly would represent a desirable strengthening of the alliance.

I think it would be a step in the direction of realism if Spain were to be admitted to NATO. Differences of political ideology within member countries of the alliance have not destroyed it in the past, and there is no reason to suppose that the addition of Spain to the ranks of the allies would in any way weaken it.

We should bear in mind that the Soviet Union is never reluctant to cooperate with other nations whose governments are ideologically opposed to communism.

Realism suggests that the members of NATO should not attempt to insist that all members of the alliance be models of democracy.

Addition of Spain to NATO could help reduce the burden on the United States of maintaining a huge contingent of forces in Europe. Today the United States has 300,000 servicemen and 200,000 dependents in the European area.

There has been a great deal of discussion in this country as to whether the United States should maintain its present level of troop commitments in Europe. In the Senate itself, Senator Mansfield has sponsored a resolution calling for a reduction in the U.S. troops level in Europe.

Addition of Spanish forces to NATO would help to make feasible a reduction in the American burden and would make a solid contribution to the strength of the alliance.

Spain is a member of the West European family of nations. She belongs in the ranks of the alliance which is the principal instrument of West European security.

[From the CONGRESSIONAL RECORD, Apr. 27, 1976]

SPAIN BELONGS IN NATO

Mr. HARRY F. BYRD, JR. Mr. President, the death of Gen. Francisco Franco last year ended his nearly 40-year reign over Spain.

Franco's successor, Juan Carlos de Borbon, was inaugurated as King of Spain, only 2 days after Franco's death, on November 22 of last year.

The transition in Spain's political leadership has to date not produced any major outbursts of violence, and the fear that Spain would follow the tumultuous and uncertain path of Portugal has not yet been realized.

In the 5 months that King Juan Carlos has been in power he has shown strong leadership and sensitivity in meeting the problems confronting his country.

He defused the political impasse between Spain and Morocco over the Spanish Sahara through personal diplomacy, and he has also undertaken steps to meet with the Catalans and Basques, who are seeking greater autonomy from the central government for their respective regions.

Early this year the new Spanish Government also announced its intent to develop a program of domestic reform, which will include among other things, the creation of a two-house parliament and a modification of the antiterrorists decree.

Both of these proposals are seen as a major shift in policy, and the creation of a two-house parliament, in particular, should provide the Spanish people with more direct, and responsive representation in their Government.

This is not to say, however, that it will provide a democracy such as we have in the United States.

But I have had the opportunity to discuss the current political situation in Spain with the distinguished Senator from Rhode Island (Mr. Pell), who is a member of the Foreign Relations Committee, and who recently had the opportunity to visit Spain.

Senator Pell was most impressed by the steps taken by King Juan Carlos, to ease the internal political restrictions. These steps have included, among others, the release of political prisoners, open political activity, and freedom of the press.

Senator Pell feels, as I do, that the United States, and the free world, now have the opportunity to encourage this progress in Spain.

The Senator from Missouri (Mr. Eagleton) also made an excellent speech in the Senate on February 5 concerning the situation in Spain.

In this context, it deserves to be emphasized that Spain's clandestine, but well-organized, Communist Party has not been able to exploit the political situation, as its Portuguese counterpart did in neighboring Portugal. Nevertheless, Spain's new young King faces numerous domestic and international problems, and Spain's extremist elements appear ready to challenge his authority should a political vacuum develop, or should a political or economic crisis arise.

Undoubtedly many of these elements will promote dissidence in the hope of undermining the new Government. But with sup-

port and encouragement from the United States, and our European allies, the new Government of Spain will be able to respond to the challenges it will encounter, and it will be able to undertake the reform of its own institutions, in a responsible and enlightened way, without fear of intrusion from outside powers.

The United States and Spain have, in fact, just concluded a new defense agreement. This agreement is the latest in a series of defense agreements between the two countries which date back to 1953. A that time the United States recognized the strategic importance of Spain in the defense of Europe and the Mediterranean.

Indeed, Spain should have been permitted to join the NATO alliance when it was formed. But opposition from some of our European allies prevented Spain from being admitted to NATO.

At the outset much of the opposition to Spain's entry into NATO could be traced to the role of Spain in the early years of World War II. Later the opposition continued more out of opposition to the nature of the Franco regime.

In 1971, I urged that Spain be admitted to NATO, but strong opposition to Spain entering the alliance continued from some of our other European allies.

The strategic importance of Spain for Europe and the Mediterranean, particularly its importance to the southern flank of the NATO alliance, has, however, not diminished over the years. On the contrary, given the present political and strategic situation in the Mediterranean region, Spain is of more importance to the security of the free world than ever before.

The southern flank of the NATO alliance is in precarious balance.

Two traditional U.S. allies and friends, Greece and Turkey, find themselves embattled over Cyprus, with both threatening to decrease or eliminate their NATO roles unless a mutually satisfactory solution to the Cyprus problem can be found.

The political revolution in Portugal in 1974 also brought domestic disorder and government instability to that NATO ally. Vast Soviet expenditures supported the activities of the Portuguese Commmunist Party, as it sought to circumvent constitutional procedures, overrule the outcome of popular elections through its organized cadres, and sympathetic elements in the military forces, and assume government control, contrary to the popular will.

While the pendulum now seems to have swung back in favor of the moderate forces in Portugal, the outcome is far from certain, and its role in NATO remains in question.

The political and economic chaos in Italy, which threatens to bring formal Communist participation to the national government, is illustrative of the internal weakness and potential difficulties facing NATO in all of the countries which constitute the alliance's southern flank.

But while the publicity surrounding detente may have dimmend the popular awareness of existing military and political threats to the free world, which in turn has contributed to an erosion in the western alliance system, Communist Russia has no such problems.

The Warsaw Pact's land forces represent one of the most awesome military machines ever created, and Russia is simultaneously seeking dominance over Europe's waters.

The day has long gone since the U.S. 6th Fleet sailed the Mediterranean Sea unchallenged. The Soviets now maintain a sizeable fleet in the Mediterranean, and they seek to become the dominant power in that region.

So Spain, which has always played an important role in the formulation of European defense plans, assumes ever-increasing importance for West European security.

Through bilateral agreements, the United States has had base rights in Spain, the most important of which is Rota. Located near the strategic Atlantic approaches to the Mediterranean, Rota serves as a base for the U.S. naval fleet, a communications center, and as a monitoring center for Russian naval activities.

The United States has now signed a new 5-year agreement with Spain for continuing these base rights, but the two governments have also agreed to a "Treaty of Friendship and Cooperation," which must be approved by two-thirds of the U.S. Senate.

The new treaty between Spain and the United States illustrates the importance the United States attaches to the stability and orderly development of that country, and it represents an American commitment of support.

But I think the time has come to go even further.

Spain belongs in NATO, and it is my view that now is the time for the United States to spearhead a drive for Spain to become a member of that defense organization, in cooperation with our European allies.

At a time when the resolve of the free world is being questioned, admitting Spain into the North Atlantic Treaty Organization would help restore some of the declining credibility confronting the alliance today.

With Spain in the NATO alliance the strategic security of Europe would be strengthened, and that country's military forces would also add meaningfully to the defense capability and readiness of NATO's conventional forces.

Spain has a navy of approximately 90 ships, including 10 submarines, 1 helicopter carrier, 1 cruiser, 13 destroyers, as well as a number of mine sweepers, torpedo boats, patrol craft, landing ships, and frigates.

The air force consists of 200 combat aircraft, and the peacetime army of Spain consists of 5 divisions, and 16 brigades.

The mobilization potential of this army is considered to be 40 divisions.

Spain has more than 300,000 men under arms, of which 213,400 are conscripts, and in 1974 that country spent $1.43 billion on defense out of a GNP of approximately $65 billion.

In overall military power, only two of our continental NATO partners—West Germany and Turkey—clearly are stronger than Spain.

Spain, then, could make a solid contribution to the NATO alliance, and would represent a desirable strengthening of the alliance.

As a member of the West Europe family of nations, Spain belongs in the ranks of the alliance which is the principal instrument of West European security. And on time could be more propitious than now.

As Spain enters a new stage in her history she should do so with the full support of the countries that constitute the North Atlantic Treaty Organization.

FEDERAL HIGHWAY PROGRAM WINS GOLDEN FLEECE AWARD

Mr. PROXMIRE. Mr. President, today I am giving my "Golden Fleece" of the month award for November to the Federal Highway Administration for the worst record of civilian cost overruns in the Federal Government. When you have the worst record in the Federal Government, Mr. President, you are really the super bowl champion of waste. Mismanagement, delays, and confusion in the construction of our interstate highway system have caused a 267 percent, $100 billion cost overrun that dwarfs any other civil project. While it is said that the road to perdition is paved with good intentions, no one expected this to apply to the U.S. highway program.

When it comes to civilian cost overruns, Mr. President, the Interstate Highway System under the Federal Highway Administration stands at the top of the list—the undisputed champion of mismanagement and waste. Every other civilian project pales by comparison.

Even the numbers involved are so staggering that they numb the mind. When Congress first aproved the estimates for the Interstate Highway System in 1958, the firm, hard figures showed a cost of $37.6 billion. Now that same program stands at $137.9 billion, an increase of $100.3 billion.

The cost growth in the highway program is as big as the entire defense budget in 1977 or as large as the combined 1982 budgets for the Departments of Agriculture, Education, Energy, Housing and Urban Development, Interior, Justice, State, and Transportation.

The blame for this mammoth cost overrun cannot pe placed solely at the doorstep of inflation. Of the current $100.3 billion overrun, $55.9 billion represents inflation. Taking inflation out entirely still leaves an unbelievable real overrun of $44.4 billion or more than the project was supposed to cost in the first place.

Mr. President, funding for the Interstate Highway System continues to the present day, so the end of cost overruns is not yet in sight. On October 3, 1981—just a few weeks ago—the Senate passed a transportation appropriations bill which contained about $3.2 billion in funding for the system. Note: this Senator opposed the bill, which passed by a vote of 77 to 15. From $35 billion to $53 billion remains to be spent on the Interstate System.

Perhaps the worst example of spending in the highway program is the Westway in New York City. The final cost of this 4 mile long road will reach an incredible $1 billion per mile—that is $16 thousand an inch, Mr. President—making it, inch for inch, the most expensive highway ever built by mankind any time, anywhere.

Federal taxpayers will pay for 90 percent of Westway including the actual construction of a tunnel along, in, and above the Hudson River bed, creation of 234 acres of real estate, and upgrading of a parallel 6- to 8-lane highway next to Westway.

The Glenwood Canyon project in Colorado is another example of an outrageous throw-away. It has been exempted from the new cost reduction program, as has Westway. This 12.6 mile four-lane highway is currently estimated to cost $300 million but more likely will run to over $600 million during the 8-year construction period.

Every year, Mr. President, the Comptroller General of the United States makes a detailed listing of all major Federal acquisitions. The most recent list includes 1,040 projects.

The total cost growth in these 1,040 projects is $325.8 billion. Thus, the Federal Highway Administration, by itself,

accounts for over 30 percent of the total Federal overruns. The only challenger to the Federal Highway Administration is the U.S. Navy, with a cost growth of $104.2 billion, but this includes 96 different Navy programs.

RATIFICATION OF THE GENOCIDE CONVENTION IS NECESSARY FOR A STRONG HUMAN RIGHTS POLICY

Mr. PROXMIRE. Mr. President, it is essential that our Nation pursue a consistent and outspoken human rights policy in order that we may expose and counter the Soviet threat to political and individual freedom. This was made clear in a State Department memorandum approved by Secretary of State Haig and published in the New York Times last Thursday.

The State Department noted in the beginning of the memorandum that:

Human rights is at the core of our foreign policy because it is central to what America is and stands for.

According to the memo, human rights is also what is ultimately at issue in our contest with the Soviet bloc. "The fundamental distinction," the State Department explains, "is our respective attitudes toward freedom. Our ability to resist the Soviets around the world depends in part on our ability to draw this distinction and to persuade others of it."

In short, an important objective of our human rights policy is "to demonstrate, by acting to defend liberty and identifying its enemies, that the difference between East and West is the crucial political distinction of our times."

Yet, Mr. President, our abiilty to carry this out is impaired as long as we remain vulnerable to Soviet charges of hypocrisy in our policy on human rights. Our failure to ratify the Genocide Convention has long been used by the Soviets in attempts to discredit us in the international community.

Simply put, Mr. President, we cannot hope to persuade others of the distinction between ourselves and the Soviets when we, ourselves, have failed to recognize in an international treaty the most fundamental human right—the right to live.

In the memo, the State Department asserts that:

Overall U.S. foreign policy, based on a strong human rights policy, will be perceived as a positive force for freedom and decency.

Yet, Mr. President, for our human rights policy to be truly strong and effective, it must be consistent. And consistency demands that we ratify the Genocide Convention.

Virtually every President since Harry Truman has recognized and affirmed the need to act on the Genocide Treaty to solidify our international posture on human rights.

Mr. President, we cannot delay any longer; we must act now to ratify the Genocide Convention.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOLUNTARISM

Mr. DURENBERGER. Mr. President, Americans have a proud and long-standing tradition of assisting those in need without receiving financial reward for their efforts. The spirit of voluntarism continues today, even during this period of economic difficulty when many who had once stayed home to raise their families are entering the work force in order to stay ahead of the rising cost of living. Concerned Americans still find time to devote their talents to helping the needy.

I have often said that the efforts of private citizens can be at least as effective as those of governments. Volunteers seem to have a keen sense for getting to the heart of a problem and arriving at sensible and effective solutions. I have spent most of my life in voluntary public service of one kind or another. It is through that process that I have learned how much we have lost over the last 20 years when we continually turn to Government to solve all our problems.

More important, I have learned that there are solutions to a lot of problems that we have considered traditionally as public sector problems that lie in private enterprise. While Government agencies and international organizations are often most adept at coordinating relief efforts and long-range programs, individuals provide the people-to-people contact that makes the projects they undertake so successful. Their efforts achieve not only the material goals, but the even more important one of understanding between people. Volunteers in service to others enjoy an intensely personal reward of self-satisfaction.

Minnesota has produced its share of dedicated volunteers, from the medical professionals who have served in the refugee camps at the Thai border to those who helped build a clinic in Haiti. The latest example of this generosity is the work that Dr. and Mrs. Roger Belisle and Mr. and Mrs. Del Asmussen have performed in the small village of El Casco, in the State of Durango, Mexico.

Roger Belisle and Del Asmussen, both employees of Control Data Corp., in Minnesota, received 18-month leaves of absence to further their efforts. They formed the American-Mexican Medical Foundation in 1979 as a vehicle for improving the health care and standards of living of the people of El Casco. With the cooperation and support of their wives, the people of El Casco, and the Mexican Government, a clinic is being built and essential health classes are being taught. The efforts of these individuals and the cooperation of companies like Control Data are a tribute to the spirit of volunteerism in America.

Another group of Minnesotans has helped construct an orphanage in Leogane, Haiti. Members of a number of Minnesota churches donated their time and talents to work with the Haitian people to build a school and auditorium as well. The different language and customs have made the time spent in Haiti a unique and satisfying experience.

Mr. President, I ask unanimous consent to have printed in the RECORD the news articles about these Minnesotans.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SUBURBAN CHURCH MEMBERS BUILD AN ORPHANAGE IN HAITI

(By Ruth Hammond)

For the suburbanite who's an inexperienced traveler, doing mission work in Haiti can be frightening. Yet three groups of people, most from Lutheran Church of the Master in Brooklyn Center, have traveled to that Caribbean island country since last December to build an orphanage for 105 children and spread "the good news about Jesus." Another group of 10 women just returned from 10 days in Leogane, a coastal village, where they helped build a school near the orphanage.

The latest group is made up of members of St. Nicholas Episcopal Church in Richfield, Woodlake Lutheran Church in Richfield and Jesus People Church in downtown Minneapolis. St. Nicholas Pastor John McMillan's interest in Haiti was sparked after he talked with Church of the Master Pastor Paul Swedberg. The $42,000 project to build the orphanage was Church of the Master's "first world mission."

McMillan mentioned the need for further work in Leogane in a Sunday sermon at St. Nicholas in June. That night St. Nicholas's mission committee, which had been praying for guidance in choosing a mission, decided to join other area churches working in Leogane. In the past four months, the 120-family congregation has raised $12,000 of its $30,000 goal. Mary Jackson, a committee member, said she hoped other churches in the southwest suburbs would join them in their effort.

One evening in early September, Fred Morrissette, 28, leader of this and other Haiti missions, sat in the old Chevrolet bus that he planned to drive from his Monticello home to Florida before the Haiti trip. The bus was parked in the St. Nicholas parking lot and he was drinking Coke with his brother-in-law, Ron Holmberg, and his friend, Mike Power of Hibbing, who would accompany him as far as Florida, while they waited for the start of a pre-trip meeting in the church.

Among the supplies Morrissette had loaded in his bus to bring down to Haiti was his air conditioner. He figured it would be of use. He had dealt with the red tape to get electricity in the orphanage by going to the electric company every day for a month and getting the signatures of the prime minister, the secretary of state and three other government officials, he said.

Haiti is an extremely poor nation. Those who go on the missions are warned to expect that, but a few are still surprised and feel endangered by conditions, Morrissette said. The first night a mission group arrived in Leogane last April, its members witnessed a voodoo ceremony of striking unfamiliarity. "A hundred people came by, beating drums and blowing horns, and they (the Twin Citians) got scared," Morrissette said.

During such voodoo ceremonies the Haitians "wear weird costumes."

"Like Mardi Gras in New Orleans," Holmberg said.

"It couldn't be any weirder than Mardi Gras," Power said.

One member of the St. Nicholas mission group did not return with the others. Grace Barberg of Jesus People Church plans to remain in Haiti for three months. She also

went to Haiti in June. She said, "I see a real need for the gospel, the good news of Jesus to be spread there." She said the people are friendly and eager to talk to Americans. She tells them "Jesus loves you" in Creole and invites them to a Biblical movie. After the movie, translators convey the Americans' message of what Jesus means to them. It is not uncommon for 400 people to attend a movie, Morrissette said.

On her last trip Barberg concentrated more on preaching than on construction of the cinder-block orphanage. "I laid five blocks and had to rest," she said.

The blocks weigh "only 26 pounds," Morrissette said. Haitians are the people laying the blocks for the school and an attached auditorium, both designed by Morrissette. The Minneapolis-area missionaries hauled the blocks from a pile to the work site and conveyed their religious messages.

Chrystal Linn, a Woodlake member, was undaunted by the weight of the blocks. "I was raised on a farm and I know how to work," she said. She took the trip because it seemed like "a new way to serve the Lord."

The 400-seat auditorium will be used to train ministers to go into the interior. Six or seven Haitians will teach the 300 children expected to attend the school. Morrissette believes it's important for the Haitians to be able to carry on the mission by themselves if necessary.

The youngest members of the St. Nicholas mission group are 18-year-olds Betsy Stark and Laura Greimel, both of whom have worked with Hmong refugees in St. Paul. Greimel just graduated from Jefferson High School in Bloomington and is starting at the University of Minnesota this fall. She said she's interested in observing another culture and learning why there are differences and similarities among human beings.

Morrissette, who attends Assembly of God Church in Monticello, said the interdenominational nature of the mission has never been a matter of conflict. He compared it with building a house: Everyone's not a carpenter and everyone's not a plumber, but together they can build something as long as the carpenter doesn't pound nails into the plumber's pipes.

[From the Rochester (Minn.) Post-Bulletin, Sept. 15, 1981]

STATE MAN HELPS BUILD MEXICAN CLINIC

(By Karren Mills)

EL CASCO, MEX.—Life slowly changes in El Casco, as the rural Mexican village inches into the 20th century. Some of the credit goes to a Minnesota man helping villagers build a medical clinic.

When Roger Belisle first visited the village of 400 nearly 12 years ago, he found an existence rather than a life. There was no electricity. Cars and trucks were novelties. Medical care was primitive.

The Bloomington man was moved to help.

"I decided to help these people as much as I could," said Belisle, who expanded his studies in biomedical engineering at the University of Minnesota and became licensed to practice medicine in Mexico.

Belisle and his wife Eva, who was born in El Casco, and their two young children then began traveling to the village on vacations, bringing bandages, aspirin, vitamins and other essentials for the villagers.

As Belisle, an idealist, came to know the people better, his frustration with conditions in the village grew. He was driven by his need to help, but knew he couldn't accomplish much by himself.

So in 1979, Belisle and other interested Minnesotans formed the nonprofit American-Mexican Medical Foundation and began work on a 2,700-square-foot free clinic to serve El Casco and surrounding communities. Villagers are providing the construction labor. Materials are being purchased with money donated to the foundation.

"People in the United States like to think of Mexico as a very romantic area, an area that exists the way it is because the people want it that way. But that's not the case," said Belisle.

But change comes slowly. Even when it is being given a boost.

There are now seven old trucks and two cars in El Casco, located about 300 miles south of El Paso, Texas. But most of the farmers still use mules and horses to get to and from their fields.

The government has run an electric line into the village, and a half-dozen villagers have brought in refrigerators. But when most villagers have money for milk, they can buy only enough for one day. When someone kills a pig, there is a village feast because the meat won't keep.

There is a handful of porcelain toilet stools, but there is no running water. Those with porcelain toilets must pour water into the bowl to flush them. The majority of the villagers, however, don't have outhouses and use the smooth, flat rocks from the riverbed instead of toilet paper.

A few of the women now are having their babies delivered by doctors in a nearby town, but many still use midwives.

El Casco is a poor village, but the people aren't poverty-stricken.

When the corn and bean crops fail—which happens often because there is no irrigation system—the men go to the large cities of Mexico or slip across the border into the United States for a few months to work.

Besides food, those trips—and children who have moved into the larger cities—provide money for the cars and trucks, the refrigerators, the porcelain toilets and the electric blenders that sit on tables next to the wood-burning cook stoves in many kitchens.

The villagers and Belisle would like to see El Casco become more self-sufficient, so the men don't have to leave and find other work to keep their families alive.

As they see it, water for irrigation and drinking and good medical care are the keys to achieving that self-sufficiency.

The Mexican government drilled a deep well and installed a pump in the village three years ago to provide pure drinking water.

However, the pump worked only a short time and efforts to have it fixed have been unsuccessful. So the villagers still get their drinking water from a shallow well next to the riverbed and wash their clothing in the river.

The government also began building a dam about a mile from El Casco four years ago, but there were delays and it hasn't been completed.

"When it is done, all the farmers in El Casco will be able to irrigate their fields. Water is the key to everything—the fields, good drinking water so the people don't get sick," said Jose Rivas, postmaster and owner of the only restaurant.

"But who knows when it will be done. We're not getting any promises. It could be three months, it could be a year," Rivas said.

"Farming in the last five years has been real bad. It's been so dry. That has made life here much worse," Rivas said. "When they don't have the crops, they don't have money for anything. The men leave to find work in other places."

About 90 percent of the men leave the village for work when the crops are bad. Rivas said 1948 was the last good year for farmers in El Casco.

Guadalupe Amaya, village official and a farmer, said he has to go to the United States to work for about nine months every three years. In between, he works in large cities in Mexico for one or two months each year.

"I only go to the United States when I really can't make it anymore," said Amaya, who has done carpentry and restaurant work in Arizona. "I feel very lonesome because I don't know what's going on with my family. When I get a letter saying one of the children is sick, I don't know what happened."

Having the clinic completed and a full-time doctor in town will be a major step forward in helping the villagers cope with their problems, Rivas added.

"Because if we're healthy, we can work and make money so we can eat."

MINNESOTAN'S HEALTH PROJECT IN MEXICAN VILLAGE GOES SLOWLY

(By Karren Mills)

EL CASCO, MEX.—Roger Belisle has a dream for the people of rural Mexico. He wants them to have access to the same quality of medical care that he and his family have in Minnesota.

Sometimes, however, it is difficult to turn a dream into reality.

Belisle is finding that out.

The 43-year-old Bloomington, Minn., man is spearheading construction of a medical clinic in El Casco, the small village in northern Mexico where his wife Eva was born.

When he first visited El Casco in the late 1960s, he was troubled by the lack of medical care. Parasite infestation was rampant. Nutrition was poor. Babies were dying "from the simplest of problems," Belisle said.

"I saw that a health program was needed," he said. The nearest hospital was 125 miles away and people had to travel 30 miles to the nearest clinic.

So Eva's brother Filiberto Nunez went to the state Capitol in Durango and asked if the government could set up a clinic in El Casco.

"He was told a clinic could be set up, but he knew it probably would be many years," Belisle said.

In the meantime, Belisle earned a license to practice medicine in Mexico and began driving 2,000 miles to El Casco with his wife on vacations to provide medical care.

"As time went on it turned out that what I was doing was making a pretty big impact. That encouraged me," Belisle said. "So we contacted the Mexican government to find out what their plans were and to tell them what we were trying to do."

The government said they still had the El Casco request, but Mexico is big and they couldn't possibly cover all areas at once, Belisle said.

"So we planned a clinic. We talked to people about just exactly what they thought they would need and started construction," Belisle said.

"We contacted the Mexican government again to see if they could help. They said if we were better organized, if there was some way we could represent all of the people in a large area in the state of Durango, that they probably would be able to help us," Belisle said.

So in 1979, the American-Mexican Medical Foundation was formed and the Belisles and other volunteers began working on the project in cooperation with the Mexican Department of Public Health and other government agencies.

Control Data Corp. gave Belisle and Del Asmussen of St. Paul, Minn., 18-month social service leaves from their jobs at full pay to raise the money needed to complete the clinic and hire a fulltime doctor.

Those leaves end in December. Meanwhile, the walls of the 11-room clinic are up and the windows are in storage. But money is still needed to buy cement for the roof and floor.

Belisle and Asmussen also discovered in August when they returned to El Casco that the cost of construction materials had gone up again.

And they found that the government had

finally responded to the village's request for help.

Since Belisle's last visit in December, the Mexican Social Security Department had constructed a small first-aid station, one of 65 built in Durango this year. The station opened in March.

A medical school resident from the state Capitol is on duty from 9 a.m. to 1 p.m. weekdays, along with a village girl who received 22 days of training as a social worker. Another village girl was trained to give shots, take blood pressures and temperatures and weigh and measure patients on weekends.

Main functions of the first-aid station are treatment of infections, physical examinations, simple suturing of cuts and some health teaching, said Fe Sanchez Castaneda, 17, the social worker.

The station sees about 6 to 10 patients a day from a 12-mile radius covering six villages.

"We see a lot of parasites in adults and children People come for illnesses such as diarrhea and anemia and for family planning (condoms, birth control pills and intrauterine devices are offered)," Miss Castaneda said.

While the villagers are glad to have the government first-aid station, they maintain that it is not enough, that they still need Belisle's clinic, which will serve a 60-mile radius and will handle more complex problems.

Miss Castaneda said the government first-aid station hopes to work together with Belisle's private clinic.

"When his clinic is finished, many more people will come because they have so much confidence in him," Miss Castaneda said. "There is plenty of need for both. But we have medicine here and a lot of people who are suffering now have some relief."

Belisle agreed. However, reducing the needs of the people makes it more difficult to obtain the money needed to complete the private clinic.

"The Mexican government is a very proud government and I don't think they really want to have Americans think that they cannot survive without American help," Belisle said. "This maybe has slowed up our efforts to help the people.

"We're not claiming to be gods where we can go in and solve the problems. But if there is any way that we can help these people, we would be willing to offer that assistance."

Belisle says he would like to see the people achieve a state where they can take care of themselves. "It's a dream, but it's a dream that I very much believe in.

"If they had water to grow their crops, they could afford to hire the doctors from the big cities. But until they do, we're going to provide that care. If I have to do it all by myself, they're going to have it. As much as I can provide."

MEXICANS GET HELP WITH "ACCEPTABLE" BIRTH CONTROL DATA

(By Karren Mills)

EL CASCO, MEX.—Filiberto Nunez and his wife Gloria have eight children ranging from 18 months to 19 years, a normal sized family in El Casco.

But Nunez says people in the small northern Mexican village don't always have large families by choice.

"Most families in Mexico are large because we don't know how to prevent it," said Nunez, 42, who has been married 20 years. "Only last year were we aware of family planning."

Mr. and Mrs. Nunez were among villagers who gathered this summer to learn about a natural family planning method developed by Carman and Jean Fallace. Fallace is natural family planning director for the Human Life Center at St. John's University in Collegeville, Minn.

Carol and Felix Rosado of Milford, Pa., teach the Fallace method of natural family planning to Spanish-speaking families for Family Life Promotion of New York Inc. They were brought to El Casco by the American-Mexican Medical Foundation, a non-profit Minnesota corporation that is building a free medical clinic in the village, to offer classes.

Under the Fallace method of natural family planning, changes in the woman's temperature, cervical mucus, and the opening and height of the cervix are observed to determine when she is fertile and can conceive a child. If a couple wants to prevent conception, they abstain from intercourse during the fertile period.

The Rosados do not try to tell the people how many children they should have.

"We don't say to them have less, we don't say to them have more. What we say is that they have the decisionmaking power to determine if they want another baby this year or wait another year," said Rosado, a Mexican native who grew up in Merida.

"The goals of our being here are, first, to spread the good news that there is such a thing, whether they use it now or five years from now. And second, that there is an alternative, and one recommended and approved by the Catholic Church, to what the government is teaching and which may not be suitable for them for religious reasons," he said.

About 96 percent of Mexico's 67 million people are Roman Catholic.

The government embarked on an aggressive family planning campaign a few years ago, encouraging the people to use birth control pills and other forms of contraception, but many resisted because the Catholic Church opposes artificial birth control and many in rural areas were never reached.

While birth control pills and intrauterine devices are available to the women of El Casco through a new government-run first-aid station and doctors in a larger town 30 miles away, most women do not use either.

"Most of the people object, I think, because of their religion," said Sylvia Alvarado Nunez, 24, who has taught in the village's elementary school for five years and was married six months ago.

"A lot of people are interested in the natural family planning classes. Even the elderly have been talking about it. They are saying we've learned a lot of good things we never knew before," the teacher said.

The Rosados, who were in El Casco for three days, met with the men and women together for the first family planning session, then met separately with the two groups for the final two days. The separation was necessary in the Mexican culture, they said, because the men and women weren't willing to discuss such a private matter in a mixed group and there wasn't time to work with individual couples.

About 80 people crowded into a large room in one of the adobe homes for the introductory session. More than 30 women and nearly as many men attended the later sessions.

"I have never seen as many people turn out for a meeting here," said Fe Sanchez Castaneda, 17, social worker for the government first-aid station.

"For our health education meetings, maybe two or three women show up," she said.

Nunez wasn't surprised, however. He said he doesn't believe that Mexican couples have large families so they will have someone to take care of them when they are old.

"If you have one child who loves you, he will help you when you are old," he said. "I think it's worse when we have so many children. It has been very hard for me to take care of eight children."

But the Rosados aren't under any illusion that their three days of classes will make an overnight difference in El Casco.

"My main concern is that we convince a lot of people that the people here want to learn more about natural family planning and sex education, so when the clinic is finished somebody will be here to do followup, to help the people when they have questions, so that these people will eventually be able to have their own program," Mrs. Rosado said.

"I don't know whether that will happen," she added. "People are funny about their sexuality, very private. They don't like to change."

Mrs. Rosado also noted that the men in El Casco and other rural villages may not want their women to change too much.

"They don't know what's going to happen if the women stop having children. Are they going to get restless and want something to do—to go out and work where there is no work? Having children is a way of keeping that woman in the house until she's 45 years old.

"Our coming here for three days, I don't know how much that's going to accomplish in tearing down the taboos of centuries. But if they can talk to each other over the next few months about something like sex, that's going to do an awful lot."

MEXICAN VILLAGE HELPED BY A DAUGHTER WHO BROKE AWAY

(By Karren Mills)

EL CASCO, MEX.—Eva Nunez Belisle was born 40 years ago in El Casco, a poor village in northern Mexico, and didn't have a bed to sleep in until she was 12.

When she was 14 she moved to Monterrey, where she later met her husband-to-be Roger Belisle, an American who was vacationing in Mexico.

Mrs. Belisle now lives in a split-level rambler in an upper middle-class area of Bloomington, Minn., but those early years are never far from her mind.

"I had a very hard life when I was growing up," said Mrs. Belisle. "Now I want to help my relatives and friends as much as I can."

So when she and her husband, who is licensed to practice medicine in Mexico, travel back to El Casco on vacations to provide free medical care and work on a clinic they are helping build, Mrs. Belisle has their station wagon stuffed to the brim with used and new clothing for the villagers.

She also tries to bring single relatives to the United States for visits, hoping they will meet and marry someone who will offer them an easier life. There have been a couple of successful matches.

While everyone in El Casco now has a bed to sleep in, most of the young villagers will never have the opportunity—as Mrs. Belisle and some of her relatives have had—to leave the village and find an easier life.

A major problem for those growing up in El Casco is education.

The village has only an elementary school, which goes through sixth grade. The nearest secondary school—grades seven through nine—is 20 miles away. There is no daily bus service, so the children must board in the town where they go to school.

"It's big problem, because any good job requires secondary school. Often in the large cities, they even require secondary school for housekeepers," said Sylvia Alvarado Nunez, 24, a teacher in El Casco.

Those without secondary school can expect a life of hard manual labor, she said.

"The teachers meet with the parents and encourage them to send their children to secondary school but many say the children must work in the fields and others don't have the money," Mrs. Nunez said.

During her five years as a teacher in El Casco, Mrs. Nunez said about one-fourth of the 41 students who completed primary school went on to secondary school. Only one of those who went on was a girl.

But Mrs. Nunez, who grew up in the capital city of Durango, said attitudes are changing

and people are becoming more aware of the importance of education.

"I've heard a lot of women tell their daughters they should look at me as an example," she said. "And girls tell their mothers, 'I want to be like her.'"

The changes will occur faster once a relay station—now in the talking stages—is built so television can be brought into the village, Nunez predicted.

"That will be very good because it will give the people access to many new ideas," she said. "In Mexico, they show a lot of educational programs for both children and adults."

In the meantime, the people are exposed to new ideas largely through magazines and through relatives who have moved away and come back to visit, Nunez said. The adults and older children in the village all read and write, she added.

However, those who stay in El Casco aren't all there because they have no place else to go.

Mrs. Belisle's brother, Filiberto Nunez, 42, a farmer with a wife and eight children, has tried life in Monterrey and once spent five months in Minnesota with the Belisles to see if he would like to move to the United States.

But he returned to El Casco, despite its drawbacks.

"El Casco is not a good place to raise a family because the children can only go to elementary school and there is little medical care," he said.

"You don't feel that you like it much when the crops are failing because there is no rain. But you love it when the crops are good and you are able to live," Nunez added.

"The climate here is so beautiful. I love to hunt and we can hunt rabbits and deer in the mountains."

Nunez has made his choice. He'll remain in El Casco and work to get the government to complete its irrigation system so the farmers can get better crop yields. And he'll continue helping Belisle build the free medical clinic so the villagers can look forward to better health.

Belisle doesn't plan to give up either.

"What we're doing is like a raindrop in the desert. But eventually it will help." Belisle said.

Mr. DURENBERGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABDNOR). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS FOR 1982

The PRESIDING OFFICER. The clerk will now report H.R. 4169.

The legislative clerk will read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

The Senate resumed consideration of H.R. 4169.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Mr. WEICKER. Mr. President, the appropriations bill before the Senate provides $435,240,000 for U.S. contributions to international organizations. These payments are made pursuant to conventions, treaties, or specific acts of Congress. The amount provided in the bill is the amount requested by the administration. It reflects the deferral of contributions to a number of international organizations as requested by the President. However, it was the judgment of the committee that contributions to two prominent Latin American organizations—the Organization of American States and the Pan American Health Organization should not be deferred. The full amount of our assessment for these two organizations is included in the bill. It is the judgment of the committee that the withholding of payment of our obligations for these organizations might call into question our commitment to this important area of the world.

I ask unanimous consent that a table indicating the amount provided for each international organization be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Contributions to international organizations

[In thousands of dollars]

	Fiscal Year 1982 Recommendation
Organization: United Nations and Specialized Agencies:	
United Nations	$120,438
United Nations Educational, Scientific and Cultural Organization	42,233
International Civil Aviation Organization	5,113
World Health Organization	44,990
Food and Agriculture Organization	32,146
International Labor Organization	25,491
International telecommunication Union	4,293
World Meterological Organization	2,554
Intergovernmental Maritime Consultative Organization	251
Universal Postal Union	489
World Intellectual Property Organization	443
International Atomic Energy Agency	19,077
Subtotal	297,518
Inter-American Organizations:	
Inter-American Indian Institute	154
Inter-American Institute for Cooperation on Agriculture	4,280
Pan American Institute of Geography and History	396
Pan American Railway Congress Association	23
Pan American Health Organization	27,209
Organization of American States	55,636
Subtotal	87,698
Regional Organizations:	
South Pacific Commission	738
North Atlantic Treaty Organization	18,683
North Atlantic Assembly	332
Colombo Plan Council for Technical Cooperation	9
Organization for Economic Cooperation and Development	21,866
Subtotal	41,628
Other International Organizations:	
Interparliamentary Union	261
International Bureau of Permanent Court of Arbitration	7
International Bureau of the Publication of Customs Tariffs	45
International Bureau of Weights and Measures	369
International Hydrographic Organization	70
International Wheat Council	0
International Coffee Organization	736
International Institute for the Unification of Private Law	47
Hague Conference on Private International Law	71
Maintenance of Certain Lights in the Red Sea	19
Bureau of International Expositions	20
Customs Cooperation Council	1,946
International Center for the Study of the Preservation and Restoration of Cultural Property	455
International Legal Metrology	56
International Agency for Research on Cancer	974
General Agreement on Tariffs and Trade	2,467
International Office of Epizootics	100
World Tourism Organization	196
International Tin Council	0
International Cotton Advisory Committee	124
International Rubber Study Group	46
International Seed Testing Association	4
Lead and Zinc Study Group	29
International Sugar Organization	354
International Rubber Organization	0
Subtotal	8,396
Total CIO	435,240

UP AMENDMENT NO. 606

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the manager of the bill wish to temporarily set aside the committee amendments?

Mr. WEICKER. Mr. President, I ask unanimous consent that the committee amendments be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 606:

On page 8, between lines 12 and 13, add the following paragraph:

FISHERMEN'S GUARANTY FUND

For payment of claims and expenses to carry out the provisions of Section 7 of the Fishermen's Protective Act of 1967 (Public Law 90-482), as amended, there are appropriated not to exceed $1,800,000 from the fees collected from fishing vessel owners pursuant to Section 7 of that Act, to remain available until expended.

Mr. STEVENS. Mr. President, the Fishermen's Protective Act of 1967 was extended in Public Law 97-68 through the act passed by the Senate several weeks ago. Section 7 creates a voluntary insurance program to cover certain financial losses to U.S. commercial fishing vessels resulting from seizure by a foreign nation: First, on the basis of ocean jurisdictional claims the United States does not recognize or, second, under a general jurisdictional claim the United States recognizes, but, on the basis of conditions and restrictions that are not related to fishery management, are more onerous than comparable conditions and restrictions imposed by the United States on foreign vessels that are subject to its jurisdiction, fail to take into account traditional U.S. fishing, or fail to allow U.S. vessels equitable access to that foreign nation's fisheries.

Mr. President, that is a summary of the act we have already passed.

The purpose of the provision is twofold: First, to insure that the U.S. juridical position on coastal nation jurisdiction—for example that a coastal nation should not have exclusive management authority over tuna within 200 miles of its shores and should not arbitrarily exclude U.S. shrimp fishermen or others from its fisheries—is not compromised de facto by U.S. fishermen fearful of vessel seizures, and, second, to help compensate fishermen who, in accordance with U.S. laws and policy, are seized by a foreign nation.

Any U.S. fishing vessel owner may join the program by entering an agreement with the Secretary of Commerce and paying the required fee. To date, 60.3 percent of the costs of the program have been paid by fishing vessel owners. Industry pays for all administrative costs. Under rules recently promulgated by the Department of Commerce, the fees will be increased and are expected to total $1.8 million from commercial fishing vessel owners in fiscal year 1982. It is the policy of the Department that fee income should defray all administrative expenses of the program and cover at least 50 percent of claims historically paid even though the statute sets a minimum of 25 percent.

The moneys in the Fishermen's Guaranty Fund, including those contributed by fishermen fees and the interest generated from those fees as now allowed under Public Law 97-68, can be paid for claims only if provided for in advance in appropriation acts. I refer to section 7 (e).

Mr. President, because this program was just reauthorized, the administration did not request appropriations for the Fishermen's Guaranty Fund in its fiscal year 1982 budget requests. Therefore, we are faced with a situation of not having funds in this bill. The last appropriations were made in the fiscal 1981 supplemental appropriations bill enacted this summer, but those funds have been exhausted by prior claims. At present, somewhere in excess of $1.5 million in claims are now pending with the Department of Commerce.

On October 26, 1981, the President signed legislation to extend the voluntary insurance program under section 7 through 1984. The amendment I now offer provides appropriations not to exceed the amount paid in fees by our fishing fleet.

It is an amendment, in other words, that appropriates funds that are to be derived from the program described above and will not entail additional Federal moneys. Mr. President, I offer the amendment on that basis.

Mr. WEICKER. Mr. President, it is my inclination at this point, after I discuss a few matters with the distinguished Senator from Alaska, to accept his amendment. Let me underline the point I believe he has already made.

I understand that this amendment will have no net outlay effect, since expenditures will be offset by $1.8 million in fees to be collected from fishing vessel owners under section 7 of the Fishermen's Protective Act during fiscal year 1982. Is that the Senator's understanding?

Mr. STEVENS. It is my understanding, Mr. President.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I am prepared to accept the amendment. I just want the record to show that I reserve the right vis-a-vis the issue of jurisdiction over tuna. I have some disagreement with the present policy. I do not want to have my agreement to the amendment indicate that I think the present policy is necessarily the best. With that stated reservation, I am prepared to accept the amendment.

Mr. HOLLINGS. Mr. President, we are prepared to accept the amendment. There is no outlay effect whatever?

Mr. STEVENS. Mr. President, it is an insurance program. The money comes from fees to be paid by the fishermen themselves. It is my understanding that this $1.8 million projected in budget authority will be offset by the amount to be paid in fees this year by the fishermen.

Mr. WEICKER. That is correct, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 606) was agreed to.

Mr. STEVENS. I move to reconsider the vote by which the amendment was agreed to, Mr. President.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I do understand the Senator's position dealing with tuna within our domestic waters. That is not an issue that is directly impacted by this amendment. I thank the Senator for his consideration.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 607

(Purpose: To establish minimum levels for the Small Business Administration's Pollution Control Bond Guarantee program)

Mr. HAYAKAWA. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

Mr. WEICKER. Mr. President, I ask unanimous consent that the committee amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The bill clerk read as follows:

The Senator from California (Mr. HAYAKAWA), for himself and Mr. LEVIN, proposes an unprinted amendment numbered 607.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 21, line 4, before the period insert the following:

": *Provided*, That during 1982, the Administrator of the Small Business Administration shall enter into commitments to guarantee not less than $175,000,000 of contingent liability for principal, subject only to the absence of qualified contracts pursuant to section 404 of the Small Business Investment Act of 1958".

Mr. HAYAKAWA. Mr. President, the amendment I am offering today, on behalf of myself and the Senator from Michigan (Mr. LEVIN) attempts to address a problem of authority, and make clear where the authority rests.

On May 7, 1981, I chaired a hearing in the Small Business Committee on legislation to increase the annual authorization level of the Small Business Administration (SBA) pollution control program from $110 to $250 million. At that time, the administration recommended that the level for fiscal year 1982 be reduced to $95 million. Notwithstanding that recommendation, the committee agreed to include the $250 million authorization in the Omnibus Reconcilia-

tion Act of 1981; the Senate accepted the committee recommendation; the conferees agreed to the $250 million mark; and the President signed the act into law.

Now the administration is attempting to subvert congressional authority, completely ignoring the intent of the statute, by placing a ceiling on the pollution control program of $50 million for fiscal year 1982.

Mr. President, I could understand a desire to reduce the size of the program if it was ineffective, or if there was rampant abuse, or if the default rate was exceptionally high, or if there was no demand for it. However, none of these is the case. In his testimony before the House Small Business Subcommittee on Energy, Environment and Safety on November 4 of this year, Mr. Edwin T. Holloway, Acting Associate Administrator for Finance and Investment of the SBA says:

During its nearly five years of operation the program has assisted 213 companies. Through Fiscal Year 1981 the amount of principal that SBA has guaranteed totals $256 million. Since its inception the program has experienced only two defaults, which resulted in $66,000 of payments from the reserve fund. In these cases, our collateral position and work-out agreements with the companies indicate that no losses will occur.

Later in his statement, Mr. Holloway concludes:

This program has proven to be of significant merit in meeting the needs of the small business community in pollution control financing.

I ask unanimous consent that the full text of Mr. Holloway's testimony be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF EDWIN T. HOLLOWAY

Mr. Chairman and members of the subcommittee: I am pleased to have this opportunity today to discuss the Small Business Administration's Pollution Control Financing Guarantee Program.

Public Law 94–305, passed in 1976, authorized the SBA to guarantee 100 percent of the payments due from eligible small businesses under qualified contracts for the planning, design, financing or installation of pollution control facilities or equipment. The program was designed to allow small businesses to obtain access to the municipal bond markets. This would put them on a more equal footing with their large competitors, who are already able to receive favorable rates and terms for their pollution control financing. Under the program small business concerns are now able to obtain access to an existing supply of funds which were not previously available to them.

Over 200 small business concerns have utilized the tax-exempt bond financing SBA guarantee program. The process begins when a public entity issues tax-exempt pollution control revenue bonds. The term of repayment of the bond is typically 20–25 years. The business enters into a contract with the issuer of the bonds stipulating that periodic payments in sufficient amounts to cover the interest payments to the bondholders and to redeem the bonds as they mature will be made by the small business. The ability of the small business to comply with the terms of this contract is guaranteed by SBA.

Small businesses, because of their limited size and lack of investor recognition in the market, have not been able to obtain tax-exempt financing. The SBA guarantee of the contract between the small business and the issuer provides that recognition. As a result, eligible small businesses can obtain financing in the same manner as corporate giants. In this system that I am describing, the SBA's guarantee role is an "add-on" to the existing system of the municipal bond financing. While the SBA retains the authority for final credit approval, if neither regulates the market nor determines which business loans come into being.

The private sector operates this unique marketplace. This market consists of large and small commercial banks and investment bankers; bond buyers such as insurance companies, banks and individuals; and intermediaries such as bond traders. Through the SBA pollution control financing program, small businesses are added to this market as participants who can enjoy the favorable financing terms and rates previously available only to large firms.

Under the program, bond financing is available on terms up 30 years at competitive rates. Up $5.0 million per small business may be obtained through this bond financing method.

During its nearly five years of operation the program has assisted 213 companies. Through Fiscal Year 1981 the amount of principal that SBA has guaranteed totals $256 million. Since its inception the program has experienced only two defaults, which resulted in $66,000 of payments from the reserve fund. In these cases, our collateral position and the work-out agreements with the companies indicate that no losses will occur.

On an annual basis, the program has grown considerably since its inception. In FY 1977, 12 companies were assisted for a total principal of $5.7 million; in FY 1978, 14 firms for $9.9 million were assisted; in FY 1979, 45 firms for $41.5 million were assisted; in FY 1980, 77 firms for $98.5 million, and in FY 1981, 66 firms for $99.9 million were accommodated through the program. There are currently outstanding, 55 commitments to be closed totalling $91.2 million in principal. Additional applications from 47 companies totalling $77.8 million in principal have been received and are being processes. Further, a recent informal polling of many underwriters and bond issuing authorities active in the program reveal that 151 applications totalling $210 million are being processed for submission to SBA under the program.

The program was designed to be and is self-sustaining. Although Congress appropriated $15 million in 1976 to cover losses, this amount has never been needed and still remains available. In addition, through September 31, 1981, fees in excess of $20 million had been collected to cover any losses that might be experienced. This provides a total loss reserve of over $35 million including interest earned on the amounts collected. The probability of losses is minimized by the overall stringent credit criteria, the eligibility requirements of the program and the high levels of cooperation between the public and private sectors in implementing the program.

This program has proven to be of significant merit in meeting the needs of the small business community in pollution control financing.

Mr. Chairman, this concludes my prepared remarks. I will be pleased to answer any questions that you may have at this time. Thank you.

Mr. HAYAKAWA. Mr. President, in light of the SBA's and Congress' clear support for this program, I can not understand why the administration would choose to cut it so drastically. I understand that the economy is experiencing a recession, and that Federal intervention in the credit market usurps credit otherwise available to the private sector for productive investment and economic growth. But this program of guaranteeing tax exempt municipal bonds is used for pollution control facilities which are mandated by law, and merely assists small businesses in financing Federal requirements. These expenditures would not have to be made by small businesses were it not for the environmental regulations.

Since the Federal Government is not paying for the equipment it requires, the very least that must be done is assisting small businesses to finance the expenditures necessary to meet the Federal requirements. The SBA pollution control program carefully screens applicants for creditworthiness, and issues a guarantee on bonds and loans which the businesses have to obtain on their own, at a cost borne by the businesses. Taxpayers are not only not paying for this program, they are making money on the fees charged and the interest accrued on the fund.

Mr. President, there is no excuse for reducing the guarantee activity of this program. Doing away with the guarantees will not diminish the credit activity one iota—because small businesses are going to have to finance the means to comply with Federal standards in any case. Moreover, it does not modify the entitlement of these businesses to tax exempt financing, it merely reduces their ability to find the financing. In fact, the only possible reduction in credit activity that a reduction in this program would achieve would result directly from the inability of small businesses to obtain financing to meet the pollution requirements, culminating in a closure of the businesses.

There have been 55 commitments already made for 1982 guarantees totaling $91.2 million. In addition, 47 companies have made applications totaling $77.8 million, which are being processed. Finally, there are some 151 applications totaling $210 million being prepared. Combined, there is a demand for $380 million in guarantees for fiscal year 1982. With that in mind, Congress wisely raised the program ceiling to $250 million. If the administration's actions are left unaltered, not only will the applications being prepared and processed be ineligible, $41.2 million in committed guarantees will be abandoned. The SBA will have to tell those businesses, "Sorry, I know you spent a lot of time and money preparing your application, and paid to have our staff review it, and received a commitment from this agency, but we have decided to renege."

We cannot allow that to happen. This amendment requires that during 1982 the Administrator of the Small Business Administration shall enter into commitments to guarantee not less than $175 million of contingent liability for principal, subject only to the absence of qualified contracts. This floor level will allow all of the current commitments to be honored. and insure that at least $84 million of the potential $288.8 million in remaining requests are committed.

I believe this amendment is necessary

if we are to establish the authority of Congress to set levels of Federal credit guarantee activity, preserve the pollution control program, and, indeed, allow many small businesses to continue operating. I urge the adoption of the amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Senator LEVIN, who is unable to be here today. He is a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. LEVIN. As cosponsor of this amendment, I thank the Senator from California for his leadership on this issue, I understand this amendment is acceptable to the floor managers of this bill.

This amendment would simply require the Administrator of the Small Business Administration to satisfy the intent of Congress as contained in the Omnibus Budget Reconciliation Act of 1981. The amendment would direct the Administrator to utilize not less than $175 million of the $250 million authorized by Congress for SBA's pollution control financing guarantee program, subject only to the absence of qualified firms seeking SBA's guarantee for their pollution control financing.

Each year, many small businesses are faced with the need to install pollution control equipment in order to meet Government imposed pollution control requirements. These firms are often unable to secure financing from traditional sources. When financing is available, it can be obtained only on unfavorable terms at extremely high interest rates. Traditional lending institutions are often unwilling to loan money to small businesses for investment in nonproductive pollution control equipment. Furthermore, small firms are reluctant to borrow money for an investment which will not improve the productivity or profit of their business and will tie up needed capital. The pollution control financing guarantee program, used in conjunction with pollution control industrial revenue bonds, allows small firms to obtain funds at reasonable rates.

As a result, guarantees for pollution control financing are critically important to small businesses and this Nation. Without this program, many firms would be forced out of business with an obvious job loss. Without this program, progress on cleaning this Nation's air, water, and land would be slowed.

During consideration of the fiscal year 1982 Omnibus Budget Reconciliation Act, the Small Business Committee increased the authorized program level of the pollution control financing guarantee program to $250 million from $110 million in fiscal year 1981. This action was taken in response to the tremendous demand for pollution control guarantees experienced in fiscal year 1981. In fact, only 2 months into fiscal year 1981, $52 million in guarantees had been committed. At the same time, SBA had another $75 million in requests pending of what they considered to be worthy applications.

A similar situation is occurring this fiscal year, but under different circumstances. While demand continues to increase, the Reagan administration on November 5, 1981, imposed an arbitrary "cap" of $50 million on SBA's pollution control program for all fiscal year 1982.

This "cap" is contrary to the needs of small businesses and the intent of Congress. On November 4, 1981, SBA's Associate Administrator for Finance and Investment testified before the House Small Business Subcommittee on Energy, Environment and Safety, stated that there are currently outstanding 55 commitments totalling $91.2 million, of which $40 million will be closed by December 31, 1981. Additional applications from 47 firms totalling $77.8 million have been received and are being processed. Further, a recent informal polling of many underwriters and bond issuing authorities active in the program revealed that 151 applications totalling $210 million are being processed for submission to the agency, according to SBA.

Of possibly more importance, however, this artificially imposed cap flies in the face of the congressional desires and explicit statements that SBA's guarantees be available for this pollution control financing program. Last fiscal year, Congress specifically increased the program level to meet the demonstrated pollution control financing needs of small businesses. This increase would therefore be understood by the administration to mean that Congress intends guarantees to be made available to qualified firms so that investments can be made in equipment necessary to meet the Government's pollution control requirements.

This amendment, I believe, will insure the congressional intent on this one program is followed. However, there are other guarantee programs within SBA and outside where arbitrary caps have been imposed on agency utilization of guarantees—caps which bear no relation to the level of demand experienced in these programs. The administration's actions raised serious questions about the institutional role of Congress and whether our efforts to set budgets and program levels for agencies have any meaning at all when the executive branch arbitrarily makes changes without notification, let alone approval.●

Mr. WEICKER. Mr. President, I thank the distinguished Senator from California for his very perceptive remarks in relation to the amendment he has presented.

By using tax-exempt, SBA guaranteed pollution control revenue bonds, SBA cooperates with commercial and investment banks and local and State authorities to provide access to long-term, below market financing to eligible small businesses in the same manner that large corporations obtain their financing for pollution facilities.

This program has been one of SBA's most successful and problem-free programs. Since its inception, SBA guaranteed over $238,000,000 in principal amount of obligations, for over 200 small companies, employing nearly 20,000 people. Financing for pollution abatement facilities has occurred in 25 States with more participating States projected in the future. When this program was enacted in 1976, a revolving fund capitalized at $15,000,000 was created.

Fees charged borrowers for processing and guaranteeing the bonds are paid into the fund. Liabilities incurred through default would be paid out of that fund. To date, through collection of guarantees and other fees of over $16,000,000, this fund has more than doubled to approximately $31,000,000, without further appropriations required from Congress. In addition, through investment of the moneys in the revolving fund, SBA has earned an additional $738,000 during the first 6 months of fiscal year 1981 for the Government.

During the life of the program, only two defaults have occurred which according to CBO and SBA, will not result in any ultimate loss to the Government.

I commend my colleague from California for his amendment; and, on the part of the majority, I am delighted to accept it.

Mr. HOLLINGS. Mr. President, the program makes money for the Government. Let the record show that I believe this is the first one we have passed this year that would make money for the Government. We join in supporting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 607) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 608

(Purpose: To reduce funding for the Federal Trade Commission)

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the manager of the bill request that the committee amendment be set aside?

Mr. HOLLINGS. I ask unanimous consent that the committee amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The bill clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 608:

On page 16, line 17, strike "71,958,000" and insert in lieu thereof: "68,100,000".

Mr. KASTEN. Mr. President, this amendment would reduce funding for the Federal Trade Commission from $72 million to $68.1 million. The FTC is currently spending at a rate of $68.1 million a year, almost $4 million less than the level recommended in the bill before us today, and the Commission has voted to accept a budget as small as $61.1 million. I believe that $68.1 million is more than enough to allow the FTC to carry out essential programs and to continue operating at a productive level.

Mr. President, we had an opportunity to discuss this particular issue in the Appropriations Committee. At that time, the Senator from Connecticut and I discussed the merits of this amendment. I thank him for his cooperation in the committee and in deliberations during the last few days. I thank him also for his understanding and cooperation in our efforts to work for an efficient Federal Trade Commission and one that will not back away from its essential responsibilities, particularly in the area of antitrust enforcement.

As chairman of the authorizing subcommittee, I look forward to working with him in the future. I pledge my continued cooperation as we work together to make the FTC a more effective and more efficient Government agency.

Mr. President, if my amendment is agreed to, we would simply be funding the FTC at a rate approximately equal to what it is spending today. A funding level of $68.1 million would permit the FTC to reevaluate its preliminary decision to reduce the number of regional offices from 10 to 6, and to reduce employment levels in those offices.

While I believe that essential FTC enforcement programs would not have been gutted at the $61.1 million level accepted by the FTC, the higher $68.1 million level I now propose should certainly allay any fears that Members may have in that regard.

Mr. President, since January both Congress and the administration have searched for ways to reduce Federal spending. Here is one place where we can cut, and at the same time preserve major FTC programs and staffing patterns. This amendment has the implicit support of both the FTC and the administration, it has been cleared with the appropriations subcommittee staff on both sides, and it brings us one step closer to our budget goals for fiscal year 1982. I urge adoption of this amendment.

Mr. President, I have worked, and worked successfully, with the chairman of the subcommittee. I know also that he has now been in touch with the Chairman of the FTC. I guess if there is anything we have accomplished in the last 3 or 4 weeks, it is that we have worked with the FTC and particularly the new Chairman. He understands that he is to work with us, and he understands particularly the importance of the appropriations process and of this bill.

I think we have succeeded in getting the FTC's attention. I think we have succeeded in making a step forward, and I hope that we can succeed now in backing up somewhat and finding a compromise level of the appropriations for the fiscal year 1982.

Mr. HOLLINGS. Mr. President, will the distinguished Senator yield for a question?

Mr. KASTEN. I yield.

Mr. HOLLINGS. As I understand it the Senator from Wisconsin does not in any wise wish to restrict the antitrust activities of the Federal Trade Commission by this amendment. Will the distinguished chairman of our Subcommittee on Antitrust object to the Federal Trade Commission viewing the Mobil-Marathon merger?

Mr. KASTEN. I am the chairman of the Consumer Subcommittee of the Commerce Committee. I do not have any objection to either the Justice Department or the FTC reviewing this matter. I am honestly not sure whether it is the Antitrust Division at Justice or if it is the FTC that would be the most efficient spot for this question to be reviewed.

But either way, I have no objection to any kind of review of this question or any other questions. The key point is that if any changes are going to be made in the essential responsibilities of the Federal Trade Commission having to do with antitrust, those changes should be made in the legislative branch, through the appropriations process and through the authorizing committees.

We should not by the budget process back away or start to gradually back away from the important commitment we have to antitrust. The FTC should not make changes through the budget process that appropriately belong here in the appropriations and authorization process. I believe that is one of the things that the Senator from Connecticut and I have been able to encourage, and it is something that I believe that the Commission accepts.

Mr. HOLLINGS. So if I understand it, then, it is not the intent of the Senator from Wisconsin to in any wise inhibit or restrict the Federal Trade Commission if it so sees fit to look at that particular merger?

Mr. KASTEN. The Senator is correct.

Mr. HOLLINGS. I thank the distinguished Senator from Wisconsin.

Mr. WEICKER. Mr. President, I thank the distinguished Senator from Wisconsin for his handling of this matter from its inception, during the Appropriations Committee hearings, and to this point in the Chamber.

It is true that in the formation of any new administration some matters can slip between the cracks and one of those matters was communications between the new Chairman of the Commission and the Appropriations Committee and the authorizing committee. I also join with the Senator from Wisconsin in happily stating that those communications are in place now and what is being done here in the Chamber shows that they are working and working well.

I think the Senator from Wisconsin also stated with great clarity my feelings and his own, I know, but certainly mine also as to any change that might come about in the mission of the FTC, but that is a matter to be handled by the legislative and executive branches in the normal constitutional process and not something to be achieved by virtue of budget recommendations.

A reduction to $68.1 million in the fiscal 1982 budget from $72 million is a total reduction of $3.9 million, or 5.4 percent and would require workyear and related operating expense reductions in most Commission programs.

A limited hiring freeze would be necessary to meet the $68.1 million budget. Attrition would yield the reductions necessary and no reductions-in-force would be required as would be under the administration's $61.1 million proposal. Related reductions in operating expenses would be required; however, near-normal operations could be conducted.

This level would be $2.7 million less than the actual fiscal 1981 appropriation—$70.8 million. However, increased personnel compensation costs and major rate increases in space, $1.3 million, and utilities have caused fiscal 1982 base requirements to increase substantially.

Programmatically, reductions in most cases will be applied across the board and would not adversely affect the general thrust of existing Commission policy. The Commission has stated, in all of the various budget exercises, that it intends to maintain the same proportion of available resources allocated to the two enforcement missions—antitrust and consumer protection, making most of the cuts in nonenforcement and overhead accounts. But obviously, the agency will be engaged in fewer antitrust and consumer protection activities.

This reduced level would allow the continuation of most of the Commission's current programs. It does give the new Chairman of the Commission the flexibility to expand some important areas of critical concern—for example, antitrust investigations of price-fixing and other, illegal collusive activity—while forcing the curtailing of other less productive areas—for example, the industrywide program in the competition mission.

In the consumer protection mission, this reduction will require the Commission to become more selective in new case generation in areas like enforcement of credit statutes but would allow some modest expansion in benefit-cost analyses as required by statute.

In sum, the revised budget of $68.1 million forces the Commission to curtail activities and economize in many areas but allows the continuation of basic antitrust and consumer protection programs vital to small businesses and consumers.

Never before has there been a greater need than now for the Federal Trade Commission. I am confident that its new Chairman as he gets a handle on the many problems that will be confronting him is going to look long and hard at what it is that is transpiring in this Nation today vis-a-vis the concentration of economic power.

I agree with many of the things, I might add, that he has said in the press vis-a-vis previous activities of the Commission which seem to go way beyond the legislative mandate.

The consumer needs to be protected. I think he has made clear he is going to do that without unnecessarily bogging the Commission down in dotting of every "i" and crossing every "t."

I hope that the working out of this funding, which I might add is a compromise of views as between his initial views, the initial views presented by the administration, and those presented within the Appropriations Committee, will enable him to do the job and do it well.

I accept the amendment, but most importantly, I commend the distinguished Senator from Wisconsin for a very statesmanlike job here in bringing together this agency of Government with

the legislative branch. Indeed, even though his appointment comes from the administration, and I am sure his philosophy might be akin to the administration, for the most part his contacts with Government are going to be with this branch of Government and it really just makes no sense to get those relationships off on the wrong foot.

I congratulate the Senator from Wisconsin for putting things back on the track.

Mr. KASTEN. I thank the distinguished Senator and chairman of the subcommittee. I greatly appreciate and admire his fine work on this bill, and particularly on this amendment, and I look forward to working with him in our continual oversight and attention to the Federal Trade Commission, in particular the FTC's antitrust enforcement.

Mr. GORTON. The report stated the committee's belief, "* * * that the FTC should maintain a viable regional structure." It indicated that the regional offices "* * * have a major role in working with the small business communities in their areas, in identifying local anticompetitive problems, in enforcing antitrust laws, and in explaining to businesses their rights and responsibilities under numerous Federal statutes." The committee specifically found that the regional offices have been instrumental in protecting consumers and very cost effective, having obtained more than $100,000,000 in consumer redress during the past 3 years, enough to offset their operating costs for more than 7 years. The report also noted, however, that the recommended appropriation did represent a significant reduction, "* * * and requires the Commission to reevaluate the configuration and placement of its regional offices." It added:

(T)he Committee expects the Commission to undertake a review of those factors which affect an effective, although smaller (at least five offices) regional structure.

It is my understanding that a majority of the Commission recommended that the number of regional offices be reduced from 10 to 6, strictly as a means of meeting a possible appropriations reduction to $61,123,000; and that this would require that the number of work years allocated to the regional offices be reduced from approximately 300 to 150 by the middle of fiscal year 1982, requiring a reduction in force of about 100 people. I further understand that in the case of an appropriation of $68.1 million, as Senator KASTEN's proposed amendment would establish, the Commission would look anew at the question of whether the number of regional offices should be reduced. Is the foregoing consistent with the Senator's understanding of the circumstances?

Mr. WEICKER. Yes, it is.

Mr. GORTON. Does the report language which I have quoted reflect an intention by the committee to enjoin or encourage the FTC to, in fact, reduce the number of regional offices, assuming the $68.1 million appropriation is approved by the Congress?

Mr. WEICKER. No, it does not. The language simply reflects the committee's recognition that a reduction in the number of regional offices unfortunately might be necessary or prudent, even at the higher appropriation figure.

Mr. GORTON. I thank the distinguished Senator.

Mr. KASTEN. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (UP No. 608) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent that Bryan Walsh, of Senator CHILES' staff, be given the privilege of the floor during the debate and votes on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KASTEN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HEINZ). Without objection, it is so ordered.

Mr. BAKER. Mr. President, under an order previously entered, there will be no votes before 3 o'clock today. But, as I indicated earlier today, I expect this day will be a fairly late day because at 6:10 p.m. we start on another matter.

There will be a series of votes, and then we will resume consideration of the bill now before us.

Mr. President, I understand that there are important conferences going on, including the conference on the agriculture bill which will require the attention of the chairman of that committee, the distinguished Senator from North Carolina, and other Members. However, I think it is also urgent that we go on with the consideration of this measure, the consideration of amendments as and when they can be offered.

The distinguished Senator from North Carolina (Mr. HELMS) has indicated that he will try to make arrangements to juggle those balls at the same time to see if we can continue the conference on the farm bill while we are still going on with the consideration of this measure.

I do expect the Senate to do the best it can under these difficult circumstances. This is rather a sample of things to come, as it always is in the final days and weeks in a session. We have too many things to do and too little time to do them in.

I would urge all Members to consider that we have to invest this time wisely between now and later in the afternoon on this bill, to make arrangements to do the conference report as they can, offer these amendments as we must, and get on with that and with other matters as quickly as possible.

Mr. HELMS. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. I yield.

Mr. HELMS. Mr. President, as the distinguished majority leader indicated, we do have a conference with the House on the farm bill which, up to now, has gone on and on like Kelly's brook, and it is likely to do that for some time.

It is an immensely extensive bill. We are trying to bring it into some sense of logic. I feel that that deserves the attention of all members of the conference from the Senate side as well as the House side.

What I would suggest to the leader is that he let me go back to the House and see if I can find someone to chair that conference and then come back.

Before I go, I would pose a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

FIRST EXCEPTED COMMITTEE AMENDMENT—PAGE 2, LINES 17–23

Mr. HELMS. At the present time, is the first excepted committee amendment on page 2, lines 17 through 23, which is the prohibition of prosecution of farmers for failure to return the agricultural census form?

The PRESIDING OFFICER. That is the first excepted committee amendment.

The first excepted committee amendment is as follows:

On page 2, line 17, beginning with ": Provided.", strike through and including line 23;

Mr. HELMS. Just to get the ball rolling, let me make a brief statement and ask for the yeas and nays.

Mr. BAKER. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, in the opinion of the Senator from North Carolina, and in my capacity as chairman of the Agriculture Committee of the Senate, I am constrained to suggest that the House acted wisely in providing that no funds be made available to the Bureau of the Census for the prosecution of any person for failure to return 1978 Agricultural Census forms 78A40A, or 78A40C or 78A40D, or form 79A9A or form 79A9B, or for the preparation of similar forms for any future agriculture use.

Mr. President, I simply do not feel I have ever heard a great number of complaints about a Government nuisance that has been the case with respect to the census forms. If any of my colleagues have constituents who are farmers, and most of them do, I would invite them to seek the opinion of those farmers regarding these forms. I doubt that Senators could repeat the precise wording of the responses they will receive from the farmers on this floor or in any polite society.

I have had farmers tell me it takes up to 3 days to fill out some of the forms. It should be borne in mind that a great many farmers are not oriented toward paperwork in the first place, but there has to be a limit as to what the Federal bureaucrats can require.

It is a drastic step, I realize, to prohibit prosecution, but I do not know of any other way to get the attention of the

bureaucrats in this matter. Why should a farmer be fined or thrown into jail because a census bureaucrat has devised an impossible form to fill out?

I think it is up to the Federal bureaucrats to devise something simpler, and I think that the House language is the only way to send a message that desperately needs to be sent.

Having said that, Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, the distinguished Senator from Hawaii has handed me his copy of this census form that the farmers are required to fill out. I left my copy in my office.

With his indulgence, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the form was ordered to be printed in the RECORD, as follows:

The form requested to be printed, not reproduced in the RECORD.

Mr. WEICKER. Mr. President, the committee has eliminated language in the bill that was included in the fiscal year 1981 Appropriations Act, which prohibits the prosecution of any person for failure to return forms associated with the 1978 Census of Agriculture, or the preparation of similar forms for any future agricultural census. The forms concern the farm finance survey and the census of agricultural services, both of which are important benchmarks for the preparation of the national income and product accounts. Officials at the Bureau are particularly concerned about the farm finance survey which contains data on farms and farm landlords not available from any other source. The basic statistics obtained are required for calculating many of the economic data series describing the economic condition of the farm sector.

We have received letters of support for the Committee's action from the following people, and I ask unanimous consent to have them inserted in the record at this point:

Shirley Kallek, Associate Director, Bureau of the Census, Department of Commerce.

William G. Lesher, Assistant Secretary for Economics, Department of Agriculture.

Robert P. Parker, Chief of the National Income and Wealth Division, Bureau of Economic Analysis, Department of Commerce.

Paul S. Weller, Vice President, Public Affairs, National Council for Farmer Cooperatives.

Donald E. Wilkinsen, Governor, Farm Credit Administration.

John H. Aiken, Executive Director, Federal Statistics User Conference.

C. Edward Harshbarger, Research Manager, Farm Bank Services, Denver, Colo.

Peter J. Berry, Professor of Agricultural Finance, University of Illinois at Urbana-Champaign.

Richard K. Perrin, Professor and Chairman, Economic Statistics Committee, North Carolina State University.

George R. Dawson, Department Head, College of Agriculture, Mexico State University.

Luther Tweeten, Regents Professor, Oklahoma State University.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF COMMERCE,
Washington, D.C., July 17, 1981.

Mr. TIMOTHY R. KEENEY,
Subcommittee on State, Justice, Commerce and the Judiciary, Senate Committee on Appropriations, Washington, D.C.

DEAR MR. KEENEY: Enclosed are fact sheets concerning the farm finance survey and the census of agriculture services which are conducted as part of the census of agriculture. As I indicated to you, although funding for the 1982 Census of Agricultural Services was eliminated from the 1982 budget request, it would be helpful if the language could be deleted for future censuses. The appropriate form numbers are 78A-40A, 78A-40B, 78A-40C, and 78A-40D.

We are much more concerned about the elimination of the language prohibiting the conduct of farm finance survey (Forms 79A-9A and 79A-9B). This survey provides data which are not available from any other source. It is conducted on a sample basis in the year following the basic census and covers only about 45,000 farms and about 35,000 farm landlords. Farm landlords are covered in no other census or survey. A measure of its importance is shown by the fact that the Department of Agriculture contributed approximately $600,000 to the 1979 survey in order to obtain data at the state level since our funding permitted only the collection of data at the national level.

Our suggestion for the amendment language is—On page ——, Line ——, following "or 78A-40D" add ":" and delete "or form 79A-9A, or form 79A-9B, or for the preparation of similar forms for any future agricultural census."

If there are additional questions, please call me at 763-5274.

Sincerely,

SHIRLEY KALLEK,
Associate Director,
Bureau of the Census.

U.S. DEPARTMENT OF COMMERCE,
Washington, D.C.

REINSTATEMENT OF THE CENSUS OF AGRICULRURAL SERVICES IN THE 1982 CENSUS OF AGRICULTURE

Increasingly, farmers and ranchers have been buying more of the goods and services used in production of their crops and livestock. These services have become an integral part of the agricultural production process. Consequently, the National Economic Council identified a number of areas in our economy about which very little information was available, including activities classified as agricultural services. The Agricultural Services Census was established in 1969 to provide the data for this growing segment of the agriculture input sector.

The data collected in this census are sought by government agencies as well as by business. The Bureau of Economic Analysis uses the data as a major source for the preparation of certain segments of its detailed input-output study of the U.S. economy. These data also constitute an important benchmark for the preparation of the national income and product accounts.

Data from this census are used in the development of the total production estimates for the gross national product (GNP). This information enables a precise determination of the contributions of this particular industry group to the overall U.S. economy. Even though the agricultural services group is only a part of the total number of industries which go into the input-output estimates, the ultimate validity of the input-output tables and analytical system is a direct function of its component parts. Considerable success has been made at improving the reliability of the GNP and to discontinue the Agricultural Services Census would, in effect, decrease the reliability of the GNP estimates for the agricultural sector.

This program receives strong support from the U.S. Departments of Agriculture, Labor, and the Interior, the Farm Credit Administration, and various other Federal agencies. Continuation of this data series was also unanimously supported by the Census Advisory Committee on Agriculture Statistics at its meeting on October 23, 1979. This committee represents all sectors of the agricultural economy.

The increasingly significant contribution of the agricultural services sector to total agricultural production is critical to the full understanding of the Nation's agricultural production system. For example, employment of over one million workers with a total payroll of over $2.5 billion were reported in the 1978 Agricultural Services Census.

FACT SHEET—FARM FINANCE SURVEY

The farm finance survey provides a series of data which are collected on a sample basis once every five years following the census of agriculture. It was first conducted in 1954. The 1979 survey included a sample of 45,000 farm operators and 35,000 landlords (less than 2 percent of farm operators) minimizing respondent burden to the extent possible. Because of the burdensomeness and sensitivity of financial-type inquiries they have been excluded from the census of agriculture form. However, to meet the priority needs of the data users, most such questions have been included in one comprehensive sample survey—farm finance.

The survey provides needed information on the financial status of the agricultural sector of the Nation's economy. The basic statistics obtained in the farm finance survey are required for calculating many of the economic data series describing the economic condition of the farm sector. Current economic data, such as the sources and level of income received by farmers, sources and level of credit, methods of financing new technology, and the parity price index for agriculture depend on data from the survey. These economic data series provide policy analysts and decision makers with information needed to make many important decisions affecting farmers.

In addition to being the only source for some of the data in these economic data series, the survey is the only comprehensive source of data for analyzing and understanding the relationships among the financial, operating, structural and socio-economic characteristics of U.S. farms and farm families. This unique feature of the survey makes it a vital source of factual information to help in making policy and program decisions that have significant impact on the economic status of the farm sector.

Examples of policy and program decisions dependent on data from the data from the Farm Finance Survey:

Assessing the financial condition of the farm sector and for different sizes, types or other structural characteristics of farms;

Evaluating the effectiveness of commodity programs in improving the financial condition of farmers;

Monitoring the uses of credit by farmers to develop additional capital resources and adopt new technology to improve productivity;

Evaluating the adequacy of available credit for particular groups of farmers such as those with small farms, beginning farmers, or tenant operators of farms;

Analyzing the need and adequacy of risk reduction programs in agriculture, such as crop insurance, disaster assistance programs and grain reserves;

Assessing the impact of tax policies on farmers, especially policies relating to investment credit, estate taxes, and real property taxes;

Analyzing the impact of farm programs and policies on the structure of the farm sector, including increasing concentration of production in fewer and larger farms and control over farm production through contracting and vertical integration;

Evaluating financial programs, market shares, and credit service provided to farmers by major institutional lenders such as the Farm Credit System; and

Constructing gross national product accounts for the farm sector and personal income data series used to distribute about $50 billion of Federal funds.

Primary Data Users:

Congressional Committees and Offices;

Various USDA agencies;

Farm Credit Administration;

Federal Reserve System;

Commerce-Bureau of Economic Analysis;

Commodity Futures Trading Commission;

American Banking Association; and

Farmbank Research and Information Services.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 28, 1981.

Hon. LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce and the Judiciary, Committee on Appropriations, Washington, D.C.

DEAR MR. CHAIRMAN: I write in support of your effort to remove the language of the amendment by Senator Melcher which has the effect of prohibiting the Bureau of the Census from conducting the Farm Finance Survey as a followup to the 1982 Census of Agriculture.

This survey is the only instrument currently available for providing vital information on the financial status of the agricultural sector of the Nation's economy. Current economic data, such as the sources and level of income received by farmers, sources and level of credit, and methods of financing new technology for agriculture depend on data from the survey. The Department of Agriculture views these data of such importance that in 1979 the Department contributed approximately $600,000 to the Bureau of the Census' survey in order to obtain data at the state level since without such additional support the Bureau would have only been able to collect data at the national level.

We support the amendment language provided by the Bureau of the Census: On page ———, line ———, following "or 78A-40D" and ":" and delete "or form 79A-9A, or form 79A-9B, or for the preparation of similar forms for any future agriculture census."

Since the data collected in the Farm Finance Survey are vital to decision making in both the public and private sectors and since these data are available only as a result of the Farm Finance Survey, I hope it will be possible to eliminate the restrictions in the Fiscal Year 1982 Appropriations measure.

Sincerely,

WILLIAM G. LESHER,
Assistant Secretary for Economics.

U.S. DEPARTMENT OF COMMERCE,
Washington, D.C., September 14, 1981.

Hon. LOWELL P. WEICKER, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WEICKER: I am writing in support of the effort to permit the Bureau of the Census to conduct the Farm Finance Survey as part of the 1982 Census of Agriculture.

... of Economic Analysis of the Department of Commerce is responsible for the preparation of the official estimates of the Gross National Product (GNP) and related national and regional measures, which are widely used by Government and business to formulate and monitor policy decisions. The quality of the estimates of the output and income of the components of these measures relating to the farm sector rely heavily on the results of the Farm Finance Survey. Specifically, this survey provides benchmark data for production expenses, inventories, and labor costs. Because there is no alternative source for these items, loss of the Farm Finance Survey would lower the quality of our estimates.

The Bureau of Economic Analysis appreciates your efforts to reconsider this important matter.

Sincerely yours,

ROBERT P. PARKER,
Chief, National Income and Wealth Division.

NATIONAL COUNCIL OF FARMER COOPERATIVES,
Washington, D.C., August 31, 1981.

Hon. LOWELL P. WEICKER, Jr.,
Chairman, Subcommittee on State, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: For more than 30 years, representatives of the National Council of Farmer Cooperatives have served on the agricultural advisory committee to the Bureau of the Census. We have helped develop modern-day versions of both the U.S. Census of Agriculture and its follow-on surveys.

Now we learn that one of those important follow-on surveys, the Farm Finance Survey, is in jeopardy through an amendment to the Commerce Appropriations Bill (H.R. 4169).

We ask your support in assuring proper FY 1982 funding of this Farm Finance Survey, and your opposition to any effort to delete it or render it ineffective.

An analysis of the need and value of national follow-on surveys should be based upon how such data serves the citizenry, not upon the personal whim of legislators or bureaucrats. Unless conclusive proof can be produced to indicate that data collected by this survey is not needed, then it is our position that the survey should be retained. We pledge our every effort to work to reduce respondent burden, and to continue to modify the survey for maximum effectiveness.

Our experience indicates that the Farm Finance Survey provides invaluable follow-on data and comparisons from the quinquennial Census of Agriculture. This data is gleaned from the 3,000-county base of the Census of Agriculture, and is unique in its national scope and agricultural content. It is used by the cooperative Farm Credit System to chart financial trends, to provide financial comparisons among borrowers, and to improve its borrower services. It is used by suppliers to agriculture to plan expansion or shifts in areas of farm needs. And it is used by government to better provide those services needed to retain a healthy and viable agricultural economy.

It is our sincere hope that proper FY 1982 funding will be authorized by your committee, so that this Farm Finance Survey may be initiated as soon as possible. Thank you for your consideration.

Sincerely,

PAUL S. WELLER,
Vice President, Public Affairs.

FARM CREDIT ADMINISTRATION,
Washington, D.C., August 28, 1981.

Hon. LOWELL P. WEICKER, Jr.,
Chairman, Subcommittee on State, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We understand that future Farm Finance Surveys are in jeopardy due to an amendment to the Commerce Appropriations Bill (H.R. 4169). In effect, this amendment would prohibit the use of funds appropriated to the Department of Commerce for a Farm Finance Survey. This letter presents our views on the amendment in terms of its implications for achieving the objective of the Farm Credit System as established by the Farm Credit Act of 1971.

The Farm Credit System was created to improve the income and well-being of American farmers and ranchers by furnishing sound, adequate, and constructive agricultural credit and closely related services. To this end, the Farm Credit Administration was created to charter, examine, and supervise the banks and associations that comprise the System. In addition, the Farm Credit Administration is responsible for the analysis of rural credit needs and the means by which those needs can be met under changing farming and economic conditions. Currently, the System has some $75 billion in loans outstanding to agricultural and aquatic producers and their supply and marketing cooperatives.

Achieving our congressionally mandated mission requires that we carefully and continually monitor the financial condition of the agricultural sector. Information provided through loan applications and loan servicing enables us to continuously evaluate the financial status of System member-borrowers. We must look to outside sources, however, for information on how well the System is serving the credit needs of the farm sector as a whole. Among other things, we need information by which to compare the financial condition and characteristics of member-borrowers with those of the aggregate farm population. The census of agriculture is uniquely valuable in this respect. The Farm Finance Survey, conducted as a special follow-up to the larger census, is especially useful insofar as it provides benchmark information on the financial condition of the farm sector and its subsectors, as well as comprehensive information on the sources and uses of agricultural credit.

The Farm Credit Administration supports efforts to hold the reporting burden imposed on American farmers to the minimum necessary to develop and maintain sound agricultural policies. We are concerned, however, that loss of the Farm Finance Survey could seriously reduce the amount and reliability of information available to gauge the financial condition of the farm sector. This would detract from our ability to provide accurate and timely reports to Congress on the extent to which the System's objective is being met.

Sincerely,

DONALD E. WILKINSON,
Governor.

FEDERAL STATISTICS USERS' CONFERENCE,
Washington, D.C., September 17, 1981.

Senator MARK O. HATFIELD,
Chairman, Senate Appropriations Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR HATFIELD: The Board of Trustees of the Federal Statistics Users' Conference and the FSUC Agricultural Statistics Committee strongly support the action taken by your subcommittee on State, Justice, Commerce, and the Judiciary to delete the language of the Melcher Amendment to the 1982 budget of the Department of Commerce that would have denied funds for conducting the Farm Finance Survey as a follow up to the 1982 Census of Agriculture.

The position of our Agricultural Statistics Committee has been clearly expressed by the chairman of that committee in a letter to me. He stated:

"The FSUC Agricultural Statistics Committee feels that it is essential to restore a portion of the Department of Commerce budget so that the Farm Finance Survey can be conducted." A poll of members produced

the following major reasons we feel this course of action should be taken:

"1. The Farm Finance Survey is the major, and in most respects, the only information on the financial aspects of the agricultural sector that can be used to design, administer, and measure the effects of agricultural programs and policies.

"2. The current economic stress in the agricultural sector brought about by the cost/price squeeze, high interest rates and structural changes makes it essential to retain reporting of this nature so that government and private sector programs affecting farm operators may proceed from a realistic base of information.

"3. The survey would involve only a small number of farms, thus avoiding a census which might be burdensome to the farmer respondents.

"While we agree with many of the cost reduction programs in place or under discussion, the Farm Finance Survey is, in our view, an essential resource for the effective management of agricultural programs and should be treated as an exception and conducted as planned."

A list of the members of the FSUC Agricultural Statistics Committee is enclosed.

A sampling of views of the heads of Departments of Agriculture at various Universities indicated that they approve restoration of funds in the 1982 budget of the Department of Commerce for conducting the 1983 Farm Finance Survey. This support comes from the following Universities:

Mississippi State University, New Mexico State University, Oregon State University, Rutgers University, Southern Illinois University, University of Georgia, University of Idaho, University of Minnesota, and West Virginia University.

To cite a specific example of the value of the survey, the head of the Department of Agricultural Economics at the University of Idaho said:

"We utilize the information generated from the Farm Finance Survey in classroom instruction to better inform students in farm management, agricultural policy, marketing and farm finance. We also use this information in many of our research projects and as a basis for our Extension Program in Agricultural Policy. Without this information we would be at a severe disadvantage."

I hope that this information will provide added support for this action should any question arise when the bill comes before the Senate.

Sincerely,

JOHN H. AIKEN,
Executive Director.

AGRICULTURAL STATISTICS COMMITTEE

Richard Lindstaedt, Director Market Research, Elanco Products, Eli Lilly & Company (Chairman, FSUC Committee).

Norman M. Coats, Director, Economic Research Department, Ralston Purina Company.

Bruce L. Gardner, Professor, Department of Agriculture and Resource Economics, University of Maryland.

R. J. McCoy, Manager, Commodity Research & Analysis, the Procter & Gamble Company.

R. Gerald Saylor, Director, Market Economics, Deere and Company.

A. C. Peterson, Director of Agriculture Chemicals Market Research, Shell Chemical Company.

Glenn W. Suter, Director, Division of Statistics, New York State Department of Agriculture and Markets.

Norman Urquhart, Asst. Vice Pres. and Commodity Economist, Citbank.

John Wilkin, Vice President, Doane Agricultural Service, Inc.

FARMBANK SERVICES,
Denver, Colo., September 2, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to support your effort to alter the language of the Melcher amendment which prohibits the Bureau of the Census from conducting the Farm Finance Survey as a followup to the 1982 Census of Agriculture.

Obtaining reliable financial information on the agricultural sector of the economy is nearly impossible. This special survey is the only instrument currently available which provides data on the financial condition of American agriculture. This information is very useful to a number of organizations, including the Farm Credit System, because it permits banks in the System to more accurately gauge how lending policies and practices should change to meet the growing credit needs of our farmers and ranchers. The information also permits all lending institutions to monitor regional differences in farm structure and credit worthiness—which is important information to have when new farm programs are being developed.

Since information from the Farm Finance Survey is so important to public and private decisionmakers, I hope it will be possible to eliminate the restrictions in the Fiscal Year 1982 appropriations measure.

Sincerely,

C. EDWARD HARSHBARGER,
Research Manager.

UNIVERSITY OF ILLINOIS,
AT URBANA-CHAMPAIGN,
Urbana, Ill., August 31, 1981.

Senator LOWELL WEICKER,
Chairman Subcommittee on State, Justice, Commerce, and the Judiciary Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: As a user of data from the Farm Finance Survey conducted every five years by the Census Bureau, I have been encouraged to indicate the benefits of this data in light of the possible loss of funding for the Survey from an amendment proposed for the 1982 appropriations bill for the Commerce Department. My job is that of a professor of Agricultural Finance at the University of Illinois, conducting research and educational activities on all aspects of agricultural finance with emphasis on the financial management and performance of farm businesses. In support of these activities, a comprehensive, high quality, stable data base is essential in identifying emerging problems, explaining farmers' financial behavior, and evaluating various management strategies for improving financial performance.

I am fortunate to have USDA personnel located at the University of Illinois who have access to and have worked with data from the Farm Finance Survey in the past. Several publications have occurred over the years as a direct result of having this data available, and it has served an essential role in validating many of the assumptions and specifications that finance researchers must make in conducting their analyses. Moreover, I am aware that data from this survey provide important benchmarks with which USDA analysts evaluate possible changes in their annual data series on financial performance in the farm sector. Hence, listing the availability of this data would substantially deteriorate the quality of the excellent performance measures that have been developed for the farm sector, and significantly affect the availability of high quality information for financial research.

Many states do provide record keeping services for selected farmers and many lending institutions compile financial data as well. However, these types of data are not based on sampling procedures and are indicative of selected farm and farmers characteristics. Hence, their generality is quite limited.

Thus, I am quite supportive of efforts to continue the Farm Finance Survey, and hope that this will be the case.

Sincerely,

PETER J. BARRY,
Professor of Agricultural Finance.

NORTH CAROLINA STATE UNIVERSITY,
Raleigh, N.C., September 4, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: I write to you to urge your support for funding of the Farm Finance Survey which the Census Bureau has proposed for 1983, which I understand would be included in the 1982 Appropriations Bill.

The American Agricultural Economics Association's Economic Statistics Committee, which I chair, has been cooperating with the Census Bureau and the Department of Agriculture to modify data collection and reporting procedures so as to provide better knowledge about farm income and changes in the structure of the farming sector. This collaboration has been underway for about ten years, and in a recent review of this work it was clear that we are just beginning to see the payoff in terms of improved understanding of the economic health of the farming sector. Much of the data for these efforts can be obtained only from a survey such as the Farm Finance Survey. If it is to be discontinued, our knowledge of the current problems and progress in agriculture will be severely limited. I hope that it will be possible for your committee to find some way to avoid this unfortunate prospect.

Sincerely,

RICHARD K. PERRIN,
Professor and Chairman, Economic Statistics Committee, American Agricultural Economics Association.

NEW MEXICO STATE UNIVERSITY,
Las Cruces, N. Mex., August 31, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: I am writing to urge your support of the Farm Finance Survey being debated in committee. Agriculture, the most basic of all industries must have available statistics for use in directing policy decisions. We would be ignoring an industry's needs if we adopted the views of Senator Melcher.

Sincerely,

GEORGE R. DAWSON,
Head of Agriculture Department.

OKLAHOMA STATE UNIVERSITY,
Stillwater, Okla., August 31, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and Judiciary Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: I am strongly opposed to efforts to terminate the 1983 Farm Finance Survey, and urge that funds be restored in the 1982 Budget of the Department of Commerce to conduct the Survey.

Without reasonably accurate information

on the economic position of farmers, it is impossible to make sound public policy. The Farm Finance Survey is absolutely critical for reliable information on the economic health of the farming industry. That survey is the only source of reliable data on the assets, liabilities, and net worth of farmers. It provides a quinquennial benchmark that make possible annual estimates of the farming sector balance sheet. It is the only survey that provides sufficient data to specify the income and balance sheet position of farmers by type and size of farm. Such data are essential to determine changes in wealth position of farmers, capital gains, and compare efficiency among farms of different sizes.

This information could potentially be obtained in the Census of Agriculture. Because of its detail and sensitivity, however, it is obtained only from the Farm Finance Survey which, because of the relatively small sample, minimizes the burden on respondents while obtaining reasonably reliable data.

As immediate past president of the American Agricultural Economics Association, former chairman of that Association's Economic Statistics Committee and former member of the Agricultural Census Advisory Committee, I have a good feel for the availability and need for economic data on the farming industry. In addition, as the author or co-author of four books and over 250 journal articles and published papers on agriculture, I have the experience of one who works with the data from day to day. And I can tell you that there are few sets of information more important to farmers, economists, policy makers and others concerning the agricultural industry than information obtained from the Farm Finance Survey. I hope you will spare no effort to see that this survey is pursued in a timely and expeditious manner with full funding.

Sincerely,

LUTHER TWEETEN,
Regents Professor.

Mr. HELMS. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside so I may address another amendment.

The PRESIDING OFFICER. Is there objection to temporarily laying aside the committee amendment? The Chair hears none. Without objection, it is so ordered.

Mr. HELMS. Now I would pose a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

SECOND EXCEPTED COMMITTEE AMENDMENT—PAGE 11, LINES 24–25

Mr. HELMS. Is the next committee amendment the proposal on page 11, lines 24 and 25, restrictions on funding construction of any ship in any foreign country?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I thank the Chair.

Mr. President, the House language provides that—

No part of any appropriation contained in this title shall be used for construction of any ship in any foreign country.

As a general principle, I do not see how anyone could disagree with that restriction. Frankly, I am puzzled as to why the Senate committee voted to strike the provision. Neither the House report nor the Senate report makes any mention of the provision. I certainly cannot understand how the Senate could go on record as approving the removal of such language.

I wonder if the distinguished floor manager is willing to explain the committee's action.

Mr. INOUYE. The committee's action was an all-sweeping action. We decided to take out all of these conditions in the hope that when this matter is taken up on the floor, the Senate could exercise its will and restore whatever provision they wanted to.

In this case, I would suggest, if the distinguished Senator wishes to restore this language, that it should come under another section. I think it should be on page 14, after line 17, under the Department of Transportation. That is where it would belong.

Mr. HELMS. Page 14?

Mr. INOUYE. Page 14, afer line 17.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I do not know whether this unanimous-consent request will apply, but I will make a pass at it and see how the distinguished manager of the bill (Mr. WEICKER) reacts to it.

I ask unanimous consent that the House provision on page 11, lines 24 and 25, which were elim'nated by the Senate committee, be reinserted on page 14 after line 17.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I renew my unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request by the Senator from North Carolina?

Mr. WEICKER. I have no objection.

The PRESIDING OFFICER. Hearing none, it is so ordered.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. I want to be certain that the amendment, as eliminated by the Senate committee, is now in place on page 14 after line 17 as a result of my unanimous consent request.

The PRESIDING OFFICER. Is the Senator attempting to insert House language in a later part of the bill?

Mr. HELMS. Yes. I understand the manager of the bill would not object to it.

The PRESIDING OFFICER. That has already been done.

Mr. HELMS. I thank the Chair.

THIRD EXCEPTED COMMITTEE AMENDMENT—PAGE 12, LINES 1–3

Now, Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Is the next succeeding committee amendment on page 12, line 1 through 3—

No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. Mr. President, the distinguished and charming Senator from Florida wishes to address herself to this amendment as well, but I do want to say, prior to her arrival in the Chamber, that the House language states:

No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

The committee proposes to strike this language. The Senator from Florida (Mrs. HAWKINS) and this Senator from North Carolina wish to make sure that the language is included.

Mr. President, I am at a loss to understand why anyone with the best interests of the United States at heart would want to spend taxpayers' money to promote or conduct trade relations with Cuba. Certainly the House of Representatives does not want to spend taxpayers' funds for this purpose. If the Senate strikes the House language, it would send a wrong signal to Cuba. It would undercut the President and the Secretary of State.

We are talking about taking strong measures against Cuba if Cuba does not stop exporting revolution. We are talking about setting up Radio Free Cuba. A prohibition of the sort passed by the House is completely in accord with U.S. Government policy. Why should we be afraid to spell it out in law? I think the House language should be retained.

Mr. President, I ask for the yeas and nays on this committee amendment.

Mr. WEICKER. Mr. President, I wonder if the Senator from North Carolina will agree to have a short quorum call, because I should like to discuss that with him.

Mr. HELMS. Surely.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Will the Senator state whether he wishes the second committee amendment to be agreed to?

Mr. HELMS. I am sorry, I do not understand what the Chair means.

The PRESIDING OFFICER. The second committee amendment was an amendment to strike.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. The language the Senator from North Carolina proposed to strike had been removed, but the original committee amendment had not been acted on, which would strike this duplicative language.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, as I understand the inquiry of the Chair, he is asking if the Senator from North Carolina agrees to striking the second amendment on page 11 so that it may be inserted and reinstated on page 13. Is that true?

The PRESIDING OFFICER. The Chair states that it has been reinstated. The question now is whether the Senator wishes it stricken.

Mr. WEICKER. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. Mr. President, I move that the second committee amendment be agreed to. I ask unanimous consent that the second committee amendment be adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

The second excepted committee amendment (page 11, lines 24–25) was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THIRD EXCEPTED COMMITTEE AMENDMENT—PAGE 12, LINES 1–3

Mr. WEICKER. What is the pending business, Mr. President?

The PRESIDING OFFICER. Without objection, the third excepted committee amendment is the pending business.

Mr. WEICKER. If I am not mistaken, did not the Senator from North Carolina have a request pending before the rollcall vote?

The PRESIDING OFFICER. The yeas and nays were not ordered.

Mr. WEICKER. I am aware of that, but was not that the request of the Senator from North Carolina or to the quorum call?

The PRESIDING OFFICER. That was the request of the Senator from North Carolina.

Mr. HELMS. Mr. President, in the light of circumstances, that judgment can be made subsequently, I withdraw at least temporarily my request for the yeas and nays.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, as to the proposal relevant to the third committee amendment, which relates to the language which states:

> No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

That language was stricken by the subcommittee and the full committee. As I understand the request of the Senator from North Carolina, it is to reinstate that language.

Let me say this: Nothing is a more classic example of legislation on an appropriations bill than this statement and nothing more classically illustrates why it is that there should not be legislation on an appropriations bill or, rather, why it should be handled by the authorizing committees.

The distinguished Senator from North Carolina, among others, is a member of the Committee on Foreign Relations. That is where this subject matter should be addressed. Regardless of what side anybody takes on the issue, the reason it should be addressed there is that we have no foreign policy when it comes to Cuba. As long as we stick these little buzzword cliches in appropriations bills, we are not going to have a foreign policy as it relates to Cuba or Central America or the Caribbean or South America.

Mr. President, this is an enormously important subject to this Nation. In effect, we have had the same foreign policy as between Cuba and the United States since the 1950's. I suggest that the time has come for a review of that policy and implementing one that makes sense.

Maybe the Senator from North Carolina would disagree with the Senator from Connecticut, Mr. President, as to what it is that makes sense, but certainly, the Nation is owed a debate on this subject. Right now, the only foreign policy that we have is name calling. One week it is Castro laying it on Ronald Reagan; the next week it is Reagan-Haig laying it on Castro. What kind of a foreign policy is that?

Senators are going to traipse in here and they are going to vote on this amendment and figure that will settle the Cuban issue. And it does not. It is not that that issue is not without consequence. It could very well lead, under the present set of circumstances, to armed conflict. It jeopardizes our young people. It seems to me that, in every sense of the word, we owe it to this Nation as Senators to establish a foreign policy, one that is conceived in the normal constitutional process, which is by the Senate Committee on Foreign Relations, then by the full U.S. Senate, in conjunction with the President, the State Department, and so on.

Now, if it is the will of the Senators that this language stay in, it is of no matter in the sense of its coming to a rollcall vote. But it is of great import that one of the great issues of this time remains unaddressed.

At the present time, Mr. President, in Cuba—indeed, in the Caribbean and in Central America—the Soviet Union wanders around willy-nilly, all as a result of a foreign policy that was instituted in the late 1950's.

It seems to me that the first question that should arise in anybody's mind is, how valid is a policy that has permitted the Soviet Union to plant itself squarely in our hemisphere? It is obviously a foreign policy that does not work. I should think this should be, along with the Mideast, No. 1 on the agenda of the Foreign Relations Committee.

This amendment, if I am not mistaken, relates to trade relations. Let me tell about trade relations and about trade in Cuba right now. Anybody who thinks it is just the Soviet Union in Cuba should go down there. It is the Soviet Union, all right. It is also Japan, Italy, Spain, Great Britain, West Germany, Canada. Every nation in the world is present in Cuba and is trading with Cuba, and the United States is not competing at all, either in terms of goods or in terms of ideas. That is why ideas are dominated by the Soviet Union and products are dominated by all the world's trading partners, except the United States.

What kind of foreign policy is that? I suggest that the cause of peace and the cause of getting the Soviet Union out of the Caribbean are far better served by the United States getting down there and competing than it is by the present policy of name calling, which purports to be a substitute for a foreign policy.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GARN). Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that the consideration of the third committee amendment, page 12, lines 1 through 3, be temporarily laid aside at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I want to take a few moments today to reiterate a point that I raised last week in my opening remarks. It is my sincere desire that no later than tomorrow afternoon an appropriation for the agencies funded by this legislation will be approved. However, unless we act promptly, there is every likelihood of another continuing appropriation.

Let me illustrate why another continuing resolution funding the agencies under this bill is undesirable.

First, the bill, as reported by the Senate Committee on Appropriations, achieves greater savings than the House-passed bill. Overall, the 1982 appropriation recommended by the Senate Committee on Appropriations is $1 billion below the 1981 spending levels.

Second, the priorities earmarked by the Senate are considerably different than those established by the House in a number of areas. For instance, we maintain higher spending levels for a number of important fisheries and weather service programs operated by

the National Oceanic and Atmospheric Administration. We have provided a larger appropriation for the continuation of the sea grant college programs. Yet, overall, the Senate spending levels in the Commerce area are $150 million below the House. Under a continuing resolution, these savings will be lost.

In the Justice Department area, the impact of the conventional continuing resolution is even greater. Most agencies—including the Federal Bureau of Investigation, the Drug Enforcement Administration, the litigating divisions and the U.S. attorneys, as well as the Immigration and Naturalization Service—will be funded at 1981 appropriation levels. For the most part, this level would be lower than even the revised budget proposed by the administration and rejected by the committee as harmful to our Nation's criminal justice efforts.

Under a continuing resolution, the Federal Bureau of Investigation will be funded at a level which is $74 million less than that currently in the bill. If you recall, the Bureau informed Congress that the $47 million September cut would result in the loss of 2,000 employees, including several hundred agents. A continuing appropriation could nearly double that reduction. For the Drug Enforcement Administration, the funding level will be $16,479,000 less than that approved by committee. Again this will result in reductions in personnel and could threaten the State and local drug task forces.

Perhaps most severely affected by the failure to enact an appropriation bill will be the Immigration and Naturalization Service. As you know, Senator HOLLINGS and I will offer an amendment to increase the committee recommendation for INS by $85 million. These are emergency funds. They are necessary to deal with the continual tide of illegal aliens.

Recently, we were informed by OMB that INS is currently in a deficiency situation. Without an appropriation bill, however, INS will be continued at a level which is $108 million below that which it needs. There are no emergency funds in the House-passed bill. So, unless the Senate acts on this bill, there will be no emergency funds for the agency.

Finally, I want to underscore something which should already be apparent to the Members of this body. The INS and Justice agencies point out why a continuing appropriation would impose hardship. However, it should also illustrate that to the extent that the Senate submits to extended debate on issues which are extraneous to the appropriations process, the Senate also relinquishes its voice in establishing the priorities of the budget. In my view, this is perhaps the greatest disservice we do for we are foregoing our own constitutional role in setting Federal spending.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. HAWKINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 609

(Purpose: To authorize the Attorney General to acquire and exchange information regarding certain deceased individuals and missing children)

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the manager temporarily set aside the committee amendments?

Mr. INOUYE. I ask unanimous consent to temporarily lay aside the committee amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mrs. HAWKINS) proposes an unprinted amendment numbered 609.

Mrs. HAWKINS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, between lines 15 and 16, insert the following:

Section 534(a) of title 28, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (4);

(3) by inserting after paragraph (1) the following new paragraphs:

"(2) acquire, collect, classify, and preserve any information which would assist in the identification of any deceased individual who has not been identified within fifteen days after the date of the discovery of the deceased individual;

"(3) acquire, collect, classify, and preserve any information from authorized officials of the Federal Government, the States, cities, and penal and other institutions, or from a parent, legal guardian, or next of kin of an unemancipated person, as defined by the laws of the State of residence of such person, which would assist in the location of any missing person who—

"(A) is under proven physical or mental disability making the person a danger to himself or others;

"(B) is in the company of another person under circumstances indicating that his physical safety is in danger;

"(C) is missing under circumstances indicating that the disappearance was not voluntary; or

"(D) is unemancipated as defined by the laws of his State of residence; and"; and

(4) by striking out "exchange these records" in paragraph (4) (as so redesignated) and inserting in lieu thereof "exchange such records or information".

The heading for section 534 of title 28, United States Code, is amended to read as follows:

"§ 534. Acquisition, preservation, and exchange of identification records and information; appointment of officials".

The table of sections at the beginning of chapter 33 of such title is amended by striking out the item relating to section 534 and inserting in lieu thereof the following new item:

"534. Acquisition, preservation, and exchange of identification records and information; appointment of officials.".

(The names of the following Senators were added as cosponsors to UP Amendment 609, by unanimous consent: Mr. ABDNOR, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BAKER, Mr. BAUCUS, Mr. BOREN, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. HARRY F. BYRD, JR., Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. D'AMATO, Mr. DANFORTH, Mr. DECONCINI, Mr. DENTON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAGLETON, Mr. EAST, Mr. EXON, Mr. GARN, Mr. GORTON, Mr. GRASSLEY, Mr. HATCH, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. JEPSEN, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LAXALT, Mr. LUGAR, Mr. MATHIAS, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. METZENBAUM, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PELL, Mr. QUAYLE, Mr. RANDOLPH, Mr. RIEGLE, Mr. ROTH, Mr. RUDMAN, Mr. SPECTER, Mr. STAFFORD, Mr. STENNIS, Mr. SYMMS, Mr. THURMOND, Mr. TOWER, Mr. WALLOP, and Mr. WILLIAMS.)

Mrs. HAWKINS. Mr. President, the amendment I am offering today is identical to S. 1701, the missing children bill, which has been cosponsored by 56 Members of the Senate. My amendment would establish a national computer information network to assist law enforcement agencies in locating, and identifying missing children and to aid in the identification of the dead who are found without enough evidence to establish their next of kin.

Currently, the FBI maintains a nationwide file on all information sent to it from the 47 States who submit to it computerized information they collect on missing persons disappearing inside their State borders. A nationwide system makes sense. After all, this is the computer age and an era of profound advances in communications technclogy; 8,000 pieces of information can be stored on a computer chip no larger than a fingernail. Information can be sent without difficulty to other countries.

It is easily within our means to develop a nationwide system for almost any conceivable purpose if the desire is there to do so. Therefore, the country owes a debt of gratitude to the FBI for having the vision to voluntarily provide a national clearinghouse for missing people.

However, statistics indicate that records for only 10 percent of all missing persons are ever entered into statewide computers. I might add that the overwhelming majority of missing persons are children and therefore only 10 percent enter the national clearinghouse. This is a national disgrace because many missing children become classified as missing because they were abducted and taken against their will to other States and countries. With such a modest percentage entered into the clearinghouse, it is obvious that steps must be taken to increase the chances that kidnapped children can be located, wherever they are, and returned safely to their homes.

At the present time, a stolen car gets more attention under current law than does a missing child.

Harsh though the statement is, it is the truth. Recently, as chairman of the Labor Subcommittee on Investigations and General Oversight, I heard heart-breaking testimony from the parents of missing and murdered children. All pointed to the need for a nationwide information system.

From Mr. and Mrs. John Walsh of Hollywood, Fla., whose 6-year-old son, Adam, was abducted from a shopping center and murdered, I heard of the frustration of trying to coordinate their search among different police agencies. Mr. Walsh told my subcommittee:

It is certainly evident that the priorities of this great country are in some disorder. A country that can launch a space shuttle that can return to the Earth and take off again, a country that can allocate millions of dollars to save a small fish, the snail darter . . . but does not have a centralized reporting system or a nationwide search system for missing children, certainly needs to reaffirm the very principles that the country was founded on. We pray, along with thousands of other concerned parents, that you will continue to have the strength to continue your efforts. You have helped us keep the threads of our lives together and given us definite reassurance that Adam did not die in vain. God bless you.

From Mrs. Julie Patz of New York City, whose 6-year-old son, Etan, disappeared on the way to school more than 2 years ago and has never been found, I heard of a family's sense of hopelessness and isolation in trying to cope with the unthinkable. Mrs. Patz said:

When the police have gone, the burden falls back on the parents. Usually, they are emotionally distraught, financially limited, untrained in search methods and totally lacking any official leverage necessary for obtaining information. The task of conducting a national search is beyond the abilities of the grieving parents.

Much of the language in this bill has been suggested by the Federal Bureau of Investigation. After extensive discussion with the Bureau almost all of their suggestions or recommendations were included by appropriate additions to the Missing Childrens Act.

Costs can be kept at a minimum because the computer system to track missing children is already in place. The information on unidentified deceased individuals can be initiated with minimal costs. These films can be adequately and efficiently maintained by a hand file process involving minimal staff additions for the FBI.

The bill has been well received by all manner of law enforcement agencies. Specific endorsement of this bill has been made by the National and International Associations of Police Chiefs, the International Union of Police Associations, AFL–CIO, and the American Correction Association. In addition, a strong endorsement has been received from the city of Chicago Police Department.

Our collective awareness of this critical problem has been increased by the activities surrounding this legislation. Now is the time to seize the momentum that has stirred the American public. The situation demands an appropriate response from the membership or Congress. The Missing Childrens Act will be an essential resource in assuring the real safety of our children.

This amendment will provide a solution so desperately needed. I urge you to join with the 56 cosponsors of the missing child bill and the National Association of Chiefs of Police who strongly endorse S. 1701 and support passage of this amendment.

In an effort to help the families of missing children, I have submitted this amendment which will:

First. Provide a national clearinghouse for identification of missing children, run aways and victims of parental kidnapping.

Second. Allow all missing children to be listed in a national crime information center.

Third. Provide parental access to a computer network.

Fourth. Assist in identification of deceased individuals.

No one even knows how many children disappear each year, but we do know that this is a problem we can no longer neglect.

STATEMENT ON UP AMENDMENT NO. 609

Mr. SYMMS. Mr. President, I am pleased to be a cosponsor and support the passage of S. 1701, the Missing Children's Act. I commend and congratulate Senator HAWKINS on her efforts. This legislation requires the Attorney General to maintain a nationwide computer system for the listing of missing children, which will allow law enforcement agencies to obtain information about missing children not only within their home State, but throughout the country.

Not only will information on missing children be readily available, but also, for the first time, a national computerized clearinghouse of information on dead whose next of kin cannot be located will be established. Since this bill requires information to go into the computer 15 days after the deceased person has remained unidentified, it provides current information to families or kin seeking status of a missing family member.

I commend Senator HAWKINS for the work she has done to increase our awareness of the severity of this problem. This action is long overdue and I believe that the implementation of this legislation will greatly assist families seeking missing person information and help ease the worry that results from having a missing family member.

Mr. WEICKER. Mr. President, though I disagree with the amendment of the distinguished Senator from Florida insofar as it is legislation on an appropriations bill, I also know full well that this is not unique nor will it be unique to hear such amendments.

Certainly, the substance of the amendment deserves, I think, the support of all of us here on the Senate floor. I think the observations she made are entirely correct. On behalf of the majority I am more than willing to go ahead and accept the amendment.

Mrs. HAWKINS. Mr. President, I thank the Senator from Connecticut for his kind remarks.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 609) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, the appropriations bill now before us contains funding for the Economic Development Administration in fiscal year 1982. I wish to make two points as the Senate considers this legislation.

First, it has been 11 months since the President first proposed to terminate EDA. During that period, the Congress has repeatedly rejected that proposal. Today, we are implementing the congressional will by providing EDA funding for another year.

This is extremely significant to the State of Maine, Mr. President.

The EDA was created to promote the long-range economic development of areas with severe and persistent unemployment and with low per capita income. EDA aids in the development of public facilities and private enterprise to create new, permanent jobs and to preserve existing jobs which might otherwise be lost by the shutdown of an industry in such an area.

The act is grounded in the reality that no matter how successful national economic policies may be in stimulating overall economic growth and reducing inflation and unemployment, important structural problems will remain. Many of our Nation's urban and rural communities and multistate regions will still be experiencing unemployment, lagging economic growth, industrial decline and underutilized production facilities and resources.

Maine has many such areas. My State has a per capita income that is 20-percent lower than the national average.

Manufacturing jobs in the State have grown by 3.5 percent in the last decade, compared with an average growth rate of 25 percent in the West and 18 percent in the South.

We in Maine have benefited greatly from economic development funding and our successes have no doubt had some beneficial albeit small, impact on the national economy.

For example, EDA is directly responsible for creating and saving thousands of jobs in Maine. In a State with chronic unemployment problems and an economy aggravated by high energy costs, this is a substantial contribution. Many Maine communities do not have the indigenous resources to attract substantial private investment. EDA has provided that seed money.

EDA grants and loans are partially responsible for successful efforts to revitalize our fishing, potato farming and textile industries.

Mr. President, I am heartened by the reaffirmation of our commitment to help regions of our country where incomes remain low, where unemployment remains high, and where help is needed to stimulate local economic growth.

Second, while I am pleased that Congress has continued its commitment to economic development programs, I am concerned about the level of funding for EDA provided in this bill. The Congress has authorized $290 million for the EDA in fiscal year 1982. This is the absolute minimal level of funding necessary to implement a scaled-back but still effective program. As the national economy goes deeper into recession, it seems to me that more, not less, economic development assistance would make sense.

It is my hope that the members of the conference committee on this bill will accept the appropriation level contained in the House bill. Further cuts would further delay the economic recovery of numerous regions. The economic recovery of the Nation will be inevitably retarded if it is accompanied by continuing pockets of slow growth and economic stagnation.

I should like to address some questions to the distinguished chairman of the State-Justice-Commerce Appropriations Subcommittee. (Mr. WEICKER).

Mr. MITCHELL. Is it the belief of the Senator from Connecticut that EDA programs make an important contribution to areas of low per capita income and persistently high unemployment?

Mr. WEICKER. Yes; Mr. President, I agree with the Senator from Maine. EDA has been very successful in creating jobs, generating State and local tax returns, and raising the level of economic activity in areas of slow growth.

Mr. MITCHELL. Does the Senator agree further that distressed areas are in greater need of EDA programs in the present economy, and that there are no other Federal programs that address the needs met by EDA programs now?

Mr. WEICKER. Yes; it is my belief that EDA provides aid not available through other Federal programs at this time.

Mr. MITCHELL. Mr. President, does the Senator support the maximum funding possible for EDA within the constraint of overall budget considerations?

Mr. WEICKER. I assure the Senator that I do.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the committee amendments be set aside and that I may be permitted to send an amendment to the desk, sponsored by myself, Senator ROBERT C. BYRD, Senator KENNEDY, Senator DANFORTH, Senator BUMPERS, Senator LEAHY, and Senator BAUCUS.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. Mr. President, the minority manager of the bill and I agree that the committee amendments may be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 610

(Purpose: Expressing the sense of the Senate that the Department of Justice and the Federal Trade Commission shall vigorously and actively enforce the antitrust laws)

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Ohio, for himself and Mr. ROBERT C. BYRD, Mr. KENNEDY, Mr. DANFORTH, Mr. BUMPERS, Mr. LEAHY, Mr. BAUCUS, and Mr. EAGLETON, proposes an unprinted amendment numbered 610.

Mr. METZENBAUM. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SENSE OF THE SENATE RESOLUTION

The Congress has consistently sought to prevent the excessive concentration of the American economy by enacting the Sherman Antitrust Act in 1890, the Federal Trade Commission and Clayton Acts in 1914, and the Celler-Kefauver Act in 1950;

Vigorous enforcement of the antitrust laws is essential to the operation of a competitive economy, and lies at the heart of our Nation's historic commitment to a free and open marketplace;

Antitrust enforcement efforts are of particular significance in a climate of increased Government deregulation of business, in order to assure that the economic marketplace remains competitive;

A series of corporate mergers is currently taking place which is tying up substantial amounts of credit to the detriment of small business and is contributing to the intolerably high level of interest rates;

The Congress has concluded that excessive economic concentration tends to lessen competition, impede economic growth and innovation, harm small business, and jeopardize local control of business:

Now, therefore it is the sense of the Senate that:

(1) The Department of Justice and the Federal Trade Commission seek actively and vigorously to enforce the antitrust laws, including those against mergers and concentration, until and unless the Congress determines otherwise; and

(2) Moneys appropriated under this bill shall be expended in a manner consistent with this resolution.

Mr. METZENBAUM. Mr. President, this amendment has to do with a question pertaining to effective endorsement of our antitrust laws. In this struggle, unfortunately, the problem is that the man who heads the Antitrust Division at the present time has indicated that the earlier decisions that have been part of our Nation's history, the interpretations by the Supreme Court, are not exactly in accord with his point of view and, therefore, he does not intend to abide by them. Unfortunately, the man who heads that Division reflects a general position that many in the administration seem to have at the moment: People are appointed to positions by the administration who actually are hostile to the laws that they are called upon to enforce.

For example, in EPA, we find a lady by the name of Mrs. Gorsuch, who indicates that she really does not have strong concerns about the environment. In the Consumer Product Safety Commission, we have a woman by the name of Steorts. She, too, has turned her back on the question of effective enforcement of the obligations imposed upon her and that Commission by the law.

In the Department of Justice, Civil Rights Division, we have a man by the name of William Bradford Reynolds, who has been less than ardent in his concern with respect to civil rights.

We find too often, Mr. President, that those who are being appointed to these positions want to turn the clock back, to turn their backs upon the laws as they presently exist.

As a consequence, the people of this country are failing to get the kind of enforcement, the kind of strength, the kind of determination to which they are entitled in connection with the antitrust laws of this country.

Probably the most egregious situations in which people have been appointed to public office who do not believe in the laws they are called upon to enforce, have to do with the area of antitrust. We find, as a consequence, a whole host of merger activity throughout this Nation, because the message is out. Mr. Baxter, at the Antitrust Division, and Mr. Miller, the new head of the Federal Trade Commission, do not like the law. They do not think the laws should be as they are. They think they should change the laws. But the fact is that they are not talking about formally changing and properly changing the laws. They want to change the laws by indifference, by lack of concern, by disregard.

This administration, which came in on the basis of law and order, on the basis that it would enforce the law no matter who was affected, is now saying, "That is not what we mean in the area of antitrust."

The sad part about that is that this represents a break with almost 100 years of bipartisan support for antitrust and its basic themes and doctrines. Antitrust is not a Democratic program. It first came into being in 1890 with the Sherman antitrust law, authored by Senator John Sherman, a Republican from my State of Ohio.

Over a period of time, men who have been part of this body have seen fit to speak up for antitrust, and those who have been charged with the responsibility at the administrative level have spoken up for antitrust.

I am proud to say that in the last session of Congress we enacted one of the most recent changes and one of the few changes made in recent years to the antitrust laws, the Antitrust Procedural Improvements Act. I am proud that I was the author of that bill, and the coauthor was the distinguished chairman of the Judiciary Committee, the Senator from South Carolina (Mr. THURMOND).

It is particularly disturbing and surprising that we now find that this law which works so effectively for the free enterprise system, which really talks about free competitive forces being able to work, suddenly is being put up on a shelf, and, we are told, is no longer important.

Fortunately, over the years, we have not had Democrats and Republicans

fighting with each other on this subject. When the Senate Antitrust Subcommittee was revived, it was revived by a Republican controlled Senate in 1953; and last year's Antitrust Procedural Improvements Act, as I previously mentioned, was a joint product of the present chairman of the Judiciary Committee and me.

Today, the breakdown in antitrust enforcement is particularly upsetting. We have a merger wave that is approaching mammoth proportions. The pace has jumped 25 percent from last year's third quarter, and is accelerating.

Particularly disturbing is the fact that these are giants swallowing larger well-managed, profitable companies almost as big as they are, or bigger. Du Pont swallows Conoco. Prudential Insurance Co. buys up Bache. Mobil buys Marcor and flops on its face with respect to the economics of that deal. Exxon acquires Reliance Electric, in my own home community. When some of us spoke out against that acquisition, we were told this was going to save a million barrels of oil a day. Now they write about that acquisition in Fortune magazine, in a feature cover story: "Exxon's $600-Million Mistake."

Connecticut General buys INA; and Mobil, in a capping climax, now wants to buy up Marathan Oil, in my own State.

Mr. President, I ask unanimous consent to have printed in the RECORD the article to which I referred, which was published in Fortune magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXXON'S $600 MILLION MISTAKE

(By Lewis Beman)

Imputing devious motives to Exxon Corp. has long been fashionable. The practice goes back at least to Ida Tarbell's muckraking turn-of-the-century classic, The History of the Standard Oil Company. Cynicism was rampant last spring when the corporate heirs of John D. Rockefeller announced that Exxon was abandoning an energy-saving device called the "alternating-current synthesizer." Many were sure that it had never been more than a smoke screen for Exxon's politically controversial $1.2-billion purchase of Reliance Electric Co. in 1979. Once the heat was off, the synthesizer, which Exxon had spent $15 million developing—gum-ball money for the world's largest corporation—could easly be junked if it proved a turkey.

Exxon stockholders might well wish that this bit of demonology were true. Alas, a more straightforward theory—that Exxon had high hopes for the synthesizer—is the correct one. The concept was seductively simple. A microprocessor was to be used in combination with power transistors to raise the efficiency of most electric motors, saving the country the equivalent of a million barrels of oil a day by 1990. By picking up an established electrical-equipment manufacturer that could mass-produce the synthesizers, the top executives at Exxon's Manhattan headquarters believed, the company could make a hell of a lot of money.

These dreams are shattered, and the real news is that the $15-million R&D loss is only the tip of the iceberg. The whole synthesizer affair, it is clear from an exhaustive search of the mountains of documents that have come to light in the course of half a dozen lawsuits stemming from the Reliance merger, is a managerial blunder of epic proportions that has cost Exxon at least $600 million. That figure represents the premium the oil company paid for Reliance in the belief, subsequently proved naive, that the synthesizer was a hot product ready to bring to market.

In hindsight, Exxon's reckless plunge is understandable. It is run by oilmen with little knowledge of manufacturing and something of a wildcatter's mentality that says play your hunches and bet as big as you can. Clearly, these executives were not restrained by Exxon's board. Nor were they well served by the battery of prestigious consultants called in on the Reliance merger.

In a smaller company, a $600-million mistake could spell disaster. Even for mighty Exxon, which earned $5.7 billion on sales of $103 billion in 1980, it is a painfully large sum, roughly equal to one quarter's dividend payout. The cost could turn out larger, too, for folly has been compounded by bad luck. After it consummated the Reliance deal, Exxon was shocked to learn that a company newly acquired by Reliance had been cheating for years on tests of its products. There's now a tangle of lawsuits, and Exxon conceivably could be hit with a big tab to make good on defective products.

SHADES OF THE ELF QUEEN

The possibility of such outcomes was far from the minds of the executives who championed the Reliance deal within Exxon. Their code name for the acquisition was Project Galadriel, after the elf queen who presents a magic light to the hero of J. R. R. Tolkien's The Lord of the Rings. To the rest of top management, which came to share their enthusiasm, Project Galadriel offered an ingenious way around the roadblocks that had long barred the inheritors of the Standard Oil Trust mantle from major diversification outside the energy business.

Exxon had dabbled in diversification as far back as 1964, when it made a pass at two small companies, one in fertilizer and the other in industrial gas. The Justice Department's Antitrust Division blocked the first acquisition and allowed the second, but Exxon never learned how to make money in industrial gas and later sold the company. Figuring that the trustbusters were going to object to any merger that made sense from a business point of view, Exxon's management committee, which makes the big decisions, decided in 1969 to take a venture-capital approach to diversification.

The vehicle was Exxon Enterprises Inc., which has since pursued an incredibly varied range of projects and has taken the company into such innovative businesses as photovoltaic cells and office automation. (See "Exxon Has Its Eye on More Than Oil," Fortune, April 1977.) Exxon has viewed these "windows on technology" in the tradition of the oil industry, where one big find makes up for several dry holes. The hope was to develop a series of profitable operations, each capable of reaching $100 million a year in sales. So far, these businesses seem to have been nothing but dry holes from the standpoint of profits.

Early in 1977, Exxon Enterprises was handed a second, more ambitious task: to serve as a stalking-horse for a conglomerate merger that would add at least $1 billion to the oil company's revenues. The man chiefly responsible for this change was George T. Piercy, a member of the management committee who oversaw Exxon Enterprises—and later the Reliance deal. Piercy had been the oil industry's chief negotiator with OPEC at a 1973 session. After that session, the cartel assumed the power to set oil prices, and in the wake of that development Piercy appears to have become convinced that diversification was a matter of great urgency.

Piercy set about breaking the resistance of other members of the management committee to the idea of doing a big deal. He was obviously successful, for in March 1979, Project Galadriel was brought before the Exxon board. The script of the presentation, evidently an elaborate affair with slides, appears in the files of the Federal Trade Commission antitrust suit that Project Galadriel subsequently provoked. It gives an amazingly detailed account of an extensive two-year search by Exxon Enterprises that eventually led the oil giant to Reliance.

TIGER ON THE PROWL

The principal speaker was Jo A. Graves, an up-and-coming executive who had been brought in as senior vice president of Exxon Enterprises. Before the Tiger had gone prowling, Graves' script shows, Exxon Enterprises had studied five industries for the management committee. Then it had focused on six possible merger candidates: Bristol-Myers, Schering-Plough, Colgate-Palmolive, Carnation, Upjohn, and Hewlett-Packard.

In the end, Graves told the directors, the management committee had decided that these targets were too expensive to pursue. "The conclusion," he said, "was that the stock market was valuing these companies pretty well and that under the conditions of having to pay a premium price over market, Exxon would have to bring something to a union in addition to money." This led to a search for technology under development at Exxon Enterprises that could supply that needed "something." Graves went through a long recounting of possible synergies and merger candidates that were rejected. All this was a buildup for the feature act at the board meeting. Graves introduced Richard H. Baker, an electrical engineer at Exxon's research laboratories in Florham Park, New Jersey, to demonstrate an invention that had put Exxon Enterprises onto the idea of buying Reliance. The device, Graves told the board, presented the oil giant with the "strategic step-out opportunity" it had been seeking.

A former MIT researcher, Baker had been hired to help develop an electric automobile that the company believed might be commercially feasible by the end of the century. One technical problem was that the most-efficient electric motors ran on AC current, while batteries produced DC power. Commercially available inverters, which change DC into AC, were far too heavy. But Baker had come up with a much lighter electronic device that seemed to do the job.

Deciding it was looking too far ahead, the oil company subsidiary shifted its efforts to developing a hybrid vehicle that combined an electric motor with a small gasoline engine. By then, however, it had the idea that Baker's device represented a major technological breakthrough that could revolutionize the mundane electrical-equipment industry.

MOTORS THAT GRIND ON

Electric motors, which account for nearly two-thirds of electricity consumption in the U.S., overwhelmingly run on AC current. Because of the inherent characteristics of AC, they generally have to run at a constant speed. The output of whatever mechanisms they drive—pumps, say, or compressors—is varied by some form of "throttling." The valves on pumps are closed, for example, while the motor itself grinds on, wasting electricity.

It has long been possible to vary the speed of AC motors by varying the frequency of the electric current leading to them. But this takes special equipment so expensive that it is economically impractical except for machinery that needs to be closely controlled for other reasons. What Exxon Enterprises thought it had in its hands was an electronic gadget inexpensive enough to be practical.

By the middle of 1978, Exxon Enterprises' Electric Power Conversion Systems group had

drafted a plan to go into commercial production within about two years. The plan envisioned a firm that would eventually be able to generate sales of about $270 million. The start-up investment required, on top of the $8 million already spent on research, was estimated to be about $30 million. Market entry would be faster, the group figured, if another $10 million was used to acquire a small firm already in the electric-drives business.

As this proposal went up the ranks for approval, Exxon's ambitions for the project ballooned. Piercy in particular was intrigued by the idea and, as he was later to tell a federal judge in the FTC case, prepped himself by reading an electrical-engineering text "in between television shows." The synthesizer, he clearly thought, was a great piece of technology to bring to a conglomerate merger. By September 1978, Reliance having been singled out as the target company, Piercy brought Project Galadriel up for consideration by Exxon's management committee, which asked for further studies.

A PICKET FENCE OF PATENTS

As these got under way, it seemed to escape Exxon's top managers that a different standard of analysis might be appropriate for a billion-dollar investment than for one involving $40 million. Consultants were brought in, to be sure, but they voiced no warnings. Both Booz Allen & Hamilton and Arthur D. Little supported the notion that a "substantial acquisition" was necessary to successfully exploit the synthesizer. The key element, said Booz Allen, was marketing. Exxon had established what its executives called "a picket fence of patents" around the new device. But that promised only a two- or three-year head start, Booz Allen said. Unless Exxon could enter the market in a big way right from the beginning, it would soon be overtaken by imitators.

In light of subsequent events, it is amazing that neither Exxon nor its consultants questioned the fundamental assumption on which the entire case for Project Galadriel rested. This was Exxon's intuitive belief—and it seems to have been little more than that—that Reliance could turn out energy-efficient motors with synthesizers at a far lower cost than anything the competition might bring out, eventually as much as 90 percent lower. From this premise, it was easy for Exxon to envisage that its combination of low price and energy efficiency would prompt companies across the land to retrofit or replace their motors.

In fact, the Exxon synthesizer represented no great technological breakthrough. Companies like Emerson Electric and PTI Controls of Fullerton, California, were already selling solid-state controls. But they were definitely not cheap. Everything, then, hinged on costs, yet these are precisely what were not investigated closely. The closest thing to a red flag was a brief note in a Booz Allen technology assessment. "The cost advantage has not been probed in depth and quantified in this study," Booz Allen said. But it added, in words that seemed enough for Exxon's impatient acquirers: "An inherent cost advantage, based on a rough analysis, appears feasible."

Another consultant that took Exxon's assumptions at face value was Morgan Stanley. Four months before Grave's presentation to the board, Exxon executives had called down to the 29th floor of their headquarters building, where the elite investment-banking firm has offices, to enlist the services of Robert Greenhill, head of Morgan Stanley's mergers and acquisitions department.

Exxon had figured to buy Reliance for a 50 percent premium over its recent market price of $40 a share. But the oil company was a bit behind the times. Greenhill told Piercy, who for all his experience across the table from oil sheikhs had never negotiated a significant merger. Except for distress sales, Greeenhill said, the going premium was getting up toward 80 percent. Fortunately, he added, Reliance's stock had dropped to $32 following its announcement that it intended to buy the Federal Pacific Electric Co. Thus, the $60 a share that Exxon had in mind still seemed like a pretty good price.

In addition, Morgan Stanley told Exxon, the financial strains of the Federal Pacific merger might make Reliance's management more receptive to an Exxon offer. Both Morgan Stanley and Exxon seemed to ignore the possibility that the market reaction to the Federal Pacific deal might be a tip-off of potential trouble.

Morgan Stanley, on the contrary, believed that Exxon's invention justified paying a high price. With synthesizers, it figured, Reliance's annual growth would jump by more than 1 percent. The present value of the resulting earnings surge was somewhat mysteriously calculated to be $610 million, which roughly coincided with the total value of the premium Exxon proposed to offer.

Not long afterward, following Grave's slide presentation and the synthesized demonstration, Exxon's board approved the Reliance acquisition at a price not to exceed $60 a share. Negotiations began 16 days later, when Piercy personally flew out to Reliance's Cleveland offices at the head of an Exxon team. Piercy did not seem to care that it was Friday the 13th of April, nor did he notice that Reliance's address was 29325 Chagrin Boulevard.

Morgan Stanley had arranged for a hotel suite, where Exxon displayed a prototype of the synthesizer, hooked up to fans, for the edification of B. Charles Ames, then Reliance's chief executive. Apparently, they expected him to be impressed with both the technology and the offering price of $60 a share. He wasn't.

SOME BLUNT TALK ABOUT PRICE

Ames, who has since left Reliance to take the helm at Acme-Cleveland, a machine-tool maker, is a polite, soft-spoken man. He's also extremely shrewd and given to blunt assessments (he once was McKinsey & Co.'s man in Cleveland). Ames confides that he has always been leery of high technology. "An enthusiastic inventor is a menace to practical businessmen," he says, "and it takes a skeptical ear to figure out whether something that works will sell." He does not think that Exxon executives ever really appreciated the difference. But while he was noncommittal about what the synthesizer might do for his company, he was rather blunt about the price Piercy offered. "It was too low," he says. Moreover, he realized that the last thing Exxon wanted was a fight. "I figured that if they didn't want to fight, they were going to pay," he recalls.

Ames's canny bargaining was to make him something of a hero on Wall Street—particularly among arbitrageurs who were richly rewarded for their patience throughout the four-month interval between Exxon's announcement of its interest in Reliance and its purchase of the shares. The market at first figured that $55 would take the company. But Ames, who had been thinking about putting out a new issue of stock at $33 before Exxon came courting, hung tough even after the oil company handed over a formal letter proposing a cash tender offer at $65 a share. Piercy's not-to-subtle offer of an Exxon directorship did not move him, and only after a private dinner with Piercy did he allow that $72 a share might be good enough to take to his board.

From Exxon's point of view, the higher price that Ames extracted soon paled alongside the concession he claims to have won on the antitrust issue. Piercy told him that Exxon expected the government to object to the merger but that the oil company intended to fight. In that case, Ames says he replied, let's not have the usual boilerplate that allows a company making a tender offer to withdraw at the first sign of trouble. "By that time," he says, "about 60% of our stock was in the hands of the arbitrageurs, and I knew that someone was going to take us over if Exxon dropped out of the picture." Dart Industries, Dana, and TRW were all showing interest, Ames has disclosed.

THE FTC GRABS THE CASE

Piercy says that the antitrust language in the tender offer "was not discussed" in his negotiations with Ames, and Exxon takes the position that the scrapping of that boilerplate was a "voluntary gesture." If so, it was a gesture that was to put Exxon in an extremely awkward position.

Exxon had hoped that if the government struck, the Justice Department would take on the case, and it had employed the former head of the Antitrust Division as outside counsel on the deal. But the Federal Trade Commission, which shares enforcement powers in the anti-merger section of the Clayton Act, grabbed the case instead and went into federal court to obtain a temporary injunction against the merger.

The FTC's complaint was based on the fact that Exxon had taken preliminary steps to set up a new company to commercialize the alternating-current synthesizer before it had decided to acquire Reliance. In the FTC's view, this meant that the merger would eliminate "potential competition" between Exxon and Reliance. The FTC asked for a temporary restraining order that barred Exxon from paying for tendered shares until the court had time to review the matter. Exxon had expected that move, as well as Judge John H. Pratt's order blocking the deal for 21 days. What it did not expect, however, was that Reliance would intervene with the suggestion that Exxon be allowed to purchase the shares under a court order, but that it be prevented from actually taking over until the antitrust question was resolved.

For Exxon, the implications of this suggestion were horrendous. Antitrust cases have been known to drag on for more than a decade, and if Reliance's suggestion had been followed, Exxon would have been forced to pay $1.2 billion for a passive investment. Some Exxon executives seemed to regard the suggestion as Ames's way of giving his stockholders the money while keeping the company.

From the witness stand, Exxon President Howard C. Kauffmann told Judge Pratt that if any such order were issued, Exxon would drop the deal. The court finally ruled that Exxon could exercise its tender offer. But it imposed an onerous condition: Exxon would have to "hold separate" the Reliance divisions that were most relevant to the commercialization of the alternating-current synthesizer—the very raison d'être of the merger.

It is impossible to tell what any judge has in mind when he makes a ruling, but Judge Pratt's subsequent statements clearly indicate that he expected Exxon to drop the deal. When Exxon hesitated, however, Reliance sued to compel the company to go ahead with the purchase of the shares. At this point Judge Pratt learned about Reliance's claim that some antitrust aspects of the deal had been negotiated in advance. Reportedly he hit the ceiling, and Exxon's lead attorney later told him in open court that worries about his reaction were a major reason for Exxon's decision to go ahead with the deal even though it now had strong doubts that it made sense.

Thus there is some question about how voluntary Exxon's purchase of the tendered Reliance shares was. In a subsequent lawsuit, brought by Reliance stockholders seeking interest to compensate them for the de-

lay in getting paid, Exxon claimed that Ames violated his agreement with Pierce by the uncooperative act of intervening in the antitrust suit. But there is no way of telling how confident Exxon's lawyers were that this argument would sway the court, and Exxon has agreed to settle the stockholders' suit out of court for $4 million.

THE LITTLE CONTRAPTION THAT COULDN'T

On a plea from Exxon, Judge Pratt—holding his temper this time—softened his "hold separate" order. Exxon was to have no contact with Reliance's drives group, but could at least work with the Reliance division that produced finished motors. In the electrical-equipment industry, "drives" (the electrical parts of a motor) are considered separate from the mechanical parts.

Even this more limited order created an awkward situation. It meant, in effect, that Exxon had to start a second drives operation within Reliance to manufacture and market the alternating-current synthesizer. In March 1980 it brought key Reliance personnel to its labs in Florham Park. Almost immediately, the Clevelanders discovered that Exxon's original cost projections were unrealistic. One problem lay in the design itself; Exxon Enterprises had not taken into account the varying conditions under which the device would have to operate. In November reliance's chief operating officer, Emory G. Orahood Jr., wrote a strong memo to Piercy urging that the project be scrapped.

It took another four months for Exxon to make the embarrassing public announcement that its great new idea had been a bust. This was somewhat softened by the disclosure that Reliance was now working on an alternative design. That was a bit misleading, since the new work was undertaken by the same team in Florham Park, now trying desperately to retrieve something from the wreckage of Exxon Enterprises' grand strategy. And according to John C. Morley, a career Exxon man who took over as Reliance's C.E.O. in December following Ames' resignation, no one expected anything spectacular by the time he arrived on the scene. The recent announcement by Reliance that the whole project has been scrapped merely nailed the plywood on a "window on technology" that had already been locked.

For far less than it paid for Reliance, Exxon could have learned that its synthesizer had no future. Robert C. Byloff, president of a small electric-drives manufacturer named Fincor, a division of Incom International, says he for one would have been willing to educate Exxon executives on the reality of the electrical-equipment industry. His company built 25 prototypes of the famous variable-speed motor for Exxon prior to the Reliance negotiations. They included everything but the electronic components, which Exxon was almost compulsively secretive about. "If they had shown us what they intended to put in their black box," Byloff says, "I think we could have told them that their enthusiasm was somewhat excessive." Exxon's management committee seriously considered buying Fincor as a less expensive alternative to Reliance, figuring that the acquisition would have cost about $10 million. Byloff says that Exxon never approached him, but that in any event he would have preferred to give advice free of charge and keep his company where it is.

THE WORST MISTAKE OF HIS CAREER

Ames, who personally made a profit of $3.8 million when Exxon bought Reliance, insists that the merger was a sound one even though the oil company's plans for the synthesizer were ill-founded. Just before he resigned last November, he told Piercy: "You guys made the right strategic decision for all the wrong reasons." Ames was proud of a company whose sales he had increased by 142 percent over the previous seven years, mainly by acquisitions. But that time, however, there was ample evidence that Reliance stock had not even been worth the $34 a share that it commanded on the eve of the Exxon offer. This was because Ames himself had just made an acquisition that turned out to be the worst mistake of his career.

At the time Exxon was getting ready to buy it, Reliance had acquired Newark-based Federal Pacific Electric Co. from its parent, UV Industries, for $345 million. The deal had been part of a UV attempt to head off a takeover by Victor Posner's Sharon Steel Corp. (See "UV Industries Wins the Right to Die," Fortune, April 23, 1979.) Most security analysts considered Federal Pacific a rather second-rate operation, which explains why Reliance's stock fell by some 15 percent when the merger was first announced. But Wall Street's views turn out to have been overly charitable.

The problem, according to a suit that Reliance subsequently brought to force UV to take back its company, is that Federal Pacific cheated for years on tests of its circuit breakers by Underwriters Laboratories. Without UL certification, the circuit breakers would have been unsalable. "It was the most sophisticated swindle I have ever seen," Ames says. "They had constructed a laboratory with miles of buried wires and concealed levers just so they could trick the UL inspectors."

When the cheating stopped at Federal Pacific Electric is not precisely clear, for many documents in the Reliance suit have been sealed by court order. But a close reading of what is available for public perusal provide at least a faint trail through an industrial Watergate.

Reliance alleges that UV executives knew what was going on and withheld the information from the unsuspecting purchaser, an allegation denied by UV. What everyone agrees upon is that on October 23, 1978, shortly before Reliance and UV Industries reached agreement on their deal, an ex-employee of Federal Pacific sent a letter to one of its executives revealing some details about cheating at a plant in Albemarle, North Carolina. The information was passed up to Harry E. Knudson Jr., Federal Pacific's president and a UV director, and the basic issue before the court is how much of an obligation he had to tell this to Reliance before it consummated the acquisition on March 29, 1979. Ames leaves no doubt that if he had known about the problem before then he would have dropped the deal. Piercy also says that had the situation come to light before Exxon bought the Reliance shares on September 24, Project Galadriel would have been scrapped.

A DISTURBING REPORT

UV Industries seems to take the line that between March 29 and September 24, Ames learned something about the trouble brewing at Federal Pacific Electric and failed to tell Exxon. Some circumstantial evidence indicates this is at least a theoretical possibility. On September 13, Knudson was sent a report from the chief engineer at the Albermarle plant, predicting that almost all circuit breakers that Federal Pacific had made would lose their Underwriters Laboratories labels. An undated memorandum that Knudson apparently sent to William B. Korb, the Reliance executive responsible for Federal Pacific, conveys the same information. In a memo to Piercy in July 1980, Ames asserted that Korb had learned at least something about the FPE situation in the fall. He is not precise about when.

The tantalizing question, of course, is whether the news traveled from Newark to Cleveland in the six days before Reliance filed its September 19 suit to force Exxon to go ahead with its purchase of the shares, and in the 11 days before Exxon exercised its tender offer. Ames insists that it did not, and all indications are that Exxon believes him.

Piercy has said that he did not know the extent of the circuit-breaker problem until his regular spring review of Federal Pacific as Reliance's "contact executive" in May 1980. By that time the new subsidiary of Exxon's new subsidiary had lost the UL labels on virtually its entire line of circuit breakers, which had accounted for $100 million of sales in 1979. Ames's staff also had begun tallying the potential expense if a recall program became necessary. The initial estimate: three years' production of the Albemarle plant might have to be replaced by electricians. The cost, counting labor, could be very high indeed. The question is still in doubt pending a determination by the Consumer Product Safety Commission of whether to order a recall of Federal Pacific's residential-type circuit breakers. Reliance began recalling some of its industrial circuit breakers early this year, and one industry source has estimated that the bill for this recall alone might approach $200 million.

Whose pocket this would come out of is unresolved. UV Industries has been dissolved, but a liquidating trust still holds over $400 million in cash and securities. Reliance is suing UV to pay for the recalls. To the extent that UV can't pay, Reliance is looking to Sharon Steel, which assumed UV's liabilities when it bought its remaining assets in November 1979. But Sharon's legal obligations are by no means clear. If Reliance can convince the court that it was the victim of a fraud, so might Sharon. Contemplating the results of what is perhaps one of the worst mergers ever made, Ames is happy about one thing: "If Exxon hadn't come along, I don't know what would have happened to Reliance."

Reviewing Exxon's trip down Chagrin Boulevard, Donald S. MacNaughton, chief executive officer of the Hospital Corp. of America and an outside director of Exxon since 1970, finds no fault with the company's top executives. "Management didn't make an error in judgment," he insists. "They did all the right things and came to reasonable conclusions. The only problem was that it just didn't work. It's like golf; sometimes the lie of the ball is simply bad." MacNaughton is not alone in trying to see things in the most favorable light. Reliance's new C.E.O., John Morley, talks enthusiastically about the importance of electricity to the oil company's future.

A HARD ACT TO MATCH

But it will be years, if ever, before Exxon's investment in Reliance pays an acceptable return. To match the rate of return on employed capital that Exxon's energy operations had last year, Reliance would have had to earn $375 million. But in 1978, its best recent year, it earned only $65 million. Last year Exxon reported a $6-million loss for its subsidiary, which, according to Morley, reflects temporary costs associated with the Federal Pacific fiasco and the unrelated write-up of Reliance's facilities and inventories to actual market value. But this is actually the smaller of two red-ink figures. In a 10-K that Reliance itself had to file with the Securities and Exchange Commission because some of its public debt was still outstanding, the reported loss was $42 million. Most of the difference lies in the way Exxon accounts for interest paid by Reliance on money borrowed to buy Federal Pacific.

For a century-old company that has no desire to go out of business when its wells run dry, the logic of diversification is still compelling. At minimum, its experience with Reliance should have taught Exxon how not to go about negotiating a merger. The wildcatter mentality of playing your hunches may still be a good way to make money in oil—but all the world isn't oil.

Mr. METZENBAUM. Mr. President, the proposed Mobil acquisition of Marathon is sharply contested by Marathon and is unquestionably one of the most shocking merger efforts in decades. Under normal circumstances, it would not and could not even have been considered.

Mobil is the second largest oil company in America. Marathon is the 16th largest oil company in America. Mobil and Marathon compete vigorously in many markets: One example is exploration, in the acquisition of oil leases for development through competitive bidding, particularly in Rocky Mountain areas and the Outer Continental Shelf. That competition will no longer exist if the acquisition is permitted to go through.

Probably most important is the fact that if Mobil is permitted to acquire Marathon, the latter company, which is the most important supplier of gas to unbranded and private brands who provide the most price competition, will no longer be extant. The company making the acquisition, Mobil, actually refuses to supply the independent branded and unbranded dealers.

If Marathon is absorbed in Mobil, the independents, who in fact are the price cutters in the field, who provide the competition, will lose their major source of supply, and the American consumer will pay the price.

Furthermore, the direct retail competition which presently exists between Mobil and Marathon in the Midwest, in the Western States, and elsewhere, will disappear, particularly after Marathon's acquisition of Husky, which would make them much more competitive with Mobil.

In the area of pipeline transport, Mobil and Marathon are major competitors in crude oil transport; and that competition, involving the Louisiana crude producers, will disappear totally from the American economic scene.

In the area of domestic refining, they compete directly. In the area of storage terminals for refined petroleum products, there is direct competition between them. In oil shale exploration and development, both are major factors, and competition will be hurt.

The critical point for the American people is that if the Mobil-Marathon merger is permitted to go through, these two competitors in the economic mainstream of America will wind up being No. 1 in motor gasoline, No. 1 in total liquid pipeline mileage, and No. 1 in domestic refining capacity. Unfortunately, all the others who are sitting out there, looking around to pick up other small oil companies—the Texacos and the Gulfs and the others—will be on the move, totally eliminating the really competitive forces that are operable in the marketplace at the present time.

One of the worst things that is happening involves reports of a deal on this merger effort. I have seen a copy of an agreement that I understand is being proposed by the Federal Trade Commission Bureau of Competition. Imagine proposing a deal making it possible to allow the acquisition for a 6-month holding basis. Whom are they kidding? What an absurd proposition. A 6-month holding basis, and then maybe the FTC will turn the deal down. But you have to look at that agreement to understand the real hooker in it. The real hooker in it has to do with the fact that during the 6-month period, Mobil would be able to fire any Marathon employee.

Whom does the FTC Bureau of Competition think they are kidding? That proposed agreement for a 6-month holding period is a fraud, a fraud on the American people, and the Bureau of Competition should be ashamed of itself.

The fact is that what it really means is that they are afraid to grapple with the issue up front. They are afraid to say to the American people, "Yes, we are indeed letting Mobil take over Marathon, but we are going to hold it for 6 months; and during the 6-month period, we are not really going to have control—no, not really—but Mobil is going to be able to fire each and every Marathon officer, each and every Marathon employee."

There is great protection in there for competition. They have to give them 72 hours' notice before they can fire them. Is that not wonderful?

Yesterday, I was in Findlay, Ohio, where Marathon's home office is. I have never seen a community turn out as that community turned out in support of Marathon. It should be noted that the Senator speaking at the moment has not always been a great supporter of Marathon. I have not hesitated to criticize Marathon when I thought it was the appropriate thing to do, and I do not intend in the future to restrain myself in that respect. However, criticism of Marathon, and permitting Mobil to acquire Marathon, are totally different matters.

This company is Findlay, Ohio. This company is loved by the people who work there and who deal with the company—the colleges, the school system, the people who live in that community. If you looked throughout all America in order to find a more beautiful, homespun kind of community, you could not find a better one than Findlay, Ohio.

Unfortunately, there is this goliath, Mobil, which made such a shambles of its acquisition of Marcor and Montgomery Ward, this company which has been looking and prowling and rambling throughout the entire economic marketplace looking for something to gobble up because it has too much money. Remember, the oil companies came to the floor of the U.S. Senate and said they needed decontrol so they could get more money to go out and produce more oil. What more oil are they talking about?

Buying Marathon does nothing as far as producing more energy. It will not add one drop of oil to this Nation's resources.

As a matter of fact, Mobil is trying day in and day out to buy up companies in this country that do not add anything to the energy productive resources of our Nation.

It was Mobil who just recently attempted to buy up Conoco. That would not have added anything to the energy resources of this country.

I believe it is high time that this administration, the Department of Justice Antitrust Division, and the Federal Trade Commission be advised and notified and told by the U.S. Congress:

> We expect you to obey the law. We expect you to do what your predecessor did. We expect you to follow the Supreme Court decisions. We expect you to have some concern for small business and for the local concerns of the people of Findlay and other small cities throughout this country. We think it is high time that someone spoke up and said that this excessive concentration is not good for the Nation.

What good would the Mobil acquisition of Marathon do? Who needs it? What will it add? What will it contribute?

If anyone can tell me that it will add one single iota of value to the economic mainstream of America I would like to learn about that fact.

All of these problems of small business, all of the concerns for local communities, all of the problems of excessive concentration—all of this is part of the central tradition of antitrust. It is now scorned and disdained by Messrs. Baxter and Miller, despite clear congressional concern for these small businesses and localities throughout our Nation's history.

Senator GORTON, a distinguished Member of the majority, said in connection with the Miller nomination:

> The administration is saying that it is its intent unilaterally to retreat from this congressional policy without bothering to amend the current laws or to consult with the Congress . . . Its statements amount to a signal to the business community that violations of current law will be tolerated in certain areas, a signal that may have already been received and acted upon.

I commend the distinguished Senator from Washington. I commend him for his astuteness. I commend him for zeroing in exactly to the nub of the problem.

And I share his further thoughts when he says that:

> The current merger wave involving some large individual merger drives has already tied up substantial amounts of credit, making it even more unavailable to small businesses which seek to expand and contributing further to the continuing intolerably high levels of interest rates.

Said he further:

> Certainly, the acquisition of existing facilities rather than investing in new plants and equipment does not lead to economic growth.

The Senator was right on the money, right on the button.

Vertical mergers are no longer suspect, according to Mr. Baxter, despite the fact that there are clear Supreme Court precedents. When he was asked his authority for repudiating these clear Supreme Court decisions, Mr. Baxter could not come up with a merger case but only the Sylvania case. Unfortunately for him that case deals not with mergers but only with a faltering company's quite loose locational franchising agreements.

Is it any wonder that Mobil felt free to try to swallow up Marathon? That other huge oil behemoths are waiting in the wings?

Is it any wonder that lawyers have wondered how to advise their clients with Baxter's speeches on one hand and Supreme Court decisions on the other?

Is it any wonder that a Dillon Read partner has predicted that the Baxter

views "should spark a 10- to 15-percent pickup in merger activity"?

These mergers do the economy and our Nation little good. As the President of Marathon has stated:

> Everybody in the United States who suffered through the energy shortage has got to ask this administration and Congress whether this kind of acquisition is going to increase the Nation's oil reserves by a single barrel. How much oil might Mobil find with the $5 billion they're offering for Marathon? If they had taken the money they spent for Marcor and used it in their oil exploration program, they might have found enough reserves on their own that they would not need ours now. Just when the public was beginning to get a better understanding of oil industry economics, Mobil, with its high-handed arrogance, seems to be trying to set back public attitudes to the days of the Standard Oil trust.

Many mergers, particularly of the conglomerate and vertical variety, are highly inefficient. Many come about by reason of the price-earnings ratio of one company to the other. Many have to do with the ability of companies to use their excess cash and their obligations to put it to work or to distribute it to their stockholders.

The Exxon Corp., which I mentioned before, bought the Reliance Electric Co. for $1.3 billion. They came before our committee and put on a magnificent demonstration and showed us how this wonderful new piece of equipment was going to work, and told us it was going to save a million barrels of oil a day. Who amongst us lowly Senators could question the credibility, the representations of the world's largest industrial company, Exxon? How could we challenge that? They must know what they are doing.

A year later they found that the devise was a dud and they were embarrassed. But the fact is they have gobbled up Reliance Electric Co. in my own home community.

Contrary to Mr. Baxter's notions that mergers come from acquired company inefficiencies, acquisition-minded executives look for highly profitable companies. They are out there in the field now with billions of dollars of credit money tied up, credit that is not available to small business people, not available for people who want to use it for their homes, not available for people who want to buy automobiles, not available for the economy, not even available to the U.S. Government. They have tied up $60 billion in dollars committed to make acquisitions.

There is something sad about all of that. I believe it appropriate that this body indicate by its support of this amendment its concern for the failure to abide by the laws of this country. This proposal does not call for any new legislation. It does not call for any change of the laws. It calls only for the administration at the FTC level and at the Antitrust Division level to abide by the laws that are presently on the books of our country. I think that is little enough to be asking.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that Senator PROXMIRE be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I rise to support the amendment of the Senator from Ohio. The resolution we have introduced today as an amendment to the Justice Department appropriations bill will send an important message to the department and to the business community.

We are telling the Attorney General and his chief assistant for antitrust that Congress intends the antitrust laws of our Nation to be enforced fully and vigorously. On a bipartisan basis, the Senate is saying that we regard antitrust enforcement as important and particularly timely now for the American consumer and small businesses throughout our country. At the same time, this amendment will send a message to Wall Street. Large corporations may be tempted to evade the statutes and controlling Supreme Court decisions because of lax enforcement or disparagement of antitrust law by Justice Department officials. But those companies and their attorneys should know that the Congress will insist that our antitrust laws are enforced.

Every administration shapes its own policies and priorities for enforcement. But when storm signals mount that our antitrust enforcement agencies may disregard the laws passed by Congress, because they disagree with Congress' judgment, it is time for Congress to exercise its oversight responsibility.

Antitrust laws and theories often seem complex and academic to the average citizen. But the consumers and small businessmen of America understand the basic principle of antitrust: When competition is either foreclosed, or conducted unfairly, they suffer.

Antitrust enforcement is especially crucial now. As we increase deregulation of industry, we increase our reliance on a competitive free market to protect the public interest. While inflation continues to plague us, removing artificial restraints on price competition remains an important part of any anti-inflation program. As the Senate noted yesterday, pressures on available credit are increased when unproductive merger offers and the target companies defensive response tie up millions of dollars of available credit.

Above all, when the attorney general or his assistants, and the head of the FTC, disagree with the laws of the books, or with a clear line of Supreme Court precedent interpreting them, the proper course under our system is to ask Congress to change the law. Agency heads may not arrogate to themselves the right to nullify our antitrust laws by refusing to enforce them.

The press has carried several reports quoting businessmen and attorneys who state that the department's signals of weak antitrust enforcement are seen as a free flag to undertake questionable mergers. For example the Washington Post reported:

> Wall Street financiers are being told by their lawyers that almost any merger is worth a try. Things are being proposed that never would have been proposed by companies before the Reagan administration took office.—(Wash. Post Aug. 3, 1981)

The Wall Street Journal reported a warning by Robert Pitofsky, a distinguished antitrust lawyer and former commissioner of the Federal Trade Commission:

> Mr. Pitofsky contends that by raising doubts about whether many proscribed practices remain so, the Reagan administration may break down self regulation by business, tempting it to try a variety of harmful practices. (Wall Street Journal, Aug. 11, 1981.)

One particular concern is Mr. Baxter's disdain for Government challenge to vertical mergers or vertical restraints of trade between manufacturers and their suppliers or distributors. Yet Congress and the Supreme Court have made amply clear this is an important area of antitrust violations under the law. Mr. Baxter and Mr. Miller have an obligation to follow the law.

At recent hearings of the Senate Judiciary Committee several colleagues and I questioned Mr. Baxter about this failure to enforce the laws vigorously. His responses were not satisfactory.

Mr. Baxter had indicated he sees little place in antitrust enforcement for concern about the survival of small business in the face of alarming economic concentration. But Congress made clear when it enacted the Celler-Kefauver amendments to the Clayton Act in 1950 that in addition to preserving the "invisible hand" of competition, it sought to preserve the opportunity for smaller business to survive. The Supreme Court acknowledged this intent in its decision in *Brown Shoe Co.* v. *United States*, 370 U.S. 294, 312–323 (1962).

I supported the free market, and I have worked for many years to end unnecessary economic regulation. But we must also make sure, through strong antitrust enforcement, that the market is, in fact, a free and competitive one.

(By request of Mr. ROBERT C. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. LEAHY. As Senators we have spoken often in the last few years about the need to protect this Nation's vital resources. But among the strong and vital ingredients in our economic life which is rarely identified as a resource is the competitive marketplace. I believe that this resource is threatened today as it has not been in generations by a trend toward economic concentration in business and industry. And because of this threat I rise to cosponsor this resolution on antitrust enforcement.

While this Congress has been working hard on legislation to deconcentrate governmental power and to widen the au-

thority to make decisions, the antitrust policies of this administration seem designed to reconcentrate industry and replace narrow and top-heavy Government decisionmaking with narrow and top-heavy industry decisionmaking.

I will concede that the final ending has not been written to the administration's merger policies, but I worry about the early trends. Here are a few of the signs I see:

Virtual abandonment of certain areas of enforcement, such as vertical mergers and resale price maintenance;

The dropping of antitrust cases inherited from previous administrations;

Repeated pronouncements that set an unmistakable tone, like "Bigness is not bad"; and

Switching the Government's role in private antitrust suits by promising to support defendants with amicus briefs rather than plaintiffs.

These are a few obvious signs. I also see the outlines of a policy that defines harm narrowly to mean only the threat of impairment to competition in a specific market, even if that policy means all but a few competitors will disappear from the marketplace and even if the trend to merge will create an intense concentration of capital.

The American democracy works for some reasons that are clear and are grounded in the Constitution and for other reasons that are less clear and are founded in social traditions and economic patterns that are as much a part of what we are as the Bill of Rights. If it would be excessively rosy to suggest that we have corporate democracy in America, it is no exaggeration to say that the decisions made by the marketplace are protected from errors and rash extremes because of the great number an diversity of corporate managers making those decisions. I would find it hard to believe that a few centralized corporate decisionmakers would do as well or would be an improvement over the few government agency decisionmakers whose power we are trying so hard to curtail and reassign to a broader constituency.

It is safe to conclude that there is little administration interest in vertical mergers, while horizontal mergers will be weighed against a wide variety of factors in addition to those in the present merger guidelines.

There is considerable agreement that conglomerate mergers have no immediate, significant impact on competition. But this is far from justifying a conclusion that an accelerating trend to conglomerate mergers will not affect the fabric of life in the country. While the potential competition theory has not been widely used in the recent past because of difficulties of proof inherent in the theory, the area is important and would benefit from keen analysis in the Justice Department and at the FTC.

So far I have been speaking of substance rather than process, the merger issues rather than the means by which new policies evolve. But I must add that the process disturbs me even more than the policy changes I have been able to discern so far. Traditionally, enforcement priorities at the Justice Department and the FTC are matters within the sound discretion of the President's appointees, the Attorney General and the Chairman of the FTC. Enforcement priorities reflect the application of scare resources to an order of priorities, where all of the enforcement goals under law cannot be achieved or cannot be achieved at one time.

But I wonder if prosecutorial discretion is not being used at the present time to effectively amend statutes whose goals are deemed archaic or out of step with currently popular economic analysis. The legislative history of the amendment of section 7 of the Clayton Act in 1950 reflects that Congress was concerned with more than the protection of competition, though that was the primary goal. Congress was clearly concerned with the disappearance of small enterprise in favor of a few dominant giants and with the progressive concentration of capital. The Supreme Court in the 1950's and 1960's made it clear that it looked beyond strict economic considerations to the threat of concentration in evaluating a number of horizontal mergers.

Thirty years of fairly consistent interpretations should not be cast aside in the name of arranging priorities, but should be changed only after serious consideration both by the enforcement agencies involved and the Congress.

The independent agencies have always served as a protection against precipitate action by any given administration, and I think it demeans no one to urge that policy changes at the FTC be undertaken with deliberation and only after consultation with Congress.

Merger policies can affect the health and dimension of the business sector for generations. The resolution introduced in the Senate today will reaffirm the will of Congress to have its laws enforced as they are written, until those for whom concentration is no threat are successful in getting those laws changed.●

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise in opposition to the resolution introduced by the distinguished Senator from Ohio. I am not opposed to the overall objective of the resolution which is to express support for active and vigorous enforcement of the antitrust laws. But I believe that certain parts of the assertions in the preamble tend to overstate the facts and law relating to mergers. I thus now offer a substitute resolution which I believe accurately reflects the sense of the Senate on antitrust enforcement.

I also add that the resolution I am offering by way of a substitute is not intended to restrict the ability of the Department of Justice or the Federal Trade Commission to use their resources as they see fit in antitrust enforcement.

I believe that both Mr. Baxter, Assistant Attorney General for Antitrust, and Mr. Miller, Chairman of the Federal Trade Commission, are devoted to a faithful and vigorous enforcement of the laws.

These are well-qualified and able men and admirable appointments by the President.

Thus, this resolution is offered for the sole purpose of expressing the continuing interest of this body in the enforcement of the antitrust laws. However, the Department of Justice and the FTC can and must be free to direct their limited enforcement resources to those areas they deem most effective and beneficial to the public interest which, I believe, they have been doing so far and will continue to do in the future.

UP AMENDMENT NO. 611

Mr. President, I send to the desk a substitute amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Carolina (Mr. THURMOND) for himself, Mr. HATCH, Mr. SPECTER, Mr. EAST, Mr. GORTON, Mr. LAXALT, and Mr. WEICKER proposes an unprinted amendment numbered 611:

In lieu of the language proposed to be inserted, insert the following:

The Congress enacted the Sherman Antitrust Act in 1890, the Federal Trade Commission and Clayton Acts in 1914, and the Celler-Kefauver Act in 1950;

Vigorous enforcement of the antitrust laws, including those against mergers which may have the effect of substantially lessening competition or which tend to create a monopoly, is essential to the operation of a competitive economy, and lies at the heart of our nation's historic commitment to a free and open marketplace;

Antitrust enforcement efforts are of particular significance in a climate of increased government deregulation of business, in order to assure that the economic marketplace remains competitive;

Now, therefore it is the sense of the Senate that:

(1) The Department of Justice and the Federal Trade Commission seek actively and vigorously to enforce the antitrust laws; and

(2) Monies appropriated under this bill shall be expended in a manner consistent with this resolution.

Mr. THURMOND. Mr. President, I ask for action on this substitute amendment.

The PRESIDING OFFICER (Mr. MATTINGLY). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I am aware of the substitute amendment offered by the distinguished chairman of the Judiciary Committee. I feel that the amendment, the substitute, bears the thrust of the concerns that I have expressed.

I respect very well the fact that each of us has a different way of starting the same proposition, but the fact that his amendment specifically provides that it is the sense of the Senate that the Department of Justice and the Federal Trade Commission seek actively and vigorously to enforce the antitrust laws means that we will have spoken, and spoken as only the Senate can speak in these terms. It will effectively accomplish the purpose, and I am, therefore, prepared to accept this substitute. It is my understanding that Senator DANFORTH, who is a cosponsor, is also ready to accept it.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. METZENBAUM. Pardon me, Mr. President, if I accept the substitute, do I

understand the Senator from South Carolina is asking for the yeas and nays?

Mr. THURMOND. I think we had better have the yeas and nays.

Mr. METZENBAUM. On the substitute?

Mr. THURMOND. On the substitute.

Mr. METZENBAUM. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. METZENBAUM. If I accept the substitute, is there need for the yeas and nays?

The PRESIDING OFFICER. The Senator from Ohio has the yeas and nays for his amendment.

Mr. METZENBAUM. I am sorry.

The PRESIDING OFFICER. The Senator from Ohio has got the yeas and nays on his amendment. Therefore, it would take unanimous consent for him to modify his amendment by way of accepting the amendment offered by the Senator from South Carolina.

Mr. METZENBAUM. Mr. President, I ask unanimous consent——

Mr. THURMOND. Mr. President, I object to the unanimous-consent request and ask for the yeas and nays on the substitute.

The PRESIDING OFFICER. The Chair will first hear the inquiry and request of the Senator from Ohio.

Mr. METZENBAUM. I cannot hear the Chair.

The PRESIDING OFFICER. The Senator has a request in process. Did the Senator from Ohio request to continue his statement, his unanimous-consent request? The Chair thought the Senator was in the process of doing that.

Mr. METZENBAUM. Let me get the parliamentary situation clear. I have had a rollcall agreed to with respect to my amendment. The Senator from South Carolina has offered a substitute and I have indicated my willingness to accept the substitute. The Senator from South Carolina has indicated he wishes the yeas and nays with respect to the substitute. Under those circumstances since it would seem to me to be unnecessary to have to vote inasmuch as I am prepared to accept the substitute, I am prepared to, and I ask, unanimous consent then to vitiate the order for the yeas and nays on my original amendment since the one rollcall would be for both.

The PRESIDING OFFICER. Is there objection to vitiating the yeas and nays on the rollcall of the Senator from Ohio's amendment? If there is no objection——

Mr. THURMOND. Mr. President, I have no objection to that. I want a rollcall vote on my substitute.

The PRESIDING OFFICER. Without objection, it is so ordered. The yeas and nays have been vitiated on the amendment of the Senator from Ohio.

Mr. METZENBAUM. I am sorry, I did not hear the Chair.

The PRESIDING OFFICER. Without objection, the yeas and nays are vitiated on the amendment offered by the Senator from Ohio.

Mr. BUMPERS. Mr. President, reserving the right to object——

Mr. THURMOND. Mr. President, I have asked for the yeas and nays.

Mr. BUMPERS. Mr. President, reserving the right to object——

Mr. THURMOND. They have been ordered, I believe, on the substitute.

The PRESIDING OFFICER. They have not, sir.

Mr. THURMOND. I ask for the yeas and nays on the substitute.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BUMPERS. Mr. President, is there a unanimous-consent request pending?

The PRESIDING OFFICER. There is no unanimous-consent request pending.

Mr. METZENBAUM. It is my understanding, Mr. President, that the Senator from Arkansas had reserved the right to object with respect to my unanimous-consent request; is that correct? That is my understanding.

The PRESIDING OFFICER. The Chair was waiting to see if there was an objection to the request and the Chair ruled there was no objection.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on my amendment and that we proceed to a vote.

The PRESIDING OFFICER. The yeas and nays have already been ordered on the amendment of the Senator from South Carolina. The question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the Senator from Ohio. Is there further debate?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii has the floor.

Mr. INOUYE. Mr. President, I yield to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, the Senator from Ohio and the Senator from South Carolina are both saying approximately the same thing. The resolution of the Senator from South Carolina is acceptable to the Senator from Ohio. However, I would like to say a few words to express my view that we ought to be taking more substantive action than a sense-of-the-Senate resolution, which all of us know does not have a binding effect.

It occurs to me that if you look at the history of the antitrust laws of this country, the reasons for them, as originally adopted and carried out by Teddy Roosevelt are more compelling now than they were when they were originally passed.

I do not know how much of this information the Senator from Ohio has put into the RECORD, but I would like to make a few points about mergers that have been going on apace in this country to dramatize how critical this problem has become.

As of July 20, 1981, seven large companies lined up $26.9 billion in credit. That was seven companies, some of whom were seeking to take over Conoco. Conoco did not seek to be taken over. Du Pont, which finally acquired Conoco, borrowed somewhere between $6 and $6.5 billion, I forget the exact size of the figure, to consummate that sale.

What is $6.5 billion in this country? Consider this example, Mr. President. All of the New York City banks combined increased their commercial and industrial loans in 1980 by $6 billion. In other words, Du Pont borrowed more to take over Conoco than all the banks of New York City increased their commercial and industrial loans during a full year.

For a period of time, almost $27 billion in credit was tied up in a country where credit is supposed to be tight and where credit tightness is causing the exorbitant interest rates which everybody deplores. The effect of that absorption of credit, of course, is that we get no more jobs; we do not get any more competition. On the contrary, it is anticompetitive, and it certainly makes it a lot tougher for the small business people of this country to borrow money. They are dropping like tenpins all over the country.

Acquisitions have been occurring long before Mobile and du Pont and Seagram and others were trying to take over Conoco. Consider this statistic, Mr. President. Between January 1977 and the time we began phasing in the decontrol of oil prices in this country, in May 1979, the top 20 oil companies of the country acquired 32 other companies. That is according to CRS. During that period of time, that averages 1.2 companies per month that just the top 20 oil companies were taking over.

Even more, from May 1979, when we started phasing in the decontrol of our oil prices, until about June of this year, those same companies swallowed up 42 more companies. That was an average after phased-in decontrol, not of 1.2 companies per month, but of 1.75 companies per month that just the top 20 oil companies were taking over. More importantly, listen to the size, listen to the size of the acquisitions. They increased 142 percent, going from $225 million in that first period, January 1977 to May 1979, to $544 million per acquisition since that time. That amounts to a monthly average acquisition by those 20 companies of $953 million.

In other words, Mr. President, the top 20 oil companies in this country have been spending $1 billion a month not to develop synthetic fuels, not to develop solar energy, not to drill more holes anywhere, but to buy other companies.

In the 1974 list of the Fortune 500 corporations, the 500 largest corporations in the country, seven of the top 20 were oil companies. That was in 1974, and today, 13 of the top 20 corporations in America are oil companies. They are not satisfied just with their oil operations. They are spreading out into the coal business. And listen to this: Thirteen of the top 25 coal companies are owned by oil companies and Exxon is No. 4 in coal holdings of all the companies in the country.

Mr. President, that would not be particularly bad except for a couple of things. They have the money to buy up virtually all the coal in the country. My guess is that they own about 30 to 40 percent—I think they own 40 percent of the non-Federal coal in this country right now, but do they want it in order to develop coal, produce coal, or synthetic fuel from coal? Well, I doubt it. I am not blaming Exxon or anybody else

for this, but if you were the President of Exxon, Mr. President, would you develop a synthetic fuel from coal if you saw the chance that what you might be doing is developing a barrel of oil from coal that you could market very profitably at $20 per barrel?

You would want to give the president of Exxon a saliva test if he did that, because they have 5 billion barrels of oil in the ground, which is worth $35 a barrel right now, untouched. Do you think that they are going to try to find an alternative fuel for this country at anything less than $35 a barrel? Can you see one of those annual reports going out saying, "We have some good news and some bad news. The good news is we have developed a new technology to produce oil from coal at $20 a barrel. The bad news is the value of our reserves just went down $75 billion."

That is not about to happen. Yet the oil industry continues to take over all the coal companies they can find. AMAX is one of the biggest coal companies in the United States, and it was just a few months ago that Standard of California was trying to buy AMAX for $4 billion.

Mr. President, I will tell what is happening in this country: The big conglomerates and the big oil companies are finding it a lot easier to take their newfound profits and buy other corporations than they are to improve their own productivity. If you were to ask the president of a corporation, "Why do you want to buy this; why don't you get more productive?" he would answer, "Go talk to the vice president in charge of productivity; I am too busy buying up this new company here so our annual report will look nice and fat."

So, Mr. President, I support this resolution. I applaud the Senator from South Carolina and the Senator from Ohio for agreeing on it, but the time is coming when we are going to have to address this in a much more stringent way.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the present matter be set aside temporarily in order to permit the distinguished chairman of the Judiciary Committee to bring up another matter.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UP AMENDMENT NO. 612

(Purpose: To indicate an intent that funds shall be used for the preparation of recommendations for the exchange of computerized records)

Mr. THURMOND. Mr. President, on behalf of the distinguished Senator from Kansas (Mr. DOLE), I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina (Mr. THURMOND), on behalf of the Senator from Kansas (Mr. DOLE), proposes an unprinted amendment numbered 612:

On page 22, line 9, before the period, insert the following: "including the preparation and submission of recommendations as to whether the Federal Government should provide communications systems, networks, and data bases for the exchange of criminal records, provided that no part of any appropriation contained in this Act may be used to engage in message-switching until a plan for such message-switching has been approved by the appropriate committees of the House of Representatives and the Senate, including the Judiciary Committees".

(By request of Mr. THURMOND, the following statement was ordered to be printed in the RECORD:)

● Mr. DOLE. Mr. President, as a member of the Senate Judiciary Committee, I have had ample opportunity to review certain functions within the Department of Justice. No one is more aware than the Senator from Kansas of the need to be cautious and selective in the manner in which we will spend the limited funds appropriated to operate our Federal Government. However, there are several areas of special concern to me which I believe should receive priority treatment.

One such area is the Federal Bureau of Investigation's computer operations. For the last 10 years, the National Crime Information Center—the NCIC—has been a subject of considerable controversy. This controversy has focused primarily on the question of whether, and in what manner, the data contained in the NCIC should be part of a program providing for the interstate exchange of criminal records.

At this time, there is an operational system which permits the exchange of State criminal history information. I am referring to the National Law Enforcement Telecommunications System—NLETS. NLETS is a privately-maintained system in which each State maintains its own criminal history records and must make a separate inquiry of every other State when information is required regarding suspected multistate offenders. One of the advantages of NLETS is that it permits States to exercise control over their own criminal history data. There is merit to the argument that local law enforcement officials should be given a significant role in the decision to maintain, purge, and/or update their computerized criminal records.

However, NLETS has been the target of a good deal of criticism because it lacks a centralized index to the records maintained by other States. It has been argued that a centralized index would facilitate the exchange of criminal history data between and among the States. One of the arguments made in opposition to the use of a centralized index is that it would be the first step toward a national data bank in the hands of the FBI and that it could ultimately jeopardize the civil rights of all of us.

There is no question that we must insure the security, integrity, accuracy, and privacy of data of this nature and that we must exercise a degree of control over the uses to which such data is put. However, there remain serious differences of opinion as to how these goals are to be accomplished.

The FBI has already commenced a pilot program to test the interstate exchange of criminal data using a centralized index. This Senator believes that any such program should be delayed until we have had sufficient time to review the practical and ethical questions which have been raised and to avail ourselves of expert advice in this area.

To this end, I am introducing an amendment to H.R. 4169 to provide that a portion of the funds appropriated for the administration of the Department of Justice are to be used for the purpose of studying what the role of the Federal Government should be in the interstate exchange of criminal history data.

For the past 2 years, the Senate Judiciary Committee has voted in favor of authorizing funds for such a study. The committee has recommended that an independent entity be selected by the Attorney General and the House and Senate Judiciary Committees to submit recommendations as to the extent, if any, that the Federal Government should provide communications systems, networks, and data bases, for the distribution and use by Federal, State, local, or foreign governments or private entities, of records compiled as a result of arrests of individuals or any other criminal records.

Any such recommendation should include an assessment of the feasibility and advisability of continuing the National Crime Information Center, including the computerized criminal history program, and the other criminal record operations of the Federal Bureau of Investigation including but not limited to the criminal records operations of the FBI identification division and the automated identification system.

An assessment should also be made of the feasibility and advisability of a plan to improve the operations of those systems and of reconciling the operational redundancies among those systems. An assessment should also be made of the feasibility and advisability of incorporating national driver registry information into the computer operations of the Federal Government. In addition, the Judiciary Committee has recommended the selection of an advisory panel which would represent the interests of the Governors of the States, other users of the system, and those involved in law enforcement, civil liberties protection, and criminal justice operations.

The purposes of the study which was approved by the Senate Judiciary Committee were as follows:

First. To determine the purposes and uses of the system and related data bases by Federal, State, and local law enforcement and criminal justice agencies, by Federal, State, and local, and foreign governments, and by private sector organizations;

Second. To determine whether foreign entities and agencies other than law enforcement and criminal justice agencies should be allowed access to data contained in the system for purposes which are not related to law enforcement and criminal justice needs of the United States, and, if so, the policies and procedures for such access;

Third. To determine the functional, informational, and data service requirements to meet those recommended purposes and uses, with particular regard to the intergovernmental exchange of data;

Fourth. To establish standards for system and data integrity and quality of service, including standards for the relevancy, accuracy, reliability, and completeness of data accessible in or through the system, as well as methods for insuring that irrelevant, inaccurate, obsolete, or incomplete data is identified in a timely fashion and corrected or eliminated from the system;

Fifth. To establish privacy, confidentiality, and security requirements that any Federal, State, or local agency, or private sector organization, shall meet in order to gain access to the system, including standards as to use, who is responsible for maintaining the data, who has access to the data, what types of data are to be maintained, mechanisms for insuring data accuracy, reliability, security, and completeness, and an agreement by the State or Federal agency to be audited for compliance with such standards;

Sixth. To require that data be submitted by all Federal law enforcement and criminal justice agencies, including data with respect to the arrest and disposition of Federal offenders;

Seventh. To establish procedures for the audit of Federal, State, and local level programs;

Eighth. To develop effective sanctions for misuse of data and improper distribution of data, including legislative recommendations with respect to such sanctions;

Ninth. To provide procedures to enable an individual to have access to, review, and challenge any information pertaining to him contained within the system;

Tenth. To provide for an annual report to the Congress on the system including problems relating to the data contained in the system, the technology employed, the utility of the system, a breakdown—by level of Government—of the number of files maintained in the system on multistate offenders, Federal offenders, and single-State offenders, a breakdown—by category of users—of requests for information, and legislative and regulatory recommendations with respect to improvement of the system;

Eleventh. To provide a timetable for the implementation of the plan, the costs of such implementation, and recommendations for the funding of the system;

Twelfth. To determine whether the maintenance and management of the system should be by the States pursuant to Federal guidelines, the Federal Bureau of Investigation, another organization within the Department of Justice, or a combination thereof;

Thirteenth. To determine whether the computerized criminal history program should be separated from the National Crime Information Center;

Fourteenth. To make recommendations on the following:

First. With respect to criminal history information for single-State offenders, a requirement that criminal fingerprint cards only may be included in the Federal component of the system;

Second. The definition of "multistate offender," and appropriate policies and procedures for the maintenance of information on multistate offenders;

Third. The establishment of an automated interstate identification index to provide identifying information to Federal and State agencies, such index to consist solely of personal identifiers of an individual, the individual's FBI number, the individual's State identification number, and a notation of the existence of a criminal fingerprint card, and not to include charge or offense data;

Fourth. Whether message-switching of information contained in any system should be allowed. "Message-switching" means the use of electronic equipment to receive a message, store that message until an outgoing line is available, and then retransmit the message without any direct connection between the line on which the message was received and the line on which the message is retransmitted;

Fifth. Whether the organization charged with the management of the system shall be required to return any fingerprint card and delete the index entry upon request by the submitting State;

Sixth. The acquisition of updated technology and equipment; and

Seventh. Any other matter determined appropriate by the Attorney General or the advisory panel.

It is the sincere hope of the Senator from Kansas that this amendment be adopted and that a portion of the moneys appropriated for the administration of the Department of Justice be earmarked for a study such as the one which has been approved by the Senate Judiciary Committee during both the 96th and the 97th sessions of Congress. It should be noted that if the current pilot program to test the interstate exchange of criminal history data using a centralized index is delayed, funds being expended for the pilot program will be freed to be used for other purposes, such as the proposed study.●

Mr. METZENBAUM. Mr. President, will the Senator from South Carolina yield for a question?

Mr. THURMOND. I yield.

Mr. METZENBAUM. My question is this: I believe that, in the past, I have sponsored this amendment. Is this the same amendment that has been on the Judiciary Committee appropriation bill in the past?

Mr. INOUYE. The Senator is correct.

Mr. METZENBAUM. I thank the Senator.

Mr. WEICKER. We accept the amendment, Mr. President.

Mr. INOUYE. We also accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 612) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 611

Mr. THURMOND. Mr. President, I suggest action on the matter now before the Senate.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the Senator from Ohio.

Mr. THURMOND. It is a substitute for the amendment.

The PRESIDING OFFICER. The Senator is correct.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Iowa (Mr. JEPSEN) and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER) and the Senator from New York (Mr. MOYNIHAN), are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. DIXON), would vote "yea."

The PRESIDING OFFICER (Mr. SPECTER). Is there any Senator in the Chamber wishing to vote?

The result was announced—yeas 85, nays 0, as follows:

[Rollcall Vote No. 364 Leg.]

YEAS—85

Abdnor	Bradley	Cochran
Andrews	Bumpers	Cohen
Armstrong	Burdick	Cranston
Baker	Byrd,	D'Amato
Baucus	Harry F., Jr.	DeConcini
Bentsen	Byrd, Robert C.	Dodd
Boren	Chafee	Dole
Boschwitz	Chiles	Domenici

Durenberger	Kassebaum	Riegle
Eagleton	Kasten	Roth
East	Kennedy	Rudman
Exon	Laxalt	Sarbanes
Ford	Lugar	Sasser
Garn	Mathias	Schmitt
Gorton	Matsunaga	Simpson
Grassley	Mattingly	Specter
Hart	McClure	Stafford
Hatch	Metzenbaum	Stennis
Hatfield	Mitchell	Stevens
Hawkins	Murkowski	Symms
Hayakawa	Nickles	Thurmond
Heflin	Nunn	Tower
Heinz	Pell	Tsongas
Helms	Percy	Wallop
Hollings	Pressler	Warner
Humphrey	Proxmire	Weicker
Inouye	Pryor	Williams
Jackson	Quayle	Zorinsky
Johnston	Randolph	

NOT VOTING—15

Biden	Glenn	Levin
Cannon	Goldwater	Long
Danforth	Huddleston	Melcher
Denton	Jepsen	Moynihan
Dixon	Leahy	Packwood

So Mr. THURMOND's amendment (UP No. 611) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio, as amended.

The amendment (UP No. 610), as amended, was agreed to.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I have a unanimous-consent request to make. The minority has not cleared it at this time. I had hoped at this moment to propound a unanimous-consent request in respect of changing the time to resume consideration of the Export Administration bill. I am not prepared to do that.

The PRESIDING OFFICER. The Senate will be in order. The majority leader deserves our attention.

Mr. BAKER. I am not prepared to do that at this moment. But Senators should be on notice that for reasons I think are good reasons a little later I will make the request or propose to make the request that the time to resume consideration of this measure, that is to say, the Export Administration bill, be changed from 6:10 p.m. as presently ordered to 7:10 p.m. I do not now make that request, but I hope to be able to make it very shortly.

VISIT TO THE SENATE BY MEMBERS OF THE ISRAELI KNESSET

Mr. BAKER. Mr. President, I yield to the distinguished chairman of the Committee on Foreign Relations so that he may call the attention of the Senate to important visitors.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. BAKER. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. PERCY. Mr. President, I thank the majority leader.

To my colleagues let me say that I have great pleasure and pride in introducing to the U.S. Senate some dear friends of the United States of America, personal friends of all of us, a delegation from the Knesset. The chairman is Prof. Moshe Arens, chairman of the Foreign Affairs Committee on Armed Services Committee; Ambassador Chaim Herzog, whom so many of us have known through the years; Ms. Sarah Doron, Mr. Shlomo Hilel, Mr. Joseph Rom, and Mr. Dan Rosolio.

Members can, if they have not already introduced themselves, now step over and introduce themselves to our distinguished guests, and we will then resume our meeting down in S-116. I thank the majority leader very much indeed.

RECESS

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate stand in recess for 1 minute so we can visit with our distinguished guests.

There being no objection, the Senate, at 5:09 p.m., recessed until 5:10 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. SPECTER).

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

FIRST EXCEPTED COMMITTEE AMENDMENT—PAGE 2, LINES 17 THROUGH 23

The PRESIDING OFFICER. The question recurs on agreeing to the first committee amendment.

Mr. INOUYE. The yeas and nays are ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Is the first excepted committee amendment the amendment that relates to the farm census? Will the Chair state the title of the amendment?

The PRESIDING OFFICER. The Chair does not interpret, but the Chair can state that the amendment is now found on page 2, lines 17 through 23.

Mr. HELMS. I think the point has been made, Mr. President. I thank the Chair.

The PRESIDING OFFICER. The yeas and nays have been ordered on agreeing to the amendment. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Iowa (Mr. JEPSEN), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote nay.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 3, nays 82, as follows:

[Rollcall Vote No. 365 Leg.]

YEAS—3

Chafee	Gorton	Mathias

NAYS—82

Abdnor	Garn	Pell
Andrews	Grassley	Percy
Armstrong	Hart	Pressler
Baker	Hatch	Proxmire
Baucus	Hatfield	Pryor
Bentsen	Hawkins	Quayle
Boren	Hayakawa	Randolph
Boschwitz	Heflin	Riegle
Bradley	Heinz	Roth
Bumpers	Helms	Rudman
Burdick	Hollings	Sarbanes
Byrd, Harry F., Jr.	Humphrey	Sasser
	Inouye	Schmitt
Byrd, Robert C.	Jackson	Simpson
Chiles	Johnston	Specter
Cochran	Kassebaum	Stafford
Cohen	Kasten	Stennis
Cranston	Kennedy	Stevens
D'Amato	Laxalt	Symms
DeConcini	Lugar	Thurmond
Dodd	Matsunaga	Tower
Dole	Mattingly	Tsongas
Domenici	McClure	Wallop
Durenberger	Metzenbaum	Warner
Eagleton	Mitchell	Weicker
East	Murkowski	Williams
Exon	Nickles	Zorinsky
Ford	Nunn	

NOT VOTING—15

Biden	Glenn	Levin
Cannon	Goldwater	Long
Danforth	Huddleston	Melcher
Denton	Jepsen	Moynihan
Dixon	Leahy	Packwood

So the committee amendment on page 2, lines 17–23, was rejected.

Mr. THURMOND. I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

THIRD EXCEPTED COMMITTEE AMENDMENT

Mr. THURMOND. Mr. President, I ask for the yeas and nays on excepted committee amendment No. 3.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the third excepted committee amendment.

Mr. THURMOND. Mr. President, I should like to say a word on it.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, this is the House committee amendment:

> No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

That was the House provision. Who could object to that? However the Senate committee struck that out. It is my position that that House provision should be retained in the bill. I ask for a vote on it.

Mr. WEICKER. Mr. President, I am going to synopsize in about 1 minute, then I am going to be offering a substitute amendment of my own.

The question was asked by the distinguished Senator from North Carolina, "who could object to that?" Well, the U.S. Senate ought to object to it and, certainly, the members of the Committee on Foreign Relations ought to object to it.

We are not going to make foreign policy in a little bit of ad hoc activity here on the Senate floor, throwing out a few buzz words.

Mr. President, I repeat what I said earlier, which is that we have had no foreign policy in the Caribbean, Central America, Cuba, or anywhere else in that part of the world. We have not had it for 30 years. That is the reason why the Soviet Union is wandering willy-nilly in that part of the world without any effort by the United States to compete in terms of ideas, products—you name it.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. WEICKER. I do yield to my good friend, the distinguished Senator from Maryland.

Mr. MATHIAS. The Senator from South Carolina says, who would object? I wonder if the Senator from Connecticut, the manager of the bill, could tell us whether the President of the United States has objected?

Mr. WEICKER. I have not heard from the President of the United States.

Mr. MATHIAS. So he has not objected.

Mr. WEICKER. He has not objected.

Mr. THURMOND. Mr. President——

Mr. WEICKER. I do not yield at this time.

So that we all do not get into one of these rhetorical traps, so that we are not blown over by fearing to stand up against some pretty volatile words and phrases, I think the time has come for the United States to establish a foreign policy; and that foreign policy should be constructed by the President of the United States, the Secretary of State, and the Foreign Relations Committee of the U.S. Senate. It is our prime responsibility here, so that we can remove the Soviet presence from the Western Hemisphere.

Right now, the foreign policy consists of name calling. One day it is Mr. Castro doing a number on our Chief Executive and/or Secretary of State, and the next day it is the two of them doing a number on Mr. Castro. What kind of foreign policy is that?

The language I propose as a substitute will read as follows:

"It is the sense of the Senate that the president, in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Carribean region generally and in Cuba specifically;

"*Provided* further that in developing such a policy the president shall consider the full range of economic and diplomatic relations with the nations of the region in order to promote stability, human rights and economic development for the people of the region."

At least, we get this back into its proper order.

Obviously, I have the general objection of all the legislation that is being heaped on our appropriations bills. But, sooner or later, I think it is necessary that we follow the proper constitutional process. Otherwise, let us eliminate all the authorizing committees, and we can run this place with the Appropriations Committee, the Budget Committee, and the Finance Committee.

I was in Cuba about a year and a half ago. Since we are specifically on the matter of trade—never mind ideology—if anybody thinks that what is in that country is solely a product of Cuba or the Soviet Union, let me tell you that it has been Japan, Italy, France, Canada, West Germany, and England. Every other free, democratic nation in the world has its products in Cuba.

I am not advocating or putting an amendment on this bill that dictates our foreign policy, that we should normalize relations, or that we should trade. But if the Mideast is a priority, then our own part of the world should be our own priority, and it is not.

The reason why the Soviet Union runs footloose and fancy free, whether it is in Cuba or Central America or wherever, is that we have no foreign policy, and that part of the world looks to every part of the world except the United States.

The Senator from North Carolina, one of the principal sponsors of this amendment, is a member of the Foreign Relations Committee. Why is it that he cannot accomplish it in his own committee, rather than come to an appropriations bill? It is obvious that the headlines have not necessarily always been in the Western Hemisphere and, more particularly, Central America and the Caribbean. Now we are starting to get some, as the sham of our policy becomes obvious, and nation after nation is flirting with some alternate form of government to the ones that exist and that we have been supporting.

I cannot think of a greater priority for the Senate and for our generation to truly once again establish our Nation as the preeminent influence in that part of the world.

So, I hope that at least as a beginning, to that end, and without anybody fearing that they have voted for Castro or for communism—as a beginning—the Senate will support this substitute amendment. It just does not say that we are going to cut off funds or are not going to have funds to do anything with trade, but it specifically directs everybody to the job that needs to be done.

UP AMENDMENT NO. 613

Mr. President, I send to the desk a substitute for the language proposed to be stricken by the committee amendment on page 12, lines 1 to 3.

I ask unanimous consent that the name of the Senator from Hawaii (Mr. INOUYE) be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The bill clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), for himself and Mr. INOUYE, proposes an unprinted amendment numbered 613.

Mr. WEICKER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be stricken by the committee amendment starting on page 12, line 1, insert the following:

"It is the sense of the Senate that the President, in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Caribbean region generally and in Cuba specifically: *Provided further*, That in developing such a policy the President shall consider the full range of economic and diplomatic relations with the nations of the region in order to promote stability, human rights and economic development for the people of the region."

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, is the Senator willing to add the House language back to his amendment?

Mr. WEICKER. Yes; I would be more than willing. If the Senator would like to have the House language and my language, I have no problem with accomplishing something along that line. Would the Senator like to suggest the absence of a quorum?

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

Mr. HELMS. Will the Senator withhold that? Then I will put in a quorum call.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, the able Senator from Connecticut raised a question about the administration's position on the House amendment which the Senate committee struck. The matter prior to any agreement that may be reached between the Senator from South Carolina and the Senator from Connecticut was on the question whether the committee amendment to strike the House language would be approved by the Senate. Senator WEICKER inquired about the administration's position on the House amendment. Both the Department of State and the Department of Commerce have informed me that they prefer the House language, which they both say reflects the administration policy.

Mr. President, I suggest the absence of a quorum.

Mr. WEICKER. Mr. President——

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I am not impressed by the fact that the Department of State or the Secretary of State or the Secretary of Commerce, whoever it was, will take the House language.

It was so with the previous Secretary of State and the previous Secretary of Commerce and the Democratic administration. It was so with the Secretary of State and the Secretary of Commerce and the Republican administrations all the way back to the late 1950's.

Why is it that I have to ask that we have a change in our foreign policy? Why

is it that I have to defend a new game plan, when that is the policy that has been in place since the end of the 1950's, which has succeeded in putting the Soviet Union smack in the middle of the hemisphere? Has anybody asked themselves that question? Why are they here, and why are they being looked to more and more, not just by Cuba but by other nations in that part of the world as well?

All my amendment does, in effect, is to stop the name calling, the brickbats, the endless schism, and it starts a process going. Maybe it is after that process that everybody feels we should totally isolate Cuba. I am not here to make a judgment. I feel that that is not the way to go. But I realize that the proper forum for my ideas would be before the Foreign Relations Committee, in talking with the counselors to the administration.

If the administration does not have any commonsense, at least let us start to show it on the floor of the Senate. Maybe we have a certain air of detachment about what is going on in the Middle East or Afghanistan or Poland and the rest because of distance. But we cannot afford to goof on this one.

Since the matter has been raised and since we are going to have some legislation on an appropriations bill, at least let us make it intelligent, at least let us have it pertain to our generation and what it is we look for; because, sooner or later, this nonforeign policy in our part of the world is going to lead to armed conflict. How many crises do you think you can have before this explodes in our face?

Do you honestly feel that by leaving Cuba in a vacuum, you are doing anything other than to leave her with the Soviet Union and nobody else? That is what is happening.

The most frustrating experience I ever had in my life was, upon leaving the island of Cuba, to know that the United States was not competing, either in terms of ideas or in terms of products; to know that our ideas are better, but nobody hears them because we do not speak them; to know that our products are better, but nobody has them because we do not sell them.

I have indicated a willingness, because I think that if we get anything started, it is better than where we are. I have indicated to the distinguished Senator from South Carolina that I am willing to go ahead—if he wants to leave the House language in there, I will let that go. But then I would like my language to be added to it, and then at least we start the constitutional process, trying to do the correct thing by ourselves and by that part of the world.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, the distinguished Senator from Connecticut has agreed to accept the House wording in the bill, thus leaving the House provision in the bill. The provision reads this way:

No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

Mainly what I objected to was striking that out because I think it should remain in the bill.

The distinguished Senator from Connecticut has agreed to allow that provision to remain in the bill and then to add some language following it with a change in the word diplomatic "relations" to diplomatic "options" which I am willing to accept.

In view of this we will accept the provision.

Mr. WEICKER. I thank the distinguished Senator from South Carolina, my colleague.

I also wish to put in, so it moves easier, at the beginning instead of "It is the sense," "*Provided*, That it is the sense of the Senate"—just to have it move along better. That is all.

The PRESIDING OFFICER. Is the Senator asking that the amendment be modified?

Mr. WEICKER. Mr. President, I ask that my amendment be modified in the following respects.

At the beginning it shall be "at the end of the language proposed to be stricken." "At the end", instead of "in lieu of".

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

Mr. WEICKER. May I propound the entire request?

That start off "Provided that it is the sense of the Senate," and that on line 10 instead of "relations" the world "options" be inserted.

The effect of that I wish to make sure I am accomplishing by virtue of my amendment is that the House language remain intact, that then at the end of the language proposed to be stricken by the committee amendment:

Provided, that it is the sense of the Senate that the President in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Carribean region generally and in Cuba specifically: *Provided further*, That in developing such a policy the President shall consider the full range of economic and diplomatic relations with the nations of the region in order to promote stability, human rights and economic development for the people of the region.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

Mr. THURMOND. Mr. President, we are willing to go along with the original House provision with the modification as explained by the distinguished Senator from Connecticut, and we wish to have a rollcall vote on this, a yea and nay vote on the committee amendment.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The modified amendment is as follows:

At the end of the language proposed to be stricken by the committee amendment starting on page 12, line 1, insert the following: "*Provided*, That it is the sense of the Senate that the President, in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Carribean region generally and in Cuba specifically: *Provided further*, That in developing such a policy the President shall consider the full range of economic and diplomatic options with the nations of the region in order to promote stability, human rights and economic development for the people of the region."

Mr. HELMS. Mr. President, does the Senator wish to vitiate the yeas and nays on his amendment?

Mr. WEICKER. I wish a rollcall on the whole thing.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. If I vitiate the yeas and nays on my amendment, then would the rollcall vote take place on the committee amendment as amended?

The PRESIDING OFFICER. It would.

Mr. WEICKER. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on the committee amendment as it came from the House, as modified.

The PRESIDING OFFICER. They have already been ordered.

The question is on agreeing to the amendment of the Senator from Connecticut, as modified.

The amendment (UP No. 613), as modified, was agreed to.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that the committee amendment be agreed to and that there be a yea and nay vote on the House language as amended.

Mr. HELMS. Mr. President, reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I move to table the committee amendment.

Mr. HELMS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the third committee amendment on page 12, striking lines 1 through 3. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON), the Senator from North Carolina Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), and the Senator from Colorado (Mr. HART), are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 0, as follows:

[Rollcall Vote No. 366 Leg.]

YEAS—84

Abdnor	Garn	Pell
Andrews	Gorton	Percy
Armstrong	Grassley	Pressler
Baker	Hatch	Proxmire
Baucus	Hatfield	Pryor
Bentsen	Hawkins	Quayle
Biden	Heflin	Randolph
Boren	Heinz	Riegle
Boschwitz	Helms	Roth
Bradley	Hollings	Rudman
Bumpers	Humphrey	Sarbanes
Burdick	Inouye	Sasser
Byrd, Harry F., Jr.	Jackson	Schmitt
	Jepsen	Simpson
Byrd, Robert C.	Johnston	Specter
Chafee	Kassebaum	Stafford
Chiles	Kasten	Stennis
Cochran	Kennedy	Stevens
Cohen	Lamalt	Symms
Cranston	Lugar	Thurmond
D'Amato	Mathias	Tower
DeConcini	Matsunaga	Tsongas
Dodd	Mattingly	Wallop
Dole	McClure	Warner
Domenici	Metzenbaum	Weicker
Durenberger	Mitchell	Williams
Eagleton	Murkowski	Zorinsky
Exon	Nickles	
Ford	Nunn	

NOT VOTING—16

Cannon	Goldwater	Long
Danforth	Hart	Melcher
Denton	Hayakawa	Moynihan
Dixon	Huddleston	Packwood
East	Leahy	
Glenn	Levin	

So the motion to lay on the table the committee amendment on page 12 to strike lines 1 to 3 was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO POSTPONE RECONSIDERATION OF S. 1112 UNTIL 7:10 P.M.

Mr. BAKER. Mr. President, there is an order to resume consideration of the Export Administration bill at 6:10 p.m. I ask unanimous consent that that be changed to 7:10 p.m., under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The Senate continued with consideration of the bill.

UP AMENDMENT NO. 614

(Purpose: To prevent the conversion of the Portland, Maine, Weather Service Forecast Office)

Mr. COHEN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. COHEN) for himself and Mr. MITCHELL, proposes an unprinted amendment numbered 614.

Mr. COHEN. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 12, strike out "$835,281,000" and insert in lieu thereof "$835,390,000".

On page 6, line 13, after the comma insert the following: "of which $109,000 shall be available to prevent the conversion of the Portland Weather Service Forecast Office located at Portland, Maine, to a weather service office, and".

Mr. COHEN. Mr. President, this is a simple amendment. It is designed to correct what is otherwise a pennywise and pound foolish action that is to be taken. That is to downgrade the Portland Weather Service Forecast Office to a weather service office.

Mr. President, if there is one thing that is consistent about Maine, that is that the weather is inconsistent and rather unpredictable. It is critical to the farmers and our fishermen alike. We have had fishermen who have drowned off the coast of Maine in recent months and years and had the Coast Guard tell us that they cannot afford to have a helicopter in Maine to rescue those fishermen. Now we have a situation where we are going to downgrade one of the busiest weather service forecasting offices in the country, with seven aviation terminal forecasts and 14 weather forecasts. This will be transferred to Boston with a notion that, somehow, we are going to replace five people with one in Boston where, actually, the grade level is higher in Boston than in Maine.

I ask the committee to accept the restoration of the $109 thousand that will keep the Weather Service Forecast Office at full staff for the State of Maine, which also has jurisdiction for New Hampshire, instead of transferring this to Boston. In addition to having the Weather Service transferred to Boston, you would also have the weather forecasting transferred to Boston out of Albany, all of which I say is physically impossible.

Mr. MITCHELL. Mr. President, I join my colleague in urging the acceptance of this amendment by the committee. As Senator COHEN has stated, this is a matter of considerable importance to the people of the Northeastern part of the United States and northern New England. The proposed saving will not, in fact, be a saving. I think it makes great sense to make the restoration as requested, and I urge its acceptance by the Senate.

Mr. WEICKER. Mr. President, I understand the problem that is posed for my distinguished colleagues from Maine (Mr. COHEN and Mr. MITCHELL). To be candid, were it not for the strictures placed upon the committee and the requests of the Department of Commerce, there would not have been a unilateral action by the committee to cut back on these weather stations, in Maine or anywhere else, for that matter.

However, because of budget constraints and the priorities and the selections made by the agencies involved, this weather station was one of those scheduled to close down.

Personally, Mr. President, I trust far more the experience of my colleagues on this floor in the representation of their States than I do the word of some bureaucrat. For that reason, I am more than delighted to accept the amendment on behalf of the majority.

Mr. HOLLINGS. Mr. President, where is this weather station? The distinguished Senator from Maine (Mr. MITCHELL) had me up there. I do not remember seeing this weather station. Where is it?

Mr. MITCHELL. It is in Portland, Maine, Mr. President. It is a place that sorely needs a weather station, I might say to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I enjoyed my visit up there about a month ago. It is magnificantly beautiful country. It is a tragic thing not to try to take care of weather needs and, more particularly, from a safety standpoint. We do a lot of air travel and everything else, Mr. President. I do not know that closing these stations is not becoming a false economy.

The senior Senator from Maine mentions the Coast Guard. That fits right into the pattern of Coast Guard services that we experience also. I explained only the day before yesterday, when we stated on the State-Justice-Commerce appropriations bill, how we had to get a Coast Guard cutter all the way from New York to stop a big tanker off-loading drugs coming into South Carolina. We have to try to keep these kinds of services constant. On behalf of the minority, we shall be glad to join the Senators in urging the amendment's adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 614) was agreed to.

Mr. WEICKER. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 615

Mr. HOLLINGS. Mr. President, I send to the desk an amendment on behalf of the Senator from Hawaii (Mr. INOUYE) and myself on the Asia Foundation and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS) for himself and Mr. INOUYE, proposes an unprinted amendment numbered 615.

On page 37 after line 9 insert: "including the development of recommendation to Congress by December 1, 1981, regaining the future of the Asia Foundation.".

Mr. HOLLINGS. Mr. President, this conforms to the concerns of the Senator from North Carolina (Mr. HELMS) and the Foreign Relations Committee as evidenced by the recently passed foreign relations authorizations bill. For the last 2 years, the funding of the Asia Foundation has been rather uncertain. The Appropriations Committee has the very same interest that the Foreign Relations Committee does in obtaining a clear signal from the administration regarding the Asia Foundation. This provision is included and is identical with the requirement of the Foreign Relations Authorization Act in the bill—it passed the Senate, as I indicated, and is still pending in the House.

I understand that Senators HELMS and HAYAKAWA and other members of the Foreign Relations Committee wanted that concern reaffirmed. With that reaffirmation, we can move with that particular section, which I think is a very sound provision. I want to continue the good and outstanding work done by the Asia Foundation. I offer that language.

The PRESIDING OFFICER. Does the manager of the bill wish that the committee amendments be laid aside?

Mr. HOLLINGS. I ask unanimous consent that the committee amendments be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 615) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NINTH EXCEPTED COMMITTEE AMENDMENT—PAGE 42, LINES 11 AND 12

Mr. HOLLINGS. Mr. President, with the permission of the manager of the bill—and I wish the staff would see if this is correct—I think it would be appropriate at this time to move to the committee amendment on page 42, lines 11 and 12, "For a grant to the Asia Foundation, $4,100,000, to remain available until expended," since the language just adopted satisfies the previous object to the committee amendment.

I would then move adoption of the committee amendment on page 42, on lines 11 and 12.

Mr. HELMS. Mr. President, the administration budget request for the Asia Foundation was zero. In other words, no funds were requested at all.

The House appropriated $2 million. However, the Senate committee voted to appropriate $4.1 million. Moreover, the Foreign Relations Committee in the authorization bill directed the State Department to report on the need for the Asia Foundation by December 1. I am informed that that deadline will not be met. Mr. President, why should we temporize any longer?

I think this is a good place to save money, money that was not even asked for. At the minimum, we should stick with the House figure of $2 million. I oppose the committee amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I have been in conversation with the distinguished Senator from Hawaii, the distinguished chairman of the Foreign Relations Committee, and the distinguished Senator from South Carolina.

I make this inquiry: While I was in the Agriculture Committee conference, was the language included that we had discussed previously?

Mr. HOLLINGS. Yes.

Mr. President, the amendment we adopted reads:

Including the development of recommendations to Congress by December 1, 1981, regarding the future of the Asia Foundation.

This is the very language of the Foreign Relations Committee authorization act that was passed by the Senate earlier this year.

It was my understanding that the distinguished Senator from North Carolina wanted to make certain we included that language before we moved the committee amendment.

Mr. HELMS. That is satisfactory to the Senator from North Carolina. I think it is imperative that the State Department meet the deadline established by the Foreign Relations Committee. I think this will get the message across; and under those conditions, I withdraw the objection.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on excepted committee amendment No. 6.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. Mr. President, as the manager of the bill, it is my intention to bring this up as the next matter and make the necessary motions to do it in an orderly fashion. I would appreciate it if the distinguished Senator from South Carolina would permit the managers of the bill to proceed in an orderly fashion.

Mr. THURMOND. Mr. President, if the Senator intends to bring it up next——

Mr. WEICKER. I say to the Senator that I think this will be the issue that occupies us for the remainder of the evening.

Mr. THURMOND. This is not legal services.

Mr. HOLLINGS. The Senator said No. 6. Which one is it?

Mr. THURMOND. It is the prayer amendment.

Mr. WEICKER. I have no objection if the Senator wants the yeas and nays.

The PRESIDING OFFICER. Is there objection to it being an order at this time to order the yeas and nays on the sixth excepted committee amendment?

The Chair hears none, and it is so ordered.

Mr. THURMOND. Mr. President, I now ask for the yeas and nays on excepted committee amendment No. 6.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I believe there is some misunderstanding, and I should like to clear it up.

I ask unanimous consent that we now proceed to page 42, lines 11 and 12; that it be in order to proceed to the committee amendment on page 42, lines 11 and 12, reading, "For a grant to the Asia Foundation, $4,100,000, to remain available until expended."

The PRESIDING OFFICER. The managers have authority to set aside any committee amendments, and proceeding to the amendment specified by the Senator from South Carolina is consistent with that authority.

Mr. HOLLINGS. Then, I so move.

The PRESIDING OFFICER. The amendment is now the pending question.

The excepted committee amendment is as follows:

On page 42, line 11, strike "$2,000,000", and insert "$4,100,000".

Mr. HOLLINGS. I now move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (page 42, lines 11 and 12) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEVENTH EXCEPTED COMMITTEE AMENDMENT—PAGE 32, LINE 23 THROUGH PAGE 36, LINE 10

Mr. WEICKER. Mr. President, the distinguished Senator from South Carolina, Senator HOLLINGS, and I agree to consider the committee amendment which begins on page 32 and ends on page 36.

UP AMENDMENT NO. 616

Mr. President, I send to the desk an amendment to the committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an unprinted amendment numbered 616.

On page 35, line 10, strike the following: "directly or indirectly".

Mr. WEICKER. Mr. President, I move the amendment.

Mr. HELMS. Mr. President, I am sorry. I did not hear what the distinguished Senator from Connecticut said.

Mr. WEICKER. I move the amendment which I just offered to the committee amendment and which the clerk just read.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, may I ask the distinguished Senator from Connecticut why he wishes to delete the words "directly or indirectly" which is what his pending amendment does?

Mr. WEICKER. Because I think these words are superfluous. I think they are unnecessary to the language in the bill.

Mr. HELMS. I am regretfully and respectfully in disagreement with the Senator because the deletion of these three words will put us back in contention with the problem that existed so long with the Legal Services Corporation anyhow. The Corporation has a long history of going around the corner and under the doormat and around the intent of Congress. The Senate amendment is weak enough as it is, but these three words are absolutely essential to protect the interests of American taxpayers.

Mr. President, the House language says that the appropriations for the Legal Services Corporation shall not "be expended for any purpose prohibited or limited by any of the provisions of H.R. 3480 as passed by the House of Representatives."

The committee voted to strike this restriction in the House bill and insert instead broad and sweeping language which is nevertheless hardly adequate to restrain the activism of the Legal Services Corporation.

There is no point in consuming the time of the Senate in reciting the horror stories of the misuse and the abuse of the Legal Services Corporation.

The point I wish to make is that both actions emphasize the clear fact that no authorization had been passed for the Legal Services Corporation. It has been on continuing resolution since last year. Both the House action and the Senate committee action are an attempt to get authorization passed by the back door.

It is a clear attempt, and I say this respectfully to the Senators involved, to put authorization language on an appropriations bill.

Furthermore, when we were in the reconciliation process the administration was clear that it wanted no funds whatsoever passed for the Legal Service Corporation. At that time the Senate included $100 million for legal services but not for the Corporation directly. Now we suddenly see an appropriation of $241 million without, and let me emphasize this, without any authorization legislation without the restraints which the House has debated twice and passed twice.

Now the able Senator from Connecticut wishes to dilute the Senate language even more. If, at this point, we take out "directly" or "indirectly," there would be the implication in the legislative history that we approve indirect funding of the prohibited activity. We cannot allow that to happen.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, let me put it straight out here so that we know exactly what is involved. I do not in any wise want to be a party to the passage of legislation under any subterfuge.

Up to this point we have agreed and we worked matters out. It has been my wish all along that all matters could be worked out as they were in the committee.

Now we are going to start taking up the tough choices. Legal Services is one of those. It is one of the problems that the committee faced.

Senator HOLLINGS and I preferred to move into this without any restriction or legislative language or getting involved in that morass, but we understand that there were other Senators who had different feelings, Senator CHILES being one, and there were many Members on my side of the aisle who felt that they did want modifications to the Legal Services Corporation and wanted the chance to express themselves.

So after much discussion and a carefully constructed compromise the committee evolved upon the language which is contained in the committee amendment.

Aside from the fact, as I stated, that this language is superfluous, it also is there for a parliamentary reason. It is there so that we do not spend the next 2 weeks trying to legislate on this appropriations bill but rather accept the compromises that we worked out within the committee which I think were a fair representation of the views of the members of the committee and also which views incorporated some of the positions over on the House side.

So the purpose of this amendment is twofold. The language is superfluous but it is also so that we can get down to the business of voting on the Legal Services Corporation.

It will be my intention to go ahead and have these votes. If the amendment will not be accepted by motion, then it would be my purpose to have this amendment and the committee amendment voted on in order within a short space of time.

So I am going directly now to my comments vis-a-vis the Legal Service Corporation and hope that this amendment will be adopted and that the committee amendment will be adopted.

I repeat the committee amendment falls far short of anything that I would hope for in terms of the Legal Services Corporation because very simply I do not think that because a lawyer is assigned to a citizen of this country through the Legal Services Corporation that lawyer should have any less power than one whom any other citizen of this Nation would select by the private process.

In order to be effective, the lawyer should have all the tools at his or her command and not, because the salary is being paid for by public funds, be restricted in any way in presenting the case of his or her client.

In considering funding for the Legal Services Corporation, I strongly urge the Senate to reject any attempts to include those provisions and restrictions adopted by the House. The Senate Appropriations Subcommittee and Committee carefully considered the Legal Services Corporation. Hearings were held and testimony taken. In an unusual move, even critics of the agency were invited to testify before the subcommittee with respect to their problems with legal services for the poor.

The committee has crafted a bill that takes into account—in a very reasonable and logical way—the concerns Members of Congress and others brought to our attention. Those provisions are included in H.R. 4169 and they severely restrict the activities of legal services attorneys in those somewhat political areas that many find offensive. The provisions of H.R. 4169:

Outlaw the representation of almost all aliens, both illegal and legal;

Deny legislative representation to poor people through Legal Services attorneys;

Require the Reagan Board of Directors to regulate class action lawsuits against governmental entities; and

Give bar associations majority control over local Legal Services programs.

Other concerns or problems were simply not brought to our attention, otherwise we would have dealt with them as well. But it makes no sense to simply adopt—without hearing, without testimony, without any rational consideration whatsoever—the House-passed restrictions with respect to Legal Services. This approach would be to bypass com-

pletely our own Senate processes and procedures, and to blindly follow the House. Such an approach should be rejected out of hand.

Let me give you a few examples of what you would be doing by adopting in toto the House version. The House-passed verson prevented—inadvertently I presume—the Legal Services Corporation from making grants to bar associations. The Senate bill remedies that problem. The House-passed bill restricts what individual legislators may ask of Legal Services attorneys; our bill remedies that problem too. We are dealing rationally and logically with the problems brought to our attention. We should follow such a path and adopt the bill that was reported to you by the committee.

The Senate will have full opportunity to deal in depth with the Legal Services Corporation when its authorization is again scheduled for action in the 97th Congress. That is the proper time and place to deal with the many technical and complex issues, not here. I strongly urge your support for the committee approach to the Legal Services Corporation.

If we bog down on this particular issue let no one make any mistake that of all the line items in the State, Justice, Commerce bill this one. Legal Services, actually does better by a continuing resolution. So if we want to bog down and not have this bill become law then, fine, Legal Services will be the beneficiary.

Point number two: The figure for Legal Services of $241 million is hardly adequate to do the job necessary in terms of the services to be provided.

It would seem to me that for an administration that wants everybody to work within the system that can only be possible for a large portion of our society if they have these services available to them. Otherwise their cause has to be pleaded in the streets. This is law and order money; it is law and order money.

I am sorry that when an attorney takes a case that he causes discomfiture to the other side, and sometimes the other side is local government, State government, the Federal Government. I figure that it is what he is there for. But I know one thing after my experience in the U.S. Senate in the last 2 years, nobody's rights are going to be protected by this body or the House, and maybe by the time this body gets through with the courts they will not be protected by the courts either.

Any rights that have accrued to the minorities of this country—and by that I do not mean the blacks and Hispanics, I mean minority in the sense of physical condition, the elderly being a minority unit, mental condition, those who are retarded are a minority unit, all of us taken as part of society are indeed a part of some minority; and those rights that we seek to achieve in that minority capacity have never been brought to fruition by the Congress of the United States.

It has taken the courts to do that job. That is why I oppose the legal incursions or the constitutional incursions by this body into the judicial branch of Government. But, having said that, it is all the more important that at least there be legal counsel to protect those whose rights which may be denied.

I just think the matter of legal services has been an unparalleled success in terms of the Federal Government's stepping into what was a void in our constitutional system.

I do not want to take away from what it is that Senator HOLLINGS is going to discuss; but the other day in the committee when we were discussing this matter and the room was full, he indicated that that room would be cleaned out if the attorneys for all the private interests who are subsidized by us as taxpayers left the room. The corporations get legal services paid for by the taxpayers of this country indirectly; but just as surely I can assure you that when it comes to toting up the bottom line of the profits that this will be taken out as an expense. Who do you think is paying for that? They are legal services. Senator HOLLINGS can say it far more eloquently than I can, but I think he makes the point.

I hope that on this measure the Senate will vote overwhelmingly to assure the contitutional rights of all Americans.

Mr. President, in just a few minutes, pursuant to the unanimous-consent request of the leader, it is my understanding that the Senate will move on to other business.

The PRESIDING OFFICER (Mr. SIMPSON). One more minute.

Mr. WEICKER. But it would be my intention as the manager of this bill to see this matter resolved this evening.

We have prayer in school coming up, we have all sorts of further incursions into the judiciary coming up, we have got abortion coming up. We are going to hit every one of these problems held on now. Never mind the fact that the proponents of this type of legislation cannot accomplish their work within the authorizing process. But they are not going to get their way here, and they are not going to get it on this bill. There is a lot of good work that has gone into this product, and it deserves to pass instead of this constant circumvention of the constitutional process by those who just cannnot wait to achieve their particular radical ends. Well this radicalism from the left has to filter through that constitutional process and so is it going to filter through that process when it comes from the right.

So understand if we want to exercise our prerogative and say what it is these budgets are going to consist of and what the priorities are going to be, then let us pass this State, Justice bill. Otherwise we will lose that opportunity and it becomes a matter of last year's priorities or the administration's priorities.

U.S. EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

● Mr. KENNEDY. Mr. President, today the Senate is discussing the fiscal year 1982 appropriations bill for the Departments of Commerce, State, and Justice including funding for the International Communication Agency (ICA). I wholeheartedly support the action of the Appropriations Committee to protect funds for our all important educational and cultural exchange programs. I was deeply concerned to learn that in response to President Reagan's call for an additional 12-percent budget cut, ICA was proposing to reduce substantially its educational and cultural exchange programs.

The reductions proposed by ICA Director Wick were drastic and far-reaching. Academic exchange programs in 61 countries would have been ended. It would have meant the end to the highly respected 35-year-old Fulbright fellowship program in all but a few countries where special agreements exist. The number of U.S. scholarships awarded in Third World countries would have been drastically reduced at a time when the Soviet Union already offers 12 times as many scholarships to Africans as the United States does, and 10 times as many to Latin Americans.

The Humphrey fellowship program, which brings professionals from developing countries to the United States for advanced training, would have been eliminated under the proposed cuts. ICA's international visitor program would have been terminated for 75 countries. This valuable program has brought thousands of journalists, labor and political leaders, and other opinion shapers from foreign countries to the United States, including 33 current heads of state.

The proposed cuts would have had a profoundly negative effect on American interests. Curtailing international exchanges would have hampered our ability to represent American values abroad and to project a positive vision of our country's ideals. I might add that the importance of fostering a better image of the United States has been underlined by several recent events: Violence directed against U.S. diplomats abroad and manifestations of anti-American sentiment in Western Europe. At a time when U.S. capacity to influence global affairs is perceived as declining, we cannot afford to break off international exchanges with friends and allies. Rolling back these programs would have symbolized an American retreat from our commitment to the promotion of better international understanding and it would have abandoned the field to the Soviet Union, with its expanding budget for such purposes already four times the U.S. program.

I understand that ICA decided to concentrate the budget cuts on educational and cultural programs because these programs were less staff intensive and therefore might be rebuilt faster than other operations. However, the impact of these reductions would actually have been much greater than the sums cut from the budget. For instance, if funds for academic programs were cut as proposed, annual host-country contributions of $9 million and private-sector support of over $3 million would have fallen off sharply.

The international vistors network of 750,000 volunteer, private "citizen diplomats" would have begun to disintegrate, and many private agencies which are affiliated with ICA programs would have

been forced to close. Grants providing seed money to nonprofit organizations, estimated to have a five to tenfold effect in attracting private support, would have been eliminated. In short, the effective mobilization of private resources and private enterprise by a Government agency would have been derailed.

Cutting back these programs would have directly reduced the awareness among foreign leaders of American perspectives. ICA's educational programs, by insuring that U.S. training is accessible to all, has shaped the general climate of public opinion and attitudes toward the United States in foreign countries. These exchanges have also strengthened training in international affairs on U.S. campuses, ultimately reducing the likelihood that the United States will be caught off guard by developments abroad.

Mr. President, I am most pleased to see the Senate protect these extremely important programs, which I have supported in the past and intend to support in the future.●

● Mr. CHILES. Mr. President, I wish to enter into a brief colloquy with Senator WEICKER and Senator HOLLINGS concerning a matter that I hope can be addressed in the conference report on this bill.

The Departments of State and Justice have a joint responsibility to negotiate agreements with foreign nations to facilitate improved law enforcement cooperation. The need for such cooperation has taken on a much greater urgency with the tremendous upsurge in the use of foreign banking institutions to hide the fruits of major crimes and thus frustrate U.S. law enforcement efforts. This has been particularly the case with the huge profits derived from large scale drug trafficking operations.

Often it is impossible to obtain legally admissible evidence of known cases of illegal funds overseas because international cooperation in law enforcement has not kept pace with the increasingly sophisticated methods of major criminals. While accurate estimates are not available, the amount of U.S. moneys booked and/or flowing through offshore banks which are serving illegal purposes —tax evasion, laundering, fraud, and organized crime operations—certainly involves many billions of dollars.

Cooperation between the United States and Switzerland under the 1977 Treaty on Mutual Assistance on Criminal Matters has virtually eliminated any difficulty in obtaining necessary evidence of illegal funds secreted in Swiss financial institutions. However, a major portion of the offshore banking of illicit funds is no longer in Switzerland. The Bahamas, Cayman Islands, Mexico, Panama, and other countries with offshore banking operations are increasingly used as financial havens by criminal elements. Until agreements are concluded with all these countries, the flow of illegal profits will continue to be a serious law enforcement problem.

It is imperative that our law enforcement officials be able to move against the assets of drug dealers and organized crime figures. No business, legal or illegal, can operate without capital. Wiping out the bank accounts of the drug merchants would be one of the most constructive actions we can take to put the drug smuggling rings out of commission.

I am concerned that the negotiations to conclude such treaties are not a high priority with either the State or Justice Department. A mutual assistance treaty with the Bahamas was drafted in 1977 but has not progressed beyond the draft stage. It is of critical importance to law enforcement that the Bahamian treaty be successfully negotiated and that work begin immediately to negotiate treaties with the United Kingdom, because of the problems in the Cayman Islands, as well as with Mexico, Panama, and other countries commonly used as financial havens by large-scale narcotics traffickers. Until agreements are concluded, the tide of illegal profits flowing to these countries will continue to thwart the efforts of law enforcement authorities.

On a number of fronts, Congress is expressing its strong interest in improving and helping our law enforcement effort. I believe Congress should express itself on the matter of these treaty negotiations and insist upon a more aggressive effort by the two Departments. The State, Justice, and Commerce appropriations bill affords us an excellent opportunity to make that expression.

I want to request of the floor managers that an effort be made to include in the conference report a statement directing the Departments of State and Justice to move expeditiously to conduct negotiations to conclude agreements to secure the cooperation of the law enforcement authorities of foreign countries in order to effectively deprive domestic criminals of the use of foreign havens for the proceeds of their crimes. I would further request that the Departments be required to report to both the House and Senate Appropriations Committee on a regular basis as to the progress being made to comply with this directive.

Mr. WEICKER. I appreciate the concerns expressed by the Senator from Florida regarding the responsibility of the Departments of State and Justice to pursue negotiations with foreign nations regarding improved law enforcement cooperation. During our subcommittee hearings with the Drug Enforcement Administration officials, we discussed efforts to conclude treaties which would permit our law enforcement officials to move against the assets of drug dealers.

I can assure my colleague that, in conference with the House, I will raise these issues for possible inclusion in the Statement of Managers.

Mr. INOUYE. The minority has no objection. I commend Senator CHILES for bringing it to our attention and Senator WEICKER for his willingness to raise the matter in conference.●

● Mr. SPECTER. Mr. President, I would like to ask two questions of the distinguished chairman of the subcommittee. The House bill contains $81.706 million in salaries and expenses for the Securities and Exchange Commission. The Senate committee recommendation is for $84 million. The Commission has informed employees of the Philadelphia Branch Office and the Washington Regional Office, which includes Pennsylvania, Virginia, West Virginia, Maryland, and Delaware, that these offices will be terminated as a result of the President's proposed 12½-percent reduction in this account. Does this bill contain the President's proposed 12½-percent reduction for the Securities and Exchange Commission's salaries and expenses account?

Mr. WEICKER. No. The bill provides $84 million for salaries and expenses for the Securities and Exchange Commission.

Mr. SPECTER. Would this appropriation require closing of the Washington Regional Office and Philadelphia Branch Office?

Mr. WEICKER. No, it would not.●

EXPORT ADMINISTRATION AUTHORIZATION, 1982–83

The PRESIDING OFFICER. Under the previous order, the hour of 7:10 having arrived, the Senate will now resume consideration of S. 1112 which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 1112) to authorize appropriations for the fiscal years 1982 and 1983 to carry out the purposes of the Export Administration Act of 1979, and for other purposes.

The Senate resumed consideration of S. 1112.

AMENDMENT NO. 624

The PRESIDING OFFICER. Who yields time?

Mr. HEINZ. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, under the rule, as I understand it, at the hour of 7:30 p.m., it will be in order for either the Senator from Illinois (Mr. PERCY) or the Senator from Illinois (Mr. DIXON) to offer a perfecting amendment. Under the rule, this does not in and of itself preclude any other amendments being offered. I wanted to propound a parliamentary inquiry if, the hour of 7:30 having arrived, it would now be in order for Senator PERCY or Senator DIXON to offer an amendment?

The PRESIDING OFFICER. There remain 2 more minutes to be disposed of. Then that would be appropriate.

Mr. HEINZ. Mr. President, as I understand the Percy-Dixon amendment, it essentially will change the date in the current Dixon-Percy amendment, making the effective date January of 1985. If my good friend from Illinois (Mr. PERCY) would respond——

Mr. PROXMIRE. Mr. President, if the Senator will yield on that, the Senator's amendment is very clear but we have only a couple of minutes. I would have to oppose that amendment, although I do not expect to have a rollcall vote on

it. The reason I oppose it is I think it ought to apply to every President of the United States. I do not think we should exempt the present President until near the end of his term. I just want to be on record on that.

Mr. PERCY. The Senator will not ask for a rollcall vote?

Mr. PROXMIRE. I shall not ask for a rollcall vote.

Mr. HEINZ. Mr. President, I shall not ask for a rollcall vote on it, either. I am disposed, not because I support the original Percy amendment—I do not—but because I think it will perfect and improve the Percy amendment and because it will not, for the next 4 years, bind this President's hand, I am prepared to accept it.

Mr. METZENBAUM and Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I have not yet offered the amendment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment numbered 624

Mr. PERCY. We have not offered the amendment yet.

The PRESIDING OFFICER. An amendment is pending.

Mr. PERCY. Mr. President, I ask unanimous consent to be able to offer the amendment with the date change in it so that we can know that we are voting on something we have agreed to.

The PRESIDING OFFICER. The Senator has a right to offer a second-degree amendment.

UP AMENDMENT NO. 617

(Purpose: To amend the Export Administration Act of 1979)

Mr. PERCY. This amendment is in the second degree, Mr. President. It simply adds an effective date of January 1, 1985.

Mr. President, I send to the desk the perfecting amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Illinois (Mr. PERCY) for himself, Mr. DIXON, Mr. DOLE, Mr. PRESSLER, Mr. BAUCUS, Mr. ROTH, Mr. JEPSEN, and Mr. GRASSLEY, proposes an unprinted amendment numbered 617 to amendment numbered 624.

Mr. PERCY. I ask unanimous consent that the reading of the amendment be disposed of.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. . (a) Section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404) is amended by adding at the end thereof the following:

"(m) Exclusion for agricultural commodities.—This section does not authorize export controls on agricultural commodities, including fats and oils or animals hides or skins.".

(b)(1) Section 6 of such Act (550 U.S.C. App. 2405) is amended by adding at the end thereof the following:

"(1) Agricultural commodities.—(1) If the authority conferred by this section is exercised to prohibit or curtail the export of any agricultural commodity to carry out the policy set forth in subparagraph (B) of paragraph (2) of section 3 of this Act, other than in connection with the prohibition or curtailment of all exports, the President shall immediately report such prohibition or curtailment to the Congress, setting forth the reasons therefor in detail and specifying the length of time the prohibition or curtailment is proposed to remain in effect.

"(2)(A) If the Congress, within 60 days after the date of its receipt of such report, adopts a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall remain in enect for the period specified in the report, for one year after the close of the 60-day period, or until terminated by the President, whichever occurs first.

"(B) If the Congress, within 60 days after the date of its receipt of such report, fails to adopt a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall cease to be effective upon the expiration of such 60-day period.

"(3)(A) For purposes of this paragraph, the term 'resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 6(1) of the Export Administration Act of 1979, the Congress approves the exercise of the authority conferred by section 6 of such Act as reported by the President to the Congress on .', with the blank space being filled with the appropriate date.

"(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (1), a resolution with respect to such report shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(C) All resolutions introduced in the House of Representatives shall be referred to the Committee on Foreign Affairs and all resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(D) If the committee of either House to which a resolution has been referred has not reported it at the end of 30 days after its introduction the committee shall be discharged from further consideration of the resolution or of any other resolution introduced with respect to the same matter.

"(E)(i) A motion in the House of Representatives to proceed to the consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the House of Representatives on a resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

"(iii) Motions to postpone, made in the House of Representatives with respect to the consideration of a resolution, and motions to proceed to the consideratoin of other buisness shall be decided without debate.

"(iv) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a resolution shall be decided without debate.

"(v) Except to the extent specifically provided in the preceding provisions of this subparagraph, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

"(F)(i) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(iii) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(iv) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

"(G) In the case of a resolution described in subparagraph (A), if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the resolution of the other House.".

(2) Section 7(g)(3) of such Act (50 U.S.C. App. 2406(g)(3)) is amended by adding at the end thereof the following new sentence: "This paragraph does not apply to the prohibition or curtailment of the export of any agricultural commodity pursuant to section 6(1).".

(C) The amendments made by this section shall take effect on January 21, 1985.

Mr. PERCY. Mr. President, as Senator HEINZ has explained, this amendment simply makes the date to be effective January 1, 1985. I am ready for a voice vote on this amendment.

Mr. BOSCHWITZ. Will the Senator yield?

Mr. PERCY. Yes, I yield, Mr. President.

Mr. BOSCHWITZ. Mr. President, I also want to express my opposition to the amendment. I join in the remarks of the Senator from Wisconsin.

Mr. HEINZ. Mr. President, I am prepared to yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (UP No. 617) was agreed to.

Mr. HEINZ. I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. GRASSLEY. Mr. President, I am pleased to join my colleagues from Illinois in cosponsoring this amendment which would require congressional approval before any selective embargo of agricultural exports could be imposed. My position on embargoes that single out one sector of our Nation's economy has long been known—if an embargo is warranted, it should be imposed to all products exported to the particular country or countries at which the embargo is directed.

I hope that our colleagues will join us in supporting this amendment. It is consistent with the will of the Senate as expressed in the embargo protection provisions included in S. 884, the 1981 farm bill. This amendment will give us additional protection against another unfortunate agricultural embargo such as we recently experienced which cost our farmers dearly, but did nothing to harm the Soviet Union. I strongly urge my colleagues to support this fine amendment.●

● Mr. GORTON. Mr. President, I rise to speak in favor of the amendment offered by the Senators from Illinois. There have been reasoned arguments made on both sides of this issue. But I must conclude that the small intrusion on the foreign policy powers of the President contemplated by this amendment cannot outweigh the right of the farmers of this country to be free from carrying the entire burden of U.S. foreign policy. The terms of the amendment are fair.

If the President acts in such a way so as not to single out agriculture to effectuate foreign policy objectives, the Congress plays no role in the process. If, however, the President singles out agriculture this amendment allows, after a reasonable time, for the review of the action by Congress. I think the farmers of this country are entitled to have this body review that decision. I urge my fellow Senators to support this amendment.●

Mr. PERCY. Mr. President, in just a moment, the Senate will vote on the amendment offered by myself and my distinguished colleague from Illinois, Senator ALAN DIXON, to the Export Administration Act. Stated very simply, our amendment changes existing law in one important aspect. It requires that effective January 1, 1985, and thereafter, in the event the executive branch finds it necessary to embargo agricultural products for foreign policy or national security reasons in less than an across-the-board manner, the affirmative approval of the Congress would be required.

Mr. President, this legislation does not hinder or constrain the flexibility of the President. There is adequate precedent for requiring congressional involvement of this kind. I would disagree strongly with anyone in this body who would suggest that we need the kind of Presidential flexibility we had 2 years ago, when the agricultural community of this Nation was singled out to bear the full brunt of our foreign policy actions in response to the invasion of Afghanistan. I have every reason to believe the current President when he states that he would not repeat the previous action. While I hope the current occupant of the White House is there for another 7 years, we cannot be assured that his successor will feel the same way about selective agricultural embargoes. This amendment allows for Presidential flexibility, but at the same time involves the Congress in a decision of this magnitude. I urge my colleagues to support the amendment.

Mr. President, I express my deep gratitude to the floor managers of the bill for the way this was handled and particularly to my colleague (Mr. DIXON) for the leadership he has provided in this area. We are responding to an urgent need throughout the agricultural community and I pay particular tribute to the way he and his staff have worked intimately with us and with agricultural organizations.

Mr. President, I ask unanimous consent that a letter of support for this amendment be printed in the RECORD at this point that we have received from the American Farm Bureau.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., November 12, 1981.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: The American Farm Bureau Federation communicated to all Members of the Senate on November 9, indicating our support for the Percy/Dixon amendment to the Export Administration Act. As you are aware, consideration of that amendment was delayed until today, Thursday, November 12, 1981.

Farm Bureau reiterates its support for that amendment, which would require Congressional approval for selective embargoes on farm exports if imposed by the President. We believe this action is necessary, based on recent history of ill-advised embargoes.

We are aware that the House/Senate Conference Committee considering S. 884, the Food and Agriculture Act of 1981, has under discussion proposals dealing with compensation to farmers for embargoes on agricultural exports. We believe action on that matter is also important and necessary to help relieve the impact of embargoes on producers. However, we believe the Percy/Dixon amendment to the Export Administration Act will complement rigid language under consideration by the farm bill conference committee to ensure that any future embargo will be carefully considered before imposition.

Sincerely,

ROBERT B. DELANO,
President.

Mr. DOLE. Will the Senator from Illinois yield?

Mr. PERCY. I am happy to yield.

Mr. DOLE. May the Senator from Kansas be joined as a cosponsor of the amendment?

Mr. PERCY. I understood the Senator from Kansas is a cosponsor of the amendment.

Mr. President, I do ask unanimous consent that Senator DOLE of Kansas be added as a cosponsor to the amendment if he is not already.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question now is on agreeing to the first-degree amendment as amended. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD), are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 66 nays 20, as follows:

[Rollcall Vote No. 367 Leg.]

YEAS—66

Abdnor	Garn	Percy
Andrews	Gorton	Pressler
Armstrong	Grassley	Pryor
Baker	Hatch	Quayle
Baucus	Hawkins	Randolph
Bentsen	Heinz	Riegle
Biden	Helms	Roth
Boren	Hollings	Rudman
Bumpers	Inouye	Sarbanes
Burdick	Jackson	Sasser
Byrd, Robert C.	Johnston	Schmitt
Cochran	Kassebaum	Simpson
Cranston	Kennedy	Stafford
D'Amato	Lugar	Stennis
DeConcini	Mathias	Thurmond
Dixon	Matsunaga	Tower
Dodd	Mattingly	Tsongas
Dole	Metzenbaum	Wallop
Domenici	Mitchell	Warner
Durenberger	Nickles	Weicker
Eagleton	Nunn	Williams
Ford	Pell	Zorinsky

NAYS—20

Boschwitz	Denton	Laxalt
Bradley	Exon	McClure
Byrd, Harry F., Jr.	Hatfield	Murkowski
	Heflin	Proxmire
Chafee	Humphrey	Specter
Chiles	Jepsen	Stevens
Cohen	Kasten	Symms

NOT VOTING—14

Cannon	Hart	Long
Danforth	Hayakawa	Melcher
East	Huddleston	Moynihan
Glenn	Leahy	Packwood
Goldwater	Levin	

So the amendment (UP No. 624), amended, was agreed to.

AMENDMENT NO. 628

The PRESIDING OFFICER. The next amendment will be stated.

The bill clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes a printed amendment numbered 628.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place add the following:

SEC. . Notwithstanding any other provision of law, a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

SEC. . Such suspension or restriction of all exports from the United States to the Soviet Union shall be imposed unless the President certifies to the Congress within thirty days of direct Soviet military intervention in Poland that the suspension is not in the national security and foreign policy interests of the United States.

(The names of Mr. JACKSON and Mr. MOYNIHAN were added as cosponsors of the amendment.)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may modify my amendment so as to make the second part of that amendment consistent with the first part.

The second section of my amendment dealing with the Presidential certification should also include direct military intervention in Poland by the Soviet Union or its allies.

In the amendment as written it does not contain that language, and that was the intent of the language as was expressed in the first section.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. HEINZ. Mr. President, reserving the right to object, as I understand the language the Senator proposes to insert after the word "Soviet Union," the word "the Warsaw Pact"?

Mr. ROBERT C. BYRD. Line 10 of the printed amendment, amendment No. 628, reads as follows:

. . . days of direct Soviet military intervention in Poland that the . . .

I would change it to read:

. . . days of direct military intervention in Poland by the Soviet Union or its allies that the . . .

In other words, the amendment as printed does not make reference to the allies.

Mr. HEINZ. Mr. President, I shall not object.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. ROBERT C. BYRD. Mr. President, I send the modification to the desk.

The modified amendment is as follows:

At the appropriate place add the following:

SEC. . Notwithstanding any other provision of law, a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

SEC. . Such suspension or restriction of all exports from the United States to the Soviet Union shall be imposed unless the President certifies to the Congress within thirty days of direct military intervention in Poland by the Soviet Union or its allies that the suspension is not in the national security and foreign policy interests of the United States.

Mr. ROBERT C. BYRD. Mr. President, my amendment requires that a comprehensive trade ban be imposed on the Soviet Union if that country, or its allies, takes direct military action against Poland.

We live in a period of history in which terrorist attacks are nearly commonplace, undeclared wars flare up and fester all over the globe, and some nations engage in brutal aggression at will, with little fear of retribution.

Afghanistan was one clear example of blatant and brutal aggression. Poland must not be another.

My amendment is clearly in line with administration policy as articulated by Secretary of State Alexander Haig in the aftermath of the administration's decision to lift the grain embargo imposed by President Carter following the Soviet invasion of Afghanistan. In a story appearing in the Washington Post on April 25, the Secretary stated that the administration would impose not only a new grain embargo, but an across-the-board ban on trade with the Soviets, should they invade Poland.

So my amendment makes automatic such an embargo if the Soviets or their allies should invade Poland.

I also recognize that the President requires flexibility in making foreign policy determinations of this importance. Therefore, I have so structured my amendment to insure that Presidential flexibility is maintained. A trade ban will not be implemented if, within 30 days after an invasion of Poland, the President certifies to Congress that such a suspension of trade would not be in the national security or foreign policy interests of the United States.

Why do I offer this amendment? I think it is imperative that we send a strong signal to friend and foe alike that Congress stands behind the administration's publicly stated policy regarding Poland. I think it strengthens the President's hand if Congress sends this signal abroad.

During his confirmation hearings before the Senate Foreign Relations Committee, Secretary Haig stated that the basic ingredients of a successful foreign policy include consistency, reliability, and balance. With respect to consistency, the Secretary stated:

An effective policy cannot be created anew daily, informed solely by immediate need. To do so risks misperception by our adversaries, loss of confidence by our allies, and confusion among our own people.

I could not agree more with the Secretary's criteria for the conduct of our foreign policy. That is why I expressed concern on Tuesday of this week when I introduced my amendment that our policy with respect to the Soviet Union has been marked by inconsistency. I cited the following:

The lifting of the grain embargo imposed by President Carter following the Soviet invasion of Afghanistan. The Soviets are still in Afghanistan.

The announcement that while we would provide grain to the Soviet Union we would not provide butter. We turned around and made a major butter sale to New Zealand which, in turn, can sell the butter to a third country which would not be precluded from selling it to the Soviet Union.

The new grain agreement with the Soviet Union, which will allow them to purchase 23 million tons of grain during the sixth year of the long-term grain agreement which we have with them.

I also cited the warnings we have issued our European allies that purchases of Soviet natural gas could allow the Soviet Union to exercise an unhealthy influence over Western economies. I think this latter issue deserves greater attention, and I urge my colleagues to read an item from the November 9 New York Times entitled: "Europe-United States Energy Rift."

Written by Clyde Farnsworth, the article noted:

The United States is getting a polite rebuff from Western Europe on the energy alternatives it is offering in last ditch efforts to dissuade the Europeans from increasing their reliance on Soviet natural gas.

However, Mr. Farnsworth pointed out the inconsistency of our warnings to the Europeans when he noted:

Even while the United States has lobbied hard against the project, the Commerce Department has quietly issued export licenses to the Caterpillar Tractor Company for pipelaying equipment the Russians need to build the line. The Japanese would have gotten the business, had Caterpillar's bid been turned down.

I might point out that the Caterpillar deal was finalized after we had pressured the Japanese to refrain from selling the pipelayers to the Soviets for the same gas project.

Our concern for European reliance on Soviet natural gas has a hollow ring to it. One of the justifications for raising the grain embargo on the Soviet Union was that it was hurting our farmers more than it was hurting the Soviets.

It is estimated that the Soviet Union will be facing a 40-million-ton shortfall in grain production this year. And the future looks equally bleak for the rest of Soviet agriculture.

On the one hand, we worry about the Europeans becoming overly reliant upon the Soviet Union for natural gas supplies. Yet, on the other hand, are American farmers becoming overly reliant upon the Soviet market for grain exports? The Europeans certainly see this dichotomy in very clear terms.

Mr. President, in sum, I believe my amendment to be consistent with a firm and commonsense policy. It maintains Presidential flexibility. It sends the appropriate signal that Congress will support the administration's pledge for a

total trade ban if Poland is invaded. And this congressional signal will demonstrate that, on this issue, friend and foe alike can expect consistency and reliability in this aspect of our foreign policy.

Mr. President, I ask unanimous consent to have printed in the RECORD the following material: A letter dated November 12, 1981, addressed by me to the President; an article from the Washington Post of April 27, 1981, entitled "No 'Quid Pro Quo' Given M.S. for End of Grain Embargo"; an article entitled "For a Bushel of Grain," published in the Economist of May 2, 1981; and an article entitled "Reagan in Wonderland," published in the National Journal of May 9, 1981.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, D.C., November 12, 1981.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This is to request your official view regarding my amendment to the Export Administration Act which would require the imposition of an across-the-board trade embargo on the Soviet Union in the event the Soviets or their allies invade Poland.

Attached is a copy of my proposed amendment which does provide for presidential flexibility regarding the imposition of such an embargo.

Thank you for your kind attention to my request.

Sincerely,

ROBERT C. BYRD.

[From the Washington Post, Apr. 27, 1981]

NO "QUID PRO QUO" GIVEN U.S. FOR END OF GRAIN EMBARGO

(By Jane Seaberry)

The Reagan administration received no "quid pro quo" from the Soviet Union in return for lifting a partial embargo on U.S. grain exports, Commerce Secretary Malcolm Baldrige said yesterday, but he discounted the idea that the Soviets might read the decision as a sign of weakness.

"I think there is no mistake in our intentions vis-a-vis the Soviets," Baldrige said in an interview on "Issues and Answers" (ABC, WJLA), citing "hard signals, tough signals" from both the president and Secretary of State Alexander M. Haig Jr.

During the campaign, President Reagan frequently criticized the embargo, imposed in January, 1980, by former President Carter in retaliation for the Soviet invasion of Afghanistan, as being a disproportionately severe sacrifice for farmers. But it was not lifted until Friday, partly because Haig had persuaded the president that it would be inappropriate to lift the embargo while the possibility existed of Soviet intervention in Poland and that premature lifting of the embargo would be inconsistent with the administration's efforts to put across a hard line to Moscow.

That line has been put down, Baldrige indicated yesterday. Asked how he thought the Soviet Politburo would read the decision on the embargo, he said, "I would not take that as a signal of weakness in any way, shape or form. I would take it as a sense of security that this president feels strong enough to be able to do that and withstand . . . a minor amount of criticism."

Haig reportedly still thinks lifting the embargo is a mistake, and he told the Associated Press Saturday that the administration would impose an across-the-board ban on trade with the Soviet Union—including a new grain embargo—if the Soviets intervene in Poland.

"I think the most important thing we must prevent in the wake of lifting the embargo is the perception that it was exclusively the consequence of a perceived Soviet moderation in Poland," Haig said. He said it would be a mistake to "let Poland exclusively dominate our assessment of future relations with the Soviet Union and return to an attitude of normal if the situation in Poland is not aggravated."

Haig acknowledged that tensions in Poland had eased, but he warned the crisis is not past. He also said Reagan took into account "certain domestic considerations" in his decision to lift the embargo, noting "this farm bill and even his economic program could be in jeopardy on this issue."

But Baldrige dismissed the idea that domestic politics, in an effort to win support for the administration's economic recovery plan or its pending farm bill, played the major part in the decision. "Political reasons in this town have to be considered, along with everything else, but that was far away from the major reason," he said.

Baldrige said Reagan decided to end the embargo because "it was not his embargo in the first place. . . . It was Jimmy Carter's embargo."

Baldrige said the President never said he would lift the embargo if he received some concession from the Soviets, nor did the administration receive any private assurances from the Soviets regarding the situation in Poland.

"He's never stated it would take a quid pro quo," Baldrige said. "The fact is he didn't think it was an effective enough tool, a kind of retribution against a move in Afghanistan when it was first imposed.

"The question is to send the right kind of signal to the Russians so there's no mistake about our policy and our intentions, so they understand that," Baldrige said. "Once that's done, and it's been done in the last three months, there's no real reason to keep that embargo on."

Meanwhile, Treasury Secretary Donald T. Regan told reporters yesterday that the administration didn't lift a high-technology embargo against the Soviets, imposed shortly after the grain embargo, because high-technology goods have defense and political overtones.

[From the Economist, May 2, 1981]

FOR A BUSHEL OF GRAIN

(President Reagan makes himself look a bit of a Carter.)

President Reagan's decision to end the grain embargo imposed on the Soviet Union after the invasion of Afghanistan has sacrificed his principle of firm government to his promise of less government. As presidential hopeful, Mr. Reagan dubbed the embargo ineffective and discriminatory. His promise to lift it won votes in America's farm belt. By redeeming that election pledge, he has helped himself to win the friends he needs to steer his economic package through Congress. But the grain embargo was a weapon of foreign policy, not domestic policy. The decision to lift it now is both ill-judged and ill-timed.

Ill-judged, above all, on a point of principle. President Carter imposed the grain embargo in January, 1980, to punish the Russians for their occupation of Afghanistan. He did not expect it to make them drop their weapons and run from Afghanistan; but he did mean it to impose a price. That distinction later got lost in the all-too-familiar muddle of Carterian thinking, but it is worth bearing in mind. By lifting the embargo President Reagan has diminished the penalty the still-occupying Russians have to pay.

What of its effect on the Soviet economy? Negligible, says Mr. Reagan. Not so. The embargo hit only those grain sales above the 8m tonnes to which the Americans are legally committed under their grain agreement with Russia. But last year that left the Russians with close to 12m tonnes to find in a hurry. True, the force of the American embargo was blunted when other countries—notably Argentina—bumped up their grain sales. But the message still got through.

Coinciding with two poor harvests in succession in the Soviet Union, the embargo obliged Russia's grainbuyers to scurry about the globe, grabbing grain where they could find it—and often at prices well above world market levels. And even their best efforts left Russia's farmers with 13 percent less feed grain this winter (only 110m tonnes, compared with 126m tonnes in 1979–80). Livestock that cannot be fed over the winter has to be slaughtered. Last year the shortage of meat and dairy products set off strikes in several large factories. Still proclaiming loudly that the embargo hurt the United States more than it hurt them, last week Russian officials were knocking on the door of the department of agriculture within hours of the president's decision.

And what of the embargo's effect on America's farmers? Much of the grain destined for Russia's silos last year was sold elsewhere. Government loans and direct grain purchases made up to the farmers for any loss of banned exports at the (more fairly shared) expense of the American taxpayer. President Reagan is no fan of government intervention, especially when it means spending Americans' tax dollars. Lifting the grain embargo appealed to his conservative, free-trading instincts. But a true conservative—and the president of the United States at that—should not balk at the kind of government intervention which upholds America's interests abroad. By bending the principles of his foreign policy to the dictates of the farm lobby, President Reagan has exposed an Achilles heel for all to see.

REMEMBER LINKAGE?

When he came to power, a stern President Reagan warned the Russians that in future only their own good behavior around the globe would earn them the fruits of detente and arms control. But as any stern parent knows, jellybean diplomacy works only if it is consistently applied. In January, Mr. Reagan—rightly—decided that the grain embargo should remain. To lift it, he said, would send the wrong signal to the Russians.

Nothing else has changed, except that good weather and low demand suggest that America may have a bigger grain surplus this year. Casting about for a convenient figleaf, White House spokesmen are mumbling hopeful-sounding phrases about the easing of tensions in Poland. But the embargo was a response to the actual Soviet occupation of Afghanistan, not the feared occupation of Poland. And although President Brezhnev might wish he could share America's optimism, his Polish crisis is deepening, not easing. The American secretary of state, Mr. Haig, insists that a trade embargo would be imposed "across the board" if the Russians move against Poland. But for how long next time? The wrong signal Mr. Reagan was worrying about has got through. Mr. Brezhnev may wager on surviving the next storm of disapproval from the White House.

Dismantling the grain embargo also sets a bad example for America's allies. How does President Reagan hope to dissuade energy-hungry west Europeans from selling their pipes for Soviet gas, or discourage American, west European and Japanese industrialists from selling their high technology to the Russians, if he bows so easily to the demands of his own farmers? When Mr. Carter imposed the embargo, he was accused of shooting off America's toe to show his feel-

ings about Afghanistan. By dropping the embargo, President Reagan has shot a bit off the claim to consistency which he wants to make a hallmark of his presidency.

[From the National Journal, May 9, 1981]

REAGAN IN WONDERLAND

(By Michael R. Gordon)

To hear Administration officials tell it, the United States has a new weapon in its diplomatic arsenal: the grain embargo. Even though the embargo, imposed after the Soviet invasion of Afghanistan, was a flop and was lifted without any concessions on Moscow's part, the threat of future trade bans may deter the Soviet Union from invading Poland. Or so the Administration's line seems to go.

This may appear to be an unfair parody of recent Administration foreign policy. But a quick review of the history of the grain embargo shows that the Administration's evolving policy on the ban has a definite Lewis Carroll flavor that is bound to confuse even those inured to the zigs and zags of Carter Administration policy making.

The story starts in the midst of last year's presidential campaign, when candidate Ronald Reagan promised farmers that as President, he would put an end to the partial ban on grain sales imposed by President Carter on Jan. 4, 1980. Following the Soviet invasion of Afghanistan, Carter had stipulated that the United States would not sell the Soviet Union any more grain than the eight million tons guaranteed on an annual basis under a five-year U.S.-Soviet grain agreement. The ban also applied to shipments of phosphate fertilizers and soybeans. With an eye on the farm vote, Reagan declared that "Jimmy Carter's grain embargo, which has hobbled American farmers for months now, has had virtually no impact on the Soviet Union."

The scene then shifted to the White House soon after Reagan's inauguration. By that time, however, there was precious little evidence that American farmers were being hurt by the embargo. Drought in the Midwest had pushed up the price of corn, and U.S. farmers had found new markets, including some abandoned by Argentina as it aggressively marketed its grain—at inflated prices—to the Soviet Union. The Agriculture Department issued several reports showing that despite the embargo, U.S. grain exports were running at record levels and that the United States exported a record $40.5 billion in agricultural goods in fiscal 1980.

At the same time, reports persisted that the grain embargo was having a modest impact on the Soviet Union. Though Agriculture Department statistics showed that the Soviet Union was in the process of importing a record 34.5 million metric tons of grain in the marketing year ending June 30, the Soviets unexpectedly suffered a second bad harvest. Meat production was down slightly and reports of demonstrations in several Soviet cities and in Estonia filtered back to the West. Some Soviet experts cited reduced Soviet exports to Eastern European nations, including Poland.

Faced with these facts and with the growing Soviet threat to Poland, Reagan ordered a "review" of the embargo in January. On Feb. 17, Sen. Nancy Landon Kassebaum, R-Kans., reported that Reagan, in a meeting with Members of Congress, said that if the embargo were "gratuitously lifted, without some quid pro quo from the Russians, it would be sending a signal to our allies that we were softening our stand against Soviet action." This line was echoed by Commerce Secretary Malcolm Baldrige, who in an April 18 interview stated that the United States would lift the embargo only in a "quid pro quo" deal that involved assurances that Moscow would not invade Poland.

In spite of this tough talk, Reagan less than a week later ordered the embargo lifted without receiving any apparent Soviet assurances. In an effort to deflect any suggestion that the action represents a softening of the U.S. stance toward Moscow, some Administration officials stressed the influence of domestic political "considerations." In an aboutface, Baldrige insisted that lifting the embargo involved no quid pro quo. In an interview with the Associated Press, Secretary of State Alexander M. Haig, Jr. argued that if Reagan had not repealed the embargo, "his farm bill and even his economic program could be in jeopardy. . . ."

Then, to ensure that the United States was not sending the wrong "signal," Haig warned that it would reimpose the embargo as part of a more comprehensive trade ban if the Soviets invaded Poland.

Reconciling foreign and domestic policies is understandably often a difficult task. But the Administration's handling of the grain embargo is a history of lost opportunities, according to some Soviet specialists. The Administration's need to assail the Soviet Union publicly canceled out any gains that may have flowed from using the repeal of the grain embargo as an instrument of rapprochement—a device to initiate discussions about the future of Afghanistan or arms control.

Unable to use the lifting of the embargo as a carrot, the Administration has all but thrown away the stick. Its strategy of advertising that it is yielding to domestic pressure on the one hand and threatening to reimpose the ban on the other can only be characterized as self-defeating. If the United States seeks in the midst of some future crisis to rally its allies to impose trade sanctions against the Soviet Union, the erratic application of the recent U.S. grain embargo may give them pause—and so the Soviets may reason.

By unilaterally lifting the embargo, Reagan has also eliminated one of the few features of his Soviet policy that seemed to unite conservatives and liberals. For hardliners, the embargo was just one more means of punishing Soviet expansionism. For detente-minded moderates, it represented a way to counter Soviet aggression short of intervention in the Third World or a nuclear arms race.

The history of trade sanctions against the Soviet Union and developing nations such as Iran is a mixed one, at best. And the Administration may well be right that as a practical matter, the embargo had only a marginal effect on the Soviet Union and had outlived its usefulness. But symbols are the stuff of which much of the Administration's Soviet policy is made, and its easy dispatch of the grain embargo must cause many to wonder about how steady a course the Administration will steer in its dealings with Moscow.

Mr. ROBERT C. BYRD. Mr. President, I reserve the remainder of my time.

Mr. HEINZ. Mr. President, I suggest the absence of a quorum.

Mr. METZENBAUM. Mr. President, will the Senator withhold?

Mr. HEINZ. I yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER (Mr. ARMSTRONG). The Senator from Ohio is recognized.

Mr. METZENBAUM. I thank the Senator from Pennsylvania.

I rise to indicate that I had intended originallly to offer an amendment in the second degree to the amendment offered by the distinguished Senator from West Virginia. My amendment in the second degree would have provided a 9-month moratorium on acquisitions by major international energy companies of the smaller oil companies of this country. It would have been a ban with respect to Exxon, Mobil, Texaco, Gulf, Shell, Standard of California, Standard of Indiana, Sohio, and BP.

As a matter of fact, as I thought about it, it occurred to me that it probably would be inappropriate to offer it as an amendment to this very important amendment offered by the Senator from West Virginia. It has to do with a subject totally different from the subject of the amendment.

The facts are that there will be, as I see it, some time, several days at least, in which there ought to be an opportunity for me to offer the amendment at a later point.

I am happy to say the distinguished Senator from Washington (Mr. GORTON) has indicated strong interest as well as support for the concept of providing a ban on this type of acquisition. Senator KENNEDY from Massachusetts has indiindicated his support for the concept.

I do not think it would be in the right vein with respect to the spirit and effort of the distinguished Senator from West Virginia to attack such an amendment at this point.

I, therefore, explain to the Senate and those Members who had indicated their interest in supporting this amendment why it will not be offered at the present time.

I thank the Senator from Pennsylvania and the Senator from West Virginia for yielding the time.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Ohio (Mr. METZENBAUM) for his consideration and understanding as so stated by him.

The PRESIDING OFFICER. Who yields time?

Mr. HEINZ. Mr. President, I rise in opposition to the Byrd amendment, and I know that my distinguished colleague from Illinois, Senator PERCY, the chairman of the Committee on Foreign Relations, will oppose it.

I oppose it for two reasons: First, I think regardless of the fact that should the Soviets in any way, shape, or form, with their allies, or with anyone else, move in some threatening way toward Poland, or into Poland, by military means, this country should take the strongest possible action.

What I object to in the amendment of the Senator from West Virginia is that this absolutely ties the President's hands. He has no flexibility unless he comes back to Congress; and, further, it is going to make it extraordinarily difficult for the President to negotiate something that would be even more effective than an American total embargo, and that is a multilateral embargo with our allies.

This amendment raises a very legitimate issue: the necessity for a clear and forceful U.S. response to a Soviet intervention in Poland. Unfortunately, in doing so, the amendment would weaken the ability of the United States to respond effectively.

The essence of successful foreign policy is flexibility. All nations maneuver to try to maximize their flexibility and re-

duce that of their opponents. Wars occur when states have lost their flexibility and have no other recourse.

With wisdom, the formers of the Constitution sought to build in flexibility into the U.S. system by placing primary responsibility for the conduct of foreign policy in the executive branch. The Congress was also given a role in the nature of providing advice and consent to the executive in the conduct of our foreign affairs. The need for flexibility has only heightened in today's fast-paced and complex world.

The proposed amendment encroaches upon the spirit of that constitutional mandate given to the President and reduces his flexibility by legislatively prescribing specific options in the event of certain eventualities. The exact eventualities can never be precisely foreseen, so it would be unwise to lock the United States into a specific action in advance of an act all of the details of which cannot possibly be foreknown.

The amendment would require a total response even in the event of a limited Soviet intervention. What form would a Soviet intervention take? Who would be involved? What would be the conditions? What would be the costs and benefits of any given policy in those specific circumstances?

Most important is the effect of this amendment on our NATO relationship, which is already suffering from some difficult strains.

NATO is the body that has been specifically established to coordinate allied responses to Soviet actions in Europe. A Soviet intervention in Poland would have a great impact upon NATO, yet the Byrd amendment would already lock the United States into a position without even involving the NATO framework. As we have painfully learned recently, no embargo is going to be successful without the cooperation and participation of our allies, not only in the implementation of a policy but also in its actual planning. The Byrd amendment would have us step on the toes of our allies just at the moment when we would most need their cooperation. It would show U.S. distrust of NATO in the very hour of its severe testing.

There has been worked out with our NATO allies a carefully calibrated set of responses in the event of Soviet intervention in Poland. Should we now disregard those plans by legislative fiat? We would thereby tie our own hands while weakening any possible allied response. In the guise of support, we would have done a severe disservice to the Polish people, as well as to the people of all Europe.

Mr. President, I ask unanimous consent that a letter from Secretary of State Alexander M. Haig, Jr., to Senator BAKER, dated November 12, 1981, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, November 12, 1981.

Hon. HOWARD A. BAKER, Jr.,
U.S. Senate.

DEAR SENATOR BAKER: Senator Robert Byrd has proposed an amendment to S. 1112, the Export Administration Act, which would impose a total U.S. embargo on exports to the Soviet Union in response to "direct military action" by the USSR or its allies against Poland. The Department of State strongly opposes this amendment.

The Byrd amendment would commit the U.S. to unilateral action in response to Soviet action without provision for consultation with our allies or possible concerted action with them. The United States has already discussed with its major allies, both in NATO and bilaterally, various measures which might be taken in response to possible Soviet moves against Poland.

As such, the Byrd amendment would seriously restrict the President's flexibility in dealing with a complex and potentially dangerous foreign policy issue. The situation in Poland is delicate, complex, and at times rapidly changing. It is a particularly inappropriate environment for tying the President's hands with even the most well-intentioned of legislative initiatives.

Although we oppose this amendment, it might be useful for the Congress (or the Congressional Committees with jurisdiction over the Export Administration Act) to indicate that the statement in the Export Administration Act of 1979 to the effect that it "is not intended to constitute authority to impose total economic embargoes" should not be construed as prohibiting use of the Act as authority for a total embargo in the event of Soviet or Warsaw Pact military action against Poland.

I would appreciate your support in this matter.

Sincerely,

ALEXANDER M. HAIG, Jr.

Mr. HEINZ. Mr. President, the most important part of this letter to our majority leader from our Secretary of State is as follows:

As such, the Byrd amendemnt would seriously restrict the President's flexibility in dealing with a complex and potentially dangerous foreign policy issue. The situation in Poland is delicate, complex, and at times rapidly changing. It is a particularly inappropriate environment for tying the President's hands with even the most well-intentioned of legislative initiatives.

I do not doubt that the amendment of my friend from West Virginia is indeed well intentioned. I understand his objective, and I think I support his goal of trying to insure that we have the strongest possible, most effective, response to any Soviet or Warsaw Pact military action against Poland. It is only a question of means, and we do not want to get into a situation which precludes making such an action fully effective. I believe, Mr. President, that includes having our allies who should and necessarily must stand up with us to make such action truly effective.

Mr. President, does the Senator from Illinois seek time? How much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes and 41 seconds remaining.

Mr. HEINZ. I yield 3 minutes to the Senator from Illinois.

Mr. PERCY. I want to first commend my distinguished colleague for his statement. Certainly all of us would concur in the feeling that if Poland were invaded by the Soviet Union, or otherwise used military force, that this would be a provocative action calling for decisive United States and Western action. But we have all known that unilateral embargoes over a period of time simply do not work. Further, the effect of this amendment might well be a disincentive for our allies to come together with us.

Responses in the contingency of military action against Poland is a matter we have discussed in detail with our allies. The Foreign Relations Committee, and individual members of the committee and the chairman certainly have discussed it with Chancellor Schmidt and others in Europe to see what kind of unified action we would take. I have even discussed this in the Kremlin without any equivocation, laying the cards right on the table.

There should be no chance of miscalculation. But any action that would be taken by the Senate that would appear as though we were moving unilaterally, not in concert with our allies, would be counterproductive to our aims.

So, therefore, I feel we can take the spirit of the Byrd amendment and strengthen that amendment by indicating clearly that we would not be acting unilaterally, we would be acting with our allies. It would be the sense of the Senate that we thus move in concert with our allies along lines that the President, the Secretary of State, the Secretary of Defense, and others have obviously discussed with our allies, and as many of us have talked with our counterparts in European countries.

So I certainly commend the distinguished manager of the bill, the Senator from Pennsylvania (Mr. HEINZ), for the comments he has made with respect to the Byrd amendment as it now stands, and I stand ready to support a substitute amendment that would accomplish the same purpose but, I think, strengthen the Byrd amendment considerably by indicating clearly that we intend to work in concert with our allies and not on a unilateral basis.

May I also indicate that Senator GORTON is unavoidably detained now at a dinner. He will be back for a vote. He asked me to associate himself strongly with the position the Senator from Pennsylvania and the Senator from Illinois have taken on the floor this evening, and also associate himself strongly with the letter from Secretary Haig dated November 12 to the majority leader that the floor manager of the bill has just inserted in the RECORD. I too wish to associate myself with Secretary Haig's letter.

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Until such time as——

Mr. HEINZ. Mr. President, I withhold the amendment.

Mr. President, at the appropriate time, I will send an amendment to the desk as a substitute for the amendment of my friend from West Virginia. The substitute will simply reflect the kind of reservations I have stated about Senator BYRD's amendment. The amendment is in two parts.

First, it will state very clearly that no provision of the Export Administration Act or any other act shall be construed as prohibiting the use as authority for a total embargo in the event of Soviet or

Warsaw Pact military action against Poland.

That, Mr. President, is language that Secretary Haig has asked that we include in any action in this area, because he believes that it will make very clear that he is in no way constrained from acting as he may see fit in this regard, even if it does involve a total embargo.

The second part of the amendment makes it the sense of the Senate that a suspension of, or restriction on, exports from the United States to the Soviet Union shall be imposed in concern with our allies if the Soviet Union or its allies engages in direct military action against Poland, including but not limited to an armed invasion.

The purpose of that clearly, Mr. President, is to put us on record, in the strongest possible way, and to make it clear that we want our allies to be part of the solution, not part of the problem.

Let me state one other reeason why I hope my colleagues will support the Heinz-Percy substitute for the Byrd amendment. It is this: If, by any chance, the Byrd amendment, on an up or down vote, should be defeated, I believe it would send a signal of weakness. Should it be accepted, I think it ties our President's hands. For that reason, I suggest that the substitute that Senator PERCY and I will offer provides the proper signal that we want to send to the Soviet Union and its allies, and yet it strikes a balance with our allies, and with the President and his Secretary of State, that we believe is necessary for the conduct of American foreign policy.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. ROBERT C. BYRD. How much time have I remaining?

The PRESIDING OFFICER. The minority leader has 1 minute 23 seconds.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I have an additional 5 minutes and that the distinguished Senator from Pennsylvania (Mr. HEINZ) have a similar addition of time.

The PRESIDING OFFICER. Is there objection?

Mr. HEINZ. Reserving the right to object, how much time did the Senator ask for?

Mr. ROBERT C. BYRD. Five minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I had a letter delivered to the President at midday today requesting his views on my amendment to impose an across-the-board ban on the Soviet Union in the event the Soviets or their allies invaded Poland.

I received a copy of the letter that was delivered to the distinguished majority leader this afternoon outlining the State Department opposition to my amendment. Since I have not yet received a response to my letter, I take it that Secretary Haig's letter is the position of the administration.

I only reiterate what I stated already. Senators PERCY and HEINZ both deplore the fact that my amendment would require unilateral action against the Soviets.

Well, Mr. President, I take it that Mr. Haig had considered such unilateral action when on April 25 of this year he made the unequivocal public statement which was reported in the April 27 Washington Post, in which the Secretary stated unequivocally that the administration would impose not only a new grain embargo but an across-the-board ban on trade with the Soviets should they invade Poland.

He did not say anything about unilateral action. He just said that there will be an across-the-board ban on trade with the Soviet Union in the event they invade, period. No ifs, ands, or buts about it.

So I took him at his word.

Senator PERCY said:

> We have discussed this matter in detail with our allies.

Well, we should have discussed it in detail with our allies because the prospect of the Soviet invasion of Poland has been imminent for many weeks and months. I hope we have discussed this with our allies. I hope that in discussions with our allies we have made it plain to them what the Secretary of State made preeminently clear to all the world when on April 25 he said that the administration would impose not only a new grain embargo but an across-the-board ban on trade with the Soviets should they invade Poland.

I took him at his word. My amendment simply seeks to put the Congress, the imprimatur of the Congress, in back of the Secretary's word which he stated publicly in April.

Now we find those on the other side saying, "We would be acting unilaterally if we did that. We should discuss this with our allies."

Presumably Mr. Haig already made that plain. He did not have any doubts as to what this country would do if the Soviets invaded. He said we would impose an across-the-board ban.

Now when it comes down to the Congress putting its stamp of approval and stating its support for that position, then we hear from the Secretary and we hear from Senators that, "We must not do that because we would be acting unilaterally."

The distinguished Senator from Pennsylvania is now going to offer a substitute. Let us take a look at it.

> It is the sense of the Senate that a suspension of or restriction of all exports from the United States to the Union of Soviet Socialist Republics shall be imposed in concert with our allies if the Union of Soviet Socialist Republics or its allies engages in direct military action against Poland, including but not limited to an invasion.

By putting in "in concert with our allies," it seems we are not tying our allies' hands but our President's hands.

Suppose our allies did not want to act in concert with us? Are we going to back away from imposing such a ban on trade against the Soviets? Why tie our own hands by that language?

We are not tying the President's hands in my language. I am giving him 30 days in which to certify to the Congress that it would not be in the national interest, the national security interests or the national foreign policy interest, to impose such a ban. So the flexibility is given to the President in my amendment and we have ample time in which to consult with our allies if we have not already done it. And if we have not already consulted with them, why have we not? The threat has been there for weeks and months. Mr. Haig surely must have consulted with our allies when he said without any equivocation, without any question, indubitably clear, in his statement:

> We will impose an across-the-board ban on trade with the Soviets if they invade Poland.

I simply want to put it in stone, to say that Congress will support that.

I hope my colleagues will support my amendment. In order to do that, of course, they would have to vote down the substitute by Mr. HEINZ, my distinguished friend from Pennsylvania.

Mr. HARRY F. BYRD, JR. Will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. HARRY F. BYRD, JR. As I understand the Senator from West Virginia——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRY F. BYRD, JR. I ask unanimous consent that I might have a half minute to propound a question.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRY F. BYRD, JR. I wanted to get a half minute to ask a question of the Senator from West Virginia.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. May I ask the Senator from West Virginia this question: As I understand the amendment of the Senator from West Virginia, if the President makes a certification to the Congress that it would be in the best interests that this amendment be set aside, it could then be set aside.

Mr. ROBERT C. BYRD. I did not understand the Senator's question.

Mr. HARRY F. BYRD, JR. As I understand the amendment of the Senator from West Virginia, the President, at any time, could make a certification to the Congress that this action was not in the best interests of the country and in that event the amendment of the Senator from West Virginia would become inoperative. As I understand, that would in no way tie the President's hands.

Mr. ROBERT C. BYRD. The Senator is preeminently correct. He would have 30 days in which to make such a certification.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. HEINZ. Mr. President, having listened to the colloquy between Senator BYRD, of Virginia, and Senator BYRD, of West Virginia, I would like to make something more clear for the RECORD.

As I understand the question of the

Senator from Virginia, he asked the minority leader, once the embargo was in place, whether at any time the President could suspend such embargo, to which, as I understand the answer of the minority leader, it was "Yes." Therefore, it was argued that this provided the President with flexibility.

In fact, as I read the amendment, and I shall address a question to Senator BYRD about this in a minute, my understanding, based on his amendment, is if the President does within 30 days request that the embargo be lifted, or if the Congress does not go along with his request, the President is locked in. So if the President waited for 31 days, if he or the Congress simply did nothing within that 30-day period, he would be locked in. Is that not correct?

Mr. HARRY F. BYRD, JR. It is not my amendment, but as I read the amendment, the President would have 30 days to make that decision. He can make the decision the first day that the embargo went into effect. I cannot see how that ties the President's hands.

Mr. HEINZ. Let me ask the author of the amendment, Senator BYRD, if I might have his attention.

Mr. President, let me ask my good friend from West Virginia (Mr. ROBERT C. BYRD) is it not the case that if the President, within the first 30 days, does not certify to the Congress, as required here, if he should, on the 31st or the 41st or on the 101st or on the 2001st, decide he wanted to lift the embargo, would he not be prevented from doing so?

Mr. ROBERT C. BYRD. He has 30 days.

Mr. HEINZ. And after that, if he should go along for 31 days, he is locked in for a month, for a year, for 2 years, for 5 years, for 100 years. So this locks us into a total trade embargo, if this is ever triggered, forever. Is that not correct?

Mr. ROBERT C. BYRD. Mr. President, the President has 30 days in which to certify to Congress that such an embargo would not be in the national interest or the foreign policy interest. Congress also, of course, at any time, can take whatever action is necessary to give the President greater flexibility if the circumstances so require.

Mr. HEINZ. Mr. President, I listened carefully to the answer of my good friend from West Virginia, and I did not hear him deny that, once this was in effect for 31 days, it would be in effect forever unless Congress took action to undo it. I do not think he is going to deny that, because that is the way the amendment is written.

Mr. President, I am second to none in my concern about the Soviet Union. I know exactly how the minority leader feels about it. But it seems to me that this locks us into a permanent confrontation with the Soviet Union. If we impose this embargo and, 45 days or 60 days later, the Soviets pulled out, that embargo would still have to be in place. That means that they would have no incentive to pull out of Poland.

Mr. President, if there is one thing we all want to do, we not only want to keep them out but if they should ever go in, we want to get them out.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HEINZ. I am happy to yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, they would have every incentive to move out, every incentive, because the reason for which the embargo would have been applied would have been removed.

Mr. HEINZ. I say to the Senator from West Virginia, Mr. President, I certainly do disagree on the effect of his amendment. It is for that reason that I hope my colleagues will wisely adopt the Percy-Heinz, or Heinz-Percy, substitute.

Mr. PERCY. If the Senator would yield, Mr. President, I do not recall at any time that the Secretary of State testified before the Foreign Relations Committee his saying that we were going to unilaterally impose, flatly, an embargo if they took certain action. The Secretary has absolutely clearly stated that the President should have maximum flexibility and we should work in concert with our allies.

The PRESIDING OFFICER. All time has expired.

UP AMENDMENT 618

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk in substitution

The PRESIDING OFFICER. The amendment will be stated

The bill clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) for himself and Mr. JACKSON and Mr. MOYNIHAN proposes an unprinted amendment numbered 618 to amendment No. 628.

SEC. . Notwithstanding any other provision of law, a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of the Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

SEC. . Such suspension or restriction of all exports from the United States to the Soviet Union shall be imposed unless the President certifies to the Congress within 60 days of direct military intervention in Poland by the Soviet Union or its allies that the suspension is not in the national security and foreign policy interests of the United States.

UP AMENDMENT NO. 619

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) for himself and Mr. PERCY, proposes an unprinted amendment numbered 619 to amendment 628, as modified.

The PRESIDING OFFICER. The Senator's amendment has no keying language. Could the Senator indicate where he wishes the amendment to go?

Mr. HEINZ. The Senator's amendment is a perfecting amendment to the Byrd amendment.

The PRESIDING OFFICER. Could the Senator elaborate where he intends the amendment to be placed? At the end of the first-degree amendment?

Mr. HEINZ. Mr. President, I need a copy of the Byrd amendment.

I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I ask that my amendment that is at the desk be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) for himself and Mr. PERCY, proposes an unprinted amendment numbered 619 to amendment No. 628, as amended.

Mr. HEINZ. I ask unanimous consent that further reading of the amendment be dispensed with, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the word "law" line 1.

No provision of this act or any other act shall be construed as prohibiting the use of this act as authority for a total embargo in the event of Soviet or Warsaw Pact military action against Poland.

"SEC. . It is the sense of the Senate that a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion."

The PRESIDING OFFICER. The question is on agreeing to the Heinz perfecting amendment to the Robert C. Byrd first-degree amendment. There is no time for debate.

Mr. HEINZ. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. Mr. President, as I understand the situation, the first vote will be on the Heinz perfecting amendment to the Robert C. Byrd first-degree amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. HEINZ. That amendment, which was necessitated because the Senator from West Virginia proposed a substitute for his own amendment, virtually identical to his amendment, is really the only way it is possible to have a vote on what I referred to earlier as the Heinz substitute. My question, Mr. President, is this:

If those people who are in favor of the Heinz substitute first should vote for it as the first vote comes up and it should carry, then those people who are in favor of the Heinz substitute should vote against the Byrd substitute amendment; then, assuming the Byrd substitute amendment falls, they would then be voting on the first-degree Byrd amendment as amended by the Heinz substitute amendment. If they still favored it at that point, I assume they would still want to vote for it.

Would that be correct, Mr. President?

The PRESIDING OFFICER. As the Senator knows, the Chair cannot interpret the effect of votes on various pending amendments. The question now re-

curs on agreeing to the Heinz perfecting amendment.

Mr. HEINZ. Mr. President, I ask for the yeas and nays on the Heinz amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the Heinz perfecting amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that if present and voting, the Senator from North Carolina (Mr. CAST), would vote "nay."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), the Senator from Arizona (Mr. DECONCINI), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 35, as follows:

[Rollcall Vote No. 368 Leg.]

YEAS—49

Abdnor	Hatch	Quayle
Andrews	Hatfie'd	Roth
Armstrong	Hawkins	Rudman
Baker	Heinz	Schmitt
Boschwitz	Humphrey	Simpson
Burdick	Jepsen	Specter
Chafee	Kassebaum	Stafford
Cochran	Kasten	Stevens
Cohen	Laxalt	Symms
D'Amato	Lugar	Thurmond
Denton	Mathias	Tower
Dole	Mattingly	Tsongas
Domenici	McClure	Wallop
Durenberger	Murkowski	Warner
Garn	Nickles	Weicker
Gorton	Percy	
Grassley	Pressler	

NAYS—35

Baucus	Dodd	Metzenbaum
Bentsen	Eagleton	Mitchell
Biden	Exon	Nunn
Boren	Ford	Pell
Bradley	Heflin	Proxmire
Bumpers	Helms	Pryor
Byrd, Harry F., Jr.	Hollings	Randolph
Byrd, Robert C.	Inouye	Riegle
Chiles	Jackson	Sarbanes
Cranston	Johnston	Sasser
Dixon	Kennedy	Williams
	Matsunaga	Zorinsky

NOT VOTING—16

Cannon	Hart	Melcher
Danforth	Hayakawa	Moynihan
DeConcini	Huddleston	Packwood
East	Leahy	Stennis
Glenn	Levin	
Goldwater	Long	

So Mr. HEINZ' amendment (UP No. 619) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The vote now occurs on the Robert C. Bryd substitute for his own first-degree amendment as amended by the Heinz amendment.

Mr. ROBERT C. BYRD. What was that?

Mr. BAKER. That is not right.

Mr. ROBERT C. BYRD. The vote recurs on my substitute.

Mr. BAKER. On the Robert C. Byrd substitute.

The PRESIDING OFFICER. The Chair stated that the vote now occurs on the Robert C. Byrd substitute for his own first-degree amendment as amended by the Heinz amendment.

Mr. ROBERT C. BYRD. The vote occurs on the substitute for the first amendment which has been amended.

The PRESIDING OFFICER. Which has been amended in the prior action of the Senate.

Mr. HEINZ. I think that the Chair has accurately stated the circumstance. The first vote that we have now will be as the Chair states on the Robert C. Byrd substitute, which is a substitute for the original underlying Robert C. Byrd amendment, which has now been perfected by the Heinz-Percy amendment.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. I suppose it is safe to say that those Senators who favor the Robert C. Byrd amendment vote "yea"; and those Senators who favor the Heinz-Percy amendment vote "nay."

The PRESIDING OFFICER. The Chair will state that the question now pending before the Senate is the Robert C. Byrd substitute for his own first degree amendment which has been perfected by the Heinz amendment. The Chair will not undertake to interpret the effect of such votes.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The question is on agreeing to the amendment of the Senator from West Virginia.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST), would vote "yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), and the Senator from Mississiippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER), would vote "yea."

The PRESIDING OFFICER (Mr. RUDMAN). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 39, nays 45, as follows:

[Rollcall Vote No. 369 Leg.]

YEAS—39

Baucus	Eagleton	Pell
Bentsen	Exon	Pressler
Biden	Ford	Proxmire
Boren	Heflin	Pryor
Bradley	Helms	Randolph
Bumpers	Hollings	Riegle
Burdick	Inouye	Sarbanes
Byrd, Harry F., Jr.	Jackson	Sasser
Byrd, Robert C.	Johnston	Tsongas
Chiles	Kennedy	Weicker
Cranston	Matsunaga	Williams
Dixon	Metzenbaum	Zorinsky
Dodd	Mitchell	
	Nunn	

NAYS—45

Abdnor	Grassley	Nickles
Andrews	Hatch	Percy
Armstrong	Hatfield	Quayle
Baker	Hawkins	Roth
Boschwitz	Heinz	Rudman
Chafee	Humphrey	Schmitt
Cochran	Jepsen	Simpson
Cohen	Kassebaum	Specter
D'Amato	Kasten	Stafford
Denton	Laxalt	Stevens
Dole	Lugar	Symms
Domenici	Mathias	Thurmond
Durenberger	Mattingly	Tower
Garn	McClure	Wallop
Gorton	Murkowski	Warner

NOT VOTING—16

Cannon	Hart	Melcher
Danforth	Hayakawa	Moynihan
DeConcini	Huddleston	Packwood
East	Leahy	Stennis
Glenn	Levin	
Goldwater	Long	

So Mr. ROBERT C. BYRD's amendment (UP No. 618) was rejected.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I would be agreeable to vitiating the yeas and nays on the amendment, as amended, and also on final passage.

Mr. BAKER. Mr. President, I am pleased to hear that. I know of no insistence that we have a rollcall vote on final passage. I ask unanimous consent that the yeas and nays on final passage be vitiated and also the yeas and nays, if there is one, on the amendment of the Senator from West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment No. 628, as modified and amended, was agreed to.

Mr. STENNIS. Mr. President, on Monday there were offered certain amendments to S. 1112, the Export Administration authorization bill. These amendments related to the problem that we all have concerning the high interest rates, and related also to the financial institutions exercising, on a voluntary basis, restraint in extending credit for the purpose of unproductive corporate takeovers.

Mr. President, I was not in the Chamber at the time these amendments were taken up because of intestinal virus that I had on that day.

Mr. President, I would have supported the amendments to which I have referred because of the extreme situation in which we find ourselves with reference to credit and interest rates in particular, high interest rates. They are a matter of concern to all of us, and, we understand, the President of the United States.

I thank the Chair for allowing me to speak at this time out of order. I thank the floor leaders for their assistance in this matter.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.R. 3567, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3567) to authorize appropriations for the fiscal years 1982 and 1983 to carry out the purposes of the Export Administration Act of 1979, and for other purposes.

Mr. HEINZ. Mr. President, I move to strike all after the enacting clause and substitute therein the text of S. 1112, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 3567), as amended, was passed, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Export Administration Amendments Act of 1981".

SEC. 2. (a) Section 18(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2417(b)(1)) is amended to read as follows:

"(1) $9,659,000 for fiscal year 1982, and $8,454,000 for fiscal year 1983; and".

(b) The amendment made by subsection (a) shall take effect on October 1, 1981.

SEC. 3. Section 12(c) of the Export Administration Act of 1979 (50 U.S.C. App. 2411 (c)) is amended by adding at the end thereof the following:

"(3) Departments or agencies which obtain information which is relevant to the enforcement of this Act shall furnish such information to the department or agency with enforcement responsibilities under this Act to the extent consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, and sensitive diplomatic information. The provisions of this paragraph shall not apply to information subject to the restrictions in section 9 of title 13, United States Code; and return information, as defined in section 6103 of title 26, United States Code, may be disclosed only as authorized by such title.".

SEC. 4. (a) Section 11(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2410(b)(1)) is amended by striking out "purposes," and all that follows through the period at the end thereof and inserting in lieu thereof the following: "purposes—

"(A) except in the case of an individual, shall be fined not more than five times the value of the exports involved or $1,000,000, whichever is greater; and

"(B) in the case of an individual, shall be fined not more than $250,000, or imprisoned not more than ten years, or both.".

(b) Section 11(b)(2) of that Act (50 U.S.C. App. 2410(b)(2)) is amended by striking out "Defense," and all that follows through the period at the end of the first sentence and inserting in lieu thereof the following: "Defense—

"(A) except in the case of an individual, shall be fined not more than five times the value of the exports involved or $1,000,000, whichever is greater; and

"(B) in the case of an individual, shall be fined not more than $250,000, or imprisoned not more than five years, or both.".

(C) Section 11(c)(1) of that Act (50 U.S.C. App. 2410(c)(1)) is amended—

(1) by striking out the period at the end of the sentence; and

(2) by adding at the end thereof the following: ", except that the civil penalty for each such violation involving national security controls imposed pursuant to section 5 of this Act or controls imposed on the export of defense articles and defense services pursuant to section 38 of the Arms Export Control Act may not exceed $100,000.".

(d) The amendments made by this section apply with respect to violations occurring after the date of the enactment of this Act.

SEC. 5. Section 12(c)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2411) is amended to read as follows:

"(2) Nothing in this Act shall be construed as authorizing the withholding of information from the Congress or from the General Accounting Office. All information obtained at any time under this Act, or previous Acts regarding the control of exports, including any report or license application required under this Act, shall be made available to any committee or subcommittee of Congress of appropriate jurisdiction upon request of the chairman or ranking minority member of such committee or subcommittee. No such committee or subcommittee, or member thereof, shall disclose any information obtained under this Act or previous Acts regarding the control of exports which is submitted on a confidential basis unless the full committee determines that the withholding thereof is contrary to the national interest. Notwithstanding paragraph (1) of this subsection, information referred to in the second sentence of paragraph (2) of this subsection shall, consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, and sensitive diplomatic information, as determined by the originating agency, and consistent with the provisions of the Budget and Accounting Act, 1921, as amended, be made available only by the originating agency upon request to the Comptroller General of the United States or to any of his duly authorized assistants or employees. General Accounting Office representatives shall not disclose in an individually identifiable manner any such information which is submitted on a confidential basis except to a congressional source entitled to the information under this paragraph.".

SEC. 6. (a) Section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404) is amended by adding at the end thereof the following:

"(m) EXCLUSION FOR AGRICULTURAL COMMODITIES.—This section does not authorize export controls on agricultural commodities, including fats and oils or animal hides or skins.".

(b)(1) Section 6 of such Act (50 U.S.C. App. 2405) is amended by adding at the end thereof the following:

"(1) AGRICULTURAL COMMODITIES.—If the authority conferred by this section is exercised to prohibit or curtail the export of any agricultural commodity to carry out the policy set forth in subparagraph (B) of paragraph (2) of section 3 of this Act, other than in connection with the prohibition or curtailment of all exports, the President shall immediately report such prohibition or curtailment to the Congress, setting forth the reasons therefor in detail and specifying the length of time the prohibition or curtailment is proposed to remain in effect.

"(2)(A) If the Congress, within sixty days after the date of its receipt of such report, adopts a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall remain in effect for the period specified in the report, for one year after the close of the sixty-day period, or until terminated by the President, whichever occurs first.

"(B) If the Congress, within sixty days after the date of its receipt of such report, fails to adopt a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall cease to be effective upon the expiration of such sixty-day period.

"(3)(A) For purposes of this paragraph, the term 'resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 6(1) of the Export Administration Act of 1979, the Congress approves the exercise of the authority conferred by section 6 of such Act as reported by the President to the Congress on .', with the blank space being filled with the appropriate date.

"(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (1), a resolution with respect to such report shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(C) All resolutions introduced in the House of Representatives shall be referred to the Committee on Foreign Affairs and all

resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(D) If the committee of either House to which a resolution has been referred has not accepted it at the end of thirty days after its introduction the committee shall be discharged from further consideration of the resolution or of any other resolution introduced with respect to the same matter.

"(E)(i) A motion in the House of Representatives to proceed to the consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the House of Representatives on a resolution shall be limited to not more than twenty hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

"(iii) Motions to postpone, made in the House of Representatives with respect to the consideration of a resolution, and motions to proceed to the consideration of other business shall be decided without debate.

"(iv) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a resolution shall be decided without debate.

"(v) Except to the extent specifically provided in the preceding provisions of this subparagraph, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

"(F)(i) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than twenty hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(iii) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than one hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(iv) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

"(G) In the case of a resolution described in subparagraph (A), if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the resolution of the other House.".

(2) Section 7(g)(3) of such Act (50 U.S.C. App. 2406(g)(3) is amended by adding at the end thereof the following new sentence: "This paragraph does not apply to the prohibition or curtailment of the export of any agricultural commodity pursuant to section 6(1).".

(c) The amendments made by this section shall take effect on January 21, 1985.

SEC. 7. Since persistent high-interest rates are exacerbated by large Federal budget deficits and by inflationary expectations, since high-interest rates are having a disastrous effect on credit-sensitive sectors of the United States economy, including housing, automobiles, small business, and thrift institutions, and since the prime interest rate has declined from 22 per centum to 17 per centum, the administration shall emphasize and continue to implement policies necessary to sustain the downward movement of interest rates.

SEC. 8. (a) The Congress finds that—

(1) Continued high interest rates are contributing to the current serious slowdown in the economy.

(2) These high interest rates are a principal cause of the severe decline in agriculture, small business, the housing and automobile industries, and other productive sectors of the economy.

(3) Large corporations and banks may have compounded the problem of high interest rates and contributed to the scarcity of credit by reserving billions of dollars of credit for the takeover of other corporations.

(4) Strong measures are needed at this time to discourage wasteful uses of credit and to conserve credit for productive sectors of the economy.

(b) The President shall take appropriate actions on a voluntary basis to encourage banking or other financial institutions to exercise restraint in extending credit for the purpose of unproductive large scale corporate takeovers. Such actions shall include consultation and cooperation with the Board of Governors of the Federal Reserve System.

SEC. 9. Notwithstanding any other provision of law, no provision of this Act or any other Act shall be construed as prohibiting the use of this Act as authority for a total embargo in the event of Soviet or Warsaw Pact military action against Poland.

SEC. 10. It is the sense of the Senate that a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I ask unanimous consent that S. 1112 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 4169, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related Agencies for the fiscal year ending September 30, 1982, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Mr. President, as I indicated earlier, there will be no more rollcall votes tonight. It would be my hope that the managers of the State, Justice appropriations bill might be able to dispose of some amendments which may not require rollcall votes within the next 5 or 10 minutes. It is not my intention to ask the Senate to remain in much longer this evening.

The PRESIDING OFFICER. The pending question is a perfecting amendment of the Senator from Connecticut to committee amendment No. 7.

Mr. WEICKER. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside until such time as the manager of the bill calls it up again.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. I ask that my colleague from Florida be recognized for the purpose of offering an amendment.

UP AMENDMENT NO. 620

(Purpose: To prohibit the obligation or expenditure of funds for the detention or processing of certain aliens at facilities in the State of Florida)

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mrs. HAWKINS for herself and Mr. CHILES) proposes an unprinted amendment numbered 620.

Mrs. HAWKINS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, line 19, before the period insert a colon and the following: *"Provided further,* That none of the funds appropriated under this paragraph may be obligated or expended after March 1, 1982, for the detention of any entrant, any applicant for political asylum or for refugee status, or any other alien which would cause the total number of aliens to exceed 525 at the facility known as Krome North, located in the State of Florida, or to exceed 525 at the other facility in the State of Florida for the detention of aliens awaiting exclusion, deportation, or resettlement which is not used for such purpose on the date of enactment of this Act".

Mrs. HAWKINS. Mr. President, this amendment would require the Immigration and Naturalization Service to limit the population at the Krome North detention facility to 525 by March 1, 1982. I understand that without this amendment INS has said that they would be forced to release 500 Haitians onto the streets of Florida. This would be unacceptable. So, my amendment provides INS with sufficient time to prepare additional detention space.

In addition, my amendment would recognize the burden that has fallen on the whole State of Florida because of the recent inundation of Cubans and Haitians to our shores.

Mr. President, Krome North is the primary facility used by the Immigration and Naturalization Service to detain and process aliens who have illegally entered Florida. The conditions at this facility are pitiful. It was designed to hold 525 people based on a space allotment of 50 square feet per person, but currently it is holding 1,024 people. This is only 26 square feet per person, roughly the size of a single bed. The overcrowding has led to breakdowns in the water and sewage systems giving rise to unsanitary and unhealthy conditions. The Haitians are generally characterized as an obedient, passive people, but several months ago the overcrowding and unsanitary conditions at the camp led to riots and demonstrations. I believe that this overcrowding cannot be allowed to persist. The camp's population must be brought down to its designed level. We have accepted these unacceptable conditions at Krome North for too long.

In addition to the problems of overcrowding, Krome North has become a symbol of this country's inadequate immigration policy. It has become a monument to the Government's inability to deal with the immigration-related problems afflicting south Florida.

Many people discount the problems facing south Florida because fewer illegal aliens wash up on Florida's shores than cross the Rio Grande. These skeptics point to the millions of Mexicans who have crossed into this country in search of work, and compare this to the 150,000 Cubans and Haitians that have arrived in south Florida in the last year and a half. From this they conclude that the problems of south Florida are a drop in the bucket. If there are any of my colleagues in this body who hold this view, I challenge you to travel to Dade County in south Florida and learn the truth first hand. I was in Dade County this past weekend where the plight of the county was again vividly drawn to my attention. Illegal immigration has affected Dade County more than any other county in the country. One out of every nine people currently living in Dade County entered this country illegally within the last year and a half. The results of this massive influx have been devastating. Housing is tight. Police and fire departments are overworked. Sewer, water, and electric systems are strained. Jails and schools are filled beyond capacity, and unemployment is high.

Tourism has always flourished in south Florida, but with the recent and continuing influx of illegal aliens, tourism has declined. Unfortunately this decline comes as no surprise because the crime rate has shot through the roof in the last year and a half. In the city of Miami from 1979–80, robberies were up 103 percent, murders were up 59 percent, auto thefts were up 68 percent, rapes were up 23 percent, and the rest of the crime statistics were equally bleak. 1981 statistics indicate that the crime rate has leveled off at this higher rate, and in some categories gone even higher. Miami has been terrorized by many of these illegal aliens. The city of Miami further reports that the Mariel refugees, those who came from Cuba in 1980, are responsible for 40 percent of the crime statistics in 1980. In all violent crime categories, the Mariel refugees made up a greater percentage than any other single group. It is not uncommon to hear of an elderly man or woman being beaten and robbed by Mariel refugees, or to hear of brazen robberies conducted by these aliens, or to hear mysterious shots in the night. And Krome North has come to symbolize these problems for the people of south Florida. It has come to symbolize the slowness with which the Federal Government is dealing with our runaway immigration policy.

I know that the administration has announced a new immigration policy. I know that they have sent us legislation to implement this new policy. I know of the tremendous efforts by Senator SIMPSON and the members of the Immigration Subcommittee to study and treat our immigration problems.

I know that the Coast Guard has begun interdicting Haitian vessels off the coast of Haiti. I know of the resolve in the administration and the Congress to face up to and deal with our immigration problems. But all the people of south Florida see are more murders, more robberies, more theft, and more rape. We must show them this Congress' resolve to take decisive, affirmative action to solve our immigration problems. We must show them that we recognize that immigration is a Federal responsibility and that the Federal Government must help find a solution. We must show them that they have not been forgotten.

Mr. President, I would like to digress for a moment if I might. It would be a grave disservice to the Cuban community living in south Florida if, when discussing the immigration problems of south Florida, we do not distinguish between the upstanding and valuable elements of the Cuban community, and the troublemakers who came to this country during the 1980 Mariel boatlift. The Cubans who settled in south Florida prior to Mariel have worked wonders in the area. They are in large part responsible for the tremendous increase in the exporting business that is done through the Port of Miami. They have helped open doors for U.S. trade with Latin America and the Caribbean. They have attracted international banks to settle in Miami. Their culture, traditions, and language combined with Miami's tremendous climate combined to lure Latin and Caribbean tourists in large numbers who have spent their money on American goods and services. In addition, the pre-Mariel Cubans had the lowest crime rate of any ethnic group in the United States. In short, this portion of the Cuban community has been a boon to the area, and the entire country has benefited because of their hard work, diligence, and enterprise.

Now, Mr. President, if I may, let me continue my discussion of this amendment.

Some of my colleagues might be inclined to think that the newly implemented interdiction policy might in some way ease the overcrowded and unsanitary conditions at Krome North. I wish this were so, but the facts do not bear this out. Only a handful of Haitians have been returned to Haiti from the United States in the last 5 years because of a legal tangle in the District courts, and they continue to arrive in steady numbers on Florida's shores. The Coast Guard has set up its interdiction patrol off the coast of Haiti for logistical and safety reasons. Under this arrangement the Coast Guard cutters are in a good position to intercept Haitians who are now departing for Florida. However, most of the Haitians who are currently arriving left Haiti before the Coast Guard began interdiction and have been island hopping through the Bahamas and are only now reaching Florida's coast. So interdiction does hold out some hope for a long-term solution to this problem, but not short-term which is where the need lies.

Finally, this amendment would provide the INS with time to develop locations in which to detain the overflow Haitians in Krome North. INS has recently announced that they anticipate developing a new interim detention facility at Fort Drum in Watertown, N.Y. They expect this facility to be able to detain several thousand Cubans or Haitians, and they say that it can be ready in 30 to 90 days. My amendment provides ample time for INS to prepare this facility to hold the overflow from Krome North. I believe that this effectively dispells the fear that the excess Haitians will be turned loose in the streets of Miami. I have made it clear to INS that I do not consider releasing these detainees on the streets of Miami as an acceptable way of resolving this problem, and I believe that my amendment provides a way around this problem. By giving INS until February 1, they have 10 weeks to be able to work out a solution to the overcrowding at Krome North. I believe that this is more than sufficient time for them to adequately prepare Fort Drum or to possibly provide other arrangements.

Finally, our colleagues in the House have recognized the validity of these arguments and voted to accept the language without my amendment, and I believe that the House would recede in favor of my amendment in conference. So I urge support for this amendment because it would correct the deplorable conditions at the camp. I urge support for this amendment because it would show that this Congress is willing to deal decisively and effectively with our Nation's immigration problems. I urge support for this amendment because it will provide the INS with sufficient time to properly take care of the overflow at Krome North. I urge support for this amendment because action is needed now.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask that the amendment of the distinguished Senator from Florida be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

FIFTH EXCEPTED COMMITTEE AMENDMENT—PAGE 26, LINES 10–19

Mr. WEICKER. Mr. President, I ask that the committee amendment on page 26, lines 10 through 19, be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The fifth excepted committee amendment was agreed to.

UP AMENDMENT NO. 620

Mr. WEICKER. Mr. President, I now ask unanimous consent that the Senate return to the amendment of the Senator from Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. CHILES. Mr. President, I am concerned about a crisis which all of Florida is facing. The crisis I am referring to is overcrowded, unsanitary conditions at the immigration and naturalization detention facility called Krome North. The amendment which my colleague and I are offering would relieve this crisis by effectively placing a cap on the number of persons who can be held at Krome.

Krome North is an old Army post located on the outskirts of Miami, and it has been pressed into service as a processing center and holding facility for immigrants who land on south Florida's shores. The official capacity of Krome, based on an allowance of 50-square-feet per-person, is 525 people. Yet the day-to-day population of Krome far exceeds this stated capacity. In the past, the population has run as high as 1,600 persons. As of this morning, the Krome population was 1,026 persons, twice the stated capacity. That means that each person in Krome has about 24 square feet of space, an amount of space a bit larger than the average desk top.

It is not surprising that these overcrowded conditions have led to health problems, and added to the tensions in an already explosive situation. The overcrowding has caused malfunctions in the water and sewerage systems at Krome, and as a result, Krome no longer meets State and local health standards.

This unsanitary situation poses a public health hazard to the population at Krome and to south Florida in general. There have been riots and demonstrations inside Krome, and outside its gates.

To the people of south Florida, Krome stands as a symbol of the Federal Government's inability to live up to its responsibility to handle this national problem, and of the frustration all Floridians feel in trying to contend with uncontrolled immigration.

Mr. President, the Federal Government has begun to move ahead to solve some of these problems, and to bring relief to south Florida. Today in fact, we have the opportunity to approve funding for a comprehensive immigration enforcement program that, among other things, will set up a new detention center for immigrants.

I certainly support these efforts, and will do everything I can to make sure they are enacted as quickly as possible. Furthermore, I believe that our amendment is consistent with this new enforcement effort.

Mr. President, it is important to keep in mind that this amendment is a temporary measure. It recognizes that, in the future, we will have a permanent facility to accommodate immigrants. All this amendment says is that, until that facility is completed, we ought to assure that those who are being held, and the communities in which they are being held, are not subject to health and safety hazards.

Florida is already doing more than its fair share, and will continue to do so under this amendment, until that new facility is completed. It is only appropriate that we make sure that Florida is protected during the weeks and months ahead, while the new facility is under construction.

As far as I am concerned, there is another issue, one of fairness, involved in this matter. We all recognize that authority over immigration is delegated to the Federal Government under the Constitution. We all recognize that we have an immigration problem in America today. But what we all must recognize is that that problem is centered in only a few States, like Florida, and those States are helpless to do anything in the absence of Federal action.

There ought to be fairness involved in the burden the Federal Government asks each State to bear. In many instances, the Federal Government has been fair to States. We think that our State should be treated fairly, too.

Recently, the Federal Government and the Governor of Puetro Rico entered into an agreement to open a holding center for Haitian immigrants at Fort Allen, Puerto Rico. But the Federal Government agreed to place a cap on the total number of immigrants at Fort Allen. That cap—800 persons—assures that those being detained will have humane conditions, and hardship and disruption to the government and people of Puerto Rico will be minimized.

The Federal Government ought to enter into a similar agreement with the State of Florida, and that is precisely what our amendment does. It simply puts Florida on the same footing as other States.

Mr. President, the INS claims that it does not have any room available to hold these people, and some have suggested that the people at Krome would have to be released into the community under our amendment. That is highly unlikely. First, it would be inconsistent with our present and future immigration policy. Second, we in Florida have come to learn that, when pressure is applied, the Justice Department is able to find necessary space and facilities.

Just this last weekend, 125 persons at Krome were relocated to a facility at Lake Placid, N.Y., and another 60 were transferred to a Morgantown, W. Va. facility. Room can be found, especially when we recognize that we are talking about a temporary situation, one that will end when the permanent facility is opened.

Mr. President, nothing underscores the frustration the people of Florida feel more than the lawsuit which the Governor of Florida recently filed against the Federal Government. That lawsuit seeks to reduce the population at Krome, and it has been the source of much of the pressure that has resulted in finding space for Haitians at other facilities. In fact, many people in south Florida have noticed a strange coincidence.

Whenever someone from the Justice Department in Washington comes down to Miami, the Government comes up with new facilities elsewhere for the people at Krome. Our amendment is another way to put pressure on the Federal Government to resolve this problem. In doing so, we show our willingness to face up to our responsibility to handle this national problem.

Mr. President, in closing let me make it clear that we are not attacking this administration, or its immigration policies. This is a bipartisan issue. It is an issue of fairness. It is a matter of the Federal Government living up to its responsibilities.

The Krome facility remains overcrowded, and the continued overcrowding is a serious threat to the health and safety of south Florida. Over the last year and a half, south Florida has been forced to bear the brunt of what is a Federal problem, and this amendment lifts some of that weight from Florida's shoulders. It is a temporary measure, which lapses once permanent holding facilities are completed.

The amendment would have a limited impact on the rest of the country, but would be vital to the people at Krome and to south Florida. It also assures the State of Florida and the people of Florida that the Federal Government, in handling immigration matters, will treat States in a fair, evenhanded manner.●

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida (Mrs. HAWKINS).

The amendment (UP No. 620) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I am searching around for more amendments, something I think we shall not have to wait for for very long. I suggest the absence of a quorum so I may find out whether or not the distinguished Senator from Kansas may have an amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, may I in-

quire of the distinguished managers of the bill if there are any other amendments we can do tonight without a record vote?

I gather there are no other amendments that are available to be dealt with by the Senate this evening, and I see no contrary position asserted.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business not to extend beyond the hour of 9:30 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS INNOVATION RESEARCH ACT OF 1981

Mr. SYMMS. Mr. President, our Nation stands alone in history as the standard of human initiative and freedom. Our form of government is unique in that it was established as a shield to protect God-given freedoms and liberties from usurpation by tyranny.

Because we as a nation of free men and women are able to exercise these God-given rights, we are a people known for our creativity and productivity. It is when we are not free or are in some way hindered in exercising these rights that creativity and productivity suffer.

To insure that this creativity and innovation are continued I am proud to be a cosponsor of S. 881, the Small Business Innovation Research Act of 1981. No sector of our society has added more to our national well-being than that of small business.

When unhampered by Government interference the creativity and inventiveness of men and women involved in private enterprise have led to major advances and improvements in our way of life. Much of what we enjoy every day has its origins in the creativity of small business.

Federal policymakers often forget the contributions of small firms. Small business has been our Nation's most efficient and fertile source of new technology. Between 1952 and 1973, small firms accounted for almost one-half of major U.S. innovations, and they did this 50-percent cheaper than if it had been done by large firms or the Government.

Also, small innovative businesses create jobs and stimulate economic growth. Between 1969 and 1976 small business provided 87 percent of all new jobs in the United States. We all know that innovation creates new jobs, increases productivity, adds to the competitiveness of U.S. products in overseas markets, and stimulates economic growth. Surely we are to be thankful that we have the creative force of the small businessman and woman.

But, Mr. President, I am very concerned that our Nation is not fully promoting and utilizing this vast creative resource. Over the past decade our Nation has experienced a decline in innovation. As other nations have increased their research efforts, we seem to have entered a period of little creative development.

One of the causes of this decline is the failure of Federal policymakers to fully realize the suppressive effects of Federal involvement and legislation on small business' private enterprise creativity.

We in the Federal Government must provide the leadership that will create a climate where private innovation and creativity may once again flourish.

S. 881 goes far in doing this. Not only does it recognize the abilities of the individual and the private sector; it also seeks to stimulate increased private activity in the creation of new innovations. This can be promoted by requiring Federal agencies to allocate certain amounts of research and development funds to small business. The infusion of such funds into small business, the most prolific source of new technology, will spark a creative upsurge affecting all levels of our economic life for the better and increase our competitive stance among other nations.

Mr. President, I am pleased that small business and private enterprise are once again being recognized for the contributions they offer our society.

SUPPLY-SIDE ECONOMICS

Mr. SYMMS. Mr. President, I suspect that the widely announced death of supply-side economics will turn out to be premature. Whatever one calls it, supply-side economics is nothing more than the commonsense recognition that there are limits to the amount of blood the taxman can get out of a turnip.

The program enacted so far cannot even really be called "supply-side" so far. Despite all the wringing of hands among political pundits and ersatz economists, the tax cuts so far enacted barely keep pace with the inflationary tax increases Congress has so thoughtfully built into the system over the last couple of decades.

Now the special interest groups are sharpening their pens for attacks on proposed spending cuts while at the same time they sharpen their knives for the President and his aides who have to propose those cuts. The tragedy of it is that no one points out their bias in the matter.

It is all well and good for a social worker to talk about how "the poor" will be hurt by budget cuts; what has to be recognized, but seldom is, is that it is the social worker who has done the best out of the existing system.

There is an enormous welfare bureaucracy and industry, quite as well-entrenched and fanatic as the military-industrial complex the liberal media get so exercised about. That welfare-industrial complex feels itself threatened right now, and the barricades are manned.

Above all, what is needed is political courage. Facts are facts. We do not have the money to do everything the welfare-industrial complex wants, and we cannot get that money from increasing taxes. We have tried that for so long, that one would think we would have learned. Right now is the time for leadership, for courage, and I urge my President, the leader of my party in the Senate, and all my colleagues to rally round.

If we are not able to resist the special interests now, with the results of last November's election to strengthen us, then I fear for the future of this democracy.

Mr. President, our problems have been over a generation in the making. In my view, President Reagan has put us on the right track with his economic proposals, and it is discouraging to me to see so much scrambling for a politically expedient solution.

For a problem this serious, there will be no universally popular solution, and there will be no quick solution. Time is going to be required.

What is the alternative to the Reagan program, Mr. President? Has anyone offered anything other than the ruinous taxation and uncontrolled spending that got us into the mess we are in now, with high unemployment, astronomical interest rates, a decline in productivity, and raging inflation? The answer, simply, is no. No one has. "Back to the old ways," we hear from Democratic politicians and their scribes.

Mr. President, this Senator will not go back to the old ways. We tried them and tried them, and tried them again. They failed. I am going to continue to resist the special interests, the panic-mongers, and those whose political interest in the failure of the President's program is manifest.

Mr. President, some of the connections between and among the special interests, the bureaucracy, and the Congress were perceptively outlined in an editorial in the Wall Street Journal a short time ago. It is a timely warning against "the old ways" and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Oct. 15, 1981]

THE TREASON OF CONGRESS

In 1906, the muckraking journalist David Graham Phillips wrote a magazine series on the way leading U.S. Senators served the bidding of corporate interests. He gave his articles the collective title "The Treason of the Senate." Exaggerated as the charge might have been, it is no less appropriate now for a Congress that has let spending run out of hand, relied on unlegislated tax increases and phony bookkeeping for any semblance of budget balance, driven the nation's largest trust fund to the verge of bankruptcy, and, when confronted with a national mandate to change its ways, thrown up its hands at the "political difficulty" of reform.

The "political difficulty" is that Senators and Representatives are just as subservient now as in 1906 to the bidding of special interests. These interests masquerade under humanitarian labels, but they are even more harmful to the public good than the trusts and corporations belabored by the Progressive movement. There is the lobby for job training programs, which is less concerned with turning welfare recipients into productive workers than with protecting federal contracts for the job training industry. There is the housing lobby, which represents builders so addicted to federal rent subsidies that they can't conceive of putting up a moderate-income apartment house without them.

There are myriads more. The motives and men may be worthy, but these interests have all come to depend for a living on one or another federal line item in health, welfare or social service, and nothing arouses their energies as much as a campaign to keep Congress from cutting their program.

Washington is all too receptive to these campaigns. In a group, Congressmen make all the appropriate noises about fiscal responsibility, but each one knows in his heart that his political future is best served by staking a claim to a well-heeled, well-organized "program constituency." The arrangement is all the tighter if the Congressman holds rank on a subcommittee that controls the program's funding. In the Executive Branch, the bureaucrats who work on that program have an obvious interest in seeing it grow. And so, with the private industry that springs up around each program, you have the famous "iron triangles" which, until this year, have been the downfall of every attempt to control the budget. President Reagan's massive budget assault earlier this year threw the interests in momentary disarray; now they have regrouped and one hears on every side how hard it will be to make further cuts.

But the problem goes beyond structures. Congress lives in an isolated, self-indulgent universe, oblivious to the way its rhetoric translates into the real world. House Majority Leader Jim Wright presents budget cuts as an assault on women, children and the helpless without pausing to glance at the mound of evidence that federal social programs have bettered mainly their administrators and contractors and have often done harm to the people they were intended to help. Senators of both parties murmur that tax cuts have been overdone, even though the President's program does little more than compensate for the "bracket creep" caused by inflation. For members of Congress, Social Security remains an abstract problem interesting only for its short-term politics, since they pay no Social Security taxes and don't have to worry whether any of this considerable bite on the payroll will be around for their retirement in the next century.

Congress is one of the main victims of the elephantiasis that infects the federal government. As committees and programs have proliferated, staff members have taken over much of the legislative detail. As employes of Congress have multiplied, it has been spreading its increasingly bloated buildings over Capitol Hill, threatening to expropriate space from the Library of Congress and even the Supreme Court. This antheap of legislative aides and committee staff—the legocracy, as some call it—is even more divorced than the members from the real world back home.

Pampered, privileged, surrounded by aides who regard him with servile contempt, your Congressman has become adept at confusing the public good with his own interest and interests. Campaign reforms become a means for protecting incumbents. Budget outlays become a mutual aid arrangement with budget constituencies. The duty to the folks back home becomes a matter of winning them federal goodies, to the point that it is a question whether the Congressman is serving his electors or corrupting them.

The result has been double-digit inflation, suffocating tax increases procured in the dark of the moon, and now, the agonizing corrective of high interest rates. By any view that the public interest lies in balanced budgets, sound currency and a stable tax rate, Congress has sold us out. And now it is about to tell us that because of the "political difficulty", of real budget control, there is "no alternative" but to postpone the scheduled tax rate cuts, allow inflation once again to boost taxes surreptiously and go back to all of the old ways.

THE ECONOMIC SITUATION

Mr. SYMMS. Mr. President, as the economic recession begins to take hold, I am sure all my colleagues have received mail from constituents about the effects of the slowdown. If we have not received letters ourselves, the Washington Post is kind enough to treat us to almost daily accounts of how the Reagan economic program is devastating our country's poor and helpless.

I have received letters from home as well, and many of them are thoughtful reactions to difficult economic situations. Given the level of interest rates and the resulting housing slump, the forest products industry is among the hardest hit in the Nation. I have just received a letter from one of my constituents, a worker in that industry, whose wife is a realtor.

This constituent recognizes that our economic course was heading into the hurricane, and that a drastic course of correction was required if we were ever to emerge into the economic sunshine again. To quote this Idahoan:

> One should take a few moments to consider where the country would end up should we have remained on the same old track of spend now and pay later.

Robert A. Maxwell, the writer of this letter, points out that Government is consumptive, not productive. Whatever is produced in this country is produced by private individuals. The Reagan program is designed to stimulate that productive capacity, and I continue to believe that it will do so.

Mr. President, I ask unanimous consent that Mr. Maxwell's letter be printed in the RECORD. I think all my colleagues can profit from his insight.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 27, 1981.

Hon. STEVEN D. SYMMS,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR SYMMS: The present poor economic situation is close to home as I am part of the hard hit Forest Products Industry. My wife is a realtor and the high interest rate is hurting them badly as well.

One should take a few moments to consider where the country would end up should we have remained on the same old track of spend now and pay later. The government makes no products to sell. When it gives one person something it must come from someone else. There are no freebee's in this world.

The Reagan changes are hurting many, but I feel the present administration's direction is correct. The budget must be balanced. It appears the so called "entitlement programs" need looking into, and update the laws on them if required so they are realistic.

No one should get a handout without contributing. Our country must return to new but solid ideas that are realistic and not just a government dream.

Your job, like most everyone else's, is not easy but with others you must find and lead the ways to a balanced budget.

At the same time, we must keep this great country of ours stimulated, working and productive.

Yours truly,

ROBERT A. MAXWELL,
Coeur d' Alene, Idaho.

PROPOSED F-16 FIGHTER SALE TO PAKISTAN

Mr. HATFIELD. Mr. President, I would like to take the opportunity today to present the case for a resolution of disapproval on the proposed sale of F-16 fighters to Pakistan. Senator MOYNIHAN and I introduced this resolution 2 days ago. The arguments which can be leveled against this proposed sale are so numerous and so serious that I will limit my remarks to what I consider to be the principal concerns. I would like to say at the outset, Mr. President, that I do not accept this role with enthusiasm.

I am fully cognizant of the need to strengthen and revitalize our relationships with any and all nations located in areas of vital strategic concern. I would be the first to assert, Mr. President, that a friendly Pakistan would be a tremendous asset to U.S. interests in Southern Asia. But I am convinced that we are dreaming. What we would like to accomplish, and what the evidence indicates we can expect to accomplish, are worlds apart in the case of this sale.

Let me first address the question of stability. The most recent State Department report grimly notes:

> Restriction on dissent and individual freedom have grown during the past year in Pakistan, while citizens' rights have diminished.

The extremely tentative power base held by General Zia in Pakistan is well-known. His is a brutal and unstable government unable to provide even the base necessities of life for its people.

Though I would welcome evidence to the contrary, the future, as I see it, points only to General Zia's imminent demise. The people of Pakistan will not view this new security relationship as an expression of friendship; rather they will view it as an open-armed embrace of the unpopular Zia regime. Top leaders of the Pakistan Peoples' Party, the party it is generally agreed would win free elections, have warned that if this security package goes through, they will terminate the relationship when they assume the reins of power.

If we were embarking on an exploratory arrangement—a limited package of economic and military support designed to create a constructive relationship, there would be less need for concern. But we are talking about 40 sophisticated aircraft totaling over $1 billion, and an economy-military package totaling $3 billion for one of the least developed nations on the globe. This is a massive injection of aid and sophisticated hardware.

Yet I am constantly told that anything less is likely to cause Pakistan to reject it out of hand. I must say that I find this incredible. If General Zia is so deeply concerned about the Soviet threat and is so anxious to become a key ally of the United States, I seriously doubt that he would be so particular. At the same time, we are turning our backs on the party in Pakistan which would clearly win a free election if General Zia would only allow one to take place.

The second point I would like to ad-

dress is the prospect of an endlessly spiraling arms race on the Indian Subcontinent. India and Pakistan have fought three wars in the last 34 years. I fully acknowledge that India is the stronger of the two nations.

India's increasing intimacy with the Soviet Union and its bankrupt policy of noncriticism over the invasion of Afghanistan rightly concern the administration and Congress. While I am disturbed over India's pro-Soviet leanings, I do not believe that the facts in any way suggest that she has become a hopelessly pro-Soviet surrogate. India's foreign policy has always been characterized by nonalinement. But there are now disconcerting indicators that pro-Soviet factions in India, once on the defense over Afghanistan, are being rejuvenated.

Indian anxieties over the Soviet invasion of Afghanistan appear to be giving way to a renewed preoccupation with the Chinese-Pakistani-American challenge. Sentiment for a joint India-Pakistan response to the Soviet threat was once powerful, but it has been replaced with stirrings for a preemptive nuclear showdown with Islamabad.

The underlying rationale behind the Pakistan security arrangement is to deter Soviet adventurism and to reinforce our position with respect to the Persian Gulf. But let us examine this assumption carefully, Mr. President, as I believe that it is so riddled with holes as to defy logic. As recently as 4 months ago, Pakistan's foreign minister announced that the Soviet Union was not a central threat to Pakistan. It is well known that Pakistan seeks some kind of political accommodation with the Soviet Union and the Karmal regime in Afghanistan.

There has been no major redeployment of Pakistani forces since the invasion of Afghanistan. Two-thirds of the Pakistani military is deployed not along the Afghanistan border, but on the Indian border. Pakistan has expressed unqualified opposition to the administration's goals in the region, including the concept of a rapid deployment force.

Of course, it is possible that this open-armed embrace of General Zia will ultimately result in moderation of these positions. But considering the magnitude and the implications of the $4 billion we intend to invest in Pakistan, one would think that changes would have already been forthcoming. Instead, we receive signals that any tampering with the aid package will result in Pakistan's rejecting the entire idea.

Finally, significant though this aid may be when viewed in a vacuum, it is light-years away from being sufficient to deter an invasion by the Soviet Union. Interceptor aircraft would be far better suited to Pakistan's defense than F-16 fighters. I completely fail to comprehend how one can be anything but horrified at the potential for disaster we stand to create through this sale. The vision of nuclear weapons and F-16 fighters in the hands of General Zia is as fundamentally frightening a prospect as I can imagine in this volatile age.

While it is suggested that enough conventional arms might induce Pakistan to abandon the nuclear option, there is absolutely no evidence that this theory will work. A recent State Department cable reveals that Pakistan has obtained sensitive nuclear equipment from Turkey. The cable reported:

> We have strong reason to believe that Pakistan is seeking to develop a nuclear explosive capability. We have information that Pakistan is conducting a program for the design and development of a triggering package for nuclear explosive devices.

I hope this body is aware of the speculation that Pakistan could be seeking an Islamic bomb in conjunction with Colonel Qadhafi. A report by the London Observer indicates that Libya has supplied Pakistan with uranium ore. If these reports are inaccurate, the burden of proof lies with those who are promoting the gamble. I would also like to call the Senate's attention to an essay written by William Sapphire which recently appeared in the New York Times. He points out that a German-based company is now assisting Libya in developing a long-range, surface-to-surface missile.

He further suggests that it would be natural for Pakistan, rapidly developing an offensive nuclear capability, to cooperate with the Libyans on a delivery system. Both Islamic countries could then have missiles with nuclear warheads. I suggest this prospect, Mr. President, for the benefit of those who are comforted by the notion that it may be some years before Pakistan could develop an atomic bomb small enough to be carried on F-16's.

We are setting the stage for another preemptive strike against a nation suspected of developing offensive nuclear capability. I would like to point out that the provisions on aid introduced by Senator GLENN, which would necessitate an aid cutoff if a nuclear device is detonated, does not apply to the F-16 package. We are all aware of the abundance of evidence: intelligence reports, photographs of the construction of a uranium enrichment plant at Kahuta, and statements by Prime Minister Bhutto prior to his execution by General Zia.

I would now like to turn to the final point, around which all of my previous concerns revolve, and that is the question of allegiance.

I must confess that I tend to lose my objectivity when I recall the wanton act of terrorism which occurred less than 2 years ago when the Zia government stood by in passive indifference while two American personnel were killed, the U.S. Embassy was burned to the ground, and other U.S. Government facilities were destroyed. It took the Zia government more than 5 hours to respond to the desperate pleas of the Americans trapped in the Embassy. The American people have yet to be provided with an apology, let alone an explanation or full reimbursement for this murderous violation of international law.

The Pakistani Government can never replace the lives of the personnel who were killed in that incident while serving as officials of the U.S. Government. Why has the Government of Pakistan not moved to punish those who conducted the attack?

Finally, serious questions remain unanswered regarding the involvement of the Pakistani Government in this act. Does anyone in this Chamber seriously believe that these same individuals can be trusted to defend American interests? The substance of Pakistan's allegiance to the United States is even more questionable than its own stability. Even if our convenient friends in the Zia regime are in power on the day when we need them, what evidence exists that they can help us in the face of bitter domestic opposition greatly exacerbated by this jet-fighter sale?

This Nation is fast becoming the world's most compulsive gambler. With so much talk of renewed commitment to our real friends, we now move to bestow "allied status" on a regime that so recently displayed supreme disregard for this Nation and which has always displayed disregard for our ideals.

This sale represents a desperate substitute for the genius and the courage which the increasingly dangerous global situation requires of us. We are becoming the national image of a gambler who disregards his family's welfare, blinds himself to the future, and blanks out the past in a feverish effort to achieve immediate and total security. I have been as critical of the Soviet Union as any Member of this Chamber. I deplore the march of totalitarianism.

I condemn the brutality and spiritual bankruptcy of their system. But we must stand for something. This sale is a rash move. It is intended to signal strength and resolve to the Soviets, but it in fact signals confused purpose and hollow commitment. We must confront ourselves with brutal honesty. Have we come to view nonproliferation, democracy and allegiance as such hopeless goals that our only recourse is to live for the moment? It is as though we are prepared to abandon everything in deference to an all-consuming and myopic anti-Sovietism.

Mr. President, I hope and pray that this deliberative body will not allow itself to succumb to the bankrupt interpretation of national security which underlies this proposal. That which masquerades as realism is increasingly proving itself removed from reality.

I appeal to this body to reject this dangerous and compulsive toss of the dice. We cannot afford to confuse that which is desirable with that which is possible. A rejection of this sale will not make life any easier for us. It will not solve anything. It will not rid us of the dilemma which confronts us. In fact, it will add a new dimension to the already ominous responsibilities we face.

But I am certain, Mr. President, that the other alternative—the acceptance of this sale—spells disaster not only for the United States, but for mankind. Let us choose the more difficult road, secure in the knowledge that we rejected the simple answer, and maintained our historic ideals.

Mr. President, I ask unanimous consent an article to which I referred appearing in the New York Times of October 9, 1981, and the article appearing in the Christian Science Monitor of November 9, 1981 be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 1, 1981]

THE ISLAM BOMB

(By William Safire)

WASHINGTON.—You are Indira Gandhi, Prime Minister of India, a "nonaligned" country that is tightly aligned with the Soviet Union.

You pick up The New York Times and read, in an exclusive story by Judith Miller, that U.S. arms control officials suspect Pakistan may be diverting fuel from its nuclear reactor to build a bomb.

You note that the International Atomic Energy Agency has detected "irregularities" and "anomalies" at the plant site, and that Pakistan refuses surveillance that might slow development of "the Islam bomb."

You note further that President Reagan has asked the U.S. Congress to exempt Pakistan from the law barring military aid to countries building nuclear weapons, and that 40 F-16's are on their way to help Pakistan defend itself against the Russians in nearby Afghanistan.

You remember that Menachem Begin used F-16's to reach across the desert to attack the Iraqi reactor in Baghdad, and you ask your air force chief if the Pakistanis could use their F-16's to drop an atomic device on India's population centers, or to attack India's own nuclear plants.

Your air force man says yes, the F-16's could hit your nuclear facilities, but not for years could Pakistan develop an atom bomb small enough to be carried on a fighter-bomber. In the meantime, the major threat to India would be a Pakistanti nuclear device that might be delivered by a large missile such as those being developed by OTRAG.

And what, you ask, is OTRAG? You are informed that Orbital Transport und Raketen Aktien-Gesellschaft is the Munich-based private company now helping the Libyans develop a long-range surface-to-surface missile. As Pakistan builds its bomb, it would be natural to make a deal with the Libyans on a delivery system; both Islamic countries would then have missiles with nuclear warheads.

As Prime Minister of India, which not long ago crushed and dismembered Pakistan in a war, you are concerned: why don't the West Germans close down OTRAG? Answer: business is business, and the people of Munich—many of whom protest American neutron weapons being positioned there in West Germany's defense—are evidently unconcerned at the prospect of incineration if a country laid waste by a German-produced rocket lashes back in retaliation.

You ask if India has the means to remove the forthcoming nuclear threat from Pakistan. Yes, you have British Jaguar fighter-bombers with the range to reach the Karachi reactor, and the Russians are eager to explain how to penetrate Pakistan's radar.

Now switch identities. You are Marshal Ustinov, the Soviet defense chief. You have no intention of invading Pakistan, because that might trigger a war with the U.S. But if your ally India, in pre-emptive self-defense, attacks Pakistan—that would not be an East-West superpower confrontation. That would just be an old grudge fight, at the conclusion of which you could enlist Baluchi tribesmen in a simple reach through Pakistan for Soviet control of the Persian Gulf. To a Soviet marshal, the provocation of a Pakistani bomb would be a godsend.

Switch identities once more: you are now President of the United States. Your hard-line advisers tell you that the only opposition to sending F-16's to General Zia in Pakistan comes from the usual dovecote that flinches at supporting friendly dictators. You are persuaded that the only way to stand up to the Russians in the Persian Gulf is to bolster the Pakistani chief even if he tells us to get lost when we inquire about his atomic-bomb intentions.

You, as President, know which side you are on: our side, of course, alongside all those who join our strategic consensus against the Russians. But then a cloud, no bigger than a man's hand (I Kings 18:44), ariseth out of the sea: our support of the Pakistanis is directed against the Russians, but what if General Zia sees it as useful against Mrs. Gandhi? Won't our turning of a blind eye to Pakistan's atomic pretentions induce India, a Soviet ally, into doing the Russians' work for them? Common sense suggests that by attaching no strings to our aid, we may be tripping ourselves up.

Now drop all identities and be yourself. Think it over: the notion of supplying military aid to Pakistan without extracting its signature on a nonproliferation agreement is almost as foolish as supplying our most advanced weapons system to the Saudis without extracting an agreement guaranteeing our presence and joint control. Senator John Glenn seems to understand this; that is why he is trying to assure Saudi-American co-management of the Awacs, and why he is trying at the same time to amend the foreign-aid bill to limit the nuclear waiver Mr. Reagan was all too willing to grant the Pakistanis.

A parallel interest is not an alliance. We furnish arms to parallel interests like the Saudis and Pakistanis (and Chinese) for the purpose of aiding their defense against the Soviet threat. If our purpose is subverted, then those arms should be diverted to other nations whose interests parallel our own.

America's interest is in helping General Zia defend Pakistan against the Russians, and not in encouraging him to build a bomb that will make his country an irresistible target for a Soviet surrogate.

[From the Christian Science Monitor, Nov. 9, 1981]

PAKISTAN CONSIDERS FRIENDLIER LINE TOWARD MOSCOW

(By David K. Willis)

ISLAMABAD, PAKISTAN.—Pressures are growing here for Pakistan, viewed in Washington as a key strategic ally against Soviet expansionism, to consider a softer line toward Moscow.

Well-placed Pakistani sources report that the editor of a prominent weekly magazine with close ties to President Zia ul-Haq has been asked for a confidential report on how popular opinion would react to any move toward recognizing the Moscow-backed Kabul government of Babrak Karmal.

Meanwhile, Western sources in Islamabad say they detect among some senior Pakistani diplomats a growing feeling that the only way out of the impasse with Moscow is to signal some kind of recognition of Babrak Karmal and to open a new dialogue with the Soviets.

The new pressures may represent a split between President Zia's generals and the civilians who operate Pakistan's diplomacy.

The Reagan administration would strongly oppose any Pakistani softening. It is going to great lengths to assure General Zia of US support against Soviet troops next door. The US also seeks Pakistan's cooperation to counter the Soviets in the Middle East.

Some Western sources dismiss the report about the weekly newspaper, saying it represents, if true, no more than normal government contingency planning.

But other observers tie the report to the rationale they detect among Pakistan diplomats. The rationale goes this way:

Soviet troops cannot be dislodged from Afghanistan by force, just as they cannot subdue areas outside the cities unless they are strongly reinforced. Soviet strategy seems to be to hold on, to support Karmal and await developments.

(The Karmal government was installed by Soviet troops in December 1979. Some 85,000 Soviet troops remain in Afghanistan.)

The thesis argues that now is the time to send some kind of signal to Moscow that Pakistan is prepared to accept Babrak Karmal as a fact of life in Kabul. This, it is said, could break the diplomatic impasse with Moscow, lend greater flexibility to Pakistani democracy, and lead to an easing of Soviet and Afghan pressure on Pakistan's western borders.

There is even some hope, according to this thesis, that talks with Moscow might open up some kind of inducement to the 2 million Afghan refugees in Pakistan to start going home. The aim would be to cut the financial burden on Pakistan and reduce the tribal frictions that the refugee presence exacerbates.

But the hope is slim: The refugees fled Afghanistan because they dislike and fear Karmal and Soviet occupation. Pakistani recognition of Karmal could add to their fears.

So far, General Zia and his military government have rejected Moscow's demand for talks that would, in effect, grant Karmal legitimate status.

Even if so inclined, President Zia is unlikely to take new iniatives toward Moscow while the US Congress is considering an aid package.

The US Senate has just approved a $3.2 billion package of economic aid and military credits for Pakistan, on condition that President Zia does not explode the nuclear device many experts say he is building. The House of Representatives is about to take up the package.

Neither Senate nor House has yet acted on a formal administration notification Oct. 23 that the US intends to sell Pakistan 40 super-sophisticated F-16 fighter-bomber aircraft. The sale will go through unless both houses veto it within 30 days.

The choices for Pakistan seem to be to continue standing firm against Soviet diplomacy with US support and international aid for the Afghan refugees, or exploring a softer line toward Moscow while keeping as close as possible to Washington.

An important pressure on President Zia is the refugees. Two million of them (the United Nations High Commissioner for Refugees estimates 1.6 million, while Pakistan says 22.5 million) are camped along the broad arc from Peshawar in the northwest to Quetta, further south.

They have millions of head of livestock with them, all grazing on land claimed by local tribes.

Two issues confront President Zia. One is financial: Who is to pay for maintaining the refugees? The US contributed $100 million last year. Western Europe, Japan, and Australia gave another $100 million. Pakistan says it spent $200 million of its own money. For how long will other countries keep up their payments?

Already some European countries are saying privately they cannot sustain another Palestinian-type of aid program for 35 years or more.

The other major issue is tribal: The refugees are Pashto-speakers. In Baluchistan Province, where Baluchis are in the majority with 1.6 million, there are now almost 1 million Pashto-speakers (half a million local, half a million Afghans). This alarms the Baluchis. Their separatist movement appears to have quieted since the Soviet troops arrived next door, but the Soviets could try to exploit it at any time.

Despite Pakistan's present pro-American tilt, a US visitor quickly detects, even at senior levels, reservations about the United States.

Conversations recall how Washington cut off spare parts to Pakistani armed forces during the war with India in 1965. US spare parts to India also ended, but the effect was much greater here. Pakistani arms are largely US, while India's are largely Soviet and French.

The Pakistani sources who revealed the request to the weekly newspaper editor said the man is a close confidant of President Zia. His weekly is published in the Urdu language. All publications are under strict censorship during the current period of martial law. The editor is said to be still working on his report.

Mr. BUMPERS. Mr. President, I would like to be added as a cosponsor to the resolution of the Senator from Oregon, the resolution of disapproval.

Mr. HATFIELD. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I thank the distinguished Senator and welcome his vital support for this initiative.

(The name of Mr. WEICKER was also added as a cosponsor of the resolution.)

SOUTHEAST ASIA REVISITED

Mr. HAYAKAWA. Mr. President, I have just read a most perceptive article in the October 12 issue of the U.S. News & World Report on current attitudes of Southeast Asian leaders toward international politics in the region. The views expressed by the author, Marvin Stone, closely coincide with mine based on my trip to the area last August.

The article points out that many attitudes have changed since the Vietnam war. Vietnam is now perceived as the principal threat to regional security. The Soviet Union is seen by most countries to be a greater immediate threat than China. Although suspicions of the latter remain, the Association of Southeast Asian Nations (ASEAN) has grown into an important economic and political grouping. The American presence is again welcome in Southeast Asia, both in terms of trade and investment and as a guarantor of security. Southeast Asian leaders stress that they are not interested in the return of American troops, but they would welcome increased military aid. In order to keep vital Southeast Asian sealanes open, sufficient U.S. naval strength to balance Soviet naval power is seen as of paramount importance.

Because of the valuable insights this article gives us on this important part of the world, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOUTHEAST ASIA REVISITED

(By Marvin Stone)

BANGKOK.—When I left Southeast Asia 15 years ago, it was in a mood of despair. I had become convinced in Vietnam that we were trapped in a hopeless war. America's resolve in 1966 was fast melting away. The fighting was not going well, and a corrupt regime in Saigon was unworthy of more GI blood.

Still, we pursued the war for almost another decade out of fear that all Southeast Asia would fall, country by country, like so many tumbling dominoes. America, we were told, could ill afford to abandon this rich region to the advancing Communists.

Well, we were wrong. There was no chain reaction. Non-Communist Asia still stands firm, thriving as never before. Disgrace has not followed defeat. American influence, while muted, again is gaining. In fact, the wheel has come full circle: Once more, American friendship and support are being courted.

On the personal level, the residual warmth that remains for the American people is surprisingly full and open. The present U.S. President is respected. Even the often-critical leftist press shows unusual restraint when dissecting U.S. foreign policy.

Not only has the worst not happened but, except for the unwelcome entry of the Soviet Union in these parts, there have been some unpredictable and pleasant pluses for the U.S. in Southeast Asia.

Item. Communist China has split with the Communist Hanoi regime and claims to be eager for U.S. support in its struggle against the Soviet Union.

Item. Hanoi is in disfavor everywhere but Moscow. Its aggression against neighboring Cambodia has made it an international outcast.

Item. Thailand, marked as one of the likely falling dominoes, instead is a linchpin of a defense grouping called the Association of Southeast Asian Nations (ASEAN)—along with the Philippines, Malaysia, Singapore and Indonesia. Says Adm. Robert L. J. Long, commander of U.S. forces in the Pacific: "ASEAN is one of the true success stories of the past few years."

Item. Whatever the U.S. did not accomplish in Vietnam, its sacrifice there gave countries of the region vital years to build their security—modestly in military terms, more importantly in political and economic terms. Asians, like Americans, want to share in a prosperous, nontotalitarian world. The American model is admired and its free-enterprise system is envied and emulated.

GROPING FOR A POLICY

The American resurgence in Southeast Asia has not come overnight, nor easily. In 1975, when I accompanied President Ford to Peking, then on to Indonesia and the Philippines, the U.S. was scrambling to shape a new course in the wake of the debacle in Vietnam.

On that 24,000-mile journey with Ford, we traveled with the uneasy realization that we were groping, at best, for some way to put the U.S. on a firmer footing in Asia other than through those policies of the past that had drawn the U.S. into three wars in Asia in a single generation—the Pacific action of World War II, Korea and, of course, the long struggle in Vietnam.

An Indonesian editor told me that while his countrymen did not hold the U.S. at fault for the collapse of South Vietnam—they blamed the South Vietnamese—"it is better that you stay home from now on; a white army cannot fight in Asia and have support of local people."

At that time, the U.S. had not yet found a new, natural relationship with its remaining friends. There was political trouble brewing internally throughout the region. Economies were fragile. No one knew what to expect next. America's emerging policy, wisely, was to keep hands off and let the Asians sort things out for themselves.

WELCOME BACK, AMERICA

When the United States was "invited" to withdraw its massive air and naval forces from Thailand in 1975, the retreat from Southeast Asia was complete. America simply was not regarded as having the will to defend further against Communism, and the Asian states were hopeful that, without the U.S. military presence as a lightning rod, Hanoi would be satisfied not to push beyond its unified Vietnam.

All that changed in 1978 when the regime in Hanoi, heady with ambition and hungry for Cambodia's resources, invaded the country that now calls itself Kampuchea. It became apparent that the Vietnamese would be there, and in Laos—the third of the Indo-China states—for a long time.

That invasion accomplished two things:

First, it split Communist China and Communist Vietnam. Peking not only saw Hanoi encroaching on an area it considered in its own sphere, but realized that Russia was now supporting the Vietnamese occupation of Cambodia, in a real way increasing its encirclement of the mainland. Russia today, by estimates in Bangkok, is spending 6 million dollars a day to support the 200,000 Vietnamese troops fighting off attempts by 30,000 Cambodian guerrillas to retake their country.

Second, the invasion gave real and sudden purpose to the five ASEAN allies. For the first time in history, the Soviets had made an entry into their region. Now the threat from the Communist world was a triple-header—the Soviets adding to traditional suspicions about China's ultimate designs and the aggressive ambitions of the Vietnamese.

All at once, five nervous nations started beckoning renewed American interest and support. They wanted to feel that their concern was shared by Washington. At this point, it is not so much a matter of seeking American troops as it is availability of U.S. forces in a showdown.

Thailand's Foreign Minister, Air Chief Marshall Sitthi Savetsila, in a lengthy conversation in his office, proved to be one who draws the line at inviting U.S. forces back to his country, even though Vietnamese troops stand at his borders. "Yet," he says, "if things get worse, or if your forces must go into action in the Indian Ocean area, you can count on us to make our bases available."

Not only Thailand, but Singapore and Indonesia are building new runways capable of handling the heaviest American bombers. Today, U.S. forces are present only at Subic Bay and Clark Field in the Philippines. And while only Singapore is pressing openly for a return of U.S. forces to the region, all are looking once again to the U.S. for future insurance.

THE TRIPLE THREAT

Not everyone agrees on where the danger lies. To the Thais, the grave threat today is not from the ancient antagonist, China, but the nearby Vietnamese and their Soviet backers. The Thais are going out of their way to improve relations with Peking. "Our national interests now coincide with China," a Thai official declares. "They fear the Soviets and so do we." Singapore, too, regards the Soviets and Hanoi as Enemy No. 1. "They are the hard-line states," an American diplomat reports.

Indonesia and Malaysia—half of Malaysia's population is of Chinese ancestry—continue to view Communist China as the main threat. Indonesia, after 14 years, still refuses to re-establish diplomatic relations with Peking. Says a diplomat from Singapore: "Thailand will be sorry 10 years from now that they downgraded the Chinese danger."

What of the fifth ASEAN nation—the Philippines? Reports an American official here: "They are really on the sidelines. They have enough internal problems to occupy all their attention—and then some."

AS U.S. SEES IT

Most disconcerting to American officials are Soviet designs. "They have finally been able to establish a foothold in Southeast Asia," says one. "They are in a position to expand their intelligence collection and their air reconnaissance and, with their naval forces, they pose a threat to the U.S. and Japan—and the lifeline to Southeast Asia."

In fact, the Soviets are all over Asia. In the north, they have perhaps 50 divisions facing China. To the west, they have found

a renewed ally in India. They are supporting the Vietnamese in Cambodia. They are upgrading their Pacific air forces with modern Backfire bombers. Admiral Long reports that in 1980 "the Soviets added more modern bombers—200 of them—to their Pacific forces than the U.S. has total fighters in the Pacific." Long cites the presence of the latest Soviet nuclear attack submarines, cruise-missile subs, modern cruisers and one of their two aircraft carriers.

It is Vietnam, at sword's point with China, that has opened the door to the Russians, and Moscow shows no reluctance to take advantage of the opening.

You find Soviet naval ports at two bases the U.S. spent hundreds of millions of dollars to establish—at Da Nang and Cam Ranh Bay in South Vietnam. In the view of our military experts, Moscow's aim is not only to outflank mainland China, but to sit astride the key sea-lanes of the Far East. For the first time, the Soviet Navy has broken out of the northern Pacific port of Vladivostok, free to range over thousands of more miles of Asian waters.

Martin L. Lasater, an authority on the Far East, writing in the September issue of Asia Report, makes this point:

"A conflict between the armed forces of the U.S. and the Soviet Union in the Indian Ocean [some 11,000 miles from either coast of the U.S.] would inevitably involve the Pacific fleets of both powers. Whoever gained supremacy over the sea-lanes around the periphery of Asia would determine the course of events within the Indian Ocean. For the U.S., operating at such tremendous distances from its home ports, control over the sea-lanes and local areas of operation would be essential. Conversely, the Soviets would seek to deny freedom of movement to American units. The destruction of forward deployed naval units and support facilities would be of utmost importance to both sides. Naval air, whether carrier or land-based, would play an essential role in the struggle, as would submarines and their ASW counterparts.

"Given the present force levels available to the U.S. and U.S.S.R. in the Indian and Pacific oceans, a favorable outcome of that struggle would be in doubt, especially if it were initiated by a Soviet surprise attack against our surface fleet. . . ."

Lasater concludes: "An increased military budget, tough rhetoric and more consultations with its Asian allies on military and strategic matters are important steps in the right direction. But none of these can replace the absolute necessity of increasing the size of the American military presence in the Far East."

There is no question that since the retreat from Vietnam, U.S. military strength in Asia has gone downhill. The forward island-defense line that was built after World War II has shrunk. The Pacific Fleet is stretched many thousands of miles from Pearl Harbor to the Indian Ocean. Observes Admiral Long:

"We have insufficient forces in the Pacific to handle all the contingencies simultaneously. Our forces are spread too thin. We have drawn down the naval forces in the western Pacific to move forces into the Indian Ocean, into the vital Persian Gulf area. We do not have sufficient air forces, and I have estimated that we are short somewhere around 25 to 30 percent."

WILL AMERICA RETURN?

The great guessing game in Southeast Asia is whether American interest in returning to the scene of so recent a disaster will soon be rekindled.

As many Asians see it, America's stake in this part of the world goes beyond an interest in helping contain Vietnamese-Soviet expansion beyond Indo-China. It involves a tangled web of strategic crosscurrents involving the Soviets, the Chinese, free Asian nations, oil and trade.

Since the turn of this century, the blood of a half-million Americans attests to America's historic role as a major power in the Far East. Yankee clippers carried American trade to the Pacific a century and a half ago. By 1833, we had a treaty of commerce with the Kingdom of Siam, now Thailand. Today, that country and its four ASEAN allies are our fifth largest trading partner. In all, U.S. investments in Asia, excluding Japan, run to more than 20 billion dollars, and the return on that investment is the highest anywhere in the world. Two-way trade with Asia, again excluding Japan, totals more than 113 billion dollars a year.

When a visitor tells his Asian friends that the people of the United States have no desire to return with troops to Southeast Asia, that the scars of Vietnam have not healed at home, there is universal acceptance of this explanation.

Yet some Asians believe that the wedge the Soviets are driving into the area may force Washington's hand over the next several years. "The future may depend on the clash of interests of the two superpowers in this region," says one Thai official, "and whether Peking can induce you to take Soviet pressure off China's southern flank."

That is a worrisome prospect to Asians. They no more want to see Americans fighting in Southeast Asia than Americas want to return.

What, then, do the Asians want?

A leading Thai magazine, its cover reproduced on page 91, welcomes the report that the U.S. will increase its military aid to Thailand from 50 to 80 million dollars next year. It then sums up a widely held view: "It is necessary for the U.S. to render more arms assistance to friendly countries rather than sending its men to help fight the war the same as in Vietnam. . . . The job can be done better by the Thais, and with less expense to the U.S."

Singapore's Prime Minister, Lee Kuan Yew, dealt recently with the picture this way: "The naval balance must be a rough U.S. equivalent to Soviet naval power in the area. There must be sufficient American forces to influence the thinking of governments, to assure them that outside intervention against them would not be permitted and to caution them that they themselves should not embark on ventures."

I asked the man who, as Prime-Minister of Thailand in 1975, threw the Americans out, what U.S. policy should be. Replied Kukrit Pramoj: "The American image has been restored in Thailand. Even the leftist press reflects no animosity. But the worst thing that could happen is for you to return physically to bases in Thailand. What your country should do is maintain your image as the most powerful nation on earth. Stand up to the Russians everywhere. We take heart from that."

From a U.S. diplomat: "We can increase economic aid and aid for military training. But we are not, and should not, be getting out front and forcing issues. Some may think it's not much of a policy, but it's not a bad one."

No one may be certain of where we should, or will, go next in Southeast Asia. But people here remind you that the world is menaced by the tyranny of Communist regimes. They send a message that they share in our own struggles to resist domination by these tyrants.

ARMS SALES TO TAIWAN

Mr. HAYAKAWA. Mr. President, I have just read a most persuasive article on the question of arms sales to Taiwan, which I would like to share with my colleagues. It was written by Edward N. Luttwak, senior fellow at the Georgetown University Center for Strategic and International Studies, and appeared in the November 3, 1981 issue of the Wall Street Journal.

Mr. Luttwak argues that the administration has made a serious mistake by delaying its decision on selling modern fighter aircraft to Taiwan. The delay has allowed China to mount a high-pressure campaign with the administration against further arms sales to Taiwan, and has focused attention on the issue internationally and within China—thus adding to the eventual embarrassment of Deng Ziaoping and his colleagues when the United States does supply planes to Taiwan. In addition, the delay has damaged our credibility with Taiwan in terms of our commitment under the Taiwan Relations Act to provide defensive arms.

Beyond concern for Taiwan, however, Luttwak asserts that we are risking our credibility as a security partner with both the Southeast Asians and China itself. The Asian nations are counting on us as a protective shield against Vietnam, in the short term, and China in the long run. The readiness of the United States to keep its promise to Taiwan is the obvious test case, the repudiation of which would have grave consequences for our diplomatic and strategic position in Southeast Asia. China is in the process of developing a security relationship with the United States which would help deter the Soviet threat in East Asia. While the leaders of the Peoples' Republic will no doubt express their displeasure if Washington fulfills its commitment to Taiwan, they will also recognize, albeit paradoxically, that the very act is proof of American reliabilty.

As I feel Mr. Luttwak offers some very compelling arguments on this controversial issue, I hope my colleagues will take the time to read his article. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SELLING ARMS TO TAIWAN: THE SOONER THE BETTER

(By Edward N. Luttwak)

In a high-pressure diplomatic campaign, the Peking government is trying to force the Reagan administration to renounce further arms sales to Taiwan. American Congressmen and former officials visiting mainland China have been told that the "normalization" agreement of December 1978 included—or at least implied—a tacit promise to "phase out" the sale of weapons to Taiwan, and that the time has come to do that.

It is safe to assume that the same demand is being pressed in the diplomatic dialogue between Washington and Peking. During his China visit, former President Carter performed a major service when he flatly denied that his administration had promised to cut off arms sales to Taiwan; but then, in his very characteristic manner, Mr. Carter made further statements that weakened the impact of his clarification. Always gracious but also relentless, Chinese diplomacy, including the individual persuasion of the many important American guests so warmly received, is having its effect: A number of

Senators have already expressed support for the mainland Chinese position.

In the meantime, the administration is still acting with no great sense of urgency. Partly because of the fairly large arms sales of the last year of the Carter administration, and partly because of the understandable desire to make its own appraisal of Taiwan's military needs, Mr. Reagan's team has yet to authorize its first arms sale to that country. The Republic of China government in Taipei has also been patient, no doubt because it remains confident that the Taiwan Relations Act of 1979 and the President's personal goodwill ultimately guarantee that the weapons will be supplied.

But in the light of Peking's campaign, the administration's delay seems unfortunate: Inevitably, the diplomatic offensive is having its effect within China also, focusing attention on the issue and thus adding to the eventual embarrassment of Deng Xiaoping and his men when the U.S. does supply something to Taiwan, as it must. What could have been a minor affair some months ago may become a first-class diplomatic row if the decision is delayed much longer.

To be sure, even within the administration there are those who would simply accept the Chinese demand, and who welcome the prospect of a "peaceful reunification" that would be imposed on a disarmed Taiwan. But even if there were no Taiwan Relations Act to give the full force of law to the American commitment to do so, it would still be in our interest to supply Taiwan with the weapons it needs to deter attack.

That Taiwan's dynamic and increasingly open society of 17 million people is intrinsically worthy of our concern is obvious. So is the fact that to repudiate our promise must damage our credibility. But there is also a more specific reason for honoring our commitment to Taiwan.

As Secretary of State Haig learned during his recent visit to the region, the governments of Southeast Asia agree with the U.S. in seeing Vietnam and its Soviet patron as the salient threat to their security—but only in the short run. For the long term, it is China that presents the dominant threat to their independence, and they foresee a situation in which a Soviet-supported Vietnam could become a most useful barrier against Chinese power.

The leaders of 260 million Southeast Asians nevertheless strongly favor the growth of Sino-American cooperation, but only on the understanding that the U.S. will remain active and credible in the region as their residual guarantor against Chinese power. Otherwise, much against their inclinations, they will be forced to seek reassurance elsewhere, by developing a security relationship with China's natural counterweight, the Soviet Union. In this setting, the readiness of the U.S. to keep its promise to Taiwan is the obvious test case, and a repudiation of the commitment would have grave consequences.

In spite of the huge disparity in their overall military power, the maintenance of a deterrent balance between Taiwan and China is by no means impossible. For it is not the totality of Chinese power that must be balanced but only that small fraction that has the strategic reach to threaten Taiwan. So far, that deterrent balance is well assured, but it will take the prompt release of modern fighter aircraft and some naval munitions to maintain the balance during the rest of this decade.

The decision to sell those weapons is already greatly overdue. The U.S. can renounce neither its friendship with Peking nor its obligation to Taiwan. If Washington is resolute in fulfilling its commitment to Taiwan, the leaders of the People's Republic will no doubt express their displeasure, but they will also recognize that the very act is proof of American reliability. Whatever else Peking needs, it does not need an unreliable partner in facing an intense and growing Soviet threat to its own security.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

CONTINUATION OF EMERGENCY SITUATION IN IRAN—MESSAGE FROM THE PRESIDENT—PM 90

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination on the anniversary date of a declaration of emergency, unless prior to the anniversary date the President publishes in the *Federal Register* and transmits to Congress a notice that the emergency authority is to continue in effect beyond such anniversary date. On November 12, 1980 President Carter caused to be published in the *Federal Register* and transmitted to the Congress a notice that the emergency declared on November 14, 1979 with respect to Iran was to continue in effect beyond the November 14, 1980 anniversary date. I have sent to the *Federal Register* for publication the attached notice stating that the Iran emergency is to continue in effect beyond the November 14, 1981 anniversary date.

Although the crisis which existed in the fall of 1979 and throughout 1980 between the United States and Iran has substantially abated, the internal situation in Iran remains uncertain. The war between Iran and Iraq continues and the Soviet Union still occupies Afghanistan. In January 1981, Iran and the United States entered into agreements for release of the hostages and the settlement of opposing claims. An international arbitral tribunal has been established for the adjudication of claims of U.S. nationals against Iran and by Iranian nationals against the United States; but it must decide four disputes between the United States and Iran over the proper interpretation of the agreements before it can address private party claims. It appears that full normalization of commercial and diplomatic relations between the U.S. and Iran will require more time. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed to respond to the process of implementation of the January 1981 agreements with Iran and the eventual normalization of relations.

I will see that the Congress is kept informed of significant developments.

RONALD REAGAN.

THE WHITE HOUSE, *November 12, 1981.*

MESSAGE FROM THE HOUSE RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of November 10, 1981, the Secretary of the Senate, on November 11, 1981, received a message from the House of Representatives announcing that the House disagrees to the amendments of the Senate to the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DIXON, Mr. NATCHER, Mr. STOKES, Mr. WILSON, Mr. LEHMAN, Mr. WHITTEN, Mr. COUGHLIN, Mr. GREEN, Mr. PORTER, and Mr. CONTE as managers of the conference on the part of the House.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 1:16 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4734. An act to recognize the organization known as the Italian American War Veterans of the United States.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

At 4:16 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1322. An act to designate the U.S. Department of Agriculture Boll Weevil Research Laboratory Building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3455) to authorize construction at military installations for fiscal year 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. PRICE, Mr. BRINKLEY, Mr. MONTGOMERY, Mr. KAZEN, Mr. WON PAT, Mr. DICK-

INSON, Mr. TRIBLE, Mr. WHITEHURST, and Mr. MITCHELL of New York as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3413) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appointed Mr. PRICE, Mr. STRATTON, Mrs. BYRON, Mr. MAVROULES, Mr. DICKINSON, Mrs. HOLT, and Mr. HILLIS as managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4144) making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. BEVILL, Mr. BOLAND, Mrs. BOGGS, Mr. CHAPPELL, Mr. FAZIO, Mr. WATKINS, Mr. BENJAMIN, Mr. WHITTEN, Mr. MYERS, Mr. BURGENER, Mrs. SMITH of Nebraska, Mr. RUDD, and Mr. CONTE as managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 195. An act to recognize the organization known as the U.S. Submarine Veterans of World War II;

S. 999. An act to amend the Earthquake Hazards Reduction Act of 1977 and the Federal Fire Prevention and Control Act of 1974 to authorize the appropriation of funds to the Director of the Federal Emergency Management Agency to carry out the earthquake hazards reduction programs and the fire prevention and control program, and for other purposes; and

H.R. 4792. An act to amend title 10, United States Code, to improve the military justice system.

The enrolled bills were subsequently signed by the President pro tempore (Mr. THURMOND).

At 4:44 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4035) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1982, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 1, 8, 22, 25, 31, 85, 92, 93, 101, and 114 to the bill, and has agreed thereto; and that the House recedes from its disagreement to the amendments of the Senate numbered 2, 4, 6, 9, 11, 12, 20, 21, 33, 35, 36, 41, 55, 64, 73, 74, 77, 78, 86, 95, 97, 104, 106, 111, 112, and 117 to the bill, and has agreed thereto, each with an amendment, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

At 5:39 p.m., a message from the House of Representatives, delivered by Mr. Gregory, announced that the Speaker has signed the following enrolled bill:

S. 1322. An act to designate the United States Department of Agriculture Boll Weevil Research Laboratory building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

ENROLLED BILLS PRESENTED

The Secretary reported that on today, November 12, 1982, he had presented to the President of the United States the following enrolled bills:

S. 195. An act to recognize the organization known as the United States Submarine Veterans of World War II;

S. 999. An act to amend the Earthquake Hazards Reduction Act of 1977 and the Federal Fire Prevention and Control Act of 1974 to authorize the appropriation of funds to the Director of the Federal Emergency Management Agency to carry out the earthquake hazards reduction programs and the fire prevention and control program, and for other purposes; and

S. 1322. An act to designate the United States Department of Agriculture Boll Weevil Research Laboratory building, located adjacent to the campus of Mississippi State University, Starkville, Mississippi, as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2193. A communication from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a proposed foreign military sale to Thailand; to the Committee on Armed Services.

EC-2194. A communication from the Assistant Secretary of the Air Force for Research, Development, and Logistics transmitting, pursuant to law, notice of conversion of television maintenance at Wright-Patterson Air Force Base, Ohio, to performance under contract; to the Committee on Armed Services.

EC-2195. A communication from the Principal Deputy Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics transmitting, pursuant to law, reports relative to the disposal of certain excess properties to the City of Key West, Florida; to the Committee on Armed Services.

EC-2196. A communication from the Secretary of the Treasury transmitting, pursuant to law, the annual report for fiscal year 1980 on the operations of the Exchange Stabilization Fund; to the Committee on Banking, Housing, and Urban Affairs.

EC-2197. A communication from the Under Secretary of Commerce for International Trade transmitting, pursuant to law, a report on an extension of foreign policy controls on export of aircraft equipment to Libya; to the Committee on Banking, Housing, and Urban Affairs.

EC-2198. A communication from the Administrator of the Federal Aviation Administration transmitting, pursuant to law, the Administration's semiannual report on the effectiveness of the Civil Aviation Security Program; to the Committee on Commerce, Science, and Transportation.

EC-2199. A communication from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, a copy of the Board's appeal from the Administration's proposed budget reductions for the agency; to the Committee on Commerce, Science, and Transportation.

EC-2200. A communication from the Secretary of Commerce transmitting, pursuant to law, the fifth report concerning fishery management plans, regulations, and activities; to the Committee on Commerce, Science, and Transportation.

EC-2201. A communication from the Railroad Retirement Board transmitting, pursuant to law, the Board's report under the Milwaukee Railroad Restructuring Act; to the Committee on Commerce, Science, and Transportation.

EC-2202. A communication from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on contracts negotiated by the Administration under 10 U.S.C. 2304 (a)(11) and (16) for the period January 1, 1981 through June 30, 1981; to the Committee on Commerce, Science, and Transportation.

EC-2203. A communication from the Acting Executive Secretary of the Office of the Secretary of Defense transmitting, pursuant to law, the October-August, 1981 Report on Small Business Participation in Department of Defense Procurement; to the Committee on Small Business.

EC-2204. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Improved Oversight and Guidance Needed to Achieve Regulatory Reform at DOE; to the Committee on Energy and Natural Resources.

EC-2205. A communication from the Secretary of Agriculture transmitting, pursuant to law, a multiple-use plan for the management of the National Forest System lands in the Alpine Lakes management unit in the State of Washington; to the Committee on Energy and Natural Resources.

EC-2206. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a final rule promulgated by the Commission relating to the protection of certain unclassified material; to the Committee on Environment and Public Works.

EC-2207. A communication from the Deputy Assistant Secretary of State for Congressional Relations, transmitting, a draft of proposed legislation to authorize support to Radio Broadcasting to Cuba, Incorporated; to the Committee on Foreign Relations.

EC-2208. A communication from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to November 4, 1981; to the Committee on Foreign Relations.

EC-2209. A communication from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to October 28, 1981; to the Committee on Foreign Relations.

EC-2210. A communication from the Director of the General Accounting Office, transmitting, pursuant to law, a report entitled "Framework For Assessing Job Vul-

nerability To Ethical Problems"; to the Committee on Governmental Affairs.

EC-2211. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Fraud In Government Programs: How Extensive Is It? How Can It Be Controlled? Volume III"; to the Committee on Governmental Affairs.

EC-2212. A communication from the Assistant Vice President and Director of Human Resources of the Farm Credit Banks of Springfield, transmitting, pursuant to law, the disclosure for the Group Retirement Plan for Federal Land Bank Associations, Production Credit Associations and Farm Credit Banks in the First Farm Credit District; to the Committee on Governmental Affairs.

EC-2213. A communication from the Assistant Secretary-Treasurer of the Trustees of the Seventh Farm Credit District Employee Benefits Program, transmitting, pursuant to law, the annual report on the financial condition of the Retirement Plan for Employees of the Seventh Farm Credit District for the year ending April 30, 1981; to the Committee on Governmental Affairs.

EC-2214. A communication from the Director of the International Communication Agency, transmitting, pursuant to law, a report on a proposed new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2215. A communication from the Inspector General of the Department of Agriculture, transmitting, pursuant to law, a matching report for a computer match of Federal employees against Farmers Home Administration records; to the Committee on Governmental Affairs.

EC-2116. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a special report on refugee resettlement; to the Committee on the Judiciary.

EC-2217. A communication from the Secretary of Education transmitting, pursuant to law, a review of final regulations for graduate and professional study fellowships program transmitted to the Federal Register for publication; to the Committee on Labor and Human Resources.

EC-2218. A communication from the Chairman of the National Mediation Board transmitting, pursuant to law, the Annual Report of the Board; to the Committee on Labor and Human Resources.

EC-2219. A communication from the Executive Director of the Committee for Purchase from the Blind and Other Severely Handicapped transmitting, pursuant to law, the annual report of the Committee for the fiscal year ending September 30, 1980; to the Committee on Labor and Human Resources.

EC-2220. A communication from the Chairman of the National Commission for Employment Policy transmitting, pursuant to law, the annual report of the Commission; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ABDNOR, from the Committee on Environment and Public Works, with amendments:

S. 1493. A bill to deauthorize several projects within the jurisdiction of the Army Corps of Engineers (Rept. No. 97-270).

By Mr. HATFIELD, from the Committee on Appropriations, with amendments:

H.R. 4241. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes (Rept. No. 97-271).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ZORINSKY:

S. 1837. A bill to designate the building known as the "Lincoln Federal Building and Courthouse" in Lincoln, Nebr., as the "Robert V. Denny Federal Building and Courthouse"; to the Committee on Environment and Public Works.

By Mr. PROXMIRE:

S. 1838. A bill for the relief of Cesar Noel Orantes; to the Committee on the Judiciary.

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. MITCHELL, Mr. MOYNIHAN, Mr. ROTH, Mr. BOREN, Mr. MATSUNAGA, Mr. CHAFEE, Mr. HEINZ, Mr. WEICKER, and Mr. NUNN):

S. 1839. A bill to amend the effective-date provision of section 403(b)(3) of the Windfall Profit Tax Act of 1980 (Public Law 96-223) to further defer the effective date of certain provisions providing for the recognition as income of LIFO inventory amounts; to the Committee on Finance.

By Mr. DURENBERGER:

S. 1840. A bill to amend section 170 of the Internal Revenue Code of 1954 to increase the amounts that may be deducted for maintaining exchange students as members of the taxpayer's household; to the Committee on Finance.

S. 1841. A bill to amend the Internal Revenue Code of 1954 to allow a credit for transportation expenses incurred in connection with foreign exchange programs; to the Committee on Finance.

By Mr. DODD (for himself and Mr. WEICKER):

S. 1842. A bill to provide that certain trusts shall not be treated as private foundations; to the Committee on Finance.

By Mr. DODD:

S. 1843. A bill to repeal the additional duties imposed until 1993 under the Omnibus Reconciliation Act of 1980 on imported ethyl alcohol; to the Committee on Finance.

By Mr. JOHNSTON (for himself, Mr. WEICKER, Mr. BRADLEY, Mr. MURKOWSKI, Mrs. HAWKINS, Mr. MATSUNAGA, and Mr. BUMPERS):

S. 1844. A bill to facilitate the national distribution and utilization of coal; to the Committee on Energy and Natural Resources.

By Mr. MATHIAS (for himself, Mr. EAGLETON and Mr. RUDMAN):

S. 1845. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act and the charter of the District of Columbia with respect to the provisions allowing the District of Columbia to issue general obligation bonds and notes and revenue bonds, notes, and other obligations; to the Committee on Governmental Affairs.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1846. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide incentive special pay for certain dentists in the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. HELMS:

S. 1847. A bill to require an annual authorization for the Federal court system excluding the Supreme Court; to the Committee on the Judiciary.

By Mr. KASTEN:

S.J. Res. 125. A joint resolution authorizing and requesting the President to proclaim National Junior Bowling Week"; to the Committee on the Judiciary.

By Mr. MURKOWSKI (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. D'AMATO, Mr. DENTON, Mr. EAST, Mr. GORTON, Mr. GRASSLEY, Mrs. HAWKINS, Mr. KASTEN, Mr. MATTINGLY, Mr. NICKLES, Mr. QUAYLE, Mr. RUDMAN, Mr. SPECTER, and Mr. SYMMS):

S.J. Res. 126. A joint resolution to authorize and request the President to designate May 7, 1982, as "Vietnam Veterans' Day"; to the Committee on the Judiciary.

By Mr. COCHRAN (for himself and Mr. STENNIS):

S.J. Res. 127. A joint resolution to grant official recognition to the International Ballet Competition; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ZORINSKY:

S. 1837. A bill to designate the building known as the Lincoln Federal Building and Courthouse in Lincoln, Nebr., as the "Robert V. Denny Federal Building and Courthouse"; to the Committee on Environment and Public Works.

ROBERT V. DENNEY FEDERAL BUILDING AND COURTHOUSE

● Mr. ZORINSKY. Mr. President, today I am introducing S. 1837, a bill to designate the Lincoln Federal Building and Courthouse in Lincoln, Nebr., as the "Robert V. Denny Federal Building and Courthouse." I believe that designating the Lincoln Federal Building and Courthouse in honor of the late Judge Denney is fitting and reflective of his sincere devotion and lifelong commitment to the State of Nebraska.

Some men hope to conquer one dream in their lifetime. Judge Denney conquered many dreams in his short lifetime. Graduating from Creighton University Law School in 1939, Denney was a third generation attorney who carried on the tradition in his family practice in Fairbury. His list of public service accomplishments include 2 years working with the Federal Bureau of Investigation, 4 years of service to the U.S. Marine Corps, and 4 years of service to First District Nebraskans in the U.S. House of Representatives. His dedication to Nebraskans did not end at the close of his second term in the House. He served Nebraska as a U.S. Federal district court judge before his retirement and death only just this year.

Designating the Lincoln Federal Building and Courthouse in Judge Denney's honor is a proper memorial to a man who gave so generously of his time and energy on behalf of his fellow Nebraskans and Americans.●

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. MITCHELL, Mr. MOYNIHAN, Mr. ROTH, Mr. BOREN, Mr. MATSUNAGA, Mr. CHAFEE, Mr. HEINZ, Mr. WEICKER, and Mr. NUNN):

S. 1839. A bill to amend the effective date provision of section 403(b)(3) of the Windfall Profit Tax Act of 1980 (Public Law 96-223) to further defer the effective date of certain provisions providing for the recognition as income of LIFO inventory amounts; to the Committee on Finance.

LIFO RECAPTURE LEGISLATION

Mr. DURENBERGER. Mr. President, today I am introducing, along with my colleagues Mr. SYMMS, MITCHELL, MOYNIHAN, ROTH, BOREN, MATSUNAGA, CHAFEE, HEINZ, WEICKER, and NUNN, a bill to defer for 1 year the effective date of the "Last-In/First-Out"—LIFO—reserve recapture that would tax the LIFO reserve on the liquidation of a business.

In the Economic Recovery Tax Act of 1981, Congress made it abundantly clear that it wanted to encourage the use of the "Last-In/First-Out"—LIFO—accounting method by small businesses. An amendment introduced by my distinguished colleague from Maine (Mr. MITCHELL) and cosponsored by myself and several other Senators, made it much simpler for small businesses in particular to convert from the "First-In/Last-Out"—FILO—accounting method to the more realistic LIFO method.

Unfortunately, at least one other major disincentive will soon exist for small businesses wishing to convert to LIFO. On December 31, 1981, a significant change will occur in the law due to a little known provision of the Windfall Profit Tax Act of 1980. In essence, this provision would establish for the first time an amount of income subject to taxation in cases where a corporation using the LIFO accounting method liquidates. In other words, when such a company liquidates, the Government will now tax this newly invented "LIFO reserve income."

Apparently, Mr. President, this provision is based on the assumption that the LIFO accounting method is an aberration—that there is something wrong with it as a method of sequencing inventory costs to arrive at income. In reality, however, LIFO is not only a generally accepted method of accounting, but in times of relatively high inflation, it is far superior to the FILO method for accurately valuing inventory.

Back in 1980, when this unfortunate provision was incorporated as part of the Windfall Profit Tax Act, there had been no hearings on this issue either in the Senate or in the House. Our conferees, in part out of concern that no real review of this proposal or its implications had occurred, agreed to suspend the effective date to December 31, 1981. The conferees made clear their intention that the period of suspension be used for careful and thorough congressional study of this recapture provision. Unfortunately, this consideration has not yet occurred.

Given the intent of Congress toward LIFO as expressed in the Economic Recovery Tax Act of 1981, I believe a strong case can be made for the outright repeal of this recapture provision. However, given the fact that the time remaining in this session makes serious consideration of this matter virtually impossible, I am now introducing a bill calling for a 1-year postponement of the LIFO recapture provision to December 31, 1982.

I sincerely hope my colleagues will give swift and favorable action to this 1-year extension so as to give us time to calmly and carefully consider this matter next year. It also coincides with the December 31, 1981, due date for a report on inventory accounting methods that the Treasury Department is required to file under the terms of the Economic Recovery Tax Act. Through this study, the Treasury Department can articulate their views on the retention of the LIFO recapture provision. Upon receipt of that report, Congress can then give this very important matter the consideration it deserves.

Mr. President, it is certainly not the fault of the small businesses of this Nation that we did not find the time to review a matter of such importance to them. I think it is now incumbent on us to postpone for 1 year this potentially damaging provision to give all interested parties a chance to present their arguments.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1839

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 403(b)(3) of Public Law 96-223 (relating to the effective date of amendments to sections 336 and 337 of the Internal Revenue Code of 1954 providing for the recognition as income of LIFO inventory amounts in connection with certain distributions and dispositions in liquidations) is hereby amended by striking out "December 31, 1981" at the end of the sentence and by inserting at the end of the sentence "December 31, 1982".

By Mr. DURENBERGER:

S. 1840. A bill to amend section 170 of the Internal Revenue Code of 1954 to increase the amounts that may be deducted for maintaining exchange students as members of the taxpayer's household; to the Committee on Finance.

S. 1841. A bill to amend the Internal Revenue Code of 1954 to allow a credit for transportation expenses incurred in connection with foreign exchange programs; to the Committee on Finance.

EXCHANGE STUDENT ASSISTANCE LEGISLATION

Mr. DURENBERGER. Mr. President, today I would like to introduce two very special bills about a very special program. Each year, tens of thousands of high school students from foreign lands come to the United States to spend a year as part of an American family. Likewise, thousands of American high school students travel each year to other countries to live with families with varied and unique lifestyles.

While we could discuss the benefits provided by foreign exchange programs in a large sense, I think it would be more effective to focus on the experience of just one of the hundreds of thousands of students that have lived with families in other lands. A young Minnesotan now on my Washington staff described for me his experience as a foreign exchange student:

I can remember clearly when the terms "hunger" and "starvation" took on a new meaning for me. I was walking with a group of friends down the streets of a huge, overcrowded city in a third-world nation. The streets of this city were lined with beggars. Often these beggars are children who have been abandoned by their parents; often, they are old people who simply have no living relatives who care; sometimes, the beggars are people that have been thrown out on the streets by their families to die.

Anyway, I was walking along a downtown street when I decided to have a piece of gum. I took out the pack, took a piece, and threw the wrapper on the ground. Suddenly, seemingly out of all the dark corners of the street, came these hideous shrieks and groans. I turned around to find a number of beggars dragging themselves along the ground toward the gum wrapper. One man had no legs, another some kind of skin disease. One mother left her baby in a pile of garbage as she fought with the men for the wrapper. There may have been others, but, after I saw the mother get to the aluminum wrapper and hungrily stuff it in her mouth, I couldn't bear to watch any more.

My friends were furious. They said I should have known better than to throw litter with sugar on it near beggars. Sure enough, as we continued on our way along the street, other beggars, roused by the scene I had caused, grabbed for the cuffs of my jeans as they begged for more wrappers.

The whole episode scared and sickened me at the time, but it taught me in a few seconds what I may never have learned for the rest of my life. It taught me what starvation and hunger do to human beings. It also taught me how lucky I was, and how, despite all the complaints and grumbling, lucky we as an American people are.

I learned many other things during my stay overseas—about the lives of average people living in vastly different cultures, about how little material possessions have to do with the happiness of those families, about life under a very different form of government. Never have I learned so much in so little time. My life was permanently shaped by those new months—I only wish every American high school student could have the same experience.

Mr. President, this member of my staff was just one of many Americans whose lives were changed by their experiences as foreign exchange students. Also, we must remember the thousands of students from foreign lands—many from Third World nations—that are allowed to experience American life directly because of the compassion of host families in this country.

I can think of no other single effort that does so much to foster mutual understanding between cultures on a person-to-person basis as student exchange programs. Year after year, foreign students make lifelong friends in this country and take home a knowledge and an experience that will help them to better understand their own lives, their countries, and even world events. And, of course, the same is true for our young students that spend time overseas.

Yet, Mr. President, foreign exchange programs are beginning to fall on hard times. Due to economic conditions, thousands of students in foreign lands are not able to come to this country because there are not enough families willing or able to host them. And thousands of American students, especially those from low- and moderate-income families, can no longer afford to go abroad.

We, as a Federal Government, have done very little to help foreign exchange programs. Back in 1960, President Eisenhower signed into a law a bill that provided a $50 a month tax deduction for the host families of foreign exchange students living in private American

homes and attending high school in the United States. In the 20 years since the legislation was enacted, inflation has clearly made that $50 figure, which was originally based on the $600 exemption for dependents, totally unrealistic.

The bill I am introducing today would raise that exemption to $100 per month, up to a maximum $1,000 per year. In other words, it would allow families who host a foreign exchange student for at least 10 consecutive months to take the equivalent of a personal exemption for that child on their income tax. Given the tremendous educational benefits provided by foreign exchange programs, and given the considerable expense incurred in adding another member to one's family, I think that raising the current deduction by $50 per month is entirely appropriate.

Also, Mr. President, my other bill would provide a 20-percent tax credit on the transportation expense incurred by a family sending a child overseas. This would make it somewhat more financially possible for struggling families to give their children this remarkable educational experience.

Mr. President, in conclusion let me point out that, at a time when we are spending billions of dollars manufacturing more efficient methods of killing people, it is appropriate to give up a few thousand dollars to support the understanding and love generated by foreign exchange programs. I hope my colleagues will give this special measure their speedy and favorable consideration. Many thousands of children in this world would be very grateful to us if we did.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (A) of section 170(g)(2) of the Internal Revenue Code of 1954 (relating to limitation on amounts paid to maintain certain students as members of taxpayer's household) is amended by striking out "$50" and inserting in lieu thereof "the lesser of $1,000, or $100".

(b) The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 1981.

S. 1841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44H. TRANSPORTATION EXPENSES OF FOREIGN EXCHANGE STUDENTS.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the qualified foreign exchange transportation expenses.

"(b) QUALIFIED FOREIGN EXCHANGE TRANSPORTATION EXPENSES.—For purposes of this section, the term 'qualified foreign exchange transportation expenses' means any amount paid or incurred—

"(1) by or on behalf of an individual who is a participant in a foreign exchange program which is designated by the Director of the International Communication Agency as a teenager exchange-visitor program, and

"(2) for transportation of such individual between such individual's home and the location outside of the United States where such individual is to participate in the teenager exchange-visitor program.".

(b) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by adding after the item relating to section 44G the following new item:

"SEC. 44H. TRANSPORTATION EXPENSES OF FOREIGN EXCHANGE STUDENTS.".

(C) The amendments made by this Act shall apply to taxable years beginning after December 31, 1981.

By Mr. DODD (for himself and Mr. WEICKER):

S. 1842. A bill to provide that certain trusts shall not be treated as private foundations; to the Committee on Finance.

THE DAY OF NEW LONDON

● Mr. DODD. Mr. President, the purpose of this legislation is to permit The Day, a New London, Conn., daily publication, to continue its services as a community newspaper and as a contributor to local charities and nonprofit causes.

The Day was founded by Theodore Bodenwein, a German immigrant with ambitious and constructive ideas. In 1938, Mr. Bodenwein's will created a split-interest trust to own his paper and, upon his death, to pay 10 percent of its dividends to charitable organizations and the remaining 90 percent to his heirs until their deaths. Since the death of the last family member in 1978, all profits not reinvested in the newspaper have been distributed to charitable organizations in the community, as Mr. Bodenwein's will instructed.

However, in March, the Internal Revenue Service ruled that the trust was in fact a private foundation, and that under the terms of the Tax Reform Act of 1969, it would owe a considerable amount to the IRS. The net result would be that The Day would have to pay taxes in excess of its net income.

This legislation would allow The Day to continue to receive the tax advantages of a split-interest trust. In these times of fiscal austerity, particularly in the area of social services, it is imperative that we encourage private sector contributions of the sort provided by The Day. Mr. Bodenwein and The Day ought to serve as an example of philanthropic generosity which is admired and respected, and not taxed to the point of uselessness. For more than 40 years, The Day had set a shining example. Today, I propose that we allow this to continue with our blessing.●

By Mr. DODD:

S. 1843. A bill to repeal the additional duties imposed until 1993 under the Omnibus Reconciliation Act of 1980 on imported ethyl alcohol; to the Committee on Finance.

REPEAL OF TARIFFS ON IMPORTED ETHYL ALCOHOL

● Mr. DODD. Mr. President, I am introducing today a bill to repeal the tariff on imports of ethyl alcohol enacted as part of the Omnibus Reconciliation Act of 1980. I am hopeful that this legislation which is identical to H.R. 1989, introduced by Representative FRENZEL, will provide a focal point for an in-depth assesment of the true impact of this hastily passed tariff.

The tariff, of 10 cents per gallon in 1981, 20 cents per gallon in 1982 and 40 cents per gallon in 1983 through 1992, was attached to the 1980 Reconciliation Act at the last minute without hearings and without thoughful consideration by the Congress. It allegedly was intended to provide a boost to the domestic development of alcohol motor fuel production. Its real impact appears to be precisely the opposite.

By erecting a prohibitive barrier to imports the tariff will effectively cut off potential domestic producers from alcohol supplies needed to develop a market for alcohol blend fuels. It is essential that this market development precede substantial investments in domestic production facilities and imports constitute the only viable source of fuel grade alcohol for many potential producers, particularly those on the east coast.

This point is presented convincingly in a recent letter I received from Mr. William Kash, an alcohol fuel distributer from Southport, Conn. Mr. Kash points out that:

> Pending the development of domestic distilleries capable of supplying the needs in our region, we have been almost solely dependent on imported alcohol produced by friendly countries from renewable resources.

Mr. Kash continued, making the point that—

> The tariff has effectively interrupted imports of motor fuel grade alcohol needed to supply a marketing network established in anticipation of new domestic alcohol plants coming on-stream. Thus, if this ill-conceived sur-duty were to remain in effect, new domestic alcohol production could well find itself without a market.

Many of us from the Northeast have repeatedly emphasized the vulnerability of our region to insecure OPEC oil supplies. The development of alternative fuels and alternative sources of energy supplies is vital to the security of New England and other Northeastern and Midwestern States. Alcohol imports are an important ingredient in broadening the mix of fuels and sources of supply available to these States as well as in laying the foundation for a transition to domestic production of alcohol fuel. The extremely high tariff imposed effective January 1 of this year has all but eliminated our access to these much needed alcohol supplies.

In addition to the adverse impact on domestic fuel alcohol development, the tariff also violates two important principles of international trade law. The first is that import duties cannot be raised except under very limited circumstances and then only after certain procedures have been complied with. The second principle is that of "national treatment" whereby the United States and its major trading partners agree to treat importers no less favorably than

domestic producers with respect to internal taxes, laws, and regulations.

The imposition, by the United States, of the sur-duty on foreign alcohol constitutes a prima facie violation by this country of the General Agreement on Tariffs and Trade. Under the GATT, nations harmed by this action may take compensatory action against imports from the United States.

This prospect is not purely hypothetical. Last Friday Brazil notified United States representatives in Geneva that it was requesting consultations to negotiate compensating actions under section 28 of the GATT. It is ironic that among the major U.S. commodities shipped to Brazil are wheat and corn, the latter being the chief feed stock for domestically produced fuel alcohol. If Brazil imposes trade barriers against U.S. corn, the negative effect on domestic corn producers of our sur-duty on fuel alcohol could well be compounded. Not only would this duty reduce the potential for domestic alcohol production, which uses corn, it would also reduce the foreign demand for corn through reduced Brazilian imports.

The development of a viable domestic alcohol fuels industry is an important step in reducing this Nation's dependence on foreign oil. Alcohol imports are, somewhat ironically, an important interim step in establishing domestic production capacity. The Brazilians have consistently maintained that their chief aim in alcohol production is to meet domestic fuel needs. They are not developing production capacity to compete with our domestic alcohol industry. To the extent that Brazil's excess capacity in the short run can serve our development needs, the interest of both countries is served by eliminating trade barriers such as the sur-duty imposed by the Congress last year.

To the extent that excess capacity in Brazil, or any other nation, leads to dumping in the U.S. market, domestic producers may be protected under the antidumping provisions of the General Agreement on Tariffs and Trade. For those who argue that these procedures are too cumbersome, I would suggest that rather than resorting to actions that violate our international agreements, we should move to negotiate mutually agreeable trade arrangements with Brazil that provide the necessary protections against dumping.

In this regard it may be possible to negotiate voluntary limits on Brazilian alcohol exports to the United States with the sur-duty applying to imports that violate these levels. Alternatively, it may well be agreeable to both the United States and Brazil to postpone implementation of this sur-duty for several years. This would give U.S. producers time to develop domestic markets and production facilities and would give Brazil an outlet for its excess production capacity developed in anticipation of domestic consumption increases through increased production of alcohol-fueled automobiles.

As things now stand, we confront a classic example of a trade barrier erected allegedly to serve a domestic interest having, as I have stated, precisely the opposite effect. It is harmful to potential domestic alcohol producers, to American corn producers, and to American energy consumers. We have all seen this kind of trade barrier back fire time and time again. It should not surprise us. It should stimulate serious reconsideration by the Congress of the unilateral action that created the situation. In this case, it was hastily enacted legislation that brought about the dilemma we now face. We can and should correct this error. I hope we will do so expeditiously and urge the Committee on Finance to take up this matter at its earliest convenience.

I ask that the letter I received from Mr. William Kash and the bill be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) item 901.50 of the Tariff Schedules of the United States (19 U.S.C. 1202) is repealed.

(b) Subtitle G of title XI of the Omnibus Reconciliation Act of 1980 (94 Stat. 2694; Public Law 93-499) is repealed.

SEC. 2. (a) The amendment made by subsection (a) of the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

(b) Upon request therefor filed with the customs officer concerned on or before the ninetieth day after the date of the enactment of this Act, the entry or withdrawal of any article to which item 901.50 of the Tariff Schedules of the United States applied and—

(1) that was made after December 31, 1980, and before the date of the enactment of this Act; and

(2) with respect to which there would have been no duty under such item if the amendment made by subsection (a) of the first section of this Act applied to such entry or withdrawal;

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date of the enactment of this Act.

SOUTHPORT, CONN.,
September 9, 1981.

HON. CHRISTOPHER J. DODD,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR DODD: Our Company has for some time been in the forefront of the alcohol fuel program in an effort to carry out the expressed intent of Congress and the Executive to develop a viable distribution network for such renewable fuels. Pending the development of domestic distilleries capable of supplying the needs in our region, we have been almost solely dependent on imported alcohol produced by friendly countries from renewable resources. The continuity of these supplies is now gravely threatened by a prohibitive sur-duty imposed during the lame-duck session of the last Congress.

Toward the end of the 96th Congress, against the advice of the Department of State, the Department of the Treasury, and the Special Trade Representative, a progressively increasing sur-duty not only violated our commitments under the General Agreement on Tariffs and Trade, but it threatened action by affected countries, notably Brazil, against important U.S. exports such as wheat and corn. Equally important is the fact that this sur-duty has effectively interrupted imports of motor fuel grade alcohol needed to supply a marketing network established in anticipation of new domestic alcohol plants coming on stream. Thus, if this ill-conceived sur-duty were to remain in effect, new domestic alcohol production could well find itself without a market.

Recognizing the need to correct this hastily considered bad legislation, Congressman Bill Frenzel early in the 97th Congress introduced a bill to repeal the sur-duty and in this effort had the full support of the new Administration. At hearings held on June 15, 1981, before the Subcommittee on Trade of the Committee on Ways and Means of the U.S. House of Representatives, testimony in support of repeal was presented by affected parties and by representatives of the Administration. Not a voice was raised in opposition to repeal.

Since that time, however, Members have received a flood of letters in opposition to repeal. The thrust of this opposition has been to allege that domestic production is impaired by the threats of alcohol imports and that, in fact, the sur-duty does not benefit the single current major producer, namely Archer Daniels Midland. The real facts, of course, are that ADM accounts for approximately 85 percent of current domestic production and that, therefore, ADM quite obviously benefits from a duty which has effectively barred imports of alcohol since its imposition on January 1, 1981.

A viable alcohol fuels industry must have multiple supply sources and not be dependent on what today is effectively a monopoly source. If the new distilleries under construction and planned for construction are to function effectively it is necessary that they have a distribution network ready to receive and market their supplies. It is, therefore, in our Nation's self-interest to have alcohol from friendly trading partners to establish and maintain such a distribution network. We hope that you will lend your support to the early repeal of the sur-duty so that the business which we and other have established can continue to serve the best interests of the United States and of our customers, the American consumers of alcohol fuels.

Please support the Frenzel-Gibbons Bill, H.R. 1989 and repeal this unconscionable legislation which clearly violates our international commitments and long established trade policies under both Democratic and Republican administrations.

Very truly yours,

WILLIAM B. KASH.●

By Mr. JOHNSTON (for himself, Mr. WEICKER, Mr. BRADLEY, Mr. MURKOWSKI, Mrs. HAWKINS, Mr. MATSUNAGA, and Mr. BUMPERS):

S. 1844. A bill to facilitate the national distribution and utilization of coal; to the Committee on Energy and Natural Resources.

COAL DISTRIBUTION AND UTILIZATION ACT OF 1981

● Mr. JOHNSTON. Mr. President, we are today introducing legislation that will authorize the grant of Federal eminent domain for interstate coal pipelines.

This legislation is long overdue. The failure of Congress to enact this bill has delayed the development of our coal resources, increased costs to coal consumers and jeopardized the future of a strong coal export policy.

The Coal Distribution and Utilization Act of 1981 would establish procedures whereby the Secretary of Energy, or his successor, may determine that interstate

coal pipeline distribution systems are in the national interest. Any such interstate system would have access to the Federal eminent domain authority for use in acquiring rights-of-way for the system. The act provides that any water used in such systems must be obtained pursuant to the substantive and procedural laws of the various States, and the Federal eminent domain authority may not be used to acquire rights to water. Our proposed legislation provides no Federal assistance for interstate coal pipeline systems.

This legislation is simple and straightforward but its long-term impact could be enormous. It would provide a modern alternative to existing coal transportation systems. It would help keep U.S. coal costs competitive in world coal trade. It would afford relief from the skyrocketing costs of rail transportation. Finally, it would provide an alternative to the environmental impact of massive unit coal trains crossing the countryside.

Mr. President, the concept of distributing coal through pipelines is not new. Since 1963, the Black Mesa pipeline, which is owned and operated by an affiliate of the Southern Pacific Railroad Co., has transported 4.8 million tons of coal per year from Kayenta, Ariz., to South Point, Nev. The Black Mesa pipeline has proven itself to be safe, reliable, and economic.

In coal pipeline distribution systems, coal is pulverized to the consistency of powdered sugar, mixed with water, or some other medium, and pumped through underground pipelines to the point of use. When the coal slurry reaches its destination, the coal is removed from the water in a centrifuge and is dried. The coal is then used for fuel and the water is either used in plant cooling or cleaned for disposal.

The coal pipeline transportation systems which have been proposed, would serve both western and eastern coal fields. These systems cannot be financed without the assurance that the necessary rights-of-way can be obtained. The grant of Federal eminent domain authority provided in this legislation is essential if the pipelines are to obtain rights-of-ways through the various States. Because these huge coal distribution systems will move coal from our producing centers across several States to consuming regions, State grants of eminent domain authority will not suffice.

Presently, only 10 States extend their eminent domain authority to coal pipeline systems. These State eminent domain statutes impose a variety of substantive and procedural conditions that may be incompatible with the requirements of other States through which these pipelines must pass. In addition, pipelines may encounter legal difficulty in identifying a public use or benefit to a State through which it must pass, but in which it will neither gather nor deliver coal. It may thus be precluded from receiving the right of State eminent domain.

Similar difficulties led to the grant of Federal eminent domain authority to interstate natural gas pipelines and to the adoption of the Cole Act in 1941, which granted Federal eminent domain authority to petroleum pipelines. Even the western land grant railroads, including the Union Pacific and the predecessors to the Burlington Northern and the Santa Fe Railroads, were granted Federal eminent domain authority in the mid-1860's.

Legislation to grant the right of Federal eminent domain to interstate coal pipelines was first considered by Congress in 1974. The Senate passed the Coal Pipeline Act of 1974 by voice vote on September 18, 1974, but the legislation was not considered by the House. In 1978, the House defeated coal slurry pipeline legislation. Much of the opposition to the legislation then and now has come from the pipeline's competitors, the railroads.

Mr. President, railroad coal transportation rates have increased precipitously since 1974. For instance, in the now famous case concerning San Antonio, Tex., the city-owned electric utility was quoted a railroad coal haulage rate of $11.09 per ton in 1974. On the basis of the quoted rate, the utility entered into two 20-year purchase contracts for western coal and committed to build two coal-fired electric generating plants. The coal haulage rates to San Antonio increased steadily until, on March 18, 1981, the Interstate Commerce Commission approved a rate of $23.05 per ton—a doubling in 7 years.

This is not an isolated experience, Mr. President. The rail haulage rate for moving 5 million tons of coal per year from the Powder River Basin in Wyoming to a utility near White Bluff, Ark., increased from $12.78 per ton in 1977, to $21.66 per ton on November 1, 1981. Domestic coal transportation rates have gone so high that some utilities have actually found it more economic to import coal from Poland, South Africa, and Australia. In addition, our coal export potential has not and will not be fully recognized until there is a viable alternative to rail transport.

The development of interstate coal distribution systems will provide competition for the railroads that should help moderate the increases in rail coal haulage rates. A perfect example of this is the response of the competing railroad to the 108-mile intrastate coal pipeline from Cadiz, Ohio, to Cleveland. In a successful effort to drive that pipeline out of business, the railroad cut its coal transportation rates from $3.47 per ton to $1.88 per ton. While coal pipelines will undoubtedly provide competition to the railroads, such predatory pricing should be obviated by our Nation's projected increase in coal production.

The national energy transportation study (NETS), which was issued in July 1980, projects that coal shipments will triple between 1975 and 1990. According to the NETS report:

> If all the slurry pipelines currently under consideration are built and operated at full capacity, they will be able to carry 176 million tons by 1990. This amounts to 19 percent of the increase (in coal haulage) and 13 percent of the total amount (of coal haulage). However, a recent study conducted by the Department of Energy concluded that slurry pipelines are most likely to be carrying between 70 and 126 million tons of coal in 1990. This amounts to between 5 and 9 percent of the total coal to be transported in 1990. (NETS Report, p. 76-78; parentheticals added)

Moreover, the Staggers Rail Act of 1980 has given the railroads the flexibility to compete with coal pipelines. To a large extent, railroad rates have been deregulated and railroads now have the authority to enter into long-term coal haulage contracts. Because the first interstate coal pipeline system could take at least 5 years to become operational, the railroads will have sufficient time to develop a strategy for competing with such pipelines.

The water requirements of coal pipelines have been a concern in the arid Western States where much of our low-sulfur coal is located. Yet, except for unit trains coal pipelines will be the least water consumptive method of making use of western coal. Coal pipelines require 1 ton of water per 1 ton of coal; coal gasification plants will require 2 tons of water per ton of coal; and mine-mouth electric generating plants will require 7 tons of water per ton of coal. Given the safety and environmental problems associated with the numerous unit trains required to move western coal, Western States may well determine that coal pipelines are a more than acceptable method of transport. The legislation we are introducing protects all States by providing that any water used in the pipelines must be obtained pursuant to State substantive and procedural law. In addition, the bill provides legislative protection for such State laws by stating that use of water in a coal pipelines is not a use in interstate commerce.

Mr. President, interstate coal pipelines can be as important to our Nation as interstate natural gas pipelines, interstate petroleum pipelines, and transcontinental railroads. The time has come to allow the marketplace to determine if these systems should be developed as an integral part of our national energy transportation system. Private companies stand ready and waiting to develop such systems with private funds. All they require is the impetus that is provided by this bill. We urge our colleagues to join us in assuring that the Coal Utilization and Distribution Act of 1981 is enacted during this Congress. The nation should not be forced to wait any longer.●

● Mr. MURKOWSKI. Mr. President, today I am cosponsoring legislation that will authorize the Federal right of eminent domain for coal pipelines. The time has come for Congress to permit the development of coal pipelines as an integral part of our national energy transportation and distribution system.

Coal pipelines, which will be privately financed, could be the key to unlocking much of our vast coal resources and moving them to domestic and foreign markets at reasonable cost. The existence of a temporary oil surplus should not lull us into a false sense of security. The outlook for the next 25 years is bleak. We simply will not be finding enough domestic oil to meet our needs.

We will remain heavily dependent on costly foreign oil, much of it from insecure sources. Our national energy strategy must continue to stress the development of coal, nuclear, synfuels, and other domestic energy sources in order to reduce the role of oil in meeting national energy needs.

With respect to coal, we need to begin putting in place the infrastructure that will permit the mining, transportation, and marketing of greatly increased volumes of coal. Clearly, this infrastructure must include alternatives to the transportation of coal by rail.

Mr. President, it is a fact of life that the market for coal is an international market. Domestic coal must compete in that market, not only for foreign sales but also for domestic sales. Already some of our utilities are importing foreign coal rather than relying on domestic coal, partly because long-haul domestic rail transportation costs now exceed $20 a ton. In the future, foreign coal may continue to make inroads on domestic markets in areas of the country like the Southeast where there is easy access to foreign coal.

We are also competing for a huge coal export trade. The 1980 world coal study found that world coal production must increase 2.5 to 3 times in the next 20 years if the world's projected energy demand is to be met and forecasts are that world trade in coal must grow 10 to 15 times above 1979 levels. The study found that the United States and Australia are the two countries most capable of meeting this needed growth in world coal trade, although Canada, China, and several South American nations have coal export capability. To the extent that we are able to become leading coal exporters, our Nation obviously will enjoy significant economic and foreign policy benefits.

The development of interstate coal pipelines will assist our Nation to develop our coal resources for both domestic and foreign markets. The existence of coal pipelines will help to moderate the increase in rail coal haulage rates, rates that have already increased 14 percent this year. While the front end costs of pipelines are large, the operating costs are far below railroad costs.

Mr. President, I am well aware of the concerns of some of my colleagues from Western States regarding coal pipelines and the preservation of State water rights. The language in the bill we are introducing today provides every possible protection for State water rights. Any water used for coal pipelines must be acquired pursuant to State substantive and procedural law. A grant of Federal eminent domain power is not in any way a license to acquire State water rights.

I urge my colleagues to recognize that the time has come to give coal pipelines the same right of eminent domain that we have given to other national transportation and distribution systems, including interstate natural gas pipelines, some interstate petroleum pipelines, and certain major transcontinental railroads. The national interest in a secure energy future is at stake.●

● Mrs. HAWKINS. Mr. President, I am pleased to join my distinguished colleague from Louisiana, Senator JOHNSTON, in introducing legislation that will facilitate the construction of coal-slurry pipelines. This legislation is needed to lower the cost of energy to American consumers and lessen our dependency in imported energy by establishing eminent domain authority to slurry-pipeline carriers.

If present construction plans for coal-slurry pipelines are completed, it is estimated that consumers will save a minimum of $4.5 billion in transportation charges during the 1990's. Increases in future costs to operate pipelines will be slight compared with other methods of transporting coal. Overall, once a coal-slurry pipeline is installed, it is nearly inflation proof because it has few moving parts, maintenance costs are low, and few personnel are required to operate the system. The cost advantage enjoyed by slurry pipelines will, therefore, grow in the future.

In addition to saving consumers money, this legislation addresses another pressing issue, energy independence. Presently, coal provides 21 percent of all energy produced in this country. It should supply an even higher percentage because the United States is the Saudi Arabia of coal. At present rates of consumption, this country has 300 years of known reserves. By tapping this enormous source of new energy more fully through the use of slurry pipelines, we can dramatically lower national use of imported foreign energy.

Expanding the use of slurry pipelines will not injure any other industry. Railroads presently move 65 percent of all coal, and by 1990 they will carry an even higher percentage since slurry pipelines are expected to handle only 20 percent of the 1.2 billion additional tonnage the country will need by that date.

Finally, many organizations that are often on opposite sides of development issues are in full accord with the need to expedite development of coal-slurry pipelines as proposed by this legislation. These groups are listed below:

LIST OF GROUPS

Miami Herald.
New York Times.
Chicago Tribune.
Wall Street Journal.
American Association of Retired People.
National Alliance of Senior Citizens.
Consumer Federation of America.
United Association of Plumbers.
Teamsters.
United Brotherhood of Carpenters and Joiners.
Building and Construction Trades, AFL–CIO.
Operating Engineers.
Edison Electric Institute.
National Rural Electric Cooperative Association.
American Trucking Association.
Southern Legislative Conference.
Southern States Energy Board.
Florida Audubon Society.
Florida Engineering Society.
Florida Wildlife Federation.

Coal is an important natural resource which could replace imported oil as an energy source. While important progress toward energy independence is being made, this important step should be taken to encourage greater use of coal as a replacement fuel for oil and gas.●

By Mr. MATHIAS (for himself, Mr. EAGLETON, and Mr. RUDMAN):

S. 1845. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act and the charter of the District of Columbia with respect to the provisions allowing the District of Columbia to issue general obligation bonds and notes and revenue bonds, notes, and other obligations; to the Committee on Governmental Affairs.

ISSUANCE OF GENERAL REVENUE BONDS AND NOTES

● Mr. MATHIAS. Mr. President, I am today introducing legislation for myself and Senators EAGLETON and RUDMAN, to amend the District of Columbia Self-Government and Governmental Reorganization Act and the charter of the District of Columbia with respect to the provisions allowing the District of Columbia to issue general obligation bonds and notes and revenue bonds, notes, and other obligations.

As my colleagues know, the Home Rule Act grants the District of Columbia the authority to fund capital projects through borrowing on the municipal bond market, in the same manner that other municipalities operate. For several years, the District has been working diligently to put its finances in order so as to enable it to utilize this authority.

The legislation which I am introducing today is generally technical in nature. It was drafted with the assistance and collaboration of the city's financial advisers and is intended to clear up potential inconsistencies in the Home Rule Act's authorization of bonding power. It will greatly enhance the city's ability to enter the bond market in a timely fashion.

As chairman of the Subcommittee on Governmental Efficiency and the District of Columbia, I can assure my colleagues that the subcommittee will move expeditiously to consider this legislation and report it back to the full Senate. I urge my colleagues to give the bill every favorable consideration.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1846. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide incentive special pay for certain dentists in the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Veterans' Affairs.

SPECIAL PAY FOR CERTAIN VETERANS' ADMINISTRATION DENTISTS

● Mr. INOUYE. Mr. President, today I am introducing legislation, on behalf of Senator MATSUNAGA and myself, to provide for special incentive pay for those dentists in the Veterans' Administration who have received advanced professional certification/specialty board certification.

Our proposal would authorize and direct the Veterans' Administration to provide for the same $2,500 bonus as Veterans' Administration physicians

presently receive, when a member of the dental profession has passed his or her national specialty boards. This accomplishment is indeed a fine tribute to the practitioner's professional competence and the esteem for which he or she is held by his or her colleagues.

In all candor, we were surprised to recently learn that Veterans' Administration dentists are not already treated in a manner compatible with their Veterans' Administration physician colleagues.

Mr. President, I ask unanimous consent that various background materials provided me by the American Dental Association be printed in the RECORD, as well as the text of our bill.

There being no objection, the bill and other material were ordered to be printed in the RECORD, as follows:

S. 1846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4118 of title 38, United States Code, is amended—

(1) in subsection (c)(2)—

(A) by redesignating clause (C) as clause (D); and

(B) by inserting after clause (B) the following new clause:

"(C) For board certification in a specialty, $2,500.";

(2) in subsection (c)(4)—

(A) by redesignating clause (C) as clause (D); and

(B) by inserting after clause (B) the following new clause:

"(C) For board certification in a specialty, $1,875."; and

(3) in subsection (d)—

(A) by striking out "(c)(2)(C)" and inserting in lieu thereof "(c)(2)(D)"; and

(B) by striking out "(c)(4)(C)" and inserting in lieu thereof "(c)(4)(D)".

CERTIFICATION AND EXAMINATION DATA

[Accumulative data]

Founding date	Dental public health, 1950	Endodontics, 1964	Oral pathology, 1948	O. & M. surgery, 1946	Orthodontics, 1929	Pedodontics, 1942	Periodontics, 1940	Prosthodontics, 1946
Date of ADA recognition	1951	1964	1950	1947	1950	1948	1948	1948
Number certified without examination	12	34	7	15	98	15	88	69
Number certified by examination to Jan. 1, 1981	145	541	223	2,764	1,581	373	516	660
Total certified to Jan. 1, 1981	157	575	230	2,779	1,679	388	604	279
Number deceased, dropped or placed on inactive roll to Jan. 1, 1981	57	75	22	351	545	41	180	148
Number of diplomates, Jan. 1, 1981	100	500	[1] 212	2,428	1,134	347	424	581
1980 data:								
Number of diplomates, Jan. 1, 1980	100	479	200	2,310	1,123	317	401	565
Number certified in 1980	3	29	8	144	38	33	24	20
Number deceased, dropped or placed on inactive roll	3	8	0	26	27	3	1	4
Number of applications received	7	65	16	186	198	136	107	51
Number of acceptable applications received	6	65	16	172	193	136	107	51
Number of unacceptable applications received	1	0	0	14	5	0	0	0

[1] Includes 4 diplomates dropped from active status in 1979.

ELIGIBILITY REQUIREMENTS

Professional	Dental public health	Endodontics	Oral pathology	O. & M. surgery	Orthodontics	Pedodontics	Periodontics	Prosthodontics
ADA or NDA membership	No	No	No	No	No	No	No	No.
Specialty society membership	No	No	No	No	No	No	No	No.
Education: Years of advanced education in addition to DDS or DMD degree.	2	2	2	3	2	2	2	2.[1]
Experience: Total years of specialty experience including advanced education.	6[2]	5	5	5	5[3]	5	5	5.
Exclusive practice of specialty	Yes	Yes	No	Yes	No	Yes	Yes	Yes.
Other: Citizenship	Any	Any	Any	Any	Any	Any	Any	Any.
Affiliate certificates for noncitizens	No	No	Yes	Yes	Yes	No	No	Yes.
State licensure	No	Yes	No	No	Yes	No	No	No.

[1] 3 yr of advanced training for certification in maxillofacial prosthetics.

[2] A total of 7 calendar years of experience and/or education shall have elapsed subsequent to graduation from dental school before a candidate is eligible for examination.

[3] Does not include years of advanced education.

DEFINITIONS OF SPECIAL AREAS OF DENTAL PRACTICE AS APPROVED BY THE COUNCIL ON DENTAL EDUCATION, AMERICAN DENTAL ASSOCIATION, MAY 1976

It is recognized there are overlapping responsibilities among the recognized areas of dental practice. However, as a matter of principle, a specialist shall not provide routinely procedures that are beyond the scope of his specialty.

DENTAL PUBLIC HEALTH

Dental public health is the science and art of preventing and controlling dental diseases and promoting dental health through organized community efforts. It is that form of dental practice which serves the community as a patient rather than the individual. It is concerned with the dental health education of the public, with applied dental research, and with the administration of group dental care programs as well as the prevention and control of dental diseases on a community basis.

ENDODONTICS

Endodontics is that branch of dentistry that deals with diagnosis and treatment of oral conditions which arise as a result of pathoses of the dental pulp. Its study encompasses related basic and clinical sciences including the biology of the normal pulp and supporting structures, etiology, diagnosis, prevention and treatment of diseases and injuries of the pulp and periradicular tissues. (Revised May 1977).

ORAL PATHOLOGY

Oral pathology is that branch of science which deals with the nature of the diseases affecting the oral and adjacent regions, through study of its causes, its processes and its effects, together with the associated alterations of oral structure and function. The practice of oral pathology shall include the development and application of this knowledge through the use of clinical, microscopic, radiographic, biochemical or other such laboratory examinations or procedures as may be required to establish a diagnosis and/or gain other information necessary to maintain the health of the patient, or to correct the result of structural or functional changes produced by alterations from the normal.

ORAL AND MAXILLOFACIAL SURGERY

Oral and maxillofacial surgery is that part of dental practice which deals with diagnosis, the surgical and adjunctive treatment of diseases, injuries and defects of the oral and maxillofacial region. (Revised May, 1978)

ORTHODONTICS

Orthodontics is that area of dentistry concerned with the supervision, guidance and correction of the growing or mature dentofacial structures, including those conditions that require movement of teeth or correction of malrelationships and malformations of their related structures and the adjustment of relationships between and among teeth and facial bones by the application of forces and/or the stimulation and redirection of functional forces within the craniofacial complex.

Major responsibilities of orthodontic practice include the diagnosis, prevention, interception and treatment of all forms of malocclusion of the teeth and associated alterations in their surrounding structures; the design, application, and control of functional and corrective appliances; and the guidance of the dentition and its supporting structures to attain and maintain optimum occlusal relations in physiologic and esthetic harmony among facial and cranial structures. (Revised, December, 1980)

PEDODONTICS

The specialty of pedodontics is the practice and teaching of comprehensive preventive and therapeutic oral health care of chil-

dren from birth through adolescence. It shall be construed to include care for special patients beyond the age of adolescence who demonstrate mental, physical and/or emotional problems.

PERIODONTICS

Periodontics is that branch of dentistry which deals with the diagnosis and treatment of disease of the supporting and surrounding tissues of the teeth. The maintenance of the health of these structures and tissues, achieved through periodontal treatment procedures, is also considered to be the responsibility of the periodontist. The scope shall be limited to preclude permanent restorative dentistry. (Revised, May, 1980)

PROSTHODONTICS

Prosthodontics is that branch of dentistry pertaining to the restoration and maintenance of oral functions, comfort, appearance and health of the patient by the restoration of natural teeth and/or the replacement of missing teeth and contiguous oral and maxillofacial tissues with artificial substitutes.●

By Mr. HELMS:

S. 1847. A bill to require an annual authorization for the Federal court system excluding the Supreme Court; to the Committee on the Judiciary.

FEDERAL JUDICIAL SALARY CONTROL ACT OF 1981

● Mr. HELMS. Mr. President, today I am introducing the Federal Judicial Salary Control Act. This bill would serve two purposes: It would set up an authorizing process for appropriating funds to Federal courts, and it would put an end to automatic, back-door pay raises for Federal judges.

Currently judges in the Federal court system receive generous annual salaries, ranging from a high of $96,800 awarded the Chief Justice of the Supreme Court to a low of $53,500 given bankruptcy judges. Associate Judges of the Supreme Court receive $93,000, while judges in the 12 circuits of the court of appeals, in the Court of Claims, and in the Court of Customs and Patent Appeals all receive $70,300 a year. Under present law the executive branch and not Congress sets the salaries and budgets of these judges and their staffs. As authorized by the Postal Revenue and Federal Salary Act of 1976, the President submits salary figures to Congress for its ratification. Congress has little chance to form its own coherent budget policy for the judiciary.

The first portion of the legislation I introduce today, sections 3 and 4 of the bill, would make courts of appeals, district courts, the Federal Judicial Center, and the Administrative Office of the U.S. Courts subject to Congress annual authorizing process. Covered also would be U.S. magistrates, jurors, commissioners, and attorneys appointed to represent persons under the Criminal Justice Act of 1964. Under sections 2 and 3, Congress could set up its own specific financial guidelines. It would no longer have to rely solely on the President's budget as its benchmark in setting salaries for judges and their employees or in supplying funds for operating and maintaining the judiciary.

The Federal Judicial Salary Control Act also addresses a major problem with existing legislation, a virtually automatic annual salary increase built into the present statutory system. Under the Executive Salary Cost-of-Living Adjustment Act of 1975 and the Pay Comparability Act of 1970, each year the President passes on to Congress recommendations made by the Department of Labor for increasing judicial salaries.

Should Congress manage not to vote down these increases before midnight on September 30 of a given year, they automatically take effect for the next fiscal year. This year Congress missed the deadline by only 27 minutes and, in an effort to give effect to its intent to cap judicial salaries, even went so far as to stop the clock before midnight. Despite this last minute rush of activity and even though salary increases for other Federal employees were capped, the country has still been saddled with judicial salary increases that Congress did not intend to authorize.

The reason is the Supreme Court's holding last winter in the case of *United States* v. *Will*, 449 U.S. 200. There, the Court ruled that article III of the Constitution prohibits alteration of the salaries of Federal judges on or after October 1 because the new rates vest on that date. At present, a failure by Congress to move quickly enough, even though a delay of only a few minutes, can have harmful consequences for congressional budget plans.

Section 4, the final portion of the bill I am introducing today, would put a stop to these back-door increases for Justices of the Supreme Court and for judges of the inferior courts created by Congress. Only those adjustments that Congress specifically authorizes would actually take effect.

The legislation includes the Supreme Court within its requirement that Congress affrmatively authorize all pay increases. But, it excludes the Supreme Court from the general authorizing process, not because it would be unconstitutional to do otherwise, but because it would obviate the possibility of undue congressional influence over fundamental judicial policy and decisions. Also, I believe it would be inappropriate to require annual authorization for the head of another separate branch and the only court created explicitly by the Constitution. Similarly, Congress has not made the President, the chief of the executive branch, subject to the annual authorizing process.

In its entirety the Federal Judicial Salary Control Act provides a balanced means for legislative committees, and Congress as a whole, periodically to define budgetary objectives for the judiciary. Under its provisions Congress will be able to specify a desired level of funding instead of hastily rushing to amend figures furnished by another branch of the Government.

I urge my colleagues to support this legislation, the need for which has been clearly demonstrated to us all by experience.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks. I also ask unanimous consent that thereafter there be printed in the RECORD a copy of the November 1, 1981, article from the American Bar Association Journal reporting on the most recent pay raise which was provided to Federal judges contrary to congressional intent.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 1847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Judicial Salary Control Act of 1981".

SEC. 2. For purposes of this Act, the term "Federal judiciary" includes—

(1) the courts of appeals, the district courts constituted by chapter 5 of title 28, United States Code, including the Court of Claims, the District Court of Guam, the District Court of the Virgin Islands, the Court of Customs and Patent Appeals, and the Court of Customs;

(2) United States magistrates;

(3) jurors and commissioners;

(4) the Federal Public Defender and Community Defender organizations and attorneys appointed to represent persons under the Criminal Justice Act of 1964;

(5) Bankruptcy courts;

(6) the Federal Judicial Center;

(7) the Administrative Office of the United States Courts; and

(8) the United States Court of International Trade.

SEC. 3. Notwithstanding any other provision of law, no appropriation may be made for the Federal judiciary, including the payment of salaries of judges and employees and the expenses of operation and maintenance, for any fiscal year beginning on or after October 1, 1982, except as specifically authorized by an Act of Congress with respect to such fiscal year.

SEC. 4. Notwithstanding any other provision of law, Judges, both of the supreme and inferior Courts of the United States, shall receive, for their services, no increase in compensation during their continuance in office, or during their retirement therefrom, except as may hereafter be specifically provided by separate Act of Congress authorizing such increase and stating the amount thereof.

JUDICIAL PAY INCREASE SLIP PAST DEADLINE

Federal judges received a pay raise October 1, despite a provision in the fiscal year 1982 continuing resolution package, H.J. Res. 325, which sought to bar executive level federal employees from a recommended 4.8 percent pay increase. Under the Federal Pay Comparability Act, the President recommends an annual pay increase for all federal employees which automatically takes effect at the start of the new fiscal year—October 1—unless Congress disapproves of the raise. H.J. Res. 325, which froze federal executive level salaries at $50,112.50, was intended to cover judges but was not cleared by Congress until 12:27 a.m., October 1, and was not signed by the President until later that day. The automatic salary increases, however, took effect at midnight, and judges' salary increases may not be rescinded, according to last year's *Will* decision, once they take effect. That decision held that repealing a judicial salary increase after the beginning of the new fiscal year would violate the Compensation Clause of the Constitution prohibiting reductions in Article III judges' salaries. The raise brings the Chief Justice's salary up to $96,800 and the associate justices up to $93,000. Circuit judges now earn $74,300 and district court judges earn $70,300.●

By Mr. MURKOWSKI (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. D'AMATO, Mr. DENTON, Mr. EAST, Mr. GORTON, Mr. GRASSLEY, Mrs. HAWKINS, Mr. KASTEN, Mr. MATTINGLY, Mr. NICKLES, Mr. QUAYLE, Mr. RUDMAN, Mr. SPECTER, and Mr. SYMMS):

S.J. Res. 126. Joint resolution to authorize and request the President to designate May 7, 1982, as "Vietnam Veterans' Day"; to the Committee on the Judiciary.

VIETNAM VETERANS' DAY

Mr. MURKOWSKI. Mr. President, I rise today to introduce, on behalf of myself and Senators ABDNOR, ANDREWS, D'AMATO, DENTON, EAST, GORTON, GRASSLEY, HAWKINS, KASTEN, MATTINGLY, NICKLES, QUAYLE, RUDMAN, SPECTER, and SYMMS, a joint resolution authorizing the President to designate May 7, 1982 as "Vietnam Veterans' Day." We are introducing this measure in recognition of the particular contributions of Vietnam veterans and the many problems they continue to suffer as a result of their service to our country in Vietnam. We are introducing this measure now to allow ample time for the planning of activities that veterans and other groups would develop to honor veterans of the Vietnam war. The date of May 7 has been chosen because this was the date in 1975 that the Veterans' Administration recognizes as the official end to the Vietnam era.

Unfortunately, no date can erase the sacrifices made in that conflict and the suffering which continues for many of our Vietnam veterans. In the minds of thousands of veterans in this Nation, the war in Vietnam continues to rage on. The many problems encountered by Vietnam veterans as they continue the transition from military to civilian life are not over for some and continue to affect careers and family situations.

Many Vietnam veterans suffer from a disorder known as delayed stress syndrome (DSS), a direct result of the trauma of the Vietnam war. A publication from the veterans delayed stress seminar sponsored by the Veterans' Administration and the Veteran Centers of Seattle and Tacoma, Wash., describes some of the categories of the post-traumatic stress disorder.

The essential feature of DSS is the development of characteristic symptoms that follow a psychologically traumatic event generally outside the range of normal human experience. The trauma may be experienced alone or, as a military experience, in the company of groups of people. As the Diagnostic and Statistical Manual of Mental Disorders (third edition) explains, "the traumatic event can be reexperienced in a variety of ways. Commonly, the individual has a recurrent painful, intrusive recollections of the event or recurrent dreams or nightmares during which the event is reexperienced." A person suffering from DSS may complain of feeling detached and estranged from other people and complain of a lost ability to become interested in previously enjoyed activities.

Symptoms of depression of anxiety are common among victims of DSS and are in many cases severe. Increased irritability may be associated with sporadic and unpredictable explosions of aggressive behavior that results from minimal or no provocation. Although all of these symptoms may begin to occur immediately after the trauma, it is not unusual for the symptoms to occur after a latency period of months or years.

Delayed stress syndrome in the military experience is not, of course, limited to the veteran of the Vietnam war. Veterans of all wars have experienced some form of post-traumatic stress. But the incidence of this disorder in Vietnam veterans appears to be particularly high. The intermittent psychological effects of the Vietnam experience continue to hamper significantly some veterans' ability to maintain steady employment.

Recently established veteran centers in cities across the Nation, as well as the doctors in the veterans' hospitals are doing a great deal to ease the post-traumatic stress experienced by Vietnam veterans in order to ease the transition to a productive and useful civilian life. Time, of course, will help as well. But in spite of the time that has passed, veterans of the Vietnam war continue to suffer from the trauma experienced in that conflict.

The problems about which I have been speaking are real. I do want to say, however, that we owe a great deal of admiration to those majority of veterans of the Vietnam conflict who, through will and perseverence, have transcended the physical and psychological effects of that war and who are now making significant contributions to our society.

Mr. President, I feel the veterans of the Vietnam era deserve special recognition for their sacrifice and service to this country. These veterans returned from Vietnam to a nation that was, at best, ambivalent over our involvement in Southeast Asia, and many of them have yet to feel the sense of being welcomed home by the Nation for which they fought. I am proud of their contributions to the Nation and military service and feel that the Congress should support their continued struggle to leave Vietnam behind and to concentrate on life in these United States. I hope this joint resolution and Vietnam Veterans Day will help awaken Americans to the great debt we all have to these patriotic Americans.

By Mr. COCHRAN (for himself and Mr. STENNIS):

S.J. Res. 127. Joint resolution to grant official recognition to the International Ballet Competition; to the Committee on Labor and Human Resources.

RECOGNITION TO THE INTERNATIONAL BALLET COMPETITION

● Mr. COCHRAN. Mr. President, today I am introducing legislation to grant official recognition to the International Ballet Competition held in the United States.

The International Ballet Competitions which began in Varna, Bulgaria in 1964, bring together dancers, choreographers, and teachers from all over the world to compete in what has been termed the "olympics of dance."

This prestigious event honors excellence in human achievement, fosters international friendship, and passes on an understanding of excellence to a new generation by the recognition of the young competitors.

For a decade there had been great interest expressed by the international dance community for a competition to be held in the United States, and in June 1979, Jackson, Miss., produced the first International Ballet Competition ever held in this country. It was judged a major international success and Jackson was joined together with the other host cities of Moscow, Tokyo, and Varna in a cooperative arrangement regarding future competitions.

Next year preliminary competitions in six cities across the United States have been planned in preparation for the second International Ballet Competition to be held in Jackson, June 20 to July 4, 1982. The regional competitions are expected to encourage an even greater U.S. participation in the international event.

The United States has made outstanding contributions to the world of dance and our achievements in ballet have gained international recognition. This was exemplified last spring when Amanda McKerrow of Rockville, Md., received the gold medal at the International Ballet Competition which this year was held in Moscow.

My joint resolution will give the same official sanction and recognition to the competition held in Jackson, Miss., and its participants as is given by the governments of the other host countries.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States recognizes the International Ballet Competition held in Jackson, Mississippi, under the sponsorship of the Mississippi Ballet International, Incorporated, as the official competition within the United States, and this organization and its participants as the official representatives of the United States in the International Ballet Competition cycle, which originated in Varna, Bulgaria, in 1964, and rotates among the cities of Varna, Bulgaria; Tokyo, Japan, Moscow, Union of Soviet Socialist Republics; and Jackson, Mississippi.●

ADDITIONAL COSPONSORS

S. 671

At the request of Mr. PELL, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 671, a bill to amend section 402 of title 23, United States Code, relating to establishment by each State of comprehensive alcohol-traffic safety programs as part of its highway safety program.

S. 895

At the request of Mr. MATHIAS, the Senator from Missouri (Mr. DANFORTH) was added as a cosponsor of S. 895, a bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to extend certain other

provisions for an additional 7 years, and for other purposes.

S. 1106

At the request of Mr. ZORINSKY, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 1106, a bill to reform the insanity defense.

S. 1131

At the request of Mr. DANFORTH, the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1131, a bill to require the Federal Government to pay interest on overdue payments and to take early payment discounts only when payment is timely made, and for other purposes.

S. 1276

At the request of Mr. DURENBERGER, the Senator from Idaho (Mr. SYMMS), and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of S. 1276, a bill to amend the Internal Revenue Code of 1954 to permit small businesses to reduce the value of excess inventory.

S. 1655

At the request of Mr. HART, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 1655, a bill to amend the Internal Revenue Code of 1954 to reduce the deduction for business meals and to earmark the savings from such reduction for the school lunch programs.

S. 1656

At the request of Mr. DURENBERGER, the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 1656, a bill to amend the Internal Revenue Code of 1954 to clarify certain requirements which apply to mortgage subsidy bonds, and for other purposes.

S. 1831

At the request of Mr. ROTH, the Senator from Delaware (Mr. BIDEN), and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 1831, a bill to provide for the establishment of a national cemetery on the Delmarva Peninsula in Delaware, Maryland, or Virginia, and for other purposes.

S.J. RES. 57

At the request of Mr. SYMMS, the Senator from North Dakota (Mr. ANDREWS), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Tennessee (Mr. BAKER), the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from New Jersey (Mr. BRADLEY), the Senator from North Dakota (Mr. BURDICK), the Senator from Virginia (Mr. HARRY F. BYRD, JR.) the Senator from Rhode Island (Mr. CHAFEE), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from New York (Mr. D'AMATO), the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON) the Senator from Illinois (Mr. DIXON), the Senator from Connecticut (Mr. DODD), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Minnesota (Mr. DURENBERGER), the Senator from North Carolina (Mr. EAST), the Senator from Nebraska (Mr. EXON), the Senator from Utah (Mr. GARN), the Senator from Iowa (Mr. GRASSLEY), the Senator from Colorado (Mr. HART), the Senator from Oregon (Mr. HATFIELD), the Senator from Florida (Mrs. HAWKINS), the Senator from Alabama (Mr. HEFLIN), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. JEPSEN), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Wisconsin (Mr. KASTEN), the Senator from Indiana (Mr. LUGAR), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. McCLURE), the Senator from Montana (Mr. MELCHER), the Senator from Maine (Mr. MITCHELL), the Senator from Illinois (Mr. PERCY), the Senator from South Dakota (Mr. PRESSLER), the Senator from Indiana (Mr. QUAYLE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Michigan (Mr. RIEGLE), the Senator from Delaware (Mr. ROTH), the Senator from New Mexico (Mr. SCHMITT), the Senator from Mississippi (Mr. STENNIS), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), the Senator from Connecticut (Mr. WEICKER), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Nebraska (Mr. ZORINSKY), and the Senator from South Dakota (Mr. ABDNOR), were added as cosponsors of Senate Joint Resolution 57, a joint resolution to provide for the designation of February 7 through 13, 1981, as "National Scleroderma Week."

S.J. RES. 93

At the request of Mr. HAYAKAWA, the Senator from Wisconsin (Mr. KASTEN) was added as a cosponsor of Senate Joint Resolution 93, a joint resolution to clarify that it is the basic policy of the Government of the United States to rely on the competitive private enterprise system to provide needed goods and services.

S.J. RES. 111

At the request of Mr. McCLURE, the Senator from Montana (Mr. MELCHER), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Oklahoma (Mr. NICKLES), and the Senator from Wyoming (Mr. WALLOP) were added as cosponsors of Senate Joint Resolution 111, a joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

S.J. RES. 113

At the request of Mr. HATCH, the Senator from Arkansas (Mr. PRYOR), the Senator from Texas (Mr. BENTSEN), the Senator from Maine (Mr. COHEN), and the Senator from Florida (Mr. CHILES) were added as cosponsors of Senate Joint Resolution 113, a joint resolution to designate the week beginning November 8, 1981, as "National Home Health Care Week."

S.J. RES. 123

At the request of Mr. HAYAKAWA, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of Senate Joint Resolution 123, a joint resolution authorizing the President to proclaim "National Disabled Veterans Week."

SENATE CONCURRENT RESOLUTION 48

At the request of Mr. BUMPERS, his name was added as a cosponsor of Senate Concurrent Resolution 48, a concurrent resolution disapproving the sale to Pakistan of F-16 aircraft.

At the request of Mr. WEICKER, his name was added as a cosponsor of Senate Concurrent Resolution 48, supra.

SENATE RESOLUTION 230

At the request of Mr. HART, the Senator from Illinois (Mr. DIXON) was added as a cosponsor of Senate Resolution 230, a resolution to express the sense of the Senate on cuts in combat readiness.

AMENDMENT NO. 591

At the request of Mr. D'AMATO, the Senator from South Dakota (Mr. PRESSLER), and the Senator from Nebraska (Mr. EXON) were added as cosponsors of amendment No. 591 intended to be proposed to H.R. 4121, a bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1982, and for other purposes.

SENATE RESOLUTION 243—RESOLUTION RELATING TO TECHNOLOGY USED BY RADIO FREE EUROPE AND VOICE OF AMERICA.

Mr. PRESSLER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 243

Whereas Radio Free Europe, Radio Liberty, and Voice of America contribute to the achievement of United States and world security goals; and

Whereas Radio Free Europe, Radio Liberty, and Voice of America disseminate truthful and factual reports to listeners in many societies which repress freedom of information; and

Whereas the cost of broadcasting true and accurate information to listeners in such societies represents an important investment in the protection of freedom throughout the world; and

Whereas the application of high-frequency direct broadcast satellite technology may improve the transmission of true and accurate information to such societies: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States of America that—

(1) an interagency study should be conducted by the United States Government to determine the feasibility of direct broadcast satellite use by Radio Free Europe, Radio Liberty, and Voice of America; and

(2) this study should include analysis of technical, economic, and domestic and international political aspects of direct broadcast satellite implementation; and

(3) in order to complete this study in a timely manner, the fiscal year 1983 budget requests for Radio Free Europe, Radio Liberty, and Voice of America should include requests for sufficient funds to complete the study.

● Mr. PRESSLER. Mr. President, I rise today to offer a resolution which confirms the Senate's support for the study of direct broadcast satellite technology use or leasing by Radio Free Europe/Radio Liberty and the Voice of America.

One of the most exciting developments in telecommunications technology today is that of the direct broadcast satellite or DBS. This technology, which is soon to see widespread commercial implementation, provides broadcasting transmit-

tal directly from a satellite to individual receiving antennas.

The administration, including the Departments of Commerce and Justice, has recognized the enormous potential of DBS and has expressed strong support for the rapid development of this technology. The Federal Communications Commission is currently considering a number of applications for DBS video systems in this country.

This flurry of activity is a strong indication that the telecommunications industry is on the verge of yet another breakthrough.

As a member of the Senate Communications Subcommittee and the Senate Foreign Relations Committee, I am concerned that this technology be made available to the Radio Free Europe/Radio Liberty and the Voice of America radio broadcasting operations as well as to the private sector for commercial use.

According to George Jacobs, a consultant with the Board of International Broadcasting, there are a number of advantages to DBS technology which could be of particular importance to RFE/RL and VOA.

First of all, there is the probability that direct broadcasts by satellites would be less susceptible to jamming, a current problem with transmissions to countries which do not have open broadcasting policies.

Second, use of a DBS system would reduce dependence on terrestrial broadcasting installations in foreign countries which may not always be hospitable to such operations.

Finally, there is the possibility of long-range cost effectiveness compared to current transmission practices.

In recent testimony before a House subcommittee, James B. Conkling, director of the Voice of America, identified three questions pertaining to the possible use of DBS for Voice of America broadcasting. He maintains, and I agree with his assessment, that DBS implementation is technologically feasible. But the political and economic ramifications of such implementation need to be examined further.

The resolution I am offering today would express Senate support for a study of this new technology and its possible implementation by RFF/RL and VOA. This resolution would express the Senate's intention to support and encourage this study through future appropriations.

We can be very proud of the work done by Radio Free Europe/Radio Liberty and the Voice of America. It is estimated that tens of millions of people hear these broadcasts on a regular basis. As the leader of the free world, the United States has an obligation to these millions of individuals to provide accurate, objective information concerning world events and problems. It is important that these radio networks have the opportunity to take advantage of every technological innovation if and when it is practical to implement.

As Mr. Jacobs has said:

We do not want to risk missing any unpredictable technological breakthroughs because of inaction. We believe that the potential of satellite technology justifies the relative small amount of funding and resources required for feasibility studies.

I strongly agree with Mr. Jacobs' statement and today I urge my colleagues to join with me to insure that the great telecommunications revolution will be available to the public as well as the private sector of this important industry.●

AMENDMENTS SUBMITTED FOR PRINTING

COMMERCE, JUSTICE, STATE, AND THE JUDICIARY APPROPRIATIONS

AMENDMENT NO. 629

(Ordered to be printed.)

Mr. WEICKER proposed an amendment to the bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. COHEN. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Senate Select Committee on Indian Affairs.

A hearing is scheduled for November 18, 1981, beginning at 9 a.m., in room 1318 of the Dirksen Senate Office Building, on S. 1613, a bill to confer jurisdiction on the U.S. Court of Claims with respect to certain claims of the Navajo Indian Tribe, and, S. 1468, a bill to provide for the designation of the Burns Paiute Indian Tribe as the beneficiary of a public domain allotment, and to provide that all future similarly situated lands in Harney County, Oreg., will be held in trust by the United States for the benefit of the Burns Paiute Indian Colony.

For further information regarding the hearing, you may wish to contact the committee staff on 224–2251.

Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Select Committee on Indian Affairs on S. 1370, a bill to authorize the Secretary of the Army to acquire a subordination, by condemnation or otherwise, in such interests in the oil, gas, coal, or other minerals owned by the Osage Tribe of Indians needed for Skiatook Lake, Osage County, Okla.

The hearing is scheduled for November 23, 1981, beginning at 9:30 a.m. in room 5302 Dirksen Senate Office Building. For further information regarding the hearing, you may wish to contact Timothy Woodcock, staff director, or Peter Taylor, general counsel of the Select Committee on Indian Affairs at 202–224–2251. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Select Committee on Indian Affairs, U.S. Senate, Washington, D.C. 20510.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce, for the information of the Senate and the public, the scheduling of a public hearing before the Committee on Energy and Natural Resources to consider the nominations of Pedro San Juan, of the District of Columbia, to be an Assistant Secretary of the Interior for Territorial and International Affairs; and Vernon R. Wiggins, of Alaska, to be Federal Cochairman of the Alaska Land Use Council. The hearing will be held on Thursday, November 19, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, room 3104 Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding this hearing, you may wish to contact Mr. Gary Ellsworth of the committee staff at 224–7146.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, November 12, to hold a business meeting on pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. TOWER. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution, of the Judiciary Committee, be authorized to hold a hearing at 2 p.m. today, Thursday, November 12, to discuss freedom of information.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL DISABLED VETERANS WEEK

● Mr. HAYAKAWA. Mr. President, I am pleased that Senator PRYOR and Senator HEINZ have requested to be added as cosponsors of my resolution which requests the President to proclaim the week of November 7 through November 13, 1981, as "National Disabled Veterans Week."

Both Senator PRYOR and Senator HEINZ requested to be added as cosponsors last Tuesday, November 10, the day I introduced this resolution. I thank them for their endorsement and look forward to working with them and all 33 of my cosponsors in planning many beneficial and supportive programs to commemorate this week.

I believe together we can make this week a very valuable and worthwhile experience. Disabled veterans deserve to be shown that this resolution can generate immediate and widespread support. The momentum is with us and I anxiously await final passage by both House of Congress and eventual signing by the President.●

PANAMA CANAL

● Mr. TOWER. Mr. President, I wish to express concern over a situation which many in the Congress of the United States were assured in 1979 during the Panama Canal implementation debates would be resolved by now. I refer specifically to outstanding claims of U.S. citizens against the Republic of Panama for seizure of assets owned by U.S. citizens and for which no compensation has been made by the Government of Panama. One of these, a claim by the Boston-Panama Co., dates back to 1970 and the other, a claim by an American-controlled citrus fruit company, dates back to 1974.

These two companies have, since the time of the seizure of their assets, tried without success to have the Republic of Panama make prompt and adequate compensation. The subject of these two outstanding claims was discussed on the floor of the U.S. Senate in February 1978 at the time of the Senate consideration of ratification of the Panama Canal treaty. At that time, concern was expressed that if the Senate consented to the treaty prior to these companies being paid for their seized assets, then the hope of any recovery, according to Senator Curtis of Nebraska, would be "very, very dim." Senator Curtis' fear has been realized.

This same matter was also the subject of extensive floor debates in the House of Representatives in June 1979 at the time the Congress was considering the Panama Canal Implementation Act (H.R. 111). At that time, the Congress was assured by officials of the Carter administration that the Republic of Panama would very soon resolve these outstanding claims and discharge their responsibility under law by making payment to the U.S. citizen owners.

Mr. President, I am sorry to say that not only has that not happened, but it is my understanding that there is at the present time very little prospect of that evenuality in the foreseeable future.

The subject of the United States paying moneys to the Republic of Panama with appropriated public funds while that government simultaneously benefits from production of assets seized from U.S. citizens and for which payment is denied these U.S. citizens is a matter which, if not resolved in the near term, may require congressional action.●

STOP LINES OF CREDIT FOR CORPORATE MERGERS

● Mr. KENNEDY. Mr. President, earlier this week, the Senate adopted a bipartisan amendment I sponsored urging the President and the Federal Reserve Board to discourage the use of credit for large-scale corporate takeovers.

In order to insure that firms interested in such takeovers do not succeed in obtaining new lines of credit before the amendment takes effect, I have written today to Chairman Volcker of the Federal Reserve Board to urge him to exercise his current authority to block any such anticipatory abuses of credit. I ask that the text of my letter to Chairman Volcker may be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, D.C., November 12, 1981.

Hon. PAUL A. VOLCKER,
Chairman, Board of Governors, Federal Reserve System, Washington, D.C.

DEAR CHAIRMAN VOLCKER: Last Tuesday, during debate on S. 1112, the Export Administration Authorization Act, the Senate adopted by a vote of 77–12 an amendment I sponsored directing the President, in conjunction with the Board of Governors of the Federal Reserve System, to take appropriate actions to restrain the extension of credit for unproductive large scale corporate takeovers.

There was strong bipartisan support in the Senate for the amendment. The adoption of the amendment is a clear signal of the concern in Congress over high interest rates and over the fact that large amounts of credit are being diverted to oil company and other mergers from vital credit-starved sectors of the economy such as the housing and automobile industries, small business, and small farms.

I hope that the Senate-House conferees on the Export Act will approve the amendment and that it will soon be enacted into law. Pending final legislative action, however, corporations with mergers on their minds should not be permitted to beat the date for action taken pursuant to this legislation. For example, my office has already received several inquiries this morning from representatives of large energy corporations about the amendment.

I believe that the Federal Reserve Board has authority to act on its own to discourage the extension of credit for unproductive purposes. At a time when credit is urgently needed by productive sectors of our economy, it would be unconscionable to permit large corporations to open new lines of credit or to expand existing lines of credit in order to carry out their merger battles.

I urge you, therefore, in light of the action of the Senate, to take immediate steps to discourage banking and other financial institutions from extending credit for such purposes.

Sincerely,

EDWARD M. KENNEDY.●

TAPS BEING PLAYED AT VIETNAM VETERANS MEMORIAL

● Mr. HAYAKAWA. Mr. President, I wish to express my support of Senate Joint Resolution 124 introduced by Senator DANFORTH on November 10, 1981, and originally cosponsored by myself. This resolution seeks to enhance the honor and dignity of the soon to be constructed Vietnam Veterans Memorial. This resolution requests taps be played at the memorial every evening at sunset. America as a whole has finally seen fit to honor the sacrifices of veterans of the Vietnam war. While feelings and emotions regarding this war are mixed, I believe everyone agrees that the brave who died felt they were serving their country and defending its policies. These are the feelings of loyalty to which this memorial pays tribute.

Besides giving honor to the dead, it gives Vietnam-era veterans a feeling of acceptance. Readjustment has been difficult for many of them. When they returned home after serving their country, they were not greeted by cheers and warm words of welcome like veterans from other wars in which America was involved. There was little recognition of bravery and patriotism. Often they were ignored and sometimes even ridiculed. We cannot let Vietnam veterans continue to feel unappreciated. It is tremendously important to let these veterans know that America will not forget their loyalty and courage. This memorial can be a beginning.●

IT IS TIME TO END HANDGUN VIOLENCE

● Mr. KENNEDY. Mr. President, we read daily of the mounting toll of handgun violence across the country and the tragic consequences which these assaults have on the lives of the victims and their families.

One of the most shocking incidents this year was the attack on President Reagan and the wounding of the President, his Press Secretary, James Brady, and two others. Thankfully, none of them was killed—yet they all bear the scars of handgun violence.

The brave struggle of James Brady is particularly in our minds, after his visit to the White House Press Room last Monday. His courage and perseverance are an eloquent tribute to the power of the human spirit, and all of us wish him well in his continuing recuperation.

An eloquent column by Richard Cohen in today's Washington Post gives well-deserved praise to Mr. Brady, and reminds us yet again of the urgent need for responsible action on handgun control to end these senseless tragedies.

Mr. President, I ask that Mr. Cohen's column may be printed in the RECORD.

The column follows:

[From the Washington Post, Nov. 12, 1981]

"GUNS"

(By Richard Cohen)

Among my colleagues, James Brady is a much-loved man. He was President Reagan's press secretary for just a short time before he was shot, but his humor and his warmth and his honesty quickly made him many friends. His story is a poignant one. One wishes him only the best. And one wishes that only the best will come from what has happened to him.

But that does not seem to be the case. The tragedy of Jim Brady is treated in some sort of vacuum. From time to time stories appear about his medical condition, his occasional trips home and his recent appearance in the White House press room where he bantered with the press, the president and Nancy Reagan. Always, though, his injury is discussed without context. You would be forgiven for thinking that he had been struck by some disease and not a bullet.

But it was a bullet that struck James Brady. It was a bullet that entered his skull and smashed his brain. This is what paralyzed him on one side, that has kept him in the hospital since March that has required four operations, and that, for a time, left him emotionally infantile—likely to cry if he stumbled. This was not an act of God, it was an act of man.

And man could do something about it. It was a man, after all, who shot Brady. John Hinckley, the man accused of the shooting, bought a gun with incredible ease. No one asked him why he wanted the gun, whether, say, he wanted to kill someone—and when he was caught with a gun trying to get on an airplane, none of these same questions were asked then, either.

It is more difficult to bring fruit into America from a foreign country than to buy a gun. It is also harder to drive a car—certainly harder to buy a car than a gun. It takes some time to get married and a lot more time to get divorced, but it takes no time to buy a gun. This is possible because of an archaic interpretation of the Second Amendment which deals with the right of the people to bear arms. That refers to the right of the people to raise a militia, not the right of some deranged young man to buy a gun.

The obvious lesson to come out of all this is that the nation needs a gun control law. It needs a national law, because to have a law in one state and not to have one in the next state is pure folly. These laws accomplish nothing except to allow those who are opposed to gun control to say that legislation never works. It could be that even a national gun control law will not work, but we will never know until we try it. It is not too much to imagine that a Hinckley—no hardened killer he—would have quit his task if he found it hard to get a gun.

However obvious these lessons are they are lost on Ronald Reagan. He can stare down at a Jim Brady in his wheelchair and see no connection between Brady's condition and the gun that caused it. He, like so many Americans, seems to have accepted the event as a natural tragedy—like polio. He can see Brady as the regrettable price you sometimes have to pay for yet another American freedom.

Gun control advocates ought to understand this argument. It is not much different from what others say when it comes to civil liberties. For instance, no murder committed by someone out on bail is going to convince bail advocates that bail is not a good idea. And the occasional case where the guilty walks free because, say, the evidence was tainted, does not deter civil libertarians from believing in strict laws of evidence.

But that is because these laws serve a greater good. They are designed to protect the rights of us all. The gun, though, is a different matter. It protects only those who have it—and then only in theory. In fact, it works best for whoever takes the initiative—usually the criminal. This is what happened with James Brady. He and the president were surrounded by armed men—trained, armed men—yet a single man with a gun and an obsession for an actress shot them both.

The president recovered, but Brady still ails. His recovery has been miraculous. His bravery is undisputed. What is disputed, though, is his status. The president, it seems, would prefer to see him as a victim. It does not do him justice. He is, instead, a lesson.●

RETIREMENT OF JUDGE JAMES A. RAVELLA

● Mr. METZENBAUM. I take great pleasure in rising today to honor a man who has performed outstanding judicial service for citizens in my own State of Ohio. Judge James A. Ravella will be retiring after 31 years as judge of the Warren Municipal Court. Over those years Judge Ravella has compiled a most impressive judicial record. Appointed to the bench in 1955, Judge Ravella has been elected to five successive terms.

His list of honors as municipal court judge are too numerous to mention in full. For every year between 1955 and 1971 Judge Ravella has received an American Bar Association National Award for Outstanding Progress in the improvement of traffic court practice and procedures. On six separate occasions Judge Ravella has been honored by the Supreme Court of Ohio for his outstanding judicial service. He received the American Bar Association continued outstanding performance in traffic court practices and procedures award of excellence for 1971–72. He received a certificate of recognition from the State of Ohio's Department of Highway Safety in 1957 and 1965. And in 1969 he was selected as one of four judges to receive the American Bar Association's 1969 Traffic Court Judges Award.

Judge Ravella's contributions to his community have been equally impressive. He is a member of the chamber of commerce, the Elks, the Fraternal Order of Eagles, the American Legion, the Knights of Columbus, and the Ohio Grange. He is a trustee of the Warren YMCA, a member of the advisory board of the Oblate Sisters of the Sacred Heart of Jesus, a trustee of the Trumbull County Humane Society, and former chairman of employ the physically handicapped to name just a few.

I am sure Judge Ravella will be sorely missed by his colleagues. He is to be commended for his enormous contributions to the bench, to the citizens of his community and to the administration of justice. I want to wish him well in his retirement and to thank him for his years of stellar public service on and off the bench.

Mr. President, I ask that some information on Judge Ravella be printed in the RECORD.

The material follows:

BIOGRAPHICAL BACKGROUND OF JUDGE JAMES A. RAVELLA

Born, Niles, Ohio, April 16, 1906.

Graduate, Ohio Northern University College of Law, 1928.

Admitted to Bar, 1928.

Married, one daughter.

Member, The Church of The Blessed Sacrament.

Served in United States Navy as Gunnery Officer, rank of Lieutenant.

Agent United States Treasury Department.

Special counsel to the Attorney General of the State of Ohio.

Police prosecutor.

Appointed Judge of the Warren Municipal Court by Governor Frank J. Lausche, June, 1950.

Elected five times to office subsequently.

Member Chamber of Commerce, Elks, Fraternal Order of Eagles, American Legion, Knights of Columbus, Ohio Grange.

Ohio Traffic Court League.

Ohio Municipal Judges Association.

Trustee of the Warren Y.M.C.A.

Sustaining member of the Boy Scouts of America.

Member of the Executive Committee of the Governor's Traffic Safety Committee.

Former state chairman of the Courts Committee of the Governor's Traffic Safety Committee.

Member of the State Bar Association Traffic Committee.

Member of the Mayor's Traffic Committee.

Member, Trumbull County Bar Association.

Member, Ohio State Bar Association.

Member, American Bar Association.

Member of the Advisory Board of the Oblate Sisters of the Sacred Heart of Jesus.

Former Chairman, Employ the Physically Handicapped.

Trustee, Trumbull County Humane Society.

AWARDS

Warren Municipal Court, recipient first first place national award for outstanding progress in the improvement of traffic court practice and procedures by the American Bar Association, 1955–1956.

Warren Municipal Court, recipient special citation national award for same by the American Bar Association, 1956–1957.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1957–1958.

Warren Municipal Court, recipient national honorable mention for same by the American Bar Association, 1958–1959.

Warren Municipal Court, recipient special citation national award for same by the American Bar Association, 1959–1960.

Warren Municipal Court, recipient first place national award by the American Bar Association, 1960–1961.

Warren Municipal Court, recipient second place national award for same by the American Bar Association, 1961–1962.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1962–1963.

Warren Municipal Court, recipient second place national award for same by the American Bar Association, 1963–1964.

Warren Municipal Court, recipient second place national award for same by the American Bar Association, 1964–1965.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1965–1966.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1966–1967.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1967–1968.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1968–1969.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1969–1970.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1970–1971.

Certificate of Recognition, Department of Highway Safety, State of Ohio, 1957.

Certificate of Recognition, Department of of Highway Safety, State of Ohio, 1965.

1961 Judge James A. Ravella received the Fraternal Order of Eagles Award of Merit.

Judge James A. Ravella was selected as one of four judges to receive the American Bar Association's 1969 Traffic Court Judges Award.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Outstanding Judicial Service, 1975.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1975.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1976.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1977.

Award presented to Judge James A. Ravella by the Supreme Court to Ohio for Excellent Judicial Service, 1978.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1979.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1980.

Award presented to Judge James A. Ravella by the American Bar Association for continued outstanding performance in Traffic Court Practices and Procedures Award of Excellence, 1971–1972.

Fifty year Certificate presented to Judge James A. Ravella by the Ohio State Bar Association.

Commissioned Kentucky Colonel, 1978.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. WALLOP. Mr. President, it is required by paragraph 4 of rule 35 that I

place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Mr. Timothy P. O'Neill, a legislative assistant to Senator DAN QUAYLE, to participate in a program sponsored by a foreign educational organization, Tamkang University, in the Republic of China from November 22 to December 2, 1981.

The committee has determined that participation by Mr. O'Neill in the program in the Republic of China, at the expense of Tamkang University, to discuss foreign policy and international relations, is in the interests of the Senate and the United States.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Dr. Constance Hilliard, a staff member of the Republican Policy Committee, to participate in a program sponsored by a foreign educational organization, Tamkang University, in the Republic of China from November 22 to November 29, 1981.

The committee has determined that participation by Dr. Hilliard in the program in the Republic of China, at the expense of Tamkang University, to discuss foreign policy and international relations, is in the interests of the Senate and the United States.●

AMERICA'S SPACE PROGRAM

● Mrs. HAWKINS. Mr. President, today, October 12, 1981, marked a historical point in America's space program. This morning at 10:10 a.m., *Columbia* soared into glistening Florida skies in the second dramatic launch of the U.S. Space Shuttle program. With the orbiting of astronauts Joe Henry Engle and Richard H. Truly, Americans have pioneered and crossed the threshold of a new era in space technology. A space vehicle has orbited and returned to Earth and has now been launched again.

This achievement has many lasting benefits for the United States. In the future, it will be possible for us to send satellites into Earth's orbit for one-half to one-fourth the cost of throw-away launch vehicles and will save millions of dollars in communications costs alone. This new and unique sophistication in our space efforts will enable us to retrieve and repair worn out and malfunctioning satellites, thus saving many millions of dollars of investments which otherwise would be lost. Furthermore, this great technological development will be of immeasurable importance to our national security.

The promise of reduced costs of traveling to the celestial realm thousands of miles above us is now a reality, and we can expect to see in this century new American industrial initiatives that will spur all sectors of our economy. I am especially pleased that our Florida spaceport stands as the entrance to this new world which we will continue to explore. What today is a $10 billion investment in research and development will tomorrow yield untold rewards and knowledge.

My pride and faith, along with that of all other Americans, was lifted today as I and millions of others witnessed the second flight of *Columbia*. American inventiveness, enterprise and determination prevail once more. I congratulate the courageous crew and the thousands of National Aeronautics and Space Administration staff members and other individuals whose great efforts made this exciting and monumental journey into outerspace possible.●

KANSAS COL. JOE ENGLE, U.S.S. "COLUMBIA"

● Mr. DOLE. Mr. President, this morning, two outstanding Americans were lifted from Earth aboard the U.S.S. *Columbia*. Air Force Col. Joe Engle and Navy Capt. Richard Truly are the crew for America's second Space Shuttle voyage.

For Kansas, this event holds a special interest because Captain Engle is the hometown pride of Chapman, Kans., a University of Kansas alumnus, and a former employee of Cessna Aircraft Corp. of Wichita. He married Mary Lawrence, of Mission, Kans., in 1955.

Mr. President, Joe Engle's career has been one of direction, dedication, and accomplishment. In 1956, the Air Force called Joe into active duty, and 7 years later he was assigned to a prestigious squadron of X–15 pilots. Colonel Engle served in the Apollo program, and he and Captain Truly were the backup crew for *Columbia*'s first flight last April.

It is, however, Joe Engle's friendship that the citizens of Chapman hold so dear. In 1965, his hometown honored him with a Labor Day gala. He was America's youngest astronaut and his return to Chapman was a memorable celebration. Now, Chapman is planning its 1982 Labor Day celebration, with its returning hometown hero in mind once again.

Mr. President, the Senator from Kansas would like to congratulate Colonel Engle, Captain Truly, and everyone at NASA on yet another historic achievement.●

● Mrs. KASSEBAUM. Mr. President, I want to join Senator DOLE in his praise for the successful beginning of the second mission of the *Columbia* Space Shuttle. All Americans share the pride we feel in our continuing achievements in space.

On this particular day, Kansans feel a special pride because Col. Joe Henry Engle, the commander of the second flight, is a native of Chapman, Kans. The residents of Chapman have waited anxiously for this day ever since Colonel Engle became the youngest astronaut in 1965. As a former student in Chapman, a graduate of the University of Kansas, and a past employee of Cessna Aircraft, Joe Engle has a lot of friends in Kansas who share the joy he must feel today. If anyone questions his allegiance to Chapman, the presence of a Chapman High School flag, a congratulatory letter signed by the school's 424 students, an athletic letter "C," similar to the one he earned as a student-athlete, and a shamrock on this mission should remove all doubt. Conversely, the pride felt by Chapman's residents is evident in their plans to honor him on Labor Day 1982.

Joe's career has been extraordinary since he joined the Air Force in 1956. Senator DOLE has already mentioned some of his more notable achievements and they underscore the long, hard training demanded of him. I congratulate him for his success and join the people of Chapman in extending my best wishes for continued good fortune.●

SALE OF TAX CREDITS

● Mr. BOREN. Mr. President, last Friday, I spoke here on the floor about my concerns over a number of proposals that had been put forward concerning the economy and the goal of balancing the Federal budget by 1984.

During the course of those remarks, I said that if additional revenues were going to be needed, that one of the areas which should be examined is the leasing provision in the recent tax bill. This provision allows one firm to sell tax credits to another. It has created a loophole totally unintended by myself and other members of the Finance Committee—a loophole that is estimated to cost the Treasury $80 to $90 billion in revenue over the next 10 years.

I cited a story which had appeared in the press that very morning of a $200 million sale of tax breaks from one corporation to another.

Today, a similar story appears in the Washington Post which says that Occidental Petroleum Corp. has sold tax breaks on $94.8 million worth of equipment to Marsh & McLennan Co., a New York insurance and investment company. Under no definition could Occidental be termed a needy company.

Mr. President, if we are looking for revenue enhancement proposals, I say again that this is exactly the kind of thing we ought to be reexamining.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

PROFITABLE FIRM CAPITALIZES ON TAX LAW

(By Thomas B. Edsall)

Occidental Petroleum Corp., one of the fastest growing oil companies with earnings of nearly three quarters of a billion dollars last year, capitalized yesterday on a controversial section of the 1981 tax bill designed to help ailing companies like Chrysler or International Harvester.

The Los Angeles-based firm with major oil holdings in the North Sea, Peru and Libya "sold" tax breaks on $94.8 million worth of equipment to Marsh and McLennan Co., a New York insurance and investment company.

The oil company qualified for the tax break despite its high earnings because it makes almost all its profits from foreign sources. Over the past three years, Occidental has paid no federal tax in the United States.

The deal is based on a section of the tax bill that allows corporations with little or no profits to sell off tax credits and depreciation to profitable firms that can then use the shelters to protect earnings from federal tax liability.

These deals—which amount to the buying and selling of corporate tax breaks—are consummated under paper transactions called leases.

The leasing provision was added to the Reagan administration tax bill to give marginal companies a share of sharp reductions in corporate tax liabilities so that the ailing companies could better compete.

Yesterday, in fact the Treasury Department issued revised regulations governing leases that lawyers involved in private deals said were designed to allow Chrysler and other firms facing the possibility of bankruptcy to sell off their tax credits and depreciations.

What makes the Occidental transaction unusual is the fact that the oil firm, while reporting profits last year of $710.8 million, has almost no domestic earnings against which to write off tax credits and depreciation.

"We are a very profitable company," George Reese, an Occidental spokesman said. "The champion growth company of the Fortune 500."

Reese noted that despite the profits, which through the third quarter of this year have reached $456 million, Occidental is "not making enough [domestic] earnings to take advantage of our tax credits."

Instead, the firm will get a cash payment of somewhere between $20 million and $30 million from Marsh and McLennan in return for selling the tax breaks on the $94.8 million in investments Occidental has made in chemical plant and coal mining equipment.

In its 1980 annual report, Occidental said it paid no U.S. federal taxes in 1980, 1979 or 1978, although it paid foreign taxes of $1.95 billion in '80, $1.36 billion in '79 and $827 million in '78.

During those three years Occidental showed losses in the United States while reporting a profit of $5.7 billion overseas.

The firm was able to achieve this distribution of taxation while reporting that $7 billion of the $12.7 billion in total revenues in 1980 were from locations in the United States, and $3.9 billion of $6.2 billion in identifiable assets were in the United States last year.

Of the oil production, which is the major source of revenue, only 5,000 barrels a day were produced in the United States, while 573,000 barrels a day came from Libya, Peru, the United Kingdom, Bolivia and Canada.

For the insurance and investment firm of Marsh and McLennan, the tax breaks will mean, according to William Duggan, vice president for accounting and taxation, increased earnings per share of 3 cents to 5 cents this year and a total of about 50 cents over the 15-year life of the leases.

While both firms refused to discuss precise terms of the lease arrangement, the basic pattern of most such transactions under the new law goes as follows:

A company that has invested in equipment but has low or no profits against which to write off the tax breaks can "sell" the equipment to a profitable firm. The purchase price is based on a negotiated percentage of the value of the tax breaks to the profitable company.

The profitable company then "leases" the equipment back to the firm that originally bought it for a rent equivalent to the cost of paying off the purchase price. At the end of the lease, the transaction normally calls for the equipment to be sold back to the original purchaser at a nominal price.●

VETERANS DAY

● Mr. QUAYLE. Mr. President, yesterday we paid tribute to the men and women who have honorably served our Nation in time of war. Veterans Day is set aside to recognize the personal sacrifice our war veterans have made in defense of America's most cherished asset—freedom. Over 1 million Americans have died defending that freedom since 1776. We now honor over 25 million Americans.

The origin of Veterans Day traces back to World War I. At the 11th hour, of the 11th day, of the 11th month in 1918, a cease-fire was announced to end the fighting in "The War to End All Wars"—World War I. It has been customary to honor American veterans on November 11, formerly known as Armistice Day. Hopes of undisturbed peace were shattered when World War II broke out in Europe. In 1954, Armistice Day became Veterans Day by an act of Congress. Veterans Day is now observed by civic and religious ceremonies in virtually every locality in the United States. I took part in Veterans Day ceremonies in Indianapolis to honor those Hoosiers who have served their country. There are presently over 729,000 veterans in Indiana who we recognize as outstanding individuals. However, my thoughts would be incomplete if I did not remember those Hoosiers who gave their lives for our country. Approximately 975 Hoosiers died on the battlefields in World War I, 7,534 in World War II, 892 in Korea, and 1,593 during the Vietnam era. My prayers are with those men and women who lost their lives or who suffered wounds and with their families.

It has been said that the uninitiated can never understand the trauma of combat. Perhaps not, but every American ought to remember in his or her own individual way, the great sacrifice veterans have made in defense of American society. One group of veterans that I would like to especially remember this Veterans Day are the men and women who served their country in the most difficult of times—the Vietnam era.

Vietnam was different from any foreign war in which the United States has fought. There were no battle fronts. The enemy may have been a friend during the day but carried an AK–47 at night. As one writer put it, "reality tended to melt into layers of unknowability."

The Americans in Vietnam were fighting in a war that became unpopular back home.

A Vietnam veteran and author, James Webb, has best explained the viewpoint of many Americans during this period in his novel Fields of Fire.

You know what we've lost . . . ? We've lost a sense of responsibility, at least on the individual level. We have too many people . . . who believe that the government owes them total undisciplined freedom. If everyone felt that way, there would be no society. We're so big, so strong now, that people seem to have forgotten that a part of our strength comes from each person surrendering a portion of his individual urges to the common good.

Each man and woman who served in Vietnam recognized this individual responsibility. Now it is time for America to truly deserve. Vietnam should no longer be treated as a nasty secret, nor should the special needs of the Vietnam vet.

Another group which are to be especially remembered are the Disabled American veterans. I am pleased to be a cosponsor of legislation designating this week as "National Disabled Veterans Week."

The pride and continuing strength of the disabled veteran are true examples of perseverance under the most difficult of circumstances. As the DAV National Chaplain, Rev. Thomas J. Meersman wrote:

Disabled vets are experts in pain, shock, stress, weakness, which might be physical, mental or spiritual. This is our offering to our beloved land, proudly made because of our complete commitment to what America professes . . . The dignity of man, and the God-given right to life, liberty and the pursuit of happiness.

As the greatest nation on Earth, America remains a beacon of hope for all those who struggle against tyranny. We must never take freedom for granted. The presence of the veteran among us is a continuing reminder of the sacrifice which freedom demands. As we count our blessings, then, let us count the veterans among the greatest of those blessings and honor them as they deserve to be honored.●

SAUDI CRITICISM OF OMAN

● Mr. BOREN. Mr. President, I am disturbed by an article which appeared in yesterday's Washington Post in which writer David Ottaway reported that the Saudi Arabian Foreign Minister had criticized the country of Oman for participating in U.S. military exercises in the Middle East.

The article reported that the Saudis had made it clear that Oman's participation in operation "Bright Star" was contrary to the principle of nonalinement, to which the Gulf Cooperation Council adhered.

Mr. President, in casting my vote on the sale of AWACS aircraft to Saudi Arabia, one of my main points was that this country would have 4 years in which to observe Saudi actions in regard to a closer friendship with the United States. At that time I said:

If we find that Saudi Arabia does not turn out to be the friend we believe her to be, we will have adequate time to reverse our decision.

Mr. President, I meant exactly what I said, and I am very disappointed at this report. I can only hope that the article does not accurately reflect the attitude of the Saudi kingdom.

I am one Senator who will continue to watch the actions of Saudi Arabia very closely.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

[From the Washington Post, Nov. 11, 1981]

SAUDIS DECRY OMAN'S U.S. TIES AT GULF SUMMIT

(By David B. Ottaway)

RIYADH, SAUDI ARABIA, Nov. 10.—The Saudi foreign minister, Prince Saud, criticized Oman today for its participation in the U.S. military exercises under way in the Middle East and also said the kingdom had not used American surveillance aircraft to detect the Israeli warplanes that violated Saudi airspace Monday.

At a press conference opening the second summit of the six-nation Gulf Cooperation Council, the prince said that the four Amer-

ican AWACS planes presently stationed here had played "no role" in the incident because, he said, "they are not operating in that region."

A Saudi military communique issued last night said a number of Israeli planes violated Saudi airspace by flying over the northwestern area of the kingdom but were met by Saudi jets and forced to turn back.

Prince Saud said such Israeli violations had "of course" occurred before and reflected the "nature of Israel" in its attitude toward the Arab world.

The Saudis have not usually publicized these violations in the past, and it appears they are giving this one special attention because of the conference taking place here and their desire to impress upon the five other Persian Gulf states the need for a collective security system.

Saud also made it clear that Oman's participation in the current Bright Star military exercises of the U.S. Rapid Deployment Force was contrary to the principle of nonalignment to which the council adhered, and he said the summit planned to take up the issue formally.

"These principles [of nonalignment] were accepted by all member countries of the Gulf Cooperation Council, and the role of this conference is to review the practical steps in applying these principles," he said.

"As to the effect of that on the military exercises, this will have to be assessed and evaluated in the summit conference," he added.

His comments highlighted the difficult position Oman has been placed in even with its conservative Arab neighbors by its participation, albeit a minor one, in the month-long "military maneuvers."

The council of the six kings, sheiks and sultans of Arabia, the heartland of the Arab world, is also scheduled to discuss the Saudi plan for a comprehensive Middle East peace settlement and approve a project for a gulf security pact and a common economic agreement.

The council, which was organized in February, has become increasingly preoccupied with the issue of security because of the 14-month-old Iranian-Iraqi war and Israeli strikes this summer into Lebanon and on the Iraqi nuclear reactor outside Baghdad.

Despite vast differences of size, wealth and relations with the superpowers, the six Persian Gulf Arab states have similar political systems and have been driven together by events to agree on the need for some kind of joint security arrangement to protect themselves from outside interference.

The six—Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman—are of crucial importance to the West because they are located in the center of the Arab world. Together they provide roughly half the daily production of the Organization of Petroleum Exporting Countries (OPEC) and with a combined annual income of around $150 billion, they have become the center of the financial world outside the industrialized countries.

Their continued stability and the possibility of Soviet or other outside interference to overthrow their ruling monarchies has been the subject of growing concern and debate in U.S. policy-making circles.

The Reagan administration recently confirmed a Washington Post report that it has been discussing with Saudi officials an "integrated defense" system to protect the conservative Arab states in the Persian Gulf. An agreement here this summer on closer security among the six would seem crucial to implementation of such a strategy.

However, the six council members are not necessarily in agreement with Washington on what constitutes the most serious threat to their security. Nor do they concur among themselves about how openly or closely they should be linked to the West generally and the United States in particular.

"These people are on a different wave length. Apart from Oman they don't see any imminency to a Soviet threat," remarked John Duke Anthony, a gulf specialist from Johns Hopkins Foreign Policy Institute in Washington, who is here attending the summit as an observer. "They are far more interested with regional, intraregional and internal security issues."

Their most immediate common concern, according to Anthony, is the spillover of the Iranian-Iraqi war into their territories and the call by Iran's Shiite leader, Ayatollah Ruhollah Khomeini, to the Shiite minorities in their societies to rise up to overthrow their governments.

Neither Iran nor, more significantly Iraq, a fellow Arab gulf state, has been invited to join the council. The official reason is that the members do not want to get involved in the war between the two more militarily powerful nations.

But it is no secret that many of the council's members regard both Iran's Islamic revolution and Iraq's socialist Baath government as major sources of their security concerns. In addition, Iraq has a longstanding border dispute with Kuwait, which was part of Iraq during the 19th century Ottoman rule.

Even Kuwait, which earlier this year downplayed the need for a joint defense policy, seems to have changed its mind after several Iranian attacks on its territory, the last one in late September when Iranian warplanes hit one of its oil fields.

Iran in particular seems to have served as a catalyst in convincing all six states to take more seriously the security issue, which Oman, at the other end of the gulf, has been pressing the council from its beginning to make a priority.

Oman has submitted a working paper calling for the creation of a joint naval force and military maneuvers, the unification of air defense systems to cover the entire gulf, an integrated early warning system and the building of a north-south pipeline linking all the oil fields to an Indian Ocean terminal bypassing the highly vulnerable Hormuz Strait.

The Sultanate of Oman has been the one gulf state preoccupied by Soviet moves in the region because it fought a long war against Soviet- and Cuban-supported guerrillas based in neighboring South Yemen.

Oman is also the only one of the six that has signed a formal written agreement allowing the United States to make limited use of its naval and air facilities. It is the sole gulf Arab state participating in this month's Bright Star exercise.

Several council members, particularly Kuwait, have been trying to wean Oman away from its formal military ties with the United States and to convince South Yemen to end Soviet access to Yemeni facilities.

Kuwait is the only one of the six that now has diplomatic ties with Moscow. Only Oman and Kuwait have relations with Peking.

In the council debate over its members' links to the superpowers, Saudi Arabia seems to stand in the middle. The kingdom's leaders repeatedly have come out against any formal agreements for bases or facilities with any of the superpowers, arguing that they only serve as "lightning rods" attracting greater Soviet-American involvement in the region.

On the other hand, it has apparently agreed to discuss American use of Saudi facilities on an informal basis much as Egypt now permits. Its special military and political relationship with Washington is expected to become even closer following the Senate's approval of the sale of five Airborne Warning and Control System (AWACS) planes to the kingdom as part of an $8.5 billion arms package.

These surveillance planes would appear to be the key link to any joint early warning and defense system set-up in the future under the Gulf Cooperation Council.

The additional urgency the council is attaching to the security question is underlined by the presence here for the summit of the chiefs of staff of the six members. They already held a separate preparatory four-day meeting here in September, the first ever, an event Anthony called "a major breakthrough" in intraregional military cooperation.

In addition to approving a plan for military cooperation, the council's summit is also expected to endorse the eight-point plan of Saudi Crown Prince Fahd for a comprehensive Middle East peace settlement serving as an alternative to the American-sponsored Camp David approach.

The Saudi plan calls for Israeli withdrawal from all Arab lands captured in the 1967 Arab-Israeli War, including East Jerusalem, and the establishment of an independent Palestinian state in return for Arab recognition of Israel and its right to live in peace.

The third main point on the council's agenda is discussion of a draft economic agreement, the first of its kind serving to harmonize their often competing industrial projects and development plans.

SENATOR HEINZ ADDRESSES THE NATIONAL FOREIGN TRADE COUNCIL

● Mr. GARN. Mr. President, international trade is becoming increasingly important to the U.S. economy. Recent studies have suggested that the current recession is at least in part related to the decline in our export competitiveness. Unfortunately, America faces a whole variety of disincentives, both foreign and domestic, to our exports. We face unfair competition from trading partners whose governments heavily subsidize credits for the purchase of their exports.

While maintaining the world's largest and most open economy, we find other countries placing severe, and often disguised, barriers to exports from the United States. To this we add our own problems, such as inappropriate levels of taxation of Americans living and working abroad. The Foreign Corrupt Practices Act is notorious for the chilling effect that its ambiguous and sweeping provisions have on U.S. companies that would engage in greater exports but fear finding themselves unintentionally in violation of the law.

Mr. President, the distinguished chairman of the Banking Subcommittee on International Finance and Monetary Policy, Senator HEINZ, has been a tireless advocate of U.S. trade. He has been, and currently is, involved in various measures that would improve the American export posture. I could cite his involvement in legislation such as the Export Trading Company Act, improvements to the Export Administration Act, the Competitive Export Financing Act, revision of the Foreign Corrupt Practices Act, and his work on barriers to our trade in goods and services.

Recently, Senator HEINZ had the opportunity to address the National Foreign Trade Council, where he outlined many of the important trade issues facing this country, along with some thought provoking ideas as to how the growing tide of world protectionism can

be turned back. I recommend the Senator's remarks to my colleagues, and I ask that they be printed in the RECORD.

The remarks follow:

REMARKS OF SENATOR JOHN HEINZ

Mr. Anderson, Mr. Roberts, Friends:

It is indeed an honor and privilege to be asked here today to speak to such a distinguished audience.

The National Foreign Trade Council membership is known nationally and internationally for its active and aggressive involvement in trade. Your policies and positions are the products of hands-on experience, of classic American entrepreneurial skill.

And I am here today to urge you to test that skill again. The world in which Americans trade is fast changing, and we have to run to catch up. I am concerned that the basic principles of an open world trading system are being deeply and dangerously undermined. America commendably still respects the principles of free market access and reciprocity.

Other partners in world trade are increasingly ignoring these principles.

While this poses obvious threats to American economic interests, what I fear most is the increasingly heavy blows to the free market principle that we know and believe the best.

That's why I believe our trade policy is at a crossroads.

The Multilateral Trade Negotiations and the Trade Agreements Act that grew out of the MTN really represent a watershed for American trade policy. They signal the end of the postwar era of Western European and American domination of the international economic system.

Today, we face a new economic world with new economic realities and new challenges for the United States.

Economic growth is no longer a luxury of the Western Industrial nations. As the world economic pie grows, others are taking larger and larger slices.

Economic power is no longer located just in the industrial west. We now live in a multipolar world in which new economic centers are becoming more and more powerful.

No longer are non-Western nations silent. The level of rhetorical confrontation is rising. The new international economic order is not the idle dreaming of Third World bureaucrats anxious to justify their nations' own selfish policies. It is a case of the "have nots" realizing how much more the "haves" have. And there is frustration at the lack of institutional means of changing that.

As Third World economic power and control of resources inevitably grow, impatience will grow with it—and the LDCs' capacity to do something about it. While the U.S. and Western Europe are still leading economic forces in the world, we can no longer control events through a simple exercise of will.

As a great power, the United States has a responsibility to face this new world and its challenges four-square.

As I see it, we must do two things for the economic well-being of ourselves and of the whole world. First, as a world leader we must consistently promote the twin principles of the free market and reciprocity. And second, we must build more effective economic institutions that promote these principles.

This morning I want to share with you, first, some thoughts on how the Reagan administration is managing trade policy given the new realities . . . and then, second, some thoughts on how the U.S. can take the lead in establishing a freer and fairer world trading system.

But before I do so, I want to point out the number one problem facing world trade, and that problem is growing—soaring—world protectionism.

Ironically, one reads in the press that our number one trade problem is growing American protectionism. In fact, our number one problem is the protectionist extremism practiced by others—both by our developed and less developed trading partners in the form of non-tariff measures, subsidies, performance requirements and other such trade distorting practices. These activities are growing, and they allow nations to avoid facing their real economic problems.

A good example is the Japanese practice of severely restricting our market access until their industries are big enough to threaten us. To many Americans, it may sound trivial that NTT, which recently bought 100 Motorola pagers, will not allow the purchase of any more until they complete a year of so-called testing. But when this is multiplied by autos, computers, and other semiconducters, the result is massive protectionism. And it certainly is neither free market economics nor reciprocity, and it's time for people to wake up about this.

The Reagan Administration is beginning its attack on protectionism by breaking down our own self-imposed barriers to exports and trade. Every President since John F. Kennedy has commissioned studies on how to increase exports. And the equivalent of the P.E.C. of each of the last four Presidents has made the same recommendations, over and over again, because so few of them have been implemented. Now, under the leadership of the Reagan Administration, we are finally acting.

Export trading company legislation has passed the Senate, and I am optimistic it will pass the House and be signed into law in this Congress. It will create new exporters and help small ones expand by giving them access to bank capital. It will also protect exporters from uncertain antitrust enforcement.

Amendments to the Foreign Corrupt Practices Act (S. 708) have been reported by the Senate Banking Committee and should shortly be on the Senate Floor. I personally urged Congressman Tim Wirth on the House side, about the need for action, and I am hopeful we will soon proceed to a bill.

On another front, we have enacted reforms in the tax treatment of Americans working abroad, Sections 911 and 913, that will solve the problems created by the 1976 Tax Reform Act.

I submit we have made a good start—the best start in the last 20 years. If we succeed in enacting this body of legislation into law, we will allow American companies to become far more aggressive—in short, to compete again in the world market.

Adlai Stevenson, my predecessor as Subcommittee Chairman, used to say we always shot ourselves in the foot. I have always been amazed at our ability to quickly reload and repeat the process.

The question still remains whether our aim is even going to improve.

While I have nothing but admiration for the Administration's policy of allowing our own companies to compete more freely abroad, I am less enthusiastic about its face-to-face dealings with other countries.

We have an Administration, as evidenced by statements to the World Bank, the International Monetary Fund, and the Cancun Summit, that has correctly and forthrightly advocated the private sector, private investment and free-market principles as in the best interest of LDC development.

Ironically, at the negotiating table, this Administration, like others before it, has too often forgotten its own free-market prescription. It has, as in the subsidy case involving toy balloons from Mexico, succumbed to the tendency to subordinate law—and principle—to political expediency.

At other times, as in its decision on LDC subsidies to grant India the injury test in the wake of the Carter Administration's similar move on Pakistan, the Administration has taken the path of least resistance—in this case in cleaning up problems created by the previous Administration.

In still other areas, like the debate over DISC, it has fallen into the old trap of maintaining smooth relations with our trading partners at the expense of our legitimate rights. Why should we give up DISC while other countries rebate the VAT? Diplomats from other countries usually criticize American negotiators for being both too impatient and too intent on reaching agreement. The former causes us to concede too much too soon. The latter causes us to measure success in terms of the number of signed agreements we bring back—rather than in terms of their contents.

It is still unclear what will happen to DISC. But I do know that regardless of GATT action, Congress will not repeal it without enacting a substitute that is at least equivalent to it.

Finally, wih respect to the Export-Import Bank, I believe we have failed to seize the initiative at the OECD. The European community has offered one-quarter of the loaf, and we have declared victory and come home.

Raising the interest rate floor from 7.75 percent to 10 percent when our prime rate is 18 percent or better, however, is no victory. And I fear the Administration still does not understand how to use assets like the Eximbank as leverage to bring other nations' practices in line with ours.

It is also ironic that the Administration, which has so skillfully moved our domestic economy toward a freer market, is making so many of the same old mistakes internationally. A freer world trading economy will take more than rhetoric. We have to be willing to use our clout to get the results we want.

I believe we need broad new legislation to deal with the growing problem of world protectionism. Important as the 1979 Trade Agreements Act was, I think we may already need a new trade bill.

Such legislation could, and to my mind should, include a better means of dealing with unfair trade practices by nonmarket economies, a program of trade incentives for the developing countries that does not discriminate against the poorest, a domestic adjustment program that is comprehensive and effective once injury has been found, a better governmental structure to give trade the emphasis it deserves in government policy making, and broad new authority to act against performance requirements and other limitations on the free market.

Needed though these changes are, I have to admit that a trade bill is nonetheless a unilateral initiative that can't do the entire job. We have a multilateral effort as well.

Frankly, the fabric of international trade rules is too badly torn at this point for modest repairs to suffice. The forthcoming GATT ministerial won't do the job. Another Tokyo round won't do the job. And our existing world trade institutions generally are not up to this task. In part they have failed to build consensus. UNCTAD suffers from LDC domination and is perceived in the west as the revenge of the have-nots against the haves.

Conversely, the GATT is too legalistic, too representative of the past, and too much a creature of the developed world establishment to have broad credibility.

Clear solutions, however, don't spring full blown from the minds of Senators—or anyone else. They develop through discussion and debate. It is time, therefore, for us to lead the way toward those discussions.

To do so, I think we should return spiritually and perhaps physically to Bretton Woods. The Bretton Woods Conference of 1944 produced an era of both consensus and remarkable prosperity.

This new Bretton Woods Conference I am proposing should be different from its predecessor in two ways. First, it should be broader.

Representatives of all nations that want to participate will be welcome.

Second, it should be unofficial. Open exchange of views and narrowing of differences is the objective, not the development of a sterile communique in the official language of the bureaucracy. This means others besides government officials will be welcome. Scholars, jurists, economists, political scientists, can all contribute to the creative process.

What we should look for at a new Bretton Woods is the development of a new set of economic rules and a new institution to deal with them. The rules should embody the principles of the free market access and reciprocity that most countries already say they believe in. The institution, if it is to be successful, will have to be different from what we have now in two respects. It must operate on a non-consensual basis, and it must have the authority and resources to enforce its decision.

Insistence on consensus—unanimity—in decision making is making policy—I am talking about enforcement policy—through the least common denominator and surrendering the initiative to the least responsible power. The right to make judgments that will make one or more parties unhappy is critical to success. Obviously trade rules must be based on a broad consensus. An institution, however, enforces those rules, and it can only succeed if it has enough authority to make decisions and make them stick.

Free market access and reciprocity—these are the two principles upon which any trade policy and our institution to implement it must be based.

The world is rapidly changing. Maintaining world trading principles is harder with each passing month. But succeeding at that is as important to our long-term survival as our national security policy and defense capability. You—with your long experience in the international marketplace—know better than anyone what we are up against. Our choice is to adopt a bold strategy, or to economically wither and succumb.

I ask you to join with me to launch this process. I urge you to rededicate yourselves to fighting world protectionism—so that we can preserve not just our own economic strength, but the free market system that we know from experience will better all the peoples of the world.●

ROBEY WENTWORTH HARNED LABORATORY

● Mr. COCHRAN. Mr. President, I appreciate the prompt consideration by the Senate on S. 1322, naming the U.S. Department of Agriculture Boll Weevil Research Laboratory near Mississippi State University for Dr. Robey Wentworth Harned.

This legislation means a great deal to the university and to the agricultural community as a whole in my State, who have looked for a meaningful way to honor Dr. Harned.

The action is particularly appropriate because he is considered a pioneer entomologist and is known for his many accomplishments in the field. Dr. Harned is one of those responsible for the establishment of the State plant board in Mississippi. He served for years as head of the department of zoology and entomology at Mississippi A. & M. College, now Mississippi State University, and as entomologist at the Mississippi Agricultural Experiment Station. In 1931, he began 20 years of service as head of cotton insect research in the U.S. Bureau of Entomology and Plant Quarantine here in Washington.

Dr. Harned is highly respected among entomologists because of the enthusiasm and professional interest he generated for his chosen field. The construction of this Boll Weevil Research Laboratory is proof of his inspiration and dedication and is the fulfillment of one of his lifetime goals.

The Mississippi Entomological Association had requested enactment of this legislation, expressing the importance of recognizing his outstanding service. I want to commend the Senate for approving the naming of the U.S. Department of Agriculture Boll Weevil Research Laboratory at Mississippi State University for Dr. Robey Wentworth Harned.●

PUBLIC SCHOOLS: NAVIGATING ROUGH SEAS

● Mr. STAFFORD. Mr. President, it is my privilege today to request that a recent speech on our public schools, delivered by my good friend and colleague, Senator MATHIAS, be printed in the RECORD for all my colleagues to review. I find myself in complete agreement with Senator MATHIAS' observations regarding the state of public education today and the proper Federal response and role in public elementary and secondary education.

This year, the Congress has enacted sweeping changes to Federal elementary and secondary education legislation in order to eliminate many of the constraints of Federal law which school board members, superintendents, principals, and teachers had complained about for many years. This was done while continuing to maintain the proper Federal role of promoting equality and access in all education programs, but particularly through programs such as title I of the Elementary and Secondary Education Act, and Public Law 94–142, the Education for All Handicapped Children Act. Senator MATHIAS' observations on these important laws as well as his insights into further developments in education are extremely interesting, and I commend his remarks to all Members of the Senate.

The speech follows:

PUBLIC SCHOOLS: NAVIGATING ROUGH SEAS

(By Senator CHARLES MCC. MATHIAS, JR.)

I am delighted to have this opportunity to address the Northeast Regional Meeting of the National School Boards Association and to welcome you to one of the most beautiful places in the beautiful State of Maryland—the Eastern Shore.

American education is perhaps the most ambitious social undertaking in the history of any civilization. There has never been a society that has said, as ours now says, "Let us educate all our citizens, regardless of race or handicap or background. Let us build a diverse system that respects the individuality of every student and taps the gifts of each one".

The accomplishments of our system of education—and your contributions to it—are and should be a source of national pride. But this system is not without problems.

You, as leaders of state school board associations from all the northeastern states (as well as the Virgin Islands), face about as daunting an array of challenges as any local officials in this nation.

The litany of problems is familiar: thousands of functionally illiterate high school graduates; a decade of declining scholastic achievement test scores; violence in the schools; changing enrollment patterns; labor strife and teacher layoffs; major budget problems; and more.

Things seem to be topsy-turvy in our schools. This year, for example, the dropouts outnumbered the graduates from Baltimore high schools. The wrong things are going down: test scores and revenues. And the wrong things are going up: costs, the number of tasks schools are asked to perform and the number of legislative mandates or regulatory restrictions they are asked to follow.

Meanwhile, a skeptical public is quite sure that schools are neither running efficiently nor doing a top quality job. And the puzzling controversy over test scores hasn't done much to allay public concern. On the one hand, schools say that test scores cannot be used to rate teachers or to compare one school with another. On the other hand, how well or how poorly students perform on national tests clearly does play a significant part in what academic doors are open or closed to them.

As a result, the taxpayer's willingness to support public schools is often closely related to test scores. So you have a Proposition 13 in California, a Proposition 2½ in Massachusetts and a TRIM resolution in Maryland; bond issues are voted down; and school budgets are reduced.

But no one seems to be asking the logical question: If test scores are going down and if this accurately reflects a decline in teaching quality, then shouldn't revenues go up in order to compensate for the deficiencies?

To complicate the problem, school costs continue to rise. Teachers' salaries are setting the pace but utilities, heat, books, paper, maintenance, transportation and support staff salaries are close behind.

In addition, judges and legislators have been compelling schools not only to take on more and more responsibilities, but also to offer costly, accelerated special-aid programs for some students.

For example, the school board which did little to achieve racial balance by building its schools to accommodate housing patterns must now spend thousands of extra dollars on transportation.

Or the school board which has not been hiring or training teachers who know how to cope with the learning problems of disadvantaged children must now add thousands of dollars to the budget to make up for lost time.

The school board which for years shunted handicapped children aside and ignored their special needs must now offer an appropriate education at enormously increased costs.

In the three areas I have just described—equal access, compensatory education and education of the handicapped—I think you can continue to count on some extra help from the federal government. In these areas, the President's long-term education goal—to return almost all power over federal education dollars to state and local governments—met with only limited success in Congress this year.

With the start of the 1982–83 school year, the Omnibus Budget Reconciliation Act consolidates into one block grant program 20 education appropriations and repeals legislative authorizations for over 40 federal education programs. Most of the money will be distributed by the states among local schools districts to use largely as they see fit.

All of you recognize that enactment of the Reconciliation measure signals a dramatic change of the federal role in elementary and secondary education. More decisions about educational priorities and needs will be shifted to states and local school systems.

Congress excluded from the block grant and left as separate programs the centerpieces of federal school aid—the Title I pro-

gram for the educationally disadvantaged and Public Law 94–142 program for handicapped children. Also continuing as separate programs—at least for now—are vocational education, bilingual education, adult education and the very small women's educational equity program.

You will be glad to know that the Act modifies the Title I program for the educationally disadvantaged to reduce regulation and paperwork and to permit greater state and local discretion.

I believe that Congress acted wisely in assuring that such traditional national priorities as education of the handicapped continue to receive federal attention.

In 1974 an amendment of mine to P.L. 93–380, the precursor to P.L. 94–142, established the principle that the federal government should help shoulder the extra costs for funding education of handicapped children. It also established the formula for this funding.

At the beginning of P.L. 94–142, the federal government promised to be a responsible financial partner with state and local agencies in providing the services mandated by the Act. And for the first two years under the law, the federal government honored that commitment. But then things began to slide.

I still bear battle scars from later fights in the Appropriations Committee to get the federal government to live up to its pledges. But, as you well know, the actual funds annually requested by the President and finally appropriated by Congress are considerably less than the full funding levels authorized.

Now, I am deeply concerned about the future funding of the program. The Reconciliation Act authorizes a 10 percent increase for next year. But, in light of President Reagan's latest budget cutting proposals, it is doubtful that this increase can hold up through the entire Congressional appropriations process. Its future will depend in part on the public response.

I know that many of you think the federal government should become involved in funding the operational cost of your regular or basic educational programs. Your interest in non-restricted federal aid for elementary and secondary education may become greater if pressures continue for easing local property tax burdens and if support grows—as it has in Maryland—for interests equalization in educational funding. The broad-based revenue generating power of the federal government may be an irresistible attraction for those who seek to maintain or increase the level of funding for public education.

Others of you, I know, take the opposite view. You think that federal aid programs for education should be cut back more deeply or even terminated. In fact, some feel that going without federal funds is vastly preferable to having to submit to the complex and extensive administrative, planning and paperwork burdens associated with federal funds.

Whichever view you take about the role of federal funds, I know that every day, as school board members, you see the empirical evidence of the picture I have sketched.

Public education is in a period when the public wants to pay less, not more; a period when the number of pupils is going down, thus calling for school closings and staff cuts; and a period when pupils with few academic skills are being tested along with the brightest, hence lowering the average.

These problems are not going to disappear. So the question that confronts us is: Are we going to let them fester or are we going to try to do something about them?

Admittedly, there are no easy, obvious solutions. But I think there are some approaches that might prove helpful. I'd like to suggest a few.

Treat enrollment drops as a positive development. Look for efficiencies both in management and in classroom delivery of basic skills, use more aides and fewer administrators. Call on community volunteers, use students to teach other students, welcome part-time qualified teachers into classrooms and learning centers.

Review state legislation; eliminate or change laws which are too costly, too restrictive, too negative or inappropriate.

Push for new state legislation which will bring state revenues in to cover extraordinary costs including special education, transportation, vocational training, inservice teaching; and tie local revenues to basic and appropriate school needs.

Ask private industry to help with accounting, distribution, transportation, food, maintenance and energy saving.

Consider giving national tests more selectively. Give most students local tests instead. Ask concerned community and business people to help you devise appropriate tests for those who will end their formal education in your schools.

Tailor school tests to reveal what you need to know about your students. Make some of them diagnostic tests and use them to alter both teaching methods and levels of material. Use diagnostic tests to evaluate individual teachers.

Finally, let me remind you that responsible public officials know you did not create the problems in public education. They know you are putting forth your best efforts to overcome some pretty formidable obstacles. They know it is a big job and that you need—and our children deserve—all the help we can give you.

But some in Congress have doubts. So, before Congress pares education down any farther, you had better remind your legislators that, without a doubt, education has proven to be the greatest engine we have for economic opportunity and social justice. When you invest a dollar in education in America, you are investing in America's future. You are buying this nation something it sorely needs. An investment in education improves our economy; it strengthens our democracy; it enhances our true national security; and it enriches our lives.

Everyone, whether he has a child in school or not, has a stake in education. Well-educated citizens—not new oil or mineral discoveries—are our society's primary natural resource as we seek to compete in an increasingly technological world.

More than a century ago, British Prime Minister Benjamin Disraeli told the House of Commons that:

"Upon the education of the people of this country the fate of this country depends."

Those words were never more true than they are today. Young people today make up two-fifths of our population but all of our future. Each young adult deserves the chance to prepare for a worthwhile career and the opportunity to enjoy the satisfaction that comes with making a productive contribution to society. That is our moral imperative.

Our practical imperative is that no modern nation can survive, much less prosper, without an educated citizenry capable of mastering the complexities of high technology.

Those two imperatives—moral and practical—underline the importance of maintaining the necessary national investment in our schools. I believe we can do this without abandoning our fiscal responsibilities.

I can think of no group of people better prepared or better qualified than school board members to stand up and account for our public investment in education. I urge you to work with your Association and to do all you can to insure that education retains its priority in the federal budget.

Our future depends on it, for as H. G. Wells observed:

"The salvaging of civilization is a race between education and catastrophe." ●

UNDERSTANDING THE NATURE OF FREEDOM

● Mr. GRASSLEY. Mr. President, over the years I have received monthly copies of a publication titled "The Freeman," published by The Foundation for Economic Education, Inc., of Irvington-on-Hudson, N.Y. This publication is concerned with advancing the cause of economic and political freedom; I have found the articles to be well written, thoughtful, and generally in line with my own beliefs.

This month's mail brought a copy of the foundation's monthly newsletter, Notes from FEE, which I would like to share with my colleagues. The writer makes the point that those of us concerned with freedom and individual liberty must not limit our efforts to the political sphere; we also have an obligation to improve our own understanding of the nature of freedom and then communicate the knowledge we gain to others.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

THE FIRST ORDER OF BUSINESS

In noting the condition of the economy a generation ago, it seemed to us then that the first order of business was to upgrade our thinking. Recent changes in political leadership call for review of the current condition and today's priorities.

For some time in the USA, Ye Olde Federal Mill has been turning out socialistic grist. Many of us have no stomach for this product, and we agitate for a variety of remedies.

Some persons of our persuasion, who are politically oriented, insist that the first order of business is to see that "the right men" are put into office. Others give top priority to a repair of the governmental structure. The Constitution and Bill of Rights have been warped into shapes which the builders would never recognize as their handiwork. The tax apparatus is cluttered with inequities. Government is burning up the people's income at an accelerating rate. To keep itself running in its overextended role, it is inflating and thus eroding the medium of exchange. Its socialistic grist bears ever-increasing price tags; and the people are compelled to take the grist whether or not they want it. Confronted with "a long train of abuses and usurpations," these well-meaning mechanics see repairing the machinery as the first order of business: constitutional amendments, repeal of outrageous statutes, new laws to nullify bad ones, and so on.

Among those of us who dislike socialism, however, are some who seek to combat it through education rather than political reform. We respect those in positions of leadership and wish them well in their new programs. But as we see it, grist mills grind what is put into them, be it No. 1 hard red winter wheat or weed seed. Sure, we prefer a mill with competent operators. And, just as surely, an efficient mill is preferable to one with a misshapen millstone and a wobbly waterwheel. But the fact remains that no mill can yield grist of higher quality than the raw material put into it.

What is being put into the USA's federal mill? All too much of it has been intellectual weed seed! Socialistic thoughts! What is being fed into the mill is representative of what we are and that is all there is for grinding.

Unless we can in some manner contribute to bettering what we are—unless we can, as an absolute minimum, attract individuals away from collectivist thinking as to the function of government—we might as well forget the whole thing.

We cannot even hope for better men in

government than we now have, assuming no better thinking than we now have, and assuming free elections.

Let us imagine a complete reconstruction of the federal machinery along sound legal and organizational lines. It would make no significant difference. The new mill would continue to grind only what is put into it.

More is wrong with the political emphasis, however, than its futility. If this approach were simply futile—without any accomplishment at all—we could let the matter pass. But it inflicts a positive damage to whatever extent it diverts attention from the educational emphasis. The political approach, plausible and popular as it is—particularly among businessmen—robs the all-important educational approach of the most competent talents in the land by focusing these talents on efforts to cure what are at best mere effects.

Perhaps this whole question would be better resolved in our minds were we to realize that it was not the Declaration of Independence, the Constitution, and the Bill of Rights which made America what it was. These remarkable documents were but formalizations of remarkable thinking. It was the remarkable thinking of a few men of superlative stature, and the following they gained, which accounted for the America that was. Later, when the thinking became inferior, these formalizations correspondingly lost their meaning.

There is in America today no lack of potential leadership for improved thinking. In instance after instance over the past fifty years, I have observed men and women of uncommon intellectual and spiritual stature expending their energies in fruitless attempts to change the political reflections of socialistic thinking. They were largely lost to the cause of freedom by their error in emphasis.

On the other hand, over the same period, I have observed ever so many individuals of seemingly lesser potentialities actually attract others into a reversal of their socialistic thinking. They have done this simply by concentrating on the development of their own powers to understand and to explain. They have become sources or wellsprings of the freedom philosophy, for others do, in fact, seek their counsel. Now, let the potentially great emulate these methods of the near great, let them concentrate on the educational approach, let them put first things first, let them focus their attentions on self-realization, and we shall witness a reversal of present trends. The solution, in my view, is that simple and, of course, that difficult. For, what is more alluring and less sensible than the project of reforming another adult? And what is less alluring and more sensible than the project of perfecting self?

A feeling of hopelessness is the straw that could break the back of the freedom movement—for freedom will never be achieved without faith. In any event, this feeling of futility more seriously threatens the continance of FEE's work than does any other discernible influence. People do not continue to work at a problem after its solution appears hopeless to them.

Too many opponents of socialism—once convinced that there is no simple remedy at hand, and aware that the problem at issue is nothing less than altering the mores of a vast society—tend to give up the ghost. Unnerved by the dimensions of the job, they say, "Oh, what's the use!"

The tale of two frogs, dumped into a can of milk, comes to mind. One frog, quick to concede the hopelessness of his situation, gave up and promptly drowned. The other frog was of sterner stuff:

"So he kicked and splashed and he slammed and thrashed,
And he kept on top through all;
And he churned that milk in first-class shape
In a great big butter ball"*

*Holman F. Day. Story of a Kicker.

Experience leads one to believe that the forces which have to do with shaping human destiny are of no help to those of little faith. Indeed, they appear to have no truck with people who lack confidence in what determined effort can accomplish.

On the other hand, these forces—call them by your own name—tend to cooperate with those who believe they can accomplish the seemingly impossible and never call it quits until the game is over. There are men, be it observed, who do, in fact, move mountains. *But they are not the men who doubt that mountains can be moved.*

Take note, for instance, of golfers on putting greens. There are those who doubt they can sink any but the simplest putts. And there are those who have confidence that they can sink every putt—they actually believe this! The former are miserable peformers. Among the latter are to be found the skilled and all the miracle putters.

Miracles are all about us—a common loaf of bread is packed with wonders. Those who have no sense of the miraculous, who have no faith in achieving anything beyond what the unaided individual can accomplish, will be of little help in ridding our society of socialism. The problem seems too hopelessly impossible to them and they quit. But the undaunted, those who know the magic of believing, will make progress, for the forces which are available to those who believe will lend a hand to multiply their efforts. Too bad there aren't more such efforts for them to multiply!

One need have no concern about the quality of men in public office or the condition of the federal mechanism and its statutes once the thinking is right. Public figures and governmental machinery are but effects, reflections, echoes of leadership thinking, whatever that thinking happens to be. Improve the thinking and these hoped-for effects will follow as naturally and as spontaneously as light comes from the rising sun. Therefore, an eye to one's own thinking, to one's own understanding and exposition of freedom, is what should be emphasized.

Enclosed with this issue of Notes from FEE is the latest "Literature of Freedom" catalogue and order form—the best source we know of better ideas on liberty.●

ORDERS FOR FRIDAY

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. BAKER. Mr. President, is there an order for the convening of the Senate tomorrow?

The PRESIDING OFFICER. There is not.

Mr. BAKER. I ask unanimous consent that, when the Senate completes its business this evening, it stand in recess until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR COCHRAN TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order, the distinguished Senator from Mississippi (Mr. COCHRAN) be recognized on special order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RESUMPTION OF CONSIDERATION OF H.R. 4169

Mr. BAKER. Mr. President, I ask unanimous consent that, after the time allocated to the Senator from Mississippi on special order has expired or been yielded back tomorrow, the Senate resume consideration of the Commerce-State-Justice appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. BAKER. Mr. President, I know of no further business to come before the Senate. I move, in accordance with the order previously entered, that the Senate stand in recess until 9:30 a.m. tomorrow.

The motion was agreed to and, at 9:29 p.m., the Senate recessed until Friday, November 13, 1981, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 12, 1981:

IN THE NAVY

The following-named commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of captain in the line, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

Abrahams, Paul F.
Abrell, Gary A.
Aisthorpe, John E.
Alafetich, Jack M.
Allen, Martyn A.
Ambrose, Robert C.
Andre, William A.
Antonio, Robert J.
Ardleigh, Paul D.
Armstrong, Melvin R.
Arseneault, Walter A.
Ashbaugh, Charles I.
Avery, Francis A.
Bailey, James G.
Baker, Arthur Jr., III
Baker, Robert P.
Baker, William E.
Baldes, Joseph J.
Bauer, Douglas C.
Beam, Henry H.
Beavins, Robert C.
Beck, Luther B., Jr.
Bendel, James D.
Bergquist, John C.
Bertoneau, George A.
Bidwell, John B.
Biggers, James C.
Biss, Joseph E.
Bittle, Lehner K.
Blalock, Leonard K.
Block, John A.
Bloore, John L.
Blunt, William G.
Boaz, David M.
Bowers, Henry K. W.
Bowman, John L.
Braswell, Joel H.
Brown, Edward A.
Brown, James H.
Buford, Manville T., III
Burns, Robert N.
Burrud, Richard J.
Byrne, Robert A.
Campbell, George R.
Carter, James E.
Centodocati, Anthony A.
Chapman, Craig B.
Clendenon, Claude E.
Coburn, George H.
Coolican, Donald J.
Coughlan, George R., III
Cox, Larry G.
Crownover, James E., Jr.
Davidson, Barrett K.
Davis, Charles S., III
Dawson, Herbert C.
Deloach, Robert D.
Delprincipe, Ronald F.
Deveau, Roger L.
Dighton, Anthony E., Jr.
Dismuke, Newton B., Jr.
Donnelly, William J., Jr.
Drake, Robert L.
Driesen, Jeffrey M.
Drummond, Richard C.
Duffey, Charles J.
Eastham, Clarence S., Jr.
Edwards, James D., III
Ellis, Donald D.
Embree, Frank G.
Englehardt, Dan T.
Essary, Wilburn D.
Everman, Jerry D.
Falco, James F.
Fasano, Vincent P.
Favrot, Richmond G.
Fawthrop, Roland P., Jr.
Feld, Gerald A.
Ferrera, John J.
Flagg, Wilson F.
Flynn, Martin R.
Forrest, "L" A.
Foster, John C., Jr.
Frye, David B.
Gardner, Chester R.
Gause, Gasden S.
Geaney, John R.
Gick, Robert P.
Gill, Henry A., Jr.
Glenn, Robert C.
Gnaedinger, Wallace R.
Godshall, Douglas R.
Good, Edwin M.
Goorjian, Paul M.
Gore, Diane D.
Gorena, Rolando R.
Gosda, Gary L.
Gott, Carl F.
Grimson, James A.
Guthrie, Wallace N., Jr.
Hahn, Carl G.
Hahn, Peter W.
Hall, Arthur H.
Hanke, Harold W.
Harryman, Carrel R.
Hart, Harold J., Jr.
Heavey, James L.
Heimerdinger, Walter L.
Hellewell, Martin S.
Henry, Thomas E.
Herbein, John G.

Herman, Richard M.
Hilf, Paul T.
Hill, Terrance G.
Hopkins, David H., Jr.
Howlett, Frederick J.
Hughes, Arthur L.
Jamison, Lyle C.
Jarmer, Elwood R.
Jeffery, Samuel D.
Jennings, George R.
Johnson, Clinton B.
Johnson, Donald L.
Jory, Jerrold G.
Keller, Donald G.
Kerr, William B.
King, George S.
Kizer, Clyde R.
Klocek, Matthew W.
Knowles, Charles E.
Knutsen, Edward W.
Koonce, William G.
Kroner, Frank R., Jr.
Lammers, Charles M.
Land, Walter R.
Langan, John J., Jr.
Larson, Frederick R.
Larson, Richard H.
Lawler. Albert M.
Lazzaretti, Anthony F.
Leahy, John H.
Leathem, Douglas B.
Lekebusch, Adolf O.
Lennon, John E.
Leonardy, Donald B.
Levenson, Saul
Liddle, Donald J.
Litchfield, Rodger A.
Lockland, Walter G.
Locklin, Ralph H.
Lukinbeal, Donald L.
Lyman, Charles W., III
Magers, Francis D., Jr.
Malmberg, Norman R.
Martin, Roman G., Jr.
Matthews, Robert S.
McBride, Donald J.
McCarthy, Matthew A.
McCloskey, Henry F.
McCravy, Frank E., Jr.
McEnery, Thomas A.
McMahon, John P.
McSharry, Dennis M.
McWilliams, Samuel E.
Meagher, Maurice F., Jr.
Meeks, Harman T.
Miller, Robert L.
Milotich, Alexander A.
Minzner, Allan L.
Moir, Edwin L.
Moore, Andrew J., Jr.
Moore, Dudley B., III
Morrison, Todd H.
Mullenhoff, Paul F.
Murray, Alen C.
Nannini, Albert A.
Newman, Jack G.
Nix, Carleton D.
Nutt, Andrew T.
O'Brien, Ward J.
Odonnell, William P., Jr.
Oneil, William D., Jr.
Osucha, Harold D.
Pace, William F.
Pacheco, Leonard J.
Pate, Allen S.
Patterson, William H.
Paty, Charles R.
Payne, Harvey M.
Pencek, Edward A.
Pendergast, Thomas P.
Perrault, Robert A.
Peterson, James E.
Pierce, Huey L.
Poffenberger, Richard L.
Polenski, James J.
Prebola, George J.
Previ, Ronald W.
Raack, James D.
Rasmus, Ronald C.
Raudabaugh, Richard L.
Ravetta, Richard C.
Raymond, David A.
Rhodes, Thomas W.
Richards, Harry K.
Ridgway, Paul M., Jr.
Riley, Thomas F.
Ringelberg, John M.
Ripberger, Raymond J.
Ripsom, George A.
Roberts, James E., Jr.
Roberts, John S., Jr.
Roberts, Lawrence W.
Robeson, Ross K.
Robinson, David G.
Robison, Earl L.
Rosseau, Charles E.
Roy, Robert L.
Rudnik, James D.
Russell, Kenneth M.
Sasser, Lyle B.
Savio, Leo J.
Schnauffer, Patrick M.
Schulz, Roy S.
Schwartz, Ronald L.
Seeley, Jimmie W.
Segrest, Joe E.
Sergio, Frederick A.
Sibold, Robert D.
Sidler, Norman F., Jr.
Sisley, Dale L.
Smith, Fred B., Jr.
Smith, Gerald A.
Smith, Robert E.
Smoot, William T.
Spencer, Edmund B.
Staes, James P.
Stephens, Clinton T., Jr.
Storer, Arthur E.
Stout, Peter C.
Styers, James D.
Sweeney, Jeremiah J.
Terry, John T.
Tharnish, John L.
Thiele, Gary F.
Thompson, David A.
Thweatt, Frank M., Jr.
Titus, James R.
Tobin, Daniel J.
Trout, Ben T.
Tuleya, Raymond R.
Tutt, Billy D.
Tweden, Wallace D.
Twilla, William M., Jr.
Umstead, Robert L.
Unger, Verner B.
Vandermyde, Philip L.
Vatter, Robert B.
Veccia, James E.
Vikdal, Allen C.
Vonfischer, Eduard L., III
Vongarlem, Thomas A.
Wales, William D.
Walsh, James W.
Walsh, Joseph F., Jr.
Warren, John A.
Weaver, David K.
Webb, Robert E.
Webber, Kent S.
Weitgenant, Harold R.
Wetzel, Robert E.
White, Thomas L., Jr.
Whitmore, John B., Jr
Williams, James M.
Williams, Morton D.
Wilpitz, Louis W., Jr.
Wines, Richard L.
Winter, Herbert L.
Witcher, Murray H., Jr.
Withers, Larry K.
Womack, Lowell A.
Woods, David L.
Right, Charles W. J., Jr.
Wyatt, David R.
Young, James F.
Zorn, Robert M., Jr.

The following-named lieutenant commanders of the Reserve of the U.S. Navy for permanent promotion in the grade of commander in the line, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

Abel, Bruce A.
Ackermann, Roy A.
Adams, Timothy C.
Agresti, Robert D.
Albert, William E.
Albright, John R. C.
Alfortish, Lester A., Jr.
Alfred, Larry R.
Allen, Layton S., Jr.
Allen, Robert B.
Alonge, Michael S.
Anciaux, Louis N.
Anderson, Gerald F.
Anderson, Lane S., II
Anderson, Paul H.
Anderson, Stanley I.
Anderson, William C.
Andren, Vernon W.
Andres, Stephen M.
Annis, Harold E.
Applegate, Allen R.
Arms, David S.
Assenmacher, Thomas J.
Atkins, Scottie L.
Aylmer, John F.
Aynesworth, James L.
Ayres, Steven E.
Bacon, David W.
Bagaglio, Mario J., Jr.
Bagwell, William G.
Bailey, Fred A.
Balestra, Louis J., Jr.
Ballard, Robert C.
Ballowe, Terrence J.
Barausky, Kenneth P.
Barker, Elbert B., Jr.
Barker, Jon W.
Barnard, Philip D.
Barnett, John K.
Barnett, Peter A.
Barr, Richard C., Jr.
Barrett, William S.
Bartlett, William H.
Barton, Gary F.
Bartz, William G., Jr.
Bashista, David D.
Batts, Gerald D.
Bauder, Frederic S., III
Baxter, William A.
Baynes, Jesse C.
Beaver, John K.
Beckwith, Robert W.
Belinske, Frank M.
Belisle, Kenneth C.
Bell, George B.
Bencher, Dennis L.
Bennett, Fredric M.
Bergener, Terry J.
Bernier, Joseph P.
Bingham, Rosina E.
Biniasz, Albert C.
Birkler, John L., III
Bishop, Robert J.
Blackwood, Edward B.
Blair, Thomas J.
Blanchard, George K., Jr.
Bley, Dennis C.
Bley, Robert E.
Blomquist, Gordon A.
Bogle, Aubrey W.
Bone, John R.
Bone, Theron C.
Bonebrake, Ronal K.
Booker, Charles W., Jr.
Boone, Victor F.
Bourne, Robert E.
Bower, Arlo R.
Boyd, Douglas L.
Boyd, Thomas M., Jr.
Bradley, William J.
Brady, George R.
Braisted, Lawrence E.
Brandli, Allan E.
Bray, John K.
Brecka, John J.
Brilliant, Irwin J.
Britt, William J.
Brogden, Elaine L.
Brookman, John E.
Brough, Alexander S., Jr.
Brown, James W.
Broz, Joseph P.
Bruehs, Walter A.
Bruenner, David F.
Brunka, William C.
Brunson, Hoke S.
Bryant, Michael F.
Bryniarski, Frances A.
Bubeck, Robert C.
Bullions, Andrew C., III
Burford, Benjamin W.
Burgess, William C.
Burke, Robert G.
Burkhardt, Michael T.
Burkholder, James B., Jr.
Burnham, James L.
Burr, Lawrence R.
Buswell, David H.
Butler, Oscar P., Jr.
Butler, Robert M.
Caldwell, Joseph W.
Calise, Victor E.
Calkins, Franklin W.
Campbell, Clifton P., Jr.
Carlson, Richard A.
Carlton, Lynn P.
Carter, Edward B.
Carterson, John S.
Cassidy, William J., III
Caveney, Charles W., Jr.
Ceruzzi, Michael L.
Challis, Albert R.
Chapman, James L.
Chardoul, Paul N.
Chehansky, John C.
Chenoweth, John P., III
Chick, John L.
Chipman, Donald D.
Christiansen, David S.
Church, Michael A.
Cibelli, John G.
Cirrincione, Rosario
Clark, Daniel H.
Clark, Robert A.
Clark, Robert W., Jr.
Clausen, Carl O.
Cleveland, Walter G.
Cobb, Nathan A., Jr.
Coffey, Matthew J., Jr.
Cole, James N.
Collins, Richard J.
Collins, Terence J.
Conn, James L.
Connell, William L.
Conroy, Frederick W.
Constans, John N.
Conyers, James B., Jr.
Cook, James H.
Cooley, John S.
Cooper, Barrie L.
Cooper, Bruce P.
Cooper, Donald R.
Corkern, Timothy E.
Conforth, Theodore W.
Cornwall, George M.
Cotton, John B.
Couch, Hugh R.
Coulter, Edward C.
Covert, Warren L., Jr.
Covington, Michael B.
Craig, William H.
Crane, Wendell E.
Crawford, Duncan V.
Creer, Philip D., Jr.
Creighton, Gary E.
Crigler, Henry T., III
Crooks, Russell W.
Curtis, Edgar A., III
Dale, John L.
Davey, Samuel A.
David, Marshall J., Jr.
Davidson, Richard J.
Davidson, Sidney J.
Davis, Douglas W.
Davis, Earl R., Jr.
Davis, John P.
Davis, Michael D.
Davis, Wilbur A., Jr.
Dawson, John H.
Deberardinis, John T.
Debord, Timothy L.
Debyl, Thomas R.
Degraffenreid, Kenneth E.
Delauter, Wayne E.
Delucchi, John H.
Demartini, John J.
Deming, Richard W., Jr.
Denuyl, David L.
Dickson, Ernest F.
Dietz, Richard A.
Diramio, Francis A.
Dirienzo, Louis R.
Dishman, David R.
Donley, Carlton R.
Donovan, Charles H., Jr.
Dore, James R.
Dort, George T.
Dose, Curtis R.
Downing, Edward C., Jr.
Draper, James S.
Drew, Marianne H.
Duchock, Peter S.
Duffy, Laurence S., Jr.
Dufresne, Dean A.
Duggar, Thomas E.
Dukiet, Walter W., Jr.
Dunbrack, David P.
Dunlap, Julius A., III
Dunn, Jon I.
Dunwell, James R.
Duskin, George H.
Eagan, William R., Jr.
Ederer, Daniel J.
Edlund, Eric A.
Edwards, James P.
Egnotovich, Michael M.
Ehlers, Victor J., Jr.
Elder, George R., Jr.
Elder, James L.
Eldred, Richard N.
Ellis, William G.
Ellison, James E.
Elwell, Thomas L.
Enderlein, William P.
Erickson, Ernest O., Jr.
Erickson, John A.
Erikson, John C.
Eslinger, Phillip W.
Evans, Henry J., III
Evans, Robert M.
Fahnestock, Sheridan Z.
Failla, Charles C.
Falt, Keith E.
Faulds, Dennis J.
Fautz, Ronald A.
Feehan, John J., Jr.
Feeney, Harry J., III
Felchlin, James C.
Felcyn, John J.
Felgate, George
Ference, Carl R.
Field, James E., III
Fields, Bobby R.
Fietta, Peter M.
Fink, Dale A.
Finucane, James S.
Flock, Wendell G.
Fischer, Lawrence A.
Fish, Harry S.
Fisher, James D.
Fitch, David A.
Fogerty, William K.
Fontaine, Paul L.
Foster, John L.
Fowle, Dennis R.
Fox, William E.
Francis, Roger A.
Francis, William D.
Franks, Lawrence T., Jr.
Freedman, Michael T.
Freer, Gary H.
Freeswick, Douglas J.
Fridkin, Alan R.
Fritz, Steven L.
Fryer, Michael A.
Gac, Conrad M.
Gallagher, Richard J.
Gannon, John C.
Ganse, Terrence L.
Gantt, Jerry L.
Garrett, William S., Jr.
Gates, John M.
Gatlin, Carl E., Jr.
Gaudio, Joseph A.
Gemma, Lawrence E.
Gildea, Richard F.
Gillaspie, Robert M.
Gillease, Dennis B.
Gizzi, Martin C.
Glasby, Stuart F.
Goforth, Harold W., Jr.
Gold, Rex C.
Goldberg, Ronald M.
Golden, Robert T.
Gombos, Mary E.
Gomes, Franklin P., Jr.
Goode, Ronald A.
Gordon, Elliot B.
Gordon, George M.
Gorla, Thomas W.
Goss, Earl W., III
Goss, Robert D.
Gotcher, James W.
Gouk, Ritchie W.
Grabowski, Richard B.
Graham, Stanley S., Jr.
Granahan, Paul F.
Grant, Brian E.
Grant, Gary T.
Gray, Howard W., Jr.
Gray, Michael E.
Gray, Nolan K. D.
Greco, Michael A.
Green, Walter A.
Greenleaf, Wayne K.
Gregory, William T., III
Griffin, Robert E., Jr.
Griffiths, Ralph E.
Grofcsik, Garry V.
Gross, Warren H.
Grundy, Kermit D.
Grunke, James M.
Guetter, Paul M., Jr.
Guidinger, John H.
Guinn, John A., Jr.
Guinn, John P., III
Gundler, Errol A.
Gunn, James M.
Gustafson, Jack E.
Gustin, John M.
Guthridge, David L.
Hackett, Douglas B.
Haden, John R.
Hagen, Gunter
Haines, John P.
Hall, Charles R.
Hall, David H.
Hallein, Edward E., Jr.
Halleran, Richard C.
Hamilton, Alfred T., Jr.
Hampton, Phillip M.

Hannon, Gerard K.
Hannon, John N.
Hare, Jeffrey S.
Harrington, Frank G.
Hart, Everett T.
Hart, Michael V.
Hart, Thomas E.
Hartshorn, David R.
Hartshorn, Lena M.
Havens, Barbara C.
Hayes, John J.
Hebdon, Frederick J.
Hegi, Ernest A., Jr.
Heinrich, Steven P.
Henderson, Larry G.
Henry, Wayne O.
Hermans, Robert L.
Herrmann, James N.
Herron, William E.
Hershberber, Donald A.
Hertel, Michael M.
Hess, David W.
Higdon, James N.
Higgins, Earl J.
Hill, George T.
Hill, Richard A.
Hill, William M., Jr.
Hiltabidle, John H.
Hilton, Charles E., Jr.
Hinson, Louie C.
Hinson, William H., Jr.
Hirsch, Charles J.
Hobbs, Charles M.
Hodgell, Tolin W.
Hodges, William H., II
Hoenstine, Ronald W.
Hoffer, Charles A.
Hollwarth, Steven B.
Holman, Richard K.
Holmes, James E.
Hone, Lawrence R.
Hopcroft, Harry J., Jr.
Horan, Thomas D.
Houghton, Thomas C.
Houser, Donald F., Jr.
Houston, "W" B.
Howard, Harold H.
Howell, Harold W.
Hubbell, James H.
Huckabee, Charles D.
Hudson, Agnes S.
Hughes, John F.
Humphrey, Barry E.
Hyberg, James D.
Jacobs, Francis T.
Jaggers, James D.
Jarvis, Arthur R. W.
Jerome, Michael S.
Jett, Paul D.
Johnson, Jon C.
Johnson, Joseph E., II
Johnson, William D.
Johnson, William F.
Johnston, Harvey D.
Johnstone, Fonda L.
Jones, Coral S.
Jones, Edward M.
Jones, Thomas R.
Jones, Wayne E.
Jordan, Jerry C.
Jordan, Michael F.
Jorgensen, Richard E., Jr.
Kaczorowski, James P.
Kampa, Frank J.
Karlinger, Richard J.
Karstead, Kenneth R.
Kastl, John J.
Kay, Richard O.
Keating, Margaret F.
Keim, John D., Jr.
Kellstrand, Robert E.
Kelly, Daniel J.
Kelly, John J., Jr.
Kelly, Robert M., Jr.
Kelso, Melvin F.
Kendall, Alger H., Jr.
Kennedy, Michael S., Jr.
Kerr, John E.
Kerr, Lawrence E.
Kienitz, Douglas A.
Kilkenny, Robert T.
Kilonsky, Bernard J.
King, Charles V.
King, Robert C.
King, William B.
Kivinen, Clifford H.
Klauser, James J.
Kleiter, Paul M.
Knutson, Donal L.
Koozer, Ralph E.
Kowalczyk, Eleanor M.
Kozel, Frank J.
Kraatz, William H.
Kreiner, Charles F., Jr.
Kullberg, Wayne R.
Kuntz, Paul R.
Kurth, Robert P.
Labouisse, John P., III
Lally, Dale V., Jr.
Lancaster, Herman L.
Langford, Marvin B.
Laskowski, Edward J.
Laskowski, Leo S.
Lathbury, Vincent T.
Lawrence, Fred P.
Lax, Forrest O.
Laxton, Stephen B.
Lee, Carroll W., Jr.
Leeson, Joel W., Jr.
Lehman, John F., Jr.
Lejeune, Robert L.
Leland, Roderic S., Jr.
Leonard, Raymond D., Jr.
Leonard, William D.
Leroy, David C.
Lightstone, William H.
Lillis, Burton C., III
Lindley, Gary L.
Lindquist, Douglas W.
Lines, Joseph F.
Lipson, Merek E.
Lockwood, Hanford N., Jr.
Lohla, Jerry A.
Lohlein, Edward G.
Long, Steven K.
Loome, James M.
Lopeman, Carl D.
Lopez, John, III
Losquadro, John L.
Louderback, Frederic C.
Love, Peter W.
Loving, John I., Jr.
Lucas, Robert G.
Luckard, Joseph J., Jr.
Luethi, Robert M.
Lyons, Thomas F.
Macaulay, William G.
Magnuson, Ronald R.
Malander, James B.
Mallett, Carl V.
Malmros, Merlin A.
Malone, Michael P.
Maloy, David F.
Maly, Michael K.
Markey, Patrick J.
Markley, Thomas C.
Marsoobian, Danny L.
Martin, David P.
Martin, John C.
Masarachia, Sam C.
Massa, Ernest A., Jr.
Masterson, Robert P., Jr.
Mattingly, John M.
Mattison, John R.
Mattson, Royce R.
Mauck, Sam M.
Mays, William C. S., III
Mazurczak, Michael, II
McArthur, Lawrence B., Jr.
McCarthy, Dana G.
McClellan, Richard J.
McCollister, John T.
McCrary, James E.
McCulloch, Thomas O.
McDonald, Oscar D.
McGee, Webster R.
McGehee, Claude S., Jr.
McGraw, Bennette D.
McKeen, Harold R., III
McKenzie, Robert D.
McKim, Gerry C.
McLain, John M.
McLaughlin, William J.
McNally, Michael A.
McNamara, Robert H.
McNulty, Jack H.
McPherson, Andrew M.
McVeigh, Michael R.
Meacham, Larry R.
Meek, Calvin L.
Meinert, David W.
Meinhold, Arthur J.
Melinosky, Theodore F.
Melville, Thomas F.
Merchant, Ronald
Merhaut, Robert C.
Merrill, Richard W.
Meslang, Curtis A.
Michaelsohn, Austin D.
Michel, Peter B.
Micken, Robert W.
Middendorff, Stephen C.
Milcovich, Peter M.
Milham, Russell O.
Millen, Joseph A.
Mize, James W., Jr.
Moersch, Edward S.
Moltzau, Ralph H. E., Jr.
Monroe, David R.
Monroe, John E.
Monty, William R., Jr.
Moore, George M.
Moran, Douglas R.
Morehead, Robert G.
Moreland, Henry K.
Morgan, Kenneth J.
Morgan, Thomas J.
Morrison, Michael K.
Morrison, Walter L.
Morton, Calvin T.
Moss, George M., Jr.
Mullen, James N.
Munson, Michael J.
Murphy, Robert J.
Murray, Richard J.
Myrick, David G.
Naegeli, Darryl L.
Napior, Dennis A.
Naylor, Harold D.
Neville, William J., Jr.
Newfield, Norman E.
Newton, Samuel L.
Nickson, Douglas C.
Niehaus, Christopher A.
Nisbet, John M., Jr.
Nontelle, Donald R.
Nordland, Gerald L.
Norris, Phillip K.
Norris, William J.
Novak, William S.
Nuss, Samuel W.
Oakes, Abner III
Obst, Charles J., Jr.
Okasinski, Theodore T.
Oksner, Michael L.
Olavessen, Leonard R.
Olson, Stephen R.
Oshea, Michael G.
Ovard, James E.
Page, Loren H.
Palmer, David F.
Palmer, William R., III
Paquette, Dale L.
Parker, Charles
Parker, Donald S., Jr.
Parker, Robert B., Jr.
Parks, Garnet L.
Parry, Howell J., Jr.
Partington, Richard D.
Paull, Peter L., Jr.
Pearson, Gerard D.
Peck, Roger R.
Pedersen, Calvin J.
Pelosi, Richard P.
Pelot, Russell E., Jr.
Penl, Allan G.
Perry, Leroy W.
Pestorius, Thomas D.
Peters, John C.
Petersen, John L.
Peterson, David I.
Peterson, Frank J.
Peterson, John R.
Peterson, Omas L.
Pfeiffer, William G.
Phelps, Michael E.
Platner, Gary L.
Pobuda, Robert G.
Poole, Thomas C.
Porter, Gene L.
Potter, Lincoln D.
Pouncey, Richmond E., III
Prevatt, Bruce C.
Pricco, James S.
Pride, Robert H.
Pruske, James E.
Pyatt, Richard R.
Quinlan, Eugene M.
Quinton, Mark S.
Rabb, Michael T.
Raftery, Thomas J.
Ragonnet, James L.
Raleigh, Richard E.
Ready, Timothy F., Jr.
Reale, Dennis M.
Recker, David C.
Reed, Robert M., Jr.
Reeder, Richard E.
Reid, John C.
Reidhead, Ricky M.
Reinauer, James R.
Reinke, Sharo F.
Renne, Merlin M.
Reynolds, John T.
Ridge, William L., Jr.
Rinne, Larry W.
Ritchie, William D.
Rivers, Gordon A.
Robertson, Alan W.
Robinson, Eliot S.
Rodehaver, Joseph W., III
Roe, Jack W., Jr.
Roesh, Donald R.
Rood, Robert M.
Rose, William N., Jr.
Ross, William C., Jr.
Rossi, Albert J.
Rudd, Edwin I., Jr.
Rudell, Frederick L.
Rump, Richard B., Jr.
Runk, Edward D.
Russell, Douglas S.
Russell, Jerold
Rutledge, William K., Jr.
Ryan, Carl J., Jr.
Ryan, James E.
Rylaasdam, David H.
Salatti, Stephen J.
Anderson, Tom L.
Sandrock, Peter F., Jr.
Sandvig, Dennis L.
Santoro, Alfred P.
Sargent, George K., III
Sarnecky, Joseph M.
Sartin, Tommy R.
Saxey, Edward, II
Scattergood, "J" H.
Schaus, Nicholas J.
Schear, James P.
Schenkel, Roger L.
Schulting, Eugene O.
Schultz, Keith L.
Schwer, Frederick A., Jr.
Scott, Maurice L., II
Search, Beth M.
Searcy, Charles W.
Seligman, Peter F.
Setule, Stuart W., Jr.
Shaner, Terry R.
Shane, James W.
Shannon, Thomas R.
Sharp, James R.
Sheil, Patrick J., Jr.
Sherwood, Robert
Shipman, Richard P.
Shortridge, Kenneth W., Jr.
Shown, Ted G.
Siglar, Gary L.
Silliman, Glennon M.
Silloway, Richard F.
Simmons, Donald K.
Simon, Ronald J.
Simon, William J.
Simonpietri, Andre C., Jr.
Sims, Stephen A.
Skaggs, Charles R.
Skjei, Sidney M., Jr.
Smith, Carl J.
Smith, Cordell C.
Smith, Gary D.
Smith, Gordon H.
Smith, Harrison Y.
Smith, Harry R., Jr.
Smith, John B.
Smith, Norman A.
Smith, Phillip K.
Smith, Ronald A.
Smith, Samuel D., Jr.
Smolak, Michael A.
Soderman, Arne P.
Sorensen, William H.
Sorg, William S.
Spagnole, James F.
Spangenberg, Frank A., III
Spath, James A.
Spencer, Charles R.
Spencer, Michael P.
Spencer, Robert W.
Springham, Paul J.
Staiger, Roger P., Jr.
Stamps, Roy K., III
Stander, Thomas S.
Stanley, Everett M.
Starkey, Robert L.
Stasica, Michael J.
Stedfield, William C.
Steinman, Edwin J., Jr.
Stevens, David E.
Stevens, Terrell E.
Stevenson, John S.
Stewart, Gavlan V.
Stillwell, Mark F.
Stoehs, William F.
Stohr, Richard J.
Stone, Juan G.
Stone, Thomas G.
Strebel, Joseph F.
Sturm, Robert H.
Sullivan, John G.
Sundstrom, Carl W., Jr.
Swanson, James R.
Tank, Arthur N.
Tate, John K., IV
Taylor, James M.
Taylor, Marcus G.
Thomas, Orville G.
Thomforde, James H.
Thompson, Jeffrey L.
Thompson, Stuart R.
Thornton, Peter C.
Thram, Delorman C.
Threlkeld, Clifford H., Jr.
Thurston, Charles W., Jr.
Tigert, John J., VI
Till, John E.
Travis, James O.
Trough, Kenneth S., Jr.
Tschirhart, Paul M.
Vallot, Anthony G.
Vandivort, Walter D.
Vanloy, Alan E.
Vann, Richard D.
Vanstrydonck, Thomas
Vaughan, Michael W.
Verdery, Edward H.
Verespy, Michael E., Jr.
Vetterick, Rolland C.
Vincent, Jack M.
Virtue, James P.
Viskup, Steven A.
Vollaire, Robert L.
Volpe, Michael J.
Vonbaillou, Nikolaus A.
Wagester, Wesley M.
Walker, Charles R.
Walker, Foster M.
Walker, Frederick D.
Wall, James A., Jr.
Wallace, Leon T.
Walsh, David G.
Walsh, John D.
Walsh, Mary F.
Walsh, William J.
Walton, Peter R.
Warren, Joseph D.
Watkins, David J.
Wauben, William M., Jr.
Weckworth, Thomas V.
Welch, Richard J.
Wells, Peter R.
Wells, Richard H.
Westerhof, Henry A.
Wharton, John B.
Wharton, John W.
Whitaker, Thomas W.
White, Robert E.
Whitehurst, Milton V.
Whitlock, Robert H.
Whittington, Joseph H.
Wiehage, James W.
Wilbur, Warren A., Jr.
Wildrick, William S.
Williams, Russell S.
Willis, Barry S.
Wilson, Richard H.
Wilson, Robert G.
Wimmer, Ronald D.
Winn, Dexter L.
Wissing, Frederick M.
Witt, Frederick A.
Wojcicki, Peter J., III
Wolfe, Michael J.
Wolff, Cyril M.
Wood, Melvin J.
Wood, Sheldon H., Jr.
Woodard, James A.
Workman, William A.
Wright, Bruce A.
Wright, Foster E.
Wright, Louis H.
Wurzbach, William E.
Wytsma, Johannes
Yates, David E.
Younce, Jonathan P.
Youngblood, Robert E.
Zahn, Albert M.
Zahner, Richard R.
Zemetra, Michael B.
Ziemer, Paul L., Jr.
Zimmerman, Stephen A.

WITHDRAWAL

Executive nomination withdrawn November 12, 1981:

Richard J. Bishirjian, of New York, to be an Associate Director of the International Communication Agency, vice Alice Stone Ilchman, which was sent to the Senate on September 10, 1981.

EXTENSION OF REMARKS

CAN ONE MAN STOP THE GUN LOBBY?

HON. BILL GREEN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. GREEN. Mr. Speaker, last month's issue of Prime Time carried a cover story about Pete Shields, the chairman of Handgun Control, Inc. It is an important story about one family's personal tragedy and today's effort to bring reasonableness to our Nation's gun control laws. I commend it to our colleagues.

CAN ONE MAN STOP THE GUN LOBBY?

"Another street slaying—the 18th 'zebra' victim." It was a headline chilling in its familiarity. "A Visitor to Bay Area Shot Down."

It went on. "A young man was shot to death on an Ingleside district street last night, the 18th in a series of shocking, unprovoked shootings that have become the terror of San Francisco since January 28.

"Nelson T. Shields IV, 23, who came to the Bay Area only two weeks ago, became the latest victim in the shootings the police list under 'Code Zebra.'

"Shields, a member of a socially prominent Delaware family, was killed at 9:30 p.m. while he and a friend were preparing to pick up a rug at 231 Vernon Street in the Ingleside District. . . .

"Until the witness spoke to police, it was thought that Shields had been shot by a sniper. But the girl told officers what she had seen, and inspectors found two .32 caliber cartridge casings, one of them in the victim's automobile. That was the same kind of weapon used in other 'Code Zebra' shootings. . . ."

It was April 17, 1974, early morning, when the San Francisco Chronicle story appeared, by which time Nelson T. "Pete" Shields III was already packing in Delaware. A late phone call the night before had informed him of the shooting and so, as San Franciscans read of the killing over breakfast, a father prepared to retrieve the corpse an assassin's cheap handgun had made of "Nick," his son.

Here, Pete Shields recalls, is how a young man wound up in the wrong place at the wrong time: "Nick had been working in Denver. He had dropped out of college a year before, a year and a half before. He had reapplied and gotten back into college in the next term, transferring from Hobart to Rochester. He had left his job in Denver and decided to go out to the West Coast and see some friends in San Francisco and then go down to Los Angeles and see his sister before he went back East and started the new term.

"He had only been in San Francisco six or seven days, staying with friends. He was a great lacrosse player, captain of his team in school. This friend of his was a lacrosse player too, and coaching a kind of little-league lacrosse team down in the center of the city. So as soon as Nick got to town he got involved with that, working with the kids. They were coming back from practice about nine-thirty at night and his friend had made arrangements to pick up a rug from a person he worked with who was selling it second hand. They stopped by the home of the associate. While Nick's friend went into the house to get the rug, Nick was cleaning the back of the station wagon to make room for the rug among the lacrosse equipment. Someone came up behind him and shot three shots right into him from close range. He never saw him. Shot in the back. Died instantaneously."

People may indeed kill people, but handguns are their weapon of choice. One American dies in a handgun murder every fifty minutes, or put another way, twenty-nine more will be dead by this time tomorrow, or another, almost 11,000 lives ended the same time next year, all thanks to handguns. In addition to murders, there are more than 250,000 other handgun crimes committed annually—nonfatal shootings, assaults, robberies, rapes. During the Vietnam War, more than 56,000 U.S. soldiers died; during the same period, some 110,000 Americans were killed with handguns. Handguns are used in 50 percent of all murders, compared to knives in 19 percent and rifles in 5 percent. There are currently 60 million handguns circulating in this country, and 2.5 million more introduced every year. At that rate, 100 million handguns will be floating around come the year 2000, or one deadly pistol in the hands of roughly every third man, woman and child.

How we must perplex the rest of the world. Great Britain, with one-quarter of our population had just fifty-five handgun killings in 1979. Japan, with half as many people, had only 171 handgun crimes, fatal and nonfatal, during the same period. Figures for West Germany, France and Canada are similarly small. In these countries and many others throughout the civilized world, the sale of handguns is restricted to those licensed for their ownership, and then only under strict conditions involving certification by the police.

How we vex ourselves. For almost fifty years public-opinion samplings have shown strong support for handgun controls among a majority of Americans. An August 1979 ABC News-Harris Survey found 78 percent in favor of "a federal law requiring that all handguns people own be registered by federal authorities." A January 1981 Gallup poll showed 62 percent urging stricter handgun control legislation. And a Washington Post-ABC News poll in March, following the attempted assassination of President Reagan, put 65 percent of all Americans behind "stronger legislation controlling the distribution of handguns."

Those who do oppose handgun control frequently base their opinion upon a mistaken belief that the Constitution grants Americans an inalienable right to own a gun. Certainly, we are historically and culturally a pistol-packing lot, what with Wyatt Earp and John Wayne and the six-shooter and all, but in precise legal terms the founding fathers never ordained that this be so. The Second Amendment to the Constitution reads, "A Well-Regulated Militia, Being Necessary To The Security of a Free State, the Right of the People to Keep and Bear Arms, Shall Not Be Infringed." On five separate occasions, the Supreme Court has ruled that the Second Amendment was intended to prevent members of the state militias—i.e., the National Guard—from being disarmed by the federal government, and not to secure a handgun at the bottom of father's dresser drawer. As long ago as 1875, in *United States* v. *Cruickshank*, the High Court wrote, "The bearing of arms for a lawful purpose . . . is not a right granted by the Constitution." Furthermore, the American Bar Association states that "every Federal Court decision involving the amendment has given the amendment a collective, militia interpretation and/or held that firearms control laws enacted under state's police power are constitutional."

There is hardly a city or county in this country without its target range where firearm enthusiasts may take their guns to shoot tiny holes in "official" bull's eye grids, courtesy of the NRA, and hob nob with other members of the local gun club, which is usually connected in one way or another with the NRA. For over a century, these ranges and clubs have provided the organization with a grass-roots network ideal for generating national membership, financial support and local political pressure to neutralize attempts at enacting gun control laws. Up against such opposition, a sense of futility is hard to avoid. Presidents, artists, even the Pope, can be struck down, and still nothing seems capable of shaking the NRA's grip on our spineless legislators.

But Pete and Jeanne Shields think they can. At the time of their son's murder, the Shieldses were just another suburban couple like so many other suburban couples. The kids had grown and the house was quiet; that was new, yet they continued to lead the life they had constructed for themselves over more than two decades of marriage: he, a middle-management marketing executive for the Du Pont Chemical Company; she, a homemaker and active member of their community. So much has changed since then. Pete is now chairman of Handgun Control, Inc., a national "citizens lobby" with the goal of keeping pistols out of the hands of maniacs *by law*, and Jeanne is one of the group's principal volunteers, currently setting up a "victims' network" to organize people like themselves who have suffered directly or indirectly from the wanton use of a handgun. They have stolen a page from the NRA's own manual, coalescing a concerned citizenry and collaring politicians and demanding results.

In calling itself a citizens lobby, Handgun Control means two things. First, it attempts to represent the general public in contrast to any specific industry or economic group. The issue of handgun control truly affects everyone; its adherents range from wealthy industrialists to the poor, from doctors and educators to daylaborers. Second, the organization terms itself a citizens lobby since it is supported almost exclusively by membership dues (fifteen dollars annually) and small donations (usually in the twenty-five to one-hundred-dollar area). It draws precious few foundation grants and little business support, nor does it receive government

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

grants, obviously. "Ninety-five percent of our money comes from average everyday folks," says its chairman.

Strangely enough, Handgun Control has no notion of its total membership—so quickly has it grown. Before John Lennon's assassination, it had reached a new highwater mark of 80,000, reflecting a respectable growth of between 10–15,000 a year since its founding in 1974. Outrage over the rock star's brutal, inexplicable death, however, flooded the lobby with 50,000 new members in just twelve weeks. Then President Reagan suffered his assault and, well, all hell broke loose. Handgun Control received mail by the sackful, actually the dozens of sacksful. Then came the shooting of Pope John Paul II, and the organization still hasn't had a moment to tally up its gains, much less catch its breath. Pete Shields estimates that, barring another electrifying act of handgun violence, his group will move into 1982 with a membership of between 250,000 and 400,000, plus a network of active, letter-writing nonmembers numbering perhaps 150,000 or more.

By no small design, victims of handgun violence now occupy an expanding role in the lobby and its efforts. Handgun Control publishes a monthly "Handgun Body Count," patterned after those grim Vietnam War listings, and it attempts to identify and contact survivors. Printed right on the membership blank is a box to check if the donor has ever sustained or had a loved one perish in a handgun assault. "We try to identify and motivate them," says Pete Shields, "which is a difficult task. A lot of them—in fact, the majority of them—don't want to go public. Typically, people want to bury their grief with the dead. But if they can and are willing to talk about their experience, then they can be very useful and very powerful. It's tough for a congressman to ignore a mother telling him about the loss of a son, or a son telling about the loss of a father. It's tough for a congressman, for anyone; to ignore that type of commitment."

Tactics such as these inspire controversy and do raise the question of exploitation, but Shields had given it all a bit of thought and he has a strong answer for his critics. "A lot of people say we're too emotional. I say, bull! That's what the name of the game is. If they, the NRA, can get emotional over that piece of steel, I can get emotional over life and death. This is the difference: they act like they're debating an economic issue—maybe the decontrol of an industry. We're not! We're not debating what President Reagan's economic policy is going to do to the gross national product, or if a 5 percent unemployment rate is tolerable. We see this issue as a life-and-death issue, a human-rights issue. In my book there's no 'acceptable' death rate. They talk about the 11,000 people murdered by handguns each year in the same sense as any other statistic. It's disgusting."

The Shieldses may personally wish for the banning of handguns entirely, but it is not something their organization is working toward—merely strict control. For all of their emotion, they are pragmatists, and they don't think—as some of their colleagues do—that handguns will ever be outlawed and driven out of circulation in this country. They appreciate the desires of those who use firearms for sport. Pete Shields is himself a hunter and owns several long guns; he instructed both his sons in marksmanship and bought them shotguns when they reached the age and maturity to handle them. It's the "Saturday night specials" that raise his fury. A hood can terrorize a neighborhood and a racist nut kill a young boy with these cheap, inaccurate, but deadly, handguns, available for thirty to forty dollars in almost any pawnshop. State laws alone are not enough: the pistol that killed John Lennon was purchased in Hawaii and smuggled all the way to New York, while the one fired at President Reagan was acquired at a Dallas pawnshop. If they cannot be banned, Handgun Control reasons, then at least license their owners and try to keep them out of the hands of the hoods and the nuts. Isn't it simple common sense?

"That's part of my own tragedy," Pete Shields says in one of his flashing segues between professional lobbyist and grieving father. "We tend to be so apathetic. I don't know if it's an American trait or a trait of our time. Until something has literally struck us personally, we tend to leave it to Joe, leave it to the other guy. I was aware of the handgun control debate over the years, read about it after the assassination of the Kennedy brothers, Martin Luther King, Jr., the shooting of George Wallace. But I didn't get involved. I didn't take a position. I didn't write my congressman—until it was too late."

Both he and Jeanne involved themselves in church and civic affairs around Wilmington. Once they helped start up a community drug clinic. They were Republicans like their neighbors. They socialized, played tennis; and it does take a lot of time to raise five kids. They were happy, content. A phone call in the night changed all that.

"Our whole emotion at the time," he remembers, "was built around not the tragedy, not vindictiveness toward the killers, but around the loss of a son. You know, one of our staff members, a woman whose son was also murdered, says, 'When you lose a parent, you lose the past; when you lose a child, you lose the future.'

"When I went out to California to identify the body and bring it back and the media wanted to interview me, they were amazed that I did not show more outrage, more anger, that I didn't want revenge. All the other victims were groping for—you know, 'Gimme a gun so I can go out and get that bastard.'"

Nothing made much sense after that. Not work. Not civic affairs. Not even friends. Pete Shields just knew he was angry, that his son had died for no earthly reason and that something had to be done about it. Now, too late perhaps, but now he began looking into the issue of handgun control. He read books and articles on the topic. He wrote his congressman. Finally, through a mutual friend, he heard about a year-old group called the National Council to Control Handguns. Shields first volunteered his time on evenings and weekends—it felt right, it was making some kind of sense out of his life. After agonizing over the decision, he asked Du Pont for a leave of absence, an unprecedented request. They granted it and he started going into the Washington, D.C. office part-time, eventually full-time, ultimately becoming chairman of the council. He took his thirty years and cashed them in for early retirement from Du Pont.

Jeanne threw hereself into handgun control about a year after her husband. Today, she is virtually a full-time volunteer, working four days a week in the cramped and frenetic office. She writes many of the letters and makes many of the calls that go out to those the organization has identified as handgun violence victims. It is not a pleasant job especially for her, but it is important, val, in fact, and so she does it without complaint—just an occasional breather. Every once in awhile, I do have to take a week off and get away from it. When you keep seeing the letters that come in and hering the things that keep happening to other people, it get to you. It conjures up all the memories. You have to come up for air."

Each in their own way, all the Shieldses, father mother and the four remaining children, are involved in the handgun control issue. But perhaps most involved is Nick. Jeanne remembers, "We did talk it over as a family when we decided to do this full time. It meant that in order to do this and make an impact—talking about Nick and making him the focal point, and going public, was necessary. We wanted the children to be part of that decision; we wanted them to really understand why. They understood and agreed, provided it didn't become, as one of them said, 'maudlin and icky.' I don't think we have been." Even so, it's never easy. "Oh yes, it's seven years now, and often it's perfectly simple to talk about, and then there are times when a phrase or something somebody says sort of triggers an emotion—and then tears come.

"What I'm running into now are people who say that their sons or husbands have been shot and are paraplegics. That went through my mind at the time of Nick's death and again later: what if Nicky had lived but had been paralyzed for the rest of his life? In many ways, that would have been a worse burden, not on us, but on a young man who was very athletic and full of life. I don't think I would want that for him—it's really hell on earth. Yet, on the other hand, at least he would have had his mind. Then I think I probably shouldn't dwell on it. So I don't."

In theory, Pete and Jeanne Shields took on their cause as a means of tempering their personal grief. In effect, they have tendered their lives to the issue.

The first, most obvious hardship was financial. During his leave, Pete drew no salary from Du Pont, living instead off some investment income and savings. Later, he had his early retirement pay, plus a modest stipend from the organization. Now, he estimates his income has once again reached the point where it was when he left Du Pont, seven years ago.

And there were logistical strains. At first Pete commuted, a five-hour round trip from Wilmington to Washington. He used up what welcomes he had, spending the nights on sofas and floors of city friends. He then took a shabby furnished room, which was wearing after awhile. Finally, every other option exhausted, the Shieldses bought themselves a livable condominium in the capital for weekdays, saving their old house for the weekends. Says Jeanne, "You get more organized. You make more lists. And then you let certain things slide, and you find it doesn't make that much difference. If you don't get the house cleaned as often as possible, you soon discover that dirt's not going anywhere. It's no big shakes." Still, her husband explains, "Once you've found a 'solution' the question remains: where is what part of your life? It's worked out that this is our working life and that's our social life—Wilmington is where the roots are. It's hard. We're out of town five days a week and in for two; whether we like it or not, those roots tend to get disrupted. It's very hard to keep the old ties."

Nor does the issue they have chosen make things any more comfortable. "What are the three emotional issues of our time?" Pete Shields asks. "Abortion, busing and gun control. We have friends who are polite and still friends, but not like it used to be, because they disagree with us. There are others who think I've kind of gone off my rocker. It has nothing to do with the issue. They just think: how could I give up a job and go off and live this crazy life, half in Washington, half in Wilmington? And then there are some wonderful people on the other side, people who have been so supportive and strong in their support that it makes up for all the rest."

"It's a bitter pill to swallow," says Jeanne Shields of their new life, "in that we know we're in it because we had a son who was shot. That's always there. But it's a happy life; if we can make the world a better place for someone else, I think that's a pretty great thing to have accomplished. I like to think that there's going to be an end to this. Maybe I'm too optimistic, but I have to be."

Pete Shields has his sanguine moments. "I wish I could say that we'd passed a whole bunch of bills. We haven't. And I wish I could say that our increase in membership wasn't a function of tragedy, but it is.

"Yet, we don't find the battle hopeless. We know we have 75 percent of the American people on our side. That prevents the hopelessness. We know that they are with us, that they know it makes commonsense to keep such deadly weapons out of the hands of the felons and the sick people and the drug addicts of this country. They can't prove it will reduce crime by 1 percent or 12 percent. It just makes sense. But, what do they do about it?

"Our job is getting them to act on that commonsensical belief. We want that belief to affect them at the voting booth, to affect their choice of candidates. That's why we consciously emotionalize the issue: to get people off their intellectual asses. Look, the proliferation of handgun violence affects everyone. If they aren't themselves victims, they live in fear of becoming victims."

No law is going to eliminate all crime. And the wrong people will always have guns. But somehow, and someday soon, something must be done to halt the arming of America. It really is as simple as that.

One person shot every fifty minutes. Twenty-nine people every day. Eleven thousand every year. Who will be next in this insane lottery? Another politician? Another pop star? Another religious leader? Another Nick Shields? Or you?●

POLAND REMEMBERS ITS INDEPENDENCE OF THE PAST—WITH AN EYE TOWARD THE FUTURE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. BIAGGI. Mr. Speaker, yesterday the people of Poland celebrated the 63d anniversary of Polish Independence Day. This year's observance was especially significant as Polish Communist officials, apparently with the consent of the Soviet Union, permitted a national day of observance of this important day in Poland's history.

While the duration of Poland's status as an independent nation was brief—the memory of freedom has endured throughout these six decades. Yesterday's activities in Poland focused on events of the past but clearly on the minds of the people of Poland is the future. Fourteen months ago, the Solidarity labor movement entered Poland's political scene—and in this short time period has had an enormous impact on Polish life. Two years ago when a group of Polish citizens marked November 11 with a rally, they were attacked by officials and their banners and signs were ripped up and destroyed. Yesterday the entire nation was permitted to observe Independence Day. In fact, according to an account in this morning's New York Times,

In addition to the official ceremony at noon, there was a nighttime rally that drew some 10,000 to 15,000 people. The procession was led by dozens of Boy Scouts bearing torches and dressed in the camouflage uniforms that youths wore during the Varsaw uprising in 1944 against the German occupation. The wreath laying and hymn singing went on for almost two hours.

One can only hope that the events of yesterday may signal the acknowledgement by the Soviet Government that the Solidarity movement is a potent political force which accurately reflects the sentiments and aspirations of the Polish people. The Soviet Union must abandon its dogmatic philosophy that it can only rule through coercion and oppression. Solidarity has shown the world the extent to which the quest for freedom and justice is a predominant part of the Polish spirit. Polish Solidarity has captured world attention and has made it difficult for the Soviet Union to impose its customary suppression of these aspirations. The saber rattling of the Kremlin, including threats of invasion of Poland, have drawn strong world criticism.

I hope that history records the events of yesterday as a catalyst for the rebirth of independence in Poland.●

THATCHER-REAGAN COMPARISON IS UNFAIR

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. PARRIS. Mr. Speaker, hardly a day goes by without some new declaration of why and how the economic recovery program will not work. After 40 years of fiscal excess, these critics demand miracles in the first 40 days of this dramatic change in Federal tax and spending policies.

Some of these doomsayers predict that America is following the course of Britain's Thatcher government. I recently read an interesting paper by Edwin Feulner, Jr., president of the Heritage Foundation, which dispels many of the false claims that have been circulated about the shortcomings of the Reagan economic program.

I am inserting a copy of this paper for my colleagues' information and use. This paper follows:

REAGAN TEAM AVOIDS BRITISH FACTIONALISM

(By Edwin J. Feulner, Jr.)

One by one over the past few months, some of America's leading political pundits have declared the "Thatcher experiment" a failure in Britain, and in appropriately somber tones (somber except for the sounds of joy that occasionally ring through) warn that President Reagan won't have long to wait before he too trips over his conservative baggage.

The equation sounds so appealingly simple that it seems to have gone unchallenged.

But what of the Thatcher-Reagan comparison? Is there substance behind the hot air? Is the Thatcher experiment over, and has the Reagan experiment failed before even getting off the ground?

I think not. First of all, Ronald Reagan isn't Margaret Thatcher, the United States isn't the United Kingdom, and the Thatcher experiment is far from dead. Mrs. Thatcher can still rescue Britain's economy; but even if she fails, it would hardly be a repudiation of Reaganomics.

When Mrs. Thatcher took office the British economy was in a shambles—far worse than the American economy which Ronald Reagan inherited. True, the diseases were very similar. However, in the British case, the symptoms were much more marked. For example:

1. British budget deficits constituted a larger proportion of the gross national product. Consequently, the British government's borrowing "crowded out" much more investment capital.

2. British tax rates had soared as high as 98 percent on "unearned" income.

3. Britain's annual industrial product had slipped back to the level which it had held in 1966.

4. Trade unions are much stronger and more militant in Britain than in the United States.

5. Many key industries (railroads, British Airways, steel, medicine, coal, electricity, gas, telephone, British Leyland, and the BBC) were already under government control, and thus, managed with political rather than economic objectives in mind.

6. More than half of Britain's workers belong to labor unions, compared to less than one-fifth of workers in the United States.

As if all of these problems were not enough, Margaret Thatcher did not assemble a Cabinet which was ideologically united. Until the recent shake-up, her Cabinet included an assortment of members ranging from hard-core Thatcherites—such as Sir Geoffrey Howe, the Chancellor of the Exchequer—to the "Wets"—practitioners of the old brand of Edward Heath Tory paternalism, such as James Prior, the ex-Secretary for Employment. Consequently, Mrs. Thatcher's Cabinet quickly divided into a variety of warring factions which proved incapable of supporting a consistent, coherent, cohesive economic policy. Throughout her tenure in office, the Cabinet has proved to be Mrs. Thatcher's most intractable (and least understood) problem.

Mrs. Thatcher's Cabinet, therefore, presents a sad contrast with that of President Reagan. While the British haggle about where to increase spending, the U.S. Cabinet has thrown itself into the fight to cut federal spending. In Britain, public spending equals 40% of the nation's GNP. Whereas, in the United States, total spending of federal, state and local governments was only 32% in 1980.

Malcolm Baldrige, the Secretary for Commerce, and certainly not one of the strongest of the "Reaganauts," is said to have declared in one of the early Cabinet meetings, "Yes, I can absorb $300 million in cuts. In fact, I'll see you 300 and raise you 50!" Determination such as this has launched the Reagan Administration upon a path which Mrs. Thatcher's feet have not yet touched.

Because the Thatcher Cabinet has no solid, principled commitment to economic reforms, there have been a number of strange anomalies in British government policy. The education ministry cut a relatively minor amount from its annual budget for higher education, to the detriment of some venerable British universities. However, Sir Keith Joseph, Mrs. Thatcher's supposedly free-market guru, is still subsidizing the British Leyland auto company, British steel, and other inefficient nationalized industries. Indeed, Sir Keith's industrial subsidies have been larger than those of the previous labor government. This hodgepodge of policies has not made for good economic policy, nor has it made for good politics.

Moreover, when Ronald Reagan assumed the Presidency he also had David Stockman on his team. Stockman is a savvy (some would say brilliant) Cabinet member who possesses detailed knowledge of the minutiae of the federal budget. Margaret Thatcher has no such individual at her side. Consequently, when her Cabinet split along ideological lines, she had no knowledge, ideological force to back up her prescription. As a result, the Cabinet lost sight of any overall objectives it had ever had and collapsed into a collection of squabbling ministers, each representing his own particular interest group.

Finally, the Thatcher government encountered a characteristically British problem—the transition period or, to be more accurate, the lack of a transition period. Great Britain does not have a transition period between elections and the beginning of the new government's tenure in office. When Margaret Thatcher defeated James Callaghan she had less than a day to form a government and assume power. The Conservatives had a "Shadow Cabinet" in opposition, but not all its members were called into the government. In view of the radical differences between the Callaghan and Thatcher programs, this was certainly not enough of a base or enough time to form a coherent program.

The Reagan Administration, on the other hand, had ample time to study issues, make political appointments several layers deep, construct a broad policy outline, and hear suggestions from outside groups as well as its own transition task forces. The difference in preparation is, of course, tremendous.

In light of all these differences, it should come as no surprise that the Reagan Administration has been much more successful in putting its plans into action. With an informed, unified Cabinet, and with members of Congress fully briefed in advance, President Reagan was able to take advantage of the "honeymoon period" to enact sweeping changes in federal policies. (It is worth pointing out, to the benefit of the Reagan team, that Congress is less homogenous than the House of Commons.) Mrs. Thatcher, on the other hand, was pushed and pulled in different directions during her own "honeymoon period," and the results were often directly contradictory to her campaign promises. For instance, the Thatcher Government has not cut taxes overall; it has increased them.

In the wake of her recent Cabinet re-shuffling, Mrs. Thatcher might be presented with a new opportuntiy to utilize this new "honeymoon period" for a burst of direct action on the economic front. She might ask each new Cabinet minister for firm budget-cutting commitments. She could ask every Cabinet member to pledge support for legislation that would restore her government's ability to enforce the rule of law on trade unions. Such basic social changes would be more in keeping with the spirit of the Thatcher experiment—a restoration of British economic freedoms.

There is one more intriguing idea currently under discussion among British observers Mrs. Thatcher might choose to appoint a outside group—possibly one composed of retired civil servants and academics—to compile a master list of budget cuts. Such a pan could constitute the blueprint for the new Thatcher experiment, and would form the backbone of the new government efforts toward economic restoration.

As things stand, the confusion of the Thatcher forces has meant that the Prime Minister is blamed for a policy which she is not following. That is, she is condemned for her monetarism although her policies have been anything but strict. Moreover, she is condemned by her friend and foe alike; her friends criticize her for not sticking to her plans, while her foes argue that she is inflexible in her ideology. Unless she constructs a consistent economic sance, with the full support of a reconstructed Cabinet, she cannot possibly muster the political strength to win her legislative battles.

What lessons can the United States learn from the mistakes of the Thacher government? Should we think, as many of the pundits are telling us, that the Reagan program is doomed to the same fate? On the contrary, the record points in exactly the opposite direction. If the Reagan Administration loses its commitment to boll economic reforms, it will become the same indecisive, vacillating government that Mrs. Thatcher's Cabinet has been. President Reagan won the 1980 election by presenting the voters with a clear slate of economic reforms; a pledge that it would not be "business as usual" in Washington any bnger. If he and his team back off from thoie commitments, they will be inviting the sane sort of problems that Mrs. Thatcher must now seek to correct. We hope that Mrs. Thatcher will succeed in conquering these problems, but we must not wish them upon ourselves.●

HUMBUG ON THE HILL

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRISENTATIVES

Thursday, November 12, 1981

● Mr. BEREUTER. Mr. Speaker, the following column by James J. Kilpatrick, appearing in the Washington Post on November 4, 1981, is inserted to be read or reread by Members of the U.S. House of Representatives now, and to assure that it is a part of our ready accessible record of public events in this Nation:

HUMBUG ON THE HILL

(By James J. Kilpatrick)

There is a little bit of bad in the best of us, so the saying goes, and a little bit of good in the worst of us. In our town there is a little bit of humbug in practically everybody. Consider, if you will, three recent events.

The first has to do with tourists, the second with tobacco, the third with milk.

Back in January the Senate approved the National Tourism Policy Act. In July the House added some amendments. The bill went to conference in September. A few weeks ago it reached the White House, and on Oct. 16 with President Reagan's signature it became Public Law 97-63.

The National Tourism Policy Act, you will observe, is the product of an administration absolutely dedicated to reducing the federal bureaucracy. The law drifts onto the statutory beaches on waves of austerity. It was signed by a president who constantly reminds us of his preference for the private sector as distinguished from the public sector.

Well. The act will abolish the old U.S. Travel Service, whose function was to encourage foreign tourists to come to our shores. In its place the law creates a new U.S. Travel and Tourism Administration to do the same thing. This "administration," God save the mark, will be headed by an undersecretary of commerce. The agency also will benefit from an assistant secretary of commerce. We are to have a nine-member Tourism Policy Council and a 15-member Travel and Tourism Advisory Board. A notable provision of the act will bind the grasping hands of budget director David Stockman: no matter what the budget and staff of the administration cannot be cut below 1979 levels. So much for tourism. So much for austerity.

On Oct. 21, by a vote of 231-184, the House killed what was know as the Shamansky amendment to the farm bill. The amendment, had it passed, would have put an end to the program of tobacco acreage allotments and commodity loans that has operated since 1933.

In the House the debate ran on for hours. The chamber rang with pathos, bathos and bum statistics. As the orators dwelled upon the plight of 171,000 small family farmers—or 300,000 or 550,000 or 700,000 small family farmers, for the number kept escalating—the floor of the chamber was flooded with tears. "Man the boats!" cried Speaker O'Neill. Only a roll call vote forestalled a tragedy of ghastly proportions.

The principal speakers in opposition to the Shamansky amendment, as you will have surmised, were the gentlemen from the tobacco-growing states of Dixie—from Virginia, Kentucky, Georgia and the Carolinas. It is an interesting thing about these gentlemen: almost to a man, they are fierce defenders of free enterprise, free competition and deregulation. Emblazoned upon their conservative coat of arms is a motto for the ages: "Get the Gummint Off Our Backs!" But on the afternoon of Oct. 21, that venerable motto had been turned to the wall.

While all this was going on over on the Senate side the greatest shoat economizer of them all, William Proxmire of Wisconsin, was interminably holding the floor. The senator's chief claim to fame lies in his monthly Golden Fleece Award given to especially deplorable examples of governmental extravagance. But on this occasion, what was the senator's purpose? Why, sir, his purpose was to defend that especially deplorable extravagance by which millions of tax dollars are spent to buy surplus milk and cheese from the dairy farmers of Wisconsin.

At this point perhaps I should turn purple, clear the old tonsils and fulminate against the hyprocrisy of man, but 9 years in legislative galleries have run down my reservoirs of outrage. This is the way lawmakers have been, are now, and ever will be, roll calls without end, amen. You keep hoping to see principle rise consistently above politics, but after a while you don't hope much.●

PAYING TRIBUTE TO OUR VIETNAM VETERANS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WHITEHURST. Mr. Speaker, I want to join my colleagues today in paying special tribute to our veterans of the Vietnam war. There can be no denying the fact that those who were called to serve in this conflict did so under immensely unpopular conditions. There can also be no denying the fact that these individuals made enormous personal sacrifices, which have not always been fully appreciated. Even though the final round of artillery in Vietnam was fired long ago, the horridness and anguish of that conflict, unfortunately, continue to haunt many of these brave soldiers.

Mr. Speaker, our words alone certainly will not erase the tragic events of the Vietnam war years and heal the physical and emotional wounds of those involved. It is my hope, however, that those who served in that war will come to realize that the sacrifices they made for their country have not gone unappreciated. The 97th Congress has taken note of this and passed several pieces of legislation in recent months, some of which is designed to help those veterans still having readjustment problems.

Thank you.●

DO NOT DELAY NEXT ROUND OF TAX CUTS

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WALKER. Mr. Speaker, the raging debate over how best to stimulate genuine economic recovery is intensifying. Unfortunately, it has become clear that we are still suffering an economic hangover from the fiscal policies implemented by the Carter administration. Incredibly, as an alternative to the program offered by the Reagan administration, there are those who are actually recommended that the next round of tax rate cuts be delayed. Nothing could be worse. We are in a recession; you don't raise taxes in a recession.

For those of us who have faith in the President's prescription, the solution to our problem is clear: We need to cut taxes again, and we need to do it quickly. Today, the Wall Street Journal, in a brilliantly incisive lead editorial, described our current economic problems; the evolution of the Reagan solution to them; and pinpoints precisely our future course of action: We should move the effective dates of the next round of rate cuts forward. I am inserting this editorial in the RECORD, and highly command its final recommendation to my colleagues.

RECESSION SPECTACLE

With recession breaking around us, we should record for posterity the current conventional wisdom: The recession is caused by high interest rates. High interest rates are caused by the fiscal 1984 deficit. The 1984 deficit is caused by tax cuts. Therefore, you must fight the recession by raising taxes.

This collection of non sequiturs is currently being offered by the same people who throw around epithets about "voodoo economics." In fact, it has not been accepted economics anywhere since similar thinking caused Herbert Hoover to boost taxes in 1932. And amid the peals of this conventional wisdom we are hearing the first whispers of what, as the recession deepens, will predictably be the next conventional wisdom.

To wit: A recession is no time to control government spending. The government must "offset" the fall in private spending with "countercyclical stimulus." "Stimulus" means a high deficit, for you see, deficits are not a bad thing, they are a good thing. This of course really is "standard" economics, the conventional Keynesianism that got us where we are today. (Unless, of course, you think that the economy was dandy until last Jan. 20.)

It will be fascinating to watch the Hooveresque tax-boosters evolve into Keynesian free spenders. We see that putative Democratic presidential nominee Walter Mondale jumped on the tax-boost ship this week, just as the water started to come over the gunwales. The Republican Senators will be even more amusing; by the third budget resolution Pete Domnici will be repeating Richard Nixon's immortal words that we are all Keynesians now. The deficit is sometimes an argument for higher taxes, and sometimes an argument for higher spending; the one constant is that either way it is an excuse for ducking expenditure restraint and increasing government's role in the economy.

Given the developing spectacle, it's clever of Ronald Reagan to put off his next round of economic proposals until January. We need a little time for countermarching so everyone can find his position before the battle. And perhaps Mr. Reagan can use the time to restore some order in his own economic councils. He is not going to be able to get anything done if his administration offers Congressmen a Chinese menu of economic theories from which they can pick and choose to suit their political convenience. Even without the new flap over David Stockman quotations in The Atlantic Monthly, the cacophony of voices on economic policy has come to approach that on foreign policy.

Which brings us to supply-side economics. The fundamental premise uniting the various thinkers collected under this umbrella, remember, is this: You fight inflation with a tight monetary policy. And you offset the possible recessionary impact of tight monetary policy with the incentive effects of reductions in marginal tax rates. Since we are now having a recession, you could claim the formula has failed, except for one detail: We've had the tight money all right, but, dear friends, we haven't had any tax cut.

The drama now being played out was predicted in the midst of the tax-cut debate by various supply-side theoreticians. Last June, for example, A. B. Laffer Associates published this commentary by Howard Segermark: "The danger is in the concessions on the timing of the tax cut. One possible compromise—a 5 percent cut effective Oct. 1 of this year followed by 10 percent cuts on July 1 of 1982 and 1983—means a 1.25 percent tax cut for 1981 and only 10 percent for the first two years of the Reagan presidency. That could mean little of the positive effects of the tax cuts would be evident by the November 1982 elections."

Precisely this compromise was enacted, after concern over deficits watered down the Reagan campaign proposal of 10 percent reductions in each calendar year 1981, 1982 and 1983. Restrained money growth succeeded in turning inflation down more rapidly than most economists expected, but there was nothing to offset the effects on the real economy. Recession started in September. The puny October tax rate reductions were more than offset by bracket creep. And the tax-boosters blame "voodoo economics" for causing recession.

As for the outlook: On Jan. 1 taxpayers will have a New Year's gift of a boost in Social Security taxes. Further adjustment of their withholding rates will wait until July. On the brighter side, business tax reductions and the end of the 70 percent top rate on income from savings will take effect in January. This will surely boost the savings pool and lower interest rates. Along with normal cyclical factors like a run-off of inventory, this may be enough to spark a recovery. We have little choice but to wait and see.

There would be far more reason for confidence, though, if that next 10 percent personal tax cut were coming into effect in January rather than July. That is, if taxes were cut not less but more.●

CITIZENS ADVISORY COMMITTEE ON CRIME

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DYSON. Mr. Speaker, a recent poll conducted by the Baltimore Sun

and verified by my own poll indicated that 33 percent of Marylanders polled named crime as the No. 1 local problem. The perception of crime as the worst community problem was fairly uniform at all income and age levels. It was this concern about crime that led me to form a Citizens Advisory Committee on Crime. The purpose of the committee is to initiate a dialog between our local and State law enforcement of officials, our attorneys, the citizens of the First District of Maryland, and myself, so that we can address this serious problem and come up with some meaningful solutions.

To date, I have held two meetings in Washington, D.C. and a public forum in Salisbury, Md. The testimony of the involved citizens has been informative and enlightening. I would like to enter into the RECORD a letter which I received from Mr. Richard Holloway, president of the Salisbury Chamber of Commerce:

SALISBURY AREA CHAMBER OF COMMERCE,
Salisbury, Md., October 28, 1981.

Congressman ROY P. DYSON,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DYSON: The Salisbury Area Chamber of Commerce appreciates the opportunity to participate in the public hearing conducted by you on October 29, 1981. As the representative of the business community in the Wicomico County area we are vitally concerned with the impact of crime on the businessman. On the other hand, we have growing concerns for the attitude of society toward these crimes. It is our contention that a criminal act represents a deterioration of the moral code of our society in addition to an infraction of a law. To the extent that society respects its historical precedents, its present leaders, and its laws, it is less likely to commit a crime. Unfortunately, many people have little respect for laws which they judge to be unfair, unjust, and injurious to their best interest. Education is probably the best long-term measure which will be effective to provide these people with an insight to our democratic processes and procedures.

On the other hand, the violent criminal is not concerned with values and precedent and personal morals. For him the penalty is the solution. This solution must be coupled, of course, with a fair and expeditious rendering of the law. An even handed approach coupled by the rule of law will insure that justice will prevail.

It is important that such crimes as shoplifting, burglary, murder and personal injury be treated as serious crime. It is important that, while the burden of proof belongs to the prosecution, that his hands are not tied by judicial conservatism.

Mandatory jail terms for persons using a gun in the commission of a crime would be a positive step. Also, the model law used in Oregon and Washington for the prosecution of shoplifters should be considered.

It is our position that the law shall protect the innocent, punish the guilty, and preserve society for future generations.

Thank you.

Sincerely yours,
W. RICHARD HOLLOWAY,
President.●

ABORTION DOES CAUSE PAIN TO ITS VICTIMS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. SMITH of New Jersey. Mr. Speaker, I want to ask all of my colleagues to consider an article by George F. Will which appeared in the November 5 Washington Post, "Abortion Does Cause Pain To Its Victims." Mr. Will sheds light on an area which has gained little attention since abortion became an issue of national interest—the cruel and inhuman techniques used in aborting an unborn child

Mr. Speaker, in all the years we have debated this issue, have we ever taken a hard look at the reality of pain to the unborn? As Prof. John Noonan has suggested,

All of our knowledge of pain is by empathy: we do not feel another's pain directly. That is why the pain of others is so tolerable for us. But if we begin to empathize, we may begin to feel what is intolerable.

Mr. Speaker, I'm certain that once my colleagues take to mind the hard facts contained in this study, some will reconsider their position favoring abortion-on-demand through the 9 months of pregnancy. Thank you for taking the time to consider this article.

ABORTION DOES CAUSE PAIN TO ITS VICTIMS
(By George F. Will)

In the eight years since the Supreme Court nationalized the abortion controversy, one facet of that subject has been neglected: pain. Abortion is painful for the aborted.

The neglect is explainable. To opponents of abortion, death, not pain, is the paramount issue. And proponents of abortion need (emotionally or logically, or both) to deny the possibility of fetal pain.

In its 1973 decision legislating abortion on demand, the Supreme Court announced that fetal life is not alive. At least that is what the court seems to have meant (if it can be said to have meant anything) when it described the fetus as "potential life." Those who support the 1973 decision are committed to the idea that a fetus, being only "potential" life, cannot feel pain, pain being an attribute of actual life.

Thus does a legal absurdity breed a biological falsehood. This intellectual train wreck is the subject of an essay in The Human Life Review by Prof. John Noonan of the University of California (Berkeley) Law School. There are, he notes, four principal means of abortion.

Sharp curettage involves a knife killing the fetus (if the amateur embryologists on the court will allow us to speak of "killing" life that is merely "potential"). In suction curettage, a vacuum pump sucks out the fetus in bits (and a knife cleans out any remnants). In second trimester and later abortions a saline solution is injected into the amniotic fluid. The salt seems to act as a poison; the skin of the fetus, when delivered, resembles skin scaked in acid. If by accident the solution leaks into the body of the mother, she experiences pain that is described as "severe." The fetus can be in this solution for two hours before its heart (a stubborn bit of "potential" life) stops beating. Alternatively, the mother can be given a dosage of a chemical sufficient to impair the circulation and cardiac functioning of the fetus, which will be delivered dead or dying.

A fetus, like an infant or an animal, has no language in which to express pain. But we infer, and empathize with, the pain of creatures such as baby seals, which lack language to express pain.

There are uncertainties about the precise points in fetal development at which particular kinds of sensations are experienced. But observations of development and behavior indicate that by the 56th day, a fetus can move. Discomfort may occasion the movement. Tactile stimulation of the mouth produces reflex action about day 59 or 60. By day 77 the fetus develops sensitivity to touch on hands, feet, genital and anal areas, and begins to swallow. Noonan believes that the physiological literature teaches that "beginning with the presence of sense receptors and spinal responses, there is as much reason to believe that the unborn are capable of pain as that they are capable of sensation."

Americans are proud of their humane feelings and are moved by empathy. Thus, we regulate the ways animals can be killed. Certain kinds of traps are banned. Cattle cannot be slaughtered in ways deemed careless about pain. Stray dogs and cats must be killed in certain humane ways.

But no laws regulate the suffering of the aborted. Indeed, Planned Parenthood, the most extreme pro-abortion lobby, won a Supreme Court ruling that it is unconstitutional to ban the saline abortion technique. That's right: the court discovered that the "privacy" right to abortion, which right the framers of the Constitution neglected to mention, even confers a right to particular abortion techniques.

Most pro-abortion persons have a deeply felt and understandable need to keep the discussion of abortion as abstract as possible. They become bitter when opponents use photographs to document early fetal development. The sight of something that looks so much like a child complicates the task of trying to believe that there is nothing there but "potential" life. And if fetal pain is acknowledged, America has a problem: its easy conscience about 1.6 million abortions a year depends on the supposition that such pain is impossible.

Magda Denes, in her book, "In Necessity and Sorrow: Life and Death in an Abortion Hospital," brought to her subject not anti-abortion convictions but a reporter's eye for concrete detail. Examining the body of an aborted child, she described the face as showing "the agonized tautness of one forced to die too soon." That is a description to bear in mind this day, as many thousands of abortions occur.●

PARRIS INTRODUCES MARRIAGE PENALTY REFORM BILL

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. PARRIS. Mr. Speaker, I am today introducing legislation to correct what I believe to have been an oversight during the consideration of H.R. 4242, the Economic Recovery Tax Act of 1981.

In that legislation, the Congress took an important first step toward eliminating the so-called marriage penalty which taxes the combined income of a married couple at a rate higher than the rate which would apply if the couple were not married and filed individual returns.

While I applaud that action by the Congress, I believe the definition of income included in the bill applies unfairly to those couples whose combined income is not derived from wages and salaries but rather results in payments from pensions and annuities.

The unfairness of the marriage penalty affects all duel income married couples and to limit the application of the marriage penatly relief only to those whose income is derived from wages and salaries discriminates against the disabled and retired.

I hope the Ways and Means Committee will correct this oversight when they consider the technical corrections for the Economic Recovery Act.

I urge my colleagues to join me in supporting this correction of the definition of income for the purposes of the marriage penalty provisions of Public Law 97-34.●

ECONOMIC GOALS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. HAMILTON. Mr. Speaker, I am inserting my Washington report for Wednesday, November 11, 1981, into the CONGRESSIONAL RECORD:

ECONOMIC GOALS

The United States has passed through a decade of frustration with the performance of the economy. We enter the 1980's with an unsatisfactory rate of growth and high rates of interest, inflation, and unemployment. One often encounters doubt that our current economic system can weather the storm, but free enterprise is resilient and dynamic. Proposals to reinvigorate America's productive capacity and to restore her competitive edge should build on the economy's underlying strengths. Our approach to the economy should be marked by an emphasis on the free market, a reorientation of policy toward long-term solutions, and an acknowledgement that the system is not working as well as we would like, that major changes are needed, and that no one has all the answers. Our long-term strategy must consider the institutions in which economic decisions are made, and it must deal directly with lagging productivity, inflation, and joblessness.

INSTITUTIONS

We must begin to think about better ways of governing, doing business, and working. A reassessment of these institutions may be required. We have lost the consensus which provided the basis for American leadership abroad and rising prosperity at home. The consensus must be forged anew.

We cannot craft a successful economic policy without the broad support of these key institutions and the public. To achieve that support, cuts in spending and taxes must result in a fair sharing of burdens and benefits. Incentives for saving must include the middle class, and government must work to find new patterns of cooperation among business and labor to marshall our resources in a new effort to foster economic growth.

PRODUCTIVITY

For most of the period since World War II, the average worker produced from 2 percent to 3 percent more every year, but in the 1970's the growth of productiviy slowed and then stopped.

Various steps can help us work "smarter" and produce more. Liberalized depreciation and recent cuts in taxes on capital gains and coporate profits should be helpful incentives in modernizing our plant and equipment. Tax incentives to spur research and development by business are long overdue. The government should consider direct support for such efforts when the benefits would outweigh the costs. We must speed the arrival and harness the potential of the revolution in telecommunications, biotechnology, computers, and other areas to assure that America stays competitive.

Beyond these steps, there are many others to be taken. Problems of morale in the workplace might be corrected by joint labor-management committees. Inexperienced workers should be helped by on-the-job training. Regulation must be reduced wherever possible. Several of our basic industries will have to undergo retooling before they can return to prosperity, and the deterioration of roads, sewers, and other public investments will have to reversed.

INFLATION

Throughout the 1970's, high rates of inflation have discouraged investment, pushed up interest rates, eroded savings, and clouded our future with uncertainty.

We should attack inflation across a broad front. The best weapon is an increase in productivity. We cannot rely on tight money alone. We need to correct the imbalance between monetary and fiscal policies by ending regular and massive deficit spending at the federal level. Reduced deficits would ease many of the pressures which keep interest rates and inflation high. Overall, government expenditures should be reduced as a percentage of the gross national product.

Other steps should be taken as well. Indexation of programs itself is inflationary, so it should be avoided as much as possible. The Consumer Price Index should be revised since it overstates housing costs and, because of indexation, contributes to inflation. Competition must be promoted because it forces prices down, and special incentives must be used to boost growth among small businesses. Trade barriers should be lowered, and protectionism should be resisted because it means less competition and more inflation. Exports should be increased because a loss of exports weakens the dollar, and a weak dollar is inflationary.

We must continue to make progress in reducing our dependence on foreign oil. Huge increases in oil prices have sent inflationary shocks through the economy. Programs to diminish the use of oil by conservation and the development of substitute fuels are essential.

The government must handle better the demands of many small but powerful interests. In treating such demands, the government may give long-term price stability too low a priority. The government should not be an inflationary wage or price setter, and it should encourage labor and business to support voluntary wage and price restraint.

UNEMPLOYMENT

Despite considerable expansion in recent years, the economy has not been able to provide enough jobs for an expanding work force. The rate of unemployment still hovers above 7 percent. Rapid increases in the number of workers and the fevered pace of industrial change have contributed to the gloomy picture.

Getting the economy growing again is the single most important thing we can do to bring joblessness under control. A new emphasis must be placed on the creation of jobs. Our aim should be new jobs through the production of more goods and services. Growth, however, will not solve all our problems.

Because millions lack the specialized skills to make their way in a specialized economy, government, business, and labor must cooperate to open up new opportunities for work. The targeted jobs tax credit is one device management and labor may use to train workers. We must continue to remove the barriers which have kept many from productive work. The transition from school to work often leaves the young jobless. Vocational training programs are not always geared to the modern workplace, and the general level of technical education has been a problem. We should make every effort to see that the transition from school to work takes place smoothly.●

BERNICE ROSS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. SKELTON. Mr. Speaker, I bring to the attention of this body, an outstanding lady from my district who was recently elected president of the Missouri Federation of Democratic Women's Club. Bernice Ross, of Holden, Johnson County, Mo., was elected president of the Federation in a meeting held in Hannibal, Mo.

Through the years, Mrs. Ross has made a significant contribution to our State and to the political process. She has been member of the Johnson County Democratic Central Committee for 30 years and has twice served as chairman and three terms as secretary. Also, Mrs. Ross has been a delegate and alternate to the National

Democratic Convention and in 1976, she was presidential elector. I congratulate Mrs. Ross on her continued dedication to the political system as well as her husband, Marion, for the years of dedication they have shown.●

WASHINGTON COUNTERATTACK

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WHITEHURST. Mr. Speaker, in light of the recent alarming headlines about deficits, I believe that the editorial which appeared in the Thursday, November 5, Wall Street Journal deserves consideration, since it serves to put the matter in its proper perspective. I commend it to all of my colleagues.

WASHINGTON COUNTERATTACK

Since August signs of panic over economic policy have been emanating from Washington, and we have been attributing them to the stickiness of high interest rates. Unless rates started to fall with the lowering of inflation, we confessed, we might need an entirely new theory of the economy.

But now interest rates have started to decline, and stock prices are rallying. Yet the panic in Washington continues unabated; Senator Domenici, Senator Dole, OMB Director Stockman and the like are trying to boost taxes on the theory that higher taxes would raise bond prices, fight recession and bolster the administration's credibility. Apparently what we need is not a new theory of the economy but a new theory of the panic.

Perhaps there is a clue in the cast of characters. The tax-boost drive is led in the Senate by the chairman of the Budget Committee. It is led within the administration by the Director of the Budget. It is resisted in the House by the Republicans, who do not control the House Budget Committee. It is cheered in the press by Joseph Kraft, David Broder and George Will, who are distinguished not by their grasp of economics but by their eminence in the Washington establishment.

Everyone who lives more than 50 miles from the Washington monument understands what's going on. The panic has little to do with interest rates. Nor does it have much to do with deficits, which have never previously caused any ripple of panic on the Potomac. What the current tax-boost drive is all about is protecting the power of Washington.

The talisman of this effort is of course the horror of the deficit and the splendor of a balanced budget. While this may seem ironic at first blush, Washington has long understood the use of the balanced budget as a lever for increasing taxes and thus its own sway over the nation. Every administration budget and congressional budget resolution within memory has shown a balanced budget, located safely in the mythical future. Usually balance was achieved by boosting taxes; the last budget of the Carter administration, for example, had a recipe for a balanced budget. Outlays were to drop from 22.6 percent of GNP in 1980 to 22 percent in 1984, while receipts were to rise from 20.3 percent to 22.8 percent. Presto, a 1984 surplus of 0.8 percent of GNP. If you chose to believe.

The Reagan promise was to balance the budget at 19 percent of GNP, meanwhile returning 2 percent or so of GNP to defense, from which it had been taken over the last decade in order to boost social spending even faster than total outlays. Accordingly the first congressional budget resolution showed a balanced budget in 1984 at 18.7 percent of GNP. As time comes for a second resolution, Congress is in full cry to boost this number back toward Mr. Carter's.

Driving this process is, not interest rates, but Congress' unwillingness to meet its own spending targets. Most of the major appropriations bills are coming in substantially above the targets in the first resolution, and this naturally leads to pressure for higher spending targets, which naturally leads to pressure for higher taxes. It happens every year, and is happening again with nonpartisan impartiality. This is, of course, precisely the game Mr. Reagan was elected to stop.

In this game economics scarcely matters, but for the record the current deficit is running about 2% of GNP, compared with 2.3% in fiscal 1980, 3.4% in the 1975-76 period and vastly higher numbers in many foreign economies. The Congressional Budget Office September forecast showed the deficit falling to 1% of GNP by 1984. Recession will push it higher, as will further progress against inflation. The economy would be healthier if it were lower, but it is an exercise in hypocrisy to use this fear not to cut spending but to boost taxes. Those in charge of spending control should be forbidden to ever mention revenues or deficits, and should be judged solely by how well they contain outlays. If Mr. Domenici or Mr. Stockman ever comes forward with the proposals implicit in the current tax-boost drive, the only test ought to be whether they hold 1984 outlays to 19% of GNP.

Mr. Reagan seems to understand this despite living within sight of the Washington monument. It is far from clear that his economic program has failed, and even less clear that tax boosts would be the proper remedy if it does. To throw in the towel in this early round would be a capitulation not merely on the Reagan administration's economic theories but on the view of government it was elected to pursue.●

THE RESOLVE TO PERSEVERE

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. HOLLENBECK. Mr. Speaker, it is with great pride that I take this opportunity to rise and commemorate the 63d anniversary of Polish independence. As we all know, November 11, 1918, is recognized by Poles and their descendants worldwide as Polish Independence Day. In terms of the Polish people's love of freedom and basic liberties, I believe that little has changed between 1918 and 1981. Whereas 63 years ago, we know that the Polish people declared their freedom from the Germans, Austro-Hungarians, and the Russians, today we have a situation in which the Polish people are successfully expressing their will on the mighty Soviet military and political machine.

Since the creation of Solidarity, the 10-million-member independent trade union and the first of its kind in a Soviet bloc country, Poles once again have been showing their resolve to persevere. By establishing the Communist bloc's first independent trade union, they have shown the world that their commitment is based on the strength of a determined grassroots movement.

Mr. Speaker, I believe the United States must do all that it can to support the movement toward increased freedom in Poland. For this reason, I have joined some of my colleagues in cosponsoring House Resolution 233, urging the President to extend additional agricultural credits to Poland beyond the $670 million provided in 1980. I believe that with the agricultural reserves held in this country by the Commodity Credit Corporation and those held by farmers, we have a staggering surplus that can be put to use in alleviating some of the sacrifices being made by the Polish people. Because economic breakdowns may do more to cripple Polish resolve than Soviet tanks, it is essential that we in the United States do all that we can to help relieve Poland of its current shortages.

The people of Poland have found themselves at a crossroads. On one hand they could acquiesce to Soviet demands and, in all likelihood, lose their independent labor union. On the other hand, they can continue their resistance to Soviet policies which restrict their fundamental freedoms and stifle their well-being.

On this 63d anniversary of Polish independence, I think that there can be little doubt as to which of the two alternatives the Polish people will select, and I pledge to do all that I can to support their struggle against Soviet domination as well as their efforts to secure badly needed reforms.

The people of America have always had a close bond with the people of Poland. With our help, Poles can continue to stand up to Soviet abuses and make the next anniversary of their 1918 Independence Day observance even more significant.●

WNVT-TV COMMENDED FOR TELECASTING ACTIVITIES OF THE HOUSE

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WOLF. Mr. Speaker, the legislative process enacted here in Washington, D.C. remains to be a greater mystery to millions of people throughout all of America. While a limited

number of people have the opportunity to witness the Congress in action, too little effort has been made to make our activities visible to most of the people in this country.

It is vital for the American people to have greater access to any opportunity that provides them a better understanding of the legislative process.

Sadly enough this is the case right here in Washington, D.C., the Nation's Capital, until today. WNVT-TV, an independent television station in northern Virginia, has stepped in to fill a tremendous void by telecasting the activities of the House throughout the Metropolitan Washington, D.C., area.

This is another good example of the expanding role independent television stations play for countless receivers, not only in northern Virginia, but throughout the entire United States.

WNVT-TV has an outstanding record of public service and has performed admirably in providing programing of local, regional, and national interest and scope.

By extending its coverage to include the House proceedings, WNVT extends its commitment and addresses itself to a community with a very close bond to Government.

WNVT is to be commended for realizing the importance and value such programing provides for the viewing public.●

MIRROR FUSION TEST FACILITY DEDICATION

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. MORRISON. Mr. Speaker, under the capable leadership of my predecessor in the Congress, the Honorable Mike McCormack, legislation was passed establishing a plan for the development of fusion energy for this country. As the various elements of this plan fall into place, Members should be reminded that fusion energy holds great potential to solve many of our energy supply problems, but at a price. The price is a continuing commitment to fund the necessary research on a timely basis, or the goal of energy self-sufficiency will be pushed further into the next century.

In light of the need for continuing understanding and support of the fusion energy program. I am asking that the presentation by W. Kenneth Davis, Deputy Secretary, Department of Energy, at the dedication of the Mirror Fusion Test Facility be made a part of the record.

REMARKS PRESENTED BY W. KENNETH DAVIS, DEPUTY SECRETARY AT THE MFTF DEDICATION

It is a real personal pleasure for me to be able to return to California to participate in this dedication of the Mirror Fusion Test Facility. In June of this year I had the opportunity to visit the construction site in Building 431. Seeing the large MFTF vacuum vessel there brought back many memories of Ernest Lawrence's visionary but realistic MTA project that I worked on in that building 30 years ago. I am pleased to see that MFTF is carrying on in the tradition set by Lawrence.

During my visit I saw and climbed on the first MFTF magnet, which is the most ambitious superconducting magnet yet attempted by the fusion community. All eyes will be on Livermore as the MFTF magnet undergoes final testing over the next few weeks. Project Manager Victor Karpenko and the MFTF engineering staff are to be congratulated on their achievements thus far in completing the construction of the MFTF magnet, and I wish them the best of luck in the upcoming tests. The MFTF team is also to be congratulated on its proven dedication to the control of cost and schedule. Like technical performance, the cost and schedule performance of MFTF and other fusion construction projects will provide an important measure of the maturity of fusion technology as a viable energy option for the future. You are now midway through the MFTF project that has grown in scope to capitalize on exciting advances in mirror reactor concepts. As you proceed on the second phase to extend MFTF to a tandem mirror configuration, I trust you will continue to exercise the fiscal discipline that has characterized this project thus far.

Besides superconducting magnets, the MFTF project has already led to important technical advances in the areas of neutral beams, cryogenics, vacuum systems and controls. Important as they are, these technologies concern only the special paraphenalia of plasma physics. To become a real energy option, it is now time for the magnetic fusion program to embark on nuclear engineering with all that this implies in developing the materials, blanket designs, power conversion and reactor safety features essential to turn fusion neutrons into a useful and economically competitive power source. The Department of Energy is fully committed to taking this step, in an orderly manner. I look forward to continuing work with Dr. Trivelpiece, Mr. Kintner and members of the fusion community in formulating a realistic plan for the engineering development of magnetic fusion.

There must be no illusions about the difficulty, the cost or the time likely to be required for the engineering development. Some have suggested that the present fusion R&D expenditure rate will have to double. In the long run that may be an underestimate, for experience shows that engineering development is expensive. Moreover, the scientific research program must continue to be strong and innovative. In view of its protracted development and ultimate promise, the fusion program must not narrow its options too soon nor cease to improve its basic concepts. There is still much work for the physicists.

Engineering development will enlarge the fusion community, with a greater role for engineering and for industry. A number of companies are gaining valuable experience through their participation in MFTF and other fusion projects. In that regard, I would like to acknowledge the contributions of Aydin Industries who designed and constructed the MFTF neutral beam power system; RCA who built the beam modules; CVI and PDM who constructed the fusion chamber; CBI who constructed the magnet case; and General Dynamics for its role in magnet design, to name a few. As engineering development accelerates, companies like these and others not yet involved in fusion research will assume an increasingly important role. Over the past two years, the fusion physics community has widely acknowledged the timeliness of this transition. Still, many challenges lie ahead as fusion evolves from physics research to engineering development in what may be the most extensive experiment in technology development and transfer ever attempted.

The road ahead is long and risky with no certainty of success. Yet, the potential of fusion is so great that these risks must be taken, with the support of the government for years to come. This Administration is committed to Federal support of long-range R&D, such as fusion, to achieve a secure energy future in the next century.

While it is a "fact of life" that because of the extreme pressure on budgets we may not be able to proceed as rapidly as we would like or on as many parallel paths as might otherwise seem desirable, we are committed to, and will pursue, our major potential options for the future including fusion. I must also express my conviction that "restructuring" of energy activities in the Federal Government will not affect that dedication.

We are constructing and implementing an energy policy based on maximum reliance on the initiatives and management expertise of our industry with the free market and industrial decisions playing the key roles. We believe our programs will only be of value if they are ultimately utilized by industry to serve real needs of the public sector and that industry and the private sector should be brought into the program planning to make sure our work is likely to be useful. We are looking for cooperation and mutually desirable programs and are seeking to do away with the adversary relationship which evolved over the last several years. These concepts will be utilized as magnetic fusion moves toward practical industrial use.

It must also be recognized that the industry most likely to utilize magnetic fusion at least in the early stages of its use, the electric utility industry is unique in several ways which relate to development of electric energy sources. Today it uses one-third of all the energy used in the United States. It is the most capital intensive of all major industries. At the same time it is fragmented geographically and heavily regulated as to revenues and rates—and is largely without the financial resources or initiatives available to other industries to support long-range, large-scale developments such as fusion or even the breeder which is nearer commercial realization. Thus, it is necessary that our approach be different than that for some other developments such as that of synthetic fuels.

Even if fusion succeeds technically, to enter the marketplace it must not only be economic but be accepted by the public. Fusion is a nuclear technology. Like the fission reactors of today, fusion reactors will face public scrutiny on the issues of cost, safety and waste disposal. It is important that fusion advocates address these issues squarely and realistically as public awareness of fusion increases.

Finally, I cannot visit Livermore without publicly acknowledging the great debt of the Nation to this Laboratory, its leaders, and its personnel, for its role in maintaining a strong defense. The Department of Energy is proud of its nuclear weapons lab-

oratories and the roles they have played in maintaining the peace. We are fortunate that this great technical strength can now be brought to bear, through projects like the MFTF, to solve the energy problems of tomorrow.

Roger, distinguished guests, it is a pleasure on behalf of the Department of Energy for me to dedicate the Mirror Fusion Test Facility. It will soon be 50 years since the discovery of fusion, and 30 years since it was first put to use militarily. Let us hope that the MFTF and its companion projects around the world will help make fusion power a reality in the next century.●

RESOLUTION ON TITLE IX OF THE EDUCATION AMENDMENTS OF 1972

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mrs. SCHNEIDER. Mr. Speaker, today I introduced a resolution stating my support for Title IX of the Education Amendments of 1972.

Over the past several decades, substantial gains have been made in insuring fair treatment of women. This has been, in large part, as a result of statutes and guidelines which have been enacted by Congress to correct past discrimination policies which have worked to deny equal opportunities for women.

Title IX of the Education Amendments of 1972 is one such piece of legislation. It prohibits sex discrimination in education programs receiving Federal financial assistance. Title IX touches upon nearly all facets of education and applies to students from preschool through graduate programs.

A report recently released by the National Advisory Council on Women's Educational Programs, "Title IX: The Half Full, Half Empty Glass," illustrates how effective this statute has been in promoting education opportunities for women. This is a law that has made a difference:

The number of women enrolled in professional schools has increased substantially over the past nine years: Dental Schools: 1,011 percent. Veterinary Schools: 120 percent. Law Schools: 337 percent. Medical Schools: 296 percent.

Counseling has often limited the career aspirations of boys and girls. Counselors use the Stong Vocational Interest Blank to evaluate a student's interest. At one point there were two versions, a pink one for the girls and a blue one for the boys. The pink one contained lower paying career possibilities such as nurse or science teacher. The blue one contained such occupations as physician or scientist. Title IX requirements have changed this.

Over the past nine years the enrollment increase for women in vocational education was greater than men. Women increased by 60 percent while men increased by 32 percent.

Great strides have been made, however, economic realities continue to indicate the need for the implementation of such legislation. The average working woman continues to earn only 59 cents for every dollar earned by her male counterpart. Equal education opportunities provide women with the tools to earn a decent wage and to pursue career advancement.

While many sectors of our society do indeed need relief from overly burdensome regulations, corrective action must not be taken at the expense of women who are at long last seeing the barriers fall.

The resolution which I have introduced today, along with a number of my colleagues from both sides of the aisle, simply states our view that title IX should not be repealed or altered in a manner which will deny any person equal access to education. I would like to urge my colleagues to support and cosponsor this resolution to insure continued equal opportunity for women in education.●

VETERANS DAY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. YATRON. Mr. Speaker, yesterday, November 11, was a day of thanksgiving for all Americans. It is on this day every year that we pay tribute to the veterans of our Nation. Originally celebrated as Armistice Day to mark the end of World War I in 1918, Veterans Day has come to mean much more to us. It is the day that we honor the outstanding contributions of all veterans.

Over 1 million Americans have died in battle, and an estimated 30 million have served in the Armed Forces starting with the Revolution, to preserve our freedom. We survive today as one nation because Americans were willing to fight and lay down their lives for their fellow citizens. We remain the greatest country on Earth because our veterans were, and still are, willing to pay the price.

The courage, sacrifice, and endurance of our veterans cannot be overemphasized. It is only fitting that we honor them with medals, ceremonies, and parades. However, our country owes them much more than just 1 day a year. Our responsibility to the veterans does not stop on November 12.

This year the Congress passed several bills which seek to address the needs of our veterans. Veterans disability, dependency, and indemnity compensation were increased by an average of 11.2 percent. The Veterans' Administration was ordered to operate an adequate number of hospital beds. Priority medical care will now be given to Vietnam veterans suffering from the effects of agent orange. The psychological readjustment counseling was extended until at least 1984.

America is a free land today because our veterans have always performed above and beyond the call of duty. We can help guarantee our future freedom by caring for those who have done so much for us.●

WHY CAN'T JOHNNY READ OR WRITE?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. BIAGGI. Mr. Speaker, for those of us who have dedicated their public careers to promoting educational equity and quality in our schools, we have just reason to be alarmed by the recently released report by the National Assessment on Education Progress. Despite the millions of Federal, State, and local dollars which are spent on education, the sad result is that our children cannot explain—in writing—exactly what it is that they read.

The national assessment, funded by the federally supported National Institute of Education, has been testing our schoolchildren since 1969 on their skills and their classroom performance. Never have the results of such a survey, which looked at 106,000 students between 9 and 17, been so onerous for our educational system and the products it is vested to train—our young people.

The report findings show clear deterioration since the last such survey was conducted in 1970–71 to test students on reading and literature and in 1974 on reading alone. In asking students to read and analyze poems, a shaggy-dog story and other works, three-quarters of the 17-year-olds responded to multiple-choice questions correctly but only 5 to 10 percent showed "strong analytic skills and about 10 to 15 percent showed no evidence of being able to do the analytic tasks at all." In 1970–71, 51 percent of those surveyed could write a response as compared to the 41 percent who could for this survey—a decline of 10 percent in 10 years.

This survey has important implications for our educational system. First, it points to the vital work which is being conducted by the National Institute of Education, whose mission is to monitor educational progress in this Nation and underscores the need for adequate funding of such research which has national significance.

Second, this report indicates that we are not teaching our student skills which will assist them in adulthood and will train them to be effective communicators in whatever walk of life they choose. A dialog must begin within the educational community to

refocus attention on our educational priorities and reexamination of those priorities is clearly in order.

Finally, in an era of shrinking resources for local schools we must be diligent in targeting existing resources where they are most needed. We must demand excellence in education, not merely equity at the expense of quality. I was pleased to see that Secretary of Education Bell has appointed a commission on this very topic and I am anxious to see their agenda. Clearly, this report will be an important base upon which to build their priorities for the next 18 months and I plan to monitor this situation closely.

The danger in not immediately and directly addressing the issue of reading and writing by our students has long-term liabilities for our strength as a Nation. If we cannot train young people to articulate their thoughts and ideas, the skills of our work force will deteriorate over time—and our economy and productivity will suffer irreparably because of this. I urge my colleagues attention to this matter and invite them to share these concerns with their own communities.●

MEN'S DAY AT BETHEL A.M.E.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DYSON. Mr. Speaker, while the rest of the country went about its business on Sunday, November 8, 1981, the men of Bethel African Methodist Episcopal Church in Easton, Md., celebrated their annual Men's Day.

I was honored to be able to share in the afternoon worship with the men of Bethel, and to hear our colleague, Hon. PARREN J. MITCHELL, speak. The service was impressive, combining a devotion to Christ with a strong feeling of purpose and hope.

I was struck by the sense of commitment that the men of Bethel exhibited. The church and service told of their tremendous energy and devotion to the Christian cause, a trademark of Bethel A.M.E. throughout its long history.

Bethel was founded in Easton in 1818 by a group of 15 concerned men who saw the need for racial leadership and self-help in the struggle to gain their freedom. Enslaved and impoverished, the founding members were unable to provide lavishly for their church, but they gave an invaluable dedication and undisturbed faith in its place. My visit last Sunday convinced me that their tradition of selfless devotion continues today.

I would like to commend the Reverend Earle M. Brooks and the following men who worked so hard to make Men's Day such a meaningful event: Mr. Albert Brooks, Jr., Mr. Clyde Jeffries, Mr. Sheldon L. Scott, Mr. Richard Gardner, Mr. Andre Blackwell, Mr. Lawrence Niskey, Mr. Edward Fountain, Mr. Richard Brooks, Mr. Clarence Pritchett, Mr. Albert Brooks, Sr., Mr. Charles Gale, Mr. Otis Rhynes, Mr. J. Walter Blake, Mr. Ronald Turner, Mr. Francis W. Gates, Mr. Albert Brooks, Jr., Mr. Sheldon L. Scott, Mr. Arnold Fields, Mr. William Caldwell, Mr. Bruce Freeman, Mr. Darrin Williams, Mr. Ronald Turner, Jr.

Mr. Speaker, the dedication and hard work of the Bethel A.M.E. congregation is a tribute to the First District and a fine example for Christians everywhere.●

AMENDMENTS TO OUTLAW ABORTION

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WEISS. Mr. Speaker, I am greatly disturbed by the constitutional amendments to outlaw abortion that are currenty pending before this Congress. I believe that these amendments strike at the very basis of our free society. They would grant Congress and State legislative bodies unprecedented power to deny citizens what are now guaranteed as constitutional rights, regulate the most intimate aspects of their lives, and dictate moral and religious beliefs to the American people. Beyond law and custom, the proposed amendments jeopardize the physical and mental health, and in some cases the lives, of women in this country.

I would like to focus my remarks on the human life federalism amendment, introduced by the distinguished Senator from Utah, Senator HATCH, which grants both Congress and the States the power to restrict and prohibit abortion. This amendment has been described and promoted as a fair and reasonable middle ground that can be supported by all, regardless of one's position on abortion. However, I am afraid that this amendment is really no compromise at all. If enacted, Senate Joint Resolution 110 would imperil the right to choose by permitting a statute restricting or outlawing abortion to pass Congress or any State legislature by a simple majority vote. And what should be even greater cause for concern is that these abortion statutes would then be insulated from the Supreme Court's scrutiny. In other words, the Congress or any State, would be enabled to pass a human life statute that would be immune from challenge on constitutional grounds. This amendment overhauls our Government's system of checks and balances that has protected our constitutional rights.

Senator HATCH has stated that his amendment simply reenfranchises elected representatives on this issue. I believe, however, it would do so by enacting the views of a vocal and well-funded minority, while ignoring the majority of Americans who support freedom of choice. It would use, and abuse, governmental authority to impose particular moral beliefs and codes of personal conduct on all citizens, without respect for their divergent convictions.

Furthermore, the amendment would establish a dangerous precedent which would enable Congress to violate or repeal constitutional rights at the whim of an apparent majority. It would open up a Pandora's box of legislating personal morality at the expense of constitutional liberties and civil rights. Who is to say, or guarantee, where this stripping away of individual freedoms will end? With abortion? Freedom of religion? Right to privacy? Freedom of speech? The amendment would bring us one step closer to a climate in which the abridgment of personal rights would be an acceptable practice. We cannot allow this to happen.

As we are all aware, in 1973 the Supreme Court ruled that the right to privacy and the concept of personal liberty embodied in the 14th amendment guaranteed the right of a woman, in the first trimester of her pregnancy, to make her own decision, in accord with her conscience, to bear a child or terminate her pregnancy. This decision rescued women from the horror of backroom illegal abortions. Finally, abortion became a safe and legal choice for both a woman and her doctor.

Opponents of the right to choose claim that the Justices improperly imposed their personal views on the Nation. I must emphatically disagree. In reality, the Court chose a path that least interferes with an intensely private and personal aspect of our lives. No one is forced to have an abortion as a result of Roe against Wade. Similarly, no one is forced to carry an unwanted or unintended pregnancy to term. This freedom of choice is also extended to doctors, who may or may not perform abortions; to medical facilities that may or may not offer abortion services; and even to both Congress and the States, which may or may not use public money to fund abortion.

The significance of this decision, therefore, is more basic than a woman's right to abortion. Roe against Wade showed that the right of individuals to be free from unreasonable and unwarranted governmental interference in their personal lives applies to abortion, as it does to other individual liberties. This decision is consistent with the Court's history of restricting

undue limitations on individual freedoms. In cases dealing with family relationships, marriage, childrearing, contraception, and procreation, the Court has preserved individual and family choices by invoking the right to privacy. To do otherwise, with respect to abortion, would compromise the welfare and integrity not only of women, but of their families as well.

The Supreme Court decision also recognized how deeply divided we are as a people when confronted with the complexities of the abortion issue. The Justices found that a variety of factors color one's thinking on the issue including, and I quote—"one's philosophy, one's experiences, one's exposure to the raw edges of human existence, one's religious training, one's attitudes toward life and family, and the moral standards one establishes and seeks to observe." I think that we would all agree with the Court's finding that there is no consensus and, certainly, no overwhelming public mandate on this deeply personal and moral question.

Given this spectrum of competing values and opinions, the Supreme Court appropriately chose not to impose one doctrine of religious and moral thought on the men and women of this country. In keeping with our first amendment traditions, the Court elected to leave the decision in the private domain, as a matter of individual conscience.

For these reasons, I believe that the Roe against Wade decision should mark the last governmental declaration on this difficult and controversial issue. The decision provides sufficient guidance to lawmakers to insure that constitutional rights are not abridged by unchecked governmental intrusions while maintaining the States' interest in the regulation of late-term abortions. I see absolutely no justification for amending the Constitution with the purpose of overturning this decision.

Certainly, the legal implications of constitutional amendments outlawing abortion must be carefully scrutinized. However, I believe that this scholarly discussion should not be allowed to obscure the very real nightmare of pain, suffering, and death that will result from a ban on legal abortions. A constitutional amendment cannot eradicate the compelling circumstances that lead women to terminate their pregnancies. A constitutional amendment cannot miraculously guarantee infallible contraceptive devices any more than it can perfect human behavior. As experience painfully teaches us, a constitutional amendment does not prevent abortion; it only stops abortions that are legal and safe.

Mr. Speaker, approximately 25 years ago, as a young assistant district attorney in New York, one of my responsibilities was the investigation and prosecution of illegal abortionists. For the most part, they were without medical knowledge or training; the few who were trained had lost their license or capacity to practice medicine. Neither group was comprised of individuals to whom one would want to entrust the life of a loved one. I saw results of their butchery, the maiming and the killing of women who did not have a freedom of choice.

What I witnessed was only a small segment of the atrocities that occurred daily in this country before 1973. It is estimated that between 200,000 and 1.2 million women a year were subjected to life and health endangering abortions, that hundreds of women died annually as a result of botched abortions, and thousands of women suffered permanent disability as a consequence of the procedures used by this underground network. Women who were morally and physically trapped by inhumane laws often had no alternative but self-induced abortions, performed with coat- hangers, turpentine, and other lethal devices. As we consider action on these legislative proposals, I urge that we not close out the reality of those past years, and to avoid condemning women to relive them.

It is time that we as a society recognize that circumstances will always exist in which some women will decide, after consulting their doctors, evaluating their options, and struggling with their consciences, that abortion is their only reasonable, responsible, and healthful choice. To preserve this freedom of choice, the Congress should reject these constitutional attacks.●

VA HEALTH FACILITIES MUST BE EXEMPT FROM OMB CIRCULAR A-76

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. RAHALL. Mr. Speaker, in its effort to reduce Federal Government involvement in the affairs of the Nation, the administration, through OMB Circular A-76, is seeking to create a policy where the Government would rely on the private sector to provide needed goods and services for functions it believes could be provided to it at less expense by private enterprise.

Of late, the impact of A-76 on the Veterans' Administration's Department of Medicine and Surgery has been the subject of hearings in the Committee on Veterans' Affairs. According to a witness from the VA, the agency has begun studies to determine whether it would be more cost-effective to contract out custodial, food preparation, and service and maintenance functions. However, during both the July 14 Subcommittee on Oversight and Investigations hearing, and the full committee's October 20 hearing on this subject, outside of the VA and OMB representatives, every other witness was overwhelmingly opposed to the implementation of A-76 with regard to the Department of Medicine and Surgery.

I share the same concerns of those who do not believe OMB Circular A-76 would be beneficial in the area of health care, a group which includes the distinguished chairman of the Veterans' Committee, SONNY MONTGOMERY.

Recently, I was contacted by employees of the VA Medical Center in Beckley, W. Va., who are disturbed over the effect A-76 would have on the quality of service they provide to their patients. These employees work daily with the patients and know their needs more than any outside contractor. A patient builds a healthy bond with the VA professional staff and depends on that staff for caring health service. I doubt an outside contractor would have the compassion and understanding of the professional staff. To quote from one of the letters I received from an employee at the Beckley Medical Center: "Contracting out in the VA will, in our opinion, result in reduced health care to the most deserving group of Americans—our Nation's veterans." Another letter stated that A-76 would be "detrimental to the veterans of this country, not only reducing the amount of care that they receive but the quality of care as well. These individuals who have already given more than their fair share toward the care of this Nation, are now being expected * * * to bear the brunt of the administration's budget cuts, and once again give till it hurts."

Mr. Speaker, surely we owe it to the brave men who served this Nation in its darkest hours the finest in health treatment. Surely, we cannot allow this treatment to be jeopardized by inconsiderate measures which could reduce the quality of their health care. Without a doubt, we owe the veterans of this Nation that much.

With this in mind, I applaud the actions taken by the Committee on Veterans' Affairs and the House for approving a provision in H.R. 3995, the recently passed Veterans' Disability Compensation, Housing and Memorial Benefits Amendments of 1981 (Public Law 97-66), which states that funds appropriated for VA medical care, research, and administration may not be used for the conduct of Circular A-76 cost-comparision studies. I also would like to congratulate employees of the VA Medical Centers in Beckley, Huntington, and Clarksburg, W. Va., for having the courage to stand up for the rights of their pateints. These dedicat-

ed employees are doing a great service and are a shining example of what is most needed in public employees: Compassion, justice, and commitment.●

IVAN HILL—PROMOTING ETHICS IN OUR SOCIETY

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mrs. SCHROEDER. Mr. Speaker, I offer for the record the text of an interview with Ivan Hill which recently appeared in the U.S. News and World Report. Mr. Hill has been at the forefront of setting an example for honesty and responsibility in American society. I share his view that honesty increases efficiency and productivity in business and Government and applaud his selfless efforts in instilling openness in Government.

ETHICS IN OUR SOCIETY

(By Marvin Stone)

Almost eight years ago, Ivan Hill gave up a lucrative career in industry for an unpaid job as president of a nonprofit, nonpartisan organization working for honesty and social responsibility in government and business. Out of that grew the Ethics Resource Center in Washington, D.C. When Hill retired recently from the presidency of the Ethics Resource Center, we asked him how he views the present state of American society and what he foresees for the future.

Q. Mr. Hill, what was it that inspired a successful businessman to quit and spend his entire time chasing what many would consider an impossible dream?

A. It was a recognition that the most urgent task in the country was being neglected—that of trying to strengthen our ethical under pinnings.

Q. How would you define ethics?

A. Albert Schweitzer said that in a general sense, ethics is the name we give to our concern for good behavior. We feel an obligation to consider not only our personal wellbeing but also that of others and of human society as a whole.

If early man had not identified his own welfare with that of others, he could not have survied and mankind wouldn't have developed. In recent books on anthropology, such as Richard Leakey and Roger Lewin's People of the Lake, cooperation and sharing were given as basic reasons for man's survival. Honesty and ethics are basic, working social principles, not just moral guidelines.

Incidentally, there was another compelling reason for my new pursuit: I have three children, and I hated to see them, in 5 to 10 years, living in a closed or almost closed society?

Q. Are you saying that lack of ethical conduct in the U.S. will lead to a closed society?

A. When trust in one another diminishes to a point where we can no longer do business without pervasive dishonesty and corruption, an open society cannot function efficiently and will become unmanageable. If business decides it cannot do business honestly and make a profit, that will severely undermine the private-enterprise system itself. A change in the system will then become inevitable.

It is my opinion that an open society cannot function efficiently and remain manageable unless about 80 to 85 percent of the people are honest about 80 to 85 percent of the time.

Q. What happens if 80 percent are not honest 80 percent of the time?

A. The result I see is a great deal of power concentration, centralization of authority, in a kind of messy oligarchic system which is likely to become so inefficient by the crosscutting of various special interests, that we will move into authoritarianism. I think this is the probable outlook for the United States in the foreseeable future.

Historian Arnold Toynbee observed: "Freedom is expendable, stability is indispensable." And order and stability in a society would take precedence over a multiplicity of freedoms.

Q. You've said in the past that you believe it's in the interest of the corporations themselves to pursue ethical conduct. Does business have an especially bad record?

A. Most of the large corporations—if they could ever get the next guy, their peer competitor, to move first—could do all their business honestly and make a good profit and be very happy doing so. Honesty increases efficiency and productivity in business and government.

I don't feel that big business is any more or less honest than little business or individual citizens. We are not going to solve our problems until the country as a whole takes a different attitude, until cultural and social changes are made that will make honesty "all right" and "safe" or even fashionable. This has to be a total cultural movement. That is the method we recently recommended to the Office of Government Ethics, the Justice Department's Task Force on Crime and the President's Council on Integrity and Efficiency.

Q. How do you get a thing like that going?

A. We have recommended making six or eight different TV commercials, six or eight radio commercials and newspaper adaptations of the TV storyboard cartoons. Go into test markets, like Rochester and Columbus. Form local committees with the League of Women Voters, the Rotary, law-enforcement agencies, the churches, schools and business and conduct intensive local campaigns, placing at least 30 to 40 TV and radio spots daily on a public-interest basis through these local committees—you must have a high-volume, massive exposure of the message in order to break the prison of peer-group pressure. We should measure the effectiveness of these efforts every 30 days—the effect on crimes against property, burglaries, arson, shoplifting, all of those things.

Kits would be developed—the films and the tapes and the newspaper ads—and they would be passed to other communities for locally sponsored campaigns. These TV spots would not be preachy or admonitory or didactic.

Q. You say these programs are not preachy. Exactly what do they say to people?

A. A typical illustration would be this: A teen-age girl is seen stealing some cosmetics in a department store. And then we follow the teen-ager home on the bus. And she thinks that everybody is looking at her; she's looking around. Then an unseen announcer asks: "How do you feel when you steal?" The next morning when she walks through the steno pool in the office, she thinks that everyone knows she stole her cosmetics. And all the announcer says is: "How do you feel when you steal?"

No matter what other steps are taken or considered, we must understand that crime is bred in a bed of dishonesty. The progression is easy, from lying to stealing, from robbery to homicide.

Q. Is the government active in promoting ethics—say among its civilian employees?

A. We sponsored a bill, which was passed unanimously by the Congress, to mandate the public display of the United States Code of Ethics for Government Service in federal buildings. We have about 90,000 of these codes posted now in more than 10,000 buildings. If we could display the amount of codes that we have printed, 205,000, a person coming to work would probably see the code three or four times a day. He would thus become assured that it is all right for him to be honest and not to goof off, and become aware that it might not be the "in" thing for him to be absent or irresponsible.

There have been various estimates as to what is being lost to fraud and waste and absenteeism and such. We took a range of 25 to 50 billion dollars. If these codes are only 10 percent effective, we will save 2.5 to 5 billion dollars a year in government operations alone.

Q. Are you optimistic about spreading the word in the future?

A. To some extent. There's a great deal of talk about ethics; there are great numbers of corporate and professional and governmental codes. If we keep increasing awareness throughout the country, we're going to make this breakthrough into acceptance of much higher standards of values.

I have been surprised to find that the leadership of the armed forces is far more concerned about, more knowledgeable about, and doing more about ethics than are our educational institutions and our large corporations.

I see more progress in industry than I do in the educational institutions. In industry, many of the companies have teaching programs and bring in ethics counselors now.

During the last three or four years, there has been a tremendous increase in the number of corporations using codes of ethics and much more interest in ethics. But we find that interest has declined in the last six or eight months. My supposition—and that's all that I can say—is that businessmen believe they don't need ethics codes now; they don't need to be as self-governing as they should be because they have President Reagan taking care of them. It's a wrong concept. They should be taking just the opposite view: Now that Mr. Reagan's in, business should focus on developing more-effective means of self-regulation through stronger codes and do everything possible to make it unnecessary for government to intervene. Let's deserve more economic freedom.●

NO MORE SOCIAL SECURITY CUTS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. HUBBARD. Mr. Speaker, a larger portion of the heavy volume of mail that I receive each day comes from people increasingly concerned about the status of the social security

system. My constitutents are asking me if time is running out on the social security system. And will there be enough to pay their benefits when they retire? Frances Williams, a constitutent of mine in Madisonville, Ky., has written to express some of her feelings about the social security system. I feel her letter is one which should be shared with my colleagues and I wish to do so at this time. The letter follows:

MADISONVILLE, KY.

DEAR CONGRESSMAN HUBBARD: This is to express my feelings once again on the Social Security program. I do not think any more cuts should be made in that area. President Reagan says the American people expect too much. Well I don't think so when you have worked all your adult life paying into social security and then to have it taken away from you. If anything, the program should provide higher benefits for the ones who pay the most into it.

If my husband and I could put what is taken from our paycheck and deposit it into savings drawing interest, we would have far more than we will ever draw from the social security. I still think we do far too much for foreign aid and not enough for the true Americans who would and want to work if given a chance. There are always those who would rather get all they can from government and not work at all. When I read and hear about those people in New York who live on the streets and in an abandoned sewer (I just read one was found dead who made his home in one) that is just unbelievable to think we have people in this wealthy country of ours living in those conditions.

President Reagan knows if you work beyond 65 before you retire then you are not going to draw benefits too long because you will not live to do that. Of course being 70 years old and a millionaire makes all the difference.

Sincerely,

FRANCES WILLIAMS.●

THE BUDGET PROCESS—A HIDDEN AGENDA

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. OBERSTAR. Mr. Speaker, I have become increasingly disturbed by mounting evidence that the Reagan administration is using the budget process not just to reduce expenditures but to destroy entire programs. The budget process has become the means to the end of abdicating the responsibility of Government which Abraham Lincoln described as doing for the people that which they cannot do for themselves.

In that spirit, the Members of this House should be aware of the remarks of former Labor Department official, John W. Leslie, who last week received the 1981 Communicator of the Year Award from the National Association of Government Communicators. Members should recognize the implications of Mr. Leslie's remarks in regard to the direction in which the Reagan administration is leading other Departments and Agencies.

Mr. Leslie worked 32 years at the Department of Labor, serving for 22 years as public information director under 12 Secretaries of Labor, in both Democratic and Republican administrations, in both the brightest days of the Kennedy administration and the depths of Watergate.

Earlier this year, he resigned after serving 6 months under the Reagan administration.

Of his resignation, Leslie said:

I sat for six months and watched a department in which I had worked most of my adult life systematically dismantled. I watched programs to serve and protect working people, which I helped develop and promote, be slowly strangled or gutted.

In his remarks, Leslie compared his reaction to that of the people of Rome upon the arrival of the Barbarians at the city gates.

I submit a report of Mr. Leslie's remarks from the Washington Post of November 9, 1981, to be included in the RECORD. His remarks are important not only to the working people of America interested in the future of the Labor Department, but to all concerned about the course of Government set by this administration to terminate programs established over the past 40 years to improve the quality of life for all Americans. Mr. Leslie's description of life in the Labor Department is characteristic of what is happening throughout the Government as the Reagan administration works to close off access to information the public is entitled to have about the erosion of programs.

I ask my colleagues to consider carefully the implications of the process described by John Leslie.

The article follows:

FORMER LABOR SPOKESMAN SPEAKS HIS OWN MIND

(By Warren Brown)

In his 22 years as public relations director of the Labor Department, John W. Leslie built a solid reputation as a thoroughgoing, dispassionate professional who did well by Republicans and Democrats alike.

Therefore, it was no surprise when the National Association of Government Communications named Leslie the recipient of its 1981 Communicator of the Year Award.

The surprise came late last week when the normally reticent Leslie, 57, used his acceptance speech to blast the Reagan administration in general and Labor Secretary Raymond Donovan in particular.

The communicators group "told me I could say anything I wanted," Leslie, who now is employed by The Kamber Group, a Washington-based labor lobby, said later. "So I told them what a lot of my former career government colleagues have been telling me, and what I have been feeling, myself."

After 32 years in the Labor Department, 10 of them before becoming public information director, and working for 12 successive secretaries of Labor in that position, Leslie said he left under the Reagan administration because "in the six months that I served . . . during this administration, no one asked me what I did, what my office did, who we served, why we existed, or what would happen if we disappeared."

Leslie said, "I sat for six months and watched a department in which I had worked most of my adult life systematically dismantled. I watched programs to serve and protect working people, which I had helped develop and promote, be slowly strangled or gutted." he said he began "to understand . . . how those of sensitivity and understanding must have felt when the barbarians sacked Rome.

"I claim, without qualification, that the efforts today throughout government to cut public information and public affairs activities are based not on a desire to save money, but are a cyncial attempt by this administration to cover up efforts to destroy programs and services people want and need."

Leslie's speech has been circulating among some department careerists who agree with his position and who find some solace in the idea that one of their own, so to speak, can criticize the administration publicly without fear of retribution. But Reagan-Donovan loyalists such as Earl Cox, who holds Leslie's old position, understandably are unhappy.

"I regret that Mr. Leslie feels he was mistreated," Cox said last week. "No effort was made to sidestep him. Frankly, I was surprised by his remarks."●

EDUCATIONAL PARTICIPATION IN COMMUNITIES PROGRAMS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. ROYBAL. Mr. Speaker, I would like to share with my colleagues information on and recognition of the 10th anniversary of the EPIC Consortium in Los Angeles. The consortium is a regional association of five educational participation in communities EPIC programs operating at five universities in the Los Angeles area. These EPIC programs are student-volunteer and community service operations sponsored by California State University, Los Angeles; California State University, Long Beach; California State University, Dominguez Hills; California State University, Northridge; and Loyola-Marymount University.

During the last 10 years, these programs have recruited over 25,000 university students to work as paraprofessional volunteers in low-income, minority, and disadvantaged communities throughout Los Angeles. EPIC volunteers have contributed over 1½ million hours of valuable work-time in these communities working with youth, senior citizens, the disabled, the mentally handicapped, women, minority persons of all ages, and more. The estimated value of this university-sponsored service to the poor and disadvantaged communities is over $7 million worth of volunteer time,

energy, and dedication. Hundreds of public and human service agencies depend on EPIC volunteers to assist them each year.

Congress had a direct role in making these worthwhile programs possible. The original EPIC program at California State University, Los Angeles, was established in 1966 and was supported through funds from title I of the Higher Education Act of 1965. Due to the great success of this original program, in 1971 the EPIC Consortium was founded and expanded the EPIC concept to other universities in the Los Angeles area. Here again, title I provided the impetus and means for this to be accomplished.

EPIC programs have become institutionalized and self-sustaining on each of their respective campuses. They continue to collectively operate as a regional consortium to coordinate and share resources between campuses and are continually striving to improve their collective assistance to communities under stress.

The sponsoring universities also have gained much from these title I-initiated programs. EPIC student volunteers not only provide valuable services to the community, but are themselves provided with real-life learning and work experiences through their participation. They learn more about themselves, about the careers or majors they are pursuing, and about the concrete societal questions which they as responsible citizens must address. Last but not least, many learn or are trained in concrete job skills that will help them when they graduate and enter the increasingly difficult job market. Thus, the EPIC programs have also become important additions to each university's overall academic program. In fact, many EPIC students today receive academic credit for their field work from their sponsoring institutions.

In a period when the problems of the poor and the disadvantaged of our communities grow larger each day in the face of economic turmoil and budget constraints, it is remarkable that community-student programs of the quality of EPIC have survived. I would like to commend the EPIC programs and the universities which support them for their fine and outstanding efforts, and I congratulate them on the 10th anniversary of their regional consortium.●

TRIBUTE TO RICHARD HENSON

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DYSON. Mr. Speaker, I would like to bring to the attention of my colleagues a man who has done the First Congressional District of Maryland a great service over the last 20 years. Mr. Richard A. Henson is a pioneer, an innovator, and a man whose life reads like an American success story.

It is little wonder that Mr. Henson was recently honored with the Bill Pate Award for outstanding economic achievement in the State of Maryland. In the early 1960's, he formed his own commuter airline service with one four-seat plane that he flew between Hagerstown and Washington. He had a strong belief that improved air service and the vitality of outlying Maryland communities would go hand in hand. With hard work and perseverence his belief paid off, for today Mr. Henson is the president of one of the largest commuter airlines in the Nation. Last year alone, Henson Aviation, Inc., transported nearly one-half of a million people.

The Pate Award that Richard Henson received is awarded each year for outstanding economic achievement in Maryland. The winners are selected by the Maryland Department of Economic and Community Development Advisory Commission from among 28 firms and individuals nominated locally. The Bendix Field Engineering Corp. and H. G. Parks, Inc., were also honored, although Mr. Henson was the only individual to win this year. Gov. Harry Hughes presented the award before nearly 1,000 government and business leaders.

Mr. Speaker, I have met Richard Henson on numerous occasions, and I am always struck by his dedication to the economic development of Maryland. He has recently opened a main office in Salisbury, which he refers to as "the model commuter city in the United States." His belief in rural Maryland and its economic potential is obvious to all those who have met him.

Mr. Henson has done the Eastern Shore of Maryland a great service over the past 20 years. His airline provides the small communities of rural Maryland with a vital link to the markets and resources of the Nation's major cities. As Henson Airlines has grown, the First District of Maryland has profited.

Mr. Speaker, I join the business leaders, government officials, and citizens of Maryland in applauding Mr. Richard Henson, and in thanking him for his enormous contribution to Maryland.●

JAMES BRADY: NOT JUST A VICTIM BUT A LESSON

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. RODINO. Mr. Speaker, in this morning's Washington Post, there was a column by Richard Cohen regarding James Brady, President Reagan's press secretary, who was gunned down with the President and two others last March.

The column is a moving tribute to the character and courage of this brave man whose recovery from his terrible wound is miraculous. It is also a well-reasoned plea that we in the Congress enact handgun legislation that might keep these weapons out of the possession of persons such as Mr. Brady's assailant.

The lesson drawn from the James Brady tragedy is this: Mr. Brady would not have suffered his ordeal if only we would have made it harder for his assailant to get a gun.

The article follows:

[From the Washington Post, Nov. 12, 1981]

GUNS

(By Richard Cohen)

Among my colleagues, James Brady is a much-loved man. He was President Reagan's press secretary for just a short time before he was shot, but his humor and his warmth and his honesty quickly made him many friends. His story is a poignant one. One wishes him only the best. And one wishes that only the best will come from what has happened to him.

But that does not seem to be the case. The tragedy of Jim Brady is treated in some sort of vacuum. From time to time stories appear about his medical condition, his occasional trips home and his recent appearance in the White House press room where he bantered with the press, the president and Nancy Reagan. Always, though, his injury is discussed without context. You would be forgiven for thinking that he had been struck by some disease and not a bullet.

But it was a bullet that struck James Brady. It was a bullet that entered his skull and smashed his brain. This is what paralyzed him on one side, that has kept him in the hospital since March, that has required four operations, and that, for a time, left him emotionally infantile—likely to cry if he stumbled. This was not an act of God, it was an act of man.

And man could do something about it. It was a man, after all, who shot Brady. John Hinckley, the man accused of the shooting, bought a gun with incredible ease. No one asked him why he wanted the gun, whether, say, he wanted to kill someone—and when he was caught with a gun trying to get on an airplane, none of these same questions were asked then, either.

It is more difficult to bring fruit into America from a foreign country than to buy a gun. It is also harder to drive a car—certainly harder to buy a car than a gun. It takes some time to get married and a lot more time to get divorced, but it takes no time to buy a gun. This is possible because of an archaic interpretation of the Second

Amendment which deals with the right of the people to bear arms. That refers to the right of the people to raise a militia, not the right of some deranged young man to buy a gun.

The obvious lesson to come out of all this is that the nation needs a gun control law. It needs a national law, because to have a law in one state and not to have one in the next state is pure folly. These laws accomplish nothing except to allow those who are opposed to gun control to say that legislation never works. It could be that even a national gun control law will not work, but we will never know until we try it. It is not too much to imagine that a Hinckley—no hardened killer he—would have quit his task if he found it hard to get a gun.

However obvious these lessons are, they are lost on Ronald Reagan. He can stare down at a Jim Brady in his wheelchair and see no connection between Brady's condition and the gun that caused it. He, like so many Americans, seems to have accepted the event as a natural tragedy—like polio. He can see Brady as the regrettable price you sometimes have to pay for yet another American freedom.

Gun control advocates ought to understand this argument. It is not much different from what others say when it comes to civil liberties. For instance, no murder committed by someone out on bail is going to convince bail advocates that bail is not a good idea. And the occasional case where the guilty walks free because, say, the evidence was tainted, does not deter civil libertarians from believing in strict laws of evidence.

But that is because these laws serve a greater good. They are designed to protect the rights of us all. The gun, though, is a different matter. It protects only those who have it—and then only in theory. In fact, it works best for whoever takes the initiative—usually the criminal. This is what happened with James Brady. He and the president were surrounded by armed men—trained, armed men—yet a single man with a gun and a obsession for an actress shot them both.

The president recovered, but Brady still ails. His recovery has been miraculous. His bravery is undisputed. What is disputed, though, is his status. The president, it seems, would prefer to see him as a victim. It does not do him justice. He is, instead, a lesson.●

CASEIN IMPORTS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. ROTH. Mr. Speaker, today I am introducing legislation to impose a 50-percent quota on casein imports into the United States.

The USDA has concluded that these imports interfere significantly with the success of our dairy price support program by displacing our own supplies of nonfat dry milk. At a time when we seek to decrease Federal expenditures in the farm bill and decrease surpluses of dairy products, we simply cannot fail to act to save as much as $150 million per year by curtailing casein.

In 1980, 152.2 million pounds of imported casein displaced 333 million pounds of nonfat dry milk. The Federal Government purchased this product at a cost to the taxpayer of $300 million.

Countries in the European Economic Community account for a large portion of our casein imports. The EEC subsidizes its casein production and disposes of its excess products in the United States. What we are experiencing, Mr. Speaker, is a situation in which the American taxpayer is paying twice for the same commodity. We are paying the EEC to subsidize casein production by allowing it to export so generously to the United States its surpluses. Simultaneously, we are buying our own nonfat dry milk which has been displaced by the casein imports. This is an intolerable waste of American tax dollars.

The quota to be imposed would be 50 percent of the average of yearly imports of casein to the United States during the period of January 1, 1977, to December 1, 1981. Under section 22 of the Agricultural Adjustment Act, the President would have authority to review and change the quota as conditions dictate in the future.

Today, the evidence is clear that casein imports interfere directly with the dairy price support program. Milk protein product imports have shifted in use from industrial application to food and feed products. In its report, "U.S. Casein and Lactalbumin Imports: An Economic and Policy Perspective," the Department of Agriculture concluded that 53 percent of the casein used in the United States in 1980 was used in products for which domestic milk solids could be used.

In 1935, the Congress enacted section 22 of the Agricultural Adjustment Act, which provided for the orderly imposition of quotas on imported products determined to interfere with domestic agricultural policy.

A 50-percent limitation on casein imports would not restrict availability for uses for which there is no available substitute or for which domestic milk or milk products would not be used.

Should casein imports continue unchecked, we will simply see rapid increases in the cost of the dairy price support program to taxpayers, an increase which all of my colleagues, be they from dairy regions or urban areas, are trying to avoid.

Added costs of casein imports account for 15 to 30 percent of the total cost of the dairy price support program. It is imperative that we learn to consider casein as a dairy issue as much as a typical trade issue. I would assert that the effects on domestic food policy of this import even supercede its colorations as a trade matter.

We have at our command legislation that allows us to insure that our dairy price support program can operate to the best interests of the taxpayer, the farmer, and the consumer. We also have conclusive evidence that we must employ the provisions of that law to protect our domestic policy from unwarranted interference by the rapidly expanding influence of casein imports.

It is incumbent upon the Congress to act to curtail the counterproductive import of casein, and I urge my colleagues to support my legislation to accomplish this goal.

By doing so we will see positive results for America that include decreased Federal expenditures for the dairy price support program, acceleration of domestic milk protein product production, and the triumph of commonsense over laissez-faire trade policies that so often put the interest of America last.●

ECONOMIC RECOVERY TAX ACT OF 1981

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. AuCOIN. Mr. Speaker, the Economic Recovery Tax Act of 1981 creates a variety of tax incentives for the rehabilitation and restoration of historic buildings. In the November-December issue of Historic Preservation published by the National Trust, Editor Thomas Colin writes about the effects of the tax act on preservation projects. At the center of this article is Mr. Robertson E. Collins, a businessman in Medford, Oreg., and a member of the National Trust Board of Trustees. The Trust regards him highly as "* * * a fount of wisdom that reflects both his global interests in preservation as well as his deep concern for people * * *."

I share this article with my colleagues in order that they may better understand tax incentives for historic preservation.

[From the Historic Preservation, November-December Issue]

A GURU LOOKS AT THE NEW TAX ACT

(By Thomas Colin)

We are fortunate in the historic preservation movement to have a rather special guru in our ranks. Possessed of boundless energy, he is a fount of wisdom that reflects both his global interests in preservation as well as his deep concern for people—refreshing in a field that, necessarily, talks a lot about inanimate objects.

Robertson E. Collins—Robbie to everyone—is a businessman in Oregon and a member of the National Trust Board of Trustees, among many others. But first and foremost he is a preservationist. Robbie is one of many activists in the preservation community who celebrated the hard-won passage of the new Economic Recovery Tax Act in 1981.

But, as befits a guru, Robbie has tried to envision what the future will be like with

this new legislation, and, while he's still enthusiastic, he sees some potential side effects.

The law, born with the strong leadership of the National Trust, Preservation Action, several statewide groups and the support of Secretary of the Interior James G. Watts, creates a variety of investment tax credits for the substantial rehabilitation of older buildings. The highest credit, moreover, applies only to historic structures.

Under the law, investors get a 15 percent tax credit for rehabilitation of buildings that are at least 30 years old, a 20 percent credit for buildings that are at least 40 years old and an alluring 25 percent tax credit for quality rehabilitation work on structures that are certified as historic. The Secretary of the Interior's standards for rehabilitation assure that the work is compatible with the historic character of the building. The law applies only to expenditures incurred after December 31, 1981.

Although subsequent amendments will be needed to iron out a few bugs in the law, clearly it surpasses the Tax Reform Act of 1976 in making the restoration of historic buildings attractive to everyone from developers and investors to Main Street merchants. According to a recent analysis by Cythia R. Field and Charles G. Field, the new law will have the greatest effect on the rehabilitation of historic buildings because, in large measure, the 25 percent investment tax credit extends to income-producing residential property as well as to commercial. On the other hand, the 15 and 20 percent credits (which apply to nonhistoric older buildings) can be used only in commercial rehabilitations.

And, the Fields say, the new law is also more alluring to rehabbers of historic buildings because the "depreciable basis of the nonhistoric older buildings is reduced by the amount of the credit."

The National Trust worked hard for a greater differential between certified historic buildings and other older buildings so that people would have an incentive to go through the designation process and not perform harmful rehabilitations on significant, but as yet undesignated, buildings.

Moreover, the 25 percent credit is against income tax owed, it is not just an accelerated deduction from income before taxes.

For all these reasons, the Fields conclude that "An investor will realize a greater profitability from using the 25 percent investment tax credit on historic properties . . . even with a marginal amount of extra paperwork that is required."

Robbie Collins likes the new tax credits, too, but he sees potential problems. "While we all love the new tax act, we have to remember that the glass-panel people and the aluminum-grill-panel people and all that crowd can also use the tax breaks. There is a good chance that they could wipe out two decades of standing architecture—buildings built in the 1950s that could be the historic buildings of the future."

This is possible because, under the new law, standards for quality rehabilitation are required only for rehab work on historic buildings. What Robbie would like to see, optimally, is the creation of standards of excellence for the rehabilitation of nonhistoric structures. At the least he wants to build awareness now that there are significant buildings that aren't 50 years old.

Understandably, most of us nongurus have enough trouble just dealing with threats to our beloved Federal-style buildings and other classic structures without worrying about distant dangers. It's the same stick-your-head-in-the-sand phenomenon that permits smokers to disregard the warnings on their cigarette packs.

Nonetheless, Robbie proposes nothing less than vigilance for our future historic buildings—vigilance tempered by careful evaluation. "We must avoid failing in love with too many diners and gas stations. The challenge is to chart our way through the solid professional work of the recent era, to work through our current disenchantment with much of it to find the jewels, the benchmarks that history will recognize."

This will mean a new role for the architectural scholars and critics, and Robbie has no illusions about the difficulty of the task. "Predicting future history is not easy, but we simply must allow for continuous evaluations as 30-year-old buildings mature to 50.

"It is not something the preservation field has done before. We have often identified excellence, seldom forecast it."●

CHANGE NEEDED IN TAX LAWS TO PROTECT MUTUAL AID SOCIETIES

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. GLICKMAN. Mr. Speaker, under present law, the Internal Revenue Code exempts numerous insurance organizations under both the general exemption provisions of section 501(c) of the IRS Code as well as certain specific insurance exemption provisions. For example, fraternal benefit societies are entitled to an income tax exemption where they provide life, sick, accident or other benefits to the members of that society, or their dependents where they operate under the lodge system. Voluntary employee beneficiary associations are also exempt when they provide similar benefits. Other exemption statutes include exemptions for certain life insurance companies under section 501(c)(12) and mutual insurance companies under section 501(c)(15). In fact, the exemption language is sufficiently broad that the Nation's largest health insurer, the Blue Cross system, is exempt. There is very little litigation in this area and consequently the construction of terms found in the specific exemption provisions for insurance carriers is rather limited. Unfortunately, that has left some anomalies in the application of the exemption provisions.

A number of religious organizations, including the Amish, the Mennonites, and the Church of the Brethren, are brotherhood types of churches which operate independently of any hierarchy like some of the more familiar religious institutions. Congregations of these particular churches are generally independent of one another yet have a long history of close supporting relationships not only within their own congregation, but with other congregations. One form of this mutual support taken by members of these religions is local participation in assisting or mitigating in the losses or other hardships which occur when a disaster strikes such as a tornado, hailstorm or devastating fire. To meet that need a number of mutual aid associations have been created be the Amish and the Mennonites. Over the years they have been exempt under various provisions of the Internal Revenue laws including section 501(c)(4), dealing with social welfare organizations, section 501(c)(8) dealing with fraternal benefit societies, and section 501(c)(15) dealing with mutual insurance companies, other than life and marine. With the publication of Revenue Ruling 75-199, certain of these section 501(c)(4) organizations, previously treated as social welfare organizations, were denied their tax exempt status because the Internal Revenue Service claimed that they were not promoting the welfare of the community, but merely the welfare of their membership. That revenue ruling revoked Revenue Ruling 55-495 which had held these religious insurance societies to be tax exempt.

Clearly, these mutal aid societies of these nonhierarchical churches have been excluded from an exemption to which they would otherwise be entitled merely because of the organization of their church. It only makes sense that we should act to assure equity in the application of these exemptions.

In order to restore the tax benefits that had been enjoyed by so many of these organizations for so many years until the publication of Revenue Ruling 75-199 and which has been available to many under other provisions of the tax code, I am today introducing legislation to treat them as exempt organizations by creating a new class to be known as section 501(c)(22) of the Internal Revenue Code. My bill would return application of law to that in effect prior to 1975. It will clearly correct an inequity that needs attention.●

THE VERY SURVIVAL OF THE HUMAN RACE IS AT STAKE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Ms. OAKAR. Mr. Speaker, a sermon delivered by the Reverend John R. Quinn, archbishop of the San Francisco Catholic Diocese on October 4, 1981, was recently brought to my attention by Edward D. Cone of San Leandro, Calif. Given the fact that just last week we considered the Nuclear Regulatory Commission authorization (H.R. 2330), Archbishop

Quinn's epistle which punctuates the unveiled threat of nuclear destruction is fearfully topical.

The archbishop's message trumpets a clarion call to rethink our national and international priorities. As Mr. Edward Cone, retired teacher and current community activist so simply and directly said, "An unchecked arms race promises the end of the human race."

THE VERY SURVIVAL OF THE HUMAN RACE IS AT STAKE

(The Rev. John R. Quinn is archbishop of the San Francisco Catholic Archdiocese. These remarks are excerpts from this sermon delivered from the pulpit of St. Mary's Cathedral on October 4, 1981.)

The continued existence of the human race is seriously endangered today by the threat of nuclear destruction.

The famous German theologian, Romano Guardini, commented at the end of World War II that the pre-eminent human question for the last half of the 20th century would be whether we could develop the moral capacity to control the power we had created. The phrasing here is important: Our dilemma arises from the fact that we have created a vast military technology without thinking through its moral implications.

This same dilemma was raised by Albert Einstein who, at the dawn of the nuclear age, recognized the enormous and terrible impact of nuclear bombs: "The splitting of the atom has changed everything save our modes of thinking, and thus we drift toward unparalleled catastrophe."

In considering a Christian response to the arms race, we must, as Einstein warns, change our very ways of thinking. Nuclear weapons are not simply conventional weapons on a larger scale. They are qualitatively of a whole different order of destructiveness. Their tremendous explosive force, as well as their enourmous and terrible side effects, will irrevocably alter our ecological system, genetic structures for generations to come, and the fundamental fabric of our social systems. The neutron bomb, for example, even though it is bring promoted as a "clean" bomb for use only as a "theater" or "tactical" weapon, is a deadly instrument of mass destruction, and its use could easily ignite a global nuclear conflagration. It contributes to the dangerous illusion that a "limited" nuclear war can be fought and won.

At the present time, the United States has a stockpile of nuclear weapons equivalent to 615,000 times the explosive force of the bomb dropped at Hiroshima. With that stockpile we can destroy every major Soviet city 40 times over. The Soviet Union, in its turn, can destroy every major American city 17 times over. The Soviet and U.S. stockpiles together contain the equivalent of 12 tons to TNT for every man, woman and child in the entire world.

At the end of the 1950s, both Russia and America had already amassed enough weapons to absorb a first strike and still destroy the other's society completely. Nevertheless, the U.S. continues to build three nuclear warheads every day. The madness has continued year after year, and it accounts for a large portion of the $1.6 trillion which has been budgeted for the Pentagon over the next five years. The military research and procurement budget for 1986 is set at just under $1 billion per day.

In human terms, excessive spending on arms production takes lives just as surely as if the weapons produced had actually been put to use. The extreme poverty that is endured by one-third of the human race is in large part a direct by-product of an arms race out of control. The billions of dollars presently being spent on arms each year throughout the world are surely an appalling form of theft in a world where so many persons die each day of starvation and privation.

The obsessive drive for security through nuclear weaponry has not brought security, either for the six nations which now have strategic nuclear capacity or for the 40 other nations who will possess that capacity by 1985. Rather, by straining the world economy and diverting resources from urgent human needs, the arms race has intensified international instability and has itself become the major threat to security among nations.

The physical and social destruction which would result from a nuclear blast borders on the unthinkable. It is now clear to a growing segment of the medical community that no effective medical response can be conceived to deal with the human suffering and damage that would result. All efforts must therefore be directed toward prevention; healing after the fact will be beyond the physicians' art.

My brothers and sisters, not only the peace of the world but the very survival of the human experiment is at stake. If we accept the inescapable conclusion that, as the Catholic Church clearly teaches, nuclear weapons and the arms race are essentially evil, what kind of response are we called upon to make?

First, there is a growing national campaign calling for a "nuclear arms freeze," i.e., a halt right now to any further development or deployment of nuclear weapons by the United States or the Soviet Union. As a first realistic step toward a process of bilateral disarmament, I urge your active cooperation with religious and community groups in this campaign.

Second, since many in the medical community are now convinced that it is dangerously deceptive to pretend there can be any effective medical response in the case of a thermonuclear attack. I urge the administrators and staff of Catholic Health Facilities to join all those who are vigorously opposing the intentions of the Department of Defense to establish a "Civilian-Military Contingency Hospital System" if this system is based on the illusion that there can be an effective medical response in the case of nuclear war.

Third, much greater support is needed for developing creative proposals for converting military weapons technology to civilian production uses. Such a restructuring of national priorities must begin at the local level and in a variety of industries. I urge you to become aware of the alternatives which are being explored in this important area, and to express your active interest and concern to legislative representatives at every level.

I call upon all the Catholic people of the Archdiocese of San Francisco, as well as all people of peace and non-violence, to work for bilateral disarmament and the elimination of nuclear weapons. Let us replace violence and mistrust and hate with confidence and caring.●

RENAISSANCE MAN—HENRY SCHACHT

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. COELHO. Mr. Speaker, in this age of specialization, it is a pleasure to have the opportunity to recognize the accomplishments of a renaissance man in the field of California agriculture. The man is Mr. Henry Schacht, and the opportunity is the occasion of his retirement from active service from California Canners and Growers. Mr. Schacht's 45 year career has spanned the growth of California, which has become America's number one agricultural state.

Mr. Schacht was born in Pasadena, Calif., February 28, 1916, and attended Polytechnic High School at Long Beach and Long Beach Junior College. At the University of California, Berkeley, he was editor of the student newspaper, a member of the Order of Golden Bear, Senior Men's Honor Society, and the president of Pi Delta Epsilon, and honorary journalistic fraternity.

Upon graduation from the University of California in 1936, he joined the university's news service as a radio writer scripting the university explorer program, a network feature on NBC.

In 1939 Schacht was appointed director of press and radio for the University of California College of Agriculture, a post he held until 1942.

From 1942 to 1961 he was director of agriculture for KNBC and later KOG, San Francisco. His morning broadcast, sponsored by Standard Oil Co. of California, become one of the nation's outstanding farm programs. He also did TV news on KGO-TV.

From 1956–60 he escorted farm groups to Australia, New Zealand, Fiji, South America and the Orient. In 1962–64 he also traveled in Europe, conducting foreign trade surveys.

He was the San Francisco liaison for the NBC network's National Farm and Home Hour and was head on NBC's news of the World and Monitor. He was a member of the NBC news team at the United Nations conference and the Japanese Peace Conference.

From January 1, 1961, to November 15, 1965, Schacht served as director of information for the division of agricultural sciences of the University of California. In this position he supervised the agricultural information staff on the Berkeley, Davis, and Riverside campuses.

From November 15, 1965, to October 1, 1981, Henry Schacht has served as vice president of corporate relations, and corporate secretary of the California Canners and Growers, a grower-

owned cooperative which processes and markets a full line of fruits and vegetables in this country and abroad. Responsibilities included communications, public and governmental relations, and the functions of corporate secretary. He continues his association with the company as a consultant on governmental affairs.

Among the many accomplishments during his career Mr. Schacht has: Since 1959 written the Twice-weekly Farm Reporter column in the San Francisco Chronicle;

Received the Asta Award, symbolic of the Nation's best agricultural writing in newspapers;

Won the Pfizer Award for effectively communicating agriculture's story to the general public;

Received a special award from the National Agricultural Advertising and Marketing Association for the San Francisco Chronicle column;

In 1963, at the invitation of the Food and Agricultural Organization of the United Nations, served on the faculty of the World's First International Seminar on Farm Broadcasting in Cairo, U.A.R., and in seminars for Central America and the Caribbean in Mexico, and for the Pacific Basin in Tokyo;

Been a member of the Agricultural Relations Round Table. He organized and was for 8 years chairman of region 8 of the National Association of Farm Broadcasters;

Served as chairman of the advisory council to the University of California Division of Agricultural Sciences. He is an honorary member of the 4-H Clubs and the Future Farmers of America, and a past member of the Alumni Council of the University of California;

Headed the First California Agricultural Trade Mission to the Soviet Union in 1967;

Accompanied the official California Agricultural Trade Mission to the People's Republic of China in 1979;

Served as director of the National Canners Association, 1966-72;

Served for 2 years as president of the U.S. National Fruit Export Council and is presently a member of the Agricultural Policy Advisory Committee to the U.S. Department of Agriculture and the President's Special Representative for Trade Negotiations, he is a director of the California Council for International Trade.

He is a director of Parrott Ranch Co., operating 40,000 acres in California's Scaramento Valley.

His writing on scientific and agricultural subjects has been carried in national publications. One of his articles on atomic energy was translated into eight languages.

Mr. Speaker, I think at this time it is fitting that we take the opportunity to recognize the many accomplishments of Mr. Schacht in the areas of public education, agricultural broadcasting, Government service and private industry. His presence has most certainly enriched California agriculture.●

CONSEQUENCES OF CHANGES IN STATISTICAL INDICATORS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. GARCIA. Mr. Speaker, last Tuesday the Subcommittee on Census and Population, which I chair, examined the real-life consequences of the changes the administration proposed for the Government's statistical indicators for inflation and unemployment. Specifically, the administration is attempting to redefine inflation. They are doing this by revising the Consumer Price Index, or CPI. Although the changes in the CPI will not appear officially until at least 1983, I am nonetheless concerned that the net effect of this revision will reflect an apparent slowing of inflation. The CPI may even move downward, when the revision first occurs. This, of course, would fit in nicely with the administration's prescription for economic recovery. The truth is, however, that the proposed revision will create the illusion that inflation has been reduced, but it will not treat the underlying economic problems of our country. The CPI revision will not make it easier for Americans to buy a home or a loaf of bread. In fact, wage earners, social security recipients, and Federal retirees whose pay and benefits are linked to the CPI could face sharp cutbacks as a result of this revision.

Why make changes now? Although the Bureau of Labor Statistics, which produces the CPI, assured us at the hearing that politics was not a consideration in the revision, I, nonetheless, believe that the appropriate steps must be taken to safeguard against an artificial and political drop in the CPI.

Similarly, I believe, this House should be concerned with the impact of the administration's budget reductions on the collection of adequate employment data. The administration's demand for better labor force data is simply not matched by a commitment to fund data collection initiatives such as the current population survey, which is the basic source of labor force data. The administration is also not willing to collect data on the contributions volunteers make to our labor force picture. Volunteers are a highly integrated part of our economic structure; the increased role of volunteers also represents a major initiative of the administration to lessen certain economic difficulties. Further, I fear the administration's myopic vision of Federal expenditures may undermine State's ability to identify and serve the needy under their proposed block grant scheme because of a lack of sufficient information which will be certified if the budget cuts are upheld.●

A TRIBUTE TO OUR DEDICATED AMERICAN NURSES

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DWYER. Mr. Speaker, there are over 1.4 million registered nurses in the United States who comprise the largest segment of professional health care workers in the United States.

The contributions that professional nurses make to our Nation's health care is of great importance. I would like to share with my colleagues an article which was published in the New Jersey Star-Ledger. This article provides a unique view of the role of registered nurses and of the conditions under which they work:

[From the New Jersey Star-Ledger, Sept. 27, 1981]

DOCTOR TURNS NURSE, GETS THE TREATMENT

(By Joan Whitlow)

For one week, Dr. Aloysius Cuyjet, cardiologist and director of intensive care at United Hospitals Medical Center of Newark, stopped being a doctor and became a nurse.

For one week, he took care of incontinent patients, and made beds with patients in them who were too sick to be moved. He carried out doctors' orders for tests, therapy and medications, and then assessed the patients' response.

He monitored pulses, blood pressures, respiration and heart function. He took care of patients on intravenous therapy and those on respirators, inserting tubes and suctioning patients to keep them breathing.

It was his job to measure how much fluid a patient was taking in, how much the patient was putting out and whether the combination meant the kidneys were still working. It was his job to see that everything that was supposed to be done was done and on time, his job to decide if there was something wrong and if the patient's doctor should be contacted.

As a doctor he would have been involved in this process of care, by writing an order that someone else carried out. As a nurse, Cuyjet said he hustled more than he ever had in his life—including his internship.

At about 2 a.m. on a Monday morning, with five more hours to go in his career as a nurse, Cuyjet was asked what he thought of nursing.

"It's complex, hard, physical labor. And they don't get paid enough. Doctors have no idea what this job is like. I thought I did. After the first day I was physically beat.

"When the doctor comes in and sees the patient he writes an order on the chart or says what tests are to be done, and that's it. He leaves. He might see the patient 15 minutes," said Cuyjet.

As director of the unit his involvement with the patients is much more extensive than the average doctor. "But the nurse is with the patient all day—actually knows

that patient better than anyone else," Cuyjet said.

"Doctors make a lot of assumptions without understanding what the mechanics are," he continued.

Cuyjet decided to "become a nurse" to better understand the rapid turnover rate among critical care nurses.

On Cuyjet's service there is a new cardiac care unit that was completed a year ago, but never opened. The hospital says it cannot find enough trained critical care nurses to staff it.

On the night Cuyjet was interviewed every bed in the intensive care unit was filled, some of them with heart patients who could have been treated in the cardiac care unit, had it been opened. At 2:10 a.m. the emergency room called with a patient who needed intensive care. That patient had to be transferred to College Hospital. There was no room for him.

Most parts of a hospital are quiet at night and early in the morning, but until about 2 a.m., the intensive care unit was bustling.

Three patients had been brought in a few hours before, all needing respirators, and each patient on a respirator gets one nurse assigned exclusively to that case.

Nurses who work that unit say they like it because of the excitement, and because the work is never the same from day to day.

Never the same, they say, except for the stress and responsibility. And several also cited the attitude of the doctors they work with as major reasons for their negative feelings about the job.

The doctors do not see them as coprofessionals, they claimed, and frequently show no respect for the amount of work the nurses perform, or for their professional judgment.

One nurse said that sometimes a nurse will question a doctor's order, asking if a medication dose should be adjusted, given the patient's previous reaction, or if a test can be rescheduled, so it won't conflict with the patient's therapy.

"You can make it a suggestion, a question, you can say it as nicely as you please, but the doctor usually takes your head off for questioning his judgment," she said.

"Some of these doctors think they are God," said another. "They can be standing in the room with the patient, and if the patient asks for a bedpan, instead of handing it to the patient, the doctor will ring for the nurse," she said.

"I was trying to get one patient out of bed and into a chair, and a doctor was there. He wouldn't help me. He said it was not part of his professionalism," she added.

The nurses said they were apprehensive when they first learned Cuyjet would be rotating through the unit as a nurse.

"But I think it's a very good idea. The only way to learn what it's like to be a nurse is to be one. I think it will set a good example for the other doctors, even if they don't do it themselves," was one opinion.

Cuyjet said one reason for working as a nurse was to get a better idea as to how all the people who must work together—doctors, nurses and technicians—do, in fact, work together, and whether changes can be made on the unit to improve things.

As medical director of the unit, he has responsibilities for education of the medical students, interns and residents who are assigned there. Cuyjet said he is considering having some of them spend time as nurses.

"And I guess the next logical step would be for me to become a patient," he added.●

BROOKS HAYS—AN OUTSTANDING AMERICAN

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 4, 1981

● Mr. FOUNTAIN. Mr. Speaker, I am grateful for the opportunity to join in paying tribute to our former colleague and good friend, the late Brooks Hays. I had the good fortune to serve with Brooks during my first three terms in the House, and I enjoyed his warm fellowship for many years thereafter at meetings of the House prayer breakfast group.

Although his involuntary retirement from this body in 1958 was a great loss to the House and to the Nation, this energetic and dedicated man continued his distinguished public life by serving three Presidents in a variety of Government posts. He also engaged in university teaching—including a professorship at Wake Forest in my home State—and devoted a lifetime to religion. A deeply religious man, Brooks Hays had the honor of being the first layman elected to the presidency of the 8-million member Southern ●Baptist Convention.

Brooks Hays was widely known for his humor and keen wit. The primary purpose of his stories, however, was not simply entertainment. Rather, he would use his great gift to attract the attention of his listeners in order to dramatize an important point in the discussion.

This wise, gentle, and unassuming man was consistently motivated by high principles, and he worked diligently throughout his life to promote better human relations. He was truly a rare and extraordinary person who will be greatly missed.

Christine and I extend our deepest sympathy to his wonderful wife, Marian, and to their children.●

TRIBUTE TO VETERANS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DYSON. Mr. Speaker, I would like to take this opportunity to express my own gratitude and appreciation to all Americans who have set aside their lives for the cause of freedom and justice. For those who have died in this service and for their families, too, there must be a source of deep consolation in knowing that their lives were offered up in the pursuit and perpetuation of freedom and justice. All across this land we acknowledge this contribution. In Maryland's First Congressional District alone there are nearly 70,000 veterans—thousands more have died—who have this Nation's deepest gratitude and appreciation.

On November 11, the Nation paid tribute to over 1 million Americans who have died in defense of their country in all American wars since 1776.

Clearly, the gratitude this Nation feels and acknowledges on this day of national observance must never be diminished. We owe a debt to recent veterans which we are just beginning to pay. At the same time, I believe, our obligation to veterans of other eras remains as compelling as ever.

This year, I am pleased to report, the Congress has approved rights, benefits, and medical services for veterans in recognition of their special contribution to the national interest through their military services. Within the budget limitations, this Congress has enacted three major bills that will greatly benefit veterans.

On July 30 the House passed the Former Prisoner of the War Benefits Act of 1981. This measure provides priority hospital care and outpatient treatment to former POW's and service-connected benefits for psychosis and any anxiety states.

It also reduces from 6 months to 30 days the requisite prisoner-of-war incarceration period for presumptions relating to certain disabilities and diseases. Further, it requires the Administrator of Veterans Affairs to maintain a centralized record of claims of former POW's and of disposition of such claims.

On October 2, the House passed the Veterans Disability Compensation, Housing, and Memorial Benefits Amendments of 1981.

This important measure was signed into law on October 17 and provides an 11.2 percent cost-of-living increase in disability compensation and dependency and indemnity compensation effective October 1, 1981, for over 2½ million veterans and dependents.

It also requires the Administrator to include in the annual budget any plans to make major reductions in personnel or to close VA offices.

It provides that such plans cannot be implemented until the beginning of the next fiscal year, thereby giving the Congress an opportunity to take legislative action to prevent such closings or reductions.

It prevents the VA from using medical care funds to conduct cost comparison studies related to contracting-out of functions now being performed in-house at local VA hospitals.

It increases Serviceman's Group Life Insurance coverage from $20,000 to $35,000 effective December 1, 1981.

On the same day the House passed the final version of the Veterans Health Care, Training, and Small Business Loan Act of 1981.

This legislation is particularly significant in light of the fact that the number of citizens served by the Veterans' Administration has risen to an all-time high. By 1985 it is estimated there will be 10 million veterans 65 and over.

A major provision of this bill requires that the VA operate not less than 90,000 hospital and nursing home care beds and maintain the availability of such additional beds and facilities to fulfill VA's contingency responsibilities for assistance to the Department of Defense.

Equally important, this measure will greatly enhance the benefits of Vietnam-era veterans.

It provides priority hospital and outpatient care for Vietnam veterans who believe their current medical conditions may be the result of exposure to agent orange or other defoliants used in Vietnam, as well as for other veterans who may have been exposed to ionizing radiation from nuclear testings following World War II.

Notwithstanding these improvements in veterans' programs and benefits, still much remains to be done to meet the changing needs of veterans and the changing demands of society.

"A nation reveals itself not only by the men it produces but also by the men it honors, the men it remembers," said John F. Kennedy. We owe a continuing debt to those men and women who have put aside their lives to serve in the country's armed services.●

NATIONAL SHUT-IN DAY WOULD PROVE COMPASSION LIVES ON IN THE HEART OF CONGRESS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. RAHALL. Mr. Speaker, in every congressional district lives an often neglected segment of our society commonly called "shut-ins." These are people who live within the confines of their homes due to physical impairment and old age. In general, they have been left by the wayside, done with only their thoughts and memories for company.

However, shut-ins have contributed to society by being good parents, concerned citizens, and hard workers. They are valuable for the qualities they possess as individuals with a rich past which can be shared with those who have not enjoyed their experiences.

It is for this reason I introduced House Joint Resolution 145, which requests the President to proclaim the first Sunday in June as "National Shut-In Day." In light of the drastic budget cuts made this year in many social programs, passage of this resolution would prove that compassion does indeed live on in the heart of Congress.

I might also add that there is a Shut-In Day Association with representatives in Alabama, Kansas, Maryland, New Jersey, New York, Massachusetts, Ohio, Oklahoma, Rhode Island, Texas, Virginia, West Virginia, Pennsylvania, Utah, Washington, and Hawaii. If any of my colleagues would like the name of the Shut-In Day Association contact in their State, or would like to cosponsor House Joint Resolution 145, please contact my office.

Finally, following is a humorous, but informational, article which recently appeared in the Huntington, W. Va., Herald Dispatch on the designation of special days by Congress.

SHUT-INS' DAY

(By James E. Casto)

There's a Bosses' Day, a Secretary's Day, a Grandparents' Day and even a Mothers'-in-law Day.

So why shouldn't there be a Shut-ins' Day?

Why not, indeed, asks Judy Boone of Logan, W. Va.

For something like 20 years now, Mrs. Boone, 74, has been conducting a one-woman crusade aimed at convincing Congress and the White House to designate the first Sunday in June as Shut-ins' Day.

At her urging, legislation to the effect has been introduced in the Senate by Robert C. Byrd, D-W. Va., and in the House by Nick Rahall, D-W. Va.

Byrd's bill has been referred to the Senate Judiciary Committee, and Rahall reports that, with 218 co-sponsors needed for his measure, he has thus far arm-twisted 59 of his colleagues into adding their names to it.

All this may prompt most of us to smile a bit and shake our heads, but Mrs. Boone is dead serious, and as you listen to her, what she says makes a great deal of sense.

"Our shut-ins," she explains, "are an often-neglected part of our society."

Congressman Rahall agrees, saying in remarks delivered last year on the House floor:

"These persons have contributed in the past to the happiness and well-being of others by being parents, children, hard workers, and concerned citizens. Although in most instances they are older or physically impaired, they are valuable for the qualities they possess as individuals with a rich past that can be shared with those who have not enjoyed their experiences.

"The shut-in people of our country have a great deal of warmth and friendship to offer, and those who observe National Shut-in Day will gain richly by the experience."

Mrs. Boone learned about shut-ins at an early age when, as a young girl in Logan, she would deliver pies and cakes made by her mother to those shut-ins in her community.

She continued to do so all through her life as an adult and in 1962, beginning with the shut-in members of her church, organized a Shut-ins Association. Later she spearheaded the establishment of chapters all over West Virginia.

Then, in 1971, Mrs. Boone was installed as president of the National Shut-ins' Day Association.

Says Rahall, "'Dedicated' is too little a word to describe Mrs. Boone. She lets nothing deter her in her efforts for others, wherever, whenever she can."

This year she was able to convert Gov. Jay Rockefeller to her cause, persuading him to issue an official gubernatorial proclamation designating June 7 as Shut-in Day in West Virginia.

For whatever it might be worth, this newspaperman is happy to enlist in Mrs. Boone's crusade.

After all, if there's room on America's calendar for a Billy the Kid Day (July 15), a National Aviation Day (Aug. 19), a Leif Ericsson Day (Oct. 9), a Huey Long Day (Aug. 30) in Louisiana and some other Southern states), a National Inventors Day (Feb. 11) and a World Poetry Day (Oct. 15), then surely there ought to be room, too, for a National Shut-ins' Day.●

VETERANS DAY—1981

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. BIAGGI. Mr. Speaker, yesterday, the Nation observed Veterans Day. I am especially pleased that the observance has been returned to the traditional November 11 date after several years of having Veterans Day scheduled in order to give Americans a 3-day weekend. The contributions which veterans have made to our Nation's history deserve its own individual day which is November 11 which was chosen because it was on the 11th hour of the 11th day of the 11th month of 1918 that World War I was ended and America's freedom preserved.

Yesterday there were ceremonies and parades held in all corners of this great Nation to pay tribute to those men and women who have served our Nation in the Armed Forces. On Veterans Day we honor those who gave up their lives so that we might live in freedom. In addition we honor those veterans who survived wars.

This year's observance was marked by a long overdue recognition of the contributions made by Vietnam war veterans. Our Nation has failed to accord proper respect to the hundreds of thousands of Americans who fought in Vietnam. The unpopularity of the war combined with the unfavorable outcome served as an incentive for many in this Nation—including the Federal Government—to practically shun these Americans including those in urgent need of help.

Perhaps the most poignant and meaningful scenes from yesterday's observances were those pictures of veterans from World Wars I and II standing side by side with veterans from the Vietnam era hearing their collective contributions praised and honored.

Yet as we all should know, it is not enough merely to acknowledge and pay tribute to the contributions made by our veterans. We must also rededi-

cate ourselves to insuring that those who fought to keep our Nation free are not asked to fight another battle of survival in their own nation. For the medically needy veterans of World War I and II let us insure that proper medical care is available including the all important long-term care. For the Vietnam era veteran we must insure proper and specialized medical attention is available including counseling services. Further unemployment rates among Vietnam era veterans has always been too high and we must make a conscious effort to find more employment opportunities for these Americans.

On November 11, 1981, we do not find any American servicemen engaged in combat anywhere in the world. We hope this will continue for years to come. However, we must not become complacent about the fact that there is peace in the world. The Soviet Union remains poised and ready in many areas of the world ranging from Poland to Central America to the Third World. To remain free we must remain strong. American veterans have kept us strong and free in the past and for that they are owed a great deal of gratitude which should be shown daily not just 1 day a year.●

NICHOLAS JOHN STEBLAY

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. HOWARD. Mr. Speaker, the universal magic and beauty of St. Francis of Assisi lie in his selflessness. The other day I received a letter which reminded me of St. Francis and indicated there are people in our Nation who have his selfless qualities. Mr. Nicholas John Steblay of Minneapolis, Minn., in his letter asked for nothing but God's blessing for all those who travel. Because of its simplicity, beauty, and altruism, I wish to include it in the RECORD so that all travelers may be touched by the concern of this gentleman from Minnesota.

To Whom It May Concern:

I am writing to give my support and blessings for the systems of mass transportation and private transportation. May God bless and keep safe all who use these systems to travel. May all reach their destination in health and joy. Amen.

In truth,

NICHOLAS JOHN STEBLAY.●

WIDESPREAD CONCERN ABOUT BUDGET CUTS IN THE CIVILIAN SPACE PROGRAM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. BROWN of California. Mr. Speaker, the rumors and facts of budget cuts in the civilian space program, while not as well known as many budget cuts nor of as much immediate concern, are nevertheless quite serious.

Perhaps the most serious aspect of these cuts is the lack of coherent thought or planning behind them. Supply-side economics and a belief in the majesty of the marketplace seem to dictate these cuts, regardless of how absurd the thought that "free enterprise" will pick up the slack.

Mr. Speaker, I need not dwell on this subject now. I have introduced legislation to establish a long-range civilian space policy and have made these points over and over again. At this time I simply wish to place in the RECORD a few editorials which underline the point I am making.

The editorials follow:

[From the Christian Science Monitor, Oct. 28, 1981]

SPACE: INVESTING IN THE FUTURE

(By Robert Sherman Wolff)

While the American people's support for basic space exploration is by and large very strong, it is often asked: What benefits does planetary exploration yield? Is space exploration good for the United States? Is it worth the money put into it?

On the utilitarian side, "spinoffs" have often been cited as the main reason why the U.S. should continue to explore. However, spinoffs are not the reason we explore space, and the tremendous economic and technological benefits we have derived from spinoff technologies should not be confused with why we explore—namely, our desire and curiosity as human beings to probe the unknown.

From a strictly economic point of view, basic exploration has always been important to an evolving, expanding society. Exploration, in this sense, includes basic research and development (R&D) and, over the last 30 years or so, a number of studies have been done to estimate the economic impact of R&D spending on the U.S. economy.

The most comprehensive of these, with regard to NASA funding, was the 1976 work performed by Chase Econometrics Associates of Bala Cynwyd, Pa. Although the analysis was performed specifically with the 1975 economy in mind, the results are most likely applicable to the present economy.

The principal conclusions reached by the Chase study are twofold. First, a $1 billion increase in NASA spending, coupled with a $1 billion reduction of other federal expenditures in any single year would likely: (a) reduce the inflation pressures on the economy, (b) increase employment, (c) increase productivity.

Second, a sustained increase in NASA spending of $1 billion per year over 10 years would significantly: (a) increase the GNP, (b) reduce the consumer price index, (c) reduce unemployment, (d) increase the productivity of the nonfarm sector of the economy.

Overall, the Chase study claims a 43 percent return on investment for every dollar invested in NASA R&D, with the net effects on various aspects of the economy roughly linearly proportional to the amount invested.

However, it is a well-known fact that economic modeling is an inexact science. Consequently, even the best of models is open to substantial criticism, even if that criticism amounts to simply a divergence of economic philosophy. In that sense, it is not the absolute magnitude of the results of the Chase study, but rather the direction and approximate range of the estimated returns on investment.

Historically, exploration has always tied the natural human desire to explore with the drive to acquire more and better material goods. In the past, a number of societies have chosen to get away from exploration, to turn their attention towards more immediately pressing needs at home. For those peoples, the Vikings, Chinese, Romans, Dutch, Spanish, Portuguese, and English, to name a few, such a drawing away from expansion and exploration has always marked a turning point in that society's power and influence. Once the decision was made to cease exploring, the society began to contract, and its empire subsequently weakened.

Perhaps the US is at such a point. If we are, then let us use history to guide us in our decisions.

Today, our leaders are telling us that they have made the decision for us. We will not fly to Halley's Comet, although the Soviets. Europeans, and Japanese will be there. We have canceled our half of the International Solar Polar Mission, leaving the Europeans with only one-half of a two-spacecraft mission to study the sun. We have delayed our next mission to Venus, the Venus Orbiting Imaging Radar, until at least 1988; and even then it will likely be equipped to do far less science than originally planned. And Project Galileo, NASA's next mission to Jupiter, and the only funded planetary mission for the 1980s, has an increasingly difficult battle with Congress for funding each year.

We are rapidly losing the desire, and along with it, the capability to explore the solar system. And the sad thing is, the cost in dollars is tiny. A mission like Voyager or Galileo costs each American the equivalent of a pack of chewing gum a year for the entire lifetime of the mission. Moreover, the total annual cost necessary to maintain a vigorous planetary exploration and general space science R&D program is less than one tenth of one percent of the federal budget—less than the cost of one B-1 bomber, or less than one day's worth of the Health and Human Services budget.

All we have done in space exploration to date is only a beginning. If we stop now, if we turn our eyes inward and refuse to look further than our hands can reach, then we will lower our sights on all things and, as a society, we will likely meet the same fate as the Vikings, Romans, and Europeans of old.

(Robert Sherman Wolff is senior scientist, space physics section, at Jet Propulsion Laboratory.)

[From the Christian Science Monitor, Oct. 28, 1981]

DON'T CRIPPLE U.S. SPACE PROGRAM

(By Robert C. Cowen)

As the two letters reproduced on this page indicate, the highly successful U.S. space program is deeply threatened.

President Reagan's additional 12 percent across-the-board cut in discretionary spending by federal agencies, which is considered for the National Aeronautics and Space Administration (NASA), among others, would emasculate the U.S. capacity to carry out space research and apply its fruits usefully. It would also restrict, although not destroy, the country's capacity for manned spaceflight by slowing development of practical uses of the space shuttle.

In fact, the industry journal Aviation Week & Space Technology reports that the extent of the cutbacks being discussed has raised concern within NASA that they "would end 23 years of federal support for broad civil space research areas, possibly violating the National Aeronautics and Space Act of 1958 that founded NASA in the first place."

At this writing, it was not known how much of the cutback talk was just a trial balloon and how much was a deadly serious proposal. A definitive statement from the administration is expected sometime in November. There is no doubt at all, however, that the cutbacks under discussion would forfeit U.S. preeminence in space.

In fiscal terms, NASA would be asked to absorb cuts of $1 billion each for fiscal years 1983 and '84, plus $367 million in 1982, the current fiscal year. These cuts are over and above what was already included in the administration's earlier financial planning, which had put NASA on a tight budget that space scientists felt dangerously restricted prospects for US space exploration.

What now is proposed goes far beyond that kind of limitation. Virtually all solar-system research would be terminated. The Voyage spacecraft now heading for Uranus and Neptune would be shut down and the deep-space tracking network scrapped. Future planetary missions would probably be unlikely for an indefinite period. The Jet Propulsion Laboratory—the preeminent space research facility in the world—might well be closed, its capacities and personnel lost as a useful national resource. Most space applications would be canceled, with the exception of the latest resources surveillance satellite, Landsat D. Much aeronautical research would be stopped.

In short, the United States would weaken itself substantially in both space and aeronautical capacity. It is hard to square this prospect with the recent statement of presidential science adviser George Keyworth that "in setting our priorities in the support of science and technology . . . the principal criterion for the fundamental pursuit of knowledge must be excellence—excellence in the investigators and in the subject. An additional criterion for the support of areas of research directed toward technological advances is pertinence—and this means pertinence to the recognizable economic and societal needs of the nation."

What has achieved a higher standard of excellence than the space research that has opened a new era of exploration and revolutionized earth and planetary science? What could be more pertinent than those satellite photos that augment so powerfuly the daily weather forecast?

[From the Christian Science Monitor, Oct. 28, 1981]

TWO PERSPECTIVES ON CONTINUATION OF THE SPACE PROGRAM

(Following is an open letter originally sent to the White House.)

Mr. EDWIN MEESE,
Special Counselor to the President,
The White House,
Washington, D.C.

DEAR MR. MEESE: We are writing out of deep concern for the future of this nation's commitment to the exploration of the solar system—and extraordinary technological triumph in which American spacecraft have visited, for the first time in human history, 40 new worlds. Our two organizations represent a part of the professional and public constituency of planetary exploration: approximately 1,000 scientists engaged in planetary research, and 100,000 other citizens who have joined The Planetary Society during the past year because of their commitment to planetary exploration. The Planetary Society is in fact the fastest growing membership organization of any sort in America over the past decade.

We recognize the efforts being made to reduce unnecessary federal spending. but we also recognize that there are some activities that can only be supported by the Federal government, and that are critical to our national and global future. Much of basic scientific research represents just such a critical area. Planetary exploration is on the leading edge of our efforts to advance high technology and to increase or understanding of the Earth and its place in the universe. In two decades, we have developed a unique capability to send sophisticated robot vehicles to the farthest reaches of the solar system. The pioneering accomplishments of the Vikings and Voyagers and their predecessors have captured the interest and imagination, not only of millions of Americans, But of multitudes around the world. Even those dubious about the policies of the United States have acknowledged the benign influence and technical leadership represented by this endeavor. It is hard to think of another federal program that has been so successful in accomplishing its goals, or so generally recognized as positive in its effects. It is an example of what we do best.

If we back off from the enterprise of the planets, we will be losing on many levels simultaneously. By examining other worlds—their weather, their climate, their geology, their organic chemistry, the possibility of life—we calibrate our own world. We learn better how to understand and improve the Earth. Planetary exploration is an activity involving high technology which has many important applications to the national and global economy—robotics and computer systems being two of many examples. It uses aerospace technology in an enterprise which is a credit to our nation, our species and our epoch. And planetary exploration is an adventure of historic proportions. A thousand years from now our age will be remembered because this was the moment when we first set sail for the planets.

In the decades of the 1960s and 1970s, dozens of American missions were launched to the Moon and the Planets. For the decade of the 1980s at most one such launch has been approved, and even it is in jeopardy. We write to ask your support to ensure the survival of planetary exploration in the United States. Survival truly is at stake, because once the engineering teams are dispersed, the scientists demoralized, and the facilities closed or redirected to other functions, it would take many years and a great deal of money to return us to our present capabilities. The minimum level of effort essential for such survival is to complete the Galileo orbiter and probe for launch to Jupiter in 1985, to approve at least one other new planetary mission for launch in this decade and to maintain the base support for science and engineering necessary to revitalize the program when a stronger economy can support it.

We and millions of Americans will appreciate any help you give to the enterprise of the planets.

CARL SAGAN,
President.
DAVID MORRISON,
Chairman, American Astronomical Society, Division for Planetary Sciences.

(And a scientist's plea from the heart.)

To the EDITOR:

It is true that out of every $100 the US spends, the planetary program costs three cents. The result of this 0.03 percent investment, however, is supporting a great deal more than its share of our present US economy with such offshoots as communication satellites, image processing of satellite data (weather photos, lake pollution, crop growth, mineral and coal deposits, for example), a vast computer, calculator, and microelectronics industry, and the whole solar voltaics industry, to name but a few. Some of the top industries in the US today are direct space science spinoffs.

Most of today's great technological breakthroughs have come from the space program, and the present satellite surveillance, jet propulsion, computer missile monitoring and so on that give our country its present military edge are results of military applications of basic space science developed technology. And these are but some of the offshoots of trying to learn how worlds work—ours included.

We must watch our level of man-made CO_2 pollution, the Venusian atmosphere has taught us. And the ozone layer must be kept intact or the ultraviolet rays from the sun will kill off our plant life, as arid Mars attests. What amazing insights into our own hurricanes and tornadoes, and what causes them, have been gained by studying them in the atmospheres of Jupiter and Saturn. One need only mention the earthquake-like faults on Jupiter's moon Ganymede and Saturn's Enceladus, and the volcanoes on Jupiter's moon Io to indicate how much our knowledge of such things has grown toward understanding, predicting, and some day perhaps preventing such uncontrolled forces on Earth.

And how vital is our understanding of the Sun, the source of all energy on Earth, if we are to solve an "energy crisis." Finally, the prestige of the US is never more enhanced, (not with military might nor with economic clout), than when we demonstrate what freedom means by overcoming the confines of Earth for the peaceful purpose of discovering knowledge of our place in the universe for all mankind.

Thus you see I feel a great injustice is being done, to the vital scientific community in the immediate place, but to the entire US population in the very near run, by the present annihilation of what amounts to the space exploration part of NASA. The plane-

tary program has sacrificed many years worth of funding and development time to get the space shuttle built—the promised source for much cheaper planetary probe launches among other things. Now that it is built, such planetary projects are being cancelled outright, virtually reducing NASA, (if this trend continues), to a mostly military orbital trucking service.

To put things in perspective, it may be helpful, for example, to point out that the cancelled US Halley's comet mission would have cost the US a little less than nine hours worth of its yearly military or welfare budget. And yet we are far better protected, far better fed, and I dare say, far more inspired as a people for such explorations.

The history of mankind's civilization and enlightenment is directly linked to [its] searching and growing awareness of [its] environment. I believe this pioneering spirit, a prime essential in the history of our country is still undying in the hearts of our people. It is of essential importance now for them to let their government know.

LAURANCE REEVE DOYLE,
Space Image Processing Group,
NASA Jet Propulsion Laboratory.●

A REACTION TO STOCKMAN

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. FORD of Michigan. Mr. Speaker, there will be a lot written about Budget Director Stockman during the next few weeks, but today's Detroit Free Press lead editorial has done an excellent job of assessing the situation. I want to take this opportunity to call this editorial to your attention.

BAD MEDICINE: CYNICISM AND GUESSWORK MARK THE REAGAN ECONOMIC CURE

Budget Director David Stockman's revelations on how the Reagan economic plan was shaped show how much of that plan was based on guesswork, cynicism and outright deception. "Supply-side economics" turns out to be a slogan to mask the old trickle-down policies, in which the chief object is slashing the income tax rates of the rich. In Mr. Stockman's words, the Kemp-Roth tax plan "was always a Trojan horse to bring down the top rate" paid by wealthy taxpayers from 70 percent to 50 percent.

Some of the problematic results of the Reagan program, Mr. Stockman indicates, became visible as early as April, though the administration still keeps up the pretense that a combination of budget cuts that hurt the poor, tax cuts that benefit the rich and increased defense spending will somehow lead to a burst of renewed prosperity. Meanwhile, the "swamp" of waste Mr. Stockman saw in the Defense Department is still ignored by the president. The budget director believed as much as $30 billion could be cut; Mr. Reagan is resisting even a token cut of $2 billion.

Coincidentally with the publication of Mr. Stockman's remarks in the Atlantic Monthly, President Reagan admitted Wednesday that the recession may last for months and the balanced budget is but a distant dream. This is no surprise to anyone who has watched the economic forecasts. The news is not that the Reagan plan isn't working, only that at last the numbers have made an impression upon Mr. Reagan himself.

The question is, what is he going to do about it? The answer, apparently, is that he will continue to tiptoe around the swelling military budget and hack some more from social programs that have already been mutilated. The safety net, like the balanced budget, now exists only in the imagination.

It should be more evident than ever that what Mr. Reagan offers us is a budget more concerned with ideology than with either economics or reality. Its goal is to buoy the rich, to dismantle the social services and income maintenance programs that so offend rockbound conservatives and to cut back the role of the federal government for the sake of cutting; without regard to the merits of what is being done. How else to explain why a president who talked so tough about cracking down on crime a few weeks ago by seeking budget cuts that will leave federal law enforcement agencies too poor to gas up the investigators' cars, to protect informants or to illustrate the runaway drug trade?

Mr. Reagan has never had a program for eliminating deficit spending, merely for transferring it from social services and entitlement programs to the military budget—although spending on superfluous weapons systems is inflationary, creates no jobs for those who need them most and is skewed geographically against the regions is greatest need of help.

And Mr. Stockman's comments confirm the fraudulent nature of supply-side theory. The budget director, nonetheless, has engaged in a remarkable exercise in cynicism, using supply-side mumbo-jumbo to get the Reagan program through Congress. The Democrats now hastening to hang him share the guilt for swallowing the scheme and for competing with Mr. Reagan in the rush to cut taxes helter-shelter.

There is, at last, growing alarm and skepticism abut the president's course even among influential Republican Senators. The Senate leaders who met with Mr. Reagan last week pressed him to moderate the budget-cutting and consider ways to raise taxes. They were unsuccessful, but the latest proposals for cutting the budget are almost certain to face bipartisan resistance. And while Mr. Reagan is backing off even from the tax increases he himself proposed in September, "revenue enhancement" is gaining adherents in Congress.

Even the president now concedes his economic medicine isn't working. His budget director admits much of it is quackery. On the heels of those remarkable admissions, what is needed is not the stiffening of the administration's stance that Mr. Reagan has called for, but for Congress to force a change in the prescription.●

TRIBUTE TO LIVINGSTON L. BIDDLE, JR.

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. YATES. Mr. Speaker, the Chairman of the National Endowment for the Arts must be an especially gifted individual, able to support artists and artistic institutions, yet without creating or sanctioning an "official" art. One who has performed this task with skill, dedication, and compassion is Livingston L. Biddle, Jr., whose tenure as Chairman of the NEA ended this week.

Liv Biddle encouraged private support of the arts and created programs to assist artists and institutions in management and fund raising. He made the peer panel review system, the heart of the Endowment's grant making process, more representative and made the presidentially appointed National Council on the Arts a far more active advisory body. He assembled one of the most dedicated and talented staffs that I have seen in my years in the Congress.

As chairman of the Appropriations Subcommittee, which oversees the Endowments, I have had an opportunity to work closely with Liv over the years as he implemented the policies he helped draft into law in 1965. He was always candid and knew when to rely on his own considerable knowledge and when to defer to the views of others. He was rare among administrators not only in his ability to delegate responsibility to his staff, but in his willingness to give them credit for a job well done.

I am sorry to see Livingston Biddle leave public service after so many years. I am not sure what his and his dear wife Catherina's future plans include—perhaps writing another novel or running another ballet. I hope he will not engage in singing as a profession. He deserves the thanks of the Congress for his service on behalf of the people and our wishes for a happy and healthy future.●

NATIONAL OPERATING ROOM NURSES' DAY

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. SHANNON. Mr. Speaker, I would like to take this opportunity to congratulate the Operating Room Nurses of America. November 14, 1981, has been proclaimed Operating Room Nurses' Day, in recognition of the Nation's registered nurses who practice in the operating room. Surgery today is hightly technical, sophisticated, and exacting, and operating room nurses are trained both to provide nursing care and to manage the operating room environment. They are to be highly commended for these skills, which they exhibit daily in caring for patients in medical centers across the country. Their job is indeed a multifaceted one, in which they must be prepared to meet the patient's physical and emotional needs before, during and after surgery. The operating room nurse must possess not only medical knowledge and technical expertise, but also great resources of human compassion and understanding. They are

highly depended on by both doctor and patient, often acting as a go-between for these two parties. In these ways, and by recognizing that the surgical patient is going through a major crisis in his life, they greatly humanize the hospital or clinical atmosphere. The personal attentions and reassuring, capable manner of the operating room nurse do much to allay a patient's fears and make his hospital stay a less trying experience. I am sure that you will all join me in recognizing the outstanding contributions of this fine group of skilled professionals on National Operating Room Nurses' Day.●

SPECIAL INTERESTS OR ENERGY INDEPENDENCE?

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. OTTINGER. Mr. Speaker, I was pleased to see in the November 4 issue of the Washington Post an editorial in support of expanding daylight saving time. As you know, the bipartisan bill that I and my distinguished colleague from California (Mr. MOORHEAD) introduced, passed the House on October 28. Our bill will expand daylight saving time by 2 months. The simple task of turning back our clocks 1 hour for the additional months of March and April will save our country 6 million barrels of oil every year.

It is my hope that the Senate will move the companion bill (S. 49 introduced by Senators CRANSTON and TSONGAS). With Americans favoring an extension of daylight saving time by a 2-to-1 margin, how can the Senate do anything else?

CLOCK-WATCHING ON CAPITOL HILL

Do cows really care what time the clock says when they're being milked, or is it a case of the milker caring more than the milkee? Every other year or so, Congress considers legislation to allow more than the current six months of daylight saving time—and every time the farmers and their cows are cited as reasons not to give up another minute of standard time. But this year, the House has passed a bill—a perfectly reasonable modification of the current arrangement—that would extend daylight saving time for an additional two months every year by starting it on the first Sunday in March instead of the last Sunday in April.

Supporters of this change note that having another hour of daylight in the afternoons of March and April would not only allow more time for outdoor work and recreation, but would also result in some energy savings because less electricity would be used. In urban areas, the light at the end of the day is also popular with people who don't particularly enjoy going home from work in the twilight or dark.

The change would make sunrise an hour later, but by March this wouldn't put schoolchildren out the door in the dark, except possibly in the westernmost section of each time zone, and only then for a matters of days. Backers of the bill also say the change in March would not result in any increase in traffic fatalities for schoolchildren. And any state could exempt itself from daylight-saving time for the whole summer.

Whether more daylight in the afternoon would actually save approximately 100,000 barrels of oil a day, as claimed, is difficult to know without a trial, but 243 members of the House voted to give the change a try. They may have seen opinion polls, cited by backers of the bill, that show the public favoring the change by a 2-to-1 margin. Or they may have recognized this year's bill as the most sensible one on a subject that by now is wasting more congressional time than it should. With Senate approval, a harmless, popular change could take effect next year.●

A TRIBUTE TO MING QUONG CHILDREN'S CENTER

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. MINETA. Mr. Speaker, I would like to rise today to pay tribute to Ming Quong Children's Center on their 100th anniversary for the contributions the center has made to San Francisco Bay Area children and their families.

The center, located in Los Gatos, Calif., has dedicated 100 years of service to providing a comprehensive treatment program for emotionally disturbed young people. Organized in 1881 by a group of San Francisco churchwomen, the center was originally established as a rescue mission for young Chinese slave girls. The center has changed with time from a rescue shelter to an orphanage, and currently to a treatment program for young people with special needs. Many of their clients have been referred from local law enforcement agencies.

Today, the Ming Quong Center distinguishes itself as a private, charitable children's center which offers both day and residential treatment for youngsters. An impressive and dedicated staff of administrators and educators are essential components of this high quality program. The staff focuses on academic, social, and emotional goals to be achieved in a family-oriented therapeutic program. A family atmosphere which places great emphasis on an individual's special needs is a top priority of the center.

A combination of qualified staff, effective program development, expanded facilities, and the pressing need for the center's efforts make Ming Quong an easily supportable organization for governmental agencies as well as private groups and individuals. Mr. Speaker, I would like to ask you and all my colleagues in the House of Representatives to join with me in expressing our appreciation to Ming Quong for all their fine work and outstanding programs and to wish them continued success in treating emotionally disturbed children.●

CONGRESSMAN BOLAND SPEAKS OUT ON THE SPACE PROGRAM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. BROWN of California. Mr. Speaker, last week I came across an insightful and important essay written by our colleague, EDDIE BOLAND, on the dangerous drift in U.S. space policy. Given the two hats Congressman BOLAND wears on the Appropriations Committee and the Permanent Select Committee on Intelligence, he is perhaps in the best position in the Congress to critique U.S. space policy.

The essay, which I will insert in the RECORD at the end of these remarks, deals with more than the steadily decreasing civilian space program due to budget cuts. The implications of those cuts are clearly laid out, specifically the "militarization" of the NASA, the civilian space agency. Not only does Congressman BOLAND warn (or should I say predict?) of the conversion of NASA into a trucking company for the Department of Defense, but he describes the almost inevitable shift of civilian space technologies to Europe and Japan, who are seeking markets in this field of U.S. leadership.

It is clear that the United States needs a long-term civilian space policy that will demonstrate our commitment to this area of human development. It is also clear that we are considering random budget cuts without such a policy, and with little thought to the implications of those budget cuts.

As one who has introduced a modest civilian space policy bill, I welcome the calls by leaders like EDDIE BOLAND for the United States to set out a coherent space policy.

I commend the following essay to my colleagues:

[From the Los Angeles Times, Nov. 2, 1981]

SQUEEZING THE BRIGHT PROMISE OUT OF THE SPACE PROGRAM

(By Edward P. Boland)

When the space shuttle Columbia returned to the California desert last spring, we were all filled with pride and renewed hope. After years of discouragement and setbacks, the shuttle flew a perfect mission, meeting every objective. We celebrated the accomplishment of that day. If the truth were known, never was this nation's space program beset by more uncertainty, greater disarray and a cloudier future in all its 30-year history.

What has gone wrong? There is no simple answer to that question. But it is clear that too few dollars are chasing too many

projects with too many technological problems.

In a talk given 3½ years ago, before the American Association for the Advancement of Science, I made the observation that, "after all the uncontrollables are funded, the remaining 25 percent (of the budget) comes under increasing pressure to make cuts. The National Aeronautics and Space Administration is one of those agencies that are within that 25 percent—and any President who is struggling to balance a budget, whether it is 1980 or 1981 or 1982 or 1983, will continue to squeeze all 'controllable' programs."

That is what has been happening. And from all indications it will continue to happen. The President's latest budget reductions only serve to emphasize this, and successive efforts to cut hundreds of millions of dollars from an already shrinking NASA budget have resulted in a space program with little or no direction.

In the past 18 months, NASA has faced three separate budget retrenchments.

The first occurred in March, 1980, when President Jimmy Carter proposed a reduction of $220 million below the original 1981 budget request. NASA's response was predictable. The agency attempted to absorb the budget reduction by stretching out all programs and canceling none of them.

While at first glance this appears attractive—and certainly can be expected as a natural reaction of NASA to placate all its constitutencies—the "stretch-everything-out" policy inevitably leads to unacceptably high costs, which in turn can only serve to complicate the allocation of already scarce dollars. When a President does not support the entire NASA program on the schedule that was originally planned, some programs must be pared or canceled and new priorities must be struck. Stretching it all out is not the answer.

The second major budget retrenchment occurred in March, 1981, when the President proposed slicing $600 million from the original 1982 NASA request.

That was followed by a third budget tremor sent to Congress in the past month. It proposes cutting an additional $367 million below the March reductions. These 1982 budget crunches have had the effect of throwing a hand grenade into the middle of programs that are already beset by both funding constraints and technological problems.

Perhaps the most tragic victim of the dollar crunch has been the space shuttle. Tragic because, although its funding has been partially "held harmless," the promise of the shuttle appears dimmer with each new NASA announcement.

At the beginning of 1981, 48 shuttle flights had been scheduled by NASA through 1985. After the Reagan reductions were sent to Congress, that target was trimmed by 14 missions. We now hear that there is a $700 million problem with development and production of shuttle orbiters in fiscal 1983. Unless that money is found within the total federal budget—or unless some cost-saving measures can be implemented—the number of shuttle flights through 1985 could be reduced to only 24. This would, for all practical purposes, force almost every commercial satellite back into more expensive expandable launchers or—even worse—onto the European Ariane launcher.

On the eve of the shuttle's second launch, that is not a happy picture. But the shuttle has not had a model development history. It has been plagued by expensive main-engine and thermal-tile problems. It is overweight and overcost and, as if that weren't enough, the Air Force has always been a reluctant bride in this joint venture. Even after a successful first flight, there are those in the Air Force who would still like to see the shuttle die an early death. Regrettably, in the halls of the Pentagon, the shuttle suffers from the "Not Invented Here" syndrome.

Still, when you discard bureaucratic rivalries and technological mishaps, it all comes back to a problem of dollars. It is not possible to squeeze a major shuttle development program and new planetary missions and new application missions and aeronautical research out of a continually contracting budget. It is like trying to put 10 pounds of potatoes into a 5-pound bag. Understandably, NASA has attempted to do just that. But it defies the laws of physics, and simply will not work.

And so NASA is at the crossroads. Decisions must be made, and made soon, on the future role of the U.S. civilian space agency. What will happen to the space shuttle? Will it become a $15 billion white elephant? Clearly, it can never be a reliable and profitable civilian space transportation system unless the turnaround time between flights can be drastically reduced. That cannot be done without sufficient money to fund enough flights to demonstrate its workability.

So the shuttle is caught in a vicious circle, and, painful as it is to admit, perhaps its promise as a cheap reusable civilian launch system may never be realized. Ironically, the shuttle may gradually evolve primarily into a military vehicle. That would be a particularly difficult pill to swallow because, in trying to hold the shuttle's funding harmless, nearly all NASA's science and applications programs are being sacrificed. That tragic and frustrating scenario appears to be the trend.

NASA faces other problems—potentially even more difficult. The fiscal 1983 budget process is now under way at the Office of Management and Budget. If the 1982 cuts are repeated in 1983, we may be seeing the beginning of the end of NASA as a civilian space agency.

In effect, we may be witnessing the gradual "militarization" of NASA. Sadly, we may see NASA become nothing more than an arm of the Department of Defense tasked with running a trucking company. That would abrogate to the Japanese and the Europeans many science, applications and communications programs in the next decade. Perhaps the picture is not that bleak. But, again, when one looks at the trends, it is hard to escape these conclusions.

Whatever ultimately comes from these and other questions, it is clear that in the past three years NASA's budgets have not been sufficient to support the space program justified before Congress. But the important point is that the shrinkage of those budgets and the stretchout of programs has not saved money. It has cost more money. And, until a space policy is set out that succeeding Administrations and Congresses will stick with, we are going to continue to pay more for less.●

H.R. 2456—THE U.S. FLAGSHIP FAIR COMPETITION ACT

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. HALL of Ohio. Mr. Speaker, during this period of austere budgeting, the Congress must recognize and assign priority to those tax expenditures from which our Nation realizes multiple benefits. Because H.R. 2456, the U.S. Flagship Fair Competition Act, ultimates in more than a single benefit for America, I want to speak in its support, and urge prompt consideration by the full House.

We easily recognize that a strong U.S.-flag fleet of merchant vessels working the oceans of the world both encourages and serves domestic/foreign commerce. Thus, this fleet contributes to our economc well-being, both through the merchandising of commodities and manufactured goods as well as the gainful employment of American workers across the entire spectrum of the job market. However, we may tend not to recognize that this same strong U.S.-flag fleet is—as General Eisenhower called it—our fourth line of defense.

Alfred Thayer Mahan, who was and remains one of America's most respected authorities on the influence of seapower on history, reduced the problems of operating freely on the seas to a simple formula: Navy plus bases plus merchant marine equals seapower.

Even today, in this age of the airplane and rocket, the efficient movement of men and materials by sea is still vital to our national defense. The essence of this vital role was recently stated in current terms we all can recognize:

> In a Persian Gulf conflict, the Soviets drive to work, while we have an 8,000-mile nautical fire hose to string.

Mr. Speaker, it behooves the Congress to see that the United States is not found "on the short end of the string."

Recent figures indicate a fourfold increase in the Soviet Union's merchant fleet within only 17 years. Such an achievement was not happenstance, but the targeted result of purposeful Soviet national policies that increased shipbuilding capabilities, supported healthy maritime markets, and created a supply of ships and trained seamen.

Navy Secretary Lehman pinpoints one of the shocking side effects of such Russian policies: "There are more Soviet . . . than American ships operating in (our own) country's foreign trade."

During these same years, the U.S. sea merchant policy seems to have been no policy at all.

At long last, we are hearing from many corners the call for a reversal of such nonpolicy. I feel that H.R. 2456 is such a call. Obviously, no one piece of congressional legislation of itself will achieve the reversal necessary to achieve the strong merchant marine we all desire to see. An important step was the transfer of the Maritime Administration from the Commerce Department to the Transporation Department—authorized this past July by the Congress and signed into law by the President the following month. Soon thereafter, the Secretary of Transportation was designated as official spokesman for the Maritime Administration.

The proposal of H.R. 2456 to reduce the depreciation period for American-built vessels from 14.5 to 5 years, together with other capital cost recovery provisions included in this measure, should be another vital step toward encouraging increased American shipbuilding on a basis that will be competitive in the world market.

We must get our ships built and out to sea quickly. Then we need to develop those further policies which will strenthen our maritime industry's commercial services, while at the same time enlarging its potential for serving as the U.S. fourth line of defense.●

EDUCATION AT THE CROSSROADS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. FORD of Michigan. Mr. Speaker, I rise today on a matter of great concern to me and the residents of my home town of Taylor, Mich. During recent weeks, the national media has focused attention on the fiscal dilemma of the Taylor Public School District, our State educational system as a whole, and the plight of the school children in Taylor, who may soon be left out in the educational cold.

While the potential closing of schools is a situation my constituents and I are very distressed about, it could very well arise in each and every Member's congressional district. The schools of the Nation are in desperate financial trouble. Some local school districts are facing more difficult situations that others. But unfortunately my home State of Michigan and its schools are suffering under the absolute worst economic conditions in the country, and there is no more vivid example of this anguish than the Taylor School District.

The citizens of Taylor have gone to the polls three times to vote on millage to support their schools. And, each time, out of absolute desperation, they have rejected the millage. I believe that, to a great extent, my constituents have rejected these millages because the school tax is the only tax which is put before them, for an up or down vote. With it, they can express their current attitude on their economic situation.

Mr. Speaker, I make these comments as a warning to my colleagues to make them aware of the challenges before our system of public school financing.

I would like to point out that there are a number of false assumptions being made about the crisis which has beset the Taylor School District. The first—and the most widely held—is that in some fashion, the State can take over the schools and the funding for them. I would like to set the record straight. There is absolutely no provision under State law which permits a financial takeover of a local school district by the State. And, even if there were, the State is not in any position financially to do so. While President Reagan has now declared that the Nation is in a recession, Michigan is suffering from a depression. Not meaning to bring humor into what I see as a very serious situation, the old, worn story about when the Nation's economy has a cold, Michigan suffers from pneumonia, certainly applies in 1981.

Under the State's constitution, Michigan is required to balance its budget annually. Because the economic predictions of the Governor, the legislature, the department of management and budget and even the prestigious research seminar in quantitative economics at the University of Michigan predicted a considerable shortfall in State revenue, the Governor has already been forced to impose a $270 million executive order cutting back on State spending. And this move was taken in only the very first month of the fiscal year.

It is anticipated that more such orders will come in the months ahead.

Our nationally respected State superintendent of public instruction, Dr. Phillip E. Runkel, made it clear on October 29, 1981:

> There will be no state bailout for financially-troubled school districts. I have met with the Governor, the Speaker of the House, the Senate Majority Leader and the minority leaders of both houses in the State legislature, and they are unanimous in this decision—no bailout for the districts.

I have every reason to believe, given my long and close friendship with Dr. Runkel, that he is giving us straight talk.

Attorney General Frank J. Kelley also has confirmed that the State cannot take over the district financially. On October 18, he said:

> The Governor, the legislature, State school officials and others have already said there is no pot of gold available in Lansing. They have repeatedly said the financial fate of the local school district is in the hands of local voters.
>
> The Michigan Constitution does not impose a duty on the Michigan Legislature to appropriate additional State funds to those school districts where the electors have refused to approve property tax limitation increases for school operating purposes. It is a mistake for anyone to believe that the State has funds available for aid to school districts which run out of funds, Attorney General Kelley said.

Wayne County Circuit Judge Joseph B. Sullivan ruled on November 3 that the State must advance the Taylor School District $2.1 million on its State school aid payment account to enable the schools to stay open until the millage election on December 3. Some believe that since the judge was able to rule in this way, that it proves that the State could step in financially. But this payment is strictly an advance on future State aid, and the district has already been reimbursed for 65 days of instruction, even though it has only been open for 35 days. So, even without this new payment, the district has been operating in the hole. Without a new infusion of funding, which the millage would provide, the school district cannot afford to stay open.

Another false assumption of the residents of Taylor is that they are "overtaxed" compared to neighboring school districts. It should be pointed out that even though Taylor has a high total tax rate, at 16th out of the 36 school districts in Wayne County, it is clearly not at the top. The Taylor School District at the same time ranks 27th out of the 36 districts in local wealth—State equalized value—and is, in fact, just below the average in the county in per pupil operating expenditures.

That the fate of the school district and its 16,000 students lies with the will of the local voters is a trusted—and for the most part—respected tradition in Michigan. Local control of the schools is a policy I fought for as a young attorney for the then-Taylor Township schools, as a delegate to the State constitutional convention, and as a State senator. I continue to work diligently to maintain this posture in writing Federal education statutes on the House Subcommittee on Elementary, Secondary, and Vocational Education.

Our schools in Michigan rank as some of the best in the United States. From its very beginning under the provisions of the Northwest Ordinance of 1787 and the State's first constitution in 1835, Michigan has pledged to its citizens that "the means of education shall forever be encouraged," and that a "system of free public elementary and secondary schools" shall be maintained.

The December 3 millage vote gives the Taylor voters the opportunity to maintain and enrich that commitment. It gives them the prerogative of

insuring that their children and my grandchildren receive the same chance for a successful future that we had. For the 1,246 seniors expecting to graduate in June, it means that they can fulfill their long held plans—and dreams—first, of course, to receive the diplomas they've worked toward for 13 years of their lives, and then to go on to school, or hold a responsible job. But, without a renewed commitment on the part of the voters, these children have less of a future than most of their parents had. The voters cannot afford to shut the school doors, and rob their children of just 1 year of education, because they could well be robbing them of their entire futures or setting back their educational progress irreparably.

There is no question that the Taylor schools have faced some very difficult times in the last few years. But I firmly believe that it now is the time to put that all behind us. There are many achievements that the schools are responsible for that Taylor residents can point to with pride and enthusiasm:

Accreditation by the North Central Association and the University of Michigan.

A State leadership role in developing a comprehensive reading and math program which combines State and Federal programs and funding.

Selection as a national sample for compensatory education distribution formulas.

A model preschool program.

Outstanding success in "mainstreaming" handicapped children into regular classrooms.

A successful public works grant application for a new vocational-technical education center.

A highly acclaimed teacher in-service training program, conducted in conjunction with Eastern Michigan University and Wayne State University, which has been adopted statewide as the "Taylor Model."

Not only does the passage of the millage make good sense for the future of our children, it makes good economic sense. If the millage is not approved, Taylor could well be the only municipality in the entire State without public schools. What impact would this have on home values, and on the ability of our mayor and city council to attract new business which we so desperately need? I can assure you that not only would home values plummet, but any hope of bringing in new businesses would be quashed.

I cannot stress enough how strongly I believe in the value of education and the importance of providing it for our young people. My ballot will be cast in the affirmative on December 3. I truly hope that position is in the majority when the votes are counted.●

AMERICAN LEGION CALLS FOR THE RECOGNITION OF NAMIBIA

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. FIELDS. Mr. Speaker, I sincerely find it increasingly difficult to understand why more leaders in our Nation are not aware of the serious threat that the Soviet Union poses to the Govenment of South West Africa/Namibia, and therefore to U.S. national security.

Namibia has the largest uranium mine in the world, exceeding one-sixth of all the known uranium in the Western World. Namibia also holds vast quantities of copper, zinc, and gem diamonds. Namibia's importance as a trading partner will be even more significant and vital should the United States become a signatory to the Law of the Sea Treaty in its present inferior form.

In addition, the deepwater port at Walvis Bay on Namibia's southwest coast is ideally suited for harboring Soviet nuclear submarines in a position to bisect the oil lifeline from the Persian Gulf to the United States and our European allies in NATO. Over 26,000 ships a year pass from the Persian Gulf around the Cape of Good Hope, and as much as 70 percent of the critical minerals needed by the West. It is obvious that Soviet control of those sea lanes and the South Atlantic would nearly give the Soviets a complete victory in its resource war with the United States and its Western allies.

Mr. Speaker, it is time that more of us speak out boldly against the Soviet Union's active participation in SWAPO's terrorist war against Namibia's nonracial, representative government. SWAPO terrorists engage in hit-and-run raids of the type that has become all too familiar in many parts of the world where Soviet financed, trained, and equipped terrorist movements are at work. SWAPO terrorists plant Russian landmines in front of schools, stores, and other civilian localities in the black communities, using murder as a tool with which to wrench the government from the hands of Namibia's free people.

I am proud of the American Legion for raising its voice in defense of the peoples of South West Africa/Namibia. At the Legion's 63d national convention held this past September 1 through September 3, a resolution was adopted concerning Namibia. The text of resolution follows:

RESOLUTION 20—NAMIBIA/SOUTH WEST AFRICA

(63d National Convention of the American Legion, Honolulu, Hawaii, September 1 to 3, 1981)

Whereas, The Nation of South West Africa have been friends and allies of the United States during our national crisis, continues to be so, and

Whereas, free elections have been held with a multiracially balanced government being formed named the DTA in the majority, and

Whereas, the United Nations have failed to recognize it as a legitimate government because of Walvis Bay naval base controlled by South Africa, was not included in the transfer of properties along the Atlantic seaboard, the Communist and Third World countries refuse to recognize the legitimate elected Government of South West Africa, namely Namibia, and

Whereas, with the Communists in control of South West Africa would give the red belt across the entire Continent of Africa, controlling the sea lanes of the Indian, Pacific and Atlantic Oceans, and

Whereas, the industrialized nations of the western world are dependent upon the minerals and defense of the sea lanes, dependent upon for our survival;

Now, therefore, be it resolved by the American Legion in National Convention assembled in Honolulu, Hawaii, September 1 to 3, 1981, that we go on record as requesting that the United States Government recognize the present legitimately elected Government of Namibia as the legal government.●

LET'S LABEL CIGARETTES FOR WHAT THEY ARE: A MAJOR CAUSE OF DEATH AND ILLNESS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WAXMAN. Mr. Speaker, I am pleased to announce the introduction of H.R. 4957, the Comprehensive Smoking Prevention Education Act of 1981. This legislation will result in a dramatic increase in public knowledge about the significant adverse health effects of smoking.

The need for this legislation is clear. An estimated 54 million Americans smoke and the number of young smokers—particularly young women—is disturbingly high. There can be no question that the health of smokers suffers as a result of the smoking habit. The increased risk of serious illness is well documented.

Today we know much more about the adverse health effects of smoking than we did when the first report of the Surgeon General was issued in 1964. Today we know that smoking is our Nation's most preventable cause of illness.

Smoking is the No. 1 cause of lung cancer and is a significant cause of

larynx, oral cavity, esophagus, and bladder cancer.

Smoking accounts for one-third of all heart disease deaths and nearly doubles a persons risk of heart attack.

Smoking is a major cause of emphysema and chronic bronchitis.

Smoking significantly increases the risk of birth defects or spontaneous abortion during pregnancy.

Simply put, smoking is a major health risk factor and is directly responsible for the death of over 300,000 Americans each year. The costs in terms of unnecessary health care expenditures and lost productivity to the U.S. economy are a multibillion-dollar national embarrassment.

Tragically, a significant portion of the public—particularly smokers—are unaware of this information.

The Federal Trade Commission recently reviewed a large number of studies concerning the extent of consumer knowledge about the health effects of smoking. Its conclusions were published in a May 1981 Staff Report. The report notes:

> . . . the evidence indicates that many consumers do not have enough information about the health risks of smoking in order to know how dangerous smoking is, i.e. what is the nature and extent of the health risk of smoking. Many consumers also do not know whether the general health risks of smoking have any personal relevance to themselves or whether they are among those groups of people who may be uniquely vulnerable to these health hazards. Finally, without more specific, concrete information, consumers have a more difficult time remembering and are less likely to consider health information at all in making their smoking decision.

The level of public ignorance and misunderstanding about the health effects of smoking and the trend of smokers to start at younger and younger ages highlights the need for legislative action. Steps must be taken to make smokers and potential smokers more aware that smoking is a certain and most potent killer.

For years now the cigarette industry has sponsored advertising campaigns which attribute positive lifestyle values to smoking. These efforts have been all too effective and have served to blunt and undercut both Federal and private sector smoking education activities. Its time to take a new look at developing more effective antismoking activities. Enactment of H.R. 4957 will be a positive step toward developing more successful smoking prevention campaigns.

H.R. 4957, provides statutory standing to the Office on Smoking and Health within the Department of Health and Human Resources. It charges the Office with establishment and administration of a national smoking education program. It requires the Office to become more actively involved in the preparation and dissemination of educational and scientific information on smoking and to actively involve a wide range of Federal agencies and private sector organizations in these activities.

In addition, the bill replaces the current cigarette warning label with six new health warnings. Unlike the current label, the new warnings are specific and reflect the most current scientific knowledge about the relationship between smoking and disease. The warnings will rotate among cigarette packages and advertising on an annual basis in order to enhance their visibility and assure the widest dissemination of their health message.

I am pleased to say that H.R. 4957 has broad support among private voluntary health associations. I would like to express my personal appreciation to the American Heart Association for their technical assistance in the preparation of this legislation. Through their leadership, H.R. 4957 can now claim the endorsement of virtually every major private health organization concerned about public health and disease prevention.

Mr. Speaker, the body of scientific knowledge documenting the adverse health effects of smoking is overwhelming. The linkage between smoking and serious illness or death is unequivocal. I believe our national smoking habit can be reduced if the public is better informed of the risks they take when they light up.

Increasing the level of public knowledge about these health risks will require the commitment of the Federal Government as well as voluntary health organizations to work together in initiating a vigorous nationwide campaign of smoking education. Passage of H.R. 4957 is an integral step in initiating this campaign and forging such a partnership.

I urge all Members to join with me as cosponsors of this important health promotion initiative.●

STATESMANSHIP NEEDED TO RESCUE SOCIAL SECURITY

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. McCLORY. Mr. Speaker, a recent editorial in the Christian Science Monitor illustrates well, in my view, the crisis of social security's future. Change will be difficult but letting luck take care of the very bread and butter of many of our citizens is inexcusable. We have a duty and responsibility to our constituency to make every effort in their behalf.

I ask permission to have the editorial from the Monitor issue of October 19 printed in full following these remarks and commend it to the attention of my colleagues:

SOCIAL SECURITY'S FUTURE

A great sigh of relief seemed to go up from Congress and the White House when the thin ice of social security reform was once more skated over with no one actually falling through. But the future lies ahead, as the comedian said, whether Washington acknowledges it or not. An increasing elderly population will have to be taken care of one way or another. While Congress gets off the hook with short-term remedies, and the President gets off the hook with a bipartisan study commission, the American public ought to be demanding that the momentum for saving a humane and valuable system not be lost entirely. It is good to see that at least House Speaker O'Neill and Senate Majority Leader Baker have agreed that the commission ought to report back by April 15 rather than in a year or two as mentioned by Mr. Reagan.

The place to start is with the facts which the commission will have to consider—and which the President will have to act upon to regain the bold image achieved by his original social security initiatives. These facts begin with the well-publicized postwar "baby boom" generation reaching retirement age in the first half of the next century—with an added social security drain on the working generation then. But they add up to a picture of the U.S. population that has encouraging as well as sobering aspects.

For one thing, the people who would now be called elderly are projected to have "younger" characteristics than the word suggests: more years ahead of them, better health, more education than their present counterparts—and a greater place for them in the working world. The latter would be due to slowed growth in the labor force, to an increase in the economy's service sector with physical demands suitable to older people, and to improved educational backgrounds enabling them to adapt to technological change.

One dramatic way of putting the trend is to note the actuarial calculations that retiring in 1980 at 69 years of age was equivalent to retiring in 1940 at 65—and in the year 2000 the figure rises to 71 years. Such factors have to be taken into account when the social security commission considers increasing the age of retirment for full social security benefits. It appears that many people would be well prepared to benefit both themselves and society by staying longer in the work force.

Yet the picture is complicated. And we are indebted to such a social security expert as Alicia Munnell, vice-president and economist of the Federal Reserve Bank of Boston, for interpreting the statistics as she has for the Senate's Special Committee on Aging. Considering such matters as disability and technological displacement, she finds that proposals for a gradual increase of the retirement age from 65 to 68 would yield a long-term reduction in costs of only about 1 percent of taxable payroll, with somewhat more in later years. A question for the commission is whether such cost reductions are really worth the restructuring of the system and the risk of leaving some unemployed elderly without a sound means of support.

For Mrs. Munnell notes that past experience indicates lower-paid workers are not able to save for their own retirement and even middle-income workers are not likely to plan enough retirement savings. As for private pension plans, less than half of the private nonfarm workforce is covered by them. Pension benefits go mainly to highly

paid people; low-wage workers receive almost none.

So, for all the lengthened years of activity open to tomorrow's older people there would remain many dependent on children or other sources if not social security. In other words, the costs of their keep will be borne somehow. Though the idea of raising taxes instead of reducing benefits has not been popular of late, Mrs. Munnell puts it in perspective. The upshot is that the system would have sufficient revenue to run well through the first decade of the 21st century if the present proposals for borrowing within the social security trust funds were combined with payroll tax increases costing $45 a year for a worker earning $15,000 a year. This would mean .3 percent for an employee for three years compared with scheduled taxes.

On into the next century the combined employee and employer tax rate would become 17 percent of taxable payroll. This seems high in relation to the present 11 percent for the pension portion of social security. But it is less than what a number of European countries already pay—more than 20 percent of payroll in Italy, Sweden, and the Netherlands, for example, with West Germany at 18 percent. And the rate would have to be seen in conjunction with a reduced outlay on dependents at the younger end of the spectrum. The proportion of the combined younger and older generations to the working generation is called the dependency ratio. It reached a peak of .95 in 1965 and fell to .75 by last year. Under birth rate projections rising to 2,100 births for every 1,000 women, the ratio continues to fall until 2005 and then rises to a plateau of .69 in 2035–2055—still not as high as in 1965.

Should Americans, then, invest more in social security rather than receive less out of it? This is the kind of question the commission will be having to go into, getting across that thin ice, this time onto solid ground.●

TO LOWER INTEREST RATES, GO FORWARD TO GOLD

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. KEMP. Mr. Speaker, the administration has made great progress in reforming tax, spending and regulatory policy. But the final pillar of economic recovery—monetary reform—has not yet been established. The thinking of the Federal Reserve, as explained recently in the Wall Street Journal, is that it is necessary to slow down the economy and raise unemployment, in order to lower interest rates. While the most significant of President Reagan's tax incentives will not begin until next year, the economy is now suffering from recession, with the highest unemployment rates since 1975. The problem—the tragedy—is that, despite the human suffering caused by current Federal Reserve policy, it will not cure the underlying problem of inflation and high interest rates. Once the "going out of business" sale is over, interest rates will remain high, because people have no long-term confidence in money.

The answer, I am convinced, is to go forward with a monetary reform which will make the dollar once again as good as gold. Jude Wanniski, president of Polyconomics Inc., recently explained this fact in an excellent column in the Washington Post. I commend the article to my colleagues.

The article follows:

TO LOWER INTEREST RATES, GO BACK TO GOLD

(By Jude Wanniski)

There are only two ways to bring down interest rates: decrease the demand for credit or increase the supply of credit.

President Reagan has been struggling with record-shattering interest rates because his administration has been almost wholly occupied with the first of these two options. The Keynesian and monetarist "demand-side" economists have dominated thinking about the interest-rate dilemma. They focus on trying to reduce the demand for credit.

Budget director David Stockman, once a supply-sider, has been drawn into this demand-side exercise, hacking away at school-lunch programs, Medicaid and national defense in a desperate attempt to reduce the federal government's demand for credit.

The monetarists sprinkled through the administration likewise have no interest in the supply of credit. Indeed, they specifically argue that the Federal Reserve should pay no attention whatever to the price of credit, i.e., interest rates. They aim at control of the "money supply," as they define money. If there is less "money," people will be able to demand less in the way of wage and price increases.

For the monetarist solution to work, we are told, there must be a period of recession and unemployment in which "people" realize they can't ask for more, because there isn't enough "money" in the system.

Federal Reserve Chairman Paul Volcker is not a monetarist per se, but he is a big believer in recessions a way of bringing down interest rates. He believes that inflation is caused by workers asking for more money and businessmen granting those demands. He thus will support any idea to induce a recession, a goal he has now achieved.

The supply-side economists put their focus on the supply of credit. If we could increase the supply of credit we could avoid using a recession as a way of lowering interest rates. If we could increase the supply of credit rapidly enough, we could even experience a rising demand for credit with falling interest rates.

The chief instrument to bring down interest rates, though, could not be fiscal policy. Supply-side economists (excepting a few supply-side fiscalists such as Treasury Undersecretary Norman Ture) have always asserted that monetary policy is the key to interest rates. Of course, they believe any assault on credit demand is doomed to failure. The recession only shrinks the economy and its tax base, setting the stage for lower interest rates next year.

The only way to break this spiral is by increasing the supply of credit, basically by making it so much more attractive to be a creditor that people will once again be happy to lend long at low interest rates.

How can this be done? The supply-siders say it can only be done with a gold standard.

Only by announcing that we are going to move toward the opening of the gold window that President Nixon closed in 1971 will people be encouraged to lend long again. Only by guaranteeing the dollar's value as a unit of account, in a specified weight of gold, can the current global liquidity crisis end without inflation. And it surely is a global crisis. It was Robert Mundell, the Canadian economist, who observed 10 years ago when the gold window was closed that it was the first time in 1,500 years that the world was without a single currency convertible into gold or silver. We are in a Greenback era, in which all governments can change the value of their currencies annually, monthly, weekly, daily, hourly.

In the past decade, the U.S. government has repeatedly defaulted on its debt to bondholders—by devaluing the dollar relative to real goods. Prospective lenders to either government or the private sector demand enormous premiums in the form of interest rates. Why should anyone lend to anyone else when the banking is done in dollars or other non-convertible currencies that constantly melt in real value?

It is, after all, not only government that defaults on debt when the monetary standard shrinks, all creditors lose. The more they lose, the less they lend. For this reason, there is almost nothing better that the government can do for its people than maintain a constant value of its unit of account, its currency. People make most of the important decisions of their lives around the value of the government official unit of account. When the government alters its value, or "floats" it, as Nixon did, everyone loses. The debtors may momentarily gain, but inflation poisons the community at large in which debtors live too.

When the dollar is convertible into gold, this is impossible. There are no windfall losses or windfall gains. Debtors pay what they promised; creditors receive what was pledged. As a result, there are no inflation premiums in the interest rate. Once again, people lend long at low interest rates.

If Reagan tomorrow announced a return to covertibility, the rest of the world would rush to join the system. No nation could afford to stay on the paper standard if it wished to continue conducting international banking services. Who would bank in floating Deutschemarks, yen, sterling, francs or lira if the dollar were as good as gold?

We abandoned convertiblity, remember, not because we were in a credit crunch, but because Nixon was sold the Keynesian idea that a devalued U.S. dollar would make us more competitive with the Japanese. The monetarists persuaded Nixon to float the dollar altogether in 1973 so they could try another of history's periodic experiments with a paper standard.

Stockman believes convertiblity would mean an initial period of illiquidity, a wave of bankruptcies. But, that is what we are now experiencing. Gold ends the liquidity crisis that is endemic on a global scale because there is no international monetary standard of value. When the supply of credit expands, interest rates tumble and relieved debtors and creditors can happily refinance.

Before we get to that point, though, there must be a general awareness in Washington—in the White House and on Capitol Hill—that there is more than one way to bring down interest rates. Cutting the demand for credit, the method attempted thus far, is the wrong way. The "cure" is

worse than the affliction in that it embraces poverty and unemployment as necessary side effects to lowering interest rates.

Expanding the supply of credit is the only positive solution. It can only be done by reestablishing the dollar's link with gold, reestablishing the value of the accounting unit in real terms. Until the President moves decisively toward this positive solution, he and his administration and the world economy will continue to suffer, and it will get worse.●

VETERANS NOT RECEIVING NEEDED BENEFITS

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. SYNAR. Mr. Speaker, yesterday, November 11, 1981, ceremonies were held all around this country celebrating Veterans Day, the anniversary of the armistice signed at the end of the First World War. Unfortunately, that war did not mark the end to the armed conflicts the young men and women of the United States have been asked to fight in. The battle to preserve the rights of a free society was continued in another world war and in the Korean and Vietnamese conflicts. It is only fitting that Americans take the time to commemorate friends and relatives who have sacrificed so much of their own personal well-being for their country. Veterans of each of these wars need to know that we appreciate their sacrifices and we are willing to do all we can to pay back our debts. Recently, however, our veterans have been alarmed by signals they are receiving from Washington, and rightly so.

I am concerned about the recent proposals being circulated through Congress calling for additional spending cuts in the range of $450 million in VA health care programs. We have sent our men and women to war and they have come home suffering from physical and psychological ailments. We have an obligation to these veterans to insure the availability of proper medical care to tend to their lingering wounds.

Our veterans, recognizing the budget problems facing this Nation, have taken the first round of budget cuts they were dealt this year in stride; $110 million was cut from the veterans' budget during reconciliation, affecting their burial benefits, dental care, and education programs. Now, veterans are being asked to accept drastic spending cuts in their medical care programs. Direct medcial care would be affected as well as medical research and veterans' hospital construction. This would be a ruinous blow to the veterans' health care system.

I appreciate the pressures facing our economy and the need to cut spending by the Federal Government. Projections for our budget deficits over the next several years are devastating. However, we have to insure the viability of the veterans' health care system. We can correct the problems facing our Nation's economy without turning our backs on our veterans.

At existing levels, there is clear evidence that our veterans are not receiving the benefits the Congress had intended for them to receive. My Oklahoma colleague, GLENN ENGLISH, recently held a hearing in his Government Information Subcommittee, which brought out the fact that $16.2 million had been appropriated for services at the Vietnam Vet Outreach Centers in the last 2 years which they never received. In addition, between $1 and $4 million in operating funds for these Centers never reached them because it was lost at the VA due to confused accounting procedures.

When services are not reaching our veterans that Congress has approved funding for already, how can we honestly contemplate cutting the veterans' budget even further?●

STATE DEPARTMENT BILL H.R. 3518

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DERWINSKI. Mr. Speaker, when the State Department authorization bill, H.R. 3518, was finally passed on October 29, title II of the bill was designed to provide a means to remedy a serious and growing imbalance between treatment accorded by many countries to official missions of the United States abroad, and that accorded to foreign missions in the United States.

This matter was overlooked in the other controversies, primarily budget matters, that plagued this measure.

Basically, the United States is getting the short end of the deal in its diplomatic arrangements with many other countries. Our State Department does not now have the authority to enforce reciprocity with these countries. The bill would give it the authority.

For a firsthand point of view on the subject of reciprocity, I recommend the following article on problems we have with so-called diplomatic service bureaus with which we have to deal in foreign countries. It was written by the State Department's branch public affairs officer in our embassy in Beijing and appeared in the State Department professional publication, Open Forum, in September 1981:

TAKE YOUR DAMN THUMB OFF THE SCALE

(By David W. Hess)[1]

For years, Foreign Service personnel serving in Communist countries have been harassed by the activities of the so-called Diplomatic Service Bureaus, such as the DSB in Beijing and the UPDK in Moscow. All commercial transactions (hiring local staff; arranging housing; internal travel; hotel, dinner, and ticket reservations; etc.) made between Foreign Service personnel and local organizations must be handled through these Bureaus. Their uncooperative manner often results in unequal and debilitating conditions for our colleagues.

As the Service Bureaus control our housing, they tell us where to live (often in ghettos under constant surveillance) and determine our personnel ceilings by the slow rate with which they provide working and living space. At one point, detente with the Soviet Union may have been growing, but the UPDK, in refusing to give us more working and living space, put an effective brake on our ability to respond to new policy directions in Moscow. Meanwhile, Soviet diplomats in Washington are relatively unrestricted as to the location and size of their living accommodations. Now, even as our relationship with the PRC rapidly expands, Embassy Beijing is under duress. The average person reporting for duty will live at least 6 months in a hotel before receiving a small apartment. Because we lack the necessary working space, we cannot make the increases in our American staff we need to fulfill the responsibilities to which our two governments have been committed.

In Moscow and Beijing, we cannot hire anyone directly. The local staff works for the UPDK and the DSB. Often, our requests for local personnel, translators, typists, administrators, or "golfers" languish in the Bureaus for months. When we insist, we are told that out of the 250 million people in the Soviet Union or the 1 billion in China, there is no one qualified to fill the position. We suspect there is no one with those qualifications ideologically suited to survive long-term, close contact with Americans. The Bureaus evidently feel that in refusing to provide these workers, they can reduce Foreign Service personnel to baggage handlers and warehouse workers. "Since they are all spies anyway, we will at least reduce their effectiveness." Whatever the reason, the result is a serious labor shortage and inefficiency in responding to diplomatic responsibilities.

In many Communist countries, the Foreign Ministry rigidly controls the internal travel of Foreign Service personnel. Such travel must be requested in advance—often it is not approved. If granted, all travel arrangements must be made through the Service Bureaus. Thus, the lucky traveller is faced with one of the most aggravating elements of serving in the Communist world.

We all know that traveling on second-class airlines and living in third-class hotels are the conditions of service, but the Service Bureaus charge top dollar, as though we were flying United and staying at the Hilton. This overcharging is even more galling because ordinary citizens pay a much lower price. For example, while an American diplomat would pay $45 for a hotel room, the cost to a Russian citizen would be $7.50—its real worth. A flight from Beijing to Shanghai costs our diplomat $100, but

[1] David W. Hess is currently Branch Public Affairs Officer at our Embassy in Beijing.

the Chinese passenger only pays $40. The excuse is: "We are so much poorer than you; you can afford it." We should answer that "We will choose our own charities." Admittedly, we live under a different economic system with dissimilar inflationary effects, but the Communist state officials withhold the information that would allow comparisons leading to reasonable adjustments. Instead, they give their assumptions the force of law and sock it to us.

Why have we failed to press for a quid pro quo for our diplomats? Our senior diplomats resist taking a strong position on these issues, fearing that: (a) they will appear small, haggling for pennies and handling administrative rather than substantive work; and (b) pressing for equal living conditions will somehow reduce the possible successful results from such substantive issues as SALT, detente, MBFR, etc.

The leaders of these Communist states—in believing their way to be the wave of the future and ours destined for the trash heap of history—strive to hasten our demise. They may see achievement of their goal as near or far and disagree as to how far away it may be. Nevertheless, as long as this goal remains undiminished as a principal rationale for their regimes, we will be viewed as enemies. They will test us often, in various ways, and point to their successes as proof of their version of historical development.

Officially, we seek detente, equality, and peace, but this must be changed to include reciprocity. Because this testing will continue, we must respond in a manner that is consistent and understandable to the Communists. If our senior diplomats have to involve themselves in administrative issues, then so be it. When equality and reciprocity are uniformly established as the sine qua non of our relationship, we will be acting in the interests of substantive issues, not in spite of them.

How can we get fair treatment from the Diplomatic Service Bureaus? Simple. The Department of State, in cooperation with the F.B.I., should establish the United States Diplomatic Service Bureau, which would give the same type of service to those diplomats who force us to use their DSB's. These diplomats would have to arrange their travel and hotel accommodations through the USDSB, and would be charged the same exorbitant rate our diplomats are made to pay in their country. The Bureau would approve every lease, thus exercising effective control over the whereabouts of these diplomats. In restricting local staff, we would also closely adhere to the Communist state example.

Present U.S. law would not block this plan since diplomats do not have rights under our law—they have immunity supervised by the State Department. The Department could thus expand its mandate.

If present international diplomatic conventions block this plan, these conventions could also be used to reduce the control Service Bureaus have over our diplomats.

Many Foreign Service personnel who have served in Communist countries with Diplomatic Service Bureaus would like to "get even." That is not the thrust of this proposal. In fact, it would be best if such an organization were not necessary. The purpose of this proposal is to establish some of the leverage necessary to negotiate more normal working and living conditions in the Communist countries for our diplomats and to emphasize that the United States insists on equality and reciprocity in all of its relationships.●

REAR ADMIRAL KIDD'S NAVAL ORDER MEDAL FOUND IN U.S.S. "ARIZONA"

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. RUDD. Mr. Speaker, recently, I had the distinct honor of speaking before the Naval Order of the United States at its biennial congress held in San Diego. Present at the congress were many of the distinguished members of the Naval Order who have so nobly served America in the U.S. naval service.

Of interest to all of us, particularly Arizonans and those families and friends of the brave men aboard at the time of its sinking, is the relationship of the Naval Order to the U.S.S. *Arizona* which is now a national monument.

Following the attack and destruction of the fleet at Pearl Harbor, attempts were made to raise the sunken U.S.S. *Arizona* and to bring up the bodies of the men entombed, including the remains of Rear Adm. Isaac Kidd, Sr. These attempts were abandoned because of the loss of life. However, the ship continued to be used as a training school for divers. In one of these dives, the jewelry box of Rear Admiral Kidd was retrieved and is now in the possession of his son, Adm. Isaac Kidd, Jr. The box contained mementos of the cruise of the Great White Fleet, including medals and decorations received from foreign nations. Among them was a medal that Isaac Kidd, Jr. could not at first identify. Recently, the admiral identified the questioned decoration as the medal of the Naval Order of the United States.

Rear Adm. Isaac Kidd's Naval Order Medal, signifying his membership in the order, had been brought up from the historic U.S.S. *Arizona* lying as a national monument on the bottom at Pearl Harbor. It is even more significant to know that his son, Admiral Kidd, Jr., dedicated the beautiful Arizona Memorial near the Cincpacflt landing at Pearl Harbor, which is visited by thousands each year.

While the story of Rear Admiral Kidd's Naval Order association is special to all of its members, there are many other famous, some illustrious, companions in the Naval Order. Among them: Adm. George Dewey, Loyall Farragut (son of David Farragut), Rear Adm. John Grimes Walker, Capt. Jon Codman Soley, all founders; and, Admirals King, Nimitz, Leahy, Halsey, Spruance, Blandy, Clark, and many others.

Some of my Arizona friends who are privileged to wear the Naval Order Medal and have brought honor to our Nation are Lt. Cmdr. Guy Stillman, Lt. H. T. Aardweg, Capt. E. B. Waldman and Capt. Merrill Hammond. I, too, am proud and humble to wear this same medal.●

MEDIA WATCHDOG

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. LaFALCE. Mr. Speaker, every Member of Congress deals on a regular basis with members of the news media.

From frequent contact with members of America's press corps, one can develop a deep respect for the talents and powers of the fourth estate. As a profession, they share our concerns for the Nation and the ever-present demands of timeliness and accuracy. However, sometimes those demands, especially the latter, are not met. What then?

Sixty-five years ago, the first national press council was established in Sweden. In the nation known as the birthplace of the modern-day ombudsman, an organization was created to serve as watchdog on the activities of the news media. Today more than 30 press councils, taking a variety of forms, exist throughout the world.

Mr. Speaker, what recourse does a private citizen or public official have when a news story is reported inaccurately? What recourse does a religious, social or government organization have when the news-gathering activities of the news media breach commonly accepted standards of privacy?

Beyond a tart letter to the editor or perhaps an expensive, time-consuming and risky libel suit, there are few avenues available for addressing these complex and serious occurrences.

A recent article by David Shaw outlines one method of dealing with this problem. In the article printed below, Mr. Shaw reports on the history, the successes and the failures of the news council system of monitoring the news media.

While it is certainly not a perfect means of resolving the serious dangers posed by reckless reporting, it does provide a system by which the public can watch the watchdog.

Given the importance of the news media and accurate reporting to the proper functioning of our form of democracy, I commend this article and its insights to my colleagues.

The article follows:

[From the Buffalo News, Oct. 4, 1981]

IS WATCHDOG NEEDED OVER THE NEWS MEDIA?

(By David Shaw)

In London, a newspaper investigating a government official's relationship with a prostitute bugs bedroom and takes photographs through a hole in the wall.

In New York, a newspaper identifies many supporters of anti-abortion legislation as Roman Catholics—and does not identify

any other individuals by religion in these same stories.

In Minneapolis, a newspaper reporter in an automobile follows FBI agents so closely that they are forced to abandon a ransom drop in a kidnap case.

What can anyone who is offended, endangered or damaged by such journalistic behavior do about it, other than write an angry letter to the editor?

Well, he can file a formal complaint with, respectively, the British Press Council, the National News Council or the Minnesota News Council—three independent bodies created to evaluate reader complaints of inaccuracy, unfairness and irresponsibility in the media.

In those three cases, the various councils involved decided the complaints were warranted—and they censured the newspapers involved. The complaining parties were vindicated, and the newspapers were publicly embarrassed.

In the case involving the gratuitous identification of Catholics, for example, the National News Council not only ruled that The New York Times had been unfair but said further, that because the paper had ignored "repeated complaints on this specific issue, the council can only conclude that the Times is either insensitive to justifiable criticism or is condoning careless editing."

It has been 65 years since the first national press council was established in Sweden. Now there are more than 30 press councils throughout the world.

Some councils—like those in Indonesia and Sri Lanka—were created by the government, primarily to muzzle the press.

Others—like those in Austria, Denmark and Switzerland—were established and are run exclusively by the media, with neither government intrusion nor lay public representation.

But the most effective press councils are generally modeled after the British Press Council—independent of the government but with members of the lay public joining journalists in investigating and ruling upon complaints against the media.

The British Press Council was initially created as a purely journalistc body in 1953, upon the recommendation of a government-appointed Royal Commission on the Press. After a second Royal Commission report in 1963, the council voted to include lay members.

Despite the government's role in the establishment of the British Press Council, the government has taken no role in its financing, membership or decision-making. Thus, many in the British media who greeted the formation of the council about as warmly as one would welcome an outbreak of typhus are now enthusiastic supporters of the council. They think its very existence has enabled the press to avoid restrictive government regulation.

That is precisely why some American journalists supported the creation of the National News Council in the United States in 1972.

Spiro Agnew, then vice president, had been traveling around the country, accusing the press of a liberal bias. Many in the media feared that the Nixon administration might try to enact restrictive—coercive—legislation unless the media made a serious effort to monitor its own performance. Hence, the National News Council.

The idea of a National News Council was not new. The Hutchins Commission on the Freedom of the Press recommended creation of such a council in 1947, but press resistance—indeed hostility—delayed its establishment until a task force of the Twentieth Century Fund made a similar proposal in the wake of Agnew's attacks 25 years later.

In the interim, perhaps two dozen community press councils were formed in various parts of the country. Most gradually died; the Honolulu Community Media Council is probably the largest of those now functioning.

But a statewide news council was established in Minnesota in 1971, and both it and the New York-based National News Council continue to be enormously controversial within the media, despite their attempts to design complaint procedures to offset media resistance.

Before either the National News Council or the Minnesota News Council will agree to investigate a citizen complaint, for example, the complaining party must sign a waiver, agreeing not to pursue any legal claim against anyone "based on the subject matter of my complaint."

Complainants must first try to resolve their complaints directly with the news organization involved. Then, if they are not satisfied, the complaint is subject to a screening procedure by the council or its staff before it is finally accepted for investigation and a public hearing.

The vast majority of complaints are settled, withdrawn, dismissed or rejected as outside the council's purview before the formal investigative process begins. The National News Council has formally investigated only 198 of the 853 complaints it has received in nine years. The Minnesota News Council has investigated only 43 of the 349 complaints it has received in 10 years.

Of those complaints investigated, the Minnesota council has ruled that about half were warranted. The national council has found only 30 percent warranted (although that figure has jumped to 60 percent in the last three years, largely because the initial screening process is now more rigorous).

Although many editors who have worked with news councils on complaints against their papers tend to praise the councils' work, most American editors continue to oppose the entire news council concept.

Journalists in the United States are fiercely protective of their First Amendment rights. They know there are countries that issue (and revoke) journalists' licenses, and they know there are press councils in other countries empowered to impose jail sentences on reporters and to levy heavy fines against newspapers.

No thanks, most American editors say. We don't want a press council here. It would just be a first step toward government regulation.

"Peer pressure can lead to regulatory pressure," says A. M. Rosenthal, executive editor of The New York Times.

Frequently ignored (or criticized) by what is generally regarded as the best paper in America—the paper of record—the council has had great difficulty gaining nationwide acceptance, credibility and impact.

But news councils in the United States were not created by the government, they receive no government financing, have no government membership and can take no punitive or coercive action.

Council defenders insist that the specter of council-deliberation-cum-government regulation is counter-productive, self-justifying paranoia. "Nonsense and in some cases . . . sophistry" George Chaplin, editor of the Honolulu Star-Bulletin, said.

"These councils have no authority at all beyond their persuasive power and their ability to make public reports," Chaplin pointed out. "If we're putting out the kind of paper we should, we have nothing to worry about (from them). And if we're not putting out the kind of paper we should, we ought to get kicked in the tail on those areas of dereliction."

Most council supporters say that the councils help prevent government regulation and save newspapers from some expensive libel suits by providing critics with an alternative means of vindication.

The basic argument in favor of a news council is relatively simple:

The press is more powerful than ever before thanks to the pervasiveness of network television, the growth of media conglomerates and monopoly newspapers, the celebrity status of some journalists and the loosening of libel restraints by the courts, dating back to 1964.

Therefore, since the people who report and edit the news, being only human, occasionally make mistakes—of both omission and commission involving questions of both accuracy and fairness—some independent body should monitor and pass judgment on their performance when specific complaints arise.

After all, the press criticizes every other institution in society; why shouldn't the press, too, be criticized and be held accountable—in public? Doctors and lawyers have internal watchdog groups that monitor ethical standards. Why shouldn't the press do the same thing?

Most editors reject that line of reasoning, though. Their attitude was best summed up by Claude Jean Bertrand who studied press councils worldwide while a research fellow at the American Council of Learned Societies:

"Newspeople, accustomed as they are to criticizing others and not being criticized, resent having their work publicly evaluated by arrogant colleagues and incompetent strangers."

Thus, few newspapers report National News Council rulings, and only a few major media companies contribute money to the council.

Only 26 percent of the council's funding comes from the media. The rest comes from foundations, corporations and private individuals.

There are small signs that media resistance may be lessening, though.

When the council was founded for example the Los Angeles Times editorialized against it, arguing that the press was already subject to pressure from government and from the courts and that the added intimidation of a news council might improperly influence individual newspaper decisions on what to publish or not to publish.

But Times Editor William F. Thomas says he is no longer quite as worried about the council's powers of intimidation as he once was, and he says he would cooperate with the council any time it wanted to investigate a specific complaint against the paper. Nor would he object to a corporate contribution to the council.

Thomas says the council "has behaved in every case I've noticed, very responsibly . . . It does a pretty good job."

The Washington Post has always cooperated fully with council investigations, too—most recently in the Janet Cooke-Pulitzer Prize case—but only in the last two years has the Post supported the council financially.

In fact, Post Executive Editor Benjamin C. Bradlee still thinks "the council's target

is wrong. Why do you (the council) target the best of American journalism, rather than the worst of American journalism?"

The council has heard more complaints against CBS and The New York Times, for example, than against any other news organizations. But that's because CBS and The New York Times are not only the best in their fields, they are also the most visible and the most influential.

"The way you keep the press in line is to pick on the best," Newsweek Editor Lester Bernstein said.

The National News Council has issued more findings critical of CBS than of any other single news organization in the United States, council officials say. But CBS continues to support the council financially. CBS News President William Leonard says the council performs "a useful service."

There are, however, some valid criticisms of the council—most recently over its ruling against the Village Voice in New York for a story on Dennis Sweeney, the accused killer of former Congressman Allard Lowenstein.

In some ways, the council almost seemed less upset by the Voice's journalistic transgressions than by suggestions in the Voice story that Lowenstein had engaged in homosexual activity.

"I don't think the council applied the same standard of ethics and accuracy in those proceedings as it demands of the press," said Osborn Elliott, dean of the Graduate School of Journalism at Columbia University.

The news council can also be faulted on other grounds—beginning with the very composition of its membership.

The council is supposed to be composed of eight people from the media and 10 from the general public, according to its bylaws. But four of the present "public" members are former journalists, and all four are clearly media-oriented in their experience and outlook.

It raises an important question: Is the media-oriented imbalance on the council—in truth, 12 of its 18 members are media figures—a major reason why the council finds only 30 percent of the complaints it investigates against the media to be warranted?

Most Council members—and most council decisions—do not seem biased. "I was very favorably impressed and to some degree surprised by the amount of objectivity," said William Rusher, publisher of the National Review and a member of the council from 1972 to 1980.

As a conservative magazine publisher and outspoken press critic, surrounded by what he perceived as a group of liberal newspaper editors, Rusher says he fully expected to "see myself in a den of inequity." But that didn't happen.

Nevertheless, the council selects its own members, and the stacking of the council with media representatives creates at least the appearance of impropriety and raises legitimate questions of credibility—the very kinds of issues the council is supposed to be investigating.

Chairman Norman Isaacs himself concedes that is a problem and he says a council committee is studying the matter. He says that what the council really needs is a new "outside re-evaluation" to more clearly define its purposes.

Isaacs is particularly sympathetic to the charge that the council largely ignores the truly significant issues facing the media today.

The council rarely, if ever, looks into such issues as newspaper monopolies, concentration of media ownership, the small percentage of total revenue that many very successful publishers spend on their editorial product—and the potential conflict of interest arising from increasing media ownership of nonmedia companies.●

FIRE SAFETY

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. RAILSBACK. Mr. Speaker, the media attention given recent major hotel fires in Nevada and New York highlighted a serious national tragedy. Each year thousands of lives are lost and millions of dollars of damage occur because of disastrous fires. It is time for the Federal Government to intensify its efforts to promote fire prevention.

A good place to begin, Mr. Speaker, is with our Nation's lodging institutions. Residential fire safety ultimately must depend upon the vigilance of individual homeowners. However, when each of us checks into a hotel, or place those we love in a medical care institution, we must rely entirely upon the institution's owners and the adequacy of local safety codes to provide fire protection.

Fires start for many reasons—because of a faulty applicance or poor electrical wiring, or someone smoking in bed. Such fires ought to be contained, but—more often than not—there are too few smoke detectors and inadequate sprinkler systems, or fires originate in bedrooms containing flammable furniture or bedding, usually the largest concentration of flammable material in lodging guest rooms.

The U.S. Fire Administration has found that upholstered furniture and mattresses, as the first items ignited, account for 40 percent of all U.S. residential fire deaths. Several recent large fires—notably the 1980 MGM Grand Hotel fire in Las Vegas—were also made more severe by this factor.

When a fire spreads through a large institution, many innocent victims are trapped. Thus, containment of fires, as much as prevention of ignition, is a critical factor in fire safety. Increased use of flame-resistant material in furniture and mattresses used in hotel rooms can do much to contain the spread of fire. Recent research resulting in new fiber development has made improved flame-resistant products possible.

I am pleased to not that an Illinois sleep product manufacturer has become a leader in the develolpment of such products. This company has developed a mattress with a ticking—covering—which significantly exceeds the current Federal flammability standards.

Demonstrations have shown that when a fire is ignited in a wastebasket next to a Sandel-treated mattress, the mattress does not become involved with the fire. The new sleepsets also help confine fire to the room in which it started allowing quests more time to escape and firefighters important extra minutes to contain a blaze. According to industry sources, the bedding represents a major breakthrough in fire safety for the lodging industry.

Clearly, use of this and other fire-resistant products in large institutions should be encouraged. The problem is that fire safety often costs more money, and hotel and other institution owners have insufficient financial incentives to provide this additional protection.

For these reasons, I am today introducing legislation to encourage the owners of hotels, hospitals, high rise office buildings, nursing homes, restaurants, and other institutional facilities, to go beyond their local fire codes and provide more fire safety for all of us. To provide the needed financial incentive, this bill would offer a tax credit for investments in fire prevention property. These include automatic sprinkler systems, early fire detection systems, fire extinguishers, fire rated doors or walls, nonflammable sleep products, and other items which the Secretary of Treasury could specify by regulation as increasing the fire safety of a building.

Last year, fire claimed 7,780 lives and caused estimated property damage exceeding $5,740,000,000. In addition to the tragedy for the individual victims, these fires also represent a substantial loss of revenue for State and local governments, and our Federal treasury. Fires destroy tax producing property and reduce income tax liability.

This legislation will encourage businesses to take measures which can save lives and at the same time reduce the economic cost to our Nation resulting from the terrible tragedy of fire.●

CONSUMER FINANCING OF ALASKA PIPELINE IS UNWISE

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. CORCORAN. Mr. Speaker, I have decided to oppose the waivers that have been proposed in connection with the Alaska Natural Gas Transportation Act of 1976. The waivers were proposed by the President on October 15. My decision was made after participating in several days of hearings on the proposed waivers by the Energy and Commerce Committee's Subcommittee on Fossil and Synthetic Fuels. The full House and Senate will have until mid-December to act on

this proposal, which will not be subject to amendment.

For the benefit of our colleagues, Mr. Speaker, I would like to include in the RECORD at this point the text of a press release I issued at the conclusion of the extensive hearings on the subject. The release describes my concerns about this waiver proposal.

PRESS RELEASE

WASHINGTON.—Over half the nation's natural gas consumers could be saddled with "an enormous white elephant" if Congress approves a scheme for financing the Alaska gas pipeline, U.S. Rep. Tom Corcoran (R-15th, IL-Ottawa) said today after a hearing on the plan.

Under a proposal set for expedited congressional review, gas ratepayers could be billed for pipeline construction costs before they receive Alaskan gas and even if it is delayed or never completed. According to a congressional study, consumers could pay $37 billion over 20 years for a 4,800-mile pipeline they may never use.

"On energy grounds, this unusual financing method is clearly unjustified," said Corcoran. "Gas supplies are now adequate. Paying four times the current average price for gas we probably won't need is folly," he said. As the afternoon hearing neared its conclusion, Corcoran announced that he intends to vote against the plan and work for its defeat.

At the joint hearing by the Energy and Commerce Committee's Fossil and Synthetic Fuels Subcommittee, on which he serves, and the Interior Committee's Energy and Environment Subcommittee, Corcoran said it is most unlikely that Alaskan gas costing an estimated $18 per thousand cubic feet "could ever be sold." "It is a strange irony that the consumer would be asked to finance this thing and yet they wouldn't really be consumers in the sense of getting anything to consume," he said.

"It's just a bad deal for consumers," Corcoran said. "Investors see this as too risky for their funds, yet ratepayers would take on those risks through the plan. If it is completed under this arrangement, private concerns—including major oil companies—would get very handsome profits." Originally forecast to cost $3 billion, the massive pipeline project may now run bills totalling $50 billion, Corcoran said, citing a Commerce Committee economist's analysis.

Authorized by the Alaska Natural Gas Transportation Act of 1976, the pipeline would transport gas from Alaska's Prudhoe Bay to the Midwest and West Coast. Terminal points are 60 miles southwest of Chicago at Dwight, Illinois, and San Francisco, California.

After a target pipeline completion date determined by the Federal Energy Regulatory Commission [FERC] is reached, the FERC could permit gas bills to be increased for the over 60 percent of American gas consumers whose utilities are involved in the project to cover their costs. Companies building the Canadian segment could be allowed by the FERC to recover their investment and their operating, debt service and tax costs after that time and when the segment is operational. All costs of a gas conditioning plant in Alaska and the Alaskan segment, except the investment, could be passed on to consumers after reaching the target date and having been completed. Non-investment costs represent 80 percent of the total, according to the committee economist's report. Should the elements not be finished simultaneously or at all, participating companies could nonetheless be allowed to charged consumers for those costs.

Submitted to Congress on October 15, the plan fulfills a commitment made by former President Carter. Under the 1976 law, committees have until mid-November to consider the plan and Congress must act on it by mid-December.●

ANGOLA—FACING REALITY

HON. EDWARD J. DERWINSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DERWINSKI. Mr. Speaker, inasmuch as Angola is prominent in the news lately, the views of a skilled observer of the Angolan scene are appropriate. "Facing Reality," a book by the noted journalist Cord Meyer, presented new facts about Soviet intervention in Angola and how the United States was outmaneuvered. Mr. Meyer is a now nationally syndicated columnist. The following column was part of a series from the book and appeared in the Washington Star on November 20, 1980. The facts and historical perspective presented in the column are still valid and appropriate.

The joint Soviet-Cuban decision to introduce large numbers of Cuban troops into Angola in 1975 to turn the tide of the civil war there was, in my opinion, the first clear-cut and dramatic demonstration of how the Soviets are likely to react to their improving strategic strength.

By that time, American officials were willing to concede that the Soviets had achieved a position of rough parity with the United States in nuclear armament, and the overwhelming American superiority that had played so decisive a role in the resolution of the Cuban missile crisis had disappeared.

Sensing that the strategic balance was shifting in their favor and correctly estimating that the trauma of Watergate and the withdrawal from Vietnam had at least temporarily impaired the American ability to react, the Soviets gambled successfully in a bold, aggressive move on the world's chessboard.

In an operation spanning three continents and requiring the well-timed orchestration of political assets and conventional military resources that had been built up over many years, the Soviets with their Cuban allies imposed their chosen instrument on the people of Angola as the new government when the Portuguese colonial masters finally withdrew on Nov. 11, 1975.

The Marxist government, based on one of the three black nationalist guerilla organizations that had been fighting the Portuguese, the Popular Movement for the Liberation of Angola, remains in power to this day with the indispensable support of 20,000 Cuban troops. In one strategic stroke, the Soviets with Castro's help, succeeded in fundamentally changing the balance of power in southern Africa to their advantage. In so doing, they gained effective political influence in a huge slice of the Dark Continent, obtained access to new strategic ports and airfields, and secured a political base from which to operate against the remaining non-Communist countries in Africa.

Here, then, as clearly as I could reconstruct it in London where I was CIA station chief at the time, is the story of how the Soviets brought their queen, Castro's Cuban troops, into play on the Angolan chessboard to win a decisive victory and to prepare the way for future successful adventures in Africa.

First, it should be remembered that by 1975 the relationship between the Castro regime in Havana and the Soviets had changed drastically from what it had been a decade earlier when Che Guevara first made his romantic debut as a guerrilla hero in the Congo. After Guevara's career as a modern Robin Hood was ended by his arrest and execution in Bolivia, Castro began his retreat from the guerrilla adventures that had caused so much friction between his guerrilla leaders and the more cautious and pragmatic Latin-American Communist parties who took their guidance from Moscow.

Dependent on the Soviets for economic assistance and military hardware, Castro was compelled to become a much more disciplined member of the international community of Soviet-controlled Communist parties. Symbol and proof of this transformation was the fact that by 1971 the Cuban intelligence service, the DGI, was under close tutelage of the KGB. Cuban intelligence officers regularly sent in large numbers to the Soviet Union to complete their training, and KGB specialists in Cuba exercised a supervisory role over the planning and execution of Cuban intelligence operations. This change in the Soviet-Cuban relationship was an essential precondition for the role Castro was now to play in Africa.

In July 1975, even before the first trickle of covert American military support began to reach the fighting fronts in Angola, there was evidence that the Popular Front leaders had approached the Soviets with the complaint that their cadres were unable to use effectively or to maintain the ever more sophisticated weaponry that the Soviets were giving them. Fearful of the potentially superior numerical strength of their opponents, they pleaded not only for Soviet military training experts but for a Soviet troop presence to operate the new equipment on the battlefield.

The Soviets reportedly explained to the Front that the introduction of Soviet troops into the Angolan civil war was too dangerous an escalatory move and might well provoke the United States into committing its own forces to the struggle. Instead, they advised the Front leadership to seek assistance from the Cubans.

A Front mission flew to Havana and met with Castro in early August to argue their urgent need for trained troops. Perhaps fearful of American reaction, Castro was reported to have appeared initially reluctant; but the Front leaders pleaded that it was his revolutionary duty to help them as he had previously done in sending Cuban troops to South Yemen and Syria.

By mid-August, Castro, for whatever reason, made up his mind to take the risks involved; and the decision was made to proceed with the extensive logistical planning necessary to mount a massive sea and air lift of large numbers of Cuban troops, equipment and supplies across the Atlantic to Angola.

To the best of my knowledge, there is no clear evidence available on the respective roles the Soviet and Cuban leaders played behind the scenes in reaching this decision. Certainly, there had to be very close and continuing coordination between them once

the decision was made, because the bulk of the heavy weapons and ammunition that the Cuban troops were to use in Angola had to be flown or shipped from the Soviet Union.

Whatever history may eventually reveal about the respective roles of Moscow and Havana, it was a brilliant and daring conception that added a whole new and dangerous dimension to the Soviet ability to project Communist power into the Third World. By supporting the proxy army of Cuba, the Soviets avoided the direct commitment of their own forces which could so easily alarm the United States and provoke American counteraction.

Because of Castro's prominent role in the nonaligned movement his army enjoyed the reputation of being part of the Third World and was not as much feared and resented as would have been the troops of one of the superpowers. Moreover, among the Cuban troops sent to Angola, care was taken to ensure that almost half were black, so that a racial identity appeared to exist that would not have been the case if Soviet troops had been sent.

For Castro, too, there were obvious advantages in the new strategy. The guerrilla adventures of Che Guevara had had romantic appeal, but in each case they had failed in conception and execution. They had lacked the careful calculation of the odds and of the strength of the opposition that the Soviets could offer their Cuban partner through their worldwide intelligence apparatus. Guevara had relied upon a spontaneous mass uprising of the peasantry, which never occurred, whereas joint operations with the Soviets depended on a heavy military preponderance ensured by the provision of large amounts of modern weaponry transported by Soviet planes and ships.

By becoming a junior partner in the Soviet geopolitical offensive, Castro lost the freedom of action he had once enjoyed, but he gained indispensable Soviet political and logistical support and a role on the world stage for a vaulting amibition that had never been content to be confined to improving the lot of the Cuban people on one small island.

Once decided upon, the commitment of Cuban troops to the Angolan civil war proceeded with dispatch and utmost secrecy. The arrival of Soviet and Cuban ships and planes in Pointe-Noire and Brazzaville could not be masked from American surveillance, but by unloading troops at night and by strict security discipline during the sea voyage a successful effort was made for some time to conceal the fact that troops as well as weapons and supplies were being transported.

In spite of sporadic agent reporting that Cuban troops were arriving, the CIA and the American policy makers were slow in facing up to the size of this large-scale intervention. On Sept. 24, Cuban troops were identified disembarking at Pointe-Noire and being transported by trucks into Angola, but it was only later that it was realized that, by November, 4,000 Cuban combat troops had been deployed. By January 1976, the figure had reached 15,000. By February, the CIA estimated that the combined Soviet-Cuban sea and air lift had transported 38,000 tons of weapons and supplies to Angola at a total cost for the operations of approximately $300 million, 10 times the size of the American covert intervention. The armaments included armored cars, T-54 tanks, mass fire rockets, helicopters and MIG fighter planes.

The Soviet intervention dwarfed the scale of American efforts in every respect—and proved once again that when the Soviets determine to commit their military resources, they do so decisively and with overwhelming superiority, leaving little to chance.●

REAGANOMICS: JEOPARDIZING THE QUALITY OF EDUCATION

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. HARKIN. Mr. Speaker, after Sputnik was launched in 1957, our entire Nation sought to upgrade the quality and quantity of math and science in our schools. It is now a generation later and we seem to have forgotten our need to train scientists, engineers, and mathematicians.

Our need is, I believe, far greater now than it was then. In the 1950's we were a long way ahead of our allies, and certainly the Soviet Union, in almost all scientific disciplines and engineering, with perhaps the exception of space technology. Now, we face very strong competition from Western Europe and Japan in many areas of high technology and machinery sales. They have caught up with us in many areas; they are ahead of us in others. There are numerous reasons for their competitive gain and our present position.

In education we are now making decisions which will determine our place in the economic world for the next generation. Unfortunately, at the national level we seem to place little concern on the need to produce well-trained scientists and engineers for our future. Some say that it is for the local schools, not the National Government, to be concerned about education. However, the administration and Congress are making many decisions which are directly and indirectly having a negative effect on science and math education and on education in general.

The administration recommended completely doing away with the science and engineering education program of the National Science Foundation. This $77 million program helps to train students at the college level. More importantly, it improves the skills of teachers at all levels. President Carter suggested that the program receive $112 million in fiscal year 1982. President Reagan recommended $10 million, an 87-percent cut. The Congress has tentatively approved $27 million.

Elementary and secondary education funds, commonly called title I, are mainly used for remedial reading and math. While cuts in this program are not as large proportionally, they will be very damaging. Outlays were supposed to be $3.9 billion under the Carter budget. Under administration pressure the House of Representatives reduced the program to $3.2 billion. The President's 12-percent across-the-board cut that he announced on September 24 will actually mean an additional 23-percent cut in this program. It will be reduced to $2.47 billion if the Congress follows his advice.

A far greater impact on education is the indirect effect of Reaganomics. By sharply cutting back on grants of all kinds and with almost no notice, we are causing a great strain on local government financing. While many of these cuts may not directly affect school funding, it will have its impact. Schools will find it much harder to receive support from local and State governments. Local and State taxes will rise to make up for Federal cutbacks, and this will create pressure against school levies. Salaries will not keep up with inflation and teachers will suffer. Many will leave the profession. Needless to say, the quality of equipment and the availability of new textbooks will also decline. All areas of education will suffer.

Our increase in military spending will also have a real effect. Unlike the increases we experienced during the Vietnam war, a far larger portion of our current escalation of military spending will be in high technology research. The military will spend whatever it must in order to acquire the personnel it needs. Increased demand will increase salaries. This will drain personnel from civilian research projects and from our universities.

The business sector will also pull people away from teaching. Educational institutions will be under the tightest restraints and will certainly lose in the bidding war. The pull will be greatest for those involved in math and the sciences.

As I said earlier, the teaching of science and math is already declining in many schools. However, our present funding policies will hasten that decline. If we cannot change our general priorities, I do believe that we must develop protective programs to support the quality of our schools which will be changed.

Joseph Whitaker wrote an excellent article in the Washington Post which describes the present situation concerning math teachers. I would like to have that article printed in the RECORD at this time:

SUBTRACTING MATH TEACHERS—FRUSTRATIONS, LURE OF HIGHER PAY TAKE TOLL

(By Joseph D. Whitaker)

When Sandra Lavene began teaching in the Montgomery County public shcools 10 years ago, she had visions of unlocking the intricacies of mathematics for bright youngsters in a classroom brimming with enthusiasm.

But not long after she began teaching at Walt Whitman High School in Bethesda, Lavene's vision started to fade. As she ex-

pected, the work was hard, the students were sometimes unruly, and the pay was inadequate. What surprised her was the student apathy, the lack of respect for her profession, and the thanklessness.

"I would knock myself out," said Lavene, 34. "I'd stay up long hours marking papers. I worked after school helping the kids. But in nine years, the parents, the principal, the kids—nobody said 'thanks.'"

She quit her $19,000-a-year teaching job 18 months ago and exchanged the noisy classrooms for quiet computer keyboards, higher pay, merit raises and profit sharing at the Rockville office of Hewlitt-Packard.

Decisions like Lavene's are causing increasing concern among educators and scientists who fear that the difficulty of attracting and keeping math teachers poses a threat not only to schools' ability to offer a full range of math courses but also to the nation's long-term dominance in math-related fields.

The same lures of higher pay and fewer hassles that have prompted an exodus by many math teachers also have reduced sharply the number of students opting for math education degrees in college, with the result that there are serious shortages of math teachers in various areas around the country.

Other areas, including Washington, have managed to maintain an adequate supply of certified math teachers so far. But they are aware of the problem and are scrambling to develop strategies to steer them around possible future shortages.

Many experts, pointing to the growing gap between teachers' salaries and those in private industry, expect the shortages to worsen, primarily in grades 7 through 12.

"A lot of math teachers are going into the computer field simply because it pays more and there are fewer hassles," said Max Sobel, president of the 80,000-member National Council of Teachers of Mathematics. "Math teachers coming out of college already realize that the $12,000 paid to a beginning teacher is a lot less than the $20,000 they could earn in the first year with some computer firms.

"In addition, the public's indifference to the plight of teachers, the low pay, crowded classrooms and poor facilities are a signal to many students to stay from the teaching field," added Sobel, who teaches math at Montclair (N.J.) State College.

Evidence of the problem abounds:

In North Carolina, 45 percent of all persons teaching math are not certified in the subject. Cleo Meek, assistant director of the mathematics division in the State department of education, said the State's math teachers—who earn $12,000 to start—have been hired in large numbers by nearby computer firms that sometimes pay starting salaries of more than $20,000.

The city of Houston, in a desperate effort to hire more math teachers, has added an $800 bonus to the starting salary of teachers certified to teach math. Still, this year the city issued 44 "emergency permits" to teachers not certified in mathematics in order to cover its math classes, according to Oscar Sarabia, director for secondary school assignments.

Philadelphia, which has just come off a crippling 50-day teachers' strike, began the last school year with 90 vacancies for math teachers and ended the year with 24 of those positions unfilled. With a starting salary of only $10,900 for new teachers, school officials said they cannot compete with thriving, talent-hungry computer firms.

The National Center for Education Statistics last month released its most recent survey on the issue, showing that in 1979 there were 900 math teacher vacancies in elementary and secondary schools nationwide, although there were major surpluses in most other fields.

A 1979–80 survey in Maryland found that 50,000 secondary school students were being taught mathematics by more than 400 teachers who were not certified to teach math. While that survey has not been updated, state education officials say the situation has not improved since it was taken.

In the Washington area, which has had fewer problems because of generally higher salaries and the lure of the nation's capital, public school systems routinely use persons uncertified in math to teach for a few days or a few weeks while they arrange to fill math vacancies.

Montgomery County, apparently alone among area systems, is allowing half a dozen former elementary school teachers uncertified in math to teach the subject at upper levels—after they took an aptitude test and promised to take the college courses necessary for certification.

Fairfax County reports no uncertified math teachers, but had been concerned about filling 25 vacancies when the year began. The county is developing a series of college courses that would be taught to teachers in the county schools over two summers and would culminate in a mathematics certification.

D.C. public schools, which have laid off hundreds of teachers in recent years because of declining enrollment and budget cuts, have been able to keep an adequate supply of math teachers by drawing from that pool.

The difficulty of recruiting and retaining math teachers nationwide over the past five years has been paralleled by a similar but somewhat lesser problem with science teachers, but more attention and concern are being focused on math because it is critical to so many disciplines.

"If school systems can't find enough qualified teachers, they will use teachers who do not have a good math background," said Alphonse Buccino, the National Science Foundation's acting deputy assistant director of science and engineering. "Advanced-level mathematics classes which usually have the lowest student enrollment are the first ones to be dropped when there are not enough teachers.

"Then students who might otherwise have studied math in college enter higher education poorly prepared and cannot compete in science and engineering programs. Ultimately, we could find that the pool from which we select our future scientists and engineers is shrinking."

Buccino said that current trends in the United States in which high school students over the last decade have been required to take fewer and fewer math and science courses are directly opposite the approach in Japan, Russia and Germany, where increasingly more math and science studies are required.

At the University of Maryland at College Park, the number of graduating students with math education majors has dropped from 39 eight years ago to only 10 last year, according to Robert Risinger, director of math education at the university. During the same period, the school's business administration, business management and engineering programs became overcrowded, Risinger said.

The same trend has emerged at the University of Virginia in Charlottesville where the number of math education graduates has gone from seven in 1973 to only three this year, according to William Lowery, the university's only remaining math education professor.

"I didn't go into teaching for the money," Lavene said recently. "I wanted to teach kids who had a love for learning math and would be willing to work hard. But after I taught for a few years, I found that the kids wanted good grades, but didin't want to do the work."

Her search for alternative employment led to Hewlett-Packard, where she said she was hired at a salary "significantly higher" than the $19,000 she was earning as a teacher after nine years. Her employment package includes stock purchase options, profit sharing and merit pay increases that brought her pay raises amounting to 25 percent in her first year, she said.

"Mathematics is always a good background for working with computers," said Jerry Hendrick, a spokesman for Hewlett-Packard. "And math teachers make attractive prospective employees because they can usually assimilate computer information rapidly.

"But we don't want to give the impression that we're out to raid the high schools," Hendrick said. "In every instance that we've hired a teacher, they've come to us. If we have an opening and a math teacher applies, we can't say, 'You're needed in the school system, go back there.'"

Lavene's reasons for leaving teaching are echoed by Paris Rasnic. At age 22, he graduated from Virginia Polytechnic Institute with a bachelor's degree in mathematics and immediately took a job teaching math at Marshall High School in Fairfax County.

For the first few years, said Rasnic, he enjoyed teaching. Then the novelty of the classroom wore off and the daily routine of teaching began to wear on his nerves.

"The kids wouldn't cooperate in the classroom," said Rasnic, 32, who is currently employed by a Fairfax County computer firm. "It was a discipline problem that I couldn't control. I frequently came home from school frustrated and mad. That was no way to live."

Rasnic found the contentment he was seeking in a neaby computer firm, which hired him to keep an array of computer programs running smoothly. With few regrets, Rasnic replaced his chalk board, text books and complaining students with a cozy suburban office equipped with computer terminals and silent green screens.

When he went to work for the computer firm in Vienna, Rasnic said, the firm increased the $16,500 a year he was earning after seven years as a teacher by $5,000 in cash and other benefits. He currently earns $27,000 annually, after three years with the company, Rasnic said.

But the money is only one of the benefits of his new job, he said. "I like it here because your supervisors notice what you do and they show appreciation if you've done good work." His job is to keep an array of computer programs running smoothly, and "I can go home relaxed. I don't have to carry my work home with me."

At the end of a typical day, Andre Samson, a math teacher at Woodson High School in Fairfax, leaves work with a briefcase filled with student papers. At home, after dinner, he will typically spend two to three hours marking and evaluating the

papers so he can return them to his students the next day.

"When I go home, I don't play with my daughter or talk to my wife or watch television," said Samson, who said he values job satisfaction over wealth. "I grade my papers. I feel I owe it to the kids to get their papers back to them as quick as possible."

As Samson, voted Virginia's "Teacher of the Year" three years ago, has continued his devotion to teaching, he has seen several of his colleagues move into higher paying, less demanding jobs in the computer field.

"I must admit I'm beginning to envy them more and more," he said. "The people who have left teaching come back with a new personality. They say they have fewer pressures and don't have to take their work home."

"Teaching is not a rosy profession," said Samson, 39. "But I'm a professional and the zest for teaching is still in me. But I don't know how long I can continue because the economic pressure has hit me like it has everyone else.

"I work hard and every now and then I get a pat on the back. But a pat on the back won't feed my family."●

ASSISTANCE LEAGUE OF PHOENIX VOLUNTEERISM DESERVES ADMIRATION OF ENTIRE COMMUNITY

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. RUDD. Mr. Speaker, there exists a group of dedicated, hardworking and civic-minded citizens in my fourth district in Phoenix, Ariz., whose contributions to the well-being of the elderly and frail citizens in my home State cannot go without mention.

The Assistance League of Phoenix, chartered in March 1966, is a women's philanthropic service group which has been dedicated in its worthwhile efforts to providing needed services and assistance to the needy in the Phoenix metropolitan area. Their projects include: Homemaker Service, a family aid program in which the league employs aides to provide home health care and personal assistance to the elderly, infirm, and chronically ill individual; and TONIC (Take on Needs of Immobile Clients), which involves league members who volunteer their time on a one-to-one basis with clients. Such TONIC services include grocery shopping, providing needed clothing and bedding, driving clients to medical appointments, or even transporting and accompanying clients on social outings.

On the TONIC project alone, Assistance League members have given a combined total of about 22,000 hours to their service project.

Unlike many similar community programs, the Assistance League of Phoenix does not receive funding from any government agency, or any larger entity. The Phoenix Chapter of the National Assistance League raises and distributes all of its operating funds in the Phoenix community through sources like a thrift shop, located at 7044 North Seventh Street, where the homemaker office is also located; an annual champagne brunch; and contributions from individuals and businesses in the community.

In a recent national address to our Nation, President Reagan spoke about the spirit of volunteerism among our citizens which will always be a primary source of relief for our Nation's needy. The Assistance League of Phoenix exemplifies in a most eloquent way the type of voluntary community involvement and spirit our citizens have to offer.●

CANADIAN AMBASSADOR TOWE PROMOTES UNITED STATES-CANADA RELATIONS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. McCLORY. Mr. Speaker, the distinguished Ambassador from Canada, Peter Towe, will terminate his assignment as Canadian Ambassador to the United States in the near future. During Ambassador Towe's service in Washington, I have come to know and respect him as a personal friend and as a friend of our Nation. First and foremost, Peter Towe has been an able representative of the Canadian Government in our Capital City.

In recent conversations with Ambassador Towe I have expressed my concern about some aspects of the relationships between our country and Canada and have pointed out the need for restraint and candor in statements which are uttered on both sides of our common border. It would be unrealistic for us to ignore some of the circumstances which give rise to the Canadian policies. For instance: Canada's efforts to strengthen its own economy encounters right off the dilemma of about 70 percent of its oil and gas industry owned by foreign interests—principally American; our failure to ratify the fisheries treaty; the continuing problem of "acid rain," and the general concern that foreign industry fails to take adequate account of the need of internal industrial development—in Canada.

In my view, President Reagan has set a good example for effective diplomatic contacts by his visit to Canada in March and by his appointment of my friend and constituent, Paul Robinson, Jr., as our Ambassador to Ottawa. However, members of the American business community and representatives of the media should continue to seek ways of cooperation for the benefit of our two nations, and both Canadians and Americans should avoid suggestions or threats of "retaliation."

Mr. Speaker, Ambassador Towe recently addressed the Carnegie Endowment and American Foreign Service Association on the subject of "Canada/United States Relations: The Canadian Perspective."

In my view, Ambassador Towe's remarks set forth a reasoned and straight-forward approach to the problems and solutions inherent in the relations of our respective countries. I am pleased to attach to these remarks for the edification of my colleagues and all those who glean these pages, a copy of the Ambassador's address presented in Washington on Wednesday October 28:

CANADA-UNITED STATES RELATIONS: THE CANADIAN PERSPECTIVE

The first words I have for you today are not my own. However, in tone and in content, they are very familiar.

"The relations of few countries are as intimate and important as those between Canada and the United States. They loom far larger in the eyes of a Canadian than of an American. This is natural . . .

". . . It may be expected that the relations between the two states will become increasingly important and that the problems arising therefrom will grow in magnitude."

Those must be the sage observations of a Canadian political figure, you might conclude. Or of an Ambassador to the United States.

They are.

Lester Pearson—Who, of course, was both.

And what might be illuminating to you is that they are from a letter he wrote in January 1932.

You know, Canadian Ambassadors here have been saying that sort of thing for as long as there have been Canadian Ambassadors here. Because it's true. We are two nations sharing a continent. We share prosperity; fears; and many values. We also share a great deal of history. Some of this history is not at all about sharing.

I enjoyed the festivities celebrating the 200th anniversary of the battle of Yorktown earlier this month. I was the one at the ceremony thinking that the American victory at Yorktown made superfluous General Washington's plan for another expedition in 1782 or 83, this one of enormous strength, to take Canada.

I was also thinking, as your President exchanged toasts with President Mitterrand, of how Canada fitted 200 years ago into that triangle. The French did, of course, support the American Revolution against their English enemies. The Congressional leaders in fact expected their French allies to invade Lower Canada. But the French did not attack Canada. The official explanation was that the first priority was to assist the Americans to liberate the colonies in the Southern part of the continent. The actual policy of Versailles was to leave Canada in the hands of the British so as to drive the newly independent state into friendship and expanded trade with France.

To a large extent, French policy was foiled. General Washington, in peace negotiations with the British asked that Canada be ceded to the U.S. which, if the request

had been taken seriously, would have enabled you to spend this lunch hour listening to someone else. It wasn't, but the British concessions to the new Republic were meant to counter French influence—and they were made to a large extent from what eventually became Canada. Such was—and remains—the rather seamy stuff from which history is shaped.

Canada. Not yet a country. Still a colony. But with a growing number of inhabitants of many different kinds. Whose own views were mixed—Canadians in fact fought on both sides at Yorktown—and naturally, were not considered by these big powers.

Who were they? They were the original French-speaking habitants. Still resentful of the British conquest but determined to survive culturally. Then, the Loyalists to the British Crown, many in fact refugees from the Revolutionary War to the South. And there were others—in Montreal, particularly—who had been impressed by the philosophical values of the American Revolution. In a Canadian way, these values worked their way into our own nation-building process, and became the basis of the political values we share in common, even if our political systems are in so many ways quite different.

Indeed, that nation-building process goes on today. Its effects, stemming from the very fact that we are different nations, seem to be what the present fuss in Canada-U.S. relations is all about. But its description is not so different from what Lester Pearson sensed 50 years ago.

My first posting to the Canadian Embassy here came at a time of unprecedented cooperation between us. We worked together even when the issues were difficult, through such huge undertakings as the construction of the St. Lawrence Seaway. Also, at that time, having years before dropped our defences against each other, we joined in defence against others, through the creation of the Permanent Joint Board of Defence in 1940 which led after the war to the Pinetree Line and the Dew Line, and eventually to join defence of the continent through NORAD.

During my next posting to this city, a decade and more ago, the mood was dramatically different. The U.S. was briefly and aberrationally in trade deficit with Canada. The measures taken in 1971 to protect the American dollar, measures which had a grievous, and disproportionate effect on Canada, were not the object of any prior consultations. Canadian pleas that account be taken of our historically special relationship with the USA went unheeded.

This is, I suppose, a contradiction, but it is one Canadians are used to. You were much bigger and stronger and could speak of retaliation much more credibly than we could. As my historical reflections today indicate, we in Canada are aware that it was ever thus. Successive Administrations here have had, perhaps, a shorter-term view of what's been going on. There is after all a tendency here to think that history re-begins every four years.

I don't mean to suggest that as Ambassador here, or earlier, as an officer in our Embassy—where, incidentally, I've spent almost half my working career—I've been stewing in the acid of 200 years of accumulated grievance.

Far from it. Most of my time has, in fact, been spent on the things we've worked out together, in the development since the war of the most complex, and concentrated relationship which exists between any two nations.

I recall those very creative post-war years when international institutions emerged from a common sense of hope or of peril! The resolution among the three countries which had cooperated in developing the atomic bomb to see atoms used henceforth only for peace; the founding of the United Nations; and when the Cold War shocked us all into insecurity again, the creation of the Atlantic Alliance.

In these experiences, our common and enduring view of the world's perils became shaped. It became natural for Canada to think of itself as an ally of the U.S.; in responding to Secretary Acheson's special plea to send ground troops to Korea; in Canada making a special effort to respond to the Suez crisis, where Canadians could play a peacekeeping role from which the larger powers were disqualified, in a sort of complementarity to U.S. big power leadership—and one which at that time kept the good relations between the U.S. and the U.K., as well as France, on the rails.

So I preface my remarks by taking a long view. Not of antagonism. But of history, the history of two nations, each, in its way, pursuing its own aspirations.

And now I turn to today.

We are told that relations between Canada and the United States have entered a difficult and dangerous phase. Americans in both the public and private sectors bewail the so-called new nationalism of Canadian government policies. In Canada many complain loudly about recent American statements, describing them as alternately patronizing or imperialistic. Looming over all the rhetoric is the perception on both sides of the border that we are locked into an inescapable spiral of retaliation and counter-retaliation, to the eventual disadvantage of both countries.

A dramatic picture—but is it accurate? I think not. It exaggerates current tensions in a few areas at the expense of an overwhelmingly positive relationship and it implies that until recently the bilateral relationship was devoid of substantive issues and difficulties.

Quite frankly, relations between Canada and the United States are always delicate.

It is not hard to see why. Interdependence is the watchword of the present age. Academics describe it, politicians espouse it, and the common man confronts it in his daily life. Imports and exports, balance of payments, the value of the dollar, the shock of escalating energy prices. We have all become part-time international economists. The lesson is clear to us all—no nation's economy is a secure fortress. We must struggle to find accommodations with our economic partners or we will all suffer.

For Americans this is a relatively recent experience. To Canadians this "modern reality" has been a feature of our national life for generations. We have had historically to be more sensitive than most to the economic policies of foreign governments. At the present time fixed U.S. capital investment in Canada is greater than in any other country, as is Canadian investment in the U.S., where we are the third largest source of foreign investment. Trade between our two countries totals almost (Can) $100 billion annually.

It is important, I believe, not to over stress the negative. It is not surprising to me that many commentators express real anguish over what they perceive to be a deterioration in our bilateral relations. After all, for many years relations between Canada and the U.S.A. as countries and, more importantly, between Canadians and Americans as individuals, have been warm and genuine. There is an easy familiarity between our two countries which is, perhaps, unequalled in the world. In fact, the similarities between us are so great that we often overlook the differences which make us distinct. And we do so at our peril. Our strength as nations depends not only on our shared qualities but also on those qualities which are unique and lend variety and richness to our national lives.

It is not an easy task to specify these differences: some are very obvious while others are rather abstract and difficult to define with precision. I do not want to provide an exhaustive list for you, but I would like to suggest a few items which contribute to a deeper understanding of Canada.

Our geography and population. Although Canada is larger in area than the U.S., we have a population only one-tenth as large, and almost all of it located within 100 miles of the frontier with the U.S. These facts create special problems such as the vast transportation and communications systems which must be maintained in support of a relatively small economic market.

Our bicultural and bilingual identity. The fact that Canada has two founding cultures and official languages—French and English—creates special national riches but also special and unavoidable costs.

Our federal political system. Canadian provinces exercise jurisdiction over social and economic sectors to a much greater extent that the individual states in the U.S.A. The Canadian federal government's powers are correspondingly more limited than those of its American counterpart.

These, and other, factors taken together have created a distinctively Canadian political culture, a blend of our respect for and dedication to free enterprise and individual initiative with our recognition that government involvement in the economic, social and cultural life of Canada is demanded by the imperatives of our national heritage.

Canadians expect their governments to develop and execute policies which are responsive to their needs and interests. This expectation, by itself, is not unique. Americans also expect their governments to pursue policies which maintain national security, encourage social and political stability and promote economic prosperity. Bluntly put, Canadians and Americans look to their governments to articulate and defend their respective national interests.

And this is as it ought to be. To demand otherwise would be foolish and unrealistic. But it is not the end of the matter for the term "national interest" is infinitely elastic and can be stretched to justify almost any action. Therefore, Canadians and Americans make an additional demand on their governments which reflects their shared belief in democratic political principles—we demand that our governments pursue our national interests in a responsible manner.

When we look at foreign policy we see that responsible governments adjust their policies to suit changing circumstances. This is not opportunism or cynicism; rather we must continually make judgments about how best to pursue our national interests in a manner consistent with our international obligations and responsibilities. At times we must summon up the national will to act boldly while at other times prudence and patience provide the sternest tests of our national resolve.

It is balance we seek and, when I reflect on over three decades of personal involve-

ment in the Canada-U.S.A. relationship, I am struck by the balance we have achieved in the management of this relationship. I cannot think of two other countries which have so effectively pursued their national interests in such a harmonious and mutally beneficial way.

I am deeply troubled, therefore, by the recent charges in the United States that Canada has embarked on a new—and dangerous—course of economic nationalism. Nationalism, I hasten to add, is not used by those making the charge as a neutral description of the reasonable pursuit of national interest. No, we are speaking here of a nationalism which conjures up images of folly, irresponsibility and anti-Americanism. It is our emotions which are being appealed to—not our reason. Against the backdrop of such a long and fruitful bilateral relationship, I find the invocation of the term "nationalism" entirely inappropriate.

When the United States government argues (as does Canada) in favour of fair international trading practices, it does so because it believes such practices benefit the U.S. economy. Similarly, when the Administration and Congress state they will pursue fair trading practices, even if it means "getting tough" with trading partners, they do so because they believe this is necessary to achieve vital national objectives. There is nothing wrong with this: indeed, it would be exceedingly odd if the U.S. government pursued policies which it believed were inimical to American national interests. But we should not delude ourselves into thinking that pursuit of these interests, however reasonable they may be, is cost-free; voluntary restrictions on automobile exports may be a necessary element in the revitalization of the domestic automobile industry, but they do impose a cost on Japanese producers. There have been, and continue to be, debates within the United States on the best ways to pursue trade objectives and yet, throughout these debates, I cannot recall a single reference by any of the participants to the new "nationalism" of the United States Government, not even when such blatant acts as buy-American legislation are enacted by the Congress or, increasingly, by State governments. Perhaps it is the case that one nation's "nationalism" is another nation's "patriotism".

The point is that labels, by themselves, are not really helpful and may even prove damaging. We should be prepared to look behind the labels if we wish to gain a richer understanding of each other. All nations—even Canada and the United States—make mistakes. When we do we expect you to point them out; I know we do not hesitate to point out your mistakes to you. If we cannot resolve our problems through bilateral discussions we have recourse to multilateral instruments such as the GATT, instruments we both helped to create and continue to sustain.

Historically, we have acted responsibly towards each other and we can continue to do so if we do not lose our nerve. It takes political courage to exercise patience, to calmly assess the costs and benefits of foreign policies. In the United States, President Reagan has embarked on a dramatic economic program. Its success will be vital to the recovery of the global economy. We know the measures will take some time to work through the economy and so we have refrained from excessive criticism of the program for its short-term consequences, such as high interest rates, which have a dramatic impact on Canada. Similarly, Canada's National Energy Program has as its primary objectives the achievement of energy security and, by 1990, providing for ownership by Canadians of 50 percent of our own oil and gas industry. Surely few Americans will find these goals objectionable. The program's measures are designed not to punish foreign investors but to encourage Canadians to invest in the energy sector and to bear the costs necessary to achieve national energy objectives. Some have taken issue with the means. But it is by now I hope clear, that Canada has and will continue to implement this policy in a manner consistent with our obligations to you and our other economic partners.

If the Program works—and we believe it will—Canada will be off the world oil market by the early 1990's This clearly serves not only Canadian interests but also global interests. Your economic recovery program and our National Energy Program are bold policies designed to meet extraordinary circumstances. Both governments agree and support the long-term objectives of both programs; we must avoid allowing our short-term anxieties to thwart the achievement of those objectives.

I also want to touch on another Canadian policy which has been frequently criticized. I want to demonstrate that this policy, once it is understood, is a most reasonable response to a difficult and precarious situation. I refer to Canada's policy on foreign investment.

Canada is a major importer of capital. Throughout our history we have actively sought foreign investment and created the domestic conditions which make Canada so attractive to investors from abroad. We would not have achieved, nor could we maintain, our high standard of living without major infusions of foreign investment capital. We have not pursued this policy for selfless reasons; we do it because it serves our interests. Similarly, foreign investors find Canada an attractive country to invest in becasue they make a profit. Foreign capital investment, like domestic investment, demonstrates the free enterprise maxim that pursuit of private benefit contributes to the public good.

But this is not holy scripture. All modern nations recognize that the marketplace is not perfect and some government role is necessary if market imperfections are to be prevented from becoming gross economic distortions. Antitrust laws, for example, are not predicated on the simplistic notion that big is bad but rather on the hard economic evidence that monopolies can stifle competition, encourage inefficiencies and lower general economic performance. Where natural monopolies are necessary, as in the utilities sector, we regulate them to ensure they operate in the public interest.

Foreign investment is not exempt from this type of scrutiny; if anything, there is greater public demand in this country for your government to become involved in foreign investment issues. And the demand increases in direct proportion to increases in the level of foreign investment. To be sure, some of the complaints reflect little more than xenophobia, a belief that foreign investment is, by virtue of its origin alone, undesirable. But there are grounds for some serious worries as well. For example, are head offices in foreign countries sufficiently sensitive to domestic realities? Do they offer domestic companies a fair opportunity to bid on branch plant procurement? Or do they puchase goods and services from traditional sources located near the head office? Do decisions about corporate marketing and investment made on a global scale ignore domestic concerns such as the desire to raise the level of research and development activities of branch plants? Are subsidiaries subject to the extraterritorial application of foreign laws?

Successive Canadian governments had to face these issues at a time when foreign investment had risen to extraordinarily high levels and there were real fears in Canada that control of the economy was in foreign hands. We could have chosen to ignore this, but that would have allowed the legitimate concerns of Canadians to fester and, perhaps, explode in an unpredictable manner at some future time. It could have chosen to drive out foreign investment, even though this would have damaged severely the Canadian economy. Instead, in 1974, the government chose to steer a middle course between the two extremes of inaction and over-reaction—it established a mechanism to screen new foreign investment in Canada.

Canada requires foreign investors to demonstrate that their investment proposals confer "significant benefits" on Canada. Is this an irresponsible demand? I think not. Of course, our screening mechanism is not perfect—not everyone, even in Canada, believes it is necessary. No mechanism created by government and implemented by bureaucrats can or should claim omniscience. But minor difficulties should not be used to destroy the reasonable objectives of the policy. Canada will continue to need vast amounts of capital beyond our own ability to save; by reassuring Canadians about the economic benefits of foreign investment, the government ensures that Canada remains an open and hospitable environment for foreign investors.

I've spent a lot of time lately explaining Canadian positions but in doing so I don't want to imply that the U.S. has a monopoly on grievances—far from it. I have already referred to the proliferation of "Buy America" legislation, but there are other trade issues such as the DISC legislation where Canada has serious disagreements with American policy. On investment issues, the Jones Act and the Communications Act among others prohibit or strictly limit foreign investment in certain sectors. You too have notable exceptions to the principle of national treatment. Perhaps I don't need to recall that there was deep disappointment in Canada at the failure by the Senate to ratify a treaty which would have created an equitable joint management scheme for our East Coast fisheries. As for the environment there are a number of areas where we must develop cooperative programs if we are to avoid the destruction of irreplaceable resources in both countries. These problems—ours and yours—will not be solved by mere finger-pointing, much less exaggerated claims and counter-claims. We must strengthen our commitment at the highest level to finding appropriate solutions.●

MISINFORMATION ON EL SALVADOR

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. FIELDS. Mr. Speaker, the perpetual use of misinformation and

"planted" news stories by leftists of every shade has become more generally known and understood by the public in recent years. Therefore, it is hoped that the possibility of lies and distortions appearing in the commercial media would be kept in mind when considering reports from any nation besieged by guerrilla and terrorist movements.

Mr. Speaker, the now familiar patterns of deception used by the left and their sympathizers appear regularly in concert with the activities of Soviet and Cuban-backed insurgents operating throughout Central America.

Mr. Speaker, the Council for Inter-American Security has published in its newsletter, West Watch, reports and analyses demonstrating the continued and intentional use of misinformation relative to El Salvador for leftist propaganda purposes. I urge my colleagues to read these reports and cast a critical and cautious eye upon any antigovernment reports about El Salvador or any other nation besieged by terrorist movements. Only the most strained ideologue can remain blind to the truth about what has happened to Nicaragua, and what will ultimately happen to El Salvador and its people without U.S. aid and support.

Two reports follow.

[From West Watch, October 1981]

SALVADORAN LEFT "PENETRATES" WORLD MEDIA

The Salvadoran left is executing a plan to influence news coverage of events in El Salvador, according to papers discovered last May in the home of a propaganda director of the Salvadoran revolutionary opposition.

The media manipulation project is set forth in a 31-page document written in Spanish. WEST WATCH has obtained a copy of the document, which outlines in detail what it calls "a global plan in the area of propaganda."

The plan calls for the leftists to "penetrate" international news agencies and plant recruits in the most important foreign newspapers.

The revolutionaries have already recruited agents within AP, UPI and ACAN-EFE, the document reveals. Three individuals are mentioned as "comrades" within these agencies. They are identified only as Rina, Ana Leonor and Alex.

This project is called Operation "Aguila," which is Spanish for "Eagle." It includes a step-by-step program showing how to develop "sympathizers" in the media and how to induce journalists to use material such as communiques provided by the revolutionaries.

Operation "Aguila" is spelled out in a document captured by the Salvadoran National Guard on May 2 in the home of Ana Margarita Gasteazoro Escolan, the General Secretary of the National Revolutionary Movement (MNR), a faction of the Democratic Revolutionary Front (DRF).

The document is not a proposal. It is a practical guide for the propaganda specialists within the revolutionary opposition.

It is important to note that many of the projects mentioned in the document are already being executed. The papers include an assessment of propaganda activities that were initiated in 1970.

The document notes that "we have not penetrated solidly the agencies that have the greatest worldwide repercussion" like AP, UPI, ACAN-EFE and LATIN-REUTERS. Still, the document claims that this is "where we have most been able to advance."

"It is necessary to consolidate the work of political attention with the comrades that have been recruited within the agencies, especially with the comrades of ACAN-EFE, AP and UPI (Rina, Ana Leonor and Alex)," the document states.

Operation "Aguila" itself was begun in October 1980, the document says. The papers also reveal that, since January 10, Operation "Aguila" has been under the responsibility of CONAPROP, which is the Comision Nacional de Propaganda, or National Propaganda Commission, of the DRF.

The project includes establishing relations with TV crews and working with newspaper reporters to convince them to write articles from the opposition's point of view.

"This job must be developed by winning sympathetic journalists of the different media, mostly by providing them with material they can publish . . ." the document says.

Again, this is not something that could be done or will be done. It is already being done.

"We have our people who are already filming for the television networks, using, besides, that cover," the document states.

"In the interior, journalists of diverse world media have been contacted in order to carry them to camps," the papers say. "They have been given a vision of the war, of the organization."

The left in El Salvador is said in the paper to have begun arranging interviews for foreign correspondents with guerrilla leaders and penetrating news agencies during a "preparatory period" before January 1980.

"Journalists in the written media as well as from television news and films for television have been oriented," the document notes. "This is a job that has been able to be developed equally with that of the agencies."

The document also suggests that the opposition continue using institutions "controlled by us" such as the Salvadoran Human Rights Commission.

The revelation that the revolutionary opposition controls the Salvadoran Human Rights Commission is extremely significant. Many news items based on information provided by the Salvadoran Human Rights Commission have been published by major newspapers like the Washington Post. This indicates that the revolutionaries' plan to influence the media has already been quite successful.

The Salvadoran Human Rights Commission was the principal source for a front page article in the August 18 Washington Post entitled "Salvadoran Troops Said to Murder Up to 41 After Roadside Quarrel." The author of the story, Christopher Dickey, says: "The most comprehensive version of what happened appears in testimony given to the Salvadoran Human Rights Commission, a private organization that collects evidence of alleged rights violations by security forces."

Another news item in the August 26 Washington Post begins like this: "Salvadoran political prisoners began a hunger strike to protest death threats against relatives and other alleged rights violations, the Salvadoran Human Rights Commission said."

The Salvadoran Human Rights Commission was also quoted in an Associated Press story in the September 17 New York Times. The Commission claimed in this story that more than 32,000 Salvadorans had been killed in political violence since October 1979.

The revolutionaries apparently recognize that propaganda can be disguised as objective news reporting if it emanates through a purported human rights organization that appears to be imminently respectable.

The document sets up a distinction between partisan propaganda, which obviously comes from the organized left, and what is called "objective" or "neutral" propaganda, which is designed to look like the impartial rendering of factual information.

"In 'neutral' propaganda, it is fundamental to use the technique as much as possible of supposed 'neutrality,' 'objectivity,' and 'impartiality,' which is achieved by using another media, and not the party, to affirm or deny something. This is what gives impact to the transmitted message," the document explains.

In other words, leftist propaganda that would be disregarded by the public if it were to come openly from the guerrilla front becomes credible if it is communicated by a "bourgeois" newspaper or magazine in the guise of news reporting.

The document also notes that the revolutionaries have under their control the Film Institute. It so happens that this institute has been playing a film entitled "El Salvador: The People Will Win" in the theaters and on college campuses in the U.S.

This film was reviewed in the August 15 New York Times, which mentioned in small print that the "documentary" was presented by "the Film Institute of Revolutionary El Salvador, F.M.L.N." The review also noted that a member of the central command of the Farabundo Marti Liberation Front was the film's political director.

In sum, the document outlining Operation "Aguila" sets forth a systematization of the revolutionary opposition's propaganda network in El Salvador and abroad. "What we need to do, within a general program and within the strategic lines of the organization, is penetrate all the media of the enemy, at the same time, as an organization we need to create our own media," the document says.

Another document found in the opposition leader's home is entitled "Work plan of sub-team with attention to foreign journalists." WEST WATCH has obtained a copy of this document, which is dated April 15, 1981.

It sets forth as the general objective "to reach foreign newspapers with our vision of the popular war and have the newspapers transmit the truth about the events."

A specific objective is "to form a network of collaborators among sympathetic journalists." The means of achieving this include "interviews with members of the FMLN and FDR" and "visits to camps and interviews with combatants."

The paper also details how the revolutionaries plan to carefully select certain "recommended" journalists and influence their reporting by granting them access to special information.

"Established mechanisms in the exterior have been left for sending us journalists and media," the document says.

These documents provide an invaluable inside look at the revolutionary propaganda machine in El Salvador.

The most compelling evidence that the plan is working lies in the fact that the discovery of the plan was not reported by the major media in this country.

[From West Watch, October 1981]

MASS MURDER EXPOSED AS RUMOR

Those who have played the children's game of "gossip" know how a story whispered quickly in a child's ear can become another story altogether by the time it has been repeated several times.

This is what is happening in El Salvador. Stories which are nothing more than rumors manage to get repeated by the right people and end up reported as fact in major U.S. newspapers.

For example, there were page one stories in March about the massacre of 1,500 Salvadoran refugees who were supposed to have been sealed in a cave called Cueva Pintada near the towns of Yarutela and Santa Helena.

The "massacre" had been reported by Honduran church and human rights groups. The alleged atrocity triggered demonstrations in this country against aid to El Salvador.

However, it turned out that Cuerva Pintada does not exist. Neither does the town of Yarutela. This was revealed in the April 29 Washington Post on page 16 in an article entitled "Massacre Report Proves Hard to Verify."

The guerrillas broadcast a second version of the "massacre" on their clandestine radio, alleging this time that the incident had taken place near Yarula, a town in Morazan province.

But there is no town of Yarula in Morazan province. Still, Radio Havana and Amnesty International insisted that the "massacre" had occurred in Morazan.

The National Catholic News Service later said that the incident took place, not in March, but in April, and not at Cueva Pintada, but at Cueva Sentada.

The source of this report turned out to be an unnamed priest who is supposed to have said, not that 1,500 people were killed, but rather that "a large number" of Salvadorans were killed. Another source was quoted as saying that 150 people died.

The April 29 Washington Post article notes that Amnesty International now says it simply received word of a "possible" massacre and did not vouch for its veracity.

In other words, what had been reported in the major media as a moral certainty was nothing more than a rumor. The story had been embellished and exaggerated, passing through several inaccurate versions. Maybe there is some truth to it. Maybe not.

Nevertheless, syndicated columnist Ralph de Tolenado observes that the original story continues to be broadcast by Radio Havana and repeated by the media, with the support of "international aid organizations" which, the Post notes, "provide no firm indication of where or how many were killed."

Is this an isolated case? Or could we expect other rumors in El Salvador to be believed and reported as hard news?

"In such a climate of horror, it has become possible to believe almost anything," writes Loren Jenkins, the correspondent who authored the April 29 Washington Post article. "Any street rumor or report heard on foreign or clandestine radio gains a life of its own that no amount of official denials can shake."

Another example of a sensationalist story that on closer inspection turns out to be based on a single, unnamed source appeared in the August 18 Washington Post.

The page one headline was "Salvadoran Troops Said to Murder Up to 41 After Roadside Quarrel."

Sounds ghastly. The problem is that, aside from all the hearsay and gossip, the only allegation in the entire story of the involvement of government troops in the alleged murders was in an affidavit by "an unnamed Armenia resident" filed with the Salvadoran Human Rights Commission.

This "unnamed resident" said that government troops took several persons from their homes at night and that 23 bodies were found in the river the next morning.

The rest of the article consists of second-hand reports or conclusions drawn from anonymous persons and bits of information that could mean almost anything.

One unnamed person, "who makes it his business to know where bodies are buried," tells that someone told him that 42 persons were killed one night and that 22 bodies were dumped in the river. Unnamed peasants who live near the river are said to have heard "a heavy truck" stop for several minutes the following morning. "They did not look outside," the article states.

As evidence of mass murder by Salvadoran troops, this is pretty flimsy stuff.

Yet it was splashed across the front page of the Washington Post in an article cleverly constructed to disguise its lack of substance.

But even the author of the article, Christopher Dickey, did not seem to find this assemblage of "evidence" convincing. About 15 inches into the story, buried on page 14, he writes that the alleged massacre "fits a pattern of similar events in which many people profess to be certain of what happened, and the only certainty is that people were taken from their homes, and people were found dead."●

THE TRI-COUNTY OBSERVER CENTENNIAL

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DUNCAN. Mr. Speaker, I have a neighbor in Madisonville that just turned 100 years old. Despite the age, there is no sign of senility or weakness. I still welcome my neighbor's advice and insights. It is always good to know there is someone you can rely on in good times and bad.

My neighbor is the Tri-County Observer, and there are many of us who are happy to see it alive and kicking in its 100th year. The Observer traces its roots back to the Madisonville Clarion, which was first published September 5, 1881. The fortunes of the newspaper have been tied to the Hicks family of Madisonville for about 70 of the 100 years.

Since September of 1967, Dan Hicks, Jr., has been owner and editor of the Observer. He has maintained his family's commitment to journalism and preservation of the first amendment. During his tenure as editor, the Observer has won the Elijah Parish Lovejoy Award for Courage, from Southern Illinois University; the John Peter Zenger Award, from the University of Arizona; and the Golden Quill Awards for Editorials, from the International Society of Weekly Newspaper Editors, as well as numerous State journalism honors.

It is good to have such a well respected neighbor. That is what the Observer has been as it makes its weekly visits into the homes in Monroe, McMinn, and Loudon Counties. These sentiments can be found in the congratulatory advertisements which fill the centennial edition of the newspaper. This is perhaps the highest honor a newspaper can receive; the support of its community, and its recognition as a neighbor.

I use the word neighbor, because it best expresses the role the Observer fills in the tricounty region. It is a neighbor that communicates through its news stories, advises through editorials, and lifts one's spirits in its features. It listens carefully to the opinions of its readers expressed in the letters to the editor.

One has to appreciate the perseverance shown by the Hicks family in maintaining this paper through the years. As Dan Hicks, Jr. states:

Because it has been the life blood of three generations of the Hicks family, its history will necessarily revolve around the Hicks name. But this is fitting because the motto on the Hicks Family coat of arms reads: "Not we for the kings, but the kings for us."

It was in this spirit that the first amendment became a cornerstone of our democracy. The Tri-County Observer is a legacy of that amendment and the Hicks family motto is good neighborly advice.●

DIVORCED MILITARY SPOUSES

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WHITEHURST. Mr. Speaker, I am encouraged by the activities in this Congress aimed at correcting the inequity in the current system which unfairly penalizes the divorced long-term military spouse, and I commend both the House Armed Services Committee Personnel and Compensation Subcommittee and Senate Armed Services Committee Manpower and Personnel Subcommittee for holding hearings on this issue. I would like to address this important matter by including my statement in the CONGRESSIONAL RECORD for my colleagues' review, and I urge favorable consideration of legislation of this nature when it comes to the House floor for a vote.

BENEFITS FOR LONG-TERM MILITARY SPOUSE

Mr. Speaker, on Wednesday, November 4, 1981, I introduced H.R. 4902, which has also been introduced in the Senate by Senator Jepsen, Chairman of the Senate Armed

Services Committee Manpower and Personnel Subcommittee. Our bills address the main areas of concern with regard to the issue of benefits for the long-term military spouse.

As I testified before the House Armed Services Committee Personnel and Compensation Subcommittee last week. I have long been an advocate of official recognition of the contributions of the long-term military spouse. As more and more evidence points to the major role played by the military spouse in determining whether or not an individual decides to pursue a military career, it is imperative that action be taken to establish some security for the military spouse, just as has been for Foreign Service Wives. Military spouses should have the security of knowing that they can, at the least, count on their government after long years of commitment in the partnership dedicated to the defense of this country.

H.R. 4902, will be helpful in establishing that personal security for the long-term military spouse. As we all know, military life is unique and military families are required to share that uniqueness, its benefits and the sacrifices in the name of defense.

The long-term military spouse often sacrifices her own career in order to support her husband's military career. Frequent moves, on the average of one every 2½ years during a 20-year military career, are normally not conducive to a spouse's career. She is often required to begin new jobs at the entry level, and she has scant opportunity to become vested in her own retirement plan. All too often, it is not possible for a military spouse to complete her own education because of the high cost of out-of-state tuitions and frequent moves, especially when the move is the result of an overseas assignment. There are, of course, many other sacrifices and contributions that can be contributed to the military wife, and it is time that they receive the recognition and credit they deserve. Current statistics regarding the plight of older women in our society and the ability of women to collect on court-ordered payments for alimony, child support or property settlements are alarming, and it is important to officially recognize the long-term military wife's contributions by treating her more fairly when her marriage ends in divorce, which is often the direct result of the strains of a military career.

I believe the legislation Senator Jepsen and I have introduced offers a fair and equitable solution for all concerned.

With respect to court-ordered payments, it provides that the Service Secretaries can make direct payments from an individual's retired or retainer pay to a former spouse for court-ordered payments for child support, alimony, or property settlements. This legislation allows military spouses to obtain the benefits awarded them by State Divorce Courts, the recognized authority with regard to the dissolution of a marriage. Our bills also contain a provision which protects the retiree by stipulating that any such payment cannot exceed 50 percent of the retired or retainer pay.

With regard to SBP, this legislation simply amends the current law by including certain former spouses in the category of those eligible to be designated as a recipient of benefits under the SBP program. This does not dictate who would be awarded benefits under the program, it simply would allow a former spouse to be named as a beneficiary if that was the decision of the retiree.

The health care portion of this legislation provides that the unremarried military spouse, who was married for a minimum of 20 years could be designated by a Service Secretary to receive continued health care for a medical condition which existed prior to the divorce. This provision protects the former spouse, who because of a pre-existing medical condition finds that she is uninsurable in the private sector. I strongly believe that these women should not be forced to turn to our welfare agencies for health care. They should be given the dignity of receiving continued health care from the military at DOD medical facilities or through CHAMPUS.

This legislation was prepared after the Senate hearings on this issue, and after consultation with the Department of Defense. I believe that it offers former spouses an effective collection mechanism for payments under lawful court orders, and it recognizes their contributions and sacrifices.

Certificates of appreciation, grocery bag logos and laurels on a husband's efficiency report are no longer satisfactory compensation in today's society. Passage of legislation of the nature discussed here would be a tangible example of our support for the proverbial, "Mom, apple pie and the American Flag," for those who will benefit by it have been, for the most part, dedicated to the ideals of motherhood, and have been willing to stay home and bake the apple pies as part of their role in the partnership dedicated to the defense of the American Flag.●

NEGATIVE VOTE FOR ADOPTION OF CONFERENCE REPORT

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. CHENEY. Mr. Speaker, for more than a century, Republicans have been in the forefront of the environmental movement. From its earliest days, the goals and programs of the U.S. Department of the Interior have been shaped by the framework laid by Republican leadership in the formative years of the agency.

Conservation and preservation of our natural heritage, sound managment of our resources, protection of the environment and stable administration of the programs protecting the rights of the first Americans have long been basic Republican principles. So, too, have many of the emergency programs created during the past decade to meet the mounting crisis of growing energy demand and dangerous dependence on foreign sources of energy to meet the needs of American society.

There is no greater threat to the environment in which we live and work, however, than the disastrous economic climate in which America finds itself after nearly a half century of the free-spending philosophy of Democratic Congresses. There is no more crucial job facing Congress than the rebuilding of a devastated economy and the restoration of economic vigor to the American working man and woman, the taxpayer, and ultimately, to American business as well. The long-term economic health of those American workers and taxpayers who finance all of Government, including environmental and energy programs, can be guaranteed only through quick action by Congress to reverse the downturn caused by those spending programs, especially in the 4 years after President Ford left office.

President Reagan's strong economic program of budget and tax cuts has gone far in wiping away the stain of those 4 years of economic mismanagement. The rate of inflation, which nearly tripled under Carter administration programs enacted by the Democratic Congress, will fall more than 25 percent in President Reagan's first year in office. Real growth in the gross national product, which unbelievably fell into negative figures under those programs, has reversed that trend and is rising once again toward a healthy level. Soaring interest rates on Federal T bills, which rose uncontrolled from a 5-percent figure under President Ford to 14.7 percent under those Democratic programs, have been halted. Again, the trend has been reversed. The productivity of American workers and businesses, shackled by those Democratic programs, has been freed and is speeding upward once again after 4 years of stagnation.

This is not the time to scuttle an economic recovery program that is working. Yet by adopting this conference report, the House would be voting to do exactly that.

The report is a major threat to President Reagan's budget proposals already enacted into law by Congress. It would result in an increase in outlays of $1.5 billion in 1982.

This one appropriations bill would force the projected fiscal 1982 Federal debt up by $1.5 billion. If this conference report is adopted and the precedent set were to be accepted by Congress in dealing with other pending appropriations measures, the fiscal 1982 budget deficit would increase uncontrollably by between $10 and $12 billion.

This conference report alone is $600 million in budget authority and $400 million in spending above the March budget of President Reagan. In addition, in drafting this report, there was no meaningful consideration made of means to achieve the additional savings of $1.4 billion in budget authority and $1.1 billion in outlays called for by President Reagan in September.

This report keeps alive the solvent refined coal demonstration facility, wasting an additional $135 million on a project that will not be built because of an anticipated 400-percent increase in its expected cost of construction. If that project is carried through to completion, it alone will add another $3 to

$4 billion to Federal spending during the next 5 years.

In a time of retrenchment, this conference report proposes to add $600 million to Interior programs over the President's budget. It increases funds for Department of Energy programs—other than the strategic and naval petroleum reserve programs—by $400 million, or 95 percent more than President Reagan's budget. Funding for the National Endowments for the Arts and Humanities similarly is some 87 percent over President Reagan's figures.

The conference estimates do not reflect earlier action of the Appropriations Committee on the 1981 supplemental and rescission bill and will add $400 million in fiscal 1982 outlays to programs funded under the conference report. In addition, the Appropriations Committee estimates of the relationship of the conference report to President Reagan's budget seriously understate the true spending impact of the bill because they fail to account for earlier action on fiscal 1981 funds and for off-budget funds.

This conference report would increase spending in 1983 and subsequent years by $830 million, making it a total of $2.3 billion in outlays over President Reagan's budget, which is a centerpiece of the economic recovery America so badly needs.

Mr. Speaker, I urge my colleagues to vote to recommit this conference report. If that motion fails, I urge our Members to vote against adoption of this budget-busting proposal. And if the conference report prevails despite that opposition and if this measure is sent to the White House, I strongly urge an immediate veto from President Reagan.●

VETERANS DAY, 1981

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. CARMAN. Mr. Speaker, John F. Kennedy once said, "A nation reveals itself not only by the men it produces but also by the men it honors, the men it remembers."

Yesterday, Congress was not in session in order to commemorate Veterans Day. On that day, the citizens of our Nation joined to pay tribute to the 38 million Americans who have bravely and honorably served our country. Over 1 million of these men and women have died in active service to preserve the freedoms we now enjoy.

Congress has not forgotten these patriots, and this year has passed much legislation increasing and expanding benefits for our veterans. Although we will never be able to fully reward our vets for their devoted service to our country, I am hopeful that our actions in Congress will further exemplify our gratitude to them.

I join with all Americans in honoring and thanking our veterans who have risked their lives so that we may live in freedom and democracy.●

NATION'S AIR QUALITY PROGRAMS HAVE SERIOUS PROBLEMS

HON. CLEVE BENEDICT

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. BENEDICT. Mr. Speaker, in my previous remarks on the Clean Air Act, I tried to make clear that required pollution control processes and technologies are responsible for impeding progress toward cleaner air. Problems with the State Implementation Plan (SIP) provisions of the act are also hindering movement toward our clean air goals. The SIP requirements have led to serious problems in Federal-State relations and in the overall conduct of the Nation's air quality programs. This assessment is shared by industry, the Environmental Protection Agency, and the National Commission on Air Quality.

Congress, through the Clean Air Act Amendments of 1970, required the development of individual State implementation plans that embody the strategies and control measures employed to achieve the national ambient air quality standards. Further requirements for nonattainment areas were added in the Clean Air Act Amendments of 1977. All plans are required to provide for the implementation of all reasonably available control measures as expeditiously as practicable and to demonstrate reasonable further progress toward attainment of the standards. States not meeting these requirements are subject to federally imposed sanctions.

This process has never afforded the States adequate flexibility to address air quality questions arising from local needs and concerns. The development of State implementation plans has been done under a completion deadline which did not allow States the ability to address specific problems in the most cost effective manner for that region. Under the current act, any area exceeding an ambient standard, regardless of the degree or the circumstances involved, is subject to the same regulations, restrictions, and sanctions, including a ban on new construction.

Such a policy hinders the development of sound air pollution control policies which might benefit our clean air efforts and allow for regionally identified industrial growth. In addition to not addressing the problems preventing the attainment of air quality standards, construction bans prevent air quality improvements that might be achieved from taking place. Companies and facilities with construction and expansion plans that will significantly reduce emissions of air pollutants are prevented from putting those plans into effect. Current law should be changed to allow States to develop State implementation plans in accordance with the different solutions and schedules appropriate to different areas.

Delays in the initial approval of State implementation plans can also be eliminated safely. Even routine SIP reviews require the approval of both the State and EPA. The approval process requires notice and public comment at the State level and a similar process at the Federal level. Although the act specifies that reviews are to be done by EPA in 4 months, none have been done in less than 9 months and some have taken years. These delays create confusion over the status of State implementation plans and their legal significance, further frustrating efforts at construction planning and realization and the resulting attainment of cleaner air. Changes to the Clean Air Act should specify that any State implementation plan not acted upon by EPA within the designated period of time will be deemed approved. They should also eliminate the need to duplicate the notice and public comment process at the Federal level already completed by the States.

Yet another problem involves the required Federal processing of SIP changes. The act requires the States to include in their plans emission limitations applicable to all stationary sources. Any changes to these limits must be individually reviewed at the Federal level before they can take effect. This process has taken a minimum of 10 months and in some cases years and adds to the difficulties in realizing beneficial new construction and modernization. States need the authority to make these revisions on their own based on local needs and circumstances. The Federal role will be limited to reviewing actions by the States to insure they do not prevent reasonable further progress toward attainment of ambient standards. Only if such progress is not being made should EPA have the authority to intervene and regulate activities within the States.●

INTERNATIONAL BALLET COMPETITION

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. DOWDY. Mr. Speaker, today I am introducing a joint resolution to

grant official recognition to the International Ballet Competition held in Jackson, Miss.

The International Ballet Competitions began in 1964 in Varna, Bulgaria. Because of the artistic success and prestige of this event, competitions were established in Moscow and Tokyo. The United States entered the "Olympics of Dance" with greater dancer participation when Jackson hosted an International Ballet Competition in 1979. The success of the event spurred a Second International Ballet Competition in Jackson to be held June 20 through July 4, 1982.

This competition promotes international friendship and through recognition of the artistic talents of the young competitors transmits an understanding of excellence to a new generation. I am proud to have such a prestigious and important event held in my congressional district, and I urge my colleagues to cosponsor this resolution in support of this very worthy artistic endeavor.●

TELECOMMUNICATIONS REWRITE

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. SWIFT. Mr. Speaker, the House Subcommittee on Telecommunications, Consumer Protection and Finance, on which I serve, is now in the process of drafting one of the most critical and far-reaching pieces of legislation that will come before the 97th Congress—an update of the Communications Act of 1934. As telecommunications assumes an increasingly important role in our domestic economy and international trade policy, the legislation that we enact will have a dramatic impact on our Nation's economic health in the years to come.

An article in today's New York Times clearly defines the critical role the Houe will play in the enactment of this legislation, and outlines the direction that the able chairman of our subcommittee Representative TIM WIRTH, feels the legislation should take. The issues involved are complex, and require thoughtful and careful analysis. If we are to pass a progressive and forward-looking bill, I believe we must begin now to understand what the issues are, and how best they can be resolved. I commend this article to you.

WIDER HOUSE ROLE IN A.T. & T. DEBATE

(By Ernest Holsendolph)

WASHINGTON.—Every branch of government seems to be getting in on the act of reshaping the American Telephone and Telegraph Company and, in the process, national policy in telecommunications.

The Justice Department is pursuing a longstanding antitrust suit. The Federal Communications Commission has outlined its own program for splitting the company into a regulated telephone company and an unregulated equipment and data-processing company. The Senate has passed its own bill laying down a new structure. And the Reagan Administration is pressing its own views.

ATTENTION SHIFTS TO HOUSE

Now attention is shifting to the House of Representatives, where Timothy E. Wirth, a Colorado Democrat who specializes in communications policy, expects approval by next June of legislation lifting restrictions on A.T. & T. and promoting competition in the communications industry.

The Senate and House approaches to the issue are based on the F.C.C.'s proposal for a split company; the differences have to do with the degree of separation between the parent and its subsidiary and the manner of transition and capitalization.

LESS EMPHASIS ON DEREGULATION

For instance, Mr. Wirth said in an interview this week, his bill was likely to put less emphasis on deregulation than the one passed by the Senate. The Representative is emerging as the key player in a complex Federal effort to reshape phone industry regulations.

"We're looking for a level competitive playing field," Mr. Wirth said, indicating that any measure that allowed Bell to drive competition from the field would be unsatisfactory.

Meanwhile, as Congressional action proceeds, the F.C.C. program is facing a challenge in the United States Court of Appeals here from more than 40 Bell competitors as well as from the Justice Department. All briefs in the case are due next month, and oral arguments are expected to be conducted in February, according to the commission's litigation staff.

Left in limbo, pending the outcome of the court appeal and final congressional action, is an Administration plan to drop its antitrust suit against Bell if "acceptable" legislation is passed. The historic antitrust suit, now being tried here in the United States District Court before Judge Harold Greene, may well conclude as legislation is completed. Judge Greene expects to rule on the case in July.

For its part, Bell is proceeding as if the F.C.C. program will go into effect by January 1983 at the latest. Pickward Wagner, a Bell spokesman here, said that while developments unfold, the company would proceed with reorganization for open competition on the basis of the challenged F.C.C. plans. "We have no other choice," he said.

The commission's proposal to split the company in two is contingent on the company's putting together an acceptable capitalization program for "Baby Bell" at least 180 days before it goes into business. Baby Bell is the nickname given to the divisions that would not be regulated.

A Federal court in Newark has endorsed the commission's view that Bell can enter computer-related businesses and stay in step with the newest communications technology. It rejected arguments by the Justice Department and others that to do so would violate the terms of a 1956 consent decreee meant to keep A.T.&T. out of the data processing.

WORK BEGINS IN THE HOUSE

Against this complex and shifting backdrop, the measure that Mr. Wirth and his subcommittee on telecommunications will put together in the next few months will attempt to remove the uncertainty for Bell and provide the F.C.C. with a mandate for opening up the telecommunications business.

The subcommittee, Mr. Wirth said, is basing its draft on a 700-page report on the communications business that shows that although there are competitors throughout the industry, there is less than full competition in certain areas.

For instance, Bell and its affiliates account for 96.3 percent of the long-distance business despite the success of companies like MCI Communications and Southern Pacific, which together account for less than 1 percent. Further, the report said, while there is competition in new terminal phone equipment such as telephones and small switchboards, there is little in the supply of major network equipment.

Mr. Wirth said: "We as a Congress would not have deregulated the airline industry if we found that one airline controlled 95 percent of the air traffic, owned 90 percent of the airports and controlled 98 percent of the rental-car agencies. We just would not have deregulated under those circumstances."

As for the telephone business, he said, "You maintain regulation so that the rate payer can be protected."

A key way in which the House bill could differ from the Senate measure, Mr. Wirth said, is that it would require Baby Bell to obtain its own capital rather than get it from the parent A.T.&T. If Baby Bell does not raise its financing on its own like the competitors do, Mr. Wirth asked, "isn't that a form of subsidy by the regulated company?"

GIVING THE F.C.C. A MANDATE

The most helpful role of legislation, Mr. Wirth said, is to give the F.C.C. a mandate, thus relieving it of having to choose which among many rules and policies to emphasize. "No matter how many people you give the F.C.C.," he said, "no matter how well you pay the accountants and lawyers, no matter what they do in this exploding fast-changing telecommunications market, you can't expect the commission to do all things. They need priorities."

As for the Administration's wish to free Bell to capture more of the export market, Mr. Wirth said this had more to do with Bell's corporate goals than the regulatory structures. "A.T.&T. has much to offer us and our trade base abroad," he said, "but they have little incentive to do that with a captive domestic market in terminal equipment. The network equipment market is over 80 percent A.T.&T., totally captive.

CONCERNS OF THE WHITE HOUSE

Bernard Wunder, an Assistant Secretary of Commerce who is the Administration's top communications policy maker, said he had told Mr. Wirth that the White House had four basic concerns—that the nation's communications system meet the security needs of the Defense Department, that it promise increased international trade, that it promote competition and that it offer protection for the rate payers. "We see those principles embodied in the Senate bill," he said, "and I see no reason why we cannot expect them from the House bill."

Mr. Wirth's schedule calls for a draft bill to be issued by the end of the month, scrutiny of the draft by the industry and the public in December and January, hearings on the bill in February, formal committee approval of the bill in March, floor action in the spring and a conference with the Senate

in June. The House bill will contain nothing about broadcasting or cable television policy, Mr. Wirth said.

For Mr. Wirth, there is a lot at stake. Although Congress has tried for five years to pass a bill and failed, the House has come closer than the Senate. This term, however, Senator Bob Packwood, the Oregon Republican who is chairman of the Senate Commerce Committee, stole a march on the House and passed a bill.

Now, the last word will evidently be spoken by the House, making it probably that Congress will have a new common carrier bill for the first time in 48 years.●

A TRIBUTE TO THE ARMENIAN GENERAL BENEVOLENT UNION

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. MINETA. Mr. Speaker, I would like to rise today on behalf of Congressman DON EDWARDS and myself to pay tribute to the Armenian General Benevolent Union as they celebrate their 75th Diamond Jubilee Anniversary. The week of November 15 through November 21, 1981, has been set aside as the Armenian General Benevolent Union Week. This celebration will culminate on November 20, 1981, with an anniversary banquet and musical program.

The organization was established in Cairo in 1906 by esteemed national leaders, headed by Boghos Nubar Pasha, who saw a need to aid the destitute people of their homeland. This philanthropic union has grown and flourished throughout the years. It has inspired the trust and appreciation of the Armenian people. Due to the patriotic and unselfish activities of the leaders and members, the organization has been successful in its humanitarian mission.

The Armenian community of Santa Clara County has continued the valiant efforts of their forefathers, resulting in numerous social, cultural, and spiritual events and benefits for our community. Presently, the Santa Clara Valley chapter is hosting a banquet in this year of celebration. Mr. Alex Manoogian, life president of the Union will be their guest of honor and primary speaker.

Mr. Speaker, at this time, I would like to ask you and all our colleagues in the House of Representatives to join Congressman DON EDWARDS and myself in honoring the dedicated members of the Armenian General Benevolent Union of America and wishing them continued success in the future on the occasion of their 75th Diamond Jubilee Anniversary.●

STICK TO ANNOUNCED SCHEDULES

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mrs. COLLINS of Illinois. Mr. Speaker, early in this session, Members of the House were told that they could expect votes not to be scheduled for Mondays. This was announced so that, with some certainty, Members could schedule events for the benefit of constituents in the district, in my case in Chicago, on Mondays.

With full faith in this announcement, I asked HENRY WAXMAN, chairman of the Subcommittee on Health and Environment, to schedule a field hearing on the proposed clean air act amendments in Chicago on Monday, November 16. This is an issue of great importance to my constituents.

Chairman WAXMAN graciously consented to my request.

This afternoon, November 12, we were informed that the House expects to vote on Monday, November 16. The vote is to be on the joint resolutions providing for continuing appropriations. This, too, is an important issue to my constituents.

If I cancel my hearing, it will make my constituents unhappy. If I miss the vote, it will make my constituents unhappy. Darned if I do and darned if I do not, so to speak.

I implore the leadership to please stick to the announced schedule so that Members may plan sensibly and, therefore, maybe break even in trying to fulfill their congressional and constituent obligations.●

SENATE—*Friday, November 13, 1981*

(Legislative day of Monday, November 2, 1981)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

"Our Father which art in heaven, hallowed be Thy name, Thy kingdom come, Thy will be done on Earth as it is in heaven."

Thou hast taught us this prayer, O Lord, and in times like these nothing we can pray seems more relevant. The glory of God, the coming of His kingdom and the doing of His will on Earth is the promise of a perfect social order, an order which cannot be achieved by the finest human effort unaided by God. Grant us the wisdom to acknowledge this and to yield our minds to the direction of the Holy Spirit, that hard decisions derived from intense struggle may conform to Thy purpose for history.

We pray for the astronauts and their families. May this probe into space be successful and may they return to Earth safely with mission accomplished. Grant to the Senators and their families a weekend of rest, reconciliation and renewal. Bless the time with their loved ones, and restore energy and strength, that the labors of the week to come may be pleasing to Thee and a benefit to the whole world. Through Christ our Lord, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I understand that there is a special order for the recognition of the Senator from Mississippi (Mr. COCHRAN) for 15 minutes, to follow the recognition of the two leaders under the standing order; that after the expiration of time for the special order, the Senate will resume consideration of H.R. 4169, the Commerce-State-Justice appropriations bill, at which time a Weicker perfecting amendment on legal services will be the pending question. Is that correct?

The PRESIDENT pro tempore. The Senator is correct.

LEGISLATIVE SCHEDULE

Mr. BAKER. Mr. President, today is Friday the 13th, and what I am about to say has no relationship to that old, traditional superstition.

However, I must say that as we gear up for the final push to adjournment sine die, it will no longer be possible, absent the most extraordinary circumstances, to honor the requests of individual Members to be protected on votes at particular times or on given days. I regret to make that announcement, but I believe it is essential if the Senate is to dispatch its business with reasonable swiftness and efficiency.

Therefore, Members are on notice that, with the greatest regret, the leadership will no longer accept requests to be protected during the day or during the week against rollcall votes.

Senators also should be on notice that, while the leadership will continue to attempt to schedule the business of the Senate in order to avoid late sessions beyond approximately 6 p.m., except on Thursdays, it may not be possible to do so in these final days of the session; and there is at least an enhanced possibility of late sessions beyond the normal adjournment or recess hour of 6 or 6:30 p.m. on days other than Thursdays, for the remainder of this session.

Mr. President, the continuing resolution making appropriations for the operation of many agencies and departments of Government expires, by its terms, at midnight on November 20. That is next Friday, a week from today.

So that Senators may be aware of the possibility well in advance, in order to plan for it, they also should take account of the fact that there is at least a possibility that the Senate will be in session on Saturday, November 21.

That would not be the case unless it were necessary to continue our efforts to pass the continuing resolution or other matters in connection with a continuing resolution. But Members should be on notice now that there is a possibility of a Saturday session a week from tomorrow, the 21st.

Mr. President, I will continue to give the best schedule announcements I can, from day to day, so that Senators may plan, but the best plan Senators can make now is to be here until we adjourn.

I urge Senators to consider that as they are away from the city or away from the Capitol in these final days and hours of the session, there is very little protection the leadership can offer them against missing rollcall votes and important debate; also, that there is an increasing likelihood of weekend sessions and late night sessions on any night of the week or on any given weekend.

So, Mr. President, I apologized in advance for making this unpleasant announcement on Friday the 13th, but I believe it is the appropriate time to do it, and I wish to share that bad news with my colleagues as soon as possible.

The Senate will be in today for a full day of legislative activities. I expect that we will continue with the debate on the State-Justice appropriations bill, with the hope that we can finish it before we recess today. I estimate the time of recess to be about 5 o'clock.

ORDER FOR RECESS UNTIL 11 A.M. ON MONDAY

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. on Monday.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR TECHNICAL CORRECTION—SENATE EXECUTIVE RESOLUTION 2

Mr. BAKER. Mr. President, I ask unanimous consent that a technical correction be made to Senate Executive Resolution 2. On line 12 the word "Provision" should read "Prevention", and I send the correction to the desk.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The corrected resolution follows:

S. EXECUTIVE RES. 2

Resolved, That the Secretary of the Senate is directed to return to the President of the United States the Convention between the United States and Thailand for the Avoidance of Double Taxation, and the Prevention of Fiscal Evasion with Respect to Taxes on Income signed at Bangkok on March 1, 1965 (Ex. E, 89th Cong., 1st Session); the Convention between the United States and Israel for the Avoidance of Double Taxation and for the Encouragement of International Trade and Investment, signed at Washington on June 29, 1965 (Ex. F, 89th Cong., 1st Session); and the Convention between the United States and Egypt for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on October 18, 1975 (Ex. D, 94th Cong., 2nd Session).

Mr. BAKER. Mr. President, I have no further need for my time under the standing order, and I am prepared to yield it to any Senator who wishes me

to do so or to yield it to the control of the minority leader, if he has need for it.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

Mr. ROBERT C. BYRD. I thank the distinguished majority leader.

Mr. President, I have no need for the time, and I yield back my time.

CELEBRATING THE PRIDE AND SPIRIT THAT CANNOT BE CRUSHED

Mr. ROBERT C. BYRD. Mr. President, November 11 was Veterans Day. Across our country, official celebrations, parades, and public concerts honored America's nearly 30 million veterans.

But it was also a special day in Poland. November 11, 1918—World War I's Armistice Day—was also Poland's modern Independence Day. No official observances or parades were held in Poland.

Nevertheless, millions of Poles either made unofficial gestures of celebration or remembered their nation's resurrection in their hearts.

Poland's 1918 rebirth was both real and symbolic. In the late 18th century, Poland's rapacious neighbors—Prussia, Hapsburg Austria, and Tsarist Russia—cynically and methodically obliterated Polish independence.

Erasing Poland's boundaries, however, did not destroy Poland. Poland—a state of mind and heart—lived on in the souls of Polish people everywhere.

For more than a century, in spite of persecution from "divine right" tyrannies in Berlin, Vienna, and St. Petersburg, Polish national pride, culture, and religious faith flourished.

The 1918 Armistice saw Poland reborn—the redemption of one of Woodrow Wilson's goals, as well as the cherished hope of the Western European democracies. For 21 years thereafter, the Polish people enjoyed the recovery of their national identity and independence.

Unfortunately, Poland fell again under foreign domination in 1939, the first victim of Adolf Hilter's blitzkrieg tactics. Subsequent to Hitler's invasion, the Soviet Union swallowed half of Poland—a dividend from the "devil's compact" earlier signed between the Nazis and the Soviet Communists.

For more than three-and-a-half decades, Poland has lived under the Soviet fist. Today, however, the Polish people are showing the world that even the tentacles of Communist totalitarianism cannot strangle Polish pride and faith. In her struggle, Poland is again earning the world's admiration and respect.

Mr. President, I salute Poland and the Polish American community. And I want to assure those Polish Americans that many of their neighbors congratulate them on the occasion of Poland's Independence Day.

Historically, the ties between the United States and Poland are strong. Currently, as in the past, the American and Polish people share many mutual hopes, one of which is for a strong, independent, and forever-free Poland. May we live to see the day when Warsaw's streets publicly and officially ring with the cheers of a free Polish people celebrating November 11 as joyously as Americans celebrate the Fourth of July.

RECOGNITION OF SENATOR COCHRAN

The PRESIDENT pro tempore. Under the previous order, the Senator from Mississippi (Mr. COCHRAN) is recognized for not to exceed 15 minutes.

THE VOTING RIGHTS ACT

Mr. COCHRAN. Mr. President, 3 weeks ago I introduced S. 1761 to amend the Voting Rights Act of 1965 to establish a new preclearance procedure applicable to all 50 States.

Each week since then I have obtained time to discuss some of the provisions and ramifications of this proposal in hopes that Senators would review this suggestion carefully and be advised about the intent and motivation behind it.

It has been stressed that this is a new proposal and has not been previously considered by either the Senate or the other body during previous discussions of the Voting Rights Act.

What distinguishes this proposal from previous suggestions for change to extend application of the law nationwide is that this bill provides for a new procedure for preclearance and vests jurisdiction for administering that procedure in the Federal district courts.

At the same time it does not take away from the Department of Justice the obligation and responsibility to review proposed changes in local election laws. As a matter of fact, the procedure that is incorporated in this bill would require that process be served upon the Attorney General. The political unit, upon proposing to make a local change in an election law, would file an application in the Federal district court for a declaratory judgment. Not only would the Attorney General be made a party to this proceeding but any interested person or group through a representative would as a matter of right be able to intervene and participate in the preclearance procedure.

Sixty days would be provided to the Attorney General within which to consider and review the proposed change and to interpose in the Federal district court any objection to clearance of that change that it might have.

This is similar to the procedure that is now provided whereby the Department is given the sole responsibility for reviewing such changes and within 60 days making a decision to approve or disapprove the change.

Also included in the bill is a provision for expedited handling of these election law changes. If any party is aggrieved at the decision that is reached by the district court, an expedited appeal can be had to the court of appeals.

Some may say upon hearing about this suggestion that this is not anything that we have not considered before. Back in 1975 when this body was debating the Voting Rights Act there was an amendment offered by my State colleague Senator STENNIS that would extend the provisions of the voting rights law nationwide. But there was no provision in that amendment for a new procedure for handling preclearance. It simply presumed that the Department of Justice would be able to handle the increased volume of requests that would necessarily follow from approval of that amendment.

Recognizing that there would be additional work required of the Department and more personnel might be needed, this Senator has suggested that not only should we involve the Department of Justice but also all of the Federal district courts around the land so that we will be sure that whatever workload increase might result could be effectively and fairly handled so that the voting rights, the right of full participation in the political processes of this country, could be effectively protected.

Another difference in the proposal that I am making and the one I have referred to that was considered in 1975 is that there was an effort to repeal section 4 of the Voting Rights Act along with extending application nationwide. Section 4 of the act suspended the use of literacy tests. I am not in favor of going back to a situation where literacy tests or other devices are used to deprive certain citizens of voting rights in many cases simply because they were a minority or in a politically disadvantaged situation.

That section also in addition to suspending literacy tests prescribed a test by which it would be determined which political units and which States would come under the section 5 preclearance requirements. That test was in effect: First, if there was a literacy test in use and, second, if less than 50 percent of the eligible voter population was not registered or did not vote in previous elections.

My amendment does not tamper with the present section 4 provisions of the Voting Rights Act which now not only suspend literacy tests but on a permanent basis do away with them and also extend coverage to jurisdictions with language minorities.

The bill that I am introducing relates only to section 5, the preclearance section, and extends the preclearance re-

quirement to those States not already covered under the act.

There was another provision in the amendment offered by Senator STENNIS in 1975 which included authority for the Attorney General to establish criteria by which any State or political subdivision might be exempted from the provisions of section 5 and section 6.

There is nothing in the bill offered by this Senator which would provide any exemption whatsoever for any State or any political subdivision.

My proposal would amend section 5 to require all States and all political units to preclear election changes on a permanent basis.

There were some suggestions, Senators may recall, in the other body when the Voting Rights Act was up for consideration several weeks ago for change in the preclearance section. Congressman BUTLER of Virginia offered an amendment that would have vested in district courts jurisdiction to hear applications for a bailout. That was a nationwide change in that his suggestion was that the preclearance procedure should apply nationwide but there be given a right on the part of political units to petition the courts for a bailout. Again, that suggestion differs from the one now before the Senate in that this Senator is not suggesting that any such bailout provision is appropriate.

Another amendment was offered by Congressman HARTNETT. His suggestion was that before the House of Representatives and was rejected along with the Butler amendment attempted to extend nationwide the application of the preclearance requirements, but like the amendment that was before the Senate in 1975, it did not provide any new procedure for reviewing the numerous submissions from the 50 States nor did it suggest any willingness to provide additional appropriations or personnel for the Department of Justice to handle the increased volume of submissions that could be expected from nationwide extension of the law.

Again, then, I am attempting to demonstrate by these references to earlier amendments that neither the Senate nor the House of Representatives has ever fully considered the suggestion that is incorporated in S. 1761.

S. 1761, Mr. President, is clearly an effort to insure that the right of every citizen in every State to vote, to participate fully in the electoral processes of this land, is protected. A procedure for preclearance in Federal courts which have the capability, the expertise, the experience to make fair and just determinations under the rules of due process is suggested by this amendment.

It is my hope that the Senate Judiciary Committee during its hearings will consider this suggestion and, of course, I hope it is found to be a reasonable and workable improvement in the law, not an effort to undermine enforceability, not an effort to lessen the commitment that the Government has, and should have, to protect the voting rights of citizens in this great country of ours.

I noticed in reviewing some of the debate on the bill back in 1975 that Senator Abraham Ribicoff, whom everybody remembers as a champion of civil rights and on the frontlines of many of the early civil rights battles, said this:

If we are going to solve the dissension in this country, one of the places to start is to make sure there is uniformity in the application of national laws in the 50 States.

This bill is consistent with the hope and challenge laid before this body by Senator Ribicoff. This bill will achieve uniformity under the Voting Rights Act for all 50 States, for all political units in the country, and insure that it does not matter whether a minority voter lives in Illinois or New York or California or Alabama. This right to fully participate in the political processes will be protected by a law that is fair and workable.

But some say, "Well, there is no evidence that there is discrimination, that there are any efforts to prevent that kind of full participation in some of these areas."

Well, if there is not then what is the objection to submitting to the Federal court for an expedited review of election law changes? If there is no discrimination the proceeding will be a summary proceeding. The court will review it. If no objection is made, nobody feels aggrieved by that change, and if it has no effect of depriving anyone of the right of full participation, then the court will approve that change. That is not such an onerous burden. It is a small price to pay, Mr. President, for uniformity in the law, making this law like every other Federal law.

If it is a crime to commit arson in the State of New York, it is likewise a crime to commit arson in the State of Texas. Cite me, if anyone can, any other Federal law that singles out specific political units in this great country of ours and says, "You are under these requirements, these obligations, but all other political units are exempted." I think it should be the goal and the effort of this body, when it goes about formulating our Federal laws, to make sure that they are applied fairly, evenhandedly, and with the same force and effect in one jurisdiction as they are in any other.

Our income tax laws apply evenly and fairly throughout every State and every county of this country even though we do not have a Federal Treasury large enough to pay for enough agents to review individually every income tax return that is filed in this country. But we have before us now a procedure for enforcement of the important provisions of the Voting Rights Act, Mr. President, which can be enacted by this body when it reviews the Voting Rights Act later this year or early next year.

I am hoping that Members will review this suggestion for change and improvement and agree with the Senator that it is time to have a law for the 1980's and not just a law that related to the problems of the 1960's.

I yield back the remainder of my time.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The PRESIDING OFFICER (Mr. D'AMATO). Under the previous order, the Senate will now resume consideration of H.R. 4169, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENT NO. 629

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATTINGLY). Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, in regard to the pending bill, first, let me say that I urge support of the committee bill relating to the Legal Services Corporation without additional amendments.

Like the distinguished floor manager, I do not particularly like the restrictions that were included by the Senate Appropriations Committee. I realize, however, that a number of the supporters of the legal services program on both sides of the aisle feel that these restrictions are necessary.

I want to make it clear for the record that I do not share those views. During the entire period that I served on the Senate Labor and Human Resources Committee—the authorization committee for the Legal Services Corporation—I have never seen any evidence of widespread abuse in this program. The so-called abuses have involved isolated cases. Indeed, investigation into some of the claims of the opponents of the Legal Services Corporation have revealed major distortions in the facts described by the opponents of the program.

For example, the opponents of the legal services program often like to say that Legal Services attorneys sued to return two-thirds of the State of Maine to the Indians. That is an inaccurate and misleading statement. I ask unanimous consent that an analysis of the facts behind two oft-cited controversial cases, including the Maine case, prepared by the New York Lawyers' Committee to Preserve Legal Services, as well as an August 23 article from the St. Louis Post Dispatch, describing the misleading and unsupported allegations frequently made

against the Legal Services Corporation, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, although I do not see the necessity for the restrictions in the committee bill, they are certainly far preferable to these included in the House bill.

For example, under the House bill, there is substantial question as to whether a Legal Services attorney could respond to a direct request from a Member of the Senate to provide information relating to a matter before the Congress that involved questions of substantive policy relating to the poor. One of the opponents of the amendment described it on the House floor quite aptly as the "right-not-to-know" amendment.

I do not think that the Senate ought to be adopting in one vote an entire array of legislative restrictions developed, for the most part, on the House floor. The House Appropriations Committee simply incorporated into this appropriations bill provisions from the House-passed authorization bill, many of which were developed on the House floor. I do not think it is prudent or responsible for the Senate to compound the problem. By rubber-stamping the House's action in this matter, we would be abdicating our responsibilities.

We have an authorization bill on the calendar. Let the proponents of the House authorization bill present their arguments on the appropriate vehicle. The pending bill, as reported by the Appropriations Committee, is already carrying, in my view, more than enough restrictions.

Mr. President, in 1980, some 5,000 attorneys working in locally controlled legal services programs handled 1.5 million matters for low-income individuals. The overwhelming portion of these activities involved handling routine day-to-day legal problems of low-income families. The emphasis on controversial cases by the opponents of this program distorts the true nature of the legal services program.

This program has been an effective and important mechanism for serving the legal needs of low-income individuals. I have been particularly impressed by the letters of support for the legal services program that I have received from members of the judiciary and from public officials.

A number of the letters from public officials in my State have begun with phrases like "I've been sued by legal services program" and conclude "but I nevertheless support continuation of this program."

A local district attorney in a rural northern California county wrote to me:

> I have myself been sued and threatened with suit on a variety of occasions. I have not enjoyed either these law suits or threats, but the comfort of government officials to be free from suits by poor people is trivial when compared with the absolute necessity to guarantee that every American has full and fair access, through able and dedicated counsel, to the courts of justice. Justice is not a luxury that is reserved for those who can afford it.

That is a strong testimonial for this program, Mr. President.

Let us not ham-string the legal services program with all of the baggage loaded on by the House. The Appropriation's Committee restrictions cover the areas which have been of most concern. That ought to be enough.

AMENDMENT TO DELETE ALL FUNDING FOR LEGAL SERVICES CORPORATION

Mr. President, let me address for a moment the amendment which will be offered by the Senator from Alabama (Mr. DENTON) to delete all funds for the Legal Services Corporation from the pending bill.

Whatever differences of opinion may exist between Members of the Senate as to restrictions which ought to be placed upon the activities of the Legal Services Corporation and its grantees, it is clear that there is strong bipartisan support for continuation of the Legal Services Corporation.

I especially want to congratulate those Senators on the other side of the aisle who have made it clear that continuation of the Legal Services Corporation is not a partisan matter—it is an issue which every Member of this body who is committed to promoting Justice for all—not just for those who can afford it—can and should support.

Mr. President, the opponents of the Legal Services Corporation frequently assert that they recognize that the poor need legal representation or that they support the concept of legal services for the poor, but not this way. What other way, I ask, do they propose?

Return to haphazard voluntary donations of time by the private bar? Preposterous; that day is long past, if it ever existed.

The legal services program was created in the sixties because the poor did not receive adequate legal assistance under the old voluntary approach. There is not one iota of evidence to suggest that if the Leal Services Corporation was abolished the private bar would be able or capable of filling the void.

Mr. President, the bar association leaders in my State, and I am sure in every State, are actively involved with the legal services programs there is establishing and operating pro bono programs so that lawyers will be encouraged to donate services to those who are unable to afford legal representation. But these activities are ancillary to programs funded by the Legal Services Corporation. These pro bono programs are important and should be supported, but they cannot replace an adequately funded legal services program.

The other argument advanced by those who oppose the Legal Services Corporation, but assert their support for the "concept" of legal services for the poor, is to propose transferring responsibility to the States to decide whether the poor should have legal representation. This is usually advanced as a block-grant proposal.

Again, the reality is that this approach will mean little or no legal assistance for the poor in many States.

It is unrealistic to expect that Government officials in the majority of States will allocate any significant funds to a legal services program which will, in many cases, be representing low-income people in legal disputes against these same Government officials. There is an inherent conflict of interest in transferring responsibility for the legal services program to the States. Indeed, that is the very reason Congress established an independent Legal Services Corporation in the first place—to eliminate the conflict of interest at the Federal level, to insulate the program from political upheavals, and allow it to direct its attention toward the needs of low-income individuals for legal representation.

As to those who questions whether the Federal Government should support a legal services program which represents clients in litigation against Government entities, the answer is simple: No person and no office is above the law. When the laws of this land confer certain rights upon individual citizens and corresponding obligations upon Government agencies, then those individuals ought to be able to enforce their rights by seeking redress in the courts. That is true whether it be a Federal, State, or local public entity. When the poor of this Nation are denied rights granted under the laws of this great Nation, they ought to have the same ability to protect those rights through our judicial system as do corporations or wealthy individuals.

Mr. President, the amendment of the Senator from Alabama to delete all funding for the Legal Services Corporation is purely and simply a denial of legal representation to low-income individuals. I have heard his statement of support for the concept of legal services for the poor, but the practical effect of his amendment is to deprive poor people of any meaningful access to our system of justice.

It is that plain. It is that simple. I strongly oppose this amendment.

AMENDMENT TO REDUCE FUNDING TO $100 MILLION

Mr. President, I also strongly oppose the amendment to be offered by the Senator from Mississippi to reduce the level of funding provided in the committee bill for the Legal Services Corporation.

The committee bill provides $241 million for the Legal Services Corporation for fiscal year 1982. That represents a reduction of $80 million below the 1981 level. This is a 25-percent cut, but as the committee report indicates it actually represents close to a one-third reduction in funds when the effect of inflation is taken into account.

This is already a drastic reduction in the legal services program at a time when there will be greater—not lesser—legitimate need for legal assistance for the poor. This level of funding will result in substantial cutbacks in the legal services program and the closing of Legal Services offices throughout the country, leaving many indigent clients

without legal representation. Any further reduction would cripple the program.

Mr. President, any truly meaningful effort to provide poor people with minimal legal service cannot be sustained at the level proposed by the Senator from Mississippi. The Appropriations Committee has recommended a funding level that requires the legal services program to bear its share of cutbacks. Further reductions are simply unjustifiable.

The entire premise of the Legal Services Corporation rests upon the notion that every individual, regardless of his or her income, ought to have access to effective legal representation. Our system of justice is based upon the notion that the poor—no less than the rich—are entitled to their day in court. Our entire society benefits when conflicts are resolved through our judicial system.

The amendment offered by the Senator from Mississippi would close the halls of justice to many of those who most need the protection of our Constitution and the laws. That would be a tragic result for this Nation and the cause of justice.

CONCLUSION

Mr. President, the Legal Services Corporation is a cornerstone of our national commitment to equal access to justice for all—not just those who can afforded it. I urge defeat of those amendments aimed at eliminating or crippling this important program.

EXHIBIT 1

(From Brief in Support of the Reauthorization and Continued Funding of the Legal Services Corporation by the New York Committee to Preserve Legal Services)

THE FACTS BEHIND TWO "SENSATIONAL" CASES

Congressman Sam B. Hall, Jr. in his dissent to the House Judiciary Committee Report on H.R. 3480, cites certain cases, selected from a list prepared for an Office of Management and Budget working paper on the legal services program, as examples of "abuses" by LSC-funded lawyers. He concludes that, "LSC's case history is clearly one of using taxpayer dollars to force judicial resolution of political and public policy issues best left to Congress for deliberation." Legal Services Corporation Act Amendments of 1981, H.R. Rep. No. 97-97, 97th Cong., 1st Sess. 31 (1981). One such case is described by him as a "suit against [a] California grower who issued short-handled hoes to workers who could not stand while using them; [the] grower contended that, if workers use long-handled hoes, supervisors cannot tell who is resting." *Id.*

The case to which Rep. Hall refers is *Carmona v. Division of Industrial Safety*, 13 Cal. 3d 303, 118 Cal. Rptr. 473, 530 P.2d 161 (1975). The lawsuit was initiated on behalf of the farmworkers by legal services lawyers challenging the grower's insistence on the use of a one-foot-long hoe that required farmworkers, for much of their workday, to work continuously bent over almost to the ground. They alleged it was unsafe and in violation of an administrative regulation prohibiting the use of "unsafe hand tools." The Supreme Court of California ordered the California Division of Industrial Safety to set aside and reconsider its decision that the short-handled hoe was not an "unsafe hand tool" in light of the "largely uncontradicted" evidence that use of the hoe caused permanent back damage and other disabling injuries to the farmworkers. 118 Cal. Rptr. at 480. How an attempt to enforce an existing administrative regulation requiring safe working conditions for farmworkers can be characterized as "abusive" or "best left to Congress" is difficult to comprehend.

A case frequently cited by LSC critics is one described by them as a case by legal services lawyers to return a major portion of the State of Maine to the Indians. *See, e.g.*, 127 Cong. Rec. S3177 (daily ed. Apr. 1, 1981) (remarks by Sen. Helms). Actually, this case is one in which the major effort on behalf of the Indian tribes was made by non-legal-services lawyers, including lawyers for the United States Government, and the result obtained was specifically approved by the Congress. The case in which a legal services lawyer was involved at one time was *Joint Trib. Coun. of Passamaquoddy Tribe* v. *Morton*, 528 F.2d 370 (1st Cir. 1975). The direct issue was not whether the Indian tribes should recover the Maine land they contended had been illegally taken from them, but merely whether the United States Government had an obligation under the Indian Non-Intercourse Act, 25 U.S.C. § 177, to investigate whether the Indians' claims had merit and to take appropriate action on their behalf. The suit was handled for only a short period of time by an attorney with Pine Tree Legal Assistance, Inc., a legal services office funded by the LSC, after the private attorney who had initiated the action had withdrawn and before the case was taken over by the Native American Rights Fund ("Fund") and brought to trial. The suit was financed by the Fund solely with moneys provided by the Ford and Lilly Foundations—not the LSC. The trial and appellate courts held that the United States Department of Interior had a fiduciary role with respect to the protection of the lands of a tribe covered by the Act, that the Passamaquoddy Tribe was such a tribe, and that there was a corresponding federal duty to investigate and to take such action as might be warranted under the circumstances. 528 F.2d at 379. As a result, the United States Government itself filed suit on behalf of the Indians. *United States* v. *Maine*, Civil No. 1966 (1972).

The claim of the Indian tribes was evidently not without some merit. Before the trial the dispute was compromised in a settlement approved by both the Maine legislature and the Congress of the United States. The Maine Indian Claims Settlement Act of 1980, P.L. 96-420, 94 Stat. 1788 (October 10, 1980). Under the settlement, a trust fund was created by the federal government for the benefit of the Indians and a separate fund was set aside for the purchase of 305,000 acres of land for the Indians. *See*, Maine Indian Claims Settlement Act of 1980. H.R. Rep. No. 96-1353, 96th Cong., 2d Sess., reprinted in [1980] U.S. Code Cong. & Ad. News 7145.

Even if this case had been handled primarily by an LSC-funded program, it would hardly be an "abuse" for which the LSC should be terminated. Like so many other such "abuses," the case is an example of proper legal representation by attorneys fulfilling their ethical obligations to their clients.

[From the St. Louis Post-Dispatch, Aug. 23, 1981]

FLAWED ATTACK MADE ON POVERTY LAWYERS

(By William Freivogel)

The campaign to abolish the federal program providing lawyers for poor people has been waged with several inaccurate, unsubstantiated and misleading allegations, an inquiry by the Post-Dispatch has found.

The program's most active and outspoken opponent is Howard Phillips, chairman of the Conservative Caucus Inc.

In congressional testimony and newspaper advertisements, he has made unsupported claims of abuses in the program. Some have been repeated by the Reagan administration.

Some of the unsupported allegations turned up in an administration "working paper" circulated this summer on Capitol Hill. The working paper was an attempt to muster support for the administration's proposal to permit states to determine how much money goes into legal services.

Rep. Sam B. Hall Jr., D-Texas, a congressional critic of the program, repeated some of the same charges in a congressional document opposing financing of the Legal Services Corp., which runs the program.

Most of the allegations attempt to link the corporation with Communist groups or liberal causes. Phillips has maintained that the corporation is a captive of radical leftists.

For example, Phillips alleged that the corporation filed "litigation to compel the New York City Transit Authority to hire former heroin addicts."

The allegation is repeated almost verbatim in the administration working paper and a report by Hall.

But the New York suit was not filed by the Legal Services Corp. It was filed by the New York Legal Action Center, a private organization with no affiliation with the government-financed program.

The administration report was written by Michael Horowitz, special counsel of the Office of Management and Budget. He agreed that some of the summaries of cases in the report appeared to be misleading or unsubstantiated. He said he had not checked them himself.

He maintained that did not alter the basic position of the paper: "A group of people have captured the program and run it in accordance with their bankrupt ideology."

A spokesman for Hall said he had not checked the allegations independently. The spokesman said Hall's main reason for opposing the corporation was its activities in Texas.

The Post-Dispatch has tried unsuccessfully over a period of several weeks to reach Phillips. Although he refused to be interviewed, the Post-Dispatch forwarded a series of questions to him asking the basis of some of his allegations.

Larry Woldt, director of communications for the Conservative Caucus, responded to the inquiries. He sent newspaper and magazine clippings to support a few of the allegations.

After more than a month, he said he had not found the documentation for the other allegations, did not have time to search for it and broke off contact with the Post-Dispatch.

"Ninety percent of the allegations are true," Woldt said.

Phillips has said legal services lawyers have opposed prayer in schools, filed suits challenging parents' authority to intercept mail addressed to their children and supported boycotts of states that have not ratified the Equal Rights Amendment.

Available evidence indicates that the lawyers have not been involved in those activities.

He has said legal services lawyers have represented "pro-Castro groups like the Gray Panthers."

The Gray Panthers is an association of older people. It says its only connection with Cuba is that it once scheduled a trip to study how older people were treated there.

Woldt said it was unfair to write a story about the allegations. Phillips could not document when he was able to prove 90 percent of what he said about the corporation.

Woldt said the Post-Dispatch was biased in favor of the corporation. "Mr. Phillips said he might as well be talking to the public relations department of Legal Services Corporation," he said.

The Post-Dispatch sought documentation of about 20 allegations voiced by Phillips. Documentation was found for two.

Legal Services lawyers have filed suits to obtain government-paid radical benefits for persons seeking sex-change operations. And the corporation has filed suits seeking government financing of abortions for poor women.

The corporation says that in these controversial cases, it was seeking to protect established legal rights for poor people. The courts agreed with the corporation on the sex-change operations and ordered the government to pay medical benefits for them.

The corporation eventually lost the abortion case when the Supreme Court ruled that states could refuse to provide such medical benefits for poor women.

Mr. Ayers, a spokesman for the corporation, said the controversial cases were only a small proportion of the corporation's actions.

Most of the suits Phillips criticizes are class-action suits in which the corporation represents a group of poor people challenging a government policy. Ayers said less than 1 percent of legal services suits are class-action suits.

Most cases involve problems such as divorces, evictions and repossessions, he said.

Phillips has led the conservative opposition to the legal services program since the early 1970's, when he tried to cut it back as then-President Richard M. Nixon's director of the Office of Economic Opportunity.

He renewed his campaign last year in a series of mailings, newspaper advertisements and appearances before congressional committees. Here are some of the major accusations:

In testimony March 24 before the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice, Phillips said legal services lawyers were lobbying against congressional efforts to allow voluntary prayer in public schools.

He cited a quotation from Clearinghouse Review, a publication of the Legal Services Corp. that reports on legal developments relevant to the poor.

He relayed the quotation this way: "The most politically controversial access issue of the 96th Congress was the effort to remove by statute all federal court jurisdiction over school prayer issues . . . If the forces seeking to eliminate school prayer jurisdiction succeed, they are likely to move on to other issues more directly affecting the poor, including abortion and school desegregation."

What Phillips left out of the quotation, where an ellipsis appeared in his testimony, was this phrase:

"While school prayer is not a legal services issue, the underlying question of Congress's authority to limit federal court jurisdiction over constitutional claims is."

Ayers, the legal services spokesman, says the Legal Service Corp. has never argued against school prayer.

In an advertisement June 16 in the Washington Post and in testimony to a Senate Appropriations subcommittee, Phillips accused legal services lawyers of helping "pro-Castro activist groups like the Gray Panthers."

The Gray Panthers is an organization of older people that argues in court and lobbies in Congress for the rights of the elderly. The Legal Services Corp. sometimes represents the group. None of the assistance has involved suits relating to Cuba.

The basis for Phillips' allegation is a trip the Gray Panthers planned to make to Cuba to study the life of older people there.

Woldt said an article in a Gray Panthers publication describing the trip showed that the group is pro-Castro. The article said: "In Cuba, the word for 'retiree' is jubilado, literally 'jubilated.' Though Cuban jubilados often confront the loneliness and boredom forced on many of the aged here, their retirement is not mandatory and thus, many opt for a still productive lifestyle after the age of 65.

"According to Steven Wayne, who with Maggie Kuhn is organizing the trip, 'Too many people have a distorted view of life in Cuba and it must be our duty to provide a different perspective.' "

Ms. Kuhn, head of the group, denied it was pro-Castro. She said her group has consultative status at the United Nations. It was in that role that the group planned a trip to "see what Castro was doing and see the dynamics of age discrimination in the Castro regime," Ms. Kuhn said.

The group has traveled also to Micronesia, Kenya, Malaysia and the People's Republic of China, she said.

An advertisement by the Conservative Caucus May 4 in the National Law Journal said "LSC-funded activists . . . support boycotts of states that have not ratified ERA."

Phillips cites a quotation from Clearinghouse Review that "the economic boycott against non-ratifying states has been vindicated in the context of the ERA as a tool for women's advocates."

The article he cites is about court decisions affecting women. The quoted material is at the beginning of a summary of the federal court decisions rejecting Missouri Attorney General John D. Ashcroft's challenge to the boycott in Missouri.

The Legal Services Corp. decided not to boycott states that have refused to ratify the Equal Rights Amendment, Ayers said. Recently, legal services groups have met in Florida and Missouri, states that have refused to ratify the amendment.

Nor was the corporation involved in the federal court case that upheld the right of women's groups to boycott states that have refused to ratify the amendment.

In a fund-raising letter on Sept. 8, 1980, Phillips wrote that all legal services projects "are committed to the implementation of a radical social and political agenda which has included . . . lawsuits by young children to challenge the authority of their parents on matters like access to personal mail, choice of schools, and the like . . ."

Phillips made much the same charge in an article in Human Events on Jan. 14, 1974. There he cited a suit by the San Francisco Neighborhood Legal Assistance Foundation on behalf of a 17-year-old girl whose father intercepted her mail.

The San Francisco Neighborhood Legal Assistance Foundation responded at the time that the allegation was false, that no such suit existed and that legal services attorneys were not representing such a girl.

Woldt was unable to present evidence of suits challenging parental authority over mail and choice of schools. He said he knew of a case in which the corporation represented a retarded child in a suit by the child's father seeking control over her affairs. He declined to provide details.

Other allegations by Phillips and other critics, while not unsubstantiated, omit some details.

On March 24 in House testimony, Phillips criticized the Legal Aid Society of Columbus, Ohio, for representing penitentiary inmates in "extensive litigation . . . on such matters as 'inmate idleness' and inadequate 'recreational services.' "

The society sued in 1978, challenging conditions at the 140-year-old state penitentiary in Columbus, where prisoners were allowed out of their cells only for meals and two hours of recreation a week.

Inmates were housed in dimly lighted, unheated cells without hot water. During the winter, temperatures in the cell blocks dipped into the 30s. The state had closed the prison in the early 1970s but reopened it when a new penitentiary at Lucasville became overcrowded.

The Justice Department joined the suit against the Columbus facility. In 1979, the state agreed to close it in 1983 and upgrade conditions until then.

In Senate testimony April 22 and in a Conservative Caucus advertisement in the Washington Post on June 16, Phillips alleged that Legal Services employees participated "in raising funds for the anti-American Castroite terrorists and guerrillas in El Salvador."

That allegation is based on an article on Jan. 29, 1981, in The Daily World, a left-wing newspaper. It describes a meeting of union leaders in New York who agreed to participate in a campaign to sell bonds to pay for humanitarian aid to El Salvador. The article says that members of a union representing legal services lawyers in New York attended.

The money raised by sale of the bonds was to be sent to a Catholic archbishop in Mexico. The bonds indicated the money was "for a free El Salvador."

Woldt said he had no other evidence that money was being used to finance terrorists and guerrillas in El Salvador.

Spokesmen for the legal services union in New York denied any involvement in raising funds for terrorists. A spokesman said the union did not send a representative to the meeting and is not selling the bonds.

The Reagan administration working paper also left out key facts in criticizing corporation cases. For example, the report stated:

"California Rural Legal Assistance sued Madera County to overturn regulations requiring welfare recipients to accept available agricultural work on penalty of jeopardizing their welfare eligibility."

It did not explain that the 1968 suit was brought on behalf of 19 families whose welfare benefits had been ended because they had refused to send their children into the fields to harvest grapes.

One of the clients was Jesus Segovia, his wife and four daughters. Segovia was blind, his wife disabled and one of the daughters mentally retarded. The California Supreme Court summarized the facts this way:

"Social worker Schleich (an agent and employee of the Welfare Department) allegedly threatened Mrs. Segovia with termination unless she and her four daughters reported to pick grapes. . . . The family feared termination and decided to work. However, Mrs. Segovia has a disabled arm, and her 15-year-old daughter, Armandina, is mentally retarded and cannot work without close parental supervision. These two therefore stayed home.

"Three other Segovia daughters, aged 10, 11, and 17, went to the field accompanied by their stepfather, a recipient of Aid to the Blind, who feared for their safety . . . In the field there was allegedly no toilet, no place to wash one's hands, and no first aid kit . . .

"That same afternoon Schleich allegedly came to the house and told Mrs. Segovia that her disabled arm was insufficient excuse for not working, and that she would be terminated unless she worked. On Thursday and Friday, therefore, all but the mentally retarded child went to the fields.

"On Thursday, Sept. 21, Schleich allegedly phoned the home, found Armandina there, and so verbally assaulted her that she was still emotionally distraught when the family returned that evening . . .

"The state terminated the benefits."

Benefits of another mother were ended after she refused to send her children, 11 and 16, back to the fields after they became sick from working in the sun.

The California Supreme Court ruled that the county had no right to cut off the benefits.

Ronald Reagan, then governor of California, criticized that suit as "frivolous and harassing" in a longrunning battle with the legal services program. A committee appointed by the Nixon administration to investigate Reagan's allegations concluded that it was neither frivolous nor harassing.

Horowitz acknowledged that the details cast the suit in a different light. But he questioned whether the legal services organization had tried hard enough to settle the issues before filing suit.

LEGAL SERVICES

Mr. HOLLINGS. Mr. President, I am a strong supporter of legal services because I do consider them fundamental. Directing my remarks immediately to abuses, we only have to refer to the lobbying activities and, as you well know, Mr. President, I have supported programs from the word "go" for feeding the hungry poor. But I refer to the food stamp office lobbying with a flyer entitled "You don't have to take that mess from the food stamp office" and "The Palmetto Food Stamp Service can help you fight back." The Palmetto Food Stamp Service unit is a member of the Palmetto Legal Services of Columbia.

When we come to the very elevated talk of constitutional rights and access to America's system of justice, that is one thing. When we get down to your business and mine, namely, lobbying and politics, that is another thing.

I am very much and have been, as I say, supportive of this, I imagine, same food stamp service. They have performed a useful service in trying through outreach to have extended the feeding programs to those that have had difficulty participating, so it is not my purpose to deride that particular entity. On the contrary, it is to point out the need for limitations on the legal services program, for the simple reason that if we do not pull in its horns from the matter of lobbying and posting bills and everything else of that kind, then we have another thing involved—not access to the system of justice, but access to the system of politics. That is a different debate, with the Federal Election Commission and whether we ought to put in money to have you and me run for the Senate and whether we ought to finance political causes and everything else of that kind. So there is that reason.

I can give another example with relation to the matter of appearing before the legislature. I ask unanimous consent that letters received from Y. W. Scarborough, Jr., president of the Atlantic Coast Life Insurance Co. of Charleston, S.C., and accompanying documents be printed in the RECORD. They are with respect to the flyers on food stamps and lobbying on insurance.

There being no objection. the material was ordered to be printed in the RECORD, as follows:

ATLANTIC COAST LIFE
INSURANCE CO.,
Charleston, S.C., August 24, 1981.

Hon. E. F. HOLLINGS,
U.S. Senator,
Washington, D.C.

DEAR FRITZ: I wrote you on March 20, 1981 opposing Legal Services Corporations formed under the Legal Services Corporation Act of 1974. Enclosed is a copy of that letter which states our case.

I now understand that Senate Bill 1533 by Weicker (R-Conn.) which authorizes appropriations of 100 million for each of the three fiscal years 1982, 1983, and 1984 is now in the Senate Labor and Human Resources Committee. I do hope that you will oppose this Bill if and when you get a chance to do so. Deleting all funds from the Legal Services Corporation will not deprive the poor and disadvantaged of legal services. Local bar associations throughout the United States are providing free legal services for those who are truly in need.

Enclosed is one of many of the type fliers that are being passed out by staff members of Palmetto Legal Services of Columbia and others.

With kindest regards, I am
Sincerely,
Y. W. SCARBOROUGH, Jr.,
President.

PALMETTO FOOD STAMP SERVICE CAN HELP YOU FIGHT BACK!

Some very powerful people in this country are trying to stop the food stamp program. They do not care if the hard-working people don't have enough to eat. They do not care if our children don't have enough milk and juice to drink. All these rich people want is to take more money from us so they can use it for themselves.

Last year, thousands of people were cut off of food stamps by the United States Congress. Food Stamp Supervisors have scared many people away from food stamps by threatening to put them in jail for trying to get stamps. Many caseworkers act very nasty to people so that the people will get angry and stop getting food stamps.

But we should not let them cheat us so easily. Food stamps belong to us by right! We paid for them long ago by our hard work and our tax money. And with the price of food and everything else rising so high, how are we going to pay our bills without any help?

Do you feel that you are being cheated by the Food Stamp Office?

Do you think that you should be getting food stamps, but the folks at the Food Stamp Office tell you that you can't get any?

Do you think that you should be getting more food stamps?

Have you been mistreated by a guard or a caseworker at the Food Stamp Office?

Well, you don't have to take that mess! You should fight for your rights at the food stamp office! Palmetto Food Stamp Service will help you fight!

ATLANTIC COAST
LIFE INSURANCE CO.,
Charleston, S.C., March 20, 1981.

Hon. E. F. HOLLINGS,
U.S. Senator,
Washington, D.C.

DEAR FRITZ: The Home Service Insurance Industry represented by such South Carolina Companies as Liberty, Public Savings, South Atlantic, Atlantic Coast and others, not to mention the many fine out of State Companies, like Life of Georgia, Liberty National, Pilot and others has, and is now facing, real antagonism from various Legal Services Corporations, starting in Tennessee in 1978, followed in Georgia, Florida and now presently in Alabama.

We understand Legal Services Corporations were formed under the Legal Services Corporation Act of 1974. It was the purpose of this Act of Congress to amend the Economic Opportunity Act of 1964 to provide for the transfer of the legal services program from the Office of Economic Opportunity to a Legal Services Corporation established in the District of Columbia as a private non-membership, non-profit corporation, for the purpose of providing financial support for legal assistance ". . . to persons financially unable to afford legal assistance." Part 1612 of the Code of Federal Regulations contains some of the rules and regulations with respect to Legal Services Corporation. Section 1612.4 of such rules and regulations provides in part:

"(a) No funds made available to a recipient by the Corporation shall be used directly or indirectly, to support activities intended to influence the issuance, amendment, or revocation of any executive or administrative order or regulation of a Federal, State or local agency, or to influence the passage or defeat of any legislation by the Congress of the United States or by any State or Local legislative body or State proposals by initiative petition.

"(1) An employee may engage in such activities in response to a request from a governmental agency or a legislative body, committee, or member made to the employee or to a recipient; and

"(2) An employee may engage in such activities on behalf of an eligible client of a recipient, if the client may be affected by a particular legislative or administrative measure but no employee shall solicit a client in violation of professional responsibilities for the purpose of making such representation possible; . . ."

It is submitted that contrary to the purpose of its establishment, and even to the published rules and regulations governing its actions, Legal Services Corporation in promoting various hearings, in distributing handbills, and in suggesting to Insurance Departments that they change their rules and regulations, have violated the Act and the rules and regulations governing them.

There are now bills pending in Congress H.R. 6386 and S. 2237 to reauthorize the existence of the Legal Services Corporation and to appropriate funds for its work. It is difficult to believe that Congress, in establishing the Legal Services Corporation to provide legal assistance to persons financially unable to afford legal assistance, contemplated that those funds would be used to influence attacks upon industry whose taxes support it or regulations of state agencies or legislation of the various states. To permit Legal Services Corporations to function thusly should serve as a warning and an example to other business and/or industries that personnel of Legal Services Corporations might choose them as targets.

For the benefit of the insurance industry and its policyholders and other businesses and/or industries, it is recommended that the bills now pending (H.R. 6386 and S. 2337) to be amended to restrict Legal Services from continuing these activities. Such action would not be unlike the restrictions placed upon the FTC earlier this year wherein your assistance meant so much.

If more information is desired, let us hear from you.

With kindest regards, I am
Sincerely,
Y. W. SCARBOROUGH, Jr.,
President.

Mr. HOLLINGS. Mr. President, it could well be that the insurance issue needs to be changed, needs to be lobbied, but not with taxpayers' money that is intended for landlord-tenant, for domestic, for contract cases and those fundamental difficulties that the poor and the disadvantaged are faced with every day and attorneys are not available to them. I do not know why that happens. Doctors, under the Hippocratic oath, are supposed to come, but you cannot get them; you have to get yourself to the doctor and to the hospital. Now, in our society, it is the same with lawyers.

When we graduated, we were always assigned a criminal term. They just called you up and told you, "Be over at the courthouse in an hour because you have a case to try," and you thought nothing about it and immediately, you attended and started trying the case. You were not compensated for it or anything else. That was part of the professional nature of the medical profession

and the legal profession. Now it is all institutionalized. We have defense counsel, legal services, we have this and that. Society has gotten so complex.

As I say, those who cannot afford it should not be denied their right to access. We certainly finance the access of the rich to legal services in our society. I am trying to get an accurate figure from the Internal Revenue Service whereby we can document the writeoffs of all of these corporations. For one reason, Occidental appeared on the front page the day before yesterday, saying, "I am not going to pay a corporate tax."

If we did not have a corporate tax law, we would not have all kinds of provisions for corporations to participate in abstaining from our Government services in this society. On the contrary, we have written all these affirmative action policies within the law to say that should be taken from the revenue, that should sustain that particular endeavor; namely, legal services to the rich for all of these Washington lawyers and around the country are written off in terms of hundreds of millions of dollars, far in excess of what we are now asking for legal services for the poor.

Mr. President, I just say that because of what has been flowing into my office—and in order to make an accurate record here—I think there is good basis for the amendment of the Committee on Appropriations. We make it plain that these moneys are not for lobbying, they are not for class actions, they are not for solicitations of Congresses and legislatures, all those solicitations we love and adhere to and listen to. That is not the purpose of the Legal Services Corporation instituted by the American Bar Association, which has had bipartisan support over the past 10 years. It has worked, on balance, very, very well.

We have been riding herd on it in the subcommittee on appropriations for the past several years. We have been cleaning it up and when we get the least indication that it is not within the bounds of its statutory directives, we put in the kinds of provisions that we have here in the committee amendment. We also provide that the majority of the particular legal services board in that community shall be comprised of attorneys that are members of the bar in that particular community.

We are not trying to change around society and zoom in a bunch of South Carolina attorneys into the New York scene or the Boston scene and tell them, here is a bunch of class actions and we think we ought to clean you up in Boston.

We do not want Boston lawyers coming down to Charleston and saying, "Now, we have a bunch of attorneys that the taxpayers are supporting to tell them how to bring class actions, put out pamphlets," and everything else about the services of that kind. That totally destroys the program and that is why we are where we are today.

I hope we can support these amendments and support these appropriations for Legal Services.

Mr. WEICKER. Mr. President, I ask unanimous consent that my amendment, which is the pending business, be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 629) was withdrawn.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. I rise in support of the provisions in this bill on the Legal Services Corporation. This is a program which I have followed very closely during my service both on the Judiciary Committee and on the Labor and Human Resources Committee. Its development and continuation have always been a high priority with me and many of my colleagues.

I hope we will continue our strong commitment to this vital program. Through the Legal Services Corporation, our Nation has insured that the millions of people who would be denied access to the legal process have an opportunity to present their concerns and their injustices to the courts of this country for impartial adjudication.

If we are truly to be a nation under laws, we have to insure that access to the legal system is not limited to the wealthiest individuals in our society.

Mr. President, I am pleased that my colleagues on the Appropriations Committee chose to fund the Legal Services Corporation in this bill. I commend them for their wisdom in continuing this vital program. It is a program that not only benefits the poor—by providing essential legal aid—but also benefits our entire society—by insuring that equal justice for all Americans is in fact provided by our society.

Let me say that I would have preferred continuing to fund the program at its current level. I recognize, however, that many of my colleagues believe that all programs must suffer a budget cut to reduce Government spending. I also do not believe that the provisions in the bill restricting the activities of the Corporation are necessary. I believe that any abuses that may have occurred have been minimal. I do not believe that we should limit the actions of legal services agencies. Nevertheless, I recognize the concerns of many of my colleagues about these issues and I recognize that their support is necessary to continue the program.

Since its creation in 1975, the Legal Services Corporation has gradually extended legal assistance to poor people across the country. Six years ago, the Corporation set a goal of equal access for all poor people in this country to legal services. Last year, the Corporation achieved its goal by providing two attorneys for every 10,000 poor people. They accomplished that goal by using their funds efficiently and effectively. Less than 3 percent of their budget went to administrative costs. I challenge my colleagues to discover a more efficient program. Last year, they served 1.2 million people—with the vast majority of those cases involving food, shelter, health, and income—the basic necessities of life.

Let me emphasize that these recipients are the truly needy that President Reagan has so often spoken of. Eligible individuals must earn less than $4,700. Eligible families of four can earn no more than $9,300. Studies have demonstrated that an individual can simply not afford a private attorney with an income below $10,000.

The private bar cannot replace the services provided by the Corporation. I certainly agree that the private bar has a responsibility to the poor. In recent years, the bar, in cooperation, has dramatically expanded pro bono services. Further significant expansion is neither possible nor likely. Before the establishment of the Corporation, we relied exclusively on the generosity of the private bar. It was not enough then. It will not be enough now.

Nor can State and local governments be expected to take up the slack if the Corporation was not continued. The burdens placed on their budgets by the Reagan budget plan is already immense. Only last week, three Governors—one of them a Republican—told the Congress that the burden already placed on them was more than enough.

We cannot deny that without the legal services program, many poor people would be denied effective access to our system of justice. And the consequences of that denial are enormous:

Children are forced into programs for the mentally retarded without any evaluation of their intelligence.

Mothers are left without money to feed their families when a benefit check does not arrive.

Elderly people live in unheated apartments because their landlords have not paid the utility bill.

President Reagan's vaunted safety net will mean little to the poor without the means to enforce it—legal services programs.

In this society of 1981, we cannot afford to step backward to a time when the poor were denied equal access to our system of justice. We cannot return to a time:

When poor consumers were victimized by fraud;

When elderly Americans were denied their legal benefits;

When thousands of other less fortunate Americans were further disadvantaged because they could not afford a lawyer.

We cannot return to the days when the principle of equality before the law was a fundamental principle in our country—unless you were poor.

Mr. President, I commend those legal services attorneys for their fine efforts over the last 6 years and I again commend the Appropriations Committee for allowing those efforts to continue. I intend to support the committee's recommendations. I hope my colleagues in the full Senate will follow suit.

Mr. WEICKER. Mr. President, I think I should give fair warning to my colleagues that it is my intention now to move the committee amendment and that those wishing to amend should make their feelings known.

It is not my desire here to slide anything through. I know there are Senators who have amendments and want

a vote. I am prepared to have votes this morning, one right after the other.

I have tried to find out if there is anyone who wishes to speak at this time, and I understand there is not. So I am going to call for a quorum; and if there is no response in a few minutes, it is my intention to go ahead and move the committee amendment.

I yield the floor.

Mr. DURENBERGER. Mr. President, there is no question that every Member of this body is committed—fully committed—to equal rights for all Americans. We reaffirm the existence of those rights in the actions we take every day on the Senate floor.

The problem here is that rights without remedies have no value. The court system in this country is the ultimate mechanism in our system of government for vindicating legal rights drawn from the Constitution, the common law, and the acts of Congress. When any American lacks access to the courts, they lack access to the freedoms and benefits of this society as a whole.

President Nixon recognized that fact when he created the Legal Services Corporation. President Ford reaffirmed it when he appointed a Board of Directors that carried LSC programs to every part of the Nation. I would be the last to deny that the LSC—like every other Federal agency—has made its share of mistakes. But to use these mistakes as an excuse to kill the organization, and cut millions of Americans out of the legal process, is classic overkill. Former President Nixon understood the alternative when he said that—

Justice is served far better and differences are settled more rationally within the system than on the streets.

Congress chose the wise alternative when it created LSC 10 years ago, and we are confronting exactly that same choice today.

Mr. President, I come from a State where the LSC has worked and worked well. Last year, it provided more than 40,000 Minnesotans with access to the legal system—access they could not achieve with their own resources. Some of these litigants were right and some were wrong. But the critical fact is that their rights were resolved within the legal system, and not by a barrier of poverty that denied them access to that system.

For example, in the Anoka and Moorhead areas, Minnesota has pioneered the judicare system, which delivers legal services through a combination of legal service staff and private bar involvement. In the remainder of the State, more traditional staff-based delivery systems have operated effectively for nearly a decade, opening access to the legal system for tens of thousands of Minnesotans. The success of these programs has drawn growing support from the private sector. In fact, the Legal Aid Society of Minneapolis now draws roughly half its operating budget from sources other than the Federal Government.

The Legal Services Corporation is certainly no more immune to budget restrictions than any other Federal program. But the appropriation reported by this committee already represents a 33-percent reduction from last year's funding—one of the sharpest cuts dealt to any Federal program. Deeper cuts would threaten the integrity of the program itself. Should this appropriation be stricken, legal aid in urban Minnesota would lose half its operating budget. The impact in outstate Minnesota would be even more severe, with newly established programs losing up to 95 percent of their funding. Abolition of these programs would place an insuperable barrier between millions of Americans and enforcement of rights basic to our society. It is a result we cannot tolerate if we are to remain a society of laws and not of men.

Withdrawal of funding is not the only mechanism that can destroy the integrity of the program. It can be destroyed just as effectively by the package of stringent operating restrictions placed on the Corporation by the House of Representatives. These restrictions create a dual system of law in this country, one for the rich and one for the poor—separate and unequal. Where there are administrative problems in the Corporation, they should be addressed by the Board and the Corporation's Administrators. I am sensitive—very sensitive—to the argument that this and other agencies can easily become independent sources of unelected political power. But I cannot believe that the kind of people this administration will appoint to the Corporation's Board would tolerate that result. Legal Services attorneys do not want it, and if Congress performs its oversight role, it is a result that will never occur in any administration.

These restrictions carry a simple message—that lawyers for the wealthy shall have more power than lawyers for the poor. That message is inconsistent with the very concept of equal justice under law.

Mr. President, I do not believe that the Federal role in legal services is likely to be a permanent or even a long lasting role. As the program develops, based on what we have seen in my State, I am confident that it will continue to draw greater public support and greater involvement from the private bar. But it is every bit as clear that as strong as its efforts have been, the private sector is not yet ready to carry the full load. The Legal Services Corporation has earned a right to continued existence, and I urge my colleagues to affirm that right by voting with the committee amendment.

THE LEGAL SERVICES TO THE POOR A SOCIAL POLICY IN NEED OF A NEW PROGRAM

Mr. HATCH. Mr. President, a social policy which is eventually debated and passed by Congress normally has the assurance it will benefit our total society, not merely its targeted benefactors. When this body approved the passage of the Legal Services Corporation Act, it did so because of this Nation's belief that no citizen should be denied access to our justice system because of his or her financial status in life. I believe the furtherance of that value is as important today as it was 16 years ago when we passed the Legal Services Corporation Act.

While this body has the profound responsibility of developing social policy, it also has the responsibility of reviewing that policy to see if it continues to promote the general welfare of our society. I strongly believe that the Legal Services Corporation is one of those social policies which now needs close scrutiny and action by the 97th Congress.

During my tenure, I have seen this body continually hear of abuses on the part of the Legal Services Corporation which has affected various segments of our society. Each year the problems grow and multiply, and each time this body passes amendments aimed at eliminating the abuses by the Legal Services Corporation.

All of us have agonized over our dilemma that, on the one hand, we deeply believe that no American should be denied access to justice, and on the other hand, the abuses brought on to others by the Legal Services Corporation. Because we are emotionally and intellectually torn, we have allowed the abuses to escalate. If this body is to be faulted, it is because we have erred on the side of our commitment to justice. At this time, painful it might be, we must ask ourselves: Has our judgment been colored by our wishful thinking that the problems created by Legal Services will go away? The evidence is clear that in spite of what this body has done to curb the abuses on the part of the Legal Services Corporation, they have gone unheeded and it is clear the Corporation is incapable of controlling itself.

Now then, we must ask ourselves: Do we not have a duty to examine this social policy which, while on the one hand, had noble intentions in providing legal services to the poor people, and on the other hand, it has had an adverse affect on other groups of our society. I will not go into detail, but for the RECORD I would like to submit examples of some of the abuses.

I believe this body not only has the duty, but the responsibility as well, to promulgate social policies which have the welfare of society in general and to curtail or change a policy when it places an undue burden upon other members of that society. While this body has attempted over the years to correct the abuses of the Legal Services Corporation without success, it is vital that this body act today in assuming our responsibility for solving the problem by eliminating the funding of the Legal Services Corporation.

Examples of abuse follow:

LEGAL SERVICES CORPORATION ABUSES

1. Legislative advocates for veteran organizations in seeking redress in exposure to agent orange and nuclear fallout cases.

2. Help Passamaquoddy and Penobscot Indians sue for possession of a good portion of the State of Maine, which would have displaced 350,000 persons.

3. Sued U.S. Steel to prevent shutdown of an unprofitable plant.

4. Eight point plan to defeat President Reagan's economic pack.

5. In Utica, New York farmers are being sued on behalf of Omeida Indians for return-

ing roughly 5,000,000 acres of land. This case pits poor land owners against poor Indians.

6. In northeast Ohio Legal Services turned away indigent would-be clients in order to pursue litigation preventing U.S. Steel from closing its plants, or alternately allowing sales to a worker-community group that would seal federal funding.

7. California Rural Legal Services litigated on behalf of 19 farm workers to challenge the entire California system of publicly sponsored agriculture research to produce more efficient farm machinery, claiming it was displacing migrant farm workers.

8. Worked against the legalization of prayer in public schools. How does this help the poor of America?

9. Sued CSA for nine poor plaintiffs and collected $18 million. Only $2000 of this money was received by the plaintiffs.

10. Said State of Connecticut had "the legal responsibility to provide medical care" for a person to receive a sex change operation.

11. Used 50 percent of budget on two class action cases while 3,998 cases split the other half of the agency's budget.

12. Defended Ku Klux Klan members in civil rights case.

13. In June, 1979, an article appeared in the New York Times outlining a suit by Michigan Legal Services to compel the federal government to define "black English" as a separate language and to therefore provide mandatory remedial language training to all blacks.

● Mr. DANFORTH. Mr. President, I am pleased to be able to join today with a large, bipartisan group of Senators to support the Appropriations Committee's proposal for continued funding for the Legal Services Corporation.

While this proposal reduces the current level of funding for the Legal Services Corporation by 25 percent, it still assures that the Corporation will be able to provide a minimum level of access to our system of justice. Moreover, it assures that the legal services program will operate in accord with the original intent of Congress. It addresses the concern of many in the Senate as to the scope of legal services activities, without limiting the ability of Legal Services attorneys to represent their clients effectively.

Mr. President, I urge my colleagues to support the committee's action providing for the continued operation of the Legal Services Corporation, because of the essential role this program plays in our system of justice. Perhaps the most noble of our Nation's historical commitments is to assure equal justice for all citizens. The Legal Services Corporation, operating as an independent entity, enables us to honor this commitment—fulfilling the mandate of Congress to provide effective legal representation for those who would otherwise be unable to afford it. Absent the legal services program, many Americans would go without representation—simply because they are poor.

Indeed, the need among low-income citizens for civil legal assistance exceeds the level of services currently provided by both the Corporation and the private bar. Elimination of the Corporation and its funding could further impair the rights of the disadvantaged to equal justice under the law. The voluntary effort to provide the poor with access to our justice system, while significant, is not sufficient to meet the needs of the poor, and it is unrealistic to expect the States to step in. Accordingly, we must continue to meet our commitment with the Legal Services Corporation.

To be sure, the legal services program has always generated a great deal of controversy, even though the overwhelming majority of legal service cases have concerned routine matters—resolved without litigation. However, much of this controversy has been inevitable because effective legal representation of a client often requires confronting powerful intrests—public and private. Such confrontations and conflicts are inherent parts of our adversarial system of justice, and it was to shield legal services from the repercussions generated by such adversarial confrontations that the independent Corporation was created.

At the same time I must note that the Legal Services Corporation has also generated controversy of another sort by engaging in activities that have carried it away from its primary purpose. Much of this controversy has been provoked by the lobbying activities of Legal Services attorneys. Like many of my colleagues, I have been concerned about such activities. While I believe that Legal Services attorneys must be free to pursue actively the claims of their individual clients, it becomes another matter when they engage in comprehensive lobbying campaigns. This problem is effectively addressed in the committee's proposal.

One other source of controversy has been interference by outside organizations and interest groups. I have been concerned about assuring local control of the legal services programs without such interference. The committee's proposal establishes requirement of such control and meets this need.

Accordingly, I support the committee's action as to the continuation of the legal services program, and I urge my colleagues to join me. It is a matter of simple justice.●

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. WEICKER. Mr. President, we are prepared to vote on the committee amendment, and I urge my colleagues to come to the floor and present their amendments.

I know that Senator COCHRAN is here and ready to proceed. I hope that others who wish to proceed would do so now.

I am going to suggest the absence of a quorum, but I am also under the importunings of the majority leader, who would like to have this matter proceed. He said that if it does not proceed, I should move the question. I do not want to do so; that means we have to have someone here on the floor, presenting an amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I move the committee amendment.

The PRESIDING OFFICER. The question is on the committee amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, the ranking member and myself agree that the pending business, the committee amendment which is the pending business, be temporarily laid aside.

The PRESIDING OFFICER. The amendment is laid aside.

The question is on agreeing to the first committee amendment.

UP AMENDMENT NO. 621

(Purpose: To strike the appropriation for the Legal Services Corporation)

Mr. DENTON. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Do the managers lay aside temporarily all committee amendments for the consideration of floor amendments?

Mr. WEICKER. The ranking Member and myself agree that all committee amendments be temporarily laid aside.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama (Mr. DENTON), for himself, Mr. HATCH, Mr. HUMPHREY, Mr. MCCLURE, Mr. HELMS, Mr. NICKLES, Mrs. HAWKINS, Mr. THURMOND, Mr. HAYAKAWA, Mr. SYMMS, and Mr. LAXALT proposes an unprinted amendment numbered 621:

On page 32, beginning with line 19, strike out through line 10 on page 36.

The PRESIDING OFFICER. The amendment that the Senator has sent to the desk attempts to strike House language plus a committee amendment that has been laid aside. Therefore, it is not in order without unanimous consent.

Mr. WEICKER. Mr. President, if I might, through the Chair, direct my comments to my good friend, the Senator from Alabama. It is my understanding that it was his intention to amend the monetary amounts in the bill relating to legal services. As a matter of courtesy to the Senator from North Carolina and others, I laid the committee amendment aside.

If he would so modify his amendment to deal with the monetary amount, I would have no problem. Obviously, if we are going to get back to the language, then we are right back to the point which I tried to resolve on behalf of the Senator from Alabama and the Senator from North Carolina and others.

Mr. DENTON. Mr. President, I wish to make clear to the Senator from Connecticut that the effect of what I am trying to do now would, as he will see from the rest of my remarks, result in what he and I agree upon.

I ask unanimous consent that this amendment be in order at this time.

Mr. WEICKER. I would respectfully ask that the Senator from Alabama modify his amendment with respect to the dollar amount that he seeks to amend, otherwise it is my understanding the amendment is going to be out of order and I would not agree to a unanimous-consent request. The committee amendment is not up for amendment at this point.

Mr. HELMS. Will the Senator from Alabama yield to me?

Mr. DENTON. I yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DENTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HELMS. I object.

The PRESIDING OFFICER (Mr. DURENBERGER). Objection is heard.

The legislative clerk resumed the call of the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I am about to propound a unanimous-consent request. I would invite the attention of the distinguished Senator from Connecticut. If he has objection, of course, I will withdraw it. I believe it will get us out of this parliamentary maze.

I ask unanimous consent, Mr. President, that we return to committee amendment No. 7; further, that the committee amendment be agreed to; and, further, that the language be considered original text with no point of order being considered waived, and that the amendment by the distinguished Senator from Alabama (Mr. DENTON) therefore be in order.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. Reserving the right to object, might I just suggest—and I think I might not object—for about a minute the absence of a quorum so that the distinguished Senator from North Carolina and I can discuss a certain point?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, the Senator from Alabama wishes to modify his amendment, which will take care of the parliamentary situation in another way. Therefore, I withdraw my unanimous-consent request.

The PRESIDING OFFICER. The request is withdrawn.

UP AMENDMENT NO. 621, AS MODIFIED

Mr. DENTON. Mr. President, I send a modification of the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be so modified. The amendment, as modified, will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. DENTON), for himself, Mr. HATCH, Mr. HUMPHREY, Mr. MCCLURE, Mr. HELMS, Mr. NICKLES, Mrs. HAWKINS, Mr. THURMOND, Mr. HAYAKAWA, Mr. SYMMS, and Mr. LAXALT proposes an unprinted amendment numbered 621, as modified.

On page 32, on line 23, strike out "$241,000,000".

Mr. DENTON. Mr. President, my amendment would delete funding from the State, Justice, Commerce, and Judiciary appropriations for the Legal Services Corporation.

As I have said many times before, I strongly believe that the poor have legitimate requirements for legal assistance. To some extent, we can meet these requirements through alternative sources, such as the Older Americans Act and title XX. In my judgment, the most appropriate way to deliver legal services to the poor would be through increased pro bono participation on the part of the private bar.

While I am not opposed to a limited and appropriate Federal role in helping provide the services, I have four reasons for my belief that funding for the Legal Services Corporation should be deleted from this appropriations bill.

First, there is currently no authorization for the Corporation.

Second, the record shows that the Legal Services Corporation has immersed itself in social activism.

Third, the Legal Services Corporation has no real accountability imposed upon it.

Fourth, this appropriations bill, itself, could be a target of a veto if substantial cuts are not made.

Mr. President, I am going to expand now on each of these four points.

First, there has been no authorizing legislation for the Legal Services Corporation since September 1980. The Corporation was one of the few programs to benefit from the fact that the Federal Government operated on a continuing resolution through fiscal year 1980 and it still continues to receive funds in this fashion.

There is an authorization bill, S. 1533, on the Senate calendar which extends the Corporation at $100 million for each of the next 3 years. Consideration of this authorizing legislation should take place before we consider appropriations for the Legal Services Corporation. We simply do not have the time to debate many of the issues surrounding the Corporation on an appropriations bill, nor do we have the freedom to add enforceable restrictions or offer alternative means of delivering legal services such as judicare, tax incentives for private attorneys, or a block grant approach, like that originally requested by the President.

The decision as to the precise form legal assistance is to take should be considered in due course prior to this usurpative appropriation.

Second, in addition to the impropriety of prospective usurpation, there is special need to examine this controversial program. This Senator agrees with the President of the United States that the Corporation is not the proper vehicle to provide Federal financing of legal assistance to the poor.

Mr. President, the Legal Services Corporation has engaged in social activism. The list of social engineering endeavors of the Corporation is long, but I will cite a few examples. The LSC has worked to secure approval of a Massachusetts measure to establish a graduated income tax; to exert pressure on behalf of more Federal money for food stamps and related programs; and to lobby against the adoption of President Reagan's economic recovery program. In addition, the Corporation's recipients have sued to return part of the State of Maine to the Passamaquoddy and Penobscot Indians, have sued U.S. Steel in order to prevent the shutdown of an unprofitable plant, and have sued to prevent the University of California from engaging in research to develop labor-saving farm machinery.

All this has been done in the name of their nominal responsibility of providing legal services to the poor who require them. Social change is something that takes place in this country naturally and falls within the responsibility of the legislatures and Congress, precisely because these bodies are comprised of elected officials answering to the taxpayers of this country. The Legal Services Corporation has no such authority or responsibility.

My third point is that the Corporation is not subject to an effective system of accountability. The members of the Corporation, by past performance, have no apparent desire to enforce the policy guidelines laid upon it by Congress. Time and time again, Congress has found it necessary to put restriction after restriction on the use of funds by the Corporation in an attempt to get the Corporation on the track originally intended. I have no objection to the funding restrictions currently being proposed for the activities of the Corporation, if we were taking all the amendments that have been proposed for that purpose. However, given the LSC's track record, the nominal assignment of additional restrictions to it would be useless. We must use more than the pen if we wish to effectively prohibit the Corporation from promoting its questionable causes.

Finally, Mr. President, the total funding level of the bill we have before us—the overall appropriation bill—is almost $450 million above the President's September budget request. As late as this past Tuesday, the President indicated his intention to veto any appropriations bill that exceeded his budget. By eliminating the $241 million for the Legal Services Corporation, we can cut the excess in H.R. 4169 by over half. We in the Congress must take action to eliminate wasteful spending if we are to avoid national bankruptcy.

I must say again that a bankrupt nation can provide no services to the poor.

All of us will be poor. We are looking at a $1 trillion national debt, with increasing deficits anticipated beyond that.

I have been assured by the White House of their unequivocal support for this amendment. The Director of the Office of Management and Budget has also written a letter endorsing my amendment. I ask unanimous consent that the letter be printed in the RECORD.

I hope that my colleagues will support this amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT
AND BUDGET,
Washington, D.C.

Hon. JEREMIAH DENTON,
U.S. Senate,
Washington, D.C.

DEAR JEREMIAH: This letter expresses the Administration's position on appropriations for the Legal Services Corporation. As you know the authorization for the corporation expired at the end of fiscal year 1980.

The Administration strongly opposes the funding of the corporation and has not recommended funding in fiscal year 1982. Legal services are an authorized activity for funding within the social and community services block grants. Under these financing mechanisms States have broad discretion to finance an array of social services based on an assessment of local and individual needs. We believe there would be sufficient funding for these activities at the levels we recommended for 1982.

Additional funding for such activities in the State, Commerce, Justice appropriation would maintain a narrow categorical program and increase federal spending. Therefore, we support amendments to delete funding for this unauthorized program from the pending appropriations bill.

Sincerely,

DAVID A. STOCKMAN,
Director.

Mr. DENTON. Mr. President, I yield to the distinguished Senator from South Carolina who has a brief statement to make.

Mr. THURMOND. Mr. President, today, I rise to express my support for the amendment offered by my distinguished colleague from Alabama (Mr. DENTON) to delete funding for the Legal Services Corporation.

As I have stated on several occasions, I support the overall goal of equal access to the courts for the poor. However, I do not feel that the present system of providing Government aid for this effort through the federally-financed Legal Services Corporation is the most desirable means of meeting that goal. This Corporation, originally designed to give aid to those Americans too poor to afford legal help in such basic matters as settling disputes with their landlords, or domestic relations problems such as divorce and child support, has instead become a weapon used by social and judicial activists in an unending battle against the very Government that funds their activities.

Rather than attending to the legitimate, basic legal needs of the poor and disadvantaged, the grantees of the Corporation and their employees have repeatedly misued taxpayer dollars to promote their own ideals of social justice or change, using the poor they represent to obtain standing in their suits. Nor is this problem a temporary phenomenon, or one which could be easily remedied through legislation.

On several earlier occasions, Congress has attempted, through amendments to the Legal Services Corporation Charter, to restrict Corporation attorneys and other employees to proper legal assistance activities. Unfortunately, many Legal Services staffers have continued to ignore their charter, or interpreted it to suit their own purposes and notions of social activism, and I honestly do not feel that any new restrictions will substantially change this fact. It is partly because of this continued, serious misuse of public funds that I oppose further funding of the Legal Services Corporation at this time.

I believe that the task of providing basic legal services, if it is a responsibility of Government at all, is a responsibility which should be borne primarily by the States, local communities, and bar associations.

The administration supports the decentralization of Legal Services Corporation authority. Under such a proposal, State and local units of government, in cooperation with local bar organizations, would assume the responsibility for providing these services. This is an approach with which I wholeheartedly agree. The existing Legal Services Corporation provides no assistance which cannot be more efficiently and directly made available by State and local sources, possibly assisted to some extent by Federal funds. Furthermore, the resulting more localized administration of the programs would allow for a more effective review of the wayward activities of some program attorneys and other employees.

In conclusion, Mr. President, I hope my colleagues support the amendment which has been offered by the Senator from Alabama (Mr. DENTON). I remain convinced that experimentation on behalf of novel legal theories and rights, where it is pursued, should be pursued through the private sector, not with Government funding supplied for the purpose of helping lower income Americans with basic legal services.

Mr. President, I repeat, I think this is a matter for the States, the local communities, and the bar associations and not the primary responsibility of the Federal Government. The Federal Government has enough responsibility as provided in the Constitution and should not be called upon to provide services in any of the communities which are primarily the responsibility of the States, local communities, and local bar associations.

Mr. DENTON. Mr. President, I thank the distinguished Senator from South Carolina and regard his remarks as particularly valuable, since he is the chairman of the Committee on the Judiciary.

I yield now to the distinguished Senator from Iowa.

Mr. JEPSEN. Mr. President, I rise in support of the amendment of the Senator from Alabama. There are many examples of well-intentioned activities of legal services around the country, but all too frequently, in many cases, the end results have been disastrous.

Just last week, on November 6, 1981, there was a press release put out from the Governor's press office in the Commonwealth of Pennsylvania, and I should like to read from it:

Gov. Dick Thornburgh today expressed his gratitude at the safe release of the remaining hostages at Graterford State Prison.

"I am sure that all Pennsylvanians joined me in our prayers on behalf of these hostages and their families," the governor said.

Then we go down to the point at hand. Here again, I am quoting:

"While we have achieved the most important result of obtaining the safe release of the hostages, there are lessons for the future to be learned from this situation which should not be ignored," he added. The governor said he believed there were at least four such immediate lessons.

I quote again, because it is very important:

"The ringleader in the attempted escape and hostage-taking is a three-time convicted murderer," he said. "He murdered a police officer and, while in prison, murdered a warden and deputy warden. Nevertheless, Community Legal Services of Philadelphia insisted upon pushing for a court order in 1975 requiring that this convict be returned to the general prison population at Graterford. More disturbing, the Shapp administration agreed to have this order entered over the strong objections of its own professional correction officials.

"Thus, one lesson that must certainly be taken from this situation is that never again should government permit 'cause' groups, or even the courts, to place the purported rights of vicious criminals above the safety of law enforcement and correction officers without the strongest possible opposition."

Mr. President, I thank the Senator.

Mr. DENTON. Mr. President, I thank the distinguished Senator from Iowa for those highly relevant remarks, which indicate the degree to which the Legal Services Corporation has participated in the victory of the criminal over the victim.

I yield now to the distinguished Senator from New Hampshire for some remarks. He is on the Subcommittee on Labor and Human Resources, which delivered the bill which is still pending, about which you have heard.

Mr. HUMPHREY. I thank the Senator from Alabama.

Mr. President, I strongly support the amendment presently pending. The Legal Services Corporation is under the jurisdiction of the Labor and Human Services Committee which has reported out legislation authorizing the Corporation. That legislation should be the vehicle for debate rather than this appropriation bill.

There is simply no doubt that the Legal Services Corporation has abused its charter, and has engaged in activities over the years which were not only not intended but explicitly proscribed by the Congress.

There is an essential problem with the Legal Services Corporation, Mr. President. That is its independence. I know that there are those who argue that the independence of the Corporation was intended deliberately by the Congress, but in the opinion of this Senator, the Congress never has any business using taxpayer funds to fuel an entity over which

it has no meaningful oversight capability.

That is the problem with the Legal Services Corporation, Mr. President. It is so independent that this body, the Congress, has no meaningful oversight capability. That is why we have abuses year after year, notwithstanding our efforts to curb them through legislation. The essential problem is the independent nature of this corporation.

Let us fund legal services through a block grant or some other means, but let us finally put to rest this mischievous corporation, which should never have been created in the first place.

I thank the Senator from Alabama for yielding, Mr. President.

Mr. DENTON. Mr. President, I deeply respect my colleague from New Hampshire and I share in the sentiments he just expressed.

Mr. NICKLES. Mr. President, will the Senator yield for a question?

Mr. DENTON. I am happy to yield to my friend from Oklahoma.

Mr. NICKLES. The Senator stated that the bill before us today is how much over the September request?

Mr. DENTON. Almost $450 million.

Mr. NICKLES. If the Senator's amendment were adopted, that would save the taxpayers how much money?

Mr. DENTON. Two hundred forty one million dollars. Then we would take up the authorization bill on the Senate calendar, which has not yet been acted upon.

Mr. NICKLES. So we would save well over half what this bill is actually over the President's request, and then we would take up Legal Services in the authorization process, as we do with respect to every other agency.

Mr. DENTON. In the normal order of things. The Senator is correct.

Mr. NICKLES. With the approval of the Senator from Alabama, I ask unanimous consent that my name be added as a cosponsor of the amendment.

Mr. DENTON. I appreciate that, and I thank the Senator from Oklahoma.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, in addition to being opposed to H.R. 4169 because it is almost $450 million over the target figure for the President's September request, I oppose H.R. 4169 because a vote for H.R. 4169 would be a vote in favor of the reauthorization of the Legal Service Corporation as a separate entity.

I am certain that the poor, the handicapped, the elderly, and the minorities of this country still encounter discrimination and legal difficulties in their everyday existence. We have a certain responsibility to help those who do not have the means available to insure that their basic human rights are not violated. However, I do not feel that the Legal Services Corporation, in its present form, is the most appropriate Government response to such need.

When it was originally chartered in 1974, the Corporation was to represent the poor in basic day-to-day legal disputes such as family law, landlord-tenant problems, employment cases, and consumer litigation. However, certain case examples have shown that either this simple charter is either an impossibility to fulfill because of inherent contradictions or that it is too simple, with certain social-reform minded participants using it to achieve what they feel are appropriate social ends.

Whatever the case, the result has been disillusioning and disturbing. Despite an attempt by Congress to give guidance to the Corporation as what is appropriate involvement and what is not, there exists what appear to be flagrant violations.

For example, section 1007(b)(7) of the Legal Services Act of 1974 forbids the Corporation from making funds available to "initiate the formation; or act as an organizer of any association, federation, or entity." However, in the December 1979 issue of the Corporation-funded Research Institute on Legal Assistance publication, Clearinghouse Review, the Corporation solicited members for a "national coalition, citizens for tax justice * * * to promote those programs active in tax reform activities." One would be hardpressed not to call this initiation or organization.

Also, this past May, the Office of Management and Budget documented the Corporation's widespread violation of Federal laws prohibiting lobbying. They found that through the use of State and local recipient organizations, the Legal Services Corporation developed an extensive lobbying campaign to support its reauthorization legislation. This was explained in a memo from Alan Houseman, Director of the Research Institute on Legal Assistance, which states that the group would be "increasing the Washington lobbying efforts of the Corporation * * * to successfully obtain support from Congress for the continuation of an aggressive legal services program." We cannot continue to tolerate such violations of this organization's own charter.

The Corporation charter also prohibits training or encouraging political activism, strikes, or demonstrations. But attorneys of the Florida Rural Legal Services have been active in organizing rent strikes.

They have also violated their charter by participating in a suit to integrate South Boston high school by forced busing.

The Corporation's charter also expressly prohibits the use of Corporation funds for "providing legal assistance with respect to any proceeding which seeks to procure a nontherapeutic abortion." However, by challenging State abortion laws and seeking Government funding of abortions which could hardly be called therapeutic, the Corporation again deviated from its stated purpose.

Legal Services has even represented the Klu Klux Klan, litigated on behalf of disability payments because of homosexuality, racial quotas in medical school admissions, and the mandatory hiring of heroin addicts by the New York Transit Authority. These cases seem abhorent to the spirit of the original act, an act designed only to provide legal aid necessary in basic everyday problems—not to lobby and litigate for social reform.

I do not think that the abuses I have mentioned can be corrected by more restrictions in the Legal Services statute. This has not worked in the past and I have no reason to think that it will work now. The very establishment of the Corporation as a separate structure not under the authority of any governmental department is at the root of the problem. In addition, trying to manage and oversee such a delicate and diverse task from the Federal level is itself an impossibility.

In my opinion, the best solution to the problem of how to best provide legal advice and assistance to those in need is to make funds available to the States. From their closer vantage point, they can make more intelligent decisions as to where the true needs exist and can monitor for abuse more effectively.

Let us be willing to call a bad apple bad, and not keep funding something which has shown itself to continually abuse the funds it receives. The American people are looking to Washington to get its house in order. This is a very good place for us to begin.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. DENTON. Mr. President, I ask unanimous consent that Senator EAST be added as a cosponsor to the list including Senators HATCH, HUMPHREY, MCCLURE, HELMS, NICKLES, HAWKINS, THURMOND, HAYAKAWA, SYMMS, and LAXALT.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. LAXALT. Mr. President, I oppose continued funding for the Legal Services Corporation for two reasons. First, I think that any Federal funding for legal services programs should be authorized through block grants made to the States, with final authority for making funding priorities at the State level. Second, the Legal Services Corporation has conducted activities which raise serious questions about the level of services provided to those truly in need of free legal assistance.

The emphasis of the budgeting process during this Congress has been on returning responsibility to the States. In addition to giving States a greater role in the management of programs, we have given them increased responsibility to determine the priorities among a variety of beneficial programs requesting grants from Government.

We have long recognized that the regional differences require special consideration before the imposition of national standards. What is appropriate in the Northwest may be ridiculous in the South. Further, from State to State there are different levels of need for the services traditionally supplied by Government. By tailoring programs to specific needs, we can provide essential services without wasteful overlap or inefficient administration.

As the Federal budget is trimmed, and each dollar is carefully scrutinized to insure that it is spent effectively, special attention must be given to State assessment of the need for various programs. Categorical funding substitutes the distant decisionmaking of the Congress for

the hands-on judgment of State and local government.

In addition to the argument that the form of funding under which we will authorize Legal Services Corporation is undesirable, there are valid arguments against the continuation of the Corporation itself. There is an acknowledged need for free legal assistance for those who cannot afford to pay. The American Bar Association Code of Professional Responsibility recognizes the individual duty of each attorney to provide pro bono services in order to insure adequate legal assistance for all members of the community.

The ABA also states, however, that voluntary services offered by individuals cannot provide the full range of legal assistance required. I believe that the question to be considered at this point, given the professional responsibility canons, is whether the bar itself should play a bigger, more active role in providing these services, or whether that duty should rest with Government.

We must make sure that people are not deprived of legal assistance only because they are unable to pay. Certainly the words of Judge Learned Hand are pertinent:

> If we are to keep our democracy, there must be one commandment: Thou shalt not ration justice.

Legal Services Corporation was created to meet a real need. The bar had stepped away from its duty and the poor, needing counsel, had no place to turn for justice. But Legal Services Corporation did not concentrate on assisting the poor in eviction cases, in child support or custody cases, in individual discrimination cases.

Rather, Legal Services Corporation centered its activities on "public interest" law in the following kinds of cases: Successful Federal district court suit prohibiting Oregon counties from substituting local welfare for Federal food stamps; successful Federal district court litigation to compel Pennsylvania to provide transportation to hospital for woman inmate seeking a "nontherapeutic" abortion; Legal Aid Society of San Diego represented the Tom Hayden-Allied Coalition for Fair Rent in placing a rent control initiative on the California ballot; Massachusetts Law Reform Institute brought suit to compel a methadone maintenance clinic not to speed up addict detoxification or reduce addict dosages; and California Rural Legal Assistance sued Madera County to overturn local regulations which required welfare recipients to accept available agricultural work on penalty of jeopardizing their welfare eligibility.

In addition, the Legal Services Corporation has actively engaged in lobbying efforts. According to a May 1, 1981 report by the Office of the Comptroller General:

> . . . we have concluded that LSC has itself engaged and allowed its grant recipients to engage in lobbying activities *prohibited by Federal law.* (emphasis added)

This list could go on. I consider it a "parade of horribles" in many ways. It is a listing of agency abuse and overstepping, in spite of efforts by Congress to bring the agency back into the activities for which it was designed.

We have amended authorization requests before in an effort to curtail the LSC. We have, most obviously, failed to do that effectively. We are now being asked again to appropriate funds, with amendments to bring the LSC into line. I am unwilling to continue to fund a program which does not meet the need for which it was created, does not respond to the directives of the Congress, and does not have an adequate degree of State input into the kinds of services which are actually required.●

● Mrs. HAWKINS. Mr. President, I support the amendment offered by Senator DENTON to delete funding for the Legal Services Corporation. While I support the restrictions placed upon the Legal Services Corporation by the Senate Appropriations Committee, I have serious doubts if the restrictions will be sufficient to prevent abuses by the Corporation. I strongly support adoption of the McCollum amendment which clarifies that illegal aliens are not entitled to free legal assistance by LSC attorneys.

In fact, on October 5, I introduced language identical to the McCollum and Kazen House amendments as printed amendment 584 to S. 1533, the reauthorization of the Legal Services Corporation Act. But the clarifications contained in this amendment are necessitated by a flouting of the restrictions placed on the Legal Services Corporation by previous appropriations bills.

During the 96th session of Congress, a restriction was placed on the appropriations bill that stated:

> None of the funds appropriated in this title may be used to carry out any activities for or on behalf of any individual who is known to be an alien in the United States in violation of the Immigration and Nationality Act or any other law, convention, or treaty of the United States relating to the immigration, exclusion, deportation, or expulsion of aliens.

Despite this restriction, the Legal Services Corporation attorneys have continued to represent illegal aliens. The General Counsel of the Legal Services Corporation has interpreted this restriction as applying only to aliens that have completed adjudication and on whom a final order of deportation is outstanding which is not subject to further judicial review.

We have a situation in Florida where thousands of illegal aliens have ignored our national immigration laws and sovereignty as a nation to enter our country illegally, instead of applying for asylum through the normal channels. This has created a situation where an alien who enters the United States illegally has more due process protections than his counterpart in Haiti who applies for asylum through the normal legal process. The illegal entry of these people into Florida has created a tremendous backlog in the processing of the asylum applications. This backlog will grow further if we allow taxpayer dollars to pay for legal assistance to aid these individuals in their fight to stay in this country.

During the House debate on this issue, Representative KAZEN of Texas mentioned that some legal aid attorneys have illegal aliens representing as much as two-thirds of their caseloads. Therefore, while I believe that a further clarification of congressional intent on this issue is desirable, I believe that the authorization bill, not the appropriations bill, is the proper vehicle for this restriction. Restrictions attached to previous appropriation bills have been ignored or circumvented by the Legal Services Corporation. In fact, the circumventing of this restriction by the Legal Services Corporation raises severe doubts in my mind whether any restrictions placed upon this entity will be heeded.●

● Mr. HAYAKAWA. Mr. President, once again, the Senate is considering the question: Should Federal tax dollars be used to fund the Legal Services Corporation? I must respectfully disagree with my colleagues who believe that we should continue to appropriate money for this organization, which has clearly abandoned its mandate of providing legal services for the poor.

Legal Services attorneys have devised their own mandate for impact law, lobbying activities, and class actions, at the expense of serving individual client needs. With fiscal austerity as the order of the day, how can we afford to spend $200 million on an organization which has politicized the plight of the poor in order to advance their own beliefs?

I believe that we cannot continue to fund the Legal Services Corporation. Charges of illegal activities have emanated from sources as diverse as the "New Republic" on the left and the "Conservative Caucus" on the right. Many of these charges have been conclusively proven. The controversial nature of the Legal Services Corporation is further evidenced by the Senate's reluctance to consider its reauthorization bill, S. 1533.

The Corporation has been functioning without authorization since September 1980. It is a political hot potato, with advocates and foes lobbying Members of Congress.

However, there is no doubt in my mind that the opponents have overwhelming evidence to justify the amendment I am introducing today with Senator DENTON, an amendment which will terminate funding for the Legal Services Corporation.

The Corporation was established in 1974 as a private, nonprofit organization to fund legal services for the poor in civil matters. Had the Legal Services Corporation adhered to its great and noble intentions, it would not have mushroomed into a bureaucracy more eager to make a political statement than to help the poor.

I cannot, in good conscience, support funding for a Government-based organization which has strayed from its original mission into ideological pursuits where it was never intended to be involved.

I strongly believe that the majority of Americans do not support the Legal Services Corporation. I am especially impressed by the letters I have received which condemn its activities. These are

not form letters, generated by a special interest group.

These are individual, mostly handwritten letters from the largest interest group of all, our citizens. These people are outraged by the confrontation politics of the Legal Services Corporation. I would like to share a few of their comments with you.

The people in Legal Services do just about everything except what they are supposed to do. Let's abolish Legal Services.

Much of the Legal Services activity looks like "make work" stuff . . . This must stop . . . May I have your support for abolishing Legal Services Corporation?

I also heard from a legal services worker in California who opposes Legal Services Corporation funding. She wrote:

I have worked in the legal service field for over 20 years in an administrative capacity, and I can tell you that locally controlled programs provide more real legal services for low-income people than federally funded programs . . . I understand you are considering "block grants" to states so they may continue legal service programs now in existence under state control. I hope that if this is accomplished that something can be done about the priorities set by these programs. The present people who are involved are more interested in "impact law" or "class actions" than in helping people with their everyday legal needs.

If time permitted, I could share many more of these comments with you. However, I believe I have made my point—our citizens have recognized the unparalleled violations of congressional intent by the Legal Services Corporation. I recomend that we take the advice of our citizens, and vote today to terminate its funding.

Just what kind of abuses are perpetrated by the Legal Services Corporation and the organizations which it funds? Section 1007(b)(4) of the Legal Services Act states:

No funds made available by the Corporation under this subchapter either by grant or contract, may be used for (any) political activity.

Yet the Contra Costa, California Legal Services boasts about its tradition of strong community involvement and aggressive participation in local political, social, and economic battles on behalf of its client communities.

Massachusetts Law Reform Institute spearheaded a lobbying campaign for the graduated income tax in Massachusetts.

And an article in Legal Services-funded Clearinghouse Review states:

A community group's main consideration for example, might be to back a sympathetic political faction or public agency over an unsympathetic one.

Section 1007 of the Legal Services Act prohibits lobbying by recipients except on certain instances which were intended to be narrowly defined. The organizations I described are engaged in outright lobbying. The same subsection prohibits funding recipients from actively working on behalf of or against balloting initiatives.

Yet, in Tehema County, Calif., the federally subsidized legal aid group litigated against an action which had already been approved by a majority of the local voters. The plaintiffs lost the fight on every level, but their tactics delayed implementation of the action for several years at a substantial cost to the taxpayers.

Passage of this amendment will not mean that we have abandoned our concern for access to justice for the poor. I support the administration's plan to provide federally funded legal services through the community services block grant approved earlier this year. I agree with the President's belief that there are other local resources available to poor people who need legal aid.

Presently, with relaxed bar association rules regarding advertising, fee competition, and so forth, many private sector firms have organized efficient means of delivering first-rate legal services to the poor in such day-to-day areas as divorces, evictions, and sales contracts. Fees for such services are exceedingly modest, and could be made even lower if a "free" Federal mechanism were not in place to provide such representation.

I am convinced that we, as Senators, have a responsibility to terminate an organization which has deviated from its original purpose of being an impartial arbiter for the indigent of this country. I wish to share a final comment from one of my constituents in Lodi, Calif.:

Like the plague of fruitflies troubling our land, this costly, harmful government agency deserves extinction.

Mr. President, I urge favorable consideration of this amendment.●

● Mr. WILLIAMS. Mr. President, I rise in support of the reauthorization of the Legal Services Corporation at the $241 million funding level.

As we all know, for the past year, this administration has continuously recommended that the Congress scuttle this program that has played a crucial role in our Nation's civil justice system.

According to the administration, the Federal Government is the root of our economic turmoil. There is no Government program that is 100 percent on target or that can boast there is no waste.

While the Legal Services Corporation, like most human institutions, can be subjected to constructive criticism to improve its effectiveness, there is no hard evidence that eliminating the Corporation will either cure inflation or balance the budget.

The LSC is an independent corporate entity that serves well in our adversarial system of justice that strives to both defend and enforce individual rights.

While I am firmly committed to cutting the Federal deficit and bolstering our beleaguered economy, I cannot support an effort to emasculate assistance benefits of the working poor.

The Federal Government has administered a program of legal services for the poor since 1966, and enacted legislation in 1974 creating the Legal Services Corporation. With the inception of that 1974 statute, it was the intent of the Congress to provide "all low-income individuals and families with at least minimum access to legal services." Our commitment to that goal should be as strong now as it has been in the past.

In my home State of New Jersey, there are 33 Legal Service offices providing legal assistance in civil cases to 40,000 residents who could not otherwise afford a lawyer. I am proud of that record.

The counseling and litigation activities funded by the Legal Services Corporation provide quality legal advice, fair representation and equal access to justice. Local programs do not provide criminal representation. Most of the legal problems of eligible clients fall into four broad categories: Family law; administrative benefits, including medicaid, AFDC, and SSI; consumer law; and, housing law.

Approximately 15 percent of those cases are actually litigated and approximately 85 percent are resolved through advice, negotiation, consultation, and other out-of-court mechanisms.

This body must not deny our Nation's nearly 30 million citizens living in poverty these essential services. The economically disadvantaged have legal problems too, and I would urge my colleagues not to further condemn those individuals who have already suffered dismally in the name of budget cuts.

I wholeheartedly encourage your support for the reauthorization of the Legal Services Corporation.●

LEGAL SERVICES CORPORATION

Mr. EAGLETON. Mr. President, for the third time this year, the Senate is faced with an amendment which seeks to eliminate Federal funding for legal services. This amendment tonight is, in essence, the same amendment which was offered on the floor on April 1, and again on May 7. In the first instance, the amendment was withdrawn after considerable debate. In the second instance, it was overwhlemingly defeated by a vote of 72 nays to 24 yeas.

This is clearly not a new issue, and not one on which we must engage in prolonged debate. I will take only a moment to remind my colleagues that the legal services program conducted under the authority of the Legal Services Corporation, is based upon the very simple, fundamental premise that the poor are entitled to legal representation to redress their grievances and defend their interests.

Throughout the debate on the Corporation, it seems to me that one key element of our judicial system is overlooked. Providing access to the system for the poor does not provide the Corporation clients with the right to win. It simply provides the poor with the right to be heard. No one, rich or poor, has the right to win unless the law is on his or her side.

The view that the national ideal of equal justice under law is disserved by effectively excluding the poor from the opportunity to seek legal recourse has been eloquently expressed by Mr. Justice Powell as follows:

Equal justice under law is not merely a caption on the facade of the Supreme Court building. It is perhaps the most inspiring ideal of our society. It is one of the ends for which our entire legal system exists. And central to that system is the precept that justice not be denied because of a person's

race, religion or beliefs. Also, it is fundamental that justice should be the same, in substance and availability, without regard to economic status.

I urge defeat of this amendment.

Mr. DENTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I rise in opposition to this amendment.

We heard during earlier discussions, both in this debate and in earlier debate, how vital legal services are in this country to the very survival of the less fortunate in our Nation. Yet, the Senator from Alabama proposes to eliminate the one mechanism that effectively and efficiently provides those services. The Senator from Alabama says that it is not so. He tells us that other sources of money and services will continue to provide legal assistance to the poor.

I say to the Senator that he is wrong. We cannot rely on the private bar or on the State and local governments to provide this vital assistance. The private bar has already greatly expanded its pro bono activities. I am sure it will continue to expand them. But it recognizes, as we should, that it can only supplement, not replace, a federally-funded legal services program. Without the framework provided by this program to facilitate pro bono activities, these activities will undoubtedly dwindle.

Neither are State and local governments the answer. They have already been handed the responsibilities for more Federal programs, while being given fewer Federal dollars to support these programs. Only last week, three Governors—one of them a Republican—told the Senate that the financial burden imposed on their States was already too large.

Moreover, such a shift of responsibility would be administratively wasteful. It would require the creation of 50 new State bureaucracies to replace a single extremely efficient one—one which uses less than 3 percent of the Corporation's budget.

Nor would such a shift permit more local control. Legal Services agencies are already governed by local boards of directors. It would simply subject this vital program to increased local and State political pressures and manipulation.

This amendment would mean an end to legal services for many poor people. It would mean a return to the exclusion of the poor from the legal system. It would mean abandonment of the principle of equal justice for all.

It is important, Mr. President, to realize that we are talking about a program which has seen a 25 percent reduction from its current level of funding. If we consider inflation, the cut is 33 percent.

In listening to the Senator from Alabama speak about some of the activities of the Legal Services attorneys, I noted that he talked about their representation of the Indians in the Passamaquoddy case. Am I correct?

Mr. DENTON. That is right.

Mr. KENNEDY. Does the Senator realize how that representation was ultimately resolved?

Mr. DENTON. Yes.

I was aware that there may have been some argument regarding the Legal Services Corporation's action to try for the return of land from the State of Maine to those two tribes.

Mr. KENNEDY. Does the Senator understand what the basic arguments for the Passamaquoddy Indians were? There were a series of disputes over land in New England. The disputes arose as a result of treaty obligations by the United States and, therefore, there were very serious questions that were being raised not only in Maine but in my own State of Massachusetts.

I am just wondering whether the Senator thinks that the ultimate resolution in the Passamaquoddy dispute was unfair, inequitable, and unjust? I would be very interested in his opinion, particularly since the Senator from Maine, Senator COHEN, was very much involved in that final resolution.

Mr. DENTON. I am respectful of the concerns of the Senator from Massachusetts for righting an injustice.

It is my understanding that the Legal Services Corporation exists to provide services principally for individuals who are poor and cannot otherwise receive those services. I recognize that there could be a group of these individuals who have such needs.

But from my examination of the Legal Services Corporation's record and activities there is much too much expenditure of money and time on social engineering, on less justifiable grounds than those which you might be able to provide regarding these Indians.

Mr. KENNEDY. I welcome the fact that the Senator would feel that Indians, whose legitimate rights had been violated and who could not afford legal representation, were entitled to the kind of legal services that they in fact received.

I quite frankly felt that the work that was done by Legal Service attorneys in this and other areas was not social engineering but in fact was quite constructive.

I yield the floor.

Mr. DENTON. Mr. President, if the Senator will yield for a question, is he aware that the Indians' original suit was for return of two-thirds of the State of Maine?

My staff member worked for the Senator from Maine when that suit was originated.

Mr. KENNEDY. What is the Senator's point? There was a land dispute that was brought by the Indian tribes and ultimately it was resolved. Ultimately, through the efforts of Legal Services attorneys, the Indians received some satisfaction.

I dare say that they would not have received it had it not been for the legal sevices program. If the Senator from Alabama does not believe that kind of activity was justified, I take strong exception.

Those Indians did not have the resources to be able to bring a case. Eventually they were able to bring a case. It was a long and difficult struggle. Eventually it was resolved. So those rights have been resolved and they would not have been resolved unless there was a legal services program.

Their initial position is unimportant. Litigation strategy often dictates taking extreme positions to benefit a client. What is important is the fact that in a number of the Indian land cases affecting New England there were various injustices that were done to a series of the Indian tribes and that the Legal Services Corporation, as correctly pointed out by the Senator from Alabama, was involved in righting those injustices.

Quite frankly, those rights had not been respected for many years. I am glad that ultimately those issues have been resolved.

Mr. DENTON. I yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Alabama.

Mr. President, this latest debate is on whether to continue the perfectly outrageous use of the taxpayers' money for a misrepresented noble purpose.

I think back to the first year I was in the Senate, and I believe that was the first time that the horror stories about the abuse of this organization known as the Legal Services Corporation really erupted in this Chamber.

Since that time year after year I have heard Senators attempt to defend it with all sorts of self-serving declarations, which is fine.

The point is that there is a great preponderance of opinion among respected citizens across this country that the abuse of the original intent of this Corporation is apparent.

To state it in the most moderate terms, the Legal Services Corporation—and this is an understatement—is not the best device for providing essential legal services to the poor of our Nation.

I do not know how many times those of us who have questioned this organization have to repeat this statement, but let me repeat it again:

A fundamental aspect of any free society is the ability of its citizens to assert their rights before an independent and impartial judiciary.

Of course, we are agreed that the words "equal justice under law" are paramount in terms of our principles, but they have a hollow ring if substantial numbers of our citizens are denied their day in court because they cannot afford an attorney. So we all agree.

I do not yield to the Senator from Massachusetts or anyone else in my belief in that principle. That is not the point.

The proponents of and the apologists for the Legal Services Corporation repeatedly say that those who seek to eliminate funding for LSC are cruel and hardhearted. They imply or at least they would have others, principally the media, infer that we are seeking to deny the right of all Americans to legal representation. But nothing could be further from the truth.

The distinguished Senator from Alabama cannot, I believe, be challenged as

an American who was not willing to lay down his life for this country and its principles. I do not wish to embarrass him, but I hear so often that Americans are not allowed to have heroes any longer. JEREMIAH DENTON is my hero. I think back to the 7 years, I think it was, that JEREMIAH DENTON was a prisoner of war because he was willing to lay down his life if necessary for his country.

Here he is today saying a very logical and reasonable thing that the Legal Services Corporation by reason of its record no longer deserves to survive, that legal representation for the poor can be provided better in another way.

Any Senator who has a better record of defending his country than JEREMIAH DENTON let him stand now and challenge him.

JERRY DENTON loves his country and its principles, including the assurance of adequate and proper legal representation in the courts.

So I commend the able Senator for being willing to undertake what may well be a losing cause, but he has made his point in honesty and in truth. His amendemnt deserves to be approved, and I shall support it. I do support it.

But I must say, Mr. President, that I object to the caterwauling that occurs every time this issue comes to the floor, and especially do I resent the suggestions, the implications, the inferences that those who seek to provide a better way of legal representation for the poor are somehow hardhearted.

Mr. President, I am not going to get into the litany of horror stories about the abuses of this program by this Corporation, a Corporation that has been heedless of the messages sent year after year to the people operating it to clean up their act. They have refused to clean up their act.

It is still an abuse of the taxpayers' money, and I thoroughly agree with the Senator from Alabama that another way is available to assure—and I emphasize the word "assure"—adequate and essential legal services to the poor of this Nation.

Again I commend the Senator from Alabama on his amendment, and I urge its adoption.

Mr. COCHRAN. Mr. President, for the information of Senators, after the amendment of the Senator from Alabama is disposed of, if it is not adopted, it is the intention of this Senator to offer an amendment to reduce the funding level for the Legal Services Corporation to $100 million for the next year. This would make the funding level consistent with the amount provided in the first budget resolution previously agreed to by the Congress. It would also put the funding level at the same level provided in the authorization legislation that the Senator from Alabama has previously described. For the information of Senators, that is the intention of the Senator from Mississippi.

Mr. WEICKER. Mr. President, I ask for the yeas and nays on the amendment of the Senator from Alabama.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DENTON. Mr. President, may I thank the Senator from North Carolina for his overly kind remarks, and express my deep admiration for his record of services, both before he got to the Senate and now in the Senate.

I thank the Senator from Mississippi for his clarification of the steps which we are taking to try to place this question in perspective.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Pennsylvania (Mr. SPECTER) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "yea."

Mr. ROBERT C. BYRD. I announce that the Senator from Oklahoma (Mr. BOREN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Montana (Mr. MELCHER), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. MOYNIHAN), the Senator from Arkansas (Mr. PRYOR), and the Senator from Louisiana (Mr. LONG) are absent on official business.

I also announce that the Senator from Vermont (Mr. LEAHY), and the Senator from Michigan (Mr. LEVIN) are absent because of illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM), and the Senator from Michigan (Mr. LEVIN) would each vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 21, nays 61, as follows:

[Rollcall Vote No. 370 Leg.]

YEAS—21

Armstrong	Helms	Simpson
Byrd, Harry F., Jr.	Humphrey	Symms
Denton	Jepsen	Thurmond
Garn	Laxalt	Tower
Grassley	McClure	Wallop
Hatch	Nickles	Zorinsky
Hawkins	Proxmire	
	Quayle	

NAYS—61

Abdnor	Domenici	Murkowski
Andrews	Durenberger	Nunn
Baker	Eagleton	Pell
Baucus	Exon	Percy
Bentsen	Ford	Pressler
Biden	Gorton	Randolph
Boschwitz	Hatfield	Riegle
Bradley	Heflin	Roth
Bumpers	Heinz	Rudman
Burdick	Hollings	Sarbanes
Byrd, Robert C.	Huddleston	Sasser
Chafee	Inouye	Schmitt
Chiles	Jackson	Stafford
Cochran	Johnston	Stennis
Cohen	Kassebaum	Stevens
D'Amato	Kasten	Tsongas
Danforth	Kennedy	Warner
DeConcini	Lugar	Weicker
Dixon	Matsunaga	Williams
Dodd	Mattingly	
Dole	Mitchell	

NOT VOTING—18

Boren	Hart	Melcher
Cannon	Hayakawa	Metzenbaum
Cranston	Leahy	Moynihan
East	Levin	Packwood
Glenn	Long	Pryor
Goldwater	Mathias	Specter

So Mr. DENTON's amendment (UP No. 621), as modified, was rejected.

Mr. WEICKER. I move to reconsider the vote by which the amendment was rejected.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ANNOUNCEMENT OF POSITION ON VOTE

Mr. SPECTER. Mr. President, had I been present, I would have voted against the Denton amendment, in favor of the community legal services program. I was absent at the time because I was at the White House discussing criminal justice legislation with the President and others.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I have a couple of requests I want to make but I understand the distinguished minority leader has not yet reached the floor. I shall forbear to make those requests at this time. I yield the floor.

The PRESIDING OFFICER. The question recurs on the committee amendment.

Mr. WEICKER. Mr. President, by agreement with the ranking member, I ask unanimous consent that the committee amendments be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT 622

(Purpose: To reduce funding for Legal Services)

Mr. COCHRAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Mississippi (Mr. COCHRAN) proposes an unprinted amendment numbered 622.

Mr. COCHRAN. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 32, line 23, strike out "$241,000,000" and insert in lieu thereof "$100,000,000".

Mr. COCHRAN. Mr. President, I ask unanimous consent that the following Senators be listed as cosponsors of this amendment: Mr. HAYAKAWA, Mr. NICKLES, and Mr. STENNIS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. BAKER. Mr. President, I have two unanimous-consent requests which I understand have been cleared by the distinguished minority leader.

TREATY OF TLATELOLCO

Mr. President, as in executive session, I ask unanimous consent that at 2 p.m. today, the Senate go into executive session to consider the Treaty of Tlatelolco, Executive Calendar No. 10.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Further, I ask unanimous consent that the treaty be advanced through all its parliamentary stages, up to and including the presentation of the resolution of ratification.

The PRESIDING OFFICER. Without objection, the treaty will be considered to have passed through its various parliamentary stages up to and including the presentation of the resolution of ratification, which the clerk will state.

The legislative clerk read as follows:

RESOLUTION OF RATIFICATION

Resolved (two-thirds of the Senators present concurring, therein), That the Senate advise and consent to the ratification of Additional Protocol I to the Treaty for the Prohibition of Nuclear Weapons in Latin America, also known as the Treaty of Tlatelolco, signed on behalf of the United States of America on May 26, 1977 subject to the following understandings:

(1) That the provisions of the Treaty made applicable by this Additional Protocol do not affect the exclusive power and legal competence under international law of a State adhering to this Protocol to grant or deny transit and transport privileges to its own or any other vessels or aircraft irrespective of cargo or armaments.

(2) That the provisions of the Treaty made applicable by this Additional Protocol do not affect rights under international law of a State adhering to this Protocol regarding the exercise of the freedom of the seas, or regarding passage through or over waters subject to the sovereignty of a State.

(3) That the understandings and declarations attached by the United States to its ratification of Additional Protocol II apply also to its ratification of Additional Protocol I as follows:

That the United States Government understands the reference in Article 3 of the treaty to "its own legislation" to relate only to such legislation as is compatible with the rules of international law and as involves an exercise of sovereignty consistent with those rules, and accordingly that ratification of Additional Protocol II by the United States Government could not be regarded as implying recognition, for the purpose of this treaty and its protocols, or for any other purpose, of any legislation which did not, in the view of the United States, comply with the relevant rules of international law.

That the United States Government takes note of the Preparatory Commission's interpretation of the treaty, as set forth in the Final Act, that, governed by the principles and rules of international law, each of the contracting parties retains exclusive power and legal competence, unaffected by the terms of the treaty, to grant or deny non-contracting parties transit and transport privileges.

That as regards the undertaking in Article 3 of Protocol II not to use or threaten to use nuclear weapons against the Contracting Parties, the United States Government would have to consider that an armed attack by a Contracting Party, in which it was assisted by a nuclear-weapon state, would be incompatible with the Contracting Party's corresponding obligations under Article I of the treaty.

II

That the United States Government considers that the technology of making nuclear explosive devices for peaceful purposes is indistinguishable from the technology of making nuclear weapons, and that nuclear weapons and nuclear explosive devices for peaceful purposes are both capable of releasing nuclear energy in an uncontrolled manner and have the common group of characteristics of large amounts of energy generated instantaneously from a compact source. Therefore the United States Government understands the definition contained in Article 5 of the treaty as necessarily encompassing all nuclear explosive devices. It is also understood that Articles 1 and 5 restrict accordingly the activities of the contracting parties under paragraph 1 of Article 18.

That the United States Government understands that paragraph 4 of Article 18 of the treaty permits, and that United States adherence to Protocol II will not prevent, collaboration by the United States with contracting parties for the purpose of carrying out explosions of nuclear devices for peaceful purposes in a manner consistent with a policy of not contributing to the proliferation of nuclear weapons capabilities. In this connection, the United States Government notes Article V of the Treaty on the Non-Proliferation of Nuclear Weapons, under which it joined in an undertaking to take appropriate measures to ensure that potential benefits of peaceful applications of nuclear explosions would be made available to non-nuclear-weapons states party to that treaty, and reaffirms its willingness to extend such undertaking, on the same basis, to states precluded by the present treaty from manufacturing or acquiring any nuclear explosive device.

III

That the United States Government also declares that, although not required by Protocol II, it will act with respect to such territories of Protocol I adherents as are within the geographical area defined in paragraph 2 of Article 4 of the treaty in the same manner as Protocol II requires it to act with respect to the territories of contracting parties.

Mr. BAKER. Mr. President, I ask unanimous consent that the resolution be considered under the following time agreement: 15 minutes on the resolution of ratification to be equally divided between the chairman of the Foreign Relations Committee and the ranking minority member, or their designees; and that the reported committee understandings be deemed agreed to, with no other action to occur on the resolution of ratification with the exception of the vote on the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. I ask unanimous consent that, following the vote on the resolution of ratification and a motion to table the motion to reconsider, the Senate return to legislative session and resume the State-Justice-Commerce appropriations bill or such other matters as the Senate may at that time have deemed appropriate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF THE NOMINATION OF C. EVERETT KOOP ON MONDAY, NOVEMBER 16, 1981

Mr. BAKER. Mr. President, as in executive session, I ask unanimous consent that at the hour of 3:30 p.m. on Monday, November 16, the Senate go into executive session to consider the nomination of C. Everett Koop under the following time agreement: 1 hour on the nomination to be equally divided between the chairman of the Labor and Human Resources Committee and the ranking minority member or their designees; and that the agreement be in the usual form.

Further, I ask unanimous consent that it be in order now to order the yeas and nays on the confirmation of C. Everett Koop.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I thank the Senators.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The Senate continued with consideration of the bill.

Mr. COCHRAN. Mr. President, the purpose of the amendment I have offered is to reduce the funding in this bill for the Legal Services Corporation from the amount of $241 million for the next fiscal year to $100 million. The reason for the amendment, Mr. President, is that when the Senate had before it the first budget resolution, this body agreed to set a level of funding at the amount of $100 million for this program. The committee increased that amount by $141 million.

We have heard a good deal of talk about how the appropriations bills are out of line with the budget targets, that some of them were exceeding the budget requests of the administration, and that we are running the risk of veto of these bills. I think we are all very interested in trying to hold these funding levels down to the lowest possible amount so we can stay within the budget commitment that has been made and try to get the bill signed by the President. This is a program that has been very widely discussed over the years since its creation.

People have strong feelings about it on both sides. It is not the purpose of this Senator to rehash all of the arguments for and against the merits of the Corporation. The fact is that this is the only legal services program that we have right now. There is legislation that has been reported from the legislative committee to revise the program, and there are proposals to create a new program in a block grant approach to delivering legal services to the poor. That is not yet law. The present law is a program under the auspices of the Board of Directors of the

Legal Services Corporation. But the funding level is the point that is at issue in this amendment.

Over the past 6 years, funding for the Legal Services Corporation has been increased by 248 percent. Some say if the level of funding in the bill is reduced, to what I am suggesting in this amendment, it will cripple the program. I suggest there are ways to find savings in this program just as there are in many other programs that the Federal Government supports. I have a good example, I think, of one way we can approach that dilemma.

Back in the summer, some of my constituents called my attention to a newspaper story contained in the Oxford Eagle of August 20. It is a story relating to a sign that was displayed in the window of the office of the North Mississippi Rural Legal Services. The sign said, "The Oxford Office of North Mississippi Rural Legal Services is no longer accepting new cases due to proposed Reagan budget cuts." Big sign, big letters, professionally painted, in the front window. In the same newspaper, Mr. President, 1 week later, is an invitation for bids for furnishings for the North Mississippi Rural Legal Services Offices.

The point is, if just the proposal to make cuts is going to make an office cut its caseload and make it unable to receive requests from poor people for legal services, how in the world can it have time to pick out new furniture and redecorate the offices to be paid for out of the same budget.

Mr. President, I know there are other instances where you can find examples of how savings can be made without really jeopardizing the right of poor people to services of legal counsel. I support that effort. That is why this is an effort not to cripple the program but simply to bring the funding in line with the previous level of funding and also make it consistent with the authorizing legislation level which was set at $100 million.

Mr. President, I ask unanimous consent to have printed in the RECORD the articles to which I have referred, which appeared in the Oxford Eagle.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Oxford (Miss.) Eagle, Aug. 20, 1981]

BUDGET CUTS HAMPER NMRLS

(By Alma Stead)

The sign in the window said, "The Oxford office of North Mississippi Rural Legal Service is no longer accepting new cases due to proposed Reagan budget cuts."

Client reaction to the notice ranges from bewilderment to outrage. They don't understand why no new cases are being accepted when funding for the service is available through December.

"President Reagan has proposed to abolish legal services," said Jesse Pennington, deputy director of administration for the North Mississippi program. "And lobbying against us has been going on. If the program is not abolished, there will be at least a 50 percent cutback. We can't leave the clients stuck with these cases."

At present there are some 6000 cases open among the 39 counties administrated from Oxford. A fourth of these are family cases—custody of children, visitation, adoption, paternity, abuse, support. The other three-fourths are divided among juvenile cases—the one exception to the rule that legal services attorneys must not handle criminal cases—and consumer finance (bankruptcy, installment buying, credit, public utilities, unfair sales practices) and income maintenance (social security, welfare, food stamps).

Pennington said that in Tupelo the private bar has cooperated with NMRLS by taking over some of the case either "pro bono" (Latin for "for the good") which means free, or with reduced fees or installment plan payments. "The private bar has an obligation," said Pennington.

The situation is comparable to "going out of business," as Pennington put it. "The Corporation has advised us that in order to do justice to our current clients we have to close out. Taking on a new client without knowing that our funding will be continued is doing him a disservice."

The program is not dead; Congress has not yet decided what to do about funding it, but will decide during September. Because courts work on the quarterly system, the typical time lapse from the client's first visit to the Legal Service office until his case comes to court is three months.

INVITATION TO BID

A–1; Project Name: Furnishings; North Mississippi Rural Legal Services; Oxford, Mississippi; Owner: North Mississippi Rural Legal Services

Separate, sealed bids for Furnishings for North Mississippi Rural Legal Services will be received by the Office of Hall-Burle at 426 South Lamar or P.O. Box 458, Oxford, Mississippi until 2:00 p.m. on Thursday, September 17, 1981 then publicly opened and read aloud.

The Drawings, Specifications, Bidding Documents and Contract Forms may be examined at the Office of Hall-Burle, Ltd., 426 South Lamar, Oxford, Mississippi 38655.

Copies may be obtained at the Office of Hall-Burle, Ltd., located at 426 South Lamar, Oxford, Mississippi 38655 upon deposit of $50.00. Full refund will be made for sets returned within twenty-one (21) calendar days after award of contract and in good condition.

Proposals shall be submitted in duplicate only upon the blank proposal forms provided with the Specifications and must be accompanied by Proposal Security in the form of Certified Check or acceptable Bid Bond in an amount equal to at least five percent (5 percent) of the base bid; such security to be forfeited as liquidated damages, not penalty, by any bidder who may be awarded the Contract but who fails to carry out the terms of the proposal, execute Contract and post Performance Bond in the form and amount within the time specified. The Bid Bond, if used, shall be payable to North Mississippi Rural Legal Services, Oxford, Mississippi.

All bidders shall be currently licensed in the State of Mississippi.

The Owner reserves the right to reject any or all bids and waive any and all informalities in bids.

WILHELM JOSEPH,
Executive Director.

Mr. WEICKER. Mr. President, I rise with reluctance insofar as the personal aspects of this are concerned but with enthusiasm insofar as the substance, to oppose the amendment of the distinguished Senator from Mississippi.

I will read one paragraph from a letter to Senator BAKER by the president of the American Bar Association, David Brink, and then I will rest my case, because I know my colleagues want to vote. I feel that what has been stated needs a response. Mr. Brink states:

The Legal Services Corporation has been efficiently and effectively providing routine legal services to millions of the nation's poor for the past six years, enabling these individuals to resolve through the justice system problems which might otherwise fester and grow or find resolution in ways far more costly to society. The program is a model of efficiency, with less than 2 percent of its budget going to national administrative expense. Only within the last year has the program been able to expand geographically into all areas of the country; and even at a budget level of $321 million for FY '81, and with substantial contributions of free legal services by members of the private bar, the program has not been able to provide service to all who need it. A further cutback of funding below $241 million would be devastating.

Mr. President, if the $100 million advocated by the Senator from Mississippi were the level of funding, you would have to close down most of the 323 local legal services programs.

He cites an example of fraud, waste, and abuse. I am not going to dispute that. It was obviously wrong. But it would be possible in any situation to come up with examples here and there.

The fact is that this program has worked, it has been efficient, it has not been abused in the expenditure of money, and, most important, it has assured millions of Americans of their constitutional rights.

I oppose the amendment.

Mr. STENNIS. Mr. President, I commend my colleague from Mississippi for his preparation in connection with this amendment and his very earnest presentation of it.

I oppose the amendment that would eliminate this service. I think it has a place and has done a lot of good. A great deal depends upon the attitude of some of the local leaders in various areas of the Nation where these funds are spent. That leadership sometimes is excessively aggressive and provoking, and that leads to the same kind of conduct at times on the part of the opposition.

However, as one who has formerly carried the responsibility of a trial judge, who often was called on to appoint attorneys to serve, without compensation, for those who were actually in court and charged with offenses, I have some feeling and some pride for the fact that the tradition of America is that one in need of representation in court gets it. It is one of the jewels of the legal profession, in which I still have pride, the way it has carried the load over the decades of our Nation's history and has done it without compensation.

I am opposed to the elimination of the program. I favor the reduction to a figure that is recommended by the committee which passed on it for the Senate and is also reflected, as my colleague has said, in our budget resolution.

I expect to continue to support this program, but at a lower level. I think this is excessive. I hope the amendment will prevail.

Mr. WARNER. Mr. President, I oppose the amendment and support the committee's funding level for the Legal Services Corporation for fiscal year 1982.

The funding level proposed by the Senate Appropriations Committee is $241,000,000, which represents a 25-percent

reduction in funding for the Legal Services Corporation in just 1 year. In addition, this funding level falls below the overall budget guidelines for fiscal year 1982.

Mr. President, for more than 200 years, one of the fundamental principles our Nation has honored is equal access under the law. But equal access under the law needs to be more than just an ideal for Americans. Since the inception of the Legal Services Corporation, many of the estimated 30-million low-income people in our society have been afforded the opportunity to have equal access. They may not have agreed with justice's ultimate decision, but they had the opportunity for justice to decide.

The Legal Services Corporation has given these individuals the chance to have access to professional, efficient legal service in some of the most basic arenas of our lives—housing, family situations, health. One of my constituents spoke eloquently on this issue when he wrote to me:

> The principle that all segments of our society should have access to the protections of the law must be of concern not only to lawyers, but to all persons who cherish the notion of justice and equality. It is fundamental to our society. We must ask whether legal services is a commodity to be bought and sold at market prices, reserved only for those who have the money to pay. Or do the demands of justice require that legal services be available to all persons as part of their fundamental right to equal justice under the law?

Mr. President, my support for the concept of providing Federal funding to enable persons to receive the benefit of legal counsel, providing they have inadequate personal resources to retain their own counsel, is derived from some personal experience during my own career. For nearly 5 years in the late 1950's I served as an assistant U.S. District Attorney actively engaged in criminal prosecutions in the greater Washington, D.C., area. Many times I witnessed, firsthand, indigent persons being denied the constitutional protections of our system of government, as a result of their inability to obtain proper legal representation.

Following my Government service, I entered private law practice and became one of the organizers and the principal financial sponsor of a private legal aid society, named in honor of the former Chief Judge of the U.S. Circuit Court of Appeals for the District of Columbia for whom I once served as a law clerk.

This legal aid society, the Prettyman Fellowship program, pioneered private legal aid in the Washington area and continues a leadership role to this date.

The concept of a public legal service corporation emanated from the experience of this private program and others elsewhere in the United States. While I have some misgivings about certain areas of representation provided by the Legal Services Corporation, as enumerated by my distinguished colleague from Mississippi and others, on the whole, it has carried forward notably the concept of equal access to justice for all. I hope it will profit from some of the legitimate concerns expressed during the course of this debate.

Nevertheless, I strongly urge my colleagues that we decline to support this amendment and that we accept the recommendation of $241 million for fiscal year 1982. When one considers what is at stake, this is indeed a very modest figure.

Mr. KENNEDY. Mr. President, in my earlier comments, I expressed my views about the importance of this program. I believe it is important to underline one additional point. Under the committee's recommendation, funding for the Legal Services Corporation will be reduced by 25 percent.

If we accept the Cochran amendment, we will be reducing the legal services programs by an incredible 70 percent. I am confident that no other program has been cut by this extent this year.

There is one lawyer for every 500 people in this country who are above the poverty line. Currently, the Corporation provides only two lawyers for every 10,000 poor people. I cannot believe that Senator COCHRAN feels this is excessive.

If we accept the Cochran amendment, we will effectively emasculate the guarantee of equal rights under law to millions of Americans. It seems to me to be too drastic a cut for such an important program, particularly considering its widespread support by the public, the bar, and the judges.

A great deal has been stated, both on this floor and in speeches across the country, about the importance of law and order.

It seems to me if we deny access to the courts to a significant segment of our population then we are going to be inviting individuals to seek redress for their difficulties outside of the law.

One final point that I would like to make. This program has one of the smallest administrative budgets in relationship to the dollars expended of any Federal program—approximately 3 percent. And even this 3 percent is already being cut in half under the spending proposals of the Legal Services Corporation. It is being effectively administered. The resources that are being appropriated are actually going out into the field. The cases that they are bringing have a sense of legitimacy and justice. I hope the amendment is defeated.

Mr. MITCHELL and Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. I yield to the Senator from Texas.

Mr. BENTSEN. Mr. President, I really do not believe that requiring private law firms to increase their pro bono caseload is the answer to this problem. I think it is done on a hit or miss basis, and that does not provide an equal opportunity for all Americans to gain access to our judicial system.

Let me give a personal example of that. I have a law degree. I have a license, but I sure do not think of myself as an attorney. I practiced about 6 months. I am still a member of the bar.

I recall one time when I called my office and asked my secretary, "What do we have in the mail that is important?" She answered, "Well, you have a letter here from a court that says that you are supposed to represent an indignant defendant." I said, "Are you sure that does not say indigent?" She said, "Oh, I guess it does." I said, "You were right in the first instance. If I went down there to represent that particular defendant and I had about 15 minutes with him, he would throw himself on the mercy of the court. He should be indignant because I certainly have no practice and experience that would qualify me to properly represent that man."

So I called the court and I asked them if they could not substitute someone who could really represent that person, and they did.

I would hate to see us go back to that kind of a practice. The staff attorneys of the Legal Services Corporation are, for the most part, dedicated members of the bar. Certainly, there have been some abuses, especially in the areas of class action and "social change" type suits, and these abuses should be curtailed.

So when we talk about equal access before the law, let us not limit it only to those people who have the finances necessary to obtain it. Let us not add to the frustrations of the poor who think that they have somehow been dealt out of this economic system and that there is no one to speak up for them and to share their concerns and to try to represent them.

So even though I have been one who is voting for cut after cut, this is one I am not going to go along with. I agree with the cut of 25 percent but I think if we go to the extent that my good friend from Mississippi is proposing, then I think that we have devastated the program.

So I am going to support my friend from Connecticut and oppose this particular amendment.

Mr. MITCHELL. Mr. President, I think the Senator from Texas has touched upon an important point here and that is the quality of representation.

I have had opportunity to have spent a good part of my adult life in the courtroom as an attorney and as a judge. I have appeared on both sides, as a prosecutor and as a defense attorney. I have appeared on the other side of Legal Service lawyers, and I have had them appear in my courtroom when I served as a judge.

I say that it may be a standard in this Nation that all men are equal before the law, but that is a standard that is not met if one person does not have quality representation.

De Tocqueville said that the United States was a nation unique in its respect for and adherence to the law, and indeed it is.

And the law plays a crucial role in our society. Indeed, almost daily in this Chamber we are told that the courts are too important in our society and that the jurisdiction, role, and participation that they play in our society must be reduced. That is a separate question not to be decided today, but there can be no

doubt that the law is a crucial and important element in our society.

If a person is going to have adequate representation is an important factor in whether a person is to have his or her rights vindicated. People are not equal before the law if they do not have quality representation.

The poor people of this country are desperately in need of that representation, particularly at a time when legal costs are escalating almost beyond sight.

It is a rare case in any court in this country, State or Federal, in which the legal fees do not exceed the amount in dispute. Even large corporations are now unable to litigate and unable to fight for their rights because they cannot afford the legal fees.

And the first question that anyone ever asked me when they came in to ask me to try a case for them was, "How much will it cost," because it costs a great deal. The average citizen cannot afford it, let alone low-income and poor people, in our society.

This is a good program. The people who work in the Legal Services are for the most part dedicated, decent committed people who are trying to do a job to improve our society and who are doing it.

I think it would be a serious error, very adverse to the interest of our society as a whole were we to accept this amendment which virtually eliminates a program that has done a great deal of good. There undoubtedly have been excesses. There undoubtedly have been mistakes. Of what human institution could that not be said?

But this program has by and large been good. It has been a positive force for good in our society. It has made a little more realistic the ideal of equality before the law in our society. It should not be eliminated which this amendment virtually does.

I urge the Members of this Senate to oppose the effort to deprive those in our society who are deprived of so much else of the opportunity to stand equal before American law.

Thank you, Mr. President.

Mr. COCHRAN. Mr. President, I ask unanimous consent that Senator THURMOND be listed as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I am about ready to make a motion to table the amendment of the distinguished Senator from Mississippi. I want to make certain that everyone has had his or her say. I do not intend to close off any remarks.

Mr. President, I move to table the amendment of the Senator from Mississippi, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Mississippi.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. EXON (when his name was called). Mr. President, on this vote I have a live pair with the Senator from Ohio (Mr. METZENBAUM). If he were here and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. STEVENS. I announce that the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), the Senator from Maryland (Mr. MATHIAS), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "nay."

Mr. ROBERT C. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Montana (Mr. MELCHER), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. MOYNIHAN), the Senator from Arkansas (Mr. PRYOR), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) and the Senator from Michigan (Mr. LEVIN) are absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. BAUCUS), the Senator from Colorado (Mr. HART), the Senator from Vermont (Mr. LEAHY), the Senator from Michigan (Mr. LEVIN), and the Senator from New York (Mr. MOYNIHAN) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 33, as follows:

[Rollcall Vote No. 371 Leg.]

YEAS—48

Abdnor	Domenici	Murkowski
Andrews	Durenberger	Pell
Baker	Eagleton	Percy
Bentsen	Ford	Pressler
Biden	Gorton	Randolph
Boschwitz	Hatfield	Riegle
Bradley	Heflin	Rudman
Bumpers	Heinz	Sarbanes
Burdick	Hollings	Sasser
Chafee	Huddleston	Schmitt
Cohen	Inouye	Specter
D'Amato	Jackson	Stevens
Danforth	Johnston	Tsongas
DeConcini	Kennedy	Warner
Dixon	Matsunaga	Weicker
Dodd	Mitchell	Williams

NAYS—33

Armstrong	Helms	Quayle
Byrd, Harry F., Jr.	Humphrey	Roth
	Jepsen	Simpson
Byrd, Robert C.	Kassebaum	Stafford
Chiles	Kasten	Stennis
Cochran	Laxalt	Symms
Denton	Lugar	Thurmond
Dole	Mattingly	Tower
Garn	McClure	Wallop
Grassley	Nickles	Zorinsky
Hatch	Nunn	
Hawkins	Proxmire	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Exon, against.

NOT VOTING—18

Baucus	Goldwater	Mathias
Boren	Hart	Melcher
Cannon	Hayakawa	Metzenbaum
Cranston	Leahy	Moynihan
East	Levin	Packwood
Glenn	Long	Pryor

So Mr. WEICKER's motion to lay on the table UP amendment No. 622 was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from North Carolina is recognized.

(Mr. KASTEN assumed the Chair.)

Mr. HELMS. Mr. President, I raise the point of order that this committee amendment is authorization language on an appropriation bill.

Mr. WEICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. What is the pending business?

The PRESIDING OFFICER. The pending business is the fourth committee amendment dealing with immigration.

Mr. WEICKER. I do not think my good friend from North Carolina wants to raise a point of order against that amendment.

Mr. HELMS. Mr. President, did we not just vote on an amendment to the Legal Services Corporation?

Mr. WEICKER. My good friend from North Carolina will recall we did not. The committee amendment was laid aside. The amendment was being addressed to the bill.

Mr. HELMS. Does the Senator want me to wait until the committee amendment comes back up? Whatever he wishes, I will accede to.

Mr. WEICKER. I am not playing games at all. I just did not want the Senator to be overruled on the point of order. It would have not lain against the fourth amendment.

Mr. HELMS. I thank the distinguished Senator for his courtesy. The Chair is saying that we did not automatically continue on the Legal Services question. Is that correct? The amendments of Senator DENTON and Senator COCHRAN addressed the bill, and not the committee amendment, did they not?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. Very well. I will withhold until excepted committee amendment 7 is pending?

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEVENTH EXCEPTED COMMITTEE AMENDMENT—PAGE 32, LINE 23 THROUGH PAGE 36, LINE 10

Mr. WEICKER. Mr. President, by agreement with the ranking member, I now ask that the pending business be the seventh committee amendment.

The PRESIDING OFFICER. The seventh committee amendment is now before the Senate.

The seventh excepted committee amendment is as follows:

On page 32, line 23, strike ": Provided", through and including "Representatives" on page 33, line 1, and insert the following: *Provided*, That none of the funds appropriated in this Act shall be expended to provide legal assistance for or on behalf of any alien unless the alien is a resident of the United States and is—

(1) an alien lawfully admitted for permanent residence as an immigrant as defined by sections 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a) (15), (20));

(2) an alien who is either married to a United States citizen or is a parent or an unmarried child under the age of twenty-one years of such a citizen and who has filed an application for adjustment of status to permanent resident under the Immigration and Nationality Act, and such application has not been rejected;

(3) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157, relating to refugee admissions) or who has been granted asylum by the Attorney General under such Act; or

(4) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h)).

An alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203 (a)(7) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity shall be deemed, for purposes of section 1007 (b)(11) of the Legal Services Corporation Act, to be an alien described in subparagraph (C) of such section: *Provided further*, That none of the funds appropriated in this Act shall be used by the Legal Services Corporation in making grants or entering into contracts for legal assistance unless the Corporation insures that any recipient organized primarily for the purpose of providing legal assistance to eligible clients is governed by a body at least 60 percent of whose membership consists of attorneys who are admitted to practice in the State in which the legal assistance is to be provided and who are appointed to terms of office on the governing body by the governing bodies of State, county, or municipal bar associations the membership of which represents a majority of the attorneys practicing law in the locality in which the recipient is to provide legal assistance. Any such atttorney, while serving on such board, shall not receive compensation from a recipient: *Provided further*, That none of the funds appropriated in this Act shall be expended by the Corporation to participate in litigation unless the Corporation or a recipient of the Corporation is a party, or a recipient is representing an eligible client in litigation in which the interpretation of this title or a regulation promulgated under this title is an issue, and shall not participate on behalf of any client other than itself: *Provided further*, That none of the funds appropriated in this Act shall be available to any recipient to be used, directly or indirectly—

(A) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or other device, intended or designed to influence any decision by a Federal, State, or local agency, except where legal assistance is provided by an employee of a recipient to an eligible client on a particular application, claim, or case, which directly involves the client's legal rights and responsibilities, or

(B) to influence any Member of Congress or any other Federal, State, or local elected official to favor or oppose any Acts, bills, resolutions, or similar legislation, or any referendum, initiative, constitutional amendment, or any similar procedure of the Congress, any State legislature, any local council, or any similar governing body, except that this subsection shall not preclude such funds from being used in connection with communications made in response to any Federal, State, or local official, upon the formal request of such official: *Provided further*, That none of the funds appropriated in this Act shall be used to bring a class action suit against the Federal Government or any State or local government except in accordance with policies or regulations adopted by the Board of Directors of the Legal Services Corporation.

Mr. WEICKER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated November 3, 1981, signed by 37 Senators, in connection with funding for the Legal Services Corporation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR COLLEAGUE: Within the next few days the Senate will be considering H.R. 4169, funding for the Departments of State, Justice, Commerce, the Judiciary and Related Agencies for Fiscal Year 1982. We are writing to ask your support for the Committee's action regarding funding for the Legal Services Corporation.

The Committee has recommended a funding level of $241,000,000 for the Legal Services Corporation. Restrictions have been placed on the Corporation in four major areas. These provisions restrict lobbying activities; limit involvement in class action suits against Federal, State and local governments; establish requirements to give the local bar a greater voice in legal service programs; and, restrict Corporation involvement in the representation of aliens.

Legitimate concerns about the operation of the Legal Services Corporation have been expressed by members of the Senate. The Committee has effectively dealt with these concerns in a manner that will prevent abuse while continuing the most important activities of this program.

The $241.000.000 figure represents a 25 percent reduction in funding for the LSC, and it does not exceed the budget. Although this figure exceeds the assumption under the First Budget Resolution figures, the subcommittee decreased funding in other programs within its jurisdiction to stay within its overall budget guidelines.

We believe that the Corporation is necessary to insure that all citizens are provided access to our system of justice. We will support the Committee proposal during floor consideration of H.R. 4169 and urge you to join with us.

With kindest personal regards.

Lowell P. Weicker, Jr., Chairman, State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee; Ernest F. Hollings, Ranking Minority Member, State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee; David Durenberger, Warren Rudman, Edward M. Kennedy, Dennis DeConcini, Daniel K. Inouye, Ted Stevens, Mark O. Hatfield, Howard M. Metzenbaum, Paul S. Sarbanes.

John C. Danforth, Henry M. Jackson, George J. Mitchell, Thomas F. Eagleton, Arlen Specter, Daniel Patrick Moynihan, Patrick J. Leahy, Dale Bumpers, Slade Gorton, John H. Chafee, Donald W. Riegle, Walter D. Huddleston, Harrison A. Williams, Jr., John Heinz, Quentin N. Burdick.

Jennings Randolph, Bill Bradley, Charles H. Percy, Spark M. Matsunaga, William S. Cohen, Christopher Dodd, Claiborne Pell, Joseph R. Biden, Jr., Paul E. Tsongas, Charles McC. Mathias, Jr., David Pryor.

Mr. HOLLINGS. Mr. President, I rise in support of the Appropriations Committee's approach to funding for the Legal Services Corporation. Let me explain several things about the committee's approach to the $241 million appropriated for the Legal Services Corporation in this bill. I hope these explanations will lay to rest many of the issues that will undoubtedly be brought forward by the critics of this program.

The Senate Appropriations Committee has recommended a funding level for the Legal Services Corporation of $241 million for the 1982 fiscal year. This is a 25-percent reduction from its current funding level. Let me emphasize that a 25-percent reduction is substantial and severe. It will definitely mean that branch offices around the country will be closed, clients will be denied civil legal services, and fewer cases will be brought. The national office of the Corporation has already been pared to the bone in anticipation of such a cut.

I strongly urge against any action to cut this program further. We simply cannot maintain it in all parts of the country at any lower levels. An appropriation level in the $100 million range is not practical. You simply cannot maintain this program with a 70-percent cut, which a $100 million appropriation would be.

If you do not believe in legal services for the poor, then abolish the program. But do not waste valuable dollars funding it at such a low level it cannot possibly do its work.

Some of my colleagues will try to tell you that this $241 million appropriation for legal services will "bust the budget" and that it exceeds the first concurrent budget resolution. As the ranking member of the Senate Budget Committee, I have some knowledge of the work of that committee this year. I can tell you absolutely that this appropriation is not in conflict with and is not inconsistent with the first concurrent budget resolution.

Maybe we should remind ourselves what the budget resolution in fact does: It sets ceilings. It sets ceilings on functional areas. Agencies are not line itemed

in the first concurrent budget resolution. If you read that resolution you will not find one word in it about funding for the Legal Services Corporation. Rather it sets functional ceilings which have been allocated to the various appropriations subcommittees. Rather than "busting the budget," this State, Justice appropriations bill is under the allocations of the first concurrent budget resolution in its appropriations. In fact, it is $169 million under that first concurrent resolution. I repeat, it is simply not the case that funding the Legal Services Corporation is inconsistent with the first concurrent budget resolution.

We have all heard many horror stories about legal services. Some of the stories may have shreds of truth in them, but far too many just do not stand up when compared to the actual facts. Nevertheless, our committee took action—strong and bipartisan action—to deal with the most offensive activities of the legal services program. We placed restrictions on the use of the funds appropriated to the Legal Services Corporation for fiscal year 1982.

There have been many complaints about improper lobbying activities. The committee has added an amendment which narrowly allows legislative advocacy by a Legal Services lawyer for an eligible client.

There have also been complaints about the use of class actions by Legal Services lawyers. Even though class actions constitute only a very, very small percentage of the cases handled by legal services programs, the committee decided controls were needed. Therefore, we added an amendment to restrict the use of appropriated funds for class action lawsuits against Federal, State or local governments, except in accordance with policies and regulations adopted by the Board of Directors of the Legal Services Corporation.

The committee included an amendment limiting the use of funds for the representation of aliens. We defined specifically those aliens for whom representation may be provided.

Finally, to increase the involvement of the local bar associations in the governance of the local legal services programs, we included an amendment requiring local bar associations to name the lawyer board members to the local program's board of directors.

With these restrictions, the committee believes that the Legal Services Corporation and its programs will be able to continue to provide legal services while avoiding the problems in the past.

As a final note, I want to explain one other vital fact about the Legal Services Corporation. It is governed nationally by a Board of Directors whose members are appointed by the President of the United States with our advice and consent. We have heard criticisms that the Corporation and its Board of Directors are too liberal or too radical. Yet at this very moment President Reagan has the authority—and many would say responsibility—to appoint the entire Board, all 11 members of the Board of Directors of the Legal Services Corporation. If the administration is critical of the current Board and its policies, then the President should take steps to replace the current leadership. It seems strange to me that the President would not exercise his authority here—especially with a program with which he has strong disagreements.

I believe that the actions taken by the committee in imposing new restrictions should be accompanied by action by the President in appointing a new Board of Directors to insure new leadership is brought to this program.

Therefore I urge all Members to support this bill.

● Mr. GRASSLEY. Mr. President, I have long been concerned with evidence that has been presented to me as a Member of the House and Senate, that the Legal Services Corporation has strayed far from the intentions of Congress when it gave birth to the organization in 1974. The Legal Services Corporation, at times, has abandoned its original purpose of providing equal access to the courts for the Nation's poor and, instead, given chase to social activism and law reform.

I have, in the past, brought to the attention of my colleagues a number of incidents which have occurred in my own State that would bear out that assertion. I do not intend to go into any more detail, at this time, as to the particulars of those situations. Suffice it to say, however, that I am pleased the Congress has recognized the need to place more stringent restrictions and provide specific guidance for the activities of the Legal Services Corporation and its grantees. I commend the committee for its responsiveness to these sorely needed changes.

However, I concur with my distinguished colleagues from North Carolina and South Carolina that there are several areas of reform that are not covered as comprehensively in the committee amendment as they were in the House. I would, therefore, urge my colleagues to support Mr. HELMS and Mr. THURMOND in opposing the committee amendment to the Legal Services program and preserving the House's actions.

I prefer the House version of operating restrictions on the Legal Services Corporation because I feel that it would more effectively counter abuses that have been documented in this program. For example, the committee amendment provides that no funds appropriated under this act may be used to bring class action suits against the Federal, State, and local governments, unless such action is brought in accordance with policies or regulations adopted by the Board of the Corporation.

Currently, local boards can authorize class action suits. The committee's intent that the Board itself regulate class action suits through issuance of policies and regulations is, I admit, an improvement over current law. However, the House amendments place an overall prohibition on such actions which, in my mind, is more desirable.

In addition, I feel that the House version offers more detailed restrictions on the use of funds to support legal activities in cases relating to abortions, unless abortion is necessary to save the life of the mother. It would not prohibit, however, the provision of legal advice to an eligible client with respect to the client's legal rights and responsibilities. This is a reasonable approach and one that is undoubtedly superior to current law. Let me add that the committee amendment contains no clarification or provision regarding the use of funds for abortion cases.

In general, I would like to emphasize that the House version offers a more detailed framework for control of Legal Services Corporation's activities. While the House restrictions are not a cure-all, they certainly represent a more effective approach than those proposed by the committee. I am hopeful that they would help bring this program closer to its congressional mandate and would insure that Federal moneys received by LSC grantees are spent properly. Therefore, I urge my colleagues to oppose the committee's amendment and retain the more restrictive House language.●

Mr. THURMOND. Mr. President, today, I wish to express my opposition to the committee amendment to the State-Justice-Commerce appropriations bill, dealing with restrictions on the Legal Services Corporation.

The amendment would delete the operating restrictions placed on the Legal Services Corporation by the House of Representatives, and would substitute for these restrictions new guidelines for LSC activities substantially less restrictive than those proposed by the House.

Mr. President, the House-passed restrictions are designed to prevent the repeated past abuses which have been perpetrated by LSC employees. Rather than attending to the legitimate, basic legal needs of the poor and disadvantaged, the grantees of the Corporation and their employees have, in many instances, misused taxpayer dollars to promote their own personal ideas of social justice or change, using the poor they represent to obtain standing in their suits. This misuse of taxpayer dollars must stop.

While I do not believe the House restrictions are a certain cure for the abuses which have occurred in the past, indeed I remain opposed to further funding for the LSC at this time, the House restrictions certainly represent a more realistic approach to assuring a proper use of taxpayer dollars than do those proposed by the committee.

This Corporation, originally designed to give aid to those Americans too poor to afford legal help in such basic matters as settling disputes with their landlords or domestic relations problems such as divorce and child support, has instead become a weapon used by social and judicial activists in an unending battle against the very Government that funds their activities. The Federal Government simply has no business funding Legal Services Corporation activities promoting abortions, advocating forced school busing or lobbying the Congress and State legislatures. All Americans deserve their day in court; however, experimentation on behalf of novel legal theories and rights, where it is pursued,

should be pursued through the private sector, not with Government funding supplied for the purpose of helping lower income Americans with basic legal services.

If my colleagues will compare the House-passed restrictions with those being offered by the committee, they will find that the concerns I have just disclosed are presented and addressed in a much more detailed, comprehensive, and effective manner by the House. The committee restrictions do not prohibit class actions against Federal, State, and local governments; the House restrictions do. The committee restrictions do not address the problem of LSC involvement and participation in abortion cases; the House restrictions do. The committee restrictions do not address the problem of LSC involvement and participation in cases dealing with homosexuality; the House restrictions do.

Mr. President, the House restrictions are simply better than those proposed by the committee; it is as simple as that. If we are to continue funding the Legal Services Corporation, continue to finance the activities of hundreds of attorneys across this country, we should try our best to assure that the services to be provided are only those which were intended by the Congress. I do not believe there is much question as to which set of restrictions now before us are better able to perform this function.

I urge the defeat of the committee substitute for the House language.

● Mr. RIEGLE. Mr. President, I rise to state my strong support for the $241 million appropriation level for the Legal Services Corporation for fiscal year 1982.

I, for one, would have preferred to see legal services maintained at present funding levels. Cuts in this vital program can only add to the frustration and hardship of poor people who are already forced to contend with massive cuts in social service, education, and health programs. To cripple or eliminate the budget of the Legal Services Corporation—fully 93.4 percent of which goes directly to local agencies who deliver necessary legal services to the poor—is false economy, pure and simple. Nevertheless, the $241 million appropriation included in this bill is a substantial improvement over earlier figures proposed by the administration.

The committee has responded to criticism of the Corporation's activities voiced by some Members of this body by attaching several new restrictions to the legal services program. Although I intend to support the bill in its present form, I question the wisdom of a process which would seek to intrude on the judgment of an attorney as to how he or she might best serve a given client's needs. I would further question sanctions which would limit the access of poor, disabled and elderly citizens to legal assistance available to more affluent members of our society.

And finally, I am concerned that the new provisions outlining the composition of local governing boards may act to severely limit the representation of members of minority and women's bar associations. Although I question the restrictions, I believe the committee has acted responsibly to address controversy surrounding the Corporation's activities in order to insure the continuation of vital legal services to our Nation's needy. I would only hope that the serious deliberation of the committee on these issues will be respected, and that no further efforts to intrude on the attorney/client relationship will be supported by this body.

Mr. President, I have long been a supporter of the Legal Services Corporation. Its record of efficiency is commendable and demonstrates the wisdom of a program that channels funds directly to the local agencies which provide legal services, without intervening of separate State and local bureaucracies.

I argued strongly for the inclusion of funding for this program during Budget Committee consideration of the first budget resolution. As a cosponsor of legislation to reauthorize the Legal Services Corporation, I have opposed efforts in committee and on the floor to eliminate this important program. Access to the justice system for all its members may be the single most important indicator of a healthy democratic society. I urge my colleagues to join me today in support of continued funding for the Legal Services Corporation.●

Mr. HELMS. Mr. President, I think it is essential to point out at this point that the Senate committee amendment is totally inadequate to restrain the Legal Services Corporation. The Senate version leaves out many important restrictions for cutting off the expenditure of taxpayers' money to recipient organizations which violate regulations, as well as restrictions on encouraging political activities, labor or antilabor activities, boycotts, strikes, demonstrations, prohibitions on litigation relating to abortion (unless necessary to save the life of the mother), on litigation relating to school desegregation, on lobbying.

Those are just a few. And also, the Senate version omits the requirements for audits which the House version has: It omits authority for GSA participation in such audits.

In other words, Mr. President, the committee language is totally unsatisfactory.

Mr. President, I raise the point of order that committee amendment No. 7 is authorization language in an appropriation bill.

Mr. WEICKER. Mr. President, I raise the question of germaneness of the committee amendment.

The PRESIDING OFFICER. The question of germaneness having been raised, under rule XVI it must be submitted to the Senate without debate. The question is, Is the amendment germane?

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is, Is the committee amendment on page 32, line 23, through and including page 36, line 10 germane?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), the Senator from Maryland (Mr. MATHIAS), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "nay."

Mr. ROBERT C. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Montana (Mr. MELCHER), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. MOYNIHAN), the Senator from Arkansas (Mr. PRYOR), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) and the Senator from Michigan (Mr. LEVIN) are absent because of illness.

I further announce that, if present and voting, the Senator from Michigan (Mr. LEVIN) and the Senator from Ohio (Mr. METZENBAUM) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 23, as follows:

[Rollcall Vote No. 372 Leg.]

YEAS—57

Abdnor	Dole	Mitchell
Andrews	Durenberger	Nunn
Baker	Eagleton	Pell
Bentsen	Ford	Percy
Biden	Gorton	Pressler
Boschwitz	Hatfield	Randolph
Bradley	Hawkins	Riegle
Bumpers	Heflin	Rudman
Burdick	Heinz	Sarbanes
Byrd, Robert C.	Hollings	Sasser
Chafee	Huddleston	Schmitt
Chiles	Inouye	Specter
Cochran	Jackson	Stafford
Cohen	Johnston	Stennis
D'Amato	Kassebaum	Stevens
Danforth	Kennedy	Tsongas
DeConcini	Laxalt	Warner
Dixon	Lugar	Weicker
Dodd	Matsunaga	Williams

NAYS—23

Armstrong	Helms	Quayle
Byrd, Harry F., Jr.	Humphrey	Roth
	Jepsen	Simpson
Denton	Kasten	Symms
Exon	Mattingly	Thurmond
Garn	McClure	Tower
Grassley	Nickles	Wallop
Hatch	Proxmire	Zorinsky

NOT VOTING—20

Baucus	Goldwater	Melcher
Boren	Hart	Metzenbaum
Cannon	Hayakawa	Moynihan
Cranston	Leahy	Murkowski
Domenici	Levin	Packwood
East	Long	Pryor
Glenn	Mathias	

The PRESIDING OFFICER. The amendment is germane, and the point of order falls.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment is germane and the point of order falls.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the Chair.

Mr. President, we have just gone through a little exercise for the purpose of proving a point.

Since the day I came the first time in this Chamber I have heard all sorts of declarations about legislating on an appropriations bill. Horrors upon horrors, the very idea of legislating on an appropriations bill.

Now we see the truth. It depends on whose ox is getting gored.

I ask the Chair: What was the tally on the last vote?

The PRESIDING OFFICER. The tally was 57 yeas and 23 nays on the last vote.

Mr. HELMS. Fifty-seven to twenty-three. All right. We have at least 57 of our colleagues who are on record now saying it is OK to legislate on an appropriations bill.

You cannot get around it. I do not want to hear any complaints from my colleagues when I bring up a social issue, or whatever, about legislating on an appropriations bill.

That is the reason I raised that point of order.

I entertained little hope at all that the Senate would examine the germaneness in a proper way.

Let me make one more confession. I favor legislating on an appropriations bill; and I am going to continue when I think it is in the best interest of the American people to attempt to legislate on an appropriations bill.

That said, Mr. President, let us see what this committee amendment that is in dispute is all about. The House made the appropriations of $241 million subject to the restraints of H.R. 3480, the authorization bill which has already passed the House. The committee struck the House language and inserted weak language of its own. Let us look on page 4 of H.R. 3480, beginning on line 7, with the title "Enforcement and Sanctions."

We are talking about H.R. 3480, the House version incorporated by reference in H.R. 4169, beginning on page 4, line 7. We are talking about the House bill which provided all sorts of protections and enforcement sanctions. Section 4 reads:

SEC. 4. (a) Section 1006(b)(5) of the Legal Services Corporation Act (42 U.S.C. 2996(b)(5)) is amended by striking out the second sentence and inserting in lieu thereof the following: "The Board, within thirty days after the date of enactment of the Legal Services Corporation Act Amendments of 1981, shall issue regulations to provide for the enforcement of this title, which regulations shall include, among available remedies, provisions for the immediate suspension of financial assistance under this title, suspension of an employee of the Corporation or any employee of any recipient by such recipient, and the reduction or termination of such assistance or employment as deemed appropriate for the violation involved.

The committee amendment makes no provision for suspending funds to violators of the regulations.

Let us move on to page 7, line 7:

LIMITATION ON CLASS ACTIONS

SEC. 6. Section 1006(d)(5) of the Legal Services Corporation Act (42 U.S.C. 2996e(d)(5)) is amended by adding at the end thereof the following: * * *

And note how straightforward the House version is:

No class action suit may be brought against the Federal Government or any State or local government.

That is all there is: The committee adds provisions to render the prohibition nugatory.

In other words, our committee says, "Come on, boys, use the taxpayers' money to sue the Federal Government, the State government, the local government."

On the same page 7 Liability for Attorney's Fees:

SEC. 7. Section 1006(f) of the Legal Services Corporation Act (42 U.S.C. 2996c(f)) is amended to read as follows:

"(f) If an action is commenced by the Corporation or by a recipient and a final order is entered in favor of the defendant and against the Corporation or a recipient's plaintiff, the court shall, * * *

And note, from this point on, what the House says:

* * * upon motion by the defendant and upon a finding by the court that the action had no reasonable basis in law, or fact, enter an order (which shall be appealable before being made final) award reasonable costs and legal fees incurred by the defendant in defense of the action, * * *

Mr. President, is that not reasonable? Should we allow Legal Services to attack citizens when there is no reasonable basis in law, and force those citizens to bankrupt themselves with legal defense fees?

Mr. President, I know that there are not many Senators listening, but I hope that somewhere along the line all Senators and a great many other people will read the text of what I am saying later on. It will be too late because the committee amendment is going to be adopted. Senators are not paying any attention to the implications of it, and it is a Friday afternoon and all the rest of it.

But let us move on to page 8 of H.R. 3480. At line 13, this is under the heading, "Negotiation Requirement,"

SEC. 8. Section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)), as amended by section 4(c) of this Act, if further amended—

(1) in paragraph (9) by striking out "and" after the semicolon;

(2) in paragraph (10) by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

And so forth.

(Mr. KASTEN assumed the Chair.)

Mr. HELMS. We get down to line 13, and listen carefully:

Require recipients to attempt to negotiate a settlement of controversies before filing suit in order to prevent the persistent incitement of litigation and to encourage the resolution of such controversies through compromise and settlement rather than through litigation,

Our committee never addressed that problem. They said, "Go on, have these lawsuits financed by the taxpayers; don't try to resolve anything. Let these Legal Services Corporation lawyers just have at it."

Page 9, beginning at line 10, and refers to the involvement of the private bar:

(12) in each fiscal year, to the extent feasible and consistent with paragraph (3) of this subsection make available substantial amounts of funds to provide the opportunity for legal assistance to be rendered to eligible clients by private attorneys,

Why did the committee ignore that issue? No, we seem to want a horde of Government attorneys on the payroll.

Page 11 of H.R. 3480 with respect to the section "Allocation of Funding" which actually begins on line 17 of page 10, paragraph (14):

Unless minimum access to legal assistance is available or provided in all parts of the country, allocate basic field grants so as to insure

Here is the point:

that no greater level of access to legal assistance funded by the Corporation is available or provided to any part or area of the country than is available or provided to all parts of the country.

Out the window it went, Mr. President. Why should not the Corporation's funds be distributed on an equitable geographic basis?

On the same page, page 11, line 24, the issue of participation by the private bar is raised again:

At least one recipient in each State provides legal assistance to eligible clients through a private bar component with open participation rights by members of the bar.

I thought we were trying to encourage the bar to help the needy.

Page 12, the same page, line 22:

No funds made available to carry out this title may be used (1) to provide legal assistance to promote, defend, or promote homosexuality,

The House tried to deny legal assistance to promote, defend, or protect homosexuality. The House took a position on that. The Senate said, "Oh, no, we will strike that."

Moving on to the next page, page 13, line 9, the committee amendment completely failed to include House restrictions intended—

to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, including the dissemination of information about such policies or activities,

Now, those important restrictions were omitted. It is like saying, "Go ahead, boys and girls, use the taxpayers' money to promote particular public policies or political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, including the dissemination of information about such policies or activities." Out the window it went.

Same page, line 19, another key restraint was left out. The House language prohibited funds—

to provide legal assistance with respect to any proceeding or litigation relating to abor-

tion unless such abortion is necessary to save the life of the mother,

The House would have excluded funds for that. The Senate took that out.

Page 14, line 6, the House did not feel it appropriate to provide legal assistance with respect to, and I am quoting line 6:

to provide legal assistance with respect to any proceeding or litigation relating to the desegregation of any elementary or secondary school or school system.

That was taken out.

Page 17 under "Civil Actions" line 2 of this authority was omitted:

The Corporation may bring an action in the appropriate district court of the United States to compel the specific performance of any agreement between the Corporation and any recipient for the provision of legal services under this title.

In other words, the Corporation would not have grounds to sue, if its contracts were breached, under the Senate committee version.

Well, that is not all of them, Mr. President, but I think it illustrates the point. This has been a very valuable day for me because now I understand the arithmetic of the position of the majority of Senators on this business of legislation on appropriation bills. Fifty-seven Senators say it is OK to legislate on this bill.

The Chair would absolutely have ruled in favor of my point of order had it not gone to the germaneness issue at the insistence of the distinguished and able Senator from Connecticut, who is my friend. I think Senator WEICKER knew how the Chair was going to rule on my point of order.

So I say again, Mr. President, the committee amendment is totally inadequate to restrain the abuses and derelictions of the so-called Legal Services Corporation.

The Senate version leaves out important restrictions for cutting off aid to recipient organizations which violate regulations as well as restrictions on encouraging political activities, labor or antilabor activities, boycotts, strikes, demonstrations, prohibition on litigation relating to abortion unless necessary to save the life of the mother, on litigation relating to school desegregation, on lobbying.

Here we are appropriating $241 million without authority, without proper consideration of what restraints ought to be on that authority. Many Senators said earlier that they thought the Legal Services Corporation was important to the concept of law and order. We have no law and no order. There is no legislation, only the appropriation. This is not an orderly way to proceed.

That is the reason, Mr. President, why I say the committee amendment ought to be rejected.

No doubt this amendment will not be rejected. I am speaking in a virtually empty Chamber, and this is one of these issues where public perception prevails instead of what the legislation itself says. The media will help promote the myth that those who question or oppose this Legal Services Corporation are ipso facto opposed to legal services for the poor.

I protest that perception. The question is how those services will be delivered.

I yield the floor.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized. Prior to that I wish to indicate that there is a previous order scheduled for 2 p.m. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I wish to alert my good friend from North Carolina and I want to have him hear what I have to say. I move the adoption of committee amendment No. 7.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Is there time to have the yeas and nays?

The PRESIDING OFFICER. The yeas and nays have been ordered. However, under the previous order, the hour of 2 o'clock having arrived, the Senate will now go into executive session to consider Executive Calendar No. 10, which the clerk will report.

Mr. WEICKER. Mr. President, I ask unanimous consent that the special order commence at 2:20 rather than the hour of 2 o'clock.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The special order for 2 o'clock will be delayed until 2:20.

The PRESIDING OFFICER. Is there further debate on committee amendment No. 7? If not, the question is on agreeing to committee amendment No. 7. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Vermont (Mr. STAFFORD) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "nay."

Mr. ROBERT C. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. MOYNIHAN), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) and the Senator from Michigan (Mr. LEVIN) are absent because of illness.

I further announce that, if present and voting, the Senator from Michigan (Mr. LEVIN), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Montana (Mr. BAUCUS) would each vote "yea."

The PRESIDING OFFICER (Mrs. KASSEBAUM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 33, as follows:

[Rollcall Vote No. 373 Leg.]

YEAS—47

Abdnor	Durenberger	Pell
Andrews	Eagleton	Percy
Baker	Ford	Pressler
Biden	Gorton	Randolph
Boschwitz	Hatfield	Riegle
Bradley	Hawkins	Rudman
Bumpers	Heflin	Sarbanes
Burdick	Heinz	Sasser
Chafee	Hollings	Specter
Cochran	Huddleston	Stennis
Cohen	Inouye	Stevens
D'Amato	Jackson	Tsongas
Danforth	Kennedy	Wallop
DeConcini	Matsunaga	Weicker
Dixon	Mitchell	Williams
Dodd	Murkowski	

NAYS—33

Armstrong	Hatch	Nunn
Bentsen	Helms	Proxmire
Byrd, Harry F., Jr.	Humphrey	Quayle
	Jepsen	Roth
Byrd, Robert C.	Johnston	Simpson
Chiles	Kassebaum	Symms
Denton	Kasten	Thurmond
Dole	Laxalt	Tower
Domenici	Lugar	Warner
Exon	Mattingly	Zorinsky
Garn	McClure	
Grassley	Nickles	

NOT VOTING—20

Baucus	Hart	Metzenbaum
Boren	Hayakawa	Moynihan
Cannon	Leahy	Packwood
Cranston	Levin	Pryor
East	Long	Schmitt
Glenn	Mathias	Stafford
Goldwater	Melcher	

So committee amendment No. 7 on page 32, line 23, through page 36, line 10 was agreed to.

Mr. WEICKER. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

ADDITIONAL PROTOCOL I TO THE TREATY FOR THE PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA (THE TREATY OF TLATELOLCO)

The PRESIDING OFFICER. Under the previous order, the hour of 2:30 having arrived, the Senate will now go into executive session to consider Calendar Order No. 10, Executive I, 95–2, which the clerk will state by title.

The assistant legislative clerk read as follows:

Executive I, 95th Congress, second session, Additional Protocol I to the Treaty for the Prohibition of Nuclear Weapons in Latin America (The Treaty of Tlatelolco).

The PRESIDING OFFICER. The time for debate on this matter is 15 minutes equally divided between the Senator from Illinois (Mr. PERCY), the distinguished chairman of the Committee on Foreign Relations, and Senator PELL, the ranking minority member.

Mr. PERCY. Madam President, the Senate today will be taking a long overdue step in approving protocol I to the

Treaty of Tlatelolco, the treaty which prohibits nuclear weapons in Latin America. Protocol I is designed to gain adherence to the obligations of the treaty by countries which have non-self-governing territories in Latin America. In the case of the United States, such territories include Puerto Rico, the Virgin Islands, and the Guantanamo Naval Base. This protocol was signed for the United States in 1977 and submitted to the Senate in early 1978. It has remained before the committee since that time, not because of any substantive problem with the protocol itself, but because of a dispute between the committee and the executive branch regarding access to a letter from the National Security Council to the Joint Chiefs of Staff.

Madam President, I think that dispute is clearly moot with the change in administration. But in any case, we were very careful in our hearing on September 15 to confirm that the views of the Joint Chiefs of Staff on this protocol were arrived at objectively and independent of any influence from outside persons or agencies. The Joint Chiefs have made clear their full support for this agreement, coupled with the understandings added by our committee, and position.

The only major substantive issue raised about this protocol concerns the right of the United States to transport nuclear weapons through the Latin American zone on vessels and aircraft. I think it is beyond debate that the protocol would not limit that right, but to make it perfectly clear that the United States ratifies the protocol with that understanding, the committee has incorporated a set of understandings proposed by the administration. Senators will note the text of those understandings in the proposed resolution of ratification.

Madam President, the only cloud on this issue is a Soviet statement which was made at the time the Soviet Union signed the other protocol to this treaty—protocol I—which involves adherence by nuclear weapons states. The Soviets stated in 1978 that they regarded transit of nuclear weapons as incompatible with the objectives of the treaty. This is not only an unfounded statement as a legal matter, Madam President, it is clearly not a constructive contribution to the broader process of arms control. Given Soviet activities in Cuba and the Caribbean and the operations of their own nuclear submarines in those areas, it is also a hypocritical position. It undermines our confidence in the ability of both of our countries to cooperate in good faith in the interest of meaningful arms control while respecting the legitimate security needs of each other. I trust the Soviets recognize the unhelpful nature of such propaganda statements and will refrain from them in future efforts to broaden the arms control process.

In that regard, I am encouraged that the Soviets have not repeated assertions to the contrary, despite several opportunities to do so. Hopefully, they have dropped this view of the protocol and will make that clear in the future.

Madam President, I conclude by noting that this protocol represents the first tangible step of the Reagan administration on the agenda of arms control, and the first formal action by the Senate to endorse a concrete step in that all-important agenda. I hope that it will be only the first in a series of such steps that we will be taking jointly with President Reagan during the next 3 years and beyond. I urge my colleagues to give their support to Senate advice and consent.

Madam President, I know of no opposition to this treaty. The treaty is a long overdue step.

Mr. PELL. Madam President, I strongly support Senate advice and consent to ratification of the additional protocol I to the Treaty for the Prohibition of Nuclear Weapons in Latin America, known as the Treaty of Tlatelolco. Protocol I will obligate the United States not to test, use, store, or deploy nuclear weapons in the principal territories of Puerto Rico, the Virgin Islands, and Guantanamo Naval Base.

This protocol is an important adjunct to the treaty, which established the first nuclear-free zone in any populated region of the world. U.S. ratification should help further efforts to achieve full entry into force of the treaty. At present 22 Latin American States have ratified the treaty and are bound by its terms. When several further steps are taken, including French ratification of protocol I, Argentine ratification of the treaty, and Cuban signature and ratification of the treaty, it will enter fully into force. At that time Chile and Brazil will also become bound by the treaty.

This treaty, which was essentially a Latin American initiative, is a little known, but very worthwhile accomplishment. In joining this treaty, the parties have obligated themselves to prohibiting manufacture, testing, use, storage, deployment, or possession of nuclear weapons. As a result, the nations involved are helping to guarantee to each other that the nuclear threat which could be posed in that region of the world will be curbed. By avoiding the waste of precious funds on nuclear programs the nations of Latin America have enabled themselves to devote resources to more productive and human needs. We should all commend them. I am glad we are able to give them tangible evidence of our backing in our action today.

I hope that this step will help encourage actions by others. As an example, the Treaty of Tlatelolco could be a precedent for other regions, in particular the Middle East. In that connection, I should note that Israel, Egypt, and other countries last year joined with the United Nations in adopting a resolution calling for a Mideast nuclear weapons free zone.

Madam President, I hope that U.S. ratification of protocol I will help demonstrate continued American interest in and support of efforts to control nuclear proliferation. Recent concerns over nuclear programs in Iraq and Pakistan demonstrate that nuclear proliferation is no idle concern. We cannot afford a laissez-faire approach to the matter, since, if we fail to act firmly and decisively, our children and grandchildren could face a world of nuclear threats more dire than we can now imagine.

I thank the Chair.

Mr. PERCY. Madam President, I am prepared to yield back the remainder of my time.

I am happy to yield to the Senator from Connecticut.

Mr. DODD. Madam President, in the immediate aftermath of World War II, Albert Einstein offered this observation regarding the future of atomic energy:

> Since I do not foresee that atomic energy is to be a great boon for a long time, I have to say that for the present it is a menace. Perhaps it is well that should be. It may intimidate the human race into bringing order into its international affairs, which, without the pressure of fear, it would not do.

Ever mindful of Einstein's admonition, I rise in support of Additional Protocol I to the Treaty for the Prohibition of Nuclear Weapons in Latin America, which is commonly referred to as the Treaty of Tlatelolco.

Basically, the purpose of the pending agreement is to bring within the scope of the proposed Latin American nuclear-free zone those territories which are the possessions of nations outside the zone. In concrete terms, then, protocol I would obligate the United States not to test, use, store, or deploy nuclear weapons in the territories under U.S. control located within the zone of application; namely, Puerto Rico, the Virgin Islands, and the Guantanamo Naval Base.

By way of background, Madam President, protocol I was signed by President Carter in 1977 and forwarded in 1978 to the Senate for its advice and consent. Although hearings were held later that year before the Foreign Relations Committee, no further action was taken on the protocol until September 22 of this year. At that time, an array of executive branch officials appeared before the committee and, in no uncertain terms, placed the Reagan administration's stamp of approval on the agreement that is now before us. Eugene Rostow, Director of the Arms Control and Disarmament Agency, summed up the administration's view in these terms:

> Our ratification (of Protocol I) will complete formal U.S. participation in the treaty regime, and will promote hemispheric solidarity, good relations with our Latin American neighbors and will provide significant benefits for national security and nonproliferation objectives. I recommend that the Senate take prompt and favorable action on Protocol I of the Treaty of Tlatelolco in recognition of this important regional arms control initiative and for the important benefits it represents to the United States.

Madam President, I wholeheartedly agree with the Rostow assessment and I believe it is fair to say that the entire Foreign Relations Committee takes the same positive view of this agreement. Here, I point out that when the committee voted favorably to report protocol I to the Senate, it did so without a single dissenting vote.

My hope is that the Senate as a whole will follow the committee's lead and will, after long last, give its resounding endorsement to the pending measure, the sole objective of which is to bring us closer to the day when the Latin American and Caribbean region is freed from the specter of nuclear weapons deploy-

ment. This objective is not only laudable. it is necessary—vitally necessary.

Protocol I to the Treaty of Tlatelolco should be approved overwhelmingly.

I am in strong support of this treaty, Madam President.

The PRESIDING OFFICER. Is all time yielded back?

Mr. PERCY. Madam President, the Senator from Illinois has yielded back his time.

Mr. PELL. We yield back our time, Madam President.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the resolution of ratification on Executive I, 95th Congress, 2d session, additional protocol I to the treaty for the prohibition of nuclear weapons in Latin America (the Treaty of Tlatelolco).

On this question, the yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), the Senator from New Mexico (Mr. SCHMITT), the Senator from Vermont (Mr. STAFFORD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "yea."

Mr. ROBERT C. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Michigan (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. MOYNIHAN), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) and the Senator from Michigan (Mr. LEVIN) are absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) and the Senator from Montana (Mr. BAUCUS) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 79, nays 0, as follows:

[Rollcall Vote No. 374 Ex.]

YEAS—79

Abdnor	Cochran	Gorton
Andrews	Cohen	Grassley
Armstrong	D'Amato	Hatch
Baker	Danforth	Hatfield
Bentsen	DeConcini	Hawkins
Biden	Denton	Heflin
Boschwitz	Dixon	Heinz
Bradley	Dodd	Helms
Bumpers	Dole	Hollings
Burdick	Domenici	Huddleston
Byrd, Harry F., Jr.	Durenberger	Humphrey
Byrd, Robert C.	Eagleton	Inouye
Chafee	Exon	Jackson
Chiles	Ford	Jepsen
	Garn	Johnston
Kassebaum	Pell	Specter
Kasten	Percy	Stennis
Kennedy	Pressler	Stevens
Laxalt	Proxmire	Symms
Lugar	Quayle	Thurmond
Matsunaga	Randolph	Tsongas
Mattingly	Riegle	Wallop
McClure	Roth	Warner
Mitchell	Rudman	Weicker
Murkowski	Sarbanes	Williams
Nickles	Sasser	Zorinsky
Nunn	Simpson	

NOT VOTING—21

Baucus	Hart	Metzenbaum
Boren	Hayakawa	Moynihan
Cannon	Leahy	Packwood
Cranston	Levin	Pryor
East	Long	Schmitt
Glenn	Mathias	Stafford
Goldwater	Melcher	Tower

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

Mr. WEICKER. Madam President, I move to reconsider the vote by which the resolution of ratification was agreed to.

Mr. STEVENS. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of legislative business.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The Senate resumed consideration of H.R. 4169, the fourth excepted committee amendment—page 26, line 3.

Mr. WEICKER. Madam President, Senator HOLLINGS and I agreed to consider the committee amendment on page 26, line 3.

The fourth excepted committee amendment is as follows:

On page 26, line 3, strike "$387,136,000", and insert "$388,376,000";

UP AMENDMENT NO. 623

Mr. WEICKER. Madam President, I send to the desk an amendment to the committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) for himself and Mr. HOLLINGS proposes an unprinted amendment numbered 623.

Mr. WEICKER. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, line 3 strike "$388.376,000" and insert in lieu thereof "$473,557,000".

On page 26, line 5, after the word "expended" insert "and of which $36.821,000 shall remain available until expended for construction".

Mr. WEICKER. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Madam President, I suggest the absence of quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Madam President, the amendment, as I understand, amends the bill in two places. I ask unanimous consent that it be in order.

The PRESIDING OFFICER. Without objection, it is in order to consider the amendment.

Mr. WEICKER. The amendment I have sent to the desk increases the appropriation for the Immigration and Naturalization Service by $85,181,000. Of the additional amounts provided, $50,181,000 is for restoration of necessary enforcement capability and positions and for emergency requirements necessitated by the continued influx of Haitian refugees in south Florida. The remaining $35,000,000 is provided for the construction of a detention facility within the United States.

This amendment brings the total amount provided for the Immigration and Naturalization Service to $473,557,000—an increase of $110,181,000 over the amount requested in the March budget estimates submitted by the administration.

The administration has requested these additional funds as part of its comprehensive overhaul of U.S. immigration and refugee policy. The amendment which I have introduced—together with $25,000,000 provided by the committee—accomplishes the appropriations actions required by this program, $42,045,000 is targeted to provide effective border and interior enforcement and restore positions in adjudications and status vertification; and $33,136,000 is provided for the detention of Haitian refugees in Krome North and Fort Allen, Puerto Rico. In all, 898 positions and 179 workyears for inspections are restored.

As I have mentioned, we are providing $35 million for the construction of a permanent INS detention facility. Details on this project are currently being finalized by the Attorney General. The funds are recommended with the understanding that we expect to see these details by the time we go to conference on this appropriation act.

Mr. President, I ask unanimous consent that a table indicating the distribution of enforcement and detention funds under this amendment compared to the committee recommendation—be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WEICKER/HOLLINGS AMENDMENT—IMMIGRATION AND NATURALIZATION SERVICE

[Dollar amounts in thousands]

Comparison by activities	Committee amendment		Weicker/Hollings amendment: Enforcement program		Weicker/Hollings amendment: Detention of Haitians		Comparison	
	Permanent positions	Amount	Permanent positions	Amount	Permanent positions	Amount	Permanent positions	Amount
Border enforcement:								
Inspections	200	$5,046	(1)	$4,883			−200	−$163
Border patrol—Immediate	160	10,102	160	9,939				−163
Antismuggling			7	583			+7	+583
Subtotal	360	15,148	167	15,405			−193	+257
Interior enforcement:								
Border patrol—Other			18	573			+18	+573
Investigations	309	4,327	121	4,327		$44	−188	+44
Subtotal	309	4,327	139	4,900		44	−170	+617
Detention and deportation:								
Detention			105	4,055	40	26,343	+145	+30,398
Deportation			22	3,228	8	3,671	+30	+6,899
Trial litigation			10	194	14	701	+24	+895
Judicial review			7	80	27	1,123	+34	+1,203
Subtotal			144	7,557	89	31,838	+233	+39,395
Service to the public:								
Adjudications operations	200	3,363	187	3,363	13	775		+775
Status verification	94	1,112	94	1,112				
Foreign offices	10	50					−10	−50
Subtotal	304	4,525	281	4,475	13	775	−10	+725
Support operations:								
Construction and engineering			5	38,310			+5	+38,310
Data systems		1,000	7	3,149			+7	+2,149
Communications			3	2,764			+3	+2,764
Records			20	208			+20	+208
Subtotal		1,000	35	44,431			+35	+4,431
Program direction:								
Executive direction			3	91			+3	+91
Administration			7	186	7	479	+14	+665
Subtotal			10	277	7	479	+17	+756
Total	973	25,000	789	77,045	109	33,136	−88	+85,181

[1] Amendment adds 179 work-years.

Mr. WEICKER. As a final word, Mr. President, I would only say that we all are keenly aware of the difficult situation presented by the continued influx of illegal refugees and aliens along our southern coast and borders. This amendment responds to the needs presented by that situation. There is an emergency which exists and the amendment deserves our support.

(At the request of Mr. ROBERT C. BYRD the following statement was ordered to be printed in the RECORD:)

● Mr. LEVIN. Mr. President, I would like to take this opportunity to speak in favor of the decision to restore vital funds to the budget of the Immigration and Naturalization Service and to insure that full-time INS positions will be reestablished at the level originally contemplated in the 1982 budget figures.

I would like to call attention to situation in my home State of Michigan. The combined traffic volume at the Detroit and Canada Tunnel and the Ambassador Bridge makes Detroit the largest inland port of entry on the Canadian border, and the lack of adequate service has caused the manufacturing and trucking industries to divert traffic to other points of entry.

Michigan continues to suffer with the highest unemployment rate in the Nation—more than double the national average—and yet Detroit sits in the heart of the manufacturing industry of the Midwest, greatly hampered by services afforded by the U.S. Government in expediting the movement of their goods across the border at this point. The crippling effect of these backups on the tourist and convention industry in the area is devastating.

The history of understaffing in Detroit INS has reached the crisis point. Michigan people—Michigan business—Michigan security are all directly and adversely affected by the vacancies currently in Detroit INS. These vacancies should not be filled with temporary employees who enjoy all the benefits but lack the skills and dedication of full-time INS staff people.

In addition to inspection responsibilities at the borders of the Ambassador Bridge and the Detroit-Windsor Tunnel, INS staff are responsible for border crossings in Port Huron, Sault Ste. Marie, a seaport and an international airport in Michigan, and for processing nearly 34,000 cases annually.

The situation is outrageous in Michigan. Restoration of INS funds is crucial. Vital to the automobile industry, the trucking industry, tourism and conventions, the import-export business and vital to security to deter increased drugs and undesirables admitted, to insure the removal of illegal entrants quickly and to prevent riots and disturbances as we have experienced in the Detroit-Windsor Tunnel when motorists were forced to endure long lines and long waits to cross the border.

Also of great import to the upgrading and direction of the Immigration and Naturalization Service is the expeditious naming of a new, qualified commissioner of that agency and confirmation of that person.

There is no doubt in my mind that restoration of these funds, nomination and confirmation of a new commissioner to guide the Immigration and Naturalization Service into full service is of utmost importance to the State of Michigan and indeed the entire Nation.●

The PRESIDING OFFICER. Is there further debate? If there is no further debate, the question is on agreeing to the amendment of the Senator from Connecticut. The yeas and nays having been ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), the Senator from Maryland (Mr. MATHIAS), the Senator from Georgia (Mr. MATTINGLY), the Senator from Oregon (Mr. PACKWOOD), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "nay."

Mr. ROBERT C. BYRD. I announce

that the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. MOYNIHAN), the Senator from Arkansas (Mr. PRYOR), the Senator from Tennessee (Mr. SASSER), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), and the Senator from Michigan (Mr. LEVIN) are absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. BAUCUS) would vote "yea."

The PRESIDING OFFICER (Mr. LUGAR). Are there any Senators in the Chamber who have not voted who wish to vote?

The result was announced—yeas 54, nays 23, as follows:

[Rollcall Vote No. 375 Leg.]

YEAS—54

Abdnor	Durenberger	Murkowski
Andrews	Eagleton	Nickles
Bentsen	Ford	Nunn
Biden	Gorton	Pell
Boschwitz	Hatfield	Percy
Bradley	Hawkins	Pressler
Bumpers	Hollings	Randolph
Byrd, Robert C.	Huddleston	Riegle
Chafee	Humphrey	Rudman
Chiles	Inouye	Sarbanes
Cochran	Jackson	Simpson
Cohen	Johnston	Stafford
D'Amato	Kassebaum	Stennis
Danforth	Kennedy	Stevens
DeConcini	Laxalt	Thurmond
Denton	Lugar	Tower
Dodd	Matsunaga	Tsongas
Dole	Mitchell	Weicker

NAYS—23

Armstrong	Grassley	Proxmire
Burdick	Hatch	Quayle
Byrd, Harry F., Jr.	Heflin	Roth
	Heinz	Specter
Dixon	Helms	Symms
Domenici	Jepsen	Wallop
Exon	Kasten	Warner
Garn	McClure	Zorinsky

NOT VOTING—23

Baker	Hart	Metzenbaum
Baucus	Hayakawa	Moynihan
Boren	Leahy	Packwood
Cannon	Levin	Pryor
Cranston	Long	Sasser
East	Mathias	Schmitt
Glenn	Mattingly	Williams
Goldwater	Melcher	

So Mr. WEICKER's amendment (UP No. 623) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, having conferred with the managers of the bill, I am informed that there is a series of noncontroversial amendments which will be attended to here in the remainder of the afternoon.

On behalf of the leadership, I urge all Senators who have such amendments to come to the floor and offer them.

Under the circumstances, there will be no further rollcall votes this afternoon.

The PRESIDING OFFICER. The question recurs on the fourth committeee amendment, as amended.

Mr. WEICKER. Mr. President, as I understand it, we are on the fourth committee amendment. Is that correct?

The PRESIDING OFFICER. That is correct; as amended.

Mr. WEICKER. Mr. President, I know there are several amendments scheduled to be offered. I agreed for Senator WALLOP to proceed and then Senator HUDDLESTON, who has been waiting a long time. I wonder if we might proceed with Senator WALLOP and then go to Senator HUDDLESTON. They will require about 2 minutes.

By agreement with the ranking minority member, I ask unanimous consent that the pending committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 624

(Purpose: To prevent conversion of the Cheyenne, Wyoming, Weather Service Forecasting Office to a weather service office)

Mr. WALLOP. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wyoming (Mr. WALLOP) proposes an unprinted amendment numbered 624.

Mr. WALLOP. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 12, strike the following: "$835,390,000" and insert in lieu thereof "$835,482,000."

On page 6, line 13, after the comma insert the following: "of which $92,000 shall be available to prevent the conversion of the Cheyenne Weather Service Forecasting Office located at Cheyenne, Wyoming, to a weather service office."

Mr. WALLOP. Mr. President, in essence, this adds $92,000 to maintain one full-time weather forecasting office in the State of Wyoming and prevents it from being reverted to a weather service office from its present status as a weather forecasting office.

I have discussed this amendment with the managers of the bill. It is my understanding that it is agreeable to the managers of the bill.

Mr. WEICKER. Mr. President, the amendment of the distinguished Senator from Wyoming is acceptable to the managers of the bill.

Again, on these matters it seems to me that the best judgments are made by those Senators representing the constituencies. I am more than glad to accept the amendment.

Mr. INOUYE. The amendment is acceptable to this side.

Mr. WALLOP. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The Chair must report that the amendment touches a section of the bill which has been amended previously. It would take unanimous consent for the amendment to be in order.

Mr. WALLOP. Mr. President, I ask unanimous consent that the amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is in order.

Mr. WALLOP. Mr. President, the amendment having been stated and no objection having been raised, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (UP No. 624) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FOURTH EXCEPTED COMMITTEE AMENDMENT—PAGE 26, LINE 3

Mr. WEICKER. Mr. President, before yielding to the distinguished Senator from Kentucky, I ask that committee amendment No. 4, as amended, be agreed to.

In explanation to my colleagues, that is the amendment which we just discussed concerning the INS.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The fourth excepted committee amendment, as amended, was agreed to.

UP AMENDMENT NO. 625

(Purpose: To express the sense of the Senate that the Secretary of State and the Attorney General each should provide, upon request, certain written information to members of the Committee on Appropriations of the Senate)

Mr. HUDDLESTON. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kentucky (Mr. HUDDLESTON) proposes an unprinted amendment numbered 625.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 55, between lines 12 and 13, insert the following:

SEC. 509. It is the sense of the Senate that the Secretary of State and the Attorney General each should provide any member of Congress, upon request with any letter, memorandum, cablegram, telegram, or other written information in possession of the department of which he is the head, under appropriate restrictions to protect the confidentiality of such information, if such written information relates—

(1) to consideration by any department, agency, officer, or employee of the United States of whether an alien emigrating from another country is properly classified as a

refugee under the immigration laws of the United States; or

(2) to the role played by the United States refugee resettlement program in encouraging emigration.

Mr. WEICKER. Mr. President, I ask unanimous consent that the committee amendment now pending, by agreement with the ranking minority member, be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of the Senator from Kentucky is now in order.

Mr. HUDDLESTON. Mr. President, this amendment simply expresses the sense of the Senate that officials in the Department of State and the Department of Justice should supply Members of the Congress with all available information relating to the classification of refugees from Laos, Cambodia, and Vietnam so that the Appropriations Committee may make an appropriate determination as to the cost associated with the refugee program. It has been cleared by both sides of the aisle and I move its adoption.

The PRESIDING OFFICER. Is there further debate? The Senator from Connecticut.

Mr. WEICKER. Mr. President, speaking for the majority and the minority, we are fully in the corner of the distinguished Senator from Kentucky on this issue. The only thing that I regret is that he has to come to the Senate floor to get the information he seeks. They should have given it to him in the first place.

I support the amendment, Mr. President.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (UP No. 625) was agreed to.

Mr. HUDDLESTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT 626

(Purpose: To prevent Federal judges from receiving again a pay raise notwithstanding the contrary intent of Congress)

Mr. DOLE. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) for himself and Mrs. HAWKINS, proposes an unprinted amendment numbered 626.

Mr. DOLE. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

On page 52, insert between lines 14 and 15, the following:

"Notwithstanding any other provision of law, none of the funds appropriated by this or any other Act shall be obligated or expended to increase, after the date of enactment of this Title, any salary of any Federal judge or Justice of the Supreme Court, except as may be specifically authorized by Act of Congress hereafter enacted; provided, further, that nothing in this limitation shall be construed to reduce any salary which may be in effect at the time of enactment of this Title nor shall this limitation be construed in any manner to reduce the salary of any Federal judge or of any Judge of the Supreme Court".

Mr. WEICKER. If the distinguished Senator from Kansas will yield, I ask unanimous consent that the pending committee amendment be temporarily laid aside. This request has been agreed to by the minority member.

The PRESIDING OFFICER. The Senator has that right. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I offer this amendment in behalf of myself and the distinguished Senator from Florida (Mrs. HAWKINS). It is an amendment which would put an end to automatic, backdoor pay raises for Federal judges.

The amendment addresses a major problem with existing legislation, a virtually automatic annual salary increase built into the present statutory system. Under the Executive Salary Cost-of-Living Adjustment Act of 1975 and the Pay Comparability Act of 1970, each year the President passes on to Congress recommendations made by the Department of Labor for increasing judicial salaries.

Should Congress manage not to vote down these increases before midnight on September 30 of a given year, they automatically take effect for the next fiscal year. This year Congress missed the deadline by only 27 minutes and, in an effort to give effect to its intent to cap judicial salaries, even went so far as to stop the clock before midnight. Despite this last minute rush of activity and even though salary increases for other Federal employees were capped, the country has still been saddled with judicial salary increases that Congress did not intend to authorize.

The reason is the Supreme Court's holding last winter in the case of *United States* v. *Will*, 449 U.S. 200. There, the Court ruled that article III of the Constitution prohibits alteration of the salaries of Federal judges on or after October 1 because the new rates vest on that date. At present, a failure by Congress to move quickly enough, even though a delay of only a few minutes, can have harmful consequences for congressional budget plans.

My amendment would remedy this situation by prohibiting judicial pay increases unless they were specifically authorized by Congress. I urge my colleagues to support this amendment.

Mr. President, let me make it clear that I am not one of those who oppose pay increases for Federal judges or Members of Congress, but it seems to me—I note the distinguished Senator from Alaska, who has been the leader in this effort, is here—we have to bring some semblance of reason to the entire system. This would be a step in the right direction.

I know of no objection to the amendment.

Mr. INOUYE. Mr. President, the managers of the bill approve this amendment.

The PRESIDING OFFICER. Is there further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (UP No. 626) was agreed to.

Mr. DOLE. I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT 627

(Purpose: To end chemical and biological warfare)

Mr. PRESSLER. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Dakota (Mr. PRESSLER) proposes an unprinted amendment numbered 627.

On page 55, between lines 12 and 13, add the following:

SEC. 509. It is the Sense of the Senate that funds provided for in this Act shall be expended to further intelligence activity to collect information regarding the use of chemical and biological weapons, including the use of Yellow Rain, against the peoples of Southeastern and Southwestern Asia and to implement prompt negotiations with other nations to bring about an end to their use.

The PRESIDING OFFICER. Before the Senate proceeds to debate the amendment, the Chair asks the manager of the bill——

Mr. INOUYE. Mr. President, I ask unanimous consent that the committee amendments be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I propose this amendment for the purpose of drawing attention to the use of chemical and biological warfare in Southeast Asia and Southwest Asia. It provides that the State Department intensify its intelligence collection efforts in the area and also undertake appropriate negotiations to inquire into and bring about a cessation of these terrifying kinds of warfare, warfare that is being waged in many cases against defenseless men, women, and children.

Mr. President, this week I chaired hearings before the Committee on Foreign Relations on "yellow rain," the use of a new type of chemical which has apparently been designed by the Russians, and is reported to be currently in use against tribesmen in Afghanistan, Laos, Cambodia—or Kampuchea as it is now called.

There was substantial evidence presented at these hearings. The Department of State concluded that, after 5 years of research, it is certain that a chemical form of weapon has been sprayed upon villagers from low- and slow-flying aircraft and that this is the first use on a large scale of chemical warfare in the world since World War I.

Allegations that the Soviets are using or supplying new and terrible poisons or toxins for the purpose of exterminating their enemies are thoroughly frightening. They are frightening because the

evidence indicates that a new weapon has joined an already terrifying arsenal of world weaponry, and one that unscrupulous nations and even terrorist groups may acquire without great effort.

It is also frightening in a general sense that vicious fighting of any kind continues against the Laotians, Cambodians, and Afghans, who are justly struggling against the yoke of foreign and domestic oppressors.

These reports of chemical and biological warfare have tremendous implications for arms control. The allegation that mycotoxins, generally described as "yellow rain," are being used against the peoples of Laos, Cambodia, and Afghanistan, if it can be proved, would represent a clear breach of the Geneva Protocol of 1925, the Biological Weapons Convention of 1972, and customary international law.

It would call into question the advisability of signing any arms control treaty that did not have strict verification provisions. In a broader sense, it would open the troublesome question of international enforcement provisions against nations that violate international law. Let no one accuse us of being silent in the face of a new kind of holocaust.

Mr. President, I think it is very important to note the significance of the U.S. Government announcement that it had concluded that "yellow rain" has been used. I was happy to see, there have been editorials in the Washington Post and in the Wall Street Journal, articles in the New York Times, the Washington Post, and across our Nation, reporting this fact.

Mr. President, I ask unanimous consent that several of these newspaper reports be printed in the RECORD at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 11, 1981]

RAIN OF TERROR

Two months ago, Secretary of State Alexander Haig made headlines with the charge that while the United States is often judged by a "super-critical standard," the Soviet Union was conducting chemical and biological warfare in Southeast Asia without public knowledge or complaint. The charge dealt specifically with the use of deadly trichothecene toxins produced by a type of fungus.

The evidence at that time was fairly flimsy. The mycotoxins had been found in only a single sample of leaf and stem. Crucial "negative controls," showing that the substances were not present in areas that had not been attacked, were unaccountably missing. Statements that this fungus is not naturally found in Southeast Asia were premature and, as it turns out, incorrect.

Now, however, the missing evidence has been supplied. The government announced yesterday that a combination of four mycotoxins, all from different strains of the fungus, has been found in samples taken from both Laos and Kampuchea. The samples include water and scrapings from rocks, in addition to vegetation. The negative controls confirm the accuracy of the chemical tests. The mixture of four different toxins provides additional confirmation that the findings are not the result of even the most bizarre natural outbreak. As Assistant Secretary of State Richard Burt told the Senate Foreign Relations Committee, "The significance of this discovery . . . can be simply stated. We had solved the mystery. We had fitted together the jigsaw puzzle which had bedeviled us for five years."

The evidence that a biological weapon is being used now, therefore, seems solid. There is no comparably firm evidence tying responsibility for its use to the Soviet Union. But there is very strong suggestive evidence. Though the toxins have reportedly been sprayed by local forces, Soviet chemical warfare experts are known to be in the area. Facilities capable of mass-producing the fungus and extracting the toxin are known to exist in the Soviet Union, some, according to Mr. Burt "under military control and with heavy military guard." No such facilities are known to exist in Southeast Asia.

It seems reasonable to conclude that the Soviet Union is directing a vicious campaign of chemical and biological warfare in one of the most remote areas of the world against people unable to protect themselves or understand what is happening to them. This warfare, moreover, is in direct violation of international agreements signed by the Soviet Union. The government's information merits the most serious possible international inquiry to prove or disprove the charges and to hold the Soviet Union accountable for a flagrant violation of an arms control agreement.

As the administration correctly emphasizes, this must not be allowed to be seen as a U.S.-Soviet confrontation. The United Nations committee of inquiry is therefore the correct body to bring the investigation to a prompt conclusion. The United States' job is to make it plain that this Soviet warfare is an attack on the integrity of all nations and international agreements, as well as on, in Franklin Roosevelt's words, "the general opinion of civilized mankind."

[From the Washington Post, Nov. 11, 1981]

NEW DATA FOUND ON TOXIC "RAIN"—U.S. SAYS SAMPLES LINK SOVIETS TO USE OF POISON WEAPON

(By Philip J. Hilts)

State Department officials have produced new physical evidence, which they describe as a "smoking gun," to support their claims that biological warfare campaigns linked to the Soviet Union are being waged in Southeast Asia with the deadly new weapon called "yellow rain."

Four weeks ago, an announcement by Secretary of State Alexander M. Haig, Jr. that the State Department had its first "physical evidence" to substantiate charges of biological warfare in Southeast Asia was met with skepticism, primarily because of the nature of that evidence—a single broken leaf and a few stray green bits from another leaf.

"We now have the smoking gun," Richard Burt, the State Department's director of politico-military affairs, told the arms control subcommittee of the Senate Foreign Relations Committee yesterday.

"We now have four separate pieces of physical evidence. We may soon have more, as, I regret to say, chemical attacks have been reported in Laos and Kampuchea [Cambodia] within the last month," Burt said.

Even the most persistent critic of the early evidence indicated that the new material might change his opinion. Dr. Matthew Meselson, a biochemist from Harvard University, testified that he "would recommend caution on the question of whether tricothecene toxins have been used in Southeast Asia . . . although the preliminary evidence indicates that they have."

Four different poisons caused tricothecene toxins and made from a fungus, are the agents that Burt said are "weapons outlawed by mankind, weapons successfully banned from the battlefields of the industrialized world for over five decades" and which now are used, "against unsophisticated and defenseless people, in campaigns of mounting extermination which are being conducted in Laos and Kampuchea. . . ."

Burt said that the new biological weapons are indirectly linked to the Soviets in several ways:

Planes identified as Soviet AN2 crop-dusting type airplanes have been dropping the "yellow rain," particularly on the Hmong hill people of Laos.

The Soviets have many scientific papers on the subject of tricothecene toxins, including papers on the mass production of these poisons.

The Soviets have the facilities to grow the fungus that produces the poison, and the equipment to extract and purify it. "There exist, in so far as we are aware, no facilities in Southeast Asia capable of producing the mold and extracting the . . . toxins in the quantities in which they are being used," Burt said.

"There is clearly a link with the Soviet Union," he said. "We at a minimum believe the Soviets . . . could stop its use if they desire."

Some of the new evidence, water from a stagnant pond in a Cambodian village, was collected some months ago, at the same time and place as the first leaf and stem sample. The water sample contained 66 parts per million of a tricothecene, deoxynivalenol, several times the lethal amount.

Two other samples of "yellow powder," or tricothecene toxins, were taken from rocks after two gas attacks in Laos. One had 150 parts per million of T2, dozens of times more than the amounts in natural outbreaks of the fungus poisoning and more than 20 times the amount needed to kill humans.

Since the fungus is known to grow in the soil, attacking the roots of plants, Dr. Chester Mirocha of the University of Minnesota testified that he did not believe the tricothecenes would be found naturally in leaf, water, or rock samples. Mirocha's laboratory identified the toxins in the samples gathered from Southeast Asia.

He added that a Laotian pilot, a defector, who flew on some of the gas attacks, and captured soldiers have bolstered the accounts of refugees. Burt also noted one detail he considered especially convincing—that when the water sample was being brought back, a man spilled some of it on his clothes and quickly came down with symptoms of tricothecene poisoning.

[From the New York Times, Nov. 11, 1981]

U.S. FINDS CHEMICAL WARFARE TOXINS IN INDOCHINA

(By David Shribman)

WASHINGTON, Nov. 10.—The State Department said today that it had evidence, in the form of new samples of rocks, leaves and water from Southeast Asia, that chemical warfare agents had been used in Cambodia and Laos.

Richard Burt, director of the department's Bureau of Politico-Military Affairs, said an analysis of the samples confirmed the existence of toxic chemicals. He said they were being used against people resisting Vietnamese control of Laos and Cambodia. He said that even if the agents were being used "by indigenous forces," the Soviet Union was advising the forces and "controlling chemical warfare in Southeast Asia."

"We now have the smoking gun," he said, referring in testimony before a Senate arms control subcommittee to evidence of chemical warfare. "We now have four separate pieces of physical evidence."

Mr. Burt also testified that the United States had "concluded that chemical weapons are being used in Afghanistan, but we have no evidence."

HAIG REPORTED ON TOXIC CHEMICALS

The chemical attacks are often known as "yellow rain" because of the color of the chemical particles landing on roof-tops and vegetation. American officials have received reports of chemical warfare in Southeast Asia for more than a dozen years but until recently have had no physical evidence.

Secretary of State Alexander M. Haig, Jr. said in a speech on Sept. 12 in West Berlin that the United States had physical evidence that poisonous chemicals were being used in Southeast Asia. A day later, the State Department presented an analysis of one leaf sample taken in March in Cambodia, or Kampuchea as it is also known, near the Thai border.

One of the new samples mentioned by Mr. Burt today was said to be water taken from the same village. He said the others were from sites of separate attacks in Laos.

Mr. Burt said the samples revealed "very high quantities" of chemicals known as trichothecene mycotoxins. Exposure to the chemicals causes vomiting, itching, dizziness and death.

LOCATION OF PRODUCTION PLANTS

"Over the past five years, and perhaps longer, weapons outlawed by mankind, weapons successfully banned from the battlefields of the industrialized world for over five decades, have been used against unsophisticated and defenseless people in campaigns of mounting extermination which are being conducted in Laos, Kampuchea and more recently in Afghanistan," he said.

Mr. Burt testified that tests of other soil and vegetation samples from the same areas of Southeast Asia indicated that they were free of the toxic chemicals. He said this was evidence that they did not occur naturally there.

Mr. Burt said the State Department had been unable to find any facilities in Southeast Asia capable of producing the mold and extracting the mycotoxins in the quantities the United States believed they were being used. Such facilities do exist in the Soviet Union, he said, adding that they were "under military control and with heavy military guard."

He said that Soviet chemical experts had inspected several places in Southeast Asia where lethal and nonlethal chemicals were stockpiled.

Until the samples were obtained, charges that the Soviet Union or its client forces in Southeast Asia were using chemical weapons were based on reports of refugees, journalists and other observers. The first victims were believed to be highland tribal people such as the Meos, who have long resisted Communist forces in Laos.

The chemical attacks, according to accounts provided to the State Department, were conducted by low-flying aircraft, including a biplane that is used as a crop duster in the Soviet Union.

The Geneva Protocol of 1925 outlaws the use of chemical weapons in warfare and the Biological Weapons Convention of 1972 forbids the production, stockpiling or transfer of toxic weapons. The agreements, signed by the Soviet Union and Vietnam, do not, however, provide for verification.

Mr. PRESSLER. Mr. President, I shall continue to raise questions concerning "yellow rain." I shall continue to look into the allegations of this chemical and biological warfare. As I have noted, both the Soviet Union and the United States are signatories to agreements not to engage in or to produce this type of material. We are faced with the question whether we should enter into arms control negotiations with the Soviets at a time when they are not allowing international inspection regarding the allegations that mycotoxins are being used.

I say our Government must insist, through its representative at the U.N. and elsewhere, that there be verification, that international inspectors be able to examine some of the areas and some of the damage that has been caused. So far, those requests have been refused.

This amendment is a further step in highlighting the campaign to bring this to the public's attention.

Mr. President, I have been astounded at how little public attention and how little media attention there has been to what is happening in Kampuchea and the holocaust that is occurring. We talk much about the awful holocaust of World War II. But now there is evidence that in the past 5 years, a new holocaust exists in which great number of innocent people are being killed and maimed. This holocaust has been occurring, however, with very little comment from the Western World.

It should also be noted that this terrible new weapon could be used in Western Europe or in the United States at some future time. Therefore, we must wake up to what is happening regarding yellow rain.

Mr. President, I have spoken to both the minority and majority regarding this amendment. I commend them and their staffs. I believe I have general agreement on this amendment.

Mr. INOUYE. Mr. President, the managers of this bill have considered the amendment, and we are pleased to concur in it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 627) was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TENTH EXCEPTED COMMITTEE AMENDMENT—PAGE 53, LINES 11 THROUGH 15

Mr. WEICKER. Mr. President, with the agreement of the ranking minority member, I ask unanimous consent that the pending business be the committee amendment on page 53, committee amendment No. 10.

The PRESIDING OFFICER. The Senator has that authority. The amendment is the pending amendment.

Mr. WEICKER. I move that the committee amendment No. 10 be tabled and the succeeding sections be renumbered accordingly.

The PRESIDING OFFICER. The question then is on agreeing to the motion to lay on the table the 10th committee amendment.

The motion was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the U.S. Department of Justice dated October 27, 1981, addressed to the Honorable MARK HATFIELD, chairman of the Committee on Appropriation of the U.S. Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, D.C., October 27, 1981.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to take this opportunity to present the views of the Department of Justice regarding § 505 of H.R. 4169, the House of Representatives' version of the bill making appropriations for fiscal year 1982 for the Departments of Commerce, Justice, State and related agencies and for the Judiciary. We strongly oppose this provision because it raises serious constitutional questions, which I will elaborate upon below.

Section 505 reads as follows:

"None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States."

This provision starts with the premise that certain funds may be "appropriated or otherwise made available by this Act" for the enforcement of regulations by the named agencies. Absent application of section 505, it thus may be assumed that it would be perfectly legal for one of the named agencies to spend money appropriated by H.R. 4169 to enforce a given regulation. However, if the regulation subsequently were disapproved "pursuant to a resolution of disapproval adopted in accordance with the applicable law of the United States," under section 505 it would no longer be legal for the agency to expend money to enforce the regulation. Accordingly, under the terms of section 505, such a resolution disapproving a regulation would have the effect of amending H.R. 4169 to limit the expenditure of funds appropriated by that bill in a manner not set forth in H.R. 4169 itself.[1]

The constitutionality of the application of section 505 will turn on the question whether a "resolution of disapproval duly adopted in accordance with the applicable law of the

[1] Section 505 reaches any regulation of an agency covered by H.R. 4169 "which has been disapproved" by a resolution of disapproval. It might be read to apply only to any regulation which, *at the time of the passage* of H.R. 4169, *"has been* disapproved" in such manner (emphasis added). If that were the limit of § 505, we might react differently with respect to the constitutional issues because, as construed, it might not be viewed as an unconstitutional attempt to authorize legislative action by a procedure inconsistent with Art I. § 7 Cls. 2 & 3 and in a manner inconsistent with the separation of powers. The reason for this result is that any regulation which "has been disapproved" at the time of the passage of H.R. 4169 would be readily identifiable, and the words used in § 505 to identify such regulations could be viewed as simply an indirect way of naming the regulations. Limiting the reach of § 505 in that manner would alter the constitutional issue arising when the provision is read, as would be consistent with its language, to authorize a future resolution that would have independently binding effect. It is this latter interpretation that raises the constitutional difficulties which are the subject of this letter.

United States" is a joint resolution, passed by both Houses of Congress and presented to the President for his approval or veto, or a resolution adopted by a means short of the plenary legislative process. In view of its generality, the provision's language apparently would comprehend either process.[2] To the extent that a resolution is adopted for purposes of section 505 by any means short of the plenary legislative process, the application of section 505 would be unconstitutional, for it would seek to authorize legislative action by a procedure contrary to that explicitly stated in the Constitution. See Art. I, section 7, Cls. 2 and 3. First, it is clear that a disapproval resolution which is to have a binding effect on the Executive Branch in its execution of the law by means of regulation is an exercise of Congress' legislative power. Given that that is the case, such action must follow the plenary legislative process, which calls for passage of a resolution by both Houses of Congress and presentation of the item to the President for his approval or veto. See Art. I, section 7, Cls. 2 and 3. Furthermore, if a resolution for purposes of section 505 were to be characterized not as legislative action governed by the procedures of Art. I, section 7, Cls. 2 and 3, but rather as executive action, such action would be unconstitutional as an attempted usurpation by the Legislative Branch of the core functions of the Executive Branch, which include making decisions regarding the execution of the law by regulation. See *Buckley* v. *Valeo*, 424 U.S. 1 (1976). Therefore, unless section 505 is to be confined in its exercise to joint resolutions, section 505 is fundamentally inconsistent with central Constitutional principles controlling the exercise of legislative power and the relation between that power and the authority conferred on the Executive.

It would be no response to suggest that appropriations measures are in some ways distinguishable from other bills and thus should not be treated like other bills for purposes of constitutional analysis. First, what is of concern here is not any language of the appropriations bill itself that would have immediately binding effect on the Executive Branch. Such language, if H.R. 4169 were enacted, would be adopted constitutionally pursuant to the plenary legislative process. What is of chief concern to us is the bill's contemplation of a future resolution that would, pursuant to section 505, purport to have binding legislative effect on the Executive Branch. In addition, and critically, appropriations bills are not to be viewed in a light different from that focused on other legislative measures by the procedural requirements applicable to exercises of legislative power and the principle of the separation of powers. As Attorney General William D. Mitchell wrote in 1933:

"Congress holds the purse strings, and it may grant or withhold appropriations as it chooses, and when making an appropriation, may direct the purposes to which the appropriation shall be devoted and impose conditions in respect to its use, provided always that the conditions do not require operation of the Government in a way forbidden by the Constitution. *Congress may not, by conditions attached to appropriations, provide for a discharge of the functions of Government in a manner not authorized by the Constitution.* If such a practice were permissible, Congress could subvert the Constitution. It might make appropriations on condition that the executive department abrogate its functions. (emphasis added) [3]

See also *United States* v. *Lovett*, 328 U.S. 303 (1946) (establishing the principle that exercises of Congress' spending power must be scrutinized in terms of other applicable constitutional requirements); *Buckley* v. *Valeo*, *supra*, 424 U.S. at 132 (stating that Congress may not exercise its powers "in such a manner as to offend . . . constitutional restrictions stemming from the separation of powers").

Accordingly, to the extent that section 505 would provide that no agency receiving appropriations under H.R. 4169 may expend appropriated funds to enforce a regulation disapproved by a resolution adopted by means short of the plenary legislative process, we believe that that section is unconstitutional.

For your information, I am enclosing with this letter two statements by Assistant Attorney General Olson of the Department's Office of Legal Counsel that discuss thoroughly the constitutional problems with provisions calling for legislative action short of passage by two Houses of Congress and presentation to the President. The first statement was presented on April 23, 1981, to the Subcommittee on Agency Administration of the Senate Judiciary Committee; the second was presented on October 7, 1981, to the Subcommittee on Rules of the House of the House Rules Committee.

The Office of Management and Budget has advised that it has no objection to the submission of this report in view of the President's program.

Sincerely,

ROBERT A. MCCONNELL,
Assistant Attorney General,
Office of Legislative Affairs.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SIXTH EXCEPTED COMMITTEE AMENDMENT—PAGE 31, LINES 22 THROUGH 24

Mr. WEICKER. Mr. President, I ask the Chair as to what is the pending business at this time?

The PRESIDING OFFICER. The pending business is excepted committee amendment No. 6 on page 31, lines 22 through 24.

The excepted committee amendment is as follows:

On page 31, strike line 22, through and including line 24;

Mr. STEVENS. Mr. President, I perceive that this is the last amendment that we could bring up, and it will be the pending amendment on Monday when we resume consideration of the bill.

FEDERAL SHIP FINANCING FUND PROVISION

Mr. GORTON. Mr. President, several Members have expressed concern over a provision in H.R. 4169 dealing with the Federal Ship Financing Fund. Page 13, lines 10 through 22 of the bill would, for the first time, place an annual limit on the amount of ship construction loans which the Maritime Administration may guarantee under title XI of the Merchant Marine Act of 1936.

There are several reasons why Senators PACKWOOD, STEVENS, INOUYE, and I are critical of this unprecedented provision.

First, the authorizing statute creating the title XI program does not give the Appropriations Committee authority to set annual limits on loan commitments. Recognizing this, OMB sought an amendment to the authorizing statute to allow appropriations bills to set annual limits. The Commerce Committee, which is the authorizing committee for the title XI program, rejected any sum amendment.

It is clear, therefore, that the provision in question is simply beyond the authority of the Appropriations Committees. In the House of Representatives, the Appropriations Committee expressly noted their lack of authority in this respect. It is useful to quote the report of that committee:

The Committee has disapproved the request for appropriation language which would limit total commitments to guarantee loans from the Federal Ship Financing Fund during fiscal year 1982 to not more than $1,050,000,000 of contingent liability for loan principal.

As stated in the section of the report concerning Federal Ship Financing Fund, Fishing Vessels, title XI of the Merchant Marine Act of 1936 authorizes a limitation of $12,000,000,000 for this account as well as the NOAA account, on obligations guaranteed and outstanding at any one time from the Fund. Therefore, the proposed limitation on total commitments to guarantee loans during fiscal year 1982 would contravene this provision of the Act. With respect to the request for an aggregate limitation on the amount of direct loans for fiscal year 1982 that could be made from the Fund, the Committee notes that title XI provides for no such limitation on the direct loan program. Therefore, the proposed limitation on direct loans from this revolving fund, for which no appropriation is provided in the accompanying bill, would contravene the authorizing legislation and would also not be in order under the rules of the House of Representatives.

There is a second reason why such a provision is not justified, particularly at this time. H.R. 4169 limits loan commitments for fiscal year 1982 by more than $550 million below the amount actually available. Currently, $1.6 billion in loan guarantee authority remains available under this title XI program. This appropriations bill limits the total loans which may be guaranteed in 1982 to $1.05 million. As budgetary reductions increasingly strain the industry, any reduction in this program deserves far more consideration than is being given here. The Omnibus Budget Reconciliation Act passed this summer anticipates a reduc-

[2] The phrase "resolution of disapproval duly adopted in accordance with the applicable law of the United States" is plainly broad enough to include a joint resolution, which is a constitutionally appropriate means for the exercise of legislative power since it involves adherance to the plenary legislative process and thus is consistent with the highest law of the land. See Art. I, section 7, Cls. 2 and 3; Enactment of a Law, S. Doc. No. 15, 96th Cong., 1st Sess. 2 (1979). On the other hand, the quoted phrase also could comprehend a resolution adopted by less than the plenary legislative process, such as a simple resolution passed by one House of Congress or a concurrent esolution adopted by both Houses of Congress, when such a resolution is purportedly authorized by statute.

[3] 37 Op. A.G. 56, 61 (1933). The Attorney General concluded that Congress could not constitutionally condition an appropriation for refunds of erroneously collected taxes on a requirement that a joint Congressional committee decide the amount of each refund to be granted.

tion in construction differential subsidy funding. In view of the "shrinking pie" of Federal ship construction subsidies, the amount of title XI loan commitments available for the fishing industry and ocean thermal energy projects have been under attack. The Budget Reconciliation Act did reduce the total authorized title XI loan commitments for fishing and ocean energy program. A new limitation on title XI authority for the merchant marine would only produce renewed pressures on these other programs.

Finally, this self-sustaining program has been one of the most successful under the Merchant Marine Act of 1936. Its total costs, including salaries of the MarAd staff employed in the merchant ship financing program, are underwritten by fees which are paid by users. The insurance premiums and guarantee fees go into the Federal ship financing fund, a revolving fund which may be used for payment of any defaults.

Since the inception of the title XI program, only 11 companies have defaulted.

During fiscal year 1980, the Federal ship financing fund had a net income of $42,219,628.

Mr. WEICKER. Mr. President, I find the points made by Senator GORTON to be useful and persuasive. I know that the House is quite adamant on deleting this title XI limitation in conference. It is important that the total figures for obligations in programs such as title XI be brought on-budget. If the offending provision were to be rewritten to reflect the authorized amount, it would read as follows: "During 1982, total commitments to guarantee loans shall not exceed $1,600,000,000 of contingent liability for loan principal." Would this satisfy the concerns of the authorizing committee as well as the individual Senators for whom you have been speaking?

Mr. GORTON. That would be acceptable.

Mr. WEICKER. In that case, I would support such a change in conference.

THE NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION (NTIA)

Mr. STEVENS. Mr. President, section 393 of the Communications Act of 1934 authorizes appropriations for the public telecommunications facilities program (PTFP). This program was established to assist public telecommunications entities in the acquisition of facilities to serve the American public with noncommercial, educational, and instructional programs. Section 393 establishes the priorities for the expenditure of funds appropriated for support of the program. Specifically, section 393 provides that 75 percent of the funds available must be expended to extend delivery of public telecommunications services to areas not receiving such services.

This provision is clear and unambiguous—in approving applications for funds under this program, applications from entities seeking to serve those areas not currently receiving public telecommunications services, are to be given priority. For example, we know that almost 35 percent of the population receives absolutely no public radio service. Many States have large areas that are not served by public radio or public television.

Section 393 further provides that the remaining 25 percent of the funds available for the facilities program can be used for three other purposes in the following order: First, for the expansion of existing service areas; second, for the development of facilities owned by minorities and women; and, third, for the improvement of existing facilities. Priority is to be given those applicants seeking to serve those areas not currently served by public telecommunications. The other purposes were clearly secondary.

Much to my surprise, Mr. President, I have read the report of the Appropriations Committee on H.R. 4169 (Rept. No. 97–265), and it appears to rewrite section 393's "extension-of-service" concept to include the upgrading of facilities.

The Appropriations Committee was concerned that, even though communities are receiving public telecommunications services, there is a question as to the adequacy of this coverage. My concern is that the report of the Appropriations Committee on H.R. 4169 should not be construed to reorder the priorities enacted into law. Am I corrrect in my assumption, Mr. Chairman, that the Appropriations Committee report does not reorder section 393's priorities for the public telecommunications facilities program?

Mr. WEICKER. The Senator from Alaska is correct. The Appropriations Committee report, as it relates to the PTFP, is not intended to reorder the section 393 priorities. The report merely expresses the concern of the committee that the National Telecommunications and Information Administration, in the administration of this program, will not overlook the upgrading of existing facilities to improve services to communities already covered.

Mr. STEVENS. The Appropriations Committee report also requires NTIA to use 16 employees to implement the PTFP. However, Bernard Wunder, Assistant Secretary for Telecommunications and Information, has indicated that this program can be adequately administered by fewer employees. Secretary Wunder is responsible for the program's administration. He is well aware of congressional intent in creating this program and has stated that the act can be administered by fewer employees. We must and will hold NTIA accountable for the performance of its duties under this program to insure that the job gets done. But it seems that at a time of budgetary restraint, we cannot impose unnecessary employee levels on Federal agencies.

Would the Senator consider requiring NTIA to use no less than 12 employees as opposed to 16?

Mr. WEICKER. That is fine. The committee's only concern is that NTIA not be deprived of the requisite number of employees to process applications and award grants under the program. If the Assistant Secretary determines that the job can be done by no less than 12, then that is fine. I just want to insure that we get these grants out in a timely fashion. As you know, no fiscal year 1981 grants were obligated prior to the end of fiscal year 1981, even though $19.7 million was appropriated for this program in that year.

ON EDUCATIONAL AND CULTURAL AFFAIRS, INTERNATIONAL COMMUNICATION AGENCY

Mr. COCHRAN. Mr. President, I should like to congratulate the subcommittee chairman, Mr. WEICKER, for the funding level contained in this bill for the academic exchange programs under the International Communication Agency. These programs make vital contributions both to understanding across international borders and to the international trade of U.S. products. These programs provide a vehicle for the development of deep and long-lasting ties between our country and other participating countries using the best ingredients available—the minds of our youth. Our student exchange programs will bear fruit as these students take leadership roles in the areas of government, business, and education. There are so many tangible benefits that flow to all nations, but particularly the United States, from these important programs.

I believe that this body should make clear that we want ICA to maintain a priority for educational and cultural affairs at least as high as that reflected in the Senate Appropriations Committee report. The report includes nonprofit private sector programs which take fullest possible advantage of the multiplier effect they generate through volunteer energies and private financial support. all made possible by citizen exchange organizations.

The committee report also addresses itself to the strengths of the academic exchange programs administered by ICA, such as the Fulbright and Humphrey fellowships.

In closing, Mr. President, I would simply like to reiterate the views expressed in the committee report by stressing that our Nation has much to offer, and to gain, and to share educationally, culturally, and socially from these programs. We should strive to expand programs such as these which strengthen mutual understanding between our people and others.

Mr. HOLLINGS. Mr. President, the Appropriations Committee's report indicates that the committee expects the FCC to devote adequate resources to the work of the Temporary Commission on Alternative Financing for Public Telecommunications, which was just established by the Congress in August. What level of support is estimated?

Mr. WEICKER. Although the Temporary Commission was authorized well after the Congress received the FCC's budget requests and the President's revised proposals, Public Law 97–35 calls on the FCC to house and support its work:

> Upon request of the (Temporary) Commission, the FCC shall furnish the (Temporary) Commission with such personnel and support services as may be necessary to assist the (Temporary) Commission in carrying out its duties and functions . . .

It was clear in the legislative hearing which bore on this Temporary Commission that the Congress expects the FCC

to be the conduit for financing the work of this short-term effort. I understand that the Temporary Commission has a budget which requires $400,000, to be matched by a like value in-kind support to be contributed by the FCC and other public and private members of the Commission. It is our intent that $400,000 should be made available as necessary by the FCC for the research, survey, and analytic work of the Temporary Commission.

Mr. HOLLINGS. I thank the Senator for that information, I am concerned that without this support the work of the Temporary Commission could not be accomplished as we have asked in the law establishing it. This Commission was established as a unified effort to look for additional funding for public television and radio, even as we in Congress had to reduce the Federal financial commitment. But we asked that there be a tremendous amount of work done and reports filed in very short order, and without this kind of support, as the committee has recommended, that important work could not be accomplished, and we would end up not serving the long-term services of public telecommunications which we seek to preserve.

Mr. WEICKER. I agree with the Senator, and I thank him for his remarks and interest. This Temporary Commission is the focus of Federal analysis of the needs of public broadcasting, and its results will be guiding us in the next session and the next Congress. This appropriation via the FCC will insure that we have that information when we need it.

UP AMENDMENT NO. 609—RELATING TO MISSING CHILDREN

● Mr. MATTINGLY. Mr. President, I am pleased that the Senate has acted yesterday to accept S. 1701, a bill which I cosponsored along with Senator HAWKINS and a number of my colleagues, as an amendment to the Commerce, Justice, and State, the judiciary and related agencies appropriations bill, 1982. As Senator HAWKINS pointed out when she presented the amendment, the problem of missing persons, particularly missing children, is one of the most grievous our Nation faces.

I am acutely aware of the pressure and anxiety that families and entire communities face as a result of months and even years of uncertainty concerning their loved ones. The story of missing and murdered black youths in the city of Atlanta is one with which citizens throughout this Nation are familiar. But highly publicized cases such as this represent only a fraction of those that actually occur each year. In fact, approximately 150,000 children are reported missing annually.

I am grateful, as are all the citizens of Atlanta, that the people of this Nation united to aid in the search for the missing children in my own State. Citizens from many States gave hours of time on weekends to form search parties which combed the landscape in Atlanta. The President made available monies through the Justice Department's Office of Juvenile Justice and Delinquency Prevention to assist law enforcement officials. Other Federal agencies, with coordination by Juvenile Justice, also offered financial support. As a result of these efforts, all but one of the missing youths have been accounted for.

Unfortunately, unlike the tragedy in Atlanta, the majority of these cases goes unpublicized and little or no assistance is provided. This nightmare does not need to exist. The technology is available now which could enable law enforcement agencies to solve a large number of these cases.

The amendment presented today will utilize effectively this technology. It will require the Attorney General to assist State and local law enforcement agencies in collecting and disseminating information on missing persons. Additionally, the amendment will establish a national clearinghouse on the unidentified dead.

It is an incredible irony that, in this great Nation, we have employed our technological know-how to devise a comprehensive, nationwide system for locating and identifying stolen automobiles, but no comparable system exists for the location of kidnapped and missing children. I implore my colleagues, Mr. President, to act to rectify this wrong and to vote in favor of this amendment.

In Atlanta, the anxiety is subsiding. But Darron Glass, who disappeared at the age of 10 in October 1979, is still missing. Until all avenues are explored which might lead to his location, the tragedy in Atlanta will not be behind us. And we, as U.S. Senators, will not have done all in our power to serve our fellow Americans.●

MISSING CHILDREN ACT

● Mr. RIEGLE. Mr. President, as a cosponsor of S. 1701, the Missing Children Act as introduced by Senator HAWKINS, I am very pleased with the Senate decision to include this act as an amendment to H.R. 4169, the Departments of Commerce, Justice, and State appropriations bill. The Missing Children Act will extend the use of modern computer technology in an area of concern to all of us; the protection of our Nation's children.

Creating a national clearinghouse for information on missing children will provide a much-improved system for obtaining and maintaining information about all missing children in an effort to aid local law enforcement officials and parents in their search for these children.

Since access to the system would be available as soon as a child is reported missing, the FBI could help to expedite the efforts of parents and police in locating and identifying missing children, helping to prevent further harm. In addition, centralizing and improving the records of unidentified bodies will prevent parents from suffering through years of anguished waiting for information and may increase the speed at which these cases can be solved.

It is a tragedy of modern society that conditions exist which lead to the disappearance of 150.000 children each year. It is imperative that, while working to find solutions to these larger problems we take advantage of opportunities such as those provided by a centralized computer system to reduce the trauma and suffering caused by the absence or loss of a child.●

THE FULBRIGHT EDUCATIONAL EXCHANGE PROGRAM

● Mr. PRYOR. Mr. President, I would like to take a moment to congratulate the Appropriations Committee on restoring and adding to the funding for educational and exchange programs of the International Communications Agency. Funds for these programs had been cut by the House of Representatives at the request of the administration.

Under the administration's proposal, the academic program in fiscal year 1982 would be cut by 53 percent. That drastic a cut would eliminate educational exchanges in all but 59 of the 125 countries in which the program now operates. The number of students served by the program would be cut by 40 percent. Host country contributions would drop sharply in accordance with the U.S. cuts. Programs in 27 private organizations would be dissolved.

Mr. President, I take a special interest in these academic programs, which were the creation of one of my predecessors, J. William Fulbright, who served the State of Arkansas brilliantly during 30 years in the Senate.

I hope my colleagues will bear with me a moment while I review the origins and successes of the Fulbright program. In 1946, while this Nation was beginning to recover from the upheaval of World War II, Bill Fulbright recognized the value of international exchanges to promote understanding between nations and to create or strengthen ties on an individual as well as governmental level.

He introduced legislation authorizing our Government to use proceeds from the sale of surplus war property outside the United States to finance the exchange of students and teachers. Under the Fulbright Act these funds were made available for the first time to finance grants to foreigners to teach and study in the United States, thus creating a two-way street that has served us well. Soon, private organizations and universities joined in a partnership with the Government. Over the years the act was amended several times and the funding and scope of the program expanded considerably.

In its 36 years of existence the program has supported more than 130,000 students—45,000 from the United States and 85,000 from other countries. Total U.S. Government appropriations have been $600 million, with non-U.S. Government sources contributing over $50 million. Participating countries have increased from 30 in 1950 to 125 in 1980.

Unfortunately, support for the program waned slightly in the late 1960's and the 1970's, and when we adjust for inflation, we find that present funding levels are at only 60 percent of the pre-1968 level. In 1950 the program financed foreign study for 3,800 grantees from the United States and 20 other countries. Today, 125 countries participate, but the

number of students has remained the same.

Mr. President, the Senate must not allow any further erosion of this program.

If I may, I would like to pass along a few comments which Bill Fulbright made recently in a letter to President Reagan in support of the international exchange program:

My reason for believing that this program is worthy of your attention is my conviction that it has a direct relation to the security of our country, a matter which is of deep concern to you and to all Americans.

The transnational exchanges create interest and relationships among people of different countries and ideologies, which inspire the desire and the will to find an alternative to nuclear conflict as a way to reconcile their differences.

Nominally the educational exchange is an academic matter, but in reality it also affects the basic ingredient of our political relations with other countries, through the individuals who determine governmental decisions directly and indirectly.

There are several lessons to be drawn from these remarks. I am firmly convinced that by promoting understanding between nations we are actively reducing the basis for many of the antagonisms that can lead to armed conflict. People around the world have some strange ideas about the United States and our way of life, and, I must say, U.S. citizens harbor their full share of misconceptions about other nations. Foreign study increases our knowledge of other nations, eliminates specific prejudices and misconceptions, and makes us more tolerant of other points of view. It is not difficult to stir up bad feelings against an abstract vision of another country. It is much more difficult to build up antagonisms where there has been substantial contact with individuals from that other country. The more ties we create abroad, the easier it is to keep the peace.

If some of my colleagues are worried about the "payoff" associated with this program, let me assure them that the "payoff" under Fulbright is real. We are talking about the education of the leaders of tomorrow, just as the program in the past has financed the foreign study of many of today's leaders. Obviously, it will always be to our advantage to deal with foreign leaders who have sympathetic ties with our own country. We have seen at least one nation whose government is more or less in the hands of a group of officials who received their education in this country, and our relations with that nation, not coincidentally, have been excellent.

A recent survey by the Board of Foreign Scholarships revealed that 33 heads of state and 378 cabinet-level ministers had studied or visited in the United States under the aegis of educational exchange program. Among those participants we find such leaders as Prime Minister Margaret Thatcher of Great Britain, President Julius Nyerere of Tanzania, Chancellor Bruno Kreisky of Austria, Chancellor Helmut Schmidt of West Germany, and Prime Minister Indira Gandhi of India. In addition, our own Senators PAT MOYNIHAN and JACK SCHMITT have studied abroad under a Fulbright grant.

The Senate Appropriations Committee has taken a firm stand on the question of funding exchange programs. Not only did it refuse to go along with the House in cutting the program, but it added enough money for a slight increase in some program operations. The committee has added its voice to that of the Senate Foreign Relations Committee, which has called for substantial increases in exchange programs over the next several years. I am grateful to the committee and congratulate its members on their foresight in appreciating the benefits which are bound to follow from increased international contact.

It seems to me that the program which Bill Fulbright established is the most effective way we have found to promote international understanding and achieve good will toward the United States among future leaders abroad. In view of the very strong reaction around the country opposing the proposed cuts, I am hopeful that the Senate position will prevail in conference. I urge the Senate conferees to do their utmost to see that the full Senate figure is adopted in the end.●

ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business, the time to not extend beyond 4:15 p.m., and that Senators may speak therein for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

NUCLEAR BLACKMAIL

Mr. THURMOND. Mr. President, large crowds organized by leftwing activists recently rallied in Bonn, London, and Rome to "protest" the so-called U.S. nuclear arms buildup in Western Europe. One of the arguments advanced by the demonstrators is that by keeping U.S. nuclear weapons out of Western Europe, the Soviets will be less likely to fire their SS-20 missiles at U.S. targets.

It is ironic that these Europeans take this position, because without a strong U.S. military presence, the Soviets are more likely to fire upon a vulnerable Western Europe knowing that existing missiles in Western Europe cannot reach the U.S.S.R.

As Congress studies the Reagan program for an upgraded national defense, may we also realize our responsibility as a world power to be ready to protect our North Atlantic Treaty Organization allies in Western Europe.

For the protection of Western Europe, the United States, and ultimately the entire free world, I believe that it is imperative that the United States have a strong military presence in Western Europe.

Our purpose is not to provoke a nuclear war, but to prevent one. The only way to keep Russia in check is to maintain our military strength. Deploying U.S. nuclear missiles in Europe will serve as a deterrent to Soviet aggression—a growing malignancy that threatens the free world.

Mr. President, I am pleased that an editorial which appeared in the October 2, 1981, edition of the Greenville, S.C., News shares my concerns regarding Western Europe and its defense relationship with America. In order to share this excellent article with my colleagues, I ask unanimous consent that it appear in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NUCLEAR BLACKMAIL

The United States will be at a disadvantage on Nov. 30 when negotiations begin with the Soviet Union on limiting nuclear weapons in Europe. The reason is two-fold:

The Soviet Union's SS-20 missiles, already deployed, can devastate Western Europe on short notice, but none in Western Europe can reach the U.S.S.R.

Widespread vocal dissent, apparently well coordinated, in key Western European countries aims to prevent placement of similar weaponry in the West to counter the Soviet nuclear arsenal.

Therefore, the United States will be negotiating from a position of relative weakness, unless NATO countries express determination to match weapon with weapon.

Over-all American capability—or threat of all-out nuclear war in event of an attack on Europe—may be sufficient deterrence, but only if the Soviet leadership is convinced the United States can and will respond. And that exposes the "window of vulnerability" in this country's nuclear defense policy: uncertainty about American capability.

The chilling thing about the gap in Western Europe's nuclear position is evidence that the Soviet Union is daring the West to match its weaponry. It's a form of nuclear blackmail which is enjoying some success in growing anti-American and anti-weapons sentiment in several NATO nations.

That's the danger of dealing with the Soviet Union from any position other than solid, clearly-understood strength. And that's the reason for a sense of urgency about restoring the perceived effectiveness of America's armed forces.

REMARKS BY ATTORNEY GENERAL WILLIAM FRENCH SMITH BEFORE THE FEDERAL LEGAL COUNCIL

Mr. THURMOND. Mr. President, recently, Attorney General William French Smith spoke before the Federal Legal Council on the proper role of the judiciary. In his comments, the Attorney General presented a concise restatement of the problem of judicial activism and indicated the posture which the Reagan administration will take to help reinforce the traditional role of the judiciary.

Mr. President, I have always been impressed with the qualifications of Attorney General Smith, and I believe that this speech clearly underscores that this man is one of the finest attorneys to hold this position in modern times. Rarely in recent history has there been a chief legal officer who understood the Constitution as well as this great lawyer and who could so cogently express the fundamental principles on which this Nation was founded.

In addition to recounting the evolution of judicial usurpation of policymaking through artificial analysis and implied rights, the Attorney General ex-

plained how the Reagan administration plans to respond to the American people by reemphasizing the traditional constitutional roles of the three branches of the Federal Government. Attorney General Smith also makes it clear that this administration is unalterably dedicated to insuring that the executive branch upholds its responsibility under the Constitution, rather than preempting legislative prerogatives by using discretion in determining which laws it will support and defend.

Mr. President, in order to share this excellent speech with my colleagues, I ask unanimous consent that the complete text of the address by Attorney General Smith be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE WILLIAM FRENCH SMITH, ATTORNEY GENERAL OF THE UNITED STATES

It is a special pleasure for me to be here this morning and to open this first gathering of the men and women who direct the Reagan Administrations legal machinery. Most of us are here because of an election that occurred last November, and I want to use this occasion to outline what that election means to us as the Government's lawyers. Simply put, consistent with the Constitution and the laws of the United States, the Department of Justice intends to play an active role in effecting the principles upon which Ronald Reagan campai ned.

Already, there have been many significant changes. We have proposed a comprehensive crime package of more than 150 administrative and legislative initiatives that would help to redress the imbalance between the forces of law and the forces of lawlessness. We have proposed a new approach to immigration and refugee policy designed to reassert control over our own borders. We have brought the Government's antitrust policies back to the real economic world by focusing upon truly anticompetitive activities rather than outmoded and exotic theories. We have firmly enforced the law that forbids federal employees from striking. We have opposed the distortion of the meaning of equal protection by courts that mandate counterproductive busing and quotas. We have helped to select appointees to the federal bench who understand the meaning of judicial restraint.

As significant as all these changes are, however, they represent only a beginning. Today, I will discuss the next stage in this process. We intend, in a comprehensive way, to identify those principles that we will urge upon the federal courts. And we intend to identify the cases in which to make our arguments—all the way to the Supreme Court. We believe that the groundswell of conservatism evidenced by the 1980 election makes this an especially appropriate time to urge upon the courts more principled bases that would diminish judicial activism. History teaches us that the courts are not unaffected by major public change in political attitudes. As the great jurist Benjamin Cardozo once wrote:

"The great tides and currents which engulf the rest of men do not turn aside in their course and pass the judges by."

Consider for a moment the 1900 Presidential election. That year, a burning issue of the campaign was whether or not the protections of the Constitution automatically attached to the territories annexed after the Spanish-American War. Paralleling the public opinion expressed in the election, in 1901 the Supreme Court held in the four Insular Cases that it did not. In explaining that result, the columnist Finley Peter Dunne caused his fictitious Irish bartender Mr. Dooley to speak the following prophetic words:

"No matter whither th' Constitution follows th' flag or not, th' Supreme Court follows th' illicition returns."

Federal judges in 1931—as in 1901—remain free from direct popular control. Nevertheless, basic changes in public sentiment can still portend changing judicial philosophy. Various doubts about past conclusions have already been expressed in Supreme Court opinions, concurrences, and dissents—which makes the next few years inviting ones to urge modifications upon that Court and other federal courts.

We intend to do exactly that. Solicitor General Rex Lee is already working with our Assistant Attorneys General to identify those key areas in which the courts might be convinced to desist from actual policy-making. In some areas, what we consider errors of the past might be corrected. In other areas, past trends might at least be halted and new approaches substituted. Today, I want to outline some of those areas upon which we are focusing.

It is clear that between *Allgeyer* v. *Louisiana* in 1897 and *Nebbia* v. *New York* in 1934 the Supreme Court engaged in—and fostered—judicial policy-making under the guise of substantive due process. During this period, the Court weighted the balance in favor of individual interests against the decisions of state and federal legislatures. Using the due process clauses, unelected judges substituted their own policy preferences for the determinations of the public's elected representatives.

In recent decades, at the behest of private litigants and even the Executive Branch itself, federal courts have engaged in a similar kind of judicial policy-making. In the future, the Justice Department will focus upon the doctrines that have led to the courts' activism. We will attempt to reverse this unhealthy flow of power from state and federal legislatures to federal courts—and the concomitant flow of power from state and local governments to the federal level.

Three areas of judicial policy-making are of particular concern. First, the erosion of restraint in considerations of justiciability. Second, some of the standards by which state and federal statutes have been declared unconstitutional—and, in particular, some of the analysis of so-called "fundamental rights" and "suspect classifications." And third, the extravagant use of mandatory injunctions and remedial decrees.

Article III of the Constitution limits the jurisdiction of the federal courts to the consideration of cases or controversies properly brought before them. Nevertheless, in recent years, a weakening of the courts' resolve to abide by the case or controversy requirement has allowed them greater power of review over government action. Often, the federal government itself has in the past moved courts to show less deference to the boundaries of justiciability—in particular, in environmental litigation. The Justice Department will henceforth show a more responsible concern for such questions. We will assert the doctrine in those situations that involve any of its four elements—standing, ripeness, mootness, and presence of a political question. Vindicating the principle of justiciability would help return the courts to a more principled deference to the actions of the elected branches.

Like the concept of judicial restraint itself, the constitutional requirement of justiciability limits the permissible reach of the courts irrespective of the desirability of reaching the underlying legal issues involved. The doctrine of justiciability therefore limits the possibility of judicial encroachment upon the responsibilities of the other branches or the states—even in those situations when the other branch or level of government has chosen not to act. Some responsibilities are entrusted solely to nonjudicial processes. In those instances, we intend to urge the judicial forebearance envisioned by the Constitution.

Just as courts have sometimes overstepped the proper bounds of justiciability, their analyses of equal protection issues have often trespassed upon responsibilities our constitutional system entrusted to legislatures. Through their determination of so-called "fundamental rights" and "suspect classifications," courts have sometimes succeeded in weighting the balance against proper legislative action.

In the 1942 case of *Skinner* v. *Oklahoma*, the Supreme Court first emphasized the concept of fundamental rights that invites courts to undertake a stricter scrutiny of the inherently legislative task of line-drawing. In the nearly forty years since then, the number of rights labeled "fundamental" by the courts has multiplied.

They now include the first amendment rights and the right to vote in most elections—rights mentioned in the Constitution. In addition, however, they include rights that—though deemed fundamental—were held to be only implied by the Constitution. The latter group—which has become a real base for expanding federal court activity—includes the right to marry, the right to procreate, the right of interstate travel, and the right of sexual privacy that, among other things, may have spawned a right—with certain liimtations—to have an abortion.

We do not disagree with the results in all of these cases. We do, however, believe that the application of these principles has led to some constitutionally dubious and unwise intrusions upon the legislative domain. The very arbitrariness with which some rights have been discerned and preferred, while others have not, reveals a process of subjective judicial policy-making as opposed to reasoned legal interpretation.

At the very least, this multiplication of implied constitutional rights—and the unbounded strict scrutiny they produce—has gone far enough. We will resist expansion. And, in some cases, we will seek to modify the use of these categories as a touchstone that almost inevitably results in the invalidation of legislative determinations. We will seek to modify especially the application of a strict scrutiny to issues whose very nature requires the resources of a legislature to resolve.

We shall also contest any expansion of the list of suspect classifications, which, once established by a court, almost inevitably result in the overturning of legislative judgments. Thus far, the Supreme Court has employed a strict-scrutiny test when legislative classifications turn upon race, national origin, or, in many instances, alienage. In addition, when classifications are based upon sex or legitimacy, the Court has on occasion conceived and applied a middle test somewhere between the special strict-scrutiny test and the normal rational-basis test.

Already, some limitations have been forged in the Supreme Court to temper these analyses of suspect and quasi-suspect classifications—for example, in the case of alienage.

The Department of Justice will encourage further refinement in these areas—in particular, by resisting increase in the number of suspect or quasi-suspect classifications and by tempering the strictness of the analysis applied to classifications based upon alienage. Throughout, as with the so-called fundamental rights, as we shall be guided by the principle that legislatures, rather than courts, are better suited both constitutionally and practically to make certain kinds of complex policy determinations. We shall, however, remain vigilant to the Civil War Amendments' explicit concern over classifications based on race.

The extent to which the federal courts have inappropriately entered legislative terrain can be seen most clearly—and felt—in their use of mandatory injunctions and attempts to fashion equitable remedies for perceived violations. Throughout history, the equitable powers of courts have normally reached only those situations a court can effectively remedy. Implicit within that historical limitation is the recognition that some kinds of remedial efforts require resources and expertise beyond those of a federal court—even one aided by special masters.

Nevertheless, federal courts have attempted to restructure entire school systems in desegregation cases—and to maintain continuing review over basic administrative decisions. They have asserted similar control over entire prison systems and public housing projects. They have restructured the employment criteria to be used by American business and government—even to the extent of mandating numerical results based upon race or gender. No area seems immune from judicial administration. At least one federal judge had even attempted to administer a local sewer system.

In the area of equitable remedies, it seems clear that federal courts have gone far beyond their abilities. In so doing, they have forced major reallocations of governmental resources—often with no concern for budgetary limits and the dislocations that inevitably result from the limited judicial perspective.

In many of these cases, the Department will also seek to ensure better responses to the problems at issue by the more appropriate levels and branches of government. We have already begun that process in the case of busing and quotas, both of which have largely failed as judicial remedies.

Thus far, I have discussed some of those things that the Department of Justice will do to further the goals of this Administration. Through legislation and litigation, we will attempt to effect the goals I have outlined. There are, however, some things that we cannot—and will not—do.

Throughout my remarks today, I have emphasized the importance of judicial restraint to the constitutional principle of separation of powers. The Constitution confides certain powers in the Legislative Branch and not in the Judicial Branch. In a similar fashion, the Constitution delineates the proper domain of the Executive and Legislative functions. The Constitution directs the President to ensure the faithful execution of the laws, which forms the basis of the Attorney General's litigating authority for the government as a whole. That constitutional command also requires the Executive branch to defend measures duly enacted by the Congress—even those with which the Administration does not agree.

Statutes with which we disagree are nevertheless the law of the land. As such, they must be defended against attack in the courts. They must also be fully enforced by the Executive Branch when their validity and meaning are clear. Some have suggested that this Administration intends to do less. Others have suggested that this Administration should do less.

In fact, the Department of Justice intends to do exactly what the Constitution requires—to enforce the laws duly and constitutionally enacted by the Congress. If we were to do less, we would ourselves be guilty of the same kind of transgressions that I have pledged we would combat on the part of the Judiciary. Under the Constitution, the Executive cannot unilaterally alter the clear enactments of Congress any more than the courts can. When it disagrees with a law, the Executive Branch can urge and support changes by the Congress. In the case of laws that are clearly and indefensibly unconstitutional, the Executive can refuse to enforce them and urge invalidation by the Courts. When reasonable defenses are available, we will defend a statute that does not intrude upon the powers of the Executive Branch. That is our responsibility under the Constitution irrespective of our views on substantive policy.

In the case of ambiguous laws, the Executive can in good faith urge and pursue those interpretations that seem most consistent with the intentions of the Congress, the policies of the Administration, and the other laws of the land. The Executive can do all of these things, but it can constitutionally do no more. No one should doubt that this Administration's adherence to the Constitutional principle of separation of powers will exact from us the same degree of obedience and moderation that we will urge upon the courts.

There is an old story about James Russell Lowell when he was the American Ambassador to the Court of St. James during the late nineteenth century. The French Ambassador of the time—who was himself a historian as well as a diplomat—approached Lowell with a question:

"Mr. Ambassador, how long will the American republic endure?"

The American Ambassador replied:

"As long as the ideals of its leaders reflect the ideals of the Nation's Founding Fathers."

This Administration intends to use every resource at its disposal to ensure that this government reflects the ideals of the Founding Fathers. Those principles have long enabled our Nation both to endure and to prosper. In the furtherance of those principles, however, we will not ourselves seek short-term successes at the expense of basic principles. We will demand of ourselves that same adherence to sound constitutional principles that we intend to demand of the other branches of government.

MEMORIAL COUNCILS AND THE NEED TO PREVENT GENOCIDE

Mr. PROXMIRE. Mr. President, on October 26, 1981, the Department of State served as host for the International Liberators Conference of the U.S. Holocaust Memorial Council. The Council is a nonpolitical organization created by President Carter, and enacted into law by a unanimous vote of both the House of Representatives and the Senate of the United States.

Its purpose is to make our citizens—and people everywhere—aware of the unspeakable crimes perpetrated systematically, and officially, against the Jewish people and humanity during World War II. Let me quote the chairman of the Council, the Honorable Elie Weisel, as to its purpose:

Our activities are manifold in nature and scope. The International Relations Committee, which coordinated this conference, is but one of the committees functioning within the Council. Another committee is in charge of gathering pertinent archives; another is preparing educational programs for elementary and secondary schools and universities. There is a committee to prepare the Annual Remembrance Day ceremonies, another to plan the museum, and yet another is engaged in raising funds to finance all these activities.

What we all have in common is an obsession not to betray the dead we have left behind or who left us behind. They were killed once; they must not be killed again through forgetfulness.

Mr. President, we have here a Council, created by the President of the United States, which serves as a reminder of man's inhumanity to his brothers and charges us never to forget this unprecedented crime against mankind. The holocaust is clearly one of mankind's blackest deeds, and the act of bringing together the liberators and the survivors, to remember and to remind, is one of great humanitarian value.

My question and challenge to the Senate is this, Mr. President: Will future Presidents need to create Memorial Councils for groups such as the Ugandans, Armenians, Cambodians, East Timors and other groups, yet to be named?

Would any of these groups have been spared their agonies if the Genocide Convention had been universally ratified?

Some would say no. I say even if all of these inhuman acts are not officially declared genocide, a united international voice against genocide would be a deterrent to such cruel acts in the future.

The ratification of the Genocide Convention would serve mankind well if it reduced even by one the need for future Memorial Councils.

I urge my colleagues to act, and ratify this treaty.

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 91

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, and the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one deferral of $108 thousand in fiscal year 1982 funds.

This action is taken to restrain spending of funds made available by the Continuing Resolution, P.L. 97-51.

The deferral contained in this message is for the Department of Interior's Historic Preservation Fund.

The details of the deferral are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *November 13, 1981.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2221. A communication from the Secretary of Agriculture transmitting, pursuant to law, a proposal for a national soil and water resource conservation program; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2222. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a plan for ground-water research and for the use of the results of such research; to the Committee on Environment and Public Works.

EC-2223. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Civil Service Reform After Two Years: Some Initial Problems Resolved But Serious Concerns Remain"; to the Committee on Governmental Affairs.

EC-2224. A communication from the Executive Secretary of the Federal Reserve Employee Benefits System transmitting, pursuant to law, the annual report for the retirement plan of the employees of the Federal Reserve System; to the Committee on Governmental Affairs.

EC-2225. A communication from the Administrator of the Energy Information Administration transmitting, pursuant to law, a report on the fourth annual survey of the Nation's proved crude oil, natural gas, and natural gas liquids reserves; to the Committee on Governmental Affairs.

EC-2226. A communication from the Secretary of the Senate, transmitting, pursuant to law, a full and complete statement of the receipts and expenditures of the Senate, showing in detail the items of expense under the proper appropriations, the aggregate thereof, and exhibiting the exact condition of all public moneys received, paid out, and remaining in his possession from April 1, 1981 through September 30, 1981; ordered to lie on the table.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-579. A resolution adopted by the House of Representatives of the State of Louisiana; to the Committee on Agriculture, Nutrition, and Foresty.

"A RESOLUTION

"Whereas, for many years the sugar industry in the United States has operated under a system of federal price supports; and

"Whereas, the federal price supports have helped to stabilize the sugar market; and

"Whereas, a significant percentage of the farmers in Louisiana plant sugarcane and depend upon a stable sugar market for their livelihood; and

"Whereas, the income earned by sugarcane farmers contributes significantly to the economic well-being of this state; and

"Whereas, in recent months certain elements in the Congress have attempted to destroy the sugar price support system; and

"Whereas, the destruction of the sugar price support system would produce grave economic consequences to the sugarcane farmers and to the overall economic health of this state.

"Therefore, be it resolved by the House of Representatives of the Legislature of the State of Louisiana, That the United States Congress is hereby memorialized to take such actions as are necessary to preserve and strengthen the federal price support system for sugar.

"Be it further resolved, That a copy of this Resolution shall be transmitted without delay to the presiding officers of each house of the United States Congress and to each member of the Louisiana Delegation in Congress."

POM-580. A resolution adopted by the Southern Governor's Association, relative to the Mediterranean Fruit Fly; to the Committee on Agriculture, Nutrition, and Forestry.

POM-581. A petition from a citizen of Brattleboro, Vermont, urging congressional cooperation with President Reagan's efforts to strengthen the military; to the Committee on Armed Services.

POM-582. A resolution adopted by the Southern Governor's Association, relative to cost recovery for ports maintenance; to the Committee on Commerce, Science, and Transportation.

POM-583. A resolution adopted by the Texas and Southwestern Cattle Raisers Association, supporting Secretary James Watt for his management of public lands; to the Committee on Energy and Natural Resources.

POM-584. A resolution adopted by the Southern Governor's Association, relative to the United States Synthetic Fuels Corporation; to the Committee on Energy and Natural Resources.

POM-585. A resolution adopted by the Southern Governor's Association, relative to low-level radioactive waste management; to the Committee on Environment and Public Works.

POM-586. A resolution adopted by the Southern Governor's Association, relative to Clear Air Act Amendments; to the Committee on Environment and Public Works.

POM-587. A resolution adopted by the Southern Governor's Association, relative to forestry in the South; to the Committee on Finance.

POM-588. A resolution adopted by the Southern Governor's Association, relative to industrial development bonds; to the Committee on Finance.

POM-589. A resolution adopted by the Southern Governor's Association, relative to medicaid; to the Committee on Finance.

POM-590. A petition from a citizen of Milwaukee, Wisconsin, urging an end to deficit spending and wasteful government spending; to the Committee on Finance.

POM-591. A resolution adopted by the Southern Governor's Association, relative to State severance taxes; to the Committee on Governmental Affairs.

POM-592. A resolution adopted by the Southern Governor's Association, relative to Federal regulation of State and local pension systems; to the Committee on Governmental Affairs.

POM-593. A resolution adopted by the Southern Governor's Association, relative to limiting the number of refugees admitted to the United States to a number which can be supported by the Federal funds available; to the Committee on the Judiciary.

POM-594. A petition from a citizen of Lawrence, Kansas, relative to abortion; to the Committee on the Judiciary.

POM-595. A petition from a citizen of Palo, Iowa, supporting the Davis-Bacon Act; to the Committee on Labor and Human Resources.

POM-596. A petition from a citizen of Hunlock Creek, Pennsylvania, relative to outlawing monopoly bargaining in the Federal service; to the Committee on Labor and Human Resources.

POM-597. A petition from a citizen of San Mateo, California, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-598. A petition from a citizen of Santa Barbara, California, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-599. A petition from a citizen of Chillicothe, Ohio, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-600. A petition from a citizen of Presque Isle, Maine, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-601. A petition from a citizen of Tampa, Florida, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-602. A petition from a citizen of Clearwater, Florida, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-603. A petition from a citizen of New York, New York, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-604. A petition from a citizen of Muleshoe, Texas, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-605. A petition from a citizen of West Newton, Massachusetts, relative to union violence in America; to the Committee on Labor and Human Resources.

POM-606. A resolution adopted by the Southern Governor's Association, relative to Federal fiscal impact notes; to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Kenneth L. Adelman, of Virginia, to be a representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate;

John Sherman Cooper, of Kentucky, to be a representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate;

BENJAMIN A. GILMAN, U.S. Representative from the State of New York, to be a representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate;

ANDY IRELAND, U.S. Representative from the State of Florida, to be a representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate;

Jeane J. Kirkpatrick, of Maryland, to be a representative of the United States to the 36th session of the General Assembly of the United Nations, to which office she was appointed during the last recess of the Senate;

Bruce F. Caputo, of New York, to be an alternate representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate;

George Christopher, of California, to be an alternate representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate;

Charles M. Lichenstein, of the District of Columbia, to be an alternate representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate;

William Courtney Sherman, of Virginia, to be an alternate representative of the United

States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate; and

Jose S. Sorzano, of Virginia, to be an alternate representative of the United States to the 36th session of the General Assembly of the United Nations, to which office he was appointed during the last recess of the Senate.

(The above nominations were reported from the Committee on Foreign Relations, with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BENTSEN:

S.J. Res. 128. A joint resolution designating the fourth Sunday in October as "National Mother-in-Law Day."; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S.J. Res. 128. Joint resolution designating the fourth Sunday in October as "National Mother-in-Law Day"; to the Committee on the Judiciary.

NATIONAL MOTHER-IN-LAW DAY

● Mr. BENTSEN. Mr. President, I am today introducing a Senate companion to House Joint Resolution 311, declaring a national Mother-in-Law Day. One of my reasons for introducing this resolution is that too often in the Senate we rush to pass legislation without remembering to mention the originators of the ideas we so diligently pursue. No, I am not going to try to claim credit for Mother-in-Law Day, but I do want to give credit where credit is due.

Gene Howe, a free-wheeling Amarillo, Tex. newspaperman entertained and amused the people of the Texas Panhandle for nearly three decades. His column "Tactless Texan," written under the pen name Erasmus Rookus Tack, was the most widely read, by actual count, of any in west Texas. Jack Alexander explained his style in the January 1, 1944, edition of the Saturday Evening Post:

> Publisher Howe's favorite stunt is to stir up a nice, human rumpus in his Tactless Texan column and then hide out at his ranch until the storm blows over.

One of those "nice, human rumpuses" he stirred up was Mother-in-Law Day. He wanted to show his "lasting affection for the wonderful lady" who shared his family, so he announced his intention to have a Mother-in-Law Day of his own. But being a newspaperman, he had trouble keeping it a private affair, and soon the Nellie Donald Mother-in-Law Club was formed.

So on March 5, 1934, the first Mother-in-Law Day was held in Amarillo. The date was convenient because the cattlemen's convention would be in town and there would be plenty of escorts to take the women to the movie that was planned as entertainment. But when 5,000 women appeared from five States to receive corsages provided by the publisher and free movie tickets, there were certainly not enough escorts.

The event was acclaimed by State Governors, Will Rogers, Arthur Brisbane, and the London Times. The cities of Atlanta, Cincinnati, and Seattle were soon holding similar celebrations.

In 1937 the club went national, and in 1938 First Lady Eleanor Roosevelt was the guest speaker. Governors from Texas, Oklahoma, New Mexico, and Kansas all attended, with their mothers-in-law. The parade was the longest ever staged in the Southwest.

Mr. President, it is our duty, as we consider making Mother-in-Law Day a national celebration, that we also honor the memory of Gene A. Howe, newspaper publisher, editor, television and radio pioneer. Howe held forth from page 2, column 1 of the Amarillo Globe-Times from 1924 to 1952. He was a master promoter, and his ingenius schemes often brought him national attention. Throughout his career he showed that a newspaper can operate with compassion, never sacrificing people for the story, and still show a profit. He built a communications empire on his philosophy that "A newspaper may be forgiven for lack of wisdom but never for lack of courage."

Mr. President, I want to close with the tribute to mothers-in-law written by Gene Howe on March 5, 1934:

> It takes a real woman, a woman with a heart and head and wisdom to see that her children are married right and then their home fires are kept burning and that the children that come along are brought up properly and given a chance. A mother-in-law is a mother who has made good.

I ask that the resolution be appropriately referred and that the committee considering it report the measure expeditiously.●

ADDITIONAL COSPONSORS

S. 1651

At the request of Mr. BENTSEN, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 1651, a bill to combat international terrorism.

S. 1701

At the request of Mrs. HAWKINS, the Senator from Arizona (Mr. DECONCINI), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Nebraska (Mr. EXON), the Senator from Kansas (Mrs. KASSEBAUM), the Senator from Michigan (Mr. LEVIN), the Senator from Maryland (Mr. MATHIAS), the Senator from Oklahoma (Mr. NICKLES), the Senator from Mississippi (Mr. STENNIS), and the Senator from Minnesota (Mr. BOSCHWITZ) were added as cosponsors of S. 1701, a bill to amend title 28, United States Code, to authorize the Attorney General to acquire and exchange information to assist Federal, State, and local officials in the identification of certain deceased individuals and in the location of missing children and other specified individuals.

S. 1808

At the request of Mr. PACKWOOD, the Senator from Hawaii (Mr. INOUYE), and the Senator from Wisconsin (Mr. KASTEN) were added as cosponsors of S. 1808, a bill to authorize an Under Secretary of Commerce for Economic Affairs.

SENATE RESOLUTION 238

At the request of Mr. BENTSEN, the Senator from Arkansas (Mr. PRYOR), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of Senate Resolution 238, a resolution to retain the deductability from personal taxes of interest paid on residential mortgages.

UP AMENDMENT NO. 609

At the request of Mrs. HAWKINS, the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of UP amendment No. 609 proposed to H.R. 4169, a bill making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENTS SUBMITTED FOR PRINTING

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND RELATED AGENCIES APPROPRIATION ACT, 1982

AMENDMENT NO. 630

(Ordered to be printed and to lie on the table.)

Mr. WEICKER (for himself, Mr. STAFFORD, Mr. EAGLETON, Mr. LEAHY, Mr. HEINZ, Mr. RIEGLE, Mr. KENNEDY, Mr. BRADLEY, Mr. LEVIN, Mr. TSONGAS, and Mr. PELL) submitted an amendment intended to be proposed by them to the bill (H.R. 4560) making appropriations for the Departments of Labor, Health, and Human Services, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENT NO. 631

(Ordered to be printed and to lie on the table.)

Mr. WEICKER (for himself, Mr. STAFFORD, Mr. HATCH, Mr. RIEGLE, Mr. KENNEDY, Mr. FORD, Mr. LEVIN, Mr. CRANSTON, Mr. BAUCUS, Mr. RANDOLPH, Mr. WILLIAMS, Mr. JACKSON, and Mr. STENNIS) submitted an amendment intended to be proposed by them to the bill H.R. 4560, supra.

AMENDMENT NO. 632

(Ordered to be printed and to lie on the table.)

Mr. WEICKER (for himself, Mr. STAFFORD, Mr. HATCH, Mr. RIEGLE, Mr. KENNEDY, Mr. FORD, Mr. CRANSTON, Mr. BAUCUS, Mr. LEVIN, Mr. RANDOLPH, Mr. WILLIAMS, and Mr. JACKSON) submitted an amendment intended to be proposed by them to the bill H.R. 4560, supra.

AMENDMENTS RELATED TO CERTAIN GRANT AND ASSISTANCE PROGRAMS

Mr. WEICKER. Mr. President, I ask unanimous consent that these amendments be included in the CONGRESSIONAL RECORD at the appropriate point and that these amendments be printed.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

On page 36, line 10, strike out "1,650,000,000." and insert in lieu thereof "$1,850,000,000.".

On page 52, line 5, beginning with "$947,094,000" strike out through "$8,549,000" in line 6 and insert in lieu thereof "$991,845,000, of which $892,865,538 shall be for allotments under section 100 (b) (1), $6,134,462".

On page 51, line 21, strike out "$900,000,000" and insert in lieu thereof "$969,800,000".

NOTICES OF HEARINGS

SUBCOMMITTEE ON PRODUCTIVITY AND COMPETITION

Mr. WEICKER. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Productivity and Competition of the Senate Small Business Committee will hold a hearing on Tuesday, December 1, 1981, at 9:30 a.m., in room 424 of the Russell Senate Office Building.

The purpose of the hearing will be to examine "Federal Antitrust Policy: Implications for Small Business."

For additional information, contact Brian Hartman of the committee staff at 224–5175.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the nomination of Janet J. McCoy, of Oregon, to be High Commissioner of the Trust Territory of the Pacific Islands, has been added to the agenda of the full committee hearing scheduled for Thursday, November 19, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, room 3104 Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Gary Ellsworth of the committee staff at 224–7146.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. COHEN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, of which I am chairman, will conduct a hearing on United States-Canadian trade policies and their impact on border State industries on Tuesday, November 17, at 9 a.m., in room 6226 of the Dirksen Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to hold a full committee hearing during the session of the Senate at 9:30 a.m. on Friday, November 13, to discuss S. 864, the Financial Integrity Act.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Judiciary Committee be authorized to hold a full committee hearing at 2 p.m. tomorrow, Friday, November 13, to discuss these nominations:

Lawrence W. Pierce, of New York, to be circuit judge for the second circuit court of appeals.

Clarence A. Beam, of Nebraska, to be U.S. district judge for the district of Nebraska.

Emmett R. Cox, of Alabama, to be U.S. district judge for the southern district of Alabama.

Cynthia Holcomb Hall, of California, to be U.S. district judge for the central district of California.

John Bailey Jones, of South Dakota, to be U.S. district judge for the district of South Dakota.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary be authorized to meet during the session of the Senate on Monday, November 16, to hold a hearing on Senate Joint Resolutions 110, 117, 118, and 119, resolutions dealing with abortion.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations, of the Governmental Affairs Committee, be authorized to meet during the session of the Sentae at 9:30 a.m. on Tuesday, November 17, to discuss international narcotics trafficking.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations, of the Governmental Affairs Committee, be authorized to meet during the session of the Senate at 9:30 a.m. on Wednesday, November 18, to discuss international narcotics trafficking.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations, of the Governmental Affairs Committee, be authorized to meet during the session of the Senate at 9:30 a.m. on Thursday, November 19, to discuss international narcotics trafficking.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

A TRIBUTE TO MISS CLARA SWAN

● Mr. MITCHELL. Mr. President, I would like to take this opportunity to join with the many admirers of Clara Swan in paying her a tribute today. Miss Swan retired last summer from a 47-year career as an educator, coach, and administrator. She is a former vice president of Husson College, vice president of Plus-Gray School of Business and president of Casco Bay College.

A testimonial dinner will be held in her honor tomorrow evening in Portland, sponsored by the Business Education Association of Maine. In appreciation for her distinguished service, I ask to have printed in the RECORD an article from the Bangor, Maine, Daily News, which highlights her career.

The article follows:

PORTLAND TESTIMONIAL TO HONOR EDUCATOR

(By Wayne Reilly)

HAMPDEN.—Clara Swan was already an institution in business education when she left Husson College in 1973, after differences with the administration, to become vice president of Plus-Gray School of Business.

Unaware that the Portland junior college was nearly bankrupt, she later rejected an offer to become Husson's interim president with the support of petitions containing the names of more than 1,000 people.

In 1975 at the age of 63, the former Husson vice president and two colleagues bought the bankrupt college, and she became the first president of reorganized Casco Bay College.

The rest is a success story, a cap on a successful career in education and athletics for which Swan, who retired last summer, will be honored by the Business Education Association of Maine Saturday at a testimonial dinner in Portland. Her career in teaching, coaching and administration has spanned 47 years in classrooms from Dover-Foxcroft to Portland.

Swan, Priscilla Clark, a former Husson vice president, and Thelma Watson, a former head of the Husson business education program, added a night school program which attracted students to Casco Bay College. They regained the college's accreditation and restored its solvency. Last year, the institution enrolled more than 300 students and employed six full-time and 12 part-time teachers.

Swan's connection with Husson College dates back to 1933 when she received an associate's degree from the Maine School of Commerce, now Husson. After teaching and coaching for a few years at Mexico High School and Foxcroft Academy, and after getting a bachelor's degree from American international College, she began an association with Husson which lasted 34 years. She also picked up a master's degree from the University of Maine.

Swan is proud of the fact that during all those years as an administrator and later as president of Casco Bay College, she remained a part-time teacher.

"Teaching was more important to me than administration. I just fell into administration because I happened to be in the right place at the right time," she said during an interview at her home in Hampden.

Swan also made her mark as a basketball coach. In recognition of her 19 years as a Husson coach and other contributions to athletics, she became the third woman to join the Bangor Daily News Sports Hall of Fame in 1961. At Husson, she produced a record of 241 wins, 34 losses and seven ties.

Swan said she had never seen a basketball when she came to Brewer from Princeton as a high school sophomore. School officials wouldn't let her join the baseball team, so she decided to join the girls' basketball team instead.

Swan, who has an honorary doctorate from Fort Lauderdale College, was called "Miss Business Education of Maine" in 1971 when she received a distinguished service award from the University of Maine at Orono.

Her citation read, "In her 30 years at Husson, she has never forgotten that a student is an individual. Thousands of graduates of Husson feel a debt of gratitude to Clara Swan and recognize that part of their accomplishments are due to her teachings, her sense of organization and her administrative skill."●

JOHN RAKER: A DEDICATED AMERICAN

● Mr. HELMS. Mr. President, next Saturday in Lexington, N.C., a special, well-deserved tribute will be paid to a splendid citizen of my State, John Raker of Lexington. John Raker is a truly remarkable human being and a treasured friend.

Mr. President, I have known John Raker for many years. He is an outstanding American, Mr. President, with total dedication to God, to family, and to country.

John Raker never sacrifices principle for pragmatism; he never hesitates to choose the difficult course when it is the right course.

In addition to a successful career as a businessman, John Raker has quietly compiled a remarkable record of distinguished service to his community. He has never sought acclaim or recognition; he is instinctively a kind, generous, and compassionate man.

He is a Civitan, and he holds membership in the Royal Order of Redmen, the Oasis Shrine, the Scottish Rite Masons, and the Junior Order. His service in each organization has been marked by the same pattern of loyal and faithful particiaption.

John Raker has been active in politics for many years. He has attended every State and county GOP convention since 1920, a truly remarkable record.

Mr. President, John Raker has often declared that the smartest thing he ever did, at age 28, was when he persuaded Mable Bernice Ward to become his bride in 1924. Mrs. Raker was killed in a tragic automobile accident about a year ago. It has therefore been a sad, traumatic year for John Raker, but he has weathered it because his love for others has been reciprocated by those who love him.

Mr. President, I am so pleased that a public tribute will be paid to my dear friend, John Raker, a week from tomorrow. I wish I could be there; and, in spirit, I will be there—in a spirit of genuine admiration and days affection for one of nature's nobleman.●

PONZI MARCHES ON

● Mr. ARMSTRONG. Mr. President, the Denver Post just published what I believe is the best editorial yet written about efforts to save social security from almost certain bankruptcy.

The editorial, "Ponzi Marches On," is superb. It expresses so well what is on the hearts and minds of hundreds of Coloradans I have talked to: Save social security; do not let it become a football lobbed back and forth for political gain. Social security is the financial lifeline for 35 million Americans. It is foolish, as is wisely explained, to buy political popularity at the risk of social security's ultimate bankruptcy."

I urge my colleagues to spend a minute or two to read this insightful editorial. I ask that it be printed in the RECORD.

The editorial follows:

PONZI MARCHES ON

Millions of Americans inched closer to financial insecurity Wednesday when the House Ways and Means Committee refused to reform the U.S. Social Security System. Pressured by House Speaker Tip O'Neill, the Democratic majority voted to continue the present "Ponzi scheme" which buys political popularity at the risk of ultimate bankruptcy.

A Ponzi scheme is a sort of chain letter. A swindler named Ponzi once borrowed money and secretly used the borrowed capital itself to pay the lenders extravagant dividends. The purpose was to lure still more victims. Eventually Ponzi skipped town, leaving a few early investors with windfall gains and a massive number of destitute latecomers. The theory has lived on in such ploys as Glenn W. Turner's "Dare to be Great" pyramid sales scheme—and Social Security.

Of course, Social Security doesn't share Ponzi's dastardly *motive*. It was born with the noble goal of providing a financial floor under older Americans. But the method of financing *is* similar to Ponzi's—and subject to the same mathematical laws that eventually undermine all chain letters.

Political demagogues pretend the system is like a private pension plan, with retirees drawing benefits from trust established from their contributions. That isn't true. People pay in, all right, but that money isn't invested. Except for a relatively small reserve, it is paid out as fast as it comes in. Lately, outflow has been faster than income.

In 1938, an entire generation began to draw Social Security despite having paid in little or nothing. Each generation after that initial one has paid taxes to support the retirees ahead of it—counting on those born still later to keep the chain intact. That system worked well enough in the beginning because average life expectancy was about nine years less than today. At the start, there were about nine workers for every retiree, a light burden.

Today, longer life expectancies and lower births rates have dropped the ratio of active workers to retirees to 4–1. When the post-World War II "baby boom" reaches retirement age around the year 2010, there will only be two workers for each retiree. Then, the present system must either tax the next generation mercilessly—or go belly up. Even today, the Social Security tax is stiff—higher than income tax for many—and programmed to go higher.

There is a simple way to stave off Social Security bankruptcy—raise the retirement age to 68.

Because the underlying problem is long-term, that change could be phased in gradually so that people nearing retirement now don't have to upset long-laid plans. Raising the age for full benefits increases the number of active workers paying in while reducing the amount of benefits paid out. It also ensures that retirees can receive a decent sum.

Americans aren't "washed up" at 65—they're not only living longer, those extra years are healthier as well. That fact was recognized recently when Congress outlawed mandatory retirement at age 65. It's time to extend the same realism to Social Security.

The plan defeated Wednesday was a bipartisan effort drafted by Social Security subcommittee chairman J. J. Pickle, D-Texas, and senior Republican Barber Conable, R-N.Y. It would have ensured the system's future solvency in a number of ways including raising the basic retirement age. On O'Neill's orders, the plan was killed on a largely party-line vote of 18–14.

But, while Democrats may relish posing in the next election as the champion of Social Security benefits, the fact is that O'Neill's tactic undermined the financial security of every working American. Even those people drawing on the system now must wonder whether they can live out their days before the Ponzi scheme collapses under their feet.●

ORDER OF BUSINESS

Mr. STEVENS. Mr. President, if the distinguished Senator from West Virginia is prepared to consider certain items, I shall ask that the Chair lay certain messages before the Senate.

MEMBERSHIP OF UNITED STATES HOLOCAUST COUNCIL

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1672.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1672) entitled "An Act to expand the membership of the United States Holocaust Memorial Council from sixty to sixty-five and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause, and insert: That the Act entitled "An Act to establish the United States Holocaust Memorial Council", approved October 7, 1980 (94 Stat. 1547; Public Law 96–388), is amended—

(1) in subsection (a) of section 2 by striking out "sixty" both times it appears and inserting in lieu thereof "sixty-five";

(2) in subsection (b) of section 2—

(A) by striking out "the initial" in the first sentence;

(B) by striking out all matter in the second sentence preceding "shall serve" and inserting in lieu thereof "All noncongressional voting members designated under the preceding sentence";

(C) in paragraph (1), by striking out "initial" and inserting in lieu thereof "such noncongressional voting";

(D) in paragraph (2), by striking out "ten of such initial" and inserting in lieu thereof "eleven of such noncongressional voting";

(E) in paragraph (3) by striking out "ten other initial" and inserting in lieu thereof "eleven other such noncongressional voting"; and

(F) by striking out the sentence following paragraph (3);

(3) in paragraph (1) of subsection (c) of section 2, by striking out "with respect to the initial members of the Council"; and

(4) by striking out subsection (b) of section 5 and substituting the following:

"(b) The Executive Director shall have authority to—

"(1) appoint employees in the competitive service subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and general schedule pay rates; and

"(2) appoint and fix the compensation (at a rate not to exceed the maximum rate of basic pay payable for GS–18 of the General Schedule) of up to three employees notwithstanding any other provision of law.".

Mr. STEVENS. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION OF APPROPRIATIONS FOR DEPARTMENT OF STATE, INTERNATIONAL COMMUNICATION AGENCY, AND THE BOARD FOR INTERNATIONAL BROADCASTING

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1193.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1193) to authorize appropriations for fiscal years 1982 and 1983 for the Department of State, the International Communication Agency, and the Board for International Broadcasting, and for other purposes, (The amendment of the House is printed in the RECORD of October 29, 1981 beginning at page 26063.)

Mr. STEVENS. Mr. President, I move that the Senate disagree with the House amendment, agree to a conference requested by the House of Representatives and the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. LUGAR) appointed Mr. PERCY, Mr. HELMS, Mr. HAYAKAWA, Mr. LUGAR, Mr. PELL, Mr. BIDEN, and Mr. GLENN; Mr. MATHIAS as an additional conferee solely for the consideration of section 120 (a) through (e) of the House amendment; and Mr. CRANSTON in lieu of Mr. BIDEN as an additional conferee solely for consideration of title VI of the bill as passed by the Senate, as conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nomination on page 3, Calendar No. 477.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

FEDERAL EMERGENCY MANAGEMENT AGENCY

The legislative clerk will read the nomination of Jeffrey S. Bragg, of Ohio, to be Federal Insurance Administrator.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. STEVENS. Mr. President, is there an order for convening on Monday?

The PRESIDING OFFICER. There is an order to convene at 11 a.m. on Monday.

ORDER FOR THE RECOGNITION OF SENATOR ROBERT C. BYRD ON MONDAY

Mr. STEVENS. Mr. President, in addition to those special orders that are already entered, I ask unanimous consent that the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) be accorded a 15-minute special order in regular order on Monday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, is there anything further to come before the Senate?

RECESS UNTIL MONDAY, NOVEMBER 16, 1981, AT 11 A.M.

Mr. STEVENS. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 11 a.m. on Monday.

The motion was agreed to; and at 3:47 p.m. the Senate recessed until Monday, November 16, 1981, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate November 13, 1981:

THE JUDICIARY

Clyde H. Hamilton, of South Carolina, to be U.S. district judge for the district of South Carolina vice Robert F. Chapman, elevated.

CONFIRMATION

Executive nominations confirmed by the Senate November 13, 1981:

FEDERAL EMERGENCY MANAGEMENT AGENCY

Jeffrey S. Bragg, of Ohio, to be Federal Insurance Administrator, Federal Emergency Management Agency.

HOUSE OF REPRESENTATIVES—*Friday, November 13, 1981*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. DANIELSON).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
November 12, 1981.

I hereby designate the Honorable GEORGE E. DANIELSON to act as Speaker pro tempore on Friday, November 13, 1981.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O Lord, as You accept us in compassion and forgive us by Your grace, so teach us to touch those about us with a spirit of generosity and fairness. Though disagreements and conflicts separate people, may we remember that You have created us as one people and we share the heritage of our common birth. Help us to pray and work together so that we will respect those with whom we differ and unite in our resolve to do those things that make for peace and justice for all people. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 357, MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1982

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 97-329) on the resolution (H. Res. 271) providing for the consideration of the joint resolution (H.J. Res. 357) making further continuing appropriations for the fiscal year 1982, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 815, DEPARTMENT OF DEFENSE AUTHORIZATIONS ACT OF 1982

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 97-328) on the resolution (H. Res. 270) waiving certain points of order against the conference report on the bill (S. 815) to authorize appropriations for fiscal year 1982, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development test, and evaluation for the Armed Forces, to authorize appropriations for fiscal year 1982 for operations and maintenance expenses of the Armed Forces, to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for fiscal year 1982 for civil defense, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 349, AUTHORIZING PARTICIPATION OF UNITED STATES IN IMPLEMENTATION OF TREATY OF PEACE BETWEEN EGYPT AND ISRAEL

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 97-330) on the resolution (H. Res. 272) providing for the consideration of the joint resolution (H.J. Res. 349) to authorize the participation of the United States in a multinational force and observers to implement the Treaty of Peace between Egypt and Israel, which was referred to the House Calendar and ordered to be printed.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4209, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION, 1982

Mr. BENJAMIN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 4209) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MISINTERPRETATION OF COMMISSARY FUNDING

(Mr. DAN DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. DAN DANIEL. Mr. Speaker, I would like to draw the attention of my colleagues to an article written by George C. Wilson which appeared on page 1 in the Washington Post of Tuesday, November 10. This article, which described actions taken by the Senate Appropriations Subcommittee on Defense, on the fiscal year 1982 Department of Defense appropriation, plus information obtained explaining the subcommittee markup, shows it is mixing apples and oranges and proceeding on incorrect assumptions.

The subcommittee markup points out that all military commissaries and exchanges sell cigarettes for about $2 per carton below the civilian market price. They believe that by increasing the selling price of cigarettes by $2 a carton, an additional $96 million in revenues would be realized and could be used to reduce the operations and maintenance (O. & M.) appropriation by that amount.

Statutory requirements governing the operation of military commissaries, sections 4621, 9621, and 7601 of title 10, United States Code, prescribe pricing of resale merchandise or goods and method of funding. Merchandise or goods are to be sold at invoice price—that is, at cost plus a surcharge fee.

Commissary operating funds are derived from three sources: namely, direct congressional O. & M. appropriations, stock funds, and surcharge trust funds. The annual O. & M. appropriation is used to pay civilian salaries and wages and for the transportation of American products and goods to overseas stores.

Stock revolving funds, the initial working capital, are used to finance the purchase of resale merchandise. The revolving fund is replenished as goods are sold. Surcharge trust funds are used for the construction and renovation of facilities, purchase of equip-

ment, and certain expenses such as utilities and supplies. Surcharge funds are realized at the point of sale by adding 4 percent to the entire amount purchased by the patron. Thus, both the stock revolving fund and surcharge fund expenditures are earmarked for specific operating purposes.

The $96 million proposed reduction in O. & M. funds by the Senate subcommittee does not meet statutory requirements, commissary operations, and methods of specific funding. Since merchandise must be sold at cost, only the surcharge can be increased. Any additional revenue generated must be deposited in the trust fund and cannot be used to offset reductions in the O. & M. appropriations account. Thus, commissary operations would be directly reduced by $96 million, and could not be offset of any increase in surcharge funds. This, in effect, reduces the amount appropriated for civilian salaries and the transportation of goods overseas. The result can only mean the closing of commissary stores, a reduction in operating hours, and fewer goods available to our overseas forces.

The report assumes that commissaries and exchanges price cigarettes in the same manner. This is incorrect. Exchanges purchase cigarettes and all other merchandise with funds not appropriated by Congress. In the case of cigarettes, they are marked up 34 percent above cost and are generally priced to sell only 25 to 60 cents per carton below commercial prices. Any sizable increase beyond this amount would make them higher than those sold in civilian stores. The loss of sales would mean fewer profits and fewer funds available for morale, welfare, and recreation activities. Exchange profits or nonappropriated dollars are used to fund recreation activities which are not supported with taxpayer dollars.

STOCKMAN MUST GO

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, the Director of the Office of Management and Budget has outlived his usefulness, and for the good of the country, he ought to go, and leave his task to someone who has credibility.

I said last June 16 that Stockman had turned the Office of Managment and Budget into a fib factory. Now, in the interviews he granted to the Atlantic Monthly, his lies, his cynicism are laid out for one and all to see.

When the OMB economic model predicted—accurately—what the Reagan program would do to the Federal deficit, Stockman had as easy answer: change the computer program until it came out to match his own ideas. When the Senate Republicans said they did not think the Reagan program would work, Stockman told them to have faith, that the "magic asterisk" gimmick would cover all doubts.

Stockman knew that the Reagan program was intended to take from the poor and give to the rich. In private, he called the Kemp tax bill a Trojan horse to give the appearance of tax relief to ordinary citizens, even as the vast bulk of its benefits went to the well off and, most of all, to the wealthy.

Those of us who studied the budget carefully knew all this. I, at least, called the budget and tax programs what they were—a rich man's war, a poor man's fight, in a statement I made here to the House on March 19. I asked then the precise questions that Stockman himself was asking privately—how could the Reagan program overcome its internal inconsistencies, and how could Americans fail to see its overwhelming unfairness?

Stockman hid the failings, deceived everyone about his own misgivings, changed the numbers to make his schemes workable—for to him, the only thing that counted was winning, not to create a program that would necessarily make economic sense, let alone one that would be fair to the people of this country.

If David Stockman were a principled man, he would have expressed his doubts openly. He would have refused to change data to cover up the realities of the Reagan budget. He would have insisted that the questions be resolved. He did not one of those things. He lied, he rationalized his own doubts—and now that the original doubts he had are so clearly revealed as being right, he says to us, "Have faith." Faith in what? How can we have faith in a fib factory—for that is what Mr. Stockman has been all along, a fib factory.

REAGAN TAX BILL SHOULD BE CALLED FAT TRANSPLANT ACT OF 1981

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, I received a letter from a 92-year-old woman in North Dakota last week and she summarized very well the frustrations about economic policy in this country. She said, "It looks to me like the rich run the country and the rest of us pay the bills."

To illustrate her point, I read in the paper this morning that the provision in this year's tax bill enabling corporations to buy and sell their tax breaks may cost the Treasury $6 billion this year.

That is one of the most outrageous giveaways that has ever been written into the American Tax Code. It is exactly what the lady had in mind about who pays the bills.

President Reagan came to Washington with a good idea—to put the public sector on a diet—to cut out the fat. But he created tax laws that transfer the fat to the private sector.

The recent tax bill is a perfect example. It should be called the Fat Transplant Act of 1981. It encourages corporations to engage in the same kind of paper shuffling, the same kind of bloated bureaucratic empire building, of which the President has rightly criticized the Federal Government. Either way the citizens of this country pay for it.

We need to get back to basics, and our tax laws are a good place to start.

Today too many American executives are huddled in corners trading tax gimmicks and loopholes that have been handed to them by this administration while this country continues to lose ground in international trade.

We have developed a tax system which encourages corporate executives to draw their profits from tax loopholes rather than from the marketplace, and it is all wrong.

It seems to me that corporations should make their profits by making good products not by manipulating tax gimmicks. And I think that the administration should be more concerned about crafting a tax plan that taxes people and corporations in a manner that relates to their ability to pay, not their ability to avoid.

It is that simple, and the only people who refuse to see it are those who are building the trough of tax favors for the rich and those who are feeding from it.

FEDERAL SPENDING OUT OF CONTROL? PUT THE BLAME ON CONGRESS

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, there is always a tendency to want to shoot the messenger rather than believe the message, particularly when we hear something we do not want to hear.

Federal spending is still out of control. Do not blame the fact on Mr. Greider or Mr. Stockman. Put the blame where it belongs. On Congress.

We in Congress can reduce the irresponsible level of spending by the Federal Government anytime we develop the courage to do so.

Cutting marginal tax rates was the right thing for Congress to do. The tax rate cuts were evenly distributed across all income groups. These tax

cuts will create tremendous pressure to reduce spending even more in order to balance the budget.

For the better part of this year I have been urging the House to adopt further budget cuts totaling some $52 billion for fiscal year 1982. Identified are 272 items where such cuts can be made.

Those in Congress who now refuse to cut spending further will have the privilege of explaining, in the election in the fall of 1982, why they are voting to keep interest rates high and stifling economic recovery.

A NEW STEEL PLANT IN OHIO

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, bad news seems to reach us quickly while good news too often comes to our attention more slowly if, indeed, we hear it at all. I am pleased, therefore, to report an economic happening in the 16th District of Ohio which unquestionably qualifies as good news.

The Timken Co., recognized worldwide as a leading manufacturer of roller bearings and specialty steel, has announced it will construct a $500 million steel mill complex in Stark County. Depending on the project's success, the complex could more than double in size in the years ahead.

This development has excited the people of the Canton area, home of the Timken Co., and they have contributed outstanding community support. The plant will be one of the finest facilities of its type in the world.

Timken has a long-established and well-recognized reputation as a civic-minded supporter of the community.

This project will create 800 jobs with the company plus work for more than 600 construction firm employees. Hundreds of millions of dollars will be generated locally.

Officials of the United Steelworkers of America also worked diligently to bring this project about. A new contract was ratified by an overwhelming 10-to-1 majority.

Other public and private sectors within the community also rallied behind the proposal, encouraging the company to go ahead with its plan.

The Timken story, multiplied many times throughout the Nation, can turn the country around economically, and that is good news.

REAGAN ECONOMIC POLICY BENEFITS POOR AND MINORITIES

(Mr. DUNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNN. Mr. Speaker, yesterday sitting in my office I came across a 1-minute speech that was given on the floor a couple of weeks ago by my distinguished colleague from Maryland, PARREN MITCHELL, in which he asked the question, "What has the 97th Congress done for the minorities and the poor of this country?"

He then went on in graphic detail to talk about the plight of the poor and minorities over the last 25 years, and how that really had not improved.

I happen to agree with Mr. MITCHELL that it has not improved, despite the policies that he has advocated and the Members on the other side.

As to the question, what has the 97th done, we have began to change those policies around. Even though it is only 40-some days, we have begun to come up with an economic policy that will not benefit or mostly favor the rich, but the minorities and the poor, the people that will need the jobs in this country.

THE STOCKMAN QUOTATIONS YOU DIDN'T READ ABOUT

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, we all know that dull truths rarely catch up with exciting half-truths, but I thought I would try to put in a little perspective the by now well-known Atlantic Monthly interview with OMB Director David Stockman.

We have all heard about or read the quotations in which Stockman says—or seems to be saying—something damaging about the President's economic policies. But we have not heard anything about other things he said during the lengthy Atlantic Monthly interview.

He said:

All kinds of decisions, made 5, 10, 15 years ago, are coming back to bite us unexpectedly.

We have not heard any Democrat quote that part of the interview.

Stockman said:

The Council of Economic Advisers in the preceding administration has been consistently wrong in the past.

We have not heard anyone quote these passages.

I wonder why?

CREDIBILITY AND THE VOA

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, today's Washington Post carries a front page story concerning an internal memorandum written by an administration appointee of the International Communication Agency.

This memorandum, among other things, suggests that the Voice of America should operate as a propaganda agency.

Propaganda is a word loaded with such negative connotations that it has long since ceased to be useful.

But this does not mean that VOA credibility is somehow lessened when it follows the foreign policy direction of the President.

VOA news credibility is not an end in itself, but a means toward a goal. It is a useful tool to aid the President to communicate the views of the administration around the world.

The current policy of ICA and VOA is the effective communication of U.S. policy views to persuade targeted audiences of the correctness of those views.

I cannot see what is wrong with that.

RELIGIOUS DISCRIMINATION OF SOVIET JEWRY MUST BE ENDED

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, this morning I call the attention of this body to a pressing issue, one of global proportions; an issue of tragedy, and one that is morally unjustifiable. The issue of which I speak is the continuing religious discrimination against Soviet Jews, especially in emigration, and the continued anti-Semitism that abounds in the Soviet Union today. The problem of Jewish emigration is growing rapidly, and if it continues, will lead to the effective termination of Jewish emigration completely.

Mr. Speaker, a brief look at the facts sheds light on this problem. In October of 1979, the Soviets allowed 4,746 Jews to emigrate, yet in October of 1981, they allowed just 368. The numbers speak for themselves. Overall by year, the Soviets have decreased the numbers from 51,320 in 1979 to 8,650 so far this year, with the predicted numbers for November and December keeping this figure around 10,000. It is my feelings, as well as I am sure yours also, that this august body should lodge its protest against this inexcusable action.

Yesterday I introduced two resolutions, one which calls for the President to voice the opinion of this body, as well as the country, that the religious discrimination of Soviet Jewry be ended; and the second calls for the release of one particular individual who is being persecuted, Yuli Kosharovsky.

House Concurrent Resolution 219 calls upon the Union of Soviet Socialist Republics to end the current policies of Jewish emigration descrimination and anti-Semitism. This resolu-

tion has been referred to the House Committee on Foreign Affairs.

House Resolution 269 calls upon the Union of Soviet Socialist Republics to permit the emigration of Yuli Kosharovsky and his immediate family to Israel. This legislation has also been referred to the House Committee on Foreign Affairs.

I am submitting the language of both of these bills to the House of Representatives and include them in the CONGRESSIONAL RECORD:

H. CON. RES. 219

Whereas, the government of the U.S.S.R. has decreased Jewish emigration significantly and nearly completely, and continues to maintain this form of discrimination based upon religion;

Whereas, under the current policy, the government of the U.S.S.R. has reduced the number of Jews allowed to emigrate from a high or 4,746 in October 1979, to the present figure of 368 in October 1981, the lowest amount since emigration began;

Whereas, 260,000 Jews have been allowed to emigrate in the last twelve years, over one half million Jews have filed for emigration in the same time period;

Whereas, the government of the U.S.S.R. is implementing a policy of exiling Hebrew teachers, banning Jewish education programs, and confiscating books, as well as sacred and religious articles;

Whereas, the press of the U.S.S.R. is implementing a policy of disseminating anti-Semitic propaganda to the peoples of the U.S.S.R., which is designed to hinder Jewish heritage and terminate traditional religious practices;

Whereas, within the past four months, more arrests of Soviet Jews have taken place than in the last four years, underscoring the policy of increasing discrimination, as well as the declining emigration figures, in the U.S.S.R.: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the policies of Jewish emigration discrimination and anti-Semitism are morally reprehensible, and that the President, at every opportunity and in the strongest terms, should express to the Government of the U.S.S.R. the opposition of the United States to these reprehensible policies, and that the restrictions on the emigration of Soviet Jews be removed.

H. RES. 269

Whereas Yuli Kosharovsky lost his job as a radio electronics engineer when his employers found out his wish to emigrate to Israel, forcing him to support his family by taking odd jobs since April of 1971; and

Whereas Yuli Kosharovsky is one of Moscow's leading Hebrew teachers, having a regular class of over thirty students, and, since 1975, has been teaching a seminar for unemployed engineers—unemployed only because of their desire to leave the Soviet Union for Israel; and

Whereas Yuli Kosharovsky has been threatened with imprisonment by the KGB if he continued to conduct these seminars, which he courageously has; and

Whereas Yuli Kosharovsky's wife, Inna Kosharovsky, studied Mathematics at Moscow State University, but has been unable to find a job within her field because of her wish to emigrate; and

Whereas Yuli Kosharovsky's fourteen-year-old son, Mikhail Kosharovsky, has been the constant target of bullying by his classmates, being called "dirty Jew" by them on several occasions; and

Whereas Yuli Kosharovsky and his family have been the constant target of harassment by their community; and

Whereas the situation of the Yuli Kosharovsky is becoming rapidly more severe after the recent raid on the Kosharovsky home by KGB officials, in which Yuli Kosharovsky's typewriter and teaching materials were confiscated; and

Whereas there is a significant difference between dissidents and Jewish activists in the Soviet Union, as dissidents are people who are trying to change the internal structure of the Soviet Union, whereas the Jewish activists are only trying to leave the Soviet Union; and

Whereas these rights are guaranteed to the Soviet Jews under the Soviet constitution; and

Whereas such persecution of Yuli Kosharovsky and his family is in direct violation of the commitments to freedom of thought, conscience, expression of religion, and emigration made by the Soviet Union through its adoption of and/or participation as a signatory to the United Nations International Covenant on Civil and Political Rights, the Final Act on the Conference on Security and Cooperation in Europe, the Charter of the United Nations, and the Universal Declaration of Human Rights; and

Whereas Yuli Kosharovsky and his family continue to live in the Soviet Union in constant fear of their lives: Now, therefore, be it

Resolved, That the House of Representatives hereby condemns the treatment of Yuli Kosharovsky and his immediate family by the Government of the Soviet Union.

SEC. 2. It is the sense of the House that:

(1) the President of the United States should express to the Government of the Soviet Union the deep concern and opposition of the United States with respect to the refusal to permit the emigration of Yuli Kosharovsky and his family to Israel;

(2) the Government of the Soviet Union should comply with its commitments under the United Nations International Covenant on Civil and Political Rights, the Final Act of the Conference on Security and Cooperation in Europe, the Charter of the United Nations, the Universal Declaration of Human Rights, and the Constitution of the Union of Soviet Socialist Republics, by permitting Yuli Kosharovsky, his wife, Inna, and their son, Mikhail, to emigrate to Israel; and

(3) the Government of the Soviet Union should immediately cease its persecution of individuals seeking to emigrate from the Soviet Union, and its denial on basic religious, civil and human rights to the Jews living in the Soviet Union.

SEC. 3. The Clerk of the House shall transmit copies of this resolution to the Soviet Ambassador to the United States, to the Chairman of the Presidium of the Supreme Soviet, and to Mr. Yuli Kosharovsky.

Thank you for your consideration of these resolutions, both of which are vital to the Soviet Jews, and important to all people who seek to protect fundamental human rights.

PRESIDENT SHOULD WAIVE RULES ON MEDICAID FOR EVERYBODY: HELP ALL THE KATIES OF AMERICA

(Mr. WAXMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

● Mr. WAXMAN. Mr. Speaker, the press reported this morning that the President has waived the rules so that Katie Beckett, the disabled child he talked about in his press conference on Wednesday, can go home and still get her medicaid benefits. I am delighted that Katie will be able to rejoin her family and receive the care she needs at home. I wish her and her family all the best.

But I find it offensive that it requires a personal waiver by the President of the United States to take care of the needs of this child. I am announcing today that I will introduce legislation to extend these same benefits to all the Katies of America.

I think my colleagues would be interested to know that there are 160,000 disabled children on medicaid now. While their situation might not be exactly like Katie's I am sure that 10,000 to 20,000 of them could benefit from the change the President made for Katie today.

I share the President's concern that our programs rely too heavily on institutional care. But I find it more than ironic that, while the President is reaching out to this family with great media fanfare, the President is pursuing policies that will destroy the medicaid program—making it much more difficult for low-income children to receive the medical care they need.

In the same reckless fashion, the administration's AFDC cutbacks are stripping hundreds of thousands of working poor mothers and children of their medicaid coverage making them choose between working—and losing their medicaid coverage—and welfare—with less money, but continued medicaid coverage. The loss of this protection, particularly in the prenatal care situation, can only lead to unnecessary suffering, permanent disability and retardation, and increased Government outlays.

It is tragic that the President does not see the conflict between his actions in this one special case and his savage program cuts, which will deny needed care to millions of equally deserving children and families. The special consideration that the Federal Government has shown to Katie Beckett and her family should be made available to all children and families in similar circumstances. My legislation will do that. I am asking the administration to support it and to work actively for its passage.●

□ 1215

DOUBLE EAGLE V

(Mr. CLAUSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLAUSEN. Mr. Speaker, last night at approximately 10:30 p.s.t. The first successful transpacific balloon flight was completed when the four crewman of *Double Eagle V* brought their balloon down in the Redwood Empire near Covelo, Round Valley, Calif.

The 400,000 cubic foot, helium-filled balloon was launched early Monday from the Japanese city of Nagashima on its historic 6,000-mile trip across the Pacific Ocean. This flight has captured the imagination of the American people. That pioneer spirit which made America great is very much alive—a pioneer spirit reminiscent of the Lindbergh flight made just over half a century ago.

As was the case with Lindbergh's *Spirit of St. Louis* the spirit of *Double Eagle V* has lifted the spirit of America at a time when it really needs an uplift. This spirit of adventure and risk-taking is the same pioneering spirit that built America.

Mr. Speaker, I believe it is appropriate that these brave balloonists' first sight of land was Cape Mendocino—the most westerly point of land in the lower 48 States. As Representative of the Second Congressional District of California and as a fellow aviator, I would like to welcome and congratulate each of the four crewmen and their families, of *Double Eagle V* for this truly momentous flight.

DAVID STOCKMAN TOLD THE TRUTH

(Mr. FOWLER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. FOWLER. Mr. Speaker, we in the U.S. Congress are not in the business of selling magazines, but in the spirit of bipartisanship which I think ought to prevail in this body, I rise in support of the words of the distinguished minority leader, the gentleman from Illinois (Mr. MICHEL), in urging all Americans to buy and read the full article in the Atlantic Monthly magazine. I also want to support the President of the United States for having the courage to continue in office a man who told the truth.

David Stockman told the truth about supply side economics, he told the truth in anticipating the budget deficits that we now see, and he told the truth about foreseeing high interest rates.

Mr. Speaker, it is only a shame that the truth was not printed in the March or April issue of the Atlantic Monthly rather than waiting until nearly December, when we have all seen and we all feel the effects of the truth that Mr. Stockman foresaw 6 months ago.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Thursday, November 12, 1981:

S. 1322. An act to designate the U.S. Department of Agriculture Boll Weevil Research Laboratory Building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory" to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

ADJOURNMENT TO MONDAY, NOVEMBER 16, 1981

Mr. FOWLER. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

DE LUGO INTRODUCES CHARTER BOAT DEREGULATION ACT

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LUGO. Mr. Speaker, President Reagan has made it very clear that his administration is devoted to getting the Federal Government "off of the backs of the American people" wherever possible. One way he intends to accomplish this goal is by eliminating any Federal rule, regulation, or statute that allegedly serves no purpose except to inconvenience the public.

I agree wholeheartedly with the President. If a rule, regulation, or public law is useless, it should be erased from the books.

Today, therefore, I am introducing legislation that will, in fact, remove some burdensome and useless customs reporting requirements that have become a major nuisance to the charter boat industry in the U.S. Virgin Islands. Passage of my bill will eliminate this nuisance and save the Federal Government time and money—a goal that we all certainly share these days.

The charter boat industry in the Virgin Islands is, for obvious reasons, very extensive and contributes significantly to the growth and well-being of our local economy. Each year thousands of visitors lease or rent these vessels, for various periods of time, to take advantage of the many recreational activities afforded by our clear tropical waters and impeccable weather. Those tourist dollars, in turn, are recirculated into our local economy.

On many occasions, these charter boats make excursions into the nearby waters belonging to the British Virgin Islands. At certain points these waters are a mere quarter of a mile away from ports in the U.S. Virgin Islands.

Whenever such an excursion is anticipated, a member of the crew is required to physically report to the local customs office before leaving port to complete a vast array of paperwork. The only purpose served by this paperwork is to compile statistics on how many people use the charter boat services. Meanwhile, the vessels are rarely—if ever—inspected.

Upon returning from the waters of the British Virgin Islands, the same procedure is repeated—even if, for example, the craft had dropped anchor and spent just 1 hour to scuba dive.

I believe that these reporting requirements are a waste of valuable time and money—both for the charter boat users who do not want to spend precious time stuck in port, and for the local customs officials who have more important matters to attend to than collecting useless paperwork.

But wait. The story does not stop here.

Sometimes the charter boats will return to the U.S. Virgin Islands on a weekday or a Saturday after 5 p.m., or on a Sunday. At these times, the customs office is closed. So what happens? Believe it or not, the captain of the charter boat has to try to track down one of the customs officials to check in and fill out the required paperwork. To add insult to injury, the captain is required to reimburse the Federal Government for the overtime costs incurred in making the customs officials work after hours.

There is one final irony.

Owners of private yachts who wish to venture into the waters of the British Virgin Islands do not have to go through the same laborious reporting procedures as charter boat users. The yacht owner merely has to telephone the customs office 24 hours after returning if he or she has on board any article required by law to be examined by customs.

Mr. Speaker, I believe the Congress should rectify this ludicrous situation. The customs office in the Virgin Islands is already understaffed and overworked. Surely, they have better things to do than accumulate useless paperwork and be disturbed during their hours off. My bill would eliminate the reporting requirement for charter boats and extend to them the same convenience that is now extended to private yacht owners, that

is, they would merely have to call within 24 hours upon returning to ascertain if customs wishes to inspect the vessel.

This is a simple measure that, in these days of fiscal austerity and deregulation fever, is highly apropos. It would save customs precious time and dollars. And it would eliminate an unnecessary and burdensome bureaucratic nuisance.

THE UNIQUE CHARACTERISTICS OF THE FEDERAL RESERVE BOARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, once before I addressed the House with respect to the introduction of an impeachment resolution that I prepared directed to the Chairman of the Federal Reserve Board, Paul Volcker, and a subsequent resolution of impeachment directed to the Open Market Committee of the Federal Reserve Board, which in effect means all 12 members. As the Members know, the Open Market Committee consists of five private bankers, nonmembers of the Board, and all of the seven members of the Board.

At the time of introduction of those resolutions, I had personally advised Mr. Volcker during the course of a hearing before the Committee on Banking, Finance and Urban Affairs, that his appearance then, being in pursuance of a resolution that I had co-authored several years ago, was long overdue and belated and was an expression on the part of the Congress to bring some accountability from this runaway junta known as the Federal Reserve Board. And what was involved was a so-called quarterly report on the monetary conditions and policies of the Federal Reserve Board by way of a general report in view of the passage of the then so-called Humphrey-Hawkins Act.

When the Chairman had come in, in obedience to that act, from the Federal Reserve Board, there was shown as usual a sort of arrogance and condescension, as if to say, "Well, we are here, not that we want to be here or not that we see any need for it, but because of some silly congressional notion that we are not fully independent and that we have some kind of accountability to give to the Congress."

In the 20 years that I have served on this committee, which has, of course, the direct jurisdictional overview power over such entities as the Federal Reserve Board, I have not known of one time that the Federal Reserve Board, either through individual members or its chairmen, has ever recognized any kind of responsiblity to account to either the Congress or the President for its policies, the formulation of its policies, the reasons therefor, or even a mechanism for and the procedures followed in arriving at policy judgment decisions. Then, most importantly of all, there has been no accounting for the administration in the carrying out of such policies and even such practices as the actions of the Open Market Committee.

I know that this area or subject matter is very, very difficult to get the interest of either our colleagues in the Congress or the general public. It is considered a dry-as-dust subject matter, and, therefore, the tremendous connection between the economic fate of the country, what we call the American standard of living, and the policies dictated by this Board is lost sight of and very seldom even analyzed at all, even by such committees as the one to which I have the honor to belong that have direct jurisdictional responsibilities or the one that is the counterpart of my committee in the Senate.

Therefore, some very fundamental truths have also been either overlooked or not generally known at all, and among them is the fact that we are the only country in the world or, for that matter, in the industrialized world, whether European or Japan, that conducts its monetary matters in the fashion that we do, in effect meaning that the Congress has not only delegated powers but abdicated its prime constitutional responsibility. The fact is that the coinage of money and the actual setting of monetary policy is entrusted only and specifically to the Congress by the Constitution. Historically, there are very, very good reasons, as brought out during the debates of the Constitutional Convention before the adoption of the Constitution in 1789, for that being the case.

When the Congress enacted the Federal Reserve Act of 1913, it gave birth to what we now call roughly or in general terms a central bank of the United States or the Federal Reserve Board, but it is one which cannot in any real sense at all be compared to the actual central banks of the other industrialized nations. It is roughly the equivalent only because there is no question that the Federal Reserve Board is the agency that has not only the power but has arrogated ungiven power to dictate the monetary and fiscal policies of this country, and that has determined the fate and the economic well-being or "not well-being" of the country.

Other countries have accountability. In our country the Federal Reserve Board, which, as I have said, has either arrogated to itself or usurped the power or is attempting to express what it considered to be a delegation of power from the country, is really accountable to nobody, and, therefore, the American people do not have any kind of accountability either through its elected officials, the Congress, or the executive branch, the Presidency.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I am delighted to yield to the gentleman from North Dakota.

□ 1230

Mr. DORGAN of North Dakota. First, let me say that I think the gentleman is providing a real service by discussing this issue. It is an issue that the House of Representatives seems more interested in ignoring than facing. I think it is time for this House to turn back and start analyzing the kinds of issues that the late Honorable Wright Patman, talked about for 30 years in this House. And that is the structure of the Federal Reserve Board.

I introduced a piece of legislation that I call "the Paul Volcker Retirement Act." I did that early in this Congress. I did not do it so much to focus on the Chairman of the Federal Reserve Board as a person as to talk about the institution of the Federal Reserve Board, and the inability of the people of this country who are in a governing position to deal with monetary policy as long as we have a Federal Reserve Board that is completely and thoroughly independent.

I went back and read the things that have been written about the creation of the Federal Reserve Board. President Wilson, the Democrats and the Republicans in Congress said, "We thought we ought to have a Federal Reserve Board to try to stop and try to monitor some of these cantankerous practices of some of the local banks out there in the country, but we sure do not want to be creating with this Federal Reserve Board a strong independent bank."

Here we are, 70 years later, and what we have is a strong independent bank accountable to no one. Federal Reserve Board members are appointed for a 14-year term; they are not accountable to the President; they are not accountable to the Congress. They develop monetary policy at their own time, in their own ways, and, consequently, we come to a point in our history at which fiscal policy and monetary policy collide. They are not united in a combined strategy that makes much sense for the future of this country.

We are told that high interest rates today are part of an economic solution. In fact, it is part of the economic problem. Some say, "Use fiscal policy, cut spending, cut taxes, and that will add up to a balanced budget." It does not, but that is the current fiscal policy strategy. It is all based upon supply-side economics, which means you need explosive bursts of economic

growth to enable supply-side economics to work.

On the other hand, you have monetary policy, which is policy guaranteed to try and retard economic growth in the country. That is why we have moved into a recession. Monetary policy is designed to retard economic growth.

So we have, on the one hand, fiscal policy, which requires economic growth and substantial amounts of it to work, and, on the other hand, we have monetary policy that retards economic growth and throws the country into a recession.

It is the most schizophrenic kind of economic policy that I have ever heard of in my life. There are people in town who believe that somehow it will work. It will not work. It is economic faith healing. It is wishbone economics. It simply is not based on economic logic at all.

I want to say to the gentleman that his discussion of the structure of the Federal Reserve Board is extraordinarily productive, because that is what we need to be discussing today in Congress.

Tax cuts do not mean anything to a main street business person who is not earning a profit because he is paying 20-percent interest rates. You give him a tax cut, and it does not mean a thing. The fact is, you only pay taxes if you earn a profit. I do not know of many main street businesses in this country which are earning profits by having to pay 18 or 20 percent interest rates on the capital they need to operate their business. That just is not happening.

So we are addressing the wrong thing. It is like mowing your lawn while your house is burning. The interest rates represent the burning house, and we have to deal with interest rates in a structural way. That gets right back to the issue the gentleman is talking about: What ought the Federal Reserve Board's role be in this Government?

Should it be an independent role capable of creating a strategy of monetary policy that is inconsistent with the fiscal policy strategy? Of course not. That is not a reasonable approach. I think it is time people in the Congress begin realizing that this contradictory strategy of monetary and fiscal policy is not logical and will not work.

In conclusion—and I appreciate the gentleman allowing me the time to visit about interest rates and monetary policy—I would like to say further that the Federal Reserve Board has put us in a position of starving the most productive sector of the American economy. We starve from a credit standpoint the small business and the family farms and, at the same time, Mobil Oil Co. is out there getting $5, $6 billion worth of credit to try to buy Conoco. Now they are gobbling up credit to try to buy Marathon Oil. There is not one new job created from that kind of activity. There is no new productivity created from that kind of activity. It is a completely useless and inefficient economic activity in this country.

The most productive segment of our economy is being starved, and we are rewarding the least productive for the purposes of acquisition and concentration of corporate power; chipping away at the free enterprise system. None of that makes any sense.

So we do need a more coherent monetary strategy so that the folks in this country who need credit to build productive small businesses with, to create new jobs with, get that kind of credit, only then can they have the kind of business that prospers and grows along with the economy of this country.

I do not think the President is solely to blame for the interest rates. Obviously, the Federal Reserve Board develops monetary policy. But the fact is that the President has supported this monetary policy. He has said so time and time and time again.

I heard some colleagues on the floor of this House just the other day talking about how this program is working. "This program is working," they say. Well, if this program is working, the *Hindenburg* is still trying to park and the *Titanic* is still sailing.

The fact is, this program is not working. It has only been in force 40 or 50 days, but already we have seen the estimates change on the expected fiscal year 1982 deficit from $42 billion to upward of $80 billion. The fact is, it will not work because we have inconsistent monetary and fiscal policies. We have to get it straightened out. But even more importantly, we have to address the long-term structure of the Federal Reserve Board. That is why I think the gentleman is dead right. I have not put my name to the current resolution the gentleman is speaking about, but I have several bills of my own in and several resolutions in on the Federal Reserve Board. I commend the gentleman for bringing this to the attention of the House day after day after day. As more people begin to understand that tight money is the problem, not the solution, then we will begin dealing with that problem and create better economic solutions for the people of this country that really work.

I thank the gentleman.

Mr. GONZALEZ. Mr. Speaker, I, in turn, wish to thank the distinguished gentleman and say that he is absolutely correct. I have introduced some bills, two bills, one that would call for the abolition of the Open Market Committee and two additional bills that have to do with restructuring the Federal Reserve. One would abolish the Federal Reserve as it is now and bring it under the jurisdiction of the Department of the Treasury, where it ought to be anyway; and the other would modify it along the lines suggested by the gentleman's bill that I am familiar with and on which I am certainly in agreement. But the impeachment process I use because I think it is the only way that we can help perhaps bring about a change in sufficient time to avoid the total catastrophe that faces us. We are on the precipice. There is no question of that in my mind. I know so. I have traveled around the country. I have had the Subcommittee on Housing and Urban Affairs, which I happen to have the honor of chairing, holding hearings throughout the country. We may kid ourselves here in these marble hall environments, but the people are not fooled. The people know. And everyone of us has heard the plain people say, "Hey, look, what is Congress going to do about this?"

All this fancy talk, both by the President as well as by the Congress in the past, where we have said, "Oh, well, the Feds do this, they are independent. It is not our fault, we cannot do anything about it." And the administration says, "Oh, well, we wish we could change it, but the Feds are doing it." Of course, as the gentleman has reminded us, this administration has seconded, it has affirmed, it has backed the disastrous continued course that Volcker's chairmanship and the present Federal Reserve Board has embarked upon, and it is just a case of upward failure. It looks as if we are not following the old American tradition, and that is that if something is not working, we fix it and make it work. We do not keep trying to reward failure, and if anybody says that the continued Federal Reserve Board of the last few years is a success, then certainly they have a different definition of the word "success" than what I understand the dictionary defines it.

So I in turn wish to thank the gentleman for his contribution and hope that, together, we can engender sufficient interest in order to at least, from the policymaking level, which is the Congress, bring attention. I am presently trying to get the chairman of the full committee to give us some hearings on our bills calling for the restructuring. This is long overdue. Even if you forget about impeachment, even if you forget about success or failure of Fed boards, there is no question that the Congress has postponed the restructuring of the Federal Reserve system too long, and at great risk of catastrophe now for the entire Nation.

Mr. DORGAN of North Dakota. To further state the point I was trying to make before, the gentleman, I think has reiterated that interest rates are

seen by many as some mysterious force that Congress is not prepared to deal with.

Mr. GONZALEZ. Oh, they put on as if it is an act of God, you know. "Oh, listen, it is an act of God; nobody can do anything about it, it is just too bad."

Some say "Oh, if you dismantle the Federal Government, interest rates will go down. Oh, once you get inflation under control * * *."

Well, I wish that were correct. But all history shows otherwise, all recorded experience. Under the present circumstances, how in the world, as the gentleman has well brought out, can you assess what program you must develop, what actions must be formulated and taken in order to resolve the problem of inflation, say, if you are either ignorant of or ignore the causes for the peculiar kind of inflation that flagellates us today? This the reason why I could not support, either, Jimmy Carter's so-called energy program, because he did the same thing. He was not taking into consideration the prime cause, which was OPEC, and what to do about that; but, rather, trying to do it unilaterally by control of consumption, through price or taxation, when the European experience clearly has shown us that increase in price from $1 to almost $3 has not reduced consumption. It just meant that the rich ride and the poor walk. That is all.

Mr. DORGAN of North Dakota. Another point that I think should be made here is that those same folks who talk about the free market system talk about it with respect to interest rates, and the fact is that interest rates today are not set in the free market. Historically, interest rates represent a price for money that is about 3 percentage points above the inflation rate. Today that would make interest rates somewhere around 12, 13, or 14 percent. But they are not 12 or 13 or 14 percent. They have been 20 percent. Why? Because the Federal Reserve Board is artificially manipulating the supply of money.

Mr. GONZALEZ. That is right.

Mr. DORGAN of North Dakota. And they are doing it in a way which I think is very detrimental to the people in this country who really count, the people who produce the jobs, the people who create the innovations, the small business sector, the family farmer, and that is what worries me.

I might also just add that the gentleman, coming from Texas, remembers well back in the 1960's when McChesney Martin was Chairman of the Federal Reserve Board. I recall that there was a debate all summer long in Washington over whether or not we were going to increase the prime rate one-half of 1 percent. President Johnson put his arms around McChesney Martin down there at the ranch in Austin, Tex., and the Congress debated it for 3 months. Today interest rates go up and down one-half or 1 percent in 1 day or 2 days or a week and nobody seems to notice or care much because, they say, it represents a free market. That is just nonsense. This so-called free market—which in reality is Federal Reserve Board manipulation—is driving a whole lot of folks out of business, and a tax cut is not going to help somebody who has a failing business because they could not afford to pay the interest rates.

Mr. GONZALEZ. That is right.

The so-called long-range solution is no satisfaction to the business that is confronted with bankruptcy and extinction today. That is the problem.

Mr. DORGAN of North Dakota. Your solution will be called radical; that is, a whole series of solutions that deal with structure of the Federal Reserve Board will be called radical because the institutions in this town and in this Government say that you do not move very quickly on these kinds of issues. But the fact is, we have been debating this issue for 30 years.

Let me just leave you with a quote from one of my favorite politicians. He said: "That which is right has always been called radical by those who have a vested interest in that which is wrong."

Despite the fact that these kinds of approaches are called radical, they are right. It is time now to start talking in real ways about the structure of the Federal Reserve Board, to finally help restore some economic health to this country.

Mr. GONZALEZ. I thank the gentleman for his comments. That is the whole issue here of accountability. As a matter of fact, I referred a while ago to the Federal Reserve Board as short of a junta. Mr. Stockman, to me, represents no more than the fact that he finally had enough, his conscience bothered him enough, and he talked out. But with this Cosa Nostra, we cannot even get them to come before us hooded and their faces covered, like the Mafiosos have at least done before some congressional committees. This Cosa Nostra, the Federal Reserve Board, is another tough hombre. It is a different proposition.

Now, it is accountability, of course. I have been a member of the Banking Committee, as I said, for 20 years. Not one time can I remember any Federal Reserve Board or Chairman coming before us to give us a report on their transactions, on the reasons for their actions, on their policymaking procedures.

□ 1245

Do they have a policy, for instance, to sort of patrol themselves, govern themselves, protect themselves, say, from improper leaks from the proceedings of the so-called open market committee, which is not open, it is secret. We do not know.

I do not know at any time that the Federal Reserve Board has ever wanted to tell us.

I am also the ranking member of the Subcommittee on Oversight and Renegotiation of this committee and we have on my instigation had some hearings before us and we brought some of the regulatory heads such as the Home Loan Bank Board Chairman, its counterpart with the savings industry, and also the Federal Reserve, in an attempt to get GAO—GAO was flat turned down.

Now as you know, the General Accounting Office is the only arm that the Congress has to overview the executive branch. It is the only thing we have.

They came back to us and said, "We are sorry. We tried to get you the information." We were trying to find out what is the extent of the problem that seems to be emerging with respect to not only commercial banks but savings banks and institutions, and they were sort of hesitant and just plumb refused to even tell us, well, how many do you have on your so-called list of troubled institutions.

Some of us had already had word from some of the affected and troubled institutions. We now know as we knew then that there was trouble but you could never get it from the regulatory authorities. Then what do you have, the Comptroller of the Currency as the main officer of the commercial banking system. Well, that is so independent of the Congress that when Wright Patman tried to get the Director of that Agency to come before us some 15 years ago, 14 years ago, he just plumb told us that he was not accountable. Why? Because he is not receiving appropriated funds from the Congress to carry out the business of the Comptroller's office, the Comptroller of the Currency. The Comptroller of the Currency is funded by the banks through their fee payments for examinations, for example.

Now, what more of a turning over of this power to the directly interested vested interests can you have anywhere under the sun than that which we have done in the United States of America.

We have turned over the coinage of the money through our fractional currency. We have in effect allowed the banks to manufacture money. They talk about printing press money, meaning Congress and the Government. That is not the issue. It is the banks' manufacture of money that is at issue with no accountability, with no restraint.

Why should we be shocked now that Americans are being flagellated and being punished and business being driven out of existence? Should we be

surprised when we have turned over to those interests the control thereof. Even in ancient times it was illegal. Even in the oldest written annals of mankind or historical accounts, the last Jewish king in the old system, and his edict against usury, or even the payment of interest on loans.

It must have been troubling then and all through history it has been illegal. Since when has it been legal to have 21, 22, 20 percent rates of interest?

Any American today, businessman or individual, if he goes to his bank anywhere in the United States today and says, "I want to borrow $15,000," in the case of a businessman, "for my inventory," in the case of a private citizen to save his home, "for 90 days," he will have to pay no less than 21 percent right now.

Since when has that become the custom of the land and allowable and permissible? It ought to be out of the pale of the law and the Congress makes the laws. How in the world can the fundamental system that we have developed first and foremostly in the world, mass production, based on mass consumption, in turn based on that remarkable engine known as consumer credit, how can it survive at anything even over 10 percent? It is impossible.

The fate has been decreed and already this year we have 47½ percent more business bankruptcy thus far this year than was the case previous or last year. What are we waiting on? I think I know.

Now in the meanwhile I have done the best I know how. I know it sounds bombastic. I have been in this before. In 1957, in my freshman semester, in the Texas State Senate, I filibustered the race bills, the massive kit of resistance bill that emanated from Virginia and went down through the Confederate States. It was the only State legislature in the Old South they were even debated. All 16 bills in the Arkansas Senate were passed in 16 minutes. Only in the Texas Senate were they not only debated, we filibustered them for over 26 hours. We took the floor and defeated 14 of the 16.

Well, the first time was not too bad because it kind of attracted attention. It was sort of a curiosity. Then came Little Rock in September of 1957 and the troops, and the Governor of Texas then convened a special session, in order to pass what he called the anti-troop bill, to keep the bayonets from the necks of our schoolchildren.

Well, whereas in May, we had moral support, in September I had a pistol toting pistolero from east Texas, a white citizen's council come over and gave me the message, maybe we had better not do the same thing in the special session, and I did. It is true, I did not get any support then from any other Senator. It was not funny then.

But did I did not do it because I thought it was heroic or bombastic. I did it for the same reason I am getting up here today, because I took an oath of office. I feel very privileged in a democracy such as ours, and I pray to God we keep it—what greater honor, reward, could any man or woman receive than being elected to an office of public trust in which a fundamental oath is taken, whether it is a State, city, or national level, and that is to uphold the Constitution of the United States.

As I said then, if I had done it because I thought it was politically advantageous, I would have been very, very ignorant and amateurish, as I have been in politics. I would have been worse than amateur, I would have been stupid because my constituency which then represented the entire county of Bexar, has only 7½ percent Texans or Americans of black descent—and I certainly could not say I was speaking for them. I said so on the Senate floor. I said I do not see any black Member in the Senate and I do not see any in the House of Representatives then and there were none—I said that does not make any difference, if there were only one or it were any other individual that this legislation addressed itself to, I feel that I have betrayed my oath if I did not get up and fight it every inch of the way, and that was the only reason. And what happened?

All the experts said you have committed political suicide. When I got back home the worst critics I had came from the group I emerged from, which is supposed to be an ethnic minority, who said, "Why, Henry is crazy. He is putting us in there with the blacks." Because remember at that time you had Jim Crow laws against the blacks. You did not have them against the Mexican Americans. I had the worst critics from the group that I am supposed to come from.

Maybe politically some of these critics might have been right. All I know the people did not respond that way.

Because, the average American, I have said this before on the floor, contrary to this grievous notion that has gotten out that America is a racist society—it is a grievous sin against the American people. It is not true, if that were the case I would not be here and I would not have been elected to the Senate in 1956 at all. It is not true.

The average American whether he is black or brown or white or blue wants the same thing that we all want, no more, no less.

Of course you have exceptions in every group. That is true for everybody. What I am saying is it is the same issue here now. Impeachment is the only way that I think the Congress can bring the attention it needs at this point for accountability. There is not accountability. There is no man in this Congress who can tell me, unless he has been told in secret and has not divulged it, exactly how it is the Federal Reserve makes policy or why, or what its reasons are or what it does to supervise its own self.

And so, today, I have asked the GAO to do two things for me—one—to go in and find out and tell me the Federal Reserve indeed in fact has such a policy. Do they have an Inspector General, for example. Who knows? We have not been told.

What are their policies?

Second, I want to know about what was reported a couple of years ago, and that is, that there has been indeed and in fact a leak from the open market committee, that had resulted in an advantageous grasping of millions of dollars by special interests in the New York financial world.

All I know is that the Federal Reserve Board did appoint a special committee. Now what happened? Who was on the committee? What did they do? What did they find out? What were the results? I want GAO to tell me and find out and let us know in Congress.

But in the meanwhile, I have also written a letter to the Honorable PETER W. RODINO, JR., chairman of the Judiciary Committee.

The letter says:

As you know, I have introduced a resolution calling for the impeachment of Paul A. Volcker, Chairman of the Federal Reserve Board. This is to request that you set this matter down at the earliest possible time for public hearings.

I believe that Chairman Volcker is guilty of committing the most grave abuses of governmental power, subverting our system of government, and that he is unfit to continue in public office. He has systematically defied and obstructed congressional efforts to monitor, review and oversee monetary policy. He has thereby made it impossible for Congress to fulfill its legislative responsibilities with respect to economic policy.

Now, I had two Members since then join me in this resolution, voluntarily. I have not circulated a "Dear Colleague" letter. As I do in the case of my own family I never involve them in my fights. I am always welcoming volunteers. But I do not try to conscript anybody.

I intend to follow this and find out if I am going to get serious attention from this committee, because I certainly will pursue the matter and, therefore, I am seeking the GAO to bring me some of this information, which I think will clearly bear out how derelict we in the Congress have been in our responsibility of overviewing the actions, the policies and formulation thereof of this all important committee and Board.

Now, of course, it is a creature of Congress. The Federal Reserve Board did not spring from the brow of the Greek god—it is a creature of a legislative effort by the Congress. In reading the memoirs of Carter Glass, then

Senator from Virginia, and the main author of the act, in reading the proceedings in the Congress, and in reading the utterances of President Wilson with respect thereto, I will bear witness to corroborate what the gentleman who joined me a while ago said. It never was intended any more than the Reorganizational Act of 1947 and in reorganizing the Defense Department was intended to be sacred script and fixed in immutable law. It was being looked forward to being changed and revised and overviewed from time to time.

□ 1300

Instead, what we have done is that we have turned the fate of the Government over to unelected, unresponsible, unaccountable, powerful men, the handmaidens of the most special powerful interests in the world.

The Federal Reserve Board is ostensibly responsive to about 14,000 commercial banks directly, but in truth and in effect it serves only at the bidding and at the pressure of about seven of the giant mammoth institutions, international in scope today, where they can transcend easily the policy of the Government.

This brings to mind the other area that the Congress has failed to address itself to even indirectly, and that is that no matter what we do domestically, no matter how much we put in order our own house, we still have to find ways and means of reducing the impact, adverse in some cases, of those international forces now that impinge upon us.

The world is smaller and contracted and interdependent, and even such things, for example, as the gold question, the sale of wheat to Russia and predicated, incidentally, on payment in gold equivalent, and whether we do or do not all have an impact; but the most desperate thing of all is how our administrations including this present one, have failed to address itself.

Recently, in September we had the last annual meeting of the International Monetary Fund. I thought it was a brilliant opportunity for this new President to assert American leadership, which past administrations have not, to try to safeguard a collapse worldwide, which I feel is imminent, caused by us, incidentally, but to which we have these contributing factors internationally.

I have had no kind of reaction from the men in charge of monetary policy, either the deputy assistant secretary for monetary affairs of the Treasury and the last three sets of them since 1978 when President Carter went to Bonn to the Economic Summit Meeting there and I think very irresponsibly accepted the German proposal, which was accepted by the European Common Market and the development of EMS, the European Monetary System, and the EMF, the European Monetary Fund, and predicated upon their own interagreements based on gold transactions and the hard-headed insistence on the part of our money managers going back to Secretary Simon and actually following the false goddess of the gold speculators, to which we now are being impaled, we are being impaled on that sacrificial altar for that reason.

We have missed opportunities to assert the last vestiges of the possibility of a potential for American leadership and instead of that what we have had, we should not be surprised at our defense. If we do not take care of what is imminent in terms of mere collapse, that is, our monetary system, you can forget all, no matter how you feel, about defense. What good does it do to try to think and conjure up elaborate defense systems if the dollar is no good?

When we have so-called allies that are threatening now to even sort of disassociate themselves in defense matters, you can rest assured that it is just an epilog. It follows what they have already told us where they are on financial matters. They clearly have shown that and the whole thrust of the formation of EMS and EMF in 1978 was against and was directed against the dollar and our leadership has not wanted to confront it, because apparently politically it does not help the image of being in control of foreign policy.

The fact of the matter is we do not have a policy. We do not have a policy in either one of those cases. All of that impinges on the other.

Even if the world did not interfere, we still have the task of controlling our own destiny and the Congress has the inescapable duty, unless it just wants to sit supinely by, as we are, waiting for the house of cards to collapse all around our ears.

Since I expected, I have instructed and we have now been working for about a month and a half with the professional staff of the Subcommittee on Housing to work a contingency; that is, I have always believed in anticipatory action. I think this is the only thing that I can truly say in my career as a public official, as a legislator, because this is a field that I have gone into, what I call legislative advocacy, and that is anticipatory, not sit until you have an emergency, but anticipate and in anticipation thereof we are now following programs that we hope we can offer when the foundations begin to shake, if not collapse, in the not too distant future.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

ICA, VOA AND CREDIBILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 10 minutes.

Mr. MICHEL. Mr. Speaker, recent editorials and news stories in the Washington Post make serious allegations against the current leadership of the International Communication Agency (ICA) and its broadcasting station, the Voice of America (VOA).

An examination of these allegations leads me to the conclusion that they were made out of misunderstanding of the true role of ICA and VOA appointees. In a recent editorial the Post wrote of ICA Director Charles Z. Wick:

> It is being asked whether he is sacrificing credibility for propaganda . . . He calls his approach Project Truth and has a weakness for simplistic approaches to complicated subjects like Soviet disinformation.

In a front page news story, Friday, November 13, 1981, carrying the headline, "Propaganda Role Urged for Voice of America," the Post disclosed the contents of an internal ICA memorandum written by an ICA appointee to VOA Director James B. Conkling.

The memorandum, as quoted in the Post, states that the VOA should function as a propaganda agency.

The Post then goes on to describe the memorandum writer's views.

> He specifically suggested efforts "to destablize" the Soviet Union and its satellites.

The Post states:

> The whole thrust of the VOA operation in recent years has been to champion news objectivity as its goal, which is how VOA's purposes are legislatively sanctified.

It is evident that the Post believes that current ICA leadership is engaged in activities detrimental to "news objectivity" and to the mission of ICA and VOA.

I disagree. I believe ICA and VOA need and deserve close policy supervision from those appointed by the President to lead those organizations.

The first point that must be conceded is that the writer of the internal memorandum in question confuses the role of VOA with that of Radio Liberty, an independent, Government-operated radio station broadcasting to the Soviet Union. It is the job of Radio Liberty to tell the people of the Soviet Union news of their own country. It is the job of VOA to be the official broadcasting arm of the U.S. Government. The two jobs are equally important but Radio Liberty is best suited to carry out the task of informing the Soviet Union's listeners of internal problems and other news.

It also must be stated that neither the VOA nor Radio Liberty and Radio

Free Europe, its sister station, broadcasting to East bloc nations, should engage in destabilizing activities. That is not their proper function and no responsible official of the Reagan administration or of the Board for International Broadcasting—the parent body of Radio Liberty and Radio Free Europe—has ever said it is a desirable goal. These stations should not shy away from telling unpleasant truths about Communist-dominated societies, but never in an inflamatory fashion.

The memorandum leaked to the Post—ICA officials say it was stolen from them—is not relevant to the current debate over the direction of ICA because it does not reflect the policies or the opinions of the leadership of ICA or VOA. It is the informal and unofficial view of one officer. It raises some interesting points. It asks blunt questions about the purpose of ICA and VOA, questions that should be asked. In doing so, however, it offers policy options that in some instances are based on misinformation and in other areas makes suggestions that, if carried out, would be detrimental to the long-range mission of VOA.

Let us not allow this internal memorandum, meant to be confidential and totally without official sanction, muddle the real issue which is what role ICA and VOA should play in the foreign policy of the United States.

That role, as I see it, is as follows: ICA, through its various media and personal diplomacy has the important foreign policy role of aiding the President in communicating his policy views to a worldwide audience.

VOA news broadcasts are one aspect of this role. The purpose of these broadcasts is not news in and of itself, but credible news broadcasts as a means by which foreign audiences build trust in VOA broadcasts as a whole. Thus, credibility in VOA news is a means toward an end, not an end in itself.

This means that responsible ICA officials, appointed by the President, have the right and the duty to make certain that VOA broadcasts remain credible, that is, do not engage in falsehood or distortions, because VOA credibility is a vital factor in overall VOA and ICA effectiveness.

VOA career officers are not and never have been the same as news professionals in private media. The VOA professionals are employees of the U.S. Government, and under our system, must take policy direction from those with legitimate responsibility for such direction.

If this means that ICA or VOA appointed officials question newsstories or parts of stories, this is as it should be. The taxpayers are not supporting VOA or ICA in order to have career experts dictate policy, but to have experts make themselves available to effectively carry out policy formulated by elected officials and those they appoint.

"Sacrificing credibility for propaganda" has a nice ring to it, but it really does not tell us much. If the Post means by this phrase that ICA officials appointed by the President have no right to question the choice of words, phrases, substance of newsstories or selection of newsstories, then the Post misunderstands the proper role of these officials.

They are not in their positions to rubberstamp the decisions made by news experts, but to work with those experts in seeing to it that VOA broadcasts are effective from the viewpoint of the foreign policy goals of the President.

Can appointees make wrong decisions in these areas? Of course they can. Is it possible that in any given administration we are going to find administration appointees at ICA or VOA who will be heavyhanded in dealing with VOA news operations? Of course—it has happened. But these are the risks that must be taken if VOA is to fulfill its true mission, which is not to become a carbon copy of NBC Evening News, but to be a useful tool for the President in the area of foreign policy.

As for the Post's assertion that "Project Truth" is "simplistic," I can only say that I have read "Soviet Propaganda Alert," the first item in the "Project Truth" program and have inserted it in the CONGRESSIONAL RECORD. It is a thoroughly professional job, clear, concise, informative, balanced, and persuasive. Since the Post's charge of "simplistic" policy is not supported by any documentation, I can only say I know of no evidence to support this charge.

The use of the word "propaganda" in the memorandum was unfortunate because the word has no useful meaning in describing persuasive communication which is, after all, what ICA was created by Congress to engage in. The real question we should be asking ourselves is what is the proper way in which ICA and VOA can best serve the goals of the foreign policy of the United States. Front page and editorial denunications of those who are presenting options to answer that question does not bring us any closer to solving the problems involved.

Secretary Haig's statement made before the House Foreign Affairs Committee says that our relationship with the Soviet Union must be based on the twin principles of "restraint and reciprocity." It is clear that Secretary Haig views Soviet disinformation programs as a sign that the Soviet leaders are not interested in reciprocity in international communications. ICA and the VOA must reflect this reality in their programs. This does not mean we engage in disinformation. It does mean, however, that we are willing to tell the truth about the Soviet Union. That is what the current ICA leadership seeks to do.

BEDELL SOCIAL SECURITY PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

● Mr. BEDELL. Mr. Speaker, judging from the hundreds of letters I receive, it has become clearly apparent that no issue has alarmed so many Americans and caused so much anxiety and fear as the administration's plan to cut back on social security benefits.

Directly or indirectly, social security touches the lives of almost every American. There is no question that social security is the central feature of the way Americans plan their financial futures. That security must be preserved.

The question that remains unanswered is not whether the social security system is going bankrupt. The system is not going broke. Those who threaten bankruptcy are using fear and misunderstanding to force people to accept drastic changes in the system that are simply not needed.

The American people can be certain that Congress will not allow the social security system to cave in. Because of unexpected economic developments in past years—high unemployment, rapid inflation, low real wage growth—the social security system has been forced to carry a heavier and heavier load. Nonetheless, I am personally committed to assuring that the millions of Americans who have paid into the system over the past 30 or 40 years in good faith receive every dollar of assistance they deserve.

The only answered question is how can we strengthen the system without destroying it and without delaying benefits to those who have earned them?

The administration has proposed a plan consisting of several ideas they feel would solve the financial problems of the old-age and survivors insurance trust fund. While their intentions of solving the problem are ones that all of us share, I believe their plan for reducing benefits to present and future recipients is one that is unnecessarily harsh.

It is wrong to tell the American people that there is only one way to solve this problem, as the administration has done by calling for cuts in benefits as the only answer.

Through forums conducted in June in northwest Iowa on the future of social security, through open door meetings, I held in August, and through many, many letters and phone calls from my constituents, I have received helpful suggestions and

ideas on how we can preserve our social security system in a fair and even-handed manner.

As a direct result of these ideas and suggestions, Mr. Speaker, I am today introducing a social security package. My package is designed to put the system back on firm financial footing without breaking faith with social security beneficiaries.

My package consists of three bills. Unlike the administration's plan, my proposals will not significantly cut benefits. In addition, they will not raise taxes, but will solve the system's financial problems in the near and longer term.

The package consists of the following bills:

A bill which will end payment of all social security benefits to convicted criminals confined to penal institutions. Currently, prisoners are receiving many types of social security benefits. For example, under present law, there is a loophole which says that a prisoner can collect monthly social security disability checks, if he agrees to enter a rehabilitation program. As one would imagine, a great number of prisoners do this and continue to drain the financially troubled system.

Rather than severely cutting benefits, the second bill will modify the formula used to adjust benefits to keep pace with inflation. My constituents during August open door meetings told me that they would favor increasing the cost-of-living adjustments by either the rise in the CPI or the wage index, whichever is lower. This change in the formula would save social security $26 billion by 1986, if the economy continues to perform as it has in recent years.

Finally, social security was originally established in 1935 as a Federal insurance program to provide supplemental retirement income. Over the years, other social programs have been added to the social security system. Thus, to redirect the system back toward its original purpose, my third bill will finance the hospital insurance program—part A-medicare—from general revenues. In 1965, the payroll tax was expanded to include withholding for the Federal hospital insurance program. Since this program is more socially oriented and the benefits are not related to a worker's contributions, it is better suited for support from general funds.

The current payroll tax would be applied toward financing the other two parts of social security—the old-age and survivors insurance and disability insurance. The savings we would realize by using general revenues for hospital insurance would be about $187 billion—more than enough to put the retirement program back on firm financial footing.

The American people have been told that because of the dire condition of the social security funds, we must either sharply cut back on benefits or raise taxes. This is simply not true.

By taking sensible and fair actions like the bills included in my social security package, we do not have to go back on our word to the people. By taking the steps I have proposed, we can save the system billions of dollars painlessly and put our social security system back on a stable financial base.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. DE LA GARZA) is recognized for 5 minutes.

● Mr. DE LA GARZA. Mr. Speaker, yesterday on rollcall No. 297, the motion to recommit H.R. 4035, the Interior appropriations bill, I inadvertently voted "yea" for recommittal when my vote should have been "nay" against recommittal.

I bring this to the attention of the House to set the record straight. Thank you for your attention.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

● Mr. DANIELSON. Mr. Speaker, I was unable to be present on the floor of the House of Representatives on Thursday, November 5, 1981, when the House voted on rollcall No. 293 and rejected an amendment to H.R. 2330, the Nuclear Regulatory Commission authorization, that sought to strike the language authorizing the NRC to grant temporary operating licenses before public hearings are completed. The vote was 90 ayes to 304 noes. Had I been present, I would have voted "aye."●

DEFERRAL IN FISCAL YEAR 1982 FUNDS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-110)

The SPEAKER pro tempore (Mr. PATMAN) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one deferral of $108 thousand in fiscal year 1982 funds.

This action is taken to restrain spending of funds made available by the Continuing Resolution, P.L. 97-51.

The deferral contained in this message is for the Department of Interior's Historic Preservation Fund.

The details of the deferral are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *November 13, 1981.*

AGRICULTURAL FAIR PRACTICES ACT AMENDMENTS OF 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 10 minutes.

● Mr. PANETTA. Mr. Speaker, today I am introducing amendments to the Agricultural Fair Practices Act to strengthen protections for producers and handlers of perishable commodities in bargaining situations. There is a pressing need for this protection as evidenced by the tremendous support my bill enjoys from the American Farm Bureau Federation, the Grange, the Farmers Union, and the National Council of Farmer Cooperatives. I would like to briefly explain to my colleagues the reason I am introducing this measure and to describe its basic provisions.

There is a pressing need to help our farmers survive in this time of rapidly increasing inflation and low farm prices. It is apparent as the House and Senate work out their compromises on the farm bill, that our farmers are going to have to rely more upon the market and less upon Government programs to insure their livelihood. In light of this increased reliance upon the market, it is more important now than ever before, that we insure that the market runs in a smooth and fair manner. My bill would achieve this objective by amending existing law to clarify and strengthen the standards of fair conduct that both producers and handlers must meet in negotiating purchases and sales of perishable commodities.

The fact is that our marketplace for farm products is a highly concentrated one. There are few large handlers of farm commodities as compared to the many thousands of producers seeking to sell their products. Consequently, it is difficult for a farmer to bargain effectively regarding price, terms of sale, and condition of products. This difficulty is compounded by the fact that producers of perishable commodities must find a home for their product or risk losing everything to spoilage.

To offset their weakness in the marketplace, many farmers have banded together in associations to negotiate in a single voice with farm-product handlers. Naturally, handlers have resisted these efforts primarily by refusing to deal with such associations and by offering sweetheart contracts to entice their individual members to negotiate separately. In some areas, farmers

have overcome this problem and formed effective bargaining associations. The National Farmers Organization is an example of one group that has struggled long and hard to establish itself as bargaining agent for farmers and to gain recognition from the large handlers. Other farmers, particularly those who produce perishable crops, have met with less success in gaining recognition.

My legislation respects the position of farm organizations that have already established themselves in certain areas by not changing the law as it pertains to them. My bill, however, gives a boost to growers of vegetables, fruit, nuts, and poultry, by allowing their associations to be certified upon application to the Secetary of Agriculture. With this certification would come an obligation on the part of the association and handlers to engage in good faith negotiations regarding the price, quality, and terms of sale of farm products.

It is vitally important that we establish these guidelines for the smooth and proper functioning of the marketplace. Otherwise, farmers will remain in an unfair position in their negotiations with large handlers who control the markets. My bill corrects this problem in a simple and effective way without creating a new bureaucracy or incurring excessive costs to the taxpayer.

I urge my colleagues to join with me in seeking enactment of this legislation. As the second ranking member of the House Agriculture Subcommittee on Domestic Marketing, I intend to seek hearings on this matter and to move the bill toward adoption in the 97th Congress.

H.R. 4975

A bill to amend the Agricultural Fair Practices Act of 1967 to assure fair practices in agriculutral bargaining

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 1. This Act may be cited as the "Agricultural Fair Practices Act Amendments of 1981."

LEGISLATIVE FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) Agricultural products are produced in the United States by many individual farmers and ranchers scattered throughout the various States of the Nation. Such products in fresh or processed form move in large part in the channels of interstate and foreign commerce, and such products which do not move in these channels directly burden or affect interstate commerce. The efficient production and marketing of agricultural products by farmers and ranchers is of vital concern to their welfare and to the general economy of the Nation. Because agricultural products are produced by numerous individual farmers, the marketing and bargaining position of individual farmers will be adversely affected unless they are free to join together voluntarily in cooperative organizations as authorized by law. Interference with this right is contrary to the public interest and adversely affects the free and orderly flow of goods in interstate and foreign commerce.

(b) It is, therefore, declared to be the policy of the Congress and the purpose of this Act to establish standards of fair practices required of handlers and, with respect to certain agricultural commodities, to establish the mutual obligation of handlers and accredited associations of producers to bargain in good faith relative to the production or marketing of such agricultural commodities.

DEFINITIONS

SEC. 3. For purpose of this Act—

(a) The term "handler" means any person other than an association of producers engaged in the business or practice of—

(1) acquiring agricultural products from producers or associations of producers for processing or sale, or

(2) grading, packaging, handling, storing, or processing agricultural products received from producers or associations of producers, or

(3) contracting or negotiating contracts or other arrangements, written or oral, with producers or associations of producers with respect to the production or marketing of any agricultural product, or

(4) acting as an agent or broker for a handler in the performance of any function or act specified in subparagraphs (1), (2), or (3).

(b) The term "producer" means a person engaged in the production of agricultural products as a farmer, planter, rancher, dairyman, of poultryman, or as a fruit, vegetable, or nut grower, including a grower or farmer furnishing labor, production management, or facilities for the growing or raising of agricultural products.

(c) The term "association of producers" means any association of producers of agricultural products engaged in marketing, bargaining, shipping, or processing as defined in section 15(a) of the Agricultural Marketing Act of 1929 or in section 1 of the Act entitled "An Act to authorize association of producers of agricultural products", approved February 18, 1922 (7 U.S.C. 291),

(d) The term "person" includes individuals, partnerships, corporations, and associations.

(e) The term "agricultural products" means agricultural commodities and the products thereof, but does not include cotton or tobacco or their products.

(f) The term "qualified commodity" means vegetables, fruits, nuts, or poultry and the products thereof.

(g) The term "to bargain in good faith" means meeting at reasonable times and for reasonable periods of time to negotiate in good faith with respect to the price, terms of sale, compensation for products produced under contract, or other terms relating to the production or sale of such products.

(h) The term "accredited association of producers" means an association of producers which is accredited by the Secretary to be the exclusive bargaining agent, for all producers members of such association within a bargaining unit.

(i) The term "bargaining unit" means a bargaining unit approved by the Secretary under section 4.

(j) The term "Secretary" means the Secretary of Agriculture.

ACCREDITATION, BARGAINING UNITS, AND COVERED COMMODITIES

SEC. 4. (a) An association or producers may file an application with the Secretary—

(1) requesting accreditation to serve as the exclusive bargaining agent on behalf of its producer members who are within a proposed bargaining unit with respect to any qualified commodity;

(2) describing the geographical boundaries of such proposed bargaining unit;

(3) specifying the number of producers and the quantity of product included within such proposed bargaining unit;

(4) specifying the number and location of the producers and the quantity of product represented by such association; and

(5) supplying any other information required by the Secretary.

(b) Within 60 days after receiving an application under subsection (a), the Secretary shall approve or disapprove such application in accordance with this section.

(1) The Secretary shall approve such application if he determines:

(A) that under the charter documents or bylaws of the association, it is owned and controlled by producers;

(B) that the association has valid and binding contracts with its members empowering the association to sell or negotiate terms of sale of the products of its members or to negotiate for compensation for products produced under contract by its members;

(C) that the association represents a sufficient number of producers or that its members produce a sufficient quantity of agricultural products to enable it to function as an effective agent for producers in bargaining with handlers. In making this finding, the Secretary shall not take into consideration any quantity of the agricultural products contracted by producers with producer owned and controlled processing cooperatives and any quantity of such products produced by handlers;

(D) that the association has as one of its functions acting for its members in negotiations with handlers for prices and other terms of trade with respect to the production, sale, and marketing of the products of its members, or for compensation for products produced by its members under contract; and

(E) that accreditation would not be contrary to the policies of this Act as set out in section 2.

(2) if the Secretary does not approve the application under paragraph 1, then such association of producers may file amended applications with the Secretary. The Secretary, within a reasonable time, shall approve an amended application if it meets the requirements set out in paragraph (1).

(c) Accreditation by the Secretary shall be effective for such period during which the association meets the requirements for accreditation as provided for in this section. An accredited association shall file an annual report in such form as required by the Secretary to allow the Secretary to determine if the association continues to meet the accreditation requirements. If it appears to the Secretary, based on information furnished in the annual report or other information, that the association no longer meets the requirements for accreditation, the Secretary shall issue a notice of intent to revoke accreditation to the association. The proposed action shall become final and effective at the end of 30 days from receipt by the association unless within that time the association corrects the accreditation deficiency or requests a hearing. In the event a hearing is held, the decision of the Secretary shall be final.

PROHIBITED PRACTICES

SEC. 5. (a) It shall be unlawful for any handler to engage, or permit any employee or agent to engage in any of the following practices:

(1) To coerce any producer in the exercise of his right to contract with, or to join, or to refrain from contracting with or joining, or belonging to an association of producers, or to refuse to deal with any such producer because of the exercise of his right to contract with or join and belong to such an association.

(2) To discriminate against any producer with respect to price, quantity, quality, or other terms of purchase, acquisition, or other handling of agricultural products because of his membership in or contract with an association of producers.

(3) To coerce or intimidate any producer to enter into, maintain, breach, cancel, or terminate a membership agreement or marketing contract with an association of producers or a contract with a handler.

(4) To pay or loan money, give any thing of value, or offer any other inducement or reward to a producer for refusing to or ceasing to belong to an association of producers.

(5) To make false reports about the finances, management, or activities of associations of producers or handlers.

(6) To refuse to bargain in good faith with an association of producers accredited under section 4 with respect to any qualified commodity.

(7) To offer more favorable terms with respect to any qualified commodity to a producer or his agent in a bargaining unit for which an association of producers has been accredited under section 4 than offered to such association.

(8) To refuse to comply with compulsory and binding arbitration ordered by the Secretary under section 6.

(9) To conspire, combine, agree, or arrange with any other person to do, or aid or abet the doing of, any act made unlawful by this Act.

(b) It shall be unlawful for any association of producers to engage, or permit any employee or agent to engage in any of the following practices:

(1) To refuse to bargain in good faith with a handler for any qualified commodity for which the association is accredited under section 4.

(2) To coerce or intimidate a handler to breach, cancel, or terminate a marketing contract with an association of producers or a contract with a member of such an association.

(3) To make or circulate false reports about the finances, management, or activities of an association of producers or a handler.

(4) To coerce or intimidate a producer to breach, cancel, or terminate a membership agreement or marketing contract with an association of producers.

(5) To refuse to comply with compulsory and binding arbitration ordered by the Secretary under section 6.

(6) To conspire, combine, agree or arrange with any other person to do or aid or abet the doing of any practice which is in violation of this Act.

MEDIATION AND ARBITRATION

SEC. 6. (a) The Secretary may provide mediation services if requested to do so by an accredited association of producers or by a handler engaged in bargaining with an accredited association of producers and if, in the Secretary's judgment, such accredited association and handler have reached an impasse in bargaining.

(b) The Secretary shall provide assistance in proposing and implementing arbitration agreements between accredited associations of producers and handlers. The Secretary shall establish a procedure for compulsory and binding arbitration. The Secretary may require compulsory and binding arbitration under such procedure if requested to do so by an accredited association of producers or a handler and if, in the Secretary's judgment, such accredited association and handler have reached an impasse in bargaining.

ASSIGNMENT AND REMITTANCE OF ASSOCIATION DUES, FEES, OR RETAINERS

SEC. 7. If a producer directs in writing in a sales contract, membership agreement with an association of producers or other instrument that a handler deduct from an amount owed by such handler to the producer under a contract for the sale of commodities or production services any dues, fees or sums to be retained by an association of producers and the handler has notice of such written direction from the association, then the handler shall so deduct the amount of such dues, fees or sums to be retained and remit the same to such association upon payment by the handler under such contract.

COMPLAINTS, ADMINISTRATIVE REVIEW, AND JUDICIAL REVIEW

SEC. 8. (a)(1) Whenever it is charged that an accredited association or a handler has violated or is violating Section 5(a)(6) or 5(b)(1), the Secretary shall issue and cause to be served upon the person charged a complaint stating the charges. The complaint shall summon the named person to a hearing before the Secretary not later than five days after the serving of the complaint.

(2) Whenever it is charged that an association or handler has violated or is violating any other provision of this Act, the Secretary shall investigate such charges. If, upon such investigation, the Secretary has reasonable cause to believe that the person charged has violated such provision, he shall issue and cause to be served upon the person so charged a complaint stating the charges. The complaint shall summon the named person to a hearing before the Secretary at the time and place therein fixed.

(b) No complaint shall issue based upon any act occurring more than 6 months before the filing of such charge with the Secretary. Any such complaint may be amended by the Secretary in his discretion at any time prior to the issuance of an order based thereon. Any person named in the complaint shall have the right to file an answer to the original or amended complaint and to appear in person or otherwise and present testimony and evidence at the place and time fixed in the complaint. In the discretion of the Secretary any other person may be allowed to intervene in the said proceeding and to present testimony and other evidence. Upon a showing of relevance, the Secretary may issue a subpena to compel testimony or production of documents or other evidence from any person. On contest, the subpena may be enforced by a United States district court. Except as otherwise provided in this Act, any such proceeding shall, so far as practicable, be conducted in accordance with the rules of evidence and civil procedure applicable in the district courts of the United States.

(c) If, upon the preponderance of the testimony and other evidence taken, the Secretary shall be of the opinion that any person named in the complaint has engaged in or is engaging in any prohibited practice, then the Secretary shall state findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such practice and to take such affirmative action as will effectuate the policies of this Act. Such order may further require such person to make reports from time to time showing the extent of compliance with the order. If upon the preponderance of the testimony and other evidence, the Secretary shall determine that the person named in the complaint has not engaged in or is not engaging in any such prohibited practice, then the Secretary shall issue findings of fact and an order dismissing the complaint.

(d) Any person aggrieved by a final order of the Secretary under subsection (c) may obtain review of such order in the United States Court of Appeals for the District of Columbia Circuit, by filing in such court, within 30 days from the date of such order, a written petition praying that the order of the Secretary be modified or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Secretary, and thereupon the aggrieved party shall file in the court the record in the proceeding, certified by the Secretary. The order and findings of the Secretary shall be sustained if supported by substantial evidence when considered on the record as a whole.

(e) Petitions filed under subsection (d) shall be reviewed expeditiously, and if possible not later than ten days after such petitions are filed.

INVESTIGATION POWERS OF SECRETARY

SEC. 9. In order to carry out the objectives of this Act, the Secretary shall conduct such investigations and hearings as he shall consider necessary. In connection therewith, he may require the maintenance of records, the attendance and testimony of witnesses and the production of evidence under oath. Any records, reports or information obtained under this section shall be available to the public except that upon a showing satisfactory to the Secretary that, if made public, they would divulge confidential business information, the Secretary shall consider such record, report or information, or particular portion thereof confidential in accordance with Section 1905 of Title 18, United States Code, except that they may be disclosed to other offices, employees or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.

SUIT FOR DAMAGES

SEC. 10. Any person injured in his business or property by reason of any violation of, or combination or conspiracy to violate, any provision of section 5 may sue therefor in any district court of the United States without respect to the amount in controversy, and shall recover damages sustained, including reasonable attorney fees and costs of bringing such suit. Any action to enforce any cause of action under this section shall be forever barred unless commenced not later than two years after such cause of action accrued.

CIVIL PENALTIES AND FINES

SEC. 11. (a) Any person who violates section 5 may be assessed a civil penalty by the Secretary of not more than $100,000 for each offense. No civil penalty shall be assessed unless the person charged shall have been given notice and opportunity for a hearing on such charge. In determining the amount of the penalty, the Secretary shall consider the appropriateness of such penal-

ty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation. If the Secretary is unable to collect such civil penalty, then the Secretary shall refer the collection to the Attorney General, who shall recover such amount by action in the appropriate United States district court.

(b) Any person who knowingly violates section 5, or who permits or authorizes any agent, officer, or employee to violate such section, shall be guilty of a misdemeanor and shall on conviction be fined not more than $25,000, or imprisoned for not more than 1 year, or both.

AUTHORITY OF SECRETARY TO MAKE RULES

SEC. 12. The Secretary may make such rules, regulations and orders as may be necessary to carry out the provisions of this Act.

EFFECT ON STATE LAW

SEC. 13. The provision of this Act shall not be construed to change or modify existing State law nor to prevent a State from enacting similar legislation nor to deprive the proper state courts of jurisdiction, provided, that, no state may enact legislation which permits any action prohibited by this Act.

SEPARABILITY

SEC. 14. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.●

CONFERENCE REPORT ON H.R. 4209

Mr. BENJAMIN submitted the following conference report and statement on the bill (H.R. 4209) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

CONFERENCE REPORT (H. REPT. No. 97-331)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4209) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1982, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 14, 38, 39, 91, and 94.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 10, 12, 18, 19, 21, 22, 27, 28, 29, 37, 41, 42, 43, 44, 45, 49, 51, 52, 57, 59, 61, 62, 69, 70, 71, 72, 73, 76, 79, 81, 85, 86, 92, 95, and 98, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$35,100,000*; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *consent*; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,400,000,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$400,000,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$49,483,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$5,000,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,220,000,000*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$800,000,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$29,982,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$192,440,000*; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$14,500,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,667,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

Territorial Highways

For necessary expenses in carrying out the provisions of title 23, United States Code, sections 152, 153, 215, and 402, $4,000,000, to remain available until expended.

And the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$325,000,000*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$81,900,000*; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows: *Provided further, That, of the funds appropriated under this heading $6,000,000 shall be available only for activities at the Transportation Systems Center.*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,500,000;* and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,000,000;* and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$26,888,000;* and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,479,000,000;* and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,430,000,000;* and the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$560,000,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,000,000*; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$27,000,000*; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$450,000*; and the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$5,000,000*; and the Senate agree to the same.

Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$76,000*; and the Senate agree to the same.

Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$92,500,000*; and the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,000,000,000*; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *322.*; and the Senate agree to the same.

Amendment numbered 97:

That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *323.*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 7, 8, 15, 20, 24, 25, 30, 31, 46, 50, 53, 54, 55, 56, 58, 64, 66, 67, 77, 78, 84, 89, 90, 93, 99, 100, 101, 102, 103, and 104.

ADAM BENJAMIN, Jr.,
WILLIAM LEHMAN,
MARTIN OLAV SABO,
LES AUCOIN,
WILLIAM H. GRAY III,
JAMIE L. WHITTEN,
CARL D. PURSELL,
Managers on the Part of the House.

MARK ANDREWS,
MARK O. HATFIELD,
THAD COCHRAN,
JAMES ABDNOR,
BOB KASTEN, Jr.,
ALFONSE M. D'AMATO,
LAWTON CHILES,
JOHN C. STENNIS,
ROBERT C. BYRD,
THOMAS F. EAGLETON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4209) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1982, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

Salaries and expenses

Amendment No. 1: Appropriates $35,100,000 instead of $35,000,000 as proposed by the Senate and $35,193,204 as proposed by the House.

The conferees note that the Department has complied with the directive issued in the House report to submit a cost/benefit study analyzing future procurements of automated office equipment. The conferees agree to lift the restriction of such procurements contained in the House report so long as the benefit to cost ratios identified in the Department's analysis continue to be achieved.

Amendment No. 2: The conference agreement includes language prohibiting the sale or transfer of any Consolidated Rail Corporation securities held by the Federal Government without prior consent by the House and Senate Appropriations Committees. The House bill required prior approval and the Senate bill required prior notification.

COMMUTER RAIL SERVICE

Amendment No. 3: Deletes $22,000,000 appropriation proposed by the House. The appropriation for this program is discussed further under Amendment No. 55.

COAST GUARD

Operating expenses

Amendment No. 4: Appropriates $1,400,000,000 instead of $1,337,207,000 as proposed by the Senate and $1,409,086,000 as proposed by the House.

The conferees understand that the Coast Guard is considering substantial changes to existing regulations which would increase the size of tanker vessels allowed to operate in Puget Sound of the State of Washington. It is the conferees' belief that the Coast Guard should demonstrate that any increase in the present limit would also increase the level of environmental protection presently being afforded to the Puget Sound region. The conferees therefore direct the Coast Guard to hold public hearings prior to the implementation of any changes in existing regulations.

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

That an additional $5,000,000 shall be derived from the National Recreational Boating Safety and Facilities Improvement Fund to implement a program of recreational boat safety, designed by the Secretary pursuant to 46 U.S.C. 1475 and for the purposes set out in Public Law 97-12: Provided further,

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Acquisition, construction, and improvements

Amendment No. 6: Appropriates $400,000,000 instead of $391,000,000 as proposed by the House and $537,000,000 as proposed by the Senate.

The conferees direct that a report be submitted to the House and Senate Committees on Appropriations by January 1, 1982, to outline what criteria are being used for asset assignment and what decisions have been made to date. The conferees also direct that the Coast Guard, in the process of formalizing these assignment criteria, give full consideration and significant priority to the need to assign more assets to the agency's drug interdiction responsibilities. The conferees do not accept the Coast Guard argument that assets assigned to the 1st, 3d, and 5th districts can be of significant assistance to the drug interdiction problems in the 7th district.

The conferees are concerned that the Coast Guard has failed to achieve the productivity gains that were used to help justify replacing existing Loran-C vacuum tube transmitters with new solid state transmitters. The conferees therefore expect the Coast Guard to proceed with future procurements of solid state transmitters only if such Loran-C stations will be operated with four or less personnel. The conferees believe that ample experience exists with Canadian and other foreign government Loran solid state operations to make this a reasonable condition of future procurement. The conferees also direct that the Department of Transportation provide a comprehensive plan for implementation of the unmanned Loran-C operations program and the reassignment of the redundant personnel to the House and Senate Committees on Appropriations not later than February 15, 1982.

Amendment No. 7: Report in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$175,000,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Alteration of bridges

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$12,000,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Reserve training

Amendment No. 9: Appropriates $49,483,000 instead of $45,000,000 as proposed by the Senate and $50,900,000 as proposed by the House.

Research, development, test, and evaluation

Amendment No. 10: Appropriates $22,000,000 as proposed by the Senate instead of $29,730,000 as proposed by the House.

Within the funds provided, the Coast Guard is directed to promptly complete the Ammonia Spill Study Program, which is jointly supported by the United States, foreign governments, and private industry. This research, which is more than two-thirds completed, is expected to provide specific data that can be of significant benefit to public health and safety on the characteristics of anhydrous ammonia.

The conferees direct the Coast Guard to obtain the approval of the House and Senate Committees on Appropriations before closing the research and development facility at Avery Point in Groton, Connecticut.

The conferees also direct the Coast Guard to submit its research, development, test and evaluation program plan for fiscal year 1982 to the Committees on Appropriations for approval prior to implementation.

OFFSHORE OIL POLLUTION COMPENSATION FUND

Amendment No. 11: Appropriates $5,000,000 instead of $9,550,000 as proposed by the House and an indefinite appropriation as proposed by the Senate.

COAST GUARD SUPPLY FUND

Amendment No. 12: Appropriates $1,320,000 as proposed by the Senate instead of $1,500,000 as proposed by the House.

DEEPWATER PORT LIABILITY FUND

Amendment No. 13: Appropriates $5,000,000 as proposed by the House instead of an indefinite appropriation as proposed by the Senate.

POLLUTION FUND

Amendment No. 14: Deletes $1,000,000 appropriation proposed by the Senate. According to information provided by the Department of Transportation, the unobligated balance for this program was $20,172,000 as of September 30, 1981.

FEDERAL AVIATION ADMINISTRATION

Operations

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to include language to pay lenders of guaranteed aircraft purchase loans where default occurs and collateral cannot be sold to satisfy the Government's obligation.

Amendment No. 16: Appropriates $2,220,000,000 instead of $2,199,792,000 as proposed by the Senate and $2,306,200,000 as proposed by the House.

The amount provided in the conference agreement includes $57,500,000 for the Administration's proposal to raise the pay of air traffic controllers and other selected personnel associated with the operation of a safe and effective air traffic control system. The FAA is directed to report immediately to the House and Senate Committees on Appropriations if this requirement will result in the reduction of any personnel essential to the operation of a safe and effective air traffic control system.

Amendment No. 17: Provides that $800,000,000 of the appropriation shall be derived from the Airport and Airway Trust Fund instead of $750,000,000 as proposed by the Senate and $850,000,000 as proposed by the House.

Facilities, engineering and development

Amendment No. 18: Appropriates $17,797,000 as proposed by the Senate instead of $19,000,000 as proposed by the House.

Facilities and equipment

(Airport and Airway Trust Fund)

Amendment No. 19: Appropriates $284,847,000 as proposed by the Senate instead of $353,570,000 as proposed by the House. The conference agreement includes the following amounts:

Air route centers	$47,340,000
Towers and terminals	124,468,000
Flight service stations	49,649,000
Air navigation facilities	41,653,000
Miscellaneous facilities	21,737,000
Total	284,847,000

The conferees expect the House and Senate Committees on Appropriations to be promptly advised in writing of any decision to deviate from the above allocation by over 10 percent. Such notification should include a full explanation of the reasons necessitating such action.

In addition to the projects specifically identified in the House and Senate Committee reports, the conferees expect the Federal Aviation Administration to give attention to the need for a new tower facility at the Southern Illinois Airport at Carbondale, Illinois.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $4,000,000 for the design, engineering, construction, and equipment for an air traffic control training facility at the University of North Dakota at Grand Forks.

Because of the termination of approximately 12,000 air traffic controllers, the conferees believe that training of replacement controllers is of the highest priority and have therefore concurred with the Senate in providing funds for an additional training facility. It is the conferees' understanding that the FAA training academy located in Oklahoma City, Oklahoma, will be operating 24 hours per day, 7 days a week. The University of North Dakota at Grand Forks has a special aviation curriculum that should be integrated into the FAA's training program. The conferees direct the Secretary to take advantage of these additional facilities in order to expedite the rebuilding of the air traffic control system.

Research, engineering and development

(Airport and Airway Trust Fund)

Amendment No. 21: Appropriates $71,800,000 as proposed by the Senate instead of $80,000,000 as proposed by the House.

GRANTS-IN-AID FOR AIRPORTS

(*Liquidation of contract authorization*)

(Airport and Airway Trust Fund)

Amendment No. 22: Appropriates $471,000,000 as proposed by the Senate instead of $481,000,000 as proposed by the House.

Operation and maintenance, Metropolitan Washington Airports

Amendment No. 23: Appropriates $29,982,000 instead of $26,922,000 as proposed by the Senate and $30,593,000 as proposed by the House.

Construction, Metropolitan Washington Airports

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amemdment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$31,700,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Aircraft purchase loan guarantee program

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

New commitments to guarantee loans shall be exclusively for the purchase of aircraft designed to have a maximum passenger capacity of sixty seats or less or a maximum cargo payload of eighteen thousand pounds or less, and shall not exceed in the aggregate $100,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

FEDERAL HIGHWAY ADMINISTRATION

Limitation on general operating expenses

Amendment No. 26: Limits general operating expenses to $192,440,000 instead of $187,440,000 as proposed by the Senate and $200,400,000 as proposed by the House. The conference agreement includes $5,000,000 for the rural transportation assistance program.

Motor carrier safety

Amendment No. 27: Appropriates $12,893,000 as proposed by the Senate instead of $14,500,000 as proposed by the House.

Highway safety research and development

Amendment No. 28: Appropriates $6,860,000 as proposed by the Senate instead of $7,200,000 as proposed by the House.

Amendment No. 29: Provides transfer of $1,500,000 as proposed by the Senate instead of $1,800,000 as proposed by the House.

Highway beautification

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment amended to read as follows:

Highway beautification

For necessary expenses in carrying out section 131 of title 23 U.S.C. and section 104(a)(11) of the Surface Transportation Assistance Act of 1978, $2,000,000 to remain available until expended: Provided, That, notwithstanding any other provision of law, any determination as to whether any outdoor advertising sign, display, or device is or has been lawfully erected under state law or is entitled to compensation shall not be affected by any waiver of compensation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees note that there has been considerable confusion surrounding the provisions in the Highway Beautification Act concerning just compensation for outdoor advertising signs, displays, or devices lawfully erected under State law, but not permitted under the Act. This uncertainty has led many States to adopt their own rules and regulations in an attempt to obviate the problems perceived to have arisen under the Act. The Conference agreement includes language intended to clarify Congressional intent.

The language added by the conferees would clarify Congressional intent regarding permit language. Apparently, when the Act was enacted, many States believed that, despite the shared compensation aspect of the Act, they might be responsible for the total amount of any just compensation to be paid upon removal of signs, displays, and devices, if they were, despite conformance with State law, nonconforming under the Act. One method employed by the States to this end was the imposition of a requirement that those receiving permits to erect signs, displays or devices (which conformed to existing State Law) waive their rights to compensation if those signs had to be removed, at some future date, pursuant to promulgation of federal regulation and Federal-State agreements.

The conferees wish to make it clear that any determination as to whether any outdoor advertising sign, display, or device is or has been lawfully erected under State law or is entitled to compensation shall not be affected by any waiver of compensation.

Railroad-highway crossings demonstration projects

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $2,835,000 for 23 U.S.C. 322(b).

Amendment No. 32: Appropriates $14,500,000 instead of $12,500,000 as proposed by the Senate and $18,000,000 as proposed by the House. The conference agreement includes funds for those projects identified in the House and Senate Committee reports.

Amendment No. 33: Provides that $9,667,000 of the appropriation shall be derived from the Highway Trust Fund instead of $8,325,000 as proposed by the Senate and $12,000,000 as proposed by the House.

Territorial highways

Amendment No. 34: Appropriates $4,000,000 instead of $6,000,000 as proposed by the House.

INTERSTATE TRANSFER GRANTS—HIGHWAYS

Amendment No. 35: Appropriates $325,000,000 instead of $200,000,000 as proposed by the Senate and $400,000,000 as proposed by the House. The conference agreement includes the following amounts:

Location:	
New Jersey	$9,000,000
Washington, D.C	9,000,000
Philadelphia	22,000,000
Oregon	60,000,000
Northeast Illinois	125,000,000
Hartford	13,000,000
Tucson	10,000,000
Cleveland	7,000,000
Denver	10,000,000
New York	8,000,000
Baltimore	4,000,000
Omaha	6,000,000
Memphis	20,000,000
Hennepin County	11,000,000
Duluth	1,000,000
Indianapolis	10,000,000
Total	325,000,000

The conferees recognize that delays in some regions' projects could necessitate adjustments to the above allocations. The conferees expect these adjustments, if required, to be accomplished through the normal reprogramming process.

The conferees note that Portland and Hartford are two of five regions which were entitled to contract authority prior to the rescission of that authority by the Department of Transportation and related Agencies Appropriation Act, 1980. The conferees reaffirm the language included in that year's House Committee report, which is as follows:

In making this rescission and replacing it with direct appropriations, the Committee does not intend to disturb any existing commitments or the total amount of funding that these areas are eligible to receive.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Operations and research

Amendment No. 36: Appropriates $81,900,000 instead of $85,876,000 as proposed by the House and $79,000,000 as proposed by the Senate. The conference agreement includes the following amounts:

Rulemaking	$6,538,000
Enforcement	10,612,000
Highway safety	11,500,000
Research and analysis	38,750,000
General administration	14,500,000
Total	81,900,000

The conferees expect the appropriated funds to be expended according to the above distribution. Any proposal to reallocate funds between these categories during fiscal year 1982 should be submitted to the House and Senate Committees on Appropriations in the form of a reprogramming request. Similarly, if major projects or programs are developed for fiscal year 1982 that have not been presented in the fiscal year 1982 budget request, the conferees expect that an appropriate reprogramming request will be made.

Amendment No. 37: Provides that $24,785,000 of the appropriation be derived from the Highway Trust Fund as proposed by the Senate instead of $27,185,300 as proposed by the House.

Amendment No. 38: Provides that $39,664,700 of the appropriation remain available until expended as proposed by the House instead of $43,000,000 as proposed by the Senate.

Amendment No. 39: Provides that $12,512,000 of the amount appropriated to remain available until expended be derived from the Highway Trust Fund as proposed by the House instead of $13,608,000 as proposed by the Senate.

Amendment No. 40: Provides that $6,000,000 of the amount appropriated be used for research and analysis projects at the Transportation Systems Center in Cambridge, Massachusetts instead of $10,500,000 as proposed by the House. The Senate bill proposed to delete the specific earmarking for the Transportation Systems Center.

State and community highway safety

(Liquidation of contract authority)

Amendment No. 41: Strikes the word "Including" in the heading as proposed by the Senate.

Amendment No. 42: Deletes appropriation of $975,308 for highway safety programs in the territories as proposed by the Senate.

Amendment No. 43: Appropriates $150,200,000 for the payment of obligations incurred in carrying out the provisions of 23 U.S.C. 402 and 406 as proposed by the Senate instead of $145,000,000 as proposed by the House.

FEDERAL RAILROAD ADMINISTRATION

OFFICE OF THE ADMINISTRATOR

Amendment No. 44: Appropriates $7,522,000 as proposed by the Senate instead of $4,315,000 as proposed by the House.

Railroad safety

Amendment No. 45: Appropriates $26,676,000 as proposed by the Senate instead of $26,904,000 as proposed by the House. The conferees believe that an effective railroad safety program requires that sufficient travel funds be made available so that safety inspectors are not constrained from making field inspections. The conferees therefore expect the FRA to make sufficient funding available within this appropriation to provide for at least 15 travel days per month for its railroad safety inspectors. The FRA is also directed to report immediately to the House and Senate Appropriations Committees if this requirement in and of itself will ever cause a reduction in the number of railroad safety inspectors.

Railroad research and development

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$39,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes $5,000,000 to complete preliminary engineering work for the East St. Louis Metropolitan Gateway Area railroad restructuring project.

The conferees direct the Department of Transportation to obtain the approval of the House and Senate Committees on Appropriations before making any changes in the ownership status of the Transportation Test Center.

The conferees support the formation of the Japan-United States Rail Congress by legislators from the U.S. Senate and House of Representatives and the Japanese Diet. This bilateral Congress proposes to introduce a system of high-speed passenger trains in this nation's heavily populated transportation corridors and with it to create jobs for the construction and operation of the system and the manufacture of equipment. The conferees believe that high-speed passenger train service in Japan, France and elsewhere demonstrates that it can be financially self-supporting and that adequate private capital can be made available. The conferees congratulate the Joint Economic Committee and Science and Tech-

nology Committee for their support of high-speed rail passenger service. Equal plaudits go to the Senate Rail Caucus and Amtrak for their support of new technology and improved rail transportation.

The conferees direct the Executive Branch, including the Department of Transportation and its Federal Railroad Administration, to prepare in conjunction with Amtrak a report to the Congress planning the creation of an American high-speed passenger rail system. The FRA and Amtrak are specifically directed to determine the feasibility of high speed corridor operation between Los Angeles and San Diego, Orlando and Miami, Chicago and Detroit, Chicago and Milwaukee, and Chicago and Cincinnati via Indianapolis (along Interstate right-of-way).

RAIL SERVICE ASSISTANCE

Amendment No. 47: Appropriates $9,500,000 for rail service assistance and necessary administrative expenses instead of $5,659,000 as proposed by the House and $14,313,000 as proposed by the Senate. The conferees direct that the authorized position level be maintained at 85 as proposed by the House instead of 99 as proposed by the Senate.

Amendment No. 48: Appropriates $9,000,000 for the Minority Business Resource Center instead of $8,756,000 as proposed by the Senate and $9,965,000 as proposed by the House.

Amendment No. 49: Inserts the word "immediately" as proposed by the Senate instead of "on October 1, 1981" as proposed by the House.

CONRAIL LABOR PROTECTION

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

Rail Labor Assistance

(Transfer of funds)

For payment of benefits under section 1160 of the Northeast Rail Service Act of 1981, $25,000,000, to remain available until expended, to be derived from the unobligated balances of "Payments for Purchase of Conrail Securities": Provided, That such sum shall be considered to have been appropriated under said section 1160.

Conrail workforce reduction program

(Transfer of funds)

For expenses of the Conrail Workforce Reduction Program as authorized by section 713 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, $100,000,000, to remain available until expended, to be derived from the unobligated balance of "Payments for Purchase of Conrail Securities": Provided, That, such sum shall be considered to have been appropriated to the Secretary under section 713 of the Regional Rail Reorganization Act of 1973 to be available for the payment of termination allowances under section 702 of that Act: Provided further, That, for the purposes of section 710 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, such sum shall be considered to have been appropriated under section 713 of the Regional Rail Reorganization Act of 1973 and counted against the limitation on the total liability of the United States.

Conrail labor protection

(Transfer of funds)

For labor protection as authorized by section 713 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, $85,000,000, to remain available until expended, to be derived from the unobligated balances of "Payments for Purchase of Conrail Securities": Provided That, such sum shall be considered to have been appropriated to the Secretary under said section 713 for transfer to the Railroad Retirement Board for the payment of benefits under section 701 of the Regional Rail Reorganization Act of 1973, as amended: Provided further, That, for purposes of section 710 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, such sum shall be considered to have been appropriated under section 713 of the Regional Rail Reorganization Act of 1973 and counted against the limitation on the total liability of the United States: Provided further, That, in addition, such sums as may be necessary shall be derived from the unobligated balances of "Payments for Purchase of Conrail Securities" for necessary expenses of administration of section 701 of the Regional Rail Reorganization Act of 1973 by the Railroad Retirement Board.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees intend that any dispute or controversy concerning eligibility for any benefit under section 701 may be resolved under such procedures as the Railroad Retirement Board may by regulation provide, including, but not limited to, an arbitration process similar to that used under labor protection legislation dealing with Milwaukee Railroad employees. Each railroad that employs or has employed a person who may be eligible for a benefit should provide any information required by the Board to determine such eligibility. The administrative powers and penalties set forth in sections 9 and 12 of the Railroad Unemployment Insurance Act would be available to the Board with respect to the administraton of the section 701 funds provided by this Act.

The conferees direct the Federal Railroad Administration in conjunction with the Railroad Retirement Board to submit a detailed report to the House and Senate Committees on Appropriations by no later than December 31, 1981, on the estimated fiscal year 1982 funding required by the Railroad Retirement Board to administer the section 701 program.

Northeast corridor improvement program

Amendment No. 51: Appropriates $176,000,000 as proposed by the Senate instead of $200,000,000 as proposed by the House. This amount, together with a carryover balance of $258,481,000 from previous years' appropriations, will provide a total program level of $434,481,000 in fiscal year 1982. The conferees expect the Federal Railroad Administration to honor its commitment made in testimony before the House Appropriations Committee that the work items deleted in the proposed fiscal year 1982 funding reduction from $200,000,000 to $176,000,000 will be deferred into fiscal year 1983.

Grants to the National Railroad Passenger Corporation

Amendment No. 52: Appropriates $569,000,000 as proposed by the Senate instead of $544,000,000 as proposed by the House. This amount, together with $166,000,000 derived from the permanent appropriation, will provide $735,000,000 for Amtrak operating losses, capital improvements and labor protection costs. The House bill language requiring specified funding levels for operating losses, capital improvements and labor protection costs is also deleted.

It is the expectation of the conferees that, once necessary repair work in the Baltimore Tunnel is completed, Amtrak will restore the Metroliner express stops for Wilmington, Delaware. Additionally, the conferees urge Amtrak not to make any further service reductions to Wilmington during the time this track rehabilitation program is continuing.

Amendment No. 53: Reported in technical disagreement. The managers of the part of the House will offer a motion to recede and concur in the amendment of the Senate which directs Amtrak to continue rail passenger service along the route of the Cardinal between Chicago and Washington, D.C. via Cincinnati. The conferees are encouraged by the improved ridership on the Cardinal in the past year and believe that further improvement is clearly possible. Amtrak is directed to improve local advertising and reservation service along the route of the Cardinal. Also, the conferees expect Amtrak to report before April 1, 1982, to the House and Senate Committees on Appropriations on the feasibility of increasing ridership on the Cardinal through route changes, fare restructuring, and service improvements. In particular, this report should comment on the practicality of routing the Cardinal through Indianapolis, Indiana.

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Notwithstanding any other provision of law, none of the funds appropriated for the benefit of the Corporation pursuant to this Act or the revenues or other assets of the Corporation or any railroad subsidiary thereof shall be available for payment to any State, political subdivision of a State, or local taxing authority for any taxes or other fees levied on the Corporation: Provided, That notwithstanding any provision of law, the Corporation shall pay all taxes or other fees appropriately levied on its facilities in Beech Grove, Indiana.

(Disapproval of Deferral)

The Congress disapproves in its entirety deferral D82-217 relating to the Federal Railroad Administration, Grants to the National Railroad Passenger Corporation, as set forth in the message of November 6, 1981, which was transmitted to the Congress by the President. This disapproval shall be effective immediately and the amount of the proposed deferral disapproved herein shall be made available for obligation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Commuter rail service

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Commuter rail service

For necessary expenses to carry out the commuter rail activities authorized by section 601(d) of the Rail Passenger Service Act (45 U.S.C. 601), as amended, $15,000,000, and for necessary expenses to carry out section 1139(b) of Public Law 97-35, $45,000,000, to remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

PAYMENTS TO THE ALASKA RAILROAD REVOLVING FUND

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $6,160,000 for Alaska Railroad capital improvements and operating expenses.

Redeemable preference shares

Amendment No. 57: Changes heading as proposed by the Senate.

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *for uses authorized for the Fund, in amounts not to exceed $67,500,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes the following amounts:

Location:	
East St. Louis Metropolitan Gateway Project	$20,000,000
OKT (Kansas-Ft. Worth/Dallas rehabilitation)	11,000,000
Grain route—Twin Cities-Kansas City	15,000,000
Milwaukee mainline	6,000,000
SSW/ICG yard	5,000,000
East St. Louis and other meritorious projects	10,500,000
Total	67,500,000

The conferees expect that appropriate consideration will be given to any application submitted by the Ann Arbor Railroad System.

The conferees agree that a comprehensive evaluation of the section 505 program must be completed to aid Congress in its future funding decisions for this program. The Federal Railroad Administration is therefore directed to submit the results of a comprehensive assessment of this program to the House and Senate Committees on Appropriations by no later than February 15, 1982. This submission should include an analysis of whether past section 505 investments have effectively contributed to the statutory goals of this program. Such an analysis should be predicated on data showing the impact of section 505 funding on the financial performance of the affected railroads; service and operational efficiencies; employment; labor costs and productivity; safety; and energy conservation.

The conferees also expect this report to explain the Department's views on the future direction of this program. Such views should take into account the policy of deregulation contained in the Staggers Rail Act of 1980, the Administration's policy to minimize Federal involvement in the private sector, the Administration's stated policy to emphasize alternatives to the section 505 program, the ability of railroads to raise capital from private sources for rehabilitation and restructuring projects, and the future need for rehabilitation improvements.

Investment in fund anticipation notes

Amendment No. 59: Deletes provision as proposed by the Senate. This is a technical amendment which is necessary to provide borrowing authority for the redeemable preference share program. The provision is reinserted under a separate heading (Amendment No. 84).

URBAN MASS TRANSPORTATION ADMINISTRATION

Administrative expenses

Amendment No. 60: Appropriates $26,888,000 instead of $25,476,000 as proposed by the Senate and $28,300,000 as proposed by the House.

In furtherance of closing the section 17 grant program, which expired in September 1978, UMTA is directed to settle, as is, without additional transference of funds between UMTA and grant recipients or offsetting deductions from other accounts, any disputes with grantees relating to costs which were anticipated to have been incurred for use of the Northeast Corridor.

Research, development, and demonstrations and university research and training

Amendment No. 61: Appropriates $61,600,000 as proposed by the Senate instead of $69,000,000 as proposed by the House. The conference agreement includes $8,500,000 for the continued development of advanced group rapid transit, including magnetic transit. The conferees expect that the planned test loops be built as soon as possible and that completion of the test phase be expedited to show initial results in 1984.

Amendment No. 62: Earmarks $58,600,000 of the appropriation under this heading for research, development and demonstrations as proposed by the Senate instead of $66,000,000 as proposed by the House.

URBAN DISCRETIONARY GRANTS

Amendment No. 63: Appropriates $1,479,000,000 instead of $1,428,000,000 as proposed by the Senate and $1,555,000,000 as proposed by the House. In addition to the funds included in the conference agreement under this amendment, there will be an additional $231,000,000 in unobligated carryover funds and transfers available under this heading. These funds are to be distributed as follows:

Bus and bus facilities	$540,000,000
Existing rail modernization and extensions	895,000,000
New systems:	
Miami (rail construction)	70,000,000
Buffalo (light rail)	16,200,000
Atlanta (rail construction)	40,800,000
Detroit (central automated transit system)	20,000,000
Miami (circulator)	26,000,000
Los Angeles (preliminary engineering)	10,000,000
Urban Initiatives	30,000,000
Planning	55,000,000
Innovative techniques and technology introduction	7,000,000
Total	1,710,000,000

The conference agreement includes $10,556,434 for the design and construction of a bus maintenance facility in Gary, Indiana.

The conferees direct the Secretary to expedite approval of the application for section 3 urban discretionary grant funding of the Detroit Riverfront West development project. Furthermore, the conferees expect that this project be funded from some category other than the urban initiatives program.

The conferees expect UMTA to continue to fund applications for alternatives analysis, not excluding any mode, in areas such as Seattle, Baltimore, San Francisco, Minneapolis, Boston and Orange County, California.

The conference report on the Department of Transportation and Related Agencies Appropriations Act, 1981, includes language under Amendment No. 43 regarding the administration of the "Buy America" provisions of section 401 of Public Law 95-599. The conferees reiterate the language contained in last year's conference report and direct UMTA to administer its capital grant program accordingly.

NON-URBAN FORMULA GRANTS

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *1970 decennial census until March 31, 1982, after which date funds apportioned under this appropriation shall be distributed on the basis of data from the 1980*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees intend that 50 percent of the section 18 appropriation be distributed according to the 1970 decennial census and 50 percent of the section 18 appropriation be distributed according to the 1980 decennial census. Those cities which will move from the section 18 program to the section 5 program under the 1980 census will be eligible for the equivalent of six months funding under each program in accordance with the appropirate census.

URBAN FORMULA GRANTS

Amendment No. 65: Appropriates $1,430,000,000 instead of $1,381,000,000 as proposed by the Senate and $1,480,000,000 as proposed by the House. The conference agreement includes the following amounts:

Tier I	$825,000,000
Tier II	165,000,000
Commuter rail/fixed guideway	90,000,000
Bus and bus facilities	350,000,000
Total	1,430,000,000

The conference agreement includes $49,000,000 in addition to the Senate allowance for tier I. The conferees assume that the increase in fiscal year 1982 outlays resulting from this tier I funding increase will be offset by UMTA's controlling fiscal year 1982 capital grant obligations according to the following schedule:

	Percent
1st quarter	20
2d quarter	20
3d quarter	20
4th quarter	40

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *1970 decennial census until March 31, 1982, after which date funds apportioned under this appropriation shall be distributed on the basis of data from the 1980*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees intend that 50 percent of the section 5 appropriation be distributed according to the 1970 decennial census and 50 percent of the section 5 appropriation be distributed according to the 1980 decennial census. Those cities which will move from the section 18 program to the section 5 program under the 1980 census will be eligible for the equivalent of six months funding under each program in accordance with the appropriate census.

WATERBORNE TRANSPORTATION DEMONSTRATION PROJECT

Amendment No. 67: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which rescinds $2,000,000.

INTERSTATE TRANSFER GRANTS—TRANSIT

Amendment No. 68: Appropriates $560,000,000 instead of $550,000,000 as proposed by the Senate and $600,000,000 as proposed by the House. The conference agreement includes the following amounts:

Location:	
Boston	$125,000,000
New York	15,000,000
New Jersey	25,000,000
Washington, D.C	290,000,000
Philadelphia	9,000,000
San Francisco	3,000,000
Oregon	45,000,000
Sacramento	2,000,000
Northeast Illinois	25,000,000
Minneapolis-St. Paul	1,000,000
Baltimore	7,000,000
Duluth	1,000,000
Unearmarked	12,000,000
Total	560,000,000

The conferees recognize that delays in some regions' projects could necessitate adjustments to the above allocations. The conferees expect these adjustments, if required, to be accomplished through the normal reprogramming process.

In cooperation with the Department of Transportation policy that section 3 funds shall not be used for new rail starts, the conferees have agreed to fund the Banfield light rail project with Interstate transfer funds. The conferees recognize that this Department of Transportation policy places a substantial burden on other regions within the States that rely on the limited Interstate transfer highway funds. Therefore, in allocating $45,000,000 in Interstate transfer transit funds for the Banfield project, the conferees direct that such funding be available for relocating the highway and building or rebuilding overpass structures which have been initiated as part of the comprehensive effort to accomodate the total light rail system in the Banfield corridor.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

Research and special programs

Amendment No. 69: Appropriates $26,441,000 as proposed by the Senate instead of $29,837,000 as proposed by the House.

Amendment No. 70: Provides that $8,703,000 of the appropriation shall remain available until expended for conducting research and development as proposed by the Senate instead of $11,260,000 as proposed by the House. The conference agreement includes the following amounts:

Hazardous materials technology	$1,100,000
Pipeline safety technology	678,000
Advanced research and technology	3,600,000
Telecommunications	75,000
University research	2,500,000
Information and data management	750,000
Total	8,703,000

The conferees direct that, of the funds available for advanced research and technology, $460,000 shall be made available for the "Transition Path Analysis" and Northwest Indiana Multimodal Freight System Analysis" project conducted by the Automotive Transportation Center at Purdue University.

Amendment No. 71: Provides that $3,184,000 of the appropriation shall remain available until expended for grants-in-aid to State natural gas pipeline safety programs as proposed by the Senate instead of $3,618,000 as proposed by the House.

OFFICE OF THE INSPECTOR GENERAL

Salaries and expenses

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 72: Appropriates $13,047,000 for necessary expenses of the Office of the Inspector General as proposed by the Senate instead of $14,826,000 as proposed by the House.

Amendment No. 73: Provides an additional $9,200,000 for necessary expenses of the Office of the Inspector General to be derived from funds available under 23 U.S.C. 104(a) as proposed by the Senate instead of $9,454,000 as proposed by the House.

TITLE II—RELATED AGENCIES ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Salaries and expenses

Amendment No. 74: Appropriates $2,000,000 instead of $1,821,000 as proposed by the Senate and $2,070,000 as proposed by the House. The conferees direct the Board to maintain a minimum of 25 positions.

CIVIL AERONAUTICS BOARD

Salaries and expenses

Amendment No. 75: Appropriates $27,000,000 instead of $26,266,000 as proposed by the Senate and $29,280,000 as proposed by the House.

Since the Airline Deregulation Act was signed into law, several airline mergers have been approved by the Civil Aeronautics Board. Numerous questions have arisen as to how successful these ventures have been and what impacts such mergers have had on employees and stockholders, the communities served, the traveling public, and the nation's air transport system in general. The conferees therefore direct the Civil Aeronautics Board and the Department of Transportation to undertake a joint study and report to the appropriate Congressional committees not later than January 15, 1982, on the effects of recent airline mergers on (1) the national air transportation system, (2) the potential effects on the system, (3) the probable consequences of those mergers and (4) any recommendations that might serve to avoid these problems in the future.

Payments to air carriers

Amendment No. 76: Appropriates $65,900,000 as proposed by the Senate instead of $58,000,000 as proposed by the House.

Amendment No. 77: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided, That, notwithstanding any other provision of law, none of the funds appropriated by this Act shall be expended under section 406 for services provided after 95 days following the date of enactment of this Act to points which, based on reports filed with the Civil Aeronautics Board, enplaned an average of eighty or more passengers per day in the fiscal year ended September 30, 1981*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided, further, That, notwithstanding any other provision of law, payments under section 406, exclusive of payments for services provided within the State of Alaska, shall not exceed a total of $14,000,000 for services provided during the period between March 31, 1982, and September 30, 1982, and, to the extent it is necessary to meet this limitation, the compensation otherwise payable by the Board under section 406 shall be reduced by a percentage which is the same for all air carriers receiving such compensation: Provided further, That, notwithstanding any other provision of law, payments under section 406 for services provided within the State of Alaska during the period between March 31, 1982, and September 30, 1982, shall not exceed a total of $5,500,000 and, to the extent it is necessary to meet this limitation, the compensation otherwise payable by the Board under section 406 shall be reduced by a percentage which is the same for all carriers receiving such compensation: Provided further, That the foregoing limitations shall not apply to payments made pursuant to the requirements of section 419(a)(7)(A) nor shall such payments be reduced by virtue of such provision: Provided further, That the provisions of this paragraph shall be effective only until modified by subsequent legislation*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees believe that the section 406 program should be terminated. The funding provided in this conference agreement for section 406 is viewed as the final Federal compensation to be made available in order to facilitate an orderly close-out of this program.

PANAMA CANAL COMMISSION

Operating expenses

Amendment No. 79: Appropriates $400,754,000 as proposed by the Senate instead of $398,744,000 as proposed by the House.

Amendment No. 80: Provides that not more than $450,000 shall be available for operation of guide services instead of $272,000 as proposed by the House and $515,000 as proposed by the Senate.

Amendment No. 81: Provides that not more than $60,000 shall be available for the maintenance of a residence for the Administrator as proposed by the Senate. The House bill provided up to $60,000 for the maintenance of a residence as well as certain staffing.

Amendment No. 82: Provides that not more than $5,000,000 shall be available for maintenance and alteration of certain facilities instead of $3,724,000 as proposed by the House and $5,450,000 as proposed by the Senate.

Amendment No. 83: Provides that not more than $76,000 shall be available for expenses of the supervisory Board instead of $50,000 as proposed by the House and $80,000 as proposed by the Senate.

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

Investment in fund anticipation notes

Amendment No. 84: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

DEPARTMENT OF THE TREASURY

Office of the Secretary

Investment in fund anticipation notes

(Including transfer of funds)

For the acquisition, in accordance with section 509 of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended, and section 803 of Public Law 95-620, of fund anticipation notes, $67,500,000, of which $25,000,000 shall be derived from the unobligated balances of "Payments for Purchase of Conrail Securities".

The managers on the part of the Senate will move to cncur in the amendment of the House to the amendment of the Senate.

UNITED STATES RAILWAY ASSOCIATION

Administrative expenses

Amendment No. 85: Provides that the $13,000,000 appropriated for necessary administrative expenses shall remain available until expended as proposed by the Senate.

TITLE III—GENERAL PROVISIONS

Amendment No. 86: Limits commitments for grants-in-aid for airports to $450,000,000 as proposed by the Senate instead of $650,000,000 as proposed by the House. In addition to the specific projects identified in the House and Senate Committee reports, the conferees direct that priority consideration also be accorded to Scottsdale Municipal Airport at Scottsdale, Arizona; Jimmy Stewart Airport at Indiana, Pennsylvania; as well as airports at Dickinson, Williston and Bismarck, North Dakota.

Amendment No. 87: Limits obligations for State and community highway safety to $92,500,000 instead of $85,000,000 as proposed by the Senate and $100,000,000 as proposed by the House. The conferees direct the Department to retrench and recover any funds which may have been apportioned to the States in excess of the limitation contained in the conference agreement.

Amendment No. 88: Limits obligations for Federal-aid highways and highway safety construction programs to $8,000,000,000 instead of $7,700,000,000 as proposed by the Senate and $8,200,000,000 as proposed by the House.

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which deletes the word "and".

Amendment No. 90: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment insert: *and $15,000,000 for the Bismarck-Mandan Bridge, $4,000,000 for the Steubenville-Weirton Bridge, and necessary funds required during fiscal year 1982 for the Dickey Road Bridge in East Chicago, Indiana, and the U.S. 12 Bridge over Trail Creek in Michigan City, Indiana*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 91: Deletes language proposed by the Senate increasing the obligational authority for emergency relief from $100,000,000 to $150,000,000.

Amendment No. 92: Deletes language proposed by the House making the availability of construction funds for the Dulles Airport Access Highway contingent upon the Commonwealth of Virginia agreeing to assume the responsibility for maintenance and operation of such extension.

Amendment No. 93: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 311. None of the funds provided in this Act shall be used by the Interstate Commerce Commission to approve railroad branchline abandonments in fiscal year 1982 in any State in excess of 3 percentum of a State's total mileage of railroad lines operated: Provided, That this limitation shall not apply to any abandonment of Conrail railroad lines: Provided further, That exceptions to this limitation shall be made only upon the specific approval of each of the appropriate committees of Congress.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees concur in the language throughout the Senate Report regarding the serious impact of aggressive railroad branchline abandonments. Massive abandonments would be devastating to rural communities, to country grain elevators and other shippers. The ability of producers to transport their goods to market would be threatened and an overwhelming burden would be imposed on roads and bridges. The conferees have therefore agreed to a general provision which limits railroad branchline abandonments in fiscal year 1982 to 3 percent of any State's total mileage of railroad lines operated. Conrail lines are exempted from this provision and exceptions may be made upon the approval of each of the appropriate committees of Congress. This language has been broadened beyond the limited scope of the Senate bill in response to the numerous requests of Members of Congress.

The conferees urge the Interstate Commerce Commission to utilize its Section of Rail Services Planning to assist rail users in the area of branchline surcharges and rate increases. The burden of challenging these surcharges or increases is placed on shippers who are at a disadvantage because of a lack of knowledge of rail costing and operations. As a result, the services of Rail Services Planning are needed to help shippers evaluate and effectively challenge surcharges and increases that may be excessive.

The Staggers Rail Act specifies that a light-density line surcharge cannot exceed 100 percent of the reasonably expected costs of operating the line plus 110 percent of the variable cost of transporting the traffic involved to or from such line. The problem is that the Commission is only directed to define the first cost factor: reasonably expected costs. There is no specific procedure for calculating the variable costs. Without this second calculation a shipper cannot determine whether a surcharge exceeds the statutory limits and thereby effectively challenge a surcharge. The conferees urge the Commission to develop procedures for computing these costs. In addition, the Commission is urged to provide shippers with the underlying data needed to challenge a surcharge. Otherwise, the shipper would be placed at an extreme disadvantage with little chance of a successful challenge should a violation exist.

Amendment No. 94: Restores language proposed by the House designating the weeks of June 13 through July 4, 1982, as "National Clean-up and Flag-up America's Highways Weeks".

Amendment No. 95: Deletes language proposed by the House prohibiting a reduction in the number of civilian employees of the Coast Guard.

Amendment Nos. 96 and 97: Conform section numbers.

Amendment No. 98: Deletes language proposed by the House related to Washington National Airport. The conferees endorse the language contained on pages 83 through 87 of the Senate Appropriations Committee report regarding Metropolitan Washington Airports Policy.

Amendment No. 99: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *Restore the matter stricken by said amendment amended to read as follows:*

Sec. 324. None of the funds appropriated by this Act shall be used to implement, administer, or enforce Order 81-5-27 of the Civil Aeronautics Board or any other order of the Civil Aeronautics Board which prohibits or has the effect of prohibiting any U.S. air carrier from participating in the International Air Transport Association's North Atlantic Traffic Conference under its existing articles and provisions: Provided, That this limitation may be terminated by an appropriate resolution adopted by the House Public Works and Transportation Committee or the Senate Commerce Committee.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement concurs in the House language with a provision that this section shall be effective only until the subject of the Civil Aeronautics Board Order

81-5-27 is resolved by the House Public Works and Transportation Committee or Senate Commerce Committee. In taking this action, the conferees note that legislation is pending in these authorizing Committees with regard to the "sunset" of the CAB and related matters. The conferees also note that CAB Order 81-5-27 is the subject of oversight hearings in the House Public Works and Transportation Investigations and Oversight Subcommittee. In view of the Board's new leadership, pending legislation and oversight hearings, the conference agreement is intended to allow time for the House Public Works and Transportation Committee or the Senate Commerce Committee to adopt a resolution to continue or release the prohibition imposed on procedures by the CAB on Order 81-5-27. This should also allow time for the Administration to develop a coherent position on this and other issues related to international aviation policy. Pending further action by Congressional Committees, it is the intent of the conferees that the Board Order not go into effect for the duration of fiscal year 1982.

Amendment No. 100: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 325. Notwithstanding any other provision of law, the secretary shall, with regard to the Urban Discretionary Grant Program of the Urban Mass Transportation Administration, promptly issue a letter of intent for the Dade County, Florida, Circulator System for $63,642,666, and, in addition, shall promptly issue a letter of intent for nonrail projects in the Portland, Oregon, Metropolitan region for $76,800,000 and also issue a letter of intent for the Southeast Michigan Central Automated Transit System for 110 million 1981 dollars.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes language directing the Secretary to issue a letter of intent for the nonrail transit projects in the Portland Metropolitan Region in the amount of $76,800,000. In keeping with the Department's policy, the letter of intent for section 3 funds will transfer the Department's section 3 commitment to nonrail transit projects in the region. It is the conferees' intent that funding of this new letter of intent should commence this year at the rate of $15,000,000 annually and that the region should compete equally with other cities for additional section 3 funds and that such UMTA decisions should not be prejudiced by the funds issued through this letter of intent. The conferees concur with House language directing UMTA to issue a full funding contract to Tri-Met in Portland for completion of the Banfield project to ensure completion of the project on schedule.

In order to avoid costly delays the conferees also direct UMTA to provide Tri-Met in Portland with a full funding contract as expeditiously as possible consistent with UMTA's December 22, 1980 letter of intent. The conferees expect and intend that the Banfield project will be completed on schedule.

In addition to the letters of intent contained in the Senate bill, the conferees direct the Secretary to promptly issue a letter of intent for the Central Automated Transit System in the Southeast Michigan Region. This system is a component of the integrated regional transportation plan, portions of which are already under construction, and will require a Federal funding commitment of 110 million 1981 dollars.

Amendment No. 101: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *326*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 102: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number 325 named in said amendment, insert: *327*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number 326 named in said amendment, insert: *328*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 104: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number 327 named in said amendment, insert: *329*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1982 recommended by the Committee of Conference, with comparisons to the fiscal year 1981 amount, the 1982 budget estimates, and the House and Senate bills for 1982 follow:

New budget (obligational) authority, fiscal year 1981	$12,769,738,764
Budget estimates considered by House, fiscal year 1982	11,103,037,235
House bill, fiscal year 1982	11,090,306,439
Budget estimates considered by Senate, fiscal year 1982	9,776,966,927
Senate bill, fiscal year 1982	10,414,397,927
Conference agreement, fiscal year 1982	10,613,137,927
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1981	−2,156,600,837
Budget estimates of new (obligational) authority, considered by House, fiscal year 1982	−489,899,308
Budget estimates of new (obligational) authority, considered by Senate, fiscal year 1982	+836,171,000
House bill, fiscal year 1982	−477,168,512
Senate bill, fiscal year 1982	+198,740,000

ADAM BENJAMIN, Jr.,
WILLIAM LEHMAN,
MARTIN OLAV SABO,
LES AUCOIN,
WILLIAM H. GRAY III,
JAMIE L. WHITTEN,
CARL D. PURSELL,
Managers on the Part of the House.

MARK ANDREWS,
MARK O. HATFIELD,
THAD COCHRAN,
JAMES ABDNOR,
BOB KASTEN, Jr.,
ALFONSE M. D'AMATO,
LAWTON CHILES,
JOHN C. STENNIS,
ROBERT C. BYRD,
THOMAS F. EAGLETON,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MICHEL, a special order for 10 minutes for today.

(The following Member (at the request of Mrs. SNOWE) to revise and extend his remarks and include extraneous material:)

Mr. PAUL, for 1 hour, November 17, 1981.

(The following Members (at the request of Mr. FOWLER) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

Mr. DE LA GARZA, for 5 minutes, today.

Mr. DANIELSON, for 5 minutes, today.

Mr. LAFALCE, for 20 minutes each day, on November 16, and 17, 1981.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 10 minutes, today.

Mr. PANETTA, for 10 minutes, today.

Mr. WYDEN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. SNOWE) and to include extraneous matter:)

Mr. LEWIS.

Mr. KEMP.

Mr. GOODLING.

Mr. WEBER of Minnesota.

Mr. GINGRICH.

Mr. DANNEMEYER.

Mr. EVANS of Delaware.

Mr. DERWINSKI.
Mr. WINN.
(The following Members (at the request of Mr. FOWLER) and to include extraneous matter:)
Mr. OTTINGER.
Mr. BARNES.
Mr. LELAND in two instances.
Mr. KILDEE.
Mr. FORD of Michgan.
Mr. WIRTH.
Mr. AUCOIN.
Mr. MOFFETT.
Mr. FROST.
Mr. TRAXLER.
Mr. ROE.
Mr. CONYERS.
Mr. MINETA.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1322. An act to designate the U.S. Department of Agriculture Boll Weevil Research Laboratory Building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on November 12, 1981, present to the President, for his approval, bills of the House of the following title:

H.R. 4734. An act to recognize the organization known as the Italian American War Veterans of the United States; and

H.R. 4792. An act to amend title 10, United States Code, to improve the military justice system.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 18 minutes p.m.) under its previous order, the House adjourned until Monday, November 16, 1981, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2518. A letter from the Assistant Secretary of the Air Force (Research, Development and Logistics), transmitting notice of the proposed conversion to contractor performance of the transient aircraft maintenance function at Randolph Air Force Base, Tex., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

2519. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 4-110, "To amend the District of Columbia Unemployment Compensation Act in order to implement the Multiemployers Pension Plan Amendments Act of 1980 and the Omnibus Reconciliation Act of 1980," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

2520. A letter from the Secretary of Energy, transmitting a report on a study of alternatives to the Natural Gas Policy Act of 1978; to the Committee on Energy and Commerce.

2521. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Army, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2522. A letter from the Comptroller General of the United States, transmitting a report on the merits and cost effectiveness of the proposed increase of the existing $50,112.50 executive pay cap to $57,500; to the Committee on Post Office and Civil Service.

2523. A letter from the Assistant Secretary of Energy for Conservation and Renewable Energy, transmitting the initial comprehensive wind energy program management plan, pursuant to section 4(a) of the Wind Energy Systems Act of 1980; to the Committee on Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DERRICK: Committee on Rules. House Resolution 270. A resolution waiving certain points of order against the conference report on S. 815, a bill to authorize appropriations for fiscal year 1982, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development, test, and evaluation for the Armed Forces, to authorize appropriations for fiscal year 1982 for operations and maintenance expenses of the Armed Forces, to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve Component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for fiscal year 1982 for civil defense, and for other purposes (Rept. No. 97-328). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 271. A resolution providing for the consideration of House Joint Resolution 357, a joint resolution making further continuing appropriations for the fiscal year 1982, and for other purposes (Rept. No. 97-329). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 272. A resolution providing for the consideration of House Joint Resolution 349, a joint resolution to authorize the participation of the United States in a multinational force and observers to implement the Treaty of Peace between Egypt and Israel (Rept. No. 97-330). Referred to the House Calendar.

Mr. BENJAMIN: Committee of conference. Conference report on H.R. 4209 (Rept. No. 97-331). And ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STARK (for himself, Mr. DUNCAN, Mr. HOLLAND, Mr. FOWLER, Mr. RUSSO, Mr. MATSUI, Mr. HEFTEL, Mr. GUARINI, Mr. SCHULZE, Mr. VANDER JAGT, Mr. FORD of Tennessee, Mr. BAILEY of Pennsylvania, and Mr. BAFALIS):

H.R. 4961. A bill to make miscellaneous changes in the tax laws; to the Committee on Ways and Means.

By Mr. BEDELL:

H.R. 4962. A bill to amend title II of the Social Security Act to provide that no benefits thereunder may be paid to convicted criminals who are inmates of penal institutions; to the Committee on Ways and Means.

H.R. 4963. A bill to amend title II of the Social Security Act and chapters 2 and 21 of the Internal Revenue Code of 1954 to provide that the hospital insurance program shall hereafter be financed from general revenues rather than through the imposition of payroll taxes as at present, reallocating the future proceeds of such taxes to the old-age, survivors, and disability insurance program in order to assure the actuarial soundness of that program; to the Committee on Ways and Means.

H.R. 4964. A bill to amend title II of the Social Security Act to provide that the automatic cost-of-living increases in benefits thereunder shall be based either on increases in the Consumer Price Index or on increases in wages, whichever (in any particular case) is lower; to the Committee on Ways and Means.

By Mr. CRAIG:

H.R. 4965. A bill to provide for the minting of U.S. silver coins; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PHILIP M. CRANE:

H.R. 4966. A bill to provide for the confidentiality of medical and dental records of patients not receiving assistance from the Federal Government, and for other purposes; to the Committee on Energy and Commerce.

H.R. 4967. A bill to amend the Airport and Airway Development Act of 1970 to make privately owned public use airports eligible for assistance under the act; to the Committee on Public Works and Transportation.

H.R. 4968. A bill to provide that the Internal Revenue Service may not implement certain proposed rules relating to the determination of whether private schools have discriminatory policies; to the Committee on Ways and Means.

H.R. 4969. A bill to amend the Internal Revenue Code of 1954 to repeal the family shelter tax; to the Committee on Ways and Means.

H.R. 4970. A bill to amend the Internal Revenue Code of 1954 with respect to the deduction of charitable contributions to organizations from which the taxpayer or a member of his family receives services; to the Committee on Ways and Means.

H.R. 4971. A bill to amend the Internal Revenue Code of 1954 to clarify the stand-

ards used for determining whether individuals are self-employed for purposes of the employment taxes; to the Committee on Ways and Means.

H.R. 4972. A bill to amend the Internal Revenue Code of 1954 to reduce income taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. DE LUGO:

H.R. 4973. A bill to exempt certain charterboats in the U.S. Virgin Islands from the entry requirements of the customs laws; to the Committee on Ways and Means.

By Mr. KILDEE (for himself and Mr. GOODLING):

H.R. 4974. A bill to amend the Vocational Education Act of 1963 to provide comprehensive vocational guidance services and programs for States and local educational agencies; to the Committee on Education and Labor.

By Mr. PANETTA:

H.R. 4975. A bill to amend the Agricultural Fair Practices Act of 1967 to assure fair practices in agricultural bargaining; to the Committee on Agriculture.

By Mr. PHILIP M. CRANE:

H. Res. 273. Resolution to amend the rules of the House of Representatives to eliminate the limitations on outside earned income of Members of the House; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HARTNETT introduced a bill (H.R. 4976) for the relief of Elizabeth Ann Jones, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 808: Mr. EVANS of Georgia, Mr. SYNAR, Mr. LANTOS, and Mr. DENARDIS.

H.R. 2203: Mr. MATTOX and Mr. EMERY.

H.R. 2832: Mr. HOWARD.

H.R. 3091: Mr. COUGHLIN.

H.R. 4247: Ms. MIKULSKI, Mr. OTTINGER, Mr. SOLOMON, Mr. MCCOLLUM, and Mr. DYSON.

H.R. 4248: Mr. OTTINGER, Mr. MARTIN of New York, Mr. SOLOMON, Mr. MCCOLLUM, and Mr. DYSON.

H.R. 4498: Mr. KASTENMEIER, Mr. FORSYTHE, Mr. OTTINGER, Mr. BEILENSON, Mr. O'BRIEN, Mr. FAZIO, Mr. NEAL, Mr. EDGAR, Mr. MINISH, Mr. WHITEHURST, Mr. JEFFORDS, Mr. FRENZEL, Mr. DENARDIS, Mr. MILLER of California, Mr. STOKES, Mr. PORTER, Mr. STARK, Mr. APPLEGATE, Mr. GINN, Mr. D'AMOURS, Mr. LEHMAN, Mr. BONIOR of Michigan, Mr. MORRISON, Mr. ERDAHL, Mr. SYNAR, Mr. DANNEMEYER, Mr. ADDABBO, Mr. BEVILL, Mr. MARLENEE, Mr. ZEFERETTI, Mr. GUARINI, Mr. MCEWEN, Mr. EDWARDS of Oklahoma, Mr. CARNEY, Mr. DANIELSON, Mr. HARKIN, Mr. RICHMOND, Mr. RAHALL, Mr. MCGRATH, Mr. SEIBERLING, Mr. DELLUMS, Mr. WEISS, Mr. SILJANDER, Mr. LAFALCE, Mrs. COLLINS of Illinois, Mr. BINGHAM, Mr. GIBBONS, Mr. CHAPPELL, Mr. FRANK, Mr. OBERSTAR, Mr. RINALDO, Mr. DANIEL B. CRANE, Mr. GARCIA, and Mr. PRITCHARD.

H.R. 4567: Mr. MITCHELL of Maryland.

H.R. 4617: Mr. FAUNTROY and Mr. WILLIAM J. COYNE.

H.R. 4673: Mr. O'BRIEN.

H.R. 4816: Mr. MITCHELL of Maryland, Mr. FOGLIETTA, Mr. GIBBONS, Mr. EDGAR, Mr. LOWRY of Washington, and Mr. OTTINGER.

H.R. 4842: Mr. MOORE, Mr. RITTER, Mr. DANNEMEYER, Mr. VANDER JAGT, Mr. STATON of West Virginia, Mr. CHENEY, Mr. SKEEN, Mr. PORTER, Mr. NEAL, Mr. OXLEY, Mr. BERNARD, Mr. LOTT, Mr. BEREUTER, Mr. FORSYTHE, and Mr. MCDADE.

H.J. Res. 293: Mr. HARTNETT, Mr. WORTLEY, Mr. ROEMER, Mr. MAVROULES, Mr. DYMALLY, Mr. STOKES, Mr. GREGG, Mr. ROSENTHAL, Mr. DANNEMEYER, Mr. GEPHARDT, Mr. DIXON, Mr. HOWARD, Mr. DE LA GARZA, Mr. ST GERMAIN, Mr. GILMAN, Mr. KASTENMEIER, Mr. PICKLE, Mr. MOORHEAD, and Mr. BAILEY of Pennsylvania.

H.J. Res. 318: Mr. ALBOSTA, Mr. ASHBROOK, Mr. BEARD, Mr. BEDELL, Mr. BEREUTER, Mr. BIAGGI, Mrs. BOUQUARD, Mr. BROWN of Colorado, Mr. CARMAN, Mr. CHAPPIE, Mr. CLINGER, Mr. COATS, Mr. COELHO, Mr. COLEMAN, Mr. CONYERS, Mr. JAMES K. COYNE, Mr. DREIER, Mr. DUNCAN, Mr. DYSON, Mr. EDGAR, Mr. ENGLISH, Mr. ERDAHL, Mr. ERTEL, Mr. FAUNTROY, Mr. FINDLEY, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FOWLER, Mr. GIBBONS, Mr. GONZALEZ, Mr. GRISHAM, Mr. GUNDERSON, Mr. HARKIN, Mr. HIGHTOWER, Mr. HOLLENBECK, Mrs. HOLT, Mr. HORTON, Mr. HUBBARD, Mr. JONES of Tennessee, Mr. KASTENMEIER, Mr. KEMP, Mr. LATTA, Mr. LEWIS, Mr. LIVINGSTON, Mr. LONG of Maryland, Mr. LOWERY of California, Mr. MARRIOTT, Mr. MCCOLLUM, Mr. MCDADE, Mr. MILLER of Ohio, Mr. MURPHY, Mr. NEAL, Mr. NICHOLS, Mr. NOWAK, Mr. OXLEY, Mr. PEPPER, Mr. PURSELL, Mr. REGULA, Mr. RINALDO, Mr. RITTER, Mr. ROBINSON, Mr. ROYBAL, Mr. SAVAGE, Mr. SHAW, Mr. SKELTON, Mr. SMITH of Pennsylvania, Mr. STANGELAND, Mr. STARK, Mr. STUMP, Mr. SUNIA, Mr. SYNAR, Mr. TAUZIN, Mr. VENTO, Mr. WALGREN, Mr. WALKER, Mr. WASHINGTON, Mr. WEBER of Ohio, Mr. WYLIE, Mr. WEBER of Minnesota, Mr. CORCORAN, Mr. HAMILTON, and Mr. ST GERMAIN.

PETITIONS, ETC.

Under clause 1 of rule XXII,

271. The SPEAKER presented a petition of the Georgia Criminal Justice Coordinating Council, Atlanta, relative to Federal assistance for prison facilities; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

VOCATIONAL GUIDANCE ACT OF 1981

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. KILDEE. Mr. Speaker, this week marks the 16th observance of National Career Guidance Week; a recognition of the important efforts of the teachers, guidance counselors, and personnel workers who assist our citizens in their decisions about careers and career training. The theme of this year's observance, "Explore for the future," seems especially fitting as the House Elementary, Secondary, and Vocational Education Subcommittee of which I am a member proceeds with hearings on the reauthorization of the Vocational Education Act of 1963.

Today I am introducing, along with my colleague on the subcommittee, Mr. GOODLING, the Vocational Guidance Act of 1981. This bill would amend the Vocational Education Act to specify a vocational guidance component in the act and would reserve 6 percent of the act's State program funds for vocational guidance activities.

Research findings show that students who receive vocational counseling do better in vocational education courses, are more apt to successfully complete their training, and are more often successfully placed in jobs. Our current high unemployment rate has given vocational education new importance as a means to economic revitalization through more effective worker training. Vocational guidance has proven its importance to vocational education. The role of vocational guidance in vocational education should be enhanced. Congress recognized this in the last reauthorization of the act by specifying that 20 percent of a State's program improvement funds be reserved for purposes of vocational guidance. This comes to about 4 percent of the total Federal vocational education funds received by the States.

The Vocational Guidance Act would not result in any additional Federal expenditure. Rather, it would encourage States to augment and expand their vocational guidance program by earmarking funds for that purpose and by further identifying vocational guidance activities. The bill would bring vocational guidance personnel more fully into their rightful place in the Federal vocational education effort.

The text of the bill follows:

H.R. 4974

A bill to amend the Vocational Education Act of 1963 to provide comprehensive vocational guidance services and programs for States and local educational agencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Vocational Guidance Act of 1981".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) when prevocational guidance and exploration programs are offered to middle school and junior high school youth, the result has been a qualitative as well as a numerical increase in vocational program enrollments at the secondary and postsecondary levels;

(2) when continued access to guidance and counseling services by those female students, minority students, handicapped students, and academically and economically disadvantaged students enrolled in vocational programs is assured, a higher rate of program approval and completion has been reported;

(3) when vocational programs have included counseling for employability development, human relations, work skill transferability, and job-seeking, job-finding, and job-keeping skills, the number of satisfactory graduate placements is significantly greater than the number of such placements recorded by programs without such counseling;

(4) when vocational programs have consistently provided comprehensive guidance services preceding, during, and following their tenure, the job market advantage of graduates has extended beyond the four years presently associated with those who terminate their formal education at the high school level;

(5) when guidance and counseling practitioners have had firsthand experience in business and industry, their effectiveness in providing career counseling, placement, and follow-up services has been greatly increased;

(6) in spite of the factors described in paragraphs (1) through (5), the potential contribution of guidance and counseling to effective vocational program delivery at the State level has yet to be fully realized in practice; and

(7) postsecondary educational institutions should be encouraged to consider establishing policies under which postgraduate credit is granted to students who are involved in progams which provide new or renewal experiences in business, industry, the professions, and other occupational pursuits which will better enable the students to carry out guidance, counseling, and instructional services.

(b) It is the purpose of this Act to increase the benefits to those enrolled in vocational education programs by amending the Vocational Education Act of 1963 to (1) specify comprehensive guidance components in all portions of such Act over which the States have jurisdiction; (2) designate such components as vocational guidance; and (3) authorize a minimum percentage of funds to be set aside for such purposes.

PURPOSES OF VOCATIONAL EDUCATION PROGRAM

SEC. 3. Section 101 of the Vocational Education Act of 1963 (20 U.S.C. 2301) is amended—

(1) in paragraph (3) thereof, by striking out "and" at the end thereof; and

(2) by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following new paragraph:

"(4) provide comprehensive vocational guidance programs and services (including job development and placement services) to increase the capacity of youth and adults to benefit from vocational education, and".

FUNDING FOR VOCATIONAL GUIDANCE ACTIVITIES

SEC. 4. Section 102 of the Vocational Education Act of 1963 (20 U.S.C. 2302) is amended by adding at the end thereof the following new subsection:

"(e) Of the total amounts appropriated for State programs of vocational education in this section, at least 6 percent of the funds allocated shall be reserved to carry out (1) vocational guidance activities described in section 120(b)(1) and in section 125; and (2) other vocational guidance requirements specified in other provisions of this Act.".

ALLOTMENTS AMONG STATES

SEC. 5. Section 103(a)(2) of the Vocational Education Act of 1963 (20 U.S.C. 2303(a)(2)) is amended—

(1) in subparagraph (A) thereof, by striking out "50 per centum" and inserting in lieu thereof "42 per centum" and by striking out "fifteen to nineteen" and inserting in lieu thereof "eleven to seventeen";

(2) in subparagraph (B) thereof, by striking out "20 per centum" and inserting in lieu thereof "28 per centum" and by striking out "twenty to twenty-four" and inserting in lieu thereof "eighteen to thirty-four"; and

(3) in subparagraph (C) thereof, by striking out "twenty-five to sixty-five, inclusive" and inserting in lieu thereof "thirty-five or older".

STATE AND LOCAL ADVISORY COUNCILS

SEC. 6. (a) Section 105(d)(4)(A) of the Vocational Education Act of 1963 (20 U.S.C. 2305(d)(4)(A)) is amended by inserting "vocational guidance," after "vocational rehabilitation,".

(b) The last sentence of section 105(g)(1) of the Vocational Education Act of 1963 (20 U.S.C. 2305(g)(1)) is amended by inserting "vocational instruction and guidance" after "established for".

GENERAL APPLICATION

SEC. 7. Section 106(a)(8) of the Vocational Education Act of 1963 (20 U.S.C. 2306(a)(8)) is amended—

(1) by inserting "vocational guidance programs under section 125," after "except"; and

(2) by striking out "in making" and all that follows through the end thereof and inserting in lieu thereof "planned prevocational experiences designed to enable them to make informed and meaningful occupational preparation choices;".

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

FIVE-YEAR STATE PLANS

SEC. 8. (a) Section 107(a)(1) of the Vocational Education Act of 1963 (20 U.S.C. 2307(a)(1)) is amended—

(1) by redesignating subparagraph (B) through subparagraph (J) as subparagraph (C) through subparagraph (K), respectively;

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B) a representative of the State agency (if such separate agency exists) having primary responsibility for school guidance and counseling programs, designated by such agency;";

(3) in subparagraph (J) thereof, as so redesignated in paragraph (1), by striking out "and" at the end thereof;

(4) in subparagraph (K) thereof, as so redesignated in paragraph (1), by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(5) by inserting after subparagraph (K) thereof, as so redesignated in paragraph (1), the following new subparagraph:

"(L) a representative of practicing secondary school counselors, as determined by State law.".

(b) Section 107(b)(2)(A)(iii) of the Vocational Education Act of 1963 (20 U.S.C. 2307(b)(2)A)(iii)) is amended by striking out "allocations" and all that follows through "opportunities" and inserting in lieu thereof "assignment of responsibility for the offering of those courses, training opportunities, and guidance services,".

(c) Section 107(b)(2)(A)(iv) of the Vocational Education Act of 1963 (20 U.S.C. 2307(b)(2)(A)(iv)) is amended by inserting "guidance services," after "opportunities,".

(d) Section 107(b)(4)(B) of the Vocational Education Act of 1963 (20 U.S.C. 2307(b)(4)(B)) is amended by inserting "guidance and training" after "meet the".

FEDERAL AND STATE EVALUATIONS

SEC. 9. Section 112(b)(1)(B) of the Vocational Education Act of 1963 (20 U.S.C. 2312(b)(1)(B)) is amended—

(1) in clause (i) thereof, by striking out "and" at the end thereof;

(2) in clause (ii) thereof, by inserting "current" after "their" and by adding "and" at the end thereof; and

(3) by inserting after clause (ii) the following new clause:

"(iii) exhibit desirable skills related to employability, as determined jointly by employees, educators, and employers.".

BASIC GRANT AUTHORIZATION

SEC. 10. Section 120(b)(1) of the Vocational Education Act of 1963 (20 U.S.C. 2330(b)(1)) is amended—

(1) in subparagraph (H) thereof, by inserting ", support, and follow-up" after "placement";

(2) in subparagraph (I) thereof, by inserting "and other prevocational" after "arts";

(3) in subparagraph (L) thereof—

(A) by striking out "and" at the end of clause (iii);

(B) by inserting "and" at the end of clause (iv); and

(C) by inserting after clause (iv) the following new clause:

"(v) persons seeking skills enabling midcareer changes, such as early retirees;";

(4) by redesignating subparagraph (N) and subparagraph (O) as subparagraph (O) and subparagraph (P), respectively; and

(5) by inserting after subparagraph (M) the following new subparagraph:

"(N) vocational guidance and counseling programs and services as described in section 125;".

COOPERATIVE VOCATIONAL EDUCATION PROGRAMS

SEC. 11. Section 122(d) of the Vocational Education Act of 1963 (20 U.S.C. 2332(d)) is amended—

(1) by striking out "ancillary" and inserting in lieu thereof "support"; and

(2) by inserting "counselors," after "coordinators,".

RESIDENTIAL VOCATIONAL SCHOOLS

SEC. 12. Section 124(a) of the Vocational Education Act of 1963 (20 U.S.C. 2334(a)) is amended by adding at the end thereof the following new sentence: "All students in residence shall be provided appropriate guidance and training.".

VOCATIONAL GUIDANCE AND COUNSELING UNDER BASIC GRANTS

SEC. 13. Subpart 2 of part A of the Vocational Education Act of 1963 (20 U.S.C. 2330 et seq.) is amended by adding at the end thereof the following new section:

"VOCATIONAL GUIDANCE AND COUNSELING

"SEC. 125. In accordance with the provisions of section 102(e), programs for vocational guidance and counseling shall include—

"(1) initiation, implementation, and improvement of high quality vocational guidance and counseling programs and activities;

"(2) vocational counseling for children, youth, and adults, leading to a greater understanding of educational and vocational options;

"(3) provision of educational and job placement services, including programs to prepare individuals for professional occupations or occupations requiring a baccalaureate or higher degree, including follow-up services;

"(4) vocational guidance and counseling training and work experiences designed to acquaint guidance counselors with (A) the requirements of employers, businesses, and industries; (B) the changing work patterns of women; (C) ways of effectively overcoming occupational sex stereotyping; and (D) ways of assisting girls and women in selecting careers solely on their occupational needs and interests, and to develop improved career counseling materials which are free of bias;

"(5) vocational and educational counseling for youth offenders and adults in correctional institutions;

"(6) vocational guidance and counseling for persons of limited English-speaking ability;

"(7) establishment of vocational resource centers to meet the special needs of out-of-school individuals, including individuals seeking second careers, individuals entering the job market late in life, handicapped individuals, individuals from economically depressed communities or areas, and early retirees; and

"(8) leadership for vocational guidance and exploration programs at the local level.".

RESEARCH PROGRAMS

SEC. 14. (a) Section 131(a) of the Vocational Education Act of 1963 (20 U.S.C. 2351(a)) is amended—

(1) in paragraph (1) thereof, by striking out "and development", and by inserting "and career development" after "education"; and

(2) in paragraph (2) thereof, by striking out "test" and all that follows through "overcome" and inserting in lieu thereof "replicate or install useful research methodologies and findings, including effective guidance components of vocational programs, programs which show promise of overcoming".

(b) Section 131(b) of the Vocational Education Act of 1963 (20 U.S.C. 2351(b)) is amended by inserting "and guidance" after "teaching".

EXEMPLARY AND INNOVATIVE PROGRAMS

SEC. 15. Section 132(a)(5)(A) of the Vocational Education Act of 1963 (20 U.S.C. 2352(a)(5)(A)) is amended by inserting "prevocational guidance and counseling" before "programs".

CURRICULUM DEVELOPMENT

SEC. 16. Section 133(a) of the Vocational Education Act of 1963 (20 U.S.C. 2353(a)) is amended—

(1) in paragraph (1) thereof, by striking out "and" at the end thereof;

(2) in paragraph (2) thereof, by inserting "and counselors" after "teachers", and by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(3) the review and development of materials or systems which can effectively catalogue and disseminate new or existing occupational information, job-seeking, job-finding, and job-keeping skills, and other tools necessary to vocational maturity.".

ADDITIONAL VOCATIONAL GUIDANCE AND COUNSELING

SEC. 17. Section 134 of the Vocational Education Act of 1963 (20 U.S.C. 2354) is amended to read as follows:

"VOCATIONAL GUIDANCE AND COUNSELING

"SEC. 134. In addition to the provisions of section 102(e), and as described in section 125, programs for vocational guidance and counseling shall use funds which have been set aside for such purpose, insofar as is practicable, for funding programs, services, or activities by eligible recipients which bring individuals with experience in business and industry, the professions, and other occupational pursuits into schools as counselors, teachers, or advisors for students, and which bring students into the work establishments of business and industry, the professions, and other occupational pursuits for the purpose of acquainting students with the nature of the work that is accomplished in such pursuits, and for funding projects of such recipients in which guidance counselors and other vocational personnel obtain new or renewal experiences in business and industry, the professions, and other occupational pursuits which will better enable these individuals to carry out their guidance, counseling, and instructional duties.".

VOCATIONAL EDUCATION PERSONNEL TRAINING

SEC. 18. Section 135(a) of the Vocational Education Act of 1963 (20 U.S.C. 2355(a)) is amended—

(1) in paragraph (1) thereof, by inserting "and counselors" after "teachers" the first place it appears therein, and by inserting "and counselors," after "teachers" the last place it appears therein;

(2) in paragraph (2) thereof, by inserting ", counselors," after "teachers"; and

(3) in paragraph (3) thereof, by inserting ", counselors," after "teachers".

DEFINITION

SEC. 19. Section 195 of the Vocational Education Act of 1963 (20 U.S.C. 2461) is amended by adding at the end thereof the following new paragraph:

"(22) The term 'vocational guidance' means those services and programs which

are coordinated by professional counselors with appropriate credentials and which focus upon—

"(A) the unique guidance, placement, and follow-up needs of individuals enrolled in vocational programs; and

"(B) the prevocational counseling and orientation of other individuals who could benefit from the pursuit of skills in fields which do not require a baccalaureate degree for entry.".●

VIETNAM VETERANS

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. FROST. Mr. Speaker, I rise today to acknowledge the courage and devotion of those men and women who fought and died for this country. I am especially proud to salute on this day our most recent group of soldiers—and often, most misunderstood. I speak of those who served in Vietnam.

Included in this massive group are nearly 60,000 who never returned home. Among the survivors are hundreds of thousands who have managed to put their lives back together. Even so, countless others remain physically and psychologically scarred as a result of their ordeal. The common bond of these veterans—indeed, all veterans—is their tremendous courage, personal sacrifice, and devotion to duty and country.

Perhaps, Vietnam was no more gruesome than any other war that has plagued this Nation. However, it is certainly the most vivid of wars for Americans living today. Those who stayed at home remember the news reports, camera footage, and still shots of confrontation and bloodshed. And for our soldiers there are the images of fallen comrades, the sense of an approaching enemy, and the smell of gunfire and atomic warfare. This Nation must not forget either those who were made stronger by the awesome experience or those who still suffer tremendously from the brutalities of the war.

We must honor their sacrifice and devotion to country. Moreover, we must acknowledge the fact that they still have so much to offer the Nation, their communities, and families. When I speak of expressing our appreciation and respect for these men and women I refer not so much to a structure, although I wholeheartedly support and anxiously await the dedication of the Vietnam Veterans Memorial near the site of the Lincoln Memorial next fall. Rather, I call for a body of actions from this 97th Congress that will help to advance the stations of Vietnam veterans and their dependents.

Specifically, we must fight those efforts which would sacrifice quality health and hospital care for all veterans in order to balance the budget. We must assure proper medical attention for those Vietnam veterans who were exposed to agent orange and other hazardous chemical substances. At the same time, we must continue our efforts to see that the psychological and readjustment needs of Vietnam veterans are addressed. Above all, we must support those programs that mean improved educational and job opportunities for Vietnam veterans.

The Vietnam Veterans in Congress has played an active role in impressing these issues on our national consciousness. I am proud to be a member of this organization and to have this opportunity to extol the courage and tremendous personal sacrifice of those men and women who served in Vietnam.●

INNOVATIVE INFILLS BOOST PRESERVATION

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. AuCOIN. Mr. Speaker, early this year, the historic preservation fund was targeted for extinction by the administration. However, both the House and Senate Appropriations Committees understand the value of Federal preservation programs and committed $26.5 million to fund the Government's commitment to such programs.

In the November issue of Preservation News, published by the National Trust, Michael Alesko writes of the restoration going on in Portland, Oreg. He is currently an administrative aide to Portland City Council member Margaret Strahan and he formerly covered historic preservation and urban planning issues for the Oregonian. I would like to share this article with my colleagues and let them see the potential which exists in their hometowns.

INNOVATIVE INFILLS BOOST PRESERVATION

(By Michael Alesko)

Dubbed "the most exciting project that has come to downtown Portland, Oregon, in the last several years" by one Portland City Council member, the $6 million Yamhill Marketplace development that broke ground in September also typifies perfectly the new directions of Portland's healthy and greatly diversified preservation scene.

The city's Historic Landmarks Commission and attendant landmark preservation ordinance date to 1968. Local preservationists spent much of their time over the following decade in a diligent effort to save historic structures by inventorying them and getting the city council to designate them as official city landmarks. That list now totals nearly 200 buildings. While designation was the immediate need to ensure a preservation base, other efforts were proceeding in such areas as public financing of private preservation efforts and raising the public's consciousness about preservation.

As 1981 draws to a close, the combined public and private efforts have branched out into such areas as historically compatible infill development in downtown historic districts, represented by local developer N. Robert Stoll's Yamhill Marketplace and other infill projects now under way.

The six-block downtown Yamhill Historic District, listed in the National Register of Historic Places, has been blighted for years by a parking lot spanning three-fourths of a block in the small district's heart. Stoll and his partners are filling that space with a two-story retail complex that will house about 100 merchants, including open-air market stalls, cafes, major restaurants and retail vendors in an historially sensitive environment. Retractable exterior walls and a public roof garden will merge the market activity directly into the surrounding historic district. The project is expected to bring certain day-and-night vitality into the area.

The Yamhill Marketplace, designed by the Ragland Hagerman Partnership, will reintroduce in the Yamhill Historic District the farmers' market type of activity that predominated there in Portland's early history and continued well into this century. An infill office and retail development that is underway across the street from Stoll's project will combine with the marketplace to fill all of the historic district with built space. Infill activity is also under way in downtown Portland's other historic district—the National Historic Landmark Skidmore-Old Town District.

ESSENTIAL INGREDIENT

"Infill in our historic districts is tough," commented Leo D. Williams, preservation coordinator in Portland's Bureau of Planning. "Infill projects don't get the tax breaks and publicly subsidized loans that restoration efforts get and they are encumbered by such rules in the historic districts as height limits. But to me, infill is the essential ingredient needed in our historic districts. It adds the new vibrance. It puts teeth back into a toothless smile in these districts."

On a corner of the Yamhill Marketplace block, developer John Russell's restoration of the italianate stucco 1884 Thomas Mann Building symbolizes other facets of the Portland preservation effort. In rescuing the abandoned building from total neglect and blight on the historic district, Russell also added to it two stories of rental housing in the form of eight attractive market-rate rental apartments.

The project is the first to add on to a landmark downtown building and the first to offer new middle-income rental housing in the downtown core. Using research and suggested elevations by restoration architects Allen McMath Hawkins, the project architects, Zimmer, Gunsul, Frasca Associates were able to replicate some of the original facade styles of the historic district in both the main part of the since-altered building and the added-on portion. Although work on the building is not yet complete, the ground-floor retail space is occupied and so are the apartments—at rents higher than those commanded by modern downtown Portland apartment towers. "Housing is essential downtown if we are to make that area in general and historic districts in particular vital day-and-night places," Russell said.

Both the Yamhill Marketplace and Thomas Mann projects illustrate the creative use of public assistance in Portland for preservation efforts in recent years. Each received Federal Urban Development Action Grants through the city ($250,000 for

Thomas Mann; $1.2 million for Yamhill Marketplace) that were conveyed in the form of low-interest project loans. The Thomas Mann project also received a 15-year tax freeze from the Oregon State Historic Preservation Office and a $250,000 three-percent loan from the Portland Development Commission for its housing portion.

The Yamhill Marketplace garnered a $250,000 three-percent loan from the development commission's Urban Conservation Fund, which was established specifically to finance preservation-related efforts. The PDC loans are almost ironic, considering that the commission is best known as Portland's urban renewal agency.

Also symbolizing the new health of the Portland landmark preservation scene was the announcement in September that investors had acquired the 1872-vintage Italianate-style New Market Theater building in the Skidmore-Old Town Historic District. They intend to fully restore it to its original design and convert its present interior (a parking garage) into retail and office space.

The building, in a terrible state of neglect, is one of the most important structures in Portland history. It was the center of the city's early cultural life, serving as the first home of the city's symphony orchestra, home of the city's first major live theater and home of the first major produce market.

"We've been working on saving this building since the landmarks program began," said Leo Williams. "It has been under condemnation at various times and is probably recognized as the prime building in the historic district."

Portland's full-circle preservation effort of recent years is not only a story of buildings. The planning bureau and landmarks commission are halfway through a two-year project to create a historic resources inventory. It will result in a computer information bank, including more than 2,000 structures in the city. The information will be used in designating additional landmarks, in helping city bureaus plan neighborhood improvements and in helping neighborhoods learn about items of historic value they might not otherwise recognize.

PRESERVATION WEEK

The landmarks commission for the past three years has directed a local effort to commemorate National Preservation Week each May. Portland activities include historic neighborhood tours, exhibits on city history and an awards program recognizing significant Portland preservation efforts, such as John Russell's.

Also, established three years ago was the Portland Architectural Preservation Gallery, an effort of the Junior League of Portland. Operated exclusively by volunteers, the gallery is a measuring point of Portland's growing awareness of and involvement in the preservation area. It drew 3,000 visitors in its first year and about 8,500 to its most recent exhibit.

Not to be overlooked in the fabric of the local preservation tapestry are two projects that technically are modern construction—Pioneer Courthouse Square and the Portland Public Service Building. Both reflect the city's historic heritage—with the Public Service Building (photo on page 1) by renowned Princeton, N.J., architect Michael Graves likely to be regarded nationally as a landmark example of post-Modern architecture.

Pioneer Courthouse Square is a public plaza being built on what was until recently a parking garage. The plaza covers a full block in the busiest area of the downtown core. It is oriented to the Pioneer Courthouse, an 1875 National Historic Landmark that is across the street. To recall the city's history, the square will contain the original gate from the Portland Hotel, which occupied the square's site for decades until 1951, when it was torn down to make way for the parking lot.

The design of the square, which was the result of a national competition won by a five-member interdisciplinary team headed by Portland architects Martin, Soderstrom and Matteson, will feature ornamental elements harking back into city history, among them classical park benches, stoa columns, arch features and bronze entry gates.

NEW LANDMARK

The 15-story Portland Public Service Building is under construction on a block that is flanked by the landmark four-story 1895 Portland City Hall and the seven-story 1913 Multnomah County Courthouse, both of which are classical in appearance. With its historical allusions and luxurious style, rich in blue, green, brown and cream colors, the Graves building has been hotly debated in the international architectural and popular press as perhaps the hallmark of the current post-Modern style of architecture—essentially representing a neo-classical framework. It is to be completed in the fall of 1982.

Urban design, planning, architecture and history buffs predict that Graves' Public Service Building will be a landmark of the first degree, for its bold representation of post-Modernism. The building brings home the fact that Portland's landmark scene is a rich blend of the old and the new.●

A TRIBUTE TO STANLEY DUNN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. ANDERSON. Mr. Speaker, I feel confident in saying that the South Bay area of California that I represent is blessed with several excellent public school systems including the Torrance Unified School District. This school system is served by very capable teachers, administrators, support personnel, and is directed by an excellent board of education. I would like, today, to pay tribute to one of the members of that board of education, Mr. Stanley Dunn, for Stanley is retiring from the board after 12 years of exemplary service.

Stanley is a native southern Californian, born in Hermosa Beach, and raised and educated in the South Bay area. After completing high school, Stanley studied at the University of Southern California and the University of California at Santa Barbara before obtaining his law degree from the University of California, Hastings College of Law. Stanley chose printing as his occupation and is owner-partner of Dunn Brothers' Commercial Printers in Gardena, Calif.

Perhaps the most important quality a good school board member must possess is a consistent and dedicated interest in the community as a whole as well as in its educational system. Stanley has demonstrated this commitment continually, having served as chairman of the city of Torrance Youth Welfare Commission, president of the Alcoholism Council of South Bay, and president of the South Bay-Harbor Industry-Education Council. He has been affiliated with such community organizations as the city of Torrance Charter Review Committee, the YMCA, the American Youth Soccer Organization, the Torrance Area Chamber of Commerce, and the Riviera Little League.

My wife, Lee, joins me in thanking Stanley for all he has done for the community and wish him and his wife, Marlene, along with their children, Theresa, John, Bob, and Mike, the best in the years ahead.●

QUALITY EDUCATION IN UNIVERSITY SYSTEM IN CALIFORNIA

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. LEWIS. Mr. Speaker, the following essay is the work of a college student and constituent of mine from Rancho Mirage, Calif. I commend his work to my colleagues for it is an outstanding illustration of the results of quality education of our university system in California:

To begin with, let me introduce myself. My name is Remulak and I will be answering this essay question for my Earthling friend, Rob.

He is quite an amiable chap, as he supplied me with comfortable sleeping quarters and plenty of solid and liquid refreshment and calmed me after my spaceship crashed here one week ago.

Upon my arrival, Rob asked only one thing of me in exchange for his generosity: To view the audio/visual medium know as television for one Earth week and to describe to him what conclusions I reached about American culture. Being a citizen of outstanding stature on the planet Belzar in the galaxy Cronolia, I feel that I have good judgment (I also have super-human intelligence).

The first thing that I noted about Americans through my television experience is that they must be a totally violent people. A very large percentage of the programs I viewed were directly concerned with violent acts.

Not only was this completely repulsive to me (Belzar being a peaceful planet) but it became completely repulsive when I realized that the violent acts were often the sources of humor (which captivated totally the audience) in children's programing.

I found these violent themes throughout children's television especially in the celluloid-animation form known to Earthlings as cartoons. Such cartoons as "The Bugs

Bunny/Road Runner Hour" and "Tom and Jerry" were particularly appalling to me.

The only plot that I could detect was that of trying to mangle one of the characters. Often they resembled an accordian or a pancake. In contrast, on Belzar, the only thing our children view on the "video-feelies" (which is more advanced than TV) is educational, artistic and athletic programs.

Obviously, this bombardment of violence on children isn't enough to develop an affinity between Americans and violence. However, adult programming assures it. Such shows as "Baretta," "The Rifleman" and "Starsky and Hutch" are concerned only with America's taste for "good" violence. Strangely, all the exposure to violence made me want to "shoot it out" with the bad guy too.

The other thing that I gathered about Americans is that they must have a very low "mentality." I conjectured this after watching such programs and "BJ and the Bear" and "Enos." Not only is the story line dull and repetitious to me but these shows must insult even the average human intelligence.

Another interesting facet of American culture that I discovered through Television is an obsession with fantasy. Daytime television is chiefly "soap-operas" and "game shows." As far as I can perceive the only "purpose" these shows serve would be to lull the public into believing a false world of fantasy and excitement.

The most curious and bizarre part of American television to me is the phenomenon known as the commercial. Never on Belzar had I encountered anything so obnoxious. American television is bad enough without constant interruption by such characters as an extremely strange man named Cal Worthington and his pseudo-dog Spot. These commercials convinced me that Americans must be simple, inefficient, competitive and materialistic creatures.

Another curious aspect of American culture relayed through television is religion. It was very amusing to view a culture whose foundation is freedom to pursue any faith, yet, its largest communications medium devotes only a few hours of time-space (when many are sleeping) to this type of free expression.

Of course I realize that I have been very critical of American television. Although I have been fair in my opinions thus far, I must also reveal what I found to be beneficial about television. Several "educational" shows, especially some on PBS, I quickly adhered to. "Nova," "Masterpiece Theater" and "In Search Of . . ." were a few programs I particularly enjoyed.

It also has to be said that many "news" type broadcasts seemed informative as well as "Wide World of Sports" which dealt with Earth athletics. Even certain comedy shows such as "MASH" and "Mork and Mindy" seemed to reflect the best of American culture. These shows all focused my attention on the most curious quality of American culture: Humanity.

This "humanity" however, seems clouded by increasing complexity, competition and materialism. I feel that Americans should reassess their true desires and beliefs and structure their most powerful communications medium—television—around the betterment of society rather than materialistic concerns.

As I conclude my judgment of American culture through television, I see that my friend Rob is preparing a chart to accompany this essay. He now has asked me whether the statistics of this chart are good representations of what actually appears on television.

My answer is both "yes" and "no". It is very revealing in that violence-oriented shows occur much more in programming than news, education and religion. However, the chart is also limited because it does not have a true sensitivity for several things. First, it cannot judge the content of particular programs.

Also it is not subject to the constant bombardment of commercial upon commercial. Most importantly, however, it cannot describe the strong influencing effect that particular programs might have upon the American mind.

Mr. Speaker, it is with great pride that I commend Robert Gilley to the House of Representatives for his excellent essay and wish him future success in his endeavors at the University of California at San Diego.●

PERSONAL EXPLANATION

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. NELSON. Mr. Speaker, due to official business in my district associated with the launching of the Space Shuttle *Columbia*, I was not present to vote earlier today on the motion to approve the Journal for Tuesday, November 10, 1981. Had I been present, I would have voted "yes" on rollcall 295.●

REAGAN AND HUMAN RIGHTS

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. MOFFETT. Mr. Speaker, El Salvador has once again hit the front pages of our newspapers, as the administration considers new options to deal with the apparent stalemate between the junta and the rebel forces. The declining popularity of the junta and the low morale of the armed forces are among the factors cited in explaining this phenomenon. While we all hope and expect that the talk of military action in Central America is no more than just talk, it would not be surprising to see the administration offer additional security assistance to El Salvador.

I would like to take this opportunity to remind my colleagues of the gross human rights violations in El Salvador, and of the fact that section 502B of the Foreign Assistance Act of 1961 prohibits security assistance to "any country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights." Government security forces in El Salvador—especially the treasury police and the army—continue to terrorize the countryside, torturing and murdering noncombatants as well as guerrillas. The Reagan administration's apparent violation of section 502B has prompted me and several of my colleagues to file a law suit against the administration for providing military aid to the Salvadoran junta. This aid surely violates the spirit and intent, if not the letter, of section 502B.

Administration policy in El Salvador seems to reflect a broader, and more disturbing, tendency to ignore human rights considerations in pursuit of an illusory "strategic consensus." The following editorial by Aryeh Neier, vice chairman of the Helsinki Watch Committee and the Americas Watch Committee, appeared recently in the New York Times. The article elaborates the Reagan administration's consistent refusal to comply with the laws, established by Congress, to insure that U.S. arms and assistance are not used to further the cause of repression and tyranny around the world.

[From the New York Times]

OF REAGAN AND RIGHTS

(By Aryeh Neier)

According to a State Department policy memo recently approved by Secretary of State Alexander M. Haig, Jr., "Human rights is at the core of our foreign policy." Public disclosure of this memo seems to have ruffled feathers elsewhere in the Administration. James A. Baker 3d, the White House chief of staff, dealt with the matter on a television program by attempting to downgrade the memo, saying it did not constitute "any significant change in policy."

It is President Reagan's prerogative, of course, to embrace the department's memo on human rights enthusiastically or to repudiate it. However, whatever policy he follows, he must comply with laws of the United States intended to promote human rights internationally. Up to now, such laws have been disregarded.

Here is the record.

The Administration has disregarded Section 502B of the Foreign Assistance Act. It requires the United States to deny "security assistance," including sales of defense equipment, to governments that engage in "a consistent pattern of gross violations of internationally recognized human rights." Hardly any country fits this criterion better than Guatemala, where, as the Inter-American Human Rights Commission of the Organization of American States has recently reported, the Government is assassinating thousands of teachers, priests, lawyers, journalists, and leaders of Indian and peasant organizations, unions, and opposition parties. Yet in June, the Administration sold $3.2 million worth of trucks and jeeps to Guatemala after removing this equipment from the "Security" assistance list.

The administration has disregarded Section 701 of the International Financial Institutions Act. It requires United States representatives at multilateral development banks to oppose loans to governments engaging in a "consistent pattern of gross violations of internationally recognized human rights." This law specifies that gross violations include: "torture or cruel, inhumane,

or degrading treatment or punishment, prolonged detention without charges, or other flagrant denial to life, liberty, and the security of the person."

Disregarding this law, the United States has recently voted, in multilateral development banks, for loans to Argentina, Chile, Paraguay, South Korea, and Uruguay, even though the State Department's own published reports show that all these countries have engaged in the specified violations. For example, the Argentine Government admits that it holds some 900 people in prolonged detention without charges; in addition, it refuses to account for the "disappearances" of an estimated 20,000 people in the last five years.

The administration has disregarded Public Law 96-259, as amended in 1980. It requires that: "The Secretary of the Treasury or his delegate shall consult frequently and in a timely manner with the chairman and ranking minority members [of several specified Congressional committees] to inform them regarding any prospective changes in policy direction toward countries which have or recently have had poor human rights records."

The first notice to Congress of a change in policy was a letter from a Treasury official, W. Dennis Thomas, dated July 1, 1981, and received by the House Banking Committee on Friday, July 3, when many members of Congress had already left Washington for the holiday weekend. Votes on a $300 million loan to Argentina and a $40 million loan to Uruguay (which, since the 1973 coup, probably has had, per capita, the largest number of political prisoners in the world) took place on Tueaday, July 7. The vote on a $126 million loan to Chile took place on July 8. As the administration was aware, Congress would be in recess that week.

For a long period, the administration disregarded Section 624(f) of the Foreign Assistance Act. It provides that: "There shall be in the Department of State an Assistant Secretary of State for Human Rights and Humanitarian Affairs." In early June, President Reagan's first nominee for the post, Ernest W. Lefever, withdrew following a 13-4 vote by the Senate Foreign Relations Committee to reject his nomination. Now, five months later the President has finally nominated a candidate, Elliot Abrams, to fill the post.

The Abrams nomination is a welcome sign to advocates of human rights both because it is associated with implementation of the policies called for in the State Department memo and, more important, because it is a beginning step in complying with the laws intended to promote human rights. In determining whether to confirm Mr. Abrams, the Senate should satisfy itself that he will see it as his first duty to make certain the Mr. Reagan and the administration fulfill that constitutional mandate that "he take care that the laws be faithfully executed."●

A TRIBUTE TO HALSEY C. BURKE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. MINETA. Mr. Speaker, it gives me great pleasure to rise today on behalf of Congressman DON EDWARDS and myself to salute Mr. Halsey C. Burke who is being honored by the Santa Clara County Boy Scout Council on November 24, 1981, with their 1981 Distinguished Citizen's Award.

We have known and worked with Halsey for many years and have always found him to be the kind of person that we can all learn from. His life shows numerous examples of community service and can serve as a role model for many young people growing up today.

Halsey was born in 1922 and was first introduced to community service when he joined Boy Scout Troop 25 which was sponsored by the Willow Glen Methodist Church. He earned many badges and attained the rank of Star Scout.

Throughout his life, he has always found the time to give of himself to community service. He has been extremely active in Rotary, having served as president of Rotary Club of San Jose, district governor of District 517 and chairman or member of various clubs, district and Rotary International committees. Other community activities have included: president, United Way of Santa Clara County; president, San Jose Chamber of Commerce; member, Music and Arts Foundation Board; member, Retirement Jobs, Inc. board; trustee, Good Samaritan Hospital; founding chairman, president's council, San Jose State University; president, San Jose Employees' Council; director, Boys' City Club; director, American Red Cross; Executive Board, Boy Scouts of America, and director, Santa Clara County Taxpayers' Association.

Currently, Halsey serves as a member of the President's Council, San Jose State University; advisory board, San Jose Chamber of Commerce; trustee, United Way; director, Standard Insurance Company; director, San Jose Water Works; director, Bank of the West; vice chairman, Santa Clara County Manufacturing Group; and director, National Jewish Hospital.

As you can see, Halsey has filled his life with community service. His achievements are many and all of the residents of Santa Clara County are grateful for the time and energy he has given us to improve the quality of life in our community.

Mr. Speaker, I ask you and all our colleagues in the House of Representatives to join Congressman DON EDWARDS and me to congratulate Halsey C. Burke on receiving the Santa Clara County Boy Scout Council's 1981 Distinguished Citizen's Award and to wish him success on all his future endeavors.●

AMERICANS ARE OPTIMISTIC ABOUT THE ECONOMY

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. WEBER of Minnesota. Mr. Speaker, some of us, I am afraid, get the bulk of our news from the Washington Post and the nightly network news. A steady diet of facts and information from these media would lead us to believe that we stand at the abyss of an economic collapse—that we are approaching 1929 all over again.

I contend that there are other, more accurate sources of economic news. For those of us who choose to spend recesses back in our home States, listening to constituents and reading local newspapers, the news is not so bleak.

A recent nationwide poll asked people if they are better off today than they were 1 year ago. The predominant answer was, "Yes." And the American people expect their economic well-being to improve even more in the years ahead. The truth is, a majority of people in this Nation support the new direction President Reagan has charted for our country. They believe that cutting the bloated Federal budget, returning to workers more of their hard-won wages, and trimming the tangled web of Federal regulations are essential medicine for our economy.

As an example of this sentiment, I would like to insert the following editorial. This level-headed piece of commentary appeared in an award winning daily, the St. Cloud Times, which serves a large area of farmers, wage earners and small businessmen in the Sixth District of Minnesota.

[From the Daily Times, Nov. 3, 1981]

DON'T IGNORE THE GOOD NEWS

The nation is currently suffering a slight recession and overall our economy is still struggling, but we are better off today than we were a year ago. The economy is slowly getting better, and that simple statement isn't heard enough.

Since President Reagan took office last January Americans have heard more talk about the economy than any other single issue. Inflation, unemployment, "misery indexes," Consumer Price Indexes, prime rates, Gross National Products and Reaganomics have become household words. But the bottom line has been that things are truly getting better.

None of us will deny that the national economy has a long way to go yet before it's fixed. We still have a high rate of inflation, interest rates are still dragging down such important industries as housing and auto sales, there's still plenty of misery left in the misery index and even with the Reagan administration tax cut many Americans find it difficult to make economic gains against inflation. But even so, things are getting better.

For example, wages are beginning to rise faster than the rate of inflation. The Labor Department reported last week that wage increases average 11.5 percent, while the annual rate of inflation for the first three quarters of 1981 figured out to 10.1 percent. An indication that the national economy is finally moving in the right direction. (Minnesota, of course, remains stuck in the same liberal-spending and taxing cycle.)

When President Carter left office in Dec., 1980 the prime interest rate was at 20.8 percent. Today the prime has dropped to 17.5 percent and is likely to go even lower in the months ahead. And while there is no guarantee interest rates will stay down, most economists are predicting lower average rates over the next two years.

The "misery index," inflation plus unemployment, has decreased substantially since Reagan took office. According to the conservative Heritage Foundation, the misery index had dropped a full six percentage points by last September.

It is presently being reported that the nation is suffering a "slight" recession. And although the recession has gone almost unnoticed by much of the public, economists sometimes refer to it as a "cooling" of the economy, brought on partially by the Federal Reserve Board's tight money policy. While many of these same economists agree that the money supply must be restricted, it is possible the Fed has put on the brakes just a little too hard, creating a small recession.

But whatever economic theory you accept or economist's column you read, most economic indicators do demonstrate an economy which is on the mend. While we may be some distance yet from getting out of the woods, we are also much better off than we were a year ago. Our prospect for the future is not quite so worrisome. If Congress can hold itself together and implement Reagan administration budget cuts and if the president doesn't make any serious mistakes, for the first time in more than decade, Americans have something to look forward to economically.

Things really are getting better.●

HON. AVERELL HARRIMAN

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. WIRTH. Mr. Speaker, from the days when most travel happened on the rails, to today's era of jet airplanes, Averell Harriman has been a tireless traveler for peace.

Whether his dispatches were carried by cable during World War II or via international satellites, he has been a precious international communicator, providing great insight to the news of the day.

Averell Harriman is unquestionably one of the truly great men of our century; our lives have been enriched by his insights and our future can be brighter if we remember his example.

Whether it was sending entertaining reports as a personal envoy of President Franklin D. Roosevelt during the darkest days of World War II or helping to negotiate with the Vietnamese for President Lyndon Johnson, Averell Harriman has known that it is people who turn policies into realities, and it is people who have the power to make peace.

It is this special human quality which all of us must remember in these days when nuclear confrontation is casually discussed. For Averell Harriman, famous for his blunt talk as well as his careful diplomacy, has always known that what really matters in this world is people, and that if we can somehow communicate with one another honestly and truthfully, we can find ways to resolve our differences peaceably.

As Averell Harriman once said:

If you haven't been to a country, no matter how much information you have, you can't get the feel of it.

He has taught us that diplomacy means not just convincing an adversary to see our point of view, but also building the relationships of personal trust so both sides can understand mutual benefits from reaching compromise. But he also knew there were times when compromise was the wrong move, and that keeping peace means being strong and firm.

Averell Harriman understands political power and the peculiar way it is exercised in this town—he has impressed many of the world's movers and shakers of this century.

And despite his background of great wealth, Averell Harriman always understood that working people must not be ignored. During the debate over the National Recovery Administration, for example, he said:

The man who can hold his place in the competitive system only by working women and children for long hours at low wages has no right to survive.

He has appreciated the now languished art of conversation, nurturing and preserving it. Now at age 90, he stands as a great monument to what a talent for talk can accomplish. In today's world of electronic communications we must not lose the art of person-to-person communications, with our friends and with our enemies.

Averell Harriman's profound understanding of global interdependence must be preserved now especially as our world has truly become a global village. His ability to balance national interest with international survival is a lesson we must all remember.

At age 90, I salute Averell Harriman for his work as special envoy to Churchill and Stalin; for his work founding the United Nations; for his development of the Marshall plan; for his ability to keep Soviet-American tensions from escalating into war; for his leadership as Governor of New York; for his work on the Nuclear Test Ban Treaty; and for his leadership at negotiating with the Vietnamese.

Perhaps most importantly, I salute Averell Harriman for always understanding that national interest must be built upon an understanding of people, who despite our vast diversity, share so much as fellow travelers on this planet.

Averell Harriman, when most men his age were enjoying restful retirement, has continued to serve the public, and has continued to be a national treasure. Without him, our party, our Nation, and our world would be more barren. Let us join together in praise for this great American, to pledge to remember what he has taught us, and our hopes that he will long remain among us.●

THE PROMISE OF SPACE EXPLORATION

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. CONYERS. Mr. Speaker, Omni magazine has played a pioneering role in bringing the world of science within reach of the layman, particularly in expanding and deepening public awareness of space exploration and science, and the great promise this holds for life on Earth.

In its December 1981 issue, Omni reprinted a commencement address of Dr. Thomas O. Paine, former Administrator of NASA, presented at the University of Hawaii in May of this year. Dr. Paine, who is president of Northrup Corp., offers sound reasons for continuing support for U.S. space activities, and I want to share his remarks at this point with my colleagues.

FIRST WORD

(By Thomas O. Paine)

From my perspective, America faces four great challenges:

First, to build and demonstrate to the world a creative polyethnic democracy, ". . . with brotherhood from sea to shining sea."

Second, to preserve global peace, using deterrence and persuasion wisely to prevent a calamitous nuclear war between the superpowers.

Third, to manage international science and technology in order to raise health and living standards throughout the world.

Fourth, to continue to explore the frontiers of science, particularly our solar system and the cosmos, eventually propagating terrestrial life to new worlds.

To me the greatest glory of America is our multifaceted democratic society, with diverse ethnic and religious values. More races live and work harmoniously together here than anywhere in the history of the world. We do not have to apologize that the task is not yet finished; of course it's not. Much remains to be done because we are an organic society, still experimenting, adapting, and receiving new peoples.

I believe that America's destiny is to demonstrate to a troubled world how people of diverse races and cultures can effectively work together and reach for the stars.

Our second challenge, to preserve global peace and prevent nuclear war, is of overwhelming importance. We will need extraordinary wisdom and determination, patience and strength, vigilance and luck. Military strength and resolution are not enough. We must combine deterrence with diplomatic persuasion and better mutual understanding. We must create more effective economic and cultural incentives for peace. Magnificent opportunities exist for joint programs in space exploration. The future of humankind depends upon our skill and success.

Our third challenge, to manage international science and technology to raise global health and living standards, also contributes to peace and stability. New technologies will be of critical importance: medicine, aerospace, "green revolution" agriculture (with genetic engineering promising new breakthroughs), industrial production (including computers and robotics), space communications, and new energy options—all of these will spark further rapid advances for the remainder of the century.

Our final challenge: continued bold research on the frontiers of science, particularly in the exploration of our solar system and the cosmos.

I see greater possible rewards today from research in the physical and biological sciences than at any time in our history. Step by step, we are progressing toward a powerful understanding of our environment and our own makeup, from the innermost structure of subatomic matter to the grand architecture of the universe, and from the beautiful genetic blueprint of DNA's double helix to the cognitive mysteries of the human mind.

Today we face exciting opportunities on transcendent planes.

I believe that America's national security and economic well-being depend upon our continuing technological leadership. As was shown a decade ago, NASA's clear lead in space operations is a sobering deterrent to Soviet miscalculation and a major stabilizing force in maintaining peace. Space surveillance systems, furthermore, offer the best hope for realistic arms control that can be carefully monitored and enforced.

There are many other practical benefits from NASA's programs. Communications satellites today represent a private investment of $1 billion—money raised not from taxpayers but from Wall Street investors expecting a return. More than 100 nations are now linked by the global communications satellite system, soon to be followed by the direct broadcast of many television channels from orbit.

In the next decade modules derived from the space shuttle will be fitted together to create operations centers in orbit. They will provide permanent facilities for medical and materials research, Earth observations, advanced communications, navigation systems, radio astronomy, and other valuable human activities. From space telescope observation may come discoveries of new fundamental laws of nature, with implications for future technologies as important as the past discoveries of radioactivity, lasers, and semiconduction were to present technology.

Thus the new shuttle rocket planes will open for investment and economic development a rich new continent in Earth orbit. Low-cost transportation to orbit and eventually to the moon and asteroids, plus vigorous space research, will generate whole new industries. From our new vantage point in space, we will better comprehend the universe and humankind's role as a vitalizing force, propagating terrestrial life outward from its earthly cradle.

This is a sound direction for us today. Let us create a new Golden Age as we soar upward to explore our cosmic environment and, in the tradition of the pioneering Polynesian navigators, open new islands for human settlement across the space frontier.●

DELAWARE FARM BUREAU PRESIDENT WALTON ON FARM PRICES AND PRODUCTION

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. EVANS of Delaware. Mr. Speaker, farmers in my home State of Delaware are extremely fortunate to have Mr. John F. Walton as president of the Delaware Farm Bureau. Mr. Walton involves himself not only in the affairs of farmers in Delaware, but also speaks out with keen insight on national farm matters.

In the latest issue of Northeast Agriculture, an American Farm Bureau publication, Mr. Walton contributed an interesting report on the issues of agricultural production in our Nation and the prices farmers receive for their products. I submit this article by Mr. Walton for inclusion in today's CONGRESSIONAL RECORD.

LOW PRICES—WHAT'S THE ANSWER?

Being president of Farm Bureau, I am occasionally asked by someone, usually from the news media or employed by government, "What's on the farmer's mind?" or "What problem is on the front burner currently?"

Those are not easy questions to answer, but there is no doubt that the question foremost in the farmer's mind is "Why are prices so low when costs continue to escalate?"

Farmers need a profit to stay in business. There is nothing particularly wrong with people wanting "cheap" food to eat, but an absolute necessity is that the producers of that food make a profit.

Americans brag about their high standard of living—the highest in the world! Our nation's balance of payments depends on agricultural exports.

What is not being talked about or written about is that the people producing this food are not making ends meet. No one seems to want to address this issue or speak out about it or even address it remotely. Government statistics reports do not do justice to the seriousness of the problem. An occasional brief report during the evening news is not adequate to let people know what is going on "Down on the Farm."

It's sort of this way; there are so few of us actually on the farm that the rest of the people, as long as they have food to eat, are not concerned about three or four percent of the people's problems.

I consider it a major responsibility of this organization to do all it can to solve farmers' problems. The answer to low prices may be due to overproduction—not necessarily so. As long as farmers continue to produce, low prices are an asset to the nation—but at whose expense! In order for free enterprise to succeed, there must be a profit incentive.

When savings and loan interest rates and "super savers" interest rates exceed any possible profit potential for business, what is the incentive to produce?●

HUMAN RIGHTS VICTORY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. KEMP. Mr. Speaker, the protection of human rights is the foundation on which this Nation was built; it must also be the foundation of our foreign policy. The future of human freedom hinges largely on the efforts of the United States to export its respect for individual liberty to other lands and to oppose the spread of tyranny.

It is gratifying, therefore, to know that the Reagan administration has appointed a most capable individual, Mr. Elliot Abrams, to administer its human rights policy. The administration of such a policy requires difficult choices among the lesser of evils; and it requires honest acknowledgments of the human rights violations of nations we choose to befriend. I am confident that Elliot Abrams is the right man for this demanding job.

A State Department memo, quoted in the New York Times by William Safire, states, "A human rights policy means trouble"; and Mr. Safire adds, fittingly, "unless it means trouble, a human rights policy means nothing." I commend Mr. Safire's November 5 essay "Human Rights Victory" to my colleagues to commemorate a promising "new beginning" in American foreign policy.

The article follows:

HUMAN RIGHTS VICTORY

(By William Safire)

WASHINGTON, Nov. 4.—The Reagan Administration intends to take the human rights issue seriously.

When the nomination of Ernest Lefever to the Human Rights post in the State Department was withdrawn (many believed his concern was limited to violations by Communist nations), the Reagan men took their time before sending a new name up to the Hill. Leo Cherne, Leonard Garment and the columnist Michael Novak were approached; each declined, but recommended "somebody like Elliot Abrams."

Mr. Abrams, 33 years old, is now Assistant Secretary of State for U.N. matters. His neoconservative pedigree ranges from being the stepson-in-law of Commentary magazine's editor, Norman Podhoretz, to being a former aide to Senator Daniel P. Moynihan. At State, Mr. Abrams has been one tough cookie-pusher, and his nomination last week to the sensitive human-rights post signals Mr. Reagan's desire to live up to his 1976 campaign commitments.

Underscoring the significance of the Abrams nomination is the policy expressed in an "eyes-only" memorandum, dated Oct. 27, to Secretary Alexander Haig, from Deputy Secretary William Clark and Under

Secretary for Management Richard Kennedy recommending the Abrams appointment. (I suspect the memo was drafted by Mr. Abrams, who will probably be blamed for being the source; he was not.)

"Human rights is at the core of our foreign policy," states the Clark-Kennedy memo. ". . . We will never maintain wide public support for our foreign policy unless we can relate it to American ideals and to the defense of freedom."

"The fundamental distinction" between ourselves and the Soviet bloc is our sharply different attitudes toward freedom, says the memo: "Our ability to resist the Soviets around the world depends in part on our ability to draw this distinction and to persuade others of it." The writers recognize that one cause of the wave of neutralism abroad is the notion of relativism: "Why arm, and why fight, if the two superpowers are morally equal? Our human rights policy must be at the center of our response."

Fine words, but to achieve credibility we will have to knock our friends occasionally. Here is how the new policy handles that: "If a nation, friendly or not, abridges freedom, we should acknowledge it, stating that we regret and oppose it. However . . . human rights is not advanced by replacing a bad regime with a worse one, or a corrupt dictator with a zealous Communist politburo."

That is a necessary straddle, but activists will hail this passage: "A human rights policy means trouble, for it means hard choices which may adversely affect certain bilateral relations. At the very least, we will have to speak honestly about our friends' human rights violations and justify any decision wherein other considerations (economic, military, etc.) are determinative. There is no escaping this without destroying the credibility of our policy, for otherwise we would be simply coddling friends and criticizing foes."

In dealing with the Russians, Mr. Abrams appears to have extracted an internal concession to insure that his will not be a cosmetic role: ". . . this Administration might possibly seek the repeal of the Jackson-Vanik Amendment," which links our trade concessions to Communist nations to their willingness to allow dissidents to emigrate. "Abrams has made clear," reads the burn-before-reading memo, "that he could only support such an effort in the context of the sort of agreement reached between Jackson and Kissinger in 1975. To seek repeal without such an agreement would, in his view, make a mockery of our human rights policy. . ."

The memo contains the Haigian turfmanship, proposing that State head the Interagency Group on human rights, "using Defense Attachés in some cases as part of our 'quiet diplomacy,'" which my turn Defense Secretary Weinberger purple.

And there is a wistful paragraph suggesting "we should move away from 'human rights' as a term, and begin to speak of 'individual rights,' 'political rights' and 'civil liberties.'" Presumably this is because "human" rights have been mistaken by some to mean an entitlement not to starve, but the name-changing notion is wrong-headed: human rights is rooted in Locke's "natural rights," put in the French phrase for "the rights of man," and changed by Eleanor Roosevelt at the U.S. to "human rights" to include women.

In the Reagan espousal of that policy, the good guys have won. Hats off to the beleaguered Secretary of State; let us hope he does not find the public perusal of his inter-office mail too great a parannoyance. We should be prepared to wade through reams of soporific eyes-only or teeth-only memos (how do you get off Al Haig's distribution list?) to find one line like "A human rights policy, means trouble." Unless it means trouble, a human rights policy means nothing.●

VOCATIONAL GUIDANCE ACT OF 1981

HON. WILLIAM F. GOODLING

OF PENNSYLVANVIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. GOODLING. Mr. Speaker, during this week we are observing National Career Guidance Week. President Reagan has written the following message to the National Vocational Guidance Association:

I am pleased to send my greetings to the National Vocational Guidance Association and its members as you celebrate National Career Guidance Week.

Your sixteenth annual observance properly emphasizes the growing need for skilled and thoughtful planning in choosing one's career. In today's complex world of work, it becomes more important than ever that professional career guidance be available to help people of all ages choose occupations that will provide the greatest opportunity to develop their skills and abilities and to achieve personal fulfillment.

I congratulate the members of the National Vocational Guidance Association for your commitment to effective handling of the counseling concerns of our Nation's citizenry.

You have my best wishes for a successful and productive observance of National Career Guidance Week.

I would like to associate myself with the President's remarks. In addition I am pleased to cosponsor, along with my colleague from Michigan on the Education and Labor Committee, Dale Kildee, a bill which enhances the critical role of guidance and counseling in career preparation and planning without creating a new spending program.

As you are aware, Mr. Speaker, I have been concerned about the critically high level of youth unemployment, especially among disadvantaged minority youth. I am convinced of the importance of informed guidance and counseling to any attempt to effectively deal with this problem.

As our Subcommittee on Elementary, Secondary, and Vocational Education proceeds in its hearings on the reauthorization of the Vocational Education Act, I would like along with my colleague from Michigan, to offer this Vocational Guidance Act of 1981 as a basis for discussion of the proper role of guidance and counseling in the context of vocational education. I recognize the need for a link among the Nation's schools and business and the labor market. Providers and recipients of the service must not be isolated from the mainstream. The Federal role in this area must be defined more clearly so that objectives and outcomes can be more specifically described.

This legislation, I feel, creates greater opportunities for vocational guidance personnel to gain first hand and continuous experience in business and industry. This will enable them not only to provide a more realistic assessment to their students, but will foster greater contacts between the school, business, and labor sectors of our community. I realize that this represents only a small step but I sense that it is an important one. I plan to work on this theme of greater private sector involvement and substantial coordination among vocational education, job training programs, business, industry, and labor unions.

In this era of spending restraint, it is important that we use our dollars wisely. This bill would require that a minimum percentage of the currently available funding be used to enhance the role of career counseling in our vocational education programs. It does not require new or additional Federal outlays.

It is in this spirit that I am supporting the Vocational Guidance Act of 1981.●

OUR REDS, AND THEIRS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. OTTINGER. Mr. Speaker, I am including in today's RECORD an excellent article by I. F. Stone which recently appeared in the New York Times. In this article, Mr. Stone provides a perceptive analysis of American foreign policy.

Mr. Stone notes that there are two Communist blocs: one led by Moscow—the other by Washington. Our Communist bloc consists of China, Pol Pot's Cambodia, Somalia, and Yugoslavia. Indeed, well over two-thirds of those living in Communist-ruled countries are now in our camp, which leads to some major anomolies in our foreign policy. Mr. Stone notes in his article:

We have harsh trade embargos against Cuba and Vietnam while we give substantial trade and credit advantages to the Union of Soviet Socialist Republics.

This just does not make sense—except in that it is consistent with the administration's overall vacillating and incoherent foreign policy. I am delighted that Mr. Stone has finally asked the important question:

If we can get along so readily with so many varieties and millions of Communists, do we have to fight—and spend ourselves—to death in a crazy arms race with the rest of them?

I commend this excellent analysis to the attention of my colleagues:

OUR REDS, AND THEIRS

(By I. F. Stone)

WASHINGTON.—Devotees of yoga recommend standing on one's head a few minutes every day. They say it provides a refreshing new view of the world. One way to defuse the holy-war spirit welling up around us is to stand on our heads and take an upside-down view of the so-called East-West struggle.

If we look freshly, we can see that there are now not one but two Communist blocs. One is led by Moscow, the other by Washington.

There are now five Communist countries that look to us for protection: China, Poland, Pol Pot's Cambodia, Somalia, and Yugoslavia. Moscow governs more than twice as many Communist states. But we, thanks to China, of course, have more than twice as many of the world's Communists under our wing.

The United States has more than a billion Communists climbing onto its payroll. Moscow has less than half a billion. So, well over two-thirds of the world's Communists are now in our camp.

The edges of these two blocs tend to be unstable. The latest switches were in the Horn of Africa. There, the Ethiopian and the Somalian Marxist-Leninists are engaged in a game of musical chairs. The Ethiopians have switched their fealty to Moscow and the Somalians to Washington, but both remain "peoples' republics."

In the Far East, where Vietnam used to be Communist China's buffer against United States power, China is now the United States' biggest buffer against the Soviet Union, and Vietnam is the Soviet Union's buffer against China, but none of them has changed ideologically. It's hard to make holy war with any real passion when Communism and capitalism are both so flexible and faithless in switching their bedfellows.

Our Communist bloc is what investment counselors call a diversified portfolio. The five Communist regimes in our bloc range from the world's most admirable, in Poland, to the world's most bloodthirsty, the followers of Cambodia's Pol Pot—the Idi Amin of world Communism. They survive only along the Thai border but they sit ensconced as Kampuchea, with our full diplomatic support, in the United Nations.

Joining the United States' Communist bloc is not like joining the Roman Catholic Church. No conversions is required. Yugoslavia, the first rebel against the Soviet bloc, has been under America's wing for three decades. It is still a one-party Communist dictatorship.

We are more tolerant to our Communist bloc than we are in our Free World bloc. If Poland were in Latin America, we would be nudging it toward a military dictatorship and a trade-union crackdown as in Argentina and Chile. We would be pleading the need to enforce "austerity" on a country that had been living beyond its means thanks to somewhere between 24 and 27 billions in hard-currency loans.

Except for the Soviet Union, no other Soviet country has been allowed to pile up a comparable debt to capitalism. As for Solidarity's right to strike against the Government, how United States air controllers must wish they were in Poland. There, Ronald Reagan would be on the picket line with them.

China, the biggest Communist country in our lap, remains as hostile to freedom of expression as were Mao's China and Stalin's Russia. The only difference is that its harder to find samizdat literature in China.

United States treatment of the Communists in Moscow's bloc is equally resistant to logical analysis. We have harsh trade embargos against Cuba and Vietnam while we give substantial trade and credit advantages to the Union of Soviet Socialist Republics.

On the other hand, we grant most-favored-nation treatment to Rumania and Hungary, along with Poland and China. Just why Rumania and Hungary are thus honored is not clear. Rumania internally is the most Stalinist Muscovite satellite while Hungary is the most "liberal."

The biggest anomaly is in our relations with our No. 1 enemy. the rationale for the stepped-up arms race is that it will starve out the Soviet regime. Its people, so Ronald Reagan said the other day, are already "eating sawdust." Mr. Reagan forgot to mention that the sawdust was liberally enriched with American wheat and corn.

Perhaps this has a hidden logic. Perhaps we keep the enemy alive because if the Soviet Union ever dropped dead of hunger, there would also be starvation here, though of another kind, in our military-industrial complex. General Dynamics would fall clear out of the bottom of the stock-market tables. What would the Pentagon do without Moscow?

Our little fable, like Aesop's, has its moral. If we can get along so readily with so many varieties and million of Communists, do we have to fight—and spend ourselves—to death in a crazy arms race with the rest of them?●

W. AVERELL HARRIMAN

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. ANNUNZIO. Mr. Speaker, I am delighted to join my distinguished colleague, the Honorable JONATHAN B. BINGHAM, in saluting a great leader and outstanding public servant, the Honorable W. Averell Harriman, on the occasion of his 90th birthday.

Ambassador Harriman began his career of public service in the Roosevelt administration at the National Recovery Administration, and served in several posts before becoming a special representative of the President in Great Britain in 1941. From 1943 to 1946 he served as the American Ambassador to the Soviet Union, became our country's Ambassador to Great Britain for a time in 1946, and then accepted the position of Secretary of Commerce, which he held from 1946 to 1948.

Averell Harriman continued in various positions of public service during the Truman administration, and in 1955, he was elected as Governor of New York. Governor Harriman served in the Kennedy and Johnson administrations as Ambassador-at-Large, Assistant Secretary of State for Far Eastern Affairs, and Under Secretary of State for Political Affairs during the decade of the 1960's and is also the author of several books on foreign policy.

During his long career Governor Harriman has witnessed some of the greatest moments in the history of mankind and he has experienced, in a very real sense, the triumphs and the tragedies of our Nation. He has never lost that zeal and that fire as champion of all the people by espousing that it is good and it is right for people to share in the wealth of America, because he believes that a productive citizen is what makes a Democratic country like ours strong. He firmly believes that each citizen who has produced for America and who has contributed to the wealth of America must be rememberd by America in the twilight of their lives.

Again, I congratulate W. Averell Harriman on this honor, and I extend to him my warmest best wishes for abundant good health and ever-increasing success as he continues to serve his nation in devotion to high principle.●

DOUBLE STANDARD ON HUMAN RIGHTS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. DERWINSKI. Mr. Speaker, Allan C. Brownfeld is a versatile journalist who has established a well-deserved reputation for his effective coverage of foreign affairs. He is also a long-time student of developments in the Communist world.

Therefore, I would like to direct the Member's attention to his column in the Washington Inquirer of October 30, which I believe merits reading.

DOUBLE STANDARD ON HUMAN RIGHTS

(By Allan C. Brownfeld)

AGANA, GUAM.—From Europe, Asia, North and South America a group of academicians and political leaders gathered to consider the question of international human rights on this small, tropical U.S. Pacific Island, the place, as the tourist brochures point out, "where America's day begins."

The conference, sponsored by the Chinese Association for Human Rights of Taipei, Taiwan, the Center for International Studies of London, and the Guam Association for Freedom and Human Rights, included such participants as Dr. Ernest Lefever, President Reagan's original choice for the position of Assistant Secretary of State for Human Rights; J. A. Parker, president of the Lincoln Institute, who headed the Reagan Administration transition team at the Equal Employment Opportunity Commission; Nobuyuki Fukuda, president of the University of Tsukuba, Japan; the Hon. Jill Knight, M.P., England; and the Hon. A. Ploeg, M.P., the Netherlands.

While many opinions were presented on a variety of subjects, there was widespread consensus about the danger of the world's double standard concerning human rights,

one which judges non-Communist states much more harshly than those Communist states which are, in fact, the world's most serious human rights violators.

Professor A. James Gregor of the University of California declared that, "Jimmy Carter's decision to make human rights issues the central concern of American foreign policy generated considerable confusion, manifested itself in considerable ambiguity and seeming inconsistency, and left a tangle of problems to be resolved by his successors. One of the central problems left as a legacy by the Administration turned on the fact that the U.S. seemed prepared to impose unilateral constraints on economic and security assistance against those nations that were real or potential American allies should their internal political arrangements, by American judgment, fail to conform to some abstract and absolute standard of human rights provisions. Since the U.S. had very few occasions to employ such sanctions against communists states, its use of sanctions gave every appearance of being selective."

The double-standard of the Carter policy, Professor Gregor declared, led to "punitive measures that were employed exclusively against selected 'authoritarian' regimes. Communist regimes seem to have suffered very little, irrespective of their doleful histories of human rights violations. In effect, the human rights policies of the Carter Administration seemed to lack internal consistency and credibility."

The Reagan Administration, Dr. Gregor argued, recognizes the very real difference between totalitarian and authoritarian regimes, which the Carter Administration did not: "By distinguishing between those systems that are semi-competitive and those that are intrinsically non-competitive, the present administation displays a greater sensitivity to the realities of the contemporary world than its predecessor."

Dr. Alphonse Max, a respected Uruguayan journalist, pointed to the dangerous effects of the Carter policy in Latin America, where anti-Communist regimes such as that of Anastasio Somoza in Nicaragua were abandoned, only to be replaced by far more oppressive governments. Dr. Max noted that, "The government of Mr. Carter was completely unable to see that if there were violations in Latin American countries, such violation was the result of the abuse of human rights by Communist countries and the terrorists which were their agents. Violation was not the cause of the abuse. Outbreaks of the Marxist guerrilla movements—the Tupameros in Uruguay, the Montoneros in Argentina, MIR in Chile, M-19 in Colombia—caused the occurrence of the assumed violations."

President Carter, Dr. Max charged, "was unable to discriminate between a country attacked by international terrorism directed from the communist metropolis and the aggressor itself. Such aggressor has the whole world as its scene of battle. It makes use of client states such as Cuba, Vietnam, East Germany, etc. The aggressor symbolizes the permanent violation of all human rights, not as an exception but as the rule . . . Mr. Carter set out with much more success to fight the democratic states which have temporarily lost part of their condition as such in the emergency of facing aggression than he did combatting those which perpetually violate human rights . . . Thus, we observe that while the former government in Washington did everything possible to wipe out governments which were unconditionally allied to the U.S., such as Iran and Nicaragua, on the one hand, it devoted its attention to splitting hairs over individual cases within the Soviet Union."

A number of speakers detailed the very real denial of human rights now taking place in Communist countries. Dr. Han Lih-Wu, president of the Chinese Association for Human Rights in Taipei, discussed the outrages committed by the Communist Chinese since they came to power on the Mainland in 1949 and stated that, "Altogether, as the various estimates show, some 60,000,000 people were either killed, shot, tortured to death, or forced to commit suicide by the Chinese Communists since the beginning of their movement in 1921." The Soviet Union, declared Professors Stephen Feinstein and Charles H. C. Kao of the University of Wisconsin, remains a major violator of human rights. They note that, "What in the Soviet Union is considered normal prison or exile conditions often amounts to outright torture . . ."

Dr. Ernest Lefever assured the group that human rights policy under the Reagan Administration would be far different than that which existed under President Carter. No longer, he said, would pro-American states be singled out for condemnation. A distinction would be made between "totalitarian" and "authoritarian" states and attention would be paid to whether or not human rights were improving. Dr. Lefever noted that "authoritarian" states such as Portugal, Spain, and Greece had all evolved into parliamentary democracies. "There is no example thus far," he said, "of a Communist dictatorship evolving into a democracy."●

TAKING POLITICS OUT OF SOCIAL SECURITY

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. WINN. Mr. Speaker, 4 years ago, President Carter told the American people that social security was in dire financial trouble and the only way to save it, he claimed, was the single largest tax increase in the peacetime history of our Nation—$227 billion over 10 years, tripling the tax burden on middle income Americans. When the 1977 social security amendments were passed, it was publicized by that administration that—

Social security has been placed on a sound financial footing for the next 40–50 years.

It is now clear that they were wrong.

The Members of Congress not only have the opportunity but the critical responsibility to make good on the Government's word to the millions of Americans who depend upon social security for their very existence. I feel that everyone agrees that some changes are necessary to insure the future solvency of the program but we do not need to scare beneficiaries who are currently drawing benefits as we solve this problem. Their fright stems from the misinformed and misquoted statements which are far too often made by public officials who seek only to gain politically from the social security issue. We have an obligation to every current recipient and future beneficiary to work together for a sensible approach to solving the social security problem, rather than playing politics as usual such as I have witnessed over the past several months.

Thoughtful senior citizens in my district in Kansas tell me they are tired of Republicans pointing at Democrats, saying they have overloaded the system with various programs and brought it to the brink of bankruptcy. And, these same senior citizens are tired of Democrats pointing at Republicans, accusing them of trying to wreck the system and violate the social security commitment.

Social security was enacted to insure a basic floor of protection to every American who has paid into the system. These people have made nothing less than a contract with their Government and now, when it is time for these people to receive a return on their investment, it is questionable if they will have what rightfully belongs to them. It is feared that the Government is threatening to jerk the rug right from under their feet on the eve of retirement or in its early beginnings. For a government to allow this unfair play to happen to its senior citizens is a disappointment, a discouragement, and a cruel chapter in our history.

However, we do have an opportunity, here in the House, to not let that unfair play happen. To make good on our Government's word. To restore faith in the entire American system, as we work together, putting politics aside and making the social security system a reliable program. I applaud President Reagan's recent proposal to form a bipartisan study commission of a 15-member panel to help in this effort. I ask those who were appointed to the commission the same as I ask my colleagues: Please let us come together, quietly and sincerely, determined to solve this problem. We cannot allow our political discord to cause unnecessary apprehension among Americans who depend upon social security. Our senior Americans deserve no less.●

FACTSHEET ON MOBILE SOURCE EMISSIONS

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. TRAXLER. Mr. Speaker, while general public support for the goals of the Clean Air Act appears undiminished, it has become once again evident in recent months that the debate over the best means to achieve those goals remains equally active. This is in

part due to the very complexity of the act itself as well as the intricate nature of the problem it addresses.

Earlier this year, Congressman HILLIS of Indiana and I introduced H.R. 4400, the Mobile Source Clean Air Act Amendments of 1981. This bill proposes several adjustments in the act which we believe will provide for continued air improvement in a less burdensome, more cost effective way. These proposals, while supported by a growing number of groups and individuals both within and outside the motor vehicle industry, have also been the subject of some questions and criticisms. Unfortunately, such comments have been frequently based on *misunderstandings* and/or misinformation.

The Motor Vehicle Manufacturers Association has recently put together a factsheet which addresses assertions made by various critics of efforts to adjust the mobile source requirements of title II of the Clean Air Act. In an effort to help clarify these issues, I am submitting excerpts from the MVMA factsheet. Additional excerpts from the factsheet are included in today's RECORD by my colleague, Mr. HILLIS of Indiana. I urge my colleagues in this body to read this material and to join us in our efforts to bring about these needed adjustments in the act.

FACT SHEET

Assertion: A Carbon Monoxide (CO) Standard of 7.0 g/m And A Nitrogen Oxide (NO_x) Standard Of 2.0 g/m Would "Double" Emission Standards and Mean a "Giant Step Backward in Air Quality."

Comment: Does "doubling" the standards mean doubling pollution? No, there would not be any discernible change in health protection under standards of 7.0 CO and 2.0 NO_x.

CO STANDARD

A new car carbon monoxide standard of 7.0 grams per mile represents a 92 percent reduction in emissions from precontrolled vehicles. A standard of 3.4 g/m is a 96 percent reduction. Thus, a "doubling" of the CO standard from 3.4 to 7.0 represents a 4 percent and not a 100 percent difference.

A standard of 7.0 g/m will provide for continued air quality improvements. According to the latest EPA estimates,[1] CO air quality in 223 urban areas has improved some 36 percent between 1972-79, for an average annual improvement of 7 percent. In cities with the highest levels, the annual average improvement rate is even higher, about 11 percent. Furthermore, this progress through 1979 was achieved with a national car fleet designed to meet standards of 15 g/m or higher.

Independent studies have concluded that a 7.0 g/m standard is more than adequate to assure compliance with the health standard for CO. Moreover, a 3.4 standard would not result in earlier achievement of the health standard.

EPA estimates that the difference in the impact on air quality between the two standards is negligible—by 1987 the total in-use car fleet would average 26.3 grams per mile under a 3.4 standard and 26.6 g/m under a 7.0 standard. According to recent EPA testimony, CO is ". . . a problem that is just a small fraction of the problem it was 10 years ago . . . There is virtually no difference between the two standards [7.0 and 3.4 g/m]."[2]

NO_x STANDARD

A new car oxides of nitrogen standard of 2.0 g/m represents a 51 percent reduction from pre-controlled vehicles. A standard of 1.0 g/m is a 76 percent reduction. However, the difference in the impact on air quality between the two standards is not significant. According to EPA "In NO_x, we have a non-problem. We have hundreds of monitors out there recording attainment . . . Over the next 10 years we don't see the NO_x problem getting worse [with a 2.0 standard]."[3]

A standard of 2.0 g/m will provide for continued air quality improvement. According to latest EPA estimates,[4] total passenger car NO_x emissions have decreased 13 percent since 1973 (the year that standards began). The largest annual reduction occured in 1979 as new cars meeting the 2.0 g/m standard (which started in 1977) began to significantly impact the total on-the-road fleet. In 1979, the car population was emitting NO_x at a level of about 3.0 g/m.

Outside of the Los Angeles area (where California would continue to set its own unique standards), nearly all areas of the country are in compliance with the ambient air quality standard for NO_2 and any marginal areas will quickly achieve compliance as 2.0 g/m NO_x vehicles make up an ever increasing portion of the fleet.

Assertion: Proposals Will Adversely Affect Smog Control.

Comment: Efforts to control smog formation center on reducing hydrocarbon emissions. Highway vehicles account for about 30 percent of hydrocarbon emissions from all man-made sources nationwide.

Hydrocarbon (HC) emissions are controlled because they react in the atmosphere to help form photochemical oxidants, such as ozone. Certain kinds of HC, such as methane, are non-reactive, however, and therefore do not contribute to smog formation. Nonetheless, EPA requires vehicle manufacturers to control both reactive and nonreactive HC emissions. In addition, EPA regulates HC at two separate points: In tail pipe exhaust and the evaporative losses from the fuel system.

Motor vehicle manufacturers support a consolidated, reactive HC only standard in order to provide a more rational and flexible approach to HC control. The impact of this new HC standard would result in no net change in stringency from that of the present standards.

Furthermore, while NO_x emissions are participants in ozone (smog) formation, along with hydrocarbons and sunlight, their role appears ambiguous at low levels of control—at times promoting while at other times inhibiting ozone generation. Continuation of the 2.0 g/m auto standard outside California (which sets its own standards) would provide effective mobile source NO_x control and significant consumer savings. California's unique air quality requirements can still be addressed through its waiver provisions under the Clean Air Act.

Assertion: A CO Standard of 7.0 g/m Will Adversely Affect Health.

Comment: According to the final report of the National Commission on Air Quality: "Based on . . . Commission studies, if the exhaust emission standard for carbon monoxide were changed from 3.4 grams per mile to 7.0 grams per mile, there would be no change in the projected attainment status of areas of the country in 1990. Los Angeles and one area of Denver would exceed the standard according to Commission projections; according to EPA projections, Denver would meet the standard. There will be no effects from relaxation of the standard in Los Angeles because the California standard is presently 7.0 grams per mile; the state of California made the determination that the more stringent standard is not necessary to protect public health."[5]

According to recent EPA testimony: "We are in the process of looking at the [National Ambient Air Quality] carbon monoxide standard. The standard is tied to trying to protect against defects in the oxygen-carrying capacity of the blood. There is no effect on the health as far as we can see. We wouldn't be talking about relaxing [emission] standards if we were faced with the edge of human health considerations."[6]

Assertion: A CO Standard of 7.0 g/m Will Increase the Need for Inspection and Maintenance Programs.

Comment: According to EPA testimony: "The selection of the standard level isn't going to affect the need for inspection and maintenance, since the fleet average emissions of CO will be the same for either standard; 26.3 and the 26.6 [g/m] are at a level where we can't distinguish between the two. They are virtually the same. The question, then, becomes whether I/M is needed, independent of the level of those standards."[7]

Assertion: Motor Vehicle Sulfur Oxide and Nitrogen Oxide Emissions Significantly Contribute to Acid Rain.

Comment: The main constituent of acid rain in areas of concern (Northeastern U.S.) is sulfuric acid.

According to latest EPA estimates,[8] highway vehicles account for less than 2 percent of total sulfur oxide emissions from man-made sources nationwide.

Nitric acid accounts for about 30 percent of the acid in acid rain in the Northeastern U.S. Since passenger cars account for about 15 percent of total NO_x emissions, they at most might account for 5 percent of the nitric acid contribution to acid rain on a national average basis.

EPA has estimated that:

". . . In 1995 the difference in total NO_x emissions between 1.0 and 2.0 gram/mile standard is projected . . . to represent only about 1 percent of the total precursor emissions."

"The potential impact of increased emissions between the two standards is probably even smaller than 1 percent, for several reasons. Automobiles emit NO_x near ground level, and over large geographic areas. Thus, these emissions are less prone to be transported over great distances than are emissions from very tall stacks . . .

[1] U.S.E.P.A., "Trends in the Quality of the Nation's Air—A Report to the People," October, 1980, p. 9.

[2] Testimony before House Subcommittee on Health and the Environment, September 23, 1981, hearing transcript, p. 99.

[3] Ibid., pp. 99-100.

[4] U.S.E.P.A., "National Air Pollution Emission Estimates 1970-79," March 1981, p. 10.

[5] National Commission on Air Quality, "To Breathe Clean Air," March 1981, p. 128.

[6] Hearing transcript, op. cit., p. 109.

[7] Hearing transcript, op. cit., p. 104.

[8] "National Air Pollutant Emission Estimates," op. cit., p. 6.

". . . relaxing the NO_x emission standard for automobiles to 2.0 gram/mile will not contribute significantly to acid deposition. This appears to be particularly true in the eastern part of the country where sulfur oxides play a dominant role in acid deposition. Nitrates are believed to contribute relatively more to the acid deposition problem in the western states than in the east. Although still small, the impact of the proposed relaxation may be somewhat higher in the western states except California where a more stringent NO_x standard is in effect." [9]

Assertion: Proposed adjustments to the Clean Air Act are supported by motor vehicle manufacturers because they claim: the Act is killing the auto industry; pollution control requirements are stopping the industry's ability to raise capital; and the technology to meet the current standards for gasoline powered automobiles is unavailable.

Comment: Domestic motor vehicle manufacturers do not base their support for adjustments to the Clean Air Act on any of the above alleged claims.

Their case is based on the following:

A growing body of air quality data and projections indicating that requirements to control the last fraction of vehicle emissions presently mandated by the Clean Air Act are not needed to improve air quality and protect public health; and that

Such requirements impose substantial and disproportionate costs without discernible benefits.

According to EPA estimates,[10] the cost of tightening the CO standard from 15.0 g/m to 7.0 was $8 per ton of CO removed, but the cost of going from 7.0 to 3.4 g/m is $71 per ton. The case for revising the NO_x standard is even more dramatic: the cost per ton of NO_x removed at 2.0 g/m was $57 while the cost to reach the 1.0 standard is $656 per ton.

The consumer must pay these sharply escalating costs but in turn receives little or no air quality benefit.

The technology has indeed been demonstrated for meeting the 1981 statutory standards. If it must be used sometime in the future, it can be. It just is not needed now.

Assertion: The Auto-Makers Claim That Pollution Controls Hurt Their Competition With Foreign Manufacturers. . . . In Japan, Emission Standards are Equal to, or Stricter Than, the American Ones.

Comment: Both imported and domestic vehicles are required to meet the same U.S. standards.

U.S. auto standards are the most stringent in the world, bar none. Because of differences in test procedures, EPA several years ago concluded that Japanese standards of 0.4 HC/ 3.4 CO/ 0.4 NO_x "are not more stringent for NO_x, and . . . are substantially less stringent for HC and CO" than U.S. standards of .41 HC/ 3.4 CO/ 1.0 NO_x.[11]

[9] Letter from Walter C. Barber, Director, Office of Air Quality Planning and Standards, U.S.E.P.A. to Rep. Henry A. Waxman, Chairman, House Subcommittee on Health and the Environment, dated October 5, 1981.

[10] Hearing transcript, op. cit., p. 24-26.

[11] U.S.E.P.A. Office of Air and Waste Management, "Compensation of the Japanese and U.S. Automotive Emission Standards," Fact sheet 25, undated.

Standards in European countries are presently set at levels less stringent than 1975 U.S. standards and do not require catalyst technology and unleaded gasoline.

Canadian standards are less stringent than American, but require emission control hardware roughly equivalent to that of 1979 U.S. standards (which required the use of catalysts on most U.S. cars).●

ANTIGUA GAINS INDEPENDENCE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. BARNES. Mr. Speaker, on November 1 the world gained a new nation, Antigua-Barbuda. After 349 years of British control these small Caribbean islands have become independent. This is an important event, and as chairman of the Subcommittee on Inter-American Affairs, I want to congratulate the 76,000 citizens of Antigua-Barbuda on their independence.

Earlier this year, my colleagues on the Foreign Affairs Committee and I had the opportunity to meet with the Prime Minister Vere Cornwall Bird, who can fairly be called the father of that small nation. I think that we were all impressed by the Prime Minister and his commitment to the difficult task of building a national identity without the long-standing British presence. The United States and the people of these islands have a long tradition of friendship and cooperation.

I want to take this opportunity to wish the Antiguans and the Barbudans success on their independence and pledge our continued friendship for the future. I also think that my colleagues may find Prime Minister Bird's independence speech of interest. Below is a brief report of his comments.

Prime Minister's comments follow:

Prime Minister Bird, in a brief emotional address, listed unity, dedication and hard work as the principal elements for future success. They could together make it a land of glory, but all must go forth together and produce. "We are free this night," said the veteran leader, "but freedom cannot exist without responsibility. What we do now is our own responsibility. We can blame no others. The freedom now won after centuries of colonialism must be protected and safeguarded," he declared. "The people of this new nation—all Antiguans and all Barbudians—must ensure that they never become dependent again. Productivity must be the cornerstone of the national thrust . . ." "We must commit ourselves to work, and to work hard," said the prime minister. "If not, we shall fall to new masters." "But this country has not struggled long and with great fortitude merely to exchange one master for another." Mr. Bird identified economic self-sufficiency as the number one priority . . ." "Go forth and be productive," he told the huge throng, urging national respect for the dignity of labor and the value of work. This was the "promised land" delivered today, and it was for the people of Antigua and Barbuda now to "put our shoulders to the wheel and our hands to the plow." The promise he was making on this historic day was not to produce manna from heaven, said the prime minister, it was promise that "if we all work together, we shall achieve self-sufficiency, and substain our independence dignity." "The future calls for discipline and for dedication.

"There is no ideal more noble, no task more rewarding, than to work for your own country's development." The prime minister made it clear that Antigua and Barbuda were parting from Britain without bitterness. He said: "Tonight, we have severed the unbilical cord which united us with Britian * * * Tonight, we are a nation fully formed and we can take advantage of every opportunity in the world to which we have delivered. But in severing the final constitutional tie with Britain, we must not act like a petulant infant." He added: "As we must be practical in all things, so we must be practical in recognizing that we cannot blame today's Britain for the rule of yesterday's empire." In his first speech as prime minister, Mr. Bird said that Antigua was a multiracial society reborn. Said he: "Our forefathers were Africans, English, Welsh, Scots, Portuguese and, more recently, Lebanese and Syrian." He added: "tonight, we are all reborn Antiguans and Barbudans, each with a role to play, each with a contribution to make." The prime minister said that as his country opposed racial bigotry and prejudice in other lands "so must we eradicate any trace of it in our society."

Mr. Bird said he could not guarantee that the road ahead would be easy. "I can give no assurance that if you sit idle then (prosperity) will fall in your lap like manna from heaven," he remarked. "But I can promise that provided we all work together * * * We will sustain our independence with dignity and with self-respect." He told Antiguans and Barbudans: "Let us make this a land of glory."●

FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. FORD of Michigan. Mr. Speaker, I can no longer stand back and allow the Director of the Office of Personnel Management, Donald J. Devine, to blame the current mess in the Federal employees health benefits program (FEHBP) on everyone else in this town, when in fact, the responsibility is his, and his alone.

As a result of Director Devine's actions, over 2 million Federal employees and their families face a situation where first, their health insurance coverage will be substantially reduced; second, their health insurance premiums will be substantially increased; and third, their open season, the period when they are allowed to switch plans or options, has been indefinitely canceled only 3 days before it was scheduled to begin. The situation is unprecedented and it is tragic. Who caused it?

First, Director Devine blamed his staff. On September 11, 1981, after he had ordered the 120 health carriers in the program to submit new plans reducing benefits by 6 percent, he stated:

In addition to underestimating the effects of inflation, OPM seriously underpriced most of the FEHB plans in 1980 and 1981.

So he appointed a new Associate Director to head the program. When the plans had complied, he decided to order a second round of benefit reductions in October. At this point, some of the carriers challenged this second round of Devine's directed cuts in court, and a Federal district court agreed the Director had abused his discretion.

So now the Director had some new fall guys—the courts and the Congress. On October 30 he stated that the court had "usurped fundamental authority conferred by the Constitution on the legislature." According to the Director, the benefit reductions he had ordered were necessary to stay within "congressionally mandated budget constraints." The court decision could "require OPM to spend nearly a half billion dollars more on the program than Congress provided under the Budget Reconciliation Act of 1981." Nonsense. Funds for FEHBP have not yet been appropriated, and there is nothing whatsoever in the "Budget Reconciliation Act of 1981" relating to, or imposing restraints on, that program.

Now, with criticism of the Director's handling of the program building, he has decided his problems are the fault of the previous administration. In a November 9 statement concerning the benefit cuts he claims "these cuts have nothing whatever to do with budgetary constraints ordered by this administration: the benefit cuts were necessary to live within the budget level set by the previous administration, a budget level which has not been changed."

Here are the facts:

It is true the Carter administration budget underestimated the premium increase now known to be necessary to keep FEHBP benefits at last year's level. These were actuarial estimates made over a year ago by career civil servants, not political appointees. Inflation, utilization, and the number of program participants were all underestimated. When the Reagan administration submitted its budget revisions this spring, it proposed no change in the amounts recommended by the previous administration. Thus, the budget recommendations now before the Congress are those of the Reagan administration.

The House has approved FEHBP funds for OPM in the amount requested by the Reagan administration. The Senate Appropriations Committee has done the same. These amounts may be inadequate, but they are only a part of the Government funds used for the program. The Government's contribution for health benefits for active employees—roughly 60 percent of premium—is paid from each agency's appropriation for salaries and expenses. No specific amounts are appropriated to the agencies for these payments. If the premiums go up more than expected, each agency must absorb the increase within its existing budget. This has happened before. No additional appropriation is needed.

With respect to the funds appropriated to OPM for the program, Director Devine could have asked Congress, and still can ask Congress, to increase the amount to make up the estimating error. He didn't. Instead, he chose a course of arbitrary action which has thrown the program into turmoil.

It appears Director Devine is a true believer in, and a blind follower of, the Stockman school of cut, cut, cut—whatever the cost. He seized upon an opportunity to reduce Government outlays for health insurance premiums by ordering arbitrary benefit reductions which diminish the value of the program to employees and jeopardize the financial positions of many carriers. It is employees and carriers who pay the cost. It is Director Devine's actions which have caused the problem we now face. The responsibility is his alone.●

WASHINGTON POST ENDORSES NATURAL GAS DECONTROL

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 13, 1981

● Mr. DANNEMEYER. Mr. Speaker, national energy policy should be a prime component of our effort to fashion an economic recovery program for the Nation. Providing the proper incentives for economic growth through tax and budget cuts is a necessary, but by no means a sufficient, step. Ultimately, economic growth will require access to, and the efficient use of, energy resources.

The most important single step that the 97th Congress could take to improve our national energy policy would be to decontrol the price of natural gas. While the issue is complex, the bottomline is that decontrol would foster both conservation and production of an important fossil fuel.

It is unfortunate that the administration has postponed action on decontrol proposals. The lead editorial of the Washington Post of November 5, 1981, is entitled, "The Retreat from the Free Market." I urge my colleagues to consider the Post's arguments in support of natural gas decontrol.

The editorial follows:

[From the Washington Post, November 5, 1981.]

THE RETREAT FROM THE FREE MARKET

The free market is all the energy policy that this country needs, the administration repeatedly says. But reality keeps awkwardly intruding. The latest example is the decision at the White House to postpone any attempt to take price controls off natural gas. That's a pity, for natural gas production is one area of energy policy in which a free market would work most usefully.

The rhetoric has been admirable. Last week Secretary of Energy James B. Edwards was in New York, enthusiastically explaining to an audience of skeptical utility managers the great things that the Reagan administration has in mind for the electric power industry. Among other things, he said, "We have to deregulate natural gas, as we did oil earlier this year, to create a free market in energy. . . ."

Meanwhile, back at the White House, things were sliding in the opposite direction. The President and the Republican leadership in Congress have now decided not to do anything about deregulation legislation this year. As a practical matter, in view of the 1982 elections, that means next year as well.

The reasons for deregulating gas prices are as valid as ever. It's grotesque to keep gas cheaper than oil, and only encourages waste. The administration's reason for backing off is, apparently, only to avoid another messy and uncertain wrestling match in Congress. The congressional leaders have told Mr. Reagan that he can't get deregulation without a tax on the sharply rising returns to the producers. But Mr. Reagan has promised the producers that he would veto a tax. That pledge could no doubt be forgiven, if anyone in the administration wanted to take the time and trouble to show the less sophisticated elements of the gas industry where its real financial interests lie. But that's more time and trouble than the White House evidently cares to invest in an issue that also sets the various regions of the country, and economic interests, fiercely against one another. The administration, struggling to retain some degree of control over its economic program, is not interested in launching a bill that it considers an expensive and exhausting diversion.

That's another pity, for a stiff tax on deregulated gas—similar to the present windfall tax on oil—could raise perhaps $20 billion a year. That's the kind of new revenue that the administration now urgently needs. Freeing the price of gas, and taxing it, is infinitely preferable to fiddling around with nuisance taxes on beer and telephone calls.●

SENATE—*Monday, November 16, 1981*

(Legislative day of Monday, November 2, 1981)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

Let us pray.

It is good to give thanks to the Lord, to sing praises to Thy name, O Most High.—Psalm 92: 1, 2.

Holy, holy, holy is the Lord of hosts; the whole Earth is full of His glory.—Isaiah 6: 3.

Gracious God, help us to realize that we need to worship Thee, that it is of the essence of true humanness. Help us to see that in denying Thee, we deny ourselves. In the words of the Apostle Paul:

Though they knew God, they did not honor Him as God, or give thanks to Him, and they became futile in their thinking and their senseless minds were darkened. Claiming to be wise, they became fools.—Roman 1: 2, 22.

Thou dost not need our worship, O God, but we need to worship. Thou dost not lose Thy glory when we fail to honor Thee, but we devalue our humanity. Forgive us Lord for the idolatry which exalts man as God and worships the creature rather than the Creator.

Receive our gratitude for Thy forbearance, grace and love. In the name of Thy Son, our Saviour, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

WALKING

Mr. BAKER. Mr. President, the demands of this week should by now be well known; during the latter part of the week, long hours will turn into long days, and hopefully decisiveness will be buoyed by necessity.

But in the prolog of legislative logistics, I ask unanimous consent that we digress for a moment and subsume "Walking," a poem by Gregory Orr.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

WALKING

Out here in the chill air,
the fabric of each breath
unravels. We walk in tractor
ruts where frozen mud studded
with ice crystal makes,
under our boots, a sound
from my childhood: crunch
of sugar lump in a horse's jaw;
its warm muzzle
works across my palm
which is rigid with a held-back
giggle of fear and pleasure.

Sweetcake, our cat, scoots past
then flops on her side and waits
in a clump of broom-sage
colored the same luminous
orange as her own left haunch.
We laugh to think we love so much
this dumb bundle of fluff.
Back in the cottage, under thick
quilts, our bed's still warm.

MISS D'AMATO SHOWERED WITH PRAISE

Mr. BAKER. Mr. President, my good friend and colleague from New York, Senator D'AMATO, is one proud papa today. It seems that his 19-year-old daughter Lisa, stepped into the shower in the most notorious manner since Janet Leigh in "Psycho," and has emerged a world recordholder for time spent in a shower.

I will refrain from making the easy, cheap remarks that such news might well inspire.

I will not say, for example, that Miss D'Amato will henceforth be not only showered with fame but famed for her shower.

I will not say that Miss D'Amato, to a greater degree than anyone I know, has "cleaned up her act."

But 121 hours and 1 minute nonstop is no small drop in the bucket, and before we all break into a chorus of "Singing In The Rain," I want to extend the Senate's congratulations to Lisa and her local water authority.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, is there an order for the transaction of routine morning business for today?

The PRESIDENT pro tempore. There is no order.

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order and the recognition of the distinguished junior Senator from West Virginia (Mr. ROBERT C. BYRD), there be a brief period for the transaction of routine morning business for not to extend beyond 20 minutes in length in which Senators may speak for not more than 3 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, is there an order for the Senate to resume consideration of H.R. 4169?

The PRESIDENT pro tempore. That is automatic and it requires no order.

Mr. BAKER. Yes. I thank the Chair.

ORDER FOR THE RECOGNITION OF SENATOR HART

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the distinguished minority leader under special order the distinguished Senator from Colorado (Mr. HART) be recognized on special order for not to exceed 15 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator.

Mr. BAKER. I thank the minority leader.

ORDER OF PROCEDURE

Mr. BAKER, Mr. President, after the recognition of the two leaders and the recognition of two Senators on special orders and the transaction of routine morning business as provided for, the Senate will resume consideration of H.R. 4169, the State, Justice, and Commerce appropriations bill, and will continue debate and disposition of that measure until the hour of 3:30 p.m. when, under the order previously entered, the Senate will temporarily lay aside H.R. 4169 and proceed in executive session to consider the nomination of C. Everett Koop to be Surgeon General of the Public Health Service.

There is a 1-hour time limitation on debate on that nomination to be equally divided. At the end of that period a vote will occur on the Koop nomination. The Senate will then return to legislative session and resume consideration of H.R. 4169.

Mr. President, there may be other matters that can be dealt with in the course of the day by unanimous consent, and I will have further announcements as the time grows nearer.

POSSIBILITY OF LATE SESSIONS THIS WEEK

Mr. BAKER. Mr. President, as I indicated last Friday, there is the possibility at least of late sessions every day this week, and there is also a distinct possibility of a weekend session, certainly a Saturday session, assuming that it is necessary in order to complete action on

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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a continuing resolution and measures in respect thereto. Senators should make their plans accordingly.

Mr. President, I yield to the distinguished Senator from Wyoming.

The PRESIDENT pro tempore. The Senator from Wyoming.

Mr. WALLOP. I thank the majority leader.

SCHEDULE OF TAPE RECORDING VIEWINGS IN THE MATTER OF SENATOR WILLIAMS

Mr. WALLOP. Mr. President, the resolution to expel Senator WILLIAMS, Senate Resolution 204, has been scheduled for floor action on December 3.

In response to requests for an additional opportunity to hear and view tape recordings received in evidence during the Ethics Committee hearings, Senator HEFLIN and I have scheduled four more presentations. These will be held on Thursday, November 19, 1981, and on Tuesday, November 24, 1981.

There will be identical presentations in the morning and afternoon of each of those days: The morning presentations will be from 9:15 a.m. to 12:45 p.m. and the afternoon presentations from 2:15 to 5:45 p.m. The sessions will be held in room 457, Russell Senate Office Building, the same room as they were held before. Because of a number of requests, one staff person for each Senator will be permitted to attend the session on Tuesday afternoon. Senate identification should be displayed to the person on duty at the door. Any questions concerning these sessions may be directed to staff counsel, Donald Sanders, at 4–2018.

Approximately two-thirds of the entire Senate has already attended taping presentations in September and October. Senator HEFLIN and I urge the remainder of the Senate to take advantage of one of these final opportunities before December 3.

There is an extensive record in this case. All materials printed by the committee, including the committee report, No. 97–187, and the briefs of Senator WILLIAMS' attorneys, have been sent to each Member's office in order to help you in making a careful and informed judgment. As you make use of this data in preparing for this very important matter, please do not hesitate to call Senator HEFLIN or myself if you wish further assistance. Committee staff and special counsel will also be available, at your request, to answer any questions.

In fairness to Senator WILLIAMS, he has written Members two Dear Colleague letters in which he has made available his counsel to respond to requests or interpretations for Members.

I think as we approach this rather historic and solemn occasion that it behooves Members of the Senate to, in the interest of fairness, the interest of the public's interest in the Senate of the United States, in the interest of the Senate itself, to operate from the standpoint of as full information and full credibility to the judgment process they are going to make as is possible.

The only way to do this is to take time from what is already a busy schedule and to read the record of the hearings and to view those tape-recorded presentations and contact counsel on both sides to interpret data as they see fit. But it is fair and it is appropriate that the Senate do that at this time.

Mr. President, I yield the floor.

Mr. BAKER. Mr. President, I thank the distinguished chairman of the Ethics Committee, the Senator from Wyoming, who has done such an extraordinarily good and impartial job under trying circumstances.

I must remark that the Senator from Wyoming has—as many other Senators have, but he especially has—the double difficulty of dealing with the matters of the Ethics Committee which are largely done, and properly done, behind closed doors, in a most confidential and discrete way, and still attend to his regular legislative duties and to his responsibilities to represent, as he does so ably, the people of his State.

The Senate as a whole owes him and the distinguished Senator from Alabama, the vice chairman, Senator HEFLIN, a special debt of gratitude because while all of us are very busy, the chairman and the vice chairman of the Ethics Committee have the most difficult job.

Mr. President, I yield back my time or yield whatever time I have remaining to the distinguished minority leader.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader for yielding his time to me. How much time do I have?

The PRESIDING OFFICER (Mr. NICKLES). The Senator has 13 minutes.

Mr. BAKER. I yield the remainder of my time.

DIRECTOR STOCKMAN'S BELATED CANDOR

Mr. ROBERT C. BYRD. Mr. President, the city of Washington has become blase to shocking revelations from Government officials. But even this blase city is still reeling at the cynicism displayed by OMB Director David Stockman's comments as reported in the Atlantic Monthly. In an era in which the public grows increasingly disenchanted with our public institutions, Mr. Stockman's admissions that the administration has been intentionally fooling the American people about its economic program are particularly disheartening.

He spoke the truth, but he spoke the truth to an assistant editor of the Washington Post. He did not speak the truth to the Congress of the United States nor did he speak the truth to the American people.

But the issue is not simply whether or not Mr. Stockman has been so discredited as to severely limit his utility as an administration spokesman. The larger issue is that, with his indiscreet candor, Mr. Stockman has totally discredited the administration's so-called economic recovery plan.

Many of us have said for some time that the so-called economic recovery plan was a thinly veiled effort to transfer wealth from the middle class to the wealthy in America. Many of us have said for some time that the program was internally flawed, based on phony numbers, and a major economic gamble with the only economy we have.

Now, Mr. Stockman has told the world that he agrees with much of this analysis. As our economy careens into what appears to be a deep recession, it becomes ever more clear that the administration's economic game plan cannot bring about vigorous economic growth and, therefore, that this game plan must be dramatically revised. Therefore, it is particularly unfortunate that at this critical time the domestic policy apparatus of the administration now seems to reflect the same disarray, doubt, and confused leadership that has characterized the foreign policy apparatus for some time.

OMB Director Stockman's comments show his remarkable understanding of the consequences which are flowing from his budget and tax programs. He was forthright in his conversations with Mr. Greider although not with the public—in assessing the internal failures of the administration's fiscal policies.

At the same time, I am deeply disturbed that millions of working men and women and our Nation's elderly citizens were not told earlier that the sacrifices they were asked to endure would be in vain. Mr. Stockman has now told them: "We have a [budget] gap which we couldn't fill even with all these budget cuts * * *." Why could he have not made this clear before the cuts were made?

Mr. Stockman told the House Ways and Means Committee this past May that if social security cuts were not made, "the most devastating bankruptcy in history will occur on or about November 3, 1982." He paints a far different picture in this article, admitting that the social security cuts were made to satisfy "* * * the here-and-now of budget requirements." This was a cruel and unnecessary misrepresentation that distressed many of our elderly citizens.

Billions of dollars have been cut from housing programs at a time when the housing sales are at near depression levels. Employment programs have been ended at a time when 8.5 million people are out of work. School lunches and child nutrition programs have been slashed, and student loans are drying up. The most tragic aspect of these cuts is that they were made with neither rhyme nor reason. Mr. Stockman has now conceded that, "none of us really understands what's going on with all these numbers." Why did he not say that to the American people and to Congress before?

The administration sold its budget and tax cuts using economic assumptions and budget projections which were woven from whole cloth. The Atlantic Monthly article reports that Mr. Stockman's reaction to early economic forecasts of unprecedented Federal deficits was to change the computer program by contriving a "* * * swift decline in prices and interest rates * * * [and] a dramatic surge in the nation's productivity." All the time, Mr. Stockman understood that, "You don't stop inflation without some kind of dislocation. You don't stop the growth of the money supply in a three-trillion-dollar economy without some kind of dislocation. The supply-siders have gone too far." Why did he not reveal this to the American people and to the Congress before the program was enacted?

The administration was no more honest about the tax cuts than about the budget cuts. Democrats warned repeatedly that the proposed tax cuts were a total surrender to big business and the wealthy. As Mr. Stockman has now admitted, the plan was "* * * really 'trickle down.'"

The supply-side rhetoric was added for political consumption. Mr. Stockman said the administration disguised the tax cuts as supply side because, "It's kind of hard to sell 'trickle down,' so the supply-side formula was the only way to get a tax policy that was really 'trickle down.'"

It does not surprise anyone that trickle down is hard to sell. Any program that gives money to the wealthy in the hope that some relief will eventually drip down to the middle classes should be hard to sell. But, because of the ideological facelift, we now have the trickle-down theory embodied in the tax cuts passed this summer.

Since the truth about tax and budget cuts has now been told, it is time to bring reality back to the fantasy land of supply-side economics which has brought on our current recession.

For some time, I have been asking the administration to come forth with a realistic and full accounting of its fiscal policy. I have introduced a bill, S. 1787, and offered an amendment, which require Mr. Stockman to make a full and complete accounting of his budget and tax plans. When I offered my amendment requiring that the administration produce the specific details of budget cuts and tax increases necessary to balance the budget, it was defeated on a straight party-line vote.

One revelation in the Atlantic Monthly article that did not come as a surprise is that the numbers in the administration's budget games did not add up. Mr. Stockman tried to disguise this phony budget by employing a magic asterisk, as he called it. This asterisk stood for unidentified cuts—the unidentified cuts that I have tried unsuccessfully to flush out through these past months.

This is the time to recognize that no hocus-pocus, whether it be "magic asterisks" or voodoo economics, will put the economy back on a road to economic recovery. The American people should be told the truth. Now that Mr. Stockman has admitted that his budget is phony, I hope that the majority will not continue to stonewall my efforts to get the administration to provide us with a believable plan to balance the budget.

The administration plan has brought us no economic relief. Inflation is higher now than it was in January, 14.8 percent compared to 9.1 percent then. Unemployment has shot up to 8.0 percent from the 7.4 percent rate in January. Mortgage rates are more than 3 points higher now, 18.3 percent compared to a 15.15 percent rate when the administration took office.

To top it all off, our real GNP has dropped by $8 billion between the first and third quarters of this year. Retail sales in October dropped 1.5 percent. All indications are that the recession is growing deeper each day.

The time has come for the administration to act decisively. It is time for the administration to abandon its discredited fiscal plan and to send Congress a realistic plan to bring down the ballooning deficits. It is time for the administration to abandon its bankrupt tight money policy. It is time to get our Nation's citizens back to work.

Mr. Stockman has shown a great ability to focus the clear light of reality on his past failures. I am sure he can shine this same light on our economic future. I hope the administration's next budget proposals reflect this clear light and not the diffuse cloud of blue smoke that has obscured the economic horizon so far this year.

I ask unanimous consent that a special report prepared by the staff of the Democratic policy committee entitled "The World According to Stockman" be printed in full in the RECORD. This special report highlights the very lengthy Atlantic Monthly article. I also ask unanimous consent that an article entitled "The Stockman Confessional" published in the Washington Post on November 12, 1981, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, follows:

[Special Report]

THE WORLD ACCORDING TO STOCKMAN

This report contains the most important excerpts and quotations from the article entitled, "The Education of David Stockman," which appears in the December, 1981 issue of Atlantic Monthy.

It is a surprising summary, and analysis, of Reaganomics by Director Stockman, who was the principal architect of that plan.

The full text of this article was placed in the CONGRESSIONAL RECORD on November 10th, by Senator HART. The reprint begins on page 27125

These excerpts are grouped under several headings, and are intended to be a useful condensation of the lengthy article.

ECONOMIC FORECASTING METHODS UNDER REAGANOMICS

GREIDER. In early January . . . an OMB computer, programmed as a model of the nation's economic behavior, was instructed to estimate the impact of Reagan's program on the federal budget. It predicted that if the new President went ahead with his promised three year tax reduction and his increase in defense spending, the Reagan Administration would be faced with a series of federal deficits without precedent in peacetime—ranging from $82 billion in 1982 to $116 billion in 1984. Even Stockman blinked.

Stockman set about doing two things. First, he changed the OMB computer. . . . Instead of continuing double-digit inflation, the new computer model assumed a swift decline in prices and interest rates. Instead of the continuing pattern of slow economic growth, the new model was based on a dramatic surge in the nation's productivity. . . . Second, Stockman used the appalling deficit projections as a valuable talking point in the policy discussions that were underway with the President and his principal advisers.

STOCKMAN. (The financial markets are) concerned about the out year budget posture, not about the near term economic situation. The (Henry) Kaufmans don't dispute our diagnosis at all. They dispute our remedy. They don't think it adds up. . . . I take the performance of the bond market deadly seriously. I think it's the best measure there is . . . it means we're going to have to make changes. . . I wouldn't say we are losing. We're still not winning.

THE BUDGET CUTS

GREIDER. Two weeks after selling Congress on the biggest package of budget reductions in the history of the Republic, Stockman was willing to dismiss the accomplishment as less significant than the participants realized. . . . He knew that the budget resolution numbers were an exaggeration. The total of $35 billion was less than it seemed, because the "cuts" were from an imaginary number—hypothetical projections from the Congressional Budget Office on where spending would go if nothing changed in policy or economic activity. Stockman knew that the CBO base was a bit unreal. Therefore the total of "cuts" was, too.

STOCKMAN. There was less there than met the eye. Nobody has figured it out yet. Let's say that you and I walked outside and I waved a wand and said, I've just lowered the temperature from 110 to 78. Would you believe me? What this was was a cut from an artificial CBO base. That's why it looked so big. But it wasn't. It was a significant and helpful cut from what you might call the moving track of the budget of the government, but the numbers are just out of this world. The government never would have been up at those levels in the CBO base.

The reason we did it wrong—not wrong, but less than the optimum—was that we said, hey, we have to get a program out fast. and when you decide to put a program of this breadth and depth out fast, you can only do so much. We were working in a 20 or 25 day time frame, and we didn't think it all the way through. We didn't add up the numbers. We didn't make all the thorough, comprehensive calculations about where we really needed to come out and how much to put on the plate the first time, and so forth. In other words, we ended up with a list that I'd always been carrying of things to be done, rather than starting the other way and asking, "What is the overall fiscal policy required to reach the target?

I just wish that there were more hours in the day or that we didn't have to do this so fast. . . . I don't have time, trying to put this whole package together in 3 weeks, so you just start making snap judgments.

GREIDER. But Stockman . . . cheerfully conceded that the administration's own budget numbers were constructed . . . mixing cuts from the original 1981 budget left by Jimmy

Carter with new baseline projections from the Congressional Budget Office in a way that, fundamentally, did not add up.

STOCKMAN. None of us really understands what's going on with all these numbers.

GREIDER. Democrats accused Reagan of reneging on his promise to exempt Social Security from the budget cuts and accused Stockman of trying to balance his budget at the expense of Social Security recipients, which, of course, he was.

STOCKMAN. The Social Security problem is not simply one of satisfying actuaries . . . it's one of satisfying the here-and-now of budget requirements.

The problem is that the politicians are so wary of the Social Security issue per se that they want to keep him away from it, thinking they could somehow have an administrative initiative that came out of the boondocks somewhere and the President wouldn't be tagged with it. Well, that was just pure naive nonsense. . . . My view was, if you had to play this thing over, you should have the President go on TV and give a twenty minute fire-side chat, with some nice charts.

THE ECONOMIC AND POLITICAL FOUNDATIONS OF KEMP-ROTH

STOCKMAN. The hard part of the supply-side tax cut is dropping the top rate from 70 to 50 percent—the rest of it is a secondary matter.

The original argument was that the top bracket was too high, and that's having the most devastating effect on the economy. Then, the general argument was that, in order to make this palatable as a political matter, you had to bring down all the brackets. But, I mean, Kemp-Roth was always a Trojan horse to bring down the top rate.

It's a kind of hard to sell "trickle down", so the supply-side formula was the only way to get a tax policy that was really "trickle down". Supply-side is "trickle down" theory.

GREIDER. He was conceding what the liberal Keynesian critics had argued from the outset—the supply-side theory was not a new economic theory at all but only new language and argument to conceal a hoary old Republican doctrine: give the tax cuts to the top brackets, the wealthiest individuals and largest enterprises, and let the good effects "trickle down" through the economy to reach everyone else. "Yes", Stockman conceded, "when one stripped away the new rhetoric emphasizing across-the-board cuts, the supply-side theory was really new clothes for the unpopular doctrine of the old Republican orthodoxy".

STOCKMAN. Do you realize the greed that came to the forefront. . . . The hogs were really feeding. The greed level, the level of opportunism, just got out of control. . . . The basic strategy was to match or exceed the Democrats and we did.

THE ECONOMIC FOUNDATIONS OF REAGANOMICS

STOCKMAN. The whole thing is premised on faith . . . on a belief about how the world works.

GREIDER. The final pasted-together (Gramm/Latta) measure would be several thousand pages of legislative action and, Stockman feared, another version of the Trojan horse—a Trojan horse filled full of all kinds of budget busting measures and secondary agendas.

Sugar subsidies might not cost the government anything, but could cost consumers $2 to $5 billion. "In economic principle, it's kind of a rotten idea," he conceded. Did Ronald Reagan's White House object? "They don't care, over in the White House. They want to win."

THE FAIRNESS OF REAGANOMICS

STOCKMAN. We are interested in curtailing weak claims rather than weak clients. The fear of the liberal remnant is that we will only attack weak clients. We have to show that we are willing to attack powerful clients with weak claims. I think that's critical to our success—both political and economic success.

GREIDER. What was new about the Reagan revolution, in which oil royalty owners win and welfare mothers lose? Was the new philosophy so different from old Republicanism when the federal subsidies for Boeing and Westinghouse, and General Eelctric were protected, while federal subsidies for unemployed black teenagers were "zeroed out"? . . . For now, Stockman would concede this much: that "weak clients" suffered for their weakness.

STOCKMAN. Power is contingent—The power of these client groups turned out to be stronger than I realized. The client groups know how to make themselves heard. The problem is, unorganized groups can't play in this game.

REAGANOMICS VERSUS TRADITIONAL ECONOMICS

STOCKMAN. We believe our ideas have intellectual respectability, and we think the press will recognize that. The traditional Republicans probably sensed, even if they didn't know it, that their ideas lacked intellectual respectability.

STOCKMAN'S VIEWS ON REAGANOMICS

STOCKMAN. I've never believed that just cutting taxes alone will cause output and employment to expand.

Some of the naive supply-siders just missed this whole dimension. . . . You don't stop inflation without some kind of dislocation. You don't stop the growth of money supply in a $3 trillion economy without some kind of dislocation. . . . Supply-side was the wrong atmospherics—not wrong theory or wrong economics, but wrong atmospherics. . . The supply-siders have gone too far. They created this nonpolitical view of the economy, where you are going to have big changes and abrupt turns, and their happy vision of this world of growth and no inflation with no pain.

Whenever there are great strains or changes in the economic system . . . it tends to generate crackpot theories, which then find their way into the legislative channels.

[From the Washington Post, Nov. 12, 1981]

THE STOCKMAN CONFESSIONAL

(By Hobart Rowen)

So you thought "voodoo economics" was just a George Bush campaign wisecrack about Reagan's policies? I hope you have been reading what OMB Director David Stockman has been confessing privately to my Washington Post colleague, William Greider, in an Atlantic article entitled "The Education of David Stockman."

The article provides a stunning, candid insight into the formulation of economic policy by the Reagan administration. It validates in undisputable terms what critics of Reaganomics have said from the beginning—that cutting taxes excessively and pumping up the military budget would not produce balanced budgets, but only big deficits and high interest rates.

The young budget director—a dynamic force behind Reagan's widely acclaimed budget-cutting offensive earlier this year—admits that the actual cuts were made to look far more important than they really are. What's more, he acknowledges what many have long suspected, that the optimistic forecast of the economy that provided a rationale for big tax cuts and a swelling of the Pentagon budget was really a phony.

"None of us really understands what's going on with all these numbers," Stockman told Greider.

For all of the elaborate rhetoric on how the Kemp-Roth bill would stimulate investment by cutting marginal tax rates, for all of the baloney spoon-fed to willing congressmen by Arthur Laffer, Jude Wanniski and Rep. Jack Kemp, Stockman confesses that he knew from the very start that "the supply-side formula was the only way to get a tax policy that was really 'trickle down.' Supply side is 'trickle down' theory."

Stockman concedes the point that the tax cut is a rich man's bill. "Do you realize the greed that came to the forefront (when the tax legislation went to the Hill)?" he asked Greider. "The hogs were really feeding. The greed level, the level of opportunism, just got out of control. . . . The politics of the bill turned out to be very traditional. The basic strategy was to match or exceed the Democrats, and we did."

Although the Democrats have little to be proud about, considering their role in expanding this year's tax giveaways. Greider's piece undoubtedly will provide a field day for them as they search for a new political platform: Stockman is saying flat out that Reaganomics is a failure, and the economic arguments for it were fraudulent—and he knew it. What he calls for, in effect—at the obvious risk of his job—is a drastic revision of Reaganomics, something that the White House team headed by Ed Meese isn't ready to do.

"This government must stiffen its spine and not throw in the towel on our fight to get federal spending under control," said President Reagan at his Tuesday press conference. But what Stockman is saying is that the president will never get spending under control or achieve his other goals with this program. And he's right.

This reporter and many others have cited as the key internal inconsistency of Reaganomics the attempt to blend an expansionary fiscal policy with a restrictive monetary policy. Since April, one concludes from the Greider account, Stockman has reluctantly come to the same conclusion.

When the financial markets hit the toboggan during the late summer, White House spokesman whined about Wall Street's lack of "support" for the Reagan program. But Stockman was telling Greider in a weekly tête-à-tête that Wall Street was right.

"I take the performance of the bond market (which was deeply depressed) deadly seriously," Stockman said. "I think it's the best measure there is. The bond markets represent worldwide psychology, worldwide perception and evaluation of what, on balance, relevant people think about what we're doing. . . . It means we're going to have to make changes. . . ."

For most of this past week, President Reagan and Treasury Secretary Donald Regan—who seems to be moving into the key economic advisory slot—have been insisting that the administration would stick firmly to its economic proposals, even though recession, and the realities that Stockman recognizes, have made mincemeat of its predictions.

The president now says that there will be no balanced budget in fiscal 1984 and admits that "none of us" had predicted a recession, expecting merely "a stagnant economy."

What President Reagan has to acknowledge beyond that is the main thrust of the Stockman confessional: there's no way to get the economy out of the mess he's put it in unless he agrees to junk supply-side mythology. By January, when he must revise budget forecasts, Reagan will need a new and more plausible scheme. Painful as it may be for him, it will have to incorporate a lesser tax cut and a lesser defense buildup in fiscal year 1983 and beyond.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Wisconsin.

THE BIGGEST AND MOST SERIOUS ILLUSION IN ECONOMIC POLICY

Mr. PROXMIRE. Mr. President, David Stockman, the Budget Director has gotten himself and the administration in a peck of trouble. Why? Because Stockman talked honestly and bluntly to a reporter armed with the most lethal of political weapons: A tape recorder. Some people think we would have a better world if all of us spoke the truth no matter how painful. Try following that policy with your wife when she first gets up in the morning or with your boss when you catch him in a self-serving error, and you will find out in a hurry how dangerous and damaging, in fact, how downright cruel committing truth can be.

Of course, there are times when that cruelty may be helpful. This may be one of them. David Stockman did some passing damage to the President and his program by speaking the truth, but in the long run what he has done may serve the interest of the country and even the President.

Here is why: The worst shibboleth about economic policy is that we can follow a particular budget or tax policy and then as a result it will have a particular effect on interest rates, on jobs, on productivity, on growth, on the deficit or the national debt and on other variables.

The fact is that no matter how thorough or careful our economic analysis may be, the best we can do is guess whether a particular Federal policy tossed into the huge vastness of this $3 trillion economy will end up pushing employment up, or interest rates down.

Almost any Federal policy unless it encompasses a truly massive spending or tax change or variation in monetary policy and persists in it for years will be overwhelmed by forces the policy does not reach.

This does not mean that we should just give in and do whatever seems politically feasible. It means we should recognize that we will not achieve significant improvements in our economy—like a permanent reduction in inflation and interest rates or a permanent increase in the employment level—unless we adopt truly decisive changes and persist in staying with them for a number of years.

If you read thoroughly the article in the Atlantic Monthly, and the press conference Mr. Stockman held Thursday, this message comes through very clearly. And along with it several other sensible words of wisdom. Mr. Stockman found that two elements of the Reagan program developed a life of their own. They ran surely outside his control and perhaps outside even the control of the President.

One was the tax cut. Stockman refers to the rampant greed. Those of us who took part in the tax debate will recall that especially the rush to win additional tax concessions for the oil boys when they were already gorged on sky-high OPEC world prices. Remember the giveaway to the overseas fat cats who won a $75,000 income tax exemption by simply living overseas—anywhere—an Arabian desert, a Paris brokerage office, or a beach house in Tahiti?

Another was the military spending explosion. Stockman rightly calls our attention to the fabulous waste, as he puts it so well, the "contracting idiocy." How can anyone who has followed the M1 tank or the B–1 bomber or the F–18 plane doubt that? Stockman spoke the truth. And let us not forget it.

All of us—Democrat as well as Republican—have a deep interest in cutting spending, and that is what David Stockman more than any other man in public life today stands for. He has none of the illusions others in the Reagan administration have about the sacredness of defense spending. He knows when you explode health, nutrition, or defense into the billions and, in the case of defense, hundreds of billions of dollars a year, you will run into mountains of waste.

David Stockman performed a genuine service for this country by speaking the truth, and manfully standing by what he said in his press conference. We should remember what he said when the tax bill rolls around again and when the military appropriation and authorization bills come before us. Whatever his faults, Stockman understands this Federal budget as no one else in the administration or in the Congress does. Let us read and ponder and benefit from the lessons he has taught us.

A $1,000 THANK YOU

Mr. PROXMIRE. Mr. President, the editorial in yesterday's Washington Post "A $1,000 Thank You" reminds us once again of the serious adverse consequences of questionable payments to government officials.

It is sadly ironic that a high official of the Reagan administration is involved in a gratuity payments matter from a foreign nation at the same time the Reagan administration appears before Congress in a major effort to gut the Foreign Corrupt Practices Act and to legalize just such payments to foreign government officials by American companies.

S. 708 as reported and as appears on the Senate Calendar would authorize payments by American companies to foreign officials constituting a courtesy or a token of regard or esteem.

Bribery is bad business, whether directly or under the euphemism of gratuities or questionable payments for courtesy or esteem. The Allen case reminds us once again how shabbily such payments reflect on the democratic process. If and when S. 708 is taken up, I hope my colleagues will have the courage to stand up to the Reagan administration and vote no. A no vote on S. 708 will put the Senate firmly on record against shabby corrupt practices. Instead of cutting back on our law we should encourage other nations, like Japan, to enact their own laws, putting a stop to such practices overseas.

The existing Foreign Corrupt Practices Act has effectively stopped American companies from bribing foreign officials. There is absolutely no need to amend the law at all as does S. 708.

Mr. President, I ask unanimous consent that the editorial in yesterday's Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A $1,000 THANK-YOU

Housewife's companion, the Japanese magazine, to which Nancy Reagan gave a five-minute interview on her first full day in the White House, turns out to be not so—well—companionable after all. The magazine, it is now reported, presented a $1,000 token of its "gratitude" to White House National Security Adviser Richard V. Allen, who was involved, in a way not yet clarified, in the interview. "Knowing this to be customary in Japan and not wishing to embarrass the Japanese journalist or the First Lady," the White House said Friday, "Mr. Allen received the honorarium and gave it to his secretary for safekeeping until he could ascertain the proper procedure for turning it over to the government." The money sat for eight months in a safe in the office Mr. Allen had briefly occupied before he moved into the West Wing, and was discovered in September, triggering an investigation that is still under way.

Well, fine. Whenever cash money in an envelope is passed in the White House, there darned well ought to be an investigation. Even if you accept Mr. Allen's explanation as the full and final version of this slightly bizarre affair, it seems as though he should have had the presence of mind—notwithstanding what no doubt was the hectic pace of Jan. 21, 1981—to comprehend the political dynamite inherent in that sort of transaction. His solicitude for the tender sensibilities of the Japanese might well have been matched by a regard for the proprieties of the Americans, not least his boss.

The investigation that is going on is being conducted in the Justice Department. Should it stop there? The ethics in government act of 1978, drafted in high post-Watergate dudgeon, would seem to have application here. Under its terms, the attorney general must investigate any allegation of illegal activity by a federal official and, if necessary, pass the probe on to a special prosecutor outside his department within 90 days.

We have questioned the wisdom of the way this special-prosecutor law has been applied in the past. The circumstances in this case, however, seem to be exactly of the sort that Congress had in mind when it established an investigative procedure outside the Justice Department. If nothing untoward has occurred, the public deserves to have the clearest possible assurance that this is the case. Mr. Allen, who insists the explanation of the affair is entirely innocent, surely can have no objection to letting a special prosecutor so demonstrate.

SECRETARY HAIG AND THE NEED TO AFFIRM OUR COMMITMENT TO HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, the underlying principles of the American political and social philosophy evolved from our Founding Fathers' deep and abiding commitment to human rights.

As the standard bearer of those basic human rights we must not allow a weakening of our resolve or our credibility through apathy or neglect.

Unfortunately, indifference to human rights is historical and well-documented, and it is not necessary for me to recite a litany of the inhumane acts that have resulted from that indifference. Instead let me quote the eloquent opening remarks of Secretary of State Alexander Haig at the October 26, 1981 International Liberators Conference of the U.S. Memorial Council:

> Let us therefore remember well the signposts on the road to genocide. First, individual rights were revoked, then individual dignity was denied, and finally, in the abyss of despair, came murder itself. And genocide succeeded because the defenders of individual rights allowed themselves to be divided, because they sought refuge in illusion and weakness. They failed to fight for their own principles. They betrayed not only those who lost their lives, but themselves.

Mr. President, can we as a people afford to live with that kind of betrayal? We revere our Declaration of Independence and its enunciation of man's basic rights. We honor our Constitution, the embodiment and protection of those rights. These ideals and institutions have become part of the American fabric and are known and respected throughout the world.

Mr. President, one critical instrument for our continued advocacy of Human Rights is the Genocide Convention, which was specifically created for the protection of the most fundamental human right—the right to exist.

We need to constantly reaffirm our beliefs in these enduring rights. As Secretary Haig so aptly pointed out, we must not fail to fight for principles.

One important reaffirmation of our 200-year-old human rights tradition would be our ratification of the Genocide Convention.

I thank my good friend, the minority leader.

The PRESIDING OFFICER. The time of the minority leader has expired.

RECOGNITION OF SENATOR ROBERT C. BYRD

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I yield my time, or such of it as he may require, to the distinguished Senator from Colorado (Mr. HART).

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HART. Mr. President, I thank the minority leader.

EVENTS REVERSING TREND IN BUDGET PROCESS

Mr. HART. Mr. President, Congress adopted in the Congressional Budget Act of 1974 a set of procedures intended to "assure effective congressional control over the budgetary proces." While we have made some progress in the past 6 years in bringing discipline to the budget process, several recent events have reversed this trend. And we are now in danger of forfeiting our congressional responsibilities in a sea of economic distortions.

The congressional budget system has been corrupted this year by at least three conscious decisions on the part of Congress to acquiesce almost unquestioningly in administration demands.

The first corrupting decision was acceptance of the administrations' false economic assumptions. Last spring, Congress adopted a budget resolution which significantly underestimated the cost of Federal programs by relying on a set of projections about economic growth, unemployment, and inflation which it had every reason to believe was wrong.

For the first time in 6 years, Congress rejected the economic projections of the Congressional Budget Office and substituted an economic forecast close to the uniquely optimistic Reagan administration projections. These administration projections grossly overestimated the revenue-producing potential in national economic growth—the GNP—and underestimated the cost for Federal programs of inflation and unemployment.

By abandoning CBO's "mainstream" forecast, the size of the 1982–84 deficit was magically shrunk by $41.6 billion, disguising the real deficit of President Reagan's tax cut and "reducing" the size of the spending cut needed to balance the budget by 1984.

The revelations in the Atlantic article were significant not only because of the cynicism with which the President's chief spokesman on the budget could push the supply-side Trojan Horse through the gates of Congress. But it is equally appalling how easily that Trojan Horse was accepted by Congress, despite the warnings of virtually every respectable economist we heard.

The second corrupting decision involved phony budget figures. Unable, even on the basis of the "wishful thinking" economic forecast, to identify budget savings sufficient to balance the budget by 1984, Congress simply inserted in the budget resolution $63.1 billion in "unidentified savings."

These "savings" were used to reduce the deficit shown in the budget, but were left to be made by some more imaginative, or courageous, Congress at some future date. To produce the 1984 balanced budget shown in the Budget Resolution, this differential had to be accepted. These "unidentified"—or perhaps more accurately characterized as "unproposed, unenacted, and unsaved"—budget reductions totalled $62.1 billion in 1983 and 1984.

The third corrupting decision was surrender to the executive branch. Put simply, Congress surrendered its budgetary independence from the executive branch. The Senate Budget Committee has been said to have become a "Charlie McCarthy" to David Stockman's "Edgar Bergen," frequently delaying its markups until the latest instructions arrive directly from OMB.

In the first resolution debate, the House rejected its Budget Committee's advice altogether, and substituted the Gramm-Latta amendment. That amendment, as we know, had been pasted together so hastily at OMB that, as passed by the House, it contained the names and phone numbers of the OMB budget examiners who wrote it.

In addition, the Senate committee's decision—adopted by the Congress in the first resolution—to reduce authorization levels as part of the reconciliation process was a gratuitous and wholly unnecessary invasion of the authorization/appropriations process which may lead to retribution by those committees as Budget Act revisions are considered.

Also, we are under pressure to adopt a strategy now formally adopted by the House committee, to do a "pro forma"—and perhaps more accurately described as "meaningless and misleading."

Second resolution which merely restates the totally inaccurate figures of the first resolution. Under this unprecedented plan, Congress would wait for the President to tell it what to do in his January budget before adopting the revised and binding resolution the Budget Act requires of the Congress prior to adjournment.

It is noteworthy, Mr. President, that the President of the United States has announced that he will have nothing further to say of any instructive or leadership nature on this financial dilemma that we find ourselves in until the first of the year.

These actions, and others, destroy the credibility of the budget process. No wonder Wall Street is so nervous. No wonder Main Street is so cynical and distrustful of politicians. Congress has relinquished control. I believe that we can and we must take that control back again.

We should begin immediately to exercise control over the process by not bowing to the President's wishes and simply passing as the second budget resolution the assumptions and programs put forth in the first resolution which we now know to be so false. We must construct a program, based on realistic economic assumptions, that restores fiscal discipline to the budget.

Second, we should reject the use of unspecified or unidentified savings in the budget projections. Either savings should be made explicit or they should not be allowed to pad future programs.

Third, we should adopt a procedure to

eliminate partisanship from the underpinnings of the budget process—the economic assumptions. We need a standardized set of economic assumptions on which the policy impacts of the alternative budget proposals could be compared on a consistent basis.

Mr. President, changes that look like minor technicalities can mean swings of billions of dollars in projected outlays, receipts, and deficits. Only a few economists on the budget staffs at CBO, and in the administration really understand what the economic assumptions are and how changes in them can change the entire budget picture. Lack of understanding by Congress and the public leads to inadequate deliberations and arbitrary decisions.

We need an economic benchmark free of political manipulation. This is not a substitute for economic projections based on whatever one believes are the most accurate predictions of how the policies will work out. Rather, it is a tool to consider how different program designs will affect outlays and receipts from year to year under a consistent set of economic assumptions and projections.

Mr. President, I suggest the following procedure:

First, that all contending parties agree in December preceding the start of the fiscal year to base program decisions on a common set of forecasts and projections regarding the economy. These would be used throughout the first budget resolution.

Second. The contending parties could also project the implications of policy decisions on different sets of assumptions if they like, but at least there would be one set for consistent comparisons.

Third. A new set of assumptions could be devised for the administration's July budget revisions and the second concurrent budget resolution, based on the latest data.

The common set of assumptions should be as free as possible from political manipulation such as we have seen this year. This suggests some rather arbitrary rule for setting the projections. Especially in the out years.

Mr. President, a well-known economist at the American Enterprise Institute and a former OMB chief economic forecaster, suggests that the projections for one year ahead be based on actual econometric projections—say an average of those of the administration and CBO, or of some panel of private forecasters. For out-years, where the forecasting record is not very good and there is too much room for wishful thinking, he suggests basing them on the average experience over the past 5 years—average changes in real growth, inflation, and so forth.

While the details of such a procedure need to be developed more fully, this or some alternative standardized process to compare policy proposals should become an integral part of our budgetary deliberations. Congress must regain control of its budgetary process, and we must use this control to construct a budget to meet the needs of the American people in this difficult time of inflation and recession. The steps I have suggested above will move the Congress toward assuming its proper budgetary responsibility.

Mr. President, I ask unanimous consent that the article I have referred to, by Mr. Rudolph Penner concerning his proposal for standardizing economic assumptions be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUDGET ASSUMPTIONS AND BUDGET OUTCOMES

(By Rudolph G. Penner)

In June 1980, the Congress of the United States voted to balance the fiscal 1981 budget. With less than two months to go in the fiscal year, it appears as though the actual deficit will be close to $60 billion. In January 1979, President Jimmy Carter recommended outlays for fiscal 1980 of $531.6 billion. Actual expenditures were $48 billion higher.

Although we still do not have a good picture of what went wrong with the 1981 budget, 1980 has been studied more carefully. Policy changes, which added $10 billion to defense and $9 billion to nondefense spending, accounted for about 40 percent of the $48 billion discrepancy in 1980. The other 60 percent, or about $29 billion, resulted from enormous assumptions regarding the cost of a given set of policies. About $20 billion resulted from errors in economic forecasting, and $9 billion was the result of other estimating problems.

Errors of this magnitude indicate the extent to which the federal budget is on automatic pilot. Higher inflation adds automatically to the cost of indexed benefit programs such as social security, food stamps, and school lunch subsidies. It also drives up interest rates and the cost of servicing the national debt. Costs of programs that promise specific services, such as medical services under Medicare and Medicaid, also rise. On the other side of the ledger, inflation raises receipts by more than the increase in prices because income-tax payers are driven into higher tax brackets as their money income rises.

Increases in the unemployment rate raise the cost of unemployment insurance, food stamps, and other welfare programs. Higher unemployment also induces some to retire earlier, and social security outlays rise. At the same time, receipts fall with higher unemployment, and in total, an unexpected rise in the unemployment rate of one percentage point will raise the 1982 deficit by over $30 billion.

Details on the sensitivity of 1982 outlays to economic conditions are provided in tables 1 and 2. The dollar numbers in those tables can be compared with a July 1981 estimate of total 1982 outlays of $704.8 billion, receipts of $662.4 billion, and a deficit of $42.5 billion.

Even if economists were lucky enough to forecast the economy correctly, budget outcomes would be far from certain. Crop yields affect outlays on agricultural price support programs. Natural disasters such as Mount St. Helens and hurricanes can create large claims on the budget. The proportion of the eligible population showing up to claim benefits in programs such as food stamps and social security can vary greatly under constant economic conditions. And last, but certainly not least, it is never certain what proportion of an appropriation will be spent in any one year.

TABLE 1.—SENSITIVITY OF FISCAL YEAR 1982 BUDGET OUTLAYS TO ECONOMIC ASSUMPTIONS

[In billions of dollars]

	1982 outlays
Prices (effect on indexed programs only):	
1 percent increase in CPI level by:	
1st quarter, calendar year 1981	1.9
3d quarter, calendar year 1981	.7
4th quarter, calendar year 1982	.4
Interest rates:	
1 percentage point increase in interest rates by:	
Jan. 1, 1981	4.2
July 1, 1981	3.3
Oct. 1, 1981	2.6
Jan. 1, 1982	1.6
July 1, 1982	.3
Unemployment rate:	
1 percentage point increase in average rate for fiscal year 1982:	
Unemployment benefits	5.5
Other	1.5
Civilian and military October 1981 pay raises:	
1 percentage point increase	.7

Note: For changes in economic assumptions in the opposite direction, outlay decreases would be of similar magnitude with the opposite sign.

Source: Office of Management and Budget.

That is because spending money is hard work. Potential suppliers have to be found, bids solicited, contracts negotiated, checks written, and so forth. Bureaucrats are not good at estimating how much of this work will be completed before the end of a fiscal year. Usually they overestimate what can be done, and this is one of the few areas in which cost underruns are more common than cost overruns.

The impact of unforeseen events on budget totals is a matter of constant frustration to politicians. In designing programs, they struggle mightily to achieve certain spending and receipts targets only to see their efforts overwhelmed by unanticipated economic or other events.

Although our inability to forecast budget outcomes has a long history, it has only become an important political issue in recent years. Prior to the enactment of the new congressional budget process—first used in fiscal 1976—the president would make his budget recommendations with a great fluorish in the January preceding the start of a fiscal year. The Congress never voted on budget totals, but instead would act on the president's recommendation in dozens of individual spending and tax bills. Few, other than economists and bond traders, paid much attention to how it all worked out.

The new budget process changed all that. For the first time in recent history, the Congress had to vote explicitly on aggregate outlays, receipts, and deficits. Because these totals are so sensitive to assumptions regarding the future, those assumptions are now debated heatedly.

In general, the political system has not responded well to this new challenge. The temptation to fudge the numbers has become very strong.

ASSUMPTIONS AND SHORT-TERM BUDGETING

The basic problem is that there is an important asymmetry between the political implications of changing budget totals by changing program characteristics and the implications of achieving the same outlay change by changing assumptions. For example, one of the proposed program cuts in fiscal 1982 involves eliminating the minimum benefit in the social security program. The cut saves only $1 billion in 1982, but it has created a firestorm of opposition, and it has become a partisan *cause célèbre*. Yet, cuting the budget in the long run cannot be successful without hundreds of tough decisions of this type, each imposing enormous political costs.

A glance at table 1 or 2 indicates, however, that a $1 billion error in estimating outlays is "in the noise." For example, $1 billion can be "saved" in 1982 by lowering the forecast of interest rates starting October 1, 1981, by less than one-half of one percentage point. No one can forecast interest rates with anything remotely resembling that degree of accuracy, and few would notice such a change. Faced with the choice of "saving" $1 billion by cutting social security or by a minute change in the economic assumptions, it is little wonder that the latter looks so tempting. In fact, it is remarkable that budget and economic forecasts are as accurate as they are.

Although assumptions regarding the future are crucial to budget outcomes, this fact is often not emphasized in policy debates. The public is largely unaware of the quantitative dimensions of the problem, and policy makers can use this fact to obfuscate the issues. Beyond that, politicians are reluctant to admit, even to themselves, that the budget outcome is so largely determined by events beyond their control. As a result, debates over policy become hopelessly intertwined with debates over assumptions, and even an informed observer has trouble determining what is really going on.

One of the most interesting political battles of 1981, for example, occurred in the House of Representatives where, in the debate over the first budget resolution, the choice was between the budget targets recommended by the Democratically controlled Budget Committee and the President's targets backed by a coalition of Republicans and southern Democrats. The policy differences between the two resolutions were minor, but the Budget Committee made a crucial error in basing their targets on a less favorable set of economic assumptions. While they wanted to spend a bit more than the President for a given set of economic assumptions, the use of less optimistic assumptions made their outlay totals appear significantly higher. They could never successfully explain this complicated fact to the public, and though they may have been defeated in any case, the lack of understanding of the role of assumptions clearly meant that they started the debate with a severe handicap.

TABLE 2.—SENSITIVITY OF THE BUDGET TO ECONOMIC ASSUMPTIONS

[In billions of dollars]

	Fiscal year 1981			Fiscal year 1982		
	Outlays	Receipts	Deficit	Outlays	Receipts	Deficit
Effect of 1 percentage point higher annual rate of inflation beginning: [1]						
January 1981	2	3	−1	6	11	−5
January 1982	(2)	(2)	(2)	2	3	−1
Effect of 1 percentage point lower annual rate of real growth beginning:						
January 1981	1	−3	4	4	−13	17
January 1982	(2)	(2)	(2)	1	−3	4

[1] Includes the effect of higher inflation on indexed programs, interest outlays, and medicare and medicaid; excludes effects on discretionary programs.

[2] Not applicable.

Note: If the rate of inflation were lower or the rate of real growth higher by 1 percentage point, the changes in outlays and receipts would be of the opposite sign but of similar magnitude to the figures shown above.

Source: Office of Management and Budget.

Once assumptions are chosen, they have all sorts of subtle effects on decision making. Policy makers typically evaluate the cost savings associated with the options for cutting programs by using a single set of economic assumptions. There is little consideration given the fact that under one set of assumptions, policy A may save more than policy B, while under another set, policy B may save more than A. For example, basing the automatic increase in social security benefits on the lower of wage or price increases will not appear to save anything if future price increases are assumed always to exceed future price increases. It might, however, save an enormous amount in the long run if occasional periods of negative economic growth are assumed. Computations of other savings—those related to cancelling a capital project, for example—are less sensitive to economic assumptions.

Private economists may criticize budget assumptions as being too optimistic, but then they proceed to rely on them for analyses of individual components of the budget. They have little choice, because it takes an enormous number of hours to re-estimate budget totals for different economic assumptions, and few individual researchers have large staffs.

Thus, economists will make detailed analyses of the distributional and other implications of the administration's proposed income tax cuts using administration assumptions. Yet, if a lower future growth of money income were assumed, the impact of the tax cuts would change. They would become true tax cuts to a much greater extent since the proposed 25 percent cut in tax rates would not be offset to the same degree by taxpayers being pushed into higher tax brackets. The distributional implications would change because bracket creep affects different income groups quite differently.

ASSUMPTIONS AND LONG-TERM PROJECTIONS

As serious as these problems may be in the short run, they are multiplied manyfold when the long-run implications of different policies are analyzed. Clearly, long-run budget planning is essential. Many policy changes, such as those concerning social security, have little initial impact, but their long-run effect on spending totals is enormous. As we look further into the future, our assessment of such impacts is undertaken with exponentially growing uncertainty.

Since the beginning of the new congressional budget process, both the administration and the Congress have made five-year budget projections. Thus, President Carter's 1982 budget, which was proposed in January 1981, projected budget totals through fiscal 1986.

The budget projections made for the remainder of fiscal 1981 and 1982 are based on an economic forecast for calendar 1981 and 1982. For subsequent years, the budget totals are based on what is called an economic "projection." The projection always shows the economy making steady progress toward lower levels of inflation and unemployment. Forecasts and projections made at various times in the past are shown in table 3.

In the Ford and Carter administrations, it was made crystal clear that the long-run projections were arbitrary except during a brief interlude when the Carter administration felt obliged to base the projections on the long-forgotten economic goals prescribed by the Humphrey-Hawkins Act. The Reagan administration seems more inclined to consider the projections as economic targets, but whether the projections are arbitrary or imply targets, they are always extraordinarily optimistic, portraying a world devoid of business cycles where everything looks better day by day. As a result, it always appears easier than it really is to lower the ratio of outlays to the gross national product and to balance the budget eventually. For example, the current administration's projections show a balanced budget emerging in 1984. It is remarkable how seriously this projection is taken since everything has to go absolutely right to achieve it. (It should be noted that a balanced budget could also be achieved by things going wrong. Inflation raises receipts more than it raises outlays: so unanticipated inflation could balance the budget accidentally, though few would like to achieve balance in that manner.)

Although table 3 clearly shows that the long-run projections used for budget purposes have been totally misleading in the past, they still have had a profound impact on decision making. They have totally obscured the strong budget pressures engendered by transfer programs because such programs do not grow much if unemployment is assumed to decline. They make a given defense effort look less burdensome than it really is because high assumed levels of real growth understate the ratio of the defense budget to GNP implied by a given set of defense policies.

In other words, rosy projections dull us into being too complacent regarding future budget trends. A set of budget policies that provides hope of a balanced budget given the projections is likely to lead to large deficits under a more realistic outlook. We do not serve ourselves well by assuming the suspension of Murphy's Law.

IMPROVING THE FORECASTING PROCESS

How can we improve current procedures? It is unlikely that our ability to forecast will improve much in the near future. Consequently, it is necessary to emphasize constantly the degree of uncertainty inherent in any budget projection. Furthermore, the rationality of decision making would be enhanced considerably if debates regarding program design could be clearly separated from debates regarding assumptions. This, in turn, would be facilitated if all of the contending parties could agree in the December preceding the start of a fiscal year to base program decisions on a common set of forecasts and projections regarding the economy and other variables affecting budget totals.

The administration proposes one set of assumptions in its January budget. The Senate and House then prepare budget resolutions with their own assumptions, which often differ from those of the administration and from each other. Occasionally, a fourth set of assumptions emerges from the Congressional Budget Office (CBO), though CBO assumptions are sometimes adopted by the Senate or the House.

If an agreement could be reached on a

common set of assumptions for the purpose of making program decisions, the important issues would be greatly clarified. It could be understood that not everyone has to agree that the common assumptions provide the best possible projections of the future. The budget committees could also project the implications of policy decisions on the basis of differing assumptions if they like, but at least there would be one calculation of the implications of the different policy packages of the administration, the House, and the Senate based on a common set of assumptions. As a result, issues arising because of different policies would be more clearly separated from issues arising because of different assumptions.

Nothing would prevent changing the assumptions as the year proceeded. For example, the first congressional budget resolution, which sets budget targets, should be based on the same assumptions as used in the president's January budget. But then a new set could be devised for the second resolution, which sets binding targets, and that same set could be used for the administration's July budget revisions.

TABLE 3.—EXECUTIVE BRANCH PROJECTIONS OF THE ECONOMIC OUTLOOK, 1975–86

Variable and forecast date	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
Nominal GNP growth:[1]												
January 1975	7.2	12.6	12.4	12.0	10.8	10.8	[2]	[2]	[2]	[2]	[2]	[2]
January 1976	[2]	12.4	12.2	12.4	11.9	10.9	9.1	[2]	[2]	[2]	[2]	[2]
January 1977	[2]	[2]	11.0	11.3	11.6	10.5	7.9	6.4	[2]	[2]	[2]	[2]
January 1978	[2]	[2]	[2]	11.0	11.2	10.8	10.5	9.6	8.5	[2]	[2]	[2]
January 1979	[2]	[2]	[2]	[2]	11.3	9.5	10.1	9.4	7.9	6.3	[2]	[2]
January 1980	[2]	[2]	[2]	[2]	[2]	8.3	10.7	12.8	12.9	12.0	11.0	[2]
January 1981	[2]	[2]	[2]	[2]	[2]	[2]	11.4	13.1	12.3	11.8	11.0	10.2
March 1981	[2]	[2]	[2]	[2]	[2]	[2]	11.1	12.8	12.4	10.8	9.8	9.3
Actual	8.0	10.9	11.6	12.4	12.0	8.8	[2]	[2]	[2]	[2]	[2]	[2]
Real GNP growth:[1]												
January 1975	−3.3	4.8	5.6	6.5	6.5	6.5	[2]	[2]	[2]	[2]	[2]	[2]
January 1976	[2]	6.2	5.7	5.9	6.5	6.5	4.9	[2]	[2]	[2]	[2]	[2]
January 1977	[2]	[2]	5.2	5.1	5.9	5.5	3.9	3.5	[2]	[2]	[2]	[2]
January 1978	[2]	[2]	[2]	4.7	4.8	4.8	5.0	4.7	4.2	[2]	[2]	[2]
January 1979	[2]	[2]	[2]	[2]	3.3	2.5	4.2	4.7	4.4	3.4	[2]	[2]
January 1980	[2]	[2]	[2]	[2]	[2]	−.6	1.7	4.3	5.0	4.9	4.7	[2]
January 1981	[2]	[2]	[2]	[2]	[2]	[2]	.9	3.5	3.5	3.7	3.7	3.7
March 1981	[2]	[2]	[2]	[2]	[2]	[2]	1.1	4.2	5.0	4.5	4.2	4.2
Actual	−1.1	5.4	5.5	4.8	3.2	−.2	[2]	[2]	[2]	[2]	[2]	[2]
GNP deflator:[1]												
January 1975	10.8	7.5	6.5	5.1	4.1	4.0	[2]	[2]	[2]	[2]	[2]	[2]
January 1976	[2]	5.9	6.2	6.1	5.0	4.2	4.0	[2]	[2]	[2]	[2]	[2]
January 1977	[2]	[2]	5.6	5.9	5.4	4.7	3.8	2.8	[2]	[2]	[2]	[2]
January 1978	[2]	[2]	[2]	6.1	6.2	5.7	5.2	4.7	4.2	[2]	[2]	[2]
January 1979	[2]	[2]	[2]	[2]	7.7	6.8	5.7	4.5	3.4	2.8	[2]	[2]
January 1980	[2]	[2]	[2]	[2]	[2]	8.9	8.8	8.2	7.4	6.8	6.1	[2]
January 1981	[2]	[2]	[2]	[2]	[2]	[2]	10.5	9.3	8.5	7.8	7.0	6.3
March 1981	[2]	[2]	[2]	[2]	[2]	[2]	9.9	8.3	7.0	6.0	5.4	4.9
Actual	9.3	5.2	5.8	7.3	8.5	9.0	[2]	[2]	[2]	[2]	[2]	[2]
Unemployment rate:[3]												
January 1975	8.1	7.9	7.5	6.9	6.2	5.5	[2]	[2]	[2]	[2]	[2]	[2]
January 1976	[2]	7.7	6.9	6.4	5.8	5.2	4.9	[2]	[2]	[2]	[2]	[2]
January 1977	[2]	[2]	7.3	6.6	5.7	4.9	4.8	4.7	[2]	[2]	[2]	[2]
January 1978	[2]	[2]	[2]	6.3	5.9	5.4	5.0	4.5	4.1	[2]	[2]	[2]
January 1979	[2]	[2]	[2]	[2]	6.0	6.2	5.7	4.9	4.2	4.0	[2]	[2]
January 1980	[2]	[2]	[2]	[2]	[2]	7.0	7.4	6.8	5.9	5.1	4.3	[2]
January 1981	[2]	[2]	[2]	[2]	[2]	[2]	7.8	7.5	7.1	6.7	6.3	6.0
March 1981	[2]	[2]	[2]	[2]	[2]	[2]	7.8	7.2	6.6	6.4	6.0	5.6
Actual	8.5	7.7	7.0	6.0	5.8	7.1	[2]	[2]	[2]	[2]	[2]	[2]

[1] Percentage change, year over year.
[2] Not applicable.
[3] Total, annual average.

Note: Years in column headings are calendar years.
Source: Office of Management and Budget.

While the common assumption could be quite arbitrary—based on past trends rather than on a forecast, for example—I would not advocate this approach for the short run. Instead, the January budget and the first budget resolution should continue to be based on the best economic forecast possible. Although the forecasting profession is often ridiculed, its record is not that bad in making short-run forecasts, as can be seen in table 3 for administration forecasts published in January for the same calendar year. (It must be admitted that forecasts made in July are sometimes worse for the current year than the forecast made in January.)

In the period 1975 through 1980, the largest error for the unemployment rate was 0.4 percentage point in the recession year of 1975, and despite the temptation to be overly optimistic, the actual unemployment rate was very slightly overestimated on average. The real growth rate was missed by more than one full percentage point only once during the six years (again in 1975), and in four of the six years, the forecast was within 0.3 percentage point of being correct. The inflation rate was missed by more than one percentage point in two years (1975 and 1978), but the forecast was within 0.2 percentage point in two other years (1977 and 1980). Unfortunately, though the errors have been small, they still had significant effects on the forecasts of budget totals.

Needless to say, the forecast made in January for the following calendar year was considerably less accurate than that made for the current year. For the five years from 1976 through 1980, however, the unemployment forecast was, on average, fairly accurate. Only in 1980 did the forecast badly miss. The January 1979 forecast projected 1980 unemployment at 6.2 percent, but the actual outcome was 7.1 percent. The forecast for real GNP growth underestimated the strength of the recovery in the 1975–1976 period and failed to anticipate the 1980 recession but otherwise was fairly accurate. After overestimating the inflation problem in the 1975–1976 and the 1976–1977 periods, the two-year forecasts greatly underestimated the problem in the January forecasts from 1977 through 1979.

Although there were major errors, the one- and two-year forecasts were on average better than could be obtained from naive extrapolations, and in general terms, they seem to belie my earlier contention that there is a strong temptation to be overly optimistic.

Table 3 indicates that the strong optimistic bias shows up in the longer-run projections made for the four years following the two-year forecast period. It is these longer-run projections that have been terribly misleading in obscuring long-run budget trends and that have led us to believe that controlling the growth of outlays and balancing the budget is much easier than a less biased set of projections would imply.

A TECHNIQUE FOR MAKING PROJECTIONS

I would recommend that projections of real growth and inflation be arbitrarily based on the average experience of the previous five years. That is to say, if this procedure had been in effect in the past, the budget assumptions made in January 1975 would have involved making the same economic forecast as was originally made for calendar 1975 and 1976, but the projections for the years 1977 through 1980 would have been based on the average real growth rate and inflation rate over the period 1970 through 1974. Since the real growth rate over any five-year period is usually not a bad approximation of the potential growth of the economy over the long run, it is reasonable to assume that the unemployment rate remains constant over the long-run projection period. In other words, in the above example, the unemployment rate for the period 1977 through 1980 would be assumed to remain constant at the level forecast for 1976.

Since interest rates are closely linked to inflation rates, and the proposed procedure would assume the same inflation rate in the 1977–1980 period as prevailed in 1970–1974, it is reasonable to assume that interest rates are also identical in the two periods.

Table 4 shows the projections of several variables made for 1980 in the January budgets of the period 1975 through 1980 and compares them with the projections that would have been made if the suggested procedure had been in effect. (Past GNP data were revised several times over the period. The table ignores this problem and assumes that current GNP definitions were in use over the entire period.)

Table 4 also shows that, except for the projection made in January 1976, the use of the proposed procedure would have been less accurate than actual budget procedures in projecting nominal 1980 GNP. The success of the budget in projecting nominal GNP, however, was the accidental result of two major offsetting errors. The long-run budget projections consistently underestimated inflation and overestimated real growth. The proposed procedure would have been consistently more accurate over time than actual budgets in predicting real GNP, the GNP deflator, and unemployment for 1980. It would, therefore, have been much more accurate in projecting outlays even though receipts would have been underestimated.

TABLE 4.—A COMPARISON OF ECONOMIC FORECASTS MADE FOR 1980 USING PAST BUDGET ASSUMPTIONS AND THE PROPOSED ALTERNATIVE

Forecast date	Nominal GNP in 1980 (billions of dollars)		Real GNP in 1980 (billions of dollars)		GNP Deflator in 1980 (1972=100)		Unemployment in 1980 (percent)	
	Budget	Proposed alternative	Budget	Proposed alternative	Budget	Proposed alternative	Budget	Proposed alternative
January 1975	2,675.5	2,416.9	1,613.3	1,412.5	165.87	171.51	5.5	7.9
January 1976	2,725.2	2,551.1	1,663.7	1,496.0	163.92	170.58	5.2	6.9
January 1977	2,617.4	2,558.9	1,606.4	1,525.4	163.04	167.88	4.9	6.6
January 1978	2,623.1	2,606.5	1,577.4	1,550.3	166.54	168.43	5.4	5.9
January 1979	2,627.7	2,627.7	1,521.4	1,521.4	172.59	172.59	6.2	6.2
January 1980	2,614.3	2,614.3	1,474.1	1,474.1	177.26	177.26	7.0	7.0
Actual	2,626.5	2,626.5	1,480.9	1,480.9	177.36	177.36	7.1	7.1

Source: The budget projections are based on the data contained in table 3 and the most recently revised GNP statistics. The proposed alternative is based on the author's own computations.

If the proposed technique were adopted now, it might be argued that, given the administration's deflationary monetary policy, it would overestimate the long-run inflation rate, nominal income growth, and, therefore, receipts. But the administration and the Congress have not paid much attention to the impact of the proposed monetary policy in making their projections. The proposed procedure would, in fact, result in lower nominal GNP projections for 1983 and 1984 than are now being used by the administration, though the nominal GNP projection would be slightly higher in 1984 and 1986. The projected inflation rate would be higher than is currently being used (7.2 rather than 5.8 percent for the entire period 1983–1986), and the real growth rate would be lower (3.7 rather than 4.5 percent). The projected unemployment rate would average 7.3 percent over the period rather than the administration's 6.0 percent.

No technique for projecting, however, will be very accurate. The main goal is to remove the optimistic bias inherent in current procedures. The new procedure would clearly be understood to be arbitrary, and it could be adopted by all parties without squabbling about long-run goals.

It obviously is not perfect. Any single procedure will have subtle effects on policy making and will result in some bad decisions. It might be argued that we should make a number of projections each implying a different path for budget totals, but this is probably not feasible in the hectic days before releasing a budget, especially if all paths had to be approved by all interested parties in the executive branch and the Congress.

As an aside it should be noted that there is no theoretical necessity to show a balanced budget along the path implied by the arbitrary assumptions. The economic conditions portrayed by the projection could warrant a large surplus or a large deficit. Such imbalances need not be rationalized by Keynesian economics. They can, in fact, be justified with a wide variety of theories.

The suggested procedure would admittedly be hard for the current administration to accept. This administration has proposed a fundamental change in policies that it honestly believes will make the economic future better than the past. Making long-run projections on the basis of past performance would be inconsistent with its basic policy stance. In such circumstances, however, an administration could compute an alternative path consistent with its own goals and expectations. While this would add to complexity, it would be more feasible than the promulgation of a number of paths all having to be acceptable to the Congress.

The main point is to have one path that can be used by all and that is free of obvious optimistic biases. Those who wish to compute their own second paths would unavoidably highlight the importance of economic assumptions in determining long-run budget totals. That would again help separate the debate over policy issues from the debate over economic assumptions.

The proposal described above concerns only the economic assumptions. As noted before, many other assumptions are required before budget totals can be estimated. Although there is some tendency to over-estimate the amount of spending out of available appropriations for a given set of economic assumptions, other noneconomic forces tend to make long-run budget outlay estimates too optimistic. Budgets seldom leave enough room for adverse surprises. Outlays for natural disasters and crop supports, for example, are consistently underestimated in the long run. To offset this optimism we should adopt the convention of making meaningful the budget function called "allowance for contingencies." In the current congressional budget projections it is used for long-term projections only to record the yet unspecified budget cuts necessary to attain a balanced budget in 1984. To make the function more meaningful, an amount equivalent to, say, 2 percent of specified outlays should routinely be added to the allowance for contingencies to cover surprises.

Budget projections should never contain "unspecified cuts." It would be less misleading to show a deficit and to state explicitly that it is the goal of policy to eliminate the deficit by a certain date. This, too, would be difficult for the current administration because it has relied so heavily on unspecified cuts to make budget balancing seem feasible by 1984. Taking the unspecified cuts out of the budget totals and printing a significant deficit for 1984 would have drawn more attention to the seriousness of future budget problems and made it more difficult for the administration to obtain passage of the substantial, long-run tax cuts that it believes are necessary to reduce the economic disincentives to save, to invest, and to work.

It will be argued that the proposals made above are totally unrealistic. Politicians like to promise a rosy future, and I am suggesting restraints on their ability to do so.

As noted in the beginning, however, the effect of budget assumptions on budget outcomes is causing more and more frustration among politicians. While some gain an advantage by confusing the debate over assumptions with the debate over policies, it is widely recognized that this frequently results in bad policy and also threatens the viability of the relatively new congressional budget process.

The proposals made above may not offer the best solution to the problem, but I hope that they at least stimulate discussion. Such discussion will, at a minimum, increase policy makers' sensitivity to the extreme importance of assumptions to future budget planning. It must then be understood that all long-run assumptions contain a major arbitrary element because of limits on our ability to predict the future. Having gotten that far, it should be easy to show that some arbitrary assumptions are less misleading than others. The trick is to agree on a good, unbiased, but undoubtedly wrong forecast, since no forecast will be right in all its elements.

Mr. HART. Mr. President, I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. ROBERT C. BYRD. Does any Senator wish to have me yield my remaining time?

Mr. President, I yield back my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado (Mr. HART) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that order be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business during which Senators may speak for no more than 3 minutes each.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFENSE SECRETARY CASPAR WEINBERGER ON OUR DEFENSE NEEDS

Mr. THURMOND. Mr. President, I rise to call to the attention of the Senate and the Nation an excellent summary statement of our defense needs by Defense Secretary Caspar Weinberger.

This article, entitled "It's Harold Brown Who's Wrong," appeared on the editorial page of today's Washington Post newspaper.

This defense of the Reagan administration's military buildup is the best summary statement I have seen on our current defense problems and the need to correct them.

Secretary Weinberger is also to be commended for answering promptly a statement last week by former Defense Secretary Harold Brown who disagreed with practically every element of the Reagan proposal.

Mr. President, I ask unanimous consent that this succinct and convincing statement by Secretary Weinberger be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT'S HAROLD BROWN WHO'S WRONG

Serious misconceptions regarding the Reagan administration's overdue program to "Rearm America" continue to surface in public debate, in Congress and in the press. Some of these misconceptions appeared on The Post's op-ed page of Nov. 11 in an article ["Wrong on the B1, Wrong on the MX"] by former Defense Secretary Harold Brown, for whom I have high esteem. They should be corrected.

The administration was given a sweeping mandate by the American electorate last autumn to carry out a massive, admittedly costly, defense program. The reason, I believe is clear. In the 1970s, the nation, trustingly overly in the spirit of "détente," debated—while the U.S.S.R. continued, undramatically but inexorably, to arm. The Soviet Union today not only has matched our previous nuclear superiority; it has far exceeded our conventional military strength and is rapidly projecting its power beyond the needs of legitimate defense. I need only cite Afghanistan, Ethiopia, Angola, South Yemen and Cuba.

Unless we move promptly, the U.S.S.R.'s military buildup will carry it past us, leaving us in the position of permanent, dangerous inferiority. The United States could be subject to nuclear blackmail, cowed from moving boldly to defense itself and its allies in a crisis. This we cannot—and will not—risk.

In this dangerous—if not yet critical—situation we must modernize both our aging bomber fleet and our increasingly vulnerable intercontinental ballistic missile force. The administration has no intention of abandoning the time-tested "Triad": land-based missiles, sea-based missiles and air-breathing strategic systems. We need all three.

The B52 bomber, workhorse of our bomber fleet, is more than 25 years old. While still useful, it is increasingly costly to maintain. Its large radar "cross-section" and slow speed make it vulnerable to Soviet air defenses, and because it cannot be "hardened" to withstand nuclear blast, or take off quickly, it is increasingly vulnerable to Soviet submarine-launched missiles.

By contrast, the new, highly improved B1B bomber not only has one-one hundredth the radar cross-section of the old B52 but no more than one-tenth the cross-section of even the first B1 model cancelled by the Carter administration in 1977. The new B1B employs extremely sophisticated "avionics"—electronic countermeasures that will make it capable of foiling advanced Soviet defense/detection measures well into the 1980s, as William Casey, director of central intelligence, and I jointly notified Congress last week.

Eventually, when Soviet defenses do catch up, it will still be highly effective, armed with cruise missiles for nuclear, or conventional, bombing missions.

Early replacement of the B52 by the B1B will give us vital protection during the dangerous "window of vulnerability" in the mid-1980s and will not delay development of the advanced technology, or Stealth, bomber. The latter is still in its early stages. Potentially, we believe, it will revolutionize air warfare, but it would be risky to force a "crash" program, which might fail, and to be forced to depend, meanwhile, on obsolescent B52s. Such a course might prove more costly than the projected combination of B1B followed by the Stealth system that the administration is recommending.

We must modernize our land-based missiles no less than our bomber force. In our judgment the MX is the answer: in throw-weight, accuracy and flexibility. It provides us with a needed "counter-silo" capability.

The question is, of course, where to base it. Initially we intend to base it in specially hardened Titan and Minuteman silos as a credible, necessary and immediately available deterrent to Soviet attack. This will give us breathing time to devise a permanent, survivable basing mode: either in continually patrolling aircraft, in deep shelters under mountains protected by far more effective ballistic missile defense than we have now or in other combinations as research and technology suggest.

The Carter administration's multiple basing system was rejected by this administration, after prolonged study, as both unduly expensive and vulnerable. The Soviets would need only to increase the number of nuclear re-entry vehicles to saturate it.

A "mix" of B1B penetrating bombers and MX missiles will force the Soviet Union into a costly restructuring of its entire defense system, including command, control and communications networks, thus diverting into defense monies that might otherwise have been available for offense. This will cover our vital defense needs until, by the end of the decade, we will have devised a permanent survivable basing mode for the MX.

National defense is admittedly expensive. As a former secretary of health, education and welfare, I understand the need for social programs. But we do not live in an ideal world. For 10 years, we have been force-feeding social programs and starving defense. We cannot risk further delay. The question should not be whether we can "afford" to defend our nation—but whether we can afford not to.

TRUTH IN BUDGETING

Mr. DOMENICI. Mr. President, it is my pleasure to support Senator GORTON'S bill. In the months since Senator GORTON joined us, I have worked very closely with him on the Budget Committee. As I have come to know the junior Senator from the State of Washington, I have come to respect and admire him for his intelligence, his sincerity and, most of all, for the way in which he has worked hard to help move difficult and controversial budget decisions through the Budget Committee and through the Senate as a whole.

The bill that he has introduced today reflects a keen awareness of the delicate balances that must be struck in refining the budget process. It reflects sensitivity to the traditions and prerogatives of this body while enhancing our ability to achieve consistent and responsible fiscal policy.

In my 8 years as a member of the Budget Committee, I have come reluctly to the conclusion that we will never achieve control over Federal spending unless we strengthen procedures designed to limit spending growth. While no array of procedures can prevent us from spending the taxpayers' dollars, a strengthened budget process can force Congress to be increasingly accountable and politically responsible for the decisions that we make.

It is for this reason that the Budget Committee has always tried, under Democratic and Republican majorities, to make our colleagues aware of the fiscal or revenue impact of the individual decisions we make. Senator GORTON'S bill is consistent with that tradition. Its purpose is simply to require that three-fifths of the Senate and House vote openly to spend more than a certain percentage of the GNP in a particular fiscal year. It does not prevent Congress from approving higher spending. Rather, it simply requires that we do so openly and with full understanding of the effects on the long-term goals of reducing the size of the Federal Government in relation to the gross national product.

Last year, I introduced legislation, S. 2066, which would require a three-fifths vote of the House and the Senate to enact any concurrent budget resolution that exceeded specified limits. Senator GORTON'S bill takes a similar tack but creates a point of order against adoption of such a resolution. The point of order can only be overturned by a vote of a three-fifths majority.

Senator GORTON'S bill also goes beyond my original proposal in another important respect: It brings the executive branch into the ongoing fiscal discipline process by requiring the President to make a report to Congress with recommendations when it becomes apparent that spending will exceed the limits set by Congress. The bill does not constrain the President's or Congress' options, but it does force all of us to confront head-on the problem of spending growth. I believe this kind of "truth in budgeting" is the surest way to establish a coherent and responsible fiscal policy for the Nation. In my opinion, that is the primary goal which we were elected to achieve.

Before coming over to the floor this morning, I reviewed my own legislative proposals from the last Congress and pulled out the following statement in support of one of those earlier proposals. It is no less true today than it was almost 2 years ago. I repeat what I said then:

> Individual judgement shall remain the keystone of our deliberations; priority decisions will remain critical to the process. But, by giving us freestanding statutory limitations, it will impose on all of us a restraint that we have been unable to impose in the past. This bill curtails the freedom of no one really interested in making priorities for the 1980's, or in reducing taxes or the growth of federal spending. . . . The only people who may suffer under this bill are those who have found it impossible to say "no" to more spending in the past.

Mr. President, Senator GORTON'S bill is an important contribution to the improvement of the budget process. I want to assure him and all my colleagues that, when this bill is referred to the Budget Committee, it will receive the most serious consideration as part of our larger effort to revise and strengthen the budget process.

Mr. President, I yield the floor.

ALASKA GAS PIPELINE IS IN AMERICA'S NATIONAL INTEREST

Mr. MURKOWSKI. Mr. President, I was pleased to read that the Washington Post in an editorial of today has endorsed the President's proposed waiver package to facilitate financing and construction of the Alaska natural gas pipeline project.

This waiver package necessary to remove certain legal and regulatory obstacles to the financing of this $44-billion project, must be approved by the Congress by December 18. The Senate

Energy Committee, after thorough hearings on the pipeline project and the proposed "waiver package," voted last week, 14 to 1, to report Senate Joint Resolution 115 which approves these waivers. The House Interior Committee has also voted, 32 to 7, to approve the resolution of approval and the House Energy and Commerce Committee is scheduled to vote on the resolution this week.

The Washington Post editorial is correct in pointing out that the Alaska natural gas pipeline is an "insurance premium for the longer future." It will bring to market the 26 trillion cubic feet of natural gas at Prudhoe Bay which will have the effect of displacing at least 400,000 barrels of imported oil each day. It will be a signal to OPEC that America is determined to move toward energy independence, and will encourage more investment in exploration and production of energy resources in the Arctic region where much of our undiscovered energy is.

I was particularly pleased that the Washington Post editorial put into perspective the shift of some of the financial risks of the project to consumers which is provided for in the waiver package. In order to obtain the enormous level of financing needed to build this project, the financial community has made it clear in testimony to Congress that some level of assurance is necessary for debt service in the case that any of the three major components of this pipeline project is not completed on time as scheduled by the Federal Energy Regulatory Commission.

However, sponsors of the project will have at least $6 billion in equity at stake and will receive no return on that investment until the entire project is completed. There will be enormous incentive for this project to be completed in its entirety on the schedule established by FERC. The risk to the consumer as the Washington Post points out, is "pretty small." Compared with the long-term benefits to the American consumer and to our national security. Mr. President, the shift of some of the financial risk to the consumer is indeed very small.

Mr. President, since the Senate will be considering Senate Joint Resolution 115 in the next few days, I commend the reading of this editorial to Members of the Senate, and ask unanimous consent that it be printed in full at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THAT GIGANTIC PIPELINE

We want to talk to you this morning about your gas bill—not the one you got this month, but the one you'll begin getting in the late 1980s. There's a lot of gas underneath Alaska's North Slope, and getting it down here to customers in Washington and throughout the country is going to require the longest, most expensive pipeline ever built.

You need to be aware that the cost will be in the range of $40 billion and that it will ultimately be paid by the consumers who use the gas. But to get this assured supply at a stable price far into the future will be worth the money.

Congress now has to vote on it once again. The original legislation five years ago contained restrictions that turn out to make the financing impossible, and President Reagan has asked Congress to waive them. These waivers are a reasonable compromise with the realities of current conditions in the financial markets, and if Congress were to reject them it would, as a practical matter, kill the whole undertaking.

Rejection would also constitute a gross betrayal of the Canadian government, which has permitted the construction of the line south from Calgary into this country on the explicit promise by the United States that the rest of it would proceed promptly. That line is already in operation.

The effect of the waivers is to shift more of the financial risks of this enormous investment from the lenders to the consumers. But those risks are pretty small. The greater issue is the cost of the gas, compared with that of other fuels. At first, that price is likely to be substantially higher. But as time passes, with inflation and the higher oil prices that most people expect, the balance will change. An analysis for the House Energy Committee concludes that, over 20 years, on average, the Alaskan gas would cost slightly less than the alternative fuels. But it's necessary to acknowledge that there are many uncertainties in the calculation. Should consumers have to bear the brunt o those uncertainties?

The greater threat now is further rapid escalation of oil prices—and the higher they go, the better deal the Alaskan gas will be. If the gas at first is expensive and raises your gas bill, you ought to regard it as an insurance premium for the longer future. Whatever happens abroad, the prices of the Alaskan gas will continue to be set by law and by long-term contract. The shorter Alaskan oil pipeline seemed extravagantly expensive when it was finished, in 1977, at $9 billion. But since then it has saved this country $50 billion in the foreign exchange that it would otherwise have paid for more oil from OPEC. For the same reasons, the gas line serves the interest of both the consumer and national security.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 4169, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

The Senate proceeded to consider the bill.

Mr. WEICKER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the sixth excepted committee amendment to H.R. 4169.

EIGHTH EXCEPTED COMMITTEE AMENDMENT—PAGE 37, LINE 22

Mr. WEICKER. Mr. President, by agreement with the ranking minority member, I now lay aside committee amendment No. 6 and move the adoption of committee amendment No. 8, page 37, line 22.

The excepted committee amendment is as follows:

On page 37, line 22, strike "$185,970,000", and insert "$265,970,000";

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 628

(Purpose: Delete $35,000.00 associated with the construction of the American Embassy in Riyadh, Saudi Arabia)

Mr. THURMOND. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Carolina (Mr. THURMOND) proposes an unprinted amendment numbered 628 to the excepted committee amendment on page 37, line 22:

On page 37, line 22, strike "$265,970,000," and insert in lieu thereof "$230,170,000."

Mr. THURMOND. Mr. President, the House of Representatives provided in the legislation now before the Senate that $185,970,000 would be available for necessary expenses in carrying out the Foreign Services Buildings Act.

The Senate Committee on Appropriations increased that amount by $80,000,000 to a total of $265,970,000, which is approximately $33,000,000 above the President's September request and more than double the same appropriation for fiscal year 1981.

The $80,000,000 increase above the House committee recommendation is for a chancery and residence complex at Riyadh, Saudi Arabia. The plan for construction is in two phases. Phase I envisions an expenditure of about $40,000,000 for the construction of a new Embassy, a new residence for the Ambassador, and a new quarters for the Marine security detachment. Phase II would use the balance of the funds appropriated to construct staff housing for Embassy personnel.

The administration did not request funds for phase II. This account is already $147,538,000 over the 1981 appropriation, an increase which represents a percentage add-on of about 117 percent at a time when virtually every other Government account is being reduced substantially.

Although I know that added expenditures can always be justified on the basis that inflation will cause expenses to increase, it is also true that that argument carried to a logical extreme would have us appropriate now for the next decade, and not simply 1 year at a time.

In my view $80,000,000 for an Embassy is somewhat high. Indeed, even considering communications equipment and

the like, which I am confident is included in the price of the construction, $80,000,000 borders on the extravagant.

Accordingly, I ask the managers of the bill to modify the committee amendment to reduce the amount proposed to be inserted from $265,970,000 to $230,970,000, for a reduction of $35,000,000, which I understand is compatible for construction of phase I only through fiscal year 1982.

Mr. WEICKER. Mr. President, the majority is willing to accept the amendment of the distinguished Senator from South Carolina.

Before acting on this amendment, I want to discuss the committee's action.

The committee restored an $80 million cut by the House for the construction of a new American Embassy—including chancery, residence, and staff housing—in Riyadh, Saudi Arabia.

In December 1983, the Ministry of Foreign Relations will formally open in Riyadh, Saudi Arabia. At that time, the U.S. Embassy and staff must be fully functioning.

In March, the administration requested $82.1 million for the construction of an embassy complex which includes staff housing. The House denied all funds for this project. The current request of the administration is for $45 million to construct only the chancery and Ambassador's residence. The staff housing project would be delayed until the fiscal year 1983 budget.

The Subcommittee and full Committee on Appropriations approved $80 million to allow the Department of State to go forward with the entire Embassy complex. We rejected any proposal to delay construction because, first, it does not postpone the need, and second, it will result in immediate and substantial cost increases.

I want to stress that if the administration proposal to delay staff housing is agreed to, the minimum additional cost in 1983 will be $17,150,000.

The administration's proposal to delay funding $35.8 million for staff housing results in net savings of $1.5 million in outlays in fiscal year 1982. Thus, to save $1.5 million in outlays this year, it will cost us an additional $17.2 million next year.

By supporting the House action and denying funds for the entire project, we will save $3 million in outlays now and the project will cost us approximately $37 million more next year.

While I am prepared to agree to the lower amount suggested, I feel it is important to explain why the decision of the committee was prudent.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 628) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EIGHTH EXCEPTED COMMITTEE AMENDMENT—PAGE 37, LINE 22

The PRESIDING OFFICER. The question recurs on committee amendment No. 8, as amended.

The eighth excepted committee amendment (page 37, line 22), as amended, was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SIXTH EXCEPTED COMMITTEE AMENDMENT—PAGE 31, LINES 22–24

The PRESIDING OFFICER. The question recurs on the sixth excepted committee amendment.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 629

Mr. WEICKER. Mr. President, I send an amendment to the excepted committee amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an unprinted amendment numbered 629.

In lieu of the language proposed to be stricken by the Committee amendment starting on page 31, line 22 insert the following:

"No funds appropriated under this Act may be used to prevent implementation of constitutional programs of voluntary school prayer and meditation in the public schools."

Mr. WEICKER. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I share the belief of, I am certain, the vast majority of Americans that schoolchildren should be permitted to participate in voluntary prayer in public schools without Government interference.

The House of Representatives, in its consideration of the legislation now before the Senate, adopted a provision to forbid the use of appropriated funds to prevent schoolchildren from participating in voluntary prayer in public schools. The House provision is on page 31 at lines 22 through 24.

The Senate Committee on Appropriations struck out the House provision. That action in my judgment was unwise.

From the beginning America has had a visible faith in God. In 1620, the Pilgrims gathered in the cabin of the *Mayflower* and drew up the first charter of a government of the people, by the people, and for the people. The charter began with the words: "In the name of God, Amen."

In the course of history, it is quite clear that our Nation has been guided by men of religious character. In the Declaration of Independence our forefathers wrote:

We hold these truths to be self-evident that all men are created equal, that they are endowed by their creator with certain unalienable rights, and among these are Life, Liberty, and the pursuit of Happiness.

Religion has always been a cornerstone in American life, but in 1962, the Supreme Court all but eliminated religion from our public schools. The Supreme Court ruled that State-sponsored devotional activities in the public schools, regardless of whether student participation is compulsory or voluntary, is a violation of the first amendment. I feel this action falsely implied to our youth that religion is not important enough to be in our total education. A little prayer verse, known so well to millions of American children, goes like this:

Thank you for the World so Sweet, Thank you for the Food we Eat, Thank you for the Birds that Sing, Thank you, God, for Everything.

Well, that little prayer verse was banned from kindergartens by the court of appeals in Chicago and backed up by the Supreme Court because it was "too religious." I wonder what the judges would do, if they had their way, with the Mayflower Compact, the Declaration of Independence, and the Constitution. According to their interpretation, they could also be called "too religious."

We know that the Constitution provides for the separation of church and state. But, I do not believe our Founding Fathers intended to deny opportunities for periods of Christian worship and education in public school, so long as each child and his parents have the freedom to chose whether or not the child participates. I cannot be convinced that the framers of the U.S. Constitution meant to ban religion from public schools and eliminate voluntary prayer.

That is why I support legislation that would deny the Federal courts jurisdiction in cases involving school prayer, and would let the local school boards decide whether they want prayer in their school. It is my hope that this amendment will pass and once again our children will have the freedom of choice.

However, in spite of several Supreme Court rulings and an erosion of our moral values, we still have some of our early reliance on faith in God left in our

national life. To cite a few examples, prayer continues to open each day's business in both Houses of Congress; our National Anthem contains the words—"praise the power that has made and preserved us a nation"; our Nation's motto, which is found on all our coins, is "In God We Trust"; and in our Pledge of Allegiance to the Flag are the words—"One Nation, Under God."

All is not lost in this age of uncertainty. Our Nation continues to preserve our religious heritage, but without giving our children the opportunity to voluntarily pray in school, we jeopardize losing the fundamentals upon which our Nation was founded.

One of my priorities in this Congress in my capacity as chairman of the Senate Committee on the Judiciary is the enactment of a bill to permit voluntary prayer in public schools. This bill, S. 481, introduced by my distinguished colleague from North Carolina, Senator HELMS, would stop the Supreme Court or Federal district courts from hearing cases challenging any State statute or ordinance, which relates to voluntary prayers in public schools and public buildings. A similar bill is now on the Senate Calendar.

The U.S. Senate, every day of the 27 years I have had the honor of representing the State of South Carolina, has opened its sessions with a prayer for God's blessing. Yet, the Supreme Court has forbidden that privilege to public school children since 1962.

At that time, the Court held that both nondenominational prayer and a Bible reading without comment were in violation of the first amendment prohibition of the establishment of religion. These decisions were, in my opinion, wrong and have not been well-respected in the legal community. Erwin Griswold, a dean of Harvard Law School, has called the holding of the Court "sheer invention."

One of the Founding Fathers of the U.S. Supreme Court, Joseph Story, who served as a Justice from 1811 to 1845 stated:

> The general, if not the universal sentiment in America was, that Christianity ought to receive encouragement from the state so far as was not incompatible with the private rights of conscience and the freedom of religious worship. An attempt to level all religions and to make it a matter of state policy to hold all in utter indifference, would have created universal disapprobations, if not universal indignation.

I intend to make every effort, with others of similar opinion, to restore voluntary prayer in public schools because I regard the right to participate in such prayer as a primary guarantee to all citizens under the U.S. Constitution. Any other result is nothing more or less than Government interference with the free exercise of religion, a course of action expressly prohibited by the first amendment.

Mr. President, I am going to move to table the committee amendment. I believe the yeas and nays have already been ordered on that question, have they not?

The PRESIDING OFFICER. The yeas and nays have been ordered on the committee amendment itself.

Is the Senator making a motion to table the committee amendment?

Mr. THURMOND. I move to lay the committee amendment on the table and ask for the yeas and nays on that.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I withdraw my motion to table for the time being.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion to lay on the table was withdrawn.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, to bring us to the issue itself, when we look at the amendment on page 31, line 22, what has occurred is that the committee, in trying to keep a clean bill, and not have it encumbered by language, removed the provision:

> No funds appropriated under this act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

In striking that language I think the committee made a mistake, and the Senator from Connecticut has an amendment to the formative language, should the committee amendment be tabled.

So really to bring to issue the question of constitutionality and some provision within the bill for voluntary prayer, I hereby move to table the committee amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the sixth excepted committee amendment.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wisconsin (Mr. KASTEN), the Senator from Idaho (Mr. MCCLURE), the Senator from South Dakota (Mr. PRESSLER), and the Senator from Pennsylvania (Mr. SPECTER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Missouri (Mr. EAGLETON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "yea."

I further announce that, if present and voting, the Senator from Montana (Mr. BAUCUS), would vote "nay."

The PRESIDING OFFICER (Mr. D'AMATO). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 70, nays 12, as follows:

[Rollcall Vote No. 376 Leg.]

YEAS—70

Abdnor	Exon	Packwood
Andrews	Ford	Percy
Armstrong	Gorton	Proxmire
Baker	Grassley	Pryor
Bentsen	Hart	Quayle
Biden	Hatch	Randolph
Bradley	Hatfield	Riegle
Bumpers	Hawkins	Roth
Byrd, Harry F., Jr.	Hayakawa	Rudman
Byrd, Robert C.	Heflin	Sarbanes
Cannon	Heinz	Sasser
Chiles	Helms	Schmitt
Cochran	Hollings	Simpson
Cohen	Humphrey	Stafford
D'Amato	Jepsen	Stennis
Danforth	Johnston	Stevens
DeConcini	Kassebaum	Symms
Denton	Laxalt	Thurmond
Dixon	Lugar	Tower
Dodd	Mattingly	Wallop
Dole	Mitchell	Warner
Domenici	Murkowski	Weicker
East	Nickles	Zorinsky
	Nunn	

NAYS—12

Boschwitz	Huddleston	Mathias
Burdick	Inouye	Matsunaga
Cranston	Jackson	Metzenbaum
Glenn	Levin	Williams

NOT VOTING—18

Baucus	Goldwater	Melcher
Boren	Kasten	Moynihan
Chafee	Kennedy	Pell
Durenberger	Leahy	Pressler
Eagleton	Long	Specter
Garn	McClure	Tsongas

So Mr. HOLLINGS' motion to lay on the table the sixth excepted committee amendment on page 31, lines 22 through 24, was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 629

Mr. WEICKER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from Connecticut (Mr. WEICKER).

Mr. WEICKER. Mr. President, I wonder if we can have order in the Chamber.

The PRESIDING OFFICER. The Senator from Connecticut has the floor. The Chair asks that the Senate please be in order.

Mr. WEICKER. Mr. President, first of all, I would like to make clear that it was the desire of both the ranking member and this Senator to clear the decks so that Members of the Chamber can express themselves on this issue, the issue of prayer in school. Those of us who voted for it did so for reasons of substance or for reasons of procedure. In any event, now comes the part that most clearly relates to substance of the matter at hand.

In essence, now you have before you the language of the Senator from Connecticut which states:

No funds appropriated under this act may be used to prevent implementation of constitutional programs of voluntary school prayer and meditation in the public schools.

Or the language in the House bill:

No funds appropriated under this act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

I will be very brief in my remarks. I hope we can soon get to a vote up and down on my amendment.

First of all, this is not like the busing controversy.

Unlike busing, where busing programs were in being and where you tried to tie the hands of the Justice Department and the courts in the sense of the implementation of busing, none of that exists here. There are no Federal programs vis-a-vis prayer in school.

What you are going to do if you pass the House language is to send a signal and all of a sudden we are going to have everybody trying out their own particular scheme. And back we go again as to what is constitutional and what is not. I would hope that we would not send that signal.

I would hope rather that we make clear our dedication to the first amendment, that we would not sit here and tie the hands of the Justice Department or any other agency of Government but, instead let the Constitution decide the question before us.

I would hope that I would have the support of my colleagues that we might show the good sense, which the House failed to do, when it put its language into the State, Justice appropriations bill.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Connecticut alludes to the Federal programs. The language now on page 31, line 23, talks of voluntary prayer, programs of voluntary prayer. It does not allude to Federal programs. In fact, the issue or fundamental involved here is voluntary prayer and meditation in the public schools.

It has been this Senator's view that the constrained interpretation by the Court of the first amendment of the disestablishment clause for religion has been misinterpreted as not allowing voluntary prayer or freedom of religion as to permit any religious activity whatever.

It has always struck me, Mr. President, that we would never think otherwise than to have a prayer to open a session of the Senate. We have a chaplain who is paid with Federal funds. That is fine for Senators.

But then the question comes to those in younger years, those in school. I do not know how you got this far in life if you did not have a prayer inside of a school, or, if you did, maybe we will give you an award for that, or some kind of prize. But the point remains that we should be honest with ourselves.

Certain it is that we do not want to mandate a prayer; certain it is that we do not want to mandate a particular kind of prayer. But when it is free, when it is open, and it is participated in solely in a voluntary fashion, then we think that is constitutional.

The fact is that the distinguished Senator has added the word "constitutional." I know what the Court thinks is constitutional. I happen to differ with the Court. Therefore, I cannot support the Senator's amendment but, rather, stand with the particular language in the bill.

Mr. HELMS. Mr. President, the distinguished Senator from South Carolina is absolutely correct.

I enjoyed observing my good friend from Connecticut as he tried to obfuscate the issue, how he ignored the plain meaning of the word "constitutional."

It reminds me of the words of Lewis Carroll in "Through the Looking Glass," when Humpty Dumpty said, "When I use a word," Humpty Dumpty said, in rather a scornful tone, "it means just what I choose it to mean—neither more nor less."

What the Senator from Connecticut is doing is trying to use a word knowing that it will signal to the courts to "keep on doing what you are doing, meddling in something that never was the court's business in the first place." It is just a code word.

If ever an amendment deserved to be tabled, this amendment by the distinguished Senator from Connecticut deserves that fate.

Mr. President, I hope that someone will move to table this amendment, and I do hope that the Senate will agree to table it. If it is not tabled, then I think we better have some substantial discussion of this issue.

Rather than to consume the time of the Senate now prior to a motion to table the amendment of the distinguished Senator, I will withhold.

Let me say this and only this:

A little over a year ago, I had dinner in Dallas—Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senator from North Carolina has the floor. The Chair will ask those Senators who are conducting conversations to do so outside the Senate Chamber.

The Senator from North Carolina.

Mr. HELMS. I had dinner in Dallas with a young man named Bill Murray. That name may not be familiar to you at the outset, but let me explain that he is the son of Madalyn Murray O'Hair. Bill Murray is the man who, as a child, was the pawn in this game played by Madalyn Murray O'Hair.

Bill Murray is now going around this country apologizing for what his mother did in terms of taking away the right of voluntary prayer from the schools of this country.

Mr. President, Bill Murray went into some detail to describe to me the kinds of people who came to his mother's home and advised her on how to proceed. Those people included a number of Communist functionaries. I do not say that anybody who opposes the Supreme Court decision has Communist sympathies, but I do say that this whole controversy grew out of the mind of an atheistic woman and it has caused a considerable amount of torment around this country.

Mr. President, I am prepared to go into detail about the conversation I had with Bill Murray, but it may not be necessary. All I ask is that the Senate not be misled by the innocent-appearing amendment of the distinguished Senator from Connecticut, because, just as Humpty Dumpty said, when he used a word, the word meant just what he chose it to mean, neither more nor less. The Senator from Connecticut chooses to confuse the issue.

Mr. President, we do not want to invite the Department of Justice to meddle in this issue. If we table this amendment, we shall be well on our way to sending a message to all concerned.

Mr. DANFORTH. Mr. President, will the Senator entertain a question?

Mr. HELMS. Yes, I will do so for the distinguished Senator.

Mr. DANFORTH. Mr. President, I should like to give just a hypothetical question so I may understand the Senator's position on this. Let us assume that a teacher of, say, third-grade students is a very devout Roman Catholic, and she goes into class one day and writes on the blackboard behind her desk the words of the Hail Mary. She then announces, "Children, we will now have a voluntary recitation of this prayer. Those of you who do not want to recite it need not recite it; those of you who wish to, please join with me."

Would it be the Senator's view that the Department of Justice, in such a case, should not go into court and that a court should not entertain such a case?

Mr. HELMS. Mr. President, I think the Justice Department had better concentrate on the drug trafficking in this country and the crimes that are virtually destroying this society.

I say to the Senator that the scenario he has concocted does not bother me at all. I am a Baptist. I would not object at all to my grandchildren being in a class where that happened, and I do not think the majority of the American people would. I do not have any problem with it and I certainly do not think that the Department of Justice ought to send a U.S. marshal on horseback down there to correct it.

Mr. DANFORTH. Mr. President, let us suppose that the Senator were an Orthodox Jew. Would he feel the same?

Mr. HELMS. I think I would feel exactly the same. Again, I say that I am a Baptist and if Christianity cannot stand on its own footing with persons of other faiths, then we have a problem in this country.

I would hope, if the Senator would let me proceed, that any child, whether it be a Jewish teacher or a Catholic teacher

or Protestant teacher—you could name them all in the Senator's list of questions—I would hope that child would go home and discuss this matter with his parents. After all, this country existed a pretty long time without the Federal courts interfering in this fundamental freedom. Our schools are under local control, and we do not need the Federal level dictating to the local level.

Mr. DANFORTH. One other question. Let us suppose that, on Good Friday, a very devout Protestant teacher decided that the class would observe 3 hours of meditation during that period and so organized the class, but announced that any child not wishing to meditate could just sit in his or her chair and read. Would it be the Senator's view that that would not be a matter that the courts would entertain?

Mr. HELMS. I say to the Senator from Missouri, of course, he and I could stand here and examine extreme-case scenarios. But let me ask the Senator a question: Can he name me one child who has ever been harmed by being exposed to prayer or meditation?

Mr. DANFORTH. No, I cannot name a child who has been harmed by being exposed to prayer and meditation, but I do believe that it is a fundamental principle in this country that the Government does not get itself into the business of devising prayer or organizing prayer or setting up prayer. It would be my view that this is not a matter for any governmental official to undertake.

I think the difficulty in the amendment as I understand it is in the definition of what is and what is not voluntary prayer. It would be my view that, in the public school system—not the church school system, but the public school system—we should not open the doors to what could be a whole parade of what the Senator would call extreme cases.

Mr. JOHNSTON. Will the Senator yield for a question?

Mr. HELMS. Yes, sir, I yield to the distinguished Senator from Louisiana.

Mr. JOHNSTON. Is it not a fact that every State in the Union, so far as I know—certainly most of them—has in its own constitutions first-amendment-like protections for religion so that the mere fact that the Department of Justice does not enforce this kind of thing would not mean that the States would not be free to do so and, indeed, States probably would do so? In my own State, we have court cases going back as far as the 1930's relating to not only prayer in school but Bible reading in schools. So the States would do this without the Federal Government having always to come in and lead the charge, is that not correct?

Mr. HELMS. That is certainly correct.

Mr. BUMPERS. Will the Senator from Louisiana and the Senator from North Carolina yield for this question?

Mr. HELMS. I am always careful when the Senator reads a question.

Mr. BUMPERS. I am not going to read the question, Mr. President. This amendment says:

> No funds appropriated in this act shall be used to prevent implementation of constitutional programs of voluntary prayer and meditation in the public schools.

Every Member of this body, Mr. President, when he or she came here, held up his or her right hand and swore to uphold the Constitution, not of the State of Louisiana but of the United States.

My question of the Senator is, What does that mean to him?

Mr. HELMS. Would the Senator repeat it?

Mr. BUMPERS. When the Senator held up his hand and took the oath when he entered the Senate, he said he would uphold the Constitution not of North Carolina, not of Louisiana, but of the United States. My question is, what did that mean to him when he said that?

Mr. HELMS. I think, as the saying goes, res ipsa loquitur.

Mr. President, the Supreme Court is having confusion among itself on this question, according to my private conversations with some of the members of the Court. But there are many, many constitutional authorities who agree that the Supreme Court moved into treacherous waters when it got involved in this question.

Of course, I took an oath to uphold the Constitution of the United States. But Congress also plays a role, by its actions, in determining constitutionality.

Mr. MATHIAS. Mr. President, this is a matter in which I find myself in some measure of agreement with the Senator from North Carolina. He says the wording of the amendment is somewhat convoluted. At least, I took that to be his meaning. I think that is true. I think the wording of this amendment is somewhat convoluted, but also that the issue is somewhat convoluted.

I believe what we want to do, those of us who want to support the amendment, is to make it clear that we do support the separation of church and state.

The Senator from North Carolina said that Madalyn Murray O'Hair had deprived people of the right of voluntary prayer in school. That is a point on which I would differ with the Senator from North Carolina. I would differ with him because I do not believe people have had that right since the ratification of the Constitution. If you want to say somebody deprived the people of that right, then I think you have to say that that somebody is James Madison and the other members of the Constitutional Convention, those giants who framed the Constitution of the United States.

If you read Madison's Journal of the Convention, it is very clear that officially sanctioned prayer would have been anathema to the majority in that Constitutional Convention.

Officially sanctioned prayer is unconstitutional, whether composed and authorized by a State legislature, whether composed and authorized by the Governor of a State, whether composed and authorized by a county school board or a State school board or by a mayor or a board of aldermen. In short, officially composed and authorized prayers are specifically prohibited by the Bill of Rights. Madison's Journal is very explicit in this, very clear.

I will support the amendment of the Senator from Connecticut, and I will resist any motion to table it, because I think that although it goes a long way around to get to the point, it does get to the point of making it clear that the framers of this Constitution—which, as the Senator from Arkansas says, we are sworn to uphold—did not countenance official prayers composed, authorized, or recited in public places under the mandate of public bodies.

Mr. WEICKER. Mr. President, I thank the distinguished Senator from Maryland for his very perceptive remarks.

If, indeed, this is not the easiest of language, that is because I am not the one who devised the language that went into the bill from the House. I had to deal with what was brought over here.

Make no mistake about what I intend to do by the addition of the word "constitutional." First, let me correct one impression among my colleagues which they might have, based on the debate today. This has nothing to do with the courts. I am talking about the Justice Department. So let us understand that this is not in any way restricting the courts. The stricture is on the Justice Department.

Point No. 2: This body, with all the wisdom that is resident here and all the deep feelings for the Constitution and this country, cannot and should not legislate constitutional change. If you want to change the first amendment, change it, but change it via the constitutional process.

I can understand the thickets that many of my colleagues get into insofar as human emotion is concerned when it comes to ongoing issues, such as busing. We have been through that exercise here.

But on this issue we are not talking about something that is a reality in this country. The proponents of the House language are prospectively trying to legislate a change in the Constitution. I think we have more on our plate than we can handle now, without getting into that kind of activity. There is no Justice Department action ongoing at the present time which needs to be reined in.

As to the word "constitutional" and as to its meaning and the objections of the distinguished Senator from North Carolina and others as to what the Supreme Court has done, there is no question that when it comes to constitutionality, the Supreme Court is going to be the last word. Do not try in any way to shy away from that position or try to dilute it or try to put it in any other clothes.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. WEICKER. I will yield in a moment.

The Court is the final determinant of the Constitution.

I hope that the Senate of the United States will now stand up squarely, as was intimated in the comments by the distinguished Senator from Arkansas, for the Constitution, for the great principles it espouses.

When are the court's decisions going to be right? When we get the right people making them? That is fair enough. That certainly is a senatorial function, to put those into the court system who it is hoped, will deliver the types of decisions consistent with the philosophy of the membership. That is fair enough. But, Mr. President, you do not get two swings

at this pitch. The advise and consent function is that swing. There has to be a final arbiter of the Constitution of the United States. I do not want that to be the political winds and the philosophical winds that blow on the Senate floor, and none of you does, either.

I think that the problem with many of my colleagues is that there is an impatience. Finally, their moment has come on the stage of American philosophy and American politics. But they want to see everything change overnight, even if it means tearing down the Constitution and conforming it to what they want to see achieved as an end. Legislate all the policies and all the laws, but leave the Constitution alone. Nothing can be more precious to every American than the first amendment.

More mischief has been done in the history of this world in the name of religion than in the name of any philosophy or any theory or any type of government.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. WEICKER. It is not my object here, in any manner, shape, or form, to try to give a definitive speech on constitutional law; but I must confess that, to my amazement, every time the word "constitutional" comes up now, it is looked upon as a threat. It should not be. It is what holds us all together. It has been and it will continue to be the origin of any greatness that accrues to this very small band of people known as Americans. Devastate that, and you have not just brought about a temporary political change; you will have preordained a future far below our present and past.

I know there will be more comments, but as soon as my colleagues are ready, I hope we will have an up and down vote on the Weicker amendment.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. HOLLINGS. Mr. President——

The PRESIDING OFFICER. The Senator from Louisiana has a question, if the Senator from Connecticut yields to him.

Mr. WEICKER. I yield.

Mr. JOHNSTON. I thank the Senator from Connecticut.

There is a long line of Supreme Court decisions to the effect that constitutional rights are personal rights for individuals to enforce and that the Justice Department may not do so. Indeed, that was the basis on which, in the Civil Rights Act of 1964, the Justice Department was specifically authorized to champion individual constitutional rights, as the Senator knows, being authorized to intervene or to bring desegregation suits at that time.

My question is this: Has the Justice Department ever been authorized, or is it now authorized, to bring such a suit; and, if so, has it ever brought a lawsuit to prevent the implementation of—what is the language—of a program of voluntary prayer in public schools?

Mr. WEICKER. The answer to the distinguished Senator from Louisiana is no, it has not.

That is one of the points that I am making out here.

Mr. JOHNSTON. Is it not true, then, that in the absence of legislation it would not so be authorized to bring such a suit?

Mr. WEICKER. I do not know. I am not here to make that determination. I am just asking the Senator why we have this language in here? Unlike the busing controversy, in which the Senator took part, the Justice Department has never engaged in any suit. All the great decisions in this area have been suits instigated by private individuals. So why have this language in here? What is the reason for putting it in here?

Obviously, it is to invite State and local governments to start throwing out all types of prayer programs that are going to be challenged, and if they be challenged by individuals, then we will raise the issue up to the courts. It is an invitation to litigation.

I think that there is enough to do in this Nation without starting down that track.

Mr. HOLLINGS. Mr. President, I had another talk in mind at this particular hour. Let the record show that I did have a group downtown that I was going to address because on a Monday at lunchtime we never vote as we are waiting for our colleagues from the West to return.

But I cannot let the casual nature and the rather wise nature of some of the comments just take root and act to minimize this as though, what is the problem all about?

We are going to quote James Madison, and we are going to find that we take an oath and we take that oath to support the Constitution.

The Constitution is black and white. Just look at it and one can tell what is constitutional.

Let us go into some of these things:

First, they are praying today in the public schools of America, in my State and in the State of the Senator. I will find it up in Connecticut if he wishes me to. They never have ceased.

We are praying today in this Chamber, and if the Senator wishes to get the Justice Department to protect us in our prayer then vote for this amendment because we need that protection according to the Senator's rationale.

We are going to have a prayer. We are going to have it tomorrow whenever the majority leader sets the time. We will come in. The Presiding Officer will take his position there. He will say, "The Members will rise while the Chaplain leads us in prayer."

That goes to the nice little circumstance situation of the distinguished minister and Senator from Missouri. Certainly it is that we can give circumstances that would be coercive. Everyone understands that, and that would not be a voluntary prayer.

We know what voluntary prayer is, I hope. The Senate cannot find a balanced budget but it should be able to find voluntary prayer in this land.

Are we saying there is no such thing? Is that the contention of the minister? Hogwash.

And the Senator over here talked about the constitutionality. Did we not take the oath? Look at the Senate. The Senate will not even let the Presiding Officer rule. It says the body, not the court. We regularly determine as a group what is constitutional.

Why did James Madison write it so clearly? Read it. We are going to hear further debate on it this year. But what is religion and what is not religion? We will see.

> Congress shall make no law respecting an establishment of religion . . .

That is the key question.

> . . . or prohibiting the free exercise thereof; . . .

That is the first amendment. There is somewhere, sometime, somehow in schools, in institutions, in meetings over this land of ours voluntary prayer or the free exercise of religion not only in churches.

Mr. DANFORTH. Mr. President, will the Senator yield?

Mr. HOLLINGS. Let me complete my thought.

Here is the whole thing. When the Court goes to determine what is nice and pretty about James Madison, I can give Senators many other quotes from James Madison because he said that a free society without access to free information is a sham or prelude to a farce or perhaps both.

So when we see whether or not they are establishing religion it is not a yes-or-no answer, this is religion or this is not.

There is the degree of involvement. We have the GI bill. Is that an unconstitutional act? Certainly not. That is Government money to support higher education because the money flows right into the institutions. Some of these institutions are religiously affiliated, but at the level of higher education they say that does not involve an undue involvement in the exercise of religion because the student body is mature and free from undue influence.

The majority of institutions of higher learnings are not religious. The persons in attendance are of maturity. They are not influenced thereby. Therefore, if you please, it does not constitute a violation.

But give that same money to the kindergarten, give that same money to the elementary school, and we have had it here and we have decisions galore, we will debate tuition tax credit, which they wanted to do, which the court had said was constitutional.

Did the distinguished Presiding Officer, a member of the other party, attend an unconstitutional convention of his party when they came out endorsing the tuition tax credit? Was that unconstitutional? They are proposing it and they are voting for it in this Chamber. Why? Because Senators who vote for that do not think that is an undue involvement of the Government in religion.

So there is a test. It is not that just one man said we are going to have religion or not. They did not write it that way. They said we should not establish it and we should not prevent the free exercise thereof, and if Senators feel all of that is theoretical and are so worked up about this thing, then erase "In God We Trust" from the Senate walls, eliminate the

Chaplain's prayer, take it off the coinage, and repeal the Pledge of Allegiance where we said "under God indivisible with liberty and justice for all."

I agree with the Senator from Connecticut. The wisdom of the first amendment is there. We see it in Ireland. We see it in the Middle East. We see all kinds of continuing national problems and it is without that exercise, the free exercise of religion thereof. But when my colleagues go so far as to intimate that religion itself canot be freely exercised save within some temple, then I resist, resent, and oppose it, and certainly not in the school systems and everything else where we have had voluntary prayer. We have it in the various meetingplaces and we have it right here, and no one has ever put in a rule that we could not do it.

As to the constitutional questions, I am, I guess, exhibit No. 1, having learned at least that which was constitutional up until May 17, 1954; namely, that a State could have separate but equal education facilities.

I say to Senator MITCHELL, who was a Federal judge, that that is what the Federal courts ruled. But then all the way from 1896 and Plessy against Ferguson up to 1954, for 58 years the Supreme Court found it constitutional and then they found it unconstitutional.

Yes, I say to the Senator, membership does change.

I am glad to yield for a question.

Mr. DANFORTH. I wish to ask the Senator from South Carolina this question. He was critical of the hypotheticals which I suggested in trying to differentiate voluntary from involuntary prayer. Can he suggest to the Senate a hypothetical situation which would be an involuntary prayer?

Mr. HOLLINGS. The prayer of the U.S. Senate. I think that is involuntary.

Mr. DANFORTH. That is involuntary?

Mr. HOLLINGS. I mean that is voluntary.

Mr. DANFORTH. That is voluntary or involuntary?

Mr. HOLLINGS Voluntary.

Mr. DANFORTH. Give me an example, if he can, of an involuntary prayer.

Mr. HOLLINGS. An involuntary prayer would be the example the Senator gave, the coercion brought on the little children as he described it. They have a person of the Catholic faith putting up a particular denominational prayer. The Lord's Prayer has been accepted, I say to the Senator, as he well knows, by the Episcopalians and the Lutherans that he and I represent, by the Catholics, and many others.

It has been universally accepted at every particular governmental function that we have. We would never have an inauguration—pull out the program—without the inaugural prayer. Pull out any kind of really important meeting that we have and we would start, yes, with the Lord's prayer. That would be voluntary, in my opinion.

Mr. DANFORTH. Well, supposing that particular denomination never used the Lord's prayer?

Mr. HOLLINGS. You can get the involuntary prayers, that is right.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. DANFORTH. What would make the Lord's prayer a voluntary prayer as opposed to the involuntary prayer?

Mr. HOLLINGS. If the distinguished Senator will come down to a specific prayer, I am coming down to the specific position. There is a provision itself that says "free exercise thereof." I think when we move into the auditorium in a particular schoolroom and they commence a program with a prayer such as when you have a blessing preceding a meal. I have attended those regularly, with members of all faiths there—we have it voluntary. I happen to have attended a school for 4 years, it is still in existence, and I take it to be voluntary prayer.

They have a chapel and chapel services, you can attend whichever one you wish. But it is not an unconstitutional building. It is not an involuntary edifice of prayer. On the contrary, it is there and it is exercised, and I think of example after example which, of course, is the predominant. Your questioning would try to intimate that I would be in some nut position or in a minority, that I do not understand religion and understand prayer.

The contrary is true. It continues every day. We have the Judeo-Christian ethic in our society, and I think it has distinguished our society in the United States from other societies, the public forms of government, and I think it is just fundamental.

I would vote, for example, on that Pledge of Allegiance. I think it was wise to inset "under God" before "with liberty and justice for all."

Mr. STEVENS. Mr. President, will the Senator yield for a question? I am trying to see if we cannot get a quorum over there in the Appropriations Committee, and I wonder if I might ask the Senator if I have a prayer of a chance of getting a quorum over there?

Mr. HOLLINGS. Yes, sir. I will get a prayer to stop this. I wanted to go down to the committee, but I hate to see them give Jesse the bum's rush and talk about what is constitutional, and all of a sudden if you vote the other way you violated your oath. That is the intimation. If you have free exercise of religion then you are unconstitutional. We have gone through all kinds of nonsense of extreme around here, and I think you have got more than a prayer. I will yield the floor.

Mr. MITCHELL. I would like to ask the Senator from South Carolina a question, if he will yield.

Mr. HOLLINGS. Yes, sir.

Mr. MITCHELL. The prayer that occurs daily here at the commencement of proceedings, I would like to ask two questions with respect to that. First, is it true that children are required in this country to attend school?

Mr. HOLLINGS. They do have—that is right; generally speaking, yes.

Mr. MITCHELL. They have truancy laws?

Mr. HOLLINGS. They have truancy laws.

Mr. MITCHELL. Is anybody required to run for the U.S. Senate, to be elected?

Mr. HOLLINGS. No, sir.

Mr. MITCHELL. Second, it is required—is it not true that children are not only required to attend school but they are required to be present at the commencement of school in the morning when prayers are held or to be held?

Mr. HOLLINGS. Yes, sir. That is the time, and I do not see any conflict there.

Mr. MITCHELL. Is there any requirement that U.S. Senators have to be present?

Mr. HOLLINGS. Yes, sir. I can raise a point of order and order your presence.

Mr. MITCHELL. You can?

Mr. HOLLINGS. One Member can make another Member vote. You led into the wrong alley there, Senator. You went too far on that one, yes, sir.

Mr. MITCHELL. No. Everybody who is here is here voluntarily and no child in school is there voluntarily.

Mr. HOLLINGS. You do not think think they are here involuntarily? It comes right now to mind that the distinguished minority leader, Hugh Scott, of Pennsylvania, had gotten off the plane in London to make a talk in Heathrow, and we ordered him back. There is nothing voluntary about this. You are supposed to be here.

Mr. MITCHELL. No, it is very voluntary. The point is whether or not there ought to be prayers in school, which is a legitimate question for debate, as you correctly pointed out.

Mr. HOLLINGS. Right.

Mr. MITCHELL. There is ambiguity in the Constitution. But the argument is not advanced by suggesting that there are prayers in other aspects of public life because the Supreme Court has said repeatedly that the prohibition in the Constitution neither dictates nor prohibits all forms of prayer in public life, and the question here is schools and schoolchildren not the U.S. Senate, not the prescription on the coin or other things. So I do not think the argument is advanced by continually comparing it to the Senate. That is my only point.

Mr. HOLLINGS. I happen to think the argument is very, very much advanced, it is very material, it is very important. You are required to be here. The session is there, and we can command the person's presence, and all these public exercises with respect to officials, that they be required—their presence is required for the oath of office, for the particular function, and what have you, and there is no constitutional provision——

Mr. MITCHELL. But you can leave the Senate any time you want to without violating the law. But a child in school cannot leave school any time he wants to without violating the law. There is a complete element of compulsion in the public schools which does not exist in the Senate.

Mr. METZENBAUM. Mr. President, will the Senator yield?

The Senator just misstated a fact as to who has to be in the Senate. That is not true. You did not speak the truth as to having to be in the Senate. You do not have to be in the Senate.

Mr. HOLLINGS. You do.

Mr. METZENBAUM. You have to be

here for a vote. You can make me come in for a vote, but you cannot——

Mr. HOLLINGS. We can require——

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. HOLLINGS. We require the presence just for a quorum. The quorum is the presence, and that is in the rules, not just to vote, Senator from Ohio.

Now, to complete the thought that I had in mind with respect to the compulsion of schoolchildren. That is, you have truancy laws and you require the presence to be enforced. That still does not forbid prayer even though they are required to be present. They are not required to pray, and what the distinguished Senator from Maine is contending is that if you are required to attend, anything occurring thereafter—being made to attend—therefore becomes compulsory. I do not follow that logic at all. It is not involuntary prayer when they have these particular exercises in the schools.

So, once again, Mr. President, the first amendment, the establishment-of-religion clause, is the measured judgment by the U.S. Supreme Court. It has been a measured judgment as to whether or not there is that degree of governmental involvement. Some could jump immediately and say, as the Senator from Maine has contended, that once you are required to be present, ipso facto, thereafter, any kind of prayer whatever or religious activity then would be involuntary because you were required to attend in the first place the particular school exercise.

I do not agree with that at all, and I think that there can be voluntary prayer in the public school system in this country within the institution. It is very important to this particular institution. It just does not allude to the requirement of attendance because I can tell you there is no better rule—you might get them for a violation for not attending the particular class, but under the rule here, the U.S. Senate can actually send the marshal out and arrest you and bring you back and compel you attend on that quorum call, yes, sir.

I thank the distinguished Presiding Officer.

(Mr. WARNER assumed the chair.)

Mr. MITCHELL. I would like to merely comment and clarify what I intended in my remarks because I did not intend the interpretation suggested by the distinguished Senator from South Carolina.

I intended merely to make the point that the continual comparison between prayers in public schools and a prayer in the U.S. Senate adds nothing to the debate. I did not say, I did not imply, and I did not mean, that no prayer in a public school could ever be voluntary under any circumstance because there was an element of compulsion in attendance.

I merely pointed out that the analogy drawn repeatedly by the Senator from South Carolina was misplaced because of circumstance because there was an element of compulsion.

Indeed, I believe there are some circumstances in which prayers are voluntary, and that is the moment of silence which is widely used in schools throughout this country, in which those children who choose to pray can do so in the manner they see fit and those who do not can choose to do so.

And that is what I understand to be the intention of the Senator from Connecticut, to describe those that are constitutional and so prescribed. Whether or not prayer is constitutional is clearly a subject of intense emotional debate. But it simply does not add anything to the debate to say that because we open the Senate proceedings with a prayer that we, therefore, ought to have prayer in public schools prescribed by some government.

It also does not follow that if we are going to eliminate prayer in the public schools or prohibit involuntary prayer that we ought also, therefore, on the other side to eliminate all vestiges of religion in all forms of public life. The two conclusions simply do not follow. That is the only point I intended to make.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. I address myself to the concern all of us have about this matter in the prayer in schools and the question of constitutionality; the question that we are discussing an amendment that some even question whether the Justice Department has ever gone into a school area to provide enforcement; and a question of what is the real purpose of this amendment. Is it to see that we can get a vote on an issue of this kind that is already in the House bill?

I commend my friend from Connecticut for attempting to state the amendment in a manner that complies with the Constitution. But it seems to me that, in many respects, the whole issue is a nonissue, but attempted to be made into an issue in order to create more of the divisiveness that exists in America today. I do not think there is much question about the fact that you cannot have prayers in schools. Except this effort to prohibit that which people say is not being done is sort of a reverse way of doing it.

The argument gets into the question of: "What is prayer and what is not prayer? Do we have to be here; don't we have to be here?". I question that.

We can be here for a quorum call. We can be here for a vote. We do not have to be here for the prayer.

But I think the real issue does not have to do with what the Members of the Senate have to do. I think the real issue has to do with what is happening and what could happen and will happen to little children in this country.

The Supreme Court has addressed itself to this issue. They recognized the problem of children being in a school room and being under a kind of pressure by reason of their embarrassment and not able to decide to walk out. That would take a lot of courage on the part of a young child.

The Supreme Court, in the Abington School District case, stated it very well when they said:

> The pervasive religiosity and direct governmental involvement inherent in the prescription of prayer and Bible reading in the public schools, during and as part of the curricular day, involving young impressionable children whose school attendance is statutorily compelled, and utilizing the prestige, power, and influence of school administrators, staff, and authority, cannot realistically be termed simply accommodation, and must fall within the interdiction of the First Amendment.

I think that is so true, because what we are really saying is somehow, some way we ought to come in through the back door and indicate the Senate's approval of prayers in school.

The Senator from Connecticut has attempted to correct the situation by limiting it to constitutional programs of voluntary school prayer. I, myself, would have preferred an up or down vote on the issue of whether or not the Justice Department may be involved in prayers in school. I voted no on the issue of tabling the previous amendment.

But I think it is sad that we have to be debating this issue when the whole economy is upside down, when the international picture creates great problems for us and we are sitting here talking about whether or not the Justice Department should be prohibited from something which the Senator from Louisiana indicates it never did in the first instance anyhow.

I hope that the amendment of the Senator from Connecticut will prevail. I think it, at least, would attempt to provide some clarity and clarification on the subject. But I am concerned as to whether or not it will or will not.

● Mr. DENTON. Mr. President, I would like to express my support for the restitution of the House amendment that prohibits the Justice Department from preventing school sponsored programs of voluntary prayer or meditation.

The 1962 Engel against Vitale Supreme Court case should be remembered as a judicial landmark from which to measure an approach nascence of retreating from a national mortality based upon religious principle. The voluntary recitation of the following simple prayer in New York schools led the Supreme Court to declare that publicly sponsored prayers were a violation of the "establishment clause" of the first amendment:

> Almighty God, we acknowledge our dependence upon Thee, and we beg Thy blessings upon us, our parents, our teachers and our country.

While the rectitude of this decision is still a point of deep-seated controversy, there is little justificiation that it or any other judicial decision should be used to effectively eradicate all vestiges of religious thought or expression in our public life. I could offer scores of quotations proving that the Founding Fathers had fervently hoped that this land would forever be one of religious tolerance.

Indeed, they undoubtedly felt that it would be the well-spring of greater faith in, and reliance upon, God and his providence. While maintaining our respect for all faiths and even nonbelief, we must protect those voluntary expressions of homage for the creator of the universe in all circumstances and at all times.

Certainly, the limited resources of the Department of Justice should not be given over the rooting out this volun-

tarily given sign of respect from our schools and public buildings.

Let us instead rely upon the goodness of our citizens and local schools to uphold the principle of separation of church and state, and let us not charge the Federal authorities to prosecute and persecute public displays of theism. Faith or supplication to the divine providence on which our Founding Fathers reposed our national utmost reliance.

Prayer and meditation have proven to be a source of hope and comfort for mankind since his creation; we should not be seeking ways to discourage our people from acquiring the solace that awaits therein, nor force them to act as if they are citizens of one nation under God.

I strongly urge my colleagues to support the House language.●

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, I am not a lawyer, but I am constantly amazed at some of the declarations I hear on this floor about the Bill of Rights. You would think that the Bill of Rights became part of our Constitution to protect the authorities of the Federal Government, to lock them in. But the truth is, the Bill of Rights was intended to protect the rights of the States.

Now, James Madison has been referred to here with respect to the establishment clause of the first amendment. Madison was very clear in his interpretation of the meaning of the words the "establishment clause," his interpretation being:

> That Congress should not establish a religion, and enforce the legal observance of it by law, nor compel men to worship God in any manner contrary to their conscience.

They go on to say:

> Whether the words were necessary or not, he—

Madison—

> did not mean to say, but they had been required by some of the state conventions, who seemed to entertain the opinion that . . . (Congress) might infringe the rights of conscience and establish a national religion. . . .

What Madison was concerned with was the Federal Government interfering with the practices of the States. The term "establishment of religion" was a term of art. The idea of "an established religion" was well understood at the time. It meant a religion which was given preference over other religions, or which was made the test for holding public office, attending a university, or enjoying other State privileges.

Now, taken into context what occurred, there is no way that the first amendment could be interpreted to refer to school prayer. The words "establishment of religion" did not mean that there was to be no official support for religious beliefs generally. Nor did it mean that religious beliefs would be prohibited. What it meant was not that the Federal Government was to take the position that we had a freedom from religion, but rather a freedom of religion. So all of this strained interpretation of what the establishment clause meant bothers me.

I had a minister write to me not long ago, and he was quoting from the Constitution. And he had in quotes "separation of church and State."

I wrote back. I said, "I wish you would find those words in the Constitution for me."

But that is not the point, Mr. President. This Government has gone far afield in this connection.

I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina (Mr. HELMS) to table the amendment of the Senator from Connecticut (Mr. WEICKER). The yeas and nays have been ordered and the clerk will call the roll.

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Wisconsin (Mr. KASTEN), the Senator from Idaho (Mr. MCCLURE), and the Senator from South Dakota (Mr. PRESSLER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Missouri (Mr. EAGLETON), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from Rhode Island (Mr. PELL), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "yea."

I further announce that, if present and voting, the Senator from Montana (Mr. BAUCUS) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 51, nays 34, as follows:

[Rollcall Vote No. 377 Leg.]

YEAS—51

Abdnor	East	Nickles
Andrews	Exon	Nunn
Armstrong	Ford	Proxmire
Baker	Grassley	Quayle
Bentsen	Hatch	Randolph
Boren	Hawkins	Roth
Byrd, Harry F., Jr.	Hayakawa	Schmitt
Byrd, Robert C.	Heflin	Simpson
Cannon	Helms	Stennis
Chiles	Hollings	Stevens
Cochran	Humphrey	Symms
D'Amato	Jepsen	Thurmond
DeConcini	Johnston	Tower
Denton	Kassebaum	Wallop
Dixon	Laxalt	Warner
Dole	Lugar	Zorinsky
Domenici	Mattingly	
	Murkowski	

NAYS—34

Biden	Hatfield	Percy
Boschwitz	Huddleston	Pryor
Bradley	Inouye	Riegle
Bumpers	Jackson	Rudman
Burdick	Kennedy	Sarbanes
Cohen	Levin	Sasser
Cranston	Mathias	Specter
Danforth	Matsunaga	Stafford
Dodd	Metzenbaum	Weicker
Glenn	Mitchell	Williams
Gorton	Moynihan	
Hart	Packwood	

NOT VOTING—15

Baucus	Goldwater	McClure
Chafee	Heinz	Melcher
Durenberger	Kasten	Pell
Eagleton	Leahy	Pressler
Garn	Long	Tsongas

So the motion to lay on the table Mr. WEICKER's amendment (UP No. 629) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. WEICKER. I ask for the yeas and nays.

Mr. THURMOND. I move to lay that motion on the table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

Mr. HELMS. Mr. President, a parliamentary inquiry. Is the vote going to be on the motion to table which was offered by the Senator from North Carolina?

Mr. WEICKER. Mr. President, I asked for the yeas and nays at the time the motion to reconsider was made.

The PRESIDING OFFICER. The vote is on the motion to reconsider. The motion is, of course, subject to a motion to table.

Mr. HELMS. I move to lay that motion on the table, and I ask for the yeas and nays.

Mr. WEICKER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. WEICKER. Mr. President——

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WARNER). Is there objection? The Chair hears none, and it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, I ask unanimous consent that there be an additional period of debate to extend not past the hour of 3:15 p.m., and that at the hour of 3:15 p.m. the vote occur on the tabling motion now pending, and that regardless of the outcome of that vote, at 3:30, under the order previously entered, the Senate got into executive session for the purposes stated in the order entered on Friday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAKER. Mr. President, the order previously entered provided for the time to extend not past 3:15 p.m. If that concludes the remarks on this subject, since there was no arrangement made for the control of time, I am prepared to ask unanimous consent that we proceed now to the vote on the tabling motion, if that is the wish of the manager.

Mr. WEICKER. Mr. President, I wish to make a statement as to what this Senator intends for this bill, which is being managed by the Senator from Connecticut.

Mr. BAKER. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, this action that just took place on the tabling of the Weicker amendment is, by any standard, outrageous. Now I have worked many months, along with the distinguished Senator from South Carolina and other members of the committee, to produce a sound appropriations bill for the Departments of State, Justice, Commerce, and related agencies. But I will not have a bill of this appropriations subcommittee become the vehicle for outrageous unconstitutional action.

The bill will not get off the floor of the U.S. Senate. Sooner or later we are going to address ourselves to our proper jobs here, and we are going to have an appreciation of what this Constitution is all about.

In any event, if it does come on the floor, it is not going to be here by virtue of a bill which comes out of my committee or which I am managing. I want to put my colleagues on notice—there will be long nights and long days. I do not know what the rest of the business is, but this is not going to conference and it is not going to the President's desk.

Mr. MATHIAS. Will the Senator yield?

Mr. WEICKER. I yield to my distinguished friend from Maryland.

Mr. MATHIAS. I think the Senator from Connecticut is right in saying we ought not be here discussing this matter. The purpose that is obviously being attempted here is to subvert the appropriations process to amend the Constitution.

Now those who wish to do that should read article 5 of the Constitution. It tells you exactly how to amend it. It is set out there fully and at large. And if their purpose is to change the first amendment to the Constitution, then they ought to go to article 5 and follow the amending process.

It ought not to be done through the back door by way of an appropriations bill. That would be the effect of the kind of language which is attempted to be enacted into law today.

So I think that the Senator from Connecticut is exactly right in taking the position that he has taken. I hope that before the bill is enacted into law that our view will prevail.

Mr. BAKER addressed the chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, it is close to the hour of 3:15 when debate on this matter ends. Let me simply say to my good friend and colleague from Connecticut that I understand his concern, but we will dispose of this bill. I am not sure whether it will be this bill or whether it will be bound up in a continuing resolution or how late we will have to work to try to do it. But I wish to state that we will take care of our responsibility on the State, Justice appropriations bill.

Mr. WEICKER. May I ask my good friend from Tennessee a question?

Mr. BAKER. Let me finish.

The Senate will not be in late today. I would expect us to recess over at about 6 or 6:30.

It would also be in my expectation that on tomorrow we will resume consideration of this matter.

I yield to the Senator from Connecticut.

Mr. WEICKER. Would my good friend from Tennessee agree that his statement really depends on one's definition of taking care of one's responsibilities?

Mr. BAKER. No. What I mean is we are going to provide the money that this bill requires.

Mr. WEICKER. Money, I have no dispute with the Senator.

Mr. BAKER. Mr. President, might I inquire if it is time now to proceed with the vote?

The PRESIDING OFFICER. The majority leader's observation is correct. The time has arrived.

The question is on the motion to table the motion to reconsider the vote by which the amendment of the Senator from Connecticut was laid upon the table. The yeas and nays have been ordered and the clerk will call the roll.

Mr. HELMS. Mr. President, did the Chair say the question is on a motion to reconsider?

The PRESIDING OFFICER. The question is on the motion to table the motion to reconsider.

Mr. HELMS. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. DURENBERGER), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), and the Senator from South Dakota (Mr. PRESSLER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Missouri (Mr. EAGLETON), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), and the Senator from Illinois (Mr. DIXON) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

On this vote, the Senator from Illinois (Mr. DIXON) is paired with the Senator from Montana (Mr. BAUCUS).

If present and voting, the Senator from Illinois would vote "yea" and the Senator from Montana would vote "nay."

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 54, nays 36, as follows:

[Rollcall Vote No. 378 Leg.]

YEAS—54

Abdnor	Ford	Nunn
Andrews	Grassley	Percy
Armstrong	Hatch	Proxmire
Baker	Hawkins	Quayle
Bentsen	Hayakawa	Randolph
Boren	Heflin	Roth
Byrd, Harry F., Jr.	Helms	Sasser
	Hollings	Schmitt
Byrd, Robert C.	Humphrey	Simpson
Cannon	Jepsen	Stennis
Chiles	Johnston	Stevens
Cochran	Kassebaum	Symms
D'Amato	Kasten	Thurmond
DeConcini	Laxalt	Tower
Denton	Lugar	Wallop
Dole	Mattingly	Warner
Domenici	McClure	Zorinsky
East	Murkowski	
Exon	Nickles	

NAYS—36

Biden	Hart	Moynihan
Boschwitz	Hatfield	Packwood
Bradley	Heinz	Pell
Bumpers	Huddleston	Pryor
Burdick	Inouye	Riegle
Chafee	Jackson	Rudman
Cohen	Kennedy	Sarbanes
Cranston	Levin	Specter
Danforth	Mathias	Stafford
Dodd	Matsunaga	Tsongas
Glenn	Metzenbaum	Weicker
Gorton	Mitchell	Williams

NOT VOTING—10

Baucus	Garn	Melcher
Dixon	Goldwater	Pressler
Durenberger	Leahy	
Eagleton	Long	

So the motion to lay on the table the motion to reconsider was agreed to.

EXECUTIVE SESSION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

The PRESIDING OFFICER. Under the previcus order, the hour of 3:30 p.m. having come and gone, the Senate will now go into executive session to consider the nomination of C. Everett Koop, of Pennsylvania, to be Medical Director in the Regular Corps of the Public Health Service and the Surgeon General of the Public Health Service, on which there shall be 1 hour of debate, equally divided and controlled.

The Senate proceeded to the consideration of executive business.

NOMINATION OF C. EVERETT KOOP TO BE MEDICAL DIRECTOR IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE AND THE SURGEON GENERAL OF THE PUBLIC HEALTH SERVICE

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, the Senate will today be voting on the nomination of C. Everett Koop, M.D. to be Surgeon General of the United States. I speak for a majority of the Labor and Human Resources Committee when stating that Dr. Koop is a distinguished physician who is eminently qualified to hold this position. Not only is he a renowned surgeon and administrator but throughout his career has engaged in an incredibly numerous and varied set of public health activities. I urge each Senator to vote to confirm the nomination of Dr. Koop.

During Dr. Koop's confirmation hearing in the Labor and Human Resources Committee we were privileged to have testimony from Senators HATFIELD, SPECTER, and HEINZ on Dr. Koop's many

accomplishments and well-known compassion for his fellowman. He heard his medical colleagues and a distinguished businessman/hospital director speak of Dr. Koop's integrity, his ability to work with people of differing viewpoints, and of the high esteem with which he is held in the Philadelphia community, both as a physician and an individual.

The committee also listened to H. Arnold Muller, M.D., Secretary for Health for the State of Pennsylvania, and Ira L. Myers, M.D., M.P.H., Chief Health Officer for the State of Alabama. Each supported Dr. Koop and stated that he possessed "significant public health experience."

Finally, Representatives of this Nation's disabled community testified about Dr. Koop's advocacy for the disabled. Members of my committee were clearly impressed with the breadth of background and the sincerity of those who came before us to testify for Dr. Koop.

In addition, Dr. Koop's appointment has been endorsed by the Association of State Maternal and Child Health and Crippled Children's Services Directors and I know that every Member of the Senate has received many letters in his support.

Only two witnesses asked to testify against Dr. Koop. From their comments, and some negative letters which I received, I gather there are three objections to his candidacy:

First, the first objection is that of a national public health association that believes Dr. Koop does not have significant public health experience. I would point out in contrast the testimony of Drs. Muller and Myers, as noted above, which represent the views of two distinguished public health spokesmen that Dr. Koop does have the requisite experience.

Second, a second objection is that Dr. Koop has been an outspoken opponent of abortion and an advocate for the value of traditional roles for women. These are matters of great public debate and I can conceive of no reason why advocacy on these issues should affect Dr. Koop's fitness to be surgeon general. There has been no evidence, not even an allegation that Dr. Koop has ever treated a woman colleague unfairly.

Further, testimony was provided to the opposite: That Dr. Koop has been supportive of women professionals.

Third, a third objection has been that Dr. Koop should not be permitted to oversee or control certain programs within the Public Health Service. In fact the Surgeon General and all agency heads and senior officials in the PHS report directly to the Assistant Secretary for Health. This was made clear in a letter from DHHS to me which has been made available to every Senator and which I will have inserted in the RECORD at the conclusion of my statement.

Not surprisingly, all these objections come to little or nothing. This is clearly as it should be. Because this Nation should have only one emotion, pride, in having an individual of Dr. Koop's integrity and accomplishments as Surgeon General. I urge my colleagues to vote for Dr. Koop. It is the just and proper course of action.

I ask unanimous consent that background material on Dr. Koop, the testimony of Dr. Muller and Dr. Myers, the endorsement of the Association of State Material and Child Health and Crippled Children's Services Directors, and the HHS letters I referred to, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOMINATION OF C. EVERETT KOOP, M.D. TO BE SURGEON GENERAL

BACKGROUND INFORMATION

The President has nominated C. Everett Koop, M.D., to be Surgeon General, the highest ranking commissioned officer in the U.S. Public Health Service Corps. Confirmation hearings before the Senate Labor and Human Resources Committee are expected in the very near future. A detailed curriculum vitae and publications listing is attached.

The Surgeon General reports to the Assistant Secretary for Health, the senior health official in the Department of Health and Human Services. The Surgeon General is assigned a number of duties by the Assistant Secretary for Health, and in addition, the Surgeon General has several functions specified in law. A listing of responsibilities and duties also is attached.

Dr. Koop's accomplishments in pediatric surgery are internationally known. Indeed, he was among the first physicians to enter the subspecialty of pediatric surgery and has practiced in that area longer than any other physician. However, he also has made his talents available to further public health outside of the operating room on a much broader scale, often on a volunteer basis. These interests have involved him in public health issues at that critical level where needs are identified and services are actually delivered to needy people. This aspect of Dr. Koop's past will be further developed at the confirmation hearings, but warrants separate mention here.

An important aspect of public health is arranging health services for large numbers of people. Services many range from education to actual care, and population size may vary. The common denominator is that public health rests on identifying the needs of a population and ensuring the availability of necessary services. Clearly a clinical background is useful in such an undertaking. But clinical skills alone are not sufficient. The Surgeon General must also have a command of large scale needs assessment, organization, logistics, and the ability to utilize specialized personnel such as epidemiologists, biostatisticians, health service administrators, and planners.

Public health has been defined as "the effort organized by society to protect, promote, and restore the people's health. The programs services, and institutions involved emphasize the prevention of disease and the health needs of the population as a whole." The following are brief examples of Dr. Koop's experience in the protection, promotion, and restoration of health. They attest to an extensive background in both clinical and public health services delivery—a lifetime of health experience and caring for and about people which well qualifies him for the position of Surgeon General.

PUBLIC HEALTH AS PROTECTION FROM DISEASE

During World War II, Dr. Koop was the surgical consultant to an epidemiology team lead by Joseph Stokes, M.D., who was assigned the task of investigating the incidence of hepatitis during the allied invasion of Italy. In the course of his work, he described the first transmission of the hepatitis virus across the placenta to affect the fetus without presenting any signs of the disease process in the mother.

When Dr. Koop entered the field of pediatric surgery more than 35 years ago, pediatricians were hesitant to consider solid cancers as a major problem in pediatrics although leukemia was recognized as a killer. One of Dr. Koop's first endeavors on arriving at the Children's hospital in Philadelphia in 1946 was to investigate cancer deaths among children recorded in the hospital's records. Dr. Koop identified a major public health problem among children and helped educate his colleagues and the public through his innovative therapies and the establishment of tumor registries. Childhood cancer is now the focus of a large body of research, supported in part by the National Institutes of Health.

Utilizing resources such as demographic reports, Dr. Koop studied the health facility needs of Philadelphia and surrounding areas in terms of the age and sex of the population and their effect on health planning for future needs. Dr. Koop was in the forefront of the planning group that built the present Children's Hospital of Philadelphia, one of the most comprehensive tertiary care models in the world.

While working with a committee of the American Academy of Pediatrics, Dr. Koop brought attention to the dangers of x-raying the feet of children to see whether or not their shoes fit properly. The result of this endeavor was to have the machines calibrated in some states and to eventually have the practice discontinued due to the inherent dangers. This is an example of a public health hazard being identified and corrected.

In the area of cost effective health care delivery modifications, Dr. Koop worked with several colleagues to encourage New Jersey and Pennsylvania to provide care for respirator dependent children in their homes at a cost of about 1/10 of hospital costs. Just as importantly, this method improved the quality of the care for the children.

In 1965, Dr. Koop brought together the State Department's Refugee and Migration Office and private citizens in the U.S. midwest for the purpose of planning and building a 180-bed hospital to serve a particular segment of underserved citizens in the Crown Colony of Hong Kong.

While Dr. Koop was a member of the Accident Prevention Committee of the American Academy of Pediatrics, he was particularly concerned with burns of the mouth and esophagus which increased when corrosive cleaners were colored green and scented with wintergreen, thus encouraging children to regard them as candy. The work of this committee in protecting the consumer was so effective that the court ordered the removal of the scent.

PUBLIC HEALTH AS HEALTH PROMOTION

For more than 25 years, Dr. Koop has maintained a strong humanitarian interest in the Tarascan tribe of Indians in Central Mexico. There was essentially no medical care for these people until Dr. Koop established several small clinics. He emphasized preventive health services through the provision of protein supplements and vitamins and, on occasion, family planning advice.

Dr. Koop became aware of the enormity of problems involving public health and poverty when delivering babies at homes in Harlem in 1941. In addition, from the time he began work with the Children's Hospital in 1946, he has been involved with the provision of care to medically underserved populations and the almost daily interaction between the public and private sector in assuring access to care.

In 1960, Dr. Koop, under the ageis of the State Department, traveled to Ghana and concluded an agreement for the establishment of an American-type medical school. In addition, he brought about an arrange-

ment with the Philadelphia College of Physicians through which a faculty was recruited for the school in Ghana.

Because of his concern for the health status of people in lesser developed countries, Dr. Koop sought and obtained funds from Readers Digest for a program managed by MAP International Inc. This program has been instrumental in sending over 750 medical students to medically underserved nations so that they might become acquainted with the rigors of practicing rural medicine in primitive circumstances. It is important to note that over 9% of these students have changed their career goals to public health medicine.

A focal point of Dr. Koop's career for the past 36 years has been caring for disabled children. This interest goes far beyond pure medical care to include rehabilitation, counseling, and planning for appropriate care facilities for these children, many of whom are disabled for life. Dr. Koop's teachings and writings on the dying child and his/her family are classics in the field.

PUBLIC HEALTH AS THE RESTORATION OF HEALTH

At the request of the Public Health Department of the Dominican Republic, Dr. Koop conducted an assessment of the needs stemming from a diarrhea epidemic during which the infant mortality rate reached 50–70%. He planned and established nine hydration stations for administering intravenous fluids, procured physicians and nurses for the stations, and arranged for the necessary supplies. The epidemic was stopped as a direct result of Dr. Koop's administrative and clinical skills.

One of Dr. Koop's most important public health contributions is his effort in the reduction of infant mortality, a serious public health problem in this country. He has been at the forefront of developing and refining medical care techniques such as pediatric anesthesiology and innovative surgery which have reduced the mortality of newborns, particularly those with congenital defects. Many of those defects resulted in mortality rates as high as 95%. Today it is the survival rate that is 95% in many newborn anomalies. Further, Dr. Koop's establishment of the first newborn intensive care unit in the U.S. has been instrumental in further reducing infant mortality rates. Dr. Koop also contributed to the surgical additions to the standard incubator for premature infants so that much more complex procedures can be accommodated in this environment.

This is but a sample of Dr. Koop's hands-on experience with public health matters; these and other projects will be developed further during the confirmation hearings. As brief as this sample is, it attests to a lifetime of clinical skills coupled with the ability and drive to ensure that the care his individual patients received is available to the population at large. Dr. Koop, with this vision of public health, deserves Congress' recognition and confirmation.

CURRICULUM VITAE

Home Address: 1123 Rock Creek Road, Gladwyne, Pennsylvania 19035.

Present Position: Deputy Assistant Secretary for Health, Department of Health and Human Services, 716G Humphrey Building, 200 Independence Avenue, S.W., Washington, D.C. 20201.

Social Security No.: 180–24–5146.

Date of Birth: October 14, 1916.

Place of Birth: New York City, New York.

Marital Status: Married 1938—Elizabeth; Children: Allen Van Benschoten, 1944; Norman Abel, 1946; David Charles Everett, 1947–1968; Elizabeth Thompson, 1951.

Education: 1937, A.B. Dartmouth College; 1941, M.D. Cornell Medical School; 1947, Sc.D. Graduate School of Medicine, University of PA (Med.).

Postgraduate Training and Fellowship Appointments: 1941–42, Intern in Medicine, Pennsylvania Hospital, Philadelphia, PA; 1942–47, Harrison Fellow in General Surgery and Research Surgery, University of Pennsylvania School of Medicine; 1946, Fellow in Pediatric Surgery, Children's Hospital, Boston, MA.

Faculty Appointments: 1942–44, Assistant Instructor in Surgery, University of Pennsylvania School of Medicine; 1944–47, Instructor in Surgery, University of Pennsylvania School of Medicine; 1946, Fellow in Surgery, Boston Children's Hospital; 1947–49, Associate in Surgery, University of Pennsylvania School of Medicine; 1949–51, Assistant Professor of Surgery, University of Pennsylvania School of Medicine; 1951–52, Assistant Professor of Pediatric Surgery, University of PA School of Medicine; 1952–59, Associate Professor of Pediatric Surgery, University of PA School of Medicine; 1953–60, Associate Professor of Pediatric Surgery, Graduate School of Medicine, University of PA; 1959–81, Professor of Pediatric Surgery, University of PA School of Medicine; 1960–81, Professor of Pediatric Surgery, Graduate School of Medicine, University of PA; 1976–81, Professor of Pediatrics, University of PA School of Medicine.

Hospital and Administrative Appointments: 1947, Assistant Surgeon, Hospital of the University of Pennsylvania; 1948–81, Surgeon-in-Chief, The Children's Hospital of Philadelphia; 1958–63, President, Active Staff, The Children's Hospital of Philadelphia; 1958–63, President, Executive Committee of the Medical Staff, The Children's Hospital of Philadelphia; 1963–78, Pediatric Surgical Consultant, U.S. Naval Hospital of Philadelphia; 1972–81, Consultant in Surgery (Pediatrics), Pennsylvania Hospital; 1973–74, President, Executive Committee of the Medical Staff, The Children's Hospital of Philadelphia.

Specialty Certification: 1942, Diplomate, National Board of Medical Examiners; 1948, Diplomate, American Board of Surgery; 1975, Special Competence in Pediatric Surgery, American Board of Surgery.

Licensure: Pennsylvania and New Jersey.

Awards, Honors and Membership in Honorary Societies: 1950, Sigma Xi; 1971, The Denis Browne Gold Medal presented by the British Association of Pediatric Surgeons; 1974, Jacob D. Ehrenzeller Award, Ex-Residents Association of Pennsylvania Hospital, Philadelphia; 1975, The Order Duarte, Sanchez, and Mella—The Dominion Republic's highest award presented by Joaquin Balaquer, President; 1975, Distinguished Achievement Award presented by the Golden Slipper Club of Philadelphia; 1975, Presbyterian Man of the Year Award—Presbyterian Social Union, Philadelphia; 1975, Medical Achievers Award presented by Wheels, Inc., Philadelphia; 1975, Super Achiever of the Year Award presented by the Philadelphia Chapter of the Juvenile Diabetes Fdn.; 1975, Drexel University Engineering and Science Day Award, Philadelphia; 1975, The Man of the Year Award presented by the Jewish Community Chaplaincy Service; 1976, Ladd Gold Medal of the American Academy of Pediatrics; 1977, Copernicus Medal, Surgical Society of Poland; 1930, Chevalier, French Legion of Honor; 1981, Gold Medal of Children's Hospital of Philadelphia; 1981, Medal of the City of Marseilles France.

MEMBERSHIP IN PROFESSIONAL AND SCIENTIFIC SOCIETIES

National-International Societies: American Surgical Association, American College of Surgeons (Fellow), American Academy of Pediatrics (Fellow), Society of University Surgeons, British Association of Pediatric Surgeons (Council 1963–70), Pan American Medical Association, Inc. (President, Section on Pediatric Surgery 1964–), International Society of Surgery, Deutschen Gesellschaft fur Kinderchirurgie, American Pediatric Surgical Association (President, 1971–72), Marseille Surgical Society, College of Surgeons of the Dominican Republic.

Local Societies: College of Physicians of Philadelphia (Fellow), Philadelphia Academy of Surgery, Philadelphia County Medical Society, Philadelphia Pediatric Society, Philadelphia Physiological Society.

Editorial Positions: 1961–64, Surgery Editor, Journal of Clinical Pediatrics; 1964–76, Editor-in-chief, Journal of Pediatric Surgery; 1964, Editorial Board, Zeitshrift fur Kinderchirurgie and Grenzgebiete; 1970, Editorial Consultant, Japanese Journal of Pediatric Surgery and Medicine.

COMMITTEE MEMBERSHIPS

National: Cancer Committee; American Academy of Pediatrics; Accident Prevention Committee, American Academy of Pediatrics; Commission on Cancer, American College of Surgeons, Committee on Patient Care and Research; Surgical Steering Committee, Children's Cancer Study Group; Cancer Committee, American Pediatric Surgical Association.

State: Arbitration Panel for Health Care, Commonwealth of PA; Member of Board for "Health, Occupation, Career and Placement Office, Inc.

Local: Committee on Medicine and Religion, Philadelphia County Medical Society.

Honorary Degrees: 1960, Eastern Baptist College, LL.D.; 1968, University of Liverpool, Degree Doctor of Medicine; 1968, Wheaton College, Doctor of Humane Letters; 1978, Gwynedd-Mercy College, Doctor of Medical Science; 1979; Washington and Jefferson College, Degree Doctor of Science; 1979, Philadelphia College of Osteopathic Medicine, Degree Doctor of Laws; 1980, Saint Charles Borromeo Seminary, Doctor of Humane Letters.

TESTIMONY OF H. ARNOLD MULLER, M.D., SECRETARY OF HEALTH, COMMONWEALTH OF PENNSYLVANIA BEFORE THE SENATE LABOR AND HUMAN RESOURCES COMMITTEE

Chairman Hatch and distinguished senators of the Senate Labor and Human Resources Committee. My name is Dr. H. Arnold Muller. I am the Secretary of Health and as such the chief public health officer for the Commonwealth of Pennsylvania. I greatly appreciate this opportunity to testify in support of the confirmation of Dr. C. Everett Koop as the Surgeon General of the United States.

I will limit my testimony to Dr. Koop's experience and qualifications in the area of public health. However, before I address Dr. Koop's experience in public health, I would like to outline a broad operational definition of public health.

Public health addresses those health problems that cannot be effectively dealt with by private health care practitioners or private health care institutions. Public health encompasses broad health systems issues such as planning, health facilities, services provided in health facilities, the development of networks of health service and health manpower development. It also includes recognition and solution of problems related to the control of communicable diseases, degenerative diseases such as hardening of the arteries and wasting diseases such as cancer. The public health aspects of neonatal disease include education of the populace regarding the hazards of rubella during the first trimester of pregnancy, provision and identification of centers for high risk mothers, assuring that a sufficient number of neonatal intensive care units are available and accessible and that the quality of such units and services are assured. The clinical aspects of neonatal intensive care, i.e. actual "hands on treatment" is the responsibility of clinical practitioners of neonatal medicine.

Dr. Koop's experience in public health may be evaluated in light of our understanding of this very important field of medicine. Indeed using this definition of public health I

would like to highlight some of Dr. Koop's experiences in two major spheres of public health, (1) health systems development and (2) disease prevention and control.

HEALTH SYSTEMS PROBLEMS

Dr. Koop has been involved in the development of health services in underdeveloped countries for most of his professional career. He has, for example, developed health clinics to care for medically underserved Tarascan Indians in central Mexico. These clinics are staffed by paraprofessionals trained to provide simple and basic health services. It has been demonstrated in similar programs, including the barefoot doctor program in China, that the provision of the simple basic health services to medically underserved people results in substantial improvements in their health.

Recognizing that many young medical students who are interested in international medicine often have an unrealistic concept of what their medical practice might be like in the third world countries, Dr. Koop was instrumental in developing a fellowship program in which medical school students could experience both the rewards and frustrations of practicing medicine in underdeveloped countries. This program has enabled over 750 medical students to decide, based on actual life experiences, whether they wish to devote their lives to international medicine.

The first neonatal intensive care unit in the United States was developed under the aegis of Dr. Koop at Children's Hospital in Philadelphia. The development of that unit and subsequent replication of like units throughout the country and abroad has resulted in a marked reduction in morbidity and mortality of neonates worldwide.

Ever aware of the needs of third world nations people for medical care, Dr. Koop, under the aegis of the State Department concluded an agreement with Ghana for the establishment of an American-type medical school. Subsequently he saw to it that the faculty of the school was sponsored for five years by the Philadelphia College of Physicians.

DISEASE PREVENTION AND CONTROL

The Dominican Republic requested Dr. Koop's assistance in controlling an epidemic of diarrhea affecting infants. As a result of dehydration, the mortality rate among the affected infants ranged from 50 to 70 percent. To combat this epidemic, Dr. Koop established nine hydration stations for the administration of intravenous fluids. The morality rate dropped precipitously thereafter.

As part of his work with the American Academy of Pediatrics, Dr. Koop was one of the first physicians to recognize the dangers of radiation exposure (increased risk of leukemia and cancers) when children's feet were x-rayed to determine if shoes fit properly. As a result of this work the practice of x-raying children's feet was discontinued and a public health hazard eliminated.

Utilizing personal observation and relevant data, Dr. Koop identified cancer as a major public health problem among children. As a consequence of this effort, cancer in children is the focus of a significant body of research which is supported in part by the National Institutes of Health.

As a member of the Accident Prevention Committee of American Academy of Pediatrics Dr. Koop participated in a program to eliminate wintergreen flavoring in certain corrosive cleaners. The use of flavoring in these cleaners resulted in children ingesting them with resultant severe burns of the mouth and the esophagus. Once again a public health hazard in children was eliminated with a resultant decrease of oral and esophageal burns and strictures.

Thus it can be clearly seen that Dr. Koop has worked in and made important contributions to a broad spectrum of public health endeavors.

Mr. Chairman, some additional comments are appropriate to Dr. Koop's nomination. I do not share Dr. Koop's views on the issue that has attracted some attention to this nomination. I do, however, believe that it is inherently destructive to our democratic process to judge a man's qualification for office on the basis of a single issue. It is fundamental to our democratic traditions that a person's qualifications for office be evaluated in the context of the whole of the person's experiences, knowledge and views. This principle must be equally applied whether the candidate is Judge Sandra Day O'Connor or Dr. C. Everett Koop.

In conclusion, Mr. Chairman, as the chief public health officer of one of the largest states, I look to the Surgeon General of the United States to provide leadership in the area of public health. Accordingly, I believe the person appointed to that position must be firmly committed to improving the health of our citizens, he must have experience in public health and clinical medicine and he must have the personal integrity to rise above partisan politics when necessary to address issues that are vital to maintaining and improving the public health.

Mr. Chairman, distinguished Senators, I believe Dr. Koop meets all these criteria and would be an outstanding Surgeon General. I therefore urge you to recommend to your colleagues in the Senate that they vote to confirm C. Everett Koop, M.D. as the Surgeon General to the United States. Thank you.

TESTIMONY FOR THE U.S. SENATE, COMMITTEE ON LABOR AND HUMAN RESOURCES, IRA L. MYERS, M.D., M.P.H.

Mr. Chairman and Members of the Committee, I am Ira L. Myers, a Physician, Epidemiologist, and Public Health Administrator. For 32 years I have been active in the field of Medicine and Public Health. My first seven years I was a Commissioned Officer with the U.S. Public Health Service, and for the past 25 years have served my native State of Alabama. I continue to hold an Inactive Reserve Commission in the Public Health Service, and have closely followed the leadership, capability, and qualifications of Surgeon Generals for the last 30 years. I am currently the second ranking State Health Official in terms of continuous service, having served 19 years as State Health Officer for the State of Alabama. I am pleased for the invitation and opportunity to testify on behalf of Dr. C. Everett Koop, as the Presidential Nominee for Surgeon General.

I am personally convinced this Nation needs the highest quality of medical leadership in Public Health programs. Wisdom, experience, and proven health and medical accomplishments are essential to sound Public Health programs. At a time when we are acutely aware of the need to be good stewards of our public service, this is a time of choosing priorities. We cannot afford the luxury of interesting theories and attempting to find new approaches when we already have proven methods that only need refinement and urgent application. We are dependent upon the sound application of productive methods of delivery of health care in its broadest aspect. At the same time, it appears that we need to be aware of the international needs, methods, and accomplishments for the delivery of the most efficient health care in today's world, and we need to share our technology with other Nations less fortunate than we.

I believe Dr. C. Everett Koop to be the man who meets the above qualifications and will add integrity, prestige, and sound judgment to the Office of Surgeon General. For several years I have known Dr. Koop's sensitivity to parental needs and his compassion for service to all people, regardless of geography or status.

Pediatricians have traditionally been recognized as prevention and public health oriented physicians, and staunch supporters of public health programs. Many of our current public health issues center on the needs of mothers and children. I consider the thoughtful touch of Dr. Koop, as an editor and writer, and the decisive hand of a surgeon, as positive factors in his nomination. A careful review of his background credentials, education, accomplishments, and recognitions make us proud for the quality of medical leadership in our country, as exemplified by Dr. Koop.

I highly commend Dr. C. Everett Koop to you for confirmation and, as a Public Health professional, endorse his nomination for this high office of trust, responsibility, and leadership.

Thank you once again for the opportunity and privilege to offer these viewpoints.

ASSOCIATION OF STATE MATERNAL AND CHILD HEALTH AND CRIPPLED CHILDREN'S SERVICES DIRECTORS

August 21, 1981.

Hon. ORRIN HATCH,
Chairman, Subcommittee on Health, Senate Labor and Human Resources Committee, Russell Building Washington, D.C.

DEAR SENATOR HATCH. The Association of State Maternal and Child Health and Crippled Children's Services Directors is pleased to support the nomination of C. Everett Koop, M.D., for the position of Surgeon General of the United States Public Health Service.

Dr. Koop has a long and distinguished career dedicated to the improvement of children's health both in this country and worldwide. Dr. Koop has been a pioneer in pediatric surgery and anesthesiology and has made enormous contributions to their growth through numerous authored publications. He has displayed a deep and abiding concern for his patients and their families. A brief review of Dr. Koop's extensive curriculum vitae attests to his outstanding accomplishments.

Dr. Koop has been instrumental in bringing together local community resources in order to care for the broad range of problems besetting the disabled child and his family. We applaud Dr. Koop's desire to assume the proper care for the disabled child as well as to seek primary preventive strategies to reduce these disabilities.

Throughout his career as a clinician, Dr. Koop has demonstrated a keen awareness for the multiplicity of issues that affect the individual patient's well being as well as those that affect the larger context. In this sense, Dr. Koop has appreciated the public health concerns associated with successful patient care.

As we understand Dr. Koop's present agenda for improving the public's health, it includes promoting the general health through effective prevention strategies, improving maternal and child health, reducing the incidence of and improving the care for disabilities, and bringing together the necessary components to care for the country's growing elderly population. We believe that the public's health will be well served by Dr. Koop's appointment as Surgeon General. We look forward to working together with him in addressing our primary public health cause—improving the health of children and their families in this great nation.

Sincerely,

JUDSON FORCE, M.D.,
President.

DEPARTMENT OF HEALTH
AND HUMAN SERVICES,
Washington, D.C., October 14, 1981.

Hon. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: During the confirmation hearings on C. Everett Koop, M.D., to be Surgeon General, held on October 1, 1981, there were points raised during questioning which indicated that some members of the Committee may not fully understand the role of the Surgeon General in terms of management authority.

I have enclosed a description of the duties of the Surgeon General. You will note that the majority of those functions are at the discretion of the Assistant Secretary for Health, the senior health official in the Department. Several other responsibilities are specified in statute and are so noted.

In terms of management authority, the Surgeon General heads the Public Health Service Corps, a personnel system composed of approximately 7,000 health professionals serving in positions in various programs where specialized health experience is necessary. The Surgeon General is not in line authority over the Public Health Service which is composed of the Office of the Assistant Secretary for Health and the six agencies of the Public Health Service—the Alcohol, Drug Abuse and Mental Health Administration; the Centers for Disease Control; the Food and Drug Administration; the Health Resources Administration; the Health Services Administration; and the National Institutes of Health. The directors of these six agencies plus the senior officials in the staff offices in the Office of the Assistant Secretary for Health, report directly to the Assistant Secretary for Health—not through the Surgeon General.

I hope that this explanation of line management in the Public Health Service will clear up any possible misunderstanding of the duties and responsibilities of the Surgeon General. If I can be of further assistance, please don't hesitate to call on me.

Sincerely,

THOMAS R. DONNELLY, Jr.,
Assistant Secretary for Legislation.

Enclosure.

THE SURGEON GENERAL OF THE UNITED STATES PUBLIC HEALTH SERVICE FUNCTIONS AND LEGAL RESPONSIBILITIES

Prior to 1966 the Surgeon General was responsible for administration of the Public Health Service and for exercising the numerous authorities contained in the PHS Act. However, by Reorganization Plan No. 3, effective June 25, 1966, all functions of the Surgeon General and all other officers and employees of the Public Health Service were transferred to the Secretary of Health, Education, and Welfare (now Health and Human Services).

Pursuant to this Reorganization Plan, the majority of the responsibilities for administration of the Public Health Service and the commissioned corps personnel system have been delegated to the Assistant Secretary for Health. The Surgeon General, the highest ranking officer in the commissioned corps, supports the Assistant Secretary for Health through the following functions:

Supports the Assistant Secretary for Health in providing leadership and direction for 7,200 commissioned corps personnel.

Directs and coordinates activities of eleven Chief Professional Officers (CPOs) to identify and resolve any policy issues and assure that PHS policies are implemented uniformly.

At the direction of the Assistant Secretary for Health, directs, coordinates and evaluates intra and interagency departemental activities mandated by the White House, the Congress, and the Secretary (e.g. the White House Conference on Aging; Public Health Employees Assistance Program; International Year of the Disabled—1981).

At the direction of the Assistant Secretary for Health, serves on career personnel boards of health professional activities within PHS.

As directed, represents the Assistant Secretary for Health at national and international health and professional meetings to interpret Public Health Service philosophy, policies, organizational responsibilities and programs.

Serves as the principal health official at the Association of military Surgeons of the United States; Commissioned Officers Association; and Federal Council of Surgeon Generals and Program Chiefs.

Advises CPOD regarding the inactive reserve for all categories including orientation and proposed training.

Assists the Assistant Secretary for Health in cooperation with the Office of International Health in monitoring 20 multilateral international agreements with countries to assure health professional input and assure uniform interpretation of health policies.

Upon approval of the Assistant Secretary for Health, releases reports and advisories to the general public and to physicians about health hazards.

By charter with other uniformed services, represents the Secretary in approving the Joint Travel Regulations for the uniformed services.

Specific responsibilities of the Surgeon General vested by law:

Serves as Ex-Officio Member of the Board of Regents of the National Library of Medicine.

Serves as member of the Board of Regents of the Uniformed Services University of the Health Sciences and principal health official for the Public Health Service on all matters related to policies affecting the PHS faculty and students.

Responsible for reviewing the particulars of Department of Defense plans for transportation, open testing and disposal of lethal chemicals and biological agents, and recommending precautions necessary to protect the public health and safety. Recommendations are binding on the Secretary of the Department of Defense, and can only be overridden by the President (50 USC 1512).

Mr. HELMS. Mr. President, I strongly support the nomination of Dr. C. Everett Koop to be Surgeon General of the United States.

Perhaps best known for his successful surgery to separate Siamese twins, Dr. Koop has gained international recognition as a pioneer in pediatrics. He has served as chief of pediatric surgery at the Children's Hospital in Philadelphia for the past 35 years. Under his leadership, this hospital has become a training ground for pediatric surgeons around the world.

In addition to his work as a surgeon, Dr. Koop has shared his experience and knowledge through public health efforts, particularly in Third World nations. He has provided assistance in epidemic prevention in the Dominican Republic, trained Indian nurses in disease prevention within their isolated Mexican tribe, and assisted in the establishment of public health facilities in more than two dozen nations.

Dr. Koop's outstanding achievements in medicine have won him worldwide acclaim and respect. Among his awards are the Ladd Gold Medal of the American Academy of Pediatrics and the Denis Brown Gold Medal of the British Association of Pediatric Surgeons. He is also the recipient of the highest honor bestowed by the French Government, the Legion of Honor. In addition, he has been named man of the year by both the Jewish Community Chaplaincy Service and the Presbyterian Social Union of Philadelphia.

Through almost 200 articles and books he has written, Dr. Koop has continued to share his expertise with the Nation and the world. "Whatever Happened to the Human Race?" a book he coauthored with the eminent theologian Francis Schaeffer has been produced as a film documentary and gained international acclaim.

Mr. President, one of the more thoughtful articles I have seen concerning this nomination appeared in the Washington Post this summer. Although the piece first ran on July 19, it is relevant to this discussion. The writen, Mary Meehan, concludes with a statement which sums up our purpose here today:

Should Dr. Koop be confirmed as Surgeon General . . . the young, the old and the disabled will never have a finer or more compassionate advocate.

Mr. President, I ask unanimous consent that the full text of Ms. Meehan's article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DR. KOOP IS THE MAN FOR THE JOB

(By Mary Meehan)

If Congress lets President Reagan appoint the person he wants for surgeon general of the United States, he will name Charles Everett Koop, a brilliant pediatric surgeon who currently holds the post of deputy assistant secretary for health. But Dr. Koop has the misfortune of being 64 years old—just over the age ceiling for the job of surgeon general. He has the added misfortune of having political opponents in Congress who, although on record against age discrimination, are using the age limit to delay his nomination. The usual faint whiff of fakery floats over Capitol Hill as liberal Democrats try to explain the difference between their principles and their actions, and as the 68-year-old speaker of the House helps block the appointment of a 64-year-old.

Age, of course, has nothing to do with the real issues at stake. No one suggests that Koop is over the hill or in the least bit decrepit; in fact, he appears to be healthier and more vigorous than many younger men. The main issue is abortion and Koop's articulate opposition to it. He is a special target of the proabortion lobby because, prior to joining the government this year, he served on the boards of three of the most effective right-to-life groups, spoke and wrote strongly against abortion, and helped put together the antiabortion movie, "Whatever Happened to the Human Race?" The movie, and a book with the same title that Koop coauthored, suggest that abortion, infanticide and euthanasia are connected, that one leads to the other. This is, to say the least, an unpopular view among supporters of abortion.

It was said of the great Confederate cavalry leader, Nathan Bedford Forrest, that he won his battles by always reaching the scene "fustest with the mostest."

Dr. Koop's opponents managed to do the same thing in reaching the media. His friends and family probably do not recognize him as he appears in the press. One observer

suggests that Koop has been made to appear as a "barefoot fundamentalist down from the hills," and others that he has been painted as a "neanderthal" and a "jerk."

To some extent these impressions result from deeply rooted stereotypes about anti-abortionists; and to some extent they result from quotes taken out of context from the doctor's speeches and given the worst possible interpretation. Newsweek, for example, lifted one vague sentence from a Koop speech to support its contention that "he has no brief for equal opportunity for women." In fact, he was training women surgeons long before this was popular. Dr. Louise Schnaufer, one of the surgeons he trained and worked with for many years, says that "he's trained a lot of women, and I think he's all for women in medicine. . . . He's very favorable."

Similarly with Koop's religion, which has been pictured as a negative force in his life, yet is clearly a constructive one.

A Presbyterian and an evangelical, he takes his religion seriously as a guide to action. He has long worked with a non-denominational agency called MAP International to provide substantial medical aid to Third World countries. He and his wife took an orphan into their home and raised her with their own children, and he helped set up an adoption agency in Philadelphia to find homes for other children who needed them.

His approach to religion includes humility: He has told parents who have tried to thank him for aiding their children, "My surgical skills are a gift from God. Thank Him for them." And he is not superficial about religion: Acknowledging to one interviewer that he had prayed before a critical operation, he added, "I don't pray in the sense of trying to cast a magic spell. Praying doesn't necessarily mean asking for something, you know. There's a lot of value in just sitting still and listening."

While allegations of religious fanaticism and antiwoman attitudes have been used against him, the up-front opposition to Koop is based on charges that he is unqualified for the job of Surgeon General. This opposition is led by the American Public Health Association, whose executive director says that Koop's position on abortion has nothing to do with their opposition to him. Right-to-life lobbyists find this hard to believe, since APHA has long been active on the pro-abortion side. But its charges about lack of qualification have been widely adopted by editorial writers and others, so they are worth a careful look.

The public health professionals do not dispute Dr. Koop's international reputation as a pioneer in pediatric surgery. He helped make anesthesia safe for children, did intensive work on the treatment of children with cancer, and performed difficult surgery in the separation of Siamese twins and in other cases previously thought to be hopeless. His awards include the highest that the French government bestows, the Legion of Honor.

In addition, Koop has accumulated much administrative experience in building and leading the outstanding pediatric surgery department at the Children's Hospital of Philadelphia. (This is something the public health people do not talk about; listening to them, one might have the impression that Koop is a Lone Ranger type.) And his whole record is one of much personal interest in his patients and their families. In 1978 he made a remark that sounds rare indeed for a great surgeon: "If you told me that I could never operate again, that would not bother me. But if you told me I couldn't have a relationship with patients' families I would be upset."

Given all of this, the average layperson is likely to think that we would be lucky to have Koop as chief health officer of the country. But the public health folks say that private medicine is focused on the cure of ailments in individuals, while public health is concerned more with prevention of disease in entire populations.

Dr. William H. McBeath, executive director of the American Public Health Association, recently told a congressional committee that the "almost exclusive orientation for one-to-one, provider-patient relationships, so advantageous for the clinician, can actually be a disadvantageous distortion for the community practitioner committed to the broader target of equitable programing for a total population."

If Dr. Koop's reputation were that of a narrow-gauged, "cut and run" surgeon, McBeath might have a point. But Koop's whole career indicates the very opposite of that. And he has extensive volunteer experience with public health problems in Third World nations: working against a dysentery epidemic in the Dominican Republic; teaching young women of an isolated Indian tribe in Mexico to dispense antidysentery and anti-worm medicines, vitamins and protein supplements; helping set up a medical school in Ghana. He also established a fellowship program to send medical students to rural hospitals in Third World nations, so they could obtain a realistic experience of international medicine and possibly decide on careers in it.

The public health professionals appear to be unimpressed with all of this, which leads one to believe that they are rather hard to please. There is also a hint of self-interest in their position; while they do not say it this way, one message that comes through loud and clear is: "This is our turf and we're going to keep it." The APHA leaders make a point of saying that never before in its 109-year history has their group opposed the nomination of anyone to be Surgeon General. But this becomes somewhat less impressive when one discovers that the decision to oppose Koop was made by a 16-member executive board. And APHA president Larry J. Gordon, who started the public controversy last March when he wrote President Reagan in opposition to Koop, is not even a doctor. He is an environmental health specialist.

All of which brings us back to the troublesome issues that underlie so much of the hostility to Koop: His opposition to abortion in general and to "selective abortion" in particular. Koop notes that his position "is not so outlandish," that it is shared by the President, the Secretary for Health and Human Services and the Assistant Secretary for Health. "I'm always amazed to see how their statements arouse no ire," he remarks, "but things I said two years ago, I have to die for." The list of abortion opponents outside the political right includes Lindy Boggs, Thomas Eagleton, Mark Hatfield, Jesse Jackson, Mary Rose Oakar, Graciela Olivarez and William Proxmire. Koop has some good company.

But he reached his position on his own, and largely as a result of his 35 years of medical practice. When Koop entered his specialty in the 1940s, he was one of only six surgeons in the country to devote his practice to children alone. And, he says, he found himself "very rapidly becoming an advocate for children, particularly for children who are handicapped or abused." He has probably seen nearly every birth defect that can occur, including ones that laypeople find hard to imagine.

He has successfully treated infants with intestinal obstructions, ones born with no connection between throat and stomach, ones with severe problems of the urinary tract, ones with dangerous and disfiguring tumors, and even a boy born with his heart outside of his chest. He has corrected problems of Down's Syndrome children and babies with spina bifida (cleft spine). In short, he has successfully treated many children who today might be aborted after amniocentesis detected their problems.

Amniocentesis is the procedure of withdrawing amniotic fluid from the womb when a fetus is 14 weeks or older. Analysis of the fluid for diagnostic purposes was first done in order to help both mother and child affected by the Rh problem, and Koop favors it when done for this purpose. But increasingly over the last 10 years, amniocentesis has been used to detect genetic problems so that the parents can have affected children aborted—even though the extent of their handicaps may not be known. Koop and others of the right-to-life persuasion call the amniocentesis/abortion combination a "search-and-destroy mission." Koop is a markedly effective critic of it because he knows how much handicapped children can be helped, he admires the way "they have such a good spirit and don't feel sorry for themselves" and he has seen many of them contribute substantially to their families and communities.

This is not to say that Koop or any other doctor can correct all birth defects. No cure has been found for the devastating Tay-Sachs disease, which kills all affected infants in their early years. There is no cure for sickle cell anemia, although some researchers now believe they can find a remedy for it. Some are also hopeful about finding a way to prevent or cure the mental retardation that usually accompanies Down's Syndrome. Today, most Down's Syndrome children, with proper training, can learn to walk and run, engage in sports and do household chores. Those who work with them often describe them as happy and very affectionate children. Many eventually learn and hold jobs in sheltered workshops. Yet the medical literature indicates that more children are aborted for Down's Syndrome than for any other genetic problem.

Koop say that it was his concern about infanticide that led him into the pro-life movement, "so you could say I came in by the side door or the back door." He remarks that "I don't think we ever would have come to our current practice of infanticide in this country if it hadn't been for the fact that we were performing well over a million abortions a year. I think that does something to the medical profession' understanding of its healing ministry. And when you make exceptions for the unborn, there's very little difference between making them for that group and for the newly born."

Koop's opponents suggest that he is alarmist about infanticide, but he points to an impressive amount of evidence: a 1973 article in the New England Journal of Medicine in which two pediatricians reported that, over a 2½-year period at the Yale-New Haven Hospital, 43 handicapped babies died after treatment was withheld or withdrawn from them; a 1973 proposal by Nobel laureate James D. Watson that a child not be declared alive until three days after birth, so that a doctor "could allow the child to die if the parents so chose and save a lot of misery and suffering"; and cases of Down's Syndrome children who starved to death after denial of simple operations to remove intestinal obstructions.

He also notes the recent case of Jeff and Scott Mueller, Siamese twins who were born in an Illinois hospital where one or more persons apparently felt it was all right to starve them to death rather than allow them to face life with serious handicaps. This, says Koop, shows that he "wasn't far off" in his early concern about infanticide.

There is also the case of Phillip Becker, which Dr. Koop calls a "tragic miscarriage of justice." In the Becker case, denial of treatment has been moved up into the teens and sanctioned by the courts. Phillip Becker is a 14-year-old Californian with Down's Syndrome whose parents have refused consent for heart surgery their son needs. Without the surgery, doctors say, he will suffer unnecessarily and probably die at an early age. Yet California courts upheld the parents in

their refusal to give consent, and last year the U.S. Supreme Court refused to hear an appeal on the boy's behalf.

How about the Koop suggestion that euthanasia of the elderly will be the next slide down the slippery slope? The same arguments made for abortion and infanticide can easily be made—and are made—for doing in older people who have serious disabilities. Such people, Koop believes, are in danger—"particularly if they're elderly, disabled and expensive."

But the one thing old folks have that babies lack is the vote. It is conceivable that sheer voting power will protect older people from euthanasia enthusiasts. One could say that political protection is better than no protection at all. On the other hand, it is not a firm barrier against the psychological pressures that Dr. Koop and theologian Francis A. Schaeffer spoke of in their book "Whatever Happened to the Human Race?" They suggested that consideration of euthanasia leads "to a degradation of the elderly and, ultimately, to inferior health care for the elderly—as well as encouraging the thought that those who do not want to 'shuffle off' quickly are somehow failing in their contribution to society."

Dr. Koop indicates that, if he becomes surgeon general, one of his chief goals will be to aid the handicapped and the elderly and to encourage more positive attitudes toward them. Liberal Democrats have long championed these groups; so if the Democrats can put down their brickbats long enough to listen to Koop, he may have a chance. The young, the old and the disabled will never have a finer or more compassionate advocate.

Mr. HATCH. Mr. President, I am pleased to yield such time as he needs to the distinguished Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. I thank the Senator from Utah.

Mr. President, on October 28, the Committee on Labor and Human Resources voted to approve the nomination of C. Everett Koop to be Surgeon General. Approval of his nomination was by a bipartisan vote of 11 to 5.

During confirmation hearings, Dr. Koop showed himself to be not only a world-renowned surgeon and clinician, but also a medical professional with extensive public health experience. I have had the distinct pleasure of knowing Dr. Koop for 12 years. I have followed his career and can say his credentials in the health field are most impressive. Beyond this background, I have the utmost respect for Dr. Koop as a man of highest integrity.

Dr. Koop is an individual with specialized training and significant experience in public health programs, particularly in pediatrics, consumer protection, international health care, and in work with disadvantaged people. He is currently Deputy Assistant Secretary of Health, Department of Health and Human Services. He was surgeon in chief of Children's Hospital of Philadelphia and author of more than 170 articles and books on the practice of medicine.

My admiration for Dr. Koop was nurtured, in part, by his work with disadvantaged and underprivileged people. Dr. Koop's work in Africa, Mexico, the Dominican Republic, Poland, and throughout Europe and Asia has also received wide recognition. Both the Dominican Republic and France have presented him with their highest civilian awards.

For the above reasons and for the many other excellent examples of his compassion and devotion to public service, I support Dr. Koop's confirmation as Surgeon General of the United States.

Mr. HATCH. Mr. President, I yield to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand it, we are under a time agreement of 1 hour, the time equally divided between the Senator from Utah and myself.

The PRESIDING OFFICER. That is correct.

Mr. KENNEDY. I yield myself such time as I may use.

I oppose the nomination of Dr. C. Everett Koop as Surgeon General of the Public Health Service.

The Surgeon General is America's preeminent professional in the field of public health. He leads the 7,299 members of the Public Health Service's Commissioned Corps, whose mission is to promote the protection and advancement of both the physical and mental health of all Americans. He provides inspiration and leadership to 545,000 public health professionals at the State and local level—physicians and nurses, environmental scientists and epidemiologists, nutritionists and educators. As our representative to international health forums, he offers the expertise of America's public health establishment to meet the critical public health needs of less developed countries. He speaks to all Americans when he alerts us to newly identified health hazards. In all these ways, in our own country and around the world, the Surgeon General is the voice of public health.

In my view, the administration's nominee for Surgeon General does not meet the exacting qualifications for this high office.

No one can deny that Dr. Koop is a gifted physician and an outstanding pediatric surgeon. His accomplishments include the establishment of pediatric surgery as a medical subspecialty and enhancing the life expectancy of at-risk infants. His own record—and the record of our hearings—reveals his compassion for the aged and disabled.

But a review of his record and the record of our hearings also reveals the essentially total absence of training or experience in public health. At his confirmation hearing, witness after witness testified to Dr. Koop's skill as a pediatric surgeon. They praised his efforts on behalf of aged and disabled individuals, they cited instances in which Dr. Koop offered his clinical expertise to meet medical needs of patients in less developed countries. But no one could make a satisfactory case that Dr. Koop has significant experience in public health, in programs emphasizing the prevention of disease, and the health needs of the population as a whole.

The American Public Health Association, the oldest and largest professional public health society in the world, broke with a hundred year tradition of silence on Presidential nominees for Surgeon General and vigorously opposed the nomination of Dr. Koop on the grounds that he is unqualified. I ask unanimous consent that the text of the American Public Health Association's testimony before our committee be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Mr. KENNEDY. Mr. President, an even greater concern is Dr. Koop's seeming insensitivity to issues affecting women. In statement after statement, he has endorsed a cruel, outdated, patronizing, and discredited stereotype of women in society. He stands against the effort of women to achieve equal rights with men. He ignores the accomplishments of dedicated judges, doctors, scientists, lawyers, and other highly trained professionals who are women. He ignores the fact that more than 8 million families are headed by women; that more than half of all women with children under 18 years of age work, many because they must work in order to support their families.

A nominee so far out of touch with the role of women in our society should not be at the forefront of the Nation's Public Health Service. Millions of women throughout America would have no confidence in the public health pronouncements of a Surgeon General who disapproves the lives they have chosen or must live.

As the vice president of the National Organization for women, Jane Wells-Schooley, stated in testimony before our committee:

Dr. Koop's ideology and public record disclose a fundamental opposition to equality for women. If any candidate for surgeon general espoused such extremist views and attitudes toward racial equality, the nomination would never have been offered, let alone seriously considered by the Senate of the United States.

At a time of reduced budgets, when public health professionals across the country find themselves strapped for funds and facing serious public health problems, the Nation deserves the strongest public health leadership it can find. We deserve an individual who understands firsthand the public health needs of all Americans.

Dr. Koop is a warm, compassionate physician. He is a world renown pediatric surgeon. He cares about the aged and disabled; but he is the wrong choice for Surgeon General.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of those groups who oppose the nomination.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

WHO OPPOSES DR. KOOP'S NOMINATION

The following is a partial listing of those group who oppose this nomination:

The American Public Health Association.

The United States Conference of City Health Officers.

The United Mine Workers of America.

The United Steelworkers of America.

The International Ladies Garment Workers.

The American Federation of State, County and Municipal Employees.

The Service Employees Union.

The Association of Teachers of Preventive Medicine.
Women and Health Roundtable.
The National Gay Health Coalition.
B'nai B'rith Women.
Planned Parenthood.
Center for Science in the Public Interest.
Women's Health Network.
National Organization for Women.
American Association of University Women.
The United Presbyterian Church in the U.S.A.

In addition, the following newspapers have opposed Dr. Koop's nomination:

The New York Times, Los Angeles Times, Boston Globe, Washington Star, Detroit Free Press, Philadelphia Bulletin, Louisville Times, Sacramento Bee, Philadelphia Inquirer, and the Miami Herald.

TESTIMONY ON CONFIRMATION OF THE SURGEON GENERAL NOMINEE C. EVERETT KOOP, M.D.

INTRODUCTION

Chairman Hatch, and members of this distinguished Committee. My name is William H. McBeath. I am a public health physician currently serving as Executive Director of the American Public Health Association. I am authorized to appear before you today on behalf of that organization.

APHA is the oldest and largest professional public health society in the world, having begun in 1872, and now having over 50,000 national and affiliate members across the country. We are a science-based, action-oriented, multi-disciplinary organization with an envied tradition and significant potential as a force in the movement toward valid national health policy and effective community health programming at federal, state, and local levels.

We appreciate this opportunity to present our views on the important subject before you for consideration today.

The issue: What public health qualifications does the USPHS Surgeon General need?

The American Public Health Association firmly believes that the health interests of the nation are best served only when the United States Public Health Service is headed by a Surgeon General who is a clearly qualified, specially trained, broadly experienced community health professional of demonstrated expertise and recognized ability.

Long-standing tradition and provisions of federal law have helped assure such leadership by requiring that the Surgeon General be appointed for fixed terms from the commissioned corps of career USPHS professional officers. Recent changes in the law permit the designation of a Surgeon General from outside the career corps, but only if that individual shall "have specialized training or significant experience in public health programs."

This Committee now has before it for consideration the nomination for Surgeon General of an individual who has not served in the USPHS career corps, who has no specialized training in public health, who has no significant experience in public health programs, and who is therefore clearly unqualified for this important office.

Accordingly, for the first time in over a century of collegial co-existence with the Public Health Service, we in the American Public Health Association are constrained to speak out against the appointment of a specific candidate being designated as Surgeon General. We strongly oppose the confirmation of Dr. C. Everett Koop as Surgeon General on the grounds that he is without the requisite qualifications for that position.

There is ample evidence that Dr. Koop is a distinguished pediatric surgeon. He is much honored, doubtless deservedly, as a practitioner and teacher in his chosen medical specialty. It is not our intention to cast the slightest shadow upon his reputation as highly skilled physician, exceptionally gifted in the art and science of surgery for infants and children. However, we must insist that these admirable qualities alone are wholly inadequate to equip one for national professional public health leadership; and Dr. Koop is otherwise almost uniquely unqualified.

We believe one aspiring to such national public health leadership must be well supplied with a familiar understanding of public health principles and a mastery of public health methods which together give an essential background for an effective approach to and solution of public health problems. The Congress, in its wisdom, has seen fit to include reference to such qualifications in the legislative language which now specifies the prerequisites of the Surgeon General. It is this expertise in public health which Dr. Koop is so utterly lacking, and which is clearly required by law of any Surgeon General candidate.

Why isn't any distinguished medical doctor considered a qualified public health practitioner?

Why do we say that being a specialized medical clinician is not sufficient qualification for Surgeon General? Are not the biomedical and clinical sciences at the core of medical education and practice, also importantly related to public health? Of course they are. But only the narrowest form of medical chauvinism would permit the view that any competent clinical physician is automatically equipped to direct organized community health endeavors.

A recent national commission had defined "public health" as "the effort organized by society to protect, promote, and restore the people's health, involving programs, services, and institutions which emphasize the prevention of disease and the health needs of the population as a whole;" as distinguished from the "clinical sciences" (including medicine) "which operate through a one-to-one, practitioner-patient relationship, and emphasize the empirical application of these fields to individual health problems."

Thus, physicians are especially and exquisitely trained to deal with the pathology of disease in the individual, rather than the public health focus on the active promotion of health in population groups. Medical science and technology is largely that of the treatment of a diseased patient, not the public health knowledge and skills for the prevention of ill health in aggregates. Private medicine is focused on the care of patients and the cure of their individual ailments, while public health is concerned with the varied causes of disease and their control in the community and its environment.

The almost exclusive orientation for one-to-one, provider-patient relationships so advantageous for the clinician, can actually be a disadvantageous distortion for the community practitioner committed to the broader goal of equitable programming for a total population.

In contrasting the patient care clinician and the community health practitioner, we attribute no inherent superiority to either. It is the significance of their differences we seek to emphasize, reflecting the distinctive contribution each can best make to human well-being, and also justifying the distinctive public health qualifications specified for the Surgeon General in the Public Health Service Act.

Training and experience in public health—what important differences does it make?

What is it about training and experience in public health that provides the substantive difference so essential to the qualifications of community health professionals? How does such training and experience make an important difference in public health professionals?

First, through education and work experience they come to share a unique body of knowledge basic to the principles and practice of public health, including certain measurement sciences, environmental sciences, social sciences, and management sciences. Epidemiology is the core science of community health. Other important courses of study at the heart of public health include behavioral science, biostatistics, community dynamics, demography, educational change, environmental protection, human ecology, public administration, and social policy.

Second, through training and experience they come to possess special skills related to community health methods and procedures, including the conduct of community development activities, controlled field trials, environmental inventories, epidemiologic investigations, health program planing and evaluation, health survey research, legislative implementation, mass communication, regulatory enforcement, and sanitary/safety inspections.

Third, through experience in organized public health efforts they come to comprise a characteristic working group of occupational disciplines in distinctive organizational settings. Community health educators, environmental health scientists, epidemiologists, health services administrators, health planners, industrial hygienists, nutritionists, public health dentists, public health nurses, public health physicians, sanitarians, statisticians, and others publicly identify themselves as career community health workers, and are employed jointly with others of these related community health disciplines, in formally organized program efforts set predominantly in governmental public health agencies and voluntary community health service organizations.

Thus, three distinctive characteristics generally shared by public health professionals as a result of their training and experience are: unique knowledge base, special skills ability, and work group identity. In contrasting these characteristics of public health professionals to those of the clinical physician, one notes that the clinical physician does not ordinarily master the areas of scientific study unique to community health service, does not usually develop the special skills and techniques common to community health practice and research, and does not customarily work in the same organized settings with community health disciplines.

What constitutes specialized training of significant experience in public health?

There are several real-world examples which clearly identify the essential form and content elements of public health training and experience.

For U.S. physicians, the definitive testimony to attainment of specialization within medicine is formal certification by an American specialty board recognized by the American Board of Medical Specialties. In 1948, the American Board of Preventive Medicine and Public Health was recognized to award specialty certification to qualifying public health physicians. To date, some 4,000 physicians have been certified by this Board as qualified medical specialists in public health and its related preventive medicine fields. (Dr. Koop is not among these 4,000. He, having chosen formal preparation for and active practice within the entirely different medical specialty of pediatric surgery, has been certified by the American Board of Surgery.)

In addition to the M.D. degree, a medical license, one year of postgraduate clinical training, and successful completion of a comprehensive, two-part, specialty examination, the training and experience requirements for board certification in public health include:

(1) Graduate course of academic study, in-

cluding biostatistics, epidemiology, health services administration, and environmental health, leading to a master's degree in preventive medicine or public health;

(2) One year residency of supervised preventive medicine practice experience, including planned instruction, observation, and active participation in comprehensive, organized, preventive medicine programs; and

(3) An additional year engaged in specialized public health activity (training, research, teaching, or practice).

It is true that federal law does not require the Surgeon General to be a board-certified physician specialist in public health but it does require that the Surgeon General have "specialized training" or "significant experience" in public health. Isn't it reasonable to demand that the type of public health training or experience to be possessed by a physician candidate for Surgeon General, should be the same type (but not the same amount) of training and experience defined by the recognized medical specialty board as appropriate for any physician seeking to qualify in public health?

(With regard to the nominee before you for consideration, our point is not that Dr. Koop hasn't yet completed all of the training and experience required of public health diplomates; our point is rather that Dr Koop hasn't even started any of the type training or experience specified as appropriate.)

Successful completion of graduate training at the master's level (only one of the requirements included above) has increasingly become the recognized norm for professional public health training within many health-related disciplines, including medicine, nursing, dentistry, environmental science, health services administration, etc. Beginning in 1956, the Congress has affirmed the value of such education by authorizing public health traineeships to support "professional health personnel" in "graduate or specialized training in public health." Since then, Congress has provided a variety of grant programs to support public health training in public and private non-profit graduate schools of public health, and other educational institutions. Since 1930, about 50,000 health professionals have received graduate public health degrees (usually the M.P.H.) from the nation's twenty-one, fully accredited, university-based, graduate cshools of public health alone.

It is estimated that over 35,000 of these are still professionally active, along with at least an equal number who hold equivalent graduate degrees from a variety of community health/preventive medicine/environmental health/health services administration programs in other degree-granting institutions. This cadre of graduate-trained professional public/community health personnel, educated with federal support, are additional evidence of the level and character of training Congress intends by the phrase "specialized training in public health." (Dr. Koop has had no graduate education or specialized training in public health.)

Where do we look for practical examples of what constitutes "significant experience in public health programs?" Where else than in the daily work experience of public/community health professionals? In a recent report to the Congress, the Secretary of Health, Education, and Welfare reported that this country has a core group of about 150,000 qualified professional and technical personnel with distinct public health competence who work exclusively in public health settings.

In addition to this large core of professional public health workers, the report goes on to enumerate supporting personnel in public health agencies and programs, and others whose primary work requires the performance of significant public health functions. This total public health workforce is over a half million personnel.

It is this community of public health workers—professional, technical, executive, operational, and supporting—which must be understood, motivated, and guided by expert leaders of recognized ability and demonstrated dedication, beginning with the Surgeon General. And it is the work experience of this group which must be shared by any Surgeon General candidate deemed to have "significant experience in public health programs." It is almost inconceivable that any Surgeon General candidate deemed to have that requisite "significant experience in public health programs" would not be part of this total public health workforce. Dr. Koop is not.

What makes for significant experience in public health programs?

It should be patently obvious that simple knowledge of, occasional exposure to, or even sympathetic interest in community health programs does not constitute "significant experience" in the present context. As revised, Section 204 of the Public Health Service Act is stating the job qualifications for Surgeon General. As with any job qualifications statement, the experience requirement refers to valid work experience of the candidate, demonstrated by prior substantial commitment of time and effort to a responsible occupational involvement (usually employment).

In the case of the Surgeon General, the experience is explicitly required to be in "public health programs;" but what quantity and quality of experience is "significant?" Logically, the requirement for public health programs experience is intended to provide and/or assure the capabilities (i.e., the knowledge, the skills, and the values) needed for public health programs leadership. Experience is therefore "significant" only if it is adequate to provide the needed capabilities. It is ludicrous to treat the USPHS Surgeon General as an entry-level public health career position. Particularly in the absence of any specialized training, only an extended and commendable career of professional public health program leadership would meet the "significant experience" test for Surgeon General.

What are the purported public health qualifications of Dr. C. Everett Koop?

In the openness of today's "information society," anyone with access to a good public library can freely examine the important public aspects of the personal and professional life of prominent individuals. Standard reference works such as Who's Who in America and the Directory of Medical Specialists are recognized as authoritative, readily available stores of biographical data and career information on many noteworthy persons in the world of health affairs.

By coincidence, page 1824 of the 40th edition of Who's Who in America lists only two physicians. Appearing almost side by side in adjacent columns, their life sketches reveal some interesting parallels between the two men, but also some clear career contrasts. They were both born in New York state less than a year apart, and eventually both graduated from medical school there in the 1940's. After a period of residency training (one in internal medicine, one in surgery) they began their practice careers in different states (one in North Carolina, one in Pennsylvania). Both became members of their local medical society and the American Medical Association, and each has engaged in private medical practice. However, as it turned out, each was to spend almost his entire professional career with a single institution, both men having now retired from the top jobs at each. Both have been active in civic affairs, and each has received awards and honors from his professional peers. Both record one marriage with four children; both are Presbyterian.

So much for the parallels; what of the career contrasts?

In 1946, the North Carolina internist began as assistant epidemiologist with the state board of health and, after periodic advancements, became state health director in 1966. During this time he had an interim two-year period of service with the U.S. Public Health Service; and obtained a graduate degree (M.P.H.) from the University of North Carolina School of Public Health, on which faculty he subsequently served, eventually attaining the rank of adjunct professor. His professional memberships include American Public Health Association, Association of State and Territorial Health Officials, Conference of State and Provincial Health Authorities, and Delta Omega—all public health groups.

In 1948, the Pennsylvania surgeon became surgeon-in-chief of Children's Hospital of Philadelphia, continuing in that post during 33 years of institutional growth. He served concurrently on the active faculty of the University of Pennsylvania School of Medicine, eventually becoming full professor of pediatric surgery and pediatrics. He became founding editor-in-chief of the Journal of Pediatric Surgery. His professional memberships include American College of Surgeons, American Surgical Association, Society of University Surgeons, International Society of Surgery, Surgical Section of the American Academy of Pediatrics, and the American Pediatric Surgical Association—all pediatric surgery groups.

Surely these eminently gifted physicians can both be cited as noteworthy for their contributions to human well-being resulting from distinguished careers, each in his own respective area of special competence. The question we raise here is this: Which one of these physicians has "specialized training and significant experience in public health programs" and which one is being nominated as USPHS Surgeon General?

Early this year, soon after Dr. Koop was named Deputy Assistant Secretary for Health, we requested and received a copy of his four-page curriculum vitae from the Department of Health and Human Services. We wanted to identify any public health experience in Dr. Koop's background in order to assess his qualifications for Surgeon General. Of course, his curriculum vitae elaborated considerably (and appropriately) upon the details of his distinguished professional career.

It listed three earned, and seven honorary degrees. It cited six years of postgraduate training and fellowship appointments. It mentions medical licensure in two states, and two certifications by a specialty board. It specified eleven faculty appointments in 36 years of active teaching at two institutions. It told of appointments to four hospital staffs. It named eleven awards and honors: professional, civic, and religious. It reported his membership in seventeen local, national, and international professional/scientific societies, plus several important offices and committee assignments therein. It gave four specialty journals he has edited. It included personal and family information.

But, at no point in the curriculum vitae is there direct or indirect reference to anything that could reasonably be called "specialized training or significant experience in public health programs." None of the education or training was public health focused. None of the faculty or hospital appointments were in preventive or community medicine. None of the society memberships were in public health organizations. None of the edited journals were community health periodicals. (A separate review of over 150 scientific papers authored by Dr. Koop revealed none on public health subjects, or in journals devoted to community health or preventive medicine.)

(For the record, we wish to add that more

recently, our request to the General Counsel of the Department of Health and Human Services for a copy of specific documentation of Dr. Koop's presumed public health qualifications was denied, although the possession of such documentation was admitted. To say the least, we were anxious as to the justification for such "confidentiality.")

Within the past few days, administration representatives have distributed "background information" materials on Dr. Koop's Surgeon General nomination to members of this Committee, and some of you have shared these with APHA. We sincerely appreciate even this brief opportunity to review and analyze therein the administration's claims of public health qualifications for their nomines.

Perhaps understandably, the materials never quote the legal qualifications for Surgeon General as defined by Congress and given in the Public Health Service Act: "specialized training or significant experience in public health programs." The administration apparently concedes that Dr. Koop has no specialized training in public health, since no reference is made in the materials to such training. Its apparent tactic is to dress up events in the nominee's clinical career which can hopefully be sold to this Committee and the Senate as "significant experience in public health programs." We urge you not to buy this thinly veiled attempt to disguise "examples" which, as we shall see, are usually not "public health", often not "programs", sometimes dubious as personal "experience", and never "significant."

The centerpiece of these materials is a four-page document entitled "background information" (which is attached hereto, and which we request be included as part of the record). After beginning with references to Dr. Koop's internationally known accomplishments in pediatric surgery, it goes on to quote a definition of "public health" previously cited in this testimony. Thereafter, under three headings taken from the definition, purported "examples of Dr. Koop's experience" are introduced which supposedly "attest to his extensive background in both clinical and public health services delivery." Each so-called example is presented as a brief "bulleted" paragraph under one of the three headings.

The paragraphs are peppered with "buzz words" and jargon, frequently underlined, but usually without direct relevance to the substance of the paragraph. Careful examination also reveals that the "example" paragraphs are assigned almost randomly to the three headings, with the paragraph subject actually bearing no significant relation to the heading it's placed under.

Some may lightly pass off these aberrations as simply a masterpiece of the publicist's art. More likely they are the deliberate attempt to mislead this Committee as to the public health qualifications of Dr. Koop.

Almost all of the fourteen "examples" refer to clinical patient care activities, not to "public health services" as alleged. Earlier in this testimony we sought to carefully distinguish between clinical patient care on the one hand, and public health programs on the other. To review, a quick rule of thumb (which can readily be applied by each of you to the "examples" cited here) is this: If the effort described is directed primarily at patients who are ill, it is clinical patient care. If the effort described is directed primarily at a group of relatively healthy people, it is public health services. Try that simple test on the core subject of each "example" paragraph (ignoring the "buzz" words and "puff" phrases) and you will quickly see that most of them do not relate to public health at all.

A few of the paragraphs admittedly do describe (or at least mention) public health type activities. However, the obvious attempt throughout this "background information" document to exaggerate to the point of distortion justifiably raises questions concerning the validity of even these as "significant experience in public health programs."

Neither can it be ignored that all these "examples" are here undocumented. Particularly, they almost never give us information on (and therefore leave room for legitimate doubt as to) the nominee's specific role vis-a-vis others, his degree of personal responsibility, the precise nature of his contribution, the extent and duration of his involvement, and his time and effort commitment.

Even assuming the most favorable verdict that available facts will permit, we are forced to conclude that all these "examples" in aggregate still fall far short of affording Dr. Koop the "specialized training or significant experience in public health programs" required by law.

Is it really imperative that the Surgeon General be a qualified public health practitioner?

We urge this Committee and the Senate not to minimize the importance of these mandated public health qualifications in the case of any Surgeon General nomination.

The Surgeon General is widely and appropriately viewed as a symbolic leader of the nation's public health movement. His role can be critical to stimulating the mobilization of the nation's total public health community, including a total work force of over a half million.

As the senior career public health professional in federal service, the Surgeon General is looked to for national public health leadership by professional counterparts serving as state health directors, county health commissioners, and city health officers across the nation. In a time of much heralded decentralization of public health responsibilities, there must be the maintenance of mutual respect and confidence at every intergovernmental facet.

Secretary Schweiker and Assistant Secretary Brandt have been eloquent in their language supporting health promotion and disease prevention. If this initiative is to continue and thrive, it must have committed expert public health leadership in the highest USPHS office.

In recent years, the Surgeon General has regained considerable traditional stature as a primary professional public health spokesperson for the nation, with a hard-earned reputation for authoritatively presenting scientifically objective positions on important matters of national public health policy, e.g., smoking, nutrition, influenza, and prevention. Public confidence in the quality and reliability of our official public health leadership should not be permitted to unnecessarily erode.

The U.S. Public Health Service, as a qualified career professional service, is the legislatively established, permanent, internal locus for technical expertise and professional public health competence within the federal government. Its community health staff leadership is an essential continuing national resource to be both used now, and strengthened for even greater future use.

CONCLUSION

This is not just another battle in the abortion war. Throughout our APHA effort to bring Dr. Koop's lack of public health qualifications to the attention of the President, the Congress, and the public, there has been a tendency for some media coverage to focus instead on Dr. Koop's controversial public statements on abortion, infanticide, and euthanasia. We regret this, because it tends to overshadow the less emotional issue of his public health qualifications. It is undeniable that APHA has long held that safe medical abortion should be available as an essential personal health service on a basis of need as defined by the choice of any woman and her physician.

Some of Dr. Koop's supporters have suggested the abortion issue is the real reason for APHA's unprecedented opposition to his nomination. This is flatly untrue. APHA has not opposed the selection of other high ranking federal officials in both parties who have disagreed with the Association's position on abortion. The real issue is one of individual qualifications. We are joined in that view by other national groups that have no policy position on abortion, e.g., U.S. Conference of City Health Officers, and Association of Teachers of Preventive Medicine and the United Mineworkers.

Dr. Koop's supporters sincerely feel that his extreme opinions should not disqualify him from appointive public office. We would also defend Dr. Koop's right to his position on the issues; but no views or opinions on issues, however dramatically presented, can be accepted as valid substitute for basic qualifications. That is the real issue which the administration and the nominee wish would go away.

This is not just a matter of President Reagan getting his choice. As a Presidential appointee, Dr. Koop is actually now already serving in the position of Deputy Assistant Secretary for Health. We have not objected to this distinguished pediatric surgeon thereby becoming one of President Reagan's top medical advisors; but the Surgeon General post is distinctive. It is clearly intended to be the top federal public health professional in career service, and this traditional office should not be capriciously prostituted to the cause of either political patronage or personal presumption.

This is not simply a guild issue involving territorial imperative. The public interest validity of our position is attested by: (1) a long history of national health policy positions which emphasize public needs and avoid narrow professional interest, and (2) an impressive list of newspapers which have joined us in editorial opposition to Dr. Koop's nomination on the basis he is not qualified:

The Detroit Free Press, Louisville Times, Los Angeles Times, Miami Herald, New York Times, Philadelphia Bulletin, Philadelphia Inquirer, St. Louis Post-Dispatch, and the Washington Star.

Copies of these editorials are attached for inclusion in the RECORD.

In conclusion, we earnestly urge the Committee on Labor & Human Resources to recommend the Senate reject the nomination of Dr. C. Everett Koop as Surgeon General of the USPHS on the grounds the nominee does not possess the statutory requirement of "specialized training or significant experience in public health programs."

Thank you.

[From the Detroit Free Press, June 5, 1981]

APPOINTEES: CABINET PICKS REFLECT A MUCH TOO TROUBLING CHANGE OF POLICIES

The saga of Ernest Lefever grows stranger by the minute. Surely the only surprise left will be if the Senate actually goes ahead and confirms him as an assistant secretary of state, after the uninspiring revelations of recent days.

Mr. Lefever has been under attack because his think tank may have accepted money from the Nestle Corp. with some strings attached. Now his brothers have told the press they think he has some decidedly questionable views on race. Those two incidents reflect badly on Mr. Lefever's judgment and sensitivity, but the primary reason for rejecting his nomination is still his position on human rights.

As assistant secretary for humanitarian affairs, Mr. Lefever says he would call appropriate attention to the brutalities of the Soviet bloc but would use "quiet diplomacy" when "friendly" governments tortured or killed their own people. Aside from being a refusal to ameliorate some of the worst forms of political repression abroad, this is also the sort of realpolitik that gets us indelibly identified with shahs and Somozas and ruthless colonels, an identification that not infrequently blows up in our face. There are several reasons for rejecting Mr. Lefever, but the most compelling is that he would be a watchdog who doesn't like to bark.

And then there is C. Everett Koop, the president's choice to be surgeon general of the U.S. Dr. Koop, a pediatric surgeon, is a person of strong views and weak qualifications so far as public health issues are concerned. He thinks Planned Parenthood is to blame for teenage sex. He believes advances in test-tube conception will encourage homosexuality. He denounces amniocentesis, a routine procedure for determining the existence of congenital and hereditary disorders in fetuses, as a "search-and-destroy mission."

A fundamentalist Christian and a leader board member of organizations that want to eliminate not only abortion but federally funded family planning, birth control, sex education, teenage counseling and world population control programs. If his nomination is approved by the Senate, he will be put in charge of many of the programs he is pledged to eliminate.

The Senate ought to look at what's going on here: The Reagan administration is using the power of appointment, quite deliberately, to alter the direction, even the existence, of programs mandated by Congress and taken for granted by many Americans. Dr. Koop's nomination is only one example.

Marjory Mecklenburg an anti-abortion leader who is opposed to the use of contraceptives, has been named head of the agency that is supposed to fund programs for pregnant teenagers and birth control counseling. The man who will set federal timber-cutting policies is John B. Crowell, lately general counsel to the Louisiana-Pacific Lumber Co., the single largest bidder for timber on federal lands. James R. Harris, the new head of the Office of Surface Mining, is a vigorous opponent of federal strip-mining regulations.

The list goes on: Retired Gen. Edward L. Rowny, a foe of the 1979 SALT agreement, is our new chief negotiator for arms control and disarmanent. Thorne G. Auchter, a former contractor who fought enforcement of worker health and safety rules, is the new assistant Labor secretary who will oversee the Occupational Safety and Health Administration.

Surely the Senate ought to question those prospective changes in policy just as it questions the credentials of the appointees themselves. In the case of both Dr. Koop and Mr. Lefever, their qualifications as well as their intentions leave far too much to be desired. The president is entitled to considerable leeway in the choosing of his soldiers. but on these two nominations, Mr. Reagan should no longer be given the benefit of the doubt.

[From the Louisville Times, Apr. 8, 1981]

IT'S NOT A MATTER OF AGE DISCRIMINATION: KOOP'S VIEWS SHOULD STOP APPOINTMENT AS SURGEON GENERAL

In an administration headed by a 70-year-old President, it shouldn't seem wrong to have a 64-year-old physician overseeing both public health and federal health research. Yet as the law stands, Dr. C. Everett Koop, a Philadelphia pediatrician, is too old to become U.S. surgeon general.

Straightforward arguments against age discrimination can be advanced for changing the law—and they should have been used by the administration and its allies in Congress. Instead, Sen. Jesse Helms of North Carolina tacked on to a minor bill dealing with credit cards an amendment exempting Dr. Koop from the age rule. The amendment sailed through the Senate, but it's being stalled in the House—with good reason.

Sen. Helm's attempt at deception affirms the idea that it isn't Dr. Koop's age that the administration seeks to protect from public scrutiny. It's Dr. Koop himself.

His medical background as chief of the prestigious Children's Hospital in Philadelphia is impressive. But, personally, he is a religious extremist who doubts the wisdom of the constitutional separation of church and state, opposes common forms of contraception, and condemns followers of mainline religious groups that don't agree with his rigid opposition to abortion.

Pushing aside temporarily those views, the fact is that Dr. Koop has never been involved in public health—although his job would be to run a corps of a half-million public health professionals. In the words of Dr. William H. McBeath, executive director of the American Public Health Association, Dr. Koop through lack of background in that field is "almost uniquely unqualified" to be surgeon general. Dr. McBeath's organization has, for the first time in a century, voted to oppose a candidate for surgeon general.

Dr. Koop's views—he is antagonistic toward both birth control and abortion—should disqualify him from another task of the surgeon general: overseeing the National Institutes for Health, which direct major medical research.

In that capacity he would be in a position to terminate vital research to identify and prevent birth defects. The "pro-life" movement has attacked some of these programs—notably those using a test to identify some birth defects through analysis of fluid in a pregnant woman's womb—because they may influence people to seek abortions.

Dr. Koop has never been shy about expressing what he believes. Those who doubt need refer only to a recent article in the Journal of the New Jersey Medical Society in which he attacked main-line Protestant denominations that have endorsed the Supreme Court's affirmation of the right of choice in abortion decisions. Adherents to that view, he wrote, engage in "superficial theology, lack of morality and an insensitivity to the eventual reward for their depravity."

In his book The Right to Live; The Right to Die, Dr. Koop stooped to a defense of the illegal back-alley abortion mills that flourished before legalization of abortion: "Consider for a moment how safe abortion has become for the abortionist. In the days when he was an 'illegal abortionist,' his motive was profit but with legal punishment hanging over his head were he caught, he took no chances, humanly speaking, with the mother's life. Now those chances are justified because the law says technically that he has the right to do what the mother says is her right, namely to kill her unborn child."

Statements such as those are ample clues to why Dr. Koop didn't show up at a hearing on the age-law exemption conducted by the House Health and Environment subcommittee. "Dr. Koop scares me," admits the subcommittee chairman, Rep. Henry Waxman of California.

Dr. Koop scares us, too. Although age should be no barrier to his confirmation, his position on important issues clearly disqualifies him from becoming surgeon general.

[From the Los Angeles Times, Sept. 24, 1981]

AN ISSUE OF QUALIFICATIONS

Dr. C. Everett Koop has been nominated to be U.S. surgeon general and, as such, would be the nation's top spokesman on public health. Yet Koop, a surgeon, has no significant background in public health. His nomination appears to be a political sop to anti-abortion forces, and it should not be approved.

Koop's appointment was delayed because he is 64, the age limit for holding the surgeon general's job. Congress lifted the age limit during the recent budget reconciliation process.

We said earlier that one's qualifications, not one's age, should be the main factor and that Koop appeared uniquely unqualified. Previous surgeon generals have had strong public health or public administration backgrounds, such as heads of the National Cancer Institute, or state health commissioners, or specialists in preventive medicine or epidemiology, the study of the spread of diseases.

Once again, abortion is an issue in this appointment. Koop thinks abortion will lead to infanticide, euthanasia and, ultimately, the political climate that created the Holocaust. Because abortion is such a divisive issue, and Koop's views are so extreme, his appointment can only politicize what should be a nonpartisan public health service.

Conservatism is not the issue here. Qualifications are.

We compare Koop's nomination with the report that M. E. Bradford, an English professor at the University of Dallas, may be named to the head of the National Endowment for the Humanities. Bradford, who does not object to being called an arch-conservative, may hold views about federal spending for academic research that differ with those of his critics. But even they do not quarrel with his record as a scholar.

Koop, on the other hand, lacks the qualifications to fit the job. The Senate should keep that in mind as his confirmation hearings begin next week.

[From the Los Angeles Times, June 8, 1981]

KOOP: BAD MEDICINE

The Reagan Administration has made clear its intention to nominate Dr. C. Everett Koop to be U.S. surgeon general. He appears to be uniquely unqualified for the job.

The surgeon general directs the 7,000 officers of the U.S. Public Health Service and, through reports on such questions as smoking and nutrition, is one of the nation's top spokesmen on public health. The person filling the job should have a background in community health—preventive medicine or disease control, for example.

Previous surgeons general have had such experience. Leonard A. Scheele, in the job from 1948 to 1956, had headed the National Cancer Institute. Leroy E. Burney, surgeon general from 1956 to 1961, had been an Indiana State Board of Health commissioner and a professor of public health and preventive medicine. Luther Terry, in the job from 1961 to 1965, headed clinics at the National Institutes of Health before his appointment. William Stewart, who served from 1965 to 1969, specialized in epidemiology and public administration. Jesse Steinfeld, the last surgeon general before President Nixon abolished the job in 1973, had been deputy director of the National Cancer Institute. All five were members of the Public Health Service's commissioned officer corps.

President Carter reestablished the job in 1977, and went outside government to find a surgeon general. He selected the widely respected Dr. Julius B. Richmond, the chairman of Harvard Medical School's department of preventive and social medicine.

Koop has no such background. He is a pediatric surgeon from Philadelphia, and is noted for operations to separate Siamese twins. His training, his teaching and his medical experience have all been in surgery. He has no experience in public health—not in disease control, not in environmental protection, not in behavioral science, not in public administration.

In extravagant language that must startle even some of his fellow believers, Koop has opposed not only abortion but also population control and amniocentesis.

He has labeled amniocentesis, a major development allowing parents to learn of possible genetic defects in their unborn children, as a "search-and-destroy mission."

In a commencement address in 1979 to the Philadelphia College of Osteopathic Medicine, Koop made disparaging remarks about "planned parenthood" and contended that population control represents "national suicide."

Speaking as though he were an observer looking back from the year 1999, Koop predicted that Americans would have to carry "internal passports" by then, and that no child would be "declared alive until 72 hours after birth in order to let its parents decide whether they wanted the baby or not."

Koop wrote in 1978 in the Journal of the Medical Society of New Jersey that abortion leads to infanticide and then to euthanasia—"indeed, to the very beginnings of the political climate that led to Auschwitz, Dachau and Belsen." The logic that compares a surgical procedure with the Holocaust is incomprehensible.

The American Public Health Assn. has opposed Koop's nomination, a step that the professional organization has never before taken in its 109-year history. William McBeath, the association's executive director, fears that Koop would politicize what has always been a nonpartisan office.

Koop's nomination has been delayed because of a technicality about his age. He is 64, and that is the limit for holding the surgeon general's job. But Koop's age should not not be the problem; the problem in his lack of background and his opinions. Final judgment on Koop's qualifications for the job must in fairness await his testimony after his nomination. But he certainly looks like the wrong choice.

[From the Washington Star, May 11, 1981]

THE WRONG JOB FOR DR. KOOP

A good government job surely could be found for Dr. C. Everett Koop, whom President Reagan is said to favor for Surgeon General of the U.S. Public Health Service. But it ought to be some other job.

Dr. Koop is surgeon-in-chief of Children's Hospital of Philadelphia and professor of pediatric surgery at the University of Pennsylvania Medical School. His gifts as a pediatric surgeon are said to be exceptional. He is a man of integrity and skill.

Why, then, do so many oppose him for the job of surgeon general? The answer is complicated by Dr. Koop's strong views on abortion and related matters. For example, he has called amniocentesis, a medical procedure used to spot Down's syndrome in fetuses, a "search and destroy mission." Such notions do not win universal applause, but they have confused the question.

But the real difficulty is that Dr. Koop, in spite of impressive medical credentials, has little background in public health. Although he served on the board of an organization which promoted hospital construction and other programs in Third World countries, and was active in procuring a grant from the late DeWitt Wallace to finance medical fellowships to poorer nations, his career has been devoted almost entirely to practicing, lecturing and writing in his own field.

It is that which has persuaded Dr. William H. McBeath, executive director of the American Public Health Association, to call him "uniquely unqualified" and to call his appointment" an unwarranted affront to every American public health worker." Dr. Koop's nomination is the first that the association has opposed in its 109 years.

Dr. McBeath put this way: "Why do we say that being a specialized medical clinician is not sufficient qualification for surgeon general? Are not the biomedical and clinical sciences at the core of medical education and practice, also importantly related to public health? Of course they are. But only the narrowest form of medical chauvinism would permit the view that any competent clinical physician is automatically equipped to direct organized community health endeavors."

Dr. Koop's medical credentials are impressive. But comparing a pediatrician to a public health expert, although both may be doctors, is like comparing an aerospace worker to a bridge builder, although both may be engineeers. Caring for individual patients, Dr. McBeath, observes, has little to do with the causes of disease and their control—the work of public health.

The surgeon general heads the Center for Disease Control, the National Institutes of Health, the Health Resources Administration, the Health Services Administration and the Alcohol, Drug Abuse and Mental Health Administration. He has become the nation's primary spokesman on public health issue. The post has been frequently filled from the corps of the U.S. Public Health Service—becoming what Dr. McBeath calls the "commanding officer." The exceptions to that, such as Dr. Julius B. Richmond, the most recent surgeon general, have nevertheless long been active in public health. Dr. Koop has not.

The Senate has the final say on a nomination, but the matter has been stalled in the House by Dr. Koop's age. He is 65 and under present law a surgeon general may be no older than 64. In an attempt to lift the legal age limit, Sen. Jesse Helms recently tried to amend an unrelated bill, which the House last week passed without the Helms amendment. But nothing can prevent the senator from trying again when that bill—or any bill—reaches the Senate.

It is a pity that it has come down to this technicality, for Dr. Koop certainly is not too old for the job. He is also entitled to his opinions, and the Reagan administration is entitled to appoint to high posts those who share its opinions.

Dr. Koop's views on various subjects may be distasteful to some and appealing to others; they don't disqualify (or qualify) him for various jobs in the Department of Health and Human Services or other agencies, although doctrinaire views are often a handicap. But for the job of surgeon general, his background—or lack of it—does raise insurmountable questions.

[From the Miami Herald]

DR. KOOP TO SURGERY, PLEASE

One of the more unsavory political skirmishes in Washington these days centers on the prospective nomination of Dr. Everett Koop to be U.S. Surgeon General.

Dr. Koop is an honorable man. He is a surgeon of rare skill. Until recently he was chief of surgery at Philadelphia Children's Hospital, where he gained fame for successfully surgically separating Siamese twins, a delicate and highly unusual procedure. His peers hold him in high professional esteem. He evinces a deeply compassionate concern for human life.

You would not know those things if all that you knew of Dr. Koop was furnished by those who oppose his nomination. They vilify him as a Neanderthal obsessed with raving fears.

Most of his critics' ammunition comes from a single commencement address that Dr. Koop gave at the Philadelphia College of Osteopathic Medicine in June 1979. Dr. Koop pretended to be an 82-year-old man addressing a graduating class in 1999. He portrayed a society that permitted infanticide, outlawed worship of God in deference to a state religion of secular humanism, and mass-produced homosexual test-tube babies to boost the gay movement's political clout.

It's easy to ridicule that speech. Yet fairness requires disclosing that the graduating class responded with a standing ovation for his Orwellian fantasy.

One pervasive belief motivated Dr. Koop's chilling, easily mocked vision. He believes that abortion is murder. Many Americans agree. He further believes that a society that legalizes abortion has begun the progressive devaluation of human life. Many Americans agree.

Many others don't, and never will. Dr. Koop crusades militantly against abortion. He intolerantly denounces his adversaries for "superficial theology, lack of morality, and an insensitivity to the eventual reward for their depravity."

The American Public Health Association opposes Dr. Koop's prospective nomination ostensibly because he lacks training in public health. Congressional opponents are blocking his nomination by refusing to lift a statute requiring prospective Surgeons General to be no older than 64. Dr. Koop is 64½.

Those issues are quite secondary. Abortion is the only real issue here. Why else would the Christian Action Council, a single-issue anti-abortion lobby, be leading the campaign to force Congress to lift the age limit now so that Dr. Koop can be nominated?

Dr. Koop's intolerance on abortion renders him unfit to be the Nation's chief doctor, regardless of his medical skills. Abortion will remain the choice of countless women even if outlawed. They should have the right to that choice.

Regardless of their position on this deeply divisive question, all Americans should recognize in the mutually antagonistic intolerance between Dr. Koop and his opponents the terrible price abortion is costing this Nation in the coin of essential political consensus. Installing Dr. Koop in this Nation's most prominent public-health post would only deepen that division.

[From the New York Times, April 9, 1981]

IN PRAISE OF (SOME) DOCTORS

DR. UNQUALIFIED

Although Dr. C. Everett Koop deserves his reputation as a fine pediatric surgeon, he is not deserving of the role in which the Reagan Administration hopes to place him—Surgeon General.

The Surgeon General, whose responsibilities include the National Institutes of Health, the Center for Disease Control and the Institute of Alcohol and Drug Abuse, has been, almost without exception, someone with significant experience in the special field of public health. Many Surgeons General, in fact, have come out of the Public Health Service. Dr. Koop has neither worked in the field nor, during his years at Children's Hospital in Philadelphia, shown any interest or influence in it.

Since he lacks the professional qualifications for the appointment and is, in fact, older than the law routinely permits his attractiveness to the Administration must lie elsewhere. That "elsewhere" may be his anti-abortion crusade. Two years ago he toured 20 cities with a film whose message was that abortion led inexorably to euthanasia for the elderly. And he has described amniocentesis, a procedure used to detect congenital disorders like Down's syndrome and Tay-Sachs disease in fetuses, as "a search-and-destroy mission."

Dr. Koop is, of course, entitled to his opinions, but opinions should not be construed as qualifications. We hope Congress will reject the the appointment, recognizing, as the Administration chooses not to, that it would be an affront both to the public health profession and the public.

[From the New York Times, May 26, 1981]

TIME FOR A NEW SURGEON GENERAL

Initially, the nomination of Dr. C. Everett Koop to be Surgeon General, the head of the Public Health Service, had been stalled on a technicality. He was, under present law, seven months too old for the job. The House now seems to have removed the age barrier. But there is, and always has been, a far more important reason to resist Dr. Koop's nomination. What should stop this appointment altogether is thoughtful consideration of the doctor's credentials. He is simply the wrong man for the job.

Dr. Koop is indisputably a distinguished pediatric surgeon. But unlike previous Surgeons General, he has had virtually no experience in public health. It is hardly surprising then, but surely significant, that his nomination to the post is the first the American Public Health Association has opposed in its 109 years.

Dr. Koop holds many opinions that make him attractive to the Reagan Administration, above all his opposition to abortion. But opinions are not qualifications. The nomination is a disservice not only to the Public Health Service and the public, but also to Dr. Koop. He is being honored for the most cynical of reasons—not for his medical skills but for his political compatibility.

WRONG FOR SURGEON GENERAL

Dr. C. Everett Koop may well be the finest pediatric surgeon of our time, but that doesn't make him the best choice for Surgeon General of the United States.

The Surgeon General ought to be a doctor with an outstanding record and a proven administrator in public health and preventive medicine.

A conservative administration would do well to resume the tradition of promoting Surgeons General from within the ranks of the U.S. Public Health Service. It would restore the agency to its former, autonomous status.

The Surgeon General is responsible for the National Institutes of Health, which form a medical world of their own, the Center for Disease Control, with its responsibility for tracking down such exotic mysteries as "Legionnaires' Disease," and the Institute of Alcohol and Drug Abuse. The Surgeon General is a manager and administrator, not a maker of health care policy.

Clearly it is Dr. Koop's personal philosophy—and notably his crusading opposition to abortion—that endears him to the Reagan Administration and to Secretary of Health and Human Services Richard S. Schweiker under whom he would serve.

In 1979 and 1980, Dr. Koop toured 20 American cities with a fervent, almost evangelistic presentation urging an end to what he called "anti-family trends." He's entitled to his own opinion, but it should not qualify him for the country's top public health job.

No one is taking anything away from Dr. Koop as a surgeon. His achievements as surgeon-in-chief at Children's Hospital and his success in separating the Siamese twins from the Dominican Republic in 1974 are acknowledged.

Dr. Koop doesn't need another title or another forum. He has already saved many lives and made others easier. But all that he has done does not qualify him to be Surgeon General, and he would serve neither his profession nor his country by continuing to seek that post.

A side issue has emerged. To make Dr. Koop Surgeon General, it would be necessary to remove an age-limit of 64½ years. The Public Health Service has an age limit because it is—with the Army and Navy—part of the uniformed forces.

Dr. Koop is close to 65. Sen Jesse Helms (R-NC), an ardent anti-abortionist himself, tried to erase the age restriction by tacking an amendment on to a credit card bill.

Speaker Thomas P. O'Neill and other House leaders, incensed by Helms' attempt to pull a fast one, blocked him and want to question Dr. Koop before they do anything.

The Reagan Administration would be wise to drop the nomination.

[From the Philadelphia Inquirer, June 3, 1981]

SENATE SHOULD REJECT KOOP

No one denied that Dr. C. Everett Koop, until recently surgeon-in-chief at Children's Hospital of Philadelphia, is a "distinguished pediatric surgeon." One of the opponents of his nomination to be surgeon general of the United States, Dr. William H. McBeath, executive director of the American Public Health Association, described him in those words. He added, however, that Dr. Koop is "otherwise almost uniquely unqualified" for the job.

In that job, Dr. Koop would be the nation's number-one spokesman on public health issues. He would have the responsibility of administering the programs of the National Institutes of Health, the Population Research Center and the Centers for Disease Control. He would be supervising the more than half a million people in the public health work force.

Why did President Reagan nominate him? Not for his experience in public health, of which he has virtually none. Not for his experience in administering large bureaucracies. Again, a virtual zero.

The reason for the nomination, the best that anyone can determine, is that Mr. Reagan agrees with Dr. Koop's opinions. Strong opinions. Dr. Koop is not simply opposed to abortion. He has been a crusader. He is not merely in favor of protecting and enhancing the American family. He has gone around the country denouncing what he calls "anti-family trends," one of which seems to be, according to him, the movement for equal rights for women, and denouncing those whose views differ from his own.

Dr. Koop is entitled to his opinions, and President Reagan is generally entitled to have people in his administration holding views compatible with his. The American people, however, are also entitled to public servants who, at least in jobs requiring certain professional skills and personal experience, have something more among their qualifications than political compatibility and ideological fervor.

It would be unthinkable to expect a government bureaucrat to perform a rare operation to separate Siamese twins. By the same token, the man who so brilliantly performed it, Dr. Koop, simply does not have the knowledge, the background or the temperament to perform as surgeon general. The Senate has gone along with many dubious nominations by Mr. Reagan. This is one it should reject.

[From the St. Louis Post-Dispatch, Sept. 11, 1981]

BAD CHOICE FOR SURGEON GENERAL

President Reagan has apparently decided to go ahead with plans to nominate Dr. C. Everett Koop, a pediatric surgeon, as surgeon general of the Public Health Service despite widespread opposition. In reviewing the nomination, however, the Senate should be persuaded by the objections of the American Public Health Association (APHA). These criticisms are important because they address Dr. Koop's qualifications for the office—or lack thereof—rather than his personal beliefs.

Some of the criticism of the selection of Dr. Koop is based on his fervent opposition to abortion. But abortion is not a public health issue; it is a social issue and a clinical matter between a patient and her doctor. The confusion over public health and clinical health care is at the base of the APHA's objections to Dr. Koop. The surgeon general is the chief public health official of the country. As such his task is to supervise the government's efforts to determine the causes of disease and its development of treatment and prevention techniques. A clinician treats individual patients. Dr. Koop has been lauded as a fine surgeon—a clinician. But he has practically no experience in the public health field.

Previous surgeons general have had extensive experience in public health—and it is needed to best run the many offices that come under the control of the surgeon general. These include the Center for Disease Control, the National Institutes of Health, the Health Resources Administration and the Health Services Administration. The Senate should insist that the president select a surgeon general who has experience in the field he is to head—public health.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MATHIAS. Mr. President, it is with regret that I oppose the President's nominee for the post of Surgeon General of the Public Health Service.

Dr. C. Everett Koop is a distinguished and gifted pediatric surgeon. He has been a teaching surgeon throughout his medical career and has pioneered in surgery to separate siamese twins. But I am compelled to question whether this background is appropriate preparation for the position of Surgeon General and Administrator of the Public Health Service.

The Surgeon General heads the Public Health Service Corps of 7,200 health professionals. The Public Health Service consists of six operating agencies: the National Institutes of Health; Alcohol, Drug Abuse and Mental Health Administration; Center for Disease Control; Food and Drug Administration; Health Resources Administration; and Health Services Administration.

The Public Health Act, as amended in August 1981, requires that the Surgeon General "have specialized training or significant experience in public health programs." In exercising its constitutional responsibility of confirmation, the Senate must judge whether the nominee meets the requirements of the law.

The following definition of public health is from the Discursive Dictionary of Health Care, published as a committee print by the Subcommittee on Health and the Environment of the House Committee on Interstate and Foreign Commerce in 1976:

The science dealing with the protection and improvement of community health by organized community effort. Public health activities are generally those which are less amenable to being undertaken or less effective when undertaken on an individual basis, and do not typically include direct personal health services. Immunizations, sanitation, preventive medicine, quarantine and other disease control activities, occupational health and safety programs, assurance of the healthfulness of air, water and food, health education, and epidemiology are recognized public health activities.

Other sources define public health in broader terms. A Glossary of Health Care Terminology, published by the World Health Organization (WHO) in 1975,

quotes an observation of a WHO Expert Committee in 1973 that:

The expression of public health is now used in a broad sense to encompass the problems affecting the health of the population, the collective status of health of the people, environmental health and health services, and the administration of health care services.

Using any definition of public health, the nominee whose name is before the Senate, despite his other achievements, is not qualified to guide the Nation's public health services. He has no specialized training in public health and no significant experience in public health programs. His efforts to provide and improve patient care, however commendable and laudable, do not constitute experience in public health. Therefore, in my judgment, he does not meet the statutory requirements for this important office.

Mr. DODD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield such time as the Senator from Connecticut desires.

Mr. DODD. I thank the Senator for yielding.

Mr. President, I also oppose the confirmation of Dr. C. Everett Koop to be Surgeon General of the United States. I do so because I believe that Dr. Koop lacks the direct experience with public health programs necessary to qualify him for this position.

Mr. President, I do not question Dr. Koop's eminent experience as a distinguished pediatric surgeon. His work with infants and disabled children has earned him a most deserved worldwide renown. I greatly admire this work as well as his volunteer efforts overseas.

Nonetheless, Dr. Koop's experience as a pediatric surgeon does not qualify him to head the Public Health Service commissioned corps, the primary task of Surgeon General. Dr. Koop has spent his professional life working as a clinician, treating individuals' diseases. A Public Health Service official, in contrast, focuses on preventing and controlling diseases within the population-at-large. Clinicians concentrate on curing illnesses contracted by individual patients whereas Public Health Service officials concentrate on discovering and working to avert environmental conditions which cause such illness. These two tasks, both vitally important to the health and welfare of the American public, are different indeed.

Dr. Koop is the first nominee for Surgeon General in modern times to lack significant Public Health Service experience. For this reason, I must oppose his nomination.

Mr. President, the Surgeon General serves not only as this country's senior Federal public health professional but also as primary spokesperson on matters of national public health policy. Thus, Surgeon Generals in the past have issued reports and official pronouncements on such critical issues as smoking, nutrition, and the outbreaks of diseases such as legionnaires disease and swine flu. The Surgeon General's advice on these and other public health matters must be in the best interests of all Americans.

Dr. Koop has expressed publicly his extreme opposition to population control, whether by contraceptives or abortion. He has also strongly opposed the use of such medical procedures as amniocentesis which permits parents to find out about possible genetic defects in unborn children, test tube conception which allows infertile women to give birth, and drugs such as prostaglandin used to treat heart and skin ailments but which may also be used to induce abortion.

Given the importance of promoting safe, available health care for all groups in this country, a surgeon general must be able to assure that he or she will give fair and impartial advice on the delivery of health services and research into areas such as birth control and infertility. Dr. Koop's entire record to date indicates that his personal beliefs would inhibit him from giving such impartial judgment.

Dr. Koop's views on population and birth control, views which I do not share, are not the real issue here. However, the question the Senate must determine today is whether or not Dr. Koop is qualified by background, training, and experience to act as Surgeon General.

Mr. President, I believe that Dr. Koop is not so qualified and urge my colleagues to vote against confirmation of his nomination.

I appreciate the Senator from Massachusetts yielding.

Mr. KENNEDY. Mr. President, I withhold the remainder of our time.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. JEPSEN. Mr. President, I intend to vote in favor of the nomination of Dr. C. Everett Koop as U.S. Surgeon General.

Since the announcement of Dr. Koop's nomination, I have watched with amazement the vicious attacks directed toward him, all of them unfounded, all of them based on ideological disagreements having nothing to do with the Office of Surgeon General. As I will briefly outline, Dr. Koop's credentials are impeccable and criticism of them is completely misdirected.

Dr. Koop's critics come in two varieties: those who expressed concern over his evangelical and prolife views, calling him an extremist, as he has been called here today in this Chamber, and others who challenged his experience in the field of public health.

Dr. Koop has a great deal of experience in the field of public health in four areas: pediatrics, consumer protection, international health care, and work with the disadvantaged or underserved people.

He has helped reverse infant mortality rates by developing surgical procedures and improving pre- and post-operative care for children. He identified cancer as a leading cause of death among young people and worked to inform his colleagues and the public of the risk it presents.

Dr. Koop played a major role in eliminating the practice of X-raying children's feet to determine if their shoes fit, thus preventing exposure to harmful radiation. He also helped bring about a court order to remove coloring and mint flavoring from corrosive oven cleaners, which many children ingested when they assumed it was candy.

His role in international health care is well-known to those who care to take just 10 minutes to read. His deliveries of babies in the welfare homes of Harlem drew attention to the needs of the underserved. Throughout three decades at Children's Hospital in Philadelphia Dr. Koop worked to coordinate private and public care for ghetto dwellers.

As a pioneer of pediatric surgery, Dr. Koop has achieved many significant milestones. He has successfully operated on children with physical defects so severe that these children were once thought to have no hope of survival. He has made inroads in the war against cancer in children and done extensive work in making anesthesia safer for children.

As an administrator, Dr. Koop has been the chief builder of the well-known pediatric surgery department at the Children's Hospital of Philadelphia. As an active leader of public health medicine, he has been a volunteer in several Third World nations, fighting and working toward the prevention of ravaging diseases, building nutritional programs, and helping new doctors gain experience in the problems of international medicine, and many of them women, I might add.

Even this short background leads to the conclusion that Dr. Koop is profoundly qualified for the position of Surgeon General. From that office he promises to work with the handicapped and the elderly of the Nation, two segments of our society for whom the questions of public health are urgent indeed. Dr. Koop would bring a distinctive and critically necessary attitude to this office, a concern for the individual that is all too frequently lost when health professionals deal with populations and not persons.

Today the U.S. Senate has the opportunity to confirm the importance of the Office of the U.S. Surgeon General by placing in it such an excellent medical leader as Dr. C. Everett Koop. I challenge my distinguished colleagues to join me in that confirmation.

I thank the Chair.

The PRESIDING OFFICER (Mr. SPECTER). Who yields time?

Mr. HATCH. I yield such time as the Senator from Alabama may need.

Mr. DENTON. I thank my distinguished chairman and you, Mr. President.

I am pleased and honored to associate myself with those who have espoused their strong support for the nomination of Dr. C. Everett Koop to be Surgeon General. As a member of the Labor and Human Resources Committee which reported this nomination to the Senate floor, I submit that the President has made an inspired selection.

The Office of the Surgeon General should be filled not only by one with experience in and concern for the Nation's overall health and well-being, but one dedicated to the protection and promotion of it. Dr. Koop, in my estimation, is uniquely qualified in both respects.

As to his experience and concern, one need only look at the impressive list of appointments in which he has served. His skill has won international acclaim including, last year, receipt of the French Legion of Honor. These tributes have come not by pride or pageantry, but by hard work. It is a shame we have been so slow in this country to recognize and welcome Dr. Koop as the Nation's primary spokesman for public health policy.

Dr. Koop's personal philosophy of the healing arts is the best testament to his dedication. He understands that one of the first rights we claim as citizens of this great country is the right to life so that we can exercise our liberty and enjoy happiness. Throughout his career, Dr. Koop has worked to reaffirm civilization's and this Nation's respect for the sanctity of life, rather than preempt life by a presumptive judgment of the prospect in quality of someone else's life. He has never asked, "Should we treat?" but only "how?" What an example he will set as Surgeon General not only for the U.S. Public Health Service Commissioned Corps, which he will lead, but also for those entering all fields of health.

There are many words I could use to describe this outstanding individual, but the best appellation I can label him with is "friend." He is my friend. He is a friend of the handicapped, the young, the old, and the unborn. He is a friend of mankind, of civilization, of that which is best in this great Nation. I urge my colleagues to vote for this nomination.

Mr. HATCH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 16 minutes and 10 seconds remaining.

Mr. HATCH. How much time does the other side have?

The PRESIDING OFFICER. Twenty minutes and 4 seconds.

Mr. HATCH. I would be happy to yield to the distinguished Senator from Mississippi.

Could the distinguished Senator from Massachusetts yield half the time if I do not have the time?

Mr. KENNEDY. I am prepared to yield back the remainder of the time and move to a vote.

Mr. HATCH. I have one more person who wants to speak.

Mr. KENNEDY. I will be glad to yield.

Mr. President, I would be glad to yield to the Senator from Mississippi whatever time he might want and I would hope his comments would appear after the vote on the Koop nomination.

The PRESIDING OFFICER. (Mr. WARNER). Without objection, the Senator from Mississippi is recognized.

Mr. STENNIS. I greatly appreciate the courtesies here of the managers of this matter. I am going to ask unanimous consent, Mr. President, to speak on an extraneous matter, but let me make clear that if someone comes in before voting time who wishes to speak on the pending matter, I will, of course, gladly yield the floor to him or her.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator may proceed.

Mr. STENNIS. Mr. President, if the Senator will permit me to make that unanimous-consent request, under the circumstances I ask unanimous consent that I may proceed on an extraneous matter, but if those come in who may wish to speak on the nomination I will defer.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. I thank the Senator.

(Mr. STENNIS' remarks will be found at an appropriate place elsewhere in the RECORD.)

Mr. METZENBAUM. Mr. President, I rise in opposition to the confirmation of Dr. C. Everett Koop as Surgeon General of the United States. It is no secret that there are many who differ strongly with Dr. Koop's views on the appropriate role of women in our society and on the specific issues of women's reproductive health. However, his views on these subjects alone would not be sufficient to disqualify him from consideration for this position.

I have made my position known, a number of times this year, that I believe to judge any person for public office or for confirmation on the basis of a single issue is unfair. I think is it unintelligent. Indeed, I think it is un-American. I therefore would not judge Dr. Koop on that basis alone. Strongly held views, no matter how adamantly one might disagree with them, should not in and of themselves preclude a person from public office.

But, Mr. President, the crucial question we must ask ourselves is whether Dr. Koop has the requisite qualifications to carry out the duties of this job.

There is no doubt that Dr. Koop has excellent medical credentials. I understand from some of his colleagues that Dr. Koop is a top flight pediatric surgeon. His advances in techniques to separate siamese twins and in developing procedures to correct birth defects have been important contributions to medical knowledge.

As impressive as all that may be, however, there is no necessary relationship between being a fine pediatric surgeon and meeting the legal qualifications for Surgeon General. The law explicitly provides that the Surgeon General must have "training or significant experience in public health." And regrettably, Dr. Koop has no experience—none whatever—in the public health field. He has no experience in disease control, no experience in occupational health issues, no experience in environmental protection, no experience in behavioral sciences, no experience in public administration. And for the first time in over 100 years, the American Public Health Association is opposing a nominee for Surgeon General.

The Senate has a responsibility which we cannot ignore—to insure that the role of Surgeon General of the United States is filled by a person competent to protect the public health of all persons in this Nation. Dr. Koop does not and cannot meet this requirement.

I do have respect for the gentleman. I have met him. I consider him an able person. I respect his views, whether or not they may disagree with mine. But I believe that on the issue of whether or not he should be confirmed for Surgeon General of the United States, regrettably I must urge my colleagues to vote "No."

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 1 minute 53 seconds.

Mr. HATCH. How much time does the Senator from Utah have?

The PRESIDING OFFICER. The Senator from Utah has 14 minutes remaining.

Mr. HATCH. Mr. President, I yield to the Senator from Michigan.

Mr. LEVIN. I thank the Senator.

Mr. President, I would like to take a moment to state my reasons for opposing the nomination of C. Everett Koop to be Surgeon General.

First, Dr. Koop lacks the "significant experience in public health programs," which is a legal prerequisite to his appointment to be Surgeon General. He does not have specialized training in public health. While Dr. Koop is a leading pediatric surgeon, his experience in treating individual patients does not legally qualify him to be Surgeon General.

I am also disturbed by a number of extreme and intolerant statements which Dr. Koop has made. In his article, "The Sanctity of Human Life," which appeared in the Journal of the Medical Society of New Jersey (in January of 1978), Dr. Koop launches an attack on religious denominations and groups which have taken a prochoice stand on abortion. He accuses these religious groups of "superficial theology, lack of morality, and an insensitivity to the eventual reward for their depravity." These denominations and groups include the American Baptist Churches, the Episcopal Women's Caucus, the Unitarian Universalist Association, the B'nai B'rith Women, the United Methodist Church, the United Church of Christ, the United Presbyterian Church, USA, the United Synagogue of America, the National Council of Jewish Women, the Presbyterian Church in the United States and many others.

When questioned about his views on amniocentesis, a procedure used to detect neural tube defects, genetic disorders and metabolic disorders in fetuses, Dr. Koop repeatedly characterizes the procedure as a "search and destroy mission." Christianity Today, December 15, 1978. Volume 23. In doing so, Dr. Koop, completely ignores its many beneficial uses other than those relating to abortion and accuses each and every woman who decides to undergo the procedure of setting out to "search and destroy."

Dr. Koop has also made statements regarding the euthanasia movement in Germany during World War II which lead me to seriously question his fidelity to factual basis for many of his revelations. In "The Sanctity of Human Life", Dr. Koop states that 267,000 of "the mentally ill, the retarded, criminal, and defective babies" were "gassed and then destroyed by cremation" in Germany "before Hitler came to power." He stated

this as evidence that there was insufficient regard for the sanctity of human life among members of the medical community and that such disregard contributed to Hitler's coming into power. I have corresponded with Dr. Koop regarding his statement and have yet to see any documentation which indicates that these people were gassed and cremated before Hitler came to power.

Mr. President, Dr. Koop's passionate defense of human life does not justify his intolerance and castigation of those whose views do not parallel his own. Nor does it give him free reign to create facts in order to draw analogies between legalized abortion and what happened in Germany. Because of his extreme statements and intolerance of others, I have strong reservations about his ability to function as Surgeon General. Such extremism and intolerance may also prevent him from working with or gaining the support of the public as he attempts to find solutions to this country's public health problems.

I thank my friend from Utah for yielding.

Mr. HATCH. Mr. President, I yield such time as he may require to the distinguished Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I rise to support a very distinguished Pennsylvanian, Dr. C. Everett Koop, for the office of Surgeon General of the United States.

As a fellow Pennsylvanian, I have known Dr. Koop professionally for many years. I represented Dr. Koop and others on the staff of Children's Hospital in securing a court order in 1977 to authorize the separation of Siamese twins, who were born with a single heart, in order to preclude the possibility of a homicide prosecution. Prior to that, Dr. Koop testified on behalf of a client whom I represented. My former law firm, Dechert Price & Rhoads, has been counsel for many years to Children's Hospital of Philadelphia where Dr. Koop has served for many years.

I recommend Dr. Koop for confirmation notwithstanding our personal differences on an issue which has created substantial controversy over his appointment. Without elaborating on this complex issue, suffice it to say that I have been opposed to amending the U.S. Constitution to reverse Wade against Roe because of my view that it is unwise to amend the Constitution in response to specific Supreme Court decisions. Dr. Koop has, in the past, expressed himself in strong terms in opposition to abortion.

In my judgment, the abortion issue is not relevant to the issue of Dr. Koop's confirmation. The duties of the Surgeon General of the United States do not affect the administration of the laws relating to that subject. In addition, Dr. Koop has advised me that he has said and written all that he has to say about the subject of abortion and does not intend to use the position of Surgeon General to advance those views in any way.

Beyond that issue of controversy, I believe that Dr. Koop is a man of extraordinary ability who has the capability to perform the duties of Surgeon General with great distinction.

The Surgeon General has four major areas of responsibility:

First. Aging and care for the elderly;

Second. Care for the disabled;

Third. Administration of public health services; and

Fourth. Negotiation of bilateral health treaties with nations of the Third World.

In all these fields, it is my strong view that Dr. Koop is well qualified to discharge the duties of Surgeon General by reason of training, temperament and experience. He has extensive experience in care for the elderly. In fact, the issue of age was a potential disqualification which has since been removed. Notwithstanding Dr. Koop's own age, he has extraordinary stamina and vigor. While his own chronological age is not a disadvantage in terms of capability, it gives him special insights into the problems of those in their midsixties and beyond.

Dr. Koop has extensive experience in working with the disabled. This is the International Year of the Disabled, and Dr. Koop's background in this field gives him unique capabilities in the important work of the Surgeon General.

As to the administration of the Public Health Service, Dr. Koop is an experienced administrator and a doctor's doctor. His lack of specific experience in this field poses no impediment to his potential for fine service in this area.

Perhaps Dr. Koop's capabilities can best be evidenced in the negotiation of bilateral health treaties with some 30 nations in the Third World. He has already chaired a meeting in Japan in his capacity as Deputy Assistant Secretary of Health.

While medicine is obviously nonpolitical, it is of enormous benefit to the United States to have an experienced medical practitioner who can earn the good will of Third World nations by providing real medical service.

That kind of care on a matter of great importance then makes it easier for our State Department to function in the political arena.

Dr. Koop's 35 years of experience with Federal programs as a practicing physician gives him special insights into how to administer these programs. He knows, in a very practical sense, what to do and what not to do.

As a person, Dr. Koop possesses unusual strength and obvious capability.

Of the many physicians whom I have known, none has impressed me more with his or her credentials or capabilities.

Notwithstanding the issue of age or ideological differences, it is my conclusion that the U.S. Government will be fortunate to have Dr. Koop serve as Surgeon General.

Mr. President, I yield the floor.

Mr. HATCH. Mr. President, I yield 2 minutes to the distinguished Senator from Oklahoma.

Mr. NICKLES. Mr. President, I thank the distinguished Senator from Utah.

Mr. President, today I am honored to have the opportunity to express my confidence in the President's nomination for the U.S. Surgeon General, Dr. C. Everett Koop.

I have had the privilege of visiting with Dr. Koop and listening to his testimony and responses to the Labor and Human Resources Committee. In both encounters, I have been most favorably impressed with the nominee.

Mr. President, certainly the first thing that stands out to anyone who reviews Dr. Koop's qualifications is his tremendous contribution to the field of pediatric surgery. Indeed, he was among the first physicians to enter the subspecialty of pediatric surgery and has practiced in that area longer than any other physician.

Such excellence in his chosen field speaks to me of Dr. Koop's ability and motivation to excel and be the very best in everything that he undertakes.

Dr. Koop's medical involvements outside of pediatric surgery also attest to the fact that he is a man with experience and concern far broader than the area of pediatric surgery.

His involvements include such a diverse assortment as establishing health clinics with preventive health services for the Tarascan Tribe of Central Mexico, assisting the medically underserved in Harlem and Philadelphia, the establishment and continuation of rehabilitation and counseling for disabled children, and substantial contributions in the reduction of infant mortality through things such as the first newborn intensive care unit of the United States.

In examining the breadth of Dr. Koop's qualifications for the position of Surgeon General, of the Public Health Service, it is important to look also at the previous Surgeon Generals' backgrounds. Of the last seven, only one Surgeon General has had a masters degree in public health. The others came to the position much as Dr. Koop does, through excelling in their chosen medical fields, such as cancer specialization, pediatrics, and internal medicine. Mr. President, I am confident that Dr. Koop will serve our country well, as he takes his position as Surgeon General.

I wish him the very best and look forward to working with him in a joint effort to search out and alleviate areas of national need and priority in health.

I urge my colleagues to support the nomination.

Mr. HATCH. Mr. President, I yield 2 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I thank the distinguished Senator from Utah.

Mr. President, today, I am pleased to support the nomination of Dr. C. Everett Koop to be Surgeon General of the Public Health Service.

For the past several months, Dr. Koop has been serving with distinction as Deputy Assistant Secretary for Health and Human Services. Prior to joining the Reagan administration, he was a prominent pediatric surgeon at Children's Hospital in Philadelphia. He was a pioneer in surgery on newborn children, was credited with improving anesthesia for children, and performed a heralded separation of Siamese twins in 1974.

Mr. President, Dr. Koop is a distin-

guished physician who is eminently qualified to hold this position.

His many accomplishments in the field of medicine, particularly his extensive background in public health services, are a testimonial of his dedication to continued improvements in the quality of health care delivered to disabled persons, older Americans, and children.

His term as Surgeon General will, I am confident, be a great service to our country, a service from which we all shall benefit.

Mr. President, I repeat, I am pleased to support Dr. Everett Koop to be Surgeon General of the Public Health Service, and I hope the Senate will confirm his nomination.

Mr. GRASSLEY. I intend to vote for the nomination of Dr. Koop to be Surgeon General. He meets the criteria of experience, wisdom, and proven medical accomplishment. His leadership in the field of pediatrics, both in practice and as an editor and writer, provides the proper dimensions needed in the field of public health.

Mr. President, I would be derelict in my duty as a member of the Senate Special Committee on Aging if I did not call my colleagues' attention to the devious games played with Dr. Koop's nomination in the name of age discrimination. I urge all my fellow Senators to check the record of proceedings on this nomination—particularly those Members who may vote against this nomination. Both in the Senate and in the other body, the matter of Dr. Koop's age became a technically legitimate issue for opposing his nomination.

Dr. Koop is over age 65 and therefore could technically be kept from filling this post for that reason alone. Fortunately, wording within the Omnibus Budget Reconciliation Act, agreed to in conference, "removes this arbitrary age restriction" from present law as it applies to appointees to Surgeon General of the U.S. Public Health Service Corps. This agreement goes on to specify that the nominee be judged only on "significant experience and specialized training in public health programs."

Dr. Koops, thanks to this amendment, will be judged by merit alone—but note, this amendment applies to this position only.

No Member of this body honestly believes this restriction should continue to apply in any sector of employment—public or private. Is it not time this body moved toward removing all age discrimination in employment? Is it not time we let ability rather than chronology determine employment in this country? Is it not time we removed this aid to pettifoggery from those who would use it to cloud other reasons for foreclosing employment to capable people like Dr. Koop?

Mr. HATCH. Mr. President, the only real issue that has been raised is, does Dr. Koop have significant health experience?

Clearly, it is up to the Senate to decide whether Dr. Koop meets the statutory requirements of "significant public health experience." A national association has said he does not have such experience and the main basis for their claim appears to be that he is not a career public health professional.

However, career dedication to public health is not the statutory standard, nor should it be. The standard is whether, in addition to a long and distinguished career as a clinician, Dr. Koop has also achieved "significant public health experience." We heard nine witnesses describe Dr. Koop's career and their favorable assessment of his public health work.

I asked Dr. Arnold Muller, Secretary of Health for the State of Pennsylvania, the Chief Public Health Officer in the State, "Does Dr. Koop have significant public health experience?"

He said yes. He also said about Dr. Koop:

He is imaginative, he is innovative, he has leadership qualities, and there is absolutely no question in my mind that he has contributed greatly to the broad area of public health.

I dare say that my colleagues in the public health field—many if not all of them would give their eye teeth to have contributed even one, let alone all, of the many things that this man has to American medicine and to American life.

I also asked Ira L. Myers, a physician with a masters in public health and the Chief Health Officer for the State of Alabama for the last 19 years, "Does Dr. Koop have significant public health experience?"

On the basis of his own long career as a public health professional, Dr. Myers unhesitatingly asserted:

I am personally convinced this Nation needs the highest quality of medical leadership in public health programs. Wisdom, experience and proven health and medical accomplishments are essential to sound public health programs . . . I believe Dr. C. Everett Koop to be the man who meets the above qualification and will add integrity, prestige, and sound judgment to the Office of Surgeon General.

I heard these two career public health professionals support Dr. Koop with regard to "significant public health experience." I have no reason to doubt their words or their ability to make sound judgment in this matter. The Senate should clearly heed their assessment.

As I noted, my committee heard from more than just Drs. Muller and Myers. I ask two of Dr. Koop's medical colleagues and a distinguished Philadelphia businessman and hospital director about Dr. Koop's experience in public health. The following discussion ensued:

Dr. D'ANGIO. I consider them, his public health credentials, to be extraordinary. I know of no other practicing physician who has extended himself so far around the world and in these areas. Very briefly, I think if an interest in and a demonstrated involvement in the health of the public is any measure, he has had extraordinary public health experience.

Dr. DOWNES. I would concur. I also would like to emphasize that in the evolution of the concept of care in Dr. Koop's mind it would be directed at several levels—the patient at hand, the group of patients we were dealing with at Children's Hospital, but almost immediately he would begin to think beyond that—What impact would this technique have on the care of children in the United States and around the world. He has always thought globally, as has been mentioned. If indeed the essence of public health is improvement of the health of the citizens of the country, I think Dr. Koop's habits of thought over a 40-year career will equip him to serve in that capacity.

Dr. WOOD. I am continually amazed in talking to him and reading of him of his worldwide connections, which deal largely with public health—many of them—in underdeveloped countries.

Further issues on which Dr. Koop responded during the hearing:

Why is public health experience not prominently displayed on Dr. Koop's résumé?

Dr. KOOP. I am not a person of narrow vision. . . . I saw a great many problems that were initiated in my own thinking by the clinical things that I faced. I saw them to be problems affecting more than people individually but segments of society. I addressed them and tried to establish leadership roles. I brought people together to accomplish these tasks. Many of them were done in the voluntary segment of my life. Therefore, they were not included in my curriculum vitae.

I never had planned to have a role in public life. If 35 years ago I had been planning for this at the end of my surgical career, I would certainly have included all those things as I went along the road surgically.

Will Dr. Koop use the post of Surgeon General to lecture the country on abortion?

Dr. KOOP. I think you should know first about the conversation I had with Secretary Schweiker the day that I arrived in Washington. I went and told him that I felt that I had said all that I should say and written all that I should write about the abortion issue. It was not my intent to use any post that I might have in the Government as a pulpit for an ideology. I thought that was improper.

What are Dr. Koop's views on family planning?

Dr. KOOP. I am not opposed to contraception; I am not opposed to family planning. I think we have to have as much research as is possible formed in these two fields because I think they are the answers to some of the things about which I am concerned in reference to abortion and other problems in medical ethics.

Senator KENNEDY. What responsibilities, if any, will you have in the administration of the family planning program?

Dr. KOOP. None at all that I know, sir.

What of his public health activities is Dr. Koop the proudest of?

Dr. KOOP. If public health is the protection of the public disease, if it is health promotion, and if it is the restoration of health, then I think the things I would be most proud of would be, in the public health realm, what I have done to reduce infant mortality. I think that was a really significant thing.

I think that what I did in reference to the "Readers Digest" fellowships to prepare a whole generation in public health, particularly for service in the Third World countries; I think the things I have done for children to protect them from injuries such as from radiation, from the burns that they got from corrosive materials, and the day-to-day life that I had in Philadelphia dealing with a very large underserved population in the black ghetto—I think these are public health service at its essence.

● Mr. PACKWOOD. Mr. President, women comprise over half the population of the United States. Their health and well-being are important aspects of public health. The nomination we are considering today is for the position of

Surgeon General—chief spokesperson for public health in this country. I do not believe the well-being of a majority of our society will be well-served by the confirmation of Dr. C. Everett Koop to be Surgeon General.

Dr. Koop has been a vocal opponent of legalized abortion, likening the post-Roe against Wade era to "the beginnings of the political climate that led to Auschwitz, Dachau and Belsen."

Dr. Koop has said he supports family planning, but he opposes any form of contraception. Distinguished between birth control and contraception, Dr. Koop said:

Birth control is a big umbrella that covers any kind of plan or procedure that prevents birth. Contraception is a form of birth control. Many people use the terms contraception and birth control as if they were synonyms; they're not.

The morning-after pill is not a contraceptive, but it is a birth control medication.

An IUD is not a contraceptive, it is something that's effective in birth control . . . The definition of pregnancy when I went to medical school and when you were born was that period of time between fertilization of the egg, or conception, and delivery of the baby.

Now, pregnancy is called that period of time between implantation of the fertilized egg in the uterine wall and the delivery of the baby. If pregnancy doesn't begin until implantation, and you prevent implantation with an IUD, the patient doesn't have to face the face that she is destroying a fertilized egg that could have become a baby.

If Dr. Koop, as Surgeon General, could impose his beliefs, he would deny the majority of women using contraception today a primary means of preventing pregnancy.

Dr. Koop contends that unwanted pregnancies are not a public health concern. I disagree. Today, even the best birth control measures are subject to substantial failure rates. The methods Dr. Koop opposes are widely used. If those methods were no longer available, we would have a major public health problem.

Dr. Koop opposes amniocentesis. He says:

The whole system is to find out if there is something wrong with the fetus. And if the fetus is defective some parents will decide to abort it. Since I take a high view of life, I see amniocentesis as a search and destroy mission.

Birth control, amniocentesis, abortion; Mr. President, Dr. Koop is no friend of the women of this country.

Certainly each and every public servant has the right to his or her own beliefs. But Dr. Koop has made this a personal crusade—one he would like to carry on from the visible public position of Surgeon General of this country.

For the first time in its history, the American Public Health Association is opposing a nominee for Surgeon General. Labor unions oppose Dr. Koop. And several other groups interested in public health in this country have announced their opposition to this nomination. I should submit for the RECORD a list of organizations and newspapers opposing Dr. Koop.

Mr. President, serious questions have been raised about the qualifications and activities of Dr. Koop. I urge my colleagues to join me today in opposing this nomination.

The list follows:

WHO OPPOSES DR. KOOP'S NOMINATION?

The following is a partial listing of those groups who oppose this nomination:

The American Public Health Association;
The United States Conference of City Health Officers;
The American Nurses Association;
The United Mine Workers of America;
The United Steelworkers of America;
The International Ladies Garment Workers;
The American Federation of State, County, and Municipal Employees;
The Service Employees Union;
The Association of Teachers of Preventive Medicine;
Women and Health Roundtable;
The National Gay Health Coalition;
B'nai B'rith Women;
Planned Parenthood;
Center for Science in the Public Interest;
Women's Health Network;
National Organization for Women;
American Association of University Women; and
The United Presbyterian Church in the U.S.A.

In addition, the following newspapers have opposed Dr. Koop's nomination:

The New York Times;
The Los Angeles Times;
The Boston Globe;
The Washington Star;
The Detroit Free Press;
St. Louis Post-Dispatch;
The Philadelphia Bulletin;
The Louisville Times;
The Sacramento Bee;
The Philadelphia Inquirer;
The Miami Herald; and
The Hartford Courant.

Mr. CRANSTON. Mr. President, I will vote against Senate confirmation of Charles Everett Koop to be Surgeon General of the U.S. Public Health Service.

The Surgeon General is generally regarded by the public as the Nation's chief health officer and top spokesperson on matters of public health. For example, reports of the Surgeon General on issues such as smoking, nutrition, personal health habits, the status of our Nation's health, and the adequacy of the work force to meet the health needs of our citizens, as well as the design of educational programs to train new health professionals, have had a profound effect on public and professional views. Without question, the Surgeon General's findings and recommendations strongly influence health policy in this country.

The Office of Surgeon General has long been a nonpartisan position because of its commonly accepted role of fostering the prevention of disease and promoting health for all our citizens. The Public Health Service Act provides that the Public Health Service shall be administered by the Surgeon General under the supervision of the Secretary of Health, Education, and Welfare—now Health and Human Services.

The Public Health Service consists of six agencies: the Alcohol, Drug Abuse, and Mental Health Administration; the Centers for Disease Control; the Food and Drug Administration; the Health Resources Administration; the Health Services Administration; and the National Institutes of Health. The major functions of these agencies are to assist communities with the development and improvement of health resources, to conduct and support research in the biomedical and related sciences, to disseminate scientific information; and to protect the public's health against communicable diseases, impure and unsafe foods, drugs, cosmetics, and other potential health hazards.

Although the 1966 reorganization plan transferred the line responsibility for daily administration of the Public Health Service to the Assistant Secretary of Health, the Surgeon General continues to play an important and prominent role in setting and influencing public health policy.

Dr. Koop's nomination is opposed by the American Public Health Association because of his lack of expertise or recognized ability in public health matters such as disease control, environmental protection, occupational health, and administration of public health programs. Dr. Koop is the first nominee for Surgeon General ever opposed by this respected association which is the oldest and largest professional public health society in the world.

His nomination is also opposed by many women's organizations because of his views on the role of women in our society and equal rights for women and his outspoken condemnation of medically accepted forms of contraception, of accepted medical procedures such as amniocentesis, and of biomedical research in the area of reproductive health. He has repeatedly, and in a highly public manner, expressed intolerance toward views that diverge from his own.

The administration, in an attempt to defuse the opposition that has grown to Dr. Koop's nomination, has asserted that the Surgeon General's authority is limited and that the directors of the agencies within the Public Health Service report directly to the Assistant Secretary for Health and not through the Surgeon General. In other words, the administration has indicated, if Dr. Koop is confirmed, his duties would be limited to largely symbolic duties. That argument misses wide of the mark.

The Office of Surgeon General is indeed a symbolic position, and its importance is mostly due to its symbolic significance. Surgeon General of the United States is in fact the Nation's most prominent health position. It seems to me to be a serious mistake to appoint to the position of health spokesperson for the Nation an individual whose views on major health issues are viewed by so many health professionals and organizations as extreme and intolerant. Such a divisive nomination can only serve to weaken the authority and respect which has historically been bestowed on the Surgeon General by the general public and by professionals in the health field.

Mr. President, Dr. Koop is, by all accounts, a respected pediatric surgeon and a man with a great sensitivity to children and disabled and handicapped individuals. I do not doubt his sincerity or devotion to the practice of medicine. However, his lack of significant experience in public health administration, his very strong

doctrinaire beliefs and pursuit of public policies in accordance with those beliefs, and his strident opposition to and intolerance toward those who do not share his views—irrespective of scientific opinion—lead me to conclude that the appointment of Dr. Koop to the position of Surgeon General would impede the effectiveness of this important office.

It is extremely important to retain the American people's trust that the advice, recommendations, and decisions made by the Surgeon General of the United States are politically unbiased and based on the most reliable medical and scientific data available. Dr. Koop's qualifications for the position of Surgeon General of the United States Public Health Service do not merit the Senate's vote of approval. I urge that the Senate not consent to this nomination.

Mr. President, I ask unanimous consent that editorials of June 8 and May 11, 1981, from the Los Angeles Times and the Washington Star be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 8, 1981]

KOOP: BAD MEDICINE

The Reagan Administration has made clear its intention to nominate Dr. C. Everett Koop to be U.S. surgeon general. He appears to be uniquely unqualified for the job.

The surgeon general directs the 7,000 officers of the U.S. Public Health Service and, through reports on such questions as smoking and nutrition, is one of the nation's top spokesmen on public health. The person filling the job should have a background in community health—preventive medicine or disease control, for example.

Previous surgeons general have had such experience. Leonard A. Scheele, in the job from 1948 to 1956, had headed the National Cancer Institute. Leroy E. Burney, surgeon general from 1956 to 1961, had been an Indiana State Board of Health commissioner and a professor of public health and preventive medicine. Luther Terry, in the job from 1961 to 1965, headed clinics at the National Institutes of Health before his appointment. William Stewart, who served from 1965 to 1969, specialized in epidemiology and public administration. Jesse Steinfield, the last surgeon general before President Nixon abolished the job in 1973, had been deputy director of the National Cancer Institute. All five were members of the Public Health Service's commissioned officer corps.

President Carter reestablished the job in 1977, and went outside government to find a surgeon general. He selected the widely respected Dr. Julius B. Richmond, the chairman of Harvard Medical School's department of preventive and social medicine.

Koop has no such background. He is a pediatric surgeon from Philadelphia, and is noted for operations to separate Siamese twins. His training, his teaching and his medical experience have all been in surgery. He has no experience in public health—not in disease control, not in environmental protection, not in behavioral science, not in public administration.

In extravagant language that must startle even some of his fellow believers, Koop has opposed not only abortion but also population control and amniocentesis.

He has labeled amniocentesis, a major development allowing parents to learn of possible genetic defects in their unborn children, as a "search-and-destroy mission."

In a commencement address in 1979 to the Philadelphia College of Osteopathic Medicine, Koop made disparaging remarks about "planned parenthood" and contended that population control represents "national suicide."

Speaking as though he were an observer looking back from the year 1999, Koop predicted that Americans would have to carry "internal passports" by then, and that no child would be "declared alive until 72 hours after birth in order to let its parents decide whether they wanted the baby or not."

Koop wrote in 1978 in the Journal of the Medical Society of New Jersey that abortion leads to infanticide and then to euthanasia—"indeed, to the very beginnings of the political climate that led to Auschwitz, Dachau and Belsen." The logic that compares a surgical procedure with the Holocaust is incomprehensible.

The American Public Health Assn. has opposed Koop's nomination, a step that the professional organization has never before taken in its 109-year history. William McBeath, the association's executive director, fears that Koop would politicize what has always been a nonpartisan office.

Koop's nomination has been delayed because of a technicality about his age. He is 64, and that is the limit for holding the surgeon general's job. But Koop's age should not be the problem; the problem is his lack of background and his opinions. Final judgments on Koop's qualifications for the job must in fairness await his testimony after his nomination. But he certainly looks like the wrong choice.

[From the Washington Star, May 11, 1981]

THE WRONG JOB FOR DR. KOOP

A good government job surely could be found for Dr. C. Everett Koop, whom President Reagan is said to favor for Surgeon General of the U.S. Public Health Service. But it ought to be some other job.

Dr. Koop is surgeon-in-chief of Children's Hospital of Philadelphia and professor of pediatric surgery at the University of Pennsylvania Medical School. His gifts as a pediatric surgeon are said to be exceptional. He is a man of integrity and skill.

Why, then, do so many oppose him for the job of surgeon general? The answer is complicated by Dr. Koop's strong views on abortion and related matters. For example, he has called amniocentesis, a medical procedure used to spot Down's syndrome in fetuses, a "search and destroy mission." Such notions do not win universal applause, but they have confused the question.

But the real difficulty is that Dr. Koop, in spite of impressive medical credentials, has little background in public health. Although he served on the board of an organization which promoted hospital construction and other programs in Third World countries, and was active in procuring a grant from the late DeWitt Wallace to finance medical fellowships to poorer nations, his career has been devoted almost entirely to practicing, lecturing and writing in his own field.

It is that which has persuaded Dr. William H. McBeath, executive director of the American Public Health Association, to call him "uniquely unqualified" and to call his appointment "an unwarranted affront to every American public health worker." Dr. Koop's nomination is the first that the association has opposed in its 109 years.

Dr. McBeath put this way: "Why do we say that being a specialized medical clinician is not sufficient qualification for surgeon general? Are not the biomedical and clinical sciences at the core of medical education and practice, also importantly related to public health? Of course they are. But only the narrowest form of medical chauvinism would permit the view that any competent clinical physician is automatically equipped to direct organized community health endeavors."

Dr. Koop's medical credentials are impressive. But comparing a pediatrician to a public health expert, although both may be doctors, is like comparing an aerospace worker to a bridge builder, although both may be engineers. Caring for individual patients, Dr. McBeath observes, has little to do with the causes of disease and their control—the work of public health.

The surgeon general heads the Center for Disease Control, the National Institutes of Health, the Health Resources Administration, the Health Services Administration and the Alcohol, Drug Abuse and Mental Health Administration. He has become the nation's primary spokesman on public health issues. The post has frequently been filled from the corps of the U.S. Public Health Service—becoming what Dr. McBeath calls the "commanding officer." The exceptions to that, such as Dr. Julius B. Richmond, the most recent surgeon general, have nevertheless long been active in public health. Dr. Koop has not.

The Senate has the final say on a nomination, but the matter has been stalled in the House by Dr. Koop's age. He is 65 and under present law a surgeon general may be no older than 64. In an attempt to lift the legal age limit, Sen. Jesse Helms recently tried to amend an unrelated bill, which the House last week passed without the Helms amendment. But nothing can prevent the senator from trying again when that bill—or any bill—reaches the Senate.

It is a pity that it has come down to this technicality, for Dr. Koop certainly is not too old for the job. He is also entitled to his opinions, and the Reagan administration is entitled to appoint to high posts those who share its opinions.

Dr. Koop's views on various subjects may be distasteful to some and appealing to others; they don't disqualify (or qualify) him for various jobs in the Department of Health and Human Services or other agencies, although doctrinaire views are often a handicap. But for the job of surgeon general, his background—or lack of it—does raise insurmountable questions.

● Mr. WEICKER. Mr. President, I rise today to oppose the nomination of C. Everett KOOP, M.D. to be Surgeon General of the United States.

Mr. President, as a member of the Labor and Human Resources Committee, I have had the opportunity to review the credentials of Dr. Koop in great detail. The committee, under the chairmanship of my good friend from Utah, Senator HATCH, held 1 full day of hearings on the nomination and received testimony from a wide range of groups both supporting and opposing Dr. Koop. In addition, I have had the pleasure to meet with Dr. Koop in person to discuss his nomination.

Mr. President, there is no doubt in my mind that Dr. Koop is an eminently qualified surgeon. His achievements in the field of pediatric surgery are internationally known and his commitment to both the young and the elderly in our society is without question. My concern surrounding the nomination of Dr. Koop deals primarily with his lack of public health experience.

Mr. President, let me say that I do not oppose Dr. Koop's nomination on the issue of abortion. While I do totally disagree with Dr. Koop's position, I do not feel that his religious or moral beliefs should be the basis for our judgment in this matter. Rather, I oppose Dr. Koop on the basis of his limited public health and preventive health experience.

As the Nation's No. 1 health professional, the Surgeon General role is critical in the development and implementation of programs to meet the health needs of every citizen of the United States. In this respect, the Surgeon General should be an individual with the strongest possible education and training in the field of public health. While Dr. Koop is a prominent surgeon, he is not by training or experience equipped to deal with the array of public health concerns ranging from epidemics to restaurant inspections, from rodent control to sewage treatment.

Dr. Koop's clinical training is especially and exclusively geared to the amelioration of diseases in individuals, rather than the active promotion of health and health care in population groups. In my view, these two diverse medical/scientific approaches—treatment as compared to prevention—constitute different orientations, skills, and outlooks.

As I noted above, Dr. Koop's clinical training and experience are outstanding. The question before us is whether he is similarly, or even acceptably, trained and experienced in the field of public health. The answer is regrettably no, and for that reason I must oppose his nomination.●

● Mr. TSONGAS. Mr. President, the nomination of Dr. C. Everett Koop to be Surgeon General of the United States gives me a sense of deja vu. Once again, the question is not whether or not a nominee of the administration is qualified in his field of specialization. We must decide whether or not he is qualified for this particular position. I suggest that he is not.

Dr. Koop is a renowned pediatric surgeon, and by all accounts a brilliant clinician. But he is not an expert in the field of public health.

Public health has been defined as—

> The effort organized by society to protect, promote and restore the people's health, involving programs, services and institutions which emphasize the prevention of disease and the health needs of the population as a whole.

Its practitioners have given this Nation one of the finest public health systems in the world. They have done it through the study of preventive health, including its social and psychological factors as well as the physical elements.

Nothing that I have read about Dr. Koop suggests that he has developed comprehensive skills in public health. His nomination is an affront to the thousands of health professionals who have dedicated their careers to promoting the Nation's public health as a whole.

The position of Surgeon General is the highest ranking commissioned officer in the U.S. Public Health Corps. I believe the position deserves to be held by an individual who has some of the finest credentials in the field of public health. Professional interest and concern for the Nation's public health is not enough.

I am also troubled by Dr. Koop's position on abortion. I feel that abortion is an extremely personal decision made by a woman and her physician.

Dr. Koop does not admit the possibility that an abortion may be medically necessary. In the case of a fetus known to be deformed, for example, even if those defects bar any chance of survival, he opposes the mother's right to terminate such a tragic pregnancy. He also opposes amniocentesis, the medical procedure that can detect critical deformities, labeling it a "search and destroy mission." I am deeply concerned that someone with such a dogmatic view of this basic medical procedure may become spokesman for the Nation's public health.

Mr. President, I urge my colleagues to consider the impact of Dr. Koop's nomination on the public health field in general, and on women in particular. I will vote "no" on this nomination because I do not believe that Dr. Koop is qualified to lead us in quest for improved public health.●

● Mr. HEINZ. Mr. President, I am pleased to join my distinguished colleagues, Senator HATCH, and Senator HATFIELD, in supporting the nomination of Dr. C. Everett Koop to be Surgeon General of the United States.

As a fellow Pennsylvanian, I have long been aware of Dr. Koop's remarkable achievements in the field of individual public health. His contributions to the field of medicine extend far beyond the boundaries of the Keystone State; and his contributions to the field of health care extend far beyond the care of individual patients.

From his establishment of the first intennsive care unit devoted exclusively to the surgical neonate, to his establishment of an American-type medical school for the country of Ghana; from his founding of the first organization of American pediatric surgeons, to his development of clinics for the Indians of Central Mexico; from his extensive writings on medical treatment of the acute pediatric surgical patient, to his works related to the handicapped, the chronically ill, and the dying child; Dr. Koop has demonstrated tremendous expertise and capability.

Mr. President, I am aware that Dr. Koop has been an outspoken opponent of abortion and an advocate for the value of traditional roles for women. However, I believe that his personal views on these matters will in no way interfere with the manner in which he carries out the duties of the Office of Surgeon General. I have met with Dr. Koop, and have been assured that the post of Surgeon General will not serve as a pulpit from which to espouse his own personal viewpoints.

Mr. President, I am convinced that Dr. Koop will bring to this position a tremendous sensitivity and deep interest in the needs of the disabled, the elderly, and the children of our Nation. It is my belief that Dr. Koop will bring the same individualized approach to health care problems that he brought to the people of Pennsylvania and the United States, and the medically underserved people throughout the world.

Mr. President, I am convinced the President has nominated a man of extraordinary talent and achievement, and I am pleased to join in supporting such a distinguished Pennsylvanian and distinguished physician for the post of Surgeon General of the United States.●

● Mr. RIEGLE. Mr. President, regrettably, I will cast my vote today in opposition to the confirmation of Dr. C. Everett Koop to the post of Surgeon General of the United States. I do so with a great deal of reluctance, but my evaluation of this nomination during its consideration in the Labor and Human Resources Committee, on which I sit, has left me with the belief that there are many troubling questions concerning Dr. Koop's qualifications and views as they relate to his ability to serve as the Nation's highest public health official.

The Surgeon General is the commanding officer of the 7,000-member Public Health Service Commissioned Corps, and the senior Federal public health professional. The individual in this position has a high public profile at home and abroad. He or she must inspire the confidence of the American people, who look to the Surgeon General for sound advice on a wide variety of public health questions.

The medical credentials of the nominee, Dr. Koop, are impressive and his contributions to the study and practice of pediatric surgery are well documented and acknowledged by his colleagues. However, there are critical differences between the private practice of clinical medicine, and the concerns and responsibilities of the Nation's No. 1 public health official. The focus of public health efforts is the active promotion of health and the prevention of ill health across the entire Nation. This monumental task calls for skills, expertise and experience not traditionally associated with the practice of clinical medicine—in the areas of disease control, environmental protection, behavioral science and public administration.

The American Public Health Association opposes the nomination of Dr. Koop to the post of Surgeon General precisely because they believe that Dr. Koop does not possess the requisite training or experience in these vital public health areas, as required by statute. Numerous other groups and organizations, representing the health needs of millions of Americans have joined the APHA in their opposition to this nomination. They include the National Organization for Women, Planned Parenthood, the American Nurses Association, the United Mine Workers, the United Steelworkers and B'nai B'rith Women.

These organizations and others have been joined by a score of newspapers who have lent editorial voices to the opposition to the President's nominee. These newspapers include the New York Times, the Los Angeles Times, the Boston Globe, the Washington Star, as well as the Detroit Free Press in my own home State of Michigan. These disparate organizations, groups and publications speak with one voice as they question the appropriateness of Dr. Koop's credentials for the post of Surgeon General. Regrettably, I must concur with their view.

In addition, the position of Surgeon

General requires a person able to enunciate broad public policy, even in those cases where it might conflict with one's private views or preferences. It is not a position that should ever be used to put forward one's private and personal ideological views. This assignment requires one who must discharge a broad public trust in behalf of an entire nation representing multiple viewpoints with balance, sensitivity and even-handedness.

I am concerned about the strongly held views Dr. Koop has expressed regarding the proper role of women and the nature of their participation in society. Dr. Koop is, of course, entitled to his own perspectives on any and all social issues. However, I cannot help but be concerned about his emphatic views about women impacting his ability to adequately deal with the public health needs of American women—fully half the population of the Nation.

While Dr. Koop may believe that women should devote themselves exclusively to the roles of wife and mother, the reality of most women's lives in 1981 is quite different. Women, by choice and/or necessity are in the workplace to stay, in addition to their family responsibilities. Women are increasingly vulnerable to various illnesses which have long been deemed public health problems, including alcoholism, drug abuse, and other stress-related conditions. If the public health needs of the women of America are to be met, there must be a recognition of and respect for the multiplicity of roles women play and will undoubtably continue to play in our society.

Dr. Koop has long years of dedicated service in his chosen profession, and his achievements in the area of pediatric medicine have been of important value. These efforts are worthy of recognition and praise, but they are no substitute for the broader credentials required for America's Surgeon General, qualifications Dr. Koop does not possess.●

Mr. MOYNIHAN. Mr. President, I rise today to address the nomination of Dr. C. Everett Koop to be Surgeon General and Medical Director of the Public Health Service. Dr. Koop is a brilliant pediatric surgeon who has distinguished himself through his pioneering work with handicapped, disabled, and dying children. His competence is unimpeachable, his compassion for his patients and their families well established. Yet I must now express my opposition to his appointment as the Nation's chief spokesperson on matters of public health policy.

The substance of my objection lies in Dr. Koop's inexperience in the area in which he has been nominated to serve. Among other duties the Surgeon General commands such agencies as the National Institute of Health, the Food and Drug Administration, and the Public Health Service. Scientific reports and official pronouncements on such vital issues as nutrition, smoking, disease prevention and health promotion are issued under the aegis of the Surgeon General. The appointee to this position becomes the senior Federal professional in the area of public health. The key phrase here is public health. As Dr. William H. McBeath, executive director of the American Public Health Association, has so pointedly asserted, there is a critical difference between private medicine focused on the care of ailments in individuals and public health, which is concerned more with prevention of diseases in entire populations. For this reason, Dr. Koop's almost exclusively clinical orientation, fruitful as it has been medically, is a severe handicap for the position of Surgeon General. I quote Dr. McBeath:

> The almost exclusive orientation for one-to-one, provider-patient relationships, so advantageous for the clinician, can actually be a disadvantageous distoration for the community practitioner committed to the broader target of equitable programming for a total population.

On these grounds, the American Public Health Association has concluded that Dr. Koop is almost "uniquely unqualified" on account of his "wholly inadequate background." Never before in its 109-year history has the APHA opposed a nomination for Surgeon General, and I take their reservations seriously.

Mr. President, I will be voting against Dr. Koop as the nominee to be Surgeon General and Medical Director of the Public Health Service, and urge my fellow Senators concerned with the importance of appropriate professional qualifications to do likewise.

Mr. BRADLEY. Mr. President, a Senator never lightly undertakes a vote in opposition to a presidential nomination. A President should be able to form his administration with appointees of his choice, so as to assure his command of executive branch policymaking. The Senate's "advise and consent" responsibilities under the Constitution should be withheld only in the rare cases where the nominee fails to meet the qualifications required for the performance of the job to be undertaken.

Mr. President, I find myself in the unhappy situation of opposing the nomination of Dr. C. Everett Koop for the position of U.S. Surgeon General, the commanding officer of the Public Health Service commissioned corps. I do not dispute his fine record in clinical medicine and service to individual patients. Nor do I believe that his age is relevant to the issue. But I do dispute his qualifications to hold the senior Federal public health job and to serve as the Nation's primary professional spokesperson on matters of national public health policy. After studying the record, I have concluded that Dr. Koop lacks any of the public health background that is essential for one who would hold the position of Surgeon General. He has never had responsibility for, nor had significant involvement in, public health programs at the international, national, State or local level.

Dr. Koop's record of service to individual patients is an impressive and laudable one. His career is exemplary in his work with newborns, with disabled and handicapped children, and with medically disadvantaged and underserved children. He has cared about the patients who sought his help. Even more, he reached out to individual children in need who might not otherwise have seen a doctor. His work in the Dominican Republic to provide treatment to sick children is an outstanding example of a physician extending himself to relieve individual suffering.

But let us be clear. These experiences, as admirable as they are, do not constitute a background in public health. They are primarily efforts at improving patient care, examples of the classic practice of clinical medicine.

Dr. Koop's extensive background in clinical medicine cannot substitute for public health experience, and the reasons lie in the differences between clinical medicine and public health. Clinical medicine is focused on the care of patients and the cure of their individual ailments; it is concerned with the diagnosis and treatment of disease in the individual. Public health, in contrast, focuses on the active promotion of health in the community as a whole and the prevention of ill health in population groups. Public health is concerned with the varied causes of disease and their control in the community and its larger environment through organized efforts. Examples would be environmental sanitation programs; public programs of education on topics such as nutrition, sanitation practices, smoking and exercise; and the organization of large-scale programs of disease prevention, such as inoculation against childhood illnesses. While individuals are the beneficiaries of such public health efforts, the emphasis is on setting in place systems of health promotion and disease prevention for the larger community and for at-risk groups within the population.

Dr. Koop has scant experience in these complex issues, which are so removed from the realm of individual patient care but so central to the public health responsibilities of the Surgeon General. I must therefore vote against Dr. Koop's confirmation and urge the President to seek an individual with public health experience for this vital position as America's spokesperson on public health.

Mr. GORTON. Mr. President, I would like to say a few words regarding my vote today on the nomination of Dr. C. Everett Koop as Surgeon General of the United States. I will vote in favor of the nomination of Dr. Koop because it is my belief that the President is, absent extraordinary circumstances, entitled to the appointment of his choice to officers in which the appointees serve at his pleasure. But I will vote for this nomination with severe reservations.

As Surgeon General, Dr. Koop will be charged with the duty of promoting the highest level of health care achievable for all Americans. It is my belief that in carrying out that duty there is no room for the imposition of personal value judgments. Dr. Koop is certainly entitled to his view on appropriate lifestyles or the proper role of women in society, but as Surgeon General he should not use his position directly or indirectly to impose his personal views on those whom he is charged with serving. I hope that Dr. Koop will recognize this fact and will

refrain from public statements or actions which would cast doubt on his objectivity. I urge him to avoid even the appearance that he may be unwilling to separate his personal beliefs from the great questions of public policy about the provision of health care with which he will be faced.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have already been ordered.

The Senator from Massachusetts has 1 minute and 42 seconds remaining.

Mr. KENNEDY. I yield back my time, Mr. President.

Mr. HATCH. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is, Will the Senate advise and consent to the nomination of Dr. C. Everett Koop, of Pennsylvania, to be Medical Director in the Regular Corps of the Public Health Service, and Surgeon General of the Public Health Service? On this vote, the yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. BUMPERS (after having voted in the negative). On this vote I have a pair with the Senator from Missouri (Mr. EAGLETON). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Dakota (Mr. PRESSLER) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

Mr. CRANSTON. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Illinois (Mr. DIXON), the Senator from Missouri (Mr. EAGLETON), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. BAUCUS) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 68, nays 24, as follows:

[Rollcall Vote No. 379 Ex.]

YEAS—68

Abdnor	Ford	Melcher
Andrews	Garn	Murkowski
Armstrong	Gorton	Nickles
Baker	Grassley	Nunn
Bentsen	Hatch	Pell
Boren	Hatfield	Percy
Boschwitz	Hawkins	Pryor
Byrd, Harry F., Jr.	Hayakawa	Quayle
Byrd, Robert C.	Heflin	Randolph
Cannon	Heinz	Roth
Chiles	Helms	Rudman
Cochran	Hollings	Sasser
Cohen	Huddleston	Simpson
D'Amato	Humphrey	Specter
Danforth	Jackson	Stafford
DeConcini	Jepsen	Stennis
Denton	Johnston	Stevens
Dole	Kassebaum	Symms
Domenici	Kasten	Thurmond
Durenberger	Lavalt	Tower
East	Lugar	Wallop
Exon	Mattingly	Warner
	McClure	Zorinsky

NAYS—24

Biden	Inouye	Packwood
Bradley	Kennedy	Proxmire
Burdick	Levin	Riegle
Chafee	Mathias	Sarbanes
Cranston	Matsunaga	Schmitt
Dodd	Metzenbaum	Tsongas
Glenn	Mitchell	Weicker
Hart	Moynihan	Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Bumpers, against.

NOT VOTING—7

Baucus	Goldwater	Long
Dixon	Leahy	Pressler
Eagleton		

So the nomination was confirmed.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

THE U.S. STRATEGIC PROGRAM

(The following statement was made earlier and is printed at this point in the RECORD by unanimous consent:)

Mr STENNIS. Mr. President, we are soon going to be in the midst of decision time with reference to the highly important matter of our military appropriations bill and its provisions concerning primarily our strategic forces, particularly with reference to the B–1 bomber, the proposed Stealth bomber, the MX, and that part of the basing mode that may go with it under the most recent recommendation of the President.

I have been into this problem field a good number of years from the time that missiles were first developed, and on down through those years when we had the Arms Limitation Treaty passed, and when we had the MX–1 and the proposed MX–2, and on down to the present time.

I said here on the floor in reference to the AWACS proposal during the controlled time debate that I thought the most important problem we have before us now, even exceeding our financial problems, is the matter of some kind of agreement, effective agreement, over which we could have knowledge and be able to detect, make certain surveillance, of the use of nuclear weapons. I was referring primarily to an effective arms limitation with the Soviet Union.

I said, as I recall, in that debate that I believed that is the most important thing the President of the United States during his present 4-year term would have to contend with, and this would be his best opportunity to make a lasting contribution to mankind.

I sense, Mr. President, a very serious situation, as I see it, for instance, in Western Europe where the people are concerned there about the presence and the possible use of nuclear weapons.

Someone said, "Oh, that is just a crazy crowd," or, "That is just a trouble-making group."

I believe that is error. I believe there is a deep concern there on that subject matter, call it fear or whatever you want to call it.

I think it is possible for this matter to spread to other areas. I am not predicting that our people have a sense of fear now but it is possible, as this matter develops more acutely and more seriously and without any effective agreement that is balanced, that would mitigate against an unbridled race for more and more effective weapons in this field, until we make some development along that line, and I am sure we are headed in a dangerous direction, and the utmost that we can do should be done.

I have never been one that was always talking about being tough on the Russians or that I thought the Russians were 7 feet tall. But I have been tied with these limitation agreements enough to know that you have to be very severe, you have to be very firm; whoever is representing the Nation must be knowledgeable and must know how the give-and-take works, the intricacies of the problems that go with the weapons themselves and their possible operations. I am sure that we have competent men in that field. And I think it would finally come to the leaders of the respective nations, including our own President of the United States. I pray that he has a special capacity in that field and I believe that he does have or will develop and have a good capacity, even better than good.

But anyway we are confronted here in this bill with a situation for strategic weapons that are not entirely satisfactory, not entirely satisfactory to anyone, perhaps. It does not represent what I thought would have been a better field of weaponry and possibilities therein. But it is a very, very formidable program, Mr. President.

And I have decided that in view of this situation. I have all too briefly outlined about the need for a SALT agreement of the proper kind, that I could better serve the country by supporting this package as it is.

I know that the President already actively is considering a conference with reference to the use of the short-range weaponry in Western Europe. I know within reason that in time the further conference to which I have alluded will come about. So I think it would be a mistake to push this again to one side and wait another year.

Mr. President, this MX missile that you may hear criticized in the lack of the basing points, particularly, has already been approved seven times by the Senate with favorable votes. Nine votes have been favorably passed on here on this floor in the last 6 years on this B–1 bomber that we are talking about. In our Armed Services Committee, there were 7 MX votes favorable and 10 B–1 votes favorable during this same time. In the Senate, the Armed Services Committee and this Senator have always supported both the MX and the B–1 except once in 1977, when the President rescinded the funds for the B–1 bomber

and there was little chance to change that decision that year.

Now, we had that bill on the floor here, as I recall, and I was managing the appropriation bill when that order came rescinding the B–1. And we left in the money for the research and development, but it was generally agreed to take out and we did take out the rest of it for that time. And it has continued on in this R. & D. category since that time.

So we are not dealing with infant weapons or unknown weapons. These matters are old presentations. We backed off to a degree at the last minute on the MX basing mode, but we have continued fortunately on the MX missile itself and have moved forward in a very substantial part and seemed to be highly successful.

Now, frankly, I said at first that I could not see how I can support two bomber systems to be completed and carried on at the same time. But for the reasons that I have already given and some better understanding of the actual situation with reference to the need that a time will be covered, otherwise we could be exposed and become a prey to an aggressor, it is just not a bad thing at all to have both of these weapons moving in the right direction at the same time. Who can say how long it is going to take to perfect a modern bomber of what we now call the Stealth type? There are many new features, all complicated, much of it still unknown. And who can put his hand on the year or near the year with any certainty whatsoever as to when it would be that weapon would be useful and could be deployed? Which means there is an uncertain time in there which may be beyond the life of our B–52 that we have relied on so long and not yet ready for the so-called Stealth bomber; it is not ready at least for deployment.

So I see clearly where no one could be any ways near certain as to the probabilities there. The scientists, the technicians, the experts, the military people, to a large degree, disagree, naturally. They are being honest about it. They disagree as to the time to a considerable part.

So I hope that we could come out of the Appropriations Committee, maybe as soon as tomorrow, with a good, strong stand and majority there and find the same sentiment here as the presentation on this floor and that this Congress finally complete a program in this field.

We do not dare let circumstances develop whereby the President of the United States, whomever he may be, would have to face the situation of negotiating or trying to reach agreements or trying to make arrangements with an adversary unless he is backed himself by a very formidable force that at least is near to the best that we are capable of making. I was about to use the word "afford," not thinking in terms of money. But that does bring up the money question. There is far more money involved here than I would like to have to support. But if we can get a situation that leads to an effective and lasting and useful arms limitation of the kind that will serve us and still leave us in the reasonable certainty then there are far, far more billions of dollars saved by that development and that achievement than may be spent by the actual dollar cost of this weaponry.

I do not think the time would ever come when we could be certain of what was going to cost the least, or which way to go that was going to cost us the less. It is all a calculation and all a planning and then a matter of achievement.

There is an overriding need to put the President's new strategic program in place and do it now. It is an interim program but is essential to cover the next several years, a period of great uncertainty and great opportunity.

This need arises from the following reasons:

The single most pressing deficiency we have in the strategic field is the lack of some form of agreement with the Russians to limit nuclear arms. The President has announced the beginning of talks with the Russians on November 30 on the limitation of nuclear weapons in Europe.

I do not believe talks can be limited to Europe and must inevitably and quickly expand to cover all nuclear weapons. There is no practical way, no position of strength—from which to negotiate with the Russians if we reject the President's program. Rejection will weaken the military bargaining strength of the United States and the credibility of the American negotiators.

The single most pressing need we have in the whole military-international field is to preserve the NATO alliance and all the working military relationships that entails. Our strategic program is the foundation of nuclear deterrence for NATO as well as the United States. Western Europe is America's anchor across the Atlantic and NATO is the foundation of conventional deterrence against Russian military moves in Europe.

We cannot succeed politically, economically, or diplomatically in dealing with the world's problems without the friendship and help of our NATO allies. Militarily, West Europe provides 90 percent of the ground troops, 80 percent of the air power and 70 percent of the naval power of this Western alliance. But this support is contingent on America doing its part in the nuclear field.

It is a particularly sensitive time in Europe now with the question of new theater nuclear weapons located on Western European soil at the forefront of attention in the strongest NATO countries. If we refuse to move forward on the President's strategic program, we could be endangering the roots of the NATO alliance. The Europeans might see us as requiring them to accept nuclear weapons on their soil, while refusing to accept them on our own. This would gravely weaken the U.S. leadership role in the whole alliance.

The single most pressing need we have in the military-domestic field is to reassure the American people that America is strong and is not a second-rate, weak military power, exposed to attack or blackmail. For too long, and for a variety of reasons, there has been a dangerous undermining of the public confidence in our military strength. We must stop that tendency before the public either turns against our military or demands unwise military action in crises.

I am concerned that rejection of the President's strategic program will further undermine public confidence and will give the impression that our Government—Washington—is so split up it cannot move forward on a military program to protect our interests.

The strategic program in the fiscal year 1982 budget is an interim program. Everybody knows it is not the final answer. But, it is another step—in a series of increasingly difficult steps—to keep up our strength in this dangerous and vital field of nuclear weapons. Neither system will be completed for years. There is time to workout any flaws or make any needed improvements. The MX missile has been debated and supported year after year. The old shell game—the so-called MPS basing system with 4,600 shelters—is dead without Presidential support and a national consensus to install it.

We must find something new and that is what this program does—it goes forward with the missile, putting it temporarily in existing missile holes until a better system can be found. The executive branch feels it can find a new way to base the MX by 1984 or earlier. Similarly, the B–1 bomber is an interim step. I have been a strong supporter for years of the so-called advanced-technology bomber—Stealth—and believe it should be fielded as soon as technically possible. Beware of the testimony where the witness tries to be accurate as to the exact years.

It is still some time away from actual production and use. Time is required—we all know that. Furthermore, almost everybody agrees that we will have to begin replacing the old B–52's with something within the next decade. Why not move ahead with the B–1 while it can fill in before the ATB comes online and thereafter can make a fine conventional bomber? The research money—$4.5 billion worth—for it has already been spent, while any new plane would require more new research. It does hedge against slippage in the Stealth technology or some new defect being discovered in the old B–52's. It is not the ultimate solution, but it does provide a needed capacity both soon and well into the future.

The MX and the B–1 are not new problems. They have been around for years and have been voted on by the Senate many times. In the Senate, there have been nine favorable votes on the MX and 9 favorable votes on the B–1 in the past 6 years. In the Armed Services Committee, there were 7 MX votes and 10 B–1 votes during the same time. The Senate, the Armed Services Committee and this Senator have always supported both the MX and the B–1 except once in 1977 when the President rescinded the funds for the B–1 bomber and there was little chance to change that decision for that year. Thus, this new strategic program continues the basic items that have been supported by the Senate for years.

I believe the President's new strategic program is another needed step in this important field. The broader questions

of getting a meaningful SALT agreement, preserving the NATO alliance and limiting public doubt about our military strength outweigh the fact that this is an interim program and not an ultimate solution. For these reasons, I will vote for this strategic program and urge my colleagues to vote for it as well.

One more major part of our problem must be given the top priority of all considerations.

We are now facing the hard but certain facts and reality that our adversaries have nuclear weaponry of the kind and quality to literally destroy a major percentage of the land area of our 50 States and a major percentage of our people.

They have the capacity to deliver those nuclear weapons on targets chosen by them and do so with a high degree of accuracy. To meet this situation we do not have effective defensive military weapons like the antiballistic missile because none are yet attainable.

But these grave facts do not overwhelm me. I have lived with them a long time. I continue to be disturbed. I am confident of our capacity to strike them with even more destructive forces, on targets also previously selected. I refer here to the other two legs of our TRIAD defense, submarines and bombers.

Nothing stands still. Our adversaries move forward in the state of their weaponry and to avoid inferiority we have to move forward too.

I have noted too that each time the parties have to move forward it is far more difficult to approach equality again. The dollar price is terrific and mounting. In my view, the only effective answer to this program is a meaningful Arms Limitation Agreement, commonly called SALT.

I believe we now have the best chance we have ever had for an acceptable, meaningful agreement. SALT agreements so far have achieved little but they have pointed the way toward achievement. Hard-headed negotiating by highly competent individuals on each side, with reasonable time allotted, can make a helpful start. In the final analysis the agreement will have to feel the hand of the Chief Executive Officer of the two contracting powers. In our case, President Reagan will fill this role in a capable way as I believe.

In the final analysis, I think there is no time to lose. There is nothing new or hidden in the present strategic plan. Any plan adopted will have to be adjusted from time to time.

Time is running out. The problem of nuclear weapons as a whole is rapidly becoming complicated and in fact is alarming. The people in Western Europe are developing a state of fear. Our own people are puzzled more than ever on the entire subject and a state of fear could be aroused at home among our own people.

The deciding factor with me in supporting the proposed strategic plan in the bill is that it moves a step forward in weaponry. It keeps moving forward on the MX missile, and a temporary place to put it, the advanced technology bomber, and the B–1 bomber to fill in any potential gaps and the other major parts of our strategic program such as Trident, missiles, submarines, and cruise missiles. Such a step forward is necessary for an effective and useful SALT agreement to be negotiated by the President and considered by the Senate.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

Mr. BAKER. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The pending matter is H.R. 4169.

Mr. BAKER. Which is the Commerce. Justice, and State appropriation bill, is it not?

The PRESIDING OFFICER. The majority leader is correct.

The Senate continued with the consideration of H.R. 4169.

Mr. BAKER. Mr. President, I hope we can continue making progress——

The PRESIDING OFFICER. Can we have order in the Senate as we listen to the words of the majority leader? The majority leader is recognized.

Mr. BAKER. Mr. President, I hope we can continue to make progress on this bill. I expect the Senate will remain on this measure for the remainder of this day. I would not expect to ask the Senate to recess over until, perhaps, 6:30 or thereabouts. If we can make progress by staying later than that I would be pleased to do that. I understand the sensitivities involved, but I continue to urge Senators to try to find some way to address their concerns and to finish this measure this evening as much as possible.

LEGISLATIVE SCHEDULE

OTHER MATTERS FACING SENATE CONSIDERATION

Mr. BAKER. Mr. President, we have a great deal yet to do. The continuing resolution, I believe, will be over here from the House tonight. We have a number of appropriation bills. Let me say to Senators notwithstanding there will be a continuing resolution I believe delivered to us as a House-passed message, it is the intention of the leadership to ask the Senate to continue consideration of appropriation bills as they are here and available. The reason for that, I think, is obvious; that is, the continuing resolution as it is likely to pass in either body will reference perhaps the lower of the House- or Senate-passed version or the conference level so there is still an opportunity for the Senate to make its mark and to express its judgment on funding levels in the continuing resolution.

I repeat, Mr. President, the Senate will be in session until 6:30 or 7. We will remain on this measure. It is my hope that we can complete this bill yet this evening.

Let me yield first to the distinguished senior Senator from West Virginia (Mr. RANDOLPH).

CONSIDERATION OF THE HIGHWAY BILL

Mr. RANDOLPH. Mr. President, this question could well be asked by the able chairman of the Committee on Environment and Public Works, Senator STAFFORD, but do you have an estimate in your planning for the Federal-aid highway bill to come to this Chamber during today's session?

Mr. BAKER. Mr. President, I must tell my friend, the former chairman of that committee, and who severed so long and so faithfully in that role while I was on the committee in the minority, I must confess to him, which I am reluctant to do, that I cannot tell him right now, but I will be glad to check with that part of the staff which does scheduling and see what preliminary estimates we may have.

May I now yield to the minority leader.

LEGISLATIVE PROGRAM FOR THE REMAINDER OF THE WEEK

Mr. ROBERT C. BYRD. Mr. President, I thank the majority leader.

I take the floor to inquire as to what the program will be for the rest of the week, if the majority leader should state it.

Mr. BAKER. Mr. President, It would be my expectation that we will continue on the State, Justice appropriations bill as long as that is necessary, this evening and tomorrow. It is also my hope that we can take up the Foreign Operations appropriations bill.

There is the matter of pipeline waivers that must be dealt with. It is a highly privileged matter and is available, and I hope that there might be an agreement among Senators that we could proceed to that waiver resolution either Tuesday or Wednesday.

It is my hope as well that if we receive the continuing resolution from the House tonight that the Appropriations Committee will consider it on Tuesday and, perhaps, report that measure to the floor on Tuesday evening.

If that is the case I would then almost certainly ask the distinguished minority leader if he would consider a waiver of the 1-day rule so that we could proceed to the consideration of the continuing resolution on Wednesday. That would give us then Thursday and Friday, Mr. President, to try to work the continuing resolution through the conference and to the President.

I must repeat what I said earlier today, Mr. President, that if perchance the President were to veto this measure or if the bill were to bog down in conference it would be absolutely necessary to ask the Senate to remain in session on Saturday and, perhaps, even on Sunday because the continuing resolution presently in effect expires Friday midnight.

So, Mr. President, I would expect we will be in session this week, it will be a busy week, there is a strong possibility that we will be in session on Saturday and even some possibility that we will be in session for all of the weekend if that is necessary to complete our work on the continuing resolution.

THE SMALL BUSINESS INNOVATION BILL

Mr. ROBERT C. BYRD. Mr. President, will the majority leader yield further?

Mr. BAKER. Yes.

Mr. ROBERT C. BYRD. Could the majority leader state when he plans to call up the small business innovation bill?

Mr. BAKER. Mr. President, I cannot. I am afraid I must give the distinguished minority leader the same answer I gave to the distinguished senior Senator from West Virginia. I have not checked today on the status of that measure on our calendar, but I will be happy to do so and report further to the minority leader today.

Mr. ROBERT C. BYRD. I had promised the majority leader that I would inform him as to the amendments we expect on this side of the aisle. We only know of four: one by Mr. BENTSEN, which is an interest rate amendment. He may change it. There is an amendment by Mr. CHILES which is an interest rate amendment; an amendment by ROBERT C. BYRD which deals with unidentified budget cuts; and an amendment by ROBERT C. BYRD which would provide for the appointment of a small business representative on the Federal Reserve Board. There are just four amendments.

Mr. BAKER. I thank the minority leader. That will be helpful in trying to obtain clearance, and I will give him a further report as soon as I can.

CONSIDERATION OF THE HIGHWAY BILL

Mr. President, I am told that the highway bill is available, if the senior Senator from West Virginia is still here. The highway bill is here and available for action yet this evening on our side. So it may be that we can do that bill before we recess over tonight.

Mr. ROBERT C. BYRD. The distinguished senior Senator is here.

Mr. BAKER. May I repeat then what I said earlier? I thank the minority leader. Mr. President, on inquiry I found, may I say to the distinguished ranking member of the Public Works Committee, that we have the highway bill cleared, and if he wishes we may be able to do that this evening.

Mr. RANDOLPH. I think that is as it should be. The measure is ready, reported from the Committee on Environment and Public Works, and I am certain it would not take too long. It is an important bill. I think generally the Senate would appreciate the work that has been done by both Republicans and Democrats.

Mr. BAKER. I thank the distinguished Senator from West Virginia. I may say then that I will later ask the Senate to agree to temporarily lay aside the State, Justice appropriations bill so that we can proceed yet this evening to the highway bill.

THE SMALL BUSINESS INNOVATION BILL

On the SBA bill I am also told now by staff that there is a possibility that we can do that tomorrow. I understand negotiations are underway on a time agreement. We certainly would want to do that bill, and I would urge Senators to consult on the matter of giving a time agreement on that.

Now, Mr. President, I hope we might continue with the State, Justice appropriations bill while we consult with others on how long they might require on the highway bill.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GARN). Without objection, it is so ordered.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

Mr. MATHIAS. Mr. President, earlier today the Senate addressed the question of prayer in public schools. That, of course, is a subject that Congress has considered on a number of occasions over the years.

I was a Member of the other body at a time that a constitutional amendment was pending there. The matter was considered in great detail by the Judiciary Committee, which at that time was led by the chairman, Emanuel Celler of New York, and the ranking minority member, William McCulloch of Ohio.

One of the knowledgeable witnesses who was called before the committee was Philip B. Kurland, professor of constitutional law at the Law School of the University of Chicago, editor of the Supreme Court Review and author of "Religion and the Law—of Church and State and the Supreme Court," which was a piece that was published in 1962. So Professor Kurland was and is today an eminent authority on constitutional questions.

I raise his name because at that time he testified on precisely the point that we have been discussing here in the Senate, the question of whether there had been anything innovative or revolutionary about the Supreme Court decisions on the subject of school prayer. Professor Kurland in his testimony said that, "many people, including some Members of Congress, have indulged. The primary error is usually stated in terms of the revolutionary nature of these decisions."

He goes on to say that, "There is no basis for such a conclusion."

I am going to quote directly from Professor Kurland's testimony. He said:

> If laymen and churchmen were surprised by them, it was due only to their ignorance of the judicial precedents on which these judgments were based. I think that it is clear that students of the subject—whatever doubts they may have had about the standing of the plaintiffs to maintain the lawsuits—had few doubts that the merits of the case should properly be resolved in exactly the way that they were by the Court. The conclusions reached by the Court were dictated by their own precedents and the function that the religion clauses of the first amendment were intended to serve.

He goes on to say:

> The conclusions reached by the Supreme Court in these cases were long anticipated by similar decisions of State supreme courts a generation or two before the question ever came to the national High Court.

He quotes, among other people, a man who is seldom quoted, because he is properly believed to have said very little. That is Calvin Coolidge, who spoke in Baltimore, Md., in September 1924. At that time he said:

> Some people do not seem to understand fully the purpose of our constitutional restraints. They are not for protecting the majority, either in or out of Congress. They can protect themselves with their votes. We have adopted a written Constitution in order that the minority, even down to the most insignificant individual, might have their rights protected.

Now, Mr. President, we have hung Calvin Coolidge's portrait in the Capitol and we are placing special value these days on what Calvin Coolidge had to say. I hope that the Senate will take to heart these words of Calvin Coolidge, uttered in Baltimore in 1924. I think it is important to repeat at least part of it:

> We have adopted a written Constitution in order that the minority, even down to the most insignificant individual, might have their rights protected.

I think that is what the Senator from Connecticut has in mind. I think the Senator from Connecticut is clearly aware that the purpose of the language in this bill is to prevent the officers of the United States from discharging their sworn duty to uphold the Constitution and to enforce its terms.

That is just another way of amending the Constitution without going through the amendatory process. It is wrong in principle. It is wrong in practice. It violates the traditions of this Nation. It violates the express orders of the courts. It violates the principles as stated by Presidents such as Calvin Coolidge.

We should not tolerate this attempt to amend the first amendment without going through the amendatory process.

LEGAL SERVICES CORPORATION

● Mr. CHAFEE. Mr. President, I support funding the Legal Services Corporation at $241 million as recommended by the State, Justice, Commerce Subcommittee.

In the past year, we have undertaken the difficult task of cutting Federal spending with the goal of reviving our economy. As a result, we have been asked to vote for a number of cuts in a broad range of valuable social programs. Those of us who were concerned about the effects of many of these cuts have argued that—if they are to occur—they must be spread with some equability. In funding the Legal Services Corporation at $241 million, we meet that aim, for this figure represents a 25-percent reduction over fiscal year 1981 funding.

If we wish to give meaning to the concept of due process, if we wish to make all Americans equal before the law, then it is essential that we attempt to provide every citizen with equal access to our legal system. The Legal Services Corporation does precisely that.

Legal services is a democratic, locally-controlled, and extremely cost-effective program. The Corporation funds over 300 programs nationwide and serves all 1,400 counties in the Nation. Last year, it handled nearly 1.5 million cases, the vast majority of which were resolved informally. Though much has been made about the allegedly improper or political activities of Legal Services attorneys, the plain fact is Legal Services attorneys

represent poor people in cases which have little, if anything, to do with politics or impropriety, and much to do with economic survival.

The overwhelming majority of cases have enormous consequences for the individuals involved, yet deal with relatively routine legal matters such as housing, consumer, or family law. The oft-criticized Legal Services attorneys work long hours at modest wages to provide counsel to the Nation's poor. If those attorneys come into conflict with State or local government, it is largely because they represent individuals who seek to assert legitimate claims for rights or moneys to which those individuals may be entitled. If they incur the wrath of their legal opponents, it is because the legal system is by nature adversarial.

Some have complained that the private bar ought to do more than it presently does to represent poor people. I would agree; but in no way does that argue against the need for a strong Legal Services Corporation. With at least 30 million Americans existing on personal incomes of less than $5,000, or family incomes of under $9,400, the need for representation is overwhelming. Moreover, local legal services offices do work with the private bar and do refer numerous cases to outside attorneys.

In my State of Rhode Island, the local Legal Services organization has been particularly effective in working with the local bar to gain greater private participation in the representation of poor people. Yet, there are many cases which private attorneys simply will not take. Finally, Legal Services attorneys provide special expertise in handling the types of legal difficulties which poor people most often encounter.

If the Corporation has been guilty of abuses in the past—and the evidence of such activities is sparse, anecdotal, and blown out of all proportion—then the four restrictions recommended by the subcommittee will be more than sufficient to prevent further mishaps. Further restrictions are unnecessary and would undermine the very aim of legal services which is to provide equal access to the courts for all Americans.

While it may be necessary to limit the Legal Services budget to $241 million, we should not confuse the need to cut a budget with reckless criticism of a vital program.

Legal Services attorneys deserve our encouragement for doing well what few others would want to do at all.●

ADDITIONAL COSPONSOR TO U.P. AMENDMENT NO. 609

Mr. FORD. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the amendment of the distinguished Senator from Florida (Mrs. HAWKINS), U.P. Amendment No. 609, to authorize the Attorney General to acquire and exchange information regarding certain deceased individuals and missing children.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNOUNCEMENT OF POSITION ON VOTE

Mr. HEINZ. Mr. President, I regret that I was unavoidably detained during rollcall vote No. 377. Had I been present, I would have voted "nay."

Mr. BAKER. Mr. President, we are prepared now to proceed to the consideration of the highway bill, if the minority is in a position to agree to that. While we await the final clearance on that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, as I indicated earlier, the highway bill is here and available. I ask unanimous consent that the pending bill, the State-Justice-Commerce appropriations bill be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET ACT WAIVERS

Mr. BAKER. Mr. President, there are two budget waivers on the calendar. I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 345, dealing with the highway bill, and Calendar No. 346, a companion measure, also dealing with the highway bill.

Mr. ROBERT C. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET ACT WAIVER

The Senate proceeded to consider the resolution (S. Res. 223) to waive section 402(a) of the Congressional Budget Act with respect to the consideration of S. 1024, the Federal-Aid Highway Improvement Act of 1981, which was considered and agreed to, as follows:

S. RES. 223

Resolved, That section 402(a) of the Congressional Budget Act of 1974 is hereby waived with respect to the continuation of S. 1024, the Federal-Aid Highway Improvement Act of 1974.

SEC. 2. This waiver is necessary to consider this bill which was not reported prior to May 15. The levels of authorizations contained in this bill for fiscal year 1982 are $1,000,000,000 below those reported to the Senate in the March 15 report of the Committee on Environment and Public Works. The level is also below that contained in S. 1208 reported by the committee on May 15, 1981. The authorization level is also consistent with the recent request of the President for an additional 12 per centum reduction in Federal spending.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

BUDGET ACT WAIVER

The Senate proceeded to consider the resolution (S. Res. 224) waiving section 303(a) of the Congressional Budget Act of 1974 for consideration of S. 1024, was considered and agreed to, as follows:

S. RES. 224

Resolved, That section 303(a) of the Congressional Budget Act of 1974 is hereby waived with respect to the consideration of S. 1024, the Federal-aid Highway Improvement Act of 1981.

SEC. 2. This waiver is necessary so that multiyear highway legislation may be considered by the Senate. Highway authorizations are contract authority which when enacted creates new spending authority. To consider this multiyear highway bill such a waiver is required by section 303(a).

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

FEDERAL-AID HIGHWAY IMPROVEMENT ACT OF 1981

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 295, S. 1024, the Federal-Aid Highway Improvement Act of 1981.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1024) to authorize appropriations for the construction of certain highways in accordance with title XXII of the United States Code, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works with amendments.

Mr. BAKER. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that they be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, line 11, strike "$3,300,000,000", and insert "$3,100,000,000";

On page 2, line 25, after the colon, insert the following: "Section 103 of title 23, United States Code, is amended by adding the following new subsection";

On page 3, line 4, strike "this";

On page 3, line 4, after "subsection", insert the following: "(b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, after the date of enactment of this subsection";

On page 3, line 7, strike "October 1, 1981", and insert the following: "prior to enactment of this subsection";

On page 3, line 10, strike "which are not yet open to traffic.";

On page 3, line 15, strike "four", and insert "six";

On page 3, beginning on line 15, strike "urban and";

On page 3, line 17, strike "six", and insert "eight";

On page 3, line 17, strike "over", and insert "of";

On page 3, line 18, after "populations", insert "or more";

On page 3, line 19, strike "this";

On page 3, line 20, after "subsection", insert the following: "(b) of section 108 of the Federal-Aid Highway Act of 1956";

On page 5, line 17, strike "$600,000", and insert "$400,000,000";

On page 5, line 25, strike "$800,000,000", and insert "$600,000,000";

On page 6, line 23, strike "$900,000,000", and insert "$700,000,000";

On page 7, line 12, strike "and 1984,", and insert the following: "1984, 1985, 1986, and 1987";

On page 8, line 4, strike "and";

On page 8, line 6, strike "year", and insert "years";

On page 8, line 7, strike "and $300,000,000 for fiscal years";

On page 8, line 9, strike "year", and insert "years";

On page 8, line 10, strike "and $300,000,000 for fiscal years";

On page 10, line 22, strike "(a)";

On page 11, line 2, strike "section", and insert "sections";

On page 11, line 2, after "section", insert "and 139(c)";

On page 11, after line 3, insert the following: not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978);

On page 11, line 9, strike "section", and insert "sections";

On page 11, line 9, after "103", insert "and 139(c)";

On page 11, line 10, after "roads", insert the following: not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State;

On page 11, strike lines 19 and 20;

On page 11, line 22, strike "(a)";

On page 12, line 13, strike "section", and insert "sections";

On page 12, line 13, after "103", insert "and 139(c)";

On page 12, line 14, strike ", which", through and including "roads," on line 15, and insert the following: (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978),;

On page 12, line 23, after "104(b)(1)", insert the following: "of title 23, United States Code. Such sums may also be obligated for projects for resurfacing, restoring, rehabilitating and reconstructing a toll road which has been designated as a part of the Interstate System if an agreement satisfactory to the Secretary of Transportation has been reached with the State highway department and any public authority with jurisdiction over such toll road prior to the approval of such project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections. The agreement referred to in the preceding sentence shall contain a provision requiring that if, for any reason, a toll road receiving Federal assistance under this section does not become free to the public upon collection of sufficient tolls, as specified in the preceding sentence, Federal funds used for projects on such toll road pursuant to this section shall be repaid to the Federal Treasury.".

On page 13, strike lines 18 and 19;

On page 14, line 1, beginning with "(other", strike through and including "1978).'";

On page 14, line 4, strike "section", and insert "sections";

On page 14, line 5, after "103", insert "and 139(c)";

On page 14, line 5, beginning with "title", strike through and including line 6, and insert "this title";

On page 14, strike lines 7 and 8, and insert the following:

(b) Section 119 of title 23, United States Code, is further amended by adding the following new subsection:

"(b) Reconstructing as authorized in subsection (a) of this section may include, but is not limited to, the addition of travel lanes and the reconstruction of interchanges and overcrossings along existing completed interstate routes, including the acquisition of right-of-way where necessary.".

On page 14, strike line 16, through and including line 24;

On page 15, line 2, strike "109.", and insert "108.";

On page 15, line 4, strike "23 U.S.C.", and insert "section";

On page 15, line 5, after "(B)", insert "of title 23, United States Code";

On page 15, line 6, strike "23 U.S.C.", and insert "section";

On page 15, line 7, after "(5)", insert "of title 23, United States Code";

On page 15, line 9, strike "23 U.S.C.", and insert "section";

On page 15, line 9, after "(5)", insert "of title 23, United States Code";

On page 15, line 10, strike "under the law as it is before", and insert "prior to";

On page 15, line 13, strike "110.", and insert "109.";

On page 15, line 15, strike "23 U.S.C.", and insert "section";

On page 15, line 15, after "(4)", insert "of title 23, United States Code";

On page 15, line 25, after "in", insert "the general fund of";

On page 18, line 8, strike "111.", and insert "110.";

On page 19, line 2, strike "112.", and insert "111.";

On page 9, line, strike "(a)";

On page 9, line 6, strike "urbanized", and insert "urban";

On page 19, line 11, strike "urbanized", and insert "urban";

On page 19, line 9, strike "urbanized", and insert "urban";

On page 20, line 4, strike "113.", and insert "112.";

On page 20, line 16, after "and", insert "those";

On page 20, line 16, strike "urbanized", and insert "urban";

On page 21, line 2, strike "114.", and insert "113.";

On page 21, line 7, strike "115.", and insert "114.";

On page 22, after line 8, insert the following:

"(c) Of the funds authorized to carry out this section each State shall expend 35 per centum of the sums apportioned for projects under section 203 of the Highway Safety Act of 1973 unless the State requests the Secretary to waive this minimum and the Secretary finds other safety projects are of a higher priority.

On page 22, line 15, strike "'(e)(1)'", and insert "'(d)(1)'";

On page 23, line 5, strike "'(d)", and insert "'(e)";

On page 23, line 18, strike "'(e)", and insert "'(f)";

On page 23, line 24, strike "'(f)", and insert "'(g)";

On page 23, line 25, strike "apportioned", and insert "made available";

On page 24, line 7, strike "'(g)", and insert "'(h)";

On page 25, line 5, strike "116.", and insert "115.";

On page 25, line 11, strike "or", and insert "and";

On page 25, line 13, strike "or", and insert "and";

On page 25, line 22, beginning with "its", strike through and including "basis;" on line 23, and insert the following: the average national unit cost, on a State-by-State basis, as determined by the Secretary;

On page 26, after line 9, insert the following:

(b) Notwithstanding any other provision of law or Federal regulation, any new bridge which is to be constructed pursuant to section 144 of title 23, United States Code, in tandem with any existing major structure built after June 28, 1969, with no more than 2.7 miles of highway between them need not carry a roadway width in excess of 69 feet.

On page 26, line 17, strike "117.", and insert "116.";

On page 26, line 20, strike "be treated under", and insert "receive";

On page 26, line 22, strike "part of", and insert "under";

On page 27, line 7, strike "118.", and insert "117.";

On page 27, line 8, beginning with "after", strike through and including the quotes on line 9, and insert the following: before the words "may amount to 100 per centum".

On page 29, line 8, strike "119.", and insert "118.";

On page 30, line 10, strike "23 U.S.C.", and insert "section";

On page 30, line 10, after "125", insert "of title 23, United States Code";

On page 31, line 11, strike "90", and insert "75";

On page 32, line 18, strike "120.", and insert "119.";

On page 33, line 8, strike "121.", and insert "120.";

On page 34, line 5, strike "122.", and insert "121.";

On page 34, line 21, strike "123.", and insert "122.";

On page 35, line 11, strike "124.", and insert "123.";

On page 35, line 19, strike "ACCEPTANCE", and insert "DEMONSTRATION";

On page 35, strike line 20, through and including line 3 on page 39, and insert the following:

SEC. 124. The Secretary of Transportation is directed to conduct a demonstration program in not more than four States of geographic and population diversity to study the impacts of expanding the availability of the procedures under the Certification Acceptance and Secondary Road Plan programs to other Federal-aid systems or payments as now provided by section 117 of title 23, United States Code. The demonstration program should study the impacts of allowing the Secretary of Transportation to discharge his responsibilities under any Federal law relative to a Federal-aid highway project provided certification is made by the States pursuant to section 117 of title 23, United States Code, and other requirements of Federal law.

On page 39, line 18, strike "126.", and insert "125.";

On page 40, line 2, strike "127.", and insert "126.";

On page 40, line 19, strike "be", and insert "by";

On page 40, line 20, strike "to read", and insert "as";

On page 41, line 2, strike "October 1, 1981", and insert "July 1, 1982";

On page 42, line 5, strike "128.", and insert "127.";

On page 43, line 2, strike "129.", and insert "128.";

On page 43, line 9, strike "chapter", and insert "title";

On page 43, line 11, strike "(j)", and insert "(i)";

On page 44, strike line 1, through and including line 10 on page 47, and insert the following:

BRIDGE RECONSTRUCTION

SEC. 129. (a) The Secretary of Transportation may approve any project for the reconstruction, resurfacing, restoration, or rehabilitation of any bridge on the Interstate System which is both owned by the United States Government and located in two States and the District of Columbia, whenever both such States and the District shall submit to the Secretary for approval appropriate plans, specifications, and estimates for any such project.

(b) The Secretary of Transportation shall prior to approval of such project enter into

an agreement with such States and the District for future maintenance and rehabilitation of the bridge.

(c) There is hereby authorized to be appropriated $60,000,000, out of the Highway Trust Fund, to be available until expended, to carry out the provisions of this section. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned for the Interstate System under chapter 1 of title 23, United States Code. The Federal share of the project cost shall be 100 per centum.

(d) In making any revised estimate of the cost completing the Interstate System, which estimate is required by section 104(b)(5)(A) of title 23, United States Code, to be transmitted to the Congress after the date of enactment of this Act, the Secretary of Transportation shall not include any costs for any bridge eligible for approval under subsection (a). The Secretary shall reduce apportionments made under section 104(b)(5) of title 23, United States Code, to such States or District by an amount, if any, equal to amounts apportioned under such section to any such State or District with respect to any such bridge for any fiscal year ending before October 1, 1981. The reduction, if any, made by the preceding sentence for each State or the District shall be made out of apportionments under such section to such State or the District, beginning with the apportionment for the fiscal year ending September 30, 1983, and shall be made, in equal shares, over the number of fiscal years in which apportionments described in the preceding sentence were made.

On page 49, line 2, strike "130.", and insert "131.";

On page 50, line 6, strike "132.", and insert "131.";

On page 51, after line 8, insert the following:

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"157. Interagency agreements.".

On page 51, line 13, strike "133.", and insert "132.";

On page 51, line 16, after "system", insert the following: and for projects to resurface, restore, rehabilitate, and reconstruct the Federal-aid Interstate System.

On page 51, line 20, after the quotes, insert the following: and (2) by adding the following new sentence at the end thereof: "The Federal share payable on account of any project under the Federal-aid rural program or the Federal-aid urban program which the Secretary has approved prior to enactment of the Federal-Aid Highway Improvement Act of 1981 shall not exceed 75 per centum of the cost of construction subject to the conditions set forth in this subsection or at the option of the State the Federal share may be revised to 50 per centum of such cost, but the Federal share payable for any such project which the Secretary approves after enactment of such Act shall not exceed 50 per centum of the cost of construction subject to the conditions set forth in this subsection.".

On page 52, strike line 9, through and including line 25 on page 53, and insert the following:

OBLIGATION LIMITATION AND ALLOCATION FORMULA

SEC. 133. (a) Notwithstanding any other provision of law, the total of all obligations for Federal-aid highways and highway safety construction programs for fiscal year 1982 shall not exceed $7,200,000,000. This limitation shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, or projects covered under section 147 of the Surface Transportation Assistance Act of 1978, Sections 109 and 129 of the Federal-Aid Highway Improvement Act of 1981, and the third sentence of subsection 218(a) of title 23, United States Code, as added by this Act. No obligation constraints shall be placed upon any ongoing emergency project carried out under section 125 of title 23, United States Code, or section 147 of the Surface Transportation Assistance Act of 1978.

(b) For the fiscal year 1982, the Secretary shall distribute the limitation imposed by subsection (a) by allocation of the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned to all the States for such fiscal year.

(c) During the periods October 1 through December 31, 1981, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (b), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection.

(d) Notwithstanding subsections (b) and (c), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, 1982, revise a distribution of the funds made available under subsection (b) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year; and

(3) not distribute amounts authorized for administrative expenses and forest highways.

TRUCK WEIGHTS

SEC. 134. Section 127 of title 23, United States Code, is amended by striking the period at the end of the first sentence, inserting a colon in lieu thereof, and adding the following: "*Provided further*, That each State shall establish a single axle load of not less then twenty thousand pounds; a tandem axle load limit of not less than thirty-four thousand pounds; and an overall gross weight limit of not less than eighty thousand pounds.".

NATIONAL MAXIMUM SPEED LIMIT

SEC. 135. Section 154(f) of title 23, United States Code, is amended to read as follows:

"(f) If the data submitted by a State pursuant to subsection (e) of this section show that the percentage of motor vehicles exceeding fifty-five miles per hour is greater than 50 per centum, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 per centum of the amount to be apportioned for the following fiscal year.".

MARYLAND TRANSPORTATION AUTHORITY

SEC. 136. (a) The Act entitled "An Act authorizing the State of Maryland, by and through its State Roads Commission of the successors of said Commission, to construct, maintain, and operate certain bridges across streams, rivers, and navigable waters which are wholly or partly within the State", approved April 7, 1938, and the Act of June 16, 1948 (62 Stat. 463, Public Law 654, 80th Congress), as amended by the Act of November 17, 1967 (81 Stat. 466, Public Law 144, 90th Congress), are hereby repealed.

(b) The State of Maryland, by and through the Maryland Transportation Authority or the successors of such Authority, is authorized, subject to all applicable Federal laws, (1) to continue to collect tolls after the date of enactment of this Act from its existing transportation facilities projects, as defined on the date of enactment of this Act in the laws of the State of Maryland, and (2) to use the revenues from such tolls for transportation projects of the type which the State or the Maryland Transportation Authority is authorized to construct, operate, or maintain under the laws of the State of Maryland as such laws exist on the date of enactment of this Act.

INTERSTATE SYSTEM ADDITIONS

SEC. 137. Section 139 of title 23, United States Code, is amended by adding a new subsection (c) as follows:

"(c) The Secretary shall designate those portions of highway segments on the Federal-aid primary system in States which have no Interstate System that are logical components to a system serving the State's principal cities, national defense needs and military installations, and traffic generated by rail, water, and air transportation modes. The designated segments shall have been constructed to the geometric and construction standards adequate for current and probable future traffic demands and the needs of the locality of the segment. The mileage of any highway designated as part of the Interstate System under this subsection shall not be charged against the limitation established by the first sentence of section 103(e)(1) of this title. The designation of a highway under this subsection shall create no Federal financial responsibility with respect to such highway, except that the State involved may use Federal-aid highway funds available to it under sections 104(b)(1) and 104(b)(5)(B) of this title, for the resurfacing, rehabilitation, restoration, and reconstruction of a highway designated as a route on the Interstate System under this subsection.".

ALASKA HIGHWAY

SEC. 138. (a) Subsection (a) of section 218 of title 23, United States Code, is amended by adding after the second sentence the following: "In addition to such funds, the State of Alaska is authorized to expend on such highway any Federal-aid highway funds apportioned to the State of Alaska under this title as its Federal share. Notwithstanding any other provision of law any obligation limitation enacted for fiscal year 1982 or for any fiscal year thereafter shall not apply to projects authorized by the previous sentence.".

(b) This amendment shall be effective upon the date of the enactment of this Act.

THE MAINE TURNPIKE

SEC. 139. Section 145 of the Federal-Aid Highway Act of 1978 is amended to read as follows:

"SEC. 145. (a) Upon satisfaction by the State of Maine or the Maine Turnpike Authority of the following conditions, the State of Maine and the Maine Turnpike Authority shall be free of all restrictions with respect to the imposition and collection of tolls or other charges on the Maine Turnpike or for the use thereof contained in title 23, United States Code, or in any regulation or agreement thereunder:

"(1) repayment by the State of Maine or the Maine Turnpike Authority to the Treasurer of the United States of the sum of $8,577,900 which is the amount of Federal-aid highway funds received for construction of interchanges or connections with the Maine Turnpike at West Gardiner, Kennebec County, Maine, at York, York County, Maine, and at Scarborough-South Portland, Cumberland County, Maine. The amount to be repaid shall be deposited to the credit of the appropriation for 'Federal-Aid Highway (Trust Fund)'. Such repayment shall be

credited to the unprogramed balance of the Federal-aid highway funds of the classes determined by the Secretary to and in cooperation with the State of Maine. The amount so credited shall be in addition to all other funds then apportioned to such State and shall be available for expenditure in accordance with the provisions of title 23, United States Code.

"(b) The State of Maine and the Maine Turnpike Authority are deemed to be in compliance with section 129(c) of title 23, United States Code: *Provided*, That the conditions of subsection (a) are satisfied.".

On page 60, line 9, strike "135.", and insert "140.":

On page 70, line 1, after "amended", insert "as follows";

On page 71, after line 17, insert the following:

(dd) Section 117 is amended as follows:

(1) By inserting in subsection (a) the words "or under any Federal-aid programs" immediately after the words "Federal-aid systems".

(2) By deleting in subsection (f)(1) the words "secondary system" where they appear and inserting in lieu thereof the words "rural program".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. This Act may be cited as the "Federal-Aid Highway Improvement Act of 1981".

REVISION OF AUTHORIZATION FOR APPROPRIATIONS FOR THE INTERSTATE SYSTEM

SEC. 102. (a) Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended by striking out "the additional sum of $3,200,000,000 for the fiscal year ending September 30, 1983", and all that follows through the period at the end of the sentence and by inserting in lieu thereof the following: "the additional sum of $3,100,000,000 for the fiscal year ending September 30, 1983, the additional sum of $3,500,000,000 for the fiscal year ending September 30, 1984, the additional sum of $3,400,000,000 for the fiscal year ending September 30, 1985, the additional sum of $3,400,000,000 for the fiscal year ending September 30, 1986, the additional sum of $3,500,000,000 for the fiscal year ending September 30, 1987, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1988, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1989, and the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1990.".

(b) Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is further amended by adding at the end thereof the following: Section 103 of title 23, United States Code, is amended by adding the following new subsection:

"(g) The obligation of funds authorized by subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, after the date of enactment of this subsection, except for advance construction interstate projects approved prior to enactment of this subsection, shall be limited to essential construction necessary to complete routes and portions on the Interstate System. Essential construction consists of (1) full access control; (2) a pavement design to accommodate the types and volumes of traffic anticipated for the twenty-year period from date of authorization of the initial basic construction contract; and (3) a design of not more than six lanes in rural areas and all urbanized areas under four hundred thousand population, and up to eight lanes in urbanized areas of four hundred thousand population or more as shown in the 1980 Federal census. The obligation of funds authorized by subsection (b) of section 108 of the Federal-Aid Highway Act of 1956 shall be further limited to the design concepts, locations, geometrics, and other construction features included in the 1981 Interstate Cost Estimate.".

(c) Section 104(b)(5)(A) of title 23, United States Code, is amended by adding at the end thereof the following new sentence:

"Notwithstanding any other provisions of this subparagraph, the Secretary in making the revised estimate of the cost of completing the then designated Interstate System for the purpose of transmitting it to the Senate and House of Representatives within ten days subsequent to January 2, 1983, or thereafter, shall include only those costs eligible for funds authorized by subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, and as further amended by section 102(b) of the Federal-Aid Highway Improvement Act of 1981.".

AUTHORIZATION OF USE OF COST ESTIMATES FOR APPORTIONMENT OF INTERSTATE FUNDS

SEC. 103. The Secretary of Transportation shall apportion for the fiscal years ending September 30, 1983, and September 30, 1984, the sums authorized to be appropriated for such periods by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for expenditures on the National System of Interstate and Defense Highways, using the apportionment factors contained in table of Committee Print of the Committee on Public Works and Transportation of the House of Representatives.

HIGHWAY AUTHORIZATION

SEC. 104. (a) Each of the authorizations for the fiscal year ending September 30, 1982, contained in section 104 of the Federal-Aid Highway Act of 1978 is hereby repealed. For the purpose of carrying out the following provisions of title 23, United States Code, the following sums are authorized to be appropriated out of the Highway Trust Fund:

(1) For the Federal-aid primary program, $1,500,000,000 for the fiscal year ending September 30, 1982, $1,500,000,000 for the fiscal year ending September 30, 1983, $1,600,000,000 for the fiscal year ending September 30, 1984, $1,600,000,000 for the fiscal year ending September 30, 1985, and $1,600,000,000 for the fiscal year ending September 30, 1986.

(2) For the Federal-aid rural program, $400,000,000 for the fiscal year ending September 30, 1982, $500,000,000 for the fiscal year ending September 30, 1983, $500,000,000 for the fiscal year ending September 30, 1984, $500,000,000 for the fiscal year ending September 30, 1985, and $400,000,000 for the fiscal year ending September 30, 1986.

(3) For the Federal-aid urban program, $600,000,000 for the fiscal year ending September 30, 1982, $700,000,000 for the fiscal year ending September 30, 1983, $700,000,000 for the fiscal year ending September 30, 1984, $700,000,000 for the fiscal year ending September 30, 1985, and $300,000,000 for the fiscal year ending September 30, 1986.

(4) For forest highways, $34,000,000 for the fiscal year ending September 30, 1982, $34,000,000 for the fiscal year ending September 30, 1983, $34,000,000 for the fiscal year ending September 30, 1984, $34,000,000 for the fiscal year ending September 30, 1985, and $34,000,000 for the fiscal year ending September 30, 1986.

(5) For public lands highways, $16,000,000 for the fiscal year ending September 30, 1982, $16,000,000 for the fiscal year ending September 30, 1983, $16,000,000 for the fiscal year ending September 30, 1984, $16,000,000 for the fiscal year ending September 30, 1985, and $16,000,000 for the fiscal year ending September 30, 1986.

(6) For bridge replacement and rehabilitation under section 144 of title 23, United States Code, $700,000,000 for the fiscal year ending September 30, 1982, $1,100,000,000 for the fiscal year ending September 30, 1983, $1,300,000,000 for the fiscal year ending September 30, 1984, $1,300,000,000 for the fiscal year ending September 30, 1985, and $1,300,000,000 for the fiscal year ending September 30, 1986.

(7) For the highway safety improvement program, $100,000,000 for the fiscal year ending September 30, 1982, $100,000,000 for the fiscal year ending September 30, 1983, $50,000,000 for the fiscal year ending September 30, 1984, $50,000,000 for the fiscal year ending September 30, 1985, and $50,000,000 for the fiscal year ending September 30, 1986.

(b)(1) For each of the fiscal years 1983, 1984, 1985, 1986, and 1987, no State, including the State of Alaska, shall receive less than one-half of 1 per centum of the total apportionment for the Interstate System under section 104(b)(5)(A) of title 23, United States Code. Whenever amounts made available under this subsection for the Interstate System in any State exceed the estimated cost of completing that State's portion of the Interstate System, and exceed the estimated cost of necessary resurfacing, restoration, rehabilitation, and reconstruction of the Interstate System within such State, the excess amount shall be eligible for expenditure for those purposes for which funds apportioned under paragraphs (1), (2), and (6) of such section 104(b) may be expended.

(2) Subsection (g) of section 144 of title 23, United States Code, is amended as follows:

"(g) Of the amount authorized per fiscal year, for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986, all but $200,000,000 for fiscal years 1982, 1983, 1984, 1985, and 1986 shall be apportioned as provided in subsection (e) of this section; $200,000,000 for fiscal years 1982, 1983, 1984, 1985, and 1986 of the amount authorized shall be available for obligation on the date of each such apportionment in the same manner and to the same extent as the sums apportioned on such date except that the obligation of such sums shall be at the discretion of the Secretary and shall be only for projects for those highway bridges the replacement and rehabilitation cost of each of which is more than $10,000,000 and for any project for a highway bridge replacement or rehabilitation cost of which is less than $10,000,000 if such cost is at least twice the amount apportioned to the State in which such bridge is located under subsection (e) of this section for the fiscal year in which application is made for a grant for such bridge. Not less than 15 per centum of the amount apportioned to each State in a fiscal year shall be expended for projects to replace or rehabilitate bridges located on public roads other than those on public roads functionally classified as arterials or major collectors. The Secretary after consultation with State and local officials may, with respect to a State, reduce the requirement for expenditure for bridges not on public roads functionally classified as arterials or major collectors when he determines that such State has inadequate needs to justify such expenditure.".

(3) Paragraph (3) of section 202 of the Highway Safety Act of 1978 is amended by striking out "September 30, 1981, and September 30, 1982." and inserting in lieu thereof the following: "and September 30, 1981.".

(4) Paragraph (6) of section 202 of the Highway Safety Act of 1978 is amended by striking out "$1,300,000,000 for the fiscal year ending September 30, 1981, and $900,000,000 for the fiscal year ending September 30, 1982." and inserting in lieu thereof the following: "and $1,300,000,000 for the fiscal year ending September 30, 1981.".

(5) Paragraph (8) of section 202 of the Highway Safety Act of 1978 is amended by striking out "$150,000,000 for the fiscal year ending September 30, 1981, and $200,000,000 for the fiscal year ending September 30,

1982." and inserting in lieu thereof the following: "and $150,000,000 for the fiscal year ending September 30, 1982.".

(c) The unobligated balance of contract authority established in paragraph (15) of section 104(a) of the Federal-Aid Highway Act of 1978 shall lapse September 30, 1981.

(d) Section 203(b) of the Highway Safety Act of 1973, as amended by section 203(a) of the Highway Safety Act of 1978, is amended by striking out "September 30, 1981, and September 30, 1982." and inserting in lieu thereof "and September 30, 1981.".

(e) Section 163 of the Federal-Aid Highway Act of 1973, as amended by section 134 (c) of the Federal-Aid Highway Act of 1978, is further amended by striking out "$100,000,000 for the fiscal year ending September 30, 1981, and $100,000,000 for the fiscal year ending September 30, 1982, except that" and inserting in lieu thereof "and $100,000,000 for the fiscal year ending September 30, 1981, except that".

(f) Section 141(1) of the Federal-Aid Highway Act of 1978 is amended by striking out "September 30, 1981, and September 30, 1982," and inserting in lieu thereof "and September 30, 1981,".

INTERSTATE SYSTEM RESURFACING APPORTIONMENT

SEC. 105. Section 104(b)(5)(B) of title 23, United States Code, is amended to read as follows:

"(B) For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System:

"60 per centum in the ratio that lane miles on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such lane miles in all States; and 40 per centum in the ratio that vehicle miles traveled on lanes on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such vehicle miles in all States. Notwithstanding the preceding sentence, no State excluding any State that has no interstate lane miles shall receive less than one-half of 1 per centum of the total apportionment made by this subparagraph for any fiscal year.".

INTERSTATE SYSTEM RESURFACING AUTHORIZATION

SEC. 106. Section 105 of the Federal-Aid Highway Act of 1978 is amended to read as follows: "In addition to any funds authorized to be appropriated, there is authorized to be appropriated out of the Highway Trust Fund, not to exceed $175,000,000 per fiscal year for each of the fiscal years ending September 30, 1980, and September 30, 1981, not to exceed $275,000,000 for the fiscal year ending September 30, 1982, not to exceed $800,000,000 for the fiscal year ending September 30, 1983, not to exceed $1,300,000,000 for the fiscal year ending September 30, 1984, not to exceed $1,700,000,000 for the fiscal year ending September 30, 1985, not to exceed $1,700,000,000 for the fiscal year ending September 30, 1986, and not to exceed $2,200,000,000 for the fiscal year ending September 30, 1987. Such sums shall be obligated for projects for resurfacing, restoring, rehabilitating, and reconstructing routes of the Interstate System designated under sections 103 and 139(c) of title 23, United States Code (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978), except that where a State certifies to the Secretary that any part of such sums are in excess of the needs of such State for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System and the Secretary accepts such certification, such State may transfer sums apportioned to it under section 104(b)(5)(B) to its apportionment under section 104(b)(1) of title 23, United States Code. Such sums may also be obligated for projects for resurfacing, restoring, rehabilitating and reconstructing a toll road which has been designated as a part of the Interstate System if an agreement satisfactory to the Secretary of Transportation has been reached with the State highway department and any public authority with jurisdiction over such toll road prior to the approval of such project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections. The agreement referred to in the preceding sentence shall contain a provision requiring that if, for any reason, a toll road receiving Federal assistance under this section does not become free to the public upon collection of sufficient tolls, as specified in the preceding sentence, Federal funds used for projects on such toll road pursuant to this section shall be repaid to the Federal Treasury.".

INTERSTATE SYSTEM RESURFACING

SEC. 107. (a) Section 119(a) of title 23, United States Code, is amended by striking out the words "and rehabilitating" and by inserting in lieu thereof the words "rehabilitating, and reconstructing" and by striking out the words "those lanes in use for more than five years on the Interstate System" and inserting in lieu thereof the words "routes of the Interstate System designated under sections 103 and 139(c) of this title.".

(b) Section 119 of title 23, United States Code, is further amended by adding the following new subsection:

"(b) Reconstructing as authorized in subsection (a) of this section may include, but is not limited to, the addition of travel lanes and the reconstruction of interchanges and overcrossings along existing completed interstate routes, including the acquisition of right-of-way where necessary.".

HOLD HARMLESS—INTERSTATE RESURFACING

SEC. 108. The amount a State, excluding any State that has no interstate mileage, receives by apportionment on October 1, 1981, under section 104(b)(5)(B) of title 23, United States Code, shall be sufficient to assure that its total apportionments under section 104(b)(5) of title 23, United States Code, are not less than that which would have been made on October 1, 1981, to such State under section 104(b)(5) of title 23, United States Code, prior to the enactment of this Act.

INTERSTATE SUBSTITUTION AUTHORIZATION

SEC. 109. (a) There is authorized to be appropriated out of the Highway Trust Fund for substitute highway projects under section 103(e)(4) of title 23, United States Code, $200,000,000 for the fiscal year ending September 30, 1982, $225,000,000 for the fiscal year ending September 30, 1983, $250,000,000 for the fiscal year ending September 30, 1984, $250,000,000 for the fiscal year ending September 30, 1985, and $300,000,000 for the fiscal year ending September 30, 1986.

(b) Section 103(e)(4) of title 23, United States Code, is amended by striking the eighth sentence and inserting in lieu thereof the following: "There are authorized to be appropriated out of any money in the general fund of the Treasury not otherwise appropriated for liquidation of the obligations incurred under this paragraph for substitute transit projects such sums as may be necessary.".

(c)(1) The first sentence of section 103(e)(4) of title 23, United States Code is amended by striking "which is within an urbanized area or which passes through and connects urbanized areas within a State and".

(2) The second sentence of section 103(e)(4) of title 23, United States Code is amended by striking "which will serve the urbanized area and the connecting nonurbanized area corridor from which the interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the urbanized area or area to be served, and which are submitted by the Governor of the State in which the withdrawn route was located," and inserting in lieu thereof, "which will serve the area or areas from which the interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the urbanized area or areas to be served if the withdrawn interstate route or portion thereof was within an urbanized area or passed through and connected urbanized areas, which are selected by the Governors of the States in which the withdrawn route was located if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, and which are submitted by the Governors of the States in which the withdrawn route was located.".

(d) Section 103(e)(4) of title 23, United States Code, is amended as follows:

(1) In the second sentence by inserting after the words "approved by Congress," the words "or as included in the approved 1983 interstate cost estimate, whichever is earlier,".

(2) In the second sentence by striking "enactment of the Federal-Aid Highway Act of 1976 or the date of approved of each substitute project under this paragraph, whichever is later" and inserting in lieu thereof "the date of the withdrawal or September 30, 1983, for substitute projects approved after September 30, 1983,".

(3) In the second sentence after "the basis of the latest cost estimate," add "or that is the basis of the approved 1983 interstate cost estimate, whichever is earlier,"

(e) Section 103(e)(4) of title 23, United States Code, is amended by adding at the end of such subsection the following: "Any route or segment thereof added to the Interstate System after March 7, 1978, pursuant to specific legislation will not be eligible for withdrawal and substitution under this subsection.".

(f) The first sentence of section 120(d) of title 23, United States Code, is amended by inserting after the words "traffic control signalization," the following: "including traffic control signalization projects under section 103(e)(4) of this title, notwithstanding the provisions of the fifth sentence of section 103(e)(4),".

PRIMARY PROGRAM

SEC. 110. (a) The first sentence of subsection (b)(1) of section 104 of title 23, United States Code, is amended by striking out "and priority primary routes".

(b) The first sentence of subsection (c) of section 104 of the Federal-Aid Highway Act of 1978 is amended by striking out "September 30, 1981 and September 30, 1982," and inserting in lieu thereof the following: "and September 30, 1981,".

(c) Section 147 of title 23, United States Code, is repealed.

(d) The analysis of chapter 1 of title 23 is amended by deleting

"147. Priority Primary Routes."

and inserting in lieu thereof

"147. Repealed.".

FEDERAL-AID URBAN PROGRAM

SEC. 111. Section 103 of title 23, United States Code, is amended by deleting subsec-

tion (d) and inserting in lieu thereof the following:

"(d) The Secretary may approve Federal-aid urban programs in urban areas which programs shall be selected by the appropriate local officials so as to serve the goals and objectives of the community, with the concurrence of the State highway department, as provided in section 105 of this title. The programs shall facilitate transportation in the urban area and include projects to: reduce congestion and improve the flow of traffic on arterial and collector routes, aid integration of different transportation modes to and from airports and other terminals and business districts, support clean air and energy conservation objectives, make highway capital improvements, improve highway safety, eliminate safety hazards and roadside obstacles, implement transportation systems management activities and serve other national goals and objectives. All public roads in urban areas are eligible except those on the primary system and the Interstate System. The applicable provisions of chapters 1 and 3 of this title, including provisions applicable to Federal-aid systems, shall apply to urban programs, except those provisions determined by the Secretary to be inconsistent with this subsection. The Secretary shall not waive the applicability of the planning requirements of section 134 of this title.".

FEDERAL-AID RURAL PROGRAM

SEC. 112. Section 103 of title 23, United States Code, is amended by deleting subsection (c) and inserting in lieu thereof:

"(c) The Federal-aid rural program shall be selected by the State highway agencies and the appropriate local road officials in cooperation with each other, subject to approval by the Secretary as provided in subsection (f) of this section and section 105 of this title. In making such selections, the needs of agriculture roads, rural mail routes, public school bus routes, local rural roads, airport and water port access roads, and goods movement shall be considered. All public roads, except those on the primary system, the Interstate System, and those in urban areas are eligible. Projects to improve highway safety and nonurbanized public transportation projects, including facilities and technical assistance, are also eligible for assistance under this section. The applicable provisions of chapters 1 and 3 of this title, including provisions applicable to Federal-aid systems, shall apply to rural programs, except those provisions determined by the Secretary to be inconsistent with this subsection.".

TRANSFERABILITY

SEC. 113. Paragraphs (1) and (2) of subsection (d) of section 104 of title 23, United States Code, are amended by striking out "50" each place it appears and inserting in lieu thereof at each such place "100".

HIGHWAY SAFETY IMPROVEMENT PROGRAM

SEC. 114. (a) Section 151 of title 23, United States Code, is amended to read as follows:

"§ 151. Highway safety improvement program

"(a) The Secretary shall establish a highway safety improvement program for projects on any public road or street in rural or urban areas. Assistance shall be available under this program for highway safety improvement projects, as defined in subsection (a) of section 101 of this title; for railway-highway crossing projects as provided for in section 130 of this title; for the implementation of highway-related safety requirements and guidelines issued by the Secretary under section 402 of this title; and for the development, implementation, and evaluation of the highway safety improvement program required under subsection (b) of this section.

"(b) Each State shall develop and implement on a continuing basis a highway safety improvement program including procedures for the planning, implementation, and evaluation of highway safety improvement projects on all highways, with the specific objective if reducing the number and severity of highway traffic accidents. Each State shall have a process for collecting, maintaining, and analyzing accident, traffic, and highway data; for conducting engineering studies of hazardous locations, sections and elements, for assigning priorities to the various types of hazards identified; for implementing safety improvement projects in accordance with the priorities developed; and for the evaluation of the safety benefits obtained.

"(c) Of the funds authorized to carry out this section each State shall expend 35 per centum of the sums apportioned for projects under section 203 of the Highway Safety Act of 1973 unless the State requests the Secretary to waive this minimum and the Secretary finds other safety projects are of a higher priority.

"(d)(1) Funds authorized to carry out this section shall be available for expenditure for projects on any public road (other than the Interstate System).

"(2) The Federal share payable on any project under this section shall not exceed 90 per centum of the cost thereof except that the Federal share of safety improvements projects for the elimination of hazards of rail-highway crossings shall not exceed that as provided in section 120(d) of this title.

"(3) The unobligated balance of contract authority established prior to enactment of this section for carrying out section 402 by the Federal Highway Administration shall remain available for obligation as provided prior to enactment of this section and shall lapse not later than September 30, 1984.

"(e) Funds authorized to be appropriated to carry out this section shall be apportioned to the States as follows: 60 per centum in the ratio which the population of each State bears to the total population of all States, and 40 per centum in the ratio which the public road mileage in each State bears to the total public road mileage in all States. The annual apportionment for each State shall not be less than one-half of 1 per centum of the total apportionment. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under section 104(b)(1), except that the Secretary is authorized to waive such provisions of this title that he deems inconsistent with the purposes of this section.

"(f) In any State wherein the State is without legal authority to construct or maintain a project under this section, such State shall enter into a formal agreement for such construction or maintenance with the appropriate local officials of the county or municipality in which such project is located.

"(g) One-half of 1 per centum of funds authorized for carrying out this section shall be made available to the Secretary of the Interior, who shall exercise the responsibilities assigned to State under subsection (b) of this section in carrying out this section on Indian reservations. Such funds shall be subject to a deduction of not to exceed 5 per centum for the necessary costs of administering the provisions of this section

"(h) Each State shall report to the Secretary of Transporation not later than December 30 of each year, on the progress being made to implement the highway safety improvement program and the effectiveness of safety improvements in reducing the number and severity of accidents. The Secretary of Transportation shall submit a report to the Congress not later than April 1 of each year on the progress being made by the States in implementing the highway safety improvement program.".

(b) Section 152 of title 23, United States Code, is repealed.

(c) The analysis of chapter 1 of title 23, "151. Pavement marking demonstration program.", and
United States Code, is amended by deleting "152. Hazard elimination program.",
and inserting in lieu thereof
"151. Highway safety improvement program.", and
"152. Repealed.".

(d) Section 203(e) of the Highway Safety Act of 1973 (Public Law 93-87), as amended by the Congressional Reports Elimination Act of 1980 (Public Law 96-470), is repealed.

HIGHWAY BRIDGE REPLACEMENT AND REHABILITATION PROGRAM APPORTIONED FUNDS

SEC. 115. (a) Subsection (e) of section 144 of title 23, United States Code, is amended to read as follows:

"(e) Funds authorized to carry out this section shall be apportioned among the several States on October 1 of the fiscal year for which authorized according to the following formula: All deficient bridges will be divided into four categories: (1) Federal-aid system bridges, and bridges on public roads functionally classified as major collectors, eligible for replacement, (2) Federal-aid system bridges and bridges on public roads functionally classified as major collectors, eligible for rehabilitation, (3) off-system bridges eligible for replacement, and (4) off-system bridges eligible for rehabilitation. The square footage of deficient Federal-aid system bridges, or bridges on public roads functionally classified as major collectors, both those eligible for replacement and those eligible for rehabilitation, shall be multiplied by a factor of two. The square footage of deficient bridges in each category shall be multiplied by the average national unit cost, on a State-by-State basis, as determined by the Secretary; and the total cost of each State divided by the total cost of the Nation's deficient bridges shall yield the apportionment factors. No State shall receive more than 9 per centum or less than 0.25 per centum of the total apportionment for any one fiscal year. The Secretary shall make these determinations based upon the latest available data, which shall be updated annually. Funds authorized to carry out this section which are apportioned under this section shall be available for expenditure for three years after the close of the fiscal year for which they are authorized.".

(b) Notwithstanding any other provision of law or Federal regulation, any new bridge which is to be constructed pursuant to section 144 of title 23, United States Code, in tandem with any existing major structure built after June 28, 1969, with no more than 2.7 miles of highway between them need not carry a roadway width in excess of 69 feet.

FEDERAL LANDS HIGHWAYS

SEC. 116. Section 101 of title 23, United States Code, is amended by adding the following subsection:

"(f) It is the sense of Congress that Federal roads which are public roads receive the same uniform policies as roads which are on the Federal-aid systems or under the Federal-aid programs. The Congress therefore finds that in order to accomplish this objective there shall be a coordinated Federal lands highway program which shall consist of the forest highways, park roads, parkways, Indian reservation roads, and public lands highways. Appropriations for the construction and improvement of such Federal roads shall be administered by the Secretary in conformity with regulations jointly approved by him and the Secretaries of the appropriate Federal land managing agencies."

CARPOOL AND VANPOOL PROJECTS

SEC. 117. (a) Section 120(d) of title 23, United States Code, is amended by inserting before the words "may amount to 100 per

centum" the words "or commuter carpooling or vanpooling".

(b) Section 142 of title 23, United States Code, is amended as follows:

(1) In subsection (a)(1) delete in the first sentence the words "bus lanes" and inserting in lieu thereof the following: "high occupancy vehicle lanes" and by deleting the words "bus and other" and inserting in lieu thereof the following: "high occupancy vehicle and".

(2) In subsection (b) delete the word "bus" and in lieu thereof insert "high occupancy vehicle".

(3) In subsection (f) delete the words "public mass transportation systems" and in lieu thereof insert "high occupancy vehicles".

(c) The Secretary of Transportation is authorized and directed to expend such sums as are necessary out of the administrative funds authorized by subsection (a), section 104, title 23, United States Code to carry out the provisions of subsection (d), section 126 of the Federal-Aid Highway Act of 1978.

(d) Section 146 of title 23, United States Code, is amended by redesignating existing subsection (b) as subsection (c) and by inserting the following new subsection (b):

"(b)(1) The Secretary may approve for Federal financial assistance from funds apportioned under section 104(b)(5)(B) of this title, projects for designating existing facilities, or for acquisition of rights of way or construction of new facilities, for use as preferential parking for carpools, provided that such facilities (1) are located outside of a central business district and within an interstate highway corridor, and (2) have as their primary purpose the reduction of vehicular traffic on the interstate highway.

"(2) Nothing in this subsection, or in any rule or regulation issued under this subsection, or in any agreement required by this subsection, shall prohibit (1) any State, political subdivision, or agency or instrumentality thereof, from contracting with any person to operate any parking facility designated or constructed under this subsection, or (2) any such person from so operating such facility. Any fees charged for the use of any such facility in connection with the purpose of this subsection shall not be in excess of the amount required for operation and maintenance, including compensation to any person for operating the facility.

"(3) For the purposes of this subsection, the terms "facilities" and "parking facilities" are synonymous and shall have the same meaning given "parking facilities" in section 137 of this title.".

EMERGENCY RELIEF

SEC. 118. (a)(1) The first sentence of subsection (a) of section 125 of title 23, United States Code, is amended by striking the first sentence thereof and inserting in lieu thereof the following: "An emergency fund is authorized for expenditure by the Secretary subject to the provisions of this section and section 120 of this title, for the repair or reconstruction of highways, roads, and trails which the Secretary shall find have suffered serious damage as the result of (1) natural disaster over a wide area such as by floods, hurricanes, tidal waves, earthquakes, severe storms, or landslides, or (2) catastrophic failures from any external cause, in any part of the United States. In no event shall funds be used pursuant to this section for the repair or reconstruction of bridges which have been permanently closed to all vehicular traffic by the State because of imminent danger of collapse due to structural deficiencies or physical deterioration.".

(2) Subsection (a) of section 125 of title 23, United States Code, is further amended by inserting in the second sentence, as that sentence read prior to the amendments made by paragraph (1) of this subsection, after the word "appropriated" the words "from the Highway Trust Fund" by striking the colon in the second sentence and inserting in lieu thereof a period by deleting "(1)" after the colon in the second sentence; by inserting a period after the words "in such years" and by striking the remainder of the sentence following "in such years".

(b) Notwithstanding any other provision of law, all expenditures made under section 125 of title 23, United States Code, prior to the fiscal year ending September 30, 1978, are authorized to be appropriated from the Highway Trust Fund.

(c) Subsection (a) of section 125 of title 23, United States Code, is amended by inserting in the second sentence after the words "after September 30, 1976," the words "and not more than $150,000,000 is authorized to be expended in any one fiscal year commencing after September 30, 1980.".

(d) Subsection (b) of section 125 of title 23, United States Code, is amended by striking the period at the end of the first sentence, inserting a colon in lieu thereof, and by adding the following: *"Provided*, That obligations for projects under this section, including those on highways, roads, and trails mentioned in subsection (c) of this section, resulting from a single natural disaster or a single catastrophic failure shall not exceed $30,000,000 in any State.".

(e) The amendments made by subsection (d) of this section shall apply to natural disasters or catastrophic failures which the Secretary finds eligible for emergency relief subsequent to the data of enactment of this section.

(f) Subsection (f) of section 120 of title 23, United States Code, is amended to read as follows:

"(f) The Federal share payable on account of any repair or reconstruction provided for by funds made available under section 125 of this title shall not exceed 75 per centum of the cost thereof: *Provided*, That the Federal share payable on account of any repair or reconstruction of forest highways, forest development roads and trails, park roads and trails, parkways, public lands highways, public lands development roads and trails, and Indian reservation roads may amount to 100 per centum of the cost thereof. The total cost of a project may not exceed the cost of repair or reconstruction of a comparable facility. As used in this section with respect to bridges and in section 144 of this title, "a comparable facility" shall mean a facility which meets the current geometric and construction standards required for the types and volume of traffic which such facility will carry over its design life.".

(g) All obligations for projects resulting from a natural disaster or catastrophic failure which the Secretary finds to be eligible for emergency relief subsequent to the date of enactment of this subsection shall provide for the Federal share required by subsection (f) of section 120 of title 23, United States Code, as amended by this section.

(h)(1) Subsection (b) of section 125 of title 23, United States Code, is amended by striking the words "the Federal-aid highway systems, including the Interstate System" and by inserting in lieu thereof the words "the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors," in the two places the stricken words appear.

(2) Subsection (c) of section 125 of title 23, United States Code, is amended by striking the words "on any of the Federal-aid highway systems" and inserting in lieu thereof the words "routes functionally classified as arterials or major collectors".

ACCESS TO LAKES

SEC. 119. (a) Section 155 of title 23, United States Code, is amended by deleting subsection (e) and inserting in lieu thereof:

"(e) Sums apportioned in accordance with paragraph (2) of section 104(b) of this title shall be available for projects under this section.".

(b) Sums authorized under section 155 of title 23, United States Code, prior to enactment of the section shall continue to be available for the fiscal year authorized and for the three succeeding fiscal years.

(c) Section 104(a)(18) of the Surface Transportation Assistance Act of 1978 is amended by deleting "September 30, 1981, and September 30, 1982" and inserting in lieu thereof "and September 30, 1981".

TERRITORIAL HIGHWAY PROGRAM

SEC. 120. (a) Section 215 of title 23, United States Code, is hereby repealed.

(b)(1) The unobligated balance of sums appropriated prior to enactment of subsection (a) of this section for carrying out section 215 of title 23, United States Code, shall remain available for obligation under the conditions applicable prior to such enactment.

(2) The unappropriated balance of sums authorized prior to enactment of subsection (a) of this section for carrying out section 215 of title 23, United States Code, is rescinded.

(c) Section 120(1) of title 23, United States Code, is repealed.

(d) Section 401 of title 23, United States Code, is amended by deleting the second sentence thereof.

(e) The sixth sentence of section 402(c) of title 23, United States Code, is amended to read as follows: "The annual apportionment to each State shall not be less than one-half of 1 per centum of the total apportionment.".

(f) The analysis of chapter 2 of title 23, United States Code, is amended by deleting:

"215. Territories highway development program."

and inserting in lieu thereof:

"215. Repealed.".

BICYCLE TRANSPORTATION PROGRAM

SEC. 121. Section 217 of title 23, United States Code, is amended—

(1) by striking in the first sentence of subsection (a), the words "and the multiple use of highway rights-of-way" and "on or in conjunction with highway rights-of-way";

(2) by inserting after the first sentence in subsection (a) the following: "Federal-aid highway projects may include nonconstruction programs or projects which can reasonably be expected to enhance the safety and use of bicycles.";

(3) by striking out in subsection (b) the words "that provided in section 120 of this title" and inserting in lieu thereof "100 per centum"; and

(4) by striking out subsection (e).

HIGHLAND SCENIC HIGHWAY

SEC. 122. Section 161(f) of the Federal-Aid Highway Act of 1973, as amended by section 21 of Public Law 96-106, is further amended to read as follows:

"(f) The Highland Scenic Highway as authorized by subsection (a) of this section and all associated lands and rights-of-way shall be managed as part of the Monongahela National Forest for scenic and recreational purposes. Vehicle use shall be confined to passenger cars, recreational vehicles and limited truck traffic to the extent such use is compatible with the purpose for which the highway was constructed. Commercial use by trucks may be limited and controlled by permit.".

ALLOCATION OF URBAN FUNDS

SEC. 123. Section 150 of title 23, United States Code, is amended by adding the following sentence at the end thereof: "Funds

allocated to an urbanized area under the provisions of this section may, at the request of the Governor and upon approval of the appropriate local officials of the area and the Secretary, be transferred to the allocation of another such area in the State or to the State for use in any urban area.".

CERTIFICATION DEMONSTRATION

SEC. 124. The Secretary of Transportation is directed to conduct a demonstration program in not more than four States of geographic and population diversity to study the impacts of expanding the availability of the procedures under the Certification Acceptance and Secondary Road Plan programs to other Federal-aid systems or programs as now provided by section 117 of title 23, United States Code. The demonstration program should study the impacts of allowing the Secretary of Transportation to discharge his responsibilities under any Federal law relative to a Federal-aid highway project provided certification is made by the States pursuant to section 117 of title 23, United States Code, and other requirements of Federal law.

DEFENSE ACCESS ROAD

SEC. 125. Section 210(c) of title 23, United States Code, is amended by striking "Not exceeding $5,000,000 of any funds appropriated under the Act approved October 16, 1951 (65 Stat. 422)", and inserting in lieu thereof "Funds appropriated for defense maneuvers and exercises".

MAINTENANCE

SEC. 126. (a) Subsection (a) of section 116 of title 23, United States Code, is amended by striking the second sentence.

(b) Subsection (b) of section 116 of title 23, United States Code, is amended by striking "constructed on the Federal-aid secondary system or within a municipality,".

(c) The second sentence of subsection (c) of section 116 of title 23, United States Code, is amended to read as follows: "If, within ninety days after receipt of such notice, such project has not been put in proper condition of maintenance, the Secretary shall withhold approval of further projects of all types in the State highway district, municipality, county, other political or administrative subdivision of the State, or the entire State, in which such project shall be located, as he deems most appropriate until such project shall have been put in proper condition of maintenance.".

(d) Section 109 of title 23, United States Code, is amended by striking subsection (m) and by relettering subsection (n) as (m).

(e) Section 116 of title 23, United States Code, is amended by adding subsection (f) as follows:

"(f) The Secretary shall issue guidelines describing the criteria applicable to the Interstate System in order to insure that the condition of these routes is maintained at the level required by the purposes for which they were designed. The initial guidelines shall be issued no later than July 1, 1982.".

(f) Section 119 of title 23, United States Code, is amended by striking subsection (b).

(g) Section 116 of title 23, United States Code, is amended by adding subsection (g) as follows:

"(g) Not later than one year after the date of issuance of initial guidelines under subsection (f) of this section each State shall have a program for the Interstate System in accordance with such guidelines. Each State shall certify on January 1 of each year that it has such a program and the Interstate System is maintained in accordance with the program. If a State fails to certify as required or if the Secretary determines a State is not adequately maintaining the Interstate System in accordance with such program, the next apportionment of funds to such State for the Interstate System shall be reduced by amounts equal to 10 per centum of the amount which would otherwise be apportioned to such State under section 104 of this title. If, within one year from the date the apportionment for a State is reduced under this subsection, the Secretary determines that such State is maintaining the Interstate System in accordance with the guidelines the apportionment of such State shall be increased by an amount equal to the reduction. If the Secretary does not make such a determination within such one year period, the amount withheld shall be reapportioned to all other eligible States.".

CONSTRUCTION

SEC. 127. (a) Subsection (a) of section 114 of title 23, United States Code is amended to read as follows:

"(a) The construction of any highways or portions of highways located on a Federal-aid system or under a Federal-aid program shall be undertaken by the respective State highway departments or under their direct supervision. The construction work and labor in each State shall be in accordance with the laws of that State and applicable Federal laws. Except as provided in section 117 of this title, the Secretary shall establish procedures for the inspection and approval of such construction. Construction may begin as soon as funds are available pursuant to subsection (a) of section 118 of this title. The State highway department shall not erect any informational signs other than official traffic control devices conforming with standards developed by the Secretary on any project where actual construction is in progress and visible to highway users.".

(b) Subsection (c) of section 121 of title 23, United States Code is amended by striking the words "following inspections".

RESEARCH AND PLANNING

SEC. 128. (a) Subsection (c) of section 307, title 23, United States Code, is amended by adding paragraph (5) as follows:

"(5) The sums provided pursuant to paragraph (2) of this subsection shall be combined and administered by the Secretary as a single fund which shall be available for obligation for the same period as funds apportioned under section 104(b)(1) of this title.".

(b) Section 120 of title 23, United States Code, is amended by adding a subsection (i) as follows:

"(i) The Federal share payable on account of any project financed under section 307(c) of this title shall be 85 per centum, except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State is of its total area, except that such Federal share payable on any project in any State shall not exceed 95 per centum of the total cost of any such project.".

BRIDGE RECONSTRUCTION

SEC. 129. (a) The Secretary of Transportation may approve any project for the reconstruction, resurfacing, restoration, or rehabilitation of any bridge on the Interstate System which is both owned by the United States Government and located in two States and the District of Columbia, whenever both such States and the District shall submit to the Secretary for approval appropriate plans, specifications, and estimates for any such project.

(b) The Secretary of Transportation shall prior to approval of such project enter into an agreement with such States and the District for future maintenance and rehabilitation of the bridge.

(c) There is hereby authorized to be appropriated $70,000,000 out of the Highway Trust Fund, to be available until expended, to carry out the provisions of this section. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned for the Interstate System under chapter 1 of title 23, United States Code. The Federal share of the project cost shall be 100 per centum.

(d) In making any revised estimate of the cost completing the Interstate System, which estimate is required by section 104(b)(5)(A) of title 23, United States Code, to be transmitted to the Congress after the date of enactment of this Act, the Secretary of Transportation shall not include any costs for any bridge eligible for approval under subsection (a). The Secretary shall reduce apportionments made under section 104(b)(5) of title 23, United States Code, to such States or District by an amount, if any, equal to amounts apportioned under such section to any such State or District with respect to any such bridge for any fiscal year ending before October 1, 1981. The reduction, if any, made by the preceding sentence for each State or the District shall be made out of apportionments under such section to such State or the District, beginning with the apportionment for the fiscal year ending September 30, 1983, and shall be made, in equal shares, over the number of fiscal years in which apportionments described in the preceding sentence were made.

NONDISCRIMINATION

SEC. 130. (a) The first and third sentences of subsection (a) of section 140 of title 23, United States Code, are amended by striking the words "or national origin" and inserting in lieu thereof the words "national origin or sex".

(b) Section 140 of title 23, United States Code, is amended by adding new subsection (c) as follows:

"(c) The Secretary, in cooperation with any other department or agency of the Government, State agency, authority, association, institution, corporation (profit or nonprofit), or any other organization or person, is authorized to develop, conduct, and administer training programs and assistance programs in connection with any program under this title in order that minority businesses may achieve proficiency to compete, on an equal basis, for contracts and subcontracts. Whenever apportionments are made under subsection 104(b) of this title, the Secretary shall deduct such sums as he may deem necessary, not to exceed $10,000,000 per fiscal year, for the administration of this subsection. The provisions of section 3709 of the Revised Statute, as amended (41 U.S.C. 5), shall not be applicable to contracts and agreements made under the authority herein granted to the Secretary notwithstanding the provisions of 41 U.S.C. 252(e).".

(c) The title of section 140 of title 23, United States Code, is amended to read:

"§ 140. Nondiscrimination"

and the analysis of chapter 1 of title 23, United States Code, is amended by striking out

"140. Equal employment opportunity."

and inserting in lieu thereof

"140. Nondiscrimination.".

INTERAGENCY AGREEMENTS

SEC. 131. (a) Chapter 1 of title 23, United States Code, is amended by adding after section 156 the following new section:

"§ 157. Interagency agreements

"Not later than one hundred and eighty days after the date of enactment of this section, the Secretary shall enter into agreements with the Secretaries of the Departments of Interior and Defense, the Administrator of the Environmental Protection Agency, and the heads of such other Federal departments, agencies, and instrumentalities as the Secretary determines, to minimize,

to the greatest extent possible, duplication, paperwork, and delays in the development and approval of projects under this title and any other provision of law relating to the Federal highway programs. Notwithstanding any other provision of law, such agreements shall provide that actions on applications or requests for permits, licenses, findings, and other approvals and determinations required for such projects will be fully coordinated by the Department of Transportation with the review process established under the National Environmental Policy Act of 1969, as amended, and, to the greatest extent practicable, that a decision with respect to each such application or request will be made contemporaneously with approval of the environmental impact statement, finding of no significant impact, or categorical exclusion required for such project, but in no event later than ninety days after the date of approval of such environmental review document.".

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"157. Interagency agreements.".

FEDERAL SHARE—FEDERAL-AID RURAL AND URBAN PROGRAMS

SEC. 132. Section 120(a) of title 23, United States Code, is amended (1) by adding after "75 per centum of the cost of construction" whenever it occurs the following: "for projects on the Federal-aid primary system and for projects to resurface, restore, rehabilitate, and reconstruct the Federal-aid Interstate System and 50 per centum of the cost of construction for projects under the Federal-aid rural program and the Federal-aid urban program," and (2) by adding the following new sentence at the end thereof: "The Federal share payable on account of any project under the Federal-aid rural program or the Federal-aid urban program which the Secretary has approved prior to enactment of the Federal-Aid Highway Improvement Act of 1981 shall not exceed 75 per centum of the cost of construction subject to the conditions set forth in this subsection or at the option of the State the Federal share may be revised to 50 per centum of such cost, but the Federal share payable for any such project which the Secretary approves after enactment of such Act shall not exceed 50 per centum of the cost of construction subject to the conditions set forth in this subsection.".

OBLIGATION LIMITATION AND ALLOCATION FORMULA

SEC. 133. (a) Notwithstanding any other provision of law, the total of all obligations for Federal-aid highways and highway safety construction programs for fiscal year 1982 shall not exceed $7,200,000,000. This limitation shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, or projects covered under section 147 of the Surface Transportation Assistance Act of 1978, Sections 109 and 129 of the Federal-Aid Highway Improvement Act of 1981, and the third sentence of subsection 218(a) of title 23, United States Code, as added by this Act. No obligation constraints shall be placed upon any ongoing emergency project carried out under section 125 of title 23, United States Code, or section 147 of the Surface Transportation Assistance Act of 1978.

(b) For the fiscal year 1982, the Secretary shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned to all the States for such fiscal year.

(c) During the periods October 1 through December 31, 1981, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (b), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection.

(d) Notwithstanding subsections (b) and (c), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, 1982, revise a distribution of the funds made available under subsection (b) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year; and

(3) not distribute amounts authorized for administrative expenses and forest highways.

TRUCK WEIGHTS

SEC. 134. Section 127 of title 23, United States Code, is amended by striking the period at the end of the first sentence, inserting a colon in lieu thereof, and adding the following: "*Provided further*, That each State shall establish a single axle load of not less than twenty thousand pounds; a tandem axle load limit of not less than thirty-four thousand pounds; and an overall gross weight limit of not less than eighty thousand pounds.".

NATIONAL MAXIMUM SPEED LIMIT

SEC. 135. Section 154(f) of title 23, United States Code, is amended to read as follows:

"(f) If the data submitted by a State pursuant to subsection (e) of this section show that the percentage of motor vehicles exceeding fifty-five miles per hour is greater than 50 per centum, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 per centum of the amount to be apportioned for the following fiscal year.".

MARYLAND TRANSPORTATION AUTHORITY

SEC. 136. (a) The Act entitled "An Act authorizing the State of Maryland, by and through its State Roads Commission or the successors of said Commission, to construct, maintain, and operate certain bridges across streams, rivers, and navigable waters which are wholly or partly within the State", approved April 7, 1938, and the Act of June 16, 1948 (62 Stat. 463, Public Law 654, 80th Congress), as amended by the Act of November 17, 1967 (81 Stat. 466, Public Law 144, 90th Congress), are hereby repealed.

(b) The State of Maryland, by and through the Maryland Transportation Authority or the successors of such Authority, is authorized, subject to all applicable Federal laws, (1) to continue to collect tolls after the date of enactment of this Act from its existing transportation facilities projects, as defined on the date of enactment of this Act in the laws of the State of Maryland, and (2) to use the revenues from such tolls for transportation projects of the type which the State or the Maryland Transportation Authority is authorized to construct, operate, or maintain under the laws of the State of Maryland as such laws exist on the date of enactment of this Act.

INTERSTATE SYSTEM ADDITIONS

SEC. 137. Section 139 of title 23, United States Code, is amended by adding a new subsection (c) as follows:

"(c) The Secretary shall designate those portions of highway segments on the Federal-aid primary system in States which have no Interstate System that are logical components to a system serving the State's principal cities, national defense needs and military installations, and traffic generated by rail, water, and air transportation modes. The designated segments shall have been constructed to the geometric and construction standards adequate for current and probable future traffic demands and the needs of the locality of the segment. The mileage of any highway designated as part of the Interstate System under this subsection shall not be charged against the limitation established by the first sentence of section 103(e)(1) of this title. The designation of a highway under this subsection shall create no Federal financial responsibility with respect to such highway, except that the State involved may use Federal-aid highway funds available to it under sections 104(b)(1) and 104(b)(5)(B) of this title, for the resurfacing, rehabilitation, restoration, and reconstruction of a highway designated as a route on the Interstate System under this subsection.".

ALASKA HIGHWAY

SEC. 138. (a) Subsection (a) of section 218 of title 23, United States Code, is amended by adding after the second sentence the following: "In addition to such funds, the State of Alaska is authorized to expend on such highway any Federal-aid highway funds apportioned to the State of Alaska under this title as its Federal share. Notwithstanding any other provisions of law any obligation limitation enacted for fiscal year 1982 or for any fiscal year thereafter shall not apply to projects authorized by the previous sentence.".

(b) This amendment shall be effective upon the date of the enactment of this Act.

THE MAINE TURNPIKE

SEC. 139. Section 145 of the Federal-Aid Highway Act of 1978 is amended to read as follows:

"SEC. 145. (a) Upon satisfaction by the State of Maine or the Maine Turnpike Authority of the following conditions, the State of Maine and the Maine Turnpike Authority shall be free of all restrictions with respect to the imposition and collection of tolls or other charges on the Maine Turnpike or for the use thereof contained in title 23, United States Code, or in any regulation or agreement thereunder:

"(1) repayment by the State of Maine or the Maine Turnpike Authority to the Treasurer of the United States of the sum of $8,577,900 which is the amount of Federal-aid highway funds received for construction of interchanges or connections with the Maine Turnpike at West Gardiner, Kennebec County, Maine, at York, York County, Maine, and at Scarborough-South Portland, Cumberland County, Maine. The amount to be repaid shall be deposited to the credit of the appropriation for 'Federal-Aid Highway (Trust Fund)'. Such repayment shall be credited to the unprogramed balance of the Federal-aid highway funds of the classes determined by the Secretary to and in cooperation with the State of Maine. The amount so credited shall be in addition to all other funds then apportioned to such State and shall be available for expenditure in accordance with the provisions of title 23, United States Code.

"(b) The State of Maine and the Maine Turnpike Authority are deemed to be in compliance with section 129(c) of title 23, United States Code: *Provided*, That the conditions of subsection (a) are satisfied.".

TECHNICAL AMENDMENTS

SEC. 140. (a) Section 101(a) is amended as follows:

(1) In the tenth sentence, by inserting the words "or under one of the Federal-aid programs" immediately after the words "Federal-aid systems";

(2) In the nineteenth sentence, by striking the period at the end thereof and adding the words "or under the Federal-aid programs.";

(3) In the thirtieth sentence, by deleting the words "secondary system" and inserting in lieu thereof the words "rural program", and by deleting the word "system" and inserting in lieu thereof the word "program";

(4) In the thirty-first sentence, by deleting the word "system" each time it appears and inserting in lieu thereof the word "program"; and

(5) by adding after the twenty-eighth sentence the following sentence: "The term 'Federal-Aid program' means any one of the Federal-Aid highway programs described in section 103 of this title.".

(b)(1) Section 103 is amended by adding to the title the words "and programs" after the words "Federal-Aid systems";

(2) Section 103(a) is amended to read as follows: "For the purpose of this title, the Federal-Aid systems, which consist of the primary system and the Interstate System, along with the Federal-aid programs, which consist of the Federal-aid rural programs and the Federal-aid urban program, are established and continued pursuant to the provisions of this section.";

(3) Section 103(f) is amended to read as follows: "The Secretary shall have authority to approve in whole or in part the Federal-aid primary system, the Federal-aid rural program, the Federal-aid urban program, and the Interstate System, as and when such systems and programs or portions thereof are designated, or to require modifications or revisions thereof. No Federal-aid system or program or portion thereof shall be eligible for projects in which Federal funds participate until approved by the Secretary.";

(4) Subsections (g) and (h) of section 103 are repealed; and

(5) The analysis of chapter 1 of title 23 is amended by deleting

"103. Federal-aid systems."

and inserting in lieu thereof

"103. Federal-aid systems and programs.".

(c) Section 104 is amended as follows:

(1) In subsection (a) and (b)(1), by inserting the words "and programs" immediately after the words "Federal-aid systems" each time they appear;

(2) In paragraph (2) of section 104(b), by deleting the words "secondary system" and inserting in lieu thereof the words "rural program";

(3) By deleting paragraph (4) of section 104(b);

(4) By redesignating paragraph "(5)" as paragraph "(4)", and by deleting therein the first full sentence and the fifth sentence through the twenty-first sentence;

(5) By redesignating paragraph "(6)" as paragraph "(5)", and by deleting the word "system" and inserting in lieu thereof the word "program";

(6) In subsection (c)(1), by deleting the phrase ", commencing with the apportionment of funds authorized to be appropriated under subsection (a) of section 102 of the Federal-aid Highway Act of 1956 (70 Stat. 374),"; and

(7) In subsection (f)(1), by inserting the words "and programs" immediately after the words "Federal-aid systems".

(d) Section 105 is amended as follows:

(1) In the first sentence of subsection (a) by inserting the words "and programs" after the words "Federal-aid systems", and by deleting in the third sentence the comma and all that follows and inserting a period after the word "part"; and

(2) In subsection (d) by deleting the words "programs for" and by deleting the words "on the Federal-aid urban system" and inserting in lieu thereof the words "under the Federal-aid urban program".

(e) Section 106(d) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system".

(f)(1) Section 108(a) is amended by inserting the words "or under any of the Federal-aid highway programs," immediately after the words "Interstate System," the first time they appear, and by inserting the words "and programs" immediately after the words "Federal-aid highway systems" the second time they appear;

(2) Section 108(c)(2) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system"; and

(3) The last sentence of section 108(c)(3) is amended by inserting the words "or under the Federal-aid program" immediately after the words "Federal-aid system".

(g)(1) Section 109(a) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system";

(2) Section 109(c) is amended by deleting the words "Projects on the Federal-aid secondary system" and inserting in lieu thereof the words "Federal-aid rural program projects";

(3) Section 109(e) is amended by deleting the phrase "No funds shall be approved for expenditure on any Federal-aid highway," and inserting in lieu thereof the following phrase: "No funds shall be approved for expenditure on any highway on the Federal-aid highway system or under the Federal-aid highway program";

(4) Section 109(h) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system";

(5) Section 109(i) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system" each time they appear in the first and second sentences, by inserting the words "or under a Federal-aid program" immediately after the words "Federal-aid system" in the third sentence, by inserting the words "or program" immediately after the words "Federal-aid system" in the fifth sentence, and by inserting the words "or under" immediately after the word "on" in such sentence; and

(6) Section 109(l)(1) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system".

(h)(1) Section 113(a) is amended by deleting the words "the primary and secondary, as well as their extensions in urban areas, and the Interstate System, authorized under the highway laws providing for the expenditure of Federal funds upon the Federal-aid systems," and inserting in lieu thereof the words "the primary as well as its extensions in urban areas, and the Interstate System, or under the Federal-aid programs, authorized under the highway laws providing for the expenditure of Federal funds upon the Federal-aid systems and programs,"; and

(2) Section 113(b) is amended by inserting the words "or under any of the Federal-aid programs" immediately after the words "Federal-aid systems".

(i) Section 115(a) is amended to read as follows: "(a) When a State has obligated all funds for the primary system or for any of the Federal-aid programs apportioned to it under section 104 of this title, and proceeds to construct any projects without the aid of Federal funds, including one or more parts of any project, on the primary system or under any of the Federal-aid programs in such State, as that system may be designated or any of those programs may be comprised at that time, in accordance with all procedures and all requirements applicable to projects on the primary system or under any such program, except insofar as such procedures and requirements limit a State to the construction of projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such State and his approval of such application, is authorized to pay to such State the Federal share of the costs of construction of such project when additional funds are apportioned to such State under section 104 of this title if—

(1) prior to the construction of the project the Secretary approves the plans and specifications therefor in the same manner as other projects on the primary system or under the Federal-aid program involved, and

(2) the project conforms to the applicable standards adopted under section 109 of this title.

The Secretary may not approve an application under this section unless an authorization is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such State and that no application may be approved which will exceed the State's expected apportionment of such authorization.".

(j) Section 118(d) is amended by inserting the words "or under a Federal-aid program" immediately after the words "Federal-aid system".

(k)(1) Section 120(a) is amended by deleting in the first sentence all of the words between "(a)" and "(A)" and inserting in lieu thereof the words "Subject to the provisions of subsection (d) of this section, the Federal share payable on account of any project, financed with primary, rural, or urban funds, on the Federal-aid primary system, under the Federal-aid rural program, and under the Federal-aid urban program shall either"; and

(2) Section 120(g) is amended by deleting the words "Federal-aid highways" and inserting in lieu thereof the words "Federal-aid projects".

(l) Section 121(c) is amended by inserting the words "or under a Federal-aid Program" immediately after the words Federal-aid system".

(m) Section 123(a) is amended by deleting the words "the Federal-aid primary or secondary systems or on the Interstate System, including extensions thereof within urban areas," and inserting in lieu thereof the words "a Federal-aid system or under a Federal-aid program,".

(n) Section 124(a) is amended by inserting the words "or under any of the Federal-aid programs," immediately after the phrase "including the Interstate System,".

(o) Section 129 is amended as follows:

(1) In subsection (c), by inserting the words "and programs" immediately after the words "Federal-aid highway systems";

(2) In subsections (f) and (g)(2), by inserting the words "or programs" immediately after the words "Federal-aid systems" each time they appear; and

(3) In subsection (l), by deleting the words "Federal-aid system, other than the Interstate System," and inserting in lieu thereof the words "Federal-aid project other than one of the Interstate System,".

(p) Section 135(b) is amended by placing a period after the word "flow" and deleting the remainder of the sentence.

(q) Section 137(a) is amended by deleting the words "project on the Federal-aid urban system" and inserting in lieu thereof the words "project under the Federal-aid urban program".

(r) Section 140(a) is amended by inserting the words "or under any of the Federal-aid programs" immediately after the words "Federal-aid systems".

(s) Section 141(b) of title 23, United States Code, is amended to read as follows:

"(b) Each State shall certify to the Secretary before January 1 of each year that it is enforcing in accordance with section 127 of this title all State laws respecting maximum vehicle size and weights permitted on all roads receiving funds under the Federal-aid program, including the primary system,

the Interstate System, and is a route functionally classified as an arterial or major collector.".

(t) Section 142 is amended as follows:

(1) In subsection (a)(1) by inserting the words "and highways under the Federal-aid programs" immediately after the words "Federal-aid systems", and by deleting the words "as a project on any Federal-aid system";

(2) In subsection (a)(2) by deleting the words "project on the Federal-aid urban system" each place it appears and inserting in lieu thereof "project under the Federal-aid urban program",; and

(3) In subsection (e)(2) by deleting the words "projects on the Federal-aid urban system" and inserting in lieu thereof "projects under the urban program".

(u) Section 143 is amended as follows:

(1) In subsection (a), (b), and (c) by inserting the words "or under a Federal-aid program" immediately after the words "a Federal-aid system (other than the Interstate System)" each place they appear, and

(2) In subsection (d) and (e) by deleting the words "Federal-aid system on" each time they appear and inserting in lieu thereof the words "Federal-aid system or program on or under".

(v) Section 149 is amended as follows—

(1) by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system".

(2) by amending the analysis of chapter 1 of title 23, United States Code, by deleting:

"150. Allocation of urban system funds.".

and inserting in lieu thereof:

"150. Allocation of urban program funds.".

(w) Section 150 is amended by deleting the word "system" in the title and inserting the word "program" in lieu thereof.

(x) Section 302(b) is amended by deleting the words "on the Federal-aid secondary system," and inserting in lieu thereof the words "under the Federal-aid rural program", and by deleting the words "secondary funds," and inserting in lieu thereof the words "rural funds,".

(y) Section 304 is amended by inserting the words "and highways under the Federal-aid programs" between the word "systems" and the comma.

(z) Section 317(d) is amended by inserting the words "or under a Federal-aid program" immediately after the words "Federal-aid system".

(aa) Section 320(a) is amended by inserting the words "or programs" immediately after the words "highway systems" in the second sentence.

(bb) Section 322 is amended as follows:

(1) In subsection (c)(1) by deleting the words "any Federal-aid system," and inserting in lieu thereof the words "the Interstate System, the Primary System, or is a route functionally classified as an arterial or major collector,"; and

(2) In subsection (c)(2) by deleting the words "any Federal-aid system," and inserting in lieu thereof the words "the Interstate System, the Primary System, or is not a route functionally classified as an arterial or major collector,".

(cc) Section 402(d) is amended by inserting the words "and programs" immediately after the words "Federal-aid systems".

(dd) Section 117 is amended as follows:

(1) By inserting in subsection (a) the words "or under any Federal-aid programs" immediately after the words "Federal-aid systems".

(2) By deleting in subsection (f)(1) the words "secondary system" where they appear and inserting in lieu thereof the words "rural program".

Mr. DOMENICI. Mr. President, I would like to take this opportunity to commend Senator STAFFORD and Senator RANDOLPH, the distinguished chairman and ranking minority member of the Environment and Public Works Committee for the fiscal restraint they have demonstrated in S. 1024—the Federal-Aid Highway Improvement Act of 1981. Senator SYMMS, the distinguished subcommittee chairman also deserves special recognition for his leadership in accepting the President's request for a reduction in highway obligations beyond the level agreed to by the committee earlier this year in deliberations on the reconciliation bill.

As a result of the $7.7 billion highway obligation limitation included in S. 1024, the bill is $0.4 billion below the first budget resolution targets for fiscal year 1982. As a member of the Environment and Public Works Committee, I am aware of the great reluctance with which the committee accepted this reduction in highway spending. Mr. President, I ask unanimous consent that a table showing the relationship of the highway obligation ceiling in S. 1024 to the President's requests, transportation appropriations action, and the Reconciliation Act be printed in the RECORD at the conclusion of my remarks.

The Federal-aid highway system is one of our Nation's most valuable resources, critical to the flow of interstate commerce and our national defense capabilities. During the extensive series of hearings the committee conducted in Washington and throughout the country, it became evident that escalating construction costs—much of which is attributable to inflation—is severely constraining the States ability to construct and maintain our Nation's highways. According to the General Accounting Office, highway construction and maintenance costs have increased 145 percent and 105 percent, respectively, from 1970–79, while the Consumer Price Index increased 87 percent.

Recognizing the dramatic inflation in construction costs in recent years and limited Federal resources the committee has made a valiant effort in S. 1024 to restructure the highway program in order to target funds to areas of clear Federal interest. This bill also enables the States to have greater flexibility to determine which projects are of highest priority to them.

Perhaps the most significant aspect of this legislation is the redefinition of completion of the interstate. The definition, included in S. 1024 will save the Federal Government nearly $20 billion over the next decade by eliminating highway construction items that are not essential to completion of the interstate. With the revised "cost-to-complete" definition, this Nation will be able to have an Interstate System which is fully connected, meets our Nation's national defense and commerce requirements and is completed at a reasonable cost to the taxpayer.

Mr. President, there are many other important highway improvement and safety programs provided for in S. 1024. By consolidating many small categorical grant programs, redefining the cost to complete the interstate, and giving States greater flexibility to choose projects, the Environment and Public Works Committee has demonstrated laudable fiscal restraint. As chairman of the Budget Committee, I urge my colleagues to resist pressures on the Senate floor and in conference with the House to add nonessential spending items to S. 1024.

The health of this economy cannot be restored and inflation—including highway construction inflation—cannot be reduced, if we do not make every reasonable attempt to reduce spending in all Government programs in order to achieve our goal of a balanced budget by 1984.

HIGHWAY OBLIGATION CEILING COMPARISON

[In billions of dollars, fiscal years]

	Obligation ceiling		
	1982	1983	1984
S. 1024 (as amended)	7.7	(1)	(1)
President's September request	7.2	----	----
Senate transportation appropriations action	7.7	----	----
Transportation Appropriations Conference Agreement	8.0	----	----
President's March request (First Budget Resolution)	8.15	8.7	8.8
Reconciliation Act	8.2	8.8	(1)
House bill	8.2	(1)	(1)

[1] No provision.

UP AMENDMENT NO. 630

(Purpose: To amend various authorizations in the bill and to authorize additional expenditures)

Mr. BAKER. Mr. President, I send to the desk an amendment on behalf of the distinguished Senator from Idaho (Mr. SYMMS), and I ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Tennessee (Mr. BAKER), for Mr. SYMMS, proposes an unprinted amendment numbered 630.

Mr. BAKER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 14, strike "and (3)" and insert in lieu thereof the following: "(3) essential environmental requirements; and (4)";

On page 5, line 17, strike "$400,000,000" and insert in lieu thereof: "$525,000,000";

On page 5, line 25, strike "$600,000,000" and insert in lieu thereof: "$725,000,000";

On page 6, line 23, strike "$700,000,000" and insert in lieu thereof: "$775,000,000";

On page 7, after line 11, insert the following:

"(8) For carrying out section 215(a) of title 23, United States Code—

"(A) for the Virgin Islands, not to exceed $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986.

"(B) for Guam, not to exceed $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986.

"(C) for American Samoa, not to exceed $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September

30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986.

"Sums authorized by this paragraph shall be available for obligation at the beginning of the period for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

"(9) For the Commonwealth of the Northern Mariana Islands, not to exceed $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986. Sums authorized by this paragraph shall be expended in the same manner as sums authorized to carry out section 215 of title 23. United States Code. Sums authorized by this paragraph shall be available for obligation at the beginning of the period for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.".

On page 12, line 4, strike "$800,000,000" and insert in lieu thereof: "$875,000,000".

On page 15, line 2, insert "(a)" after "Sec. 108." and adding the following new subsection:

"(b) There is hereby authorized to be appropriated out of the Highway Trust Fund, $100,000,000 for the fiscal year ending September 30, 1983 to carry out this section. Funds authorized to be appropriated by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code.".

On page 15, line 13, strike all through line 21 and insert in lieu thereof the following:

"SEC. 109. (a) In addition to any funds authorized to be appropriated out of the general fund, there is authorized to be appropriated, out of the Highway Trust Fund, for substitute highway projects under section 103(e)(4) of title 23, United States Code, $225,000,000 for the fiscal year ending September 30, 1983, $250,000,000 for the fiscal year ending September 30, 1984, $250,000,000 for the fiscal year ending September 30, 1985, and $300,000,000 for the fiscal year ending September 30, 1986. Funds authorized to carry out this section shall be available for obligation in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.".

On page 15, line 22, strike all through line 3 on page 16 and renumber succeeding subsections accordingly.

On page 17, strike lines 3 through 19 and renumber the succeeding paragraphs accordingly.

On page 33, line 7, strike all through line 3 on page 34 and renumber succeeding sections accordingly.

On page 54, line 5, strike "$7,200,000,000" and insert in lieu thereof: "$7,700,000,000";

On page 54, line 7, strike "or projects covered under" and insert in lieu thereof the following: "or projects covered under section 320 of title 23. United States Code,";

On page 55, line 23, strike all through page 56 line 6 and renumber succeeding sections accordingly.

On page 60, after line 7, insert the following new section:

"REDWOOD BYPASS HIGHWAY

SEC. 140. Section 152 of the Federal-Aid Highway Act of 1978 is amended by adding after "fiscal year 1981" the following "and $55,000,000 for fiscal year 1983";

On page 60, after line 7, add the following new section:

"VENDING MACHINE DEMONSTRATION PROJECT EXTENSION

SEC. 141. The vending machine demonstration project authorized by section 153 of the Surface Transportation Assistance Act of 1978 shall be extended for a period not later than two years after the date of enactment of this section.";

On page 60, after line 7, add the following new section:

"REIMBURSEMENT

SEC. 142. In any case in which the city of Santa Rosa, California, has incurred costs on behalf of the State of California for the acquisition, between the date of enactment of Public Law 94-154 and the date of enactment of the Federal-Aid Highway Act of 1976 (Public Law 94-280), of land which was utilized in a Federal-aid urban system project at an intersection with a segment of the Federal-aid primary system, the Secretary of Transportation is authorized, notwithstanding any other provision of law, to reimburse the State of California from funds apportioned to the State of California under section 104(b)(6) of title 23, United States Code, 75 per centum of such costs.";

On page 60, after line 7, insert the following new section:

"INTERSTATE WITHDRAWAL STUDY

SEC. 143. The Secretary of Transportation is directed to study problems relating to sections of the Interstate System which do not provide connectivity and could be withdrawn for a substitute highway project. Such study shall include alternative funding methods available if such section is withdrawn under section 103(e)(4) of title 23, United States Code. The study together with recommendations shall be transmitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives not later than March 31, 1982.".

Mr. SYMMS. Mr. President, the Committee on Environment and Public Works reported S. 1024, the Federal-Aid Highway Improvement Act of 1981, favorably by a vote of 14 to 2. I commend this legislation to my distinguished colleagues.

The Senate last considered highway legislation in 1978 which was enacted into law as title I of the Surface Transportation Assistance Act of 1978. Recognizing that the States must do long-range planning in order to have an effective highway program, the 1978 act authorized funds for 4 years. The committee believes that long-range planning for this program is essential and, therefore, S. 1024 provides new authorizations for 4 years, through fiscal year 1986.

During consideration of the 1978 act, it became necessary to reduce the fiscal year 1982 highway authorizations in order for the legislation to be signed into law. Those reductions were made with the understanding that the Congress would review the highway program during 1981. The committee has undertaken both a review of the 1982 authorization levels and the entire Federal-aid highway program in view of the current economic situation. A series of hearings were held in Washington and throughout the country on both S. 1024 and S. 841, the administration's proposed legislation.

It was evident from testimony received during those hearings that rising construction costs—a significant portion of which is due to inflation—have severely impacted the States' ability to construct and adequately maintain the Nation's highway system.

Both the Department of Transportation and the private sector have completed studies assessing the condition of our highway system and its long-term needs. The results of these studies show that our highway system is deteriorating at an alarming rate. Over 10 percent of the interstate needs major rehabilitation right now; during the next 15 years, over 90 percent of the primary system in rural areas will need resurfacing and 95 percent of the secondary system will need reconstruction. In addition, it will cost over $40 billion to replace or rehabilitate all the deficient bridges in this country.

Revenues dedicated for use on the highway system, both at the State and Federal levels, have been declining because of more fuel efficient vehicles, tax exemptions, and reduced gasoline consumption.

This means that at the Federal level, careful consideration must be given to what role the Federal Government should have in this program and what responsibilities can be best carried out at the State and local level. Once this determination is made, the Federal Government must provide adequate revenues to carry out its responsibilities. Most States, recognizing their additional responsibilities, have recently considered measures to increase State gasoline taxes.

In view of rising construction costs and declining resources, the committee believes funds must be targeted to areas of clear Federal interest, and the States must be given maximum flexibility in determining projects of highest priority. S. 1024 takes a significant step in achieving those objectives.

Completing a safe, connected, Interstate System in a reasonable period of time remains a high Federal priority. The 1981 interstate cost estimate is now $53.8 billion which will buy us 5 percent of the Interstate System. This is an unacceptable cost when the existing Interstate Highway System is in urgent need of major rehabilitation and reconstructiono. S. 1024 defines what is necessary for a connected, serviceable Interstate System which adequately provides for mobility, interstate commerce, and the national defense.

There is currently no definition of completion because even segments that have been built with Federal-aid interstate funds, are open to traffic, and were considered complete according to the design originally approved, are eligible for interstate funds at 90/10 Federal-State matching ratio to incorporate new design standards or new technologies. Many of these improved design standards can and are being incorporated by the States during reconstruction work on these open-to-traffic segments.

The committee believes that certain routes—specifically gaps, staged construction, and segments originally built without interstate funds which require major upgrading work—which have not had full participation in interstate funds as the FAI built segments have, should be given additional consideration with regard to additional lanes and essential environmental requirements. S. 1024 gives them this consideration.

The new completion definition would permit six lanes per designated Interstate Highway in rural areas and urban areas of up to 400,000 population and

eight lanes per designated Interstate Highway in areas of 400,000 population and above. All items which are no longer eligible for Interstate construction funds would be eligible for Interstate 4R funds.

When the Interstate Highway System was first conceived, the intent was that the Federal Government would provide the major capital outlay to construct the system and the States would be responsible for maintaining it. A significant portion of the Interstate System is now reaching the end of its design life and it is becoming clear that the States do not have adequate resources to do both the major reconstruction needed on the Interstate System and maintain the other Federal-aid systems at an adequate level.

Because of the large capital investment the Federal Government has made in the Interstate System, the committee believes that it is necessary to redirect Federal resources to protect this investment and has expanded the existing Interstate 3R program to include reconstruction as the fourth R, increasing funding for this program by almost 300 percent.

S. 1024 provides substantial funding for the Primary System—$7.8 billion through fiscal 1986—recognizing that the Primary System is the backbone of our State highway network. S. 1024 eliminates the special priority primary category. These routes are eligible for funding from Primary funds and I believe this is the proper source of funding. The committee also maintains its commitment to the bridge replacement and rehabilitation program. Bridges are vital links in the highway network, and the States continue to need assistance in addressing the tremendous bridge problems in this country.

S. 1024 also continues Federal participation in the rural, urban, and safety programs. While there is a lesser Federal interest in these programs, the committee recognizes that the States are taking on additional responsibilities in many areas and will need sufficient time to raise additional revenues to adequately support these important programs. I believe the rural program is particularly important. The farm-to-market roads in this country are a critical part of the highway system which contributes to our economic well-being.

S. 1024 removes the secondary and urban system designations and establishes urban and rural programs. The committee believes that the States and localities are best able to determine priority projects on these two systems and is convinced that they will target scarce resources at their most important projects. Recognizing the larger interest of State and local governments in these two programs, S. 1024 changes the Federal-State matching share to 50-50.

The committee believes ongoing attention to safety is also important. Safety concerns vary among the States and in order to give States the maximum ability to address their most pressing problems each year, the committee has consolidated a number of small safety programs into the highway safety improvement program. S. 1024 directs the States to spend at least 35 percent of these funds on highway-railway crossings. However, the committee also recognizes that there may be States in which this type of work is not its biggest safety problem during any given year. Therefore, S. 1024 permits the Secretary to waive this requirement if the State determines that other safety problems have a higher priority.

In addition, this legislation authorizes funds to rehabilitate the Woodrow Wilson Bridge. This bridge is a federally owned bridge on the Interstate System and is located in three jurisdictions—Maryland, Virginia, and the District of Columbia. S. 1024 also designates Interstate mileage in Alaska, the only State which did not receive mileage when the Interstate was designated. This mileage would be designated as completed and would not be eligible for Interstate construction funds. Alaska would be eligible, as all other States are, for Interstate 4R funds.

Finally, this legislation attempts to provide the States with maximum flexibility in targeting scarce resources to their highest priority projects. This is accomplished by consolidating several small categorical grant programs. No project is eliminated from eligibility for Federal-aid funds.

Rather, these projects would be eligible for funding through the larger Federal-aid categories. In addition, the States ability to transfer funds from category to category is enhanced. As is the case in current law, the applicable Federal-State matching ratio will be that of the category to which funds have been transferred. Hopefully, this will permit States to address problems which are unique within their own State.

Mr. President, I want to express my agreement with the Federal Highway Administration's recent determination that highway projects funded under the 3–R Program—rehabilitation, resurfacing, and restoration—are not subject to the Davis-Bacon Act provisions of 23 U.S. Code 113. I believe the Federal Highway Administration is correct in concluding that the phrase "initial construction" in section 113 excludes work to rehabilitate, resurface, or restore Federal-aid highways once they have initially been constructed.

Even with the expansion of the current 3–R program into a 4–R program by the addition of the fourth R—reconstruction—projects that constitute rehabilitation, resurfacing, or restoration continue to be excluded from the provisions of section 113.

Included in the legislative history at the time section 113 was amended and reenacted in 1968, Mr. HOWARD proposed to delete by a floor amendment the term "initial" from section 113 in the process of expanding the application of section 113 to cover the primary, secondary, and urban systems as well as the Interstate System originally covered by section 113. The attempt to delete the term "initial" was met with strong opposition by then-Representative Cramer.

On the floor of the House, Mr. Cramer stated that he opposed the amendment because it would have the effect of including under Davis-Bacon the previously excluded construction work "that is performed after the highway is built such as minor reconstruction, major repairs, possibly some maintenance functions and other small improvement or betterment projects." Mr. Cramer noted that "initial" was specifically written into the basic law for the purpose of limiting the application of Davis-Bacon "to the actual first construction of a highway, not its upkeep." Mr. Cramer asked Mr. HOWARD why he proposed deleting the term "initial" and Mr. HOWARD replied that his proposal was drafted to apply to the Davis-Bacon Act in a general manner to the ABC highway program.

Mr. Cramer offered a substitute amendment for the purpose of retaining the term "initial" while still expanding the coverage of the Davis-Bacon Act to the noninterstate Federal-aid systems. His amendment was accepted by Mr. Kluczynski, as chairman of the subcommittee, and Mr. HOWARD, whose own proposal was therefore withdrawn. The amendment as proposed by Mr. Cramer was passed by the House and was identical to the provision subsequently adopted by Congress.

A legal opinion written by the Federal Highway Administration's Office of Chief Counsel on April 29, 1977, specifically addressed the 3–R program and section 113 and concluded, as follows, that the 3–R program is not subject to the Davis-Bacon Act provisions:

> You are advised that 23 U.S.C. 113 requiring the application of Federally established wage rates to Federal-aid highway projects does not extend to the R-R-R program. That section 113, by its terms, is limited to initial construction and the R-R-R program is designed to improve or restore the usability of existing roads, being thus predicated upon the existence of a highway facility that has already been constructed. Thus the R-R-R program precludes the initial construction element upon which the application of section 113 of Title 23, United States Code, is based.

I also note that the Department of Labor's regulations have always recognized that "the term 'initial construction' in the Federal-Aid Highway Act of 1956 does not include repair or maintenance works." 29 CFR 5.2(h); 3–R projects are by their nature repair projects. Among other projects, the 3–R program was intended to apply to the restoration of existing roadways to their original safe and usable condition; the strengthening or reconditioning of deteriorated or weakened sections of existing pavement to their original condition; the replacing of malfunctioning joints; the redoing of pavement undersealing to restore structural capability; the raising of the grade in areas of settlement; and the reworking, conditioning, and recompacting of existing materials.

I believe the approach adopted by the Federal Highway Administration with regard to the applicability of Davis-Bacon is a sound one.

I believe that Federal-aid highway program has reached a crossroads. This country now has a highway system unequaled in the world. Scarce revenues must be directed toward maintaining that system rather than at major new construction. The States must be pro-

vided with a stable, long-term program in order for them to use their resources in the most effective and efficient manner possible. For that reason, I believe multiyear highway legislation is absolutely essential. The legislation before the Senate today would provide stable, long-term funding and I urge my colleagues to adopt this legislation.

Mr. President, I want to express my deep appreciation to the distinguished chairman of the Environment and Public Works Committee (Senator STAFFORD) whose knowledge of this program and outstanding leadership has been of invaluable help to me during this process.

I also want to express my sincere appreciation to the distinguished Senator from West Virginia (Senator RANDOLPH) who is the most able ranking minority member of the Environment and Public Works Committee, and to the distinguished Senator from Texas (Senator BENTSEN) who served with great distinction for many years as chairman of the Transportation Subcommittee. Their cooperation and assistance throughout the consideration of this legislation has been of greatest benefit to me and I look forward to a long and productive working relationship.

Mr. President, S. 1024 as reported contained a provision which would have provided a uniform truck weight standard for the Interstate Highway System. I believe that uniform standard of an 80,000 pound gross weight with not less than 20,000 pounds on a single axle and 34,000 pounds on a tandem axle is necessary. It would increase the efficiency of transporting commodities and would save fuel. I have reluctantly agreed to postpone the consideration of this provision until the cost allocation study is completed this January. I believe Congress must address this issue as soon as that report is completed.

The Environment and Public Works Committee has included several amendments in the committee amendment on behalf of other distinguished Members of the Senate. Deletion of the truck weight provision is offered on behalf of Senators PERCY, DIXON, DANFORTH and EAGLETON. The Interstate transfer inflation cap amendment is offered on behalf of Senator PERCY and Senator DIXON. The amendments regarding Santa Rosa and the Redwood Bypass are offered on behalf of Senator HAYAKAWA. The amendment regarding Territorial Highways is offered on behalf of Senator WEICKER. The amendment clarifying that additional funds may be appropriated from general revenues for Interstate transfer highway projects, and that sums authorized in S. 1024 for this purpose in contract authority is offered on behalf of Senator WEICKER and Senator DODD. The amendment regarding the Interstate withdrawal study is offered on behalf of Senator GRASSLEY and Senator JEPSEN. The amendment regarding the bridge over dams program is offered on behalf of Senator BAKER.

Mr. President, the Kootenai River Bridge—more commonly known as the Bonner's Ferry Bridge because of its location in the town of Bonners Ferry—is a vital link in North-South U.S. Highway 95 and East-West U.S. Highway 2 in northern Idaho. U.S. Highways 95 and 2 are the only major in-State highways connecting southern Idaho with the northern sections of the State as well as the whole of Idaho with northwest Montana, eastern Washington, and Canada. The importance of these highways to Idaho's commerce cannot be overstated. They provide a conduit for commercial traffic within Idaho, between sister States, and with Canada.

Many industries in Idaho including the forest products, mineral extraction, and agricultural industries, are dependent on these highways for their growth and well-being. Further, there are high levels of private travel, including tourism, using these convenient routes as a means of travel within the Pacific Northwest.

However, the continued use of U.S. Highway 95 and U.S. Highway 2 is jeopardized by the deterioration and unsafe condition of the Kootenai River Bridge. This vital link in U.S. Highway 95 and 2 was built almost a half century ago in 1933. It is a two lane multiple span steel truss bridge 1,256 feet long and 19.8 feet wide. It was adequate for the kind and level of traffic for which it was designed almost 50 years ago but is now unsafe for highway travel. Its current sufficiency rating is an extremely hazardous 2.6.

It is imperative that funds be allocated to the replacement of this bridge. We are fortunate that the condition of the bridge has not resulted in any accident fatalities, but we cannot wait until someone is killed or injured before we address this matter. There have been several instances where heavily loaded trucks have gone out of control on the bridge and its approaches. The outmoded engineering standards and design of the bridge are major factors in causing these situations. The bridge is only 19.8-feet wide and yet supports two lanes of traffic traveling in opposite directions. The approaches to the bridge are characterized by an extremely steep downhill grade on one side and a very sharp elbow turn on the other. There are no suitable alternate or detour routes to relieve the high volume of traffic much of which consists of heavy load truck traffic.

The cost of replacing this structure with a much needed four-lane structure is estimated to be about $12.2 million and will take approximately two construction seasons to complete. Idaho's fiscal year 1982 apportionment bridge replacement and rehabilitation funds are projected to be only $4.1 million. The cost of replacing the Kootenai River Bridge is almost three times the State's annual bridge apportionment.

There is no doubt that this bridge needs replacement and that such work should begin immediately. It was projects such as this which the Congress had in mind when they created the Discretionary Highway Bridge Replacement and Rehabilitation Fund. I urge the Secretary of Transportation to give the Kootenai River Bridge priority consideration.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 630) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent to have printed in the RECORD a table, revised table 5, to reflect the decisions made by the committee with respect to the redefinition of interstate completion and to reflect other changes as noted in the table.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

REVISED TABLE 5.—ESTIMATED FEDERAL-AID AND STATE MATCHING FUNDS TO COMPLETE THE SYSTEM AND APPORTIONMENT FACTORS FOR DISTRIBUTION OF FISCAL YEARS 1983 AND 1984 AUTHORIZATIONS

[Revised from addendum table 5 of Committee Print 97-1 to reflect: (1) withdrawals under 23 U.S.C. 103(e)(4) of interstate routes in California, Indiana, Maryland, Minnesota, New Jersey, and Tennessee; (2) adjustments to unobligated apportionments resulting from withdrawals and changes in discretionary allocations; (3) corrections to cost to complete in District of Columbia, Kentucky, Maine, and Montana; (4) limited additional lane costs; and, (5) essential environmental requirements]

State	Estimated (required to complete system, in thousands)		Apportionment factors (percent)
	Federal-aid and State matching funds	Federal share of funds	
Alabama	$813,498	$732,148	2.682
Alaska			
Arizona	455,746	429,814	1.575
Arkansas	72,285	65,057	.238
California	3,004,582	2,749,793	10.073
Colorado	561,756	514,097	1.883
Connecticut	824,100	741,690	2.717
Delaware			
District of Columbia	328,646	295,781	1.084
Florida	1,622,865	1,460,579	5.351
Georgia	1,276,805	1,149,125	4.210
Hawaii	654,084	588,676	2.156
Idaho	136,208	125,720	.461
Illinois	437,176	393,458	1.441
Indiana	106,288	95,659	.350
Iowa	320,035	288,032	1.055
Kansas	257,395	231,656	.849
Kentucky	820,311	738,280	2.705
Louisiana	1,565,053	1,408,548	5.160
Maine	46,653	41,988	.154
Maryland	2,043,891	1,839,502	6.739
Massachusetts	912,453	821,208	3.008
Michigan	526,558	473,092	1.736
Minnesota	586,803	528,123	1.935
Mississippi	70,898	63,808	.234
Missouri	288,369	259,532	.951
Montana	167,350	152,640	.559
Nebraska			
Nevada	164,219	156,008	.572
New Hampshire	92,155	82,940	.304
New Jersey	917,173	825,456	3.024
New Mexico	98,923	91,494	.335
New York	1,632,554	1,469,299	5.383
North Carolina	330,753	297,678	1.091
North Dakota			
Ohio	518,308	466,477	1.709
Oklahoma	275,823	248,241	.909
Oregon	347,265	330,666	1.211
Pennsylvania	1,620,954	1,458,859	5.344
Rhode Island	598,956	539,060	1.975
South Carolina	372,858	335,572	1.229
South Dakota	14,488	13,197	.048
Tennessee	256,796	231,116	.847
Texas	1,407,362	1,266,626	4.640
Utah	440,447	414,769	1.519
Vermont	10,363	9,327	.034
Virginia	1,056,458	950,812	3.483
Washington	1,185,677	1,074,698	3.937
West Virginia	763,446	687,101	2.517
Wisconsin	112,247	101,022	.370
Wyoming	62,767	58,097	.213
Total	30,182,800	27,297,331	100.000

Mr. PROXMIRE. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. PROXMIRE. I wish to have a very short colloquy involving the Senator from New York and the Senator from Idaho (Mr. SYMMS), and I understand that has been cleared by the various parties involved. If we can proceed, I believe we can handle it in less than 2 minutes.

Mr. BAKER. Will the Senators withhold that colloquy until the chairman of the committee has an opportunity to make a statement at this point?

Mr. STAFFORD. Will the distinguished Senator yield?

Mr. BAKER. I yield.

Mr. STAFFORD. Mr. President, on April 28, I joined several of my distinguished colleagues in introducing S. 1024, the Federal-Aid Highway Improvement Act of 1981. On September 30, the Environment and Public Works Committee favorably reported S. 1024 by a vote of 14 to 2.

The committee held 10 days of hearings in Washington and throughout the country on the needs of the Federal-aid highway program and received testimony from the Department of Transportation, State and local transportation officials, environmentalists, industry representatives, and private citizens.

Testimony received during the hearing process indicates that the highway needs in this country are great and growing every day. At the same time, revenue sources are shrinking and inflation has increased the cost of highway construction far beyond what any of us could have imagined 10 years ago. During the last 10 years, the cost of maintaining a mile of road has increased over 110 percent. and the cost of constructing or reconstructing a mile of road has increased over 190 percent.

Federal participation in this country's highway program goes back to the Federal-Aid Road Act of 1916. One of the important components of the policy established by that act was the kind of Federal-State relationship whereby the responsibility for the construction, ownership and maintenance of the highways belonged to the States.

During the last 65 years, the primary role of the Federal Government has been to provide a substantial portion of the capital funds for new construction. Those funds have provided this country with a highway network that provides our commerce and our citizens with mobility unsurpassed in the history of the world.

Having achieved that goal, we must reassess the Federal interest in the highway program.

The Federal Government can no longer afford the massive capital investment required for major new construction projects. Resources must be directed to the protection and maintenance of the capital investment already made by Federal, State and local governments in existing roads.

Revenues at all levels of Government are experiencing a decline. After the cost allocation study is completed next year, the Environment and Public Works Committee will be examining the revenue structure of the highway trust fund including the equitable distribution of fees among all classes of highway users. Because of finite resources, Federal funds will have to be more carefully targeted where there is a clear Federal interest. S. 1024 takes a significant step in accomplishing that goal.

First, this bill will expedite completion of the Interstate System by providing a definition of what a safe, connected, environmentally responsible Interstate System is and make that goal attainable in a reasonable amount of time. The Interstate Highway System celebrated its 25th birthday this year. When the highway trust fund was authorized in 1956, the Interstate System's 41,000 miles was envisioned to be completed by 1969 at a cost of $27 billion. Now 25 years later, 40,000 miles of the system are open to traffic and it is the safest network of roads in the world.

However, the remaining 5 percent of the system now has a price tag of $53.8 billion. Because of inflation and the eligibility of upgrading items on segments that are considered complete, the current level of spending is not reducing this figure at all. In fact, we are finding ourselves further and further from completing the system.

The redefinition of interstate completion in this legislation does not change any of the environmental statutes which currently apply to projects constructed with Federal-aid highway funds. All of these requirements will continue to apply to interstate construction projects as they have in the past. The committee amendment offered today further clarifies that on gap segments, approved staged construction, and segments originally built without interstate funds which require major upgrading work essential environmental requirements including pedestrian/bikeways, noise abatement measures, landscaping, rest areas and scenic overlooks will continue to be eligible for interstate construction funds.

The interstate completion definition in S. 1024 will permit remaining resources to be concentrated on maintenance of the existing system. S. 1024 expands the interstate 3R program by adding the fourth R—reconstruction—and makes $7.7 billion available in this category from fiscal year 1982 through 1986.

This legislation also preserves a minimum one-half percent interstate construction apportionment for all States. Those States who made an early commitment to expeditiously complete the Interstate System, often at the expense of the rest of their highway network, should not be penalized.

Second, this legislation continues the Federal commitment to the primary system and the bridge program. S. 1024 authorizes $7.8 billion for the primary system and $5.7 billion for the bridge program through fiscal year 1986.

Third, this legislation continues the Federal participation in the rural, urban, and safety programs, recognizing in particular the importance of the rural system's farm-to-market roads in the economy of this country. I believe this also recognizes that States and localities are assuming responsibility for many additional programs and they must be given sufficient time to raise additional revenues.

Finally, this legislation consolidates many of the small, categorical grant programs in order to give States and local governments improved ability to set their own priorities.

Through the reconciliation process, an obligation limitation was established for the Federal-aid highway program for fiscal year 1982 of $8.2 billion. Subsequently, the President requested an additional 12-percent reduction for all programs including the highway program. During committee consideration of this legislation, the President's additional budget reduction request was incorporated into S. 1024 and the obligation limitation for fiscal year 1982 was reduced to $7.2 billion. This reduction was incorporated with the understanding that the obligation limitation would be reviewed during further consideration of S. 1024 by the full Senate. The Environment and Public Works Committee will carefully consider the action taken by the Senate Appropriations Committee in setting an obligation limitation of $7.7 billion for fiscal year 1982.

A great challenge lies ahead. The existing network of roads and bridges that serves us so well must not be allowed to deteriorate beyond reasonable repair because replacing this system is beyond our financial capability. At the same time, preserving this system must be accomplished with a finite amount of financial resources.

I do not believe it is the proper role of the Federal Government to provide funds to meet all the States' highway needs. S. 1024 seeks to determine what the Federal Government can best accomplish and what can best be done at the State and local level. I believe S. 1024 represents a commitment of the Federal Government to work with the States and localities in responsibly preserving the existing highway system. I believe our highway needs can be met with the cooperation of Federal, State, and local governments, and all those who have an interest in this country's highway system.

I thank my distinguished colleague from West Virginia, Senator RANDOLPH, who served this committee as chairman for many years and now serves it with equal distinction as the ranking minority member. I also want to thank my distinguished colleague from Idaho, Senator SYMMS, who has so ably served the committee as chairman of the Transportation Subcommittee, and my distinguished colleague from Texas, Senator BENTSEN, as the very able ranking minority member of the Transportation Subcommittee.

As chairman of the Environment and Public Works Committee, it has been my intention to carry on the spirit of cooperation and commitment of working together established by my distinguished predecessor. I am very gratified by the cooperation which has been exhibited throughout this process by my distinguished colleagues.

Mr. BAKER. Mr. President, I yield now to the distinguished ranking minority

member of the committee, the former chairman of the Environment and Public Works Committee, the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I join with my colleague in supporting S. 1024, reported from the Committee on Environment and Public Works on October 7, 1981. This bill continues the existing Federal-aid highway program for 5 years through fiscal year 1986. The total level of funding authorized is $45 billion.

This authorization level, on an average basis, is somewhat lower than that contained in the Surface Transportation Assistance Act of 1978 which authorized $42 billion for highway improvements through fiscal year 1982. This year the committee has reviewed the fiscal year 1982 authorization levels. He reviewed the overall needs of the highway program through the middle of this decade. Major hearings were held in Washington, D.C. and in other parts of the country as part of this effort.

Evidence gathered indicated several deep-rooted and increasing problems face the highway program, not only the further construction of our highways but also the rehabilitation of our highways which is something that we must give attention to not only at the Federal level but particularly in the State levels.

First, since the Federal gasoline tax of 4 cents per gallon has not been increased since 1959, revenue into the highway trust fund has begun to decline. It is anticipated in the current fiscal year total revenues will be lower than expenditures. This is the second consecutive year for this problem. Second, rising construction costs, particularly related to inflation, have hampered the ability of the States to construct and adequately maintain this country's highway network. Third, many segments of our highways, particularly on the Interstate System, are beginning to reach their design life. They need major rehabilitation.

Given these problems and the fact that States have also experienced declining revenues for highway work, the Federal Government should carefully examine its role and responsibilities in the highway program. The committee has begun to do this by reporting to the Senate S. 1024. This legislation, for the first time in many years, reflects a smaller Federal involvement in the highway construction program. This legislation gives the Federal interest primarily its role in completing and maintaining the Federal-Aid Interstate System. The Federal Government has made a substantial investment, approximately $70 million, in building 95 percent of the designated 42,500-mile system. This investment must be maintained and this bill, while continuing the goal of completing the system, begins to provide sufficient authority to the States to do a better maintenance job on this vital network of roads.

This does not indicate that other needs do not exist on our highways and that the Federal Government should not meet these needs. The Federal-aid primary system is important in providing mobility of our people and in moving goods to market. Replacement and rehabilitation of deteriorating bridges is also a critical problem and one in which the Federal Government must be involved. We must provide a safe and efficient transportation system. The second annual report to the Congress on the bridge program by the Secretary of Transportation estimates that $41 million is needed to replace or rehabilitate the deficient bridges in this country.

S. 1024 provides authorizations for the bridge program, while not totally adequate, at least the authorization levels indicate the continued support of the Senate for this vital program.

Mr. President, while viewing these problems in perspective, the most pressing need in our highway program is to complete the Interstate System. For the past 25 years under the Federal-Aid Highway Act of 1956, the States, as partners with the Federal Government, have been working on a national system of interstate and defense highways. Congress authorized this system at 42,000 miles and provided authority for the Secretary of Transportatiin, in consultation with the States, to designate the routes on this system.

As of the end of fiscal year 1981, Federal and State governments have expended approximately $70 billion to complete 96 percent of the designated Interstate System. In January of 1981 the Department of Transportation submitted the biannual estimate of the cost to complete this highway system which is required for apportioning authorized funds among the States. That document estimates the remaining cost of the system to be $53.1 billion for approximately 4 percent of the mileage.

Mr. President, at current authorization levels this could take another 20 years or more to complete our Interstate Highway System. With the continuing inflation which the highway program has experienced, this $53.1 billion could rise to equate the remaining 4 percent with the cost of the previously completed 96 percent. Coupled with this completion problem is the growing concern that approximately 10 percent of the Interstate System is currently in need of full rehabilitation and restoration. To catch up on the backlog of unmet needs could cost $18 to $20 billion and an additional several billion dollars added to this backlog each year as segments of the Interstate System grow older and carry greater traffic volumes than anticipated.

I seriously question if interstate completion is a realistically achieveable goal. The committee shared this view and studied various alternatives to revise the definition of completion. Based on the hearings held, the committee ultimately decided to reduce the items eligible for inclusion in the cost estimate to a total of $35.1 billion. Under the new definition of completion, lanes on the Interstate System would be limited to six in rural areas and urban areas of up to 400,000 population and eight lanes in areas of 400,000 population or more. Completion would include full access control, engineering, minimum right-of-way requirements, grading, erosion control, drainage, interchanges structures, pavement, shoulders, signing, lighting, guardrails, and fencing. In addition, on segments currently open to traffic but not to full standard, work could include additional lanes, redesigning of interstate interchanges and grade separate structures.

Generally speaking, items no longer eligible for interstate construction funds would include weigh stations, pedestrian and bikeway facilities and certain added costs for special features not essential to meet highway design and safety needs or environmental requirements.

It is important to note that in setting lane limitations on the Interstate System for approval by the Secretary that it is not the committee's intent to limit to eight lanes those portions of interstate highways which carry more than one route. If two routes on the Interstate System have a common right-of-way and alinement for some miles, the Secretary should then approve lanes in excess if studies indicate they are necessary to handle anticipated traffic volumes.

Section 102(b) of this bill also limits the costs eligible for regular interstate funds to those items, locations, and design concepts, included in the 1981 interstate cost estimate. This provision prevents the States from redesigning an interstate segment which would result in a higher cost and constitutes an actual ceiling exclusive of inflation on construction projects. The bill amends the authorization for interstate construction to authorize $3.1 billion for fiscal year 1983; $3.5 billion for fiscal year 1984; $3.4 billion for fiscal year 1985, 1986, and 1987; and $3.65 billion for each of the fiscal years 1988 through 1990. With these authorizations in place, it is hoped that sufficient funding will be provided to complete the Interstate System by the early 1990's. I fimly believe that this is the most important part of our Federal road program at this time.

No less important is the increased emphasis given to the reconstruction and rehabilitation program. This program, referred to as the 4R program, is designed to provide funds to the States to maintain the Federal investments in our interstate Highway System and to provide the States with moneys to undertake work that has been excluded as part of initial interstate construction under the new definition provided in this measure. The bill changes the formula for apportionment for this program to 60-percent lane miles and 40-percent vehicle miles traveled. This change is made necessary by the increased burdens placed on our highway pavement because of traffic volume.

However, of greatest importance in this program is the new funding levels provided by the legislation. For fiscal year 1982, the bill raises the authorization from $275 million, and increases it in subsequent fiscal years to $1.3 billion, $1.7 billion, $2.2 billion by fiscal year 1987. This funding level increase demonstrates the committee's commitment to the maintenance of our investment in the Interstate System. It shows that this should be the highest priority next to completion of the interstate.

With respect to the 4R program, an additional item should be discussed. Under a recent interpretation by the Federal

Highway Administration, the Davis-Bacon Act regarding prevailing wage rate determinations would not apply to the rehabilitation category. I do not believe that by using the phrase "initial construction" in 23 U.S.C. 113(a) that the Congress intended to limit this to only first-time construction. Reconstruction or rehabilitation is certainly major work not usually done by force account. It is my interpretation that "initial" was placed in the statute to distinguish construction from routine maintenance. The use of the term highway project is significant.

When a new road is built with Federal funds, the work being done on that highway project is subject to Davis-Bacon. When the same road is reconstructed or resurfaced 20 years later with Federal funds, it is not the same highway project, but rather a new highway project with a new project number. The initial work on the new highway project is also subject to Davis-Bacon. The language cannot be interpreted differently.

To confirm the intent of the phrase "initial construction work" we only need to look at Senate report 1340 which accompanied S. 3418 on June 28, 1968. Let me read you the title of that section of the committee report: "Extension of Davis-Bacon Act To Construction on All Federal-Aid Highway Projects." Quoting further from the report:

> The major exception, however, is the regular Federal-aid highway construction program. The committee can find no reasonable basis for this exception. Therefore, the committee recommends that the provisions of the Davis-Bacon Act be extended to cover the construction workers on the ABC highway system.
>
> The Committee further recommends amendment of the application of the Davis-Bacon Act to all Federal-aid highway projects by withholding its application to apprentices or those in skill improvement programs operated in connection with the equal opportunity program.

Thus, in extending the application of Davis-Bacon to the regular Federal-aid highway program, there can be no doubt the Congress intended that Davis-Bacon apply to all Federal-aid highway programs.

One further category of Federal assistance deserves mention because of its importance to our overall highway program. The bridge replacement and rehabilitation program is an integral category in our Federal program. With an estimated cost of over $41 billion to replace and rehabilitate deficient bridges the Congress cannot do otherwise than provide funding. Authorizations for this program are $700 million for fiscal year 1982, increasing to $1.1 billion for fiscal year 1983 and $1.3 billion for fiscal years 1984 through 1986. The bill continues the $200 million discretionary bridge program designed to fund unusually high cost bridges over major waterways.

With the bridge inventory over 95 percent complete, the committee chose to modify the formula for distribution of these funds. Under this formula, bridges are divided into four categories. The committee determined that Federal-aid system bridges should have the highest priority. To take this into consideration, the square footage of each deficient bridge on the Federal-aid system is multiplied by a factor of 2 when determining the State's apportionment. To equate costs, the committee further provided that square footage of deficient bridges in each category is multiplied by a national average unit cost on a State-by-State basis and the total cost in each State is divided by the total cost of the Nation's deficient bridges to yield the apportionment factor.

In continuing the discretionary bridge program, the committee designated three bridges as eligible for funding under this category. Earlier this year, in the supplemental appropriations bill, the Congress, by legislative history made in the Weirton-Steubenville Bridge eligible for participation under this program. I emphasize the importance of constructing a replacement bridge at Weirton to the efficient flow of people and goods across the Ohio River in this major industrial area. The $65 million needed for this project will be well spent by reducing dangers to the traveling public and increasing the effective movement of goods.

Mr. President, as highway costs rise, particularly for asphalt pavement, the highway programs of this Nation must look for innovative technologies which will reduce the cost of building and reconstructing our highways. One such innovation is a process called "Chem-Crete" which has been developed as an asphalt paving material which will significantly reduce the life-cycle cost of asphalt pavement. This technique promotes durability and increases asphalt properties such as strength characteristics. Many States should undertake pilot demonstration programs to determine if Chem-Crete will provide the benefits claimed by its producers. I recommend that the Federal Highway Administration become actively involved in promoting the use of innovative technologies such as Chem-Crete.

Mr. President, I discuss the funding level for fiscal year 1982 contained in this bill. In 1978 the conference committee on the Surface Transportation Act authorized $7.8 billion for the Federal-aid highway program for fiscal year 1982. This level was set in a somewhat lower level than in prior years as the committee attempted to reach a $42 billion target authorization level. It was the stated intent at that time to review this funding level prior to the beginning of fiscal year 1982.

Earlier this year the committee reported to the Senate its views on Federal-aid highway needs over the next 5 years. The level of authorizations was targeted at $48 billion, which included an authorization level for fiscal year 1982 of $8.6 billion. When S. 1024 was marked up by the committee on September 30, the fiscal year 1982 funding level was reduced to $7.6 billion with a related obligation ceiling of $7.2 billion. This is a reduction of $1 billion in each from the level established earlier for authorizations and in the reconciliation bill for obligations.

While S. 1024 continues to provide highway funding, the level of assistance is dramatically reduced. States must share a greater responsibility for meeting highway transportation needs on systems below the interstate and primary levels. I question this additional 12-percent reduction in the program and believe that the funding levels endorsed earlier this year by the committee is the best way to meet these needs. I am against a meat-ax approach to budget reductions. I endorse a reasoned, commonsense approach to such reductions.

The highway program is paid for by the users through the imposition of fuel and excise taxes and should not bear this further reduction. A program funded through a trust fund composed of dedicated taxes should not be used as a balanced budget tool. Users who pay for a system should be entitled to an adequate highway system for which they paid.

Mr. President, even with these concerns, I support S. 1024 but would hope that a reasoned approach to authorization levels can be worked out during consideration of this bill. My major concern is the fiscal year 1982 funding level. The funding for the bill in the other fiscal years is adequate even though a most prudent program would call for higher levels of funding. I urge my colleagues to support the bill as recommended by the committee to provide long-term certainty for the Federal-aid highway program.

Mr. President, I wish to thank the staff of the Environment and Public Works Committee for their diligent efforts to bring this measure to this Chamber. I commend Jean Schrag, Richard Harris, Mike Nee, Lee Fuller, Sam Routson, Bailey Guard, and John Vago.

I thank the Presiding Officer and also the able chairman of the committee, Mr. STAFFORD.

Mr. STAFFORD. I thank the distinguished Senator from West Virginia.

I yield to Senator PROXMIRE for the purposes of a colloquy.

Mr. PROXMIRE. Mr. President, I inquire of the distinguished manager of this bill the intention of the language contained on page 5 of the committee report relative to the Westway project (I–478) in New York City. Under the interstate cost estimate submitted by the Department of Transportation earlier this year, the estimated cost of this project is $1.4 billion in 1979 dollars. The committee's redefinition of the Interstate System would have reduced Westway costs by approximately $30 million by eliminating certain environmental features of the project.

I ask the distinguished floor manager if it is his understanding that the language contained in the committee report would restore only this $30 million to the cost estimate?

Mr. SYMMS. Mr. President, the Senator from Wisconsin is correct. The language contained in the committee report was intended to restore to the cost estimate for Westway costs associated with environmental features particularly landscaping and HOV lanes. The committee has now agreed to an amendment which restores environmental requirements to the interstate cost estimate for gap segments. This amendment makes the language contained in the committee

report moot since the exact same features are covered by both provisions.

Mr. MOYNIHAN. Mr. President, I concur in the views of the distinguished floor manager. It was my intent when I offered report language that this be limited to features deleted by the interstate redefinition. It was not my intention to expand the items of eligibility associated with the Westway project but rather to clarify that the project as designed and approved by the FHWA is eligible for 90 percent Federal funding. Neither the amendment nor the report language adds features or elements to the interstate cost estimate for this project which are not currently eligible under existing law.

Mr. SYMMS. Mr. President, I ask unanimous consent that a memorandum describing the adjustments to the Westway project cost estimate be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF FEDERAL HIGHWAY ADMINISTRATION ADJUSTMENTS TO 1981 INTERSTATE COST ESTIMATE FOR I-478 WESTWAY AS SUBMITTED BY NEW YORK STATE

Under Title 23 of the United States Code, Federal-aid funds are available to States for completion of the Interstate System, with Federal share funding at 90 percent of the actual cost of Interstate construction projects. Federal Interstate funds are apportioned annually on the basis of each State's relative share of the cost of completing the total Interstate System. The State apportionment ratios are revised every 2 years on the basis of current estimates of cost of the completion of the then designated Interstate System, prepared by the Federal Highway Administration, in cooperation with State highway departments, and approved by the Congress.

In preparing the report to the Congress on the 1981 Interstate Cost Estimate, the Federal Highway Administration reviewed individual route-by-route estimates submitted by States to assure that only those costs eligible for Interstate funding were included and to assure that any potential cost savings or monetary benefits which might be realized as a result of particular projects were credited to the estimated cost.

In the review of the 1981 cost estimate for the Westway Highway, I-478, in New York City, approximately $352 million in costs were identified as items not likely to be eligible for Interstate financing, items subject to potential cost savings, and items generating credits to the project. In the report to the Congress, these items were used to adjust New York's estimate of cost for the Westway. The adjustments were made without prejudice to future decisions on the extent of Federal-aid Interstate participation and on credits to the project. Actual amounts will be decided during the project development, right-of-way acquisition, and construction phases.

Further, these deductions will be subject to review and appropriate modification in future cost estimates as project development activities advance and decisions are made on eligibility and credits. Comparable adjustments were made to the 1977 and 1979 New York cost estimates. The following breakdown summarizes the specific adjustments made to the 1981 New York cost estimate:

Combined Federal and State Shares

	In billions of dollars
New York State cost estimate	$1.762
Total estimate allowed by DOT	1.410
Adjustments	0.352

Breakdown of adjustments—State and Federal

	In thousands of dollars
Items not eligible for FAI funding because of statutory restrictions:	
Extension of northbound roadway to accommodate toll connections	8,045
Additional access roads at Brooklyn-Battery toll tunnel	2,874
Total	10,919
Items not eligible for FAI funding because not in accordance with DOT design policies and standards:	
Connection of new elevated portion of highway to existing viaduct at 41st Street	6,900
Local street improvements and associated right-of-way costs on 14th and 15th Streets, east of West Street	25,454
Excess sewer capacity to be provided for maintenance and cleaning purposes	21,801
Unnecessary structure over 14th Street between ventilation buildings	594
Previously authorized demolition work	440
Total	55,189
Review findings resulting in a net cost increase:	
A net increase in right-of-way acquisition costs resulted when errors found in the right-of-way cost estimate for one major parcel exceeded the deduction made for a betterment in the functional replacement of the Gansevoort Incinerator	3,292
Total increase	3,292
Savings anticipated as result of design refinements:	
Reduction in unit costs and quantities of work associated with excavation at tunnel; concrete for footings, pile caps, and walls of the tunnel; and lighting at the tunnel	61,541
Total	61,541
Cost reduction based on future value of landfill:	
A landfill between Battery Park City and 34th Street will create excess land not required for highway purposes but expected to have substantial tangible value for commercial purposes. The current estimated value must be credited to the project costs. Final decisions on the amount of credit and the method of crediting it will be made as the project develops	227,865
Subtotal	227,865
Total	352,222

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MOYNIHAN. Mr. President, I thank the distinguished floor manager and my friend from Wisconsin for their cooperation in this matter.

Mr. PROXMIRE. I thank both Senators for their very helpful responses.

Mr. STAFFORD. Mr. President, I am glad to yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. I have this further comment in connection with the measure currently being considered. I feel that sometimes someone might say it is rather customary or window dressing but as Senators know we do change in our committee structure and we have new members of this committee who come to us. This is certainly true this year and Senator SYMMS is doing a fine job as new chairman of our Subcommittee on Transportation.

I wish the RECORD to reflect that I, a member of the minority, look with favor as I always do upon Senator STAFFORD because of the cooperative effort. But we are dealing with subject matter which does not allow itself to have a surfacing of politics. This is America which needs the mobility of its people, moving back and forth across this great highway system. We need this system of highways, roads, and bridges to do what? Move the products of the field, the factory, and the mine to the consuming public.

I appreciate the work done especially by Senator SYMMS, the chairman of the subcommittee, as I have indicated acting with all members of our committee in matters of importance which we attach to this developmental program for the betterment of America and our people.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. SYMMS. I thank the distinguished Senator from West Virginia for those kind remarks and I wish personally to thank him and Senator BENTSEN and others in the minority of their cooperation in bringing this bill to the floor of the Senate.

And I certainly wish to express my appreciation to our distinguished chairman, Senator STAFFORD, for his help and also for the very able support of all the staff of both the Republicans and the Democrats for their cooperative effort to bring this bill here so that it can be passed in the most expeditious manner. I wish to thank Bailey Guard, John Yago, Jean Schrag, Sam Routson, Dick Harris, Mike Nee and Lee Fuller for their assistance.

I quite agree with the Senator from West Virginia that there is no room for partisanship when it comes to the highways of this country and we certainly need to continue with a highway program that will see that we can get the products moved from the cities, the farms, and so forth. And I thank the Senator.

Mr. RANDOLPH. Mr. President, will the Senator yield again to me?

Mr. STAFFORD. I yield.

Mr. RANDOLPH. I note the presence in the Chamber of the ranking minority member of the Subcommittee on Transportation. We remember him, of course, earlier when he was chairman of the Subcommittee on Roads. That is what we used to call the subcommittee.

Mr. BENTSEN. That time may come again.

Mr. RANDOLPH. It may come again but we do know that the subcommittee through Senator BENTSEN's leadership has given us a broader look than just the road system of the country. The transportation complex is one that is very challenging.

Mr. BENTSEN. I made reference to the chairmanship.

Mr. STAFFORD. Mr. President, I wish to be associated with what my dear friend

Senator RANDOLPH has said about the chairman of our subcommittee, Senator SYMMS. I think it was most appropriately said.

I yield now to Senator BENTSEN.

Mr. BENTSEN. Mr. President, I also wish to add my comments about my pleasure in working with Senator SYMMS. He has been most cooperative with the minority and I think we have brought forth a good bill. We had extended days of hearings and we are facing the problem, of course, with the ice estimates, with completion of the intercontinental highway system and in that situation some of these States are running out of money. It is terribly important that we get this bill through.

I hope we frankly can resolve our differences with the colleagues over in the other House in order to see that we have fruitful legislation passed and in effect in very short order.

I enjoyed working with the distinguished chairman of the committee and with my old friend the former chairman who has had such a great interest in the highway systems of this country.

Mr. President, S. 1024, the Federal Aid Highway Improvement Act of 1981 is a major effort to reform the Federal-aid highway system and a responsible effort to make maximum effective use of limited Federal revenues.

S. 1024 is a product of many days of hearings at which witnesses from the administration, State, local, and regional governments, the highway industry, environmental groups and others presented testimony. Throughout these hearings and during deliberations by the Committee on Environment and Public Works it was evident that only a fiscally responsible bill would do—a bill that reflected our willingness to live within the limits of the highway trust fund and yet a bill that addressed the most urgent national highway needs.

We all know that in these times of fiscal austerity, in these times of rising construction costs—a significant portion of which is due to inflation—that our ability to construct and adequately maintain our Nation's highway system has been severely hampered. The basic question then, is not only how much money the Federal highway program needs, it is how best to allocate severely limited Federal resources to the various categories, the sum total of which comprise the Federal-aid highway program. It is how to target the funds to areas of greatest Federal interest.

Mr. President, in my view, S. 1024 is a step in the right direction toward achieving this objective. Completion of the Interstate System continues to be a high priority. The estimated cost-to-complete definition is changed from the unacceptable cost definition contained in existing law to one that is achievable when actual resources are considered. By adding a fourth R—reconstruction—to the 3R program that currently exists, S. 1024 recognizes that much of the Interstate System is reaching the end of its design life and requires major reconstruction.

S. 1024 recognizes that a Federal interest in the rural and urban system exists but is not as great as in the primary system. S. 1024 continues to address the bridge needs of our Nation but it recognizes that bridges on the Federal-aid highway system are of greater interest to the Federal Government than those off the Federal-aid highway system.

Mr. President, I would like to comment on the level of funding proposed. S. 1024 is a 5-year bill. The authorization level of $7.2 billion in 1982 increases to more than $10 billion in 1986. It provides an obligation limitation of $7.2 billion in 1982. The Senate this week, in passing the Department of Transportation appropriations bill, raised the obligation limitation from the $7.2 billion contained in S. 1024 to $7.7 billion.

Whether $7.2 billion or $7.7 billion, these figures should not be construed as a true measure of the magnitude of our Nation's actual highway needs. The program could use substantially higher levels of funding.

However, Mr. President, these are prudent levels of funding. We have chosen to live within our means. We have maintained the user pay principle. We have provided levels of expenditures that are consistent with present economic realities.

Now, allow me to highlight the more important aspects of this bill.

First it provides a definition of interstate completion that will reduce the current interstate cost estimate from approximately $53.8 billion to approximately $35 billion. It is essential that we take this step. During the 25 years that Federal funds have been provided to construct the Interstate Systems, in excess of $65 billion have been expended to complete slightly more than 95 percent of the designated interstate mileage.

For Congress to approve the current $53.8 billion cost estimate as a part of a major reform bill would be fiscally irresponsible. To retain such a definition of cost-to-complete will make it impossible to complete the Interstate System by 1990 or even by the end of the century. A more realistic estimate and level of Federal fiscal exposure is necessary and has been provided by this bill.

While reducing the interstate cost-to-complete by approximately $18 billion, S. 1024 will still provide acceptable service for users of the Interstate System. S. 1024 provides for full access control, for pavement designed to accommodate traffic anticipated for the 20-year life expectancy of the highway, a design of six lanes in rural areas and all urbanized areas under 400,000 population and up to eight lanes in urbanized areas of over 400,000 population.

When considering how to reduce the size of the interstate cost estimate, the Environment and Public Works Committee quite correctly took the position that it would be inequitable to apply a new restriction on the number of lanes that may be built on interstate gap segments, on staged interstate segments, or on those interstate segments that are open to traffic but that were built without Federal-aid interstate funds. In the past, States have been entitled to "one whole bite per interstate segment of the Federal-Aid interstate construction fund apple." For reasons of simple equity, States should continue to be so entitled in the future.

On the other hand, if a State desires to add lanes, intersections, or other improvements to an existing interstate segment that was originally built with Federal-aid interstate funds. It is reasonable to bar the further use of Federal-aid interstate construction funds, but permit the use of interstate 4R funds, on the basis that the State has had its "one bite."

Under the new definition of completion, those items eligible generally include engineering, minimum right of way, utility relocation, grading, erosion control, drainage, signing, lighting and guardrails. Generally excluded from eligibility for interstate construction funding would be items such as weigh stations, landscaping, pedestrian bike way facilities, noise abatement devices, some safety work and high occupancy vehicle lanes above the six- and eight-lane limitations set forth by the basic definition of the bill.

Mr. President, I will emphasize that the redefinition of S. 1024 does not prevent a State from building the features that have been excluded from the definition of the interstate cost estimate. Those items in the current interstate cost estimate that are no longer eligible for interstate construction funding will be eligible for interstate 4R funding.

S. 1024 provides $3.1 billion for interstate construction in fiscal year 1983 and a total of $27.775 billion through 1990. This is not enough money to complete the projected Interstate System anticipated by this bill to cost approximately $35 billion, but it is as much as may be responsibly contemplated for expenditure at this time. A future Congress will have to resolve the question of whether to further increase interstate construction funds or further reduce the ice.

Finally, S. 1024 retains ½ percent minimum funding for all States. This is significant because such a provision has not been retained in House bill 3210 passed this year.

Perhaps the most significant reform in this bill is that the existing interstate 3R program is expanded to include a fourth R—reconstruction. Mr. President, every study we have looked at indicates that highway deterioration is acute and accelerating. This bill recognizes that fact by providing $800 million of interstate 4R funding in 1982 up from the $275 million of funding in 1981 and a total of $7.7 billion from fiscal year 1982 through 1986.

I can think of no single provision in this bill, Mr. President, that is more important than this one. Maintenance of our investment in the Interstate System is as high a priority as completion of the Interstate System as expeditiously as possible.

The committee considered changing the Federal share from the 75 percent in the existing 3R program to 90 percent as provided for interstate construction. However, considering the austere times in which we live, the committee decided it is more appropriate to continue the

existing share of 75 percent so as to leverage more State funds with each Federal dollar.

The primary program remains unchanged except the priority primary program is eliminated. Mr. President, I know that elimination of the priority program is controversial and opposed by some States. I can only say that the program is simply not a priority item when compared to other Federal highway needs.

Both the Federal urban and the Federal secondary programs are significantly reformed. The existing Federal-aid urban system is abolished and all public roads in urbanized areas are eligible for Federal funds except those on the interstate or primary systems.

Similarly, the Federal aid secondary program is eliminated and a consolidated rural program is established making Federal funds available for all rural roads other than primary and Interstate Systems roads. S. 1024 further combines eligible projects now under the nonsafety portion of the safer off-system program and others.

S. 1024 amends section 120A of title 23 by providing that all new urban and rural projects will be funded with 50-percent Federal funds and 50-percent State matching shares rather than the 75-percent matching share of existing law. S. 1024 permits the States to transfer 100 percent of their apportionments between the primary system and both the rural and urban programs. If urban or rural program funds are used on primary roads, the Federal share would be raised to 75 percent without changing any States total apportionment. If primary program funds are used on rural or urban roads, however, the Federal share would be 50 percent.

S. 1024 places the decision of how best to spend their noninterstate Federal shares squarely with the States even while the bill induces the States to concentrate their Federal dollars on the primary roads that are a principle Federal responsibility, second only to the Interstate System itself.

Some limited funding is retained for highway safety improvement programs and individual safety categories are combined such as hazard elimination, rail highway crossing, rail relocation projects and safer off-system roads. S. 1024 provides that each State should expend 35 percent of its funds apportioned for highway safety improvements on rail grade crossing projects.

Mr. President, S. 1024 recognizes the continuing interest the Federal Government has in highway bridge replacement and rehabilitation. It recognizes, however, that the Federal interest in on-system bridges is greater than its interest in off-system bridges by multiplying by a factor of two for apportionment purposes, those deficient Federal aid on-system bridges or public roads functionally classified as major collectors.

Mr. President, S. 1024 also provides a number of other important sections that I will only mention in passing. These sections include emergency relief, rehabilitation of the Woodrow Wilson Bridge, gross vehicle truck weights on the Interstate System and designating of approximately 1,000 miles of Alaskan roads as completed interstate, thus making Alaska eligible, as are all other States, for interstate 4R funding.

Mr. President as we debate S. 1024 I hope that we will recognize that it is a step in the right direction—not a perfect bill, but a proper bill at this time.

It is a bill with inadequate funding when all our highway needs are considered but the best level of funding that could be provided.

It is a bill that recognizes the diverse needs of all the various States, and yet preserves the greatest amount of Federal funding for the Interstate System, both construction and reconstruction.

It is a bill that cuts back significantly the size of the interstate cost estimate.

It is a bill that funds each of the programs at levels in approximate proportions to the interests that the Federal Government has in these programs.

It is a bill that recognizes that an effective highway program requires long-range planning and long-range funding and as such S. 1024 is a 5-year bill.

Finally, Mr. President, S. 1024 conforms to the President's request that Federal expenditures for 1982 be reduced.

I hope that the Senate will keep these factors in mind as we move to consider this legislation.

UP AMENDMENT NO. 631

(Purpose: To close off priority primary funding to routes which have not received such funding and on which construction has not commenced)

Mr. PERCY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) for himself, Mr. EAST, Mr. DECONCINI, Mr. GOLDWATER, Mr. PRYOR, Mr. DIXON, Mr. CHILES, Mr. BUMPERS, Mr. MOYNIHAN, Mr. HUMPHREY, Mr. D'AMATO, Mrs. HAWKINS, Mr. RUDMAN, Mr. JEPSEN, and Mr. JOHNSTON, proposes an unprinted amendment numbered 631.

Mr. PERCY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, insert the following after line 25:

(2) $125,000,000 per fiscal year of the sums authorized for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, and September 30, 1985, by subsection (a)(1) of this section, shall not be apportioned. Such $125,000,000 of each such authorized sum shall be available for obligation on the date of apportionment of funds for each such fiscal year, in the same manner and to the same extent as the sums apportioned on such date, except that such $125,000,000 shall be available for obligation at the discretion of the Secretary of Transportation only for routes on which there have been obligated priority primary funds authorized by sections 104(c) of the Surface Transportation Assistance Act of 1978 and on which construction has commenced as of the date of enactment of this Act.

On page 8, line 1, strike out "(2)" and substitute "(3)".

On page 9, line 8, strike out "(3)" the first time it appears and substitute "(4)".

On page 9, line 12, strike out "(4)" and substitute "(5)".

On page 9, line 19, strike out "(5)" and substitute "(6)".

Mr. PERCY. Mr. President, the Federal Aid Highway Improvement Act, as reported by the Senate Environment and Public Works Committee, includes a provision eliminating the priority primary program. Along with my cosponsors, Senators EAST, DECONCINI, GOLDWATER, PRYOR, DIXON, CHILES, BUMPERS, MOYNIHAN, HUMPHREY, D'AMATO, HAWKINS, RUDMAN, JEPSEN, and JOHNSTON, I seek to amend this provision by restoring the program and closing off further funding to routes which have not received such funding and on which construction has not commenced. The priority primary program funds projects of unusually high cost which require long periods of time for their construction. Congress established the program in 1973 and reasserted its commitment in 1978 by increasing the level of funding to $125 million. The States are unable to undertake these projects without the special assistance provided by the priority primary program. The projects are essential for economic development and highway safety, and in my judgment, it would be false economy to eliminate their funding.

Let me briefly comment on two projects in my State with which I am familiar and I think by now Congress is quite familiar.

For more than 30 years, the Rockford to Decatur route has been the subject of discussion and study. For years, the route was considered as part of the recommended Interstate System, only to be dropped from the system during final review. Three years ago, the Congress declared the highway as a Federal priority. Today, the present two-lane highway has the highest ratio of trucks-to-cars in the State and carries over 10,000 vehicles per day—a number that rivals segments of the present Interstate System. It is projected that within the decade this route will carry more vehicles per day than presently travel Interstate 80 in Illinois.

The Quincy to Peoria route is equally crucial. The Department of Defense views this corridor as part of the Nation's strategic network and the narrow pavement, the deficient bridges and the insufficient capacity of sections of that highway demand attention.

Illinois has the busiest segment of the Interstate System and these routes are important to relieve interstate traffic. Mr. Chairman, these projects are not only vital to Illinois and the Midwest, but indeed to the country as a whole because of their strategic location.

Under the priority primary program we have given the participating States a clear and constant and continued signal of support. States have initiated plans, conducted engineering reports, purchased rights-of-way and proceeded with construction in anticipation of continued Federal support. It is important, as we seek to hold the line on Federal expenditures, that we not turn our backs on this commitment.

I recognize the budgetary restraints under which the committee must operate in assembling a comprehensive high-

way bill. I also recognize that we must concentrate limited Federal resources on programs of greatest concern, balancing budgetary needs.

For these reasons, I offer this amendment to establish a mechanism for those States which have committed substantial priority primary investments. Where States have adopted their highway plans and investments to reflect the Federal commitment to priority primary routes, the hold-harmless or grandfathering approach would be particularly appropriate. This amendment may be accommodated within the overall spending ceiling for programs under the highway trust fund.

The Senator from Idaho is aware of my concern for this program. I have testified before his subcommittee regarding this and, along with numerous colleagues, have written to him. Mr. President, I ask unanimous consent that the letter cosigned by my colleagues appear at this point in the RECORD, as well as a letter from Governor Thompson of Illinois.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 24, 1981.

Hon. STEVE SYMMS,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: We wish to express our strong support for continued funding for existing highway projects under the Priority Primary program.

The multi-year highway authorization bill now under consideration by the Committee, S. 1024, eliminates funding for the Priority Primary program. Under this program, states have received clear and constant and continued support from the federal government. States have initiated plans, conducted engineering studies, purchased rights-of-way, and proceeded with construction in anticipation of federal support.

It is important that we not turn our backs on this commitment and, for this reason, we believe that any proposal to eliminate the program should be done in concert with assistance to states that have committed substantial investments. We propose that the Committee consider coupling any recommendation to eliminate funding with a "hold-harmless" or "grandfather" provision for those projects currently underway.

Our request can be accommodated within the overall spending ceiling for programs under the Highway Trust Fund. Therefore, we hope you will restore funding for those priority projects for which the states have made substantial investments.

Charles H. Percy, Barry Goldwater, Alfonse D'Amato, John P. East, Paula Hawkins, Warren B. Rudman, Gordon J. Humphrey, Strom Thurmond, Mack Mattingly, Harrison Schmitt, Charles Grassley, Roger W. Jepsen, Daniel Patrick Moynihan, Dennis DeConcini, David Pryor, Dale Bumpers, Alan J. Dixon, Lawton Chiles, Sam Nunn, J. Bennett Johnston, United States Senators.

OFFICE OF THE GOVERNOR,
Springfield, Ill., October 30, 1981.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.

DEAR CHUCK: I want to thank you for your past support for the Priority Primary Program and for your current efforts to retain this important program in the Senate multi-year highway bill, S. 1024. Your public testimony before the Senate Environment and Public Works Subcommittee on Transportation (which drafted the bill) was vital in presenting the case for retaining the Priority Primary Program.

Priority Primary funding is an important component of Illinois' highway program, enabling the construction of highways designed for high traffic volumes in two Priority Primary corridors, U.S. 51 from Rockford to Decatur and the portion of the Chicago-Kansas City Expressway from I–180 to Quincy. Because of the high cost of these highway projects, it would be very difficult for Illinois to undertake them without the special assistance provided by Priority Primary funding. In Illinois, portions of new highway have been opened to traffic and work is underway which will soon result in additional completed mileage. The State has spent more than $260 million on its two Priority Primary routes.

The future of the Priority Primary Program is in doubt. As reported from the Committee, the highway bill, S. 1024, would totally eliminate the program. Such an action would seriously disrupt highway programs in those states which participate in the Priority Primary Program. Of course, the Committee must consider fiscal constraints when assembling a multiyear highway bill, but continuing this program would not require any increased funding.

I commend your vigorous efforts to convince your Senate colleagues to retain the Priority Primary Program in the future, even in a limited form. I will be happy to support this effort in any way possible.

Sincerely,

JAMES R. THOMPSON.

Mr. PERCY. Mr. President, I understand that the distinguished chairman of the subcommittee, the Senator from Idaho (Mr. SYMMS), would object to this amendment and would do so despite the fact that the 26-member delegation from Illinois is solidly for it.

We have, as you can see, a very large number of Senators who are cosponsoring it. This is one of the most popular programs of Representatives. I would appreciate an explanation as to why the Senator would object.

Mr. SYMMS. The Senator is correct. I understand the Senator's concerns. I think the Senator has made it very clear to me both personally and again here today on the floor, and I understand the problem that the Senator and the other Members of the Senate have.

I would just like to assure the Senator that we will view these concerns with understanding at the time we are in conference with the other body. I think that would be the best we could do today.

Mr. PERCY. What was that, that was the best that could be done?

Mr. SYMMS. I think the Senator has made his case very well and we are very sympathetic with his case.

I understand the Senator's concerns with the program, and I agree to share those views with understanding in conference with the other body.

Mr. DIXON. Mr. President, I am pleased to join my distinguished senior colleague from Illinois, Senator PERCY, in offering an amendment that would continue the priority primary program, although in a restricted manner. This is an important program, one that, with a relatively small amount of funding, plays an important role in providing vitally needed additions to our Nation's highway system.

Both the 1976 and the 1978 Federal Aid Highway Acts set aside funds for distribution at the discretion of the Secretary of Transportation in order to construct priority primary routes which are of unusually high cost and which require lengthy construction periods. Congress cited 11 routes in the 1978 act, including 2 in Illinois, and has added 7 more routes since then. Illinois and 13 other States—Arizona, Arkansas, California, Florida, Georgia, Iowa, Louisiana, New Hampshire, New Mexico, New York, North Carolina, South Carolina, and Texas—currently have projects underway.

These States, like all the States, are forced to use their regular primary program apportionments to maintain primary system routes. Highways around the Nation are wearing out more than twice as fast as they are being maintained, so rehabilitation and maintenance have to be the States' No. 1 priority. Nonetheless, there is a continuing need for funds to upgrade and add needed capacity to high priority, heavily used primary system roads.

Consequently, highway legislation now pending in the House of Representatives does not end the priority primary program. Rather, it increases funding to $175 million from the current $125 million authorization. Increasing the program level in this era of shrinking Federal highway programs provides an indication of the importance of and the continued need for the priority primary program.

The amendment Senator PERCY and I are offering will help provide the States with the extra help they need to continue to finance these high priority projects.

Mr. President, two Illinois projects are good examples of the types of projects that the priority primary program assists—the Rockford-Decatur expressway and the Chicago-Kansas City highway.

The Rockford-Decatur route runs for 156 miles through the center of Illinois. Because of the heavy traffic on this route, the State of Illinois is expanding the present inadequate two-lane road into a four-lane divided highway. Discussion and study of this project have been going on for over 30 years.

The project is important to Illinois. It provides the connection between Rockford and Decatur, the second and fifth largest cities in the State. It acts as a connector for five existing interstate routes; I–90, I–80, I–35, I–74 and I–72. This route was included in every recommended Interstate System plan since 1945, but was dropped from the plan that was finally adopted for cost reasons.

The Chicago-Kansas City route is another example of the type of project that is being aided by priority primary funding. The proposed freeway has been under discussion for over 20 years; it was the subject of a special study mandated by the Federal Aid Highway Act of 1973. In 1977, the Department of Defense called for upgrading the Chicago-Kansas City corridor as part of the Nation's strategic highway corridor network.

The segment of the route between Peoria and Quincy, a distance of 172 miles, is now served only by two-lane highways. These roads are inadequate, due to deficient bridges, narrow pavement, and insufficient capacity.

The problem caused by the inadequate highways along this route are continuing to grow. The area is rich in agricultural and coal resources. The urban areas along the route, including Peoria, Macomb, and Quincy, are sites of numerous manufacturing firms. The existing highways cannot meet the demand generated by economic growth in the area, and unless they are upgraded, might, in fact, impede that growth.

So far, the State of Illinois has spent more than $260 million in Federal and State funds on its two priority primary routes. Remaining work, however, could cost as much as $850 to $950 million more.

The State is moving ahead with the routes as rapidly as the dollars will allow. During fiscal 1982, Illinois alone is ready to proceed with projects that could effectively use more than $100 million in Federal funds. Federal priority primary allocations should be increased, or at least continued at current levels, therefore, so that work on these needed projects, and similar projects in the other 13 States, can continue.

Mr. President, I believe that it is particularly important to continue the priority primary program because the 14 States with projects relied on the Federal commitment—and particularly on Congress expression of support for the 18 projects now underway. Based on the Federal commitment, the States committed substantial resources of their own toward completing projects that they could not realistically finance any other way.

I think my colleagues should understand that, unless we keep the priority primary program alive for those projects on which work is now underway, construction on those projects will not just slow, but will probably cease altogether. Given the pressures on State road programs, they have no other choice.

I urge my colleagues, therefore, to support the amendment that my senior colleague from Illinois and I have offered. It is a modest amendment. It seeks to assure that the Federal Government will keep the commitment it made in the 1978 Highway Act. We have a responsibility to the States who relied on that commitment. We should not abandon it.

Mr. PERCY. I have had a request from my distinguished colleague from Florida (Mrs. HAWKINS) to make a comment at this point, and I am very happy to yield to her for that purpose.

The PRESIDING OFFICER. The Senator from Florida.

Mrs. HAWKINS. Mr. President, I thank the distinguished Senator from Illinois.

Mr. President, I want to associate myself with the remarks of the Senator from Illinois concerning the importance of retaining the priority primary program. This program is designed to fund high-priority projects on the primary highway system. Projects funded under this program in every case, connect to the Interstate System and are in fact an extension of that system. Primary projects are selected by each State highway department in consultation with appropriate local officials and are subject to the approval of the Secretary of Transportation.

Elimination of the priority primary program would cause serious delays in the completion of two essential projects in Florida. One project involves U.S. 19, between St. Petersburg and New Port Richey, and has an estimated completion cost of $175 million. The other project that would be adversely affected is Jacksonville's State road 9A which runs from the north end of Danes Point Bridge to Interstate 95. Actually the completion of State road 9A involves five projects with a total cost of $16 million. Completion of U.S. 19 and State road 9A have been selected due to the exceptional traffic volume they now carry. It would be a major transportation error to cut off funding for these projects in the middle of their construction and deny sorely needed service improvements to affected areas.

Mr. President, the funding provided for the regular program is inadequate to cover the funding requirements of these projects. So, retaining funding for the priority primary program is essential.

Historically, the State of Florida has not fared well under the highway trust fund program. According to a table prepared by the Federal Highway Administration, Florida has received only 81 cents of every $1 it has paid into the highway fund since 1957. And when inflation is taken into account, the return rate is even lower. That is because the State received less than 81 cents per dollar in the 1960's when the dollar was worth more than it is today and has recovered a higher percentage of inflated dollars in the 1970's, driving the average up to 80 percent. In fact, the balance of payments deficit through fiscal year 1980 is an astounding $750 million. This is just under half the funds needed to complete the Florida interstate program envisioned in this bill.

For these reasons, it is especially important that the priority primary program be continued. If this program is retained, Florida will recover a part of what is rightfully ours. Had there been no trust fund, these two important highway projects would have been completed years ago out of that $750 million.

Mr. President, I ask unanimous consent that the table prepared by the Federal Highway Administration I referred to documenting the balance of payments of all States under the trust fund be printed in the RECORD, and I recommend that it be studied by my colleagues.

I thank the Senator from Idaho and the Senator from Illinois.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF ESTIMATED STATE PAYMENTS INTO THE HIGHWAY TRUST FUND AND FEDERAL-AID APPORTIONMENTS FROM THE FUND, FISCAL YEARS 1957-80

[Dollar amounts in thousands; cumulated since July 1, 1956]

State	Payments into the fund [1]	Apportionments from the fund [2]	Ratio, apportionments/payments
Alabama	$2,033,155	$2,309,555	1.14
Alaska	151,845	1,426,151	9.39
Arizona	1,216,808	1,740,892	1.43
Arkansas	1,329,023	1,319,290	.99
California	11,070,612	8,646,577	.78
Colorado	1,408,331	1,710,829	1.21
Connecticut	1,377,212	1,840,158	1.34
Delaware	323,935	464,771	1.43
District of Columbia	269,952	1,252,661	4.64
Florida	4,025,878	3,267,459	.81
Georgia	2,902,169	2,629,013	.91
Hawaii	275,771	848,875	3.08
Idaho	534,760	825,744	1.54
Illinois	5,321,388	5,795,464	1.09
Indiana	3,144,845	2,531,757	.81
Iowa	1,792,375	1,751,000	.98
Kansas	1,508,952	1,565,527	1.04
Kentucky	1,815,665	2,102,310	1.16
Louisiana	1,965,584	2,789,146	1.42
Maine	585,618	661,602	1.13
Maryland	1,848,838	2,558,198	1.38
Massachusetts	2,398,704	2,566,644	1.07
Michigan	4,801,145	3,952,581	.82
Minnesota	2,171,817	2,615,585	1.20
Mississippi	1,324,318	1,325,449	1.00
Missouri	2,888,462	2,829,333	.98
Montana	551,400	1,482,152	2.69
Nebraska	1,016,375	1,020,997	1.00
Nevada	414,644	830,521	2.00
New Hampshire	414,855	587,406	1.42
New Jersey	3,367,265	2,815,029	.84
New Mexico	813,263	1,246,432	1.53
New York	6,150,186	6,226,451	1.01
North Carolina	3,003,801	2,163,896	.72
North Dakota	413,439	770,144	1.86
Ohio	5,545,273	5,017,122	.90
Oklahoma	1,853,819	1,367,710	.74
Oregon	1,426,039	2,026,044	1.42
Pennsylvania	5,420,455	5,408,906	1.00
Rhode Island	377,444	651,909	1.64
South Carolina	1,507,640	1,229,327	.82
South Dakota	467,365	870,932	1.86
Tennessee	2,352,043	2,480,211	1.05
Texas	7,946,900	6,009,858	.76
Utah	688,365	1,348,759	1.96
Vermont	261,324	638,114	2.44
Virginia	2,572,756	3,409,457	1.33
Washington	1,900,590	2,646,826	1.39
West Virginia	931,786	2,272,930	2.44
Wisconsin	2,263,148	1,762,073	.78
Wyoming	370,203	908,243	2.45
Total	110,537,540	116,518,020	
Puerto Rico		334,093	
Grand total	110,537,540	116,852,113	1.06

[1] Fiscal year payments into the fund are based on receipts as reported by the U.S. Department of the Treasury. Includes revenues from highway-user taxes only.

[2] Includes allocations for urban high density, overseas highway, acceleration of projects and reapportionment of lapsed interstate funds. Excludes funds for emergency relief, public lands highways, Great River Road, bridges over Federal dams, rural highway public transportation demonstration program, rail/highway demonstration, traffic control signalization demonstration projects, and economic growth center.

Source: Highway Statistics, 1950, Federal Highway Administration.

Mr. PERCY. I thank my distinguished colleague, and her statement is a further indication of the deep interest that appears in this amendment.

THE PRIORITY PRIMARY PROGRAM

Mr. DECONCINI. Mr. President, I am a cosponsor of the Senator from Illinois' amendment and feel it is of major importance to those communities whose economic future rests with the continuation of this program. I am greatly concerned about the consequences the elimination of the priority primary program will have for a transportation project in my own State.

The priority primary program was

created to fund long-term, high-cost primary projects which represent a vital link in a State's overall transportation systems. In 1978, the Congress named the Kolb-Valencia Roads project in Tucson, Ariz., as a priority primary route and, subsequently, the Federal Highway Administration gave its approval to the project. Since that time, the people of Tucson have made a substantial investment in the Kolb-Valencia project by making available the local portion of the costs to be incurred under the Federal program. The effect, albeit I am sure unintended, of eliminating the specific funding category for the project when the community is beginning its initial phases of construction, is to leave the impression that the Federal Government is an unreliable partner.

Mr. President, I recognize that the members of the Environment and Public Works Committee have had an extremely difficult job in attempting to fashion a bill which protects our national highway needs while responding to the fiscal pressures we face. I commend the committee members for doing an excellent job in that respect.

This amendment will not upset the balance the committee has achieved nor will it breach the committee's budget ceiling in the legislation. It will instead just redistribute a portion of the primary funds in the bill to some of these highly critical projects which have already been initiated by communities relying on Federal commitments. Approval of this amendment will have the effect of protecting existing pipeline priority primary projects while precluding any new starts under this category. It will do so without placing a major financial burden on communities like Tucson which have acted in good faith in accordance with the provisions of the 1978 Surface Transportation and Assistance Act.

Mr. President, I will not belabor this point—I have discussed the Kolb project with the Senator from Idaho, Mr. SYMMS, and Secretary Lewis on numerous occasions. I am sure they recognize how important the priority primary program is to Members who have existing projects in their States. I just want to reemphasize my concern for maintaining a limited priority primary program and hope that the members of the Transportation Subcommittee will take this concern to the conference committee on the Federal Aid to Highways Improvement Act of 1981.

Mr. CHILES. Mr. President, I am pleased to join with Senators PERCY and DIXON and several other of my colleagues in offering an amendment to continue the priority primary program. I feel that it would be shortsighted to discontinue this program entirely without at least providing for the completion of the several projects which have already been initiated.

The importance of the priority primary program is best illustrated by the fact that the program greatly increases the usefulness of our Interstate System by providing essential links to funnel traffic to and from the interstate routes in areas of high-traffic volume.

An excellent example of how the priority primary routes will function can be realized by an understanding of the particular roads selected by Florida for this system. On the lower gulf coast of our State we have a major collector of traffic in U.S. 19. This road passes through the heart of one of our most densely inhabited counties. It serves a very large proportion of the north and south traffic in St. Petersburg and the adjacent cities just north. Not only is this route most used by residents, it is also a provider of service to many of the State's 30 million or so yearly visitors. The continued growth of the western Tampa Bay area has placed an increasing burden on U.S. 19 until it has earned a reputation of appearing, at times, to be a 50-mile long parking lot. While this may be a local problem, it also has national significance because U.S. 19 is the road which connects to Interstate Route 275. Therefore, if U.S. 19 is not functioning, I–275 cannot be made accessible to many of the nearly 1 million people living in and visiting the area.

To alleviate this problem, Florida has undertaken a two-stage process of improvements to U.S. 19 under the priority primary program.

The other route Florida has selected for programing under priority primary is State road 9–A in Jacksonville. This road in effect is the easterly loop of Interstate 295. At present, the westerly loop of I–295 has been completed and is providing excellent service as an urban bypass. When this priority primary program permits the continued construction of SR 9–A, equally efficient service can be expected east of Jacksonville.

This road will accomplish two important things. It will permit visitors coming to this gateway city an opportunity to gain access to the beaches without traveling through the heart of a major city, and it will permit the fast growing population of eastern Jacksonville access to Interstate 95 without having to negotiate the center city traffic.

Mr. BUMPERS. Mr. President, I am happy to join my distinguished colleague from Illinois on his amendment to add a grandfather provision to language in this bill eliminating the priority primary program. This provision would allow States which have already committed substantial funds to continue their projects with Federal assistance.

This program was enacted to help States construct highways which are unusually expensive and requires long periods of construction. The Federal Government made a commitment to those States which have ongoing priority primary projects. The Federal Government approved those projects and committed funds to those States for construction of them. Now, Congress is trying to back out of that commitment and leave those States with major construction projects only partially completed.

Considering the other reductions in Federal highway funds, it is very unfair to back out of this program and tell the States they are going to have to carry it alone. Further, it is unrealistic to think the State highway departments can meet their responsibilities in these projects. They are already suffering major reductions in funds and they just cannot take up all the slack.

Everyone is trying to do his share of carrying the burden of budget cuts and working to reduce Federal spending. However, in those areas where a commitment has already been made and undue hardships would result, we should not withdraw our support. This amendment authorizes the Federal Government to honor its commitment to those States, and I urge my colleagues to support it.

Mr. HUMPHREY. Mr. President, I wish to join with Senator PERCY in support of his effort to retain funding for priority primary program projects now initiated in a great many of our States. Very substantial investments of money, time, and energy have been made in existing projects which have to date been funded in part by the priority primary program. To abandon support for the existing projects now underway constitutes a gross injustice not only to the States which have acted solely in reliance upon continued Federal participation, but also to the Federal taxpayers in general whose significant investment will, in all likelihood, prove worthless. The injustice is further exacerbated by the fact that these projects can be accommodated within the overall spending ceiling of the Highway Trust Fund.

In light of this situation, I strongly advocate the inclusion of a grandfather provision in the Federal-Aid Highway Improvement Act of 1981 to insure continued Federal funding for the numerous affected projects.

Mr. PERCY. Mr. President, I appreciate very much my distinguished colleague's candor and, given the number of colleagues joining with me in this effort today and very strong and powerful statement made by my distinguished colleague from my native State of Florida, I know that when he says he will present our case in a very forceful manner he speaks with a good deal of confidence because he has always done that in the past when he believes in a cause.

The other body has reported a similar highway bill that increases the authorization for this program from $125 to $175 million annually. All I would need would be assurances from my distinguished colleague, the chairman of the subcommittee, the Senator from Idaho, that he would carry our concern with his usual sense of conviction on this program to the conference, and that our point of view might then prevail.

Mr. SYMMS. Is it my understanding, if my distinguished friend will yield, that if we can do the best we can, as the Senator is outlining, and make the best case possible that the Senator is willing to withdraw the amendment at this time?

Mr. PERCY. With that understanding and the sense of confidence that I place in my colleague's hands, and I realize it would probably be just as well not to take the time of the Senate at this time of evening to vote on this matter, I do understand the desirability of not withdrawing the amendment and letting it be settled in conference.

So with the strong support of the House in this position and the strong

support of our colleagues, we can leave it so. I ask unanimous consent that I may withdraw the amendment at this time.

Mr. SYMMS. I thank the distinguished Senator for his interest in this matter.

Mr. PERCY. I thank very much my distinguished colleague.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT REGARDING TRUCK WEIGHTS

Mr. PERCY. Mr. President, the Federal-Aid Highway Improvement Act, as reported by the Senate Committee on Environment and Public Works, includes a provision requiring all States to allow trucks with a gross vehicle weight of 80,000 pounds. Along with my colleagues from Arkansas, Missouri, and Illinois, I sought to amend this provision and am pleased the distinguished floor manager at our request has agreed to delete this provision.

The 1974 Highway Act allowed States, at their discretion, to raise the gross vehicle weight limit for trucks using the Interstate System from 73,280 pounds to 80,000 pounds. With the exception of Arkansas and Illinois, all 50 States have increased limits to 80,000. While the Missouri Legislature has passed and the Governor has signed a bill increasing the weight limit to 80.000 pounds, a public referendum is pending that may suspend that statute.

The committee's bill, however, would have deprived these States of the right to determine weight limits and would have denied highway funds to anv State that falls below a mandated Federal minimum. This approach is antithetical to the administration's philosophy of returning policymaking to local and State levels of government.

Mr. President, our Illinois roads are unlike those here in Washington. Our soil is rich and produces the finest agricultural products, but serves as a poor foundation for roadways compared to the clay earth of other States. Our State is a leading producer of manufactured goods and draws an uncommon number of trucks to transport these goods. Our weather conditions expedite road deterioration because of frequent thaws and freezes during the winter. And, our State is the transportation hub of the Nation with the busiest segment of the Interstate System. Mr. President, Illinoisans know best what Illinois roads can carry.

Higher weight limits expedite road deterioration and increase attendant maintenance costs. The committee provision would have imposed on Arkansas, Missouri, and Illinois additional highway costs and, yet, not provided the revenue for these States to absorb costs. American Association of State Highway and Transportation Officials' road tests in Ottawa. Ill., indicate that 80,000-pound trucks may do as much as one-third more damage than trucks loaded to 73,280 pounds and that a single heavy truck can do the damage of 9,600 automobiles.

The Illinois Department of Transportation has testified that increased weight limits will decrease pavement life on most existing State highways by an average of approximately 17 percent and require $35 million annually in new revenue for the State road fund. Mr. President, I ask unanimous consent that an Illinois Department of Transportation position paper on truck weights be included in the RECORD at this point.

There being no objection, the position paper was ordered to be printed in the RECORD, as follows:

POSITION PAPER OF THE ILLINOIS DEPARTMENT OF TRANSPORTATION

The American Association of State Highway Officials designed, authorized, and financed a comprehensive research project regarding the relationship between axle-load magnitudes and the number of applications of such loads that could be placed on various types of pavement designs before the pavement deteriorated to an unserviceable condition. The research was conducted in Ottawa, Illinois between 1956 and 1960. With the distribution of the first report of that research, engineers immediately started debating the results delineated in the report. We have continued during the intervening years to conduct additional research and make statistical improvements in the data accumulated throughout the years.

Regardless of the amount of work done, we have never reached a unanimous agreement among professionals as to the exact relationship between axle weight and pavement design over long periods of time. We have, however, determined to our satisfaction that if consistent interpretations of available data are applied to our pavement designs, the results are predictable and repeatable. Our choice for a pavement thickness to support a particular design volume of traffic would generally be the same figure that would be utilized in another state.

There has always been some misunderstanding among the public and even some engineers as to the criteria used for designing a particular pavement thickness and cross section at a specific location. The State of Illinois does not design pavements for a specific weight of vehicle. In preparation for selecting a pavement design, we determine the number of years the pavement should last, then predict the volume of traffic that will use that pavement during the design number of years, and lastly select a factor that represents the percentage of single-unit trucks operating at various weights.

These volumes of trucks and weights are based upon Loadometer field tests and represent actual conditions. With this information, we can determine that during the design life of the pavement, a specific number of 18,000-pound axle loads will be applied to that pavement. Using that information and factors for the type of soil support, the thickness of pavement necessary to carry that number of 18,000-pound applications is determined. Once that pavement is constructed, we anticipate, of course, a number of overloaded vehicles and recognize that each such vehicle will reduce the expected life of the pavement.

If the volume of trucks or the volume of automobiles, for that matter, exceeds the number predicted within the design life, then the pavement will not reach the number of years selected at the point of design. As we all know, most pavements within this State have at one time or another carried loads far in excess of the legal load authorized by statute.

As an example, we recently moved a magnetometer across the State on Interstate Route 80. That piece of equipment, plus the weight of the vehicle designed specifically to carry it, exceeded a quarter of million pounds. Obviously, the pavement and bridges withstood that weight. They could not, however, withstand repeated applications of that weight over an extended period of time.

In Illinois, the general design life span selected for our pavements is 20 years. We have now developed approximately 20 years of experience since conclusion of the AASHTO Road Test. We were fortunate in having a number of our employees directly involved in the research work done at Ottawa and the follow-up computations and preparation of reports. Some of those employees have been involved in subsequent Illinois studies and decisions having to do with pavement design and structural integrity over long periods of time.

While I am sure there are isolated instances of pavement behavior radically different from that anticipated from interpreting research data, we are convinced the general parameters utilized in selecting pavement thickness and anticipating pavement life are valid and have proven to be consistently predictable in Illinois.

We are in total agreement with those who argue that pavement life depends upon a multitude of factors other than the number and size of load applications. Those other factors are among the reasons that the 13 states along the Mississippi River for many years consistently opposed increasing axle and tandem loads in order to extend pavement life. The type of construction materials available, the type of subgrade on which pavements are built, the annual rainfall, the number of freeze and thaw cycles, and the level of maintenance applied are among the factors having a direct bearing on the expected life of any pavement.

We again point out, however, that predicted values of life expectancy must be based on a given set of criteria, and as long as those criteria remain essentially the same, the predicted results are generally achieved. While our particular materials and our freeze-thaw cycles may be different from any other state, if we use that data correctly, we can consistently predict the life expectancy of the pavement.

The accumulative wisdom of the AASHTO Road Test and 20 years of experience subsequent to that test have convinced us that an increase in legal axle weights from 18,000 pounds to 20,000 pounds and a gross maximum load increase from 73,280 pounds to 80,000 pounds will result in a reduction in the service life of our pavements by 17 percent.

This percentage reduction in service life recognizes that many trucks will not obtain any benefit from the increased axle and gross weights because of the type of commodity being transported. If all trucks could carry the additional weight, the reduction could be as much as 34 percent to 42 percent.

Our prediction has been presented to various groups on previous occasions. It has been supported, questioned, criticized, and even refuted. We are convinced, however, it is a conservative figure and actual reduction in service life on certain types and kinds of pavement in high-volume corridors will be greater. We have reviewed recent literature, such as reports by the General Accounting Office and other studies sponsored by the Transportation Research Board, containing estimates as high as 35 percent for a similar change in weight.

Once the magnitude of pavement life reduction that will be experienced by a given increase in legal weight has been determined, the question of cost to the taxpayers of Illinois is a mathematical determination based on the costs to construct and maintain pavements and to rehabilitate those pavements at the conclusion of their serviceable life.

Based on the current cost index, the change in axle and gross loads proposed before this commission will cost Illinois taxpayers 35 million dollars each year. The fiscal note developed for Senate Bill 1202 expands this cost computation.

Mr. PERCY. Similarly, Arkansas studies show a need for $29 million annually in additional funding and Missouri about $10.5 million annually to absorb the maintenance costs of higher weight limits.

Additionally, studies have revealed concerns of safety and have shown that more deaths could occur due to heavier trucks. As trucks get larger and cars smaller, our highways become more hazardous. Mr. President, I ask unanimous consent that a paper prepared by the Central States Resource Center of Urbana, Ill. on the impacts of larger trucks be included at this point in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

IMPACTS OF LARGER TRUCKS: SUMMARY POINTS

Fatal accidents involving heavy trucks increased 47.6 percent between 1975 and 1978. 1975 was the first year that 80,000 pound trucks were legal in some states.

Although heavy trucks make up only about one percent of the registered vehicles, they are involved in about ten percent of all traffic fatalities.

The government is requiring cars to become smaller at the same time it allows trucks to become larger. This creates a dangerous situation for the motoring public.

In collisions between heavy trucks and smaller vehicles, 91 percent of the fatalities are occupants of the smaller vehicles.

Even though trucks are allowed greater braking distances than cars, only 65 percent of the five-axle tractor-trailers and 44 percent of tractors with twin trailers could stop within the required distance during tests conducted in 1974.

Thirty-four percent of the trucks inspected by the Bureau of Motor Carrier Safety during random checks have safety violations serious enough to put them out of service. Brake deficiencies are the most frequently recorded serious violations.

Twin trailer trucks require twice as much stopping distance as the cars with which they share the highways.

American highways are deteriorating 50 percent faster than they are being repaired, according to the General Accounting Office.

Tests conducted by the American Association of State Highway Officials demonstrated that an increase in truck weights from 73,280 pounds to 80,000 pounds will decrease remaining pavement life between 25 and 40 percent.

Increasing truck weights to 90,000 pounds could decrease remaining pavement life by up to 60 percent.

The vast majority of the highways and bridges in the nation were built when trucks did not exceed 60,000 pounds. Sixty-four percent of the bridges on the primary highway system cannot handle 73,280 pound trucks without reducing their serviceable life.

The bulk of the $104 billion Interstate Highway System was designed for trucks weighing 73,280 pounds.

The Federal Highway Administration estimated in 1978 that only 15 percent of the Interstate System bridges, nine percent of the primary system bridges, and four percent of the secondary system bridges, could safely handle 80,000 pound trucks without reducing serviceable life.

The National Transportation Policy-Study Commission reported in 1979 that the highway system would require an expenditure of $900 billion by the year 2000.

A five axle truck loaded to 73,280 pounds does as much road damage as approximately 6,000 cars. An 80,000 pound truck does as much damage as 9,600 cars.

The Arkansas Highway Department points out that a 73,280 pound truck causes as much road damage as 6,075 cars. The truck pays $3,517 in taxes and fees while the cars collectively pay $4,078,640.

In Indiana heavy trucks pay 19 percent of the federal user fees, but are responsible for 30 percent of the traffic on Indiana roads.

A 1978 Georgia allocation study showed that only cars and light trucks are paying taxes and fees equal to or greater than the highway costs they occasion.

A 1969 Federal Highway Administration cost allocation study showed that combination trucks paid only 76 percent of their allocated costs.

DOT estimated in 1975 that maintaining 1975 highway conditions until 1990 would require 329.2 billion 1975 dollars.

Twenty-two percent of all tractor-trailer combinations weighed by the Federal Highway Administration exceeded state weight limits.

State weight laws are lightly enforced and weigh stations are easily avoided. For example, half the truck traffic on I-55 near Chicago exits at Bolingbrook to avoid scales.

The General Accounting Office found widespread deliberate weight violations among trucks hauling grain, coal, steel, sand and many other products.

Soil and weather conditions are important factors which affect road life. Since these conditions vary from state to state, it is reasonable for weight limits to vary.

Two Chicago Tribune reporters found that two out of three trucks on Chicago expressways exceed the speed limit.

Trucks use at least three times as much fuel as railroads to move a ton-mile of freight.

Although heavy trucks use less fuel per ton-mile than their lighter counterparts, weight increases will save fuel nationally only if fewer trucks operate.

Truck weight increases will allow individual trucks to operate more efficiently and divert traffic from railroads. Since railroads use far less fuel per ton-mile than trucks, the nation will suffer a net fuel loss.

If truck trailer lengths are allowed to reach 48 feet, railroad cars will no longer be able to carry two standard trailers. This will cripple fuel efficent piggyback service.

Mr. PERCY. The administration has proposed user charges for waterways and ports and intends to make recommendations for highways in the near future. The Federal Highway Cost Allocation Study, which was mandated by Congress in the Surface Transportation Assistance Act of 1978, is scheduled to be released in January of next year; and last month, when Secretary of Transportation Drew Lewis submitted to the Congress a study of truck size and weight limits, he indicated his desire to coordinate truck weight limit legislation with user charges. Secretary Lewis wrote:

I firmly believe that size and weight legislation (for trucks) should be developed in concert with user charge legislation. Therefore, I plan to develop and present a coordinated position on both issues following completion of the Highway Cost Allocation Study early next year.

This amendment will delete the committee's provision and maintain current law, thus permitting the administration to submit a proposal on user charges before the imposition of heavier truck weights. In line with this, the State legislatures of Arkansas and Illinois and the voters of Missouri will have the opportunity to work their will.

I am pleased that the distinguished floor manager of the bill, the Senator from Idaho, and the distinguished manager for the minority, the Senator from Texas, have agreed to accept the amendment. I thank these Senators for their cooperation.

Mr. President, I ask unanimous consent that editorials appearing in Illinois newspapers concerning truck weights and letters from interested parties regarding this amendment appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, May 26, 1981]

TRUCKS ARE BIG ENOUGH

The highway-busting trucking industry is urging the Illinois General Assembly to increase the legal limit on gross vehicle weight from 73,280 to 80,000 pounds. It wants single-axle loads increased from 18,000 to 20,000 pounds. It wants S.B. 1202 passed to achieve these goals.

In view of the damage their bill would do to the highways that they use, the truckers have to be taking a very short-term view of their own interests. They also have to be assuming that the federal government (the only one that can print money) will replace destroyed roads and bridges no matter how fantastic the cost.

Reasons for opposing S.B. 1202 are compelling. The Chicago Motor Club summarizes them thus: the bill "would speed the break-up of street and highway pavements by an estimated 40 per cent" and "would increase the safety hazards to all highway users." There is ample documentation for each of these judgments.

Almost two years ago the General Accounting Office issued a report to Congress entitled "Excessive Truck Weight: An Expensive Burden We Can No Longer Support." It begins: "The nation's highways are deteriorating at an accelerated rate and sufficient funds are not available to meet current needs or future requirements. Excessive truck weight is a major cause of highway damage."

The Federal Highway Administration says only about 15 per cent of interstate highway bridges, and much smaller proportions of primary and secondary system bridges, can handle 80,000-pound trucks without curtailment of their serviceable life. Most highways and bridges were built when trucks did not exceed 60,000 pounds in weight. Subjecting them to stresses in excess of their originally designed limits hastens their collapse, at a time when construction costs are skyhigh.

The highway juggernauts already have a terrible safety record. Though they comprise only one per cent of registered vehicles, they are involved in 10 per cent of the fatal accidents—in which 91 per cent of the fatalities are in the smaller vehicles. Their stopping distance is far greater than that of a passenger car. They jackknife. Their brakes, tires, and steering gear are often below standard. They are routinely overloaded. Their drivers disregard speed limits and regulations to limit fatigue. Raising the weight limit on trucks would be little if any short of homicide.

There are additional arguments. Trucks are less fuel-efficient than freight trains; and two larger trucks would not fit on a piggy-back flat car, so increasing the size would discourage a means of transport that should be used more, not less. Illinois' fertile farmlands provide a less solid roadbed than exists in other regions, so roads in this state are especially vulnerable to damage by heavy trucks. The present generation of heavy trucks does not contribute its fair share in user fees. To increase their weight would increase a subsidy that should be reduced.

For the Illinois General Assembly to enact S.B. 1202 would be widely extravagant and would compound a serious danger confronting all motorists. Do we want to rush into a dilemma in which we must either write off much of our road system as unusable or replace it at ruinous expense? Do we want the intimidating giants of the roads to become even bigger than they are, while passenger cars get smaller?

ROCKY ROAD TO STATE RIGHTS

(By Bob Wiedrich)

One of the reasons Ronald Reagan got to the White House was his campaign oratory in behalf of restoring states' rights.

The President has tried to keep that promise by slashing deeply into the maze of federal regulations that intrude on individual rights and the ability of the 50 states and their local municipalities to chart their destinies.

Right now, the trucking industry is attempting to make a mockery of that Reagan commitment to federalism. It is lobbying heavily in behalf of a Senate bill that would mandate an 80,000-pound maximum weight for over-the-road vehicles.

That is in keeping with a national trend toward heavier trucks under the 1974 federal highway act that allowed states to raise gross vehicle weights from 73,280 to 80,000 pounds at their discretion.

However, in this revision of the 1974 act, proponents want to make permission for the heavier trucks mandatory rather than discretionary.

And that means that states like Illinois that also want to force truckers to help pay for the cost of pavement destruction by charging user fees will be thwarted if the legislation is enacted.

That, to me, represents a gross revival of federal interference in the rights of states to manage their financial affairs. And it is an injustice President Reagan should not permit to happen in a Senate controlled by Republicans.

The bill, as now written, contains no state or federal mechanism for financing road repairs necessitated by operation of heavier trucks.

The American Association of Railroads and highway user and taxpayer groups argue that states should have the right to decide whether operators of heavier trucks should be required to pay at least a part of the expense for pavement repair and rehabilitation.

And Illinois Senators Charles Percy and Alan Dixon have responded to requests by Gov. Thompson for more discussion of the possible adverse impact of the bill on highways by placing a hold on the measure until Thursday.

However, there is little doubt the act will pass in its present form unless there is White House pressure on those Senate Republicans promoting the trucking industry's cause without regard for the financial consequences.

Since the 1974 federal act permitting discretionary increases in gross vehicle weights, all 50 states except Illinois and Arkansas have taken such action. Missouri enacted a similar provision, but public opposition forced the question to a referendum to be held next year.

In Illinois last spring, a bill was introduced in the Senate to make local law conform with the laws in a majority of the states. However, an amendment was also offered that would provide for the imposition of an estimated $80 million a year in user fees on truckers desiring to operate 80,000-pound vehicles.

Naturally, the amendment provoked an uproar from trucking interests. The measure was buried in the Senate Transportation Committee, along with the amendment, where it presumably could resurface in the 1982 legislative session.

In the interim, the Illinois Department of Transportation prepared a fiscal note for the General Assembly estimating that $35 million in new revenue for the road fund would be required to repair damage expected from heavier trucks.

The memorandum warned that pavement life would be decreased an average of 17 per cent if gross weights were increased.

And it pointed out that a section of road designed to last 20 years under present weight limits and anticipated traffic volume would start crumbling within 16½ years under the pounding of heavier trucks.

The trucking industry argues that an 80,000-pound weight limit will promote greater fuel efficiency by permitting one vehicle to haul more cargo.

Conversely, safety experts contend that the weight and sizes of trucks should not be increased at a time when passenger cars are becoming smaller, also in the interests of fuel efficiency.

At a time when the Illinois road fund is in dire straits of its own, it makes sense to me that truck operators electing to operate heavier vehicles should be required to pay at least a portion of the expense of repairing the damage wrought by their behemoths.

On Oct. 14, the Illinois Motor Vehicle Laws Commission directed its staff to draft legislation allowing heavier trucks if user fees totaling $25 million annually are raised. That represents a compromise between the $35 million estimated by the Transportation Department and the $15 million suggested by the trucking industry.

Either way, the Illinois General Assembly should be capable of thrashing out an equitable and fair method of financing highway repair. But first, Congress has to permit the 50 states to decide their own fates without the federal government again poking its nose where it doesn't belong.

[From the Chicago Tribune, Mar. 29, 1981]

HEAVIER TRUCKS LAST STRAW ON WEAR-WEARY ROADS

(By Jack Mabley)

Illinois highways and bridges are falling apart. The governor wants a huge tax increase to patch them up. The trucking industry is mounting a campaign to increase the maximum weight of trucks.

The present limit is 73,280 pounds, and between 10 and 20 per cent of the big trucks on the road overload in violation of the limit. The truck industry wants an 80,000-pound maximum.

We asked a state highway engineer, Larry Shoudel, what the weight increase would do to the roads. He cited federal highway tests.

"There'd be a 17-per-cent decrease in road life with an 80,000-pound limit," Shoudel reported. "That means that if a road has a 20-year life with the present limit, it will wear out three of four years sooner."

"Of course, maintenance costs will go up. The estimate is $113 million more in the state for highway rehabilitation with the bigger loads, and $12.4 million in maintenance over the next four years."

"There's a backlog in road repairs, and this would add to it. There's not enough money in the road fund now."

Jack Thomas, a truck driver, called to warn us of the truck companies' campaign.

The truckers are expected to hire Mike Howlett, former secretary of state, to try to persuade legislators to see things the truckers' way.

"We drivers are dead set against the increase," said Thomas, who is treasurer of the Chicago-area Professional Drivers Council, (PROD), a small and vocal group of drivers.

Aside from the economics, Thomas said, "There will inevitably be more deaths and injuries. Trucking companies say their accident rate is higher than automobiles' because their exposure is greater, but break it down to miles traveled and trucks kill two times as many people as cars.

"But the companies want to make them bigger and heavier. With cars getting smaller, that just exacerbates the problem until it gets ridiculous.

"The drivers' job is already dangerous enough. The kill ratio for truckers is 90 out of every 100,000. With coal miners it's only 70 per 100,000, yet people say they have the most dangerous job."

Illinois, Indiana, Missouri, and Arkansas are the only four states retaining the 73,250 load limit. The others are 80,000 pounds.

Is everybody out of step but these four? The engineers in charge of keeping Illinois highways safe and driveable think so.

The main argument for lifting the limit is the economy of running an 80,000-pound truck from coast to coast. The industry claims it loses millions because of the "wall" in these four states.

The Chicago Motor Club is a vigorous opponent of the higher weight. In legislative testimony, Jerome Zienty of the Motor Club stated:

"Truckers claim energy conservation benefits in handling heavier loads. We question whether such benefits would be appreciable. We suggest, however, that if the trucking companies are seriously interested in conserving energy there are a number of other means available.

"According to the Regulated Common Carrier Conference, the fuel savings from observance of the 55-m.p.h. speed limit are from 26 to 32 per cent. Tests by the same group and the Society of Automotive Engineers indicate as much as 21 per cent more fuel can be saved by a combination of design, engineering and maintenance techniques, such as air deflectors, smooth-sided trailers, synthetic lubricants, and proper tire inflation."

Government tests show that one 80,000-pound truck passing over one section of highway has the same impact as 9,600 automobiles.

Proponents and opponents go around in circles on whether a truck gets more dangerous when it gets bigger. There can be little question it is harder to maneuver. It blocks traffic longer in a turn. Braking distance for heavy trucks is 2½ times as far as for passenger cars.

Every truck has to enter an expressway traffic flow in an acceleration lane, and if traffic is heavy the risk of rear-end collisions increases with the bulk of the truck. An auto going 25 m.p.h. on an entrance ramp can accelerate to 60 m.p.h. in eight seconds. A heavy truck will require 20 seconds to accelerate to 40. Rarely can trucks travel more than 35 as they enter the traffic flow.

In an accident of truck vs. auto, the truck driver has 38 times more chance of survival than the auto occupants.

BIGGER TRUCKS, BIGGER TAXES

Even if the Missouri Legislature doesn't do much worthwhile in its present session, it promises to do something dismal: allow bigger trucks to help the state's deteriorating highways deteriorate further while shifting more of the burden for upkeep to motorists.

The Legislature has passed a big truck bill and given Gov. Bond an opportunity to exercise a proper veto. The measure would increase total truck weight to 80,000 pounds from 73,280, with various axle weight increases, and to increase the length limit to 60 feet from 55. The bill also raises truck fees 25 percent, and that's not enough. A fiscal note attached to the measure shows that by the 1983 fiscal year, the income from the fee rise would be $2 million short of what the Highway Department would need to repair damage caused by the trucks.

No matter, the legislators are working on ways to improve road funding that would more than make up the difference. The House wants to raise the state gasoline tax from 7 cents to 10 cents and to increase fees sharply for licenses and vehicle titles. The Senate has a somewhat different idea. It would raise the gas tax by only 2 cents, but then increase the state general sales tax from 3⅛ to 3¼ cents to support a $250 million road bond issue. The two chambers are working on ways to compromise on their versions, and probably will. In that case, motorists would be expected to help pick up the check for the truckers.

In reaching this point, the Legislature has reflected a good deal of the highway lobby's hypocrisy. For example, voters would be asked to approve the gas tax legislation and also to exempt the additional revenue it produces from the Hancock amendment. That amendment requires refunds to income tax payers when state revenue exceeds a complicated ratio. But when Sens. Murray, Creve Coeur, Republican, proposed submitting the truck bill to the voters, the senators killed it on a 14–12 count. They knew what would happen if voters got their hands on the issue of bigger trucks.

That is not all. One of the strongest advocates of the gas tax increase is the Missouri Farm Bureau Federation. It also was the chief promoter of the Hancock amendment. The Farm Bureau clearly is willing to make an end run around its amendment in order to obtain better rural roads. Indeed, much of the push for these highway measures is coming from outstate legislators. Only two St. Louis senators voted for the truckers' proposal.

That is understandable enough. The St. Louis metropolitan area has produced much of the state's highway revenues, but officials here have for long felt that the area did not get a fair return in road work. St. Louis even had to sue to abolish a long-standing Highway Commission policy requiring larger cities to share in right-of-way costs for state highways. Both St. Louis County Executive McNary and former Mayor Conway said that the state had not been responsive to metropolitan highway needs and suggested restructuring its highway agency.

Certainly a Legislature that has been busily engaged in holding back on or cutting mental health, welfare and practically every other state service has not made a case that highways and trucks deserve far better treatment. A time of austerity ought to prompt legislators to make a considered review of such expansions. That is not what they are doing, but that is what Gov. Bond ought to require them to do before assenting to bigger trucks and more highway taxes.

[From the St. Louis Post-Dispatch, Apr. 1, 1981]

CONVOY SET FOR ILLINOIS

The Illinois Legislature may well be the next target of trucking industry lobbying for higher weight limits. Missouri, Illinois, Indiana and Arkansas are now the only states that set the load limit at 73,250 pounds. The others have 80,000-pound limits. The pressure to support the big truck bill has not been severe in Illinois because the Indiana and Missouri weight limits serve as buffers. Now, however, the industry believes it has a good chance of getting the higher limits in Missouri and Indiana. Hence, Illinois is next. The move for 80,000 pound limit still could be—and should be—detoured in Missouri. In any case, it should not be allowed in Illinois.

Like Missouri, Illinois is faced with the prospect of increasing taxes to meet highway needs. The proposed tax on oil products, however, would only provide enough money to reduce the rate of growth in the backlog of roads that need repair. It would not eliminate the miles of crumbling highway. Government studies have shown that the damage from one 80,000 pound truck equals that from 9,600 mid-size cars and that the larger trucks would increase pavement damage 17 percent. Illinois cannot afford the added deterioration.

Safety is another important consideration. The truck industry argues that all the other states in the continental U.S. have found the safety trade-off to be satisfactory. That is hardly a persuasive case for the higher load limit. As today's Mirror of Public Opinion notes, larger, heavier trucks are more dangerous. For the people's safety and pocketbooks, the Illinois Legislature (and the Missouri Senate) should say No to bigger trucks.

[From the St. Louis Globe-Democrat, Apr. 1, 1981]

ROADWISE ILLINOISANS

Maybe one of the reasons why passage of a big truck bill appears to face a rougher road in Illinois than in Missouri is that Illinoisans have taken a closer look at their rough roads than Missourians have at theirs.

Illinois officials, eyeing a deteriorating, pothole-marred highway system, say raising the limit to 80,000 pounds would further damage roads. Missouri officials have said the same thing, but seem now to think that higher truck fees would prove adequate compensation for the increased damage.

Illinois officials also believe that bigger trucks could result in a rise in traffic fatalities. Safety experts in Missouri expressed a similar belief.

Rep. Herbert V. Huskey, R-Oak Lawn, chairman of the Illinois House Motor Vehicle Committee, is against the higher limit. "This comes up every year, and I don't see the General Assembly buying it this year."

Another committee member, Rep. James P. McCourt, R-Evanston, said, "There is almost a human cry about how the trucking industry is taking over our highways. It's high time to stop their influence on the Illinois road system."

State Transportation Department spokesman Richard L. Adorjan said the department consistently has been opposed to increasing the weight limit because of the damage it would do to roads. The higher limit, he said, would increase pavement damage 17 percent.

Adorjan pointed out that the U.S. General Accounting Office found that one 80,000-pound truck does the damage of 9,600 mid-size cars. If Illinois raises the limit, he said, truckers should have to pay for the additional damage.

This would be the only fair way to do it. There are serious doubts, however, that the higher fees, such as those proposed for Missouri, would pay for more than a portion of the increase in damage.

The trucking industry is expected to make a strong push for bigger trucks in Illinois. This is because former opponents of a higher limit, neighbors Missouri and Indiana, may approve higher limits this year.

No matter what route others may take, Illinoisans who are against bigger trucks on their highways should stick to their guns. The state's roads are in bad enough shape as it is—as Illinois drivers well know. Why go out of the way to make them worse?

[From the St. Louis Globe, June 5, 1981]

DOUBLE RIP-OFF ON HIGHWAYS

Having been steamrollered by a big truck bill in this season of the General Assembly, Missouri motorists may have thought nothing worse could happen to them.

There'll be no such luck if a compromise plan for highway financing is approved. House-Senate conferees have drafted a proposal calling for most passenger car license fees to be increased from 41 percent to 67 percent, while fees for big trucks would remain unchanged.

The outrageous proposal is paired with a staggered 3-cent increase in the motor fuel tax, looking toward raising $116 million more per year for highway construction and maintenance.

Besides the higher vehicle fees, the plan would triple the cost of a driver's license from $3 to $9 and raise the cost of a chauffeur's license from $10 to $15.

Curiously Sen. Norman N. Merrell, D-Monticello, reasons that big trucks, which do the most damage to highway pavements shouldn't have their license fees increased because they pay more than passenger cars in taxes by using more fuel.

Merrell, President Pro Tem of the Senate, long has been a champion of bigger trucks. He is sponsor of the resolution which critics rightly call a "double rip-off."

According to Merrell, automobile drivers shouldn't mind paying more for their licenses. They should be understanding toward truck operators, to whom license fee increases would represent considerably more money, Merrell contends.

Doesn't Merrell understand that private automobiles are driven at great expense to the owners, while trucks are operated for a profit? How brazen can the apologists for the trucking lobby be? And how stupidly gullible do they think the voters are?

Fortunately for the public, the double rip-off scheme would be in the form of a constitutional amendment requiring voter approval before becoming effective.

The public is not yet ready to pass judgment on whether a combined proposal for license fee increases and higher gasoline taxes is the right approach for raising money to maintain highways.

Legislators should be put on notice that the people are not prepared to submit supinely to higher licenses that discriminate against passenger car motorists while giving a blank check to truckers.

The bill for heavier trucks, signed last week by Gov. Christopher S. Bond, was a bitter enough pill for the public to swallow. The latest proposal to stick it to the motorists again is more than reasonable people can stomach.

The Missouri compromisers will have to come up with a better plan, one that is equitable, if they hope to gain any measure of support.

[From the Chicago-Urbana News-Gazette, June 10, 1981]

BEWARE OF PLAN TO RAISE TRUCK WEIGHTS

Thanks to Sen. Prescott Bloom, R-Peoria, the Legislature may have stymied an attempt to raise truck weights in Illinois to a pavement-pounding 80,000 pounds.

Bloom added an amendment to the truck weight increase bill that would make truckers pay for the increased damage they do to Illinois highways. He suggests a weight-distance tax that would raise about $115 million annually.

For some reason the truckers didn't like that idea. Their godfather in Springfield, Sen. Charles Chew, D-Chicago, complained that truckers were willing to pay for the increased truck weight—but only up to $2 million.

Great idea, Sen. Chew. Unfortunately, you can't even pave two miles of interstate highway for $2 million anymore. But thank you for your genorosity.

The Legislature will be in session at least another three weeks so there's plenty of time for Chew and his cronies to slap their truck weight increase proposal on the back of another bill. Consider yourself forewarned.

We suggest that Illinois motorists who think the current method of financing highway repairs is unfair (wherein automobiles and light trucks pay about 70 percent of all

user charges) should urge their state lawmakers to fight any effort to raise truck weights without a large corresponding increase in large truck user fees.

Various studies performed by various groups in various states all come to the same conclusion: big trucks do more damage to highways than thousands of cars. The State of Oregon says that 80 percent of highway deterioration is directly attributable to heavy trucks. One percent can be blamed on automobiles and light trucks and 19 percent is caused by weather conditions.

An Illinois Department of Transportation study shows that an increase in maximum truck weights from 73,280 to 80,000 pounds would increase pavement damage 20 percent. American Association of State Highway Officials research found that one 80,000-pound truck causes as much damage as 10,000 cars.

The largest truck allowed on an Illinois road now pays the state $1,560 in registration fees. That compares to $30 a year for most motorists. We suggest truckers are getting a good deal now—and they want even more.

Meanwhile, too many railroads are struggling along because they have to cover all of their right-of-way expenses without subsidies.

There's also a safety factor. Most states raised the maximum truck weight limit to 80,000 pounds in 1974 or 1975 (even though most highways were built to withstand weights of only 50,000 pounds) and between 1975 and 1978, there was a 40 percent increase in the number of fatal accidents involving heavy trucks. During that same period, accidents involving passenger cars increased by only 7 percent.

Nearly two years ago, Illinois Transportation Secretary John Kramer estimated it would cost an extra 59 million a year to pay for the increased damage—to interstate highways alone—if maximum truck weight limits were increased.

That amount surely has increased in the last two years. We suggest that if truckers are interested in higher truck weights and equity in sharing the cost of highway maintenance they'll support Sen. Bloom's proposal.

If they're interested in continuing to sponge off automobile motorists they'll support Sen. Chew's pitiful plan to raise another $2 million to make up for $15 million or more in increased roadway damage.

[From the Chicago-Urbana News-Gazette, May 11, 1981]

WRECKING THE HIGHWAYS EVEN FASTER

To the surprise of no one, the Senate Transportation Committee Thursday approved legislation that will increase to 80,000 pounds the limit for truck loads on Illinois highways.

That wasn't a surprise because the transportation committee always has given the trucking industry whatever it wanted. This year, however, the committee added some spice by recommending an increase in the speed limit on limited-access highways to 65 mph.

Committee Chairman Charles Chew, D-Chicago, said the measures are necessary because President Reagan supports the higher speed limit and because Illinois truckers are at a disadvantage with the state's 73,280-pound weight limit.

On the first point—the issue of the speed limits—we haven't seen any indication from the president recently that indicate he's about to recommend increasing the speed limit. The 65 mph speed limit was included in the Republican Party Platform—much to the embarrassment of many Republicans—but the issue wisely has been buried beneath more important business.

Increasing the truck load limits fortunately remains at the discretion of the individual states. After all, they are paying the full share of maintaining highways. Illinois—a crossroads for transportation with more miles of interstate highway than any other state—has a great deal to lose with the higher load limits. More than a year ago, officials estimated it would cost the state an extra $9 million to increase load limits on Interstate highways alone. One 80,000-pound truck does as much damage as 9,600 automobiles, state transportation officials argue.

Sen. Chew says he will offer an amendment to increase trucker registration fees, but we wonder how willing the trucking industry will be to fork over another $10 to $15 million annually to pay for the damage their mammoth machines cause to roads.

[From the Journal Star, May 30, 1981]

STOP BIGGER TRUCKS

Illinois highways being what they are—the worst, or among the worst, in the country—this is surely not the time for the Legislature to be considering letting bigger trucks haul freight on them.

Truckers want the right to increase gross weights from the present 73,280 pounds to 80,000 pounds. We think that would be a mistake—dangerous and costly.

The Illinois Department of Transportation, which builds and maintains state highways, estimated several years ago that 80,000-pound trucks would cut 20 percent off the life of a highway. For example, a road that might be expected to hold up for 20 years would deteriorate in 16.

We have enough deterioration already, we don't need more.

Illinois highways don't hold up as well as those in some other states for a variety of reasons:

Being a big industrial state, and the Midwest transportation hub of the country, our highways get extraordinary use by large trucks of all kinds.

The ground in states north of here freezes solid in winter and pretty much stays frozen until spring. States to the south rarely, if ever, freeze solid. Illinois freezes and thaws frequently during the winter, and this puts an extra burden on our roads.

Illinois soil, a lot of it the fertile black ground that makes us such a rich agricultural state, is not the best kind to build roads on. It is relatively less solid than the clay and sandy soils of other parts of the country, and the concrete tends to bounce and crack.

There is no question that heavy trucks break up pavement far faster than private automobiles and that truckers do not pay taxes and fees that come anywhere close to being commensurate with the damage they do.

As long ago as 1958–60, the American Association of State highway Officials conducted a detailed engineering test of truck and car damage on a specially-constructed road near Ottawa, Ill., that later was incorporated into Interstate 80.

This two-year test showed that a typical 1960 passenger car weighing two tons had an axle load of 2,000 pounds and did essentially no damage to the pavement. A five-axle truck loaded to the 73,280-pound limit, however, did as much damage as approximately 6,000 cars. It has been estimated that an 80,000-pound truck would do as much damage as 9,600 cars.

As we have pointed out before, when you see a truck bearing a sign saying, "This truck pays $4,876 a year in highway taxes," don't feel sorry for the owner. Six thousand cars would pay 30 or 40 times that much in license fees alone.

There are other arguments against letting trucks get heavier and longer. One of them is safety, especially when so many of us are driving smaller and smaller cars. Another is the cost of energy, since railroad trains use fuel more efficiently; it makes no sense to turn the Interstate Highway System into a concrete freight train line for trucks.

But the main argument is damage to roads and the amount this will cost all of us who use them. Gov. James Thompson has assured us that we have a financial crisis in highway maintenance. Let's not make it even worse by speeding up the deterioration.

[From the Pike Press, May 13, 1981]

ABOUT SPEED LIMITS AND TRUCK WEIGHTS

The Illinois Senate has before it a bill to raise highway speed limits from 55 mph to 65 mph on limited access highways and another bill to increase by more than 7,000 pounds the weight limits of trucks traveling on designated Illinois highways.

The first idea has some merit, as long as the 55 mph limit stays in effect for all but four-lane highways. Our local two-lane highways are not fit for safe travel at more than 55 mph.

The truck load and truck length limits should be left where they are.

The Illinois Department of Transportation says one 80,000 pound truck (the proposed new limit) does as much damage to roads as 9,600 automobiles.

Our state highways in this area are already going to pot soon enough and a modern four-lane highway through the county is at least 10 years away due to the Valley City bridge hang-up. The fact is, it's at least an even bet neither the bridge nor highway will ever be built.

Reason enough to oppose any heavier or longer trucks hurtling through the county, tearing up that much sooner what roads we now have.

[From the Centralia (Ill.) Sentinel, May 27, 1981]

HIGHER TRUCK WEIGHTS POSE THREAT TO ILLINOIS

A bill is now pending in the Illinois General Assembly which would increase truck weights from the present limit of 73,280 pounds to 80,000 pounds.

There are several reasons why we believe this bill should be rejected even though Illinois is one of just four states where the higher weight is not permitted. Chief among these reasons are the greater danger to the general safety of the motoring public and the increased damage to road surfaces which will occur if heavier trucks are allowed on our highways.

Illinois roads are particularly vulnerable to damage because of climate and soil conditions prevalent in the state. Illinois has one of the highest freeze-thaw cycles in the nation and this is particularly true in Southern Illinois where fluctuating winter temperatures are a normal occurrence. These continual variations in temperature result in the enlargement of cracks and holes through the natural weathering action of ice on the pavement.

The deep prairie soils of central Illinois, while excellent for agriculture, also contribute to the problem as they do not provide a firm base for highway construction. Poor subsoil drainage is also a factor and many Illinois roads are far more prone to settling under heavy weights than those constructed on bedrock or gravel.

With the greater popularity of small cars and gasoline conservation by the motoring public, less tax money is being collected for highway construction or repair. Several studies by state highway departments in Indiana, Georgia and Arkansas indicated that trucks are not paying license fees or taxes commensurate with the damage they produce. Many Illinois roads and bridges are already in poor condition and it is doubtful whether the trucking industry will compen-

sate for the greater damage that can be expected to occur if weights are further increased.

But damage to public highways is of small concern to most people when human life is involved. Between the years 1975 and 1978, accidents involving heavy trucks increased 47.6 percent: 1975 was the first year that 80,000-pound trucks were legal in some states.

As truck size has increased, private automobiles have continued to become smaller. While you may be just as dead if you collide with a 73,000-pound truck as an 80,000-pound vehicle, a heavier truck requires a greater distance to stop and the driver therefore has less time to avoid a collision. The danger of accidents also is related to the higher speeds at which trucks often travel: and many drivers use their CB radios to make sure the road is clear so they can exceed the speed limits.

These factors are reflected in the fatality statistics which indicate that although heavy trucks only makes up 1 percent of all registered motor vehicles, they are involved in about 10 percent of all fatal traffic accidents.

We believe that if a poll of Illinois, voters were taken, most would oppose the increased weight limits for trucks. We would hope that the General Assembly will place the safety of the motoring public and the continued maintenance of our highway system above the interests of the trucking industry.

BIGGER TRUCKS UNDESIRABLE

The Illinois legislature has before it Senate Bill 1202 which is a proposal to allow an increase in the maximum weight of trucks to 80,000 pounds. Here are several reasons for being opposed to the adoption of the bill:

Fatal accidents involved heavy trucks increased 47.6 percent between 1975 and 1978, 1975 was the first year that 80,000-pound trucks were legal in some states.

Although heavy trucks make up only about one percent of the registered vehicles, they are involved in about ten percent of all traffic fatalities.

The government is requiring cars to become smaller at the same time it allows trucks to become larger. This creates a dangerous situation for the motoring public.

In collisions between heavy trucks and smaller vehicles, 91 percent of the fatalities are occupants of the smaller vehicles.

Even though trucks are allowed greater braking distances than cars, only 65 percent of five-axle tractor-trailers and 44 percent of tractors with twin trailers could stop within the required distance during tests conducted in 1974.

Thirty-four percent of the trucks inspected by the Bureau of Motor Carrier Safety during random checks have safety violations serious enough to put them out of service. Brake deficiencies are the most frequently recorded serious violations.

Twin trailer trucks require twice as much stopping distance as the cars with which they share the highways.

American highways are deteriorating 50 percent faster than they are being repaired, according to the General Accounting Office.

Tests conducted by the American Association of State Highway Officials demonstrated that an increase in truck weights from 73,280 pounds to 80,000 pounds will decrease remaining pavement life between 25 and 40 percent.

Increasing truck weights to 90,000 pounds could decrease remaining pavement life by up to 60 percent.

The vast majority of the highways and bridges in the nation were built when trucks did not exceed 60,000 pounds. Sixty-four percent of the bridges on the primary highway system cannot handle 73,280 pound trucks without reducing their serviceable life.

The bulk of the $104 billion Interstate Highway System was designed for trucks weighing 73,280 pounds.

The Federal Highway Administration estimated in 1978 that only 15 percent of the Interstate System bridges, nine percent of the primary system bridges, and four percent of the secondary system bridges, could safely handle 80,000 pound trucks without reducing serviceable life.

The National Transportation Policy Study Commission reported in 1979 that the highway system would require an expenditure of $900 billion by the year 2000.

A five axle truck loaded to 73,280 pounds does as much road damage as approximately 6,000 cars. An 80,000 pound truck does as much damage as 9,600 cars.

The Arkansas Highway Department points out that a 73,280 pound truck causes as much road damage as 6,075 cars. The truck pays $3,517 in taxes and fees while the cars collectively pay $4,078,640.

In Indiana heavy trucks pay 19 percent of the federal user fees, but are responsible for 30 percent of the traffic on Indiana roads.

A 1978 Georgia cost allocation study showed that only cars and light trucks are paying taxes and fees equal to or greater than the highway costs they occasion.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., November 3, 1981.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: This is in response to your recent letter in which you expressed your concern that truck size and weight legislation be developed in concert with user charge legislation. I am pleased to hear that we both share the same belief that these two subjects be dealt with in concert. The Department plans to develop a coordinated position on both issues following completion of the Highway Cost Allocation Study early next year.

With respect to the weight provision in S. 1024, as reported by Senate Environment and Public Works Committee, the Department's position remains unchanged. We would prefer to address the question of vehicle weight after completion and consideration of the Cost Allocation Study by the appropriate Congressional committees.

Thank you for sharing your concerns with me. I look forward to working with you and other members of Congress as deliberations on this issue continue.

Sincerely,

DREW.

STATE OF ILLINOIS,
OFFICE OF THE GOVERNOR.
Springfield, Ill., October 30, 1981.

Hon. CHARLES H. PERCY,
U.S. Senator,
Dirksen Senate Office Building,
Washington, D.C.

DEAR CHUCK: I want to thank you and lend my support for your proposed amendment to the Senate highway bill (S. 1024) regarding truck weights. We in Illinois are extremely concerned about this bill's provision for a federal 80,000 pound gross weight mandate. I am very pleased with your proposal to delay the effective date of this provision.

As you know, Illinois is experiencing a very serious highway deterioration problem. Our sources of funding have been unable to keep pace with our growing needs. A federal gross weight mandate would only exacerbate this situation. We estimate that the weight increase could cost us at least $35 million more per year in road damages. We are also concerned about the possible traffic safety risks and the effects on other transportation users and providers.

I feel that the imposition of the heavy truck mandate is entirely inappropriate. This is an issue which should be decided at the state level. We welcome your amendment which would postpone the effective date of the weight increase to January 1, 1984. This time extension will allow the results of the Federal Highway Administration's cost allocation study of highway users to be included in any consideration of a uniform weight standard. It will also provide a period of adjustment for those states with lower weight limits so that the relationships between truck weights and highway maintenance costs can be re-evaluated.

We in Illinois strongly support your efforts to delay the gross weight mandate. I hope that your colleagues will favor this amendment, guided by your leadership.

Sincerely,

JAMES R. THOMPSON.

AAA-CHICAGO MOTOR CLUB,
October 29, 1981.

Re: S. 1024 and S. 1402.

Hon. CHARLES H. PERCY,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: We understand that the Senate Committee on Environment and Public Works has reported out S. 1024, the "Federal-Aid Highway Improvement Act of 1981", which would force every state to allow trucks with 20,000 pound single axle loads, 34,000 pound tandem axle loads, and 80,000 pound gross weights. (Sec. 135)

These limits necessarily would apply not only to highways in the Interstate system, but also to a large number of connecting and access highways.

As you know, the States of Illinois and Arkansas continue to retain the traditional limits of 18,000 pounds per axle, 32,000 pounds for tandems and 73,280 pounds overall gross weight.

We ask your assistance in opposing the mandate in S. 1024 for the higher limits, for these reasons:

(1) We believe the individual state governments are best able to determine the appropriate size and weight limits for the highways in their jurisdictions and should retain the prerogative to do so.

(2) Heavier trucks as would be authorized under S. 1024 will shorten the useful life of existing pavements by an estimated 17 percent. Few pavements were built to carry those weights.

(3) Engineers for the Illinois Department of Transportation conclude that the higher truck weight limits, if adopted in Illinois, would increase highway costs by $35 million annually. No provision has been made for funding this additional expense.

(4) Heavier trucks and smaller, lighter passenger cars would create a traffic mix resulting in substantially increased deaths and injuries.

(5) Public opinion against heavier trucks.

In the September/October, 1981 issue of our magazine Home & Away, we invited readers to give their opinions on various issues, including the question:

"Do you believe Illinois should permit 80,000 pound truck weights on its highways?"

Responses were 21.6 percent Yes, 78.4 percent No. Interestingly, testimony at a recent hearing held by the Illinois Motor Vehicle Laws Commission indicated that opinions of truckers themselves are divided on this subject, with many independent truckers against any change in present Illinois law.

For similar engineering and safety considerations, we also urge you to vote against the provisions of S. 1402. The Uniform Motor Vehicle Standards Act of 1981, which would force states to allow longer and wider trucks than the laws of Illinois and many other States now permit. In the matter of mandating 65 foot "double-bottom" truck-trailer combinations, recently developed

statistics indicate greater accident involvement with such combinations.

For your information we are enclosing copies of two booklets which state the case against larger and heavier trucks in more detail.

Sincerely yours,

NELS L. PIERSON,
President and Chairman of the Board.

AMERICAN AUTOMOBILE ASSOC.,
Falls Church, Va., October 28, 1981.

Senator CHARLES H. PERCY,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: One of the provisions in S. 1024, "Federal Aid Highway Improvements Act of 1981," mandates that states permit single axle weights of 20,000 lbs., tandem axle weights of 34,000 lbs., and gross weights of 80,000 lbs. This provision thus establishes a minimum weight standard with which all states must comply.

The American Automobile Association believes that this provision of S. 1024 is ill-advised and premature. As you know, Congress has mandated a truck size and weight report under section 161 of the Surface Transportation Assistance Act of 1978 and the Highway Cost Allocation Study under section 506 of the same act. The former has just recently been reported to Congress but tha latter is not due to be reported until mid-January 1982. In addition, the U.S. Treasury is committed to make a report and recommendation on user tax exercises by section 507 of the aforementioned law and its report is due in April 1982.

All of these studies are interrelated and the AAA believes that Congress should have an opportunity to review the findings of these studies and the cost implications of the recommendations therein prior to making any policy decision on changes in applicable truck sizes and weight standards.

Since Illinois is one of the two remaining states to hold the pre-1974 weight standards, I hope that you will use your good offices to either remove this section from the pending highway legislation or delay its implementation until after Congress has had an opportunity to review these studies and hold public hearings on their findings and recommendations.

Sincerely,

CHARLES N. BRADY,
Director, Highway Department.

NATIONAL TAXPAYERS UNION,
Washington, D.C., October 29, 1981.

Hon. CHARLES H. PERCY,
U.S. Senate, Dirksen Senate Office Bldg., Washington, D.C.

DEAR SENATOR PERCY: We understand that you will be offering an amendment to the Federal-Aid Highway Improvement Act of 1981 (S. 1024) that will impact upon the whole area of user charge legislation.

As you know, in the past NTU has supported the concept of equitable user charges for all modes of transportation. We believe that the recipients of government provided services should pay their fair share. This should be applied evenly across the Board without regard to parochial or special interests. Any special interest group that benefits from a government subsidy, be it industry or private citizen, should not expect taxpayers to pay a share of the costs for which they receive no tangible or intangible benefits.

Since the Cost Allocation Study will not be completed until early next year, we support your amendment to delay legislation until this study is completed. At the time, we hope that the Department of Transportation and the Senate Environment and Public Works Committee will develop a comprehensive and fair system of user charges for all transportation modes.

Sincerely,

GEORGE SNYDER,
President.

ENVIRONMENTAL POLICY CENTER,
Washington, D.C., October 28, 1981.

Senator CHARLES PERCY,
Dirksen Office Building,
Washington, D.C.

DEAR SENATOR PERCY: On September 30th, the Environment and Public Works Committee completed mark-up of S. 1024. The Environmental Policy Center would like to express its opposition to Section 134 of the bill, which would require all states to permit 80,000 lb. trucks on their federal-aid highways. Presently, the 80,000 lbs. is an upper limit to which states have the option of raising their state limits. Several states, including Illinois, have maintained a limit of 73,280 lbs., which was the federal maximum limit until 1975. Such states should not have higher limits imposed upon them, against the express will of their legislatures and citizens.

Studies have shown that there is a relationship between axle weight and road damage: road damage increases exponentially with axle weight. Further, results of many state highway cost allocation studies (Florida, Georgia, Oregon) indicate that trucks are significantly underpaying in taxes compared to their cost responsibility. The heaviest trucks are only paying about 50 percent of their cost responsibility, according to these studies (see attachment). Concern with equity and effciency of the total transportation system call for a restructuring of the current highway user fee tax structure. This is particularly critical at the present time when highway revenues are not keeping pace with the needs for maintenance and repair.

Out of concern for these issues, Congress requested in the Surface Transportation Act of 1978, that the Department of Transportation undertake a Federal Highway Cost Allocation Study. The final report to Congress is due in January 1982.

While the Environmental Policy Center opposes any increase in truck weights, we would, at least, recommend that the Senate postpone any action on truck weight increases until it has received the final Highway Cost Allocation study and had ample time to analyze its findings. Furthermore, the Environmental Policy Center would oppose any amendments to S. 1024 on the Senate floor which would increase truck widths and lengths.

We thank you for your consideration of these concerns.

Sincerely,

HARRIETT HOLTZMAN-PARCELLS,
Washington Representative.

ASSOCIATION OF AMERICAN RAILROADS,
Washington, D.C., November 2, 1981.

Hon. CHARLES H. PERCY,
Chairman, Senate Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR SENATOR PERCY: Your decision to offer an amendment to the Federal-Aid Highway Authorization Act of 1981 with respect to the 80,000 pound weight limit to postpone implementation of that provision of the Act until January 1, 1984, is welcomed by and has the strong support of the Association of American Railroads.

As you are aware, the Federal Highway Cost Allocation Study, mandated by Congress under Section 506, Public Law 95-599, the Surface Transportation Assistance Act of 1978, will be published by the U.S. Department of Transportation in the early part of 1982. The Study's results will have a significant bearing on future transportation policy in the United States. In particular, the study will make recommendations concerning the appropriate level and form of heavy truck user charges. The AAR opposes any increases in truck weight and size limits without full cost recovery user charges. Your attempt to postpone pre-emption of state weight limits is, therefore, well advised, and the Association offers your our good offices in this endeavor.

Sincerely,

WILLIAM H. DEMPSEY.

ILLINOIS CENTRAL GULF,
Chicago, Ill., October 28, 1981.

Hon. CHARLES H. PERCY,
U.S. Senate, Washington, D.C.

DEAR SENATOR PERCY: I am writing to express the Illinois Central Gulf's appreciation of your efforts to amend S. 1024, The Highway Authorization Act of 1981, to postpone Illinois' truck weight limit increase until January 1, 1984.

Without your amendment, the legislation would deprive Illinois of the right to determine the maximum weight of trucks operating over its highways and just as unfortunate, provide no new revenue to enable Illinois to meet the increased costs of greater highway deterioration.

We appreciate your interest and advocacy.

Sincerely,

WILLIAM J. TAYLOR.

Mr. DIXON. Mr. President, S. 1024, the Federal-Aid Highway Improvement Act of 1981, as reported from the Committee on Environment and Public Works, raises the gross vehicle weight limit for trucks using the Interstate System from 73,280 pounds to 80,000 pounds. This provision has the effect of requiring Illinois and Arkansas to permit trucks with a gross vehicle weight of 80,000 pounds on their Interstates, and to permit axle weight increases of 2,000 pounds to 20,000 pounds for single axles and 34,000 pounds for tandem axles. It would also moot the efforts of those in Missouri who would like to rescind that State's recent truck increase.

I understand the concerns that motivated the committee to include this provision in the bill. I agree, in principle, that a uniform weight standard is important. However, I question whether it is appropriate to force States to raise their weight limits at a time when we are severely cutting Federal aid to State highway programs.

Further, it should be noted that, while Federal aid to highways is significant, it is the States and local governments that provide most highway funding, particularly in the area of maintenence. As I am sure all my colleagues will recognize, truck weight limits can have a significant impact on maintenance costs.

The State of Illinois, for example, estimates that the increase in truck weights could cost it more than $125 million in additional maintenance costs over the next 4 years. The Illinois State Department of Transportation believes that road life could be decreased by as much as 17 percent if truck weight limits are increased. Highways designed to last 20 years under present weight limits would only last approximately 16 years under an 80,000 pound limit.

Illinois highways, like highways around the Nation, are currently wearing out more than twice as fast as they are being maintained.

Illinois has over 7,500 miles of rough, narrow highways, and that amount is growing at a rate of about 5,000 miles per year. Illinois has more than 2,000 deficient, inadequate bridges, with more than 800 bridges joining the list each year.

In fact, only about 45 percent of Illinois' highway needs over the next 5 years

can be satisfied with existing revenue sources, and this assumes the continuation of Federal highway programs at recent year levels, an unlikely prospect, as the committee bill demonstrates. This estimate also does not take into account the added burden of increased truck weights. However, the result of an 80,000 pound limit is easy to predict—it makes an already bad situation worse.

These problems are not unique to Illinois. As the January 1981, report of the Secretary of Transportation, entitled "The Status of the Nation's Highways; Conditions and Performance," points out, roads and bridges are wearing out around the Nation, to the point where the ability of our highway system to continue to meet transportation needs could soon be threatened.

Mr. President, the burden imposed by heavy trucks is a significant cause of highway deterioration. I do not believe that the Federal Government should impose a higher weight limit on any State without first considering the other issues involved.

One of the principal other issues involved is the added revenue needed to handle heavier trucks and the question of the source of that additional revenue.

Congress considered this issue in 1978. As part of 1978 highway legislation, Congress directed the Department of Transportation to conduct a 4-year study of the costs of the highway system and the share of the costs assumed by each class of highway user.

The results of that study will be presented to Congress on January 15, 1982—little more than 2 months from now. This study should provide new information on whether heavy trucks are paying their share of the costs they impose on the system, or whether, as many maintain, they are imposing costs in excess of the user charges they pay.

I do not believe that Congress should act to impose higher weight limits on any State until it has an opportunity to analyze the results of that study. Further, I believe States need an opportunity to review the results of the study in order to determine whether they need to adjust the charges that heavier trucks would have to pay.

I am pleased to see, therefore, that the committee has agreed to delete the mandatory 80,000 pound limit from the bill. I appreciate the consideration the managers of the bill have given to the problems facing Illinois, Arkansas, and Missouri.

Deleting the provision will give both Congress and the States the time they need to consider the weight issue as it relates to highway revenue needs, and to a number of issues I have not raised today, such as the impact of heavier trucks on highway safety.

Deleting the provision provides the committee, the States, and all interested parties the time they need to begin to work together to try to achieve a consensus on how to draw a balance between the many competing claims raised by a weight limit increase.

Again, I am grateful for the cooperation of the managers of the bill, the distinguished Senators from Idaho (Mr. SYMMS) and Texas (Mr. BENTSEN).

AMENDMENT REGARDING INTERSTATE TRANSFER PROGRAM

Mr. PERCY. Mr. President, the interstate transfer program was created to permit States to withdraw unbuilt segments of the Interstate Highway System and use the funds freed by this move for substitute highway and transit projects. The Federal Aid Highway Improvement Act, as reported by the Senate Environment and Public Works Committee, eliminates the inflation adjustment and caps the amount which may be authorized for the program. I am pleased to join my colleague from Illinois, Senator DIXON, in offering an amendment to remove these provisions in the bill.

The removal of the crosstown expressway in northeastern Illinois from the Interstate System has freed approximately $450 million for substitute projects in the six county Chicago area. Illinois' unfunded transfer balance, however, now stands at more than $2 billion, representing 40 percent of the nationwide total unfunded transfer balance. Illinois withdrew its interstate highway projects under a signed agreement with the Federal Government and expects to receive full funding.

Had the States and local governments chosen to build their interstate segments, they would have received a regular allocation under the highway trust fund. And, these States would have received an amount adjusted for inflated construction costs. It is simply unfair, now that an agreement is signed and sealed, to go back and deny these States full funding.

I am pleased that, along with my colleague from Illinois, we were able to reach agreement with the distinguished floor managers on this matter. I know they will agree that it is only right for the Federal Government to live up to its part of the agreement and I thank those Senators involved.

Mr. DIXON. Mr. President, S. 1024, the Federal-Aid Highway Act of 1981, makes a number of changes that are troubling to me. With our highways wearing out more than twice as fast as they are being maintained, I am concerned about the wisdom of further cutting the already reduced Federal commitment to a sound, efficient surface transportation system that will meet our economic needs. I am particularly concerned about the changes the bill seeks to make in the Interstate highway transfer program.

Under the committee bill, the inflation adjustment feature of the program would be eliminated. This change will have a potentially devastating impact on the interstate transfer programs now underway in 17 States, including Illinois.

I had intended to offer an amendment to delete the committee provision, along with my senior colleague from Illinois and the distinguished Senator from Maryland (Mr. SARBANES.) I am pleased to see the managers offer a committee amendment that accomplishes that purpose. I appreciate the cooperation and understanding that the Senators from Idaho (Mr. SYMMS) and Texas (Mr. BENTSEN) have shown. By restoring current law, we now have time to address the issues that have arisen under the interstate transfer program in a comprehensive way.

The interstate transfer program was created to help resolve longstanding conflicts involving controversial interstate segments in urban areas. In Illinois, for example, the State of Illinois and the city of Chicago agreed, in two stages, to withdraw the crosstown expressway from the Interstate System and to build substitute highway and transit projects in the Chicago metropolitan area in its place. This agreement ended a longstanding controversy regarding the crosstown, and has formed the basis for the entire State and local transportation program in northeastern Illinois.

Under that program, and under signed agreements between the State and local governments, on the one hand, and the Federal Government, on the other, interstate segments in 16 other States were also withdrawn. Construction of substitute projects is underway in Boston, Philadelphia, the District of Columbia area, Hartford, Conn., Portland, Tucson, Salem, Oreg., Denver, Albany, Minneapolis, the New York City metropolitan area, Cleveland, Pittsburgh, Omaha, Sacramento, San Francisco, Memphis, Duluth, as well as in the Chicago area.

Under the interstate highway program, had these States and local governments chosen to build their interstate segments, they would have received regular allocations of Federal highway funds from the highway trust fund to cover construction costs. They would have received sufficient funds to complete the segments, even if the construction costs inflated rapidly during the long period of time it takes to build these roads.

Now I understand that the committee has reduced the latest cost to complete estimate, the mechanism used to make this inflation adjustment. The committee decided to reduce the estimate by limiting the features of the interstate that would be eligible for Federal reimbursement. The committee excluded from eligibility for interstate funding many items, such as landscaping and high-occupancy vehicle lanes, which, in the past, have been eligible for funding. However, the committee did not apply these changes to projects which were in the advanced construction stage. For these projects, the existing estimate was retained. They will continue to receive full adjustments for inflation in construction costs during the period it will take to complete them.

Mr. President, I think that it is important that full inflation adjustment also be continued for substitute projects under the interstate transfer program. The Federal Government made a commitment to the States and local governments involved. The Federal Government—by written agreement—approved the withdrawal requests. The Federal Government—by written agreement—approved the substitute projects. If the provision in the committee bill is enacted, the Federal Government will have effectively repudiated these commitments. It will, in effect, be telling States and local governments around this country that the Federal Government will not fund projects that it committed—by written agreement—to fund.

The result will surely be that highway and transit projects around the country that are now underway because of this program will face a halt in construction. How can any State or local government continue to work on a highway or transit project under this program if it can no longer be sure that the funds will be available to complete them.

I think that it is important to note that I am not arguing to keep the inflation adjustment to cover up mismanagement in building these projects. The unfortunate fact is that construction costs for highway projects, for transit projects, for all construction projects, have increased rapidly in recent years. This type of inflation is not unique to the civil construction area.

I am sure that I do not have to remind my colleagues of the inflation that seems to plague many of our military procurement programs.

What I am suggesting is that we continue to do in the interstate transfer areas what already we do in the military area—make a judgment on whether we should proceed with a project, and, if so, to pay the cost, including the costs due to inflation. I believe that is what we committed to do under the interstate transfer program. In reliance on this commitment, States and local governments have spent substantial amounts of their own funds. Many of the projects involved are well underway. They are often large, and they are all important. They simply cannot be completed if the Federal Government abandons its promise.

Mr. President, I think we should reflect on whether it is wise to try to change the terms of this written agreement after both parties have signed and after the States and local governments involved have acted in reliance on those agreements. I think many of the State and local governments involved would not have agreed to withdraw their interstate segments if they had known at the time that the Federal Government would renege on its commitment.

I understand the pressures to reduce Federal spending, and to reduce the claims on inadequate Federal revenues. I believe, however, that the Federal Government should live up to the commitments it made under this program.

These substitute transit and highway projects can contribute importantly to economic growth in the areas where they are located. A sound, efficient transportation system is one of the building blocks of economic growth. We should not let transportation systems, and other vital parts of our Nation's infrastructure, deteriorate in order to meet short-term budget objectives, as important as these objectives may be. Delaying, or worse, not building these projects will result in much greater costs for the Federal budget and the Nation's economy in the long run. We can save more money overall by continuing to proceed with these projects and by not erecting additional obstacles to their completion.

Finally I do not believe that it is either necessary or desirable to address the question of the inflation adjustment now. Under the interstate transfer program, all substitute projects have to be approved by the Secretary of Transportation by September 30, 1983. The provision in the committee bill does not take effect until that date. I believe we should take the intervening time to examine how we can keep the Federal commitment while addressing the budget issues involved. Doing so will have no impact on program spending now. Current authorization and appropriations will not be affected by delaying a decision on this issue.

Again, I thank my colleagues on the Environment and Public Works Committee for their help on an issue that is of great importance to my State and to the other States involved with the interstate transfer program. I look forward to working with them, and with the members of the other interested committees, including the Banking Committee on which I serve, in a cooperative effort to address this issue and a number of other issues affecting the future of the interstate transfer program that I have not addressed here.

Adoption of the inflation adjustment provision in the committee amendment will permit that process to occur in an unbiased atmosphere.

Mr. CHILES. Mr. President, I rise to compliment Senator SYMMS, the chairman of the Transportation Subcommittee on Environment and Public Works, and the ranking Democrat, Senator BENTSEN, for their hard work in bringing this bill to the floor today. It is indeed difficult to craft a bill such as a highway authorization bill when the funding needs are so great and our resources are becoming so limited. It is also difficult to reduce the items eligible for interstate completion thereby taking away from the States items they had been expecting. I, however, recognize the need to do this even though this will have a great impact on my State of Florida which has approximately 20 percent of the incompleted interstate miles.

We all recognize that we are now in a decade of fiscal restraint. I believe regardless of what party would be in the White House or what party would be in control of the Senate the underlying expenditure trends require retrenchment. While I do not object to the constraints that are reflected in the highway bill before us today, I am concerned about several matters of equity.

When our interstate dollars are shrinking now is the time more than ever before to insure that those dollars go where they are needed to complete the Interstate System. I feel this matter of equity applies also to the other highway programs. Clearly our ever diminishing highway dollars should go where they are most needed to reconstruct deteriorated highways and bridges.

Instead of sending the dollars where they are most needed, the bill before us today includes several provisions to send the funds disproportionately to several small States and toward areas of relatively small population.

Mr. President, as the Members know, small, rural States, and States with relatively smaller populations are heavily represented on the Senate Committee on Environment and Public Works. It is curious to note that the States represented on the committee have received an average 2.1 times the money back from the highway trust fund that they have contributed to it. My State, for example, has only received 81 percent of the money back from the trust fund that it has contributed to it since the creation of the fund in 1956. Florida has contributed almost $1 billion more to the trust fund than it has received back.

Mr. President, there are three provisions in this bill before the Members today that I would like to highlight. These provisions benefit relatively few States at the expense of many States. I also believe they are all inconsistent with the principle I stated earlier of trying to direct our scarce dollars to the areas of greatest need.

Mr. President, first, section 104 of the bill provides that each State shall receive one-half of 1 percent of the interstate moneys prior to allocation of the remaining balances based on the relative need of the States for these dollars to complete the Interstate System. This provides interstate construction funding to three States that have already completed their interstate construction and one State for which there are no interstate miles at all. In total, Mr. President, this provision benefits 14 States; conversely it has a negative impact on 36 States. The administration has recommended elimination of this provision, and the bill passed by the House eliminates this provision. Mr. President, half of the States that are benefited by this provision are represented on the Senate Committee on Environment and Public Works.

Mr. President, second, section 105 of the bill provides a formula for the distribution of interstate reconstruction moneys based 60 percent on lane miles and 40 percent on vehicle miles. The House bill and the one recommended by the administration provides for a formula that would be based 50 percent on lane miles and 50 percent on vehicle miles. These funds are used to reconstruct segments of our Interstate System that are wearing out due to heavy use. It seems to me to be both fair and logical to use the formula recommended by the House and the one recommended by the administration as it gives greater consideration to traffic levels. After all, the amount of traffic is the most significant determinate of the amount of deterioration that has occurred. A 50/50 formula also would benefit 30 States with no impact on 7 States. The 60/40 formula recommended by the Senate Committee on Environment and Public Works benefits only 13 States.

Mr. President, the third provision I want to call to the Members' attention is section 108 which is the interstate 4–R hold-harmless provision. This provision would assure all States would receive an apportionment of interstate and 4–R funds which would not be less than the amount they would receive under current law. Only a few States would benefit from this provision and 31 States would lose. For example, my State of Florida would lose over $5.5 million in

fiscal year 1983 interstate 4–R funding. This seems to me to be another item in the Senate bill that benefits relatively few States. It is also harmful in view of the fact that we have inadequate amounts of money to repair and reconstruct the many deficient miles of interstate. Instead of directing the money to those areas of greatest need, the provision chooses to benefit a few States at the expense of the many.

Mr. President, I have taken the time to make these comments in the hope that our colleagues in the Senate will be aware of these problems all of which can be addressed in conference with the House. I am sure that our Senate conferees out of a sense of fairness and equity will accommodate these several concerns when they meet with the House.

Mr. BAKER. Mr. President, I rise in support of the committee amendment to the Federal-Aid Highway Improvement Act of 1981. This amendment would exempt the cost of the Chickamauga Dam Bridge from the State of Tennessee's highway obligational limitation for fiscal year 1982.

The Chickamauga Dam was built over the Tennessee River near Chattanooga in 1953. It is part of the Tennessee Valley Authority's reservoir system which helps regulate flood control, navigation, and power production. A two-lane bidge was originally built over the dam, but due to continued high usage of the bridge, plans to widen the bridge began in 1973. During 1980, average daily traffic over the bridge was 37,940 vehicles, causing a severe bottleneck of traffic into Chattanooga.

Usually, when average daily traffic over a bridge reaches 5,000 vehicles, it is considered for widening to four lanes. In order to close the Chickamauga Dam bridge and begin widening it, a detour bridge had to be built and was just completed in May of this year. Last week, the State of Tennessee completed the access road to the detour bridge; now all traffic can be diverted to the detour bridge and the Chickamauga Dam bridge can be closed for widening.

Tennessee is one of three States affected by the bridge on Federal dams program. In the past, the obligational limitation had no impact on these projects because the States were not able to spend all the funds within their limitation. Now, however, due to budget cuts and the impact of inflation, States now come within reach of their obligational limitations. When the Chickamauga Dam bridge project was begun in 1973, the possibility of the State reaching its obligational limitation was not considered. Now that the project has come to fruition, the State will be crippled by the additional cost of this project in its fiscal year 1982 funds.

With this amendment, the State of Tennessee will now be able to complete this important project as well as continue with its highway program. I thank the committee for its understanding and consideration of Tennessee's situation.

I am also aware that the committee has asked that priority consideration be given to allocating discretionary bridge rehabilitation and replacement funds to the Walnut Street Bridge in Chattanooga, Tenn. This is a vital project for the development of downtown Chattanooga, and I again thank the committee for its assistance with this project.

Mr. MURKOWSKI. Mr. President, I rise in support of S. 1024, the Federal aid to highways authorization legislation. The bill is the result of careful consideration by the Environment and Public Works Committee. My colleague from Idaho, Senator SYMMS, the chairman of the Transportation Subcommittee, has worked with determination to complete this worthwhile bill. Senator STAFFORD, the chairman of the full committee, has shown leadership in shepherding this bill through the full committee.

As a member of the committee I proposed an amendment to include the State of Alaska in the Interstate System. This amendment is now part of the bill. After 12 years of negotiations between State and the Federal Government, with this bill Alaska will finally be included in the Nation's Interstate System. For years, Alaska has been the only State excluded from the system. Under this legislation we will receive equal consideration with other States.

Alaska has been treated in special categories in previous highway authorizations. With S. 1024, my State can participate in the Interstate System without affecting the total mileage or the cost of completion. This bill directs the Secretary of Transportation to designate Alaska's portions of the interstate as completed. The Department will work with the State of Alaska to determine which roads will be incorporated into the system.

The designation of Alaska's highways as interstates is consistent with the purposes of the Interstate System. The Environment and Public Works Committee has advocated the designation. Secretary Lewis and the Department of Transportation have committed to work with the State of Alaska on this matter vital to my State.

I again thank the Senators from Idaho and Vermont for their aid and assistance on this matter. I urge my colleagues in the Senate to support the passage of S. 1024.

Mr. NUNN. Mr. President, I would like to commend Senator STAFFORD and Senator SYMMS and their counterparts on the minority side, especially my distinguished colleague Senator RANDOLPH, for their efforts in getting this highway authorization bill to the floor of the Senate.

I am especially pleased to note that the bill as reported is a tremendous improvement over the bill introduced last April. Members of the Committee on Environment and Public Works have responded to the concerns about this legislation which Senator MATTINGLY and I expressed in testimony before the Transportation Subcommittee. As now reported the bill will permit the Atlanta freeway construction program and other Interstate construction projects in Georgia to proceed on schedule rather than being defined out of the interstate construction program. I would like to thank Senator SYMMS and his very able staff on the Transportation Subcommittee for the changes in S. 1024 which made this possible.

APPROVAL OF INTERSTATE COST ESTIMATE

There are several things about the bill which cause me some concern. First, I have the uneasy feeling that there are going to be major difficulties in getting this bill through conference within any reasonable period of time. In the meantime the States are faced with the distinct prospect of having to shut down the interstate construction program because the Senate and House have not approved the interstate cost estimate so that the Federal funds authorized in this bill can be apportioned. The State of Georgia has already obligated all of its apportioned interstate funds, and will obligate all of its advance construction interstate funds by December.

You are aware, as I am, that the construction industry in this country is in a deep recession. Highway construction, like other segments of the industry, has suffered severe damage because of high interest rates and lack of work. Failure to approve the ICE soon will further complicate their problems—and may force many out of business.

I would be interested to know how we plan to approach this problem in the event this bill does not go to conference promptly.

PRIORITY PRIMARY PROGRAM

The bill before us would eliminate the priority primary program. This is a very important program to the State of Georgia, and a number of other States with projects under construction. Corridor Z in Georgia between Brunswick and Columbus is being funded under this program. It is very important to the entire south Georgia area that this project be completed.

For these reasons, I would support an amendment to this bill to reauthorize the priority primary program within the regular primary program at the present authorization level. It probably would be wise considering the present budget constraints to include language which would freeze the program in place. That is, the program would terminate after the projects now in the program are completed.

IMPORTANCE OF HOV LANES

As I indicated previously, I am delighted that the committee was able to accommodate the Atlanta Freeway System in the redefinition of the Interstate to be completed. I would suggest that in our negotiations with the other body we keep in mind that high occupancy vehicle (HOV) lanes are an excellent buy in terms of moving people in urban areas such as Atlanta. If there are going to be restrictions on the number of lanes which can be constructed in our heavily urbanized areas, as proposed in this bill, it makes sense to authorize State and local officials to build HOV lanes if that is their preference. I would hope that language in the conference agreement would reflect this view.

REIMBURSEMENT FOR INTEREST ON BONDS ISSUED FOR INTERSTATE CONSTRUCTION

Section 115, Title 23, U.S. Code, authorizes reimbursement as an eligible cost

of construction, of the interest on bonds, issued by a State, county, city, or other political subdivision of a State for advance construction on the Interstate System for any project under construction on January 1, 1978, and converted to a regularly funded project after January 1, 1978. The House bill, H.R. 3210, would change these dates to January 1, 1982, to accommodate those States which have, in good faith, issued bonds to advance construction of their Interstate Systems thereby contributing to the achievement of an important national objective.

I hope the conferees will see fit to include language in the conference agreement covering Section 115 similar to the House bill.

CONCLUSION

Let me conclude my remarks by saying that Senator STAFFORD and Senator SYMMS and their staffs have done an excellent job in developing this bill and getting it to the Senate floor. Although some further accommodations appear to be in order to improve several provisions, I believe that there is nothing that cannot be worked out in conference to meet the needs of most of the States. Subject to these comments the bill has my full support.

PROVIDING ADDITIONAL FUNDING IN 1983 FOR A BYPASS HIGHWAY AROUND REDWOOD NATIONAL PARK

Mr. HAYAKAWA. Mr. President, a provision included in the committee amendment to S. 1024 provides $55 million in 1983 for the construction of a bypass highway around Redwood National Park. This amendment is necessary to assure the California State Department of Transportation that the Federal Government will fulfill its commitment to provide the full share of funding for completion of the project.

This highway project was an integral part of the legislation establishing Redwood National Park, as reflected in Public Law 95–599. Because the project has not been initiated, the cost estimates are no longer realistic. Concern has been expressed by State officials that, as a result, adequate funding will not be available to complete the project.

This provision makes it clear that funding will be available, and encourages the State of California to follow the intent of Congress by beginning construction on this project.

The provision is, I believe, acceptable to the managers of the bill.

CLARIFYING REIMBURSEMENT FOR REAL PROPERTY IN SANTA ROSA, CALIF.

Mr. President, a second provision of the committee amendment to S. 1024 clarifies the question of reimbursement for real property acquired by the city of Santa Rosa, Calif. This provision adds no additional spending to the bill, but merely allows the California Department of Transportation to use part of its allotment to reimburse the city.

Specifically, it provides the Secretary of Transportation with the necessary authority to waive technical compliance with Federal requirements in the acquisition of real property for the Russell Avenue overcrossing of U.S. 101, in Santa Rosa, Calif. All parties agree that the city of Santa Rosa acted in good faith in acquiring the property, and that the negotiated price was fair to both the landowner and the city. No one questions that the purchase should be reimbursed, but a procedural technicality casts doubt as to whether Santa Rosa can be reimbursed. This provision removes any doubt, to the satisfaction of all concerned.

The provision is identical to language in the House-passed bill, H.R. 3210, and has been cleared on both sides of the aisle.

Mr. GRASSLEY. Mr. President, recently, officials from the State of Iowa and the cities of Waterloo and Cedar Falls submitted an application to the Federal Highway Administration to withdraw a segment of I–380 in Black Hawk County from the Interstate System and to substitute a new highway plan that could more effectively meet the transportation needs of the area.

I feel that this new plan is by far better than that originally approved under the Interstate System and that it should be approved by FHWA. The problem that we face with this application is that it also replaces the source of funding. Instead of receiving funds from the Highway Trust Fund, these funds now come from yearly appropriations from general revenue funds.

I believe that if a new plan can more effectively handle traffic at the same or lower cost, we should encourage, not discourage, the innovative efforts of our State and city officials to develop better transportation plans. Removal of access to the Highway Trust Fund serves as a disincentive. I think that we should keep these highway segments funded by the Trust Fund and that the segments should continue to count toward the computation of Interstate apportionment factors. It is my hope that the Department of Transportation could study this approach and that the Subcommittee on Transportation hold hearings on this approach.

Mr. JEPSEN. Mr. President, I have been working on this matter with my colleague from Iowa and I concur with his remarks and hope that a DOT study and a subcommittee hearing can be conducted to study this approach.

Mr. SYMMS. Mr. President, my distinguished colleagues from Iowa (Mr. GRASSLEY and Mr. JEPSEN) have raised a very important issue that needs to be addressed. I want to assure the Senators that their concern will be addressed by the Committee on Environment and Public Works during hearings on the Federal-aid highway program next year, 1982. I thank the Senators for bringing this to my attention.

ST. JONES RIVER BRIDGE

Mr. ROTH. Mr. President, the St. Jones River Bridge is located on U.S. Route 113 in Delaware serving the only major highway between the Wilmington and Philadelphia metropolitan areas and the Delaware-Maryland beaches. The Delaware Department of Transportation had been planning to dualize this last remaining 2-lane section of U.S. 113 over several years but several emergency closures of the bridge during peak travel times this past summer have made it evident that replacement cannot be delayed much longer.

The national bridge inventory list of November 1980 reflected a sufficiency rating of 6.0 which indicates an extremely deteriorated condition, bordering on closure. The closure of the bridge prior to completion of the replacement span would have severe effects. U.S. 113 at this location is a defense highway, being just several miles from Dover Air Force Base. There are no suitable alternative or detour routes, only secondary rural routes involving some small town residential streets. Thus a forced closing would have serious defense implications as well as impacts on Delaware tourist and agricultural industries.

Finally the cost of replacement is estimated to be between $10.8 and $13.3 million depending upon the choice of design alternatives. Delaware's fiscal year 1981 apportionment of bridge replacement and rehabilitation funds was only $2.3 million. Thus the cost of replacing the St. Jones River bridge is greater than $10 million and greater than twice the State's annual bridge apportionment.

It would appear that this project is one that not only requires immediate attention but one which precisely meets the criteria which Congress intended to be used as a basis for the Secretary of Transportation's allocation of moneys from the discretionary highway bridge replacement and rehabilitation fund.

I would like to ask the chairman of the Subcommittee on Transportation if my understanding of the intended use of this fund is correct and if so is it appropriate to assume that the Secretary of Transportation should give priority consideration to allocating moneys from the discretionary highway bridge replacement and rehabilitation fund for the replacement of the St. Jones River bridge.

Mr. STAFFORD. Mr. President, the Senator is correct in his understanding of the Congress intent. This project would be eligible for funding under the discretionary bridge replacement and rehabilitation program.

Mr. TSONGAS. Mr. President, I am very concerned about the intent of the full committee in some areas of this proposed legislation.

For some time now we have been working to find ways to give priority on highways to buses, and other high-occupancy vehicles such as car pools, so that they can play a major role in our strategy for public transportation.

I am concerned that the intent of the Senate might be unclear in this bill.

Since the midsixties, section 142 of title 23 has provided that separate bus lanes can be financed through the Interstate and other Federal aid programs. I note with some concern that some so-called HOV, high-occupancy vehicle, lanes are now to be funded out of Interstate 4–R and that the Interstate 4–R program will be funded at a 75–25 level rather than the 90–10 level.

I am concerned that we are taking a step backward here that would tend to

discourage investment in programs to make our highways more efficient. I oppose any effort to fund these Interstate improvements at a lower funding ratio than other Interstate improvements.

If, however, the 4–R program is to be funded at 75–25, in place of 90–10, I think that it is important that we clarify now that it is not the intent of the Senate to downgrade or deemphasize the so-called transportation systems management strategies that seek to make better utilization of existing transportation facilities, including the construction of separate lanes, ramps, and intersections for buses and other high-occupancy vehicles.

Mr. STAFFORD. I want to thank the distinguished Senator from Massachusetts for bringing up this important issue.

I wish to state for the record that the Committee on Environment and Public Works places the highest possible priority on the implementation of measures to increase the capacity and efficiency of our existing highways by, for example. constructing separate high-occupancy vehicle lanes within existing rights-of-way.

I fully agree with the Senator from Massachusetts that these transportation systems management strategies, such as the construction of separate bus lanes, ramps, and priority mechanisms will be critical as an attempt to carry more and more people over existing roadway corridors.

There is nothing in this bill which implies any lessening of our support for transportation systems management approaches. To the contrary, S. 1024 contains several provisions which are intended to encourage States and localities to use TSM strategies. The Federal match is increased to 100 percent for bicycle and carpool/vanpool facilities and traffic signalization work done with interstate transfer funds. The definition of these types of projects eligible for Federal-aid funds is also broadened. In my home State of Vermont, the Church Street Mall project, with a very small amount of transportation funds, has improved efficiency for bus, pedestrians and cars alike and helped to revitalize the downtown Burlington area. I understand that the same thing has occurred in Boston's Downtown Crossing project, and in many other projects around the country. Let me assure my colleagues that it was the intent of the committee to encourage these types of transportation systems management projects, which seek to attain greater levels of efficiency from the existing transportation systems.

BRIDGE REPAIR PROGRAM

Mr. SASSER. Mr. President, I appreciate the cooperation of Senator SYMMS, chairman of the Environment and Public Works Subcommittee on Transportation, in agreeing to hold hearings before his subcommittee on the matter of the implementation of the national bridge inspection and highway bridge replacement and rehabilitation program. I look forward to these oversight hearings on a program that must cope with the over 200,000 deficient bridges in this Nation.

My concern for the implementation of this inspection and maintenance program was highlighted in March of 1980 when the Perkins Street Bridge in Memphis collapsed, killing one motorist. This bridge was considered to be in adequate condition at the time of the collapse, according to the relatively high sufficiency rating it received at a recent inspection. It was, therefore, the adequacy of the inspection work being done that most concerned me.

At that time in 1980, I requested that a report on the implementation of this report be prepared by the General Accounting Office. That report revealed that substantial attention to bridge inspections and the targeting of bridge repair and replacement funds was necessary. In the words of the report—

> The program is not as effective as it could be because of its broad criteria for funding eligibility . . . and (because) States and local governments are not fully complying with the national bridge inspection standards.

I believe that the hearings which Senator SYMMS will hold will uncover the problems that this report describes, and find out which problems have been solved, and which require further legislative attention.

I understand the importance of avoiding pervasive Federal involvement through extensive categorical grants. Indeed, I believe that one of the topics that deserves substantial consideration is the need for Federal agencies that own bridges to comply with the same inventory and inspection duties we now require of the States. This would be fair and responsible public policy.

One of the problems noted by the GAO report was that the information available on what bridges are most in need of repair is not adequate. According to the report, the implementation of the bridge inspection standards is not always performed in a timely manner, by qualified inspectors, or in a consistent manner. This is one topic that should be addressed in the upcoming oversight hearings.

Regarding the targeting of funds for bridge repair and replacement it was emphasized in the report that, at current funding the program cannot be effective if it is directed at all of the Nation's 200,000 bridges. Therefore, there is an argument to be made for strengthening the technical guidelines for targeting repair and replacement funds. Not only is the State grant program worth considering in this regard, so is the discretionary program administered by the Secretary of Transportation.

It was noted in the GAO report that a formal selection process for this particular program might be beneficial, and that this process might account for such issues as sufficiency ratings, costs, bridge capacity and use, and risk of collapse.

Another topic that deserves consideration in upcoming hearings is the need for greater State and local government authority to inspect, post, close, and repair bridges maintained by railroads, toll roads, and local governments. The GAO report noted that substantial controversy existed in this area. For instance, some States do not have the ability to close a local bridge that a State inspector has found to be dangerously deficient.

Committee staff have noted that the allocation formula contained in S. 1024 may need attention as well. The idea that funds allocated to the States be distributed according to the cost of repair of the square footage of bridge surface within a State was briefly considered and, I am told, requires further investigation.

For any program to allocate funds in a responsible manner, however, it is necessary that there be adequate and up-to-date information available. The GAO report recommended that the Department of Transportation use the latest available needs data, including inspection data from off-system bridges, in apportioning funds among the States. This appears to be an option worth consideration in the course of future hearings.

I would, therefore, like to state my agreement with the observation made by the Committee on Environment and Public Works in its report on S. 1024. The committee observed that many of the bridges we now use in this country were built 40 or 50 years ago and are in major need of replacement or repair. In light of the limited funding available for operation and maintenance in the field of transportation, I believe that it is important that we make the most of what funds are to be authorized. Although I am aware of the need for budgetary restraint in these times, I would have preferred that the committee had not cut the recommended authorization for bridge repair by 22 percent. I hope that in future hearings that the adequacy of $700 million for this program is a topic of thorough discussion.

The importance of this matter should be clear to all our colleagues. With this in mind, I will ask to have printed in the RECORD at the end of my remarks tables indicating the number of deficient on and off system bridges in each State.

In conclusion, I would like to thank Senator SYMMS and Senator STAFFORD for their consideration and enthusiasm in this important area. I would also like to thank my colleagues, Senators RANDOLPH, HART, ROBERT C. BYRD, STENNIS, COCHRAN, HEINZ, METZENBAUM, and SPECTER for cosponsoring my bill, S. 1649, which emerged out of the GAO report that I have referred to so often today. I would like to thank these Senators for their interest in this matter, and I would like to pledge to Senator SYMMS, chairman of the Transportation Subcommittee, my support and cooperation in the months ahead as his subcommittee considers the matters I have mentioned today.

May I ask the distinguished manager of the bill for his views on this important program?

Mr. SYMMS. Mr. President, the distinguished Senator from Tennessee (Mr. SASSER) has raised many important questions. The bridge replacement and rehabilitation program has been greatly expanded in the last few years and has aided the States in addressing their bridge problems. I believe the concerns he raises should be addressed by the Committee on Environment and Public Works as part of their review of this

program and I will be happy to work with the Senator on this issue through the hearing process.

Mr. BENTSEN. Mr. President, I, too, would like to commend the distinguished Senator from Tennessee (Mr. SASSER) for having shared with the Senate his concerns about the bridge replacement and rehabilitation program. The subject matter that he has raised is certainly deserving of a hearing and I additionally commend my distinguished colleague, the Senator from Idaho (Mr. SYMMS), for his willingness to address these issues in committee.

Mr. SASSER. I thank my distinguished colleagues from Idaho and Texas. Again, I must express my appreciation for the Senators' interest and cooperation in this matter. It is my hope that the hearings which are now being proposed will occur as soon as possible, perhaps before the end of January. I believe that our quick consideration of the implementation of the bridge repair program will serve to improve its ongoing operation as well as its long-term future. Again, I thank the distinguished chairman and the ranking member of the Subcommittee on Transportation.

Mr. President, I ask unanimous consent to have the tables I referred to printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

MARCH 1981: LIST OF DEFICIENT BRIDGES BY STATE ON FEDERAL-AID SYSTEM

	Number of bridges in inventory	Structurally deficient	Functionally obsolete	Number of deficient bridges
Alabama	7,008	671	830	1,501
Alaska	524	49	10	59
Arizona	4,187	51	92	143
Arkansas	5,438	312	772	1,084
California	13,665	555	1,434	1,989
Colorado	3,244	193	204	397
Connecticut	2,458	98	695	793
Delaware	437	49	6	55
District of Columbia	257	49	6	55
Florida	5,366	186	1,424	1,610
Georgia	7,701	343	2,390	2,733
Hawaii	631	89	42	131
Idaho	1,641	238	89	327
Illinois	10,013	1,064	1,143	2,207
Indiana	6,139	631	1,918	2,549
Iowa	6,498	698	1,533	2,231
Kansas	10,120	926	1,516	2,442
Kentucky	4,970	554	1,009	1,563
Louisiana	5,719	483	1,354	1,837
Maine	1,148	76	114	190
Maryland	2,360	68	285	353
Massachusetts	3,673	503	122	625
Michigan	5,516	635	341	976
Minnesota	5,071	484	680	1,164
Mississippi	7,191	2,235	1,868	4,103
Missouri	8,560	384	3,016	3,400
Montana	2,235	83	192	275
Nebraska	5,131	429	1,297	1,726
Nevada	718	10	101	111
New Hampshire	1,172	102	201	303
New Jersey	3,042	500	127	627
New Mexico	2,832	156	208	364
New York	8,570	3,073	338	3,411
North Carolina	4,917	679	1,951	2,630
North Dakota	1,771	240	384	624
Ohio	11,699	733	318	1,051
Oklahoma	7,239	397	476	873
Oregon	3,718	241	253	494
Pennsylvania	10,419	1,027	645	1,672
Rhode Island	558	58	11	69
South Carolina	4,052	156	362	518
South Dakota	2,798	160	224	384
Tennessee	7,303	1,133	1,408	2,541
Texas	23,833	422	3,261	3,683
Utah	1,292	44	112	156
Vermont	1,267	78	380	458
Virginia	6,511	516	700	1,216
Washington	3,995	121	215	336
West Virginia	3,298	391	349	740
Wisconsin	5,997	1,195	877	2,072
Wyoming	1,888	46	143	189
Puerto Rico	715	76	434	509
Total	256,505	23,683	37,850	61,549

MARCH 1981: LIST OF DEFICIENT BRIDGES BY STATE ON FEDERAL-AID SYSTEM

	Number of bridges in inventory (86 percent complete)	Structurally deficient	Functionally obsolete	Number of deficient bridges
Alabama	7,392	1,459	953	2,412
Alaska	246	49	30	79
Arizona	604	73	29	102
Arkansas	8,825	1,702	4,006	5,708
California	4,471	781	1,465	2,246
Colorado	576	147	40	187
Connecticut	1,189	139	277	416
Delaware	239	54	13	67
District of Columbia	15	1	0	1
Florida	3,460	348	529	877
Georgia	7,015	3,409	1,308	4,717
Hawaii	373	31	72	103
Idaho	1,844	522	462	984
Illinois	14,723	4,293	2,644	6,937
Indiana	11,335	3,728	4,748	8,476
Iowa	18,925	4,369	6,083	10,452
Kansas	12,304	4,994	1,585	6,579
Kentucky	7,818	2,818	1,158	3,976
Louisiana	8,618	5,059	1,900	6,959
Maine	1,362	48	214	262
Maryland	1,466	121	205	326
Massachusetts	435	128	20	148
Michigan	4,297	2,228	324	2,552
Minnesota	8,012	1,354	2,348	3,702
Mississippi	9,167	4,914	1,888	6,802
Missouri	12,351	2,091	8,322	10,413
Montana	3,164	253	234	487
Nebraska	11,636	5,150	4,289	9,439
Nevada	248	25	47	72
New Hampshire	1,181	387	517	904
New Jersey	1,392	338	145	483
New Mexico	599	156	100	256
New York	8,619	5,647	973	6,620
North Carolina	10,043	5,150	3,539	8,689
North Dakota	3,719	1,056	1,481	2,537
Ohio	14,664	1,838	1,646	3,484
Oklahoma	5,634	2,366	1,142	3,508
Oregon	2,383	249	540	789
Pennsylvania	8,073	1,838	1,069	2,907
Rhode Island	123	21	26	47
South Carolina	3,861	571	225	796
South Dakota	3,150	648	1,514	2,162
Tennessee	4,063	1,713	922	2,635
Texas	17,621	6,596	4,918	11,514
Utah	878	237	106	343
Vermont	1,377	158	825	983
Virginia	5,471	351	418	769
Washington	2,942	312	187	499
West Virginia	3,071	608	360	968
Wisconsin	6,453	2,399	1,960	4,359
Wyoming	140	22	6	28
Puerto Rico	794	105	314	419
Total	268,361	83,054	68,126	151,180

COMPLETION OF FRANCONIA NOTCH INTERSTATE GAP SECTION IN NEW HAMPSHIRE

Mr. RUDMAN. I would appreciate your clarifying a point for me. The highway authorization bill, S. 1024, as reported, excluded from eligibility for Federal funding certain types of projects on interstate gap sections including landscaping and pedestrian and bikeway facilities. The committee amendment you have offered alters the committee reported bill with respect to this. My question has to do with a particular project in New Hampshire: The extension of Interstate 93 through Franconia Notch. This Franconia Notch segment in New Hampshire is located in an environmentally sensitive area, and has had a long history of litigation and problems with securing environmental permits. Should the Federal Government change its policy with regard to this project and refuse to fund the walkways, bikeways, and landscaping provided for in the current design for the Franconia Notch Highway, the entire controversy will be reopened.

Am I correct in assuming that the bill S. 1024, as amended, will indeed continue to authorize the use of Federal funds for the completion of the Franconia Notch I–93 segment, as currently designed?

Mr. SYMMS. The Senator from New Hampshire is correct.

Mr. ARMSTRONG. Mr. President, I would like to make a couple of inquiries of the floor manager regarding the Glenwood Canyon segment of Interstate 70 in Colorado.

When Congress enacted the Federal

Aid Highway Act of 1976, it included a provision expressly granting variances from highway design standards for Glenwood Canyon. The intent of Congress at that time was that the scenic beauty of the canyon could be preserved best by allowing the construction of a highway somewhat narrower than is normally allowed for the Interstate System. In so doing, this canyon was legislatively granted the recognition that it deserved special consideration. I wonder if the chairman's recollection of that intent is the same as my own?

Mr. SYMMS. The Senator is correct in pointing out that Congress has recognized Glenwood Canyon as deserving of special consideration. That is why the committee report on the current bill contains the exemption for this project from section 102(b).

Mr. ARMSTRONG. Then I want to make sure that it is clearly understood that this exemption from the requirements of section 102(b) is the intent of the Congress in passing this act. Am I correct in asserting that if the Senate passes this bill, it will be saying that all environmental amenities required in the design of the Glenwood Canyon project will continue to be eligible for Interstate construction funds, and that Congress intends the segment to be constructed according to the current design report, and in compliance with the final environmental impact statement, and that it intends for funds to be available for this purpose, recognizing that funding of particular projects is a State and local decision?

Mr. SYMMS. The Senator is correct.

Mr. ARMSTRONG. I thank the chairman.

Mr. BAUCUS. Mr. President, I found myself reluctantly compelled to vote against the highway authorization bill during full committee markup. I say reluctantly because I believe a multiyear highway authorization is important. I further believe that S. 1024 provides some badly needed flexibility for State authorities administering Federal highway programs.

I remain concerned about the funding levels contained in the measure. I appreciate the fact that a compromise has been worked out to restore some of the funding. That is a step in the right direction.

I was also very concerned about the allocation formula for interstate 4R moneys. The formula in the bill is based 60 percent on lane miles and 40 percent on vehicle miles traveled. The old formula was 75 to 25. Obviously, this change adversely affects the rural States with considerable highway mileage. States with severe frost-thaw problems are especially hard hit.

I understand that there may be some interest on the House side in reducing this formula even further to 50 to 50. I would like to inquire of the chairman of the Environment and Public Works Committee and the chairman of its Subcommittee on Transportation whether they consider the 60 to 40 formula to be the absolute minimum acceptable when and if the authorization measure goes to conference.

Mr. STAFFORD. I appreciate the concern raised by the Senator. I am happy to indicate to the Senator that I consider the 60 to 40 formula to be the minimum acceptable. We have moved from 75 to 25. That should be sufficient adjustment for the urban areas.

Mr. SYMMS. I concur with the remarks of the Senator from Vermont. The 60 to 40 formula is a significant adjustment. I see no reason to alter it further. The only flexibility in my mind is in the upward direction.

Mr. BAUCUS. Mr. President, I appreciate very much these assurances. They are very helpful. I would like to inquire additionally concerning the one-half of 1-percent minimum allocated for 4R programs in S. 1024. I believe this provision is essential to insure that the rural States are able to maintain their contributions to the Nation's highway system. Is it the intention of the committee chairman and the subcommittee chairman to hold firm on the inclusion of this minimum allocation provision?

Mr. STAFFORD. Yes it is. The provision is included in the House bill and I believe it is essential to retain it.

Mr. SYMMS. I concur.

Mr. BAUCUS. I thank my distinguished colleagues for their assurances on these important points. I wish you good luck when we proceed to conference on the bill.

Mr. DURENBERGER. Mr. President, we have a unique situation in Minnesota. An interstate project in Minneapolis, I–394, has had additional design features added in order to provide necessary environmental mitigation. One of these features, fringe parking facilities, was not approved as part of the design in time to be included in the State's submittal for the 1981 interstate cost estimate.

Am I correct in stating that these parking facilities because of their role in the environmental mitigation plan would be deemed included in the 1981 interstate cost estimate?

Mr. SYMMS. The distinguished Senator from Minnesota (Mr. DURENBERGER) is correct.

Mr. DURENBERGER. Mr. President, a further inquiry with regard to the new completion definition in S. 1024, it is my understanding that in certain unique situations, on a case-by-case basis certain facilities such as fringe parking lots will continue to be eligible for interstate construction funds if these facilities are part of a required environmental mitigation plan. The parking facilities on I–394 which I have referred to are such facilities and I believe would continue to be eligible under this legislation. Would the distinguished chairman of the subcommittee please comment.

Mr. SYMMS. My distinguished colleague is correct in his interpretation of this legislation with regard to the specific facilities he has described.

The PRESIDING OFFICER. Are there further amendments? If there are no further amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and to be read a third time.

The bill was read the third time.

Mr. STAFFORD. Mr. President, I ask unanimous consent to call up Calendar No. 286, H.R. 3210.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3210) to amend the Surface Transportation Assistant Act of 1978 to establish obligation limitations for fiscal year 1982, and for related purposes.

Mr. STAFFORD. Mr. President, I move to strike out all after the enacting clause and insert in lieu thereof the text of Calendar No. 295, S. 1024, as amended.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3210) was read the third time, and passed, as follows:

(The text of the bill, H.R. 3210, will appear at the end of today's proceedings.)

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I move the postponement indefinitely of Calendar No. 295, S. 1024, and Calendar No. 142, S. 1208.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I wish to express my appreciation to the distinguished chairman of the Environment and Public Works Committee, Senator STAFFORD, and the equally distinguished ranking minority member, Senator RANDOLPH. for bringing this complex and sometimes highly controversial measure to the floor and dispatching it with great prominence. It is this sort of effort and legislative management that sheds credit on the ability of the Senate to perform difficult tasks in an orderly way.

I wish to announce there will be no further rollcall votes tonight.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past the hour of 6:30 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

LANE KIRKLAND: MASTERFUL SPOKESMAN FOR WORKERS

Mr. MOYNIHAN. Mr. President, earlier today I had occasion to welcome nearly 1,000 delegates and observers to the 14th Constitutional Convention of the AFL–CIO as they opened their deliberations in New York City, the 100th anniversary convention of the labor movement.

What struck me most about the occasion, beyond a remarkably thoughtful and cogent opening address from the Federation's president, Lane Kirkland, was the profound sense of history which the delegates attach to their work.

What the labor movement reminds us all is that we have faced perilous times before; times that we have found the strength to endure and the policies to overcome. And that we will endure this recession is not something we should doubt.

Mr. President, Lane Kirkland has an extraordinary ability to put these questions in an historical perspective. It is not improper symbolism to say that the AFL–CIO is wise to have him at the helm—indeed, a former merchant marine captain knows full well what it means to steer a true course.

But Lane Kirkland has more than a vision of where we should be headed. He is a scholar. His insight comes from a sense of history as well as a vision of the future. And that is, I suppose, the mark of a gifted leader.

Mr. President, Lane Kirkland's address at the 14th Constitutional Convention of the AFL–CIO is a memorable statement. It should be studied by us here in the Senate. For it is not an insignificant commentary on the deliberations we, too, must face as Members of this body.

I ask unanimous consent that the text of President Kirkland's remarks be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

KEYNOTE ADDRESS OF PRESIDENT KIRKLAND

Reverend clergy, distinguished guests, members of the Executive Council, delegates, brothers and sisters:

Two Years ago, George Meany left us this charge: ". . . the labor movement cannot be content with defending the status quo, or reliving past glories. We must constantly look to the future, develop new leadership, adapt policies to changing conditions and new technologies, but—always, always—with unswerving loyalty to the mission of the trade union movements as the instrument for improving and enhancing the working and living conditions of those who work for wages."

Yesterday, November 15, 1981, we made the crossing into our second century as a confederated trade union movement. We are here, at the conclusion of our first hundred years, not just to honor the past, but to prepare ourselves to serve the future.

There is an old church anthem which instructs us as follows:

"New occasions teach new duties. Time makes ancient good uncouth."

That is not a call to pursue novelty for its own sake, nor to bend and trim to the shifting winds. It is a message, rather, of the need to acknowledge essential change and to respond to its requirements.

We are here in strength and vigor because those who went before us and built this great instrument of progress did indeed adapt its role and structure to the needs and demands of their times.

The makeup of this body bears little resemblance to the Horse Collar Workers, the Architectural Cornice Makers, the Box Sawyers and Nailers and the Umbrella and Walking Stick Makers who gathered into the Federation a hundred years ago. This body will bear as little resemblance to those who assemble under our banner a hundred years hence.

Throughout its history, labor has reflected all the trends and events—sometimes harmful, sometimes enriching—of its times, at home and abroad. Like our nation, we have been enriched by refugees from strife and tyranny in other lands. Like our nation, we have been compelled to grapple with the consequences of vast technological, social and economic changes that have taxed our wits and capacities.

At times we have lagged behind the past of the curve of change; at times we have surged ahead. Too often to recount, we have been written off and left for dead by the fashion-mongers of the day, only to see them come and go while we remained steadfast on the field of action. Through it all, we have never abdicated our role of leadership in the struggle for human freedom and human progress and we shall not do so now.

Conversely, we are often taken to task because we do not confine our role to the most narrow interests of the dues-paying members, but assume responsibility for the broadest range of human concerns.

Seafarers understand their duty, not only to their immediate shipmates, but to all castaways and drifting souls at sea.

Last summer, the SS President McKinley was steaming through a stormy night in the China Sea. She came upon a small boat in distress and rescued ten persons fleeing from tyranny on the mainland. When the captain was asked why he felt obliged to risk his ship to rescue these forlorn refugees, he responded:

"Shall we ship's masters just leave refugees or seamen or others to drift hopelessly at sea until their ultimate death because they have no passports or seaman's papers?"

Our answer, like his, must be "no".

We are honored to have as our guests most of the leaders of the trade union centers of the free world and we welcome them as comrades-in-arms. We share their problems and concerns. I pledge to them, in your name, our cooperation and commitment in our common universal struggle for the rights of working men and women, for bread and freedom, everywhere. To that end, with the support of this convention, we shall apply for re-affiliation, effective January 1, 1982, with the International Confederation of Free Trade Unions.

You have before you, the comprehensive Report of the Executive Council which details the work of the Federation since our last convention. It will tell you all that you might want to know about that work and probably more.

Without trying to retrace all of that ground, let me note some of the ways in which we have sought to address the challenge of the times in keeping with our historic mandate.

We have a permanent mandate to seek and preserve unity within the family of labor, and we rejoice in the re-affiliation of a great union, the United Automobile Workers. We warmly welcome its delegates here, as we welcomed its President, Brother Doug Fraser, to the Executive Council last August. We welcome, above all, the addition of our ranks of the force and vigor of the UAW's role and voice in the fight for social and economic justice.

This old church will remain wide open at all hours. Our mission will not be completed until all of labor's flock is brought within the fold, to work and move together in solidarity.

We have an enduring mandate to bring all working people the message of trade unionism and we have pursued that instruction. The officers and members of the Executive Council of this Federation are deeply committed to the proposition that there is no matter of more constant urgency than to organize the unorganized.

The past two years have witnessed important break-throughs against major strongholds of resistance by the Steelworkers, the Amalgamated Clothing and Textile Workers, the Food and Commercial Workers, the Teachers, AFSCME, CWA and other affiliates, in testimony to the quality of their leadership and dedication. We have initiated an ambitious campaign in the Southwest, with the Houston Cooperative Organizing Program, and we intend to see it through to a solid result.

The strides we have made have been masked in part by offsetting historical factors. A deep recession; the decay of the nation's industrial base, infrastructure and urban services; the export of jobs; and profound occupational, geographic and demographic shifts in the work force, have taken their toll.

In the face of these trends, the fact that the labor movement at large has more than held its own and continued to grow is a remarkable achievement. It is evidence, not of weakness, but of inherent strength and vigor. It is a tribute to the capacity of modern labor to respond, to adapt and to move with the times into new areas of service and growth.

I assure you now that the AFL–CIO stands ready to explore any method of approach and to offer any service that you, the affiliates, desire or will allow in pursuit of our common mandate to organize the unorganized.

We have an age-old mandate to educate and agitate and we have over these past months, sought to do it justice.

Democratic trade union education is a two-way street, and we ignore that at our peril. All channels of information-communication and participation must be open and active throughout and at both ends or they fail altogether.

We can survive adverse public opinion because—being so often the agents of controversy in the pursuit of our duty—we always have.

Samuel Gompers summed it up, in 1913, when he wrote:

"Until all elements exert proportional influence in determining public opinion, until all individuals that make up the public become genuinely and unselfishly desirous of continuously striving for justice to all mankind, public opinion will not become an infallible dispenser of justice."

But we cannot long survive the erosion of support for programs and policies on the part of the membership. Without cultivation and conservation, erosion must surely follow.

Last spring, through a series of regional conferences extending over several weeks, the officers and department heads of the Federation met with state and local trade union leaders for face-to-face discussions on any and all issues, no holds bared. We committed ourselves to bring the ideas and opinions that emerged from those two-way conversations to the attention of the Executive Council, and we have fulfilled that commitment.

Some of the steps we have since taken, as well as some that will be proposed to this convention, are the product of those meetings. We found them of such value that we shall repeat them next year and in the future. I strongly commend such a practice to every constituent organization.

From those sessions emerged the concept of Solidarity Day and the conviction that the spirit required for its success was there, waiting for an opportunity of expression.

On that day, there gathered in Washington the greatest protest demonstration in our history. Over 400,000 members of the main stream of the trade union movement and their allies spoke with one great voice against the course of their government and for the human values we represent.

My only regret is that many thousands more who wished to come had to be turned away because all available means of transport were exhausted. I am convinced that every member who assembled in Washing-

ton on Solidarity Day went home a better trade unionist more ready, willing and able to speak and work for the cause.

What can we fairly say now of those engaging, amiable and persuasive men of power in Washington, whose measures drew our forces there in protest?

The President, we are told, is the Great Communicator; but so were many other heads of state in history whose policies left suffering and distress in their wake. Herbert Hoover was known as the Great Engineer, but wreckage was his legacy.

Communication is scarcely enough, particularly for a President of the United States. Though he "speaks with the tongues of men and of angels, and has not charity", he is "but a sounding brass of a tinkling cymbal".

He has shown a cold heart and a hard fist, but, where, indeed, is the rest of him?

It is one thing to use the full force of government to break a small union of hard-pressed public employees. That, I suppose, does express the harshest construction of the law and is, perhaps, popular. But is it then just and fitting to go out upon the field and shoot its wounded?

As for his brilliant and tireless team, drawn from the service of avarice, they promised us a boom and brought us a bust.

They have drained the public purse of lavish welfare on the greedy rich, in the name of "incentive".

They have stripped the poor and jobless of welfare, food stamps and unemployment insurance, also in the name of "incentive".

That is known as the carrot-and-stick policy: for the rich, the carrot; for the poor, the stick.

What is the net result so far of their genius and masterful command of the Congress?

Eight and one-half million workers are now unemployed, the largest number since 1939.

Unemployment among blacks and other minorities has reached fifteen and one-half percent; eleven percent of all blue collar workers are unemployed. Unemployment has increased by one million in the last three months alone.

The real earnings of workers are down 4.4 percent in the last year. Bankruptcies are up forty percent. The housing, automobile and related industries are being strangled by sky-high interest rates.

Mr. Paul Volcker, high priest of monetarism at the Federal Reserve Board, is a very kind and engaging man—until he goes to work in the morning. Then something happens.

For the past few weeks, in public and private discourse, he has been blaming the terrible harm that his policies have already done the nation's economy on next year's wage bargains. To grapple for such a flimsy alibi is a sure sign of the final bankruptcy of monetary doctrine.

It calls to mind an old, old ditty:

"It's the same the whole world over,
It's the poor that gets the blame,
It's the rich that gets the gravy.
Ain't it a bleeding shame?"

What can we who opposed the domestic policies of this Administration from the beginning now say that is one-half as devastating as the recorded fleeting spasms of honesty of its leading hatchet-man, Mr. David Stockman?

What provoked his candor one can only guess. But you don't have to be an old sailor to know what it means when the smartest rat on board heads for the hawse pipe.

Lest you feel a twinge of human sympathy for his public embarrassment, let me remind you that this is the man who once coldly declared that no one is entitled to anything from one's government. He even now boasts, as his proudest achievement, of the destruction of public service employment and trade adjustment assistance.

He was the original interior decorator of this economic house of ill repute. Now that the sirens are sounding and the bust is due, he has his story ready. He was only the piano player in the parlor. He never knew what was going on upstairs.

The aftermath also tells us a lot about this Administration. Was he chastised by the President for cooking the books, rigging the computer, overfeeding the tax hogs, conning the Congress and duping the public? No—he was taken to the White House woodshed for, at long last, telling the truth. So far have we come from young George Washington and the cherry tree.

Now, after his scolding, he tells us that it was all a foolish mistake, that he was only guilty of being the south end of a north bound Trojan horse.

It is hard to decide which is worse about the social and economic policies of this Administration—The array or the disarray.

If this is the direction of the New Beginning that President Reagan promised, God save us from the End.

When we turn to consider the course of our foreign and defense affairs we find the same pattern repeated.

We were promised a more vigorous and consistent role of American leadership and a more coherent and sustained approach to the revival of our forces in freedom's defense. We welcomed that prospect, for labor has always believed that our values are worthy of a strong defense in the face of external danger.

But what is the objective record, stripped of the fog of rhetoric?

We have, in the past year, witnessed the following:

The growing dismay and division of our allies;

The feeding of our deadliest adversaries on easy credit, making lighter their growing burden of lethal arms;

The appeasement of the Saudi-financial-industrial complex with gifts of costly and exotic weapons, paid for in higher oil prices, by the American consumer;

The destruction of domestic support for necessary defense expenditures through the exemption of the rich and the drafting of the poor in the service of its cost.

On that record, as regards this Administration's team of foreign and defense policy-makers, one need say no more than did the Duke of Wellington when he observed his own troops in a state of disarray:

"I don't know if they frighten the enemy—
But Gad, sir, they frighten me!"

We shall endure and survive all these afflictions, as we have so many others during the ebb and flow of the changing tides and the entrances and exists of great communicators, great engineers and other flickering lights and shooting stars. Our fortunes depend, not on the stars, but upon ourselves.

As we approach a new election year, we must prepare now for the next battle in our long campaign.

Tools and tactics may change, people may come and go, but one element remains essential to our prospects. That is, as always, true and lasting solidarity.

Solidarity yields to the common wealth, to build the store of strength that each of our parts will surely need to draw upon, late or soon.

Solidarity requires, not blind submission to command, but the free and timely exchange of views in search of consensus. Once that is gotten, it the requires of all the character and forbearance to defer one's own pride or preference to the general good.

The officers of this Federation will seek the advice, consult the wisdom, and promote the expression of the views of all quarters of this movement, so that its great and rich variety may be fairly and fully summoned to our common struggle.

When we gain a goal together, there will be enough honor and recognition to go around to each organization that makes up this body. None will be slighted or deprived of its due.

As we go forth into our second century, solidarity remains the indispensable key to the future.

And now to work.

THE PLIGHT OF SOVIET JEWS

Mr. CRANSTON. Mr. President, recent figures provided to me by concerned citizen organizations confirm the ominous trend against the granting of emigration rights by Soviet authorities to Jewish citizens.

Last October's figures mark the lowest point since comprehensive statistics were first kept more than one decade ago. In October 1981, only 368 Soviet Jews were permitted to leave the Soviet Union. This averages out to a yearly total of less than 4,500, as compared to 21,471 last year and 51,320 in 1979.

The terrible truth is that Jewish citizens of the Soviet Union who are seeking to exercise the emigration rights guaranteed by the 1975 Helsinski accords are being used by Soviet authorities as pawns in a geopolitical game.

Since United States-Soviet relations have worsened, mistreatment of Jews in the U.S.S.R. has become more harsh.

But many Americans find it difficult to support steps to improve United States-Soviet relations, so long as such grave human rights abuses continue.

Thus Soviet Jews are caught in a cruel catch-22.

When I was in the Soviet Union last September on a factfinding mission with Senator CHARLES MATHIAS, I met with leaders of the Jewish community in Moscow including "Refuseniks," Jews whose right to emigrate has repeatedly been denied by Soviet authorities. This was a deeply moving and troubling experience and a heart-rending reminder of the difficulties these people face. Many have been denied their Helsinki emigration rights for nearly a decade. Others—such as Anatoly Shcharansky's mother and brother—were deeply concerned about the safety of family members imprisoned by the Soviets. In fact, at that time, Mrs. Shcharansky did not even know if her son was alive or dead, since all family contact with him had been barred for months. She has since received a letter from Anatoly.

I told Soviet authorities that such Soviet human rights violations cast a pall over attempts to improve relations between our countries and are a matter of deep concern to millions of Americans. I also raised specific emigration cases with Soviet authorities at the highest levels.

As relations between the United States and the Soviet Union have deteriorated in recent years, clearly the fate of Jews seeking to leave the Soviet Union has darkened. And added to the tragic decline in emigration figures is a stepped-up Soviet campaign of harassment against Jewish scholars and Hebrew teachers. Many young Jews in the Soviet Union are caught in a cycle of misery where they are harassed by Soviet authorities and denied entrance to universities. Young men who refuse

mandatory military service face 2 years imprisonment; those who do must wait at least 5 years to apply to emigrate.

Mr. President, even as I work to do what I can to reduce tensions between the United States and the Soviet Union and to make possible the improvement of relations between our two countries, I will continue to fight for the rights of Soviet Jews and others. I shall remember their plight and shall do all that I can to advance their cause until compassion and common decency prevail.

I am submitting for the RECORD a chart which demonstrates the spiral downward in the number of Soviet Jews granted their emigration rights:

1971	13,022
1972	31,681
1973	34,733
1974	20,628
1975	13,221
1976	14,261
1977	16,736
1978	28,864

	1979	1980	1981
January	3,722	2,803	850
February	3,837	3,023	1,407
March	4,418	3,049	1,249
April	4,296	2,469	1,155
May	4,163	1,976	1,141
June	4,358	1,767	866
July	4,068	1,205	779
August	4,711	770	430
September	4,663	1,307	405
October	4,746	1,424	368
November	4,193	789	
December	4,145	889	
Total	51,320	21,471	

SOURCE: National Conference on Soviet Jewry.

THE OBSERVANCE OF THE VICTORY AT YORKTOWN

Mr. WARNER. Mr. President, the people of America and all the world were witness in mid-October to a stirring bicentennial commemoration of one of the most historic chapters in our Nation's struggle for independence: The American victory at the Battle of Yorktown in Virginia.

Those of us who were privileged to participate in the Yorktown bicentennial, like the millions who saw, heard or read of the commemoration, are not likely to forget the surge of patriotic emotion evoked by the occasion.

From the reenactment of battles on sea and land, to the re-creation of colonial life and customs, through the formal ceremonies and exchange of toasts between the leaders of nations—the proud spirit of victorious, reawakened liberty touched and ennobled each of us.

Truly it was a glorious moment to savor, to share, and to cherish all our lives.

Hundreds of volunteers from Yorktown, from Virginia, and from all America deserve special tribute for the superb and dignified nature of this observance.

Adding to the significance of the commemorative ceremonies was the presence of two heads of state—the leaders of the two nations who together won the victory 200 years ago: President Francois Mitterrand of France and President Ronald Reagan of the United States.

Also participating with a special grace and eloquence, on behalf of the nation whose forces did not carry the day at Yorktown two centuries ago, was the British Lord Chancellor, Lord Hailsham.

Mr. President, so that all our colleagues and other interested Americans may have the opportunity to share more fully in those observances, and as a contribution to the archives of future historians, I ask unanimous consent that there be inserted in the RECORD the text of remarks by the distinguished participants in the special climax of the week-long celebration and the names of the many key volunteers who made the Yorktown bicentennial in October 1981 possible.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY THE HONORABLE JOHN O. MARSH, JR.

Mr. President, President Mitterrand, Lord Chancellor Hailsham, Governor Dalton, Distinguished Guests, Ladies and Gentlemen:

Nearly a year ago, at the direction of General Meyer, the Chief of Staff, the United States Army established the Cohort Program. This program gives a soldier the opportunity to join a unit as a group, to be trained together, and then assigned together in a single command.

This program seeks to build loyalty between both individuals and their units.

Today, we swear into the United States Army two Cohort Groups who have enlisted in the combat arms of infantry and artillery. They are 214 volunteers from each of the 50 states and all the territories. Both groups will become members of the great 1st Infantry Division at Fort Riley, Kansas. The artillerymen will be assigned to the battery once commanded by Lt. Colonel Alexander Hamilton who led the successful night assault on Redoubt 10 which was made with fixed bayonets and unloaded muskets.

I would like to present for the purpose of administering the oath of enlistment, Lt. Colonel Robert Foley who was awarded the Medal of Honor for heroism in South Vietnam.

SECNAV REMARKS AT YORKTOWN CEREMONY

Yorktown has a long standing tie to America's naval heritage. Prior to the battle which we commemorate today General Washington's victory was secured in part by the operations of the French Fleet, under the command of Admiral de Grasse, off the mouth of the Chesapeake. In recognition of this relationship, four United States Ships have borne the name *Yorktown*, each with great distinction. Perhaps the most famous is the fighting lady USS *Yorktown* (CV-5) which fought so valiantly at the Battle of Midway in June 1942. The name *Yorktown* will again put to sea on a new class of Guided Missile Cruisers being built at Ingalls Shipbuilding in Pascagoula, MS. The ship will carry the AEGIS Combat System—the world's most effective air defense system. The sponsor for this new *Yorktown* will be a very gracious and well known Virginia Lady, Mrs. Mary Mathews.

Earlier this morning, I was advised that the keel of the new *Yorktown* has been "truly and fairly laid" in the name of the United States. The spirit of *Yorktown* will continue in this new ship.

To commemorate this event a plaque will be placed in the ship noting the events of this day and will bear the authenticating initials of the President and Mrs. Mathews. Mr. President, Mrs. Mathews will you join me and initial the plaque.

REMARKS BY SENATOR HARRY F. BYRD, JR., DURING THE YORKTOWN BICENTENNIAL OBSERVANCE

President Reagan, President Mitterand, The Lord High Chancellor of Great Britain, ladies and gentlemen:

It is a privilege to present to this splendid audience today the Lord Chancellor of Great Britain.

The Right Honorable Lord Hailsham is an old friend. He first came to this area 24 years ago with Queen Elizabeth for the 350th anniversary of the landing at Jamestown.

In the British Government, Lord Hailsham is the speaker of the House of Lords Cabinet and, in addition, is the equivalent of our Chief Justice of the Supreme Court.

Indeed, our own Chief Justice—Warren Burger—told me last night at the dinner given by President Reagan that Lord Hailsham has much in common with Winston Churchill.

He is England's best orator and secondly, like Churchill, his mother was an American

I know first hand that he also has an excellent sense of humor.

Two hundred years ago today the Americans, with the vital support of the French, were a bit more fortunate than the British.

Today, in saying to our distinguished guest that this former British colony now has nearly a trillion dollar debt, may I inquire of him: would he perhaps be interested in taking it back?

Two hundred years ago, the British band played "The World Turned Upside Down." It seems to me that the spirit of friendship in which we three nations met today suggests a world turned right-side up again.

Here on American soil today—in a state named for an English queen—to celebrate one of the most historic of all American events, are representatives of our two best and most consistent friends and allies, France and Great Britain.

So it is an honor to present to you now Lord Hailsham, the Lord High Chancellor of Great Britain.

SPEECH BY LORD HAILSHAM, THE BRITISH LORD CHANCELLOR, AT THE BATTLEFIELD CEREMONIES, YORKTOWN

In the unavoidable absence of the late Lord Cornwallis or his successor in title today, I suppose that I am as suitable a person as any to represent Her Britannic Majesty on this rather moving occasion. I suppose that I am in a minority in that I have an identifiable male ancestor who, as I have been led to believe by my family tradition, was actually present on the occasion of the original surrender of Yorktown, the bicentenary of which we celebrate today.

Unlike Lord Cornwallis, my own ancestor, a certain Captain Lytle, was a Junior Officer on the winning side, since when the name Lytle has been a recurrent given name in the various branches of my mother's family on this side of the Atlantic and, at any rate until recently, we have retained in England the actual pair of silver buckles said in the family tradition to have been worn by Captain Lytle when he was in the party which received the British surrender. These personal circumstances enable me to reflect in a somewhat philosophic mood upon the event which took place on this grassy spot two hundred years ago.

There is always something poignant about a battle field of the past. We regard the peacefulness of the scene, the grassy sward. We contrast our pleasant surroundings with the noise and bitterness of battle, the sounds and wreckage and heartbreaks of war. We humbly recall that we too, like those who took part in the original conflict two hundred years ago, have had our own responsibilities for day to day events, no wiser and no better men than they who fought here then, each prepared to die for what each

regarded as his duty. We too are ignorant as they were then of the enormous consequences which were to flow from matters which, to the world at large, would have seemed of little consequence.

The 7,000 troops then surrendering on the orders of their English commander, a mere handful beside the vast arrays contemporaneously engaged on the continent of Europe, the tiny squadron commanded by de Grasse exhibiting the enormous influence of sea power on the fortunes of land warfare, the tatterdemallion Continental army wearing strange hats and inconspicuous uniforms and firing those new fangled guns with rifle barrels, the French land presence under that subject of Louis XVI the Marquis de La Fayette, who lived on into the reign of Louis Philippe and who at 19 years of age was surely the youngest Major General ever to be employed in the American Army, all must have believed, I suppose, nay must have known, that they were living on the fringe of world events as the world was then considered to be constituted.

None knew, at least I suppose not, that they were laying the foundations of a new world power for centuries to come. None foresaw the vast immigration from the Old World, the ultimate destruction of Chattel Slavery in the war between the states, the great advance of the railways across the prairies, the industrial revolution. None foresaw the terrible convulsions of the French and Russian revolutions, the hideous enserfment of suffering millions in the early days of industrialisation, and their ultimate triumph, the dramatic intervention in two World Wars of the New World to save the Old. Nor are we in our own generation permitted to behold the strange and doubtless terrible events for which we in our turn will be held responsible in centuries to come.

Here then is the raw material of history, the shaping of destiny out of relatively small beginnings and perhaps, who knows, here also is the hand of Providence, wiser and more farseeing than human wisdom, that can create out of a manger and a stable force more potent than that of thirty legions of the Roman Army led by a semi-divine figure clad in a purple robe and an imperial diadem. There is nothing quite so humbling for those with responsibility for the present as the contemplation of the past.

Yet, my friends and allies, we three nations, two hundred years ago at enmity with one another, have come here together again, as allies and comrades, to reflect for a moment on the lessons of history and, for this must be the most important part of this episode, our own ultimate responsibility to posterity. When Abraham Lincoln, under a century later than the surrender of Yorktown, made his immortal utterance on the field of Gettysburg, though he remembered the past at his beginning, yet did not end his speech until he had brought the future within his range of vision. He was right to choose this perspective. We three nations, here reunited after two centuries, must ponder the future too.

In 1781, the fringe of the then known world, even, Mr. President, your own predecessor George Washington was more concerned, I believe, to be rid of the incubus of the European connection than to found a world power which cannot continue to exist in happiness, except on condition that all nations enjoy the peace and prosperity to which all men equally aspire. Neither Cornwallis, nor Washington, nor de Grasse, nor La Fayette nor that young Captain Lytle or his equivalents on the French or British sides foresaw the future in that October day in 1781.

The great empires have fallen. Europe is united in a fraternal community. But the enormous enigma of the future still confronts us all with dangers and responsibilities magnified and rendered more awful by the development of military technology of which the range of nuclear weapons is not the only nor necessarily the more lethal example. But we three meet here together again today to celebrate the birth of your new nation, Mr. President, conceived in liberty, and dedicated to the proposition that all men are created equal. That is a proposition which over the last two hundred years has gained its adherents and still reigns supreme over the hearts and hopes of civilised man.

You, Mr. le President, and Mr. President Reagan, are the Heads of States of two great historic nations. I have the honour, though in my much humbler capacity of the subject and servant of my own sovereign, to represent a third and not the least worthy of honour. United together in friendship and alliance, and with our other friends and allies throughout the world, we command a power for good, physical and moral, far beyond the dreams of those whose lives and deaths we celebrate in Yorktown today.

Let us rejoice that, thanks to those who in the last two hundred years, many of them in our own lifetime, have given in the cause of freedom and for our several countries that last full measure of devotion of which your great predecessor spoke, let us rejoice that thanks to them, Government of the people by the people has not perished from the earth. Nor, if we and our friends and allies are worthy of our heritage and equal in our courage and determination to those whose lives we recall upon this peaceful spot today, need the next two hundred years be less worthy of celebration than the last. God bless America. Que le bon Dieu benisse la France et tous les Francais. May God bless my own country, and all those throughout humanity prepared to dedicate their lives anew to the undying tradition of the West, the cause of freedom under law. Let tyranny tremble. Freedom is the law of life and under God's good Providence will triumph in the end.

REMARKS OF SENATOR JOHN W. WARNER, BICENTENNIAL COMMEMORATION CEREMONY, YORKTOWN, VIRGINIA, OCTOBER 19, 1981

President and Mrs. Reagan, President and Mrs. Mitterrand, Lord Chancellor Hailsham, Governor and Mrs. Dalton, Your Excellencies, Members of the Congress, Ladies and Gentlemen:

The American Republic was proclaimed to the world on July 4, 1776 in the stirring words of the Declaration of Independence. It was one thing, however, to declare the creation of a new republic, but another to make the declaration good. American independence had to be won on the battlefield and only with the aid of France was there victory.

As a tribute to our British friends who have courageously joined today, I quote from the diary of a staff officer to General Washington. Of the battle of Yorktown he said: "The measure of our victory today is no greater than the gallantry of our foe."

Since that battle, France and America have often differed on many issues, but whenever human freedom was at stake, we have found ourselves on the same side of the ramparts—arm in arm.

This is the fourth major commemoration of the battle of Yorktown and not since Lafayette's visit in 1824 have we had such a distinguished visitor. Representing France today is a true fighter, who never gave up or despaired in the cause of freedom.

To welcome him I recall the battle cry of the Americans as they landed in France in 1917 and 1944, "Lafayette, we are here!" President Mitterrand—you are here. Vive la France.

THE PRESIDENT OF THE FRENCH REPUBLIC FRANCOIS MITTERRAND—BICENTENNIAL COMMEMORATION, YORKTOWN, VIRGINIA, OCTOBER, 1981

Mr. President, Mr. Governor, Dear American and French friends:

In blood, effort and courage, something enormous was begun here; this first chapter of modern history was written together by our forefathers. We are here again today, meeting in commemoration, but also with our two peoples facing a future confronted by the opposite images of hope and anxiety; hope, which like two hundred years ago, is illuminated by the same love of liberty, anxiety which in our time is all too often aroused by violations of human rights and dignity.

The victory at Yorktown would be only a date among others, were we not to remember the lesson it teaches us.

Who does not recall the vicissitudes of that war which seemed without end: the fatigue and the suffering of the soldiers, the wavering of the leaders, the difficulties in arriving at a unified command of the American and French forces under Washington's command? Up there in the North, Rochambeau was getting impatient at the relative inaction imposed on his expeditionary force, while the war was stagnating around New York, where the soldiers of valiant England stood fast.

One of the best fleets ever put to sea by the French monarchy remained apparently useless at anchorage, off Cap Francois (now Cap Haitian in Haiti).

As so often happens when fighting bogs down, judgments come into question, money runs short, and weariness takes over. But an upsurge in clarity of vision and willpower is enough to bring a change in luck and a mastery of destiny. A succession of advances and retreats transformed your rebellious provinces into a gigantic chessboard. Lafayette, who served in your army, thanks to Washington's fatherly welcome, gradually drew Cornwallis' ten thousand men into the heart of Virginia, first in order to defend it, then to stop and immobilize the adversary.

Familiarity with the terrain and a grasp of action show that everything was at stake at Yorktown, if the Chesapeake were made into a trap. Lafayette alerted Washington and Rochambeau, who understood that there was no need to hold out outside of New York, and who came down with their troops for that famous march of over two hundred leagues from the north to south, which we have relived here today.

Everything was coming to a point in October 1781. And everything was about to topple. Lafayette had made the proper moves, Washington and Rochambeau the right decisions. But the English fleet, still in control of the Chesapeake, could yet dispatch Cornwallis and beat the combined allied forces.

It was then that our Admiral de Grasse entered the picture, going beyond the too narrow orders, by way of these daring strikes which punctuate the history of great military victories: Louis XVI had instructed the Admiral to keep his fleet away from the fighting, but Washington called for help. Without waiting for new instructions from the King, de Grasse set sail and the French fleet arrives before the English ships at a crucial point. In the battle of Chesapeake Bay, the enemy fleet of Graves and Hood was dispersed.

It remained for Cornwallis' army now to be reduced in a siege whose vestiges we still see thanks to your admirable reconstruction of the area. A single gesture was to reveal the full significance of the victory, and this gesture took place right here, almost at the same time of day. General O'Hara, delegated by the ailing Cornwallis, galloped towards Rochambeau to hand him the English com-

mander's sword. But General Mathieu Dumas, by pointing to Washington, the real commander-in-chief, made everyone realize what had been happening in America during the last five years: it was not just another episode in the old Franco-English quarrel, but indeed the first free act of the New World. The young American nation had come of age in the eyes of history.

We, French men and women, know that Montesquieu and our philosophers of the 18th century, had their first disciples in the New World; that you, before we, gave substance to the ideas which were to develop all through the following century to our day into a great universal movement:

Independence for a nation;

Constitution for the state; and

Liberty for the people.

And when in 1789 France became ignited with the embers of your Revolution, Lafayette cast our declaration of human rights from a mold fashioned by Jefferson and Franklin.

My dear Mr. President, recently in Philadelphia you reiterated this concept of liberty. It is our common point of reference. For its sake we came together each time that what was most important was at stake. Twice you returned Lafayette's courtesy with interest. Pershing and Eisenhower preceded us in our encounters in 1917 and 1944.

Our two nations can be proud for not having ever faced each other in armed conflict. Such nations are not numerous in the community of great nations, those that have never been involved in a war against each other. The Covenant of Friendship sealed at Yorktown has been always respected, we have to take care of it as a precious patrimony, without forgetting that it extended itself to the enemy of those days, today a faithful companion in good and bad times: England, who in 1940 kept the fate of the free world in courageous hands of her unconquerable people.

Without any doubt it had happened and will happen to us at some point in history not to make the same choices. Each of us had our national interests to defend. There could be contradictions, there have been and there will be. Each of us has our own convictions about the organization of social-economic relations, and nobody can ask the other to forego what he believes just and good for his own country. But these differences cannot and should not infringe on the profound reasons for a necessary alliance which finds its source here and whose meaning and continuity we feel this day more than at any other time. These differences cannot and should not hamper our common measures for peace, security and reduction of tensions in the world.

The battle of Yorktown—and what followed from it—has heavily weighed on the fate of the world. The lesson remains. The fighting for freedom and justice of the "insurgents" of the war of independence continues under other forms in other places of the present world.

Indeed, where injustice prevails freedom is only a lure, where freedom is flouted thought suffocates but where justice rules freedom lives and thought radiates.

The teachings of Washington and of the founding fathers of American democracy are inscribed in the collective memory reunited with the ideals of our French Revolutions of 1789 and 1868.

Let us listen together to the voices that emerge from all the continents, everywhere expressing the rejection of all forms of domination, whatever their political, economic or cultural nature; the will for independence, the same need for dignity, the aspirations of the present day nations are as legitimate as those of our ancestors. They are faithful to their example. Let us understand them. We who are in charge of the policy of our countries in this difficult period and act in such a way that their message be heard when there is still time.

Mr. President, I thank you for allowing the President of the French Republic to meet with you in the first capital of Human Rights and I express my wish that in the struggles of our days, and in order to guarantee peace, justice and liberty that we meet as in Yorktown, side by side, American friends around us. I came here to say this to you.

REMARKS BY GOVERNOR JOHN N. DALTON—INTRODUCTION OF PRESIDENT REAGAN, VICTORY DAY CEREMONIES—YORKTOWN

Among the traditions we celebrate at Yorktown is one that our nation's chief executive join in this remembrance that the office he holds was also assured here two centuries ago.

Two centuries ago, the men and women of thirteen colonies welcomed a Virginian, George Washington, as the Father of their Country, the man who as Commander-in-Chief had led the forces of freedom from foreign domination.

Today we welcome a President from Illinois by way of California, who has also been a leader of the forces of freedom, this time a freedom from the barnacles of excessive taxation and regulation that have attached themselves to the Ship of State in more recent years.

And we all have reason to celebrate his recent victories in the Congress of the United States.

We are all familiar with his record from the campaign last November, but in the spirit of this occasion, he has won high honors in other fields of endeavor.

Among them are the National Humanitarian Award from the National Conference of Christians and Jews, the Torch of Life Award for Humanitarian Services, the Horatio Alger Award, the American Newspaper Guild Award, the Freedom Foundation Award, membership in the American Patriots Hall of Fame, and the Medal of Valor from the State of Israel.

They confirm for us what all of us sensed—that he is a man in tune with his times, sensitive to the needs of our own country and to the role that the nations of the world look to America's Chief Executive to play.

In just a few months, he has demonstrated to his supporters and critics alike that this will be his greatest performance.

Ladies and Gentlemen, without further embellishment, will you welcome the President of the United States.

REMARKS OF THE PRESIDENT AT THE BICENTENNIAL OBSERVANCE OF THE BATTLE OF YORKTOWN

The PRESIDENT: Mr. President, Mrs. Mitterrand, Lord Chancellor, Governor John Dalton, and I thank you very much for that most gracious introduction, Members of the Congress, Members of the Cabinet, distinguished guests and my fellow citizens, I open with something of an announcement before my remarks. Since today is a day to celebrate freedom, I feel it only appropriate that I exercise one of the more pleasant powers of the Presidency. After consultation with Governor Dalton and with his approval, by the power vested in me as President of the United States, I hereby grant amnesty to the corps of cadets of the Virginia Military Institute under the terms and conditions to be specified by the superintendent. (Applause and laughter.)

And now, this field, this ceremony and this day hold a special meaning for people the world over, whether free in their lives or only in their dreams. Not long after the battle of Yorktown, Lafayette wrote home to France. Here, he said, "Humanity has won its battle, Liberty now has a country."

It was an extraordinary moment in history. The Continental army, as you've been told, had marched more than 400 miles from the Hudson River in New York to the tidewaters of Virginia. They surprised and stranded Lord Cornwallis on the tip of this peninsula. When Admiral de Grasse and his Franch fleet blockaded the Chesapeake, the trap was sprung: There could be no rescue by land or by sea.

Nearly eight thousand British soldiers had swept from Charleston to Richmond to this spot between the York and the James Rivers, with far more victories than defeats. But, as they were encircled and besieged by the Continentals, as they withstood day after day of grueling bombardment, they must have known in their hearts they were fighting for a cause that could not win.

Their enemies were a band of colonists, with bandaged feet and muskets that couldn't be counted on to fire, but the British were thousands of miles from home, and the Americans were fighting where they lived. Those rebels may not have had fancy uniforms, or even adequate resources, but that had a passion for liberty burning in their hearts.

In a masterly execution of a textbook siege, General Washington and his grab-bag army defeated the finest troops King George could field. The morning of the surrender must have been very much like this one today: the first real chill of autumn was in the air. The trees were turning brilliant with hues of red and gold and brown and the sky was bright and clear. Quiet had finally returned to this lovely countryside. How strange the silence must have seemed after the thundering violence of war.

And then the silence was broken by a muffled beat of British drums, covered with black handkerchiefs, as the Redcoats marched to surrender. The pageantry was spectacular. The French in their spotless white uniforms lined one side of the road. The ragged Continentals were brown and dreary on the other side. But the journals of those who were present mention that the Americans stood every bit as straight and equally as proud as any army could. They had, on that day, a military bearing that was not to be outdone by their comrades in white and blue nor by King George's men in their brilliant red.

As the British marched between the allied armies to the field of surrender, tears streamed down many of their faces. Their musicians played a tune popular in England at the time: Yes, "The World Turned Upside Down." And that's just what the colonists had done.

But those Americans were not professional soldiers at all. They had fought for freedom from Quebec to Saratoga, from Camden and Cowpens to Germantown, Valley Forge and Monmouth—towns and countrysides once so anonymous that King George complained that he could neither pronounce them nor find them on the map.

By Yorktown, they were veterans but they were still not soldiers. They were farmers, backwoodsmen, tradesmen, clerks and laborers—common men from all walks of life, anxious to return to their families and the building of a nation. On that day in 1781 a philosophy found a people and the world would never be the same.

We who have traveled here today—and I am told we number more than 60,000—did not come just to admire the strategies, battlements and trenches of a siege. We did not come to idealize human suffering.

The wounds of this battle have long since healed. Our nations have matured and bonds of friendship now exist between one time enemies. The same has been true of other wars since which makes you wonder if, after all the hatred, all the pain and all the sacrifice, we find ourselves to be friends and allies, why couldn't we find ourselves able to be friends without first going to war?

We have come to this field to celebrate the triumph of an idea—that freedom will

eventually triumph over tyranny. It is and always will be a warning to those who would usurp the rights of others: time will find them beaten. The beacon of freedom shines here for all who will see, inspiring free men and captives alike, and no wall, no curtain nor totalitarian state can shut it out.

The commemoration of this battle marks the end of the revolution and the beginning of a new world era. The promise made on July 4th was kept on October 19th. The dream described in that Pennsylvania hall was fulfilled on this Virginia field. Through courage, the support of our allies and by the gracious hand of God, a revolution was won, a people were set free and the world witnessed the most exciting adventure in the history of nations: the beginning of the United States of America.

But we didn't win this battle or this war by ourselves. From your country, Mr. President, came men and ships and goods. Generals Rochambeau and Lafayette and Admirals de Grasse and de Barras were among those without whose help this battle and this war could never have been won. France was first to our side, first to recognize our independence, and steadfast in friendship ever since. We are bonded in spirit and in fact by freedom. "Fnure vous, entre nous, a la vie, a la mort," Pochambeau said—between you, between us, through life, or death.

And others came to our aid—Poles, Spaniards, Scots, Canadians, Swedes, Germans, Dutch, Irish and still more.

Our Revolution was won by and for all who cherish the timeless and universal rights of man. This battle was a vindication of ideas that had been forming for centuries in the Western mind.

From the Mediterranean had come the philosophies of Greece and the laws of Rome. England contributed representative government and the French and the Poles shared their dreams of equality and liberty. On our own frontier we learned dependence on family and neighbors, and in our Revolution free men were taught reliance on other free men.

We of the West have lived the central truths—the values—around which we now must rally: human dignity, individual rights and representative democracy. Our nations share the foundation of common law, separation of powers and limited government. We must unite behind our own common cause of freedom.

There are those in the world today, as there always have been, who recognize human rights as only selective favors to be doled out by the state. They preach revolution against tyranny, but they intend to replace it with the tyranny of totalitarianism.

Once again, today, thousands of free men and women have gathered on this battlefield in testimony to their beliefs. Let the struggle that took place here remind us all: the freedom we enjoy today has not always existed, and carries no guarantees. In our search for an everlasting peace, let all of us resolve to remain so sure of our strength that the victory for mankind we won here is never threatened.

Will we meet the challenge Joseph Warren put forth to Americans 200 years ago? Will we act worthy of ourselves?

Each generation before us has struggled and sacrificed for freedom. Can we do any less?

The men and boys who fought on this field somehow understood that government must be close to people and responsive to them. That if all men are free to prosper, all will benefit.

Today in our country those concepts are threatened by government's bloated size and the distortion of its true functions. Our people are struggling under a punishing tax burden many times heavier than that which ignited our first rebellion.

Regulations that inhibit our growth and prosperity would be incomprehensible to the colonists who revolted because of the Stamp Act.

Our founding fathers devised a system of government unique in all the world—a federation of sovereign states with as much law and decision-making authority as possible kept at the local level. This concept of Federalism has been the secret of America's success, and will be a priority again as we restore the balance between the federal, state and local levels that was intended in the Constitution. (Applause.)

But of equal concern to me is the uncertainty some seem to have about the need for a strong American defense. Now, that is a proper task for the national government. Military inferiority does not avoid a conflict, it only invites one, and then insures defeat. We have been trusted with freedom. We have been trusted with freedom and must ensure it for our children and for their children. We're rebuilding our defenses so that our sons and daughters never need to be sent to war.

Where are the voices of courage and vision that inspired us in the past? Are we ever to hear those voices again? Yes. Thomas Paine, a voice of patriotism, said, "those who expect to reap the blessings of freedom must undergo the fatigue of supporting it."

We always have and we always will. That's just part of being an American. Our Declaration of Independence has been copied by emerging nations around the globe—its themes adopted in places many of us never heard of.

Here in this land, for the first, time, it was decided that man is born with certain God-given rights. We the people declared the government is created by the people for their own convenience. Government has no powers except those voluntarily granted to it by we the people.

There have been revolutions before and since ours, revolutions that simply exchanged one set of rulers for another. Ours was a philosophical revolution that changed the very concept of government.

John Adams wrote home from Philadelphia shortly before signing the Declaration of Independence, and he said, "I am well aware of the Toil and Blood and Treasure, that it will cost Us to maintain this Declaration, and support and defend these States. Yet through all the Gloom, I can see the Rays of ravishing Light and Glory. I can see that the End is more than worth all the Means—and that Posterity will triumph—"

It is that vision we recall today. We have economic problems at home and we live in a troubled and violent world. But there is a moral fibre running through our people that makes us more than strong enough to face the tests ahead. We can look at our past with pride, and our future can be whatever we make it. We can remember that saying Thomas Paine said, "We have it within our power to begin the world over again." We only have to act worthy of ourselves.

And as it's been said already today, God bless America.

ACKNOWLEDGEMENTS

Honorary chairmen

The Honorable John N. Dalton, Governor of Virginia.

The Honorable Harry F. Byrd, Jr., U.S. Senate.

The Honorable John W. Warner, U.S. Senate.

The Honorable Paul S. Trible, Jr., U.S. House of Representatives.

Virginia Independence Bicentennial Commission

Hon. Lewis A. McMurran, Jr., Chairman.
Hon. Hunter B. Andrews, Vice Chairman.
Hon. Fred W. Bateman.
Hon. John Warren Cooke.
Congressman Dan Daniel.
Sen. Elmon T. Gray.
Hon. Robert R. Gwathmey, III.
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Mr. A. E. Dick Howard.
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Ms. Perry W. Moore.
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Hon. John Raymond Sears, Jr.
Mr. Jack C. Smith.
Mr. John C. Stephens, Jr.
Mr. Charles B. Walker.
Mr. Ross Weeks, Jr., Director.

Yorktown Bicentennial Committee

Representing the National Park Service, Commonwealth of Virginia, County of York, and Trustees of the Town of York:

Hon. Lewis A. McMurran, Jr., Chairman. Richard H. Maeder, President; Ross Weeks, Jr., John P. Abbett.

Shirley F. Cooper, Jack Smoot, H. Tabb Smith, Ross Holland, and William B. Rowland, Jr., Director.

Committee chairmen

LTG Jack Fuson, Military Committee.

Hon. John R. Sears and Samuel Laudenslager, Program Committee and Tall Ships.

Mrs. Bolling R. Powell, Jr., Chairman, Gloucester County Celebration.

Mrs. Catesby B. Jones, Jr., Co-Chairman, Gloucester County Celebration.

Mr. and Mrs. William John Matheson, Co-Chairmen, Gloucester County Celebration.

James Bland Martin, Honorary Chairman, Gloucester County Celebration.

Dr. William J. Maddocks, Local Celebrations Committee.

Edward Chambers, Heritage Festival Committee.

John Broadwater, Cofferdam Project Committee.

Jim Brady, Sailboat Races Committee.

George Hagerman, Waterfront Activities Committee.

Marion Bowditch, Watermen's Museum Exhibit.

Dr. Thomas A. Graves, Jr., and Dr. Donald Bruno, Schools and Colleges Committee.

John Matthews, Residents, VIP Officials, Participants Access and Parking Committee.

C. M. Clarke, Virginia Dept. of Highways & Transportation Traffic Control Committee.

Marian Bowditch, Hospitality Centers Committee.

John P. Abbett, Federal Property Access Committee.

James C. Echols, Satellite Parking Lot Shuttle Bus Service Committee.

Dan Thompson, Security Committee.

Spencer Coleman, Concessions Committee.

Al Coates, Promotion and Publicity.

John E. Harwood, Transportation Committee.

Jack S. Hodge, Coordinator Transportation Committee.

David Peebles and Pauline Trimpi, Social Activities Committee.

Brig. Gen. Charles Symroski, Protocol Committee.

Connie Connors, State Dept. Protocol Liaison.

Norm Beatty, Colonial Williamsburg.

Clement Conger and Edwin Cox, III, Foreign Participation Committee.

Georgia Fuson, Housing Committee.

Brig. Gen. Edward Hudgins, Invitations Committee.

Joseph A. Jennings, Finance Committee, Special Funds.

Peggy Harris, Hostess Committee.

Thomas J. Deakin and William L. Brown, Recreated Military Units Committee.

Nicole Yancey, French Liaison Committee.

John R. Allen, Philatelic Activities Committee.

Peggy Harris, Colonial Theme Center Committee.

James Anthony, Ethnic Showcase Committee.

Robert Anderson, Lifestyle Area Committee.

Turner Robinette, Agricultural Exhibits Committee.

Wendell Ayres, Game & Fish Wildlife Area Committee.

Stalma Hacker, Colonial Trading Post Committee.

Latane Trice, Parade Field Jousting Committee.

Gary Kemp, Colonial Auction Center Committee.

John Prince, Education & Orientation Center Committee.

Thelma Jones, Hot Air Balloon Exhibit Committee.

Lucy Tekinder, Colonial Farm & Home Arts Committee.

Yorktown International Bicentennial Committee, Inc.

Hon. William H. G. FitzGerald, National Chairman; Hon. Hunter B. Andrews; Hon. Walter H. Annenberg; Mr. Willard C. Butcher; Mr. Joseph Coors; Mr. Charles H. Davison; Miss Marie Christopher de Menil; Mr. Milton L. Drewer, Jr.; Mr. Pierre Gousseland; Mr. James T. Larkin; Mr. Paul LeBlanc; Hon. Lewis A. McMurran, Jr.; Mr. Jean Riboud; Mr. S. Dillon Ripley; Mr. Wilbur Ross; Mr. B. Francis Saul, II; and Mr. John R. Stevenson.

Special acknowledgments

Commonwealth of Virginia:

Special appreciation is extended to the employees of the Yorktown Victory Center for their efforts and in particular to James R. Rollings, III, Daniel M. Hawks, Richard K. Hurley, Jacqueline F. Redmond, LaVelle M. Foley, Deborah L. Sowers, Anne G. Tompkins, Joy N. Larson, Stacy W. VanLeliveld, Louise S. Hoh, Greg Willis, Bonnie Mann and Patti Procopi.

Special recognition is given to Allen W. Libby, John B. Nicholson, III and Caroline G. Frechette who were reassigned from the Jamestown-Yorktown Foundation to assist with the celebration.

Sincerest appreciation is extended to the following staff who were reassigned from various agencies in Richmond to assist the Yorktown Bicentennial Committee with central planning and preparations for the celebration:

Daniel C. Bartges, Jr., Elizabeth S. Biehn, Albert W. Coates, Jr., Pauline L. Edmonds, Stanley S. Kidwell, Jr., Albert N. Neale, Trudy E. Norfleet, Michael D. Rogers, and William B. Rowland, Jr.

Colonial National Historical Park, National Park Service:

Sincere appreciation is extended to all the staff of Colonial National Historical Park who devoted their time and energy in preparing for the celebration and, in particular, the staff listed below:

Mary Frances Bailey, Public Affairs Specialist;

James N. Haskett, Chief, Interpretation and Visitor Services.

Ralph D. Maxwell, Chief, Resource Management and Visitor Protection.

Robert D. Robertson, Administrative Officer.

Jack G. Stout, Chief of Maintenance.

Erma L. Wehrenberg, Staff Assistant to Bicentennial Coordinator.

Local Governments:

Special thanks to the local governmental jurisdictions and especially to the officials and employees of the Counties of York and Gloucester, and the Trustees of the Town of York and Gloucester County for their financial support and untiring efforts in planning the event.

Armed Forces

Deep appreciation is extended to the men and women of the United States Army, Air Force, Navy, Marines and Coast Guard. Special recognition goes to the Secretary of the Army, John O. Marsh, Jr., and the Commanding Officer, U.S. Army Transportation Center and Fort Eustis, Major General Harold I. Small, the members of the Yorktown Bicentennial Task Force under the direction of Colonel James Waldeck and Colonel William Smith, and Colonel Lloyd Socky and Major Robert Aylor of Ft. Monroe.

Special acknowledgment

Sincere appreciation of the Commonwealth of Virginia and the Committees involved in the 200th Anniversary of the Battle of Yorktown is extended to the following individuals who gave unselfishly to this celebration:

John P. Abbett, assistant superintendent, Colonial National Historical Park; Jack S. Hodge, resident engineer of the Suffolk District, Virginia Department of Highways and Transportation; and William B. Rowland, Jr., division director, Virginia Department of Planning and Budget, who served as Director of the Yorktown Bicentennial Committee.

Special gratitude to James R. Sullivan, former Superintendent of the Colonial National Historical Park, and Randall W. Young, former Director, Yorktown Bicentenntial Committee, for their untiring service in planning this Yorktown Bicentennial. And recognition should be given to Jennifer Joy Manson, Torrey Shuford and Stuart Connock, representing the Office of the Governor for their invaluable services.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PAY ADJUSTMENTS FOR FEDERAL STATUTORY PAY SYSTEMS—MESSAGE FROM THE PRESIDENT—PM 92

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with the provisions of section 5305 of Title 5 of the United States Code, I hereby report on the pay adjustments I ordered for the Federal statutory pay systems in October 1981.

The Secretary of Labor, the Director of the Office of Management and Budget, and the Director of the Office of Personnel Management, who serve jointly as my Pay Agent, found that an overall increase of about 15.1 percent in General Schedule rates of pay would be required to achieve comparability with private sector pay as that concept and process are defined in the Pay Comparability Act of 1970. The Advisory Committee on Federal Pay agreed with that finding.

While I fully support the comparability principle as the best basis for determining Federal pay, I believe that significant changes are required in the way that principle is currently defined and implemented. Therefore, last March, the Administration transmitted to the Congress proposed legislation to revise and strengthen the comparability process. At that time, it was estimated that the revised process would result in an overall increase in Federal pay of about 4.8 percent in October 1981.

The reform proposal has not yet been acted upon in Congress, but in accordance with our economic recovery program, the Congress included in the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) provisions that limited this October's Federal civilian pay adjustments to the same 4.8 percent. Accordingly, on August 31, 1981, I sent to the Congress an alternative plan which called for an increase of 4.8 percent at each grade. Neither House of Congress disapproved this alternative plan, so on October 15, 1981, I signed Executive Order No. 12330 implementing it.

Under that Executive Order:

—The scheduled rates of pay under the statutory pay systems (the General Schedule, the Foreign Service Schedule, and the schedules for the Department of Medicine and Surgery of the Veterans' Administration) were increased by 4.8 percent in accordance with the alternative plan.

—The scheduled rates of pay for the Vice President and the Executive Schedule and Congressional and Judicial salaries were increased, under the provisions of Public Law 94–82, by the overall 4.8 percent in rates of pay under the General Schedule.

—The scheduled rates of pay for the Senior Executive Service were increased under the provisions of section 5382 of Title 5 of the United States Code based on the new rate of pay for GS–16, step 1, of the General Schedule and the new rate of pay for level IV of the Executive Schedule.

—The scheduled rates of pay and allowances for members of the Uniformed Services were increased by amounts ranging from 10 percent to 17 percent depending on pay grade in accordance with the provisions of sections 101 and 102 of the Uniformed Services Pay Act of 1981 (Public Law 97–60) approved October 14, 1981.

The Order also reflects the effect of section 101(c) of Public Law 97–51 (the continuing resolution approved October 1, 1981), which contains limitations on payable salaries for certain top level Government positions.

I am transmitting herewith copies of the reports of my Pay Agent and the Advisory Committee on Federal Pay, the alternative plan, and the Executive Order I promulgated to put these pay adjustments into effect.

RONALD REAGAN.

THE WHITE HOUSE, *November 16, 1981.*

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 3:38 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its clerks, announced that the Speaker has signed the following enrolled bill:

S. 1672. An act to expand the membership of the U.S. Holocaust Memorial Council from 60 to 65 and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

At 5:41 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 357. Joint resolution making further continuing appropriations for the fiscal year 1982, and for other purposes.

HOUSE JOINT RESOLUTION REFERRED

The following joint resolution was read twice by unanimous consent, and referred as indicated:

H.J. Res. 357. Joint resolution making further continuing appropriations for the fiscal year 1982, and for other purposes; to the Committee on Appropriations.

ENROLLED BILL PRESENTED

The Secretary reported that on today, November 16, 1981, he had presented to the President of the United States the following enrolled bill:

S. 1672. An act to expand the membership of the U.S. Holocaust Memorial Council from 60 to 65 and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment;

S.J. Res. 115. Joint resolution to approve the President's recommendation for a waiver of law pursuant to the Alaska Natural Gas Transportation Act of 1976 (with additional and minority views) (Rept. No. 97-272).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GORTON (for himself, Mr. DOMENICI, Mr. DURENBERGER, Mr. KASTEN, Mr. NICKLES, Mr. QUAYLE and Mr. MURKOWSKI):

S. 1848. A bill to amend the Congressional Budget Act of 1974 to impose limits on the amount of total budget outlays contained in concurrent resolutions on the budget, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget, and the Committee on Governmental Affairs.

By Mr. SYMMS:

S. 1849. A bill to authorize the issuance of a special series of bonds which may be redeemed for gold, and for other purposes; to the Committee on Finance.

By Mr. SARBANES (for himself and Mr. MATHIAS):

S. 1850. A bill to designate the "Gladys Noon Spellman Parkway"; to the Committee on Energy and Natural Resources.

By Mr. MATHIAS:

S. 1851. A bill to amend the Federal Election Campaign Act of 1971; to the Committee on Rules and Administration.

By Mr. JEPSEN:

S. 1852. A bill to amend the Export-Import Bank Act of 1945 to provide for the extension of credit for agricultural commodities; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PERCY (by request):

S. 1853. A bill to authorize support to Radio Broadcasting to Cuba, Incorporated; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GORTON (for himself, Mr. DOMENICI, Mr. DURENBERGER, Mr. KASTEN, Mr. NICKLES, Mr. QUAYLE, and Mr. MURKOWSKI):

S. 1848. A bill to amend the Congressional Budget Act of 1974 to impose limits on the amount of total budget outlays contained in concurrent resolutions on the budget, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

LIMITING FEDERAL SPENDING

Mr. GORTON. Mr. President, I am introducing legislation today which will effectively limit the rate at which Federal Government expenditures can increase in the future. This bill, by amending the 1974 Congressional Budget Act, will, after a 5-year transition period, limit the spending of the Federal Government to no more than 20 percent of the gross national product. I am pleased to have my colleagues, Mr. DOMENICI, Mr. DURENBERGER, Mr. KASTEN, Mr. NICKLES, Mr. QUAYLE, and Mr. MURKOWSKI, join me in introducing this bill.

It is a fact that Federal spending is out of control. This hardly needs documenting; everyone in the country knows it. But at the risk of belaboring the obvious, I would like to present a few facts which illustrate the dimensions of the problem we face. It required 173 years for Federal spending to reach the $100 billion mark, but only 10 more years to reach the $200 billion mark. Then only 5 more years had to pass before Government expenditures exceeded the $300 billion mark in 1975. Since that time, expenditures have regularly risen at over $100 billion a year, to the point that a trillion dollar budget is now a real possibility.

On the other hand, a trillion-dollar national debt has become a reality. While it required three decades for the national debt to double after World War II, less than 6 years passed before it doubled again, surpassing the trillion dollar level this year.

Even more revealing has been the increase in Government expenditures as a proportion of the gross national product. The proportion of gross national product absorbed by the Federal Government is a better measure of the size of Government because it is not influenced by inflation. During the 1950's, the expenditures of the Federal Government absorbed on average less than 17 percent of gross national product. This percentage rose to over 19 percent during the 1960's, and to more than 21 percent in the 1970's. In 1980, during that single year, it was over 23 percent.

What everyone knows is true, is indeed true. Government spending has been simply out of control.

During my campaign, I promised the citizens of the State of Washington that, if elected, I would search for an effective, lasting solution to the problem of runaway Government spending, and would work diligently to see it enacted. Since joining the Senate, I have consulted at length with Senator DOMENICI, the distinguished and hard-working chairman of the Budget Committee, and with the Budget Committee staff. This legislation is the product of that consultation.

I will first briefly describe this bill and then explain why I think it preferable to other proposals which are also designed to limit the growth of Government.

This bill limits Federal expenditures to no more than 20 percent of adjusted gross national product. This percentage equals the average share of gross national product absorbed by the Federal Government over the last two decades. Because Federal spending is currently significantly above this 20-percent level, a transition period is included that will allow the administration and the Congress the time required to reduce the relative size of the budget. This 5-year transition period will begin in fiscal year 1983. The budget proposals of the Reagan administration, if followed, fit comfortably below the spending limitation imposed during each of the transition years. Following this period, the allowable amount of spending during succeeding fiscal years will be the previous year's gross national product multiplied by the average rate of growth of GNP over the preceding 5 years.

Should total expenditures exceed 20 percent of this adjusted gross national product, then the offending concurrent resolution, amendment, or conference report will be subject to a point of order. If raised by a Member and sustained by the Presiding Officer, the ruling may only be overturned by a three-fifths majority of the House in question. This allows the Congress some flexibility to deal with a true emergency.

Any problem as serious as the uncontrollability of Federal spending does not lack proposed solutions. Currently, the most widely discussed proposed solution is a constitutional amendment to require the Federal Government annually to balance its budget. There is for every problem, a solution that is simple, direct, popular, and wrong. I believe that to amend the Constitution to require a balanced budget, while admittedly simple, direct, and popular, is the wrong solution for two reasons. First, there is nothing about a balanced budget that precludes the continued growth of Government. Second, I believe that amending the Constitution should be undertaken only as a last resort.

The basic contention made by supporters of a balanced budget amendment is that it is a sure-fire way to limit Federal spending. It is nothing of the kind. There is nothing in the proposed amendment which would limit spending. The amendment would only require that expenditures be covered by revenues. As rapidly as Federal Government expenditures have risen, State and local expenditures have risen even faster. This has occurred despite the fact that State and local governments are required to balance their budgets annually.

In California, the rapid growth of State spending led, in 1978, to proposition 13, which reduced current property taxes and limited future increases. The success of proposition 13 led California voters overwhelmingly to approve proposition 4 the following year. Proposition 4 limited State and local spending to the level of 1978–79, adjusted for inflation and population growth. The citizens of California found that requiring a balanced State budget did not succeed in limiting the growth of State government. A spending limit was required to accomplish that end. Similar proposals have also been passed by the State of Washington.

I believe that what has proven true at the State level will also prove true at the Federal level. When President Carter announced what turned out to be a futile attempt to balance the Federal budget by this year, he did so by proposing increased taxes. Federal expenditures in the Carter budget were projected to increase by 16 percent between 1980 and 1981.

This abortive attempt to balance the budget was never intended to, and did not, result in any budget restraint. It took the Reagan administration, a Republican Senate, and reconciliation to do this. The effective way to limit the growth of Government is to impose direct spending limitations. The spending limitation bill that I am introducing today does this. A constitutional amendment to require an annually balanced budget does not.

My bill limits Federal spending by legislation, not by a constitutional amendment. I believe, for several reasons, that this is by far the preferable route. The Constitution of the United States is comprised of a set of basic guiding principles. It is not composed of specific regulations. In fact, I believe that amending the Constitution to place explicit limits on the level of Federal expenditures is inconsistent with the purpose and history of the Constitution.

In any event, it is patently unwise to enshrine in the Constitution any new and untested mechanism. While I have every confidence that placing limits on Federal spending is the proper way to limit the growth of Government, it is possible that, in the light of experience, it may need to be modified. History has shown that it is very difficult to amend the Constitution. Experimental proposals are simply inappropriate for constitutional amendments.

Furthermore, amending the Constitution should occur only as a last resort, when all other measures have failed. Clearly, this is not the case so far. The Congress has never imposed on itself the sort of budgetary constraint I propose today. I suggest that until we in the Congress have attempted and failed to place and maintain limits on the growth of Federal spending, it is premature to attempt a constitutional amendment.

I urge my fellow Senators to join me in solving the problem of runaway Federal expenditures by enacting this legislation.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, (a) title III of the Congressional Budget Act of 1974 is amended by inserting after section 301 the following new section:

"LIMITATIONS ON TOTAL BUDGET OUTLAYS

"SEC. 301A. (a) IN GENERAL.—Notwithstanding any other provision of law, it shall not be in order in the Senate or the House of Representatives to vote on the question of agreeing to any concurrent resolution on the budget of any amendment thereto or any conference report thereon for the fiscal year ending on September 30, 1983, or for any subsequent fiscal year if—

"(1) the adoption of such concurrent resolution;

"(2) the adoption of such amendment; or

"(3) the adoption of such concurrent resolution in the form recommended in such conference report;

would cause the total amount of budget outlays set forth in such concurrent resolution to exceed the amount specified for such fiscal year by subsection (b).

"(b) SPECIFICATION OF LIMITS.—For purposes of subsection (a), total budget outlays shall not exceed—

"(1) for the fiscal year ending on September 30, 1983, an amount equal to 22 percent of the adjusted gross national product;

"(2) for the fiscal year ending on September 30, 1984, an amount equal to 21.5 percent of the adjusted gross national product;

"(3) for the fiscal year ending on September 30, 1985, an amount equal to 21 percent of the adjusted gross national product;

"(4) for the fiscal year ending on September 30, 1986, an amount equal to 20.5 percent of the adjusted gross national product; and

"(5) for each fiscal year beginning on or after October 1, 1986, an amount equal to 20 percent of the adjusted gross national product.

"(c) MARGIN OF ERROR.—Notwithstanding subsections (a) and (b), it shall be in order to consider a concurrent resolution on the budget for any fiscal year to which subsections (a) and (b) apply or any conference report thereon if—

"(1) the adoption of such concurrent resolution; or

"(2) the adoption of such concurrent resolution in the form recommended in such conference report;

would cause the total amount of budget outlays set forth in such concurrent resolution to exceed the amount specified for such fiscal year by subsections (a) and (b) by an amount which is equal to not more than two-tenths of 1 percent of the adjusted gross national product.

"(d) POINT OF ORDER.—A point of order raised pursuant to subsections (a) and (b) may only be raised at the conclusion of debate and before a vote is taken on a concurrent resolution on the budget, an amendment thereto, or a conference report thereon. If any such point of order is sustained by the presiding officer of the House in which it is raised, an affirmative vote of three-fifths of the Members of such House duly chosen and sworn shall be required to sustain an appeal of such ruling. Debate on an appeal of such point of order shall be limited to two hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees. An appeal on such a point of order is not subject to a motion to table.

"(e) WAIVER PROHIBITED.—The provisions of this section may not be waived pursuant to section 904(b).

"(f) DEFINITIONS.—For purposes of this section—

"(1) The term 'adjusted gross national product' means an amount equal to the number obtained by multiplying the gross national product for a fiscal year by (1 + the floating national product trendline for such fiscal year), and by (1 + the floating gross national product trendline for such fiscal year).

"(2) The term 'gross national product' means the gross national product as computed by the Department of Commerce for the most recently completed fiscal year preceding the fiscal year for which a concurrent resolution on the budget is being considered.

"(3) The term 'floating gross national product trendline' means the average annual rate of change of the gross national product during the five most recent full fiscal years preceding the fiscal year for which a concurrent resolution on the budget is being considered.".

(b) Section 301(d) of such Act (31 U.S.C. 1322(d)) is amended—

(1) by redesignating paragraphs (3) through (8) as paragraphs (4) through (9), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) specific recommendations concerning whether the total amount of budget outlays for such fiscal year should exceed the amount specified for such fiscal year under subsections (a) and (b) of section 301A;".

(c) Section 310(a) of such Act (31 U.S.C. 1331(a)) is amended by adding at the end thereof the following: "The report accompanying any such concurrent resolution on the budget shall contain specific recommendations concerning whether total budget outlays for such fiscal year should exceed the amount specified for such fiscal year by subsections (a) and (b) of section 301A.".

(d) Section 904 of such Act (31 U.S.C. 1301) is amended by—

(1) striking out "titles I, III, and IV" in subsection (a) and inserting in lieu thereof "title I, title III (except section 312(a)), and title IV"; and

(2) striking out "or IV" in subsection (b) and inserting in lieu thereof "(except section 301A) or title IV".

(e) Title III of such Act is further amended by inserting at the end thereof the following new section:

"NOTIFICATION BY THE PRESIDENT OF EXCESS SPENDING

"SEC. 312. (a) NOTIFICATION.—The President shall transmit a notice to the Committees on the Budget of the Senate and the House of Representatives at any time he determines that the amount of total budget outlays for a fiscal year will exceed the amount of total budget outlays for such fiscal year set forth in the second required concurrent resolution adopted pursuant to section 310 for such fiscal year or in any concurrent resolution on the budget for such fiscal year adopted after such second required concurrent resolution for such fiscal year. The notice shall include recommendations for legislation, rescissions, deferrals, and other actions that will reduce actual outlays to the amount specified in such concurrent resolution.

"(b) REVISED CONCURRENT RESOLUTION ON THE BUDGET AND RECONCILIATION INSTRUCTIONS.—Within forty-five days after receipt

of the notice required by subsection (a) for any fiscal year, the Committees on the Budget of the Senate and the House of Representatives shall each report to their respective Houses a concurrent resolution on the budget which contains appropriate revisions of the most recently agreed to concurrent resolution on the budget for such fiscal year. Such revised concurrent resolution may contain specifications and directions for one or more committees to determine and recommend changes in bills, laws, and resolutions in accordance with this title and to report or submit such determinations and recommendations pursuant to the procedures established by section 310(c).".

(f) The table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(1) by inserting after the item relating to section 301 the following new item:

"Sec. 301A. Limitations on total budget outlays,"; and

(2) by inserting after the item relating to section 311 the following new item:

"Sec. 312. Notification by the President of excess spending.".

SEC. 2. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11) is amended—

(1) by striking out "and" at the end of subparagraph (B) of paragraph (12) of subsection (a);

(2) by striking out the period at the end of paragraph (13) of subsection (a) and inserting in lieu thereof "; and";

(3) by adding at the end of subsection (a) the following new paragraph:

"(14) recommendations for insuring that total budget outlays for the ensuing fiscal year do not exceed the amount specified for such fiscal year by subsections (a) and (b) of section 301A of the Congressional Budget Act of 1974, or a detailed statement specifying the reasons why total outlays for such fiscal year should exceed such amount and recommendations for methods to reduce as soon as possible total outlays to the amount specified for such fiscal year by section 301A."; and

(4) by inserting after the third sentence in subsection (g) the following: "The statement transmitted on or before July 15 of any year shall include a report on the progress made since the transmittal of the message required by subsection (a) toward insuring that total budget outlays for the fiscal year in progress do not exceed the amount specified for such fiscal year by section 301A of the Congressional Budget Act of 1974.".

SECTION-BY-SECTION ANALYSIS

SECTION 1(a)

The General Rule.—Section 1(a) provides that it shall not be in order in either House of Congress to vote on a concurrent resolution on the budget, an amendment thereto, or a conference report thereon, if an affirmative vote would cause the total amount of budget outlays set forth in such concurrent resolution to exceed the following levels of adjusted gross national product (a term having a defined meaning for the purposes of the bill):

Fiscal year:	*Percent*
1983	22.0
1984	21.5
1985	21.0
1986	20.5
1987 and beyond	20.0

The provision is enforced by a member raising a point of order against proceeding to a vote on the concurrent resolution, amendment or conference report. The point of order may only be raised at the conclusion of any debate and before the vote is taken on the measure against which the point of order is raised.

If raised and sustained by the presiding officer, the ruling may only be overturned by a three-fifths vote of the members of the House in question.

Debate on the point of order is limited to two hours equally divided. In addition, the point of order is not subject to a motion to table or waiver under section 904(b) of the Congressional Budget Act of 1974.

Margin of Error.—Section 1(a) also provides that no point of order will lie against a concurrent resolution or conference report thereon if the amount of budget outlays in excess of the limit is not more than two-tenths of one percent of adjusted gross national product.

Adjusted Gross National Product—Adjusted gross national product is defined to mean the result obtained by multiplying gross national product by (1 + the floating gross national product trendline), and by (1 + the floating gross national product trendline), where gross national product is the gross national product as computed by the Department of Commerce for the most recently completed fiscal year preceding the fiscal year for which a concurrent resolution on the budget is being considered, and where the floating gross national product trendline is the average annual rate of change of the gross national product during the five most recent full fiscal years preceding the fiscal year for which a concurrent resolution on the budget is being considered.

SECTIONS 1 (b) AND (c)

Sections 1(b) and 1(c) provide that the Committee on the Budget of each House shall include in its report accompanying the first and the second and any subsequent concurrent budget resolutions specific recommendations concerning whether the total amount of budget outlays for such fiscal year should exceed the spending limitation.

SECTION 1(d)

Section 1(d) makes technical changes in section 904 of the Congressional Budget Act of 1974 to set out specifically that the spending limitation is not subject to waiver by majority vote.

SECTION 1(e)

Section 1(e) has two parts.

The first part requires the President to notify Congress at any time he/she determines that the amount of total budget outlays for a fiscal year will exceed the amount of total budget outlays for such fiscal year as set forth in the second required concurrent resolution or any subsequent concurrent resolution adopted for such fiscal year. The notice from the President must include recommendations for legislation, rescissions, deferrals and other actions that will reduce actual outlays to the amount specified in such concurrent resolution.

The second part requires the Committee on the Budget of each House to report to its House, within 45 days of receiving the notice from the President, a concurrent resolution on the budget which contains appropriate revisions of the most recently agreed to concurrent resolution for such fiscal year. Such revised concurrent resolution may contain specifications and directions for one or more committees to determine and recommend changes in bills, laws and resolutions, and to report such determinations and recommendations pursuant to the procedures established for reconciliation.

SECTION 1(f)

Section 1(f) makes technical changes in the table of contents of the Congressional Budget and Impoundment Control Act of 1974 to which these new provisions are added.

SECTION 2

Section 2 amends the Budget and Accounting Act, 1921 to set out specifically the President's duty to include in his/her January budget submission to the Congress recommendations for insuring that total budget outlays for the ensuing fiscal year do not exceed the specific outlay limitation, or a detailed statement specifying the reasons why total outlays for such fiscal year should exceed the limitation and recommendations for methods to reduce as soon as possible total outlays to the level of the limitation. Additionally, the President is required to include in his/her mid-session budget review a statement of the progress made toward insuring that total budget outlays for the fiscal year in progress do not exceed the outlay limitation for such fiscal year.

By Mr. SYMMS:

S. 1849. A bill to authorize the issuance of a special series of bonds which may be redeemed for gold, and for other purposes; to the Committee on Finance.

GOLD BOND ACT

● Mr. SYMMS. Mr. President, today I am introducing the Gold Bond Act because of my deep concern for the survival of our long-term capital markets. The long-term capital markets are the most important markets in a capitalist society, because only through them can a free market economy plan for the future. These are the markets that permit businessmen to plan for the future; that bring savers and investors together; and permit investors to manage the amount of risk and uncertainty they can afford.

Today, the long-term capital markets are being systematically destroyed by unstable monetary policy, high interest rates, and general confusion among investors about the future stability of our monetary and banking system.

In today's money market, the half-life of $1 is about 3 years. At 20-percent interest rates, a sum of money will double in 3 years. This is what the mathematics of compound interest indicates. If the interest rate is 10 percent, the money would double in 7 years. The consequence of this short half-life of money is that people who have money to lend or to invest expect inflation to destroy so much of their purchasing power that they are refusing to lend it in these unstable markets unless their investments can remain equal in terms of real purchasing power. In today's capital markets, the lenders require that the number of dollars will have to double in 3 years—so therefore, the half-life of the dollar is 3 years.

The Gold Bond Act will authorize the Secretary of the Treasury to sell 50-year bonds, with a coupon rate of 2 percent. The United States would promise to pay the bondholder in terms of gold bullion. Therefore, if the Federal Reserve System destroys the dollar with its monopoly money, at least the U.S. Government bonds will still be good investments, because they will be secured by the gold reserves of Fort Knox. These will be promises to pay out bars of gold, not depreciated dollars, upon maturity.

The issuance of gold bonds will insure pension funds, university endowments, financial institutions, and individuals that their long-term savings for the future will remain secure from the predatory destruction of inflation.●

By Mr. SARBANES (for himself and Mr. MATHIAS):

S. 1850. A bill to designate the "Gladys Noon Spellman Parkway"; to the Committee on Energy and Natural Resources.

GLADYS NOON SPELLMAN PARKWAY

● Mr. SARBANES. Mr. President, I am introducing legislation today with my colleague from Maryland, Senator CHARLES MCC. MATHIAS, JR., to provide a fitting tribute to one of Maryland's most distinguished citizens who spent a lifetime dedicated to public service and whose years in the House of Representatives are remembered for her record of achievement and her great respect for the democratic process. Gladys Noon Spellman touched many lives, and this legislation would recognize her achievements by renaming the Baltimore-Washington Parkway the Gladys Noon Spellman Parkway.

Designation of the parkway would be an appropriate monument to a great legislator. Gladys Spellman was first elected to the U.S. House of Representatives in 1974, and with the spirit of boundless enthusiasm which characterized all of her activities, she set about the process of upgrading the Baltimore-Washington Parkway, which was then in a state of disrepair and ran through the center of Maryland's Fifth District. She guided legislation through the House Appropriations Committee which provided funds for repairing and resurfacing the parkway. Knowing the importance of this regional transportation asset to visitors to the Nation's Capital as well as her own constituents, she held a series of meetings to expedite planning and construction. The repaving was completed in 1976.

These efforts to improve the parkway were just a small part of her activities on behalf of regional transportation programs. She was an early and strong supporter of the regional Metrorail system, both as a member of the Prince Georges County Council and later as a Member of Congress. Gladys Spellman believed in government and knew how to make government at all levels work in a spirit of cooperation and mutual concern.

The fine parkway between Baltimore and Washington, the gateway to both cities and a vital transportation link, is already a monument to the unique abilities of a great legislator and the dedication and work of Gladys Spellman. Designation of the parkway as the Gladys Noon Spellman Parkway would make this tribute a permanent reality.●

● Mr. MATHIAS. Mr. President, I am pleased to join with my colleague from Maryland (Mr. SARBANES), in sponsoring legislation to rename the Baltimore/Washington Parkway the Gladys Noon Spellman Parkway.

As you know, Mrs. Spellman suffered a cardiac arrest toward the end of her vigorous campaign for reelection for Maryland's Fifth District. Since then, she has been hospitalized.

Those of us who worked closely with Mrs. Spellman during the drive to find ways to finance the resurfacing of the Baltimore/Washington Parkway can attest to her perseverance. The way she tackled this task truly reflected the high caliber of work she was accustomed to do throughout her congressional career. She was a leader in solving regional transportation problems and the Baltimore/Washington Parkway project was but one of her many successes. Her record clearly shows that she was a friend of the Maryland commuter during her entire tenure in office—a true trailblazer for multimodal transportation projects.

Just a decade ago the Baltimore/Washington Parkway was dangerously inadequate, causing a high fatality rate. That, together with the need to accommodate the growth of the Washington metropolis, prompted Gladys Spellman and the Maryland congressional delegation to seek funds to resurface the highway. As with everything Gladys Spellman undertook, success was not long in coming.

We can all take pride in the state of the parkway today. It has an esthetic quality matched by few other arteries in the United States today. Traveling on the Baltimore/Washington Parkway is truly a pleasant experience. You can enjoy nature and feel the change in seasons on the parkway in a way that most other roads do not permit.

It has been my pleasure to share many public occasions with Gladys Spellman and each time I saw her with her friends and constituents was struck by her ability to convey a sense of personal warmth and constituents I was struck by her abilcould address a vast audience and give each of them the feeling that she was in intimate private conversation.

This was more than a political trick; it was the important ability to make citizens feel close to government, to personalize the relation of the citizen to the State, and to engage the loyalty of the people to the political process. Without neglecting the many material achievements of Representative Spellman, it seems to me that the gift of making policies work and bringing government into a human dimension was her real genius.

Designation of the Baltimore/Washington Parkway as the Gladys Noon Spellman Parkway is a fitting tribute to a model legislator and friend of the people of Maryland.●

By Mr. MATHIAS:

S. 1851. A bill to amend the Federal Election Campaign Act of 1971; to the Committee on Rules and Administration.

FEDERAL ELECTION CAMPAIGN AMENDMENTS ACT OF 1982

● Mr. MATHIAS. Mr. President, anyone involved in a campaign for Federal office in the last few years is aware of the ways in which conduct of campaigns have come to be shaped by requirements of the Federal Election Campaign Act.

The basic goals of the law as it applies to congressional races are fairly simple: To disclose the sources of money in campaigns, and to limit the amount of money that can come from any one individual or group.

I think many in political campaigns would agree that actually complying with the law and the regulations is often not an easy task.

Some charge that at a minimum the democratic spontaneity of the political campaign has been hurt in part by the fear of violating one of the laws' many requirements.

Others charge that the unintended consequences of the campaign finance laws have come to outweigh the benefits.

I have supported and I continue to support the basic goals of the Federal Election Campaign Act. And I continue to believe that the laws should be administered by an independent agency such as the Federal Election Commission.

Yet in view of the importance of the electoral process, I believe that Congress and specifically the Committee on Rules and Administration have an obligation to review how the laws have affected political campaigns and participation in the electoral process.

I am introducing today a bill entitled the "Federal Election Campaign Act Amendments of 1982" and ask that it be referred to the Committee on Rules and Administration. I offer this bill as a starting point for consideration of legislative changes which should be made in the Federal Election Campaign Act.

Except for those laws which are unique to Presidential campaigns, this bill would modify in some phase three major elements of the statute: Disclosure, contribution limitations, and enforcement.

DISCLOSURE

This bill takes a twofold approach to expanding and upgrading information reported about Federal campaign finances.

First, it enhances the value of campaign finance information by concentrating on the most important ideas.

Second, the bill calls for disclosure of funds used in the Federal election process not previously subjected to reporting requirements.

Currently campaign committees are required to provide identification of all individual contributions of $200 or more in a calendar year. Similarly, committees must identify those to whom expenditures or disbursements are made in amounts over $200. The bill proposes to increase the threshold for identification of contributions and expenditures to $500. Recordkeeping provisions for contributors over $50 and expenditures over $200 would be retained.

The bill would also increase the threshold of financial activity at which candidates are required to register and report under the act. Currently an individual who has received contributions or made expenditures in excess of $5,000 is subject to the reporting requirements of the act. The bill would raise this figure to $10,000.

Funds spent by corporations, labor organizations, and national banks in establishing, administering and soliciting contributions for their separate segregated funds are not now reported. The bill provides for placing these costs on the public record.

Additionally, the currently unreported costs associated with registration and get-out-the-vote activities of corporations and labor organizations directed to their personnel and members would be disclosed under this legislation.

Finally, corporate and labor organization expenses for communications advocating to their personnel and members the election or defeat of candidates

would be fully reported under the terms of this legislation.

CONTRIBUTION LIMITATIONS

Contribution limits are the second element of the FECA addressed in this legislation. The bill proposes to work a change from a separate election basis to a campaign basis for application of contribution limits.

Currently the $1,000 limit to a candidate's authorized committee is applied separately for a primary and a general election.

Contribution limitations under this bill to authorized candidate committees would be subject to limitations on a campaign or an election cycle basis rather than under the current law's provisions for separate limits for a primary and a general election.

This bill also proposes an increase in the dollar limitation for individual contributions. A $4,000 limit would be one applied to a campaign engaged only in a primary election or in both a primary and a general election.

The annual contribution limitation of individuals also would rise from $25,000 to $40,000. Draft committees would be specifically limited to $2,000. Amounts given to a draft committee would count against limits, if the individual becomes a candidate.

By reason of the change to an election cycle basis for determining limitations, multicandidate committees would be authorized to contribute a total of $10,000 to a principal campaign committee, rather than the current $5,000 separate limitation for the primary election and the general election.

An increase from $15,000 to $20,000 in the amount of a contribution by a multicandidate committee to a national political party committee would place multicandidate committees on the same national party contribution level as now exists for individuals.

The bill also contains a provision which would suspend the contribution limitations with respect to contributions made to a candidate's campaign by one member of his or her family. The family member may be the spouse, parent, grandparent, sister, brother, daughter or son.

ENFORCEMENT

Finally, the enforcement and administration provisions of the act are modified in two ways: The legislation cuts short the complaint and enforcement procedures of the Act when violations appearing on the face of a report are promptly corrected.

Another provision addresses the timeliness of reviews made of committee reports. The bill would require the Commission to review reports expeditiously so that any notices of errors, deficiencies or violations apparent on the face of a report would be sent before the next reporting date.

MISCELLANEOUS

The provisions on solicitation of contributions by trade associations and membership organizations are modified in two respects: An amendment to section 41b(b)(4)(C) of title 2, United States Code, makes clear that a membership organization, cooperative, or corporation without capital stock or their political committees may solicit members as well as families of members.

The bill includes at least 12 legislative changes recommended by the FEC in its 1980 report.

Among them are:

First, the annual approval required for solicitation of contributions by corporate members of trade associations would be amended to permit the corporate approval to stand until revoked;

Second, providing the FEC with general waiver authority;

Third, reduction in reporting by nonactive Presidential candidates;

Fourth, eliminating the en banc proceedings in the court of appeals and harmonizing judicial review standards in title 2 and title 26;

Fifth, authorizing a revolving fund for Commission publications.

I ask unanimous consent that there be printed in the RECORD, the bill and a section-by-section summary. I also ask that the Federal Election Commission's 1980 legislative recommendation be included in the RECORD following the section-by-section summary. Notations indicate which recommendations of the FEC have been included in the legislation introduced today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1851

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Amendments Act of 1982".

SEC. 2. Section 301 of the Federal Election Campaign Act of 1971 is amended—

(1) in paragraph (2) by striking out "$5,000" each place it appears and inserting in lieu thereof "$10,000"; and

(2) by amending paragraph (9) (B) (iii) to read as follows:

"(iii) any communication by any membership organization or corporation to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office;".

SEC. 3. Section 302 (e) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) The name of any political committee having a connected organization, including any separate segregated fund established pursuant to section 316 (b), shall include the name of its connected organization."; and

(2) by adding at the end thereof the following new paragraphs:

"(6) The name of any political committee established to draft or to encourage an individual to become a candidate shall include 'draft' or a similar descriptive term, and the name of the individual.

"(7) The name of any political committee established to support the selection of delegates or the delegates to a national nominating convention shall, if qualified under the provisions of this Act as a political committee, include the word 'delegate' and the name, if any, of the Presidential candidate or candidates it supports.

"(8) The national committee of a political party and affiliated, subordinate or auxiliary committees of a national committee of a political party, the State committee of a political party and affiliated, subordinate or auxiliary committees shall use the name of the political party in the name under which it registers.

"(9) Each designation, statement, and report required to be filed shall include the full name of the political committee.".

SEC. 4. Section 303(b) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period in paragraph (6) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(7) the name and address of any political consultant or management firm or direct mail, or polling firm engaged by the reporting political committee when a committee principal or principals operate or have an interest in such firm.".

SEC. 5. Section 304(a)(3)(A) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "and" at the end of clause (ii); and

(2) by adding the following new clause at the end thereof:

"(iv) on receipt of a written notice that a Presidential candidate is no longer seeking nomination or election to that office, the Commission may waive the requirements for pre- and post-general election reports and may permit principal campaign committees of such Presidential candidates currently filing on a monthly basis to revert to quarterly filing.".

SEC. 6. Section 304(a) of the Federal Election Campaign Act of 1971 is amended—

(1) in paragraph (4)—

(A) by amending subparagraph (B) to read as follows:

"(B) bimonthly reports in all calendar years which shall be filed no later than the 20th day after the last day of the two-month period and shall be complete as of the last day of the two-month period, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-general election report shall be filed in accordance with paragraph (2)(A)(i), a post-general election report shall be filed in accordance with paragraph (2)(A)(ii), and a year-end report shall be filed no later than January 31 of the following calendar year."; and

(B) by striking out subparagraph (A)(ii) and inserting in lieu thereof the following:

"(ii) a pre-election report or notice to the Federal Election Commission that such report is not required, no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election (which the reporting committee has not previously reported) and such report shall be complete as of the 20th day before the election."; and

(2) by striking out paragraph (6) and inserting in lieu thereof the following:

"(6)(A) In addition to all other reporting requirements under this Act, eight days before an election the principal campaign committee of the candidate shall, in one submission, report to the Clerk, the Secretary, or the Commission, as appropriate, contributions of $1,000 or more, received after the close of books on the 20th day before the election through the tenth day before the election.

"(B) Written notifications of contributions of $1,000 or more received after the tenth day before the election and more than forty-eight hours before the election shall be made within forty-eight hours after receipt.

"(C) The notification required under this paragraph shall include the name of the candidate and the office sought by the candi-

date, the identification of the contributor, the date of receipt and the amount of the contribution.".

SEC. 7. Section 304(b) of the Federal Election Campaign Act of 1971 is amended—

(1) in paragraph (3)(A) by striking out "$200" and inserting in lieu thereof "$500";

(2) in paragraph (3)(F) by striking out "$200" and inserting in lieu thereof "$500";

(3) in paragraph (3)(G) by striking out "$200" and inserting in lieu thereof "$500";

(4) in paragraph (5)(A) by striking out "$200" and inserting in lieu thereof "$500";

(5) in paragraph (6)(A) by striking out "$200" and inserting in lieu thereof "$500"; and

(6) in paragraph (6)(B) by striking out "$200" each place it appears and inserting in lieu thereof "$500".

SEC. 8. Section 304(c) of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"(4) Notwithstanding the provisions of section 315(a)(2) (A), (B), and (C), a corporation, a labor organization, or a national bank establishing a separate segregated fund shall disclose either through reports of their separate segregated funds or directly to the Federal Election Commission, the costs incurred with respect to each of the following:

"(A) the establishment, administration, and solicitation of contributions of its separate segregated fund, which shall be reported in accordance with section 304(a)(4)(A)(i) and (iv);

"(B) nonpartisan registration and get out the vote campaigns by a corporation directed at its shareholders and executive or administrative personnel and their families, and by a labor organization aimed at its member and their families, which shall be reported in accordance with section 304(a)(4)(A)(i) and (iv); and

"(C) those costs which are directly attributable to communications of a corporation to its members, stockholders, and administrative and executive personnel and communications of a membership organization, including a labor organization, to its members, expressly advocating the election or defeat of a clearly identified candidate or candidates, which shall be reported in accordance with section 304(a)(4)(A)(i) and with respect to any general election shall be reported in accordance with section 304(a)(4)(A)(ii).".

SEC. 9. Section 304(c) of the Federal Election Campaign Act of 1971 is amended—

(1) in paragraph (1) by striking out "$250" and inserting in lieu thereof "$500"; and

(2) in paragraph (2)(C) by striking out "$200" and inserting in lieu thereof "$500".

SEC. 10. The Federal Election Campaign Act of 1971 is amended by adding after section 304 the following:

"WAIVER OF REPORTING REQUIREMENT

"SEC. 304A. In accordance with the provisions of section 311(d) of this Act the Commission may exercise authority to waive in part or in whole those reporting, record-keeping, organizational, or other requirements of the Act which may be excessive or unnecessary with respect to the particular categories of persons to which the waiver will apply.".

SEC. 11. Section 308(d) of the Federal Election Campaign Act of 1971 is amended by inserting after "for an advisory opinion" the following: "except the period for public comment shall be 5 days when the request is one which is required by this Act to be answered within 20 days".

SEC. 12. Section 309(a)(1) of the Federal Election Campaign Act of 1971 is amended by inserting after "complaint." the following: "When a correction of a violation disclosed on the face of a report is made by the reporting entity either prior to the next reporting date or within fifteen days after receipt by the committee of notification based on a complaint filed with the Commission or based on the Commission's review, the Commission shall take no further action on the corrected violation and shall dismiss a complaint or that part of a complaint in regard to such corrected violation.".

SEC. 13. The Federal Election Campaign Act of 1971 is amended by striking out the text of section 310 and inserting in lieu thereof the following:

"(a)(1) The Federal Election Commission, the national committee of a political party, or any individual eligible to vote in any election for the office of President is authorized to institute such actions as may be appropriate to implement or construe any provisions of the Federal Election Campaign Act, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954, known as the Presidential Election Campaign Fund Act, and the Presidential Primary Matching Payment Account Act, including actions for declaratory judgment or injunctive relief in the appropriate district court of the United States, without regard to the amount in controversy. Actions authorized as separate actions under this section otherwise authorized for the respondent shall not be based on facts and legal issues arising under enforcement proceedings for which notice has been given pursuant to section 437g of this Act.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection when an action is filed challenging the constitutionality of The Federal Election Campaign Act, or of chapter 95 or chapter 96 of this Act. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case, to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"(b) Any certification, determination, or other action by th Commission made or taken pursuant to the provisions of chapter 95 or chapter 96 of this Act, shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the certification, determination, or other action by the Commission for which review is sought.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and expedite to the greatest extent possible the disposition of any questions regarding the constitutionality of this Act.".

SEC. 14. The Federal Election Campaign Act of 1971 is amended by adding after section 310 the following new section:

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 310A. (a) The Commission is authorized to appear in and defend against any action filed under section 310 of this Act either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized through attorneys and counsel described in subsection (a) to appear in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary of the Treasury as a result of examination and audit made pursuant to section 9007 and section 9008 of the Internal Revenue Code of 1954.

"(c) The Commission is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for declaratory or injunctive relief concerning any civil matter covered by the provisions of chapter 95 or 96 of the Internal Revenue Code of 1954 or of section 6096 of such Code. Upon application of the Commission an action brought pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.".

SEC. 15. Section 311(b) of the Federal Election Campaign Act of 1971 is amended by—

(1) inserting "(1)" after the subsection designation "(b)"; and

(2) adding at the end thereof the following:

"(2) Any review of reports made by the Commission in the course of carrying out its supervisory responsibilities shall be carried out expeditiously. Any notices of errors, deficiencies, or violations apparent on the face of a report shall be sent as soon as possible but not later than the next reporting date unless the error, deficiency, or violation is either a continuing one which carries over to a subsequent report or becomes apparent only after receipt of a subsequent report. Neither the 12-day preelection report nor the 30-day post general election report shall be considered the next reporting date for the purposes of this paragraph. The timing of notices required by this paragraph shall not apply to the political committees reporting under the provisions of section 304(a)(3) of this Act.".

SEC. 16. Section 311 of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"(g)(1) The Federal Election Commission shall transmit to the Congress proposed rules and regulations necessary for the purpose of implementing the provisions of this Act, and the amendments made by this Act prior to two months after the date of enactment of this Act.

"(2) The provisions of subsection (d) of this section allowing disapproval of rules and regulations by either House of Congress within 30 legislative days after receipt shall, with respect to rules and regulations required to be proposed under paragraph (1) of subsection (a), be deemed to allow such disapproval within 15 legislative days after receipt.

"(h) The Commission may establish a revolving fund account for the purpose of making expenditures to pay for the cost of printing of publications, the purchase of photocopy materials and other types of reproduction supplies in an amount that may be recovered by the sale of documents and publications for which there are requests. In establishing a fee schedule, the Commission shall take into account that the public interest is served in making available requested documents and publications about the Act. No less than the actual cost of printing, materials, or supplies shall be recovered.".

SEC. 17. Section 313 of the Federal Election Campaign Act of 1971 is amended by striking

out ", with respect to any individual who is not a Senator or Representative in, or Delegate or Resident Commissioner to, the Congress on January 8, 1980,".

SEC. 18. Section 315(a)(1) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking cut subparagraph (A) and inserting in lieu thereof the following:

"(A) to any candidate and his authorized political committees for an election or elections for a Federal office in a particular year which, in the aggregate exceed $4,000';"; and

(2) in subparagraph (C) by inserting before the period the following: ", or $2,000 for a political committee established to draft or to encourage an individual to become a candidate".

SEC. 19. Section 315(a)(2) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) to any candidate and his authorized political committees for an election or elections for Federal office in a particular year which, in the aggregate, exceed '$10,000';";

(2) in subparagraph (B) by striking out "$15,000" and inserting in lieu thereof "$20,000"; and

(3) in subparagraph (C) by inserting before the period, the following: ", or $2,000 when the political committee is receiving funds or making expenditures to draft an individual or to encourage an individual to become a candidate".

SEC. 20. Section 315(a)(3) of the Federal Election Campaign Act of 1971 is amended by striking out "$25,000" and inserting in lieu thereof "$40,000".

SEC. 21. Section 315(a)(4) of the Federal Election Campaign Act of 1971 is amended by striking out "contributions to" and inserting in lieu thereof "contributions of $250 to each of".

SEC. 22. Section 315(a) of the Federal Election Campaign Act of 1971 is amended by striking cut paragraph (6) and inserting in lieu thereof the following:

"(6) For purposes of the limitations on a candidate imposed by paragraphs (1) and (2) of this subsection, all elections held in any calendar year shall be considered to be one election. Contributions made by any person to a draft committee shall, if the individual becomes a candidate, be counted against applicable candidate contribution limitations.".

SEC. 23. Section 315(a)(8) of the Federal Election Campaign Act of 1971 is amended by inserting after "candidate" each place it appears "or political committee".

SEC. 24. Section 315 of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"(1) Except as it applies to publicly funded Presidential candidates, section 315(a)(1)(A) shall be suspended with respect to contributions by one individual family member of a candidate to the candidate and his authorized political committees when notification is provided to the Federal Election Commission by the candidate and the individual family member jointly. The individual family member may be any one of the following: spouse, parent, grandparent, sister, brother, daughter, or son. Contributions made by such family member under the provisions of this paragraph shall not constitute contributions for the purpose of the $40,000 annual limit set forth in section 315(a)(3).".

SEC. 25. Section 318(a) of the Federal Election Campaign Act of 1971 is amended by—

(1) striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(2) by adding at the end thereof the following:

"(4) if paid for and authorized by a political committee which uses a variation of the name but is not a political party committee described in section 302(e)(8)(A), shall clearly state that the communication is not authorized by any affiliated, subordinate or auxiliary committee of the named political party.".

SEC. 26. Section 323 of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"(e) The office of Government Ethics shall have exclusive authority to interpret, administer, and enforce these provisions as applied to Federal officers and employees in the executive and judicial branches of Government. The Senate Select Committee on Ethics and the House Ethics Committee shall have exclusive authority to interpret, administer, and enforce these provisions as applied respectively to the members and employees of the United States Senate and to the members and employees of the United States House of Representatives.".

SEC. 27. Section 316(b)(4)(D) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "in any calendar year"; and

(2) by adding at the end thereof the following: "An approval given under this paragraph continues until revoked.".

SEC. 28. Section 316(b)(4)(C) of the Federal Election Campaign Act of 1971 is amended by inserting "and families of members" after "members".

SEC. 29. Section 9009(c) of the Internal Revenue Code of 1954 (26 U.S.C. 9009(c)), is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) For purposes of this subsection, the term 'legislative day' means, with respect to statements transmitted to the Senate, any calendar day in which the Senate is in session, and with respect to statements transmitted to the House of Representatives, any calendar day in which the House of Representatives is in session.".

SEC. 30. Chapter 95 of the Internal Revenue Code of 1954 (26 U.S.C. 9001), the Presidential Election Campaign Fund Act, is amended by striking out the text of section 9011 and inserting in lieu thereof the following:

"(a)(1) The Federal Election Commission, the national committee of a political party, or any individual eligible to vote in any election for the office of President is authorized to institute such actions as may be appropriate to implement or construe any provisions of the Federal Election Campaign Act of 1971, or chapter 95 or chapter 96 of this Act, including actions for declaratory judgment or injunctive relief in the appropriate district court of the United States, without regard to the amount in controversy. Actions authorized as separate actions under this section otherwise available to the respondent shall not be based on facts and legal issues arising under enforcement proceedings for which notice has been given pursuant to section 309 of this Act.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection when an action is filed challenging the constitutionality of the Federal Election Campaign Act, or of chapter 95 or chapter 96 of this Act. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case, to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"(b) Any certification, determination, or other action by the Commission made or taken pursuant to the provisions of such chapter 95 or chapter 96 shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the certification, determination, or other action by the Commission for which review is sought.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and expedite to the greatest extent possible the disposition of any action filed pursuant to this section.".

SEC. 31. Chapter 96 of the Internal Revenue Code of 1954 (26 U.S.C. 9031), the Presidential Primary Matching Payment Account Act, is amended by striking out the text of section 9041 and inserting in lieu thereof the following:

"(a)(1) The Federal Election Commission, the national committee of a political party, or any individual eligible to vote in any election for the office of President is authorized to institute such actions as may be appropriate to implement or construe any provisions of the Federal Election Campaign Act, or of chapter 95 or chapter 96 of this Act, including actions for declaratory judgment or injunctive relief in the appropriate district court of the United States, without regard to the amount in controversy. Actions authorized as separate actions under this section otherwise authorized for the respondent shall not be based on facts and legal issues arising under enforcement proceedings for which notice has been given pursuant to section 437g of this Act.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection when an action is filed challenging the constitutionality of the Federal Election Campaign Act, or of chapter 95 or chapter 96 of this Act. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case, to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"(b) Any certification, determination, or other action by the Commission made or taken pursuant to the provisions of chapter 95 or chapter 96 of this Act, shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the certification, determination, or other action by the Commission for which review is sought.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and expedite to the greatest extent possible the disposition of any action filed pursuant to this section.".

SEC. 32. For purposes of section 552a(c) of title 5, United States Code, the Federal Election Commission shall not be considered an agency within the meaning of section 551 of title 5, United States Code.

SEC. 33. Section 527(f)(3) of the Internal Revenue Code of 1951 (26 U.S.C. 527(f)(3)) is amended by striking out "section 610 of title 18" and inserting in lieu thereof "section 316 of the Federal Election Campaign Act of 1971".

SEC. 34. For purposes of chapter 6 of title 5, United States Code, the Federal Election Commission shall not be considered to be an agency as defined in section 601(1) of such title.

SECTION-BY-SECTION ANALYSIS

(The cited statutory sections refer to Title 2 of the United States Code unless otherwise noted.)

Sec. 1. The title is the Federal Election Campaign Act Amendments of 1982.

Sec. 2. Under paragraph 1 of this section an individual would become a candidate by receiving contributions in excess of $10,000 or by making expenditures in excess of $10,000 or authorizing others to receive contributions and make expenditures in those amounts. Contributions or expenditures in excess of $5,000 is the current dollar threshold for candidacy contained in 2 U.S.C. 431(2).

Paragraph 2 of this section deletes the provision for reporting costs of communications in excess of $2,000 by labor organizations and corporations expressly advocating election or defeat of candidates now contained in § 431(9)(B)(iii). The bill in section 8 provides for full reporting of such communication and other federal campaign costs of corporations and labor organizations.

Sec. 3. This section extends to other committees the requirement in § 432(e)(4)(5) for candidate committees and corporate and labor organization political committees to identify respectively the candidate or the connected organization in the political committee name.

Paragraph 1 requires political committees other than separate segregated funds to include in their name, the name of any connected organization.

Paragraph 2 provides for a committee seeking to encourage an individual to become a candidate to include in their name a descriptive term such as "draft" and the individual's name.

National convention delegate committees which qualify as political committees under the Act are also required to include the word "delegate" in the committee name.

A new paragraph requires the filing of reports under the full name of the political committee.

Paragraph 4 would recognize the use of a political party name by the national committee of a political party and its affiliated, subordinate or auxiliary committees and by state committees of a political party and their affiliated subordinate or auxiliary committees.

Sec. 4. This new provision would require a political committee to identify in its statement of organization any direct mail or political management or consulting firm engaged by the committee if a committee principal operates or holds an interest in the firm.

Sec. 5. This section authorizes the waiver of pre-election and post-election reports by principal campaign committees of presidential candidates no longer seeking nomination or election to that office. Upon notice to the Commission, such non-active presidential campaign committees may file quarterly reports in an election year.

Sec. 6. Paragraph 1 would eliminate the requirement for pre-election reports by committees which in previous reports have identified all contributions and expenditures made to candidates in that election. Notice will be provided to the F.E.C.

Paragraph 2 would provide an option of a bimonthly rather than a monthly reporting option now available under § 434(a)(4) to all political committees other than candidate committees.

Paragraph 3 modifies § 434(a)(6) with respect to the 48 hour reporting of $1,000 contributors by candidate committees in the following manner: An authorized candidate committee would file in one submission the identification of all $1,000 contributors received in the ten to twenty day period before the election. In the period from ten days to 48 hours before the election, committees would report any additional contributors of $1,000 within 48 hours of receiving a contribution.

Sec. 7. This section would increase from $200 to $500 the dollar level requiring identification of contributors and receivers of expenditures and disbursements.

Sec. 8. Three categories of funds spent by corporations and labor organizations and national banks do not constitute prohibited contributions or expenditures in connection with an election. Only one category is subject to reporting requirements as provided in § 431(9)(A)(iii).

Section 8 of the bill would require these organizations to disclose all three categories of funds: (1) costs of establishing, administering and soliciting contributions for separate segregated funds and (2) costs associated with registration and get-out-the-vote campaigns aimed at corporate shareholders and executive personnel and directed by labor organizations towards their members and families would be reported on a quarterly basis in an election year and twice a year in an off-election year. (3) Costs for corporate and labor organizations communications expressly advocating the election or defeat of a candidate would be reported quarterly in an election year. A pre-general election report would also be required.

Sec. 9. The dollar level for reporting independent expenditures made by persons other than a political committee is increased from $250 to $500.

Sec. 10. This section would provide the Commission with general authority to provide by regulation for the waiver in part or in whole of the reporting and recordkeeping provisions of the Act which are unnecessary with respect to particular categories of persons otherwise subject to reporting requirements.

Sec. 11. 437f(d) requires a ten-day period for public comment on advisory opinion requests. Section 10 of the bill would reduce this ten-day public comment period to five days for expedited candidate advisory opinion requests which must be answered within 20 days.

Sec. 12. This new provision would modify the complaint and enforcement mechanisms of the statute when committees correct violations which appear on the face of their reports. A committee-initiated correction of a facial violation before the next reporting date for that committee removes that violation from possible enforcement procedures.

Similarly with the correction of a facial violation appearing on a committee's report within 15 days of notice of a complaint or a Commission review covering that violation, the Commission would be required to dismiss the complaint and take no further action.

Sec. 13. This section consolidates and harmonizes the judicial review sections of § 437h of Title 2 and § 9011 and § 9041 of Title 26 governing judicial review of publicly funded presidential campaigns.

This section retains the provisions authorizing court actions to construe the constitutionality of any provision of the Act but requires such cases to be heard by a three-judge court under § 2284 of Title 28 rather than by a United States Court of Appeals sitting en banc.

This section also clarifies that separate court actions to construe the constitutionality of the Federal Election Campaign Fund Act and the Presidential Election Campaign Fund Act and the Presidential Primary Matching Payment Account are not available to respondents during the course of Commission enforcement proceedings under 437g.

Sec. 14. Authorization for the Commission to participate in judicial proceedings which now appear in 20 USC § 9010 are repeated in this section and cover proceedings under the Federal Election Campaign Act as well as the Presidential Election Campaign Fund Act and the Presidential Primary Matching Payment Account Act in Title 26.

Sec. 15. Any review of committee reports made by the Commission under this new provision would be required to be made expeditiously.

With exceptions for the 12-day pre-election reports and 30-day post general election reports, the Commission is required to send notices of deficiencies, errors or violations in a committee report no later than the next reporting date.

This requirement would not apply to principal campaign committees of presidential candidates.

Sec. 16. This section would require the Commission to transmit any proposed rules and regulations necessary to implement these 1982 amendments to the Congress within two months after enactment.

This section would also shorten the number of legislative days during which the Senate and the House may act to disapprove such proposed rules and regulations from 30 to 15 days only for the 1982 regulations.

The administrative provisions of § 438 also would be amended by this section to provide new authority for the sale of Commission documents and publications and for purchase of printing materials, photocopy materials and other types of reproduction supplies.

Under current provisions payments from the sale of Commission documents and publications are returned to the U.S. Treasury.

Sec. 17. The prohibition contained in § 439a against use of excess campaign funds for personal purposes does not apply to Senators or Representatives who were in Congress on January 8, 1980. Sec. 13 of the bill removes this exception and thereby makes the prohibition against use of funds for personal purposes applicable to all members of the Senate and the House of Representatives.

Sec. 18. The limitation on the amount of contributions provided to a candidate committee is increased to $4,000 and the limitation applies to an entire campaign whether the campaign consists of only a primary election or only a general election or both.

A new provision is added specifically limiting to $2,000 the amount of a contribution made to a political committee seeking to draft an individual to become a candidate.

If the individual becomes a candidate the previous contribution to a draft committee counts against the donor's $4,000 limit for that candidate.

Sec. 19. The contribution by a multi-candidate committee is changed from $5,000 per election to $10,000 for a candidate's entire campaign whether it consists of a primary election or a general election or both.

Paragraph 2 increases from $15,000 to $20,000 the contribution limit of a multi-candidate committee contribution to a national political party committee.

Paragraph 3 places a $2,000 limit on a contribution by a multi-candidate committee to a political committee seeking to draft or encourage an individual to become a candidate. Should the individual become a candidate, the amount given to a draft committee would be counted against the $10,000 limit.

Sec. 20. The aggregated annual contribution limit of individuals is increased from $25,000 to $40,000.

Sec. 21. The qualifications outlined for multi-candidate political committees in 441a(4) are modified to require contributions of $250 to each of four candidates before a committee achieves multi-candidate status and the higher contribution limits.

Sec. 22. This section amends 441a(a)(6) so as to clarify that the limitations on contributions apply on an election cycle basis. A primary election and a general election

in the same year are considered one election for purposes of the contribution limitations.

Sec. 23. The revision made by this section of 441a(a)(8) would require an earmarked contribution made to one committee through another committee to be attributed to the original donor. The current earmarking provision applies only to contributions to a candidate committee. This section would extend the earmarking rules to political committee contributors.

Sec. 24. This section would suspend the contribution limits of one individual family member of the candidate. The contributor and the candidate must jointly notify the Federal Election Commission in advance of the family member for whom the limits will be suspended for the candidate's campaign.

Sec. 25. This section amends 441d(a) with a new paragraph requiring any communications by a political committee using a variation of the name of a political party to state clearly that the communication is not authorized by any affiliated, subordinate or auxiliary committee of that political party.

Sec. 26. The Federal Election Campaign Act in § 4411 places a limitation on the amount received for honoraria by Federal Government officials. The Federal Election Commission has jurisdiction over these provisions which apply not alone to elected officials but to appointed officials as well.

Section 26 of the bill would move the authority to interpret, administer and enforce honoraria provisions from the Commission to the Office of Government Ethics in the case of Federal officers and employees in the executive and judicial branches of government. Authority over honoraria provisions applying to Senators and Representatives would be moved to the Senate Select Committee on Ethics and the House Committee on Standards of Official Conduct respectively.

Sec. 27. This section would eliminate the annual solicitation approval required for solicitation of corporate members of a trade association. The member corporation's approval would stand until revoked.

Sec. 28. This section would authorize solicitation of families of members of membership organizations, cooperatives or corporations without capital stock or their separate segregated funds.

Sec. 29. The meaning of "legislative day" for the congressional review period for proposed Commission regulations regarding the Presidential Election Campaign Fund Act is changed so as to provide the same meaning given in Title 2 provision: any calendar day in which the Senate or the House is in session.

Sec. 30–31. These two sections are identical judicial review sections which repeat the provisions in Sec. 12 of the bill as they apply respectively to the Presidential Election Campaign Fund Act and the Presidential Primary Matching Payment Account Act.

Sec. 32. This section would exempt the Federal Election Commission from the requirements of the Regulatory Flexibility Act, Public Law 96-354.

Sec. 33. This is a technical amendment to correct the cross reference in 26 U.S.C. § 527(f)(3) from "section 610 of Title 18" to "section 441b of Title 2."

Sec. 34. This section exempts the Commission from the duty to comply with the accounting requirements of 5 U.S.C. 552a(c) of the Privacy Act of 1974 to the extent that an accounting is required of all disclosures made on the public record.

FEDERAL ELECTION COMMISSION—1980 ANNUAL REPORT

CHAPTER 1: LEGISLATIVE RECOMMENDATIONS

The Federal Election Campaign Act requires the Commission to include in its annual report ". . . recommendations for any legislative or other action the Commission considers appropriate . . ." Section 433(a)(9).

The following recommendations reflect the Commission's experience in administering the 1979 Amendments to the election law and in administering the public financing program in two Presidential elections.

The Commission believes these suggestions will make the election law more workable and more acceptable by political committees and the public. Continuing to evaluate its administration of the election law, the Commission may offer additional recommendations later this year.

Reporting

General Waiver Authority (2 U.S.C. § 436)*

In the past, there have been instances when the Commission may have wished to suspend the reporting requirements of the law in cases where reports or requirements were excessive or unnecessary. In the 1979 Amendments to the Act, Congress repealed 2 U.S.C. § 436 which provided the Commission with a limited waiver authority.

That provision was unclear and of limited use; nonetheless, to reduce needlessly burdensome disclosure requirements, the Commission should have authority to grant general waivers or exemptions from the extensive reporting, recordkeeping and organizational requirements of the Act.

Each proposal for a general waiver would, of course, be submitted to Congress in the form of a regulation subject to legislative review. If Congress does not grant the Commission general waiver authority over the reporting requirements of the law, it should consider changing specific provisions that have proven burdensome.

The Commission suggests the following changes:

(1) A candidate's principal campaign committee existing solely to extinguish debts from a previous campaign should be permitted to file semiannual reports even in an election year, provided that, if the candidate is currently seeking election, he or she has authorized a new principal campaign committee, which is reporting for that election; and

(2) The principal compaign committee of a candidate for the office of President should not be required to file pre- and post-general election reports if the candidate is no longer seeking election.

Point of Entry (2 U.S.C. § 432(g))

The Commission recommends that it be the sole point of entry for all disclosure documents filed by Federal committees. A single point of entry would eliminate any confusion about where candidates and committees are to file their reports. It would assist committee treasurers by having one office with which to file, correspond and ask questions.

At present, conflicts may arise when more than one office sends out materials, makes requests for additional information and answers questions relating to the interpretation of the law.

A single point of entry should also reduce the cost to the Federal government of maintaining three different offices, especially in the area of personnel, equipment and data processing.

The Commission has authority to prepare and publish lists of nonfilers. It is extremely difficult to ascertain who has and who has not filed when reports may have been filed at or are in transit between two different offices. Separate points of entry also make it difficult for the Commission to track responses to compliance notices.

Many responses and/or amendments may not be received by the Commission in a timely manner, even though they were sent on time by the candidate or committee. The delay in transmittal between two offices sometimes leads the Commission to believe that candidates and committees are not in compliance. A single point of entry would eliminate this confusion.

If the Commission received all documents, it would transmit on a daily basis file copies to the Secretary of the Senate and the Clerk of the House, as appropriate.

The Commission notes that the report of the Institute of Politics of the John F. Kennedy School of Government at Harvard University, "An Analysis of the Impact of the Federal Election Campaign Act, 1972–78," prepared for the House Administration Committee, recommends that all reports be filed directly with the Commission (Committee Print, 96th Cong., 1st Sess., at 122 (1979)).

Authorized Presidential Committees (2 U.S.C. § 434(a)(3))**

To minimize reporting burdens, Congress may wish to permit authorized Presidential committees filing reports on a monthly basis to revert to quarterly filing, where the candidate is no longer seeking nomination or election to the office of President and has so notified the Commission in writing. In addition, Congress may wish to allow such committees to file semiannual reports in a non-election year.

48-Hour Reports (2 U.S.C. § 434(a)(6))**

Require recipient committee to report in one notification contributions of $1,000 or more received after the close of books on the 20th day before the election through the 10th day before the election. Contributions of $1,000 or more received after the 10th day would be reported within 48 hours.

Contribution and expenditure limitations

Election Period Limitations (2 U.S.C. § 441a)**

The contribution limitations are structured on a "per-election" basis, thus necessitating dual bookkeeping or the adoption of some other method to distinguish between primary and general election contributions. The Act could be simplified by changing the contribution limitations from a "per-election" basis to an "annual" or "election-cycle" basis. If an annual limitation is chosen, contributions made to a candidate in a year other than the calendar year in which the election is held should be considered to have been made during the election year. Thus, multicandidate committees could give up to $10,000 and all other persons could give up to $2,000 to an authorized committee at any point during the election cycle.

Contributions by Minors (2 U.S.C. § 441a)**

The Act does not stipulate at what age a minor child may make contributions. Presently, the Commission is forced to rely on subjective criteria such as whether "the decision to contribute is made knowingly or voluntarily by the minor child."

Congress should establish an age below which contributions by children would be considered to have been made by the parent and subject to the parent's $1,000 contribution limitation.

Contributions to Draft Committees (2 U.S.C. § 441a)**

Consideration should be given to the contribution limitations that apply to draft committees. Since the $1,000 limitation on contributions by persons other than multicandidate committees applies only to candidates, a person may give up to $5,000 per year—the limit applicable to "other political committees"—to a draft committee.

Precisely this situation was presented in Advisory Opinion 1979-40. Congress may wish to amend the statute to make the $1,000 limitation, rather than the $5,000 limitation, applicable to contributions to political committees whose purpose is to influence a clearly identified individual to become a candidate.

Although the limitation on contributions

**Included in Mathias bill.

by multicandidate committees to candidates or to draft committees is $5,000, multicandidate committees, as well as other persons, may make two contributions toward the nomination of an individual—one contribution to a draft movement and, if the individual later becomes a candidate, another contribution to the candidate's authorized committee.

Accordingly, Congress may wish to consider amending the Act to provide that a person who has contributed to a draft committee with the knowledge that his or her contribution will be expended to draft a clearly identified individual will, for the purposes of the contribution limitations, be considered to have made a contribution to a "candidate."

If that individual should become a candidate, the contributors to the draft movement would be eligible to give to the candidate's authorized committees only to the extent their earlier aggregate contributions did not exceed the "candidate" limits.

Earmarked Contributions (2 U.S.C. § 441a(a)(8))**

Section 441a(a)(8) states that contributions made on behalf of a candidate through an intermediary or conduit shall be considered contributions to the candidate by the original donor. The statute should be amended to make this provision applicable to contributions earmarked to political committees.

Foreign Nationals (2 U.S.C. § 441e)

Section 441e should be revised to state whether this section reaches U.S. corporations owned by foreign nationals, subsidiaries of foreign corporations and trade associations with members who are foreign nationals or foreign corporations.

Voluntary Services (2 U.S.C. § 431(8)(B))

The Act places no limit on the services that a professional may donate to a candidate. For example, a professional entertainer may participate in a concert for the benefit of a candidate without the proceeds of that concert counting toward the entertainer's contribution limitations.

Congress may wish to circumscribe the use of volunteer professional services when they are donated solely for fundraising rather than for actual campaigning. A similar question is raised when an artist donates artwork to a campaign to be used for fundraising or to be disposed of as an asset of the campaign.

Trade Association Solicitation Approval (2 U.S.C. § 441b(b)(4)(D))**

Trade association political action committees must obtain the separate and specific approval of each member corporation to solicit their executive and administrative personnel. Some trade associations have thousands of members, and it is a considerable administrative burden to obtain approval to solicit every year.

The one-year limitation should be removed and the trade association should be allowed to solicit until the corporation revokes its approval.

Commission Duties, Powers and Authorities

Number of Legislative Days for Regulation Review (2 U.S.C. § 438(d))

The 1979 Amendments contained a provision reducing the number of legislative days for Congressional review of Commission regulations from 30 days to 15. This reduction was only applicable, however, to the regulations written to implement the 1979 Amendments. Congress should shorten the period for review of all Commission regulations to 15 legislative days.

In addition, two different standards currently apply to Congressional review of Commission regulations because two different definitions of "legislative day" are provided under Title 2 and Title 26. In Title 2, legislative days are counted separately in each House of Congress.

In Title 26, legislative days are only counted when both Houses are in session. The Title 26 provision should be revised to match the Title 2 provision, thus avoiding unnecessary delay in regulation review.

Judicial Review (2 U.S.C. § 437h; 26 U.S.C. §§ 9010, 8011, 9040 and 9041)**

The Act contains different judicial review provisions which Congress should consider conforming to each other. As noted by the Court of Appeals for the District of Columbia Circuit, no apparent reason exists for the different review provisions in Title 2 and in Chapters 95 and 96 of Title 26.

This anomaly creates difficulties for the courts because cases brought under one Act often also involve questions relating to the other Acts. See *Republican National Committee* v. *Federal Election Commission* (case brought under both 2 U.S.C. § 437h and 26 U.S.C. § 9011(b)).

The requirement of § 437h that cases be heard by the courts of appeals sitting en banc has been noted by the Courts of Appeals for the District of Columbia Circuit, the Fifth Circuit and the Ninth Circuit as presenting great difficulties. The en banc requirement should be repealed and Congress should establish a single judicial review provision applicable to all three Acts.

Revolving Fund (2 U.S.C. § 438)**

Although the FEC charges fees for publications and photocopies of documents provided to the public upon request and pursuant to the Freedom of Information Act, none of the monies collected reimburse the FEC for resources used. Instead, the money is transferred to the U.S. Treasury.

For the fiscal year ended September 30, 1980, the FEC collected and transferred $37,342.73 to the Treasury (the miscellaneous receipts account). This amount represented fees derived from selling Commission publications and photocopies of documents to the public. In order for the FEC to receive reimbursements for the documents it provides, a "revolving fund account" must be authorized by law.

According to the "Treasury Fiscal Requirements Manual," Congress would have to authorize a revolving fund account to finance a continuing cycle of operations in which expenditures would generate receipts and the receipts would be available for new expenditures.

In addition, costs awarded to the Commission in litigation (e.g., printing, but not civil penalties), should be payable to the revolving fund.

Comment Period for Advisory Opinions (2 U.S.C. § 437f(d))**

The 1979 Amendments provide that advisory opinion requests submitted by candidates or their committees within 60 days of an election must be answered within 20 days.

However, the Act sets a 10-day public comment period for all requests. This comment period should be shortened to five days for requests under the 20-day requirement to give the Commission sufficient time to fully consider and incorporate comments received.

Registration

Names of Committees (2 U.S.C. § 432(e))**

Under Section 432(e)(4), authorized committees must include the candidate's name in the name of the committee. Separate segregated funds must include the name of their connected organization in their name under Section 432(e)(5).

The concept behind these requirements is to enable the public to know whom these committees represent. However, many political committees connected with the organization are not covered by these provisions, even though the public has the same need to know.

"Draft" committees, so called "dump" committees and "delegate" committees should also be required to include the name of the person or candidate they support or oppose in their name, with an appropriate reference to the nature of the committee, e.g., "draft," "delegate" or "dump."

In addition, other political committees which have connected organizations or sponsors but which are not segregated funds should be required to include the name of their parent organization in the committee's name.

No committee should be able to use the name of a political party in its name unless it is an official party committee. Similarly, no committee should be able to include the name of a Federal office in its name unless it is an authorized committee.

Other statutes

Regulatory Flexibility Act (Pub. L. 96-354)**

Congress should exempt the Federal Election Commission from the requirements of the Regulatory Flexibility Act.

None of the Commission's regulations could have a significant impact on a substantial number of small businesses due to the nature of the Commission's jurisdiction, which mainly extends to political committees.

The Commission is therefore required to comply with the Regulatory Flexibility Act in a negative fashion, spending time and resources repeatedly asserting that no effect on small businesses will result from Commission rulemaking.

A far simpler solution would be to exempt the Commission from these requirements.

Privacy Act of 1974 (Pub. L. 93-579)**

The Commission should be exempted from its duty to comply with the accounting requirements of 5 U.S.C. § 552a(c) to the extent that the section requires an accounting of all disclosures maintained on the public record.

The Commission has a reading room to which members of the general public may come and inspect microfilm copies of public reports. Placing such documents on the public record is a routine use of such materials.

An exemption from the accounting requirements would not contravene the principles of the Privacy Act since the individuals involved are those running for office or contributing to candidates for Federal office.

Technical amendments

26 U.S.C. § 527(f)(3)

The cross-reference in 26 U.S.C. § 527(f)(3) should be changed from "section 610 of Title 18" to "section 441b of Title 2."

Gender Specific Language

Gender specific language should be eliminated from the statute wherever it appears. Examples include §§ 439a, 441a(a)(7), 441b(b)(3)(C), 441f, 441h, 442, 9002(11)(a), 9012(b)(2), 9035, etc.

Definitions (2 U.S.C. § 431)

The 1979 Amendments changed the numeration of the definition subsections in 2 U.S.C. § 431 from letters to numbers. As a result of this change, citations to this section have numbers following numbers, e.g., 2 U.S.C. § 431(8). Such citations differ from traditional citation form and therefore appear incorrect and can be awkward to cite orally. The numeration should be changed to lower case letters.●

**Included in Mathias bill.

By Mr. JEPSEN:

S. 1852. A bill to amend the Export-Import Bank Act of 1945 to provide for the extension of credit against agricultural commodities; to the Committee on Banking, Housing, and Urban Affairs.

EXTENSION CREDIT FOR AGRICULTURAL COMMODITIES

● Mr. JEPSEN. Mr. President, today I am introducing a bill to amend the Export-Import Bank Act of 1945 to provide for the extension of credit for agricultural commodities.

The bill requires the Ex-Im Bank to make loans available to purchasers of American agricultural products in the same ratio that our agricultural exports bear to our total exports.

For example, if U.S. agricultural exports account for 20 percent of all U.S. exports, then 20 percent of Ex-Im Bank financing would be devoted to farm exports.

Exceptions to this requirement would be made when the Bank determines and reports to Congress that demand for such loans is or will be adequate without such credit or when the Secretary of Agriculture determines that the level of farm exports will be adequate without Ex-Im Bank financing.

The Ex-Im Bank has in the past provided attractive financing to purchasers of American farm products. But, during the past administration, the Ex-Im Bank was prohibited from making loans for agricultural sales. Loans, however, did and do continue for the sale of manufactured products.

U.S.-made aircraft and other industrial items have the benefit of export financing through the Eximbank at an interest rate of 10¾ percent, while U.S.-produced agricultural commodities have no export financing assistance except Commodity Credit Corporation guaranteed loans at an interest rate of around 20 percent.

The importance of agricultural exports to Iowa agriculture and the economy is demonstrated by the USDA estimate that Iowa exported $3.27 billion worth of farm products in 1980, up 17 percent from the previous year.

Iowa is the second leading State in farm exports, exceeded only by Illinois' $3.64 billion. Iowa's exports were equal to 8 percent of the Nation's total $40.5 billion.

It is well known that the United States exports a huge part of its agricultural product. In fact, estimates indicate 38 percent of our farm acreage is devoted to exporting, and that one in every two jobs in farming hinges on exports. Even when our agricultural imports are taken into account, we still recorded a $26 billion agricultural trade surplus last year.

Without these surpluses, our trade ledger would stand in the red by a very large amount. Agricultural exports are simply essential to our international balance-of-trade position.

And while the picture sounds rosy enough for 1980, 1981 may be an entirely different story. Bumper crops are predicted for several commodities and this has caused a devastating effect on prices. Something must be done to aid in this situation. Increasing our agricultural exports is the best solution, in my opinion.

Something must also be done to make our goods competitive with those of foreign countries. Competitors in the world market are able to offer much better credit than the United States at this time.

Mr. President, I feel confident that this bill will aid in both of these endeavors. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1852

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 2 of the Export-Import Bank Act of 1945 is amended by adding at the end thereof the following:

"(d) (1) Subject to paragraph (2), for each fiscal year beginning after September 30, 1980, the ratio that the amount of credit which the Bank extends and in which it participates to finance the export of agricultural commodities bears to the total amount of credit which the Bank extends or in which it participates shall not be less than the ratio that the dollar value of exports of agricultural commodities during the immediately preceding fiscal year bears to the dollar value of all exports during such preceding fiscal year, except that if a significant dollar amount of any agricultural or nonagricultural item was embargoed in any such year, the immediately preceding fiscal year in which no such embargo occurred shall be used for purposes of this paragraph.

"(2) Paragraph (1) does not apply to any fiscal year with respect to which—

"(A) the Bank determines and reports to the Congress that the demand for credit to finance exports of agricultural commodities is insufficient to equal or exceed the ratio which would be required; or

"(B) the Secretary of Agriculture determines that the level of exports of agricultural commodities is or will be adequate without credit which the Bank extends or in which it participates."●

By Mr. PERCY (by request):

S. 1853. A bill to authorize support to Radio Broadcasting to Cuba, Incorporated; to the Committee on Foreign Relations.

SUPPORT TO RADIO BROADCASTING TO CUBA, INCORPORATED

● Mr. PERCY. Mr. President, by request, I introduce for appropriate reference a bill to authorize support to Radio Broadcasting to Cuba, Incorporated.

This legislation has been requested by the Department of State and I am introducing the proposed legislation in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a background and detailed analysis by section of the bill and the letter from the Deputy Assistant Secretary of State for Congressional Relations to the President of the Senate dated November 9, 1981.

There being no objection, the bill, analysis, and letter were ordered to be printed in the RECORD, as follows:

S. 1853

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Congress hereby finds and declares:

(a) that it is the policy of the United States to support the right of the people of Cuba "to seek, receive, and impart information and ideas through any media and regardless of frontiers," in accordance with Article 19 of the Universal Declaration of Human Rights;

(b) that, consonant with this policy, Radio Broadcasting to Cuba, Incorporated, in its planned broadcasting to Cuba, may be effective in furthering the open communication of information and ideas to the people of Cuba, and in particular accurate information about Cuba; and

(c) that such broadcasting by Radio Broadcasting to Cuba, Incorporated, operating in a manner not inconsistent with the broad foreign policy objectives of the United States and in accordance with high professional standards, would be in the national interest.

SEC. 2. There is hereby authorized to be appropriated to the President for the purpose of this Act $10,000,000 for fiscal year 1982, and for fiscal year 1983 such funds as may be necessary.

SEC. 3. Funds or other support authorized by the Act may be granted to Radio Broadcasting to Cuba, Incorporated, only upon the following conditions:

(a) that Radio Broadcasting to Cuba, Incorporated, is operating in a manner not inconsistent with the foreign policy objectives of the United States and in accordance with high professional standards and in the national interest; and

(b) that Radio Broadcasting to Cuba, Incorporated, keeps records which fully disclose the source and use of support provided pursuant to this Act, or from any other person or organization, which are available at all times to the Secretary of State and the Comptroller General for the purpose of audit or examination for any other purpose.

SEC. 4. Pending the statutory designation of an appropriate federal granting and oversight agency, the Secretary of State shall be responsible for making grants of funds and for approving other support authorized by this Act. The Secretary shall determine when the conditions of Section 3 have been met and shall have authority to establish such other terms and conditions as he deems appropriate.

SEC. 5. When Federal funds have been made available to Radio Broadcasting to Cuba, Incorporated, pursuant to this Act, any agency or instrumentality of the United States is authorized to sell, loan, lease, or grant property (including interests therein) to and to perform administrative and technical support and services for the operations of Radio Broadcasting to Cuba, Incorporated, and the Presidential Commission on Broadcasting to Cuba on a reimbursable basis or, at the direction of the President, without reimbursement. Any reimbursement shall be credited to the appropriation from which the support or services were derived.

SEC. 6. The Secretary of State is authorized to accept and use, on behalf of the Presidential Commission on Broadcasting to Cuba, donations of funds, property and services of any kind, which may be made available for the purposes of the Commission and of this Act.

LEGISLATIVE ANALYSIS: AUTHORIZATION FOR SUPPORT TO RADIO BROADCASTING TO CUBA, INCORPORATED

BACKGROUND

At the request of the President, and under the direction of the Secretary of State, an Interagency Group has studied the feasibility of radio broadcasting of information and ideas to the people of Cuba. On the recommendation of the Interagency Group, on September 22, 1981, the President issued Executive Order 12323 creating a Presidential Commission on Broadcasting to Cuba. The Interagency Group has also urged the creation of a non-profit corporation to establish and operate a radio station conducting broadcasting to Cuba. This has been done, with the incorporation of Radio Broadcasting to Cuba, Incorporated ("RBC") under the District of Columbia Nonprofit Corporation Act. The objectives and manner of operation of RBC will be similar to that of RFE/RL, Inc.

(popularly known as Radio Free Europe/Radio Liberty).

This interim legislation authorizes federal funds and other support for allocation by the Secretary of State to RBC.

DETAILED ANALYSIS BY SECTION

Section 1. Section 1 contains the congressional findings and policy statement with respect to radio broadcasting to Cuba. Paragraph (a) is similar to the finding in § 2(1) of the Board for International Broadcasting Act, 22 U.S.C. § 2871(1), and refers to the right of peoples to receive information and ideas across borders. Paragraphs (b) and (c) link the policy expressed in paragraph (a), and the national interest in general, to federal support for RBC.

Section 2.—Section 2 authorizes appropriations for the purposes of this Act. For fiscal year 1982, $10 million is authorized. For fiscal year 1983, this section authorizes such amount as may be necessary.

Section 3.—Section 3 establishes conditions for the granting of funds or other support under this Act. Paragraph (a), similar in language to §§ 2(4) and 4(5) of the Board for International Broadcasting Act, 22 U.S.C. §§ 2817(4), 2873(5), requires that RBC be operating in a manner not inconsistent with United States foreign policy and in accordance with high professional standards and the national interest. Paragraph (b), similar to § 5(a) and (b) of the Board for International Broadcasting Act, 22 U.S.C. § 2874 (a), (b), requires that the Secretary of State and Comptroller General be given access to records reflecting the sources and uses of support for RBC.

Section 4.—Pending the enactment of permanent legislation with respect to RBC, this subsection gives the Secretary of State review responsibility over the activities of RBC and the uses of support provided by this Act. Similar interim review responsibility was given to the Secretary of State in legislation authorizing federal funding for RFE/RL during the months prior to the creation of the Board for International Broadcasting. *See* P.L. 92-264, 86 Stat. 114; P.L. 92-394, 86 Stat. 577. As the 1972-73 "Eisenhower Commission" (Presidential Study Commission on International Radio Broadcasting) developed recommendations for the creation of a Board for International Broadcasting, the Presidential Commission on Broadcasting to Cuba is expected to consider and make recommendations on the proper federal instrumentality to serve as the granting and oversight agency for Radio Broadcasting to Cuba, Incorporated.

The language of Section 4 gives the Secretary of State interim responsibility for making the grants authorized by this section, for determining when the conditions of Section 3 have been met, and for exercising discretion to apply other appropriate terms and conditions in providing the grants. While thus general in nature, it is contemplated that the Secretary's review responsibility would encompass such matters as are enumerated in § 4(a) of the Board for International Broadcasting Act, 22 U.S.C. § 2873(a).

Subsection (e).—Under subsection (e), which is similar to § 9(a) of the Taiwan Relations Act, 22 U.S.C. § 3308(a), any U.S. Government Agency may sell, loan, lease, or grant property to and perform support services for RBC and the Presidential Commission. This will provide access for RBC to existing federal resources in order to reduce costs and increase the efficiency of operations. Such assitance from federal agencies will usually be provided on a reimbursable basis, but, at the direction of the President, need not be.

Subsection (f).—Subsection (f) authorizes the Secretary of State to accept donations for use by the Presidential Commission on Broadcasting to Cuba.

DEPARTMENT OF STATE,
Washington, D.C., November 9, 1981.

Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: I have the honor to submit for the consideration of the Congress a bill that would authorize federal support to Radio Broadcasting to Cuba, Incorporated, a non-profit corporation established to broadcast information and ideas to the people of Cuba.

I urge that the Congress give this proposal its early and favorable consideration.

The Office of Management and Budget has advised that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

ALVIN PAUL DRISCHLER,
Deputy Assistant Secretary for Congressional Relations.●

ADDITIONAL COSPONSORS

S. 1498

At the request of Mrs. KASSEBAUM, the Senator from Rhode Island (Mr. PELL), and the Senator from Montana (Mr. MELCHER) were added as cosponsors of S. 1498, a bill to establish an office in the National Institutes of Health to assist in the development of drugs for diseases and conditions of low incidence.

S. 1702

At the request of Mr. LUGAR, the Senator from Arizona (Mr. DECONCINI) was was added as a cosponsor of S. 1702, a bill to amend the National Housing Act to provide additional mortgage and loan insurance authority.

SENATE JOINT RESOLUTION 113

At the request of Mr. HATCH, the Senator from New Jersey (Mr. BRADLEY), the Senator from North Dakota, (Mr. BURDICK), the Senator from New York (Mr. D'AMATO), the Senator from Illinois (Mr. DIXON), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), the Senator from Ohio (Mr. GLENN), the Senator from Oregon (Mr. HATFIELD), the Senator from Florida (Mrs. HAWKINS), the Senator from Pennsylvania (Mr. HEINZ), the Senator from New Hampshire (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wisconsin (Mr. KASTEN), the Senator from Vermont (Mr. LEAHY), the Senator from Georgia (Mr. MATTINGLY), the Senator from Montana (Mr. MELCHER), the Senator from Rhode Island (Mr. PELL), the Senator from Oregon (Mr. PACKWOOD), the Senator from Michigan (Mr. RIEGLE), the Senator from Tennessee (Mr. SASSER), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Mississippi (Mr. STENNIS), the Senator from Idaho (Mr. SYMMS), the Senator from Massachusetts (Mr. TSONGAS), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Alabama (Mr. DENTON), the Senator from Kansas (Mrs. KASSEBAUM), the Senator from South Dakota (Mr. ABDNOR), the Senator from New York (Mr. MOYNIHAN), the Senator from Georgia (Mr. NUNN), and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of Senate Joint Resolution 113, a joint resolution to designate the week beginning November 8, 1981, as "National Home Health Care Week".

SENATE RESOLUTION 232

At the request of Mr. CHAFEE, the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of Senate Resolution 232, a resolution expressing the sense of the Senate with respect to the need to continue the tax incentives for energy conservation and renewable energy sources.

SENATE RESOLUTION 239

At the request of Mr. CRANSTON, the Senator from Tennessee (Mr. SASSER) was added as a cosponsor of Senate Resolution 239, a resolution disapproving the proposal to defer budget authority for Veterans' Administration health-care facility construction while the administration "considers alternative methods for providing readily available quality medical care for eligible veterans."

SENATE RESOLUTION 241

At the request of Mr. PRYOR, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of Senate Resolution 241, a resolution disapproving the basing mode for the MX missile.

UP AMENDMENT NO. 609

At the request of Mr. FORD, his name was added as a cosponsor of UP amendment No. 609 proposed to H.R. 4169, a bill making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

SENATE CONCURRENT RESOLUTION 49—EXPRESSION OF GRATITUDE TO FOUR MEMBERS OF THE COAST GUARD

Mr. MURKOWSKI (for himself and Mr. STEVENS) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 49

Whereas the United States Coast Guard provides lifesaving and coastal protection in time of war and peace;

Whereas members of the Coast Guard are exposed to extremely hazardous conditions in the performance of their duties; and

Whereas, on the occasion of Veteran's Day, it is appropriate to recognize the contributions and sacrifices made by four members of the Coast Guard who gave their lives in the service of their country: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress expresses its gratitude to—

(1) Aviation Machinist Mate, first class, Scott F. Finfrock of Fresno, California;

(2) Aviation Electrician's Mate, third class, John H. Snyder of Bethlehem, Pennsylvania;

(3) Lieutenant Ernest P. Rivas of Alameda, California; and

(4) Lieutenant Joseph P. Spoja of Oceanside, California,

who gave their lives while rescuing a crewman from a disabled fishing vessel during a storm at Prince William Sound, Alaska, on August 7, 1981.

Mr. MURKOWSKI. Mr. President, today I am submitting a special concurrent resolution commemorating the lives of four Coast Guardsmen who gave their lives in the line of duty. As the Senate has recessed to pay respect to all American veterans, it is my hope that the U.S. Coast Guard is also recognized for their outstanding service to this country.

Mr. President, I do not believe I can emphasize enough the importance of the service that the Coast Guard provides to this country. I had the honor of serving with the Guard in my State of Alaska. During that service I became aware of Alaska's 38,000 miles of coastline and many of the major problems confronting the Coast Guard in carrying out its assignments. As Congress continues its consideration of next year's appropriation for the Coast Guard, I would like to remind the Senate of the difficult tasks facing the Guard today.

Some of the richest fishing grounds in this country are located in my State. These grounds and their resources are greatly sought after by both domestic and foreign fishermen. As a result, the Coast Guard in Alaska is put in the difficult position of providing search and rescue service for domestic fishermen and Federal law enforcement for foreign fishermen. Let me assure the Senate that neither responsibility is easy.

This is dramatized by the unfortunate tragedy that occurred in Alaska on August 7, 1981. A domestic fishing vessel became disabled and adrift off Cordova, Alaska, in the Prince William Sound. The vessel called the Coast Guard for assistance. The Coast Guard's rescue coordination center launched a HH3F helicopter from the Coast Guard Air Station at Kodiak, Alaska.

Despite 35-foot seas, 40-knot winds, a 300-foot ceiling and one-quarter mile visibility, Coast Guard helicopter 1471 made several attempts to hoist a crewman from the disabled vessel, Due to the harsh conditions, the helicopter crashed, killing all four members of the crew. These heroic Coast Guardsmen gave their lives serving our citizens. Mr. President, this is typical of the many Coast Guardsmen who have given their lives in times of war and peace in the service of our country.

Mr. President, it is my hope that the Senate will recognize the great service of the Coast Guard and the risks attached thereto making its appropriation decisions. The Guard, on whom so many Alaskan communities depend, has found itself in the difficult position of "having to do more with less." There is an old saying that goes, "If you have a job you really want to get done, find the busiest person around and give it to him." This is the situation facing the Coast Guard today.

Congress and the executive branch have greatly increased the responsibilities in recent years. The decade of the seventies produced major legislation that requires active participation by the Coast Guard. For example, the Federal Water Pollution Control Act of 1970; the Federal Boat Safety Act of 1971; the Ports and Waterways Safety Act of 1972; the Deep Water Ports Act of 1974; the Port and Tanker Safety Act of 1978, and the Outer Continental Shelf Lands Act of 1978. In 1976, Congress passed the Fisheries Conservation and Management Act which expanded the Federal Fishery Conservation Zone from 12 to 200 miles.

In my State alone, the amount of new area to be patrolled is staggering. The Coast Guard was given responsibility for this increase. For many years the Coast Guard has been involved in a war against the illegal importation of drugs into this country, and recently the Guard has been asked to turn back the overwhelming influx of foreign immigration taking place in the gulf coast.

Mr. President, I want to inform the Senate that the Coast Guard has far fewer aircraft in operation today than it did in 1970. Today the Coast Guard operates 158 various aircraft, in 1970 there were 173 aircraft in operation. Mr. President, the average age of a current Coast Guard vessel is approximately 27 years.

Mr. President, Congress must not be content with the bare essential level of funding for the Guard. We must not be complacent about the extraordinary job being done by the Guard under extreme circumstances. How much longer can we expect the Coast Guard to do more with less?

SENATE RESOLUTION 244—RESOLUTION INCREASING THE LIMITATION ON EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING FOR THE PROCUREMENT OF CONSULTANTS

Mr. HEINZ submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 244

Resolved, That section 2 of Senate Resolution 45, Ninety-seventh Congress, agreed to March 3, 1981, is amended by striking out "$25,000" and inserting in lieu thereof "$35,000".

SENATE RESOLUTION 245—RESOLUTION AUTHORIZING THE PRINTING OF A REPORT

(Referred to the Committee on Rules and Administration.)

Mr. STAFFORD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 245

Resolved, That the annual report of the Secretary of Transportation to the Congress of the United States in compliance with section 144, chapter I of title 23, United States Code entitled, "Highway Bridge Replacement and Rehabilitation Program," be printed as a Senate document.

SEC. 2. There shall be printed five hundred additional copies of such report for use of the Committee on Environment and Public Works.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON THE CONSTITUTION

Mr. WEICKER. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary be authorized to meet during the session of the Senate Monday, November 16, at 1:30 p.m., to hold a hearing on Senate Joint Resolutions 17, 18, 19, and 110, resolutions all dealing with abortion.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, November 16, at 2:15 p.m., to hold a confirmation hearing on the nominations of Milan Bish to be Ambassador to Barbados and to serve concurrently as Ambassador to Dominica, Saint Lucia, to Saint Vincent, the Grenadines, Antigua, and Barbuda;

Edwin Carr to be Ambassador to Bolivia; and

Melvin Evans to be Ambassador to Trinidad and Tobago.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government, of the Governmental Affairs Committee, be authorized to meet during the session of the Senate at 9 a.m. on Tuesday, November 17, to discuss United States-Canadian Trade Policies: The Impact on Border State Industries.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEPARATION OF POWERS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Separation of Powers of the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, November 17, at 1:30 p.m., to hold a hearing on S. 675, a bill dealing with the Federal Jurisdiction Review and Revision Commission; S. 1538, a bill dealing with the Civil Rights Commission; and S. 1647, a bill dealing with busing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

MS. DIANE GORE PROMOTED TO LINE CAPTAIN IN U.S. NAVAL RESERVE

● Mr. MURKOWSKI. Mr. President, I would like to take this opportunity to congratulate Ms. Diane Gore of Ketchikan, Alaska, who has been promoted to the position of line captain in the U.S. Naval Reserve. She was the only woman among eight to be promoted to line captain this year. I personally am pleased with her success because she is my sister-in-law.

Diane works as a civilian for the U.S. Army in Vincenza, Italy, and, in this capacity, is responsible for all dependent youth activities in the Southern European Army. On behalf of all Alaskans, I wish to express my pride in her most recent achievement.●

UNITED STATES-JAPANESE BILATERAL AIR TRANSPORTATION AGREEMENT NEGOTIATIONS

● Mr. PACKWOOD. Mr. President, on November 16, the United States and Japan will resume negotiations in Honolulu toward a revision of our bilateral air transportation agreement. The U.S. delegation is going to these talks with hopes that a solution can be reached during the week. This, of course, depends to an important extent upon the positions taken by the Japanese side.

In past discussions concerning the revision of this agreement, the United States has offered Japan access to new points in the United States and improved

rights to fly beyond points in this country to points in third countries.

At the same time, the Japanese have insisted that U.S. carriers' rights to fly beyond Japan should be restricted, and that capacity operated between the two countries should be predetermined by the two Governments rather than by the force of the marketplace.

The Japanese must realize that they cannot have it both ways: They cannot insist on pursuing a restrictive aviation policy in order to protect their carrier, and, simultaneously, expect to have virtually free access to the U.S. trading market.

Our delegation to the Honolulu talks has provided the Japanese with a series of papers which outline in general terms the directions in which we might find solutions to some of the most important remaining problems. With flexibility and good will on both sides, it should be possible to find an agreement which will expand the opportunities of both sides in this market.●

SCHOOL BOARDS SAY YES TO DEPARTMENT OF EDUCATION

● Mr. STAFFORD. Mr. President, even though the President has not yet submitted his proposal to abolish the Department of Education, considerable attention has been paid to this issue on both sides of the question.

The motives and justifications of both the proponents and the opponents of the Department are varied, but one assertion made by the opponents is that those who favor local control of our schools are supportive of abolishing the Department in order to return control of education where it belongs.

Local control may have become a shibboleth to some, but in this case, it is inaccurately applied as a justification for opposing the Department's existence. I know of few more energetic and effective voices for local educational policy than the National School Boards Association. In the accompanying editorial, Mr. Thomas A. Shannon, executive director of NSBA, not only argues for the retention of the Department of Education as a separate Cabinet agency, but he carefully refutes each of the four options the President is considering for abolishing the Department.

In his concluding comments, Mr. Shannon says:

NSBA believes the Cabinet-level Department of Education deserves a chance to prove itself.

I share those sentiments exactly, and commend to my colleagues Mr. Shannon's statement of why the Department is good for education.

I ask that his statement be printed in the RECORD.

The statement follows:

WHAT VAUDEVILLE SAYS ABOUT EDUCATION DEPARTMENT OPTIONS

(By Thomas A. Shannon)

The old burlesque routine in which the straight man asks "How's your wife?" and the comedian rejoins "Compared to what?" applies to the debate over the U.S. Department of Education.

The celebrated "options paper" of Secretary T. H. Bell that President Reagan is mulling over is said to describe four alternatives to the present department. When one compares these alternatives to the status quo, the department looks good indeed.

Let's ask the vaudeville comedian's question in reviewing the four options:

1. SEPARATE SUBCABINET EDUCATIONAL AGENCY

This alternative deprives education of being represented in the highest councils of our nation and cuts off education's access to the Oval Office. Moreover, as an agency independent of any department, it loses the strict accountability to the President that the department now has. Its capacity to issue federal regulations would not be diminished, but its independence would work against the ability of local school boards to influence the formulation of those regulations. And it would undercut lay citizen control of education by effectively detaching it from government and transforming it into a conclave of professionals who answer only to themselves—because a separate agency would be less responsive than a visible and politically accountable secretary.

2. FOLDING EDUCATION BACK INTO HEALTH AND HUMAN SERVICE

This would bring back the bad old days of HEW when education was tag-end Charlie behind health and welfare and U.S. commissioners of education came and went like baseball team managers. Each of the dozen or so former commissioners reflected negatively on their tenure because of the impotence they felt in managing the federal role in education.

Resentment

Local school people particularly resented the fact that they could reach agreement with the commissioner only to find later that the agreement had been vetoed or otherwise undercut by some office in the labyrinth that was HEW. Civil rights enforcement in the schools also was amuck—being done by people who knew nothing about how schools are governed and administered and were unaccountable to anybody who did.

3. DISPERSAL OF EDUCATION FUNCTIONS THROUGHOUT THE FEDERAL BUREAUCRACY

This option, which calls for the outright abolition of the U.S. Department of Education, is the most onerous of all. It is also anomalous because it would end cabinet status for education as an entity but ensure cabinet status for the several segments of education, albeit isolated from each other and buried under layers of different bureaucratic mire. As a practical matter, this option would be a local school person's administrative nightmare and result in increased costs both in local school boards and the federal government. Instead of dealing with a single department, local school board members and administrators would be shuffled from pillar to post in dealing with the Department of Labor, Interior, Health and Human Services, Justice, Agriculture, Energy, Commerce, and so on depending on precisely where the responsibility for the hundreds of educational programs now administered in the Department of Education would be dispersed.

Moreover, this option with the duplicative services inherent in it is more costly than a single department. And as to federal regulations, the old Palace Theatre line "you ain't seen nothin' yet!" would describe the situation where a plethora of departments, all with regulation authority, were turned loose to regulate their part of the education turf.

Not a cure

Contrary to what advocates of the dispersal option claim, the flow of bureaucratic confusion endemic to it cannot be cured by designating a White House "education policy coordinator" because that person, however well intentioned, would not be responsible for the administration of the program. More often than not, it is the administration of a federal program that generates problems—not the policy that undergirds it.

4. EDUCATION AS INDEPENDENT SUBCABINET FOUNDATION

A foundation has the same defects as the independent agency option. In addition it has other flaws. It would be impotent to respond to judicial mandates for development of court-ordered regulation because of the non-governmental nature of a foundation.

While a superficial reaction would be that such impotency is a good thing for education, the real result will be that the regulation-making authority will be exercised by the courts. And anybody with any experience under court orders affecting education knows that the courts perceive their role in formulating regulations as much broader than the specific issues being litigated and that their lack of knowledge of how public elementary and secondary schools operate results in incompetent regulations sometimes bordering on the bizarre and ridiculous.

Ivory towers

Moreover, there is a possibility that education could be folded into an existing foundation only obliquely related to education, such as in areas of arts and humanities or the National Science Foundation. Because foundations are research-oriented ivory towers, one can anticipate that a federal education foundation would disgorge impractical ideas on what constitutes "good" education inconsistent with the realities of operating a school program—especially if the foundation director had little knowledge of school programs. This has the potential of being a back-door way to introduce national curricula and tests and, in the long run, will cause endless headaches for local school boards.

We understand from the ubiquitous fog of rumors surrounding the White House's consideration of the "options paper" that a combination of the third and fourth options—creation of a weak education foundation and dispersal of the administration of major programs throughout the other departments—seems to be the favorite. Compared to that, how does the Cabinet-level Department of Education look now?

NSBA says it looks great! This conclusion is based on more than a decade's support of the Department of Education by the primary policy-making entity of NSBA—its Delegate Assembly. That support looks at the department as elevating education to the national priority which it deserves in light of necessary link between education, improved productivity, reindustrialization and better national defense.

The Department of Education places education in a visible and influential position; it assures strict accountability in the discharge of the limited federal role in education that is clearly spelled out in the law establishing the department. It introduces economy into the administration of federal education programs through fewer employees servicing duplicative programs. And the Education Department makes relations between local school boards and the federal government manageable from a local administrative perspective.

NSBA believes the Cabinet-level Department of Education deserves a chance to prove itself—especially when compared to the other four options.●

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million.

Upon receipt of such notification, the Congress has 30 calendar days during

which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification was received on November 13, 1981.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, room 4229 Dirksen Building.

I ask to have the notification printed in the RECORD.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 12, 1981.

In reply refer to: I-03060/81ct.

Dr. HANS BINNENDIJK,
Professional Staff Member, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to an American Republic tentatively estimated to cost in excess of $25 million.

Sincerely,

ERICH F. VON MARBOD,
Director.●

ANNIVERSARY OF BLACKSTONE VALLEY CHAMBER OF COMMERCE

● Mr. CHAFEE. Mr. President, there is an anniversary occurring in Rhode Island this month which I believe is of significance.

The Blackstone Valley Chamber of Commerce will mark the 100th anniversary of its founding on November 23.

It was exactly 100 years ago on that date that a group of business people from the area gathered at the music hall in Pawtucket and formed the Pawtucket Business Men's Association under the leadership of Franklin Steere, a well known local businessman.

From that modest beginning the chamber has grown into an organization of more than 1,100 members from the communities of Cumberland, Lincoln, Smithfield, Pawtucket, and Central Falls with a staff of 10 headquartered at 42 Park Place in Pawtucket.

There have been eight name changes during this century of service, and the chamber has evolved into an organization concerned with very aspect of life in the Blackstone Valley which is where the textile industry in the United States was born at Pawtucket's Slater Mill.

After becoming the first chamber in Rhode Island to be accredited by the U.S. Chamber of Commerce, the group undertook a public opinion poll of residents of the Blackstone Valley. The results showed that people living there were unhappy with the quality of life, particularly the educational system.

The result was a five pronged "action plan" which includes area planning, community improvement, economic development, political action, and general image improvement.

A major undertaking of the chamber was fostering of vocational education. The group spearheaded a study of vocational education needs which was expanded to include the entire State and campaigned for establishment of vocational schools in the area.

The chamber was a moving force behind the establishment of the North Central Air Park, an industrial park centered around the North Central State Airport in Smithfield and Lincoln. This was the first industrial park in the Nation to be constructed around an airport.

Chamber members have been active in the downtown Pawtucket project, an endeavor to renew the downtown area, and they are involved in development of Narragansett Industrial Park, a new unit on the site of a former race track in Pawtucket and East Providence, R.I.

For these efforts the chamber has been honored with the "Corning Commnuity Action Award on Volunteer Leadership," and its accreditation has been renewed by the U.S. Chamber every 5 years.

The reasons for the success of the chamber may be found in an editorial comment by the Pawtuckett Times in 1921. "There has never been in the long history of the group any cliques or divisions. Blotting out the Pawtucket Business Men's Association would almost be like blotting out the entire history of the area," wrote the newspaper.

Under the leadership of its current president, Charles S. Grossman, president of Dytex Chemical Co. in Central Falls, the chamber is beginning its second century of service, not only to the people of the Blackstone Valley but to all of Rhode Island.

Mr. President, the Blackstone Valley Chamber of Commerce not only is one of the oldest in the United States, but it is one of the most active and forward looking. I doubt that any has had a more positive impact on the area it serves.

Its tremendous success has stemmed from the willingness of its staff and members to become involved with every aspect of life in not only the Blackstone Valley but the entire State of Rhode Island. This determination to make life more fulfilling for all, plus the spirit of volunteerism permeating all its activities, have built a strong and vibrant organization making a significant contribution to the progress being made in the area.

I join with my fellow citizens in paying tribute to these outstanding men and women and wish them the same high degree of success in the centuries ahead.●

REGULATION OF ELECTRIC UTILITIES

● Mr. EAST. Mr. President, I submit today for my colleagues' benefit the text of a speech delivered by William W. Berry to the Edison Electric Institute's recent fall financial conference. Mr. Berry, president of Virginia Electric Power Co., has carved a reputation as an innovative and imaginative business leader.

Mr. President, the electric utilities are in dire need of help. They are heavily regulated, and thus are unable to instill more efficient reforms. Investors have scant reason to purchase stock in utilities because they can make more money at less risk elsewhere. Furthermore, utilities shy away from spending money to improve their systems because the cost of borrowing exceeds the likely return.

But all that can change, according to Mr. Berry, by deregulating electric generation. In his speech, he calls for an end to the system of monopolies that generates the country's electricity. He is of the opinion that the status quo should be replaced by a free market system of generating companies competing for business on a price basis through regional energy exchanges.

Mr. Berry provides a dramatic and intriguing alternative to the status quo that could very well ameliorate the industry's problems while simultaneously decreasing consumers' rates. To fully understand his proposal, Mr. President, I ask that his complete speech be printed in the RECORD.

The speech follows:

REMARKS OF WILLIAM W. BERRY

My subject today is regulation and competition in the electric utility industry.

You all know only too well what's happened to this industry in the last decade or so.

Inflation accelerated and interest rates rose to unprecedented levels. Capital-intensive industries were hit especially hard.

Productivity growth in the electric industry slowed. The main source of these gains had been increases in plant size. By the end of the 60s, these economies of scale were just about exhausted.

The cost of meeting environmental and safety regulations soared.

Fuel prices rose dramatically. And the shift in relative fuel prices quickly made a lot of generating units uneconomic.

With the rise in electric prices, growth in demand dropped. That on one hand reduced the opportunities to bring more efficient capacity into service and on the other meant capacity built for faster growth was underutilized.

As a result of all these developments we experienced a huge rise in unit costs.

These adverse developments combined with a regulatory process that is slow; backward looking, and responsive to political pressures to keep electric rates down.

For utilities that was truly a devil's brew.

The number and size of the industry's requests for rate relief increased and the proportion of the requests granted declined.

That, in a nutshell, is how the industry got to its present financial plight. And unless conditions change and change soon our financial infirmities will destroy our ability to provide reliable electric service.

At the moment the industry has sufficient capacity. Customers are being cushioned by the capacity planned and committed when the industry's condition was better and growth of demand was high.

But nowadays new building programs are carried out reluctantly, in defiance of economics and common sense.

No unregulated business would invest in a project that will earn less than it costs.

No unregulated business would repeatedly punish its stockholders by issuing stock at a fraction of book value.

Electric utilities are doing so only in deference to their legal and moral obliga-

tion to serve and, even then, in amounts that will not meet future electricity demand.

Some observers believe that the underlying causes of this situation are transitory or correctable within the existing regulatory system.

Barring loss of production from Saudi Arabia, fuel prices won't rise as fast as they did in the 70s. In any event, many utilities have achieved fuel clauses that allow at least partial pass through of fuel costs.

Regulators can be given statutory limits that will speed up consideration of rate requests. They can be required to adopt forward-looking test years or allow cash returns on construction work in progress.

Inflation may be brought under control and interest rates may fall and remain at lower levels. President Reagan assures us they will.

Regulatory costs may stabilize. Maybe some of the excesses of environmental regulation will be eliminated. Maybe more cost-effective means will be used to protect the environment and public health.

Technology may provide us with a new round of productivity improvements.

And maybe, just maybe, regulators will achieve a better grasp of the economics of our industry. Maybe they will become more resistant to political pressure and more conscious of the long-term relation between price and supply.

As you may have surmised, I rate some of these possibilities as a good deal more likely than others.

To the extent that any of these developments occur, they will be helpful.

And, of course, some already have. Here and there, we have statutory time tables, forward test years, and other positive changes. The Virginia Corporation Commission has just allowed Vepco to begin phasing out the non-cash allowance for funds used during construction. That was very welcome.

But I remain skeptical that we will be able to achieve the full range of regulatory reforms that will provide an adequate solution to our financial problems, especially in the face of strong political pressures.

Furthermore, you can have a quick decision based on a forward test year and still end up with a totally inadequate rate of return. As a matter of fact, the regulatory lag in cases before state utilities commissions decreased considerably in 1980. But the return on equity scarcely increased and the gap between the earned and authorized levels actually widened.

And to say that regulation works splendidly when inflation is low, productivity gains are high and electric costs are falling is to say that it works only when it is scarcely needed.

That's like a ship's navigation system that works only in fair weather and calm seas.

You might say regulation worked well in the fifties and early sixties. Its main task was to distribute the benefits of declining electric prices.

Even if—and this is a very big "if"—the regulatory process could be rejiggered to restore the industry to financial health, that would still not be the best of all possible worlds.

The deficiencies of regulation go beyond its current effect on industry finances.

Under regulation, the industry does not operate with optimal efficiency.

Apart from integrated companies and the most highly integrated power pools, the industry is not using existing generating capacity to produce electricity at the lowest possible cost.

This is conspicuous among independent companies outside power pools. Even in pools, their goal of completely economic dispatch is often frustrated by transmission bottlenecks and other constraints.

The activities of pools are governed by elaborate legal structures that emerge from years of tedious negotiation. There are often difficulties in allocating the cost of transmission lines. And operating practices that are best for the pool as a whole may not be best for individual companies.

New capacity has not been built where and by whom it can be built most efficiently. It has often been built by each utility for its own needs within that utility's service area.

A recent study by the Electric Power Research Institute of the theoretical capital cost of new coal-fired plants in 13 locations around the country estimated a cost difference of 25 percent.

A survey in connection with the same study found actual capital costs per kilowatt that differed by a factor of more than three among plants completed or to be completed in the same year.

Regulation does not generally provide incentives for operating efficiency. Its effects on efficiency seldom rise above second-guessing management decisions.

Under regulation, utilities lack incentives to risk-taking and innovation. The regulatory system deprives utility managers of the opportunity to increase market shares and profits through cost saving innovations. But it holds over their heads the possibility that operating failures may be blamed on "management mistakes" and taken out of the hide of the stockholders.

Under such a system, managers have an incentive to avoid the risks of technological and service innovations.

The combination of regulation, vertical integration and government subsidies allows a huge variation among regions of the country in prices and costs of a homogeneous product. Electricity prices vary by more than 800 percent from one area to another. It's almost like charging 50 cents for a loaf of bread in Seattle, $2 in San Antonio and $4 in New York.

When I speak of efficiency I mean that it would be possible to produce more electricity with the same resources or to produce the same amount with a smaller claim on society's resources.

Utilities are certainly not mismanaged today. But managers must make choices within a regulatory system that does not offer the incentives of a competitive system.

In the current institutional environment, utility managers necessarily suboptimize. That represents good management but bad economics.

Considering all of the effects of the current regulatory system, the results are these.

The real cost of electricity is higher than it needs to be.

The price that consumers see is below the real cost—so that consumers use more electricity than they should and resources are misallocated.

And, the industry is failing to build sufficient new capacity to meet the needs of the 90s—even after allowing for vigorous promotion of conservation and load management.

One response to this favored by some of my brethren is to diversify into unregulated businesses.

I understand that some of the utilities which are highly regarded in financial circles have that status because they have diversified.

Of course, diversification isn't a complete protection. Some regulators simply took the profits of non-regulated subsidiaries into account in setting electric rates.

The benefits of diversification got expropriated to further subsidize rates.

So now we see diversified companies spinning off their regulated utilities. The utilities will suffer whatever fate befalls them in an unchanged regulatory setting while their erstwhile parents go on to bigger and better things.

Diversification may be the answer for a few companies.

It can't solve the problem of the whole industry.

It can't answer the question of how America will get the electricity it needs for growth and higher standards of living and get it efficiently and reliably.

I think that answer lies in competition.

Let's open electricity generation to competition—with free entry, no franchises and no obligation to serve.

Electric power generation is no longer a natural monopoly.

Advances in power transmission have made competition among independent generators possible.

The deficiencies of regulation make competition highly desirable.

I think it's time to get out from under a regulatory system that hasn't been working isn't likely to work and would not serve the public interest as well as competition if it did work.

On other occasions I've set forth a scenario for competition in electric power generation that I believe would be practical.

Generating companies, consisting of new entrants as well as companies formed from existing utilities, would be linked to regulated distribution companies through regional energy brokers.

The brokers would own the transmission systems. They would make long and short term markets in energy and power not only within but among the regions.

But the principle of competition is more important than the specifics of any particular arrangement.

The reasons competition is superior to regulation are implicit in my criticism of the present structure.

But let me spell them out in positive terms.

Generating companies will be free to charge whatever they can get in the competitive market. As a result, price will be able to play its traditional role of balancing supply and demand.

If the distribution companies collectively believe too little power will be provided at current prices, they will bid them up.

Generating companies will invest in new capacity only if they believe they can earn an attractive return. If the price is too low, investments will not be made. Distribution companies will have to decide whether to pay more or adopt measures to restrain demand.

Prices will provide the signal and the incentive for investment. Prices passed through to consumers, will tell them what electricity really costs and they will adjust their demand in accord with these costs and their own preferences.

In short, we will have a mechanism for building the capacity that consumers are willing to pay for.

That mechanism will work as well for electricity generation as it does for other unregulated industries with large capital requirements and long-lead times.

Competition will also give us important efficiency gains in five areas.

First, utilities will be able to build less capacity than we will need under regulation. In a market system, the risk of error in forecasting future demand will be shared. Some companies will forecast too high, others too low, as they do today. But because their year-to-year errors can be smoothed out by trading through the energy broker, reserve margins can be cut.

Second, the competitive market will assure that new capacity is built by those who can do it most efficiently.

Inefficient, high cost producers won't get any business.

Plant sites will be shifted away from high cost areas, theoretically up to the point that the cost savings equal additional transmission expenses.

The oft-repeated claims that new technologies and dispersed power generators are cheaper than central station nuclear and

coal units will be tested in the market. Anyone with windmills or fuel cells or cogenerated power or anything else can enter the market if he can produce at a competitive price. The folks touting exotic schemes to provide ample power at more favorable costs will have to put up or shut up.

Along with the new opportunities and incentives for use of the lowest cost technologies for power production, distribution companies may provide conservation and load management services if these measures can meet future demand at a lower cost than new generating capacity.

Third, with short-term regional markets in power and energy, there will be a mechanism for making the best use of existing capacity.

Distribtuion companies could trade power and energy to minimize their costs without the complex, hard-to-achieve legal structures of the power pools. Brokers would have a profit incentive to possess the transmission facilities that could make profitable deals possible and to operate the region at minimum costs.

If, as I propose, the brokers' profits are shared with the distribution companies from which they buy low cost power, we will have created a profit incentive for distribution companies to always seek the optimal generation mix. The better they choose in contracting with generating companies for power, the more they and, presumably, their customers will gain.

Fourth, the competitive system will be more efficient for consumers in the sense that the electricity that they use will be worth as much at the margin as other products that might be produced with the same resources. That means customers won't use electricity when they would prefer something else if they knew electricity's true cost. In technical terms, I mean that the competitive market I envision will tend toward pricing electricity at its long-run marginal cost.

Fifth, the competitive system will provide incentives for everyday operating efficiencies that are largely lacking under regulation. The market system encourages a constant search for new and better ways of doing business. That is its genius. And it will produce efficiencies and benefits that no one can fully foresee.

The advantages I can predict are these:

For consumers, competition in electricity generation will mean that electricity shortages will be averted and that in the longer-term rates will be lower than they would be under regulation.

It will also mean some narrowing of the rate disparities among the different parts of the country.

In the short run, prices will rise because stockholders will no longer be subsidizing the price of electricity.

For the generating industry and its stockholders, there will be the opportunity to earn whatever profit efficiency and good management will bring.

Risks will certainly be greater. But even under regulation, the electric utility industry is not the low risk business it once was. And, to put it mildly, electric utility stockholders are not prospering under current regulation.

For government, there is an opportunity to shed a difficult, thankless and now unnecessary task. There is an opportunity to step up the lagging growth of productivity in the economy and to assure the power supply needed for economic growth.

Establishing competition in power generation would be supply-side economics in the best sense of that term. Of course competition based on economic performance can occur only if there is a level playing field. That means government subsidies through tax exemptions and preferential financing must end. They are not necessary and are not good public policy. And I hear the Federal budget could use the resulting revenues.

This is an indispensable condition. Unless we get rid of subsidized financing, a competitive market is impossible.

I'm conscious that what I am proposing is a sharp departure, that it upsets traditional patterns of thought, that it involves risks, uncertainties and many unsettled issues.

But surely 200 years of economic analysis and practical experience tell us that competition, whenever it is possible, serves the interest of society far better than government control. I think this places the burden of proof not on those who advocate competition but rather on the proponents of continued regulation.

So, to those in our industry and in government who share the goal of increased efficiency, economy and reliability in the generation of electrical energy, I say, "why not competition."

I'd like to take the risks, think the new thoughts and go for the benefits of competition that are surely there.

Thank you.●

RESEARCH IN TECHNOLOGY

● Mr. TSONGAS. Mr. President, I am concerned that we are not maintaining this Nation's competitive advantage in technology. America is not educating enough engineers and scientists to meet future needs. Moreover, Federal spending on basic research, measured in real dollars, has been falling for many years. This has eroded our competitive edge over Japan, West Germany, and other nations, and it has allowed one or more of them to surpass us in a number of areas. Given the trends, America's long-term prospects are discouraging.

At a recent National Academy of Sciences conference, Prof. Herman Feshbach, chairman of the physics department at MIT, made a compelling statement on the problems that our basic research is facing. If we fail to heed his warning, if we continue to reduce basic R. & D. funding, it will weaken our economy severely for years to come. I therefore ask my colleagues to consider the long-term importance of basic research as these appropriations bills come to the floor.

Mr. President, I ask that Professor Feshbach's statement be printed in the RECORD.

The statement follows:

REMARKS BY HERMAN FESHBACH

The budget levels proposed by the administration for this and the following fiscal years present, in effect, a plan to reduce the level of governmental expenditure and in particular those which support basic research in the sciences and technology. It is of course difficult to establish what the best level is in order to most effectively impact on our industrial technology, on national security, on medicine and more generally upon the well-being of our fellow citizens and their standard of living. However, it is useful to have some measure of what the projected consequences of the proposed reductions of 12 percent per year for a number of years are. I have a very succinct, easy to remember, summary to present to you.

In the physical sciences, the funding, manpower and the annual rate of Ph.D. degrees granted will be at or near the pre-Sputnik levels if the projected reductions are implemented.

On should bear in mind that in the same period the GNP in 72 dollars went from $736 billion in 1962 to $1432 billion in 1979. And that the number of Americans of working age (between 25 and 70) went from 83 million in 1960 to roughly 110 million in 1980.

The analysis (due to Professor Lee Grodzins) which leads to the above startling conclusion is based on the correlation between manpower numbers and Ph.D. production with the level of Federal funding as seen in the past two decades during which there has been a sharp rise and fall in Federal funding. One learns, for example, that a drop in two successive years of 9 percent each year (1969–1971) in the funding of the physical sciences led to a drop in the working Ph. D.'s by 15 percent. From these empirical data one can estimate the effect of 12 percent cuts. It does involve an extrapolation since the 12 percent cut for even a single year is unprecedented.

There have been real contradictions in the physical sciences and mathematics since 1967, leaving these areas in a significantly weakened condition.

(a) The number of Ph.D.'s awarded in 1980 in Physics and Astronomy is 985, down from the peak of 1740 in 1971.

(b) Of this 985, the number of Ph.D.'s awarded to U.S. citizens is 717, the same as in 1963. Virtually identical remarks can be made with respect to Chemistry and Engineering.

(c) The physics sub-field which seems to have been most badly affected is nuclear. The number of Ph.D.'s in 1980 was only 73 (240 at the maximum) of which only 57 were U.S. citizens. This is the same number as in the 1950's.

(d) More than 80 percent of the physics faculties are tenured. In 1973 the most probable age was about 35 while today it is close to 40.

The proposed 12 percent reductions will severely damage the national effort in the physical sciences:

(a) The level of Ph.D. production in the late 1980's will be reduced to what it was in 1961, that is to the level in the pre-Sputnik, pre-Galliland report era. A smaller proportion will be U.S. citizens.

(b) More than 90 percent of the physics faculties will be tenured, leaving less than 10 percent for our younger colleagues. The average age will continue to grow to the 45–50 range.

(c) The total number of working physicists is now about at the level of 1969. It will go down by more than 12 percent per year. In 2 years, this number will reach the 1965 level, in three years the levels of the early 1960's.

(d) The budget in 72 dollars after these deductions will be close to the pre-Sputnik levels.

It is difficult to see how such a program can be in the national interest.

In my opinion Grodzins underestimates the effect of the reductions in part because of the manner in which they are to be implemented over an extra-ordinarily short time period.

The word "manner" refers to the inflexible and rigid way in which the reduction is to be effected in the DOE. Each element in the budget is to be cut by 12 percent; no transfers between construction and operations; no transfers between research and development and so on, thus leaving the research managers little latitude to exploit their perception of the high priority elements of their programs. In addition the abrupt and sudden applications of the reductions prevents the development of a timely and rational plan of accommodation which would minimize their impact. If cuts are necessary, and I emphasize that any cuts will have adverse long-term effects, a slower, less impulsive, more adiabatic approach to a new funding level is in any event essential. The time period during which the change is made must not be much shorter than the natural time constants of our educational-research system. Those constants include: (1) The time to conduct an experimental program with a view toward obtaining a significant body of findings—a period of several years. (2) The time for a graduate education, typically 4 to

7 years. (3) The time for the construction of large facilities—several years. (4) The period over which such a facility would be useful scientifically—more than a decade. (5) The time to develop a team (in areas where this is necessary and that includes most) which can work harmoniously and effectively together—and again several to many years. Changes which occur over a period which is short compared to these natural time constants are unavoidably destructive. They are clearly wasteful—facilities which are effective are shut down—experimental programs are discontinued—theses are not completed—and teams which have been laboriously built up over many years scatter, never to return. Of particular importance, the young—the student, the post-doc, the assistant professor—see their hopes for a productive career in science compromised. And of course the science institutions cannot, because of the short time period, react so as to preserve the capabilities they have developed and managed. Experimental evidence gives a 10 yr. recovery time for the cuts of the early '70s.

These are the short-range and obvious effects. The long-range ones are truly serious as well. Young people will not enter the field of research in science and technology. The predicted reduction in Ph.D. production is in my opinion optimistic. There is every likelihood that it will be far worse. Indeed, why go into a field in which scientists of international reputation have or are losing their positions or their facilities for productive research? I also expect many senior scientists to leave the U.S. and work abroad.

The impact on U.S. science and upon high technology industry, on national security, on medicine is clear. These reductions lead to a weaker U.S. and to a lower standard of living.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million.

Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of a proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point a notification which has been received.

The material follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 9, 1981.

In reply refer to: I-03867/81ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 82-02, concerning the Department of the Air Force's proposed Letter of Offer to Thailand for defense articles and services estimated to cost $30 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

WALTER B. LIGON,
Acting Director.

TRANSMITTAL No. 82-02

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective Purchaser: Thailand.

(ii) Total Estimated Value:

	In millions
Major defense equipment *	$17
Other	13
Total	30

* As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: One C-130H-30 aircraft with two spare engines, initial spares, training, and support.

(iv) Military Department: Air Force (SHA).

(iv) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Included in report for quarter ending September 30, 1981.

(viii) Date Report Delivered to Congress: November 10, 1981.

POLICY JUSTIFICATION

THAILAND—C-130H-30 AIRCRAFT

The Government of Thailand has requested the purchase of one C-130H-30 aircraft with two spare engines, initial spares, training, and support at an estimated cost of $30 million.

This sale is consistent with the U.S. policy of assisting the government of a friendly country which is a major force for peace and stability in Southeast Asia to provide for its defense against potential aggression by neighboring communist countries.

This procurement by the Government of Thailand, in addition to the C-130H aircraft previously purchased, will continue to enhance its airlift capability for long range transportation and air drop operations in counterinsurgency activities. The sale of C-130H-30 aircraft to Thailand will not alter the military balance in the region.

The prime contractor will be the Lockheed Corporation of Marietta, Georgia.

Implementation of this sale will require the assignment of one Contractor Engineering Technical Service (CETS) representative for a period of up to one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

THE SITUATION IN EL SALVADOR

● Mr. KENNEDY. Mr. President. I wish to call the attention of Members of the Senate to an article entitled "U.S. Chances Missed in El Salvador," by former Ambassador Murat Williams. which appeared in the October 30 edition of the National Catholic Reporter. As a former U.S. Ambassador to El Salvador, 1961-64. Ambassador Williams writes forcefully about a longstanding U.S. policy that fails to understand and, therefore, respond to the real situation in that Central American country now plagued by civil strife and bloodshed.

Ambassador Williams points out that—

The root of the problem in El Salvador lay in the great disparity between rich and poor—between the luxurious ease of one and the pitiful misery of the other . . .

And so the rich ruled with the support of the army, the church, and the American legation. Forgotten, according to the Ambassador, were:

The will and the consent of the people—something that the fuedal society did not have and seemed to regard with contempt . . . In all our efforts, our government put its trust in the wrong elements. Today we seem to continue to support the army and we ignore the people and even the role of the church, which has slowly come to reflect the true aspirations of the Salvadoran people.

In conclusion, Ambassador Williams makes an eloquent plea for us to face the fact that U.S. policy to solve El Salvador's problems with guns, helicopters, Green Beret training, and more military aid is "bankrupt." He calls on the United States to recognize that "a social problem as old as El Salvador's cannot be solved by force." It is the will of the people that must be heeded and all of them must participate in finding a solution.

I ask that Ambassador Williams' article be printed in the RECORD.

The article follows:

U.S. CHANCES MISSED IN EL SALVADOR

(By Murat Williams)

I want first to contend that the pathetic tragedy of El Salvador was predictable and predicted long ago, that its roots are deep in history, that they go back to a time when Fidel Castro had not been born and to a time when current superpower rivalry had not been dreamed of. Being predictable, this tragedy should have been averted.

I contend also that some U.S. officials, including one president, saw the dangers long ago, and that many U.S. officials struggled in the most urgent way possible to help avert the catastrophe which today has caused so much suffering for the Salvadorean people and so much concern for the U.S. Government. I contend that in 1964 control of our Latin American policy passed to officials who were—unlike their immediate predecessors—unwilling to see the danger and unable to take the measures necessary to maintain a policy that could help the Salvadorean people instead of adding to their troubles.

Finally, I want to sketch the shifting of forces that has, on one hand, made the predictable catastrophe more brutal and, on the other hand, made this catastrophe more open to solution.

Let me say a word about the role of U.S. policy. I do not argue that we have the right or even the power to shape the society of another people. I reject as unpardonable arrogance the often quoted remark of the otherwise praiseworthy Woodrow Wilson to a visiting British diplomat (about 1914): "I shall teach the South (sic) Americans to elect good men."

But the United States is great and powerful. El Salvador is small and powerless. What we do inevitably influences El Salvador. We exert our influence in many, many channels. Often it is an influence hard to resist.

The saintly Archbishop Oscar Romero said shortly before his assassination to one of his assistants, who repeated it to me, "What a pity that the United States, so close to us, has never done anything for our good." We should examine that statement closely.

The roots of the problem of El Salvador obviously lay in the great disparity between the rich and poor—between the luxurious ease of one and the pitiful misery of the other—between such conditions as those which in France caused the great revolution of 1789. As years passed, the ease of the rich grew greater. The land and labor of the people produced more coffee, more cotton, more sugar and more money. The poverty of the poor grew more bitter because, as the number of mouths to feed grew greater, the land to provide their food was less and less. Land had

gone from food to cash crops—even marginally productive land was taken over by growers of cash crops. People were hungry.

The misery boiled in a great cauldron. Machetes and guns could not keep the lid on. An explosion was inevitable.

In 1961, our government's Latin American policy was personally directed by President John Kennedy with close advisers who understood this growing danger. I say Kennedy himself because I was the first ambassador sent abroad after his inauguration and, in saying farewell to me in the privacy of his oval office in January 1961, the president remarked with great feeling: "Ambassador, I am glad you are going to Latin America. It is our number one problem."

In seeing this danger Kennedy and his administration were prepared to act to help governments dealing with the deep social problems of El Salvador and like countries.

We did not attempt to make decisions for the Salvadorean government, but when the government showed its willingness to work for social progress, we were at hand, ready to help with resources and technical assistance.

We did not—in the Kennedy years—tell the Salvadoreans to carry out a program of land reform. Nor did we tell them how to do it. We did not tell them to nationalize the central bank or the coffee company. We certainly did not tell them to enact minimum wage laws. But when they undertook needed reforms, we stood by them. It was their country and they must make the decisions.

When a new law set a minimum wage at $1 per day, a stream of rich coffee growers flowed into my office to protest—as if I had written the law. I asked if they wanted me to repeat their complaint to Washington. To do so, I noted, would simply draw Washington's attention to the appallingly low wages the pathetic workers already received.

Our simple policy of support for the government's reforms drew great fire from the rich. Our school building program as well as our health and housing projects were targets.

Quickly the anger of the rich was transmitted to Capitol Hill and to American diplomats who had earlier served in El Salvador. One of them, Robert C. Hill, came to San Salvador, representing an American corporation, and quite rudely told me I should go to the Casa Presidencial to bang on the desk and tell the president to slow down the reforms. Although I had known the wealthy oligarchs many years before he had, he presumed to tell me that I must urgently cultivate their friendship.

Another of my predecessors, Thomas C. Mann, told me when I stopped in Mexico en route back from consultation, that I was making a big mistake: "Murat," he said, "you should work more closely with the big families. After all, they have the power."

Tomas Regalado, a Salvadorean feudal lord, whose wealth was estimated in 1961 at well over $60 million, told Dan Kurzmann of the Washington Post that the U.S. government was making a big mistake: "You should not be building schools to educate the Salvadorean people. Our economy cannot support schools." After saying that, the wealthy Regalado sent his own sons to expensive private schools in the U.S.

Our support for social programs caused consternation among the very rich. Alfonso Rochac, the great Salvadorean economist, came to me one day and said: "The Catorce (the 14 families who own most of El Salvador's wealth) are furious with you. They have always depended on three supports: the army, the church and the American legation. Since you came they have lost the legation."

Please note Rochac's list of the pillars of Salvadorean society: the army, the church and the U.S. legation.

There was another structural element which he did not mention: the will and consent of the people—something that the feudal society did not have and seemed to regard with contempt. But we know that no society can be really stable without public support.

The three supports Rochac did mention had generally served merely to thwart the will of the people. Even the U.S. embassy, by throwing its weight to the feudal side, had often thwarted the popular will. So had certain elements of the church up to that time.

After the assassination of President Kennedy and after I left the country, the feudal landlords gained again the support of the American embassy.

President Lyndon Johnson placed in charge of Latin American policy that same Thomas C. Mann, who had told me in Mexico a year or so earlier that I should work more closely with the "14 Families." Under his policy, the embassy seemed to lose its interest in the people of El Salvador and to strengthen its ties with those on top of the feudal structure. The American government pursued the illusion of stability and thought it had it—largely because of its military policy.

Our military aid and training missions were so large that I had protested and urged Washington to reduce them. Although I had the support of Secretary of State Dean Rusk, the word of the Pentagon prevailed. The American generals insisted on large military missions in El Salvador and in neighboring countries—until finally the absurdity of the policy came to light with the ridiculous but bloody "soccer war" between two armies (Honduran and Salvadorean), each equipped, trained and supported by U.S. Army missions.

In all our efforts, our government put its trust in the wrong elements. Today we seem to continue to support the army and we ignore the people and even the role of the church, which has slowly come to reflect the true aspirations of the Salvadorean people.

During my last year in El Salvador, the great force of the church began to show itself on the side of the people's desire for social change. Its history since then is well known. Alas, the U.S. government has often chosen to belittle it.

In early 1980, I had a telephone call from a senior National Security Council officer of the Carter White House, who knew I was testifying against arms aid and wanted to make some "suggestions." In a brief conversation I quoted Archbishop Romero's objections to arms, even "non-lethal" aid. The senior official, whose name was Mr. Pastor, then said to me: "Archbishop Romero is naive." There you have it. The American government thought the great Salvadorean martyr was naive.

Today the U.S. government still seems to underestimate the Salvadorean church and its martyrs. We put our trust in the sword of the armed forces.

We are supporting an army guilty of its country's blood—an army with its hands stained by the blood of martyrs, of American nuns and of my friend Enrique Alvarez, a noble Salvadorean leader who was kidnapped on church property, tortured and murdered.

Our secretary of state, who has little knowledge of El Salvador, faced with these ugly facts about the Salvadorean armed forces, once even placed the blame for the murder of the nuns on the nuns themselves (killed, he suggested, while trying to run a roadblock—an utter absurdity).

Now are are backing the armed forces as they try to put the fig leaf of respectability on their regime by preparing for elections that can only be a farce.

Some people know more than our bureaucrats about how to solve the problem of El Salvador. First among such people I place the Salvadoreans themselves. They have lived with their problems. They are the country's intellectuals: professors, churchmen, doctors, lawyers and teachers, a high proportion of whom make up the combined opposition, once headed by Alvarez, now headed by Guillermo Ungo.

Under the plan in which the U.S. government seems to play an important role, such men would be effectively excluded from the solution of the Salvadorean problem.

The Mexican and French governments may understand El Salvador's needs better than we do. Those governments urge that Ungo and colleagues be recognized as a party to the settlement.

We really seem to want to solve the problem of El Salvador with guns, helicopters, Green Beret training and more military aid. Ours is a bankrupt policy. Since we have been pursuing it under both Carter and Reagan administrations, about 20,000 Salvadoreans have died violently.

The time has come to stop letting a clique of Salvadorean feudal lords and their American propagandists lead us by the nose into a deeper quagmire. The time has come to listen to the voices of reason, to recognize my old friend, Jose Napoleon Duarte, as an unfortunately powerless puppet, to recognize that a social problem as old as El Salvador's cannot be solved by force. To recognize that forgotten element, the will of the Salvadorean people. And to reach out the hand of friendship to Ungo, Fabio Castillo, Ruben Zamora, Roman Mayorga and bring them into our discussions.

A little humility will help us, and a little honest recognition that the time has come to stop thwarting the will of the Salvadorean people, friends who have struggled so long to be our good neighbors. The time has come to cast aside that arrogance that makes us believe we know more about El Salvador's problems than the Salvadoreans.

What more than this could serve our true national interest? For our true national interest must be to win, not the mere friendship of the oligarchs or the friendship of the blood-stained armed forces, but the friendship of the whole Salvadorean people.●

ALCOHOL AND DRUG ABUSE

● Mr. WEICKER. Mr. President, this letter was forwarded to me by Mr. Donald J. McConnell of Connecticut, president of the National Association of State Alcohol and Drug Abuse Directors and Executive Director of the Connecticut Council on Alcohol and Drug Abuse.

Mr. McConnell's statement makes a strong case for continued Federal direction and support from the Federal Government in the prevention, treatment and research of problems related to alcohol and drug abuse. Mr. McConnell also cites the additional hardships that will be placed on these programs should the Congress reduce available funds by an additional 12 percent as requested by the President.

I felt that this information deserved the attention of my colleagues and ask that the letter from Mr. McConnell be printed in the RECORD.

The letter follows:

NATIONAL ASSOCIATION OF STATE
ALCOHOL AND DRUG ABUSE DIRECTORS,
October 14, 1981.

Senator LOWELL P. WEICKER, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: The problems of alcohol and drug abuse are pervasive and continue to damage American families, business and our armed forces. Recognition by the Con-

gress and the Federal government of these all-encompassing problems which often result in an unnecessary and costly drain on our economy and human resources, has resulted in the development of a fragile, but comprehensive alcohol and drug abuse prevention and treatment system within each State. Recently, the Federal role in the provision of these services was modified via the Omnibus Reconciliation Act of 1981 which authorized the transfer of prevention and treatment services responsibility from the Department of Health and Human Services into an alcohol, drug abuse and mental health block grant to the States.

Since you are a member of both the Committee on Labor and Human Resources and the Subcommittee on Appropriations for Labor, HHS and Education you are aware that the authorized funding level for the ADM block grant represents a 25 percent reduction from the total amount appropriated for these programs in FY 80. The States have reluctantly accepted the 25 percent reduction in Federal funds, however we feel that we have accepted our share of the burden to balance the Federal budget, and that the further reductions in appropriations for the ADM block grant recommended by the Senate Subcommittee on Appropriations for Labor, HHS and Education will severely disrupt the provision of quality and comprehensive alcohol and drug abuse services. The alcohol, drug abuse and mental health block grant is intended to transfer administrative responsibility to the States, not to transfer complete fiscal responsibility.

At the same time, the White House has revised its March budget requests and asked Congress to make an additional 12 percent cut in domestic discretionary programs. For alcohol and drug abuse the additional cuts would reduce the Federal share in support of these services by 37 percent. As I mentioned, the amount authorized by Congress in the Omnibus Reconciliation Act for the ADM block grant, $491 million, already represents a 25 percent reduction in Federal funds. The Senate Subcommittee on Appropriations has recommended an appropriation of $450 million for the block and the White House is now requesting that only $432 million be appropriated for these programs.

The Senate Subcommittee has also made significant reductions in appropriations for the Federal institutes responsible for conducting alcohol and drug abuse research activities—the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse. These reduced amounts are approximately $9 million or 20 percent less than the amounts requested by the Administration for these important programs. However, the Subcommittee's urge to balance the budget did not follow its actions in recommending increases in the National Institutes of Health's budget above and beyond the Administration's request.

The Federal executive branch and Congress have invested over a decade of substantial resources in the development of the present national alcohol and drug abuse prevention and treatment services network. Why should it now jeopardize a decade of progress by withdrawing support so rapidly that it cannot reasonably be expected to be replaced? Must we regress to the former days when individuals and families with alcohol and/or drug abuse problems were severely neglected by the health care system, precipitating a crisis that calls for even greater financial aid?

Sincerely,

DONALD J. MCCONNELL,
President.●

TRIBUTE TO DR. ERNEST M. ALLEN

● Mr. NUNN. Mr. President, on November 1, Dr. Ernest M. Allen, who for most of the last decade has been Associate Director for Extramural Programs of the National Library of Medicine, retired after 40 years of Federal service. During that long tenure, Dr. Allen compiled a record of innovative contributions to public health, to science, and to public administration that deserve recognition and praise, for his career stands as a model for all public servants.

A native of Texas, Dr. Allen was graduated magna cum laude from Emory University with a bachelor of philosophy degree in 1926, and subsequently he earned a master's degree from that distinguished institution which is in my State of Georgia. His Federal service began with the National Youth Administration, but in 1943 he joined the U.S. Public Health Service where his service earned him an honorary doctorate of science by Emory in 1956 and an honorary doctor of laws degree by Clemson Universary in 1968.

The very length of time during which Dr. Allen has served us all is impressive enough. But what is more noteworthy are some of the policies and programs that Dr. Allen helped to pioneer. Among the most important of these is the research grants program of the National Institutes of Health. Working with the Director of NIH, Dr. C. J. VanSlyke, during and immediately after World War II, Dr. Allen designed the research grants program which, from that day to this, has been the principal vehicle through which Federal support for biomedical research have been carried out. As a consequence of the brilliant yet simple design of this program, under which the best ideas of outstanding older and younger scientists about research on disease problems and possible scientific answers to them are tested, the status of our country's overall scientific enterprise remains preeminent in the world, and the advances in controlling disease and reducing health problems have accelerated dramatically. His central role in the design and evolution of the NIH grants program was recognized by the Albert Lasker Foundation which in 1953 asked Dr. Allen to accept, for the Division of Research Grants, an award to that unit in recognition of "brilliant administrative achievement of immeasurable value to public health."

Dr. Allen's extensive experience in several divisions of public health service resulted in his being asked, in 1968, to join the Office of the Assistant Secretary for Health and Scientific Affairs of the Department of Health, Education, and Welfare. He remained there for 5 years, including 3 years as Deputy Assistant Secretary for Grants Administration Policy from 1970 to 1973, before he returned to the National Institutes of Health and the National Library of Medicine. Over the last 8 years, he has worked with Dr. Martin Cummings, Director of the National Library of Medicine, to extend the reach and service of the Library of Medicine throughout this country and abroad, so that it stands today as the model for the dissemination of critically important medical and scientific information to doctors and other deliverers of health service, to scientists and administrators, and to all who need to know.

Mr. President, Ernest Allen is a very modest man. The scores of scientists, physicians, and administrators for whom he has served as a model and as an inspiration over the last 40 years very much wanted to honor him with a ceremonial sendoff into retirement, but he declined that opportunity, so that the only opportunity for his colleagues and admirers publicly to say thanks and farewell occurred a few days ago in the course of the annual meeting of the Board of Regents of the National Library of Medicine.

So he has now retired from public service, although all of us who know him expect that he will continue to be available to help advance the cause of health and science and the common good for the rest of his life, just as he has for the past 40 years. I simply wanted to call this brilliant record of service to the attention of all my colleagues and to people across the country, because Ernest Allen, as a person and a public servant, is someone of whom all Americans should be proud.●

CARBON MONOXIDE AUTOMOBILE EMISSION STANDARD

● Mr. HART. Mr. President, when the Committee on Environment and Public Works meets tomorrow morning to begin actual markup of amendments to the Clean Air Act. An amendment may be offered to relax the carbon monoxide (CO) automobile emission standard from the current level of 3.4 grams per mile to 7.0 grams per mile.

I will oppose that amendment, even though a relaxation of the CO emission standard is among the recommendations made by the National Commission on Air Quality. Since I generally support the NCAQ recommendations, I want to explain to my colleagues and to the public why I will vote against the relaxation of the CO standard.

In short, Mr. President, the automobile CO standard cannot be considered by itself, but must be considered in the context of the other, related issues which will determine the total level of carbon monoxide emissions in the Nation. These other issues include:

The carbon monoxide emission standard for heavy-duty trucks;

The carbon monoxide emission standard for light-duty trucks;

The requirements for complying with the national emission standards at high altitude; and

The requirement for automobile inspection and maintenance.

After reviewing all these issues, the National Commission on Air Quality adopted a package of recommendations dealing with the mobile source issues of the Clean Air Act. The package includes:

Affirmation of the tough heavy-duty truck CO emission standards scheduled to go into effect in 1984;

Retention of the requirement that automobiles sold in high altitude areas comply with the national emission standards there;

Proposal of a new requirement that light duty trucks be required to meet the national emission standards in high altitude areas;

Retention of the requirement of automobile inspection and maintenance in

the areas with most severe auto-related pollution problems; and

Relaxation of the automobile CO emission standard from 3.4 to 7.0 grams per mile.

The Commission adopted this package of recommendations after studying the effects on ambient CO levels of different mixtures of control strategies. Our studies showed that—with the adoption of the other elements in the package proposed by the Commission—it would be possible to relax the automobile CO standard without undercutting our Nation's needs for continued reductions in ambient CO levels.

The area of the country with the greatest CO levels—Los Angeles—would be unaffected by the change in the automobile emission standard, since California has its own set of automobile emission standards.

My own hometown of Denver is the area with the second highest level of CO concentrations. The CO levels exceed the national health-based ambient air quality standard 1 day in 3, with levels as high as three times the standard. It therefore is crucial that the new clean air legislation be at least as effective as the current Clean Air Act in reducing CO levels in Denver. This would be the case with the NCAQ recommendations, since the new high altitude requirements for trucks would compensate for the relaxation of the automobile CO standard.

Of course, other cities besides Los Angeles and Denver have serious CO problems. However, Commission studies show that compliance with the national air quality standards would be possible in these cities by the current statutory deadline of 1987 under the formula proposed by the Commission.

I emphasize that the Commission considered its mobile source recommendations as a package. The Committee on Environment and Public Works, and later the full Senate, also should consider the mobile source issues as interrelated issues.

Since the Commission's recommendations are a package, any change in one element of the package inherently affects the other elements of the package. This is why I was so concerned last April—the month after the Commission filed its report with Congress—when the administration announced, as part of its automobile industry relief package, its intention to roll back the CO emission standards for heavy-duty trucks. The administration's stated intention is to roll back this standard to a level which will not require the use of catalytic converters. This means the 1984 CO standard for heavy-duty trucks would represent about 60 percent control, of uncontrolled pollution levels, instead of 90 percent control. This difference would be enormous. The administration has not finalized its specific action, so it is impossible to quantify precisely its effect. However, it is possible to get an idea of the order of magnitude involved by comparing the average of 183 grams of CO per mile emitted by heavy-duty trucks meeting the current standards, which represent approximately a 40-percent level of control, with the expected average of 37 grams per mile which would be emitted by heavy-duty trucks meeting the 90-percent reduction standard.

In Denver, according to recent computer projections by the Colorado Department of Health, the relaxation of the truck standard could mean that Denver would never attain the health-based air quality standards, even if the other parts of the act were left intact.

If the automobile CO emission standard were relaxed in addition to this relaxation of the CO heavy-duty truck standard, the effects on CO levels throughout the Nation would be unacceptable.

In other words, Mr. President, the package proposed by the National Commission on Air Quality has already been upset by administrative action before Congress has even begun action on the Clean Air Act.

I continue to support the overall package of the NCAQ recommendations. I will propose in committee to remove from the statute the administrative discretion to roll back the heavy-duty truck CO standards. If this proposal is accepted, and if the legislation also includes the inspection-maintenance and high altitude requirements proposed by the Commission, I will support relaxation of the automobile standard in the eventual Senate-House conference, when it is clear that the final version of the legislation contains the elements necessary to make the relaxation of the automobile standard acceptable.●

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR PROXMIRE

Mr. BAKER. Mr. President, I ask unanimous consent that, after the recognition of the two leaders under the standing order, the Senator from Wisconsin (Mr. PROXMIRE) be recognized under a special order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DESIGNATING PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that, after the expiration of time allocated on the special order, there be a brief period for the transaction of routine morning business to extend not longer than 20 minutes, in which Senators may speak for not more than 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, am I correct in saying that at the conclusion of the time now ordered for morning business, the State, Justice, Commerce appropriations bill will recur as the pending business before the Senate?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I thank the Chair.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, earlier today there was a colloquy between the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Ohio (Mr. METZENBAUM), entered into a little later by the Senator from Pennsylvania (Mr. SPECTER).

After consultation with the parties involved, it appears that there is a desire to have that colloquy deleted from the official record. I ask, Mr. President, unanimous consent that that colloquy just described be deleted from the record.

Mr. ROBERT C. BYRD. Mr. President, this request is agreeable on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Now, Mr. President, there is one item of business on today's Calendar of General Orders which is marked for passage by unanimous consent. I am referring to Calendar Order No. 374, Senate Joint Resolution 34, a joint resolution to provide for the designation annually of National Patriotism Week. Could I inquire of the minority leader, is he in a position to consider that item at this time?

Mr. ROBERT C. BYRD. Mr. President, the resolution has been cleared on this side.

Mr. BAKER. I thank the leader.

NATIONAL PATRIOTISM WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 34) to provide for the designation annually of "National Patriotism Week," which had been reported from the Committee on the Judiciary with amendments, as follows:

On page 2, line 3, strike "each year", and insert "1982";

On page 2, strike line 4, through and including line 5;

On page 2, line 6, strike "3.", and insert "2.";

On page 2, line 8, strike "of each year", and insert "1982".

So as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the joint resolution of October 10, 1980, Public Law 96-421, 94 Stat. 1798, is amended by striking "1981" and inserting "1982".

SEC. 2. The title of such joint resolution is amended to read as follows: "Joint resolution to designate the week commencing with the third Monday in February 1982 as 'National Patriotism Week'."

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "Joint resolution to provide for the designation of the week commencing with the third Monday in February 1982 as 'National Patriotism Week'.".

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution, as amended, was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I inquire of the minority leader if he would be in a position to consider nominations which are cleared on this side of the aisle beginning on page 3, under New Reports, Department of State, and continuing through the remainder of that page.

Mr. ROBERT C. BYRD. Mr. President, there is no objection to so proceeding.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION

Mr. BAKER. Now, Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering certain agreements in connection with treaties and votes thereon and the nominations just identified.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—CERTAIN TREATIES ON THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, I ask unanimous consent that the nine treaties on the Executive Calendar, treaties Nos. 11, 12, 13, 14, 15, 16, 17, 18, and 19 be advanced through their various parliamentary stages, up to and including the presentation of the resolutions of ratification, and that all committee understandings, reservations, and amendments be deemed agreed to, and that no other action occur on the resolutions with the exception of a vote on the resolutions of ratification.

The PRESIDING OFFICER. Without objetion, it is so ordered.

Mr. BAKER. Further, I ask unanimous consent that on Wednesday, Nov. 18, at 11:30 a.m., the Senate go into executive session to conduct one rollcall vote, which will count for nine rollcall votes on the following resolutions of ratification: Executive Calendar Nos. 11, 12, 13, 14, 15, 16, 17, 18, and 19.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Following the 11:30 a.m. rollcall vote, and a motion to table the motion to reconsider, I ask unanimous consent that the Senate resume legislative session and return to the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Finally, I ask unanimous consent that it may be in order now to order the yeas and nays on the nine resolutions of ratification identified above.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, may I inquire of the distinguished majority leader, will there be an explanation of the various treaties before the Senate prior to the vote?

Mr. BAKER. Yes, Mr. President. The minority leader is exactly right. I should have included that in the request.

Mr. President, I ask unanimous consent that an explanation of each treaty to be given by the distinguished chairman of the committee, Senator PERCY, may appear in the RECORD in connection with the consideration of each of the resolutions of ratification.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator asked for the yeas and nays?

Mr. BAKER. Yes, I ask for the yeas and nays now on the treaties.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the treaties will be considered to have passed through the various parliamentary stages up to and including the presentation of the resolutions of ratification, which the clerk will state.

The legislative clerk read as follows:

RESOLUTIONS OF RATIFICATION

AGREEMENT EXTENDING FOR 8 MONTHS PROVISIONS OF THE TREATY OF FRIENDSHIP AND COOPERATION WITH SPAIN

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Agreement Extending for Eight Months Provisions of the Treaty of Friendship and Cooperation with Spain, effected by an exchange of notes at Madrid on September 4, 1981.

TAX CONVENTION WITH THE PEOPLE'S REPUBLIC OF BANGLADESH

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention with the People's Republic of Bangladesh for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Dacca on October 6, 1980 (Ex. Y, 96th Cong., 2d session), subject to the following:

1) understanding that if the Government of Bangladesh agrees in treaties or other agreements with other countries to reductions in tax at source on profits from the operation of ships in international traffic, the Government of Bangladesh agrees to reopen negotiations with the United States with a view to the conclusion of a protocol which would extend to residents of the United States deriving such profits the same treatment granted to residents of such other countries.

2) understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

TAX CONVENTION WITH THE ARAB REPUBLIC OF EGYPT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention with the Arab Republic of Egypt for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Cairo on August 24, 1980 (Ex. U, 96th Cong., 2nd session), subject to the following:

1) understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

2) reservation that notwithstanding the provisions of paragraph (3) of Article 7 of the convention (which relates to the taxation of gains from the alienation of shares of a corporation or of an interest in a partnership, estate, or trust, the property of which consists, directly or indirectly, principally of real property situated in one of the countries), gain derived by a resident of a Contracting State, from the alienation or other disposition of an interest in a corporation, or an interest in a partnership, trust, or estate, which has an interest in real property located in the other Contracting State, or the assets of which are considered under the domestic law of that other Contracting State to consist, in whole or in part, of real property, or an interest therein, in that other State, may be taxed by that other State to the extent provided for by its domestic law. In addition, gain derived by a corporation which is a resident of a Contracting State upon the distribution (including a distribution in liquidation or otherwise) of an interest in real property (as determined under the domestic law of the other Contracting State) may be taxed by that other Contracting State to the extent provided for by its domestic law.

TAX CONVENTION WITH THE FEDERAL REPUBLIC OF GERMANY

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Tax Convention with the Federal Republic of Germany, signed at Bonn on December 3, 1980 (Treaty Document 97–1), subject to the understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities subject only to the limitations and procedures of the Internal Revenue Code.

TAX CONVENTION WITH THE STATE OF ISRAEL

PROTOCOL AMENDING THE 1975 TAX CONVENTION WITH ISRAEL

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention signed at Washington on November 20, 1975, between the Government of the United States of America and the Government of the State of Israel with Respect to Taxes on Income (Ex. C, 94th Cong., 2nd session), and the Protocol Amending the Income Tax Convention with Israel (Ex. M, 96th Cong., 2nd session), subject to the understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty and protocol where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

INCOME TAX TREATY WITH THE REPUBLIC OF MALTA

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty with the Republic of Malta with Respect to Taxes on Income, signed at Valletta on March 21, 1980, subject to the following:

(1) amendment to paragraph 5(c) of Article 10 of the Treaty, so as to read as follows:

"(c) the dividends are paid out of profits attributable to one or more permanent establishments of such company in that State, provided that the gross income of the company attributable to such permanent establishment constituted at least 50 percent of the company's gross income from all sources."

(2) understanding that appropriate Congressional committees and the General Ac-

counting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

TAX CONVENTION WITH THE KINGDOM OF MOROCCO

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Tax Convention with the Kingdom of Morocco, signed at Rabat on August 1, 1977, together with a related exchange of notes (Ex. H, 95th Cong., 2nd session), subject to the following:

(1) reservation that foreign tax credits shall not be allowed after January 1, 1988, for loans which U.S. taxpayers are required to make to the Government of the Kingdom of Morocco.

(2) understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

PROTOCOL AMENDING THE 1971 TAX CONVENTION WITH THE KINGDOM OF NORWAY

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Amending the Tax Convention with the Kingdom of Norway (signed at Oslo on December 3, 1971), which Protocol was signed at Olso on September 19, 1980 (Ex. Z, 96th Cong., 2nd session), subject to the understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

DEPARTMENT OF STATE

(NEW REPORTS)

Mr. BAKER. Mr. President, I ask that the Chair now lay before the Senate the nominations under New Reports on page 3, and I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Kenneth L. Adelman, of Virginia, to be Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

John Sherman Cooper, of Kentucky, to be Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

Benjamin A. Gilman, U.S. Representative from the State of New York, to be Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

Andy Ireland, U.S. Representative from the State of Florida, to be Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

Jeane J. Kirkpatrick, of Maryland, to be a Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

Bruce F. Caputo, of New York, to be an Alternate Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

George Christopher, of California, to be an alternate Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

Charles M. Lichenstein, of the District of Columbia, to be an Alternate Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

William Courtney Sherman, of Virginia, to be an Alternate Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

Jose S. Corzano, of Virginia, to be an Alternate Representative of the United States of America to the 36th session of the General Assembly of the United Nations.

Mr. BAKER. Now, Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, on tomorrow, the Senate will meet at 10:30 a.m. After recognition of the two leaders under the standing order, the distinguished Senator from Wisconsin (Mr. PROXMIRE) will be recognized under a special order for 15 minutes. After the expiration of the time allocated to the Senator from Wisconsin on special order, there will be a period of not to exceed 20 minutes in length for the transaction of routine morning business, in which Senators may speak for not more than 3 minutes each.

At the expiration of the time for the transaction of routine morning business, the Senate will resume consideration of the State-Justice-Commerce appropriations bill. It is hoped and expected that other matters can and will be brought before the Senate tomorrow.

Tomorrow will be a full day, Mr. President. I hope the Senate will not be asked to remain late. However, I reiterate the notice given on this past Friday that, for the balance of this session, the leadership cannot attempt to maintain Thursday as the only late evening in the course of a regular week.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I see no Senator seeking recognition. I assume there is no further business that can be transacted by the Senate this evening. I therefore move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 10:30 a.m. tomorrow.

The motion was agreed to and, at 6:31 p.m., the Senate recessed until Tuesday, November 17, 1981, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 16, 1981:

DEPARTMENT OF THE TREASURY

C. T. Conover, of California, to be Comptroller of the Currency for a term of 5 years, vice John Gaines Heimann, resigned.

VETERANS' ADMINISTRATION

Charles Timothy Hagel, of the District of Columbia, to be Deputy Administrator of Veterans' Affairs, new position.

THE JUDICIARY

Jules G. Körner III, of Maryland, to be a judge of the U.S. Tax Court for a term expiring 15 years after he takes office; new position—Public Law 96-439 of October 13, 1980.

Perry Shields, of Tennessee, to be a judge of the U.S. Tax Court for a term expiring 15 years after he takes office; new position—Public Law 96-439 of October 13, 1980.

Meade Whitaker, of Michigan, to be a judge of the U.S. Tax Court for a term expiring 15 years after he takes office; new position—Public Law 96-439 of October 13, 1980.

Edward R. Becker, of Pennsylvania, to be U.S. circuit judge for the third circuit vice Max Rosenn, retired.

DEPARTMENT OF JUSTICE

Christopher K. Barnes, of Ohio, to be U.S. attorney for the southern district of Ohio for the term of 4 years, vice James C. Cissell.

Richard C. Turner, of Iowa, to be U.S. attorney for the southern district of Iowa for the term of 4 years, vice Roxanne Barton Conlin, resigned.

James P. Jonker, of Iowa, to be U.S. Marshal for the northern district of Iowa for the term of 4 years, vice John A. Roe, resigned.

Wallace L. McLendon, of Florida, to be U.S. Marshal for the northern district of Florida for the term of 4 years, vice Emmett E. Shelby, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 16, 1981:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

C. Everett Koop, of Pennsylvania, to be Medical Director in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations, and to be Surgeon General of the Public Health Service, for a term of 4 years.

UNITED NATIONS

The following-named persons to be Representatives and Alternate Representatives of the United States of America to the 36th session of the General Assembly of the United Nations; to which offices they were appointed during the last recess of the Senate:

Representatives:

Kenneth L. Adelman, of Virginia.

John Sherman Cooper, of Kentucky.

Benjamin A. Gilman, U.S. Representative from the State of New York.

Andy Ireland, U.S. Representative from the State of Florida

Jeane J. Kirkpatrick, of Maryland.

Alternate Representatives:

Bruce F. Caputo, of New York.

George Christopher, of California.

Charles M. Lichenstein, of the District of Columbia.

William Courtney Sherman, of Virginia.

Jose S. Corzano, of Virginia.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

H.R. 3210

The text of the bill (H.R. 3210) as passed, is as follows:

H.R. 3210

Resolved, That the bill from the House of Representatives (H.R. 3210) entitled "An Act to amend the Surface Transportation Assistance Act of 1978, to establish obligation limitations for fiscal year 1982, and for related purposes", do pass with the following amendment: Strike out all after the enacting clause, and insert:

Sec. 101. This Act may be cited as the "Federal-Aid Highway Improvement Act of 1981".

revision of authorization for appropriations for the interstate system

Sec. 102. (a) Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended by striking out "the additional sum of $3,200,000,000 for the fiscal year ending September 30, 1983", and all that follows through the period at the end of the sentence and by inserting in lieu thereof the following: "the additional sum of $3,100,000,000 for the fiscal year ending September 30, 1983, the additional sum of $3,500,000,000 for the fiscal year ending September 30, 1984, the additional sum of $3,400,000,000 for the fiscal year ending September 30, 1985, the additional sum of $3,400,000,000 for the fiscal year ending September 30, 1986, the additional sum of $3,500,000,000 for the fiscal year ending September 30, 1987, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1988, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1989, and the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1990.".

(b) Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is further amended by adding at the end thereof the following: Section 103 of title 23, United States Code, is amended by adding the following new subsection:

"(g) The obligation of funds authorized by subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, after the date of enactment of this subsection, except for advance construction interstate projects approved prior to enactment of this subsection, shall be limited to essential construction necessary to complete routes and portions on the Interstate System. Essential construction consists of (1) full access control; (2) a pavement design to accommodate the types and volumes of traffic anticipated for the twenty-year period from date of authorization of the initial basic construction contract; (3) essential environmental requirements; and (4) a design of not more than six lanes in rural areas and all urbanized areas under four hundred thousand population, and up to eight lanes in urbanized areas of four hundred thousand population or more as shown in the 1980 Federal census. The obligation of funds authorized by subsection (b) of section 108 of the Federal-Aid Highway Act of 1956 shall be further limited to the design concepts, locations, geometrics, and other construction features included in the 1981 Interstate Cost Estimate.".

(c) Section 104(b)(5)(A) of title 23, United States Code, is amended by adding at the end thereof the following new sentence:

"Notwithstanding any other provisions of this subparagraph, the Secretary in making the revised estimate of the cost of completing the then designated Interstate System for the purpose of transmitting it to the Senate and House of Representatives within ten days subsequent to January 2, 1983, or thereafter, shall include only those costs eligible for funds authorized by subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, and as further amended by section 102(b) of the Federal-Aid Highway Improvement Act of 1981.".

authorization of use of cost estimates for apportionment of interstate funds

Sec. 103. The Secretary of Transportation shall apportion for the fiscal years ending September 30, 1983, and September 30, 1984, the sums authorized to be appropriated for such periods by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for expenditures on the National System of Interstate and Defense Highways, using the apportionment factors contained in table of Committee Print of the Committee on Public Works and Transportation of the House of Representatives.

HIGHWAY AUTHORIZATIONS

Sec. 104. (a) Each of the authorizations for the fiscal year ending September 30, 1982, contained in section 104 of the Federal-Aid Highway Act of 1978 is hereby repealed. For the purpose of carrying out the following provisions of title 23, United States Code, the following sums are authorized to be appropriated out of the Highway Trust Fund:

(1) For the Federal-aid primary program, $1,500,000,000 for the fiscal year ending September 30, 1982, $1,500,000,000 for the fiscal year ending September 30, 1983, $1,600,000,000 for the fiscal year ending September 30, 1984, $1,600,000,000 for the fiscal year ending September 30, 1985, and $1,600,000,000 for the fiscal year ending September 30, 1986.

(2) For the Federal-aid rural program, $525,000,000 for the fiscal year ending September 30, 1982, $500,000,000 for the fiscal year ending September 30, 1983, $500,000,000 for the fiscal year ending September 30, 1984, $500,000,000 for the fiscal year ending September 30, 1985, and $400,000,000 for the fiscal year ending September 30, 1986.

(3) For the Federal-aid urban program, $725,000,000 for the fiscal year ending September 30, 1982, $700,000,000 for the fiscal year ending September 30, 1983, $700,000,000 for the fiscal year ending September 30, 1984, $700,000,000 for the fiscal year ending September 30, 1985, and $600,000,000 for the fiscal year ending September 30, 1986.

(4) For forest highways, $34,000,000 for the fiscal year ending September 30, 1982, $34,000,000 for the fiscal year ending September 30, 1983, $34,000,000 for the fiscal year ending September 30, 1984, $34,000,000 for the fiscal year ending September 30, 1985, and $34,000,000 for the fiscal year ending September 30, 1986.

(5) For public lands highways, $16,000,000 for the fiscal year ending September 30, 1982, $16,000,000 for the fiscal year ending September 30, 1983, $16,000,000 for the fiscal year ending September 30, 1984, $16,000,000 for the fiscal year ending September 30, 1985, and $16,000,000 for the fiscal year ending September 30, 1986.

(6) For bridge replacement and rehabilitation under section 144 of title 23, United States Code, $775,000,000 for the fiscal year ending September 30, 1982, $1,100,000,000 for the fiscal year ending September 30, 1983, $1,300,000,000 for the fiscal year ending September 30, 1984, $1,300,000,000 for the fiscal year ending September 30, 1985, and $1,300,000,000 for the fiscal year ending September 30, 1986.

(7) For the highway safety improvement program, $100,000,000 for the fiscal year ending September 30, 1982, $100,000,000 for the fiscal year ending September 30, 1983, $50,000,000 for the fiscal year ending September 30, 1984, $50,000,000 for the fiscal year ending September 30, 1985, and $50,000,000 for the fiscal year ending September 30, 1986.

(8) For carrying out section 215(a) of title 23, United States Code—

(A) for the Virgin Islands, not to exceed $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986.

(B) for Guam, not to exceed $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986.

(C) for American Samoa, not to exceed $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986.

Sums authorized by this paragraph shall be available for obligation at the beginning of the period for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(9) For the Commonwealth of the Northern Mariana Islands, not to exceed $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986. Sums authorized by this paragraph shall be expended in the same manner as sums authorized to carry out section 215 of title 23, United States Code. Sums authorized by this paragraph shall be available for obligation at the beginning of the period for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(b)(1) For each of the fiscal years 1983, 1984, 1985, 1986, and 1987, no State, including the State of Alaska, shall receive less than one-half of 1 per centum of the total apportionment for the Interstate System under section 104(b)(5)(A) of title 23, United States Code. Whenever amounts made available under this subsection for the Interstate System in any State exceed the estimated cost of completing that State's portion of the Interstate System, and exceed the estimated cost of necessary resurfacing, restoration, rehabilitation, and reconstruction of the Interstate System within such State, the excess amount shall be eligible for expenditure for those purposes for which funds apportioned under paragraphs (1), (2), and (6) of such section 104(b) may be expended.

(2) Subsection (g) of section 144 of title 23, United States Code, is amended as follows:

"(g) Of the amount authorized per fiscal year, for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986, all but $200,000,000 for fiscal years 1982, 1983, 1984, 1985, and 1986 shall be apportioned as provided in subsection (e) of this section; $200,000,000 for fiscal years 1982, 1983, 1984, 1985, and 1986 of the amount authorized shall be available for obligation on the date of each such apportionment in the same manner and to the same extent as the sums apportioned on such date except that the obligation of such sums shall be at the discretion of the Secretary and shall be only for projects for those highway bridges the replacement and rehabilitation cost of each of which is more than $10,000,000 and for any project for a highway bridge replacement or rehabilitation cost of which is less than $10,000,000 if such cost is at least twice the amount apportioned to the State in which such bridge is located under subsection (e) of this section for the fiscal year in which application is made for a grant for such bridge. Not less than 15 per centum of the amount apportioned to each State in a fiscal year shall be expended for projects to replace or rehabilitate bridges located on public roads other than those on public roads

functionally classified as arterials or major collectors. The Secretary after consultation with State and local officials may, with respect to a State, reduce the requirement for expenditure for bridges not on public roads functionally classified as arterials or major collectors when he determines that such State has inadequate needs to justify such expenditure.".

(3) Paragraph (3) of section 202 of the Highway Safety Act of 1978 is amended by striking out "September 30, 1981, and September 30, 1982." and inserting in lieu thereof the following: "and September 30, 1981.".

(4) Paragraph (6) of section 202 of the Highway Safety Act of 1978 is amended by striking out "$1,300,000,000 for the fiscal year ending September 30, 1981, and $900,000,000 for the fiscal year ending September 30, 1982." and inserting in lieu thereof the following: "and $1,300,000,000 for the fiscal year ending September 30, 1981.".

(5) Paragraph (8) of section 202 of the Highway Safety Act of 1978 is amended by striking out "$150,000,000 for the fiscal year ending September 30, 1981, and $200,000,000 for the fiscal year ending September 30, 1982." and inserting in lieu thereof the following: "and $150,000,000 for the fiscal year ending September 30, 1982.".

(c) The unobligated balance of contract authority established in paragraph (15) of section 104(a) of the Federal-Aid Highway Act of 1978 shall lapse September 30, 1981.

(d) Section 203(b) of the Highway Safety Act of 1973, as amended by section 203(a) of the Highway Safety Act of 1978, is amended by striking out "September 30, 1981, and September 30, 1982." and inserting in lieu thereof "and September 30, 1981.".

(e) Section 163 of the Federal-Aid Highway Act of 1973, as amended by section 134(c) of the Federal-Aid Highway Act of 1978, is further amended by striking out "$100,000,000 for the fiscal year ending September 30, 1981, and $100,000,000 for the fiscal year ending September 30, 1982, except that" and inserting in lieu thereof "and $100,000,000 for the fiscal year ending September 30, 1981, except that".

(f) Section 141(i) of the Federal-Aid Highway Act of 1978 is amended by striking out "September 30, 1981, and September 30, 1982," and inserting in lieu thereof "and September 30, 1981,".

interstate system resurfacing apportionment

Sec. 105. Section 104(b)(5)(B) of title 23, United States Code, is amended to read as follows:

"(B) For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System:

"60 per centum in the ratio that lane miles on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such lane miles in all States; and 40 per centum in the ratio that vehicle miles traveled on lanes on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such vehicle miles in all States. Notwithstanding the preceding sentence, no State excluding any State that has no interstate lane miles shall receive less than one-half of 1 per centum of the total apportionment made by this subparagraph for any fiscal year.".

interstate system resurfacing authorization

Sec. 106. Section 105 of the Federal-Aid Highway Act of 1978 is amended to read as follows: "In addition to any funds authorized to be appropriated, there is authorized to be appropriated out of the Highway Trust Fund, not to exceed $175,000,000 per fiscal year for each of the fiscal years ending September 30, 1980, and September 30, 1981, not to exceed $275,000,000 for the fiscal year ending September 30, 1982, not to exceed $875,000,000 for the fiscal year ending September 30, 1983, not to exceed $1,300,000,000 for the fiscal year ending September 30, 1984, not to exceed $1,700,000,000 for the fiscal year ending September 30, 1985, not to exceed $1,700,000,000 for the fiscal year ending September 30, 1986, and not to exceed $2,200,000,000 for the fiscal year ending September 30, 1987. Such sums shall be obligated for projects for resurfacing, restoring, rehabilitating, and reconstructing routes of the Interstate System designated under sections 103 and 139(c) of title 23, United States Code (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978), except that where a State certifies to the Secretary that any part of such sums are in excess of the needs of such State for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System and the Secretary accepts such certification, such State may transfer sums apportioned to it under section 104(b)(5)(B) to its apportionment under section 104(b)(1) of title 23, United States Code. Such sums may also be obligated for projects for resurfacing, restoring, rehabilitating and reconstructing a toll road which has been designated as a part of the Interstate System if an agreement satisfactory to the Secretary of Transportation has been reached with the State highway department and any public authority with jurisdiction over such toll road prior to the approval of such project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections. The agreement referred to in the preceding sentence shall contain a provision requiring that if, for any reason, a toll road receiving Federal assistance under this section does not become free to the public upon collection of sufficient tolls, as specified in the preceding sentence, Federal funds used for projects on such toll road pursuant to this section shall be repaid to the Federal Treasury.".

INTERSTATE SYSTEM RESURFACING

Sec. 107. (a) Section 119(a) of title 23, United States Code, is amended by striking out the words "and rehabilitating" and by inserting in lieu thereof the words "rehabilitating, and reconstructing" and by striking out the words "those lanes in use for more than five years on the Interstate System" and inserting in lieu thereof the words "routes of the Interstate System designated under sections 103 and 139(c) of this title.".

(b) Section 119 of title 23, United States Code, is further amended by adding the following new subsection:

"(b) Reconstructing as authorized in subsection (a) of this section may include, but is not limited to, the addition of travel lanes and the reconstruction of interchanges and overcrossings along existing completed interstate routes, including the acquisition of right-of-way where necessary.".

HOLD HARMLESS—INTERSTATE RESURFACING

Sec. 108. (a) The amount a State, excluding any State that has no interstate mileage, receives by apportionment on October 1, 1981, under section 104(b)(5)(B) of title 23, United States Code, shall be sufficient to assure that its total apportionments under section 104(b)(5) of title 23, United States Code, are not less than that which would have been made on October 1, 1981, to such State under section 104(b)(5) of title 23, United States Code, prior to the enactment of this Act.

(b) There is hereby authorized to be appropriated out of the Highway Trust Fund, $100,000,000 for the fiscal year ending September 30, 1983, to carry out this section. Funds authorized to be appropriated by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code.

INTERSTATE SUBSTITUTION AUTHORIZATION

Sec. 109. (a) In addition to any funds authorized to be appropriated out of the general fund, there is authorized to be appropriated, out of the Highway Trust Fund, for substitute highway projects under section 103(e)(4) of title 23, United States Code, $225,000,000 for the fiscal year ending September 30, 1983, $250,000,000 for the fiscal year ending September 30, 1984, $250,000,000 for the fiscal year ending September 30, 1985, and $300,000,000 for the fiscal year ending September 30, 1986. Funds authorized to carry out this section shall be available for obligation in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(b)(1) The first sentence of section 103(e)(4) of title 23, United States Code is amended by striking "which is within an urbanized area or which passes through and connects urbanized areas within a State and".

(2) The second sentence of section 103(e)(4) of title 23, United States Code is amended by striking "which will serve the urbanized area and the connecting nonurbanized area corridor from which the interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the urbanized area or area to be served, and which are submitted by the Governor of the State in which the withdrawn route was located." and inserting in lieu thereof, "which will serve the area or areas from which the interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the urbanized area or areas to be served if the withdrawn interstate route or portion thereof was within an urbanized area or passed through and connected urbanized areas, which are selected by the Governors of the States in which the withdrawn route was located if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, and which are submitted by the Governors of the States in which the withdrawn route was located.".

(c) Section 103(e)(4) of title 23, United States Code, is amended by adding at the end of such subsection the following: "Any route or segment thereof added to the Interstate System after March 7, 1978, pursuant to specific legislation will not be eligible for withdrawal and substitution under this subsection.".

(d) The first sentence of section 120(d) of title 23, United States Code, is amended by inserting after the words "traffic control signalization," the following: "including traffic control signalization projects under section 103(e)(4) of this title, notwithstanding the provisions of the fifth sentence of section 103(e)(4),".

PRIMARY PROGRAM

Sec. 110. (a) The first sentence of subsection (b)(1) of section 104 of title 23, United States Code, is amended by striking out "and priority primary routes".

(b) The first sentence of subsection (c) of section 104 of the Federal-Aid Highway Act

of 1978 is amended by striking out "September 30, 1981 and September 30, 1982," and inserting in lieu thereof the following: "and September 30, 1981,".

(c) Section 147 of title 23, United States Code, is repealed.

(d) The analysis of chapter 1 of title 23 is amended by deleting

"147. Priority Primary Routes."

and inserting in lieu thereof

"147. Repealed.".

FEDERAL-AID URBAN PROGRAM

Sec. 111. Section 103 of title 23, United States Code, is amended by deleting subsection (d) and inserting in lieu thereof the following:

"(d) The Secretary may approve Federal-aid urban programs in urban areas which programs shall be selected by the appropriate local officials so as to serve the goals and objectives of the community, with the concurrence of the State highway department, as provided in section 105 of this title. The programs shall facilitate transportation in the urban area and include projects to: reduce congestion and improve the flow of traffic on arterial and collector routes, aid integration of different transportation modes to and from airports and other terminals and business districts, support clean air and energy conservation objectives, make highway capital improvements, improve highway safety, eliminate safety hazards and roadside obstacles, implement transportation systems management activities and serve other national goals and objectives. All public roads in urban areas are eligible except those on the primary system and the Interstate System. The applicable provisions of chapters 1 and 3 of this title, including provisions applicable to Federal-aid systems, shall apply to urban programs, except those provisions determined by the Secretary to be inconsistent with this subsection. The Secretary shall not waive the applicability of the planning requirements of section 134 of this title.".

FEDERAL-AID RURAL PROGRAM

Sec. 112. Section 103 of title 23, United States Code, is amended by deleting subsection (c) and inserting in lieu thereof:

"(c) The Federal-aid rural program shall be selected by the State highway agencies and the appropriate local road officials in cooperation with each other, subject to approval by the Secretary as provided in subsection (f) of this section and section 105 of this title. In making such selections, the needs of agriculture roads, rural mail routes, public school bus routes, local rural roads, airport and water port access roads, and goods movement shall be considered. All public roads, except those on the primary system, the Interstate System, and those in urban areas are eligible. Projects to improve highway safety and nonurbanized public transportation projects, including facilities and technical assistance, are also eligible for assistance under this section. The applicable provisions of chapters 1 and 3 of this title, including provisions applicable to Federal-aid systems, shall apply to rural programs, except those provisions determined by the Secretary to be inconsistent with this subsection.".

TRANSFERABILITY

Sec. 113. Paragraphs (1) and (2) of subsection (d) of section 104 of title 23, United States Code, are amended by striking out "50" each place it appears and inserting in lieu thereof at each such place "100".

highway safety improvement program

Sec. 114. (a) Section 151 of title 23, United States Code, is amended to read as follows:

"§ 151. Highway safety improvement program

"(a) The Secretary shall establish a highway safety improvement program for projects on any public road or street in rural or urban areas. Assistance shall be available under this program for highway safety improvement projects, as defined in subsection (a) of section 101 of this title; for railway-highway crossing projects as provided for in section 130 of this title; for the implementation of highway-related safety requirements and guidelines issued by the Secretary under section 402 of this title; and for the development, implementation, and evaluation of the highway safety improvement program required under subsection (b) of this section.

"(b) Each State shall develop and implement on a continuing basis a highway safety improvement program including procedures for the planning, implementation, and evaluation of highway safety improvement projects on all highways, with the specific objective of reducing the number and severity of highway traffic accidents. Each State shall have a process for collecting, maintaining, and analyzing accident, traffic, and highway data; for conducting engineering studies of hazardous locations, sections and elements, for assigning priorities to the various types of hazards identified; for implementing safety improvement projects in accordance with the priorities developed; and for the evaluation of the safety benefits obtained.

"(c) Of the funds authorized to carry out this section each State shall expend 35 per centum of the sums apportioned for projects under section 203 of the Highway Safety Act of 1973 unless the State requests the Secretary to waive this minimum and the Secretary finds other safety projects are of a higher priority.

"(d)(1) Funds authorized to carry out this section shall be available for expenditure for projects on any public road (other than the Interstate System).

"(2) The Federal share payable on any project under this section shall not exceed 90 per centum of the cost thereof except that the Federal share of safety improvement projects for the elimination of hazards of rail-highway crossings shall not exceed that as provided in section 120(d) of this title.

"(3) The unobligated balance of contract authority established prior to enactment of this section for carrying out section 402 by the Federal Highway Administration shall remain available for obligation as provided prior to enactment of this section and shall lapse not later than September 30, 1984.

"(e) Funds authorized to be appropriated to carry out this section shall be apportioned to the States as follows: 60 per centum in the ratio which the population of each State bears to the total population of all States, and 40 per centum in the ratio which the public road mileage in each State bears to the total public road mileage in all States. The annual apportionment for each State shall not be less than one-half of 1 per centum of the total apportionment. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under section 104(b)(1), except that the Secretary is authorized to waive such provisions of this title that he deems inconsistent with the purposes of this section.

"(f) In any State wherein the State is without legal authority to construct or maintain a project under this section, such State shall enter into a formal agreement for such construction or maintenance with the appropriate local officials of the county or municipality in which such project is located.

"(g) One-half of 1 per centum of funds authorized for carrying out this section shall be made available to the Secretary of the Interior, who shall exercise the responsibilities assigned to States under subsection (b) of this section in carrying out this section on Indian reservations. Such funds shall be subject to a deduction of not to exceed 5 per centum for the necessary costs of administering the provisions of this section.

"(h) Each State shall report to the Secretary of Transportation not later than December 30 of each year, on the progress being made to implement the highway safety improvement program and the effectiveness of safety improvements in reducing the number and severity of accidents. The Secretary of Transportation shall submit a report to the Congress not later than April 1 of each year on the progress being made by the States in implementing the highway safety improvement program.".

(b) Section 152 of title 23, United States Code, is repealed.

(c) The analysis of chapter 1 of title 23, United States Code, is amended by deleting

"151. Pavement marking demonstration program.", and

"152. Hazard elimination program.",

and inserting in lieu thereof

"151. Highway safety improvement program.", and

"152. Repealed.".

(d) Section 203(e) of the Highway Safety Act of 1973 (Public Law 93-87), as amended by the Congressional Reports Elimination Act of 1980 (Public Law 96-470), is repealed.

highway bridge replacement and rehabilitation program apportioned funds

Sec. 115. (a) Subsection (e) of section 144 of title 23, United States Code, is amended to read as follows:

"(e) Funds authorized to carry out this section shall be apportioned among the several States on October 1 of the fiscal year for which authorized according to the following formula: All deficient bridges will be divided into four categories: (1) Federal-aid system bridges, and bridges on public roads functionally classified as major collectors, eligible for replacement, (2) Federal-aid system bridges, and bridges on public roads functionally classified as major collectors, eligible for rehabilitation, (3) off-system bridges eligible for replacement, and (4) off-system bridges eligible for rehabilitation. The square footage of deficient Federal-aid system bridges, or bridges on public roads functionally classified as major collectors, both those eligible for replacement and those eligible for rehabilitation, shall be multiplied by a factor of two. The square footage of deficient bridges in each category shall be multiplied by the average national unit cost, on a State-by-State basis, as determined by the Secretary; and the total cost of each State divided by the total cost of the Nation's deficient bridges shall yield the apportionment factors. No State shall receive more than 9 per centum or less than 0.25 per centum of the total apportionment for any one fiscal year. The Secretary shall make these determinations based upon the latest available data, which shall be updated annually. Funds authorized to carry out this section which are apportioned under this section shall be available for expenditure for three years after the close of the fiscal year for which they are authorized.".

(b) Notwithstanding any other provision of law or Federal regulation, any new bridge which is to be constructed pursuant to section 144 of title 23, United States Code, in tandem with any existing major structure built after June 28, 1969, with no more than 2.7 miles of highway between them need not carry a roadway width in excess of 69 feet.

FEDERAL LANDS HIGHWAYS

Sec. 116. Section 101 of title 23, United States Code, is amended by adding the following subsection:

"(f) It is the sense of Congress that Federal roads which are public roads receive the same uniform policies as roads which are on the Federal-aid systems or under the Federal-aid programs. The Congress therefore finds that in order to accomplish this objective there shall be a coordinated Federal lands highway program which shall consist of the forest highways, park roads, parkways, Indian reservation roads, and public lands highways. Appropriations for the construction and improvement of such Federal roads shall be administered by the Secretary in conformity with regulations jointly approved by him and the Secretaries of the appropriate Federal land managing agencies.".

CARPOOL AND VANPOOL PROJECTS

Sec. 117. (a) Section 120(d) of title 23, United States Code, is amended by inserting before the words "may amount to 100 per centum" the words "or commuter carpooling or vanpooling".

(b) Section 142 of title 23, United States Code, is amended as follows:

(1) In subsection (a)(1) delete in the first sentence the words "bus lanes" and inserting in lieu thereof the following: "high occupancy vehicle lanes" and by deleting the words "bus and other" and inserting in lieu thereof the following: "high occupancy vehicle and".

(2) In subsection (b) delete the word "bus" and in lieu thereof insert "high occupancy vehicle".

(3) In subsection (f) delete the words "public mass transportation systems" and in lieu thereof insert "high occupancy vehicles".

(c) The Secretary of Transportation is authorized and directed to expend such sums as are necessary out of the administrative funds authorized by subsection (a), section 104, title 23, United States Code to carry out the provisions of subsection (d), section 126 of the Federal-Aid Highway Act of 1978.

(d) Section 146 of title 23, United States Code, is amended by redesignating existing subsection (b) as subsection (c) and by inserting the following new subsection (b):

"(b)(1) The Secretary may approve for Federal financial assistance from funds apportioned under section 104(b)(5)(B) of this title, projects for designating existing facilities, or for acquisition of rights of way or construction of new facilities, for use as preferential parking for carpools, provided that such facilities (1) are located outside of a central business district and within an interstate highway corridor, and (2) have as their primary purpose the reduction of vehicular traffic on the interstate highway.

"(2) Nothing in this subsection, or in any rule or regulation issued under this subsection, or in any agreement required by this subsection, shall prohibit (1) any State, political subdivision, or agency or instrumentality thereof, from contracting with any person to operate any parking facility designated or constructed under this subsection, or (2) any such person from so operating such facility. Any fees charged for the use of any such facility in connection with the purpose of this subsection shall not be in excess of the amount required for operation and maintenance, including compensation to any person for operating the facility.

"(3) For the purposes of this subsection, the terms "facilities" and "parking facilities" are synonymous and shall have the same meaning given "parking facilities" in section 137 of this title.".

EMERGENCY RELIEF

Sec. 118. (a)(1) The first sentence of subsection (a) of section 125 of title 23, United States Code, is amended by striking the first sentence thereof and inserting in lieu thereof the following: "An emergency fund is authorized for expenditure by the Secretary, subject to the provisions of this section and section 119 of this title, for the repair or reconstruction of highways, roads, and trails which the Secretary shall find have suffered serious damage as the result of (1) natural disaster over a wide area such as by floods, hurricanes, tidal waves, earthquakes, severe storms, or landslides, or (2) catastrophic failures from any external cause, in any part of the United States. In no event shall funds be used pursuant to this section for the repair or reconstruction of bridges which have been permanently closed to all vehicular traffic by the State because of imminent danger of collapse due to structural deficiencies or physical deterioration.".

(2) Subsection (a) of section 125 of title 23, United States Code, is further amended by inserting in the second sentence, as that sentence read prior to the amendments made by paragraph (1) of this subsection, after the word "appropriated" the words "from the Highway Trust Fund"; by striking the colon in the second sentence and inserting in lieu thereof a period; by deleting "(1)" after the colon in the second sentence; by inserting a period after the words "in such years" and by striking the remainder of the sentence following "in such years".

(b) Notwithstanding any other provision of law, all expenditures made under section 125 of title 23, United States Code, prior to the fiscal year ending September 30, 1978, are authorized to be appropriated from the Highway Trust Fund.

(c) Subsection (a) of section 125 of title 23, United States Code, is amended by inserting in the second sentence after the words "after September 30, 1976," the words "and not more than $150,000,000 is authorized to be expended in any one fiscal year commencing after September 30, 1980.".

(d) Subsection (b) of section 125 of title 23, United States Code, is amended by striking the period at the end of the first sentence, inserting a colon in lieu thereof, and by adding the following: "Provided, That obligations for projects under this section, including those on highways, roads, and trails mentioned in subsection (c) of this section, resulting from a single natural disaster or a single catastrophic failure shall not exceed $30,000,000 in any State.".

(e) The amendments made by subsection (d) of this section shall apply to natural disasters or catastrophic failures which the Secretary finds eligible for emergency relief subsequent to the date of enactment of this section.

(f) Subsection (f) of section 120 of title 23, United States Code, is amended to read as follows:

"(f) The Federal share payable on account of any repair or reconstruction provided for by funds made available under section 125 of this title shall not exceed 75 per centum of the cost thereof: Provided, That the Federal share payable on account of any repair or reconstruction of forest highways, forest development roads and trails, park roads and trails, parkways, public lands highways, public lands development roads and trails, and Indian reservation roads may amount to 100 per centum of the cost thereof. The total cost of a project may not exceed the cost of repair or reconstruction of a comparable facility. As used in this section with respect to bridges and in section 144 of this title, "a comparable facility" shall mean a facility which meets the current geometric and construction standards required for the types and volume of traffic which such facility will carry over its design life.".

(g) All obligations for projects resulting from a natural disaster or catastrophic failure which the Secretary finds to be eligible for emergency relief subsequent to the date of enactment of this subsection shall provide for the Federal share required by subsection (f) of section 120 of title 23, United States Code, as amended by this section.

(h)(1) Subsection (b) of section 125 of title 23, United States Code, is amended by striking the words "the Federal-aid highway systems, including the Interstate System" and by inserting in lieu thereof the words "the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors," in the two places the stricken words appear.

(2) Subsection (c) of section 125 of title 23, United States Code, is amended by striking the words "on any of the Federal-aid highway systems" and inserting in lieu thereof the words "routes functionally classified as arterials or major collectors".

ACCESS TO LAKES

Sec. 119. (a) Section 155 of title 23, United States Code, is amended by deleting subsection (e) and inserting in lieu thereof:

"(e) Sums apportioned in accordance with paragraph (2) of section 104(b) of this title shall be available for projects under this section.".

(b) Sums authorized under section 155 of title 23, United States Code, prior to enactment of the section shall continue to be available for the fiscal year authorized and for the three succeeding fiscal years.

(c) Section 104(a)(18) of the Surface Transportation Assistance Act of 1978 is amended by deleting "September 30, 1981, and September 30, 1982" and inserting in lieu thereof "and September 30, 1981".

BICYCLE TRANSPORTATION PROGRAM

Sec. 120. Section 217 of title 23, United States Code is amended—

(1) by striking in the first sentence of subsection (a), the words "and the multiple use of highway rights-of-way" and "on or in conjunction with highway rights-of-way";

(2) by inserting after the first sentence in subsection (a) the following: "Federal-aid highway projects may include nonconstruction programs or projects which can reasonably be expected to enhance the safety and use of bicycles.";

(3) by striking out in subsection (b) the words "that provided in section 120 of this title" and inserting in lieu thereof "100 per centum"; and

(4) by striking out subsection (e).

HIGHLAND SCENIC HIGHWAY

Sec. 121. Section 161(f) of the Federal-Aid Highway Act of 1973, as amended by section 21 of Public Law 96-106, is further amended to read as follows:

"(f) The Highland Scenic Highway as authorized by subsection (a) of this section and all associated lands and rights-of-way shall be managed as part of the Monongahela National Forest for scenic and recreational purposes. Vehicle use shall be confined to passenger cars, recreational vehicles and limited truck traffic to the extent such use is compatible with the purpose for which the highway was constructed. Commercial use by trucks may be limited and controlled by permit.".

ALLOCATION OF URBAN FUNDS

Sec. 122. Section 150 of title 23, United States Code, is amended by adding the following sentence at the end thereof: "Funds allocated to an urbanized area under the provisions of this section may, at the request of the Governor and upon approval of the appropriate local officials of the area and the Secretary, be transferred to the allocation of another such area in the State or to the State for use in any urban area.".

certification demonstration

Sec. 123. The Secretary of Transportation is directed to conduct a demonstration program in not more than four States of geographic and population diversity to study the impacts of expanding the availability of the procedures under the Certification Acceptance and Secondary Road Plan programs to other Federal-aid systems or programs as now provided by section 117 of title 23, United States Code. The demonstration program should study the impacts of allowing the Secretary of Transportation to discharge his responsibilities under any Federal law relative to a Federal-aid highway project provided certification is made by the States pursuant to section 117 of title 23, United States Code, and other requirements of Federal law.

DEFENSE ACCESS ROAD

Sec. 124. Section 210(c) of title 23, United States Code, is amended by striking "Not exceeding $5,000,000 of any funds appropriated under the Act approved October 16, 1951 (65 Stat. 422)", and inserting in lieu thereof "Funds appropriated for defense maneuvers and exercises".

MAINTENANCE

Sec. 125. (a) Subsection (a) of section 116 of title 23, United States Code, is amended by striking the second sentence.

(b) Subsection (b) of section 116 of title 23, United States Code, is amended by striking "constructed on the Federal-aid secondary system or within a municipality,".

(c) The second sentence of subsection (c) of section 116 of title 23, United States Code, is amended to read as follows: "If, within ninety days after receipt of such notice, such project has not been put in proper condition of maintenance, the Secretary shall withhold approval of further projects of all types in the State highway district, municipality, county, other political or administrative subdivision of the State, or the entire State, in which such project shall be located, as he deems most appropriate until such project shall have been put in proper condition of maintenance.".

(d) Section 109 of title 23, United States Code, is amended by striking subsection (m) and by relettering subsection (n) as (m).

(e) Section 116 of title 23, United States Code, is amended by adding subsection (f) as follows:

"(f) The Secretary shall issue guidelines describing the criteria applicable to the Interstate System in order to insure that the condition of these routes is maintained at the level required by the purposes for which they were designed. The initial guidelines shall be issued no later than July 1, 1982.".

(f) Section 119 of title 23, United States Code, is amended by striking subsection (b).

(g) Section 116 of title 23, United States Code; is amended by adding subsection (g) as follows:

"(g) Not later than one year after the date of issuance of initial guidelines under subsection (f) of this section each State shall have a program for the Interstate System in accordance with such guidelines. Each State shall certify on January 1 of each year that it has such a program and the Interstate System is maintained in accordance with the program. If a State fails to certify as required or if the Secretary determines a State is not adequately maintaining the Interstate System in accordance with such program, the next apportionment of funds to such State for the Interstate System shall be reduced by amounts equal to 10 per centum of the amount which would otherwise be apportioned to such State under section 104 of this title. If, within one year from the date the apportionment for a State is reduced under this subsection, the Secretary determines that such State is maintaining the Interstate System in accordance with the guidelines the apportionment of such State shall be increased by an amount equal to the reduction. If the Secretary does not make such a determination within such one year period, the amount withheld shall be reapportioned to all other eligible States.".

CONSTRUCTION

Sec. 126. (a) Subsection (a) of section 114 of title 23, United States Code is amended to read as follows:

"(a) The construction of any highways or portions of highways located on a Federal-aid system or under a Federal-aid program shall be undertaken by the respective State highway departments or under their direct supervision. The construction work and labor in each State shall be in accordance with the laws of that State and applicable Federal laws. Except as provided in section 117 of this title, the Secretary shall establish procedures for the inspection and approval of such construction. Construction may begin as soon as funds are available pursuant to subsection (a) of section 118 of this title. The State highway department shall not erect any informational signs other than official traffic control devices conforming with standards developed by the Secretary on any project where actual construction is in progress and visible to highway users.".

(b) Subsection (c) of section 121 of title 23, United States Code is amended by striking the words "following inspections".

RESEARCH AND PLANNING

Sec. 127. (a) Subsection (c) of section 307, title 23, United States Code, is amended by adding paragraph (5) as follows:

"(5) The sums provided pursuant to paragraph (2) of this subsection shall be combined and administered by the Secretary as a single fund which shall be available for obligation for the same period as funds apportioned under section 104(b)(1) of this title.".

(b) Section 120 of title 23, United States Code, is amended by adding a subsection (i) as follows:

(i) The Federal share payable on account of any project financed under section 307(c) of this title shall be 85 per centum, except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State is of its total area, except that such Federal share payable on any project in any State shall not exceed 95 per centum of the total cost of any such project.".

BRIDGE RECONSTRUCTION

Sec. 128. (a) The Secretary of Transportation may approve any project for the reconstruction, resurfacing, restoration, or rehabilitation of any bridge on the Interstate System which is both owned by the United States Government and located in two States and the District of Columbia, whenever both such States and the District shall submit to the Secretary for approval appropriate plans, specifications, and estimates for any such project.

(b) The Secretary of Transportation shall prior to approval of such project enter into an agreement with such States and the District for future maintenance and rehabilitation of the bridge.

(c) There is hereby authorized to be appropriated $60,000,000, out of the Highway Trust Fund, to be available until expended, to carry out the provisions of this section. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned for the Interstate System under chapter 1 of title 23, United States Code. The Federal share of the project cost shall be 100 per centum.

(d) In making any revised estimate of the cost completing the Interstate System, which estimate is required by section 104(b)(5)(A) of title 23, United States Code, to be transmitted to the Congress after the date of enactment of this Act, the Secretary of Transportation shall not include any costs for any bridge eligible for approval under subsection (a). The Secretary shall reduce apportionments made under section 104(b)(5) of title 23, United States Code, to such States or District by an amount, if any, equal to amounts apportioned under such section to any such State or District with respect to any such bridge for any fiscal year ending before October 1, 1981. The reduction, if any, made by the preceding sentence for each State or the District shall be made out of apportionments under such section to such State or the District, beginning with the apportionment for the fiscal year ending September 30, 1983, and shall be made, in equal shares, over the number of fiscal years in which apportionments described in the preceding sentence were made.

NONDISCRIMINATION

Sec. 129. (a) The first and third sentences of subsection (a) of section 140 of title 23, United States Code, are amended by striking the words "or national origin" and inserting in lieu thereof the words "national origin or sex".

(b) Section 140 of title 23, United States Code, is amended by adding new subsection (c) as follows:

"(c) The Secretary, in cooperation with any other department or agency of the Government, State agency, authority, association, institution, corporation (profit or nonprofit), or any other organization or person, is authorized to develop, conduct, and administer training programs and assistance programs in connection with any program under this title in order that minority businesses may achieve proficiency to compete, on an equal basis, for contracts and subcontracts. Whenever apportionments are made under subsection 104(b) of this title, the Secretary shall deduct such sums as he may deem necessary, not to exceed $10,000,000 per fiscal year, for the administration of this subsection. The provisions of section 3709 of the Revised Statute, as amended (41 U.S.C. 5), shall not be applicable to contracts and agreements made under the authority herein granted to the Secretary notwithstanding the provisions of 41 U.S.C. 252(e).".

(c) The title of section 140 of title 23, United States Code, is amended to read:

"§ 140. Nondiscrimination"

and the analysis of chapter 1 of title 23, United States Code, is amended by striking out

"140. Equal employment opportunity."

and inserting in lieu thereof

"140. Nondiscrimination.".

INTERAGENCY AGREEMENTS

Sec. 130. (a) Chapter 1 of title 23, United States Code, is amended by adding after section 156 the following new section:

"§ 157. Interagency agreements

"Not later than one hundred and eighty days after the date of enactment of this section, the Secretary shall enter into agreements with the Secretaries of the Departments of Interior and Defense, the Administrator of the Environmental Protection Agency, and the heads of such other Federal

departments, agencies, and instrumentalities as the Secretary determines, to minimize, to the greatest extent possible, duplication, paperwork, and delays in the development and approval of projects under this title and any other provision of law relating to the Federal highway programs. Notwithstanding any other provision of law, such agreements shall provide that actions on applications or requests for permits, licenses, findings, and other approvals and determinations required for such projects will be fully coordinated by the Department of Transportation with the review process established under the National Environmental Policy Act of 1969, as amended, and, to the greatest extent practicable, that a decision with respect to each such application or request will be made contemporaneously with approval of the environmental impact statement, finding of no significant impact, or categorical exclusion required for such project, but in no event later than ninety days after the date of approval of such environmental review document.".

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"157. Interagency agreements.".

FEDERAL SHARE—FEDERAL-AID RURAL AND URBAN PROGRAMS

Sec. 131. Section 120(a) of title 23, United States Code, is amended (1) by adding after "75 per centum of the cost of construction" wherever it occurs the following: "for projects on the Federal-aid primary system and for projects to resurface, restore, rehabilitate, and reconstruct the Federal-aid Interstate System and 50 per centum of the cost of construction for projects under the Federal-aid rural program and the Federal-aid urban program," and (2) by adding the following new sentence at the end thereof: "The Federal share payable on account of any project under the Federal-aid rural program or the Federal-aid urban program which the Secretary has approved prior to enactment of the Federal-Aid Highway Improvement Act of 1981 shall not exceed 75 per centum of the cost of construction subject to the conditions set forth in this subsection or at the option of the State the Federal share may be revised to 50 per centum of such cost, but the Federal share payable for any such project which the Secretary approves after enactment of such Act shall not exceed 50 per centum of the cost of construction subject to the conditions set forth in this subsection.".

OBLIGATION LIMITATION AND ALLOCATION FORMULA

Sec. 132. (a) Notwithstanding any other provision of law, the total of all obligations for Federal-aid highways and highway safety construction programs for fiscal year 1982 shall not exceed $7,700,000,000. This limitation shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, or projects covered under section 320 of title 23, United States Code, section 147 of the Surface Transportation Assistance Act of 1978, sections 109 and 129 of the Federal-Aid Highway Improvement Act of 1981, and the third sentence of subsection 218(a) of title 23, United States Code, as added by this Act. No obligation constraints shall be placed upon any ongoing emergency project carried out under section 125 of title 23, United States Code, or section 147 of the Surface Transportation Assistance Act of 1978.

(b) For the fiscal year 1982, the Secretary shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned to all the States for such fiscal year.

(c) During the periods October 1 through December 31, 1981, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (b), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection.

(d) Notwithstanding subsections (b) and (c), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, 1982, revise a distribution of the funds made available under subsection (b) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year; and

(3) not distribute amounts authorized for administrative expenses and forest highways.

NATIONAL MAXIMUM SPEED LIMIT

Sec. 133. Section 154(f) of title 23, United States Code, is amended to read as follows:

"(f) If the data submitted by a State pursuant to subsection (e) of this section show that the percentage of motor vehicles exceeding fifty-five miles per hour is greater than 50 per centum, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 per centum of the amount to be apportioned for the following fiscal year.".

MARYLAND TRANSPORTATION AUTHORITY

Sec. 134. (a) The Act entitled "An Act authorizing the State of Maryland, by and through its State Roads Commission of the successors of said Commission, to construct, maintain, and operate certain bridges across streams, rivers, and navigable waters which are wholly or partly within the State", approved April 7, 1938, and the Act of June 16, 1948 (62 Stat. 463, Public Law 654, 80th Congress), as amended by the Act of November 17, 1967 (81 Stat. 466, Public Law 144, 90th Congress), are hereby repealed.

(b) The State of Maryland, by and through the Maryland Transporatation Authority or the successors of such Authority, is authorized, subject to all applicable Federal laws, (1) to continue to collect tolls after the date of enactment of this Act from its existing transportation facilities projects, as defined on the date of enactment of this Act in the laws of the State of Maryland, and (2) to use the revenues from such tolls for transportation projects of the type which the State or the Maryland Transportation Authority is authorized to construct, operate, or maintain under the laws of the State of Maryland as such laws exist on the date of enactment of this Act.

INTERSTATE SYSTEM ADDITIONS

Sec. 135. Section 139 of title 23, United States Code, is amended by adding a new subsection (c) as follows:

"(c) The Secretary shall designate those portions of highway segments on the Federal-aid primary system in States which have no Interstate System that are logical components to a system serving the State's principal cities, national defense needs and military installations, and traffic generated by rail, water, and air transportation modes. The designated segments shall have been constructed to the geometric and construction standards adequate for current and probable future traffic demands and the needs of the locality of the segment. The mileage of any highway designated as part of the Interstate System under this subsection shall not be charged against the limitation established by the first sentence of section 103(e)(1) of this title. The designation of a highway under this subsection shall create no Federal financial responsibility with respect to such highway, except that the State involved may use Federal-aid highway funds available to it under sections 104(b)(1) and 104(b)(5)(B) of this title, for the resurfacing, rehabilitation, restoration, and reconstruction of a highway designated as a route on the Interstate System under this subsection.".

ALASKA HIGHWAY

Sec. 136. (a) Subsection (a) of section 218 of title 23, United States Code, is amended by adding after the second sentence the following: "In addition to such funds, the State of Alaska is authorized to expend on such highway any Federal-aid highway funds apportioned to the State of Alaska under this title as its Federal share. Notwithstanding any other provision of law any obligation limitation enacted for fiscal year 1982 or for any fiscal year thereafter shall not apply to projects authorized by the previous sentence.".

(b) This amendment shall be effective upon the date of the enactment of this Act.

THE MAINE TURNPIKE

Sec. 137. Section 145 of the Federal-Aid Highway Act of 1978 is amended to read as follows:

"Sec. 145. (a) Upon satisfaction by the State of Maine or the Maine Turnpike Authority of the following conditions, the State of Maine and the Maine Turnpike Authority shall be free of all restrictions with respect to the imposition and collection of tolls or other charges on the Maine Turnpike or for the use thereof contained in title 23, United States Code, or in any regulation or agreement thereunder:

"(1) repayment by the State of Maine or the Maine Turnpike Authority to the Treasurer of the United States of the sum of $8,577,900 which is the amount of Federal-aid highway funds received for construction of interchanges or connections with the Maine Turnpike at West Gardiner, Kennebec County, Maine, at York, York County, Maine, and at Scarborough-South Portland, Cumberland County, Maine. The amount to be repaid shall be deposited to the credit of the appropriation for 'Federal-Aid Highway (Trust Fund)'. Such repayment shall be credited to the unprogramed balance of the Federal-aid highway funds of the classes determined by the Secretary to and in cooperation with the State of Maine. The amount so credited shall be in addition to all other funds then apportioned to such State and shall be available for expenditure in accordance with the provisions of title 23, United States Code.

"(b) The State of Maine and the Maine Turnpike Authority are deemed to be in compliance with section 129(c) of title 23, United States Code: Provided, That the conditions of subsection (a) are satisfied.".

REDWOOD BYPASS HIGHWAY

Sec. 138. Section 152 of the Federal-Aid Highway Act of 1978 is amended by adding after "fiscal year 1981" the following "and $55,000,000 for fiscal year 1983".

VENDING MACHINE DEMONSTRATION PROJECT EXTENSION

Sec. 139. The vending machine demonstration project authorized by section 153 of the Surface Transportation Assistance Act of 1978 shall be extended for a period not later than two years after the date of enactment of this section.

REIMBURSEMENT

Sec. 140. In any case in which the city of Santa Rosa, California, has incurred costs on behalf of the State of California for the acquisition, between the date of enactment of Public Law 94-154 and the date of enactment of the Federal-Aid Highway Act of 1976 (Public Law 94-280), of land which was utilized in a Federal-aid urban system project at an intersection with a segment of the Federal-aid primary system, the Secretary of Transportation is authorized, notwithstanding any other provision of law, to reimburse the State of California from funds apportioned to the State of California under section 104(b)(6) of title 23, United States Code, 75 per centum of such costs.

INTERSTATE WITHDRAWAL STUDY

Sec. 141. The Secretary of Transportation is directed to study problems relating to sections of the Interstate System which do not provide connectivity and could be withdrawn for a substitute highway project. Such study shall include alternative funding methods available if such section is withdrawn under section 103(e)(4) of title 23, United States Code. The study together with recommendations shall be transmitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives not later than March 31, 1981.

TECHNICAL AMENDMENTS

Sec. 142. (a) Section 101(a) is amended as follows:

(1) In the tenth sentence, by inserting the words "or under one of the Federal-aid programs" immediately after the words "Federal-aid systems";

(2) In the nineteenth sentence, by striking the period at the end thereof and adding the words "or under the Federal-aid programs.";

(3) In the thirtieth sentence, by deleting the words "secondary system" and inserting in lieu thereof the words "rural program", and by deleting the word "system" and inserting in lieu thereof the word "program";

(4) In the thirty-first sentence, by deleting the word "system" each time it appears and inserting in lieu thereof the word "program"; and

(5) By adding after the twenty-eighth sentence the following sentence: "The term 'Federal-aid program' means any one of the Federal-aid highway programs described in section 103 of this title.".

(b)(1) Section 103 is amended by adding to the title the words "and programs" after the words "Federal-aid systems";

(2) Section 103(a) is amended to read as follows: "For the purpose of this title, the Federal-aid systems, which consist of the primary system and the Interstate System, along with the Federal-aid programs, which consist of the Federal-aid rural program and the Federal-aid urban program, are established and continued pursuant to the provisions of this section.";

(3) Section 103(f) is amended to read as follows: "The Secretary shall have authority to approve in whole or in part the Federal-aid primary system, the Federal-aid rural program, the Federal-aid urban program, and the Interstate System, as and when such systems and programs or portions thereof are designated, or to require modifications or revisions thereof. No Federal-aid system or program or portion thereof shall be eligible for projects in which Federal funds participate until approved by the Secretary.";

(4) Subsection (g) and (h) of section 103 are repealed; and

(5) The analysis of chapter 1 of title 23 is amended by deleting

"103. Federal-aid systems."

and inserting in lieu thereof

"103. Federal-aid systems and programs.".

(c) Section 104 is amended as follows:

(1) In subsection (a) and (b)(1), by inserting the words "and programs" immediately after the words "Federal-aid systems" each time they appear;

(2) In paragraph (2) of section 104(b), by deleting the words "secondary system" and inserting in lieu thereof the words "rural program";

(3) By deleting paragraph (4) of section 104(b);

(4) By redesignating paragraph "(5)" as paragraph "(4)", and by deleting therein the first full sentence and the fifth sentence through the twenty-first sentence;

(5) By redesignating paragraph "(6)" as paragraph "(5)", and by deleting the word "system" and inserting in lieu thereof the word "program";

(6) In subsection (c)(1), by deleting the phrase ", commencing with the apportionment of funds authorized to be appropriated under subsection (a) of section 102 of the Federal-aid Highway Act of 1956 (70 Stat. 374),"; and

(7) In subsection (f)(1), by inserting the words "and programs" immediately after the words "Federal-aid systems".

(d) Section 105 is amended as follows:

(1) In the first sentence of subsection (a) by inserting the words "and programs" after the words "Federal-aid systems", and by deleting in the third sentence the comma and all that follows and inserting a period after the word "part"; and

(2) In subsection (d) by deleting the words "programs for", and by deleting the words "on the Federal-aid urban system" and inserting in lieu thereof the words "under the Federal-aid urban program".

(e) Section 106(d) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system".

(f)(1) Section 108(a) is amended by inserting the words "or under any of the Federal-aid highway programs," immediately after the words "Interstate System," the first time they appear, and by inserting the words "and programs" immediately after the words "Federal-aid highway systems" the second time they appear;

(2) Section 108(c)(2) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system"; and

(3) The last sentence of section 108(c)(3) is amended by inserting the words "or under the Federal-aid program" immediately after the words "Federal-aid system".

(g)(1) Section 109(a) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system";

(2) Section 109(c) is amended by deleting the words "Projects on the Federal-aid secondary system" and inserting in lieu thereof the words "Federal-aid rural program projects";

(3) Section 109(e) is amended by deleting the phrase "No funds shall be approved for expenditure on any Federal-aid highway," and inserting in lieu thereof the following phrase: "No funds shall be approved for expenditure on any highway on the Federal-aid highway system or under the Federal-aid highway program,";

(4) Section 109(h) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system";

(5) Section 109(i) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system" each time they appear in the first and second sentences, by inserting the words "or under a Federal-aid program" immediately after the words "Federal-aid system" in the third sentence, by inserting the words "or program" immediately after the words "Federal-aid system" in the fifth sentence, and by inserting the words "or under" immediately after the word "on" in such sentence; and

(6) Section 109(l)(1) is amended by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system".

(h)(1) Section 113(a) is amended by deleting the words "the primary and secondary, as well as their extensions in urban areas, and the Interstate System, authorized under the highway laws providing for the expenditure of Federal funds upon the Federal-aid systems," and inserting in lieu thereof the words "the primary as well as its extensions in urban areas, and the Interstate System, or under the Federal-aid programs, authorized under the highway laws providing for the expenditure of Federal funds upon the Federal-aid systems and programs,"; and

(2) Section 113(b) is amended by inserting the words "or under any of the Federal-aid programs" immediately after the words "Federal-aid systems".

(i) Section 115(a) is amended to read as follows: "(a) When a State has obligated all funds for the primary system or for any of the Federal-aid programs apportioned to it under section 104 of this title, and proceeds to construct any projects without the aid of Federal funds, including one or more parts of any project, on the primary system or under any of the Federal-aid programs in such State, as that system may be designated or any of those programs may be comprised at that time, in accordance with all procedures and all requirements applicable to projects on the primary system or under any such program, except insofar as such procedures and requirements limit a State to the construction of projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such State and his approval of such application, is authorized to pay to such State the Federal share of the costs of construction of such project when additional funds are apportioned to such State under section 104 of this title if—

(1) prior to the construction of the project the Secretary approves the plans and specifications therefor in the same manner as other projects on the primary system or under the Federal-aid program involved, and

(2) the project conforms to the applicable standards adopted under section 109 of this title.

The Secretary may not approve an application under this section unless an authorization is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such State and that no application may be approved which will exceed the State's expected apportionment of such authorization.".

(j) Section 118(d) is amended by inserting the words "or under a Federal-aid program" immediately after the words "Federal-aid system".

(k)(1) Section 120(a) is amended by deleting in the first sentence all of the words between "(a)" and "(A)" and inserting in lieu thereof the words "Subject to the provisions

of subsection (d) of this section, the Federal share payable on account of any project, financed with primary, rural, or urban funds, on the Federal-aid primary system, under the Federal-aid rural program, and under the Federal-aid urban program shall either"; and

(2) Section 120(g) is amended by deleting the words "Federal-aid highways" and inserting in lieu thereof the words "Federal-aid projects".

(l) Section 121(c) is amended by inserting the words "or under a Federal-aid Program" immediately after the words "Federal-aid system".

(m) Section 123(a) is amended by deleting the words "the Federal-aid primary or secondary systems or on the Interstate System, including extensions thereof within urban areas," and inserting in lieu thereof the words "a Federal-aid system or under a Federal-aid program,".

(n) Section 124(a) is amended by inserting the words "or under any of the Federal-aid programs," immediately after the phrase "including the Interstate System,".

(o) Section 129 is amended as follows:

(1) In subsection (c), by inserting the words "and programs" immediately after the words "Federal-aid highway systems";

(2) In subsections (f) and (g)(2), by inserting the words "or programs" immediately after the words "Federal-aid systems" each time they appear; and

(3) In subsection (i), by deleting the words "Federal-aid system, other than the Interstate System," and inserting in lieu thereof the words "Federal-aid project other than one of the Interstate System,".

(p) Section 135(b) is amended by placing a period after the word "flow" and deleting the remainder of the sentence.

(q) Section 137(a) is amended by deleting the words "project on the Federal-aid urban system" and inserting in lieu thereof the words "project under the Federal-aid urban program".

(r) Section 140(a) is amended by inserting the words "or under any of the Federal-aid programs" immediately after the words "Federal-aid systems".

(s) Section 141(b) of title 23, United States Code, is amended to read as follows:

"(b) Each State shall certify to the Secretary before January 1 of each year that it is enforcing in accordance with section 127 of this title all State laws respecting maximum vehicle size and weights permitted on all roads receiving funds under the Federal-aid program, including the primary system, the Interstate System, and is a route functionally classified as an arterial or major collector.".

(t) Section 142 is amended as follows:

(1) In subsection (a)(1) by inserting the words "and highways under the Federal-aid programs" immediately after the words "Federal-aid systems", and by deleting the words "as a project on any Federal-aid system";

(2) In subsection (a)(2) by deleting the words "project on the Federal-aid urban system" each place it appears and inserting in lieu thereof "project under the Federal-aid urban program", ; and

(3) In subsection (e)(2) by deleting the words "projects on the Federal-aid urban system" and inserting in lieu thereof "projects under the urban program".

(u) Section 143 is amended as follows:

(1) In subsection (a), (b), and (c) by inserting the words "or under a Federal-aid program" immediately after the words "a Federal-aid system (other than the Interstate System)" each place they appear, and

(2) In subsection (d) and (e) by deleting the words "Federal-aid system on" each time they appear and inserting in lieu thereof the words "Federal-aid system or program on or under".

(v) Section 149 is amended as follows—

(1) by inserting the words "or under any Federal-aid program" immediately after the words "Federal-aid system".

(2) by amending the analysis of chapter 1 of title 23, United States Code, by deleting:

"150. Allocation of urban system funds.".

and inserting in lieu thereof:

"150. Allocation of urban program funds.".

(w) Section 150 is amended by deleting the word "system" in the title and inserting the word "program" in lieu thereof.

(x) Section 302(b) is amended by deleting the words "on the Federal-aid secondary system," and inserting in lieu thereof the words "under the Federal-aid rural program", and by deleting the words "secondary funds," and inserting in lieu thereof the words "rural funds,".

(y) Section 304 is amended by inserting the words "and highways under the Federal-aid programs" between the word "systems" and the comma.

(z) Section 317(d) is amended by inserting the words "or under a Federal-aid program" immediately after the words "Federal-aid system".

(aa) Section 320(a) is amended by inserting the words "or programs" immediately after the words "highway systems" in the second sentence.

(bb) Section 322 is amended as follows:

(1) In subsection (c)(1) by deleting the words "any Federal-aid system," and inserting in lieu thereof the words "the Interstate System, the Primary System, or is a route functionally classified as an arterial or major collector,"; and

(2) In subsection (c)(2) by deleting the words "any Federal-aid system," and inserting in lieu thereof the words "the Interstate System, the Primary System, or is not a route functionally classified as an arterial or major collector,".

(cc) Section 402(d) is amended by inserting the words "and programs" immediately after the words "Federal-aid systems".

(dd) Section 117 is amended as follows:

(1) By inserting in subsection (a) the words "or under any Federal-aid programs" immediately after the words "Federal-aid systems".

(2) By deleting in subsection (f)(1) the words "secondary system" where they appear and inserting in lieu thereof the words "rural program".

HOUSE OF REPRESENTATIVES—*Monday, November 16, 1981*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, continue to inspire Your people to seek truth in all the avenues of life. May we not be satisfied with the cliches that too easily are spoken, but strive to affirm with honest and sensitivity the reality of our world and the integrity of our actions. Even as we prove candor in thought and word, may we ever respect others who share in our pursuit of knowledge, that together we may discover more of the truth of Your creation and thus serve the common good. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. WALKER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER, Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 303, nays 8, answered "present" 1, not voting 121, as follows:

[Roll No. 298]

YEAS—303

[Roll No. 298]

YEAS—303

Addabbo	Bennett	Broyhill
Alexander	Bereuter	Burgener
Anderson	Bethune	Burton, Phillip
Annunzio	Bevill	Campbell
Anthony	Biaggi	Carney
Archer	Bingham	Chappie
Ashbrook	Bliley	Cheney
Atkinson	Boland	Clausen
AuCoin	Boner	Clinger
Badham	Bouquard	Coats
Bailey (MO)	Bowen	Collins (IL)
Bailey (PA)	Breaux	Collins (TX)
Barnard	Brinkley	Conable
Beard	Brodhead	Conte
Beilenson	Broomfield	Conyers
Benedict	Brown (CO)	Corcoran
Benjamin	Brown (OH)	Courter
Coyne, James	Huckaby	Pease
Coyne, William	Hughes	Perkins
Craig	Hunter	Porter
Crane, Philip	Hutto	Price
D'Amours	Jeffords	Pritchard
Daniel, Dan	Jenkins	Quillen
Daniel, R. W.	Johnston	Rahall
Danielson	Jones (OK)	Railsback
Dannemeyer	Jones (TN)	Ratchford
Daub	Kastenmeier	Regula
Davis	Kazen	Reuss
de la Garza	Kemp	Rinaldo
Deckard	Kildee	Ritter
Derrick	Kogovsek	Roberts (KS)
Derwinski	Kramer	Robinson
Dicks	LaFalce	Roe
Dingell	Lagomarsino	Roemer
Dixon	Lantos	Rogers
Donnelly	Latta	Rostenkowski
Dorgan	Leach	Roth
Dougherty	LeBoutillier	Roukema
Downey	Lent	Rousselot
Dreier	Levitas	Roybal
Duncan	Lewis	Russo
Dunn	Livingston	Schneider
Dwyer	Loeffler	Schulze
Dymally	Long (MD)	Schumer
Dyson	Lott	Seiberling
Early	Lowery (CA)	Shannon
Edgar	Lowry (WA)	Sharp
Edwards (AL)	Lujan	Shelby
Edwards (OK)	Luken	Shumway
Emerson	Lundine	Shuster
Emery	Lungren	Simon
English	Madigan	Skeen
Evans (GA)	Markey	Skelton
Evans (IN)	Marks	Smith (AL)
Fary	Marlenee	Smith (IA)
Fascell	Marriott	Smith (NE)
Fazio	Martin (IL)	SMITH (NJ)
Fenwick	Martin (NC)	SMITH (OR)
Fiedler	Martin (NY)	Snowe
Fields	Matsui	Snyder
Findley	Mazzoli	Solomon
Fish	McClory	Spence
Flippo	McCurdy	Stanton
Foglietta	McDade	Stark
Ford (MI)	McEwen	Staton
Ford (TN)	McGrath	Stenholm
Fowler	McHugh	Stokes
Frank	McKinney	Stratton
Frenzel	Michel	Stump
Frost	Miller (CA)	Swift
Fuqua	Miller (OH)	Synar
Gaydos	Minish	Tauke
Gephardt	Mitchell (NY)	Tauzin
Ginn	Moakley	Taylor
Glickman	Moffett	Thomas
Gore	Molinari	Trible
Gramm	Mollohan	Vento
Gray	Montgomery	Volkmer
Green	Moore	Walgren
Gregg	Moorhead	Washington
Grisham	Morrison	Watkins
Gunderson	Mottl	Waxman
Hall (OH)	Murphy	Weaver
Hall, Ralph	Murtha	Weber (MN)
Hall, Sam	Myers	Weber (OH)
Hamilton	Natcher	White
Hammerschmidt	Neal	Whitehurst
Hansen (ID)	Nelligan	Whitley
Hansen (UT)	Nelson	Whittaker
Hartnett	Nichols	Whitten
Hawkins	Nowak	Williams (MT)
Heftel	O'Brien	Winn
Hendon	Oberstar	Wirth
Hightower	Obey	Wolf
Hiler	Oxley	Wolpe
Hillis	Panetta	Wyden
Hopkins	Parris	Yates
Horton	Pashayan	Yatron
Howard	Patman	Young (MO)
Hoyer	Patterson	Zablocki
Hubbard	Paul	Zeferetti

NAYS—8

Dickinson	Harkin	Schroeder
Evans	Jacobs	Walker
Gejdenson	Sabo	

ANSWERED "PRESENT"—1

Ottinger

NOT VOTING—121

Akaka	Foley	Oaker
Albosta	Forsythe	Pepper
Andrews	Fountain	Petri
Applegate	Garcia	Peyser
Aspin	Gibbons	Pickle
Bafalis	Gilman	Pursell
Barnes	Gingrich	Rangel
Bedell	Goldwater	Rhoades
Blanchard	Gonzalez	Richmond
Boggs	Goodling	Roberts (SD)
Bolling	Gradison	Rodino
Bonior	Guarini	Rose
Bonker	Hagedorn	Rosenthal
Brooks	Hance	Rudd
Brown (CA)	Hatcher	Santini
Burton, John	Heckler	Savage
Butler	Hefner	Sawyer
Byron	Hertel	Scheuer
Carman	Holland	Sensenbrenner
Chappell	Hollenbeck	Shamansky
Chisholm	Holt	Shaw
Clay	Hyde	Siljander
Coelho	Ireland	Smith (PA)
Coleman	Jeffries	Solarz
Coughlin	Jones (NC)	St Germain
Crane, Daniel	Kindness	Stangeland
Crockett	Leath	Studds
Daschle	Lee	Trazler
Dellums	Lehaman	Udall
DeNardis	Leland	Vander Jagt
Dornan	Long (LA)	Wampler
Dowdy	Mattox	Weiss
Eckart	Mavroules	Williams (OH)
Edwards (CA)	MCCloskey	Wilson
Erdahl	McCollum	Wortley
Erlenborn	McDonald	Wright
Ertel	Mica	Wylie
Evans (DE)	Mikulski	Young (AK)
Ferraro	Mineta	Young (FL)
Fithian	Mitchell (MD)	
Florio	Napier	

□ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

A MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1672. An act to expand the membership of the U.S. Holocaust Memorial Council from 60 to 65 and for other purposes.

The message also announced that the Senate had passed with an amendment in which the concurrence of the

House is requested, a bill of the House of the following title:

H.R. 3567. An act to authorize appropriations for the fiscal years 1982 and 1983 to carry out the purposes of the Export Administration Act of 1979, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1193) entitled "An act to authorize appropriations for fiscal years 1982 and 1983 for the Department of State, the International Communication Agency, and the Board for International Broadcasting, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PERCY, Mr. HELMS, Mr. HAYAKAWA, Mr. LUGAR, Mr. PELL, Mr. BIDEN, Mr. GLENN, and Mr. MATHIAS as an additional conferee solely for the consideration of section 120 (a) through (e) of the House amendment, and Mr. CRANSTON (in lieu of Mr. BIDEN) as an additional conferee solely for the consideration of title VI of the bill as passed by the Senate be the conferees on the part of the Senate.

MAKING IN ORDER ON TOMORROW OR ANY DAY THEREAFTER CONSIDERATION OF CONCURRENT RESOLUTION REAFFIRMING CONGRESSIONAL BUDGET

Mr. JONES of Oklahoma. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday, November 17, 1981, or any day thereafter, to consider the House concurrent resolution, reaffirming the congressional budget for the U.S. Government as set forth in the first concurrent resolution on the budget for the fiscal year 1982 (H. Con. Res. 115, 97th Congress).

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the chairman of the Budget Committee explain why this is necessary?

Mr. JONES of Oklahoma. Mr. Speaker, if the gentleman will yield, basically this gives us the opportunity to take up the second budget resolution any day from tomorrow on without having the mandatory 10-day waiting period. I have discussed this with the minority leader, the gentleman from Illinois (Mr. MICHEL), and the ranking Republican Member, the gentleman from Ohio (Mr. LATTA), and both of them agree to the unanimous consent request.

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, I can appreciate the statement, but can the gentleman explain to the House why we need to waive the 10-day rule?

Mr. JONES of Oklahoma. Basically, in an effort to try to complete the second budget resolution as soon as possible, we wanted to have the flexibility to be able to bring this up tomorrow, if necessary or if possible.

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, I probably will not object, but I know that the 10-day rule was put in the budget law for a specific purpose to allow Members adequate time to prepare in the original legislation during budget consideration, and I think it is unfortunate that we have delayed this process so long and not allowed adequate study of the second concurrent resolution. I realize all the problems that are inherent in this budget process.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I am glad to yield to the committee chairman.

Mr. JONES of Oklahoma. There have been a number of problems, and I think it has been unfortunate in many respects that the budget has been handled in this way this year, but what we have tried to do in connection with letting the President's program have a chance is to adhere to the wishes of the President and the minority leadership with regard to the second budget resolution. This will make that possible.

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, does the continuing resolution that we are going to consider today on the appropriations really negate much of what we have done in the budget process by just continuing beyond the deadline here?

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. Yes, I yield to the chairman of the committee.

Mr. JONES of Oklahoma. Far from the continuing appropriations negating the first budget resolution, the continuing appropriations bill not only comes under the first budget resolution but it comes under the President's September request.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I think there is disagreement on that point and there is a misunderstanding as to whether it really comes under that budget or not. I do not believe it is under. But I will be glad to hear the gentleman's explanation when we get to the continuing resolution as to how far under or over the budget it really is.

Mr. JONES OF Oklahoma. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I am glad to yield to the gentleman.

Mr. JONES of Oklahoma. Once again, we are dealing with two sets of calculations. One set of calculations, which has been classified in a recent magazine article as the "hook or crook" method of calculations, which was done by the Office of Management and Budget, would indicate that perhaps the continuing appropriations is over the President's September request. However, the more consistently honest and realistic set of calculations done by the Congressional Budget Office would indicate that the continuing appropriations is clearly under the President's September request.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I know how accurate the Congressional Budget Office has been in the past, so we will just see who is right and who is wrong. My guess is that the continuing resolution today will take us way over the budget.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERMISSION FOR COMMITTEE ON THE BUDGET TO FILE REPORT ACCOMPANYING SECOND CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1982

Mr. JONES of Oklahoma. Mr. Speaker, I ask unanimous consent that the Committee on the Budget may have until midnight tonight to file the report accompanying the second concurrent resolution on the budget for fiscal year 1982.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, may I ask the gentleman, how soon will the report that the Budget Committee will file be available?

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I am glad to yield to the committee chairman.

Mr. JONES of Oklahoma. Mr. Speaker, all views are to be prepared and submitted by noon today, and we are asking for permission to file by midnight tonight, so we would hope that report would be available tomorrow.

Mr. ROUSSELOT. The report will be available tomorrow; that is the gentleman's statement?

Mr. JONES of Oklahoma. That is right. However, I am not, of course, a professional printer.

Mr. ROUSSELOT. We certainly know the gentleman is not, and we appreciate all the gentleman is doing to speed up the process.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR DEPARTMENT OF DEFENSE, 1982

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes.

Mr. EDWARDS of Alabama reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar.

The Clerk will call the eligible bill on the Consent Calendar.

AUTHORIZING USE OF THE FRANK BY LAW REVISION COUNSEL

The Clerk called the bill (H.R. 1710) to authorize the use of the frank for official mail sent by the Law Revision Counsel of the House of Representatives.

There being no objection, the Clerk read the bill as follows:

H.R. 1710

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 39, United States Code, is amended—

(1) by inserting "the Law Revision Counsel of the House of Representatives," immediately before "and the Senate Legal Counsel" in section 3210(b)(1);

(2) by inserting "the Law Revision Counsel of the House of Representatives," immediately before "or the Senate Legal Counsel" in section 3210(b)(2);

(3) by inserting "the Law Revision Counsel of the House of Representatives," immediately before "and the Senate Legal Counsel" in section 3216(a)(1)(A); and

(4) by inserting "the Law Revision Counsel of the House of Representatives," immediately before "or the Senate Legal Counsel" in section 3219.

● Mr. DERWINSKI. Mr. Speaker, this is a noncontroversial bill which authorizes the use of the frank for official mail sent by the Law Revision Counsel of the House of Representatives.

Under existing statute, the Office of the Law Revision Counsel has as its principal purpose to develop and keep current an official and positive codification of the laws of the United States. This bill would give the Office of the Law Revision Counsel franking authority similar to that already given the legislative counsels of the House and Senate and the Senate Legal Counsel. The Office of the Law Revision Counsel presently uses the frank of the Speaker, and sends approximately 4,000 pieces of mail each year.

H.R. 1710 will not result in additional cost to the Government nor the taxpayers.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the eligible bills on the Consent Calendar.

WILLIAM H. HARSHA U.S. POST OFFICE BUILDING

Mr. FARY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 841) to name the U.S. post office building in Portsmouth, Ohio, the "William H. Harsha U.S. Post Office Building."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office Building located at the intersection of Sixth and Gay Streets, Portsmouth, Ohio, shall hereafter be named and designated as the "William H. Harsha United States Post Office Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the "William H. Harsha United States Post Office Building".

SEC. 2. This Act shall take effect on January 3, 1982.

Mr. FARY. Mr. Speaker, It gives me great pleasure to assist my colleagues in honoring this great gentleman, Bill Harsha. He is known to all of us here as a hard worker and a team player in the legislative process. We are also aware of his years of dedicated service to the people of Ohio's Sixth District. I am honored to bring this bill to the floor today.

Mr. Harsha's long term of service is set out in the report that accompanies this bill but some thing which is not easily communicated is Mr. Harsha's special role in the Public Works Committee. I come from Chicago where there is really only a Democratic Party. The Republican Party is there but is not usually a strong force. When I came to the Public Works Committee I was therefore, surprised to see how important a man like Mr. Harsha could be in a Democratic Congress. He did it through hard work and sheer force of intellect. Those two qualities earned him my deep respect and gave his opinions a special status with all his colleagues.

Mr. CLAUSEN. Mr. Speaker, I, too, wish to express my strong support for this legislation to designate the U.S. post office in Portsmouth, Ohio, the "William H. Harsha U.S. Post Office Building." During his 20 years of public service, I had the opportunity of working closely with Bill, particularly on matters involving the jurisdiction of the Public Works and Transportation Committee. His achievements in areas such as water resources development legislation, flood protection, pollution control, highway construction and safety issues, and aviation and surface transportation matters are unparalleled, earning him an impressive reputation among his colleagues.

This measure now under consideration is one way that we can honor Bill for these many achievements, his leadership while in Congress and the service he has given to his country. I strongly urge my colleagues to approve H.R. 841.

● Mr. HOWARD. Mr. Speaker, it gives me great pleasure to bring to the floor of the House a bill to name the post office building in Portsmouth, Ohio, after my distinguished former colleague from the House Public Works Committee, Bill Harsha. The Committee on Public Works and Transportation is well aware of the great contribution this man made as a member and then as ranking minority member of the full committee. To point this out for the people of Portsmouth the committee has reported H.R. 841 and recommends its passage.

Mr. Harsha began his career of public service during World War II when he served in the U.S. Marine Corps. He was the assistant city solicitor for Portsmouth from 1947 to 1951, and Scioto County prosecutor from 1951 to 1955. He was elected to the 87th Congress in 1960 and was reelected to each succeeding Congress. Mr. Harsha retired after 20 years in 1980 and has returned to the practice of law.

Because of the long years of valuable service to his constituents and the Public Works Committee, his colleagues have chosen to name this building so that future generations may know of the achievement of Congressman William Harsha.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to add my wholehearted support for this legislation to rename the Portsmouth, Ohio, post office in honor of our distinguished former colleague, Bill Harsha. During his many years of public service in Congress, Bill proved to be a highly competent legislator who worked tirelessly for his constituents and the people of America. His accomplishments in the areas under the jurisdic-

tion of the Public Works and Transportation Committee are too lengthy to list here but are well known by both Democrats and Republicans alike.

As a tribute to Bill Harsha for the role he played in the economic and industrial development of not only Ohio's Sixth Congressional District but also the rest of the country, I would ask my colleagues to approve this measure.●

● Mr. McEWEN. I would like to express my strong support of H.R. 841 to name the U.S. post office building in Portsmouth, Ohio, the William H. Harsha U.S. Post Office Building.

I can think of no one more deserving of receiving an honor such as this. For 20 years Bill Harsha served the people of the Sixth Congressional District of Ohio with honor and distinction, and he is highly respected and revered throughout southern Ohio.

In view of the fact that Congressman Harsha served on the House Public Works and Transportation Committee during his entire term of office and was ranking minority member for 10 years, I realize that it is not necessary for me to tell the Members of this body of his ability, hard work, and exceptional expertise in all areas of legislation that come within the jurisdiction of this committee.

However, as a longtime friend and admirer, I do want to express my personal views. I can speak without fear of contradiction in paying tribute to Congressman Harsha for the outstanding job he performed in representing the residents of the Sixth District in the House and of his successful efforts in obtaining much needed projects for the southern Ohio area. He gave unstintingly of his time and efforts to serve his area, and southern Ohio has benefited substantially as a result of his congressional service.

Congressman Harsha's retirement left a very real vacuum in the House. His outstanding performance has made it virtually impossible for any Member of Congress to fulfill the level of expectation that the people of the Sixth District have become accustomed.

Naming the post office building in Portsmouth—Congressman Harsha's hometown—the William H. Harsha U.S. Post Office Building is a most fitting tribute, and H.R. 841 has my strongest possible support.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN ARCHIBALD CAMPBELL U.S. COURTHOUSE

Mr. FARY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2494) to designate the John Archibald Campbell Federal Building-U.S. Courthouse.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building located at 113 Saint Joseph Street in Mobile, Alabama (commonly known as the Old Federal Building-Federal Courthouse), shall hereafter be known as the John Archibald Campbell Federal Building-United States Courthouse. Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the John Archibald Campbell Federal Building-United States Courthouse.

With the following committee amendments:

Page 2, line 2, strike out "Federal Building—".

Page 2, line 6, strike out "Federal Building—".

The committee amendments were agreed to.

Mr. FARY. Mr. Speaker, the Committee on Public Works and Transportation has reported the bill H.R. 2494 which would name the U.S. courthouse in Mobile, Ala., the "John Archibald Campbell U.S. Courthouse." The bill was reported with an amendment because the original bill called for the name to be Federal building-U.S. courthouse but Mr. EDWARDS of Alabama, the sponsor of the bill, asked us to strike the Federal building portion of the title. It appears that there are two buildings close together and Mr. EDWARDS would like to name just the one for Judge Campbell.

John Archibald Campbell was a distinguished young attorney in Mobile, and argued several cases before the U.S. Supreme Court during its 1851-52 term. In 1853, at the young age of 41, President Franklin Pierce appointed him to the Supreme Court. He served until 1861 when Alabama seceded from the Union. Although he opposed secession, his loyalty to Alabama forced him to return home. This naming bill would honor him as the only citizen of Mobile to ever serve in the U.S. Supreme Court.

Mr. CLAUSEN. Mr. Speaker, on behalf of the minority members of the Public Works and Transportation Committee, I rise to offer my full support for this legislation to name the Mobile, Ala., Federal building in honor of John Archibald Campbell. As has been previously pointed out, Mr. Campbell's reputation as an attorney, and later a judge, as well as a prominent State legislator, earned him an appointment to the U.S. Supreme Court. For his important contributions to Alabama and the country, I would ask that we approve this bill.

● Mr. HOWARD. Mr. Speaker, it gives me great pleasure to bring to the floor of the House this bill, H.R. 2494, to name the courthouse in Mobile in memory of the distinguished Supreme Court Justice, John Archibald Campbell. The Committee on Public Works felt that this American's outstanding achievement and dedication to his State of Alabama marked him as someone worthy of commemoration.

From the passage of this bill into law, countless generations of Mobilians will be able to look at the name on the courthouse and know that a place has been set aside in history for their hometown.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, I rise to fully concur with my distinguished colleagues on the Public Works and Transportation Committee regarding H.R. 2494. As has been pointed out, this measure is not controversial but merely honors a great Alabamian and a great American, Judge John Archibald Campbell. I would like to associate myself with their remarks and urge passage of this bill.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to designate the John Archibald Campbell U.S. Courthouse."

A motion to reconsider was laid on the table.

MELVIN PRICE LOCK AND DAM

Mr. FARY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4506) to name the lock and dam authorized to replace locks and dam 26, Mississippi River, Alton, Ill., as "Melvin Price Lock and Dam."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the lock and dam, authorized by section 102 of Public Law 95-502, to replace locks and dam 26, Mississippi River, Alton, Illinois, shall hereafter be known as Melvin Price Lock and Dam. Any law, regulation, map, document, or record of the United States in which such lock and dam is referred to shall be held and considered to refer to such lock and dam as "Melvin Price Lock and Dam".

AMENDMENT OFFERED BY MR. FARY

Mr. FARY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FARY: On page 2, after line 5, add the following new section:

"2. This Act shall become effective upon the date of termination of service in the United States Congress of Melvin Price."

The amendment was agreed to.

Mr. FARY. Mr. Speaker, I rise in strong support of H.R. 4506, a bill to

name the lock and dam authorized to replace locks and dam 26 as the "Melvin Price Lock and Dam." We are all aware of the great benefit to commercial navigation that will follow the completion of this new facility; and I for one, as a close friend of Congressman PRICE and as a fellow Representative from the great State of Illinois, can personally vouch for the long and tireless hours of service he has put into realizing this much-needed improvement of Locks and Dam 26. I urge my colleagues to pass this bill, which would name the replacement structure in his honor.

It seems like a long time ago that my friend from the American Waterway Operators, John Connolly, suggested that we honor MEL PRICE, but I am glad that we are finally here doing so.

Mr. Speaker, this resolution honors Congressman MEL PRICE of Illinois, the chairman of the Armed Services Committee, by naming Lock and Dam 26 on the Mississippi River as the "Melvin Price Lock and Dam."

Mr. PRICE has been serving Illinois and this Nation for 36 years as a Member of the House of Representatives. A former sportswriter and newspaper correspondent, he entered public life as a member of the St. Clair County Board of Supervisors in 1929. He came to Washington in 1933 and served for 10 years as secretary of the late Congressman Edwin Schaefer. He joined the Army and served as an enlisted man in 1943 and 1944. He was in fact on KP duty when he got the phone call telling him he had been elected to Congress.

As a Member of Congress, he served on the old House Military Affairs Committee. In 1967, the House elected him as the first chairman of the House Committee on Standards of Official Conduct. In 1975 he became chairman of the Armed Services Committee.

In addition to all he has done for America, Mr. Speaker, he has done a great deal for me as a friend. When I came to Congress, MEL PRICE had already been a Congressman for over a quarter of a century. He and FRANK ANNUNZIO honored me by teaching me the mysterious ways of the Congress. We have been close friends ever since. I have always been pleased to have such a great American as mentor, and I thank the committee for, I hope, joining with me to honor him in this way.

I sincerely thank the chairman of the Water Resources Subcommittee, BOB ROE, for allowing this resolution to move so quickly to the full committee.

Mr. CLAUSEN. Mr. Speaker, I rise in support of H.R. 4506, as amended, and urge our colleagues here this afternoon to do likewise. This bill names one of the Nation's major locks and dams after our most distinguished friend and colleague from the State of Illinois, MELVIN PRICE. In light of the major legislative accomplishments that have for so long been the hallmark of the gentleman from Illinois, I think it is only fitting and proper that we honor him and his accomplishments as we propose to do in H.R. 4506.

● Mr. HOWARD. Mr. Speaker, I rise in strong support of H.R. 4506, a bill to name the lock and dam authorized to replace Locks and Dam 26 on the Mississippi River at Alton, Ill., as the "Melvin Price Lock and Dam." I know that our colleague, Congressman PRICE, has devoted a great deal of his long career in public service to seeing the replacement of Locks and Dam 26 come to fruition. It is most fitting that this new facility bear his name.●

● Mr. ROE. Mr. Speaker, the purpose of H.R. 4506 is to name the lock and dam authorized to replace Locks and Dam 26 on the Mississippi River as the "Melvin Price Lock and Dam."

Public Law 95-502 authorized the construction of a new dam and a new 1,200-foot lock to replace the existing Locks and Dam 26 on the Mississippi River near Alton, Ill. That new project is now under construction and is currently scheduled for completion early in 1989. When it is open to traffic it will relieve one of the worst bottlenecks for navigation on the entire U.S. inland waterway system.

Congressman MELVIN PRICE has represented the 23d District of Illinois with honor and distinction for 19 terms. During that time he has worked long and effectively to secure the authorization of the replacement of Locks and Dam 26. Naming this new structure after Congressman PRICE, who has been so instrumental in its realization, is an appropriate recognition of his tireless efforts in support of the project, as well as his commitment to water resources development.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of H.R. 4506 with the committee amendment. This bill honors the distinguished Member from Illinois by renaming a vitally important link in the Mississippi River Navigation System. In order to maintain the precedent that the committee has set in regard to such legislation, the committee has agreed to make the new name effective after the gentleman has completed his service as a Member of Congress.

I am very pleased to support this legislation, as amended, and urge my colleagues to support it as well.●

● Mr. ANNUNZIO. Mr. Speaker, I rise in support of H.R. 4506, a bill I cosponsored to name the lock and dam authorized to replace locks and dam 26, on the Mississippi River at Alton, Ill., as the "Melvin Price Lock and Dam."

This is a fitting tribute to the Honorable MELVIN PRICE, my good friend and colleague who was elected to the 79th Congress in 1944, making him the second-ranking Congressman in seniority in the current 97th Congress, and the senior member of our Illinois congressional delegation. He is a dedicated and devoted American, and a Congressman of outstanding ability, deep compassion, and courage.

As chairman of the House Armed Services Committee, MEL PRICE has given superlative service to his constituents of the 23d District of Illinois, and to individual servicemen throughout the Nation. His diligent efforts to reform the military code of justice, provide legal defense services overseas, expand health care, and educational benefits, particularly for widows of servicemen killed in the line of duty, have been both fruitful and beneficial to the citizens of our country.

I urge, therefore, that my colleagues support H.R. 4506 which will extend this much-deserved recognition to the legislative accomplishments and dedicated service of a truly great American—MELVIN PRICE.●

Mr. FINDLEY. Mr. Speaker, I rise in strong support of H.R. 4506, the bill to name the lock and dam, authorized by section 102 of Public Law 95-502, after MELVIN PRICE.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM R. COTTER FEDERAL BUILDING

Mr. FARY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4569) to designate the U.S. Post Office Building in Hartford, Conn., as the "William R. Cotter Federal Building."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building at 135 High Street, Hartford, Connecticut (commonly known as the High Street Post Office), shall hereafter be known, called, and designated as the "William R. Cotter Federal Building". Any reference in any law, map, regulation, document, record, or other paper of the United States to such building shall be deemed to be a reference to the William R. Cotter Federal Building.

Mr. FARY. Mr. Speaker, I rise in support of the bill H.R. 4569, which would designate the U.S. post office building in Hartford, Conn., the "William R. Cotter Federal Building."

Before his death a short time ago, Bill Cotter represented the First District of Connecticut. He was elected to the House in 1970 after a long and dis-

tinguished involvement in State government. He was at various times an aide to the Governor, a member of the Hartford Court of Common Council, and the State insurance commissioner. After coming to the Congress, he continued to serve the people of the First District through his position on the Ways and Means Committee.

Mr. Speaker, besides being a great servant of his constituents, he was a great person. He was a personal friend of mine and of all the members of the Connecticut congressional delegation who have sponsored this bill. Naming this building for Bill Cotter will be a lasting tribute to an excellent Congressman and a wonderful man.

Mr. CLAUSEN. Mr. Speaker, the legislation which we now have under consideration, naming the Hartford Post Office after William R. Cotter, will pay tribute to him for his many outstanding contributions to the State of Connecticut and the Nation during his 10 years of service in Congress. Since Mr. Cotter was born and raised in Hartford, this is a particularly appropriate way for us to commemorate him and will be a lasting reminder to Mr. Cotter's constituents, friends, and relatives of his valuable service. I would urge my colleagues to approve this measure.

● Mr. HOWARD. The Committee on Public Works and Transportation has reported and recommended passage of H.R. 4569, a bill to designate the U.S. post office building in Hartford, Conn., as the "William R. Cotter Federal Building," having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

Congressman William R. Cotter was born in Hartford, Conn., on July 18, 1926. He attended the Hartford public schools and Trinity College, where, in 1949, he was awarded a B.A. in history and economics.

In 1953, he became a member of Hartford's Court of Common Council. He served as an aide to Gov. Abraham Ribicoff, 1955-57. He was the deputy insurance commissioner for the State of Connecticut, 1957-64; and the insurance commissioner 1964-70. He was elected to the 92d Congress on November 3, 1970, and was reelected to each succeeding Congress, where he served as a member of the Committee on Ways and Means until his death. He was chairman of the Subcommittee on Select Revenue Measures.

Mr. Cotter was for 10 years a valuable and hard-working Member of the House of Representatives. His service to his constituents and the city of Hartford is well known; his devotion to them was total. His colleagues from the State of Connecticut will greatly miss his warm personality and his efforts on behalf of the State they all serve.

As a tribute to a fine man and in commemoration of his service in the Congress of the United States, it is fitting that a building in his native city, among the people he loved, be named the "William R. Cotter Federal Building."●

● Mr. HAMMERSCHMIDT. Mr. Speaker, in honor of his outstanding service in Congress, I join my colleagues in supporting H.R. 4569 to designate the Hartford Post Office as the "William R. Cotter Federal Building." I would urge its passage.●

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

ROBERT V. DENNEY FEDERAL BUILDING AND COURTHOUSE

Mr. FARY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4845) to designate the building known as the Lincoln Federal Building and Courthouse in Lincoln, Nebr., as the "Robert V. Denney Federal Building and Courthouse".

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4845

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building located at 100 Centennial Mall, Lincoln, Nebraska, known as the Lincoln Federal Building and Courthouse, shall hereafter be known and designated as the "Robert V. Denney Federal Building and Courthouse". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Robert V. Denney Federal Building and Courthouse".

Mr. FARY. Mr. Speaker, H.R. 4845 is a bill to designate the building known as the Lincoln Federal Building and Courthouse in Lincoln, Nebr., as the Robert V. Denney Federal Building and Courthouse.

The late Mr. Denney served as a Member of Congress from Nebraska from 1966 to 1970. He served as a U.S. district court judge for 10 years after that. He was, I am told, very active in getting this building built. The committee felt that this naming would be a fitting tribute to Mr. Denney.

Mr. CLAUSEN. Mr. Speaker, being a cosponsor of this bill and one who has had the opportunity of working with Bob Denney on the Public Works and Transportation Committee, I wish to urge all Members to support this bill honoring him.

During his career in public life, Bob had the unique opportunity of serving in all three branches of government. As Representative from Nebraska's First Congressional District, as well as a U.S. district court judge for 10 years, Bob Denney's hard work and effective leadership won praise and admiration from his colleagues.

While in Congress, he was a constructive and dedicated member of the Public Works and Transportation Committee. In this capacity, he was instrumental in insuring the construction of the Lincoln, Nebr. Federal Building and Courthouse which this legislation would name in his honor.

Bob Denney was a good politician and a great legislative craftsman. He was a true gentleman in the finest sense of the word and I was privileged to claim him as a close personal friend.

But, above all, Bob Denney was one of the most objective and constructive Members of Congress that I've served with in my nearly 20 years.

He had instincts and concerns that brought many matters to the attention of our committee and the Congress that were ultimately incorporated into law.

One such example was his amendment to the interstate highway program which made sure that Nebraska got at least one half of 1 percent of the annual interstate apportionment.

The real purpose of our existence is not only to make a living but to make a life—a meaningful, purposeful, and well-rounded life.

Bob Denney had that kind of a life. Through his efforts thousands of Nebraskans have enjoyed the fulfillment of many of their dreams and aspirations because of Bob Denney's service to his country.

● Mr. HOWARD. Mr. Speaker, the Committee on Public Works and Transportation has reported and recommended passage of H.R. 4845, a bill which would designate the Federal building and courthouse in Lincoln, Nebr., as the Robert V. Denney Federal Building and Courthouse.

Mr. Denney was elected to the Congress 2 years after I came here and served until he became a Federal judge in 1970. Through his hard work as a member of the House Public Works Committee, the Lincoln Federal Building and Courthouse became a reality. As a judge in the U.S. District Court, he further took an active interest in the court facilities.

Mr. Speaker, in commemoration of his long and faithful service to the people of Lincoln, Nebr., and the United States, it is fitting that we name this building after him.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, I urge all Members to approve this measure to name the Lincoln, Nebr., Federal Building and Courthouse after our former colleague, Bob Denney. This would truly be a deserving tribute to a man who served his country so capably in all three branches of government. Furthermore, as the driving force behind

the construction of this particular building, I can see no better way to honor this outstanding public servant for his many achievements.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FARY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1230

ASSISTANT SECRETARY OF DEFENSE FOR STRATEGIC AND HOMELAND DEFENSE

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, as I have worked in the area of civil defense in recent years, I have been struck by the fact that there is little overall coordination of this vital program. As an example, at the present time, at least three Government agencies, and possibly more, are working on comprehensive civil defense plans for our Nation. More recently, I have also become aware that there is little coordination between civil defense and the other elements of strategic defense—air defense and ballistic missile defense.

Today, I am introducing legislation which will help give some direction and focus to this area. My bill would create a new Assistant Secretary of Defense for Strategic and Homeland Defense whose duties would include the supervision of all DOD affairs which relate to civil defense, air defense, and ballistic missile defense.

Mr. Speaker, improvement of our strategic defenses is an element in the administration's 5-part strategic program. The components of strategic defense—civil defense, air defense, and ballistic missile defense—should receive equal priority with the more glamorous elements of the proposed program, such as the MX missile, the B-1 bomber, and the Trident submarine. Adoption of my bill will concentrate responsibility for Department of Defense strategic defense programs, now widely diffused throughout the Pentagon, into one office and give these programs the increased status they have lacked in the past. I hope all of my colleagues will join me in support of this legislation.

CONFERENCE REPORT ON H.R. 3454, INTELLIGENCE AUTHORIZATION ACT, FISCAL YEAR 1982

Mr. BOLAND submitted the following conference report and statement on the bill (H.R. 3454) to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, and for the Central Intelligence Agency Retirement and Disability System, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 97-332)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3454) to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, and for the Central Intelligence Agency Retirement and Disability System, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1982".

TITLE I—INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1982 for the conduct of the intelligence and intelligence-related activities of the following agencies of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(6) The Department of State.
(7) The Department of the Treasury.
(8) The Department of Energy.
(9) The Federal Bureau of Investigation.
(10) The Drug Enforcement Administration.

CLASSIFIED SCHEDULE OF AUTHORIZATIONS

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1982, for the conduct of the intelligence and intelligence-related activities of the agencies listed in such section, are those specified in the classified Schedule of Authorizations prepared by the committee of conference to accompany H.R. 3454 of the Ninety-seventh Congress. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

CONGRESSIONAL NOTIFICATION OF EXPENDITURES IN EXCESS OF PROGRAM AUTHORIZATIONS

SEC. 103. During fiscal year 1982, funds may not be made available for any activity for which funds are authorized to be appropriated by this Act unless such funds have been specifically authorized for such activity or, in the case of funds appropriated for a different activity, unless the Director of Central Intelligence or the Secretary of Defense has notified the appropriate committees of Congress of the intent to make such funds available for such activity.

AUTHORIZATION OF APPROPRIATIONS FOR COUNTER-TERRORISM ACTIVITIES OF THE FEDERAL BUREAU OF INVESTIGATION

SEC. 104. In addition to the amounts authorized to be appropriated under section 101(9), there is authorized to be appropriated for fiscal year 1982 the sum of $11,900,000 for the conduct of the activities of the Federal Bureau of Investigation to counter terrorism in the United States.

TITLE II—INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1982 the sum of $13,600,000.

AUTHORIZATION OF PERSONNEL END-STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized two hundred and twenty full-time personnel as of September 30, 1982. Such personnel may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1982, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(c) During fiscal year 1982, any officer or employee of the United States or member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1982, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a-4031) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1982 the sum of $84,600,000.

TITLE IV—SUPPLEMENTAL AUTHORIZATION FOR FISCAL YEAR 1981

AUTHORIZATION OF APPROPRIATIONS

SEC. 401. In addition to the funds authorized to be appropriated under title I of the Intelligence Authorization Act for Fiscal Year 1981 (Public Law 96-450; 94 Stat. 1975), funds are hereby authorized to be appropriated for fiscal year 1981 for the conduct of the intelligence and intelligence-related activities of the United States Government. The amounts authorized to be appropriated under the preceding sentence are those specified for that purpose in the classified Schedule of Authorizations described in section 102.

TITLE V—GENERAL PROVISIONS RELATING TO THE CENTRAL INTELLIGENCE AGENCY

ALLOWANCES AND BENEFITS FOR CENTRAL INTELLIGENCE AGENCY PERSONNEL

SEC. 501. Section 4 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403e) is amended—

(1) by inserting "(a)" before "Under such regulations"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) The Director may pay to officers and employees of the Agency, and to persons detailed or assigned to the Agency from other agencies of the Government or from the Armed Forces, allowances and benefits comparable to the allowances and benefits authorized to be paid to members of the Foreign Service under chapter 9 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4081 et seq.) or any other provision of law.

"(2) The Director may pay allowances and benefits related to officially authorized travel, personnel and physical security activities, operational activities, and cover-related activities (whether or not such allowances and benefits are otherwise authorized under this section or any other provision of law) when payment of such allowances and benefits is necessary to meet the special requirements of work related to such activities. Payment of allowances and benefits under this paragraph shall be in accordance with regulations prescribed by the Director. Rates for allowances and benefits under this paragraph may not be set at rates in excess of those authorized by section 5724 and 5724a of title 5, United States Code, when reimbursement is provided for relocation attributable, in whole or in part, to relocation within the United States.

"(3) Notwithstanding any other provision of this section or any other provision of law relating to the officially authorized travel of Government employees, the Director, in order to reflect Agency requirements not taken into account in the formulation of Government-wide travel procedures, may by regulation—

"(A) authorize the travel of officers and employees of the Agency, and of persons detailed or assigned to the Agency from other agencies of the Government or from the Armed Forces who are engaged in the performance of intelligence functions, and

"(B) provide for payment for such travel, in classes of cases, as determined by the Director, in which such travel is important to the performance of intelligence functions.

"(4) Members of the Armed Forces may not receive benefits under both this section and title 37, United States Code, for the same purpose. The Director and Secretary of Defense shall prescribe joint regulations to carry out the preceding sentence.

"(5) Regulations issued pursuant to this subsection shall be submitted to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate before such regulations take effect.".

AUTHORITY TO CARRY FIREARMS

SEC. 502. Subsection (d) of section 5 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f(d)) is amended to read as follows:

"(d) Authorize personnel designated by the Director to carry firearms to the extent necessary for the performance of the Agency's authorized functions, except that, within the United States, such authority shall be limited to the purposes of protection of classified materials and information, the training of Agency personnel and other authorized persons in the use of firearms, the protection of Agency installations and property, and the protection of Agency personnel and of defectors, their families, and other persons in the United States under Agency auspices; and".

UNAUTHORIZED USE OF CENTRAL INTELLIGENCE AGENCY NAME, INITIALS, OR SEAL

SEC. 503. The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end thereof the following new section:

"MISUSE OF AGENCY NAME, INITIALS, OR SEAL

"SEC. 13. (a) No person may, except with the written permission of the Director, knowingly use the words 'Central Intelligence Agency', the initials 'CIA', the seal of the Central Intelligence Agency, or any colorable imitation of such words, initials, or seal in connection with any merchandise, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Central Intelligence Agency.

"(b) Whenever it appears to the Attorney General that any person is engaged or is about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to the hearing and determination of such action and may, at any time before final determination, enter such restraining orders or prohibitions, or take such other action as it warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.".

INTELLIGENCE ADVISORY COMMITTEES

SEC. 504. (a) Subsection (a) of section 303 of the National Security Act of 1947 (50 U.S.C. 405) is amended by striking out "at a rate not to exceed $50 for each day of service" in the last sentence and inserting in lieu thereof the following: "at a daily rate not to exceed the daily equivalent of the rate of pay in effect for grade GS-18 of the General Schedule established by section 5332 of title 5, United States Code".

(b) Subsection (b) of such section is amended by striking out "section 281, 283, or 284 of Title 18" and inserting in lieu thereof "section 203, 205, or 207 of title 18".

TITLE VI—GENERAL PROVISIONS RELATED TO THE NATIONAL SECURITY AGENCY

ALLOWANCES AND BENEFITS FOR NATIONAL SECURITY AGENCY PERSONNEL

SEC. 601. (a) Subsection (b)(1) of section 9 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended to read as follows:

"(1) allowances and benefits—

"(A) comparable to those provided by the Secretary of State to members of the Foreign Service under chapter 9 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4081 et seq.) or any other provision of law; and

"(B) in the case of selected personnel serving in circumstances similar to those in which personnel of the Central Intelligence Agency serve, comparable to those provided by the Director of Central Intelligence to personnel of the Central Intelligence Agency; and".

(b) Such section is further amended by adding at the end thereof the following new subsections:

"(d) Members of the Armed Forces may not receive benefits under both subsection (b)(1) and title 37, United States Code, for the same purpose. The Secretary of Defense shall prescribe such regulations as may be necessary to carry out this subsection.

"(e) Regulations issued pursuant to subsection (b)(1) shall be submitted to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate before such regulations take effect.".

LANGUAGE TRAINING AND CRYPTOLOGIC LINGUIST RESERVE PROGRAMS

SEC. 602. The National Security Agency Act of 1959 is amended—

(1) by inserting after section 9 the following:

"SEC. 10. (a) The Director of the National Security Agency shall arrange for, and shall prescribe regulations concerning, language and language-related training programs for military and civilian cryptologic personnel. In establishing programs under this section for language and language-related training, the Director—

"(1) may provide for the training and instruction to be furnished, including functional and geographic area specializations;

"(2) may arrange for training and instruction through other Government agencies and, in any case in which appropriate training or instruction is unavailable through Government facilities, through nongovernmental facilities that furnish training and instruction useful in the fields of language and foreign affairs;

"(3) may support programs that furnish necessary language and language-related skills, including, in any case in which appropriate programs are unavailable at Government facilities, support through contracts, grants, or cooperation with nongovernmental educational institutions; and

"(4) may obtain by appointment or contract the services of individuals to serve as language instructors, linguists, or special language project personnel.

"(b)(1) In order to maintain necessary capability in foreign language skills and related abilities needed by the National Security Agency, the Director, without regard to subchapter IV of chapter 55 of title 5, United States Code, may provide special monetary or other incentives to encourage civilian cryptologic personnel of the Agency to acquire or retain proficiency in foreign languages or special related abilities needed by the Agency.

"(2) In order to provide linguistic training and support for cryptologic personnel, the Director—

"(A) may pay all or part of the tuition and other expenses related to the training of personnel who are assigned or detailed for

language and language-related training, orientation, or instruction; and

"(B) may pay benefits and allowances to civilian personnel in accordance with chapters 57 and 59 of title 5, United States Code, and to military personnel in accordance with chapter 7 of title 37, United States Code, and applicable provisions of title 10, United States Code, when such personnel are assigned to training at sites away from their designated duty station.

"(c)(1) To the extent not inconsistent, in the opinion of the Secretary of Defense, with the operation of military cryptologic reserve units and in order to maintain necessary capability in foreign language skills and related abilities needed by the National Security Agency, the Director may establish a cryptologic linguist reserve. The cryptologic linguist reserve may consist of former or retired civilian or military cryptologic personnel of the National Security Agency and of other qualified individuals, as determined by the Director of the Agency. Each member of the cryptologic linguist reserve shall agree that, during any period of emergency (as determined by the Director), the member shall return to active civilian status with the National Security Agency and shall perform such linguistic or linguistic-related duties as the Director may assign.

"(2) In order to attract individuals to become members of the cryptologic linguist reserve, the Director, without regard to subchapter IV of chapter 55 of title 5, United States Code, may provide special monetary incentives to individuals eligible to become members of the reserve who agree to become members of the cryptologic linguist reserve and to acquire or retain proficiency in foreign languages or special related abilities.

"(3) In order to provide training and support for members of the cryptologic linguist reserve, the Director—

"(A) may pay all or part of the tuition and other expenses related to the training of individuals in the cryptologic linguist reserve who are assigned or detailed for language and language-related training, orientation, or instruction; and

"(B) may pay benefits and allowances in accordance with chapters 57 and 59 of title 5, United States Code, to individuals in the cryptologic linguist reserve who are assigned to training at sites away from their homes or regular places of business.

"(d)(1) The Director, before providing training under this section to any individual, may obtain an agreement with that individual that—

"(A) in the case of current employees, pertains to continuation of service of the employee, and repayment of the expenses of such training for failure to fulfill the agreement, consistent with the provisions of section 4108 of title 5, United States Code; and

"(B) in the case of individuals accepted for membership in the cryptologic linguist reserve, pertains to return to service when requested, and repayment of the expenses of such training for failure to fulfill the agreement, consistent with the provisions of section 4108 of title 5, United States Code.

"(2) The Director, under regulations prescribed under this section, may waive, in whole or in part, a right of recovery under an agreement made under this subsection if it is shown that the recovery would be against equity and good conscience or against the public interest.

"(e)(1) Subject to paragraph (2), the Director may provide to family members of military and civilian cryptologic personnel assigned to representational duties outside the United States, in anticipation of the assignment of such personnel outside the United States or while outside the United States, appropriate orientation and language training that is directly related to the assignment aboard.

"(2) Language training under paragraph (1) may not be provided to any individual through payment of the expenses of tuition or other cost of instruction at a non-Government educational institution unless appropriate instruction is not available at a Government facility.

"(f) The Director may waive the applicability of any provision of chapter 41 of title 5, United States Code, to any provision of this section if he finds that such waiver is important to the performance of cryptologic functions.

"(g) The authority of the Director to enter into contracts or to make grants under this section is effective for any fiscal year only to the extent that appropriated funds are available for such purpose.

"(h) Regulations issued pursuant to this section shall be submitted to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate before such regulations take effect."; and

(2) by striking out "SEC. 10." before "The "Director" and inserting in lieu thereof "(i)".

SENIOR CRYPTOLOGIC EXECUTIVE SERVICE; CRYPTOLOGIC RESEARCH GRANTS; CRYPTOLOGIC PROCUREMENT; MISUSE OF AGENCY NAME

"SEC. 603. The National Security Agency Act of 1959 is amended by adding at the end thereof the following new sections:

"SEC. 12. (a)(1) The Secretary of Defense (or his designee) may by regulation establish a personnel system for senior civilian cryptologic personnel in the National Security Agency to be known as the Senior Cryptologic Executive Service. The regulations establishing the Senior Cryptologic Executive Service shall—

"(A) meet the requirements set forth in section 3131 of title 5, United States Code, for the Senior Executive Service:

"(B) provide that positions in the Senior Cryptologic Executive Service meet requirements that are consistent with the provisions of section 3132(a)(2) of such title;

"(C) provide, without regard to section 2, rates of pay for the Senior Cryptologic Executive Service that are not in excess of the maximum rate or less than the minimum rate of basic pay established for the Senior Executive Service under section 5382 of such title, and that are adjusted at the same time and to the same extent as rates of basic pay for the Senior Executive Service are adjusted;

"(D) provide a performance appraisal system for the Senior Cryptologic Executive Service that conforms to the provisions of subchapter II of chapter 43 of such title;

"(E) provide for removal consistent with section 3592 of such title, and removal or suspension consistent with subsections (a), (b), and (c) of section 7543 of such title (except that any hearing or appeal to which a member of the Senior Cryptologic Executive Service is entitled shall be held or decided pursuant to procedures established by regulations of the Secretary of Defense or his designee);

"(F) permit the payment of performance awards to members of the Senior Cryptologic Executive Service consistent with the provisions applicable to performance awards under section 5384 of such title; and

"(G) provide that members of the Senior Cryptologic Executive Service may be granted sabbatical leaves consistent with the provisions of section 3396(c) of such title.

"(2) Except as otherwise provided in subsection (a), the Secretary of Defense (or his designee) may—

"(A) make applicable to the Senior Cryptologic Executive Service any of the provisions of title 5, United States Code, applicable to applicants for or members of the Senior Executive Service; and

"(B) appoint, promote, and assign individuals to positions established within the Senior Cryptologic Executive Service without regard to the provisions of title 5, United States Code, governing appointments and other personnel actions in the competitive service.

"(3) The President, based on the recommendations of the Secretary of Defense, may award ranks to members of the Senior Cryptologic Executive Service in a manner consistent with the provisions of section 4507 of title 5, United States Code.

"(4) Notwithstanding any other provision of this section, the Director of the National Security Agency may detail or assign any member of the Senior Cryptologic Executive Service to serve in a position outside the National Security Agency in which the member's expertise and experience may be of benefit to the National Security Agency or another Government agency. Any such member shall not by reason of such detail or assignment lose any entitlement or status associated with membership in the Senior Cryptologic Executive Service.

"(5) The Director of the National Security Agency shall each year submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate, at the time the Budget is submitted by the President to the Congress for the next fiscal year, a report on executive personnel in the National Security Agency. The report shall include—

"(A) the total number of positions added to or deleted from the Senior Cryptologic Executive Service during the preceding fiscal year;

"(B) the number of executive personnel (including all members of the Senior Cryptologic Executive Service) being paid at each grade level and pay rate in effect at the end of the preceding fiscal year;

"(C) the number, distribution, and amount of awards paid to members of the Senior Cryptologic Executive Service during the preceding fiscal year; and

"(D) the number of individuals removed from the Senior Cryptologic Executive Service during the preceding fiscal year for less than fully successful performance.

"(b) The Secretary of Defense (or his designee) may by regulation establish a merit pay system for such employees of the National Security Agency as the Secretary of Defense (or his designee) considers appropriate. The merit pay system shall be designed to carry out purposes consistent with those set forth in section 5401(a) of title 5, United States Code.

"(c) Nothing in this section shall be construed to allow the aggregate amount payable to a member of the Senior Cryptologic Executive Service under this section during any fiscal year to exceed the annual rate payable for positions at level I of the Executive Schedule in effect at the end of such year.

"SEC. 13. (a) The Director of the National Security Agency may make grants to private

individuals and institutions for the conduct of cryptologic research. An application for a grant under this section may not be approved unless the Director determines that the award of the grant would be clearly consistent with the national security.

"(b) The grant program established by subsection (a) shall be conducted in accordance with the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et seq.) to the extent that such Act is consistent with and in accordance with section 6 of this Act.

"(c) The authority of the Director to make grants under this section is effective for any fiscal year only to the extent that appropriated funds are available for such purpose.

"SEC. 14. Funds appropriated to an entity of the Federal Government other than an element of the Department of Defense that have been specifically appropriated for the purchase of cryptologic equipment, materials, or services with respect to which the National Security Agency has been designated as the central source of procurement for the Government shall remain available for a period of three fiscal years.

"SEC. 15. (a) No person may, except with the written permission of the Director of the National Security Agency, knowingly use the words 'National Security Agency', the initials 'NSA', the seal of the National Security Agency, or any colorable imitation of such words, initials, or seal in connection with any merchandise, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the National Security Agency.

"(b) Whenever it appears to the Attorney General that any person is engaged or is about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to the hearing and determination of such action and may, at any time before final determination, enter such restraining orders or prohibitions, or take such other action as it warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.".

TITLE VII—DEFENSE INTELLIGENCE AGENCY PERSONNEL PROVISIONS

DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE; MERIT PAY SYSTEM

SEC. 701. (a)(1) Part II subtitle A of title 10, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 83—DEFENSE INTELLIGENCE AGENCY CIVILIAN PERSONNEL

"Sec.
"1601. Defense Intelligence Senior Executive Service.
"1602. Defense Intelligence Agency merit pay system.
"1603. Limit on pay.

"§ 1601. Defense Intelligence Senior Executive Service

"(a) The Secretary of Defense may by regulation establish a personnel system for senior civilian personnel within the Defense Intelligence Agency to be known as the Defense Intelligence Senior Executive Service. The regulations establishing the Defense Intelligence Senior Executive Service shall—

"(1) meet the requirements set forth in section 3131 of title 5 for the Senior Executive Service;

"(2) provide that positions in the Defense Intelligence Senior Executive Service meet requirements that are consistent with the provisions of section 3132(a)(2) of title 5;

"(3) provide rates of pay for the Defense Intelligence Senior Executive Service that are not in excess of the maximum rate or less than the minimum rate of basic pay established for the Senior Executive Service under section 5382 of title 5, and that are adjusted at the same time and to the same extent as rates of basic pay for the Senior Executive Service are adjusted;

"(4) provide a performance appraisal system for the Defense Intelligence Senior Executive Service that conforms to the provisions of subchapter II of chapter 43 of title 5;

"(5) provides for removal consistent with section 3592 of such title, and removal or suspension consistent with subsections (a), (b), and (c) of section 7543 of title 5 (except that any hearing or appeal to which a member of the Defense Intelligence Senior Executive Service is entitled shall be held or decided pursuant to procedures established by regulations of the Secretary of Defense);

"(6) permit the payment of performance awards to members of the Defense Intelligence Senior Executive Service consistent with the provisions applicable to performance awards under section 5384 of title 5; and

"(7) provide that members of the Defense Intelligence Senior Executive Service may be granted sabbatical leaves consistent with the provisions of section 3396(c) of title 5.

"(b) Except as otherwise provided in subsection (a), the Secretary of Defense may—

"(1) make applicable to the Defense Intelligence Senior Executive Service any of the provisions of title 5 applicable to applicants for or members of the Senior Executive Service; and

"(2) appoint, promote, and assign individuals to positions established within the Defense Intelligence Senior Executive Service without regard to the provisions of title 5 governing appointments and other personnel actions in the competitive service.

"(c) The President, based on the recommendations of the Secretary of Defense, may award ranks to members of the Defense Intelligence Senior Executive Service in a manner consistent with the provisions of section 4507 of title 5.

"(d) Notwithstanding any other provision of this section, the Secretary of Defense may detail or assign any member of the Defense Intelligence Senior Executive Service to serve in a position outside the Defense Intelligence Agency in which the member's expertise and experience may be of benefit to the Defense Intelligence Agency or another Government agency. Any such member shall not by reason of such detail or assignment lose any entitlement or status associated with membership in the Defense Intelligence Senior Executive Service.

"(e) The Secretary of Defense shall each year submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate, at the time the Budget is submitted by the President to the Congress for the next fiscal year, a report on the executive personnel in the Defense Intelligence Agency. The report shall include—

"(1) the total number of positions added to or deleted from the Defense Intelligence Senior Executive Service during the preceding fiscal year;

"(2) the number of executive personnel (including all members of the Defense Intelligence Senior Executive Service) being paid at each grade level and pay rate in effect at the end of the preceding fiscal year;

"(3) the number, distribution, and amount of awards paid to members of the Defense Intelligence Senior Executive Service during the preceding fiscal year; and

"(4) the number of individuals removed from the Defense Intelligence Senior Executive Service during the preceding fiscal year for less than fully successful performance.

"§1602. Defense Intelligence Agency merit pay system

"The Secretary of Defense may by regulation establish a merit pay system for such employees of the Defense Intelligence Agency as the Secretary considers appropriate. The merit pay system shall be designed to carry out purposes consistent with those set forth in section 5401(a) of title 5.

"§1603. Limit on pay

"Nothing in this chapter shall be construed to allow the aggregate amount payable to a member of the Defense Intelligence Senior Executive Service under this chapter during any fiscal year to exceed the annual rate payable for positions at level I of the Executive Schedule in effect at the end of such year.".

(2) The table of chapters at the beginning of subtitle A of title 10, United States Code, and the table of chapters at the beginning of part II of such subtitle, are amended by adding after the item relating to chapter 81 the following new item:

"83. Defense Intelligence Agency Civilian Personnel..... 1601".

(b) The authority of the Secretary of Defense under chapter 83 of title 10, United States Code, as added by subsection (a), may be delegated in accordance with section 133(d) of title 10, United States Code.

TITLE VIII—PROVISIONS APPLICABLE TO MORE THAN ONE AGENCY AND EFFECTIVE DATE

EXCLUSION FROM VETERANS PREFERENCE PROVISIONS

SEC. 801. Section 2108(3) of title 5, United States Code, is amended by striking out "or the General Accounting Office" and inserting in lieu thereof ", the Defense Intelligence Senior Executive Service, the Senior Cryptologic Executive Service, or the General Accounting Office".

ACCUMULATION OF ANNUAL LEAVE NOT SUBJECT TO LIMITATION

SEC. 802. Section 6304 of title 5, United States Code, is amended by striking out subsections (f) and (g) and inserting in lieu thereof the following:

"(f) Annual leave accrued shall not be subject to the limitation on accumulation otherwise imposed by this section if such leave is accrued by an individual while serving in a position in—

"(1) the Senior Executive Service;

"(2) the Senior Foreign Service;

"(3) the Defense Intelligence Senior Executive Service; or

"(4) the Senior Cryptologic Executive Service.".

EARLY RETIREMENT

SEC. 803. Section 8336 of title 5, United States Code, is amended by inserting "(1)" after "(h)" and by adding at the end thereof the following new paragraph:

"(2) A member of the Defense Intelligence Senior Executive Service or the Senior Cryptologic Executive Service who is removed from such service for less than fully successful executive performance after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an annuity.".

INCREASES IN EMPLOYEE BENEFITS AUTHORIZED BY LAW

SEC. 804. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.

RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES

SEC. 805. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

EFFECTIVE DATE

SEC. 806. The amendments made by titles V, VI, and VII and by this title shall take effect as of October 1, 1981.

And the Senate agree to the same.

EDWARD P. BOLAND,
CLEMENT J. ZABLOCKI,
NORMAN Y. MINETA,
BOB STUMP,
J. K. ROBINSON,
G. WILLIAM WHITEHURST,
BILL YOUNG,

For such matters within the jurisdiction of the Committee on Armed Services pursuant to clause 1(c) of Rule X of the Rules of the House of Representatives:

MELVIN PRICE,
SAMUEL S. STRATTON,
WM. L. DICKINSON,

For such matters within the jurisdiction of the Committee on the Judiciary pursuant to clause 1(m) of Rule X of the Rules of the House of Representatives:

PETER W. RODINO, JR.,
DON EDWARDS,
ROBERT MCCLORY,

Managers on the Part of the House.

BARRY GOLDWATER,
MALCOLM WALLOP,
JAKE GARN,
DAVID DURENBERGER,
BILL ROTH,
HARRISON H. SCHMITT,
JOHN WARNER
(for matters of interest to Committee on Armed Services),
DANIEL PATRICK MOYNIHAN,
DANIEL K. INOUYE,
HENRY M. JACKSON,
LLOYD BENTSEN,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3454) to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, and for the Central Intelligence Agency Retirement and Disability System, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the United States Government, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—INTELLIGENCE ACTIVITIES

Due to the classified nature of intelligence and intelligence-related activities, a classified annex to this joint explanatory statement serves as a guide to the classified Schedule of Authorizations by providing a detailed description of program and budget authority contained therein as reported by the Committee of Conference.

The actions of the conferees on all matters at difference between the two Houses (stated in the classified annex, supplement and appendix that accompanied the House bill and the Senate amendment) are shown below or in the classified annex to this joint statement.

A special conference group resolved differences between the House and Senate regarding DoD Intelligence Related Activities, referred to as Tactical Intelligence and Related Activities (TIARA). This special conference group was necessitated by the differing committee jurisdictions between the two Houses and consisted of members of the House and Senate Committees on Armed Services and the House Permanent Select Committee on Intelligence.

The amounts listed for TIARA programs represent the funding levels jointly agreed to by the TIARA conferees and the House and Senate conferees for the Department of Defense Authorization Act, 1982, for those programs subject to annual authorization and contained in the Department of Defense Authorization bill. In addition, the TIARA conferees have agreed on the authorization level, as listed in the classified Schedule of Authorizations, the joint statement, and its classified annex, for TIARA programs which fall into the appropriation categories of Military Pay, Other Procurement, and Military Construction.

The Senate amendment contained a provision (Sec. 510) which would make it a federal crime to kill, or attempt to kill, CIA personnel while acting in the line of duty, intelligence defectors, or foreign visitors who are present in the United States under the auspices of the Director of Central Intelligence. The conferees agreed that such a proposal deserved consideration but recognized that the House Judiciary Committee had not had an opportunity to adequately consider the matter. The conferees therefore agreed to defer this proposal without prejudice. It was further agreed that separate legislation on this proposal would be introduced.

SECTION 103

Section 103 of the House bill provided that each individual ceiling established specifically in the Schedule of Authorizations would be a limitation on obligation and expenditure except by notification of the appropriate committees of Congress fifteen days prior to the intended obligation or expenditure. The Senate amenendment contained no similar provision.

The conferees agreed to revised language requiring that no funds may be appropriated or otherwise made available through transfer, reprogramming, etc., unless specifically authorized or unless by notification. The conferees intend that specifically authorized intelligence activities be considered as those activities described in annual budget justification material as modified by the Congress. In addition, the conferees agreed that the notification requirement is not intended to apply to reprogrammings below agreed-to dollar thresholds, releases from authorized contingency funds, or to Economy Act transactions for specific activities otherwise authorized by law. Further, the conferees agreed that while notification required under this provision should be made at least fifteen days prior to completion of the funding transaction, circumstances may occasionally require later notification.

The Administration has argued that circumstances could arise in which prior notice of an activity would be required by Section 103 but would not be required by the Intelligence Oversight Act. Whether or not such circumstances could exist, the conferees agree that should questions arise on the issue in the future, resolution should be guided by the principles of comity and mutual understanding as set forth in the statement of managers accompanying the conference report on the Intelligence Oversight Act (H. Rept. 96-1350). Under all circumstances, however, the notification of the Intelligence Committees required by this Section, must be provided.

SECTION 104

Section 105 of the House bill authorized appropriations of $11,900,000 for activities of the Federal Bureau of Investigation undertaken to counter domestic terrorism. The Senate amendment contained no such specific provision. The funding level recommended by the Senate and reflected in Section 101 of the Senate amendment, was the same as the House bill.

The conferees agreed to the House provision.

TITLE II—INTELLIGENCE COMMUNITY STAFF

CONFERENCE ACTIONS, FISCAL YEAR 1982 (SEC. 201)

[In millions of dollars]

Project	Fiscal year 1982 request	House action	Senate action	Conference authorization
External research contracts	3.1	−0.8		2.3
Personnel compensation	9.9	−1.0		8.9
Remaining ICS funding	2.4			2.4
Total ICS funding	15.4	−1.8		13.6
Total ICS manpower	(245)	(−25)		(220)

The conferees agreed to a reduction of $1.8 million for the Intelligence Community Staff. This reduction also results in the deletion of 25 previously authorized positions on the Staff.

The conferees recognize that the Director of Central Intelligence plans to transfer certain existing personnel and functions into the Intelligence Community Staff from other components. The provisions of Title II

allow for transfer of personnel for up to one year on a nonreimbursable basis. If the Director wishes to make the transfer permanent, he may recommend increased personnel ceilings next year with corresponding reduction in ceiling in the losing component.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

There were no differences at conference to be resolved on CIARDS. Both the House and the Senate authorized $84,600,000, the amount requested.

TITLE IV—SUPPLEMENTAL AUTHORIZATION, FISCAL YEAR 1981

The actions of the conferees on all matters at difference between the two Houses (stated in the classified annex and supplement that accompanied the House bill and the Senate amendment) are shown in the classified annex to this joint statement.

TITLE V—GENERAL PROVISIONS RELATING TO THE CIA

SECTION 501

The House bill contained a provision (Section 502(a)) which would permit the Director of Central Intelligence to: pay CIA officers, employees, detailees and assignees benefits and allowances comparable to those paid to members of the Foreign Service under chapter 9 of title I of the Foreign Service Act of 1980; pay other allowances and benefits to CIA personnel in connection with certain specified aspects of authorized intelligence activities; and establish travel regulations for CIA personnel inconsistent with government-wide travel procedures where important to the performance of intelligence functions. The Senate amendment (Section 505) provided similar, but more broadly drafted, grants of authority.

The conferees agreed to the House language with minor drafting changes.

The conferees note that although the language agreed to speaks in terms of benefits and allowances provided to officers, employees, detailees and assignees of the CIA, benefits and allowances may be provided under the authority of these provisions to such CIA personnel for their dependents just as under the Senate language. Thus visits by children to parents with whom they do not regularly reside would be included among the benefits that could be extended consistent with the new authority.

In agreeing to the House-recommended limitation on reimbursement for portions of travel attributable to travel within the United States, agreed to for reasons of basic fairness, the conferees discovered a disturbing aspect in their examination of these same government-wide rates of reimbursement for officially related personnel transfers. These rates are inadequate to compensate government officials for the real cost of moving from assignment to assignment. Intelligence personnel have been particularly affected because career development often requires frequent moves between major metropolitan centers at the price of considerable personal loss. The conferees believe that government-wide rates ought to be reexamined in light of this dilemma, which promises to discourage the morale and efficiency of significant numbers of intelligence personnel. The conferees believe this reassessment should come both from the executive branch, which presently limits reimbursements at levels below that permitted by law, and from the Congress, which should consider prompt revision of the present statutory authorities relating to transfer expenses.

The conferees also wish to note that the regulations under which the authorities provided to the Director of Central Intelligence may be implemented should deal with those categories and classes of cases where, under appropriate authorities, allowances or benefits may be extended. The committees wish to be provided with these regulations in advance of their implementation because of the hitherto unparalleled grant to authority which the benefits and allowances provisions confer on the Director. This requirement also applies—for the same reasons—to any subsequent modification of such regulations which involve a change of substance. The conferees wish to emphasize, however, that this review of regulations is intended only to examine the broader categories and classes of cases in which certain benefits or allowances will be extended. This review is not intended to be a case-by-case review of decisions taken pursuant to the regulations, but of the policy which guides them.

With particular reference to those authorities provided to the Director which may depart from government-wide travel procedures, it should be noted that the original House language was amended by the conferees to make clear that the decisions which the Director makes under this authority are to be made in regulations dealing with classes of cases. These classes of cases must be dealt with in the regulations, but decisions on individual cases may be delegated by the regulations to appropriate officials.

SECTION 502

The Senate amendment contained a provision (Section 503) authorizing CIA personnel to carry firearms to perform authorized CIA functions. The House bill contained no such provision.

The conferees agreed to the Senate provision, but specifically limited CIA firearms authority within the United States to protection of classified materials and information, the training of CIA personnel in the use of firearms; maintenance of the security of CIA installations and property; and protection of CIA personnel, defectors and their families, and other persons in the United States under CIA auspices.

SECTION 503

The Senate amendment contained a provision (Section 504) proscribing the unauthorized use of the CIA's name, initials or seal in a manner reasonably calculated to convey the impression that such use was authorized and authorizing the Attorney General to seek to enjoin such unauthorized use. The House bill contained no such provision.

The conferees agreed to the Senate provision, with the deletion of redundant matter.

The conferees recognize that some organizations may presently use the initials CIA as an abbreviation or logo for their business name which is other than "Central Intelligence Agency." Section 503 would not prevent legitimate use of these initials by such organizations as an abbreviation or logo for their name so long as there is no false representation of Agency endorsement. It is not the intent of this section to bar members of the public from selling or using T-shirts and souvenirs which bear the Agency's name or initials, provided that the seller or user does not falsely represent that he is acting with the approval or on behalf of the Agency. In other words, the placement of the Agency's name, initials or seal on an item of merchandise, without other facts indicating that the item is being used in a manner reasonably calculated to convey the false impression that such use is approved, endorsed or authorized by the Agency, would not be a sufficient basis for an injunction under this section.

TITLE VI—GENERAL PROVISIONS RELATED TO THE NATIONAL SECURITY AGENCY

SECTION 601

Section 502(b) of the House bill would permit the Director of the National Security Agency to provide, to a selected group of civilian and military cryptographic personnel serving in circumstances similar to those in which CIA personnel serve, benefits and allowances identical to those which could be provided to CIA employees under Section 502(a) of the House bill. The Senate amendment (Section 506) provided authority to the Director of NSA to provide benefits and allowances to NSA personnel parallel to those provided for CIA employees by Section 505 of the Senate amendment.

The conferees agreed to the House provision, including reporting requirements identical to those required by Section 501.

SECTION 602

The House bill contained a provision (Section 503) which authorizes the Director of the National Security Agency: to pay for and otherwise support language and language-related training for NSA employees, and to do so in non-governmental institutions when suitable training courses or instruction is unavailable through government language training centers; to support non-government programs furnishing such instruction when necessary programs are not available at government language training centers; to hire or contract for necessary instructors or other language experts as needed; to offer incentives to civilian NSA employees to maintain language skills not required for their present assignment or to acquire new languages; to offer similar incentives, as well as appropriate training and related benefits and allowances, to retired NSA employees or to other qualified individuals in order to establish a cryptologic linguist reserve; and to provide language training to family members of a certain class of NSA employees who perform representational duties overseas. The Senate amendment contained a provision (Section 508) providing similar authorities. The Senate provision also would extend Civil Service retirement benefits to contract employees of NSA.

The conferees agreed to the House provision with certain minor or technical changes including reporting requirements identical to those in Sections 501 and 601. The conferees also agreed that, while appropriations for language training and the operation of the cryptologic linguist reserve under the authority of Section 602 need not be a line item in applicable appropriation acts, requests for such appropriations should be clearly identified in the budget justification materials submitted to appropriate congressional committees.

SECTION 603

The Senate amendment contained provisions (Section 611-614) permitting the creation at NSA of a Senior Cryptologic Executive Service and a merit pay system similar to the Senior Executive Service and the merit pay system established by the Civil Service Reform Act of 1978. The House bill contained no such provision.

The conferees agreed to a revised version of the Senate language. This new language

closely parallels that of the Government Accounting Office's Senior Executive Service (31 U.S.C. 52-4), but achieves all the purposes of the Senate amendment.

Authority for creation of the Senior Cryptologic Executive Service and the establishment of its parameters through regulation is to lie with the "Secretary of Defense (or his designee)." This phrase was employed by the conferees because the NSA, as a Defense Agency, must remain responsive to direction from the Secretary. Ordinarily, as is the case today under other provisions of the National Security Agency Act, the Secretary delegates his responsibilities to the Director of NSA. Where appropriate, however, as where equities exist which go beyond the interest of NSA, the Secretary will be able to exercise policy guidance in the establishment of the SCES.

The conferees note that the annual report on the SCES required to be provided to the intelligence committees by the Director of NSA may be classified since it requires, in some cases, listing numbers of SCES members in certain categories.

The conferees also note that the new authorities created by this provision are in addition to and not intended to diminish any authority provided to NSA by Section 2 of the National Security Agency Act of 1959. Further, neither the Senior Cryptologic Executive Service nor the Defense Intelligence Senior Executive Service should be considered included within the definition of the "excepted service," as defined by Section 2103(a) of title 5, United States Code.

The House bill contained a provision (Section 504) which would permit the Director of the NSA to make grants for cryptologic research. Funds for this purpose were required to be shown as a line item in the applicable appropriations act. The Senate amendment contained no such provision.

The conferees agreed to accept the House language, except that funds for the cryptologic grant program need only be clearly identified in the annual NSA budget justification materials submitted to the appropriate congressional committees.

The House bill contained a provision (Section 505) providing that funds specifically appropriated to non-Defense Agencies for the purchase of cryptologic equipment, materials or services which will be purchased by NSA, acting as the central source of all such government procurements, shall remain available for three fiscal years. The Senate amendment contained no such provision.

The conferees agreed to the House provision.

The Senate amendment contained a provision (Section 507) proscribing the unauthorized use of the NSA's name, initials or seal in a manner reasonably calculated to convey the impression that such use was authorized and authorizing the Attorney General to seek to enjoin such unauthorized use. The House bill contained no such provision.

The conferees agreed to the Senate provision with the deletion of one superfluous sentence and a redrafting to make the provision identical to that pertaining to the unauthorized use of the CIA's name, initials or seal (Section 503 of the conference report). The conferees intend that this provision be interpreted just as Section 503 of the conference report.

SECTION 701

The Senate amendment contained provisions (Sections 601-605) permitting creation within the Defense Intelligence Agency of a Senior Defense Intelligence Executive Service comparable to the Senior Executive Service, providing DIA a general exemption from the classification system, extending authority to the Secretary of Defense to terminate the employment of any DIA employee when he determined such action would be in the interests of the United States, and providing that organizational, functional and personnel related information concerning DIA need not be made public. The House bill contained no similar provisions.

The conferees agreed to revised language creating a Defense Intelligence Senior Executive Service and a merit pay system at DIA. The conferees agreed not to include the other portions of the Senate amendment but agreed that these proposals deserved the scrutiny of regular hearings and consultation among all committees of appropriate jurisdiction. The authorities provided under Section 701 of the conference report are identical to those provided, in the case of the Senior Cryptologic Executive Service, by Section 603.

SECTIONS 801, 802, 803

The Senate amendment contained appropriate technical amendments (Sections 603-605, 613) applicable to both the Senior Cryptologic Executive Service and the Senior Defense Intelligence Executive Service. The House bill contained no such provision.

The conferees agreed to incorporate these provisions in similar language.

SECTION 805

The Senate amendment provided that the authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States. The House bill contained similar language applying to the entire Act.

The conferees agreed to the Senate provision.

SECTION 806

The House bill provided for an effective date of October 1, 1981 for all non-budgetary provisions. The Senate amendment provided for different effective dates for its various provisions.

The conferees agreed to the House provision.

EDWARD P. BOLAND,
CLEMENT J. ZABLOCKI,
NORMAN Y. MINETA,
BOB STUMP,
J. K. ROBINSON,
G. WILLIAM WHITEHURST,
BILL YOUNG,

For such matters within the jurisdiction of the Committee on Armed Services pursuant to clause 1(c) of Rule X of the Rules of the House of Representatives:

MELVIN PRICE,
SAMUEL S. STRATTON,
WM. L. DICKINSON,

For such matters within the jurisdiction of the Committee on the Judiciary pursuant to clause 1(m) of Rule X of the Rules of the House of Representatives:

PETER W. RODINO, Jr.,
DON EDWARDS,
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Managers on the Part of the House

BARRY GOLDWATER,
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JAKE GARN,
DAVID DURENBERGER,
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JOHN WARNER

(for matters of interest to Committee on Armed Services),

DANIEL PATRICK MOYNIHAN,
DANIEL K. INOUYE,
HENRY M. JACKSON,
LLOYD BENTSEN,

Managers on the Part of the Senate.

MAKING IN ORDER ON TUESDAY, NOVEMBER 17, 1981, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 3454, INTELLIGENCE AUTHORIZATION ACT, FISCAL YEAR 1982

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that it be in order on tomorrow, Tuesday, November 17, 1981, or any day thereafter, to consider the conference report on the bill (H.R. 3454) to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, and for the Central Intelligence Agency retirement and disability system, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ANNOUNCEMENT BY CHAIRMAN OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE

Mr. BOLAND. Mr. Speaker, I wish to announce that the classified annex to the statement of managers accompanying the conference report is available for inspection by any Member in the offices of the Permanent Select Committee on Intelligence from 8:30 a.m. to 5 p.m. Monday through Friday.

THE HOME CARE ALTERNATIVE

(Mr. RATCHFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RATCHFORD. Mr. Speaker, in his press conference last week, President Reagan made a convincing pitch for home health care that I hope he will begin to incorporate in his administration's programs for the aged and infirm.

Until now, the administration has shown little sensitivity to the sound arguments for home care. But the President's remarks about the young child from Cedar Rapids whose severe illness could be better and less expensively treated in her own home signal an important change in approach.

Now let us see what the President plans to do to make home health care a feasible, affordable alternative to institutionalization.

Will the administration now reverse its "institutional bias" that led it to reimpose arbitary medicare rules on the number of covered visits to at-home patients by health personnel?

Will it rethink its block-grant consolidation, and steep cuts in healthcare programs that, in the State of Connecticut alone, will reduce by up to 30 percent the key nutrition, transportation, day care, and other services that allow many of our chronically ill elderly to lead safe, independent lives in their own homes?

Mr. Speaker, will this administration finally recognize that there is simply no more humane and economical way to care for many of the chronically ill than to care for them at home? That is a recognition, and a commitment, millions of Americans eagerly await.

REVENUE-SHARING REDUCTIONS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, last Friday morning, I was the guest speaker at the Seventh Annual Kentucky Association of Counties' Meeting at the Kentucky Dam Village Convention Center in Gilbertsville, Ky. I spoke about the need for revenue sharing and about my opposition to substantial cutbacks in this program.

Several of the officials there asked that I give the same message to my colleagues here in the House. It is difficult to understand how Congress can continue to find billions of dollars for foreign aid to many countries, some of which are unfriendly to the United States, and yet tell our State and local officials that there is going to be less and less money for revenue sharing, hurting State and local governments even more than they are hurting already.

State and local finances are already being squeezed, and squeezed tight. We all know that revenue sharing is used more for operating expenses than for anything else. I feel that revenue sharing is important for a number of reasons. It allows local officials wide discretion to respond to the many demands of their constituents. The low administrative cost of revenue sharing makes it one of the least inflationary aid programs for local governments.

The current cutbacks will cost Kentucky $400 million this fiscal year alone. Our State government in Kentucky has already made two huge budget cuts and has gouged $285 million from State welfare, health and education programs.

The budget cuts that have already taken effect and those being contemplated make the options tougher for local governments. The question is, Where are they going to get the funds to maintain county roads, jails, garbage collection systems, emergency medical, and ambulance services? Where are they going to trim?

The President is continuing his research for more than $100 billion in unidentified budget cuts, including in the revenue-sharing fund, or tax increases to balance the Federal budget. I strongly feel that the Federal budget could come closer to being balanced with revenue-sharing programs kept intact, if foreign aid were cut to countries nonsupportive of the United States. I am opposed to substantial reductions in the revenue-sharing funds.

HAIL "COLUMBIA"

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, the second flight of the Space Shuttle *Columbia* which ended Saturday with a magnificent landing at Edwards Air Force Base in California places the United States firmly in the lead in a new age of transportation which will revolutionize our world much the same as the internal combustion engine, the automobile, and the airplane.

The achievement of actually reusing a vehicle which has previously flown in space makes a milestone in world history.

The accomplishment is a marvel of design, construction, and administration which has never before been seen by mankind and I feel inadequate to properly express the pride I feel not only in the event itself, but in all those who have been so dedicated to its completion.

While we all applaud our astronauts Joe Engle and Richard Truly as aviation heroes, they would be the first to recognize the achievements of others who make their voyages possible—the thousands of workers in our aerospace industry, the mission support personnel, and the unstinting support of the American people.

To a certain degree the successes of our space program are beginning to reap negative rewards and this causes me great concern.

I have noticed during this recent voyage that there has been an increasing tendency in the press to use such phrases as "trouble-plagued Shuttle" to describe the second *Columbia* mission, when actually the mission marks only a halfway point in a series of four test flights.

We must not forget that the Shuttle is not an operational system.

It is doing now precisely what it is intended to do; demonstrate which of its component systems require additional design modifications so that it will work even more efficiently during its operational phase.

As long as we have been building automobiles and airplanes, we still experience mechanical problems with them.

The Shuttle, by comparison, is a brand new and highly complicated machine which could not be fully tested until it was in space.

I would ask our countrymen to keep that thought in mind when considering that more than 90 percent of assigned goals were accomplished in its abbreviated mission, that the decision to shorten the mission was based on sensible preflight contingency plans made during calm days when neither the spacecraft nor its crew were in any danger, and that the system was designed with sufficient reserves of power so that the mission probably could have been completed as originally scheduled.

The Shuttle team operated with the cool professionalism which we have learned to expect of them. Few can say it better than the prophetic poet Joseph Hopkinson:

"Hail Columbia! Happy land!
Hail, ye heroes! Heaven-born band!
Let independence be our boast,
Ever mindful what it cost;
Ever grateful for the prize,
Let its altar reach the skies."

PRESIDENT REAGAN SHOULD APPOINT SPECIAL PROSECUTOR TO INVESTIGATE WRONGDOING IN THE WHITE HOUSE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, last April, President Reagan became the first President in history to endorse the concept of protecting from reprisal Federal employees who blow the whistle on illegality, waste, fraud, abuse, mismanagement, or dangers to public health and safety. I promptly wrote the President to congratulate him on his courageous stand, but told him unless Federal employees felt something was likely to be done about their allegations of wrongdoing, most Federal employees who are aware of impropriety will remain silent.

Last week, the President demonstrated his approach to whistleblower protection. OMB Director David Stockman went public, albeit perhaps accidentally, with serious charges of misrepresentations to Congress, unseemly political deals, fraudulent accounting, and public deception. Rather than firing David Stockman, as others, uncommitted to whistleblower protection, suggested, Presi-

dent Reagan kept Stockman in his job. Although it is reported that Mr. Stockman will lose responsibilities as a result of his disclosure, I am pleased that the President abided by his own injunction against firing whistleblowers.

Still, nothing is being done by the President to investigate the substance of Mr. Stockman's charges. Is supply-side economics nothing but Herbert Hoover style trickle down theory? Was the tax bill just a Trojan Horse to lower the top rate? Is it true that the Reagan administration would prefer to win on an unjustified proposal than lose on a responsible one? Was the promise of a balanced budget in 1984 a fraud from the start? Did the administration have a spy in meetings of the Democratic Caucus of the Budget Committee? These and other questions must be investigated and resolved. President Reagan should demonstrate his commitment to whistleblower protection by appointing a special inspector general to investigate wrongdoing in the White House.

NATION NEEDS TO RESTRAIN FEDERAL SPENDING IN MEETING NATIONAL OBLIGATIONS

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAUB. Mr. Speaker, we in this Congress have been faced with a great many changing circumstances since we began this session last January. There is one circumstance that has not changed and in fact has become only more and more clear: The need to restrain Federal spending to avoid an even larger deficit.

We have an opportunity today to demonstrate to those who do not believe this Congress is capable of fiscal responsibility that we do in fact have the strength and the wisdom to hold spending down.

If we so desired, we could always find a reason to spend billions more. There will always be worthy causes, noble aims, or just people who could use a little more help. There is no end to the services we could provide or the individuals we might assist. There is only a limit to the resources we can employ and as we anticipate a Federal deficit that threatens to crowd out needed lending funds that create growth, jobs, and opportunity for our people, it is quite clear that we have reached that limit.

The imperative that faces us today is that of demonstrating the will of this Nation to meet its obligations. Those obligations include assisting the needy and providing for the aged and infirm but they also include political courage to draw the line when it comes to spending we cannot afford.

TRIBUTE TO SPACESHIP "COLUMBIA"

(Mr. WINN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WINN. Mr. Speaker, I, too, want to join my colleague from Florida, Mr. FUQUA, in paying tribute to all of those involved in the successful flight of Shuttle II, *Columbia.* I want to pay tribute to the NASA employees, to the support contractors, to the backup crews, and to all of those involved in making this another successful flight for *Columbia.*

I want to pay tribute to the crew, Joe Engle and Dick Truly, and their wives who have given these men all of the support possible to make this a great and successful flight, Mary Engle and Cody Truly.

I want to pay tribute to the Members of Congress that have supported this program as long as they have, allowing NASA to continue funding this research and development program for our future flight and science endeavors.

DEMOCRATIC DEMAGOGUES

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, I thought I had seen unmitigated gall, but now I have seen the limit.

It was here, in this very Chamber, not more than 4 months ago that the Democrats bitterly attacked the President's tax cuts. I remember the demagoguery very clearly: "It is welfare for the rich," Democrats said.

Well, that is all well and good. They did not like it, they did not vote for it. Except, look at this:

This is a newsletter from one of our Democratic colleagues, an example of many similar mailings during the past few months.

The letter outlines in some detail the provisions of the tax cut bill. There is a cute little piggy bank here representing savings benefits. And here is a clock to catch the eye of the retirees and let us not forget this big pile of money to draw attention to the estate tax provisions.

Considering what the Democrats said during the debate on the tax cuts, you would think this newsletter would have been sent only to people earning more than $50,000 a year. Right? Wrong.

This newsletter was mailed postal patron, to every taxpayer in my colleague's district, demonstrating that for all the demagoguing we heard last summer, even the Democrats know that the President's tax cuts will help all taxpayers.

One other thing, Mr. Speaker, the Member who mailed this newsletter voted against the tax cuts. For some reason I do not happen to see that little item mentioned anywhere. But then, you Democrats have never been shy about trying to grab the credit for a popular idea, or running away from the blame when your big spending programs failed.

ALASKA NATURAL GAS WAIVERS DEBATE

(Mr. CORCORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CORCORAN. Mr. Speaker, in 1968 natural gas was discovered in great abundance at Prudhoe Bay on the North Slope of Alaska. We found some 26 trillion cubic feet of gas. Since that time the President of the United States and the Congress have been involved in developing a regulatory procedure so we would get that gas down to the lower 48 States. However, since the initial discovery and since some 4 or 5 years ago when we constructed the original legislation, market conditions and related national policies have changed.

Now it looks as though the sponsors of the pipeline project will not be able to market that gas at the same price as was originally intended. As a result, they have requested Presidential waivers and concurrence by the Congress in legislation to, in effect, make gas consumers serve as collateral to finance the project.

In the next several days I will bring to my colleagues in the House information on these proposed waivers, because under the expedited procedure involved we will have only 1 hour of debate. I know there are many factors to consider, but I would hope that in reviewing this matter on the merits the House would reject the waivers.

CONTINUING RESOLUTION

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, today we face another crucial test of our resolve. Once again, we must ask ourselves whether we are committed to taking meaningful action to reduce Federal spending.

This Congress has shown the American people that it is dedicated to restoring fiscal responsibility to the Federal Government. The people have come to expect us to continue this commitment.

Passage of the continuing appropriations bill would prove to the citizens of this country that their confidence in us was misplaced. The President has demonstrated to the Nation that Federal spending must be cut further. We

cannot, then, vote in favor of a continuing appropriations bill which would authorize excessive spending.

Instead, we must send a clear message to the people. We must show them that we do not intend to waiver from our course of lowering spending by the Federal Government. I strongly urge my colleagues to vote for recommittal of the continuing appropriations bill with instructions that spending levels for domestic programs be reduced by 5 percent. Only by such action can we continue to merit the confidence of the citizens of this Nation.

EXCEPTIONS BECOMING THE RULE IN LEGISLATIVE PROCESS

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, having only been here 3 years in this House, I guess I am still learning about the process. I recall the first year I was here when I was instructed very carefully by veterans in the House as to how we enact the people's business in a very particular way. We do that with respect to funding by a very specific process of appropriation bills.

Then, of course, last year I learned for the first time we were going to have a continuing resolution that was an omnibus continuing resolution covering the entire Federal Government. At that time it was said, well, this is an exception; it has never been done before, and we should not allow it to happen again.

□ 1245

So what happens this year, in my third year?

We have the expiration of one continuing resolution up against which we will find ourselves on Friday. And what is the solution? Is the solution to go back and pare down and really work hard on those appropriations bills? No. We have another omnibus continuing resolution; but this time it is one which will take us to the end of the year.

So now the exception is becoming the rule.

Mr. Speaker, in my previous duties I practiced law and often had to explain to people that medical and legal malpractice were not the result of evil actions, but the result of misjudgments. In view of the continuing resolution it seems to me that we are very much guilty of legislative malpractice in this House.

LET'S KEEP THE PROMISE WE MADE TO THE AMERICAN PEOPLE

(Mr. MORRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON. Mr. Speaker, later this afternoon we will consider a bill which will make continuing appropriations for the fiscal year of 1982. It is unfortunate that we could not pass our appropriations measures in a more timely fashion. However, the continuing appropriations provides us an opportunity to make the necessary reductions which will allow us to stay on the road to economic recovery.

When we are asked to vote on the continuing resolution this afternoon there will be a motion to recommit with instructions to reduce discretionary domestic spending by 5 percent across the board. This motion will reduce the budget authority for fiscal year 1982 by $6.4 billion and reduce outlays by $3.7 billion.

This motion will not supersede the appropriations process, but will provide the incentive for the timely completion of the appropriations bills which still must be considered.

As we consider this motion, let us think in simple terms of what it will accomplish. It will reduce our deficit. It will reduce Federal borrowing. And, it is a step toward lower interest rates.

Many of us have pledged to trim the fat from the Defense budget. Approval of Mr. MICHEL's motion will accomplish this. Defense appropriations will be cut twice that of domestic programs.

The 5-percent, across-the-board reduction in domestic programs will achieve about half of the reductions requested by the President in September. It is a reasonable and needed reduction.

We all know this continuing resolution is in excess of what the Nation can afford and to pass it as reported would be a great disservice to those who are counting on us to keep our commitment to fiscal responsibility.

When we are judged as representatives it will be on the basis of our commitment to the goals we have set for ourselves. I urge my colleagues to vote yes on the motion to recommit and keep the promise we made to the American people.

REPORT ON PAY ADJUSTMENTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-111)

The SPEAKER pro tempore (Mr. RATCHFORD) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

In accordance with the provisions of section 5305 of title 5 of the United States Code, I hereby report on the pay adjustments I ordered for the Federal statutory pay systems in October 1981.

The Secretary of Labor, the Director of the Office of Management and Budget, and the Director of the Office of Personnel Management, who serve jointly as my pay agent, found that an overall increase of about 15.1 percent in general schedule rates of pay would be required to achieve comparability with private sector pay as that concept and process are defined in the Pay Comparability Act of 1970. The Advisory Committee on Federal Pay agreed with that finding.

While I fully support the comparability principle as the best basis for determining Federal pay, I believe that significant changes are required in the way that principle is currently defined and implemented. Therefore, last March, the administration transmitted to the Congress proposed legislation to revise and strengthen the comparability process. At that time, it was estimated that the revised process would result in an overall increase in Federal pay of about 4.8 percent in October 1981.

The reform proposal has not yet been acted upon in Congress, but in accordance with our economic recovery program, the Congress included in the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) provisions that limited this October's Federal civilian pay adjustments to the same 4.8 percent. Accordingly, on August 31, 1981, I sent to the Congress an alternative plan which called for an increase of 4.8 percent at each grade. Neither House of Congress disapproved this alternative plan, so on October 15, 1981, I signed Executive Order No. 12330 implementing it.

Under that Executive order:

The scheduled rates of pay under the statutory pay systems (the general schedule, the Foreign Service schedule, and the schedules for the Department of Medicine and Surgery of the Veterans' Administration) were increased by 4.8 percent in accordance with the alternative plan.

The scheduled rates of pay for the Vice President and the executive schedule and congressional and judicial salaries were increased, under the provisions of Public Law 94-82, by the overall 4.8 percent in rates of pay under the general schedule.

The scheduled rates of pay for the Senior Executive Service were increased under the provisions of section 5382 of title 5 of the United States Code based on the new rate of pay for GS-16, step 1, of the general schedule and the new rate of pay for level IV of the executive schedule.

The scheduled rates of pay and allowances for members of the uniformed services were increased by

amounts ranging from 10 percent to 17 percent depending on pay grade in accordance with the provisions of sections 101 and 102 of the Uniformed Services Pay Act of 1981 (Public Law 97-60) approved October 14, 1981.

The order also reflects the effect of section 101(c) of Public Law 97-51 (the continuing resolution approved October 1, 1981), which contains limitations on payable salaries for certain top level Government positions.

I am transmitting herewith copies of the reports of my pay agent and the Advisory Committee on Federal Pay, the alternative plan, and the Executive order I promulgated to put these pay adjustments into effect.

RONALD REAGAN.

THE WHITE HOUSE, *November 16, 1981.*

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 357, FURTHER CONTINUING APPROPRIATIONS, 1982

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 271 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 271

Resolved, That upon the adoption of this resolution it shall be in order to consider, clause 2(1)(6) of rule XI to the contrary notwithstanding, the joint resolution (H.J. Res. 357) making further continuing appropriations for the fiscal year 1982, and for other purposes, in the House. Debate on said joint resolution shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 271 is the rule providing for consideration of House Joint Resolution 357 which makes further continuing appropriations for fiscal year 1982. The current continuing resolution under which the Federal Government is now being funded will expire at midnight, November 20, a few short days from now. According to an opinion of the Attorney General issued on April 25, 1980, Federal agencies must cease operations unless Congress enacts the necessary appropriations. Mr. Speaker, the rule reported from committee will permit this House to act expeditiously to insure the Government's continued operation.

Mr. Speaker, House Resolution 271 is a simple rule. It waives clause 2(1)(6) of rule XI which would otherwise force this continuing resolution to layover for 3 days, excluding Saturday and Sunday. The committee has granted this waiver because it feels that the Appropriations Committee report and the resolution are straightforward and easily comprehended, despite the magnitude of the expenditures involved. Mr. Speaker, this continuing resolution has been widely reported and discussed. Members have had more than sufficient time to acquaint themselves fully with all of its aspects. No purpose is served by delaying action any further.

Mr. Speaker, this rule provides for 2 hours of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. In addition, the continuing resolution will be debated in the House and the previous question will be considered as ordered. The effect of this procedure will be to preclude the offering of any motion or amendment to the joint resolution. Nonetheless, the rule preserves the traditional rights of those in the minority opposed to the bill by providing for a motion to recommit. In this particular instance, because the resolution will not have been amended, a motion to recommit with instructions would be in order. Thus, the minority would be able to offer any single amendment or amendment in the nature of a substitute that would be germane to the bill.

Mr. Speaker, since the rules of the House provide for only 10 minutes of debate on a motion to recommit, the Committee on Rules has expanded the time of general debate so that the minority would have ample opportunity to discuss any alternative that it may wish to bring forth.

Mr. Speaker, the unique circumstances in which the House finds itself has dictated the rule which the committee is recommending. Of the 13 appropriations bills covered by this continuing resolution, 12 have been reported from committee and 11 have passed the House. The resolution provides that as each appropriations bill is enacted into law, it will be disengaged from the continuing. In most instances, then, the issues raised by the level of funding for each particular program or agency have been fully debated and the will of the House made known. In order to permit the legislative process to continue without severe disruptions to the orderly function of the Federal Government, this continuing resolution must be enacted without further delay.

Mr. Speaker, the Appropriations Committee should be commended for its yeoman's efforts in responding to ever-changing fiscal initiatives and their related economic assumptions. The level of spending reported by the committee in this continuing resolution is below that recommended by the administration in March.

Mr. Speaker, the rule which is before the House will not only permit the consideration of a continuing resolution which reflects the will of the House expressed on 11 different occasions but will also protect the position of the House in its negotiations with the other body on these important fiscal matters. If this resolution is enacted in its present form, the normal appropriations process will be allowed to continue so that rational and considered judgments may be made on these issues.

Mr. Speaker, I urge the adoption of this rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Massachusetts (Mr. MOAKLEY) has described the provisions of the rule, and we all are most anxious to get down to the debate on the continuing resolution.

However, I would like to point out to the Members of the House that when we had this measure before the Rules Committee, an amendment was offered to allow the gentleman from Illinois (Mr. MICHEL) to offer an amendment to cut across the board certain programs. The amendment had not been printed in the RECORD, but the proponent agreed that it would be a limited amount. The amendment to the rule was defeated.

Another amendment offered to the rule was to let the continuing resolution expire on March 31, 1982. That was defeated.

Mr. Speaker, it was obvious, from listening to the debate in the Rules Committee, that the continuing resolution was greased. I believe that this House will abrogate its position in controlling appropriations if a continuing resolution is passed without cuts for a period of the rest of this fiscal year. This is no criticism of the Appropriations Committee, which has met and voted out appropriations bills for all of the departments, with the exception of one. The House has acted on all but two. The others are being held up in the Senate or in conference.

And, Mr. Speaker, a motion to recommit will be offered, with a cut of 5 percent across the board on each program which is covered. I think this is significant because it will bring the total amount down closer to the proposal of the President of the United States and will not suffer, in my opinion, the tragedy of a veto.

So I would alert all Members of the House to be on the lookout when we get into the debate on the continuing resolution for this amendment on a motion to recommit.

I also understand that there will be a move on the other side of the aisle to vote down the previous question to provide for consideration of an amendment to allow the continuing resolution to expire on March 31.

So even though the resolution was greased in the Rules Committee, with all Republicans voting for each amendment offered and, on the other side, every member voting the other way, with the exception of one on one of the amendments. I hope the motion to recommit prevails.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. WALKER).

□ 1300

Mr. WALKER. I thank the gentleman from Tennessee for yielding to me, and Mr. Speaker, I rise because I think what we are doing here today on this bill is a travesty, and I think that the way in which we ought to deal with that travesty is to vote down this rule.

What we are literally doing is saying that the entire year of spending for the Federal Government is going to be wrapped into one bill and we are going to vote on that bill in a matter of a couple of hours, literally without amendments this afternoon.

Now, it seems to me that that calls into question exactly what we have been proceeding to do for months in this House, first of all, trying to make a budget and then trying to appropriate, and I mean this as no criticism to our Appropriations Committee, I think they have done pretty well. I think what they have done over a period of months in terms of getting our appropriations done is good, but we have had delays in the other body, we have had delays in the conference committee. But that should not be solved by 1 year of continuing appropriations.

I think what we should do, I think what we ought to be doing is legislating for a far less period of time, appropriating over a shorter period of time. Understandably we have to go with the continuing resolution, but to go with a continuing resolution for an entire year, which literally spends every dime of Federal money, it seems to me, wipes out what this legislative process is all about.

I am reminded of the kinds of things that were said when we considered another similar resolution on the floor a couple of months back, and I am reminded of the statement of the gentleman from New York (Mr. BINGHAM), who said:

> These are gloomy hours for those of us who believe in the dignity of the Congress of the United States * * *. The budget process has become a travesty, and it must be changed so that this kind of railroading of billions of dollars of program changes cannot happen again * * *

The gentlewoman from New York (Ms. FERRARO) who said:

> On top of that, we consider the "mystery package" under a rule—and when the Republicans draw up a gag rule, they mean for the whole Congress to choke on it—that allows no amendments at all from the floor except a package of technical amendments that are not subject to any points of order regarding germaneness of anything else * * * the process tramples 200 years of legislative traditions.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania (Mr. WALKER) has expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WALKER. Then I remember the Speaker of this House, the gentleman from Massachusetts (Mr. O'NEILL) who said:

> There is no doubt that there is utter confusion. And why should there not be? Copies of the amendment are now available for the first time, and most of the members have not even seen the bill * * *. Now, I think in fairness to both sides of the aisle, the committee ought to rise at this particular time.

It is the same situation here. The Members do not know what is in the package we are considering and most Members are not aware we are considering a budget package that is going to continue for the entire year.

I think that process is wrong and I think the way we ought to proceed is, first of all, shorten the amount of time in the resolution; second, I would hope we do not have this kind of foolishness foisted on us again.

Mr. FORD of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. I thank the gentleman for yielding.

Wonders of all wonders, this seems to be the week of mea culpas.

I thought I heard the gentleman say that none of us knew what we were voting on in Gramm-Latta. That is one of the reasons I voted against it at the time and perhaps the reason he voted for it.

When I came on the floor a few moments ago, I had the impression that we were talking about the rule on the continuing resolution until I heard the gentleman's preliminary remarks, and then it sounded very much like he was describing the midnight amendment of some thousand pages that we received last year, the Gramm-Latta amendment.

I am very happy that he cleared that up by pointing out that, indeed, he has learned a lesson from the way in which we adopted legislation controlling the level of support for all programs for 3, not 1, fiscal years.

Mr. WALKER. Mr. Speaker, I think I have the time and I take back my time.

The point I am making to the gentleman is that the procedure that he—I should not say he—some of his compatriots on the other side criticized a few months ago is precisely the procedure that they are using now, and if there is a mea culpa it seems to me in bringing this kind of resolution to the floor it points out that——

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania (Mr. WALKER) has expired.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. The gentleman from Pennsylvania (Mr. WALKER) and I are really in agreement, and I do want to be associated with those people who objected to the way the Gramm-Latta amendment hit the floor. But I just point out one very distinct difference. This resolution comes to the floor as the result of the normal committee action of all of the affected subcommittees and the full Committee on Appropriations with both parties in this House exercising their legislative responsibilities. That is the way legislation should come to the floor.

It affects only 1 year, not 3 years in advance, as in the Gramm-Latta amendment, which as my colleagues know, was not seen by anybody except its multiple authors over at OMB before it came to the floor.

Mr. WHITTEN. Mr Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Mississippi (Mr. WHITTEN), the chairman of the Appropriations Committee.

Mr. WHITTEN. May I call to the attention of the membership as well as my friend from Pennsylvania, that this continuing resolution continues only until we pass the individual bills, then they drop out from coverage of this resolution. We get another budget on January 15, unless we adopt a full year bill, we will face it again in spring. We have had six different budget recommendations submitted to the Appropriations Committee. We have worked hard to accommodate the President. It is imperative that we adopt this resolution, otherwise we would have two budgets before us.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. CAMPBELL).

Mr. CAMPBELL. There are two points that I think we ought to be cognizant of in this.

One, I would address to the gentleman who made the statement a while ago about the difference between the procedures of the Gramm-Latta legislation and the procedure of this one following the normal legislative process and touting that as a major difference.

I think that we should also be aware, as the distinguished gentleman from

Tennessee has pointed out, that in the normal process of legislating, things do go through committee. But, we should also be aware that the Committee on Rules is very disproportionate in its representation, and, therefore, is not representative of the whole body, and so, therefore, I do not think that the analysis given by the gentleman was accurate at all.

The second thing that I would like to point out is that if we pass this continuing resolution, and the gentleman from Mississippi is absolutely right, that other appropriations do govern; but if we pass it, and the President were to veto other appropriations bills going through, then in fact the resolution would govern and the programs would continue on the basis of however they were outlined in the resolution, either as a House passed or Senate whatever.

However, the thing that concerns me is that if we do pass it at the present level then we may be in fact precluding the Presidential veto that could come on any regular appropriations bill, because if he vetoed and was sustained, this resolution is going to control anyhow.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say I do not differ with the gentleman except that I believe our President will want the Government to keep running after Friday while we straighten this out. Should the President veto the individual bills we will have something to fall back on. This continuing resolution is substantially below the total of all the bills. We can operate at a lower level while we straighten out any differences with the President on the other bills, but I believe my President would want the Government to continue to operate.

Mr. CAMPBELL. If I may reclaim my time, I agree with the distinguished chairman except for one thing, and that is that I do not think that while letting this resolution go for a full year as opposed to cutting it off in March that we are doing the right thing because we are precluding the Presidents involvement and negating the right he has to exercise a veto on individual appropriation bills.

The SPEAKER pro tempore. The time of the gentleman from South Carolina (Mr. CAMPBELL) has expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from South Carolina.

Mr. CAMPBELL. But by cutting it off in March, then, in fact, we let the appropriations process go ahead and work and if the President does veto it is incumbent upon us to act on that and that would be the controlling factor.

Mr. WHITTEN. For 2 straight years we have been waiting for the appropriations process to work. We did not seek this job of coming here to keep the Government operating. The last time we faced a similar situation was in June, we had 422 amendments by the Senate. We got through it in 1 day. We got it through the House in 2 hours. Because of the delay in the Senate we are being drafted.

Mr. CAMPBELL. I would reclaim my time and say I compliment the chairman on the job that the House Appropriations Committee has done which has been tremendous. They are not in any way at fault, but I do not think we ought to cut off our options just because we are clean.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I just want to thank the gentleman for his remarks, because I think he points out what we are doing is locking in higher levels of spending than the President may want.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. LUNGREN).

Mr. LUNGREN. Mr. Speaker, I think we ought to make clear that we are not trying to throw blame on anybody. We recognize that certain people are in very difficult situations here. But the question is whether we in the House will finally decide that it is necessary for us to do something.

As I pointed out in my 1-minute speech, last year we had for the first time an omnibus continuing resolution. We were told it was an exceptional circumstance, it had never been done before, it would not be repeated. So what happens? We come back the very next year and we do the very same thing and it carries us through a limited period of time. So we are back here again.

Again we have not done our duty, whether it is the Members of the House or of the Senate, or all of us combined. Now we are up against the question on Friday, and we hear the same arguments. If we do not vote for this continuing resolution, the social security checks will not go out, we will not be able to pay our soldiers overseas, we will not be able to do this or that; and after a while someone has to say, "Wait a minute. Let us just stop here and ask what we are doing."

Are we going to continue to create the excuses year after year so that we never really get down to the business of voting on specific levels of appropriations, and are we going to do an end run around a Presidential veto?

It is obvious that last week the House showed that the President could sustain a veto in this Chamber on the Interior appropriations.

What happens now? If we pass this continuing resolution as it is, the President can veto the Interior appropriation bill. Then it will come back here. We do not have to do a thing. The level which was in last week's bill—now contained in the continuing resolution—will control.

In other words, we will have taken away the Presidential veto as a prerogative of the President.

It seems to me a little strange that some on the other side of the aisle should be criticizing this President because the deficit is going to be higher than he had projected, and then take away the only tool he has to bring it down.

What we are saying here is we have done a lousy job this year and we think we are going to do a lousy job next year. We should not accept that type of reasoning.

Therefore, let us not give away the ability to deal with the problem.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, certainly the Appropriations Committee of the House and the other body have tried their best to get these appropriations bills through the whole process, but the fact remains that they have not, and therefore, they have gone to this procedure of a continuing resolution.

What worries me is that this whole process is basically wrong. For the second year in a row we are going to proceed on a continuing resolution. Are we ever again going to be able to get the regular appropriations bills through the process or are we going to continue forever on a continuing resolution?

It is being brought to the floor under what amounts to a closed rule.

Now the distinguished minority leader, the gentleman from Illinois (Mr. MICHEL), went to the Rules Committee. He asked that an amendment be made in order that he could offer in the House, which was not made in order. That amendment would simply call for a 5-percent reduction in the eight broad categories not now at or below the President's budget requests. He came to the Rules Committee. He made that plea. But it was not made in order.

Therefore, an amendment by the minority to be offered by our leader, can only be offered as a motion to recommit with instructions, not the best procedural opportunity to offer such an amendment. But he will offer that motion to recommit with instructions at the appropriate time, which would make this 5-percent reduction.

I might also say that an amendment was offered in the Rules Committee that had been requested by a number of Members, both Democrats and Republicans, that would change the date

to March 31, but that also was rejected. In fact, all we got under this rule—and I appreciate that little bit—is instead of having only 1 hour to discuss this great big full year continuing resolution, we will have 2 hours in which to talk about what we are doing in this process.

So I just say that I think the rule is unfair. I think this procedure is ridiculous.

I would urge my colleagues to support the motion to recommit with instructions that the minority leader will offer to reduce these eight categories that are well over the President's budget requests in most instances. We are talking about March or September.

One thing that worries me is that it is hard to judge what we are really talking about in the way of figures. What happens if one of these bills is sent to the President and is vetoed and that veto is sustained? Then would we go back to the high level of the conference report? The answer is "Yes."

So I think that there are many inherent dangers in what we are doing here.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Illinois (Mr. YATES).

□ 1315

Mr. YATES. Mr. Speaker, can the gentleman tell us why in the motion of the distinguished minority leader there is no provision made for reducing either by 5 percent or a lesser figure any of the defense appropriations?

Mr. LOTT. I assume this will be discussed in the general debate, but I am advised that it is because defense, military construction, D.C., and foreign aid are now at or below the President's budget request already. In fact, instead of it being at the President's budget request, another 5 percent would take it well below that.

I would like very much not to have the foreign aid provision, for instance, excluded; but the fact is those four are already at or below the President's request.

Mr. EDGAR. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I would be glad to yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding. I would like to compliment the gentleman on part of his statement.

I appreciate the leadership that the gentleman has given in terms of changing the September 30 to the March 31 date. As the gentleman knows, I will be offering an amendment, if it is made in order, allowing for a substitute motion to provide for only one additional amendment and that is that we change the date from September 30 to March 31.

I want to thank the gentleman for his support of that effort in the Rules Committee, but also would like to ask the gentleman if it is not the case that if we are successful in defeating the previous question and if the minority does have the opportunity to offer a substitute motion, that the only major change in that substitute motion will be the opportunity for the gentleman from Pennsylvania to offer an amendment to limit this resolution to March 31.

Mr. LOTT. Well, I think there are some questions in that regard that we need to clear up.

First of all, I assume if those circumstances should develop that the amendment by the distinguished leader, the gentleman from Illinois (Mr. MICHEL) will also be in order as an amendment, and not as the motion to recommit with instructions.

Mr. EDGAR. That is correct, and that will be in the motion that will be before the House, but I think those two areas are the only changes that will be made in the rule.

Mr. LOTT. That would be my understanding.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Speaker, I would like to raise with my colleagues the following arguments for voting down the previous question on this rule. I do so because I think there is bipartisan agreement among a large number of Members of the House who believe that this 1 year continuing resolution process is very dangerous.

I think that the continuing resolution for all appropriations until September 30 of 1982 is unprecedented in terms of the length of time and it also thwarts, in my opinion, the congressional appropriations process.

I would hope that the House of Representatives would only use the continuing resolution for a very narrow set of days or weeks or months so that we have the pressure on the Senate to come forward and act its will.

It has been said several times in the opening debate that our Appropriations Committee has acted in good faith. We have passed our appropriation bills and sent them on to the Senate. It is the Senate of the United States that has not come back to the House with adequate agreement. It is the Senate of the United States that is thwarting action. I would hope that we would challenge the other body, not by giving an annual year-long continuing resolution, but narrowing that date.

If we are successful in voting down the previous question, I have received agreement on the part of the minority leader, the gentleman from Illinois (Mr. MICHEL) to offer an amendment which would be a substitute rule which would provide for two things: First, it would allow the gentleman from Pennsylvania to offer an amendment to change the date from September 30, 1982, to March 31.

Second, it would provide, as does this resolution, an opportunity for the gentleman from Illinois (Mr. MICHEL) to have a vote up or down on his 5-percent motion.

Mr. Speaker, I think that the open-ended continuing resolution removes any incentive for continued work on the regular appropriations bill. Issues remaining to be solved on many of these bills would be left entirely to a House-Senate conference committee on the continuing resolution.

Mr. Speaker, I think there is nothing left to this House, no real authority, unless we have only a temporary continuing resolution. I would prefer a December 15 date and put the pressure on the other body in the few days before Christmas to come to grips with all 13 appropriations bills. That is not possible; so I would hope that the House would give us an opportunity to act in an up or down vote on whether or not March 31 is a more reasonable temporary continuing resolution or whether we are going to eliminate all of our authority as an Appropriations Committee and as a House in simply moving to this year long appropriations process.

I make three specific points that I think have to be clear. This House only operates appropriately when it has deadlines. This continuing resolution to September 30 waives all deadlines and it is my belief that many of the appropriations bills will never find their way to the President's desk and that we will simply lag in our constitutional mandate in putting on the President's desk the annual appropriation.

The second point that I would like to make is that perhaps this action today is the best evidence of why we should move to a 2-year appropriation in the budget process. I think we are demonstrating to the American public that we simply cannot handle the legislative agenda in an annual appropriation.

Perhaps whichever way this resolution goes today, this will add some momentum to those who believe that we ought to have a 2-year appropriation process giving us adequate time to deal with budgets and appropriations and adequate time to deal with authorization.

One final comment that I would like to make. There is agreement that if we vote down the previous question, we will have the opportunity to vote not only on the Michel amendment, but also the opportunity to shorten the string, shorten the time frame, and commit ourselves to a more narrow focus on the continuing resolution,

thereby mandating pressure on the Senate and continuing the regular appropriation process.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if anyone in the House is concerned about any cut in social security payments as a result of the amendment of the gentleman from Illinois (Mr. MICHEL), forget it. It does not cut social security. It does not cut veterans' benefits. It will not cut the food stamp program or the various agencies and programs mentioned by the gentleman from Mississippi (Mr. LOTT); so I think it is a reasonable motion to recommit and that it should be passed to bring spending down so that the measure could possibly be signed by the President.

After all, it is our responsibility and if we are going this route, we want to be sure that we are right.

Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I would like to ask the gentleman from Mississippi (Mr. LOTT) a couple of questions about the minority proposal.

As I understand it, the Michel amendment, if offered, would make a 5-percent reduction in all programs; is that correct?

Mr. MICHEL. Mr. Speaker, if I might respond, if the gentleman will yield, the 5-percent across-the-board cut on discretionary programs excludes the entitlement programs, excludes the defense bill because it is considerably under what the President requested as it comes out of the committee, and excludes military construction.

Mr. SEIBERLING. Well, I would like to ask a further question. Will the President be able to decide perhaps within that overall percentage how it is to be allocated?

Mr. MICHEL. No, he will not. I would expect, anticipating the gentleman's question, that the amendment would operate just as the continuing resolution does now, except for making that additional 5-percent cut in each individual line item.

Mr. SEIBERLING. Well, let me ask the next question. Will the President retain the power of deferrals for the duration of the period covered by the continuing resolution, so that he can make further cuts, in effect, even though they go beyond this?

Mr. MICHEL. Of course, the President already has that authority under the Budget Act. We are not denying him any of that authority in this amendment.

Mr. SEIBERLING. Therefore, what is gained by making the 5-percent cuts now, since the President can, in effect, go way beyond them if he so desires?

Mr. MICHEL. Well, I would question that, because of what has happened in times past. I just think that this House has an obligation and an opportunity here to speak its own mind before we ever go to the other body.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. MOAKLEY. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I wonder if the gentleman from Illinois (Mr. MICHEL) could explain to me one other thing. Why should we not have an assurance that if this 5-percent cut is applied to the various programs that there will be no deferrals on the part of the executive with respect to those same programs? Otherwise, we are just playing games here.

Mr. MICHEL. Well, I would not prejudge whatever the President would have in mind on this particular statement of the gentleman, other than to say that I think we have an obligation as responsible legislators to do what we think is right for the moment and then, of course, the next step would be up to the executive branch and whether or not we would attempt to negate what further deferrals the President might suggest to the Congress.

Mr. SEIBERLING. Well, we had the experience, under the current continuing resolution, that it was hardly passed before the President made his 12-percent deferral cuts, for the period covered by the continuing resolution.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I will be happy to yield to my friend, the gentleman from Mississippi, but before doing so, would simply say that, of course, on any rescission or deferral, the Congress has an opportunity to work its will, as we all know.

Mr. LOTT. Well, as a matter of fact, if the gentleman will yield, that was one question I wanted to ask, or statement I wanted to make, that as a matter of fact these deferrals can be overriden by a majority of one House; plus, is the gentleman aware that the language in this continuing resolution mandates spending at levels contained in the resolution, rather than setting these levels as ceilings, as in previous continuing resolutions.

Mr. SEIBERLING. Does that in effect cut out the deferral power with respect to those?

Mr. LOTT. Well, I guess I am propounding that as a question, because it mandates the spending levels contained in the resolution, rather than setting them at ceilings as in the past; so I think there is some question about that.

Mr. SEIBERLING. Well, if the gentleman will yield further, it seems to me that is a very important point and if they in effect are mandated and the deferrals cannot be applied to them, that makes quite a difference, it seems to me, and might make it much more palatable to some of us on this side of the aisle.

Mr. LOTT. Well, that is a very good point and I would have to agree. I wonder maybe if some member of the committee, maybe the chairman, could answer that question about language mandating the spending.

The SPEAKER pro tempore. does the gentleman care to restate the question?

Mr. LOTT. Well, the question was, I understand in the resolution that it mandates spending at levels contained in the resolution, rather than setting these levels as ceilings, as was the case in previous continuing resolutions. With that language in there, I have to wonder what effect deferrals would have or may be ruled out by this language.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. It is my understanding that they are not ruled out. In the preceding continuing resolution we used the words, "not to exceed." That was used by the Office of Management and Budget to say that this was a ceiling, rather than a specific amount.

To obviate that and to keep it from arising again, and to require the Office of Management and Budget to comply with the Budget Act and require the President to send down a deferral or a rescission when necessary, we struck out "not to exceed" and fixed a flat amount.

Now, there is an argument, as the gentleman can realize, between the executive branch and the legislative branch as to how far the Office of Management and Budget should exercise control.

There is some argument on our side as to whether they have a right to cut that which has been mandated; but to make the record clear as to what the facts are, the other resolution, the one under which we are operating right now and expires Friday night, had the language "not to exceed." We eliminated those words and hope it will bring the OMB back within the law, so if there is any withholding it will be done through deferrals or rescissions as is provided by law.

□ 1330

Mr. CAMPBELL. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield.

Mr. CAMPBELL. Mr. Speaker, I would like to ask a question of the chairman if I might, just to make sure

the last point is clear. The intent of putting in the ceiling is not to take away or negate the Budget Act provision that allows the President to send up a deferral?

Mr. WHITTEN. That provision was mandated by the Congress some time ago. The Executive cannot waive all the requirements of the Budget Act in carrying out his program; he still must comply with the requirements of the law.

Mr. CAMPBELL. The intent in this continuing resolution is not to take away the right of the President to send up a deferral?

Mr. WHITTEN. No; it is to get him to do that instead of just holding the money.

Mr. CAMPBELL. That is the way I understood it, and I just wanted to make sure that we knew the President would have the right of deferral.

Mr. WHITTEN. That is a matter of law and for his judicial determination.

Mr. CAMPBELL. I would ask the gentleman when I finish my statement——

Mr. WHITTEN. I say to the gentleman from South Carolina that we are not trying to impose anything new on the executive branch. It is just that we do not want them imposing on us.

Mr. CAMPBELL. I understand that, and I think the gentleman is clear, but the argument took place right before that and I think may have clouded it. I wanted to make sure we understood that we, one, were not putting a ceiling on this thing, and they do not have an option not to spend it; and two, we do not take away their right to send up a deferral.

Mr. WHITTEN. The gentleman has described it properly, and may I say he deserves some considerable credit because he is the one who raised this point and made it clear.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. Yes.

Mr. SEIBERLING. So it comes down to the gentlement's amendment, this, that if is adopted, the President can still go beyond that by sending up deferrals, and of course technically the House can reject them, but in fact under the existing continuing resolution I do not believe the House has rejected any of them bcause of the difficulties and, practically speaking, in rejecting such a deferral.

Mr. MICHEL. Well, if the recommendation of the committee is secured here of 1 year of life of the resolution, of course we still have an opportunity as a body to act in opposition to what the President has proposed.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EDGAR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 185, nays 174, not voting 74, as follows:

[Roll No. 299]

YEAS—185

Addabbo	Frank	Nichols
Albosta	Frost	Nowak
Alexander	Fuqua	O'Brien
Annunzio	Garcia	Oakar
Anthony	Gaydos	Oberstar
Aspin	Gejdenson	Obey
AuCoin	Gephardt	Ottinger
Bailey (PA)	Gingrich	Panetta
Barnes	Ginn	Patman
Beilenson	Gonzalez	Patterson
Benjamin	Gramm	Pease
Bevill	Gray	Pepper
Biaggi	Green	Perkins
Bingham	Hall (OH)	Pickle
Boggs	Harkin	Price
Boland	Hawkins	Pritchard
Boner	Heckler	Rahall
Bonior	Heftel	Rangel
Bouquard	Hillis	Ratchford
Bowen	Hollenbeck	Roe
Breaux	Horton	Rostenkowski
Brinkley	Howard	Roybal
Brodhead	Hoyer	Sabo
Burton, Phillip	Hubbard	Savage
Cheney	Hughes	Scheuer
Clinger	Hutto	Schumer
Coelho	Jacobs	Seiberling
Collins (IL)	Jeffords	Shannon
Conable	Jones (NC)	Simon
Conte	Jones (OK)	Skelton
Conyers	Jones (TN)	Smith (IA)
Coyne, William	Kastenmeier	Smith (PA)
Crockett	Kazen	St Germain
D'Amours	Kildee	Stanton
Danielson	Kogovsek	Stark
Davis	LaFalce	Stokes
de la Garza	Lantos	Stratton
Dellums	Lewis	Studds
Derrick	Long (MD)	Stump
Dicks	Lowry (WA)	Swift
Dingell	Luken	Synar
Dixon	Markey	Taylor
Donnelly	Martin (IL)	Traxler
Dorgan	Matsui	Vento
Downey	Mavroules	Volkmer
Dunn	McDade	Washington
Dwyer	McHugh	Watkins
Dymally	McKinney	Waxman
Dyson	Michel	Weaver
Early	Miller (CA)	Weiss
Edwards (AL)	Mineta	White
Ertel	Minish	Whitley
Evans (IN)	Moakley	Whitten
Fary	Moffett	Williams (MT)
Fascell	Molinari	Wirth
Fazio	Mollohan	Wolpe
Ferraro	Montgomery	Wright
Fish	Murtha	Wyden
Flippo	Myers	Yates
Foley	Natcher	Young (MO)
Ford (MI)	Neal	Zeferetti
Ford (TN)	Nelson	

NAYS—174

Anderson	Badham	Benedict
Applegate	Bafalis	Bennett
Archer	Bailey (MO)	Bereuter
Ashbrook	Barnard	Bethune
Atkinson	Beard	Bliley
Broomfield	Hall, Ralph	Parris
Brown (CO)	Hall, Sam	Pashayan
Brown (OH)	Hamilton	Paul
Broyhill	Hammerschmidt	Porter
Burgener	Hansen (ID)	Pursell
Butler	Hansen (UT)	Quillen
Campbell	Hartnett	Railsback
Carman	Hendon	Regula
Carney	Hightower	Rinaldo
Chappie	Hiler	Ritter
Clausen	Holt	Roberts (KS)
Coats	Hopkins	Roberts (SD)
Collins (TX)	Huckaby	Robinson
Corcoran	Hunter	Roemer
Courter	Ireland	Rogers
Coyne, James	Jenkins	Roth
Craig	Johnston	Roukema
Crane, Daniel	Kemp	Rousselot
Crane, Philip	Kindness	Russo
Daniel, Dan	Kramer	Schneider
Daniel, R. W.	Lagomarsino	Schroeder
Dannemeyer	Latta	Schulze
Daub	Leach	Sensenbrenner
Deckard	LeBoutillier	Sharp
DeNardis	Lent	Shaw
Derwinski	Levitas	Shelby
Dickinson	Loeffler	Shumway
Dougherty	Lott	Shuster
Dreier	Lowery (CA)	Skeen
Duncan	Lujan	Smith (AL)
Eckart	Lundine	Smith (NE)
Edgar	Lungren	Smith (NJ)
Edwards (OK)	Marks	Smith (OR)
Emerson	Marlenee	Snowe
Emery	Marriott	Snyder
English	Martin (NC)	Solomon
Erdahl	Martin (NY)	Spence
Evans (DE)	Mazzoli	Staton
Evans (GA)	McClory	Stenholm
Evans (IA)	McCloskey	Tauke
Fenwick	McCollum	Tauzin
Fiedler	McCurdy	Trible
Fields	McEwen	Vander Jagt
Findley	McGrath	Walgren
Foglietta	Miller (OH)	Walker
Fountain	Mitchell (NY)	Weber (MN)
Fowler	Moore	Weber (OH)
Frenzel	Moorhead	Whitehurst
Glickman	Morrison	Winn
Goodling	Mottl	Wolf
Gregg	Murphy	Yatron
Grisham	Nelligan	Young (FL)
Gunderson	Oxley	Zablocki

NOT VOTING—74

Akaka	Goldwater	Petri
Andrews	Gore	Peyser
Bedell	Gradison	Reuss
Blanchard	Guarini	Rhodes
Bolling	Hagedorn	Richmond
Bonker	Hance	Rodino
Brooks	Hatcher	Rose
Brown (CA)	Hefner	Rosenthal
Burton, John	Hertel	Rudd
Byron	Holland	Santini
Chappell	Hyde	Sawyer
Chisholm	Jeffries	Shamansky
Clay	Leath	Siljander
Coleman	Lee	Solarz
Coughlin	Lehman	Stangeland
Daschle	Leland	Thomas
Dornan	Livingston	Udall
Dowdy	Long (LA)	Wampler
Edwards (CA)	Madigan	Whittaker
Erlenborn	Mattox	Williams (OH)
Fithian	McDonald	Wilson
Florio	Mica	Wortley
Forsythe	Mikulski	Wylie
Gibbons	Mitchell (MD)	Young (AK)
Gilman	Napier	

□ 1345

The Clerk announced the following pairs:

On this vote:

Mr. Richmond for, with Mr. McDonald against.

Mr. Peyser for, with Mr. Erlenborn against.

Mr. Florio for, with Mr. Wampler against.

Mr. Guarini for, with Mr. Young of Alaska against.

Mr. Reuss for, with Mr. Dornan of California against.

Mr. Mitchell of Maryland for, with Mr. Rudd against.

Mrs. Chisholm for, with Mr. Gradison against.

Mr. Solarz for, with Mr. Petri against.

Mr. Leland for, with Mr. Siljander against.

Mr. Udall for, with Mr. Whittaker against.

Mr. Edwards of California for, with Mr. Wortley against.

Mr. John L. Burton for, with Mr. Hagedorn against.

Mr. Gilman for, with Mr. Lee against.

Mr. Williams of Ohio for, with Mr. Stangeland against.

Mr. Akaka for, with Mr. Madigan against.

Mr. Clay for, with Mr. Wylie against.

Mrs. HECKLER, Mr. FORD of Tennessee, Mr. JONES of Oklahoma, and Mr. STOKES changed their votes from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 197, nays 169, not voting 67, as follows:

[Roll No. 300]

YEAS—197

Addabbo	Downey	Jacobs
Albosta	Duncan	Jeffords
Alexander	Dunn	Jones (NC)
Anderson	Dwyer	Jones (TN)
Annunzio	Dymally	Kastenmeier
Anthony	Dyson	Kazen
Aspin	Early	Kildee
AuCoin	Edwards (AL)	Kogovsek
Badham	Ertel	LaFalce
Bailey (PA)	Evans (IN)	Lantos
Beilenson	Fary	Lewis
Benjamin	Fascell	Livingston
Bennett	Fazio	Loeffler
Bevill	Ferraro	Long (MD)
Biaggi	Fish	Luken
Bingham	Flippo	Markey
Boggs	Foglietta	Matsui
Boland	Foley	Mavroules
Boner	Ford (MI)	McDade
Bonior	Ford (TN)	McHugh
Bonker	Frank	McKinney
Bouquard	Frost	Michel
Bowen	Fuqua	Mikulski
Breaux	Garcia	Miller (CA)
Brinkley	Gaydos	Mineta
Brodhead	Gejdenson	Minish
Broomfield	Gephardt	Moakley
Burton, Phillip	Ginn	Moffett
Campbell	Gonzalez	Molinari
Carman	Gramm	Mollohan
Clay	Gray	Montgomery
Coelho	Green	Murtha
Collins (IL)	Guarini	Myers
Conte	Hall (OH)	Natcher
Conyers	Hall, Ralph	Neal
Coyne, William	Hall, Sam	Nelligan
Crockett	Hammerschmidt	Nelson
D'Amours	Harkin	Nichols
Danielson	Hawkins	Nowak
Davis	Heftel	O'Brien
de la Garza	Hightower	Oakar
Dellums	Hillis	Obey
Derrick	Hollenbeck	Ottinger
Dicks	Howard	Panetta
Dingell	Hubbard	Patman
Dixon	Huckaby	Patterson
Donnelly	Hutto	Pease
Pepper	Shelby	Washington
Perkins	Simon	Watkins
Pickle	Skeen	Waxman
Price	Skelton	Weaver
Quillen	Smith (IA)	Weber (OH)
Rahall	Smith (PA)	Weiss
Rangel	St Germain	White
Ratchford	Stanton	Whitley
Rodino	Stark	Whitten
Rosenthal	Stokes	Williams (MT)
Rostenkowski	Stratton	Winn
Roybal	Studds	Wirth
Sabo	Swift	Wolpe
Savage	Synar	Wright
Scheuer	Taylor	Wyden
Schumer	Traxler	Yates
Seiberling	Vento	Zablocki
Shamansky	Volkmer	Zeferetti
Shannon	Walgren	

NAYS—169

Applegate	Fowler	Moorhead
Archer	Frenzel	Morrison
Ashbrook	Gingrich	Motti
Atkinson	Glickman	Murphy
Bafalis	Goodling	Oberstar
Bailey (MO)	Gregg	Oxley
Barnard	Grisham	Parris
Barnes	Gunderson	Pashayan
Beard	Hamilton	Paul
Benedict	Hansen (ID)	Porter
Bereuter	Hansen (UT)	Pursell
Bethune	Hartnett	Railsback
Bliley	Heckler	Regula
Brown (CO)	Hendon	Rinaldo
Brown (OH)	Hiler	Ritter
Broyhill	Holt	Roberts (KS)
Burgener	Hopkins	Roberts (SD)
Butler	Horton	Robinson
Carney	Hoyer	Roe
Chappell	Hughes	Roemer
Chappie	Hunter	Rogers
Cheney	Ireland	Roth
Clinger	Jenkins	Roukema
Coats	Johnston	Rousselot
Collins (TX)	Jones (OK)	Russo
Conable	Kemp	Schneider
Corcoran	Kindness	Schroeder
Courter	Kramer	Schulze
Coyne, James	Lagomarsino	Sensenbrenner
Craig	Latta	Sharp
Crane, Daniel	Leach	Shaw
Crane, Philip	LeBoutillier	Shumway
Daniel, Dan	Lent	Shuster
Daniel, R. W.	Levitas	Smith (AL)
Dannemeyer	Lott	Smith (NE)
Daub	Lowery (CA)	Smith (NJ)
Deckard	Lowry (WA)	Smith (OR)
DeNardis	Lujan	Snowe
Derwinski	Lundine	Snyder
Dickinson	Lungren	Solomon
Dorgan	Madigan	Spence
Dougherty	Marks	Staton
Dreier	Marlenee	Stenholm
Eckart	Marriott	Stump
Edgar	Martin (IL)	Tauke
Edwards (OK)	Martin (NC)	Tauzin
Emerson	Martin (NY)	Trible
Emery	Mazzoli	Vander Jagt
English	McClory	Walker
Erdahl	McCloskey	Weber (MN)
Evans (DE)	McCollum	Whitehurst
Evans (GA)	McCurdy	Wolf
Evans (IA)	McEwen	Yatron
Fiedler	McGrath	Young (FL)
Fields	Miller (OH)	Young (MO)
Findley	Mitchell (NY)	
Fountain	Moore	

NOT VOTING—67

Akaka	Dowdy	Hefner
Andrews	Edwards (CA)	Hertel
Bedell	Erlenborn	Holland
Blanchard	Fenwick	Hyde
Bolling	Fithian	Jeffries
Brooks	Florio	Leath
Brown (CA)	Forsythe	Lee
Burton, John	Gibbons	Lehman
Byron	Gilman	Leland
Chisholm	Goldwater	Long (LA)
Clausen	Gore	Mattox
Coleman	Gradison	McDonald
Coughlin	Hagedorn	Mica
Daschle	Hance	Mitchell (MD)
Dornan	Hatcher	Napier
Petri	Santini	Whittaker
Peyser	Sawyer	Williams (OH)
Pritchard	Siljander	Wilson
Reuss	Solarz	Wortley
Rhodes	Stangeland	Wylie
Richmond	Thomas	Young (AK)
Rose	Udall	
Rudd	Wampler	

□ 1400

The Clerk announced the following pairs:

On this vote:

Mr. Richmond for, with Mr. McDonald against.

Mr. Peyser for, with Mr. Erlenborn against.

Mr. Florio for, with Mr. Wampler against.

Mr. Reuss for, with Mr. Dornan of California against.

Mr. Mitchell of Maryland for, with Mr. Rudd against.

Mrs. Chisholm for, with Mr. Gradison against.

Mr. Solarz for, with Mr. Petri against.

Mr. Leland for, with Mr. Siljander against.

Mr. Udall for, with Mr. Whittaker against.

Mr. Edwards of California for, with Mr. Wortley against.

Mr. John L. Burton for, with Mr. Hagedorn against.

Mr. Akaka for, with Mr. Hyde against.

Mr. Williams of Ohio for, with Mr. Young of Alaska against.

Mr. Pritchard for, with Mr. Jeffries against.

Mr. Forsythe for, with Mr. Lee against.

Mr. Gilman for, with Mr. Stangeland against.

Messrs. HORTON, CHAPPELL, and HOYER changed their votes from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. WHITTEN. Mr. Speaker, pursuant to the resolution just adopted, I call up the joint resolution (H.J. Res. 357) making further continuing appropriations for the fiscal year 1982, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution as follows:

H.J. RES. 357

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1982, and for other purposes, namely:

SEC. 101. (a)(1) Such amounts as may be necessary for projects or activities (not otherwise specifically provided for in this joint resolution) for which appropriations, funds, or other authority would be available in the following appropriation Acts:

Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1982, notwithstanding section 15(a) of the State Department Basic Authorities Act of 1956 and section 701 of

the United States Information and Educational Exchange Act of 1948, as amended;

District of Columbia Appropriation Act, 1982;

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1982;

Department of Transportation and Related Agencies Appropriation Act, 1982; and

Treasury, Postal Service and General Government Appropriation Act, 1982.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed the House as of October 1, 1981, is different from that which would be available or granted under such Act as passed by the Senate as of October 1, 1981, the pertinent project or activity shall be continued under the lesser amount or the most restrictive authority: *Provided*, That where an item is included in only one version of an Act as passed by both Houses as of October 1, 1981, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations of the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriation Acts for the fiscal year 1981: *Provided further*, That for the purposes of this joint resolution, when an Act listed in this subsection has been reported to a House but not passed by that House as of October 1, 1981, it shall be deemed as having been passed by that House: *Provided further*, That for the purposes of establishing a rate for operations, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1982, as passed the House on October 6, 1981, shall be deemed as having passed the House as of October 1, 1981: *Provided further*, That funds which would be available under H.R. 4121, entitled the Treasury, Postal Service and General Government Appropriation Act, 1982, for the Government payment of annuitants and employees health benefits, shall be available under the authority and conditions set forth in H.R. 4121 as reported to the Senate on September 22, 1981.

(4) Whenever an Act listed in this subsection has been passed by only one House as of October 1, 1981, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations of the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriation Acts for the fiscal year 1981.

(5) No provision which is included in an appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act of 1981, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in the joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate.

(b) Such amounts as may be necessary for continuing programs and activities, not otherwise provided for, which were conducted in the fiscal year 1981, for which provision was made in section 101(b) of Public Law 96-536 regarding foreign assistance and related programs, notwithstanding section 10 of Public Law 91-672, and section 15(a) of the State Department Basic Authorities Act of 1956, at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority.

(c) Such amounts as may be necessary for continuing activities which were conducted in the fiscal year 1981, for which provision was made in the Department of Defense Appropriation Act, 1981, at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower and under the more restrictive authority until such time that the Department of Defense Appropriation Act, 1982, is reported in or subsequently passed by the House of Representatives, whereupon such amounts as may be necessary shall become available at a rate for operations for activities and under the terms and conditions as provided for in such appropriation Act for the fiscal year 1982 as reported in or passed by the House of Representatives.

(d) Such amounts as may be necessary for projects or activities for which provision is made in the Energy and Water Development Appropriation Act, 1982, at a rate for operations and to the extent and in the manner as provided for in such Act as passed the House of Representatives on July 24, 1981.

(e) Such amounts as may be necessary for projects or activities for which provision is made in the Military Construction Appropriation Act, 1982, at a rate for operations and to the extent and in the manner as provided for in such Act as passed the House of Representatives on September 16, 1981.

(f) Such amounts as may be necessary for projects or activities provided for in the Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1982 (H.R. 4034), at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (H. Rept. No. 97-222) filed in the House of Representatives on September 11, 1981, as if such Act had been enacted into law.

(g) Such amounts as may be necessary for projects or activities provided for in the Department of Interior and Related Agencies Appropriation Act, 1982, at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (H. Rept. No. 97-315) filed in the House of Representatives on November 5, 1981, as if such Act had been enacted into law.

(h) Such amounts as may be necessary for projects or activities provided for in the Agriculture, Rural Development, and Related Agencies Appropriation Act, 1982, at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (H. Rept. No. 97-313) filed in the House of Representatives on November 4, 1981, as if such Act had been enacted into law.

(i) Such amounts as may be necessary for continuing the following activities which were conducted in fiscal year 1981 but at a rate for operations not in excess of the current rate—

activities of the Department of State for contributions to the United Nations Relief and Works Agency for Palestinian Refugees notwithstanding section 10 of Public Law 91-672, and section 15(a) of the State Department Basic Authorities Act of 1956.

(j) Such amounts as may be necessary, not in excess of the budget estimate transmitted on November 9, 1981, for operation, improvement, transfer, and closure of Public Health Service hospitals and clinics.

(k) The provisions of section 305(a), (b) and (d) of H.R. 4120, entitled the Legislative Branch Appropriation Act, 1982, shall apply to any appropriation, fund, or authority made available for the period October 1, 1981 through September 30, 1982, by this or any other Act.

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall be available from November 20, 1981, and shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) September 30, 1982, whichever first occurs.

SEC. 103. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 104. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 105. All obligations incurred in anticipation of the appropriations and authority provided in this joint resolution for the purposes of maintaining the minimum level of essential activities necessary to protect life and property and bringing about orderly termination of other functions are hereby ratified and confirmed if otherwise in accordance with the provisions of this joint resolution.

SEC. 106. No provision in any appropriation Act for the fiscal year 1982 that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 102(c) of this joint resolution.

The SPEAKER pro tempore. Pursuant to the rule the gentleman from Mississippi (Mr. WHITTEN) will be recognized for 1 hour, and the gentleman from Massachusetts (Mr. CONTE) will be recognized for 1 hour.

The Chair recognizes the gentlemen from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, in view of the fact that this continuing resolution affects all operations of Government, I shall yield for the purposes of debate only during the course of consideration of this resolution.

May I say that I am here not from choice but by the reason of being elected as chairman of the Appropriations Committee and due to the changes that we made in procedures

several years ago. We are faced with and have been faced with an almost untenable position this year.

Your Committee on Appropriations in the last Congress, the 96th Congress, had 10,215 witnesses before the committee. Because we are, in the final analysis, in the Congress and in the House particularly, the forum for the people of the United States, as a result, we must have hearings.

We have had before us this year some 30 or so messages from the Executive and the Office of Management and Budget in connection with the budget. We have done our best to hold hearings on these matters. We have passed 11 bills, have reported one other in September, and later today will report out the Defense appropriations bill.

In 1974 the Congress changed the fiscal year extending it 3 months from July 1 to October 1 so the Congress would have more time to complete their actions on budget matters. But that did not cure anything.

You will recall that last year the House passed all appropriation bills and for reasons best known to themselves, some of which I understand, the other body did not act on all of them. In checking the rules I saw no reason or anything to prohibit us from putting all of the bills that we had passed earlier into a comprehensive bill and send it back over to the Senate. We have done that in this continuing resolution to some extent so that the Government might continue to operate.

I would like to call to the attention of my colleagues two or three things. One of them is that the date of this continuing resolution is effective to the end of this fiscal year. This is in case it is needed because if any bill is enacted into law it comes out from under the resolution.

Last month I introduced another resolution, based on our earlier experience for 90 days. I introduced it over my name and on my own best judgment. It was for 90 days and would have expired February 20.

Then my attention was called to the fact that on January 15 we would have the next year's budget coming before the Congress and the committee. So then some of my colleagues asked me, what if the President vetoes these bills? What if this and what if that?

I do not think our President wants to let the Government shut down and be inoperative. So by having a continuing resolution that goes for a full year we backup the bills and I want to repeat again, it continues only if you do not pass the appropriation bill for a particular department, and if you do it drops out from under it immediately and automatically. So we are not trying to tie any bill to this resolution for the full fiscal year.

Not only that, but this bill is below the President's request of March and of September. Any motion to recommit and reduce another 5 percent is in addition to the reductions the President has requested. When the respective bills come up later, this may not be true. But it is true insofar as the resolution that we have before us today. That picture could and probably will change as the regular bills are acted upon and when this resolution goes to the other body. I say further to my colleagues who want to cut it 5 percent more at this time, you are taking the responsibility because you will be cutting an extra 5 percent not requested by the President.

Where are you cutting this? You are cutting it by 5 percent from the discretionary funds, you are surrendering your responsibility to the executive branch. I respectfully submit, and I thank my friend from Florida, Mr. PEPPER, who I first heard say this, our form of government is like the Russian troika, that is the three-horse chariot; the only way it could go forward is to all pull together.

I make no complaints about statements made by others that the President might veto this bill or another bill. I am a lawyer. That is within his authority. That is his responsibility. That is his obligation. If that is the way he feels, personally I have no complaint about it. Neither can I as the Appropriations Committee chairman complain. I cannot speak for all 55 Members, but should he do so there would be no bad feeling on my part.

But I would call attention to the fact if this resolution comes back from the President, for all purposes we start over again. There is no way under our system of government for items to be vetoed but the whole bill comes back and considering the current situation, I do not know what will come out.

I assure you personally I am and will be trying to make the Government work.

So I want to call attention to those facts. You may wonder when you read the bill that you have before us as to why you have a difference on this department, that department, and another. This is a resolution that I had to do with writing. We are trying to protect the House position. And since the bills have reached the various stages in the orderly procedure of becoming the law, we tried to write a resolution that fit each bill in order to best protect the House position.

□ 1415

Now, what will follow when we pass this resolution or a continuing resolution? We go to conference with the Senate. Now, is it smart business to tie the hands of the appropriations conferees in advance of a conference with the other body? We need all of the weapons we have to protect the position of the House. But speaking as chairman of the Appropriations Committee, once you have done the best you can, I find it is my responsibility to do my part to keep the faith with the House of Representatives so that when we go to conference we will have in front of us all of the possibilities to try and resolve the differences in the best possible manner.

Now, I do not now what the other body is going to do. I do read where there is quite a difference between segments of the Senate in the same party. And then, of course, we live in a political atmosphere and in a political world. But I assure you that my position here is not motivated by politics of any kind. It is a holding action forced on us about 2 years ago when we began to deviate from the Budget Act.

As Members know, I was chairman of the study committee, senior cochairman of the committee that came up with the Budget Act recommendations. We provided in these recommendations for the first budget resolution to provide targets, on the grounds that, with the beginning of the Congress, targets are all you can have on a sound basis. After you have worked through it you may have missed your target, then you reconcile what you have coming in with what you agreed to tentatively expend. But you do it at the end of the process, not at the beginning.

Now, the provisions of the Budget Act requiring that were waived this year and last. The Budget Committee has waived these requirements of the budget law. So they have fixed these figures at the beginning of the process contrary to the law itself.

Now, they acted in good faith, and we have tried for 2 years to wc¬k with it. But whatever you may feel about that approach, it has had the effect of me standing here on behalf of the Appropriations Committee and bringing you a continuing resolution of this magnitude. But wherever you stand on this, there are two or three things that you cannot get around. One of them, the bill before us is below President Reagan's recommendations of March and of September, and the 5-percent reduction in the proposed motion to recommit is additional to that. Not only is it an additional cut, which the folks are going to know was made by the House, not only that, but it leaves the executive branch running the business of the people's branch, the House of Representatives of the Congress of the United States. I cannot believe that that is a sound procedure. I cannot believe anybody wants tc go home and say that, after they have taken the fat out, we went further and took some bone and muscle.

Now, let me repeat what happened last fiscal year. The President request-

ed our Committee on Appropriations—listen to this—the President requested that we rescind $15.1 billion. We assigned in the Committee on Appropriations the respective parts to the appropriate subcommittees which knew the subject. We came up with and you adopted it here, a cut of $14.3 billion. I do not believe any legislative body ever cooperated more fully with any executive branch in the history of this Republic along this magnitude. The Congress cut $14.3 billion, with only about 4 months left of the fiscal year. And it did not create a ripple because the subcommittees knew where the cuts should be made. For addition, we also reduced the requests for supplemental appropriation so, in toto, we were under the figures submitted by the executive branch.

We lived within the March budget on a net basis and this resolution is within the September budget. From March they ask for a reduction of 12 percent more. Now, why? Primarily because the estimates on which the March budget based proved to be bad; primarily because they were trying to make up for the things that we read about, what the tax cut had done and where other economic assumptions proved to be far too optimistic. Maybe you read in the paper recently where IBM bought from Ford Motor Co. hundreds of millions of dollars of tax credits so as not to have to pay as much tax. I also saw where General Electric has bought the tax credits of Chrysler Corp., so as to avoid taxes. So we are placed in a bind.

But whatever you may feel about any of these things, I repeat: In the absence of this bill, at midnight, November 20, under the ruling of the Attorney General, at least four-fifths of the Government will come to a halt.

We do not have much time between now and Friday night. The Senate will not have much time to study it. What we have here is a holding action while we try to get the regular appropriation bills finalized. They are working on their side. We are working on our side.

The other thing to keep in mind is that we have cooperated fully.

Another thing to remember is that this bill as we bring it to you is below the President's recommendations of March and of September.

Not only that, but your Committee on Appropriations has dealt with many, many recommendations from downtown in dealing with this matter.

So I say to you again that this is the people's branch. I would not say it is illegal, but certainly it is unwise and not in keeping with the obligations under the Constitution to surrender to the executive branch or the judicial branch the responsibilities that are given to us under the Constitution. That is to fix the amounts of appropriations, to make the appropriations, to set out the purposes of the appropriations, and, under section 628 of title 31 of the United States Code, to see that the appropriations are used for the purposes for which they are appropriated.

So I expect to talk further in connection with this bill, before this is over; but I want you to know that we are bringing you a bill that comes from the heart. This is a holding action and we have done the best we can with things beyond our control. We have acted on 11 out of 13 appropriation bills, and yet none of them have been signed into law.

Mr. Speaker, I would like to summarize what is in this continuing resolution that we bring before you. I introduced this resolution on November 10 with the cosponsorship of Mr. CONTE, the ranking minority member. The full committee approved the resolution on November 12 without amendment. The resolution provides full-year funding through September 30, 1982. When regular appropriation bills are signed into law, the provisions of the continuing resolution automatically disengage, and the regular bill then becomes the funding device. This resolution covers 12 of the 13 regular appropriation bills. Since the legislative branch appropriation bill was provided for in the previous continuing resolution for the full year, it is not provided for in this measure. We extend the pay cap through September 30, 1982. Furthermore, this resolution carries existing provisions and limitations on abortions, school prayer, and the tax-exempt status of private schools.

This resolution provides funding for the following three appropriation bills at the rate of operations provided for in the conference reports: HUD-independent agencies, Interior, and Agriculture.

The Treasury-Postal Service bill is provided for at the House or Senate bill rate, whichever is lower.

The energy and water bill as well as the military construction bill are provided for at the House-passed rate.

The House bill rate or the current rate, whichever is lower, prevails for the following four bills: Commerce-Justice-State, District of Columbia, Labor-HHS, and Transportation.

Finally, we are providing funding at the current rate or the budget estimate, whichever is lower, for the Department of Defense, until such time it is reported or passed, then it goes at the House reported or passed level, and for the foreign assistance programs.

So I hope we may have your support of this resolution as presented. I want to say again that, in the event you vote to cut 5 percent lower, your name is going to be on that tag, and do not forget it; because I am telling you now, and it is a fact, that the bill you are voting on already is below the President's recommendations.

I will talk later on this, Mr. Speaker, I have made reference to various matters that have impacted on our work this year, and under general leave to revise and extend my remarks I submit the following chronology of major budget related events during 1981:

January 15: President Carter submits FY 1982 budget (including FY 1981 supplementals and rescissions) to Congress. Included in this proposal were 33 rescissions totaling $1,142 billion.

January 20: Ronald Reagan sworn in as President.

February 13: President Reagan withdraws 33 rescissions previously proposed by President Carter and converts them into deferrals.

February 18: President Reagan addresses a joint session of Congress and announces his "Program for Economic Recovery" identifying 83 major cuts resulting in $34.8 billion in savings. Additional savings to be identified at a later date.

February 25: President Reagan ordered additional budget reductions of from $3 to $6 billion after he was informed that his advisors had underestimated the growth in federal spending in FY 1982.

March 10: President submitted his FY 1982 Budget Revisions including his FY 1982 supplementals. President submitted 3 new rescissions totaling $128.0 million.

March 17: President submitted 81 new rescissions totaling $11.1 billion.

March 19: President resubmitted 33 rescissions previously withdrawn and converted to deferrals.

April 27: President revises 6 rescissions previously proposed and proposes 2 new deferrals.

May 7: House passes Gramm-Latta I as a substitute to the First Budget Resolution.

May 13: House passes 1981 Supplemental/Rescission and Continuing Resolution Appropriation.

May 21: Conference Report on First Budget Resolution agreed to directing House and Senate Committees to meet specified levels or reconciliation.

June 4: Congress clears 1981 Supplemental/Rescission and Continuing Resolution Appropriation.

June 8: President submitted 4 new rescissions totaling $114 million.

June 11: House Appropriations Committee approves 302 subdivisions to subcommittees pursuant to Budget Act.

June 11: House Appropriations Committee begins mark ups on FY 1982 bills.

June 12: Deadline for House Authorizing Committees to submit reconciliation provisions to Budget Committee.

June 19: President submitted 6 new rescissions totaling $321 million and 13 new deferrals totaling $220 million.

June 26: House approves Gramm-Latta II to the Reconciliation bill.

July 15: President submits his mid-session review of the budget.

July 31: Omnibus Reconciliation Act cleared by Congress for Presidential signature.

August 4: Tax Incentive Act cleared by Congress for Presidential signature.

Aug. 5–Sept. 8: August District Work Period.

September 16: House passed the FY 1982 Continuing Resolution.

September 30: Conference agreement on the FY 1982 Continuing Resolution cleared for Presidential signature.

September 30: President submits budget amendments reducing budget authority by $18.1 billion.

October 1: President submits 26 new deferrals totaling $737 million.

October 15: President submits budget amendments reducing budget authority by $7.6 billion.

October 20: President submits 59 new deferrals totaling $147 million (expire November 20, 1981).

October 23: President submits 72 deferrals totaling $483 million and 2 rescissions totaling $88 million.

October 29: President submits 51 deferrals totaling $1,261 million.

November 6: President submits 9 deferrals totaling $132 million and one rescission totaling $20 million.

November 13: President submits one deferral of $108,000.

The SPEAKER pro tempore (Mr. MOAKLEY). The gentleman from Mississippi (Mr. WHITTEN) has consumed 12 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have generally supported the continuing resolutions that the Committee on Appropriations has presented to the House.

However, I have taken the unusual step of cosponsoring the joint resolution which is before the House today.

My support is based on what the continuing resolution does not do, as well as its provisions.

First, let me briefly outline its major provisions.

When this committee presents a continuing resolution to the House, we must be sure that adequate funding is provided for any program that will not have an appropriation enacted, and that we resolve important issues that have been raised on individual appropriation bills.

In general, this resolution appears to me to meet those tests.

It covers 12 of our regular appropriation bills that have not been enacted into law.

It extends appropriations through September 30, 1982. I support the extension for 1 full year. During this session, we need to complete action on as many of the 1982 appropriation bills as possible. In the next session, we will be considering supplementals and rescissions for 1982, as well as the budget for 1983. There is no point whatever in burdening ourselves with the distraction of a third continuing resolution.

A number of Members have talked about extending the continuing resolution only through March. I ask these Members, what can the Congress or the President do under a resolution through March that cannot be done under this resolution?

Answer: Nothing.

Under this continuing resolution, 12 of the appropriation bills remain before the Congress and the President for action. We can and should proceed under the regular order.

It extends the pay cap for the full year, and includes current law language for Labor-HHS activities on abortion and school prayer.

It continues appropriations for the entire executive branch of the Federal Government—food stamps, social security, veterans benefits, the armed services—everything.

Second, I want to emphasize what the continuing resolution does not do.

It is a clean and simple continuing resolution, with virtually no special provisions, and with no special program reductions over and above the reductions we have made in the regular bills for fiscal 1982, which would be reflected in the spending rates for those bills established by the continuing resolution.

In my opinion, it is inappropriate to include special program reductions in this continuing resolution.

Twelve of the appropriation bills for 1982 are still before the Congress and the President. They are the appropriate vehicles for action on 1982 appropriations.

The administration has proposed additional cuts, based on changes in economic conditions and budget estimates, and these proposals will receive the consideration of this House and of the Congress.

These cuts were proposed in late September and in October, after 10 of the 13 appropriation bills had passed the House, and been sent to the other body.

Those 10 bills, as passed the House, were $2.8 billion under the estimates before the House at the time.

The House made substantial cuts in the estimates under consideration at the time.

Further cuts, based on the September and October budget revisions, should be made by the other body, which has considered those budget revisions, or by the conference committee.

I would also remind my colleagues that attempts have been made, in the House, to cut individual bills in line in with the September and October revisions.

A motion was made to cut the Labor-HHS bill, and it failed.

A motion was made to recommit the Interior conference report, and it failed.

My point is simply that there has been and will be ample opportunity for the Congress to consider the budget reductions proposed by the administration.

There is no justification for backdoor, meat-ax cuts in a continuing resolution.

Third, I must reluctantly address the inevitable questions of, "How much is in the continuing resolution?" and "How much is it over the budget?"

These questions are remarkable for their persistence, and for their misunderstanding of what continuing resolutions are all about.

A continuing resolution is intended only to provide minimum authority in the absence of an appropriation. The level of continuing appropriations and authority for a given project or activity is determined by rates and authority which in turn are based on the status of the applicable appropriation bill or act on the first day of the fiscal year, or on more recent action by the House or the Senate.

The Committee on Appropriations does not and should not draft a continuing resolution to establish budget priorities or totals, or to pass judgment on the President's budget estimates or his economic recovery program.

Those questions should be settled on the regular appropriation bills, and on entitlements and other spending and revenue legislation.

The question before the House is not, "How much is in the resolution?" and "Is it over budget?" but rather "Do we want to continue Federal activities at minimum levels that in general reflect the most recent action by the House and the Senate?"

However, knowing full well that Members will ask for numbers, I have asked the committee staff to crank up the computers, and I have some numbers, for what they are worth, which is not much, since the numbers will change when we report and pass the Defense bill, and when the Senate amends the provisions of the continuing resolution.

The committee estimates that total budget authority available under this continuing resolution will total $422.8 billion, which is $4.1 billion less than the latest House or conference action on the individual bills, and $727 million less than the President's revised budget estimates.

Finally, there is a special urgency to our consideration of this continuing resolution because of the Attorney General's opinion, and the implementing OMB bulletin, that once appropriations have lapsed, obligations cannot be legally incurred except for the orderly termination of Government programs, and where otherwise authorized by law.

In the past, continuing resolutions have included language validating all otherwise legal obligations incurred in anticipation of their passage. This device is no longer available to us, except for obligations for the termination of Government programs, consistent with the Attorney General's opinion.

This joint resolution contains language validating obligations incurred

in anticipation of its passage only to protect life and property, and to terminate the other functions of Government in an orderly manner.

With these exceptions, and except where balances remain available until expended, and where OMB has provided funds through reallocations and reallotments, all other Government activities funded from current appropriations that have not been enacted by November 20, will stop.

Considering its merits, as well as the urgency of the situation, this resolution deserves your support.

I cannot help but zero in on the "Labor, Health and Human Services, and Education" chapter of this continuing resolution with great concern, and to note the disastrous impact that this motion, with an across-the-board cut of 5 percent, would do to the vital, life supporting programs contained in this chapter.

When our subcommittee under BILL NATCHER's able guidance produced the fiscal 1982 Labor-HHS-Education bill we made tremendous and difficult compromises.

The Labor-HHS-Ed bill for fiscal 1982 that passed this House overwhelmingly on October 6 was already $1.4 billion below the fiscal 1981 levels.

The continuing resolution, House Joint Resolution 357 that we are debating here today, reduces these critical human programs an additional $1.3 billion from the House-passed level of October 6. That means if we accept the continuing resolutlion as reported here today, Health, Human Service, and Education programs will operate at a level $2.7 billion below fiscal 1981. When you add in some factor for inflation, these programs are already taking a real bath—in the neighborhood of $11 to $13 billion below last year.

We cannot cut any further here. Enough is enough.

This motion to recommit calls for an additional across-the-board cut of 5 percent, the result would be further reductions of $1.5 billion. In total, that would mean $4.3 billion below fiscal year 1981.

These programs cannot absorb those kinds of reductions. There is no fat left in the Health and Human Service programs. These programs have already had limbs amputated, they have already had to tighten their belts to the point of rupturing vital, life-sustaining internal organs. Further cuts, such as the across-the-board cut of 5 percent will put these humanitarian efforts in their coffins and nail the lid shut.

Do we want that to happen? No. Do we, the people's elected representatives, want to destory the very programs we created? No we do not. That is not the mandate we were given when we were elected to represent our constituents, and that is not the mandate that this administration received last November. Our mandate, the mandate that all elected officials of this Government must labor for is the well-being of our fellow man. To abdicate that responsibility by allowing this motion to carry would be worse than turning our backs on the American people—it would be as though this Congress, the greatest deliberative body in the world, struck a deadly blow against humanity.

I said it on October 6, and you, my colleagues heard me then; these Health and Human Services programs are America's investment in humanity. They represent stock in this Nation's most vital resource, its people—its children, its mothers, its elderly. They know no racial, economic, or ethnic bounds. We must support them.

Let us look at the facts:

Fact—the continuing resolution as reported cuts CETA programs by $4.1 billion. This motion would reduce them by an additional $175 million.

Fact—this resolution already reduces funding for community health centers by $67 million. This motion would reduce still further by $13 million. What will happen to our people in those medically underserved areas that count on these centers for proper medical care.

Fact—maternal and child health programs have already been cut by $125 million under the continuing resolution. This motion would put many more children at risk of crippling birth defects by reducing funding by an additional $17 million.

Fact—programs under the Alcohol, Drug Abuse, and Mental Health Administration have already been forced to absorb cuts totaling $104 million. This motion would reduce services to thousands of needy persons by an additional $42 million.

Fact—handicapped education programs are reduced already by $43 million under the continuing resolution. This motion would reduce them even further by an additional $52 million.

Fact—vocational education programs are already reduced by $22 million in an era when more and more youth are in need of vocational training in order to find employment. This would reduce it further by $39 million.

Fact—low-income energy assistance, a program that tens of thousands of needy citizens rely on during the harsh winters, has already been cut by $50 million. This motion would put thousands of our elderly citizens in the position of having to choose between heating their homes and eating properly because he is trying to cut these benefits by an additional $90 million.

Fact—the student financial aid program would also suffer. Pell grants are already reduced under this resolution by $180 million. The motion would cut Pell grants for next year by an additional $575 million.

Mr. Speaker, at this point, under my previous unanimous-consent request, I insert a staff memorandum outlining the specific provisions of the joint resolution.

STAFF MEMORANDUM 1349
NOVEMBER 13, 1981.

To: Hon. Silvio O. Conte, Ranking Minority Member, House Committee on Appropriations.
From: F. Michael Hugo, minority counsel.
Regarding: House Joint Resolution 357, second continuing resolution, fiscal 1982.

House joint resolution 357 was introduced by Chairman Whitten, for himself and Mr. Conte, on Tuesday, November 10th.

The resolution was reported without amendment, unanimously, by voice vote, on November 12.

On Friday, November 13, the Committee on Rules ordered reported a resolution making House Joint Resolution 357 in order in the House, notwithstanding the three-day rule, with two hours of general debate, equally divided between the Chairman and Ranking Minority Member of the Committee on Appropriations, and with the previous question considered as ordered except for one motion to recommit.

Floor action is expected on Monday, November 16.

In general, it is a clean continuing resolution which provides minimum funding through the end of the fiscal year for the 12 appropriation bills for fiscal 1982 which have not been enacted into law.

ISSUES AND PROVISIONS

Coverage: Covers 12 of the 13 regular appropriation bills for fiscal 1982. Does not include Legislative, which was enacted for the full fiscal year in the first continuing resolution for fiscal 1982, but does extend the pay cap through September 30, 1982.

Rates: 3 bills at the rate and conditions provided in the conference report and joint statement as filed in the House: Agriculture, HUD-Independent Agencies, Interior.

Rates: 1 bill at the House or the Senate rate, whichever is lower, and the more restrictive authority: Treasury-Postal Service.

Rates: 2 bills at the House rate and conditions: Energy and Water Development, Military Construction.

Rates: 4 bills at the House or the current rate, whichever is lower, and the 1981 conditions: Commerce-Justice-State-Judiciary, District of Columbia, Labor, Health and Human Services, and Education, Transportation.

Rates: 2 bills at the current rate or the budget estimate, whichever is lower, and the more restrictive authority: Defense (unless reported or passed, then at that rate), Foreign Operations.

Expiration date: Continuing appropriations are available through September 30, 1982, or until an appropriation bill is enacted, whichever occurs first.

Pay cap: Extended through September 30, 1982.

New starts: No general prohibition. Continuing appropriations for Foreign Aid are limited to programs and activities conducted in fiscal 1981. Continuing appropriations for Defense are limited to programs and activities conducted in fiscal 1981, until a bill has been reported to or passed by the House.

Abortion: Labor-HHS activities are subject to current law (exception for the life of the mother, "states' rights" provision).

Abortion: D.C. activities are subject to current law (exceptions for the life of the mother, and rape or incest where promptly reported).

Abortion: Foreign Aid activities are not subject to any abortion provision.

Abortion: Federal employees health benefits are not subject to any abortion provision.

Refugees: Activities of the State Department for contributions to the UNRWA for Palestinian Refugees are continued at the current rate.

PHS hospitals: The joint resolution provides necessary amounts, not to exceed the amount of the budget amendment transmitted on November 9, 1981 ($162,012,000), for 4 Public Health Service hospitals which have been closed or will be closed within the next ten days (San Francisco, Nassau Bay, Texas, New Orleans, Norfolk), and 4 hospitals proposed for closure (Boston, Baltimore, Statten Island, and Seattle).

Authorizations: The joint resolution provides that no language in any appropriation Act for fiscal 1982 that makes the availability of any appropriation dependent on the enactment of authorization legislation shall be effective during the period covered by the joint resolution.

Apportionment: Past continuing resolutions have waived certain provisions of the Anti-Deficiency Act relating to apportionment. Since OMB has now established procedures for the apportionment of continuing appropriations, this waiver is no longer necessary, and is not contained in the joint resolution.

BILLS, SECTIONS, AND RATE AND CONDITIONS

Agriculture: 101(h)—Rate and conditions provided in the conference report and joint statement as filed in the House.

Commerce-Justice: 101(a)(4)—The bill passed the House as of October 1, 1981, so the rate is the House or current rate, whichever is lower, under the 1981 terms and conditions.

Defense: 101(c)—The rate is the budget estimate or the current rate, whichever is lower, under the more restrictive authority, limited to programs and activities conducted in fiscal 1981.

Defense: 101(c)—House reported or passed rates and conditions take effect when a bill is reported to or passed by the House before or after November 20, 1982.

District of Columbia: 101(a)(4)—The bill passed the House as of October 1, 1981, so the rate is the House or current rate, whichever is lower, under the 1981 terms and conditions.

Energy and Water: 101(d)—House rate and conditions.

Foreign Operations: 101(b)—The rate is the budget estimate or the current rate, whichever is lower, under the more restrictive authority, limited to programs and activities conducted in fiscal 1981.

Foreign Operations: 101(i)—Activities of the State Department for contributions to the UNRWA for Palestinian Refugees are continued at the current rate.

HUD: 101(f)—Rate and conditions provided in the conference report and joint statement as filed in the House.

Interior: 101(g)—Rate and conditions provided in the conference report and joint statement as filed in the House.

Labor-HHS: 101(a)(3)—The bill as passed the House October 6, 1981, shall be considered as having passed the House on October 1, 1981.

Labor-HHS: 101(a)(4)—Under section 101(a)(3), the bill is considered as having passed the House as of October 1, 1981, so the rate is the House or current rate, whichever is lower, under the 1981 terms and conditions.

Labor-HHS: 101(j)—Necessary amounts, not to exceed the budget estimate of November 9 ($162,012,000) are provided for operation, improvement, transfer, and closure of Public Health Service hospitals and clinics.

Military Construction: 101(e)—House rate and conditions.

Transportation: 101(a)(4)—The bill passed the House as of October 1, 1981, so the rate is the House or current rate, whichever is lower, under the 1981 terms and conditions.

Treasury: 101(a)(3)—The bill was reported in the Senate as of October 1, 1981, so the rate is the House passed or Senate reported rate, whichever is lower, and the more restrictive authority.

Treasury: 101(a)(3)—Where an item is included by only one House, the rate is that provided by the one House, or the current rate, whichever is lower, and the 1981 conditions.

Treasury: 101(a)(3)—Federal employees health benefits are available as provided in the Senate reported bill, which strikes the House abortion language.

Treasury: 101(a)(5)—General provisions apply only if identical in the House passed and Senate reported bill.

Mr. RAILSBACK. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. RAILSBACK. I thank my friend for yielding.

Am I correct that the motion to recommit would involve a 5-percent cut, is it in nondefense spending and discretionary social programs?

Mr. CONTE. No. The 5-percent cut, I understand—I have not seen the motion yet—but I understand it is a 5-percent cut in the discretionary fund, with the exception, the last I heard, of defense, foreign aid, and the District of Columbia, I believe.

Mr. RAILSBACK. Let me just say that if that is true, I, for one, as much as I want to support the administration, which I do, am very much concerned that we hear reports that we are going to have a B-1 bomber, the cost of which is now up to $300 million per plane, at a time when we are trying to cut out Legal Services and many other programs that I think are very valuable.

Mr. CONTE. I want to thank the gentleman for his contribution.

Mr. CAMPBELL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. Just to clarify, if I might, for the gentleman from Illinois, my understanding is, from the earlier debate, that it would not include the District of Columbia, or veterans' medical benefits would not be included in the cut, social security is not included in the cut.

Mr. CONTE. I said discretionary funds. Those are all entitlements.

Mr. CAMPBELL. All of those are in there, military construction and the defense area, which were already well below and had already been cut.

□ 1430

Mr. CONTE. That is right, the gentleman is right, but in all fairness it has been in subcommittee. It goes to the full committee today. The subcommittee by one vote cut out the MX missile. I bet my botton dollar that is going to be back in there.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. NATCHER).

Mr. NATCHER. Mr. Speaker, as the Members of the House know, on page 4 of the continuing resolution we have the following provision:

Whenever an Act listed in this subsection has been passed by only one House as of October 1, 1981, the pertinent project or activity shall be continued under the appropriation fund or authority granted by the one House but at a rate for operations of the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriation Acts for fiscal year 1981.

This is the provision which applies to programs of the Departments of Labor, Health and Human Services, and Education.

Now, as my distinguished friend, the ranking minority member on the Committee on Appropriations and the ranking minority member on the Subcommittee on Labor, Health and Human Services, and Education, Mr. CONTE, has pointed out, adoption of the motion to recommit with an additional 5 percent would have a serious impact on these programs.

The continuing resolution as reported already funds Labor, Health and Human Services, and Education programs at a level $1,373 million lower than the level provided by the House on October 6 of this year.

The 5-percent reduction amendment would make further reductions totaling almost $1.5 billion. Here are a few specific examples of the impact of this amendment, some of which were pointed out by my friend from Massachusetts (Mr. CONTE).

CETA programs, including youth employment, the Job Corps, summer youth and private sector programs, would be cut by $164 million below the bill which passed, on October 6. Mr. Speaker, these programs have already been cut by almost $3.5 billion below the 1981 level.

Older Americans employment would be cut by $14 additional million, upon adoption of the motion to recommit, with the 5-percent cut across the board.

Community health centers would be cut by $13 million additional, as pointed out by the gentleman from Massachusetts (Mr. CONTE).

The new health block grants, which have already been cut to a level more

than $170 million below comparable 1981 funding, would be cut an additional $46 million.

These include maternal and child health, preventive health and alcohol/drug abuse, and mental health grants.

The budget of the National Institutes of Health would be reduced by $178 million below the 1981 level and $443 million below the House bill that passed on October 6 of this year.

Low-income energy assistance funds would be reduced from $1,800 to $1,710 million. The $1,800 million, Mr. Speaker, as the Members well know, is already $50 million below the 1981 level.

Aging programs would be reduced by $55 million. This includes funding for senior citizen centers, elderly feeding programs and elderly employment activities. Title I education grants would be cut an additional $150 million.

Education for the handicapped, Mr. Speaker, one of the most important programs presented to this House at any time during the year, would be reduced $51 million.

Student financial aid would go down under this 5-percent additional cut by $177 million.

Head Start in the bill that we presented to the House on October 6 was funded at $950 million. President Reagan in his September budget request provided for $831 million.

In other words, the President asked the Congress to appropriate $831 million for Head Start. If the 5-percent reduction is accepted and approved by this House, it will take Head Start down to $779 million which is $52 million below the President's request, and $171 million below the House bill.

Just briefly, Mr. Speaker, I would like to review the total numbers for the Members considering the motion to recount. The fiscal year 1981 comparable appropriations for the Departments of Health and Human Services, Education and Labor amounted to $88,546 million. In H.R. 4560, the bill that passed on October 6 of this year, we had the amount of $87,181 million, down from $88,546 million.

House Joint Resolution 357, as reported, calls for $85.808 million.

The SPEAKER pro tempore. The time of the gentleman from Kentucky (Mr. NATCHER) has expired.

Mr. WHITTEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Kentucky (Mr. NATCHER).

Mr. NATCHER. Mr. Speaker, under the Michel amendment, as proposed, the estimate would be $84,308 million.

Now, Mr. Speaker, I think in all fairness to all of the Members of the House we ought to point out that it may appear to adopt a 5-percent across-the-board reduction. When you look at the particulars, however, the true impact is clear. The motion to recommit, when it is offered, should be turned down.

The SPEAKER pro tempore. The time of the gentleman from Kentucky (Mr. NATCHER) has again expired.

Mr. WHITTEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Kentucky.

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Michigan.

Mr. TRAXLER. I want to commend the chairman of the subcommittee, the gentleman from Kentucky (Mr. NATCHER), for that very fine statement and also my distinguished friend from Pittsfield, Mass., for his very fine statement.

I join them both in their eloquent remarks.

Mr. Speaker, we present to you today a resolution which will give us an agricultural appropriation which is $2.5 billion below the amount provided for fiscal 1981, and is below the President's March budget request by nearly $900 million. We have certainly done all that we can to provide a bill which holds down spending while providing essential assistance to American agriculture. This is an agreement of the House and Senate conferees.

I am particularly pleased that we were able to restore many of the special research programs that are of importance to the State of Michigan and the farmers that I represent. We have restored the $85,000 for the Saginaw Valley Bean & Beet Research Farm. This farm provides an essential research facility for two of the largest crops in the State of Michigan which provide my State's economy with over $1 billion worth of activity each year when one considers the combined values of seed, fuel, fertilizer, equipment, and the other elements that go into the farm multiplier.

We also restored $103,000 to continue a very important bean flour research project which is designed to help find new uses for dry beans. In the 2 years that this project has been underway, various food items containing bean flour have been developed, and are currently undergoing consumer testing. Once completed, this project may mean that our dry bean industry will have an entirely new market, while our milling and baking industries may also have some new products as a result.

We are again providing $35,000 for dairy photoperiod research in order to continue the evaluation of the light sensitivity of dairy animals. This project will help us to better understand ways in which dairy production can be temporarily controlled, and will also provide us with a better understanding of the health needs of dairy animals.

Under the Economics and Statistics Service, we are providing $25,000 to continue work on a dry bean acreage estimate project that was started in Michigan last year. The project is fully supported by the agency, and the funding will simply allow the project to continue at fiscal 1981 levels.

Mr. Speaker, we funded this project while the Secretary of Agriculture was in the process of reorganizing various USDA agencies. After the funds were approved, the Department advised us that the project should not properly be under the direction of the Statistical Reporting Service. Since this information came to us too late, and as a result we were unable to transfer the funds, the committee expects that the two agencies will arrange for the proper utilization of the funds, and will expect a report from the agencies as to their action.

Agricultural Research and Extension activities are essential. Our farmers are so successful today because for many years we have had a strong research base, and we have also had the ability to provide this information to our farmers through our Extension Service. It is extremely important that we maintain these functions in order to retain our ability to meet our growing demands for food in the future.

Frankly, I am disappointed that we could not hold to the House figures on some of the research and extension programs. However, the level provided is not significantly different from the House levels, and still represents a necessary increase over fiscal 1981. Additionally, we will fund for the first time the renewable resources extension program at a level of $3 million. This program holds great promise for the future, and provides an additional significant component to Extension activities.

Our agricultural conference report also adds some significant report language for the Department to follow in its administration of various programs. Of particular note is a reference to the need for the Farmers Home Administration to reevaluate its policy against refinancing short-term land contracts on homes. At the present time, FmHA refuses to refinance such a short-term agreement unless it is like a more traditional long-term contract, or unless the balloon payment at the end of the term is renewable at the buyer's option. The reasoning behind this policy is to avoid FmHA from becoming a refinancier of short-term mortgages granted by land developers and builders who took such financing in order to make a sale, allowing the buyer to depend on getting refinancing assistance at a later date.

We have no disagreements with FmHA's goals. We are concerned, however, that this blanket policy does not recognize the fact that this type of financing has become more prevalent in certain areas of the country in recent years. It also fails to provide exceptions for those instances in which a borrower might be fully qualified for

FmHA assistance but for the financing agreement, even when the seller was not one of those that FmHA was trying to avoid.

FmHA was established to be a lender of last resort. If FmHA is too unrealistic about refinancing such agreements, it effectively is telling many people that they will have to lose their homes because no bank or FmHA wants to handle this type of deal. This is particularly frustrating when one considers that the value of the home will usually be more than adequate to secure the financing.

We expect FmHA to take a more sensible view of this matter and to provide assistance to otherwise eligible borrowers, particulary when the original financier was not a member of the group of concern to FmHA.

We have once again funded the agricultural conservation program at $190 million in order to continue a program that is vital to the continued preservation of our farmland. Soil is erroding at alarming rates, and we need land if we expect farmers to grow crops. This is one investment that we must make, and this program must certainly rank as one of our very top budget priorities.

Our agricultural conference agreement provides responsible funding levels for the various feeding programs operated by the Department. Our funding levels are in accordance with both the provisions of the Omnibus Budget Reconciliation Act of 1981, as well as the pending provisions of the Food and Agriculture Act of 1981.

The President has proposed several stringent cuts in child nutrition programs this year, including school lunch and special milk. Congress has approved these cuts, and as a result our budget levels will be significantly reduced from fiscal 1981.

However, it is important for everyone to understand one simple fact: Spending less on these programs means that children will get less. Schools are already threatening to close their lunch programs, as many of us predicted. Many students find that they can no longer afford the lunch as a result of the significantly increased price, as many of us predicted. The lunch itself is in very serious risk of losing much of its nutritional value, as many of us predicted, particularly when those running the program have at times in the past suggested that we should serve 6 ounces of milk instead of 8 ounces, meaning that we would pay the same price, but this time the money would go to special packaging and not milk, and while they are also suggesting that tofu is meat and catsup is a vegetable. The administration claims to have withdrawn these proposals, but we have had no assurances that they will not once again be suggested.

Good nutrition is essential. It minimizes the need for health care, and it provides a better learning condition for students. Study after study has clearly demonstrated that a hungry student does not have a good school attitude, and that the attention span of the student is likely to be much shorter as the feelings of hunger interfere with the concentration on class matters. I suspect that many of our colleagues who supported the legislative cuts in child nutrition programs—and I was not among them—will soon regret their support of that action.

The conference agreement provides $942 million in fiscal 1982 funds for the women, infants, and children program. The House agreed to this level in view of the presence of significant unspent funds carried over from fiscal 1981. These unspent funds were built up when WIC participation was unnecessarily reduced from 2.2 million persons to 2 million persons in the last half of fiscal 1981, despite the presence of available funds and several votes in the Congress in support of the WIC program. It was agreed in conference that the Secretary would be required to spend in fiscal year 1982 the full $942 million in appropriated funds plus the full amount of carryover funds, so that WIC participation could be restored to the levels originally intended.

The original House bill for fiscal year 1982 was designed to serve 2.2 million women, infants, and children in WIC throughout the fiscal year. Since we are now into the second month of the year, this goal will not be fully accomplished.

Under the conference agreement, however, the Secretary must restore participation fully to the 2.2 million level as promptly as possible and keep participation at this level throughout the rest of this fiscal year. The conference agreement clearly provides sufficient funds—including the carryover balances—for this to be done. This will bring average particpation for the overall fiscal year close to the 2.2 million level.

The 2.2 million persons is a modest number of persons to serve in this program, since three to four times this many persons nationwide are in need of this program. Several hundred counties still have no program at all.

We are also concerned that the Secretary allocate WIC funds so that they can be fully utilized in fiscal year 1982 in an orderly fashion. The conference report requires one-fourth of the $942 million—about $235 million—to be allocated to States at the beginning of each quarter of fiscal year 1982. In regard to the first quarter of the fiscal year, this means that the funds must be allocated immediately upon enactment of this legislation—since the beginning of the first quarter is long past. The Department has issued about $90 million in fiscal year 1982 WIC funds to date under the continuing resolution, so an additional $145 million must be allocated upon enactment of this bill.

It is especially critical that the Secretary follow the congressional directive of this matter and allocate these funds immediately. Many States have only enough WIC money to operate until November 20. If funds are not provided to States immediately, some WIC programs will shut down entirely or begin removing participants from the program. It should be clear that any such action would be contrary to congressional intent, and that the conference clearly requires sufficient funds to be made available for States to return promptly to the historic 2.2 million caseload level. The Secretary needs to allocate all remaining first quarter funds no later than the end of the current month to assure that WIC programs remain open in December and that States beginning in December to restore participation to the 2.2 million level, as the continuing resolution and the agricultural appropriations conference report intended.

We also provide $31 million for the commodity supplemental feeding program—CSFP—of which up to $500,000 shall be available for two pilot senior citizen CSFP's, to be operated in accordance with the terms specified in the report to H.R. 3603 and the report to H.R. 4119. This means that the basic CSFP will be able to continue without any reduction in caseload, and we fully expect the Department and OMB to heed this fact.

Many of us are extremely concerned that OMB has failed to take proper care in the administration of CSFP under the continuing resolution. The amounts specified as available for the program bear no resemblance to the levels specified as available, and create severe jeopardy of the program having an insufficient amount of food in its inventory. This action is clearly against the will of Congress, and I know that the Subcommittee on Agriculture and Related Agencies of the House Appropriations Committee will hold the Food and Nutrition Service fully accountable for the management of the program, and the problems created by this style of management.

With respect to this appropriation, the Secretary must supplement the $31 million with any carryover—either in the form of funds or of inventories that are larger than needed—and must fully utilize all available resources to serve the maximum number of participants. In information provided to Congress several weeks ago, the Department informed us that some additional resources—in the form of inventories—are available, and we intend for these to be used. The Secretary must base caseload authorizations on total

resources available. This will allow an average of 125,000 to 135,000 persons to be served throughout the fiscal year, and we expect such caseloads to be maintained.

We are providing funding for two pilot senior citizen CSFP's. The level of funding is expected to be sufficient for fiscal 1982 to meet the likely participation level in these programs. The project will provide nutritious foods to those seniors who participate in it, with the food package being similar to the one available for the current CSFP, but modified to reflect the nutritional concerns of the elderly.

It is this committee's intention to see this program operated, and any delay by the Department in its implementation will be frowned upon severely. It is expected that the Food and Nutrition Service will implement the program immediately upon authorization since the funds are provided and directed for that program. The handling of this pilot program by FNS will be a specific item of direct review during our hearings on the fiscal 1983 budget, and we will expect FNS officials and the appropriate Department officials to be fully prepared to discuss their handling of these projects.

We are providing $10.3 billion for the food stamp program. This money will be available only until August 15, 1982. It is likely, however, that this level of funds will be insufficient because of increasing unemployment which will place larger numbers of people on food stamps. If this funding level proves to be insufficient, the Secretary should notify Congress and should not assume that he must reduce food stamp benefits. The Congress has always provided the necessary funds to avoid reductions in past years, and the conference report signals our intention to do so again. The Secretary does not have any basis for reducing benefits. Unemployed Americans need responsible assistance, and the revisions in the food stamp program are geared toward providing such assistance only to those who truly need the program. But it is a pure fact that the size of this program follows unemployment. The more Americans who lose their jobs, the more will they need this program. Assistance is not large because it has demonstrated that the food stamp program is based on the cheapest meal plan conceivable. The size increases with the need, and we expect that the Department will maintain this understanding of the program.

Mr. Speaker, this is a very difficult budget year, indeed. Many could make statements about the need for fiscal responsibility and their own perceptions about the individual programs that we fund. But the fact is that this bill provides basic assistance. It helps our farmers to produce food while maintaining the quality of rural life. It assures our consumers of our Nation's ability to produce food at the lowest prices in the world. It also attempts to assure those in need that be they children, the unemployed, or the elderly, that their Government is prepared to provide them with the assistance that they need until those better days ahead come to pass.

I cannot emphasize too strongly that we have cut spending in this bill. We have made very responsible effort to reduce spending where possible. We are not playing a budgetary game of who has the lower number. We are making efforts to understand that the budget has a far larger impact than simply the numbers it presents. We are under budget targets and have worked dilligently to accomplish this goal. As a result, I believe that all Members can support this conference agreement in good faith, and I urge a vote in support of this agreement.

□ 1445

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. Mr. Speaker, I continue to be concerned about the apparent failure of this Congress to address the question of removing the pay cap on the salaries of top Government workers. When the House considered the continuing resolution on legislative appropriations on September 16, I was precluded from offering an amendment to remove the pay cap because the House leadership would not permit any amendments. That would have been an excellent opportunity for the House to remove the cap on executive salaries and correct the inequity which is having a devastating impact on the Federal work force.

The Senate had approved language in their legislative appropriations measure which would have removed the cap on executive salaries but the House conferees squashed this opportunity because they were too intent in giving themselves a hefty pay increase. What resulted from that conference was a substantial tax deduction on Washington living expenses for Members of Congress and a voice vote in the House on the conference report so that their constituents could not point the finger. The pay cap is being kept in place even though the Reagan administration and the Senate is in support of its removal.

Now that the continuing resolution on legislative appropriations is about to expire, Congress has another opportunity to end the brain drain and remove the pay cap. We have just learned, however, that the House leadership is again calling for a closed rule which will prohibit me from offering my amendment to raise the salaries of senior executives in the Federal Government. This is another deliberate attempt by the House leadership to deny Members of the House to correct a very serious problem which is facing the Federal Government.

As many of my colleagues know, 9 out of 10 top Government officials are retiring as soon as they become eligible and employee morale is at an all time low. Our Government is no longer able to retain its top officials or attract qualified people from the private sector to fill a vacancy in the top ranks of Government. At a time when we all desire to make Government more efficient, we no longer have access to the private sector talent which we need. I have been told by various agency officials that they are having a difficult time recruiting and retaining executives.

Executives in the top seven civil service categories are now getting the same maximum pay. A promotion no longer means that an employee will receive a pay increase. The only benefactor of this situation are firms in the private sector which can pay much more in salary and not have to make an investment in training. Within the last 3 years, retirement of the highest ranking employees, aged 55–59, has risen from 18.2 percent to 95 percent. Many younger civil servants are quitting their jobs because positions in the private sector are paying three times as much as their Government salaries.

Another factor which the House leadership has failed to recognize is the excessive cost the American taxpayer is required to pay to maintain the pay cap. The General Accounting Office has recently determined that the executive turnover rate is now over 90 percent. This abnormally high retirement rate of executives will cost the Federal Government about $67,000 per executive, per year, over the next 3 years. Another report just released by the General Accounting Office concludes that it is cost effective to remove the pay cap.

At the present time, we have the top seven civil service categories receiving the same rate of pay. Unless we take steps to remove the cap on executive salaries, we can expect low employee morale to continue and we can expect poor performance if we are not going to provide some incentives. Today, our best young executives, aged 35 to 45, are among the most likely to resign. The longer the pay cap is retained, the worse the situation becomes for the Federal Government.

If we want the Government to function effectively, we must correct this inequity by removing the pay cap. I feel that raising the salaries of top Government employees will allow us to retain highly skilled individuals and save the taxpayers money by avoiding the high retirement rates and the high cost of executive replacement.

Now, once again, I am frustrated by the parliamentary situation which

continues to prohibit my offering an amendment to remove the pay cap on executive salaries. Unfortunately, there is nothing I can do to change this situation. I have been informed however, that the Senate intends to remove the pay cap when it considers this resolution. Since we are prevented from addressing this issue now, I urge the House conferees on this resolution to accede to the Senate's position, support the removal of the cap on executive salaries, and return for final adoption by this House a conference report consistent with that position. Only in that way can we correct this intolerable situation.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, I am very much concerned about the effect of the proposed 5-percent cut on the Interior and related agencies appropriation bill, which comes before the appropriations subcommittee of which I am chairman. The receipts for the bill are estimated to be $17 billion. New budget authority is $7.5 billion. Revenues come from timber receipts, from mineral leasing, from Outer Continental Shelf leasing, and from sales of petroleum products from the naval petroleum reserve.

When we went through conference and the House voted on the bill last week, the conferees were careful to make reductions so that the revenue potential would not be diminished. What would be the effect of a 5-percent cut on the revenue potential? A 5-percent reduction in budget authority saves approximately $375 million in the whole bill. A 5-percent reduction in receipts from the programs. I am not trying to indicate there is a direct relationship between the amount that is cut, the 5 percent and the maximum amount of cost to the Treasury; yet that maximum amount might be as high as $850 million. The net loss to the Treasury then is $475 million.

The naval petroleum reserve provides a good example of this. Revenue resulting from an investment of $222 million in budget authority is $2.4 billion. Although we will save $11 million in budget authority by the 5-percent reduction, the potential maximum revenue loss is $120 million. Thus, instead of saving $11 million, the Treasury will suffer a loss of $109 million.

The 5-percent cut will result in the reduction of employees. It will result in the reduction of potential leasing. It will result inevitably in some kind of reduction in revenues.

What will be the effect on coal leasing and on oil and gas leasing, on oil shale, on grazing management, on the Forest Service?

A 5-percent reduction could eliminate certain unbudgeted items, like the firescope project in southern California. Rural fire control is down 25 percent from 1981. A 5-percent reduction would include the reduction of forest pest control activities.

A 5-percent reduction could result in a reduction of timber sales from 11.9 billion board feet to 11 billion board feet.

Finally, Mr. Chairman, as I indicated in my remarks last Thursday before the House about fish hatcheries, I indicated that we had received a call from the gentlewoman from Nebraska (Mrs. SMITH) about the potential closing of a fish hatchery in her district. I assume that is Crawford, Nebr.

Yes, a 5-percent reduction could result in closing of the Crawford fish hatchery, or one in New London, Minn., or the Chattahoochee Forest in Georgia, or Inks Dam, Tex., or Jones Hale, Utah; Pittsford, Vt., or White River, Vt.

A 5-percent reduction could result in the closing of so many of the hatcheries that mean so much to the people of the districts represented by Members of the House.

On land acquisitions, $4 million was included in the bill for Valley Forge, Pa.

Four million dollars was included for the Channel Islands in California.

Trustom Pond in Rhode Island was placed in the bill for overbudget funds. That could be eliminated as well.

The point I am making, Mr. Chairman, is that the bill that the House approved last Thursday, in my judgment, was a well-reasoned, well-fashioned bill for the people of all the country. It is a bill that would return $17 billion into the Treasury of the United States—$17 billion, a net gain to the Treasury of approximately $10 billion plus.

A 5-percent reduction will have its effect upon that. What the amount will be, we do not know.

I would hope that the 5-percent reduction would not be approved by the House.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. Mr. Speaker, I thank the gentleman from Massachusetts for yielding.

Mr. Speaker, it seems to me as we have heard some of these figures discussed here today that we need to remember what the critical point is in this whole matter of cutting the budget. I certainly want to go on record as being in favor of that 5 percent across-the-board cut, because what we are trying to achieve here is not just some kind of change from last year's budget or some kind of change from this year's proposed budget, but rather a change in the way we have been proceeding for the last 25 years in this country. That is the critical point. The increases that we are talking about cutting back have to be looked at in terms of a massive overspending by the Federal Government over a period of a number of years.

As a matter of fact, if you look back over that 25 year period, you find out that we have increased spending in the Federal Government by 841 percent during that period of time. Then take a look at some of the programs that have been discussed here today as being the kinds of cuts that we really would not want to make. For instance, one of the gentlemen discussed the fact that we really do not want to cut in the health and medical care area and, of course, that is of very grave concern; however, I think we have got to look at the spending being talked about against that 25-year perspective. In 25 years we have increased the health spending by the Federal Government by 8,077 percent, over 10 times what the total Federal costs have gone up.

We also heard about the food and nutrition issue. We have increased spending in the food and nutrition area over that period of time by 3,800 percent.

If you take a look at the educational area, we have increased that by 914 percent, somewhat less but still well over the increases that the Government as a whole was spending.

We also take a look at some other areas. If you take a look at the areas of HUD and the independent agencies, you find out that the budget resolution we are considering today is some $2 billion over the September request of the President.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. CONTE. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman very much.

In this one additional area, in this area of housing and similar kinds of programs, Federal Government spending over the last 25 years has gone up by 8,627 percent.

What I am saying is that if you look at the way in which the Federal Government has spent its money over that 25-year period of time and look at places to make cuts, some of these areas where you have had absolutely massive increases are the areas that we should be looking at and a modest reduction beyond this continuing resolution proposal of 5 percent seems to me to be totally acceptable.

I thank the gentleman for yielding.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I will be very brief; but I would like to say again some of the

things I said when we took up the rule.

I realize that the Appropriations Committee has tried very hard to deal with a difficult situation. The only avenue they have to go right now is a continuing resolution. But at the same time, this is a continuing resolution that would go for a year unless we should pass finally some appropriation bills and get them through the whole process; but the chances of that do not look very good in most instances, or if they do go to the President, in the case of HUD and independent agencies and the Interior appropriations, we are talking about bills that very likely will be vetoed and that they would then come back and be sustained. We would be stuck while those bills would have been vetoed and sustained, we would be stuck with that higher conference level under the continuing resolution until we pass something else.

My friends, if you want to really help those people and those programs that have been enumerated here by the distinguished ranking member, the gentleman from Massachusetts, and the distinguished gentleman from Kentucky, you need to take into consideration the fact that if this bill goes to the President in the form that it is in now for a year, a second year of continuing resolution without the 5-percent reduction, it will be vetoed and we will have the votes to sustain it and then we are going to have a mess on our hands.

All that the distinguished minority leader, the gentleman from Illinois (Mr. MICHEL) is trying to do here, is to get some control on these bills. We must get them closer to what the President asked for in the continuing resolution. A 5-percent reduction should be accepted.

We are talking about a relatively small amount on these programs, almost all of which exceed the President's budget level; so I urge you, vote for the motion to recommit with instructions. We have a bill then that can go to the President and that the President can sign and if we do pass appropriations bills and they go through the process, that will be fine. Let us not lock ourselves into this higher figure for a continuing resolution for a full year.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Speaker, I realize that it is always popular to vote for these across-the-board cuts. That way one is for spending reductions without having to deal with the specific effects.

I want to point out that the energy and water appropriations bill reflected months of hearings dealing with specific issues. The House bill was under the budget. We have always been under the budget. But the bill deals with specific issues.

If you vote to cut 5 percent across the board on the energy and water appropriations, this is what the effect will be. This bill, I might say, should be on the President's desk next week. The continuing resolution then, in that event, would not have any effect, if the bill is signed.

But I want to point out what the 5-percent cut will mean to the funds in the continuing resolution. It would cut $235 million below the House level for nuclear weapons, which will delay production of the cruise missile, the Trident, and the MX strategic warheads.

It will reduce the R. & D. program to the point where critical research on advanced nuclear weapons cannot be performed.

A 5-percent across-the-board reduction in the fiscal year 1982 appropriation for the Department of Energy Power Marketing Administrations, that is the Alaska Power Administration, Southeastern Power Administration, Southwestern Power Administration, and the Western Area Power Administration, would make it impossible for these administrations to meet their contract commitments to deliver electric power to the municipalities and other users of the hydroelectric power from the Corps of Engineers and the Bureau of Reclamation dams.

Next, a 5-percent reduction in the Nuclear Regulatory Commission would require an additional cut, we have already cut it down to the bone, but this would cut it down another $24 million that would reduce the Nuclear Regulatory Commission staff necessary for such things as critical safety inspections at the operating nuclear powerplants in the Nation.

□ 1500

It will cut the ongoing inspection of nuclear powerplants that are now under construction, and it is going to cut the personnel that will be monitoring the nuclear materials shipments throughout the Nation. So, the Members can see that a 5-percent cut on these items could have a disastrous effect, and I urge that you vote against a 5-percent across-the-board cut.

Mr. YOUNG of Florida. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois (Mr. MICHEL), the minority leader.

Mr. MICHEL. Mr. Speaker, I rise in opposition to this resolution.

There is no choice but to recommit it with instructions for further work on discretionary spending.

I know that the prospect of recommittal is not universally popular. Time runs out on Friday. We have here a mish-mash of current-year spending, conference reports the President has not signed, appropriation bills passed by the House, but not the other body, and several appropriation bills that have not even made it through this House yet.

I believe I know the political dynamics here, having served on the Appropriations Committee. And I know the economic dynamics. Discretionary spending consumes only 16 percent of the budget. We have made reductions already. Why then make more? Why not pass this resolution, in spite of it, and go home? Why consume more bitter medicine when the real issues are entitlements and taxes?

The temptation to take the easy way out is strong, but the easy way is not always the best way.

There are many compelling reasons for recommitting this resolution, and we had better give them a full airing here and now. All of us have to be reminded why these very difficult decisions rest on our shoulders, and why we cannot escape from them or shift the burden some place else.

Over the last two decades the Congress has forced the people of this country into a fiscal lifestyle that would have bankrupted any American family or any American business long ago. No family or business with limited resources could have endured spending increases of over 600 percent during the past 20 years or failed to balance their budget in all but 2 or those 20 years.

The Congress has loaned out, spent out, and borrowed so much against our future that we simple have nothing left to draw.

No Member of this House, Republican or Democrat, conservative or liberal, can deny that. We cannot run away from it anymore.

No one likes to be reminded of past mistakes, but those past mistakes are more the reason we are here today than any other. No faulty economic assumptions last spring, no overly generous tax bill last summer, no votes on the floor of this House or policy decisions of the administration are the cause of this tragic fiscal mess we find ourselves in.

I guess I have had my fill of the rhetoric, the finger-pointing and the political opportunism in recent weeks and months over everything from social security to the infamous Stockman article. It counts for naught. We are here considering serious reductions in Government spending because of years and years and years of fiscal irresponsibility and political greed.

The advent of the Reagan administration was supposed to change all of that. According to the game plan we were supposed to be on our way to economic recovery this fall through a combination of responsible budgeting, tight disciplines, and some largely untried economic theories. We set out on this new course with some dynamic and unparalleled success last summer.

We made the first giant leap in decades toward controlling Government growth, knowing full well one leap would have to be followed by another.

Then we adopted a historic tax cut that far surpassed the President's recommendations and certainly exceeded his expectations.

We did, it is true, overestimate the psychological value of what we accomplished. There was not the expected rebirth of confidence in the American economy. There was only diminished skepticism. And when you consider the performance of the Congress over the last 20 years, I guess we had no reason to expect otherwise.

Now to the present. We know what brought us to this point.

The President reacted to the worsening economic assumptions in September with a request to do more in the way of reducing the deficit. He proposed more changes in entitlements, discretionary spending, defense spending, and tax revenues.

The Democratic leadership offered in response to the President one crack at reconciliation in the next year on the issues of entitlements and tax revenues. It was a choice between engaging in full reconciliation this fall and nothing next spring, or waiting until the new budget came down from the administration. There was no other choice and we opted for next spring.

That left us with the discretionary spending issue, encompassing both domestic and defense-related programs.

The President requested a total of $10 billion in reductions in these categories, $8 billion in discretionary through a 12-percent across-the-board reduction, and $2 billion in defense.

As I see it, the Appropriations Committee overreacted on the defense and underreacted on the rest.

Neither side in our debates over economic policy have been able to produce reliable statistics or assumptions.

What we do know is what we have learned from past experience. If you take the most favorable estimates and projections, you usually wind up in deeper trouble down the road. And this Congress has always operated on the rosiest cost estimates, assumptions, and projections it could find.

It is about time we faced up to reality and predicate our actions accordingly.

That is what I have done with this continuing resolution. In my mind it is over budget by anyone's standard of measurement. We cannot leave here this fall without doing something about it.

There is no choice but to recommit. The 5-percent across-the-board reduction will achieve savings of less than $4 billion in outlays and $6.4 billion in budget authority, still $4 billion in outlays over what the President sought in September. In other words, in the nondefense areas we are giving the President half of what he requested. It is the absolute minimum we must do, and it can be done.

We will have time next year to debate the other pending issues, those of entitlements and revenues. We will address the defense issue before we leave.

This is the last opportunity, however, that we will have to make corrections in the appropriations process overall. Thus far the Congress has effectively usurped the constitutional prerogative of the President to veto three appropriations bills, and before all of this is over, I doubt he will even have a chance to work his will on the rest.

We can now put to rest the political pontificating about the administration usurping the rights of the Congress.

The President is providing the Nation with a consistent economic policy—something we have not had around here in a long time, tried or untried. And the President is carrying out that policy with courage and determination. We would be wise to follow his leadership. Congress has not offered the American people anything like it for the past 20 years.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend from Mississippi.

Mr. WHITTEN. Mr. Speaker, may I say the gentleman is aware that it is the other body, which is dominated by his party, that has not sent the bills back. The gentleman realizes that, and he realizes that the whole thing comes to a halt Friday night at midnight, so I would like my colleague, who has spent many years on appropriations, to realize that we have 33 different items come down to us. We have had five or six budgets to consider this year, so we are faced with necessity. Here, the motion to recommit ties our hands just before we go to conference, and so help me, what we have here is a protection of the House position.

This talk about it lasting a year, it will not unless the whole thing breaks down. Then, it will have some level that we will continue to operate the Government until we can straighten out the difficulties. The gentleman knows that.

Mr. MICHEL. I appreciate the gentleman's remarks. I think we have an obligation in this body to make our case as best we can notwithstanding what the other body may or may not do and what would eventuate in conference. I just think we have to do the best we can here to fulfill the obligation to hold down Federal spending within the limits we think are prudent for the moment. So, I am just looking at it in a very practical way.

We are not giving the administration carte blanche authority to just cut willy-nilly. They are still going to have to conform to the pattern the gentleman from Mississippi has set out in this resolution. I think that is a good principle

Mr. WHITTEN. I compliment the gentleman and I have enjoyed working with him back through the years, and he is fine, but after he had worked for months and weeks and weeks, I do not recall his ever supporting across-the-board cuts when the bill was already below the President's level.

Mr. MICHEL. Well, of course, what the gentleman would also observe, I am sure, is that time and time again I offered amendments down here and supported amendments to cut very deeply in a bill which I was personally responsible for on my side of the aisle. So, I am just following through with that overall feeling of how much more we ought to cut it.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. LONG).

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Pennsylvania.

Mr. GRAY. Mr. Speaker, I would like to inquire of the chairman of the Subcommittee on Foreign Operations about the African Development Foundation. As the chairman of the subcommittee knows, we provided $500,000 for the African Development Foundation for fiscal year 1981. These funds were to be taken out of funds provided for the Sahel development program in order not to increase the overall level of the foreign assistance appropriation. Because the funds for the Sahel program remain available until expended, it is my understanding that the funds which we provided for the African Development Foundation would also remain available until expended. While this continuing resolution would not include funds specifically for ADF, it is our understanding that it is the committee's intent that the administration proceed with the development of the program in fiscal year 1982. Is that the chairman's understanding as well?

Mr. LONG of Maryland. I thank the gentleman from Pennsylvania. That is my understanding. The gentleman from Pennsylvania will recall that the full Appropriations Committee adopted language in its consideration of the fiscal year 1982 foreign assistance bill, which reemphasized this point.

I have also been informed that AID, Agency for International Development, and OMB, the budget bureau, concur with this view. It is my hope that the administration would move ahead on this African development program. We have already suffered a needless delay in getting this program in operation.

Mr. GRAY. I want to thank the distinguished chairman of the subcommittee.

Mr. WHITTEN. Mr. Speaker, I yield 4 minutes to the gentleman from Oklahoma (Mr. JONES), chairman of the Budget Committee.

Mr. JONES of Oklahoma. Mr. Speaker, when I became Chairman of the Budget Committee I asked that we quit playing games over the budget. Many of us, after the policy debate was completed last spring, did decide to quit playing games and try to deal with real numbers and realistic figures. Unfortunately, I think today's debate would indicate that game playing still exists.

Let me refer first to the distinguished minority leader's comment that this House is holding up the President by not sending appropriations bills to him. It is generally known that almost all of the appropriations bills, 11 out of 13, have gone through this House; they are pending in the other body, and the reason those appropriations bills are not going to the President, as confirmed by a colloquy between the majority and minority leaders of the Senate last week, is the fact that an agreement between the White House and the Republican leaders of the other body is holding up those appropriations bills.

□ 1515

We should not be kidded into believing anything else. That is in the record.

Second, we get to this point of a 5-percent across-the-board cut. Here I wonder if some game playing or some deliberate confusion is being spread in this body. We have a situation where this 5-percent cut comes up at the last minute and we wonder who authorized that 5-percent cut.

I think it is important to review a little bit of what has happened this year—how we got here. The Atlantic Monthly article on Mr. Stockman is revealing. He concedes in that article that they really did not know where their numbers were coming from. And we have in the room right behind this Chamber, OMB trying to explain how they have come up with the numbers they furnished to the minority. They cannot explain it. It indicates that they are still doing what they did during the spring.

That magazine article also states that one of the administration's strategies is to spread confusion, have a lot of different budget bases and a lot of different cuts from different bases so that we never quite know what they are talking about. The strategy is to spread confusion. I think that may be what is going on here today.

Go back to last March when the President submitted his revised budget and then move to the spring and summer when Gramm-Latta I and Gramm-Latta II were passed with the express endorsement and approval of this administration and this President. Then move forward to September, when the President said that we have to cut 12 percent across the board, cut entitlement programs, and cut defense, and then bring it up to today. Where are we? We find, according to the CBO, which has been accurate in its projections and in its calculations—not any hook-or-crook calculations but calculations which have been borne out by time—that the Appropriations Committee is not only under the first budget resolution but it is under the President's September request.

Last Thursday morning the President told the leadership of the minority that he would accept postponing his September recommendations until next year, and that all we have to do for the second budget resolution is update the first budget resolution, and we did that. Now, 4 days later, we hear the minority saying that the administration has changed its mind and it wants to cut some magical 5 percent from some base that we cannot even figure out.

It seems to me that if we have learned nothing else from the debates so far this year and from the Atlantic Monthly article, it is that we ought to be honest and we ought to be straightforward with the American people and quit playing political games. We ought to support the Appropriations Committee when they act responsibly, as they have done in this case, and oppose them when they have not.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. JONES of Oklahoma. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding, and I just wanted to make one point.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma (Mr. JONES) has expired.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. SMITH), a subcommittee chairman of the Committee on Appropriations.

Mr. SMITH of Iowa. Mr. Speaker, this is obviously not an ideal way to proceed, but the motion to recommit is much worse.

I want to point out, within the part of the bill that is handled by the subcommittee I am privileged to chair, some of the things that would happen. Let us take, for example, U.S. attorneys and marshals. A 5-percent cut would mean the loss of approximately 350 workyears for U.S. attorneys. It would result in a significant increase in the number of criminal cases that are declined for prosecution. We hear a great deal about law and order all over the country, and it is a major question. If the motion to recommit passes, it would increase the number of cases that could not be prosecuted and, under the Speedy Trial Act, the number of defendants who would be turned loose.

With regard to the FBI, a reduction of this magnitude would represent a loss of over 2,000 work years or the equivalent of 3,800 personnel; that is, 680 agents and 3,120 support personnel.

With regard to the Immigration and Naturalization Service, a 5-percent cut would result in the loss of 1,145 positions and would significantly reduce the border enforcement and detention and deportation programs against illegal aliens, which the administration has said in recent days it considers to be very important programs.

In the Drug Enforcement Administration, dealing with one of the big problems we have in this country, a 5-percent cut would result in the abolishment of all the regional offices, 24 resident offices, and all of the funded State and local task forces.

Well, the fact of the matter is that in an appropriations bill that we passed in this House many, many weeks ago and that languished in the Senate for several weeks until they just took it up last week, we met all of the requirements that were given to us for reductions. We came in below the President's reconciliation level. If we had this, I suppose we could cut some more, but we would not cut it in the way that is being done in this motion to recommit.

Mr. Speaker, this is not the way to cut this bill, if it is to be cut at all, and I urge that the motion to recommit be defeated.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I believe that House Joint Resolution 357 is an outright surrender to openhanded spending. And more importantly, it is absolutely unfair to this body and to the legislative process to ask us to make a decision of this size without proper debate and without the consideration of a single amendment.

We are passing most of the appropriations to run our entire Government for the rest of the fiscal year without even an amendment being allowed. I think that is scandalous legislative behavior.

The President says it is over the budget, and the committee says it is under the budget. We all know a lot about assumptions. I remember last year that the Budget Committee brought in a balanced budget resolution, and we wound up the year being $57 billion in the hole. So much for assumptions, and so much for committees' assumptions, and so much for OMB's assumptions.

I think that we have to look at the record. The record of the Appropriations Committee is perfect. With relentless, unswerving regularity, that committee has taken us over budget year after year after year. It has given us supplementals year after year after year.

So, if we support the work of the committee and support the continuing resolution, we will be funding the same kind of profligate fiscal policy that put us in this deficit mess in the first place.

If, on the other hand, we vote for the motion to recommit, or we vote against the resolution, we have a chance to help to return this country to some semblance of fiscal sobriety, and that, I submit, is what our constituents have asked of us.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to my great friend, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, it is my hope that the administration and this body will recognize House Joint Resolution 357 as the proper and logical vehicle for addressing and solving one of the least understood problems facing the Government today. I am referring to the executive pay problem which directly affects recruitment, retention and morale of top managers in the Federal service.

The current appropriation restriction on the payment of legal salaries of career executives and other top Federal officials expires this Friday, so we have another opportunity to address the problem.

I am sure each and every one of us places a high priority on efficiency in the Federal Government. Unfortunately, at the very time we need these assets the most, we are losing many employees who make a great contribution to Government efficiency.

Since March 1977, the executive pay ceiling has been increased by only 5.5 percent. At the same time Federal white-collar pay rates have been increased by 38 percent, and in the private sector executive pay has increased about 40 percent.

Experienced Federal executives are leaving the Government at very high rates. Last year, 3,137 top executives retired. That compared with only 508 in 1977.

While there have been more complications, with this problem on the other side of the Capitol, I hope this body once again will demonstrate its good judgement by using the continuing resolution as the means for constructive action that would be cost effective in terms of more efficiency and productivity in government. In encouraging and retaining our best and our brightest we are keeping faith with the taxpayers.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. LOEFFLER).

Mr. LOEFFLER. Mr. Speaker, I rise today to urge the Members of this body to support the motion to recommit with instructions.

I think the time has come for us to be responsible, to attempt to avoid a veto, and to try to maintain the integrity of one part of our three-branch Government, the Congress. It is time that we understand that while numbers can be debated and numbers are used by one side to promote its arguments and by the other side to promote its arguments, the fact is that inflation is caused primarily by deficit spending.

No matter where the numbers may lie by whoever may argue whatever position, if we do not reduce the growth of Federal spending further, then we are going to see inflation rise, we are going to see interest rates rise, and we are going to see unemployment rise. There is no other game in town that I know of that can do the job to reduce inflation except reducing outlays of Federal expenditures.

When we compare the numbers that will further reduce the growth of Federal spending to be offered in the motion to recommit with instructions by the distinguished Republican leader, it is interesting to note this: that if we take the three conference reports on agriculture, on HUD, and on the Interior appropriation bills, the amount that those reports are over the President's September budget is the same amount that we are asking that we reduce across the board, $3.7 billion.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. LOEFFLER. I am happy to yield to the minority leader.

Mr. MICHEL. Mr. Speaker, I might observe at this juncture that if there is any question about numbers, the numbers upon which I predicated my motion to recommit and which the gentleman uses for his statement, they are those that were checked out with the Appropriations Committee.

So, I trust that if the Members believe the committee, they have got to believe the figures that we have in our motion to recommit.

Mr. LOEFFLER. Mr. Speaker, I thank the distinguished minority leader.

Mrs. SMITH of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. LOEFFLER. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. Mr. Speaker, the distinguished minority leader, Mr. MICHEL of Illinois, has indicated that he plans to offer a motion to recommit House Joint Resolution 327, with instructions. Earlier, he indicated the instructions would mandate the Committee on Appropriations to cut most domestic discretionary programs by 5 percent.

As a member of the Committee on Appropriations, I welcome the opportunity to review and revise spending rates called for in the measures encompassed by this continuing resolution. For this reason, I plan to support the gentleman from Illinois' recommittal motion.

However, my support would be reluctant if the instructions apply only to cuts in certain domestic programs. Untouched by the reductions would be Defense, District of Columbia, and foreign assistance appropriations, as well as legislative branch and military construction funds.

The Department of Defense can surely operate this fiscal year with a 5-percent cut, Mr. Chairman. The Department itself projects that at the end of fiscal year 1982, $29 billion will remain unobligated—that there will not be a binding contractual obligation for the spending of such funds. Despite this projection, this recommital motion to cut "across the board" does not address the Defense appropriation. The increase over last year for the Defense appropriation is approximately the same as the total appropriation for the Department of Agriculture for fiscal 1982. And yet, this motion would further cut the already reduced Agriculture appropriation.

The District of Columbia can also move forward with a 5-percent cut, Mr. Speaker. Its operating funds in the fiscal 1982 bill are increased by $113 million over what was spent last year. If we reduce other domestic programs by 5 percent, why not include the District of Columbia?

As for foreign assistance, this would be the most difficult part of the "protected" appropriations for me to swallow. I appreciate the fact that most of the World Bank funds are deleted in the foreign assistance appropriation as covered by House Joint Resolution 327. I also appreciate the fact that the appropriation—the lower of the 1981 rate or the budget estimate—shrinks funding for assistance by $1.5 billion. But this is not nearly enough.

I would like to point out that the total is only slightly below the 1981 figure of $6.4 billion; in fact, it is less than a 4-percent reduction, to $6.1 billion. I find it impossible to explain this figure to the people of the Third District of Nebraska, when, for example, the bill containing agricultural programs—food stamp, child nutrition, and other worthy, related programs—are already reduced by more than 11 percent from the 1981 total of about $23.7 billion. An additional 5 percent would be outrageously unfair if some Federal programs are exempted.

I can neither understand nor justify making agricultural and many other domestic programs whipping boys in

favor of handing over more and more billions of dollars to foreigners, most of whom spend their time second guessing us in every possible way.

If I had my way, I would put all foreign assistance programs on hold, perhaps with certain important exceptions, and order Congress to reexamine them to see why most of them do not work and to overhaul them to see if they can be made to work at all.

As a former member of the Foreign Operations Subcommittee of the Appropriations Committee, my opposition to excesses of the annual foreign aid funding bill is consistent and well known.

Here we are with a bill that would pour ever more billions overseas while our small businessmen, farmers, and ranchers are recoiling from high interest rates caused mainly by deficit Government spending. Indeed, the President himself and his closest advisers have been worrying aloud about deficits far larger than they had expected—so large, in fact, that the Federal budget cannot possibly be balanced in fiscal 1984. In my view, bloated foreign aid funding is a big, fat target for the budget knife.

Mr. Speaker, I believe all programs should be cut 5 percent. I appreciate this opportunity to explain my position regarding the recommittal motion on House Joint Resolution 357.

Mr. LOEFFLER. Mr. Speaker, in looking at what we are confronted with today, I believe this is not yet the time to throw in the towel and it is not the time to take on the executive branch in a confrontation, because I believe the executive branch will win, and I will be a part of that momentum to try to sustain vetoes. I believe it would be responsible for us to do what is right, and that is to take steps now to avoid a veto and to avoid the problems and the pain that will be inflicted upon each and every one of us and the millions and millions of Americans who will be affected by a delay in the continuing resolution.

Let me make one final point. Here are numbers again—not the billions of dollars but, rather, the percentages. The motion to recommit to be offered by the distinguished Republican leader will basically cut certain categories of appropriation bills by 5 percent in budget authority for discretionary spending. Frankly, that is 1.5 percent of all domestic expenditures when we add discretionary funds to entitlements, which are not touched at all. That is a very small sacrifice to ask this body to come up with or to sustain in achieving true economic recovery for the people of this great Nation.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. LOEFFLER. I am happy to yield to the gentleman from New York.

Mr. PEYSER. Mr. Speaker, one question that has developed in my mind after listening before to the ranking minority member was that he was raising the issue that we are voting on this without the right of offering amendments, and that this was a very bad thing.

It seemed to me that when we did Gramm-Latta I and Gramm-Latta II, when basically the other side was in control, there was no right to take on individual votes either, because we just did not want to vote against guaranteed student loans and other things, and there was only one vote.

This is the same thing today. I do not see how the gentleman can use the argument both ways. In other words, there is one vote here, just the same as there was one vote on Gramm-Latta I and one vote on Gramm-Latta II. Is that not correct? Is that not the way we are operating?

Mr. LOEFFLER. There was basically one vote on the first resolution and one final vote on the reconciliation bill.

The SPEAKER pro tempore. The time of the gentleman from Texas (Mr. LOEFFLER) has expired.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. OBEY), a member of the committee.

Mr. OBEY. Mr. Speaker, the Michel amendment would have us support a 5-percent reduction with exceptions for Pentagon spending, the District of Columbia, and foreign aid. I would respectfully suggest that is exactly backward from the way we ought to do it.

If there is going to be a 5-percent cut in spending, it would seem to me that equity would require that 5-percent cut to be applied against programs which escaped the budget ax the first time around, not the other way around, as the gentleman from Illinois is doing it.

□ 1530

The gentleman from Illinois would have us cut health research. He would have us cut education research. Why? Because we are not facing up to the need to repair the Kemp-Roth tax cut which was passed earlier in the year.

Members ought to know, if we are tossing figures around today, that just to give tax cuts to those making $50,000 a year or more, which are larger in dollar amount than the tax cut we are providing for average taxpayers in this country, will add $160 billion to the Federal debt over the next 5 years. That is where you ought to be looking if you want to balance the budget.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

The gentleman has hit two very key points. First, the President has not sent forward any recommendations for entitlement changes or for revenue changes, and yet here we are proceeding with a 5-percent cut without any kind of comprehensive plan in terms of approaching the budget. Second, why should we exempt any areas from reduction when we are willing to cut education and health care. Isn't it time we all share the burden of cuts.

In addition, we are dealing with the budget resolution targets that were presented to the Appropriations Committee by this House. The Appropriations Committee has met the targets contained in the resolution that was passed by the House. We have not changed it. As a matter of fact, Republicans had the opportunity in the Budget Committee to include the 12-percent cut and to include a 5- or 6-percent cut and they did not do so.

So we are operating under the budget resolution as adopted by this House and the Appropriations Committee has met those targets as provided by this House.

If we want to stand by the budget process, let us do so by voting with the Appropriations Committee.

Mr. OBEY. I thank the gentleman and I agree with his comments.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may require to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Speaker, I rise in support of this continuing resolution, House Joint Resolution 357, and urge my colleagues to join me in voting for it. As we all know, this resolution provides continuing funds for most of the Federal Government's programs and activities. I would like to bring two of these programs to the attention of my colleagues. They are the supplemental feeding program for women, infants, and children (WIC) and food stamps.

I am pleased that the conference report on the Agriculture appropriations bill (H.R. 4119), which is incorporated into the continuing resolution, maintains a strong WIC program. WIC is one of the most valuable and effective programs established by the Congress.

For the WIC program, the conference report, and the continuing resolution provide $942 million in fiscal year 1982 appropriations, to which all unspent funds from fiscal year 1981 must be added. The combined funding available for the WIC program in fiscal year 1982, from appropriated funds and carryover funds, will be close to $1 billion.

The house version of the Agriculture appropriations bill had provided $1.037 billion for WIC, but our conference committee agreed to the lower number of $942 million in view of the availability of the unspent funds.

What is critical, however, is that the basic policy of the House bill was maintained in the conference. The House bill was designed to serve 2.2 million women, infants, and children in the WIC program throughout fiscal year 1982. The conference report and the continuing resolution also require a 2.2 million participation level.

One year ago, Congress provided funds sufficient to maintain through fiscal year 1981 the end-of-year fiscal year 1980 WIC caseload of 2.2 million persons. This is well under half of all persons who meet the WIC eligibility standards nationwide. However, during the last two quarters of fiscal year 1981, WIC caseloads were reduced by 200,000 persons while available funds went unused.

For this reason, there are sizable carryover balances, and WIC participation is now only slightly above 2 million participants. The conference report and the continuing resolution require that the Secretary fully utilize all $942 million in new funds, and all carryover funds, to return average WIC participation for the 12 months of fiscal year 1982 as close as possible to the 2.2 million level originally intended by the House. The Secretary is required to act promptly upon enactment of this legislation to restore participation, as expeditiously as possible, fully to the 2.2 million level—this may take 2 to 3 months—and to maintain participation at the 2.2 million level for the duration of the fiscal year. While we will be some months into the fiscal year before the 2.2 million level is fully restored, we will at least return to this level for over half of the fiscal year, and average participation for the entire year will be brought close to the 2.2 million benchmark. There clearly are ample funds—including the carryover funds—to return fully to the 2.2 million for the duration of this fiscal year.

The conferees on the Agriculture appropriations bill also directed that one-fourth of the $942 million in fiscal year 1982 funds—or about $235 million—be allocated to the States at the beginning of each of the fiscal quarters of fiscal year 1982. These quarterly allocations of $235 million are in addition to the carryover funds that are available.

About $85 to $90 million in fiscal year 1982 funds have been allocated to date under the first continuing resolution (Public Law 97-51). The Secretary will be required to allocate the remaining $145 to $150 million in 1982 funds provided for the first quarter of fiscal year 1982 promptly upon enactment of this continuing resolution, since the beginning of the current fiscal quarter—the point at which the allocation would normally be required under this legislation—is now long past.

It is particularly important that this allocation be made immediately after this legislation is enacted. Most States now have barely enough money to maintain their WIC programs to November 20. They certainly cannot continue to operate into December without additional funds. The Department's conduct in taking 3 weeks after passage of the first continuing resolution to allocate WIC funds cannot be repeated. The intention of the Congress should be clear on this matter. Any shutdown of a State WIC program due to failure by the Department to promptly allocate funds—or, for that matter, any action by the Department to prevent participation from being expeditiously restored to the 2.2 million level—would be a violation of the intent of this legislation. The Secretary must allocate all remaining first quarter WIC funds by the end of the current month, in the amount provided for in this resolution and the Agriculture appropriation conference report, in order that the States keep their programs open in December and operate their programs throughout December in the manner directed by the conference report. States must be duly allocated the prescribed amount of first quarter 1982 funds so that they may begin in December to restore participation to the intended 2.2 million level.

In addition, that conference report endorses the Senate language directing the Secretary to reallocate fiscal year 1982 funds during fiscal year 1982 to insure their maximum utilization. The Secretary is obligated to determine whether any States will be unable to use their entire allocation and to reallocate any such funds to States that can use the funding. Last year, the Department failed to carry out this obligation, and we have directed that this be remedied in fiscal year 1982.

Funds provided through the reallocation process should, like other WIC funds, be provided in the traditional manner in which approximately 80 percent is for WIC benefits and 20 percent for administrative costs. The 80 to 20 percent ratio has for years been a fundamental part of the WIC program, in accordance with section 17 of the Child Nutrition Act. USDA's action at one point last year of providing nearly half of reallocated funds for administration is not what the Congress had in mind when it authorized the WIC program or appropriated WIC funds.

FOOD STAMPS

I would also like to comment on the food stamp appropriation. The Congress, through passage of the Reconciliation Act, has made $1.65 billion in reductions in food stamp benefits for fiscal year 1982. Legislation recently passed by the House cuts yet another $600 or $700 million through postponement of the scheduled April 1, 1982, cost-of-living adjustment.

The continuing resolution and the Agriculture appropriations conference report provide $10.3 billion for the 10½-month period through August 15, 1982. This level should be adequate to maintain currently authorized benefits through that period.

This funding level is based on the administration's current economic assumptions. If unemployment remains above current OMB predictions, food stamp costs will increase. However, the administration should not simply proceed with benefit reductions if this should occur. To the contrary, we expect that the Secretary will give Congress ample time to consider supplemental funding should this become necessary to avoid benefit reductions. On every occasion in the past, including last June, the Congress has acted to avoid the specter of benefit reductions. The agriculture appropriations conference report continues in this tradition by stating that—

> The conferees are in agreement that such additional funds as may be required to carry out the food stamp program, as authorized by Congress, will be provided upon receipt of an official budget request from the Office of Management and Budget.

We expect that the Secretary will not decide that a benefit reduction is warranted until there is clear and convincing evidence from Congress that the necessary funding will not be forthcoming. Until that occurs, there is not a basis for the Secretary to order reductions. If a cut in benefits to millions of poor families and elderly individuals is to be considered, Congress wants a full opportunity to consider this matter prior to the time orders are given for any cut to be made.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. AuCoin).

Mr. AuCOIN. Mr. Speaker, I rise in support of the continuing resolution and against the Michel motion for very important reasons, not the least of which is the fraud that has been perpetrated in many of the arguments from the Republican side this afternoon.

If you listen to the other side, you would think that if the House socks it to that part of the budget which consumes only 17 cents out of the Federal dollar that somehow, in a very macho way, we are balancing the budget and stopping the Government overspending. Well, that is just a fraud.

The truth is that it is this small segment of the budget that has taken most of the cuts so far.

I want to say something to my friends on the Republican side: You are not going to balance the budget by following the path outlined in the Michel motion, by picking on that 17 cents on the dollar and forgetting that history's largest military buildup for

arms is exempt from this act. Forgetting that the largest tax cut in history, which has passed out goodies to more special interest groups than you can shake a stick at, is exempt from this act.

You people on that side of the aisle are trying to make the American people think that by tightening the screws on people programs, by coming down harder on programs that provide enforcement funds for clean air, clean water, and the environment, on funds for education and the handicapped, that you are balancing the budget. It is just absolutely a crock of baloney.

The truth is you will not and cannot balance the budget on this basis. You will only balance the budget if you get at the "feeding the hogs" syndrome—a term your own friend, David Stockman, used to describe the insane military arms expenditures in your platform. You will only balance the budget if you rethink and join Democrats in rethinking the incredible, irresponsible goodies that were passed out to the special interests in your tax bill.

I cannot help but note that the House has passed cuts of about $35 billion this year in domestic programs and the other body, the Republican Senate, has increased military spending over the Carter budget by $35 billion. This led conservative columnist George Will the other day to indicate that the cost of the conservative agenda in this Congress is about the same as the cost of the liberal agenda. You people on the other side of the aisle just want to spend the money in a different way.

What we are saying is do not turn your backs on the American people. They cannot take it any more. People who are handicapped cannot take it any more. People who depend on clean air cannot take it any more in your appropriation cuts.

Speaking of budget balancing, it is not the House Democrat who have thrown in the towel. It is the Republican President. He announced last week that he was giving up on a balanced budget by 1984 and he would not say when he will try to balance it. He was actually quoted as saying he "didn't come to Washington to balance the budget," but rather that he came to "reduce the role of Government generally."

So that clarifies everything. This fight is not over a fiscal agenda; it is over a political agenda. And David Stockman described the agenda of Reaganomics beautifully. He took stock of the wasteful military spending orgy and the tax cut giveaway for the special interests and the well to do; and he said "the hogs were really feeding." That agenda I urge the House to reject today, a radical agenda to "feed the hogs and starve the people."

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Speaker, I thank the gentleman for yielding. I rise in support of the motion to recommit.

Mr. Speaker, the issue here today is not whether or not this appropriation is within the guidelines of the May budget. There is not a Member of this body who does not know that our deficit today has gone far beyond the May budget.

The issue at stake in this vote is not the allocation of the cuts, except on a functional basis, because the committee of jurisdiction will have the obligation of making those distinctions and making those allocations.

What is at issue here is what are we going to do about the deficit. We can talk about the May budget. We can talk about the allocation of these cuts. But I think one thing is clear. If we cut 5 percent, as proposed by the gentleman from Illinois, we are going to have a smaller deficit than if we do not make those cuts. If the deficit is smaller, the competition for capital is going to be lower and interest rates are going to be lower and inflation rates are going to be lower. As a result, our rate of economic recovery is going to be greater. The building industry will be revitalized more quickly if we adopt this proposal to make cuts now than if we do not.

So in essence what we have here is a referendum on deficits and inflation rates and interest rates. If you want lower deficits, lower inflation rates, and lower interest rates, you ought to vote for the cut. If you do not want lower interest rates and lower inflation rates with lower deficits then do not vote for it. That is the issue.

I yield back the balance of my time.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Speaker, before I make any comments regarding the budget let me say I have been very interested in listening to all of the speakers on the Democratic side start off by quoting the Atlantic Monthly magazine article. I think it is very important, since the chairman of the Budget Committee, Mr. JONES, quoted it, to go ahead a little further with that quote because it says that Mr. JONES' resolution was full of political numbers also and that Mr. Stockman conceded that. Mr. Stockman did not make a point of it because he conceded that nobody really had a handle on the budget number and that the Democrats were trying to jimmy their numbers to get their goals accomplished also.

So I think it is interesting to have that article put out in its full text since it is in its full text in the RECORD.

As we go a little further on, let me address the issue that is before us on the 5-percent cut that we are talking about.

The fact is the gentleman from Iowa a while ago made a great point when he said this is not the way to cut the 5 percent; we would not cut it this way if we had it in his committee. And I agree with him. But if we cut the 5 percent here, then it is going to be incumbent upon the committees to do their job and to allocate the funds the way they are supposed to. Because the committee will control ultimately if and when they pass their appropriation bills. So it does not take that right away.

But if we pass this and do not make the 5-percent cuts, we do take away the right of the President to veto and have any meaningful opportunity to sustain a veto on any bill.

So the gentleman from Texas is right. We do have a referendum on whether we are going to try to reduce spending responsibly or not.

Further, it is interesting to see the references to the tax programs. I am always interested to see someone get up and say cutting 70 to 50 percent aids the rich. Well that proposal came from the Democratic side of the aisle. But it is kind of unfair to say it came from the Republican side and blame the President. That was offered from the Democratic side of the aisle, the 70 to 50 percent cut in the top bracket. So let us keep it all in perspective.

But we do, in fact, have before us today an opportunity to reduce Federal spending. That is the bottom line. Are we going to vote to reduce it or are we not going to vote to reduce it? When it is all over, said, and done, will we have cut the budget or will we have increased the budget?

The gentleman from Texas (Mr. LOEFFLER), offered a while ago a very, very salient point. That was that three bills have come through conference committees. Of those three bills they have increased the President's request by $3.7 billion.

Yes; we have an opportunity, but will we avail ourselves of the opportunity or will we once again just pass it by and, in fact, even take away the tool that may be the President's, and that being the right to veto?

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, this continuing resolution we are now considering would provide funding for programs through the remainder of this year. I want to underscore what has already been said on this floor today. This continuing resolution provides funding that is not only under the total March budget request, it is under the September request. It is not only important that the Members of this House understand that, it is im-

portant that we share that knowledge with our people back home.

This fact and some others that I want to bring to your attention place a dark and ominous shadow of doubt over the President's credibility on economic and budget matters.

Even though the President said just last week that the reason for budget deficits is runaway spending by the Congress and not Reaganomics, the congressional track record for appropriating less money that President's have requested is well established. It stretches back almost four decades.

Today, though, I just want to deal with the years of this record that have been compiled during my service in the Congress. During calendar years 1969 through 1980, Congress appropriated $79.5 billion less than Presidents requested. Another way of saying this is that during those years Presidents have requested $79.5 billion more than Congress was willing to appropriate. The Democrats have been in the majority in Congress all these years. Furthermore, during 8 of these years, Republican Presidential years, the Presidents requested $40.5 billion more than Congress was willing to appropriate.

Last week, at this nationally televised press conference, the President said:

Fiscal Year 1982 is already 5 weeks old, but I have not received a single appropriation bill.

What the President did not tell the American public is that the House has passed 11 of the regular appropriations bills and that the Republican-controlled Senate has only passed 6 of them.

What the President did not tell the American public is that five of the House-passed appropriations bills lay awaiting Senate action for almost 3 months, under an agreement between the Reagan administration and the Senate Republican leadership, before the Senate passed them.

What the President did not tell the American public is that the Senate has delayed for almost 2 months passage of the conference report on Department of Housing and Urban Development and related agencies bill which the House approved September 15.

At his nationally televised press conference last week, the President said: "Most of the [appropriations] bills pending are over budget."

What he did not tell the American people last week, or when he made his nationally televised budget speech September 24, is that the House had already passed 9 of the 13 regular appropriations bills before that September speech, and that they had come in more than $3 billion under the President's March budget request.

There is another aspect of this whole budget debate that I find absolutely fascinating.

From 1943 through 1980, a period when Democrats held the majority in the Congress for most years, the Congress appropriated less money than Presidents requested in every year except one. Now, if this becomes a year in which we have the second occurrence since 1943 that the Congress appropriates more money than the President requested, it will be at a time when:

The Republican President, Ronald Reagan, has dramatically demonstrated that he can control the majority of the votes in the House as well as in the Senate;

It will come in a year when the President substantially reduced, in terms of billions, the budget requests that existed at the time the House was passing nine of the appropriations bills, and coming in $3 billion under the Reagan budget; and

It will come in a year when the strong and sometimes outraged objections of the Republican congressional leadership has thrown up obstacles to the President's new proposals to cut domestic programs for education, health care, housing, agriculture, and the like.

It seems to me that it is important for us to have these facts clear.

The House has, as its record for this year and past years shows, attempted to carry out its responsibility for passing appropriations bills in a timely manner.

The Congress has positively and consistently attempted to carry out its responsibility for making prudent decisions on Federal spending by regularly appropriating less than Presidents, Democratic and Republican, have requested.

The delay in getting appropriations bills to the President this year has not been caused by failure to act in the House, but by a deliberate policy of delaying actions in the Senate in which the Senate Republicans and the Reagan administration have concurred.

And, finally, this continuing appropriations resolution that we are dealing with here today, to provide funds for the remainder of this year, or until regular appropriations bills are enacted, is not only under the President's September budget request, it is $700 million under that request.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. BENJAMIN), the chairman of the Subcommittee on Transportation.

Mr. BENJAMIN. Mr. Speaker, I rise to focus on the impact of this resolution and the possible motion to recommit on the activities under the jurisdiction of the Transportation Subcommittee. I would point out to my colleagues in the House that of all of the functions of appropriations, Transportation has been one of hardest hit. Basically, at this point, the cut from the fiscal year 1981 level is about 32 percent, if one includes the impact of inflation. Under the Michel amendment that would be a 37-percent reduction.

In fiscal year 1981 Transportation appropriations were $12.8 billion. Under the House-passed bill in September it was $11.1 billion. The level of spending in the continuing resolution is $10.3 billion. Under the proposed Michel amendment it would be $9.8 billion.

I am particularly concerned about the operating function of the Coast Guard. Under the continuing resolution the spending of the Coast Guard would be at $2.1 billion. Under the Michel amendment that would be reduced to $1.95 billion.

Under the testimony delivered by the Commandant of the Coast Guard, he indicated that if we were to spend at that lower level that the west coast drug enforcement activity would be reduced 90 percent at a time when it should be dramatically upgraded, that marine environmental protection patrols for oil spills would be totally eliminated, that the Atlantic coast fisheries patrols would be reduced by 45 percent, and that small boat operations, Atlantic and Pacific, would be reduced by 20 percent.

This is not the time to cut the Coast Guard budget.

□ 1545

The entire fleet of the Coast Guard now averages more than 27 years in age. The average Coast Guard enlistee has less than 2 years of experience, and reenlistment rates have declined by half since 1976.

And, finally, I would say that if there ever is a focus, it should be on boosting the Coast Guard, and I would ask for your support against the Michel amendment.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to my good friend, the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Speaker, it was indicated a few minutes ago that the Michel motion to recommit with instructions would include an exemption for the foreign assistance programs. And I wanted to correct that misunderstanding. The foreign assistance programs would not be exempted from any reduction by the Michel amendment. In fact, they would enjoy a reduction.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I was the Member who made the statement that the foreign aid proposal was exempted from the reduction. We had been told by the minority side that it was going to exempt foreign aid. We did not know that they were changing their

plan as fast as they were changing their numbers.

Mr. YOUNG of Florida. I understand that, and I understand why the gentleman misunderstood. No criticism at all, but I just wanted to make the point that the foreign aid program is not exempted. And that is what prompts me to come to the microphone and to suggest that, since this Congress convened, we have authorized billions of dollars for the soft loan window of the World Bank, and none of us had an opportunity to vote yes or no on that subject. We have appropriated billions of dollars for the foreign assistance program, including the soft loan window of the World Bank, and none of us had an opportunity to vote on it. And a lot of specific programs that we would like to vote for or against, or that we would like to debate, we have been denied that opportunity.

As I listened to the debate that we are having today, good debate on both sides, it just strikes me that we really ought to be debating these issues and making these points on appropriations bills and not on continuing resolutions.

I want to say, Mr. Speaker, that we should not make it attractive to this House or to the other body to operate the Government of the United States on a continuing resolution. It is wrong to operate this Government on a continuing resolution. And every time we add more dollars or we make the resolution effective for a whole year instead of just for the weeks that are necessary to get our appropriations bills done, we are making it more attractive to operate by continuing resolution. I say again that is wrong.

Mr. WILSON. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Florida. I yield very briefly to my friend, the gentleman from Texas.

Mr. WILSON. I was going to ask the gentleman, the 5-percent cut, that would apply to the IMF, for instance; is that right?

Mr. YOUNG of Florida. The IMF is not in this bill.

Mr. WILSON. It is not?

Mr. YOUNG of Florida. No.

Mr. WILSON. I thought it was.

Mr. YOUNG of Florida. That was last year. Last year we got taken in on the big IMF money.

The way this continuing resolution works, it makes all of the foreign aid money available for the fiscal year, and the truth is that the soft loan window of the World Bank could actually commit that now, all at once, not just a prorated share of it, but the whole year's amount.

Mr. OBEY. Mr. Speaker, will the gentleman yield on that point?

Mr. YOUNG of Florida. I yield to the gentleman from Wisconsin.

Mr. OBEY. Is the continuing resolution offered by the committee below or above the President's request for foreign aid?

Mr. YOUNG of Florida. I would say to the gentleman that it makes no difference to me——

Mr. OBEY. It is below; is it not?

Mr. YOUNG of Florida. Just a minute.

It makes no difference to me who made the request. I am telling you that the direction that this Government of ours has gone in the last 4 or 5 years in the field of foreign assistance has been wrong. It has not aided development in most of the Third World countries, and our direction was a mistake. We are trying to make that correction now. But that is not the point of my argument.

The point of my argument is that we ought not to be here with a continuing resolution. We ought to get our job done; we ought to insist that the other body get their job done. We ought to be holding these debates and making these decisions on regular appropriations bills and not on continuing resolutions.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding.

Just for a point of clarification, is the gentleman saying that in this motion to recommit we would cut 5 percent in a number of domestic programs, but we are also asking for the same cut in foreign aid? Is that true?

Mr. YOUNG of Florida. That is exactly right.

Mr. ROEMER. I thank the gentleman.

Mr. YOUNG of Florida. We just believe that that is only fair.

I really do not want to get started on the subject of foreign aid in the short period of time that I have, because it takes a lot of time—and I have a lot of interest in that question. But the point is that if we are making reductions in other programs, we definitely ought to make similar reductions in the foreign aid program.

Mr. Speaker, I think we are making it too attractive to the other body and to ourselves to operate our Government by continuing resolution. I think that is a serious mistake, and we ought to make it as unattractive as possible so that we do not continue to operate this Government by continuing resolution. That should be reserved only as a matter of emergency, only when absolutely needed. But, unfortunately, in recent years it has become commonplace. It is not fair to the taxpayer.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

I wonder if the gentleman from Mississippi would answer a question.

We have just received a letter here from the National League of Cities, and they are opposed to the 5-percent cut. They mention that among the things that will be cut by the amendment is revenue sharing.

Now, the gentleman from Illinois says that revenue sharing is an entitlement.

Is that exempted here?

I always thought that our committee felt that revenue sharing was not an entitlement.

Mr. HORTON. Mr. Speaker, will the gentleman from Massachusetts yield to me?

Mr. CONTE. I yield to the gentleman from New York.

Mr. HORTON. I wanted to join with the gentleman in that question, because I have talked with the National League of Cities representatives, and I have a copy of the letter that the gentleman has, in which they have some concern about this. I have heard concern expressed from other public interest groups, concern about whether or not the so-called 5-percent cut would affect revenue sharing.

I think it would be appropriate to have an answer for that question.

Mr. WHITTEN. Insofar as I know, it is kind of in limbo. There are those who insist that it would be an entitlement program and, therefore, would be exempt. There are others who say that it is not, since it has to be appropriated by the Congress annually and that it would be included in the 5 percent.

I am not in a position to rule on that or to say, but it is open to question as to whether it is or is not, and only time will tell, insofar as I know.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. HORTON. I have been informed—and perhaps the sponsor of the motion to recommit might respond to this question—that the motion to recommit with instructions would include language that it would exempt activities involving new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974.

Now, that, of course, is the entitlement program.

So that it is my understanding that revenue sharing would be exempt under those provisions.

Mr. MICHEL. If the gentleman will yield, I will not take up extensive time of the House to quote verbatim here, but from page 705 of the House rules, paragraph 1007, a conference report containing new revenue sharing spending authorities in the form of entitlements under section 401(c)(2)(C) of the Congressional Budget Act to become effective in the fiscal years 1978 through 1980 and amounts increasing over that in fiscal year 1977 was ruled out on a point of order under section 303(a) of the Budget

Act, since the first concurrent resolution on the budget for those fiscal years had not yet been adopted and the increased entitlements could not be considered merely continuations of entitlement authority which became effective in fiscal year 1977, and it goes on with further citations. The thrust, however, of the rules of the House and precedents are that it is and has been considered entitlement.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

It is my understanding that OMB, however, considers revenue sharing to be a discretionary program. Is that correct?

Mr. CONTE. I believe so. And I do not see how it could be a parliamentary question. It is an OMB decision.

Mr. PANETTA. As I understand it, I think the gentleman from Illinois is correct in the interpretation of 242, as to the fact that we in the Congress consider it entitlement. But it is my understanding that OMB considers it to be discretionary spending. My concern is that, in terms of the total amounts that are being saved here, I believe that if the gentleman has used OMB figures, indeed OMB would consider revenue sharing to be included in this amendment, as far as the total number is concerned.

Mr. MICHEL. The gentleman from Illinois was using committee figures and not OMB. I would stand by the previous rulings and precedents of the House.

Mr. PANETTA. I thank the gentleman.

Mr. CONTE. Mr. Speaker, I include the letter from the National League of Cities at this point in the RECORD:

NATIONAL LEAGUE OF CITIES,
Washington, D.C., November 16, 1981.

Hon. JAMIE L. WHITTEN,
Chairman, House Appropriations Committee, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The National League of Cities strongly opposes Congressman Michel's amendment to House Joint Resolution 357 to cut discretionary domestic programs by 5 percent.

Such an amendment would be extremely unfair to local governments that have already borne an inordinately high share of the first round of fiscal year 1982 cuts. Most localities are having a difficult time adjusting to those cuts, which were generally made without regard to any reasonable transition period. An additional five percent cut in such key discretionary programs as mass transit, housing assistance, employment and training, and social services would further disrupt thousands of local budgets which, as you know, are nearly half-way through their July 1 to June 30 fiscal years.

This would be particularly true to the extent that the general revenue sharing program is included in the amendment. Local governments have already budgeted and are spending the $4.6 billion in GRS funds to which they are entitled under the 1980 extension passed last year. A five percent cut in revenue sharing alone would require thousands of local governments to revamp their budgets midway through their fiscal years and to provide for service cutbacks.

The Michel amendment also unfairly focuses spending cuts on discretionary programs. Progams funded through the traditional authorization-appropriation process should not suffer inordinately relative to entitlement programs merely because of the technique used to provide spending. Adoption of the Michel amendment would compound an already inequitable situation for discretionary domestic programs.

We urge you to oppose the Michel Amendment.

Sincerely,

ALAN BEALS,
Executive Director.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. HARTNETT).

Mr. HARTNETT. Mr. Speaker, I just wanted to mention to those who are so concerned about what damage we are doing to this country through our budget cuts and through the additional 5 percent that if they would look at the big figures, the total sum, we have a $700 billion-plus budget, and we cut approximately $35 million from this budget. Simple arithmetic tells you it is 5 percent. From all the cry that is going up, you would think that this Congress has cut the budget some 50 percent and, in fact, we probably should have. All we have done with the total budget is cut 5 percent. Now we are talking about an additional 5 percent. The silk stocking and limousine liberals who have had a stranglehold on the taxpayers of this country would even have to admit that we can survive at least another 5-percent cut.

Let me assure them and my colleagues on this side of the aisle that another 5-percent cut would be all right; the Sun would still rise in the morning, the Lord would still be in His heaven, and everything would still be right with the world, in spite of a small 5-percent additional cut.

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Speaker, I rise in support of the continuing resolution, and oppose the motion to recommit.

First of all, the motion to recommit should have the defense bill, because if anyone can find a 5-percent cut, it would be in the defense bill. As a matter of fact, we have already cut in our subcommittee markup 3 percent.

But I rise mainly in opposition to the motion to recommit. In cutting Treasury-Post Office, this 5 percent would reduce the Secret Service, which is so necessary for the protection of our President, below levels, below OMB levels, below the House and Senate levels. It would reduce IRS and Customs. And this is pennywise and dollar foolish because both IRS and Customs are tax-collecting agencies. It has been proven that for every dollar we spend in those agencies, we receive $9 back. So a $125 million cut in IRS would actually cost us $8 billion. And in our fight against drugs, we cut Customs, which we so need in our great fight against drugs.

Mr. Speaker, the motion to recommit makes an additional 5-percent cut on all other agencies for education, health, handicap, veterans and many more needed people programs. And should be defeated.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Speaker, I rise in opposition to this motion to recommit.

It is hard for me to understand that an administration which in the next 5 years is going to give back to the well-to-do of this country nearly a trillion dollars now insists on grinding out another 5 percent from the elderly, the poor, and the ill of America.

The words that come to my mind are those that the Master uttered from the cross: Father, forgive them, for they know not what they do.

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Speaker, I take this time as the chairman of the Post Office and Civil Service Committee to engage the chairman in a colloquy.

The resolution reported by your committee and those appropriation bills which have passed both Houses provide funding levels. These funding levels reflect congressional judgments as to the appropriate levels for the various agencies. However, my committee has learned that the administration may be planning to authorize or require agencies to separate or furlough employees in order to achieve spending rates below those specified in the continuing resolution or the various appropriation bills now pending in the Congress. Such personnel actions would severely affect employee morale, unnecessarily disrupt programs, may even result in curtailment of programs and perhaps affect the legal rights of employees not intended by the Congress. I would appreciate having the chairman's views on the propriety of the described personnel actions.

Mr. WHITTEN. The matter of fundir.g is one for the Congress to determine, subject of course to the President's right to veto or to recommend a rescission or deferral. To separate or furlough employees for longer than 30 days to comply with an administration directed funding level below that authorized under this resolution or the applicable appropriation act could impact on the legal rights of employ-

ees. It is the responsibility of Congress to determine the appropriate funding levels for the agencies, and any personnel action which is undertaken to comply with a requested funding level which has not yet been authorized or has been rejected by the Congress is clearly improper.

□ 1600

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. GINGRICH).

Mr. GINGRICH. Mr. Speaker, I think that we need to look at this debate from the standpoint of the American people rather than the standpoint of American politicians or the American bureaucracy.

When interest rates are high, the American people, the small businessman, the automobile dealer, all have to change their habits. They have to adopt new budgets. They have to cut their spending.

When inflation is high, the American people have to change their habits, their budgets, and their spending. When unemployment rises and people lose their jobs, they have to change their habits and their budget and their spending.

Let no one make any mistake about it, the issue on the Michel motion is, "Are you in favor of setting a separate standard for the American bureaucracy? Are you willing to give the Federal Government that which the American people do not have? Are you willing to protect the redtape, the Washington system, the game as it goes on?"

Our colleagues who have been running this country for the last 26 years make much fun of numbers and quotes yet the simple reality is that every Budget Committee chairman we have heard from has consistently been wrong, that this Government has been consistently out of control, and that the issue is do we want to vote with liberalism, with big budgets, big deficits, and the ultimate decay of this country, or do we want to subject Government to the same discipline, the same standard, the same habits as the American people have to suffer under?

Mr. BLILEY. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Virginia.

Mr. BLILEY. Mr. Speaker, I thank the gentleman for yielding and I would like to associate my remarks with his remarks.

Mr. Speaker, you may have noticed, as I have, that the congressional appropriations process is in a shambles. Today we are considering a continuing resolution that is really not what that title implies. It does not merely continue until we have the opportunity to appropriate each of the 13 separate pieces of legislation required. Instead it seeks to accomplish for an entire fiscal year what we have failed to do in an entire calendar year.

By the end of fiscal 1981, the Congress had not sent a single appropriations bill to the President. One continuing resolution and more than a month later, the Congress has still not sent a single appropriations bill to the President.

I look at this second resolution, and am admittedly confused. We are asked to accept the House version of this bill, the Senate version of that bill, the March budget recommendation here, a conference agreement there—is this what we want to be governed by for an entire fiscal year?

I may be mistaken, but I thought that this body decided this past summer that we wanted to move toward a balanced budget, at long last. But now I look not at the first resolution asking for more time to fulfill that promise, but the second resolution, and what is it asking for? Not for more time to develop better budget plans—it is asking to discharge itself from its responsibilities. I realize we have had troubles and so has the other body. But a continuing resolution is to gain a little time in the interest of making better decisions. I would like to conclude by asking a simple question. Is the purpose in passing this resolution to gain time to make better choices and decisions that will bring us closer to our balanced budget goals? Or is it a copout which mandates, not limits funding to levels that are unacceptable and will invite veto? I cannot support this resolution in its present form. I hope that my colleagues cannot, either.

Mr. GINGRICH. Mr. Speaker, let me close by saying that those of our friends and colleagues who decide to vote against change, to vote in favor of the past, to vote in favor of decay and inflation, to vote in favor of higher taxation and higher inflation and unemployment, when this comes back to haunt them, and I believe it will, because they are voting for the bureaucracy and against the people, remember well this day.

Mr. CONTE. Mr. Speaker, I would like to propound a question to the chairman of the Subcommittee on HUD and Independent Offices, the gentleman from Massachusetts (Mr. BOLAND).

I have a letter here from the League of Cities complaining about the 5-percent cut, what it would do to general revenue sharing, and there was a colloquy here on the floor between the minority leader and the gentleman from New York (Mr. HORTON), that revenue sharing is an entitlement and not discretionary funding, and, therefore, is exempted from this cut.

I would like to have the gentleman's opinion.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I appreciate the gentleman yielding.

It has been the feeling of this subcommittee, ever since the 1976 amendment to the Revenue Sharing Act was put on the statute books, that the program is a discretionary account and not an entitlement program. Since we do consider it discretionary, the 5-percent reduction, which will be offered by the motion to recommit, would reduce general revenue sharing to the extent of $228 million. When the 1980 supplemental appropriation, rescission and deferral bill was on the floor there was a discussion with respect to entitlement and discretionary funds. I think the distinguished chairman of the Government Operations Committee, the gentleman from Texas (Mr. BROOKS) agreed with the position that our subcommittee took at that time and the position the gentleman from Massachusetts takes now.

Mr. CONTE. I thank the gentleman.

Mr. CAMPBELL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I am not really sure I understand whether the subcommittee considers something as discretionary and whether the rules of the House and others have it as an entitlement. I wonder if we could get some clarification on which is going to be dominant.

Mr. CONTE. That is a very good question.

OMB, in my study of this issue, considers revenue sharing as discretionary funds and not as an entitlement.

Mr. CAMPBELL. What do we consider it here in the House as a House?

Mr. CONTE. OMB will decide that question.

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. ROE).

Mr. ROE. I thank the distinguished chairman for yielding me the time and I want to call to the attention of the committee on both sides of the aisle a great concern that has arisen.

This House voted 382 to 18 in support of the Clean Waters Act. My understanding is that there is no funding or any authorization whatsoever, either in the continuing resolution or the budget authority for this program.

Now that would mean that there are already 30 States out of funding right now. We are in the middle of the final conference with the Senate on this issue and where are we going?

Can we can get some reassurance that the committee will support and provide the funding for this purpose?

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Our subcommittee appreciates the position of the authorization committee and the work that the distinguished gentleman from New Jersey has done in the construction grant program. We are also concerned about the future of the construction grant program—particularly with reference to its immediate funding—and what the gentleman has said is absolutely correct with reference to it.

I do not know how many States are running out of money now—estimates vary between 20 and 30.

The SPEAKER pro tempore. The time of the gentleman from New Jersey (Mr. ROE) has expired.

Mr. WHITTEN. I yield 30 seconds to the gentleman from New Jersey.

Mr. BOLAND. If the gentleman will yield further, if the Senate restores funds in this program then the gentleman from New Jersey has my assurance that I would work to support that particular position in conference—providing the authorization conference agreement is acceptable to the administration and providing the Senate has not complicated the issue by making funds available contingent upon other actions.

Mr. ROE. I thank the gentleman.

Mr. MINETA. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from California.

Mr. MINETA. I thank the gentleman for yielding.

The other part is the fact that the budget resolution will be able to accommodate the $2.4 billion in budget authority that the gentleman is looking toward.

Mr. ROE. I thank the gentleman.

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, the issue that we are discussing today is Federal spending. I serve on the small Business Committee and the small business men and women of this Nation are asking us to reduce Federal spending.

I have a letter which I have inserted into the CONGRESSIONAL RECORD from the National Federation of Independent Business on behalf of its 500,000 members, urging us as a key small business vote to support the motion to recommit with a 5-percent reduction.

The issue today is reducing Federal spending. According to the Congressional Budget Office, we will be spending in fiscal year 1982, if we make no additional cuts, $734.9 billion. That is $74.4 billion more than we spent in fiscal year 1981. If we the Members of this body cannot meet the needs of the poor and the elderly and the disabled and those who cannot help themselves by spending 5 percent less, I think the 226 million Americans we represent ought to be asking us, "Why not?"

The letter follows:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
November 16, 1981.

Hon. CHARLES W. STENHOLM,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN STENHOLM: The present economic situation, especially high interest rates, is having a devastating impact on the nation's small business community. This problem is the result of decades of poor governmental policies which have weakened small firms to the point where they are unable to withstand current economic conditions.

Small business owners believe that excessive government spending and the high deficits it creates are at the heart of their problem. Because of this, they have supported every attempt over the last year to reduce government spending. To further this end, they have accepted an almost thirty percent reduction in Small Business Administration funding, and are willing to support even deeper cuts.

NFIB and its membership in excess of 500,000 firms believe that Congress must make every effort to hold down fiscal 1982 spending. Therefore, we urge you, as a key small business vote, to support Rep. Michel's motion to recommit the Continuing Resolution with instruction to the Committee to reduce its spending levels by five percent.

Sincerely,
JAMES D. "MIKE" MCKEVITT,
Director, Federal Legislation.

Mr. WHITTEN. Mr. Speaker, I yield myself 3½ minutes.

Mr. SAM B. HALL, JR. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. SAM B. HALL, JR. Mr. Speaker, I noticed on page 4, lines 12 through 14, it states that under whichever is lower, under the authority and conditions provided in applicable appropriations act for the fiscal year 1981—prefacing my remarks, earlier this year under the Legal Services Corporation Reauthorization Act, H.R. 3480, we voted several restrictions on Legal Services.

One was that they would not handle any abortion cases unless the life of the mother was endangered. It prevented LSC lawyers from taking any case to promote or defend homosexuality and prevented them from filing any class actions against local, State, or Federal governments, and one or two others.

My question is this: In the event that the continuing resolution passes in its present form, would these Legal Services restrictions on spending provided for in the fiscal year 1982 appropriations no longer be applicable?

□ 1610

Mr. WHITTEN. Mr. Speaker, I yield one-half minute to the gentleman from Iowa (Mr. SMITH) for an answer.

Mr. SMITH of Iowa. Mr. Speaker, I think the answer is that it only applies to the amount of money, which is $241 million, and it will no more be restricted under the Michel amendment than it would be under the bill.

Mr. SAM B. HALL, JR. Mr. Speaker, if the gentleman will yield further, is the gentleman stating that if the continuing resolution passes, the restrictions that we voted against Legal Services would still be in effect?

Mr. SMITH of Iowa. No. I do not think that is necessarily so, but the Michel amendment does not change that in any respect. We will have to work that out in conference what the limitation involves.

Mr. WHITTEN. Mr. Speaker, as we come to the conclusion of this discussion and consideration of this motion to recommit, I would like to call attention once again that we are up against reality. The Government comes to a halt at midnight on Friday night this week.

When your conferees go to the Senate, this motion would tie the hands of your conferees.

I want to repeat again that the Appropriations Committee has brought a bill that is below the President's recommendation in March and in September. Remember this resolution is a holding action and those who are disturbed that this will last for a year should not worry because once a bill is signed into law it drops out from this resolution. It may be necessary for a short time, and the President should join us in wanting to have something to fall back on instead of letting the Government come to a close.

So I just want to state the situation we find ourselves in. If you adopt this motion to recommit you are tying our hands with an additional cut. Our friends who vote for this are voting to cut those activities that were already cut below the President's level, and then 5 percent more. This motion leaves the discretion in the hands of the executive branch, which under the Constitution is one requirement that we are saddled with and the people should stand up to the requirements of the Constitution.

So I repeat again, I hope you will vote against this motion to recommit. It is thoroughly unsound and you are tying your hands at a time when we should realize that we are facing necessities.

Please vote against it when the time comes.

● Mr. GONZALEZ. I rise in support of House Joint Resolution 357, a bill to provide for continuing appropriations for fiscal year 1982. I commend the Appropriations Committee for refusing to reduce appropriations for programs that were funded by the conference report to accompany H.R. 4034, the HUD-independent agencies appropriations bill. I note that there was some discussion in the Appropriations Committee about reducing some of the HUD programs. I am pleased that the

distinguished gentleman from Massachusetts (Mr. BOLAND), has gone along with his original conference report numbers. It is vital, Mr. Speaker, that the public housing operating subsidies—both the $148 million in supplemental funding for fiscal year 1981 and the $1.2 billion for fiscal year 1982—be retained and I am pleased that this resolution retains these levels. But I am concerned that when the conferees meet on this resolution that efforts will be made by the other body to reduce the fiscal year 1982 level to just a little over $1 billion.

Based on hearings before my Subcommittee on Housing and Community Development, this administration-inspired reduction will mean the complete closing down of a large number of public housing authorities by late spring of 1982. If the Congress wants the burden of operating these public housing authorities to fall to the Federal Government or worse still closing them down completely and letting many thousands of elderly and disadvantaged people fend for themselves without heat or light, then the level suggested by the Reagan administration is the one Congress should appropriate.

Mr. Speaker, I note that our colleagues in the other body are leaving open the possibility of supplemental appropriations for public housing operating subsidies until early next year, but there is no commitment from the administration with regard to this nor from the other body that they would look favorably upon this request. We must provide the absolute minimum funding in this continuing resolution if we are not to give directions to public housing administrators not to close down their operations by late spring of next year.●

● Mr. McEWEN. Mr. Speaker, I would like to express my support of the motion to recommit the continuing resolution with instructions to provide for a 5-percent across-the-board reduction in funding contained in the resolution for discretionary domestic programs.

However, I would like to express my complete agreement with the Parliamentarian and the traditions of the House of Representatives that funding for the general revenue-sharing program represents an entitlement and not discretionary funding.

Therefore, it is my understanding that the 5-percent across-the-board reduction in funding for discretionary programs will in no way affect the level of funding for this most important and vital entitlement program.

The revenue-sharing program has proven itself to be one of the most effective and efficient programs we have, and the funding it provides to local government units is essential to the effective functioning of our cities, counties, and other local government bodies. Any effort to reduce funding for this program would be most unwise, and I would strongly oppose such a proposal.●

● Mr. BIAGGI. Mr. Speaker, I rise in tepid support for the pending legislation making further continuing appropriations for the balance of fiscal year 1982. I am distressed over the fact that we must again resort to this process to keep the Government functioning. The pace of the House with respect to enactment of appropriations bills has been more than satisfactory. The problem rests with the other body.

In any event, the bill before us provides continued funding, in some cases at fiscal year 1981 levels, in other cases at House-passed appropriations bill levels and still in other cases, at conference report levels.

I do take this opportunity to register my strong opposition to the motion to recommit which would institute a 5-percent across-the-board cut in most programs except national defense, military construction, and foreign aid. The question we must ask ourselves very simply is: How much more will we ask the poor, the elderly, and the disadvantaged to sacrifice before we stop?

According to statements presented by my colleagues Mr. NATCHER and Mr. CONTE, the specific impact of an additional 5-percent cut will be most pronounced in those programs under the auspices of the Departments of Labor, Health and Human Services, and Education. Some examples: Another $164 million cut in programs under the authority of the Comprehensive Employment and Training Act—CETA—including cuts in youth employment programs at a time when unemployment among America's young, especially the minority youth, is indefensibly high. A cut of this magnitude will only intensify this problem. Community health centers funding will be slashed by an additional $13 million. This would impose untold hardships across this Nation, for these centers provide a direct service for those who are in need of limited health care, and therefore do not need the full-time services of a hospital.

Other cuts: $150 million additional for the worthwhile programs funded by title I of the Elementary and Secondary Education Act. More than $170 million for the various student financial aid programs which allow a college education to be within the grasp of more Americans. This 5-percent cut would slash an additional $51 million from programs providing education for the handicapped.

Two other cuts which I would be most disturbed about if this motion is to prevail. An estimated $65 million would have to be cut from the various programs under the Older Americans Act. These would include such vital services as daily meals at congregate settings as well as meals for the homebound, senior center services and part-time employment opportunities. Related to this directly would be an additional estimated loss of more than $120 million in the social service block grant which includes the title XX program providing similar services to the elderly. These cuts, if imposed would subject thousands of elderly citizens to new perils in their path for survival. In the case of those seniors participating in the nutrition program—it is, for many the only regular form of nutrition in their lives. For the homebound elderly it would be especially serious. If we are going to be true to our stated commitment of maintaining the independence and dignity of our senior population we cannot support and allow to be implemented cuts of this magnitude.

One final observation: If this motion to recommit is successful there may be another $50 million cut in the low-income energy assistance program. This would be on top of an already reduced appropriation for this program. In case the proponents of this motion have forgotten, the low-income energy assistance program was created by Congress to try and provide assistance to poor and elderly individuals who were having problems paying their utility bills due to rapidly rising heating costs. In the winter of 1981 all indications show the supply of oil will be plentiful but the price will skyrocket. In fact, according to a report in this morning's New York Times, the price of No. 2 heating oil in New York City is up 24 cents from last year. How can Congress in good conscience slash another $50 million from this program thus telling our poor elderly you must choose between heating and eating?

Let me add as a caveat. It is vital that we take expeditious action on this legislation, as many States have already filed their plans for the low-income energy program. Winter's cold winds have already blown into many areas of the United States and not 1 cent of assistance can be released until we complete action on an appropriations bill.

Mr. Speaker, I reiterate my total opposition to the motion to recommit this legislation and cut an additional 5 percent from social and human service programs. Congress has already approved spending reductions of some $35 billion—we may need to do more—but equity must begin to be shown in how the cuts are made. I suggest the recommittal motion is an anathema to the principle of equity and will do nothing more than drive more and more Americans deeper into poverty and misery.

● Mrs. SCHROEDER Mr. Speaker, I rise in opposition to this continuing resolution, because I think adoption of this resolution will serve to affirm the abdication of congressional authority

so zealously being pursued by the White House and the majority leadership in the other body. The Senate leadership has held up final action on appropriations bills until the White House tells them what to do. And the White House, already overburdened with the jobs of containing Alexander Haig's paranoia, containing David Stockman's candor, and containing Richard Allen's foreign press relations, cannot figure out what it wants in the appropriations bills.

So here we are, nearly 7 weeks into the fiscal year, with only 1 of the 13 appropriations bills passed by the Senate. Even that one was passed only by being secreted away in the first continuing resolution. Only 2 of the 12 remaining bills have not been passed in the House and in the case of 1 of them, the reason for nonaction is that it was appropriate to await the conference agreement on the defense authorization bill before moving the appropriation bill. Again here, White House delay in deciding what to do about the out of control defense budget delayed action. So, 10 appropriations bills have passed the House; 4 of these have not even been taken to the Senate floor, even though all of them have been out of the House for at least 6 weeks. Of the six passed by the Senate, three remain in conference, pending clearer instructions from the White House, one is awaiting House floor action on the conference report, and two have had their conference reports passed by the House while the Senate has not acted, awaiting clear signals.

I have two fundamental objections to this procedure. First, it is appalling to have the House frustrated in its efforts to discharge its legislative functions by the paralysis in the other body. Second, and far more troubling, it is inappropriate for the White House to dictate appropriations levels to the Congress and it is even more inappropriate for the Congress to take the dictation. Despite what some might wish, we do not live in a parliamentary system where the legislature has the simple option of accepting or rejecting the Executive's budget. In this country, the legislature reigns supreme in the spending of tax dollars. We should and must review the requests of the administration; we must not allow ourselves to become rubberstamps.

New Reagan budgets seem to be revealed daily. In the latest of these budgets, the White House abandoned all pretense of rational decisionmaking and announced a 12 percent across-the-board cut in all domestic programs without any justification. The sound of teeth gnashing began immediately all around us. I went to investigate the source of this sound and found that it was coming from majority party members of the other body. They were wailing and moaning about the destruction of programs dear to them and their constituents. Negotiations began with the White House to restore money to preferred programs. Appropriations bills were delayed while Senators pleaded with the White House to lighten up.

The public perception of elected Senators, afraid to vote to restore the money themselves, pleading with the White House to relent, undermines the congressional budget process and recent efforts to insure congressional sovereignty in budget and appropriations issues. This continuing resolution is the unavoidable result of the unseemly activities of some of the other body. I shall vote against it because I do not wish to condone, affirm, or ratify this activity.●

● Mr. PORTER. Mr. Speaker, the entire concept of appropriating by continuing resolution for an entire year, indeed for any purpose other than a temporary period to allow appropriations bills to be adopted, must be abhorrent to all who believe in representative and deliberative government.

It is for these reasons that I opposed the previous question and the rule on this resolution. The House chose otherwise—chose an up or down, yes or no vote on most appropriations for the entire year, which, if adopted, could end all opportunities for a choice on priorities for spending.

For example, Mr. Chairman, clearly there is a great need for the administration to come to grips with reality regarding defense expenditures. I advised the House at the time of adoption of the reconciliation bill there was no way that we could cut taxes, raise military spending by $1.5 trillion over the next 5 years and balance the budget. Mr. Stockman has acknowledged this in the Atlantic Monthly interview.

Yet the administration either clings to the view that this can somehow be accomplished, or has chosen the vast increase in armaments as a higher priority than ending the pressures on the economy resulting from continuing huge Federal deficits.

For my own part, the primary danger to our Nation at this time comes not from direct confrontation with the Soviets or indirect confrontation through their proxies—though these dangers are real and must be fully and realistically met—but rather from a stagnant economy dragged to a halt by cancerous government growth.

The fact is that we face a critical danger to our Nation unless we gain control over Federal spending. And we cannot gain such control by giving a blank check to any department of government, including especially one as large as the Department of Defense. For this reason I will oppose today in the Appropriations Committee, funding for the MX missile basing mode. The MX program is one priced currently at $30 billion and, if adopted, will probably amount to a drain on national revenues of twice that amount in its final form. Not only can we not afford an expenditure of this magnitude in this time of necessary fiscal restraint, but the placing of 100 MX missiles in hardened silos adds nothing, in my judgment, to the credibility of our deterrence, and with increases in Soviet throw weight and accuracy, little, even with hardened silos, to our missiles' survivability. Long-range air-sea and land-based cruise missiles, which can be produced for $2.3 million each at the rate of up to 60 per month, can fill this needed deterrence at far less cost and far more quickly than the MX.

But should this continuing resolution be adopted, it could end for this year any opportunity to bring commonsense to bear on the question of defense expenditures, or indeed on the expenditures of almost every department and agency of government. The resolution provides that if the Appropriations Committee reports the DOD bill to the House, as it undoubtedly will today, and even if the House never takes up the bill, the level and priorities of expenditures passed by the committee will be those that will be followed for the entire fiscal year. This is not only legislating in the dark, but is an abdication of our authority to judge the work of the committee regarding this appropriation and many others.

Mr. Chairman, the appropriations process should be allowed to proceed. The Congress should retain its constitutional responsibility of judging national priorities and the President should retain his responsibility of disagreeing by vetoing those appropriations that he feels are excessive. I am confident that a proper path for meeting the dangers to our economy will result from this course.

Plainly, a continuing resolution is needed for a temporary period to allow the other body to act and for the House to finish the few appropriations bills that we have not yet enacted. But a resolution for the entire year, ending the appropriations process, is not only not warranted but is destructive of the deliberative nature of our representative form of government, something which separates our Nation from most of the others found anywhere on this Earth.●

CALL OF THE HOUSE

Mr. PANETTA. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 301]

Addabbo	Eckart	Lantos
Akaka	Edgar	Latta
Albosta	Edwards (AL)	Leach
Alexander	Edwards (OK)	LeBoutillier
Anderson	Emerson	Lent
Andrews	Emery	Levitas
Annunzio	English	Lewis
Anthony	Erdahl	Livingston
Archer	Erlenborn	Loeffler
Ashbrook	Ertel	Long (MD)
Aspin	Evans (DE)	Lott
Atkinson	Evans (GA)	Lowery (CA)
AuCoin	Evans (IA)	Lowry (WA)
Badham	Evans (IN)	Lujan
Bafalis	Fary	Luken
Bailey (MO)	Fascell	Lundine
Bailey (PA)	Fazio	Lungren
Barnard	Fenwick	Madigan
Beard	Ferraro	Markey
Benedict	Fiedler	Marks
Benjamin	Fields	Marlenee
Bennett	Findley	Marriott
Bereuter	Fish	Martin (IL)
Bethune	Flippo	Martin (NC)
Bevill	Foglietta	Martin (NY)
Biaggi	Foley	Matsui
Bliley	Ford (MI)	Mavroules
Boggs	Ford (TN)	Mazzoli
Boland	Fountain	McClory
Boner	Fowler	McCloskey
Bonior	Frank	McCollum
Bonker	Frenzel	McCurdy
Bouquard	Fuqua	McDade
Bowen	Garcia	McEwen
Breaux	Gaydos	McGrath
Brinkley	Gejdenson	McHugh
Brodhead	Gephardt	Mica
Broomfield	Gilman	Michel
Brown (CO)	Gingrich	Mikulski
Brown (OH)	Ginn	Miller (CA)
Broyhill	Glickman	Miller (OH)
Burgener	Gonzalez	Mineta
Burton, Phillip	Goodling	Minish
Butler	Gramm	Mitchell (NY)
Campbell	Gray	Moakley
Carman	Green	Molinari
Carney	Gregg	Mollohan
Chappell	Grisham	Montgomery
Chappie	Guarini	Moore
Cheney	Gunderson	Moorhead
Clausen	Hall (OH)	Morrison
Clay	Hall, Ralph	Mottl
Clinger	Hall, Sam	Murphy
Coats	Hamilton	Murtha
Coelho	Hammerschmidt	Myers
Collins (IL)	Hansen (ID)	Napier
Collins (TX)	Hansen (UT)	Natcher
Conable	Harkin	Neal
Conte	Hartnett	Nelligan
Conyers	Hawkins	Nelson
Corcoran	Heftel	Nichols
Coughlin	Hendon	Nowak
Courter	Hightower	O'Brien
Coyne, James	Hiler	Oakar
Coyne, William	Hillis	Oberstar
Craig	Hollenbeck	Obey
Crane, Daniel	Holt	Ottinger
Crane, Philip	Hopkins	Oxley
Crockett	Horton	Panetta
Daniel, Dan	Howard	Parris
Daniel, R. W.	Hoyer	Pashayan
Danielson	Hubbard	Patman
Dannemeyer	Huckaby	Patterson
Daub	Hughes	Paul
Davis	Hunter	Pease
de la Garza	Hutto	Pepper
Deckard	Hyde	Perkins
Dellums	Ireland	Peyser
Derrick	Jacobs	Pickle
Derwinski	Jeffords	Porter
Dickinson	Jenkins	Price
Dicks	Johnston	Pritchard
Dixon	Jones (NC)	Pursell
Donnelly	Jones (OK)	Quillen
Dorgan	Jones (TN)	Rahall
Dougherty	Kastenmeier	Railsback
Dowdy	Kazen	Rangel
Downey	Kemp	Regula
Dreier	Kildee	Reuss
Duncan	Kindness	Rhodes
Dunn	Kogovsek	Rinaldo
Dwyer	Kramer	Ritter
Dyson	LaFalce	Roberts (KS)
Early	Lagomarsino	Roberts (SD)
Robinson	Smith (AL)	Volkmer
Rodino	Smith (IA)	Walgren
Roe	Smith (NE)	Walker
Roemer	Smith (NJ)	Washington
Rogers	Smith (OR)	Watkins
Rosenthal	Smith (PA)	Weaver
Rostenkowski	Snowe	Weber (MN)
Roth	Snyder	Weber (OH)
Roukema	Solomon	Weiss
Rousselot	Spence	White
Roybal	St Germain	Whitehurst
Russo	Stangeland	Whitley
Sabo	Stanton	Whittaker
Scheuer	Staton	Whitten
Schneider	Stenholm	Williams (MT)
Schroeder	Stokes	Wilson
Schulze	Stratton	Winn
Schumer	Studds	Wirth
Seiberling	Stump	Wolf
Sensenbrenner	Swift	Wolpe
Shamansky	Synar	Wortley
Shannon	Tauke	Wright
Sharp	Tauzin	Wyden
Shaw	Taylor	Yates
Shelby	Thomas	Yatron
Shumway	Traxler	Young (FL)
Siljander	Trible	Young (MO)
Simon	Udall	Zablocki
Skeen	Vander Jagt	Zeferetti
Skelton	Vento	

□ 1620

The SPEAKER pro tempore. On this rollcall, 371 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

□ 1630

FURTHER CONTINUING APPROPRIATIONS, 1982

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I yield the remaining time on our side to the distinguished Speaker of the House of Representatives, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, it does look like David Stockman and I were correct.

Mr. Speaker, August 4 was a day of glee on one side of this House. It was the day of a new beginning.

Well, what do we have? Nearly a million more Americans are unemployed than were unemployed as of last August 4, and only yesterday the President's chief economic adviser predicted that another 1 million Americans will be unemployed. I trust, hope, and pray that that does not happen.

The press is full of speculation as to whether David Stockman will be a victim of the Atlantic Monthly article and lose his job. Well, I do not know who among the White House supporting cast are going to lose their jobs. I do know that as a result of this administration's program of tight money and flaky economics, a million more Americans could lose their jobs. The Members know that I care more about the hard-working American who has lost his job than I do about the credibility of Dave Stockman.

The winter is nearly upon us. I ask you these questions: Do you want to reduce the funds for fuel assistance another 5 percent? You have already reduced them. I see a couple of gentleman nodding that they do want to do that. Probably they have never been the victims of a hard winter.

With the health programs already reeling from previous cuts, do you want to reduce the funding for maternal and child care? The pollsters say, by 67 to 33 percent, that the people think this Congress went too far. Americans are concerned that the President's budget cutting has gone too far. Yet you want one final blow of the meat ax.

In funding for the handicapped, you have already cut 25 percent. The American people feel, by 69 to 31 percent, that you have cut too severely. With more Americans unemployed than at any time since the Great Depression, do you want to cut the budget some more? With the evidence mounting that the Reagan economic program is not working, you are advocating the same things you advocated early in the year.

I was around in the 1930's, and that is the same line that Hoover used in the depression of 1930. It is the same line that Nixon used in the 1974 recession.

I say to my colleagues, America is responding, they think enough is enough. Let us defeat this motion to recommit and force this administration to face the facts The economics of Reagan is not working. It is time to come up with a new plan.

I am concerned about the future of America. I am certain that you are, too. I trust you will vote against the motion to recommit. I think the gentleman from Mississippi (Mr. WHITTEN) has done an honorable, a decent, and a fair job, and I hope this House will support the committee.

The SPEAKER pro tempore. All time having expired, pursuant to the provisions of House Resolution 271, the previous question is ordered on the joint resolution.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the joint resolution?

Mr. MICHEL. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MICHEL moves to recommit House Joint Resolution 357 to the Committee on Appropriations with instructions to report

the same back forthwith with the following amendment:

On page 9, following line 7, add the following new section:

SEC. 107. Notwithstanding any other provision of this joint resolution, the appropriations, funds or other authority for projects or activities covered by this joint resolution, except for those activities involving new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974, and except for those projects or activities provided for under the Defense, Military Construction and District of Columbia Appropriations Acts, and except for the Social Security Administration account entitled "Limitation on Administrative Expenses", veterans' medical care and the food stamp program, shall be available at a rate for operations of 95 per centum of the amounts otherwise provided for in this joint resolution.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. MICHEL) is recognized for 5 minutes in support of his motion to recommit.

Mr. MICHEL. Mr. Speaker, let me say to my colleagues that I am offering this motion to recommit to avoid a Presidential veto of the continuing resolution.

Now, admittedly, if the joint resolution should pass in its present form in this House, we are not aware of what the other body might do. None of us knows that. What I think we have to do is do the best job we know how in this body and do what we can to get a continuing resolution that will pass muster downtown.

The President has asked us, as the Members recall, for some further cuts because of the deteriorating situation with respect to the deficit. There was an arbitrary figure put forth of 12 percent across the board, plus some other things we did not give any consideration to in this body. I am not arguing that point, because, frankly, I think the timeframe was such that it would have been very difficult to have the individual committees and subcommittees go back and rework what they had already put in place. I thought it was impractical, and I argued against it.

I said that there would be one other opportunity, however, when we would have a chance to take a step in the right direction, and that is in connection with this continuing resolution. So what I am proposing is to simply take one step toward what the President asked us to do in September.

□ 1640

If my figures are correct, and I am using the same ones that we used in the Appropriations Committee, we will make a significant savings here of about $4 billion in outlays from what is called for in the continuing resolution.

Several areas are expected from the cut. We exempted defense because, as I look at the table prepared in part by the committee itself, the House subcommittee level is $6,300,000,000 under the President's budget of September. That is why I do not feel another 5-percent cut there adding $10 billion over and above what the committee has already cut, is warranted. That is why it is exempt.

In military construction, that item, according to the committee bill, is $413 million under what the President asked for. Here again we have exempted it on those grounds.

The District of Columbia bill is normally an entirely separate item, and this is not included.

In the social security area, when the amendment was offered in full committee there was a question of whether or not the administrative expenses for the Social Security Administration would be adversely affected. That is why we single it out in the text of the motion to recommit, to make absolutely sure that we are not tampering with social security benefits or with the administration of that program.

Veterans medical care also is exempt because of Members' concern. Even though normal benefits are considered an entitlement, medical care is not an entitlement.

Why are food stamps excluded? Because food stamps are not considered to be an entitlement under section 401(c)(2)(C). You can bet your bottom dollar if we did not leave the money in there we would be back with a monumental supplemental at the first of the year to cover the cost because in practical terms it is an entitlement. So if we cut 5 percent here, I think it would be just a sham. We would be kidding ourselves, and that is what we have been doing around here far too long, kidding ourselves.

Here we are at that juncture now to make some significant savings with one vote. We do not know what the other body will end up doing on this continuing resolution. But we could at least go home feeling confident that we had made a start and given them a vehicle upon which either to build or detract. I do not know what their position is going to be. But I think for us it is the right thing to do. It puts us in the right posture and it is not going to be all that disastrous to have this or that program cut a little bit.

The Speaker a few moments ago made mention of the fuel assistance program. If my memory serves me correctly, the State of New Hampshire had money left over and put it in the bank for this coming year. That is the case repeatedly, time after time, on any number of programs around here. Five percent is not going to damage any single program.

I would implore Members to support my motion to recommit. They will be doing the Nation and themselves a great favor.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN) for 5 minutes.

Mr. WHITTEN. Mr. Speaker, I rise in opposition to the motion to recommit.

My colleagues, a few days ago attention was called to the length of time that I have served in the House. I want to say thank you for the friendship and all of the courtesy you have shown me.

I have a very good district. The constituents of my district enable me to do what I believe is right and to promise only that I will do the very best I can.

Let me call your attention to the fact that the Constitution provides that the power of the purse shall be held by the Congress and in particular by the U.S. House of Representatives. The procedures that have been set up require that we confer with the other body in connection with all of these matters.

I want you to know that we have taken our duties seriously on the Appropriations Committee. Let me repeat to my friends on the minority side, particularly, that this is a continuing resolution, and unless a resolution is adopted by Friday night at midnight the Government comes to a halt. So we are working against time.

Not only that, but last fiscal year, as I told you, this committee, at the request of the President, was asked to rescind $15.1 billion. We came up with a reduction of $14.3 billion. We also cut the supplementals. I do not believe history will ever show greater cooperation then what we did in that instance.

Not only is that true, but over 30 different actions have been requested that made our committee work day and night throughout this year.

You may ask why we have this resolution here. We have it here because we have to see that the Government does not come to an end. By passing this resolution you are sending us over to meet with our colleagues in the other body. I know what they feel only by the fact that they have not acted upon appropriation bills until the last few weeks.

But here we bring you a bill, and it was not easy, that is below the President's request of March and below his request of September, below all his requests. He has not sent us any request for a 5-percent reduction across the board.

These 5-percent cuts would affect programs such as: CETA programs, including youth employment, Job Corps, summer youth and private sector programs; new health block grants, which already have been cut below the 1981 level; title I education grants; student financial aid; assisted housing; community development block grants; and NASA appropriations. Since, the chairman of the subcommittee has

stated that revenue sharing is not an entitlement local governments would lose revenue sharing funds. The nuclear weapons program of the Department of Energy would be reduced.

Mr. Speaker, the most disturbing aspect of this motion is that it would allow the executive branch to select where to make the reductions—executive impoundment in effect in discretionary programs—a concept rejected by the Congress with the passage of the Congressional Budget Control and Impoundment Act of 1974.

Our burden as legislators is to make Government work for the people. In Congress, we are directly responsible to the people and the committee's appropriations bills are responsive to their needs as justified in the hearings. The Office of Management and Budget does not have to answer to the people and should not be granted blanket impoundment authority over discretionary funds.

Members of this body have sworn an oath to support and defend the Constitution—the same Constitution which vests the "power of the purse" in the House of Representatives. If the Members of this body were to allow the motion to be adopted, they would be shirking their consitutional responsibility by relinquishing the "power of the purse" to the executive branch. Remember we have already cooperated with the executive branch far beyond any point in history and if we adopt this motion some sound programs may have to be reduced below acute need.

If you have heard from home, the cuts already made are hitting hard. Remember that much of it is because we cut taxes and gave away our revenues. Every day you read it in the paper, where IBM, to keep from paying hundreds of millions of dollars, bought tax credits from Ford.

Now we are asked to make a further 5-percent cut which the President has not asked for. I am just saying to you that we in Congress have the obligation to act responsibly because we swore to support the Constitution. The Constitution says that the money powers of this Government rest in the Congress of the United States.

I say it is a mistake, with the Court's encroaching on our power as the people's branch, with the executive encroaching on our powers, that we as the legislative branch, the people's branch, not to see to it that we discharge our functions.

This motion to recommit would turn over the discretionary programs of this Government for an additional cut of 5 percent after we have held below the recommendations of the President. I am talking about the official recommendations.

Let me tell you this: We need to cut our wastes, sure; but it is just as essential to keep up investment programs, productive programs, and programs of vital interest to the American people as it is to cut out those things that are unnecessary.

I say to you as chairman of the Appropriations Committee, I am proud of the record we on both sides of the aisle have. May I say to all of you here I do not believe 25 percent of the committee voted against this resolution which we present before you.

So, in conclusion, I would just say keep in mind that you are sending us to conference. Do not tie our hands behind us when we have cooperated with the President. Do not add another 5 percent which he has not requested, certainly not officially.

We must think of the American people and put them first. But, above all, we swore that we would discharge the constitutional obligations to deal with the money and not surrender it to any President. I would say that whatever party he might belong to. I would say the same thing to you. Do not tie our hands before we go to conference. We have a wonderful track record, my friends. You will not find in history where any Congress has yielded to $15.1 billion in requests of reductions and with 4 months to go to come up with $14.3 billion.

We bring you a resolution that is below the President's official recommendation in March and in September. Do not add another 5 percent that he has not asked for.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MICHEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 189, noes 201, not voting 43, as follows:

[Roll No. 302]

AYES—189

Archer	Carney	Dreier
Ashbrook	Chappie	Duncan
Atkinson	Cheney	Dunn
Badham	Clausen	Edwards (AL)
Bafalis	Clinger	Edwards (OK)
Bailey (MO)	Coats	Emerson
Barnard	Collins (TX)	Emery
Beard	Conable	English
Benedict	Corcoran	Erdahl
Bennett	Coughlin	Erlenborn
Bereuter	Courter	Evans (DE)
Bethune	Coyne, James	Evans (GA)
Bliley	Craig	Evans (IA)
Breaux	Crane, Daniel	Fenwick
Brinkley	Crane, Philip	Fiedler
Broomfield	Daniel, Dan	Fields
Brown (CO)	Daniel, R. W.	Findley
Brown (OH)	Dannemeyer	Fish
Broyhill	Daub	Frenzel
Burgener	Deckard	Gibbons
Butler	Derrick	Gingrich
Campbell	Derwinski	Goodling
Carman	Dickinson	Gramm
Gregg	Marlenee	Roukema
Grisham	Marriott	Rousselot
Gunderson	Martin (IL)	Schulze
Hall, Ralph	Martin (NC)	Sensenbrenner
Hall, Sam	Martin (NY)	Shaw
Hammerschmidt	McClory	Shelby
Hansen (ID)	McCloskey	Shumway
Hansen (UT)	McCollum	Shuster
Hartnett	McDade	Siljander
Hendon	McDonald	Skeen
Hightower	McEwen	Smith (AL)
Hiler	McGrath	Smith (NE)
Hillis	McKinney	Smith (OR)
Holt	Michel	Snowe
Hopkins	Miller (OH)	Snyder
Hubbard	Montgomery	Solomon
Huckaby	Moore	Spence
Hunter	Moorhead	Stangeland
Hyde	Morrison	Stanton
Ireland	Mottl	Staton
Jenkins	Myers	Stenholm
Johnston	Napier	Stump
Kemp	Nichols	Tauke
Kindness	O'Brien	Tauzin
Kramer	Oxley	Taylor
Lagomarsino	Parris	Thomas
Latta	Pashayan	Trible
Leach	Paul	Vander Jagt
LeBoutillier	Porter	Walker
Lent	Quillen	Weber (MN)
Levitas	Railsback	Weber (OH)
Lewis	Regula	White
Livingston	Rhodes	Whitehurst
Loeffler	Ritter	Whittaker
Lott	Roberts (KS)	Williams (OH)
Lowery (CA)	Roberts (SD)	Wilson
Lujan	Robinson	Winn
Lungren	Roemer	Wolf
Madigan	Rogers	Wortley
Marks	Roth	Young (FL)

NOES—201

Addabbo	Eckart	Lowry (WA)
Akaka	Edgar	Luken
Albosta	Ertel	Lundine
Alexander	Evans (IN)	Markey
Anderson	Fary	Matsui
Andrews	Fascell	Mavroules
Annunzio	Fazio	Mazzoli
Anthony	Ferraro	McCurdy
Applegate	Flippo	McHugh
Aspin	Foglietta	Mica
AuCoin	Foley	Mikulski
Bailey (PA)	Ford (MI)	Miller (CA)
Barnes	Ford (TN)	Mineta
Beilenson	Fountain	Minish
Benjamin	Fowler	Mitchell (NY)
Bevill	Frank	Moakley
Biaggi	Frost	Moffett
Bingham	Fuqua	Molinari
Boggs	Garcia	Mollohan
Boland	Gaydos	Murphy
Boner	Gejdenson	Murtha
Bonior	Gephardt	Natcher
Bonker	Gilman	Neal
Bouquard	Ginn	Nelligan
Bowen	Glickman	Nelson
Brodhead	Gonzalez	Nowak
Burton, Phillip	Gray	Oakar
Chappell	Green	Oberstar
Clay	Guarini	Obey
Coelho	Hall (OH)	Ottinger
Collins (IL)	Hamilton	Panetta
Conte	Harkin	Patman
Conyers	Hawkins	Patterson
Coyne, William	Heckler	Pease
Crockett	Heftel	Pepper
D'Amours	Hollenbeck	Perkins
Danielson	Horton	Peyser
Davis	Howard	Pickle
de la Garza	Hoyer	Price
Dellums	Hughes	Pritchard
DeNardis	Hutto	Pursell
Dicks	Jacobs	Rahall
Dingell	Jeffords	Rangel
Dixon	Jones (NC)	Reuss
Donnelly	Jones (OK)	Rinaldo
Dorgan	Jones (TN)	Rodino
Dougherty	Kastenmeier	Roe
Dowdy	Kazen	Rosenthal
Downey	Kildee	Rostenkowski
Dwyer	Kogovsek	Roybal
Dymally	LaFalce	Russo
Dyson	Lantos	Sabo
Early	Long (MD)	Savage

Scheuer	Stark	Weaver
Schneider	Stokes	Weiss
Schroeder	Stratton	Whitley
Schumer	Studds	Whitten
Seiberling	Swift	Williams (MT)
Shamansky	Synar	Wirth
Shannon	Traxler	Wolpe
Sharp	Udall	Wright
Simon	Vento	Wyden
Skelton	Volkmer	Yates
Smith (IA)	Walgren	Yatron
Smith (NJ)	Washington	Young (MO)
Smith (PA)	Watkins	Zablocki
St Germain	Waxman	Zeferetti

NOT VOTING—43

Bedell	Goldwater	Mattox
Blanchard	Gore	Mitchell (MD)
Bolling	Gradison	Petri
Brooks	Hagedorn	Ratchford
Brown (CA)	Hance	Richmond
Burton, John	Hatcher	Rose
Byron	Hefner	Rudd
Chisholm	Hertel	Santini
Coleman	Holland	Sawyer
Daschle	Jeffries	Solarz
Dornan	Leath	Wampler
Edwards (CA)	Lee	Wylie
Fithian	Lehman	Young (AK)
Florio	Leland	
Forsythe	Long (LA)	

□ 1700

The Clerk announced the following pairs:

On this vote:

Mr. Dornan of California for, with Mr. Richmond against.

Mr. Forsythe for, with Mr. Mitchell of Maryland against.

Mr. Gradison for, with Mr. Solarz against.

Mr. Hagedorn for, with Mrs. Chisholm against.

Mr. Young of Alaska for, with Mr. Edwards of California against.

Mr. Jeffries for, with Mr. Florio against.

Mr. Petri for, with Mr. Leland against.

Mr. Lee for, with Mr. Ratchford against.

Until further notice:

Mr. Long of Lousiana with Mr. Sawyer.

Mr. Blanchard with Mr. Rudd.

Mr. Fithian with Mr. Wampler.

Mr. Mattox with Mr. Goldwater.

Mr. Hertel with Mr. Wylie.

Mr. Daschle with Mr. Coleman.

Mr. Hatcher with Mr. Hance.

Mr. Brown of California with Mr. Lehman.

Mr. John L. Burton with Mr. Rose.

Mr. Brooks with Mr. Leath of Texas.

Mr. Bedell with Mr. Byron.

Mr. Gore with Mr. Hefner.

Mr. Santini with Mr. Holland.

Mr. GINN and Mr. ECKART changed their votes from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 195, nays 187, not voting 51, as follows:

[Roll No. 303]

YEAS—195

Addabbo	Ford (MI)	Nelligan
Akaka	Ford (TN)	Nelson
Albosta	Frank	Nowak
Alexander	Frost	O'Brien
Andrews	Fuqua	Oakar
Annunzio	Garcia	Oberstar
Anthony	Gaydos	Obey
Aspin	Gejdenson	Ottinger
AuCoin	Gephardt	Patterson
Bailey (PA)	Gibbons	Pease
Barnes	Gilman	Pepper
Beilenson	Ginn	Perkins
Benjamin	Glickman	Peyser
Bennett	Gonzalez	Price
Bevill	Gray	Pritchard
Biaggi	Green	Pursell
Bingham	Guarini	Rahall
Boggs	Hall (OH)	Railsback
Boland	Harkin	Rangel
Boner	Hawkins	Reuss
Bonior	Heckler	Rhodes
Bonker	Hightower	Rinaldo
Bouquard	Hollenbeck	Rodino
Bowen	Horton	Roe
Brodhead	Howard	Rosenthal
Burton, Phillip	Hoyer	Rostenkowski
Clausen	Hutto	Roybal
Clay	Hyde	Sabo
Coelho	Jacobs	Savage
Collins (IL)	Jeffords	Scheuer
Conte	Jones (NC)	Schneider
Conyers	Jones (OK)	Schumer
Coyne, William	Jones (TN)	Seiberling
Crockett	Kastenmeier	Shamansky
D'Amours	Kazen	Shannon
Danielson	Kildee	Skelton
Davis	LaFalce	Smith (IA)
de la Garza	Lantos	Smith (NJ)
Dellums	LeBoutillier	Smith (PA)
DeNardis	Lent	St Germain
Derrick	Long (MD)	Stark
Dicks	Lowry (WA)	Stokes
Dixon	Luken	Swift
Donnelly	Markey	Synar
Dougherty	Marks	Traxler
Dowdy	Matsui	Udall
Downey	Mavroules	Vento
Dwyer	McCurdy	Volkmer
Dymally	McDade	Walgren
Dyson	McGrath	Washington
Early	McHugh	Watkins
Eckart	McKinney	Waxman
Edgar	Mica	White
English	Mikulski	Whitley
Erlenborn	Miller (CA)	Whitten
Ertel	Mineta	Williams (MT)
Evans (DE)	Minish	Wilson
Evans (IN)	Mitchell (NY)	Wolpe
Fary	Moakley	Wright
Fascell	Moffett	Wyden
Fazio	Molinari	Yates
Ferraro	Murtha	Yatron
Flippo	Napier	Young (MO)
Foglietta	Natcher	Zablocki
Foley	Neal	Zeferetti

NAYS—187

Anderson	Chappell	Edwards (AL)
Applegate	Chappie	Edwards (OK)
Archer	Cheney	Emerson
Ashbrook	Clinger	Emery
Atkinson	Coats	Erdahl
Badham	Collins (TX)	Evans (GA)
Bafalis	Conable	Evans (IA)
Bailey (MO)	Corcoran	Fenwick
Barnard	Coughlin	Fiedler
Beard	Courter	Fields
Benedict	Coyne, James	Findley
Bereuter	Craig	Fish
Bethune	Crane, Daniel	Fountain
Bliley	Crane, Philip	Fowler
Breaux	Daniel, Dan	Frenzel
Brinkley	Daniel, R. W.	Gingrich
Broomfield	Dannemeyer	Goodling
Brown (CO)	Daub	Gramm
Brown (OH)	Deckard	Gregg
Broyhill	Derwinski	Grisham
Burgener	Dickinson	Gunderson
Butler	Dorgan	Hall, Ralph
Campbell	Dreier	Hall, Sam
Carman	Duncan	Hamilton
Carney	Dunn	Hammerschmidt
Hansen (ID)	McCollum	Shelby
Hansen (UT)	McDonald	Shumway
Hartnett	McEwen	Shuster
Heftel	Michel	Siljander
Hendon	Miller (OH)	Skeen
Hiler	Montgomery	Smith (AL)
Hillis	Moore	Smith (NE)
Holt	Moorhead	Smith (OR)
Hopkins	Morrison	Snowe
Huckaby	Mottl	Snyder
Hughes	Murphy	Solomon
Hunter	Myers	Spence
Ireland	Nichols	Stangeland
Jenkins	Oxley	Stanton
Johnston	Panetta	Staton
Kemp	Parris	Stenholm
Kindness	Pashayan	Studds
Kogovsek	Patman	Stump
Kramer	Paul	Tauke
Lagomarsino	Pickle	Tauzin
Latta	Porter	Taylor
Leach	Quillen	Thomas
Levitas	Regula	Trible
Lewis	Ritter	Walker
Livingston	Roberts (KS)	Weaver
Loeffler	Roberts (SD)	Weber (MN)
Lott	Robinson	Weber (OH)
Lowery (CA)	Roemer	Weiss
Lungren	Rogers	Whitehurst
Madigan	Roth	Whittaker
Marlenee	Roukema	Williams (OH)
Marriott	Rousselot	Winn
Martin (IL)	Russo	Wirth
Martin (NC)	Schroeder	Wolf
Martin (NY)	Schulze	Wortley
Mazzoli	Sensenbrenner	Young (FL)
McClory	Sharp	
McCloskey	Shaw	

NOT VOTING—51

Bedell	Gore	Mattox
Blanchard	Gradison	Mitchell (MD)
Bolling	Hagedorn	Mollohan
Brooks	Hance	Petri
Brown (CA)	Hatcher	Ratchford
Burton, John	Hefner	Richmond
Byron	Hertel	Rose
Chisholm	Holland	Rudd
Coleman	Hubbard	Santini
Daschle	Jeffries	Sawyer
Dingell	Leath	Simon
Dornan	Lee	Solarz
Edwards (CA)	Lehman	Stratton
Fithian	Leland	Vander Jagt
Florio	Long (LA)	Wampler
Forsythe	Lujan	Wylie
Goldwater	Lundine	Young (AK)

□ 1820

The Clerk announced the following pairs:

On this vote:

Mr. Richmond for, with Mr. Dornan of California against.

Mr. Ratchford for, with Mr. Gradison against.

Mr. Florio for, with Mr. Jeffries against.

Mr. Leland for, with Mr. Hagedorn against.

Mr. Solarz for, with Mr. Young of Alaska against.

Mrs. Chisholm for, with Mr. Wylie against.

Mr. Edwards of California for, with Mr. Wampler against.

Mr. Mitchell of Maryland for, with Mr. Vander Jagt against.

Until further notice:

Mr. Mollohan with Mr. Sawyer.

Mr. Dingell with Mr. Rudd.

Mr. Stratton with Mr. Goldwater.

Mr. Simon with Mr. Forsythe.

Mr. Santini with Mr. Coleman.

Mr. Fithian with Mr. Petri.

Mr. Brown of California with Mr. Lee.

Mr. Brooks with Mr. Mattox.

Mr. Long of Louisiana with Mr. Rose.

Mr. Lundine with Mr. Daschle.

Mr. Hance with Mr. Bedell.

Mr. Blanchard with Mr. John L. Burton.
Mrs. Byron with Mr. Lujan.
Mr. Leath with Mr. Hertel.
Mr. Hatcher with Mr. Hubbard.
Mr. Gore with Mr. Hefner.
Mr. Lehman with Mr. Holland.

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the consideration of House Joint Resolution 357, and that I may include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMUNICATION FROM STAFF DIRECTOR, COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

The SPEAKER pro tempore laid before the House the following communication from the staff director, Committee on Standards of Official Conduct:

COMMITTEE ON STANDARDS OF
OFFICAL CONDUCT
Washington, D.C., November 13, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: This is in further reference to my letter of November 3, 1981, informing you of my receipt of a subpoena ad testificandum issued by the United States District Court for the District of Columbia.

I have determined, after consultation with the General Counsel to the Clerk, that compliance would be consistent with the provisions of House Rule L. Therefore, this is to notify you that absent instruction from the House to the contrary, compliance will be effected.

Furthermore, my testimony is sought to authenticate public documents (financial disclosure statements) filed with the Committee on Standards of Official Conduct.

Sincerely,

JOHN M. SWANNER,
Staff Director.

WHY OUR ECONOMY HAS SLIPPED INTO RECESSION

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker I hear a lot of political howling about the recession we are in, but I do not hear anybody saying why our economy has slipped into a recession.

Our country is enduring a recession today because this Congress delayed the tax cuts proposed by the President last March. Because of this Congress, the personal income tax reductions are coming too late to prevent the recession.

I invite your attention to the tax-reduction program the President presented to this Congress early in the year. He asked for a 10-percent reduction in personal income tax rates on July 1, followed by equal rate cuts on July 1 of 1982 and 1983.

With the Federal Reserve Board pursuing a tight monetary policy throughout this year to fight inflation, it was of critical importance that we cut taxes as quickly as possible to prevent recession. In fact, a tight monetary policy was almost certain to produce a recession if we failed to move rapidly to reduce Government spending and taxes.

Congress failed to do the job. It enacted personal tax rate reductions of only 5 percent effective October 1, to be followed by another 10 percent next July 1 and 10 percent on July 1, 1983. The first increment in the tax reduction program was too little and came too late.

No measurable tax relief for the American worker is provided until the middle of the next calendar year. Meanwhile, his income will continue to be eroded by inflation, tax bracket creep, and the social security tax increase scheduled for January 1. His purchasing power has already been sharply eroded by the same factors in recent years.

The fundamental fact is this: Congress has postponed the economic recovery of our Nation. We have had years of stagnation caused by rising inflation and an increasing tax burden driven by inflation, and relief was needed quickly to avoid recession.

The Reagan program for economic recovery depended on monetary policy to reduce inflation while we stimulated productive economic growth by reducing Government spending and cutting taxes.

But the Reagan economic program has been knocked out of synchronization by Congress. The economic recovery is being delayed by a recession caused by actions of this Congress. The goal of achieving a balanced budget by 1984 is being rendered unachievable by the recession. And a swarm of Congressmen are blaming the President for the mess.

The Republican majority on the other side of Capitol Hill is in a panic to raise taxes, which is precisely the wrong direction to take if we ever want economic growth and a balanced budget. The economy is already dragging the anchor of a heavy tax burden.

There is something we can do that makes sense. We can make January 1 the date for the 10-percent tax cut now scheduled for next July 1. My colleage from Pennsylvania (Mr. WALKER) has introduced legislation to accomplish that purpose.

If you are as concerned about rising unemployment as I am, then all of us will work together to enact this legislation with dispatch.

For those of you who are worried about the budget deficit, I would remind you that the recession is reducing revenues.

The device to achieve economic growth, increase employment, and improve the tax base is immediately available to us. The 10-percent tax cut should be made effective January 1 instead of next July 1.

But many would rather complain than take action. Many are hoping for political reasons that the President's economic program will fail. I hope we can put aside partisan fighting to enact the best antirecession medicine available to us.

THE SAUDI ARABIAN EIGHT-POINT PLAN IS NOT A PLAN FOR PEACE

The SPEAKER pro tempore (Mr. FARY). Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 30 minutes.

● Mr. LAFALCE. Mr. Speaker, a Saudi Arabian peace initiative that is the basis for real movement toward a solution of Mideast problems would be a welcome contribution. An analysis of the underlying reasons why the Camp David accords produced results shows that the recent, eight-point Saudi statement does not form the basis of a productive approach.

The essence of the Camp David agreement was the relinquishment of substantial territory by Israel—territory it acquired in a defensive war started by Nasser's Egypt—in exchange for vital but intangible promises of peaceful relations. The relinquishment of territory from which Israel's enemies struck in three wars—1956, 1967, and 1973—is obviously a threat to Israel's security unless believable assurance of a truly peaceful relationship is forthcoming. Without an assurance of sincere peaceful acceptance of Israel, how can she believe that the relinquishment of territory will not simply be a device to place enemies closer to strike at her heart?

Camp David was founded upon a striking and earth-shaking gesture that gave assurance that Egypt truly meant to establish a peaceful relationship. President Sadat, without precondition, went personally to Jerusalem, to the seat of the Israeli parliament, the Knesset, and offered recognition, security, and peace. He, without the intervention of any Western or Soviet bloc nation, proposed to negotiate a true peace. The impact of his offer of not just a cease fire, but normal commercial and neighborly relations, convinced Israel that it was indeed receiv-

ing the intangible—peace—in exchange for its surrender of strategically invaluable territory.

Compare the Saudi plan.

Nowhere is there a willingness expressed to sit down at the table with Israel to establish peace. Nowhere is there recognition that Israel's integrity as a state is recognized. Nowhere is that gesture that is needed to insure sincere desire for peace, for normal commercial, diplomatic, and people to people relations that constitute peace. Tangible concessions—all from Israel—are described explicitly. The notion of absence of overt hostilities may even be implied. But nowhere is there expressed a recognition of Israel's sovereignty, let alone the true solid relations that are necessary to assure lasting peace. Examine the points of the Saudi plan and ask what is there to reassure Isreal that can ever compare with Sadat's dramatic proof of a desire to establish a truly friendly interrelationship.

Let us consider the so-called plan point by point.

POINT 1: ISRAEL SHOULD WITHDRAW FROM ALL ARAB TERRITORY OCCUPIED IN 1967 INCLUDING ARAB JERUSALEM

The plan begins, not with a preamble directed to Israel indicating Saudi Arabia's respect for and recognition of that nation, along with a brief discussion of the positive aspects of peace between Israel and Saudi Arabia, but with an unrealistic demand. This requirement and those that follow are not new. They are positions announced at numerous Arab summit conferences, even prior to Camp David, at which the hostile and negative attitudes toward the "enemy" Israel were reinforced.

Those well-known positions are now packaged and presented to the United States and any other country willing to attempt to coerce Israel into submission to them.

Neither the United Nations nor Egypt asks for so much. U.N. Resolution 242, which is regarded by the United States and Israel as the basis for a settlement in the region, calls for the "withdrawal of Israeli Armed Forces from territories occupied in the recent conflict," (1967 Israeli-Arab war). The resolution does not specify the extent of such withdrawal. The U.N. resolution and the Camp David agreement purposefully omitted the word "all," because Egypt and the U.N. recognize that Israel could not be secure with a withdrawal to the undefensible 1949 armistice lines; that she would be jeopardizing her security by leaving the land completely vulnerable.

That is not to say that Israel is unwilling to relinquish conquered territory. By April 24, 1982, Israel will have returned all of the Sinai Peninsula to Egypt. In so doing, Israel is relinquishing claim to important strategic positions, including airfields, control of the Gulf of Suez, the Strait of Tiran, and the Gulf of Aqaba, and is dismantling Jewish settlements. Israel is willing to withdraw from this land because she is satisfied with the Egyptian agreements providing for border security, such as the stationing of U.N. forces in the Suez. This same need to insure defensible borders must be present in any Saudi plan. Israel cannot give up territory without receiving guaranteed security in return. Even such a guarantee would not have been enough without the token that Egypt desires normal friendly relations with Israel. Security plus acceptance of Israel and meaningful gestures in support of peace must be offered in exchange for territory.

The Camp David agreement states: "Security is enhanced by a relationship of peace and by cooperation between nations which enjoy normal relations." Steps to be taken under Camp David, to establish such relationships among nations at peace include, "full recognition, abolishing economic boycotts, and guaranteeing citizens the protection of the due process of law."

A peace plan must be entered into with a spirit of cooperation and conciliation by both parties. Saudi Arabia is well aware that Israel is adamantly opposed to dividing Jerusalem. To suggest this, at the very beginning, in a proposal lacking in recognition of and security for Israel, immediately raises a serious question about the sincerity on the part of Saudi Arabia of establishing a true peace. The spirit of friendship is completely missing. In its place is this knowingly unacceptable statement—which is followed by others.

POINT 2: ISRAELI SETTLEMENTS BUILT ON ARAB LAND AFTER 1967 SHOULD BE DISMANTLED

These settlements were built to protect and defend Israeli-Arab borders and thus are considered by Israel critical to her security. Without an unquestionable belief that security would be guaranteed by Saudi Arabia through other means, Israel could not give the settlements up. Egypt realized the security importance of these settlements and thus left the future of them for further negotiation. There does not seem to be an opportunity for any negotiation in the Saudi plan—certainly no face to face dialog to discuss this critical sensitive issue.

POINT 3: FREEDOM OF WORSHIP AND RELIGIOUS PRACTICES FOR ALL RELIGIONS IN THE HOLY PLACES SHOULD BE GUARANTEED

There is no argument on this point. Freedom of worship should be guaranteed in a peace agreement. However, the underlying implications of this point are unclear and certainly warrant direct discussions—an ingredient to peace missing in the plan. When the holy places were under Jordan's administration, Jews and Christians faced restrictions and prohibitions in their exercise of religious rights. Jews were not allowed to visit their holy places. Jewish cemeteries were desecrated. Only under Israeli control has full religious freedom been extended. In fact, Moslem holy places have been under Moslem administration and control.

POINT 4: THE RIGHT OF THE PALESTINIAN PEOPLE TO RETURN TO THEIR HOMES AND OF COMPENSATION TO THOSE PALESTINIANS WHO DO NOT WANT TO RETURN SHOULD BE AFFIRMED

Again, discussion and understanding of the issue between both parties is necessary. Up to this point in the plan there has been no indication that Saudi Arabia recognizes Israel's sovereignty; her right to exist as a Jewish state. If this point means the return of all Palestinians to Israel, they would undoubtedly outnumber the Jews and thus effectively eliminate the existence of a Jewish state.

Israel has compensated Palestinians in the past. Compensation for all Palestinians is an appropriate subject for reasonable negotiation.

POINT 5: THE WEST BANK AND GAZA STRIP SHOULD HAVE A TRANSITIONAL PERIOD UNDER THE AUSPICES OF THE UNITED NATIONS, FOR A PERIOD NOT EXCEEDING SEVERAL MONTHS

To insure a peaceful and orderly transfer of authority and to arrange for the security concerns of the parties, a transitional period for the West Bank and the Gaza Strip is desirable. However, a transitional period of only several months is hardly sufficient for making such provisions, and there is no mention of providing security measures during that period.

Establishing this period under the United Nations as opposed to under joint Israeli-Saudi Arabian and other Arab State auspices, indicates the Saudi's unwillingness to recognize Israel or to deal directly with her. Under the Camp David agreements, transitional arrangements were discussed for a period, not exceeding 5 years. Provisions were made to enter into direct negotiations between Israel, Egypt, and Jordan and the need to insure "the legitimate security concerns of the parties involved" was stressed. It would appear that point 5 is meant only to lead to point 6, the establishment of an independent Arab State from the West Bank and Gaza Strip.

POINT 6: AN INDEPENDENT PALESTINIAN STATE SHOULD BE ESTABLISHED, WITH JERUSALEM AS ITS CAPITAL

There could be no greater threat to Israel's existence. The entire thrust of this plan, up to and including this point, is to take from Israel and give to Saudi Arabia. There has been no attempt to alleviate or eliminate Israeli fears that are based upon past virulent Saudi Arabian rhetoric against Israel. Israel can only assess this point in terms of what is present reality—a

fierce anti-Israel campaign on the part of all Arab countries, except Egypt—since no new reality has been put forth. Under these conditions, an independent Arab State would most directly threaten Israel's very existence. As was stated at the beginning of this analysis, Israeli withdrawal from all Arab territory occupied in 1967 would severely threaten her security. Creating an Arab State from this territory would leave her completely vulnerable to extinction.

Such a state could become another base for Arab terrorism and Soviet expansion. Without words of assurance from Saudi Arabia, that she will cease to support terrorism and will take steps to convince other Arab nations to end hostilities and acts of terrorism against Israel, there is every reason to believe that terrorism will continue and if an Arab State is established, be strengthened by an even more strategically located launching pad.

Rather than calm Israeli fears, the plan reinforces them. While the original eight points do not mention a Palestine Liberation Organization (PLO) role, and accompanying list of conditions essential to their implementation included acceptance that PLO Chairman Yasser Arafat is the spokesman of the Palestinian people. In introducing these conditions, Prince Fahd said:

I cannot imagine that a Palestinian state could be set up without the approval of the PLO's leadership. Hence, no peace without the Palestinian people and no Palestinian state without the Palestine Liberation Organization.

How could Israel agree to the establishment of a PLO state on its vulnerable borders?

Certainly, the issue of the status of the West Bank and Gaza strip cannot be summarily dismissed by simply stating they should become an Arab State. The subject requires much discussion, negotiation, and compromise. The discussion must be directly between the parties. To come to any agreement at all, Saudi Arabia must directly assure Israel, in personal gestures and actions that are meaningful and sincere, that if a Palestinian state is to be created, it will be a friendly one recognizing Israel's right to exist as a Jewish state and therefore providing for necessary security arrangements and normal relations between the two. So too, there should be a willingness on the part of Saudi Arabia to accept something less than the establishment of an Arab State. Camp David talks about autonomy. The entire subject must be open for compromise and accommodation. Such is the art of relationships between friendly countries truly seeking peace.

The Camp David agreement emphasized the need for assuring internal and external security. It established a framework for granting full autonomy for the inhabitants of the areas, establishing joint patrols to assure security of borders, and entering into negotiations to determine the final status of the territory.

POINT 7: THE RIGHT OF ALL STATES IN THE REGIONS TO LIVE IN PEACE SHOULD BE REAFFIRMED

To date, there has been no clear direct statement by Saudi Arabia that Israel is one of the "states in the regions" included in this plan. In fact, there have been direct statements issued before and after the plan was presented that indicate Israel is definitely not included.

Interpretations of the meaning of this point are numerous and conflicting. There have even been two different translations handed to correspondents. One uses the word "people" in the regions, the other says, "states" in the regions. "People" would not imply recognition of the State of Israel in any way.

What is required, immediately, is for Prince Fahd to state directly and publically that Israel is one of the states in the regions whose right to live in peace should be reaffirmed. Mentioning Israel by name would clarify the questions and be a significant gesture toward recognition. This particular issue is critical. If Saudi Arabia does not recognize Israel as a state and then recognize its right to exist, there is little reason to even read this plan, let alone consider it seriously.

Most recently, Saudi Arabia's ranking diplomat in the United Nations, Gaafer M. Allagany, asserted that the proposal does recognize Israel. Mr. Allagany said:

It says "all states," We are not afraid to say that it does recognize Israel. We are not shying away from that word "Israel" in any sense.

Allagany's assertion is in direct conflict with prior official positions and statements.

Saudi Arabia has never regarded Israel as a state but rather, as the Zionist enemy. Chedli Klibi, Secretary General of the Arab League, said (the Middle East, October 1981):

There is not one word in Prince Fahd's plan indicating that Saudi Arabia or any Arab party is ready to recognize Israel.

There is no mention in the Saudi plan of U.N. Resolutions 242 and 338 which call for negotiations with Israel and, therefore, imply recognition of the Jewish state. The plan is noteworthy in its ability to discuss peace without mentioning Israel by name except to mandate Israeli withdrawal from territories. As stated before, the plan contains no mention of the need to conduct negotiations with Israel—precisely because to do so would imply recognition.

In discussing the conditions that must be met for the implementation of a peaceful settlement, Fahd stated:

The United States should cease its unlimited support of Israel. Israel arrogance, whose ugliest manifestation is embodied in Menachem Begin, should be put to an end. The Palestine factor, as Yasser Arafat says, should be recognized as the basic factor in the Middle Eastern equation.

These statements do little to support the conclusion that Israel is one of those states in the region guaranteed to live in peace; nor do they qualify as gestures for friendship.

In discussing the Saudi plan, Prince Saud, the Saudi Foreign Minister, would not explicitly say that Saudi Arabia or any other Arab country was ready to formally recognize Israel provided an agreement was reached. He indicated that first Israel must agree to discuss the Fahd plan and reach agreement. Then, perhaps the Saudis would discuss recognizing Israel. An official Saudi press agency report on October 2, 1981, stated that Fahd expressed the hope that when the plan is discussed at the Arab League summit in Morocco in November, it will become the united will of the Arabs in the face of the "enemy." If Israel is considered the enemy even at the time of introducing a peace plan, how seriously can such a plan be considered?

In an interview published in the leading Beirut daily, An Nahar, on October 30, 1981, Yasser Arafat, the head of the Palestine Liberation Organization, said he welcomed the peace plan proposed by Prince Fahd of Saudi Arabia because it calls for coexistence between Israel and the Arabs. But Mr. Arafat would not say directly that he would acknowledge the existence of Israel. The Minister of Information, Sheik Mohammed Abdo Yamani stated on November 1, 1981, in an interview with the Kuwaiti newspaper, Rai Al-Amn:

The principles on which the plan of Prince Fahd stands emphasize the need to wrest Palestinian rights from the claws of the enemy.

Prince Fahd held a dialog on his peace initiative on November 2, 1981, which was published in the Saudi press. He stated:

The world has only to be guided by its conscience to force the Zionist aggressors to return the land to its lawful owners.

He reiterated the Baghdad summit rejection of Camp David:

No to Camp David in both form and content.

He went on:

We very much hope that the Saudi declaration of principles will become a tool for unity and unification with which we can face our enemies and a means toward ending their domination of the conflict.

He refers to his plan as "categorically" different from Camp David. Indeed it is.

Even if it were agreed that this point in the Saudi plan accepts, by implication, Saudi recognition of Israel as a state, other points that have been dis-

cussed would mean Israel's destruction. Among these are: Israel evacuation of all Arab territories, including East Jerusalem and the setting up of a Palestinian state with East Jerusalem as its capital.

In addition, there has been no attempt to define peace. Granted, peace is an intangible, but there are specific gestures and actions that assist in clarifying its meaning. Personal relationships probably mean more than any written word. Even a written clarification can be meaningless unless the individuals who must agree to that piece of paper have mutual respect, admiration, confidence, and trust in each other. Such was the case between Anwar Sadat and Menachem Begin. As the prior discussion indicates, such is not the case between any leader in Saudi Arabia and the Israeli Prime Minister.

But written clarifications are missing as well. Camp David spells out some of the ingredients for peace by talking in terms of "respect for the sovereignty, territorial integrity, and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force." Camp David talks about "special security arrangements," such as, "joint patrols;" "good neighborly relations;" involving "all those who have been most deeply affected to settle disputes;" "abolishing economic boycotts;" exploring "possibilities for economic development with the objective of contributing to the atmosphere of peace, cooperation, and friendship which is their common goal."

POINT 8: THE UNITED NATIONS OR SOME MEMBER STATES SHOULD GUARANTEE THE IMPLEMENTATION OF THESE PRINCIPLES

This point is another example of Saudi Arabia's refusal to recognize Israel and to deal directly with her. Under the Camp David agreements, the U.N. Security Council is "requested to endorse the peace treaties to insure that their provisions shall not be violated." But the actual implementation of the principle is left up to Egypt and Israel. They guarantee to each other that the principles and provisions will be adhered to and pledge to "establish among themselves relationships normal to states at peace with one another."

Israel would hardly agree to the U.N. serving as the body able to guarantee its security and right to exist. The General Assembly has condemned Zionism as racism. It has consistently treated Israel as a pariah. Its recent resolutions have been aimed at destruction of Israel. Certainly the policy making body, the Security Council, with its membership—including the Soviet Union—could not be trusted with this obligation.

CONCLUSION

This eight-point plan is presented against an historical background of Saudi Arabian contempt and hatred for Israel. To erase that past and to prove that friendship and peace is now the desired path, will take extraordinary efforts. Through the Camp David process, Israel has indicated her willingness to make concessions for true peace. Saudi Arabia has been invited to offer a real peace plan to receive similar concessions. The present Saudi plan fails to prove anything more than that history is repeating itself. As such, it fails to contribute to peace in the Mideast. Much more is needed. I hope it will be forthcoming.●

THE UNIQUE CHARACTERISTICS OF THE FEDERAL RESERVE BOARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I continue on the subject matter that I enlarged somewhat upon last week with respect to the resolutions I have introduced, as well as the proposed bills that I have introduced, having to do with, in one case, the impeachment of the Chairman of the Federal Reserve Board, and in the second case an impeachment resolution directed at the Open Market Committee, which in effect, means not only the five known Federal Board members but all the Federal Board members because they constitute the so-called Open Market Committee; and the three specific bills having to do with restructuring and attempting to catch up from the congressional standpoint with a duty that has been imposed on the Congress particularly within the last 20 years but which actually, from its inception and the effective date of the 1913 Federal Reserve Act, has been incumbent upon Congress, and that is to bring it in keeping with the accountability and the responsiveness to the needs of the industry and to the finances and credit of the Government.

After all, that is what the Federal Reserve Board really is. It is the fiscal agent of the Government. It is, in today's terminology, the equivalent of the Central Bank for the United States of America. It is for this reason that I must continue the discussion, because it is obvious that much has been lost sight of, such as the basic significant elemental aspects that define the so-called Federal Reserve System.

In order to understand that, I am amazed at the lack of awareness and knowledge, even among the members of the pertinent committees, the Banking Committee, and its corresponding subcommittee in the appropriation process and now the Budget Committee.

□ 1630

I point this out because I must say that further complicating the situation from the standpoint of overview by the Congress have been all these innovations and attempts to bring about some kind of consistency and coherency in the financial appropriation and authorization processes, and they are all so interrelated that they impact, just as I said last week, the domestic policy. No matter how wisely we act, no matter how timely we evolve, we still must confront the impact of the international forces which up to now our country has been either unable or unwilling to do anything about. Only time will bring about a decisive turn of events which, unfortunately, in my opinion, has reached a point of no return.

I frankly speak at a time when the outlook is extremely pessimistic. It is very difficult for me to say so and assess the situation because I am by nature a bubbling optimist. But I have always also had to be a realist or I do not think I would have been celebrating my 20th year in the Congress on November 4 past.

So all of these things, which result from a myriad of forces, of procedures, of laws, and statutes that are interrelated, must be understood, but the first and the primordial thing is that we must understand the history. Why do we have a Federal Reserve Board? Why is it structured the way it is, and why is it conducting its business the way it is now? In fact, it is an almost impossible task because even on our level, the congressional level, there does not seem to be much interest on a sustained basis to get some kind of an accounting of how the Federal Reserve Board really operates, what its procedures internally speaking are, and how its members account for those actions and activities that are conducted under its procedural process such as it has evolved.

I have been a member of the Committee on Banking for 20 years, since the time I came here, and at no time that I can recall has any board member or Chairman ever come to give us an accounting of the decision-making process. It is all enveloped in secrecy, and you and I know that secret government, like fast government, can be very dangerous government.

Dangerous to what? Well, dangerous to the democratic process, dangerous to our most informed and participatory democracy, and, above all, inimical to the public control.

After all, our country, thank God, is still amenable to the people, at least up to now. The reason I am a pessimist is that I see how this in itself,

this residual power of the people to determine, is eroding and has eroded, particularly since last year's election when we had $128 million worth of political action committee money greatly influencing congressional elections. Better than $128 million was spent just for congressional elections. Now, I do not think it is generally known that this has not really happened before, and only time is going to determine finally what the ultimate impact of that is.

But there is no question in my mind that when we dovetail that development with the inextricable link, with the powerful interests, the most powerful financial interests in the world, not only in our country, that are really the ones that are pulling hither and yon, we will find such entities as the Federal Reserve Board and not the actual government managers and administrators.

This is the only reason why we can say that the Government will continue to pay. Even when it was broke at its inception, in 1789, it did not allow that, but now the Government has to pay. It is incredible. It is unbelievable. Europeans cannot quite grasp this, and for a good reason—because it not only is not right but it does not make sense. The Government is paying and has reached the point where it pays more than 15-percent interest. That is interest not on just short-term bills or notes but long term. It is incredible. It is a real plundering of the people and the Republic.

There are bound to be definite reasons why this is happening now as compared to World War II and the sequelae—Korea, for instance—when we had Presidents Roosevelt and Truman financing world wars and where, as I said before, we had in the case of World War II—and I am not speaking now as though it is over with, because World War II is not over with; it has not been settled yet, and this is another thing that is very puzzling and surprising—a different situation. How could those Presidents, at a time when we were using over 46 percent of our gross national product on the Federal level, finance the war and finance the Government's operations, never paying over 2 percent? And the average was less than 2 percent.

Now, why is it? Is it that the Government is weaker today? Is it that the Congress, included in the general term of "our Government," is inept? Is it that it just does not know how, whereas Secretary Morgenthau and President Roosevelt and President Truman, in the case of the Korean war, did know?

Well, I think there are reasons which at this point would be extraneous to the discussion, but we must understand the history. In fact, we have to go to the very beginning of the country at its inception. We must remember that for the first 10 years of our existence as a nation there was not even such a thing as the office of the Presidency. During the first 10 years of our national life, people did not bother with such a thing as a Presidency. In fact, they feared any such office. They did not want to think in terms of that.

And we had the Continental Congresses. That Continental Congress, right then at the tail end, before we adopted the Constitution, had to finance, and it did, and it created the Bank of North America. And even then, by the method of its creation and the way it was handled, it was done a lot more responsibly than the way we are doing it today in the handling of our central bank, the Federal Reserve Board, believe it or not. At least in those days our Founding Fathers did not turn it over to the bankers. They did not turn it over to the unrestrained special interests, because even though that Continental Congress was attacked from the judicial standpoint, it, therefore, had to provide for the chartering or the equivalent chartering of the Bank of North America in the State of Pennsylvania because there was a question, as it properly should have been questioned, whether or not the Continental Congress had the power to charter a bank. And, of course, this is one of the reasons why the Articles of Confederation failed, and the Continental Congresses had to emerge into the new Constitution with the new powers. Also in the First Congress, 1789–91, they had to think in terms of financing, and they created the First United States Bank.

The history of that Bank is one of success, and it essentially gave us the pattern of what Government financing is all about.

We are the only country, let me say parenthetically, that handles our money matters and our currency the way we do. There is no other country that does it. If you look at that dollar bill you may have in your pocket, you will not see "Treasury Note" or "Silver Certificate" as we had it up until 1965. I remember being on the committee then and raising questions that were never answered and that nobody wanted to contemplate.

□ 1740

We had the experts, great experts, and this is where I lost faith in that so-called expertise. That reminded me of what one Pope said in the Middle Ages when he said, "If only the faithful knew how the church was governed, they might lose their faith."

I have seen those so-called experts, like Secretary Dillon coming in the first year that I was assigned to the Committee on Banking, and in one of the few meetings we had that year we were talking about the repeal of the so-called silver transaction tax. I was the only one that asked questions and voted against recommending its repeal. I asked the pertinent question that would not be answered, because I had gone into the history of that silver transaction tax which is a war tax, and there are good reasons for it, just like there are good reasons for everything else that surrounds the history of our banking institutions.

When we stray from those, when we stray from the principles, when we stray from the Constitution, we can expect serious trouble. Primarily, I think that is why we are in trouble in our country today.

But if you go back to the history of that first bank, you find one thing for sure. After the Constitution was enacted, and in order for the Government to gain credibility and creditworthiness and faith and trust from the people, it assumed the war debts that were incurred during the Revolutionary War of the individual States. In order to finance, they created beyond the Bank of North America the First United States Bank. Remember that all of these are private institutions but have governmental aspects, because the Government is using them as its instrumentality or fiscal agents, agents for the Government.

But the Government also, being broke, had to resort to a mechanism in order to not only finance but to do so in a way that would not be contrary to the spoilation of people's economic well-being. That bank was so successful that in its years of existence, not only was the Government able to finance and include a 6 percent share in its interest in the bank, but also pay the interest thereof, which was no more than 6 percent, through its able management and fiscal ability. But most of all, it was because they did not turn it over. They did not give unrestrained right to fractional reserves.

Today you hear a lot about printing press money as if the Government of the United States has been profligate, as if you had those liberals in charge. I wish to God it was guys like myself who are labeled liberals; and I am proud of that label, I am not ashamed of it, because I think that if it is defined as I define it, in the light of America's history, that is the American tradition. But when you hear all of this talk about printing press money, what is not stated is that the Congress has delegated the right to make money to the bankers. Under our fractional system, banks manufacture money every day, and that is not controlled. This is what the current situation is all about.

When you have the central banker, the fiscal agent of the Government acting like a usurious moneylender, in fact worse than a usurious moneylend-

er, I compare them in fact to the Mafioso, to the Cosa Nostra. I said it was acting like a junta, but it is more like a Cosa Nostra. In fact, it is not even half as good because at least you can get some of the witnesses from the Cosa Nostra to come in hooded in disguise, but you cannot get these bankers to come in even under a hood. Therefore, you have no accountability.

You look at your dollar bill, and you will see "Federal Reserve Note." For every one of those issued, you, the taxpayer, have to pay interest on that. You have to pay for its manufacture; you have to pay interest on its issuance. We are the only country in the world that does it that way. There is no other country, England, France, Germany, Japan, you name it, that does that. They do it the way it ought to be done. That is, in our case it would be the Treasury. This is why one of my bills will abolish the Federal Reserve Board and bring its activities, its institutions, its buildings, its vaults, and everything else under the Department of Treasury of the United States. In that way the people will know who is responsible.

As it is now, the poor people back home say, "Henry, what is the Congress going to do about high interest rates? The Congress can do something. Surely you can. How in the world can I stay in business?"

Now, this is the case of a man who has since declared bankruptcy.

But I am speaking of what he was telling me earlier this year. He is asking, "Why should I have to pay 22 percent to borrow $12,000 in order to have a floor inventory? I cannot afford it. How in the world am I going to pay 22 percent. I cannot even pay 10 percent without at least making the lender a part of my business to where I will be working for him. I will not be an independent businessman."

If you are a consumer and you wish to purchase an automobile, and Detroit is wanting to know how in the world they are going to sell cars, and why GM is losing $500,000 and are in the red, and Ford, by an almost like amount and, of course, you know the history of Chrysler. The reason is very simple. If you do not sell the cars you manufacture, there is no way that you are going to stay in business and make a profit. No corporation can. This is why the so-called Reaganomics or ERP, the economic recovery plan, has never been quite explained to the satisfaction of hard-headed businessmen.

Their heart belongs to daddy. They voted for Mr. Reagan, and most of them are Republicans, and that is great. I think what my colleagues on both sides had better recognize, because I know that depending on who is in power at the time they blame economics on partisanship, but let me say that economics is a bipartisan matter, like corruption. I remember, I am old enough to remember when Harry Truman had that general and they had the 15 percenters. I think that he charged 15 percent, or at least he was accused of it. All of the Republicans talked about Truman's corruption. Then they came in and here comes the loved, the loved Ike, and he ends up with Sherman Adams. Sherman Adams I think was 5 percent.

The point is that corruption, none of us should take or boast who is exempt and who is not, or who is to blame when there but for the grace of God is I. Corruption is bipartisan. So is economics. Economics is not Democratic, it is not Republican. It is like mathematics, you are either right or you are wrong. No two ways between.

□ 1750

When you look at the history here—and we have had it before us—we had Government that was in no less, in fact, in a far more precarious position than anything we could conceive confronts us right now, even though what confronts us right now, especially now, is pretty bad.

I do not think that the American people or even if the administrators realize—they do not want to say it—but I have been privy to testimony that the regulators have given us that has been most disturbing. They would not give us that information when they should have so that the Congress could, within the extent of its jurisdiction, have addressed itself. Some of us have been trying to elicit, extract—in fact, it is like trying to pull teeth—this information for that last 15 years, because we have had these events foreshadowed by definite trends and activities. But today the thing is so complicated, and it is further aggravated by this sort of cuckoo-land aspect of finances that I do not know what is going to happen other than that the only thing I feel we can do at this point, like those serving on the level that I am—amd I have instructed the staff of the subcommittee to do so—is to get anticipatory suggestions and legislative programs so that we will not be, at least on the congressional level, flailing around when the house of cards collapses.

The only thing I am afraid to report that is in issue is when, not will it—especially now. And I said this 2 years ago. I said 2 years ago that, for the first time since 1930, all of the variables are in this equation that can and will make it possible to have the kind of economic catastrophe that we call the depression.

Now, I think anybody from that generation—and I am a depression kid—would want that as a last thing. Like war, you pray to God that it be avoided. But, on the other hand, you cannot bury your head in the sand when you see these awesome resemblances and parallels between the period immediately preceding and what is happening now. And I pointed out that, even though we have all of these mechanisms, these stabilizers—social security, and the like—you now have some additional factors on the international level, as well as domestically.

For example, I pointed out 2 years ago, better than 2 years ago, that we have now reached that point that bankers, ever since the goldsmiths, who became the first lenders, the first bankers, in the Middle Ages, in the 13th century—let me explain a little there. The goldsmiths were the ones who were the keepers of the gold, which was the medium of exchange. And they, in effect, ended up in using techniques defined in the banking world as "fractional reserves," because they would issue a note. They would keep the gold and they would issue a note to the owner thereof, saying, "This is what you are worth, and this note reflects it." And it got to where they would issue the trusted clients notes in excess of the actual value of the gold held. That is what is known as fractionalization. This is what banks do today. This is why, when I said 2 years ago that we were violating that formula, that equation, where it was now that we had violated in our banking world, you took all of your total banking structure, your 14,000 commercial banks, plus the others, and you had less than 20-to-1 ratio on structuralization and capitalization value, and what you had as liability, and when you reach that, traditionally, ever since the Middle Ages, you are in trouble.

Maybe it will not happen, but maybe it will. And if it does, you are in very serious trouble.

The first runs—you know, we call them bank runs today—well, the first runs in the Middle Ages were when these goldsmiths overextended and all of a sudden they had a call for that gold, and they just did not have enough gold to cover those notes. Well, the same thing happened in our beginning, except that the Founding Fathers, being honest and being responsible and knowing better—because, after all, our Nation, and the concept of our Government is founded on the fact that you have a balance, a countervailing of powers. We know that power not only tends to, it does, corrupt. And no man is exempt. There is no man who is wise enough, good enough, who can resist the corrupting influence of power.

This is why our country is predicated on the balance, so that that horrible thing that the Founding Fathers were mostly afraid of, the Executive, the king, and all that that reflected, but they also knew there could be such a thing as judicial tyranny or congressional or legislative tyranny, and we have had periods in our history

when we have been victimized by all three, except not as severe because, after all, it has worked, we have had countervailing balancing of this tripartite, equal, coequal, and separate and independent branches.

Even today, we had a good illustration of what so many of the Members here were losing sight of, the fact that we are not inferior to the President. We are coequal and independent. And if we forgo our independence, that is our responsibility. And this is what we have done. When those first Congresses and those first managers appointed by the Congress worked, they were well aware of this; and even though the people they were entrusting the financial fate were great and honorable people, they did not give them all that power because they knew that, no matter how good they were, and especially among bankers, the more they had the more they would want. This is why you have had laws against usurious interest rates all through history. Even before the time of Jesus Christ it was illegal to charge anywhere what we now nonchalantly say it is all right to the Federal Reserve to legalize. This is one of the charges I have, that the Chairman and the Federal Reserve Board have legalized usury in a manner that is shocking, unbelievable, to me. Unbelievable. Even during the Civil War—what greater period of stress have we shown in the history of our Government?—You never had to pay a prime interest rate such as anywhere near what is taken for granted today. And you did have national usury laws.

We undid the national usury law after the Civil War, in fact, about 1865, and it was done sort of left handedly. You remember the Nation was convulsed, it was trying to live over it, it was trying to heal wounds. It was still very bitter. And it is during those times that those interests—I call them the moths and the scarabs of the States—always hovering, but always looking out for their particular interest, and to hell with the general interest, the greatest interest of the greatest number.

This is why we have the Government. And when the Congress sits back and abdicates that trusted responsibility, should we be surprised because we are being punished, flagellated, beaten out of our American standard of living, reduced to compete with the peons and the coolies of the world? And this is what we are confronting. We are confronting with the erection of a class that in Europe they call them the lumpenproletariat, where you have rigid caste systems, even in our kith and kin countries, in England. The average American cannot understand the class system there until you talk to some of the escapees from it, and many of them who made up our country.

□ 1800

This is what is the process now. This is what America is facing and it has done because in this dry-as-dust subject matter who remembers or wishes to recall history. But when you examine it, when you see what has happened to start the practice, the extent of the Congress, what was plainly obvious in the discussions, in the private papers and memoirs of the then President Woodrow Wilson, his greatest concern, and he said so, was when he summoned the bankers to talk to them and Senator Carter Glass, and he said, he said he could tell immediately that cold, hostile gaze in the bankers' eyes when he said, "Gentleman, not over my dead body are you going to get what you are seeking in this structure that is being worked out in the Halls of the Congress."

But the Congress did, it did not learn from the First United States Bank, from the Second United States Bank.

You know those were successful even though there was a lot of commotion and you had a depression and coincidentally the reason for it was that as fiscal agents for Government it was not that they were not set up right or accountable or that they did not even return moneys to the taxpayers and the Government, but that they perhaps were restrained to such a point, because of the private bankers' interest, that they did not respond to the demands of a burgeoning economy, the country was growing, it was expanding, it was moving, the age of invention of which America is a hallmark—it is our great country, is what it is, because of that nobility of vision, and accountability of the men in that period of time.

But even at that, even as late as 1913, when it was finally formulated and shaped into what we call the Federal Reserve Board—even then it was in effect left with an open-ended power by the very interests that this mechanism is supposed to supervise and control.

The most privileged class in America today is the banker because he can manufacture money—nobody else can—except the Government is supposed to—but we delegated that. So should we be surprised that we should say what is the ceiling if the prime interest rate reached 22 percent, not too long ago. What is to keep it from coming back and going up to 30 or 40 or 50? What is the limit? What is going to be declared the limit? What is going to be the goal of the Federal Reserve money managers?

They say, "Yes, it is a spendthriftness of the Government. It is the debt. It is the unbalanced budget." All of which is not true. It is just absolutely as false as any myth that has ever been set upon a people.

Nevertheless, they are getting away with it and you have an adminstration in power that is predicating its basic policies on those myths and misconceptions.

So I have asked these money managers, as I have asked Presidents since Kennedy, and particularly at the height of Vietnam, President Johnson: Who is making the decisions and how? What is the chain of events that lead to the judgmental decisions being made in those recondite rooms and boardrooms and decisions of the closed open-market committee?

Now, what, for example, protection do the people have if we in the Congress do not know. We are the people's agents. We cannot tell them.

I have been a member of this committee for 20 years and I cannot tell any of my constituents what it is the Federal Reserve has to protect the process for honest decisionmaking. Not at all. Because there is no accountability.

As a matter of fact, the Chairman has made it a point to come in and in one case blow smoke spirals out of a pipe, in the latter case smoke spirals out of a cigar, while they look at us dumb bumpkins in the Congress, dumb politicians, wastrels, the ones who are responsible for it.

You cut the Government and this will be solved because inflation, that demon inflation, will come under control. Well, they have been in control. Who else has been? It has not been the likes of HENRY GONZALEZ that has been chairman of the Appropriations Committee say in the House or be on the board. It has been the conservatives. At least my impression has been that if anybody called the chairman of those bodies a liberal, they would get a sock in the nose.

They have been in control. The truth is that Congress has not. If anything, they have been conservative, in my opinion too much so, and therefore not responsive to the burgeoning crying needs emanating from the midst of our society to give a fair shake and to maintain the American dream alive.

We cannot have it both ways. We cannot ask the people to accept the chains of slavery and go fight a war for us freely and happily and contentedly and within the conviction that there is a cause worth fighting for.

How in the world, how in the world, I just cannot conceive, and when I see it rocking along and even today the Chairman of the Federal Reserve, insistent and adamant and dogmatic that this tough policy is going to continue, if anything even worse, tougher.

So that even if it is obvious that a policy has not worked, in the by and by it might work. But in the meanwhile it is death for thousands, if not by the end of this year a million busi-

nessmen and Americans as the speaker brought out eloquently this afternoon. We will have another million Americans relegated to the waste heap of unemployment. We have a million Americans more unemployed today than the day Ronald Reagan raised his hand to take the oath of office of the Presidency on January 20.

Is that a policy that has succeeded? Does that reflect that?

It is not sufficient now, because even those that have been the most, the most enthusiastic supporters of this administration and during the elections last year, even now realize that to say whether it was all Jimmy Carter's fault, this is what he left, is just worn out.

The statute of limitations has run against Jimmy Carter's blame. It is our baby now, I do not care who is in. I repeat, it is not a party matter. Economics, like diplomacy and international relations, we used to say when Franklin Roosevelt was President, he had even a Cabinet that was bipartisan. He worked bipartisanly with a great Senator, Senator Vandenberg, and he used to say this to the partisans, he would say, "Politics stops at the water's edge." Not today. Not today.

When we have our Secretary of State or Secretary of Treasury and even the President going to Europe earlier this year, and blaming high interest rates on Jimmy Carter, the Europeans, of course, being wiser because they can look at things a little more objectively as to our own internal situation, were beginning to say, "Look, it is OK if you guys want to punish yourselves, but you are bringing down the whole world. If the United States sneezes, we in Europe catch a cold."

This is true, but it also works vice versa. And meanwhile those same Europeans have emerged when they have seen the lack of leadership, either in ability or unwillingness to exert it, among our money managers and have therefore developed a counterforce. Do you hear it discussed on the floor of this House? I do not know of any except myself who has even mentioned it. EMS, European Monetary System, EMF, European Monetary Fund. What are these things?

It is like ancient history almost. Nobody seems to realize that it has the most intimate thing to do with what is happening to us now, unemployment, reduction in standards of living.

It is like the Vietnam war. As long as it was that other family's kid that was drafted and that happened to be the kid that was too poor to go to college or some other reason such as that.

I ought to know, because from my district has come the highest rate of volunteerism to serve in war or peace than any other.

I think I ought to know that when the questions began to come in and it was not until a few more looked at the possibility of being drafted that you began to have the real serious trouble.

But should Congress have waited? Should it not have known that there was a questionable constitutional aspect about a President impressing without a declaration of war or specific sanction from the Congress an unwilling conscript into a war undeclared overseas outside the continental United States?

This was contrary to the specific provisions of the original draft law of 1941, or rather the modification in 1941, which almost lost except by one vote and did not pass until a Member put in an amendment that said no person subject to the act shall be compelled to serve against his will outside of the continental United States. That was still part of the law after the so-called end of World War II.

But we did not realize or did not give a tinker's dam because as long as it was somebody else, it was all right.

The Irish have a saying, "It is easy to sleep on another man's wound." That is what is happening to us today in the case of finances; but remember, one follows the other. If you cannot win the war at the money tables, it does very little good to win the war in the field, even though common tradition or legend has it the other way.

You look at history and you will see the beginning of an emergence of what we have set up, so this is the intricate relationship.

The thing that frightens is that we have an administration that rattles the atomic bombs and is asking us, we heard the debate this afternoon, you are going to cut because you want to balance the budget, but you are going to increase—for what? For defense.

Well, I certainly would not quarrel with the need for adequate defense and I am the one who will vote for 10 percent, 12 percent, even 15 percent of our gross national product for defense, if necessary. My whole record will show that. Why? Because without that, there is no meaning to our freedom. We will not have it; but you are really contradicting yourself and this is what I have had from the presentation of the administration's program.

I asked that question, and I am of such a build that if a question is not answered, no man will compel me to go along. I have always been that way and will continue to be that way as long as God gives me breath, I hope, and when I could not get answers when I asked, I said, "Wait. You want to balance the budget because you want to control inflation? You are saying you want to cut the budget on this other side, nondefense side, by say $46 billion, but you want to increase defense by over $46 billion, so your budget is about the same or maybe a little deeper. You have not really cut overall."

But you say that that must be accompanied by, of all things, a tax cut. To this day I cannot imagine that. I said, look, this looks like the emperor is naked. How are you going to do it? I do not know of any time it has been done.

Oh, because that tax cut will go primarily to businesses who in turn will invest it in productive endeavors.

I said, oh, then we will wait and see how the tax bill is drafted. Then when the tax bill came, there was no connection between the two. There is nothing to influence that.

So the proponents said, oh, it is just like John Kennedy in 1962. Well, there they were talking about something I knew about. That was the first year I came and I remember the bitterness and I remember how John Kennedy was not supported. His action came purely at the executive level and what we had was the so-called deceleration and all that that was tied in. It was tied in. You tied it in with production, with inventory buildup and individual production and employment; but this one did not.

On top of that, it was the most regressive tax that Americans are going to suffer with for generations, because I do not see it being turned around at all.

On top of that, you have this system where you do not even have basic accountability. There is not an American that I know, and if he does know, he has not wanted to tell anybody, that can answer these questions of accountability from these money managers.

That is the reason for my bill. I know it is always easy to look for some angle in Congress. Today American cynicism is rampant. We always think a politician has to have some angle if he is going to be doing anything. There must be some angle. He is going to get some political profit or some publicity or something.

Well, I have learned through my experience. I am a very privileged man. The people in my area have given me the privilege of representing them in the highest legislative offices, locally, State, and nationally, and I have now a record of over 28½ years in public elective office, so that I know. I have seen these things before.

I know that on the national level it is even worse, because after all, you know, one man cannot help but sound very egotistic, very almost egomanical to say he is going, of all people, to put in a resolution; but I do not think that ought to influence any thinking American.

I would like for the record to show that the response I have had nationwide to the bills and the resolutions I have introduced has been simply amazing, and I do not mean just from

nonbusiness circles. I mean from some very, very big corporate heads, from the State of Washington to the State of Maine and to the State of Florida; so I know that these are the things that are necessary, that it is not any act of heroism. I can think of many other ways. I do not think I am such a dumb politician that I cannot think of many other ways I could do it easier and maybe even more effectively; but I would be, and I know I would be kidding myself, first of all, and therefore, the people, and therefore, not really redeeming the great trust and the privilege that has been given me.

There is no higher privilege in the world of any kind, wealth, power, or any other form than in a free democratic society electing an individual. I cannot think of a higher reward myself.

Now, maybe it is because my background gives me a great deal of appreciation more than say the average American. It has been back here six or seven generations, and being my family came, like my father, to save his life, he was going to be shot and found, as he said, tranquility and peace and the ability to earn a living and raise his family, and I have never forgot it.

We were told and can remember being told and having visited that father country, and I realize what a vast difference there is, even though the words used are the same; they say it is democratic, just like we call the Western European countries democratic or free countries; but, oh, my goodness, the average American should visit in order to fully appreciate the difference in words and their meaning and significance.

It is the same thing here in politics. We live in a day and time in which images are what make you and get you elected; but I think that whether it is here or anywhere else, images must give way to the real thing sooner or later.

□ 1820

You either have it or you do not, sooner or later, in or out of America. The big trouble with us in America is that our image, the world does not necessarily constrain itself to our orbit, and this is where the rub is. This is why we are confronted with a very ticklish situation in which great unity must come forth, must be summoned forth. We must have the best ability of the best people unified to even obtain a solution, so you can see how difficult a challenge it is, and how maybe perhaps it is impossible to achieve in time to avoid a catastrophe other than as we are doing now, coming in with—which I will announce—so-called measures of anticipation of what is certainly now, unavoidable. In other words, shoring up and reducing the impact, the detrimental impact as much as possible.

But, when we look at our history and we find, why was it necessary for the Congress to enact the 1913 Federal Reserve Act, why, there are reasons for it, and they in turn dovetail with what happened before with the First United States Bank, the Second United States Bank, and we have got to understand that, because if we do not understand that we will not know what it is has created the problem confronting us now.

This is the main burden I have against the so-called programs, such as they are, that have been given to us in Congress. I am not talking about the speeches made by the President to the public. The public does not distinguish between the speeches and what we have to pass on, which is the followup, the specific measures in bill form that we have got to look at. This is the thing that we have got to look at. This is the thing that we have to answer for.

But when you look at the history, you see, for example, that we do not know, does the Federal Reserve Board have an inspector general? Is it true that a couple of years ago we had a very serious leak, and on other occasions, from the supposedly secret proceedings of the Open Market Committee, which leaked prematurely can inure to the special interests, especially in the New York financial districts, of millions and millions and millions of dollars.

What happened last week, and in fact we had a full page ad in the New York paper making it look as if it was a victory—that was what was called a bank failure today is called a merger, but you had the FDIC, Federal Deposit Insurance Corporation, having to dish out half a billion dollars. Now, we know that there is a limit to how many of those things the FDIC can come and intervene with. We know that.

We also know, we were told, and I protested going into a secret meeting on that—I did not see why and I still do not—but we were told by these regulators that one-third of the institutions in the thrift industry are in that kind of trouble; not just bad, serious distress, and a goodly number in the commercial banks. Now, the Greenwich Bank aspect of a while ago, a half billion dollars from the FDIC, that was a savings bank. They are in serious trouble. They are going to pop like popcorn in a popper, and there is a limit to what is insurable and coverable.

Do we want to wait until that fate leaks out, wait until you have panic, or what are you going to do? We will have to go back and reread the history of 1929, 1930, 1931, and 1932, and see the parallel. On housing, for example, long-term fixed mortgages, we are doing now in the long-term fixed mortgage area the same thing and have the same practices that we had really before October 1929; that is, 95 balloon rollovers—the same thing.

Now, does it take a genius? No. If that were the case I would not even be able to discuss this because I certainly am no genius, and I certainly am not even an expert. I certainly do not even consider myself an expert, but I am charged with the responsibility of being one four hundred and thirty-fifth lawmaker, or policymaker in this House, and I have been assigned to a special area of activity, the Banking Committee, and therefore I have tried to discharge my ability in and to the extent of my limitations and knowledge. I raised the questions, and as I said, and repeat, if those questions are not answered I am not going to be bludgeoned into a goose-step obedience. No power on Earth will do that and I think the average Member is about the same way if given a chance to have to discharge a responsibility along these lines. I am, as I reported last week, I am doing everything I can to make sure that my measures are seriously considered by the proper committee of jurisdiction, and I have directed a letter to the chairman of the Judiciary Committee in the case of impeachment and in the case of the resolution structuring bills, one that would abolish the Open Market Committee. It is an anachronism. It has usurped to itself powers Congress never gave, and it ought to be, and then a restructuring of the Federal Reserve System if nothing else.

I am trying to get the full committee chairman to see if at least we can get hearings, and actually I am respectful of the judgment of my colleagues in those responsible positions.

THE ALASKA NATURAL GAS TRANSPORTATION SYSTEM PRIVATE FINANCING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 10 minutes.

● Mr. CORCORAN. Mr. Speaker, I am pleased to be joined today by several colleagues in introducing the Alaska Natural Gas Transporation System Private Financing Act. Joining me in cosponsorship are: Mr. BROYHILL, Mr. BROWN of Ohio, and Mr. DANNEMEYER.

The ANGT's Private Financing Act represents what we believe to be an appropriate legislative approach to encouraging the production, transportation, and utilization of the vast reserves of natural gas at Prudhoe Bay. This five-section bill includes the following provisions. Section 1 states the bill's short title. Section 2 provides that the risk of building the pipeline rests upon the sponsors and that the

cost for the pipeline will only be paid by gas consumers in association with the delivery and purchase of gas. Section 3 decontrols the price of natural gas at the Prudhoe unit field of Alaska. Section 4 allows the oil companies to participate in the sponsorship of the project and also includes antitrust review provisions. Finally, section 5 is technical in nature and provides the import and export permits necessary to transport gas through Canada into the United States.

The cosponsors of this legislation and I believe that this bill represents a legislative approach far superior to the approach provided by the possible congressional approval of the pending waivers to the Alaska Natural Gas Transportation Act of 1976. These proposed waivers were submitted by the President to the Congress on October 15, and introduced on October 19, as House Joint Resolution 341 and Senate Joint Resolution 115.

In the House, House Joint Resolution 341 was jointly referred to the Committees on Interior and Insular Affairs and Energy and Commerce. Seven days of joint hearings, involving 63 witnesses, were held by the Interior Committee's Energy and Environment Subcommittee and the Commerce Committee's Fossil and Synthetic Fuels Subcommittee. These extensive hearings were concluded just last week on November 9.

The Alaska Natural Gas Transportation Act of 1976 provides for an expedited procedure for congressional consideration of waivers such as those submitted by the President last month. For the waivers to go into effect, both Houses must vote approval by mid-December. It is important to note that Presidential waiver proposals are not subject to amendment.

While I agree that we must pursue efforts to produce and transport Prudhoe Bay gas for the benefit of the lower 48 States, I strongly oppose the unusual financing method provided in the waiver package. I object to the prebilling waiver because it would allow gas ratepayers to be billed for pipeline construction costs before they receive Alaskan gas and even if it is delayed or, worse yet, if the pipeline is never completed. Second, even if the gas does manage to get produced and transported, I seriously question the marketability of $18 gas, a price which is four times the current average price for gas per thousand cubic feet (mcf). As I asked repeatedly during the hearings, "Who is going to buy $18 gas?" We must consider alternative approaches to gaining access to that gas. Such an alternative approach is embodied in the legislation we are introducing today.

The original cosponsors of this bill and I have agreed that we will oppose any attempt to use this legislation as a vehicle to promote the accelerated deregulation of natural gas. While we agree on pursuing the deregulation of Prudhoe Bay gas, as provided in this legislation, we will oppose any efforts to otherwise amend the Natural Gas Policy Act of 1978 in connection with congressional consideration of the ANGT's Private Financing Act.

Mr. Speaker, it is clear to the sponsors of this legislation that the proposed waivers represent an inappropriate approach to producing and transporting Prudhoe Bay gas, especially in view of the fact that prospective lenders stated during the hearings that the approval of the waiver package would not guarantee financing for the project. We urge our colleagues to oppose the pending waiver package, and we ask our colleagues to consider, and hopefully support, an alternative legislative approach, such as that taken by the Alaska Natural Gas Transportation System Private Financing Act.

Mr. Speaker, for the benefit of our colleagues, I insert in the RECORD at this point the text of the ANGT's Private Financing Act:

H.R. 4980

A bill to amend the Alaska Natural Gas Transportation Act of 1976 to waive certain provisions of law in order to promote the construction and initial operation of the Alaska Natural Gas Transportation System

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Alaska Natural Gas Transportation System Private Financing Act".

PRIVATE FINANCING OF SYSTEM

SEC. 2. Section 9 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719g) is amended by adding at the end thereof the following new subsection:

"(f) Each tariff, certificate, or other authorization issued by the Commission respecting the rates and charges of natural gas transported through the approved transportation system shall provided that—

"(1) the fixed costs of such transportation system to be taken into account under such authorization, and

"(2) the acquisition cost of natural gas and other variable costs of such system to be so taken into account,

shall be borne by the natural gas purchasers in proportion to the volumes of natural gas delivered to such purchasers.".

PRICE DECONTROL FOR FIRST SALES OF NATURAL GAS SHIPPED THROUGH SYSTEM

SEC. 3. Section 8(g) of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719f(g)) is amended by adding at the end thereof the following new paragraph:

"(5) The first sale of any natural gas produced from the Prudhoe Bay Unit of Alaska and transported through the approved transportation system shall not be subject to the provisions of title I of the Natural Gas Policy Act of 1978 (15 U.S.C. 3311 through 3333), relating to maximum lawful prices for first sales of natural gas. The amount paid in any such first sale shall be deemed to be just and reasonable for purposes of sections 4 and 5 of the Natural Gas Act.".

PRODUCER PARTICIPATION; CURRENT SPONSORS COMPENSATION; ANTITRUST REVIEW

SEC. 4. Section 8(g) of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719f(g)), as amended, is further amended by adding at the end thereof the following new paragraph:

"(6)(A) Subject to subparagraphs (B) and (C), the provisions of the third undesignated paragraph of section 1, and the provisions of the conditions IV-4 and V-1 of section 5, of the Decision and Report to Congress on the Alaska Natural Gas Transportation System (September 1977), as approved under Public Law 95-158, are hereby waived to the extent necessary to permit producers of Alsaka natural gas (including the State of Alaska) to participate in the ownership of the Alaska pipeline segment of the approved transportation system.

"(B) Any agreement on producer participation pursuant to subparagraph (A) shall provide that any person—

"(i) who, on the date of the enactment of this paragraph, holds an interest in the approved transportation system, and

"(ii) who, within a reasonable period of time following such agreement, notifies the other interest holders of such person's intent to withdraw from participation in the system,

shall be entitled to have such person's interest in the system acquired by one or more of such producers at a price which fully compensates that person.

"(C)(i) Any agreement on producer participation pursuant to subparagraph (A) may be approved by the Commission only after consideration of advice from the Attorney General and upon a finding by the Federal Energy Regulatory Commission that the agreement will not (I) violate the antitrust laws, or (II) restrict access to the Alaska segment of the approved transportation system, or restrict capacity expansion, in any manner which discriminates against persons who are not parties to the agreement.

"(ii) The Attorney General and the Federal Trade Commission shall, from time to time, review the operation of the approved transportation system approved under this Act to determine whether agreements described in clause (i) comply with the provisions of subclauses (I) and (II) of clause (i).".

EXPORTATION AND IMPORTATION OF ALASKA NATURAL GAS

SEC. 5. Section 8(g) of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719f(g)), as amended, is further amended by adding at the end thereof the following new paragraph:

"(7) The provisions of section 3 of the Natural Gas Act, and the provisions of section 103 of the Energy Policy and Conservation Act, are hereby waived as such provisions would apply to Alaska natural gas transported through the Alaska pipeline segment of the approved transportation system to the extent that any authorization would otherwise be required for—

"(A) the exportation of Alaska natural gas from Alaska into Canada (to the extent that such natural gas is replaced by Canada downstream from the export);

"(B) the importation of natural gas from Canada into any of the contiguous States of the United States (to the extent that such natural gas replace Alaska natural gas exported to Canada); and

"(C) the exportation of Alaska natural gas from Alaska into Canada and the importa-

tion of Alaska natural gas from Canada into any of the contiguous States of the United States.".●

THE FEDERAL GOVERNMENT SHOULD NOT HELP CLEAN UP THREE MILE ISLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 10 minutes.

● Mr. FISH. Mr. Speaker, as many of my colleagues are aware, the Secretary of Engery recently announced that the Federal Government would help support part of the cleanup activities at the Three Mile Island nuclear powerplant. In his announcement, the Secretary indicated that the administration would request a total of $123 million over the next 3 to 4 years to fund various research and development activities at the damaged generating station. This funding would be used to provide technical assistance in the cleanup of the water in the building basement; remove and dispose of abnormal wastes not disposable at commercial sites; remove and evaluate the damaged reactor core; and develop special tooling needed for early access. For several reasons, I believe it would be unwise and inappropriate to support this program at this time.

Along with my fellow members of the Committee on Science and Technology, I have always strongly supported our Nation's efforts to become energy independent. Our inability and unwillingness to face our energy problems in the last 7 years has had many serious repercussions. The energy crisis has drained the financial strength of our country and seriously threatens our national security.

Events make it imperative that we press forward with the development of our domestic energy resources. We must now take advantage of the potential billions of barrels of oil shale, tar sands, and heavy oil deposits, and the vast abundance of coal reserves which lie in our country. The Science Committee has heard a great deal of encouraging testimony of the unlimited potential of these and other inexhaustible energy resources, such as solar and fusion energy.

It is certainly in our Nation's best interests to continue to pursue the development of these various energy resources. However, regardless of what role nuclear fission should play in our future energy mix, there are several compelling reasons why the Federal Government should not support the cleanup of the damaged Three Mile Island (TMI) reactor unit.

First and foremost, funding a TMI research and development program would be incompatible with the administration's energy philosophy. This philosophy rests on the basic premise that the Federal Government should only support long-range, high-risk research and development activities. The administration believes that the Federal Government should not compete with industry in the development and commercialization of energy technologies which have already proven to be viable and are either in the marketplace or near commercialization.

This cleanup program would particularly be at odds with this philosophy. It seems clear that the 70 or more nuclear plants in commercial operation today make nuclear power a commercial technology. The record of commercial nuclear power is well known.

Given the specific circumstances surrounding the TMI accident, it is even more clear that the financial responsibility for this mishap must rest with those who produced and used the electric power. This has been the case in other circumstances such as the Nuclear Regulatory Commission levying a fine on a nuclear utility for an infraction of its regulations. According to the report of the President's Commission on the accident at Three Mile Island (the Kemeny Report)—

The GPU Service Corporation (GPUSC) has final responsibility for the design of the plant. However, by its own account, it lacked the staff or expertise in certain areas to discharge that responsibility. Once construction was complete GPUSC turned the plant over to Met Ed (Metropolitan Edison Company, the operator and part owner of the Three Mile Island nuclear powerplant) to run, but Met Ed did not have sufficient knowledge, expertise, and personnel to operate the plant or maintain it adequately.

The Kemeny Report goes on further to find that—

In conclusion, while the major factor that turned this incident into a serious accident was inappropriate operator action, many factors contributed to the action of the operators, such as deficiencies in their training, lack of clarity in their operating procedures, failure of organizations to learn the proper lessons from previous incidents, and deficiencies in the design of the control room. These shortcomings are attributable to the utility, to suppliers of equipment, and to the Federal commission that regulates nuclear power. Therefore—given all the above deficiencies, we are convinced that an accident like Three Mile Island was eventually inevitable.

Based upon this report, the utility certainly had responsibility for this most unfortunate accident, and I believe they should be held strictly accountable.

My second concern with this research and development program is with the funding implications that would result. Budgetary pressures have presented the Congress this fiscal year with many hard choices, especially in the energy area. The recent increases in inflation and our overall economic situation have made it painfully clear to us that our Nation is in the midst of severe and deep economic troubles. While recognizing that an effective energy research and development program is in our best national interests, I believe that it is obvious that drastic action is necessary to get the economy back under control. This action must include reductions in Federal spending, and every agency and every program will have to take its fair share of cuts no matter how attractive the individual activities sound on their own merits.

In light of these concerns, I have supported the energy program approved by the Science Committee that calls for an aggressive effort in all of our Nation's energy research and development programs. Overall, the committee authorized over $1.56 billion for nuclear energy R. & D. compared to $1.02 billion for fossil, solar, geothermal, low-head hydropower and conservation research and development programs. We also authorized funding for many other important energy programs, including $376 million for the State and local conservation grant programs and other conservation activities. Our energy programs will certainly face close scrutiny in the years ahead, and many more tough funding decisions will have to be made. It would be a mistake to tip this balance toward one energy form or another. Taking into account our severe budget constraints, I do not believe that we can afford to commit ourselves to this new nuclear program and still be able to maintain a well-balanced energy program that will allow us to fully take advantage of all of our domestic energy resources.

While it is apparent that the Federal Government cannot and should not directly support the cleanup of this tragic accident, all would agree that there is still an urgent need to proceed with the cleanup of this accident in the most expeditious manner possible. Public health and safety are in jeopardy as long as this plant remains contaminated.

In this regard, I believe that there are several other viable options available to help us proceed with this task. One possible option that has been suggested would be the establishment of a national insurance program for nuclear powerplant property. This option would help us avoid any Government bailout for the cleanup of nuclear accidents and apportion the costs of any such accident on an equitable basis to those who really benefit from this activity. I would encourage my colleagues to consider this possibility, as well as other alternative solutions, as we face this important nuclear issue in the months ahead. Our budget can ill afford any more subsidies for nuclear energy.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from New York (Mr. GILMAN) is recognized for 5 minutes.

● Mr. GILMAN. Mr. Speaker, on Thursday, October 29, 1981, I was in attendance at the United Nations General Assembly in New York as part of my duties as a member of the U.S. delegation to the United Nations. Consequently, I was unable to be present for a number of House votes on that day.

On rollcall No. 286, the question of agreeing to the Chair's approval of the Journal of the previous day's proceedings, I would have voted "yea." That motion passed by a vote of 346 to 12.

On rollcall No. 287, the motion to table the pending motion to instruct the House conferees to accept a provision of the Senate version of the Defense Department authorization bill for fiscal 1982, I would have voted "nay." The motion failed, 171 to 224, and the motion to instruct was approved by a voice vote.

On rollcall No. 288, a motion offered by Mr. DERWINSKI to recommit the State Department authorization bill for fiscal years 1982 and 1983 to the Committee on Foreign Affairs with instructions to report the bill back with instructions forthwith, I would have voted "yea." That motion failed by a vote of 63 to 318.

I would have voted "aye" on rollcall No. 289, the final passage of the State Department authorization, which passed by a vote of 317 to 58.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. NELSON) is recognized for 5 minutes.

● Mr. NELSON. Mr. Speaker, due to official business, I was not present for the vote at noon today on approval of the Journal for Friday, November 13, 1981. Had I been present I would have voted "yes" on rollcall 298.●

BANKING COMMITTEE SUSPENSIONS ON TUESDAY, NOVEMBER 17

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, the Banking Committee has two bills listed on tomorrow's Suspension Calendar. H.R. 4879 would make deposits at international banking facilities exempt from Federal Deposit Insurance Corporation assessments. H.R. 4879 also would extend FDIC deposit insurance coverage to the Trust Territory of the Pacific Islands. The second bill, H.R. 4515, would lift the 20 percent ceiling on purchases of mortgages older than 1 year by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association, and would permit FHLMC and FNMA to purchase mortgages from FDIC and from the National Credit Union Administration.

Both bills were the subject of hearings by the Subcommittee on Financial Institutions Supervision, Regulation, and Insurance. In addition, the Housing and Community Development Subcommittee heard testimony on the amendments made by H.R. 4515. In both cases, the necessity of taking prompt action led to full committee markup sessions. This step was taken with the agreement of the minority and the committee and was not done to rush anything to judgment by bypassing subcommittee markup.

To expedit consideration on the floor tomorrow, I intend to move to suspend the rules and pass H.R. 4879 with a committee amendment thereto. The committee amendment will contain two titles, title I being the text of H.R. 4879, as ordered reported by the committee, and title II the text of H.R. 4515. To provide Members with a copy of the committee amendment to be considered by the House, the text will be printed in the amendments section of today's CONGRESSIONAL RECORD.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. CHISHOLM (at the request of Mr. ADDABBO), for the week of November 16, on account of illness.

Mr. RICHMOND (at the request of Mr. WRIGHT), for November 16 and 17, on account of personal reasons.

Mr. LEE (at the request of Mr. MICHEL), for today, on account of illness.

Mr. FORSYTHE (at the request of Mr. MICHEL), for November 16 through November 18, on account of official business as a member of the Committee on Merchant Marine and Fisheries.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GONZALEZ, special order for 60 minutes each on today, Wednesday, and Friday.

(The following Members (at the request of Mr. GUNDERSON) to revise and extend their remarks and include extraneous material:)

Mr. DOUGHERTY, for 45 minutes, November 19, 1981.

Mr. CORCORAN, for 10 minutes, today.

Mr. FISH, for 10 minutes, today.

Mr. GILMAN, for 5 minutes, today.

(The following Members (at the request of Mr. KOGOVSEK) to revise and extend their remarks and include extraneous material:)

Mr. NELSON, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. BONKER, for 60 minutes, December 10, 1981.

At the request of Mr. GONZALEZ, Mr. MAVROULES, for 60 minutes, on November 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ALEXANDER, and to include extraneous matter on the budget resolution.

(The following Members (at the request of Mr. GUNDERSON) and to include extraneous matter:)

Mr. LEBOUTILLIER in two instances.
Mr. DERWINSKI in two instances.
Mr. HILLIS.
Mr. BROOMFIELD.
Mr. FINDLEY.
Mr. WOLF in two instances.
Mr. MCEWEN in two instances.
Mr. MADIGAN.
Mr. KEMP.
Mr. VANDER JAGT in two instances.
Mr. FRENZEL.
Mr. DORNAN of California.
Mrs. ASHBROOK in two instances.
Mr. GILMAN.

(The following Members (at the request of Mr. KOGOVSEK) and to include extraneous matter:)

Mr. DINGELL in two instances.
Mr. VENTO.
Mr. FLORIO.
Mr. STARK in three instances.
Mr. SOLARZ in two instances.
Mr. SWIFT.
Mr. STOKES in two instances.
Mr. MCDONALD.
Mr. SCHUMER.
Mr. LUNDINE in two instances.
Mr. OBERSTAR.
Mr. GARCIA.
Mr. IRELAND in two instances.
Mr. ST GERMAIN.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1672. An act to expand the membership of the U.S. Holocaust Memorial Council from 60 to 65 and for other purposes.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 28 minutes p.m.) the House adjourned until tomorrow, Tuesday, November 17, 1981, at 12 o'clock noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the third quarter of calendar year 1981 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
E Kika de la Garza	8/9	8/10	Copenhagen	2,102.20	264.00						
	8/10	8/13	Budapest	6,730.92	206.25						
	8/13	8/15	Bucharest	1,894.85	174.00						
	8/15	8/16	Istanbul	18,112.50	150.00						
	8/16	8/18	Athens	9,030.00	150.00						
	8/18	8/20	Madrid	15,150	150.00						
William Wampler	8/9	8/10	Copenhagen	2,102.20	264.00						
	8/10	8/13	Budapest	6,730.92	206.25						
	8/13	8/15	Bucharest	1,894.85	174.00						
	8/15	8/16	Istanbul	18,112.50	150.00						
	8/16	8/18	Athens	9,030.00	150.00						
	8/18	8/20	Madrid	15,150	150.00						
Tom Hagedorn	8/9	8/10	Copenhagen	2,102.20	264.00						
	8/10	8/13	Budapest	6,730.92	206.25						
	8/13	8/15	Bucharest	1,894.85	174.00						
	8/15	8/16	Istanbul	18,112.50	150.00						
	8/16	8/18	Athens	9,030.00	150.00						
	8/18	8/20	Madrid	15,150	150.00						
Ron Marlenee	8/9	8/10	Copenhagen	2,102.20	264.00						
	8/10	8/13	Budapest	6,730.00	206.25						
	8/13	8/15	Bucharest	1,894.85	174.00						
	8/15	8/16	Istanbul	18,112.50	150.00						
	8/16	8/18	Athens	9,030.00	150.00						
	8/18	8/20	Madrid	15,150	150.00						
John Hogan	8/9	8/10	Copenhagen	2,102.20	264.00						
	8/10	8/13	Budapest	6,730.92	206.25						
	8/13	8/15	Bucharest	1,894.85	174.00						
	8/15	8/16	Istanbul	18,112.50	150.00						
	8/16	8/18	Athens	9,030.00	150.00						
	8/18	8/20	Madrid	15,150.00	150.00						
Mario Castillo	8/9	8/10	Copenhagen	2,102.20	264.00						
	8/10	8/13	Budapest	6,730.92	206.25						
	8/13	8/15	Bucharest	1,894.85	174.00						
	8/15	8/16	Istanbul	18,112.50	150.00						
	8/16	8/18	Athens	9,030.00	150.00						
	8/18	8/20	Madrid	15,150.00	150.00						
Copenhagen: Other expenditures for entire group						4,943.00	624.86				624.86
											1,216.80
Overtime for locals								9,67845,	1,216.80		342.75
Hotel control room								2,600.00	342.75		
Budapest, Hungary: Other expenditures for entire group:											
Control room									732.70		732.70
Local transportation							415.00				415.00
Personnel costs									269.64		269.64
Transportation duty personnel							106.76				106.76
Baggage handling									5.80		5.80
Bucharest, Romania: Other expenditures:											
(Aug. 13–15) for entire group: Control room								3,124.00			
Local employees overtime								1,008.90			
Local transportation							486.00				486.00
Istanbul: Other expenditures:											
Control room								24,335.00	199.71		199.71
Local transportation						40,000.00	330.58				330.58
Athens: Other expenditures:											
Control room								23,268.00	386.51		386.51
Local transportation						44,938	746.48				746.48
Overtime								48,502.00	805.68		805.68
Madrid: Other expenditures:											
Control room									311.24		311.24
FSN overtime									1,468.59		
Bus rental							615.52				2,084.11
U.S. Navy military escort for entire trip							105,299.40				105,299.40
Committee total					6,565.50		108,624.60		5,739.42		114,364.02

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E DE LA GARZA, Chairman, Oct. 29, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Joseph Addabbo	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
Clair Burgener	8/5	8/7	Italy		160.00						160.00
	8/7	8/9	Turkey		150.00						150.00
	8/9	8/13	India		367.00						367.00
	8/13	8/15	Singapore		212.00						212.00
	8/15	8/21	China		525.00						525.00
	8/21	8/22	Hawaii				[3] 3,829.00				3,829.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Lawrence Coughlin	8/15	8/16	Alaska		47.25						47.25
	8/17	8/23	China		450.00		541.53		63.83		1,055.36
	8/23	8/24	Hong Kong		104.00				6.12		110.12
	8/24	8/27	Singapore		318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia		182.00		9.53		22.68		214.21
	8/28	8/31	Thailand		261.00		92.32		24.10		377.42
	8/31	9/6	Japan		590.00		256.22		55.41		901.63
Transportation (DOD)							13,538.74				
Julian Dixon	8/11	8/14	Haiti		300.00		425.00				725.00
Jack Edwards	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
Mickey Edwards	8/5	8/7	Italy		160.00						160.00
	8/7	8/9	Turkey		150.00						150.00
	8/9	8/13	India		367.00						367.00
	8/13	8/15	Singapore		212.00						212.00
	8/15	8/21	China		525.00						525.00
	8/21	8/22	Hawaii				[3] 3,829.00				3,829.00
William Lehman	8/14	8/20	Brazil		696.00						696.00
	8/20	8/24	Argentina		531.00						531.00
	8/24	8/26	Brazil		190.00						190.00
	8/26	8/28	Paraguay		150.00						150.00
	8/28	8/31	Chili		402.00						402.00
	8/31	9/2	Peru		300.00						300.00
	9/2	9/5	Ecuador		237.00		43.31				280.31
							2,605.20				2,605.20
Clarence Long	8/5	8/7	Italy		160.00						160.00
	8/7	8/9	Turkey		150.00						150.00
	8/9	8/13	India		367.00						367.00
	8/13	8/15	Singapore		212.00						212.00
	8/15	8/21	China		525.00						525.00
	8/21	8/22	Hawaii				[3] 3,829.00				3,829.00
Joseph McDade	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
John T. Myers	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
John Edward Porter	8/5	8/7	Italy		160.00						160.00
	8/7	8/9	Turkey		150.00						150.00
	8/9	8/13	India		367.00						367.00
	8/13	8/15	Singapore		212.00						212.00
	8/15	8/21	China		525.00						525.00
	8/21	8/22	Hawaii				[3] 3,829.00				3,829.00
J. Kenneth Robinson	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
Eldon Rudd	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
	8/12	8/14	Mexico		150.00						150.00
Transportation (DOD)							958.07				958.07
Transportation (Commercial)							649.00				649.00
George Allen	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
Robert V. Davis	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
Jimmy Ray Fairchild	8/5	8/7	Italy		160.00						160.00
	8/7	8/9	Turkey		150.00						150.00
	8/9	8/13	India		367.00						367.00
	8/13	8/15	Singapore		212.00						212.00
	8/15	8/21	China		525.00						525.00
	8/21	8/22	Hawaii				[3] 3,829.00				3,829.00
Aubrey A. Gunnels	8/24	8/30	Mexico		525.00		451.38				976.38
Edwin F. Powers	8/5	8/7	Italy		160.00						160.00
	8/7	8/9	Turkey		150.00						150.00
	8/9	8/13	India		367.00						367.00
	8/13	8/15	Singapore		212.00						212.00
	8/15	8/21	China		525.00						525.00
	8/21	8/22	Hawaii				[3] 3,829.00				3,829.00
Ralph Preston	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						255.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
Peter J. Murphy, Jr.	8/13	8/15	England		324.00						324.00
	8/16	8/21	Norway		814.00						814.00
	8/22	8/23	West Germany		168.00						168.00
	8/23	8/25	Austria		176.00						176.00
	8/26	8/27	Switzerland		160.00						160.00
	8/28	8/29	Spain		150.00		3,380.00				3,530.00
Mark W. Murray		8/9	United States		75.00						75.00
	8/10	8/12	Norway		268.00						268.00
	8/12	8/13	Sicily		75.00						75.00
	8/13	8/15	Turkey		150.00						150.00
	8/15	8/16	Portugal		84.00						84.00
	8/16	8/17	France		96.00						96.00
	8/17		United States		75.00		2,371.00				2,446.00
Transportation (DOD)							3,035.00				3,035.00
Terry Peel		8/9	United States		75.00						75.00
	8/10	8/12	Norway		268.00						268.00
	8/12	8/13	Sicily		75.00						75.00
	8/13	8/15	Turkey		150.00						150.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/15	8/16	Portugal		84.00						84.00
	8/16	8/17	France		96.00						96.00
	8/17		United States		75.00		2,888.00				2,963.00
Transportation (DOD)							3,035.00				3,035.00
Austin G. Smith	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[3] 3,400.00				3,920.00
William Schuerch	8/14	8/20	Brazil		696.00						696.00
	8/20	8/24	Argentina		531.00						531.00
	8/24	8/26	Brazil		190.00		240.00				430.00
	8/26	8/28	Paraguay		150.00						150.00
	8/28	8/31	Chili		402.00						402.00
	8/31	9/2	Peru		300.00						300.00
	9/2	9/5	Ecuador		237.00		43.33				280.33
							2,647.20				2,647.20
James S. Van Wagenen	8/13	8/15	England		324.00						324.00
	8/16	8/21	Norway		814.00						814.00
	8/22	8/23	W. Germany		168.00						168.00
	8/24	8/25	Austria		176.00						176.00
	8/26	8/27	Switzerland		160.00						160.00
	8/28	8/29	Spain		150.00		3,380.00				3,530.00
J. David Willson	8/24	8/27	France		288.00						288.00
	8/27	8/30	Netherlands		225.00						225.00
	8/30	9/2	Denmark		297.00						297.00
	9/2	9/5	Norway		520.00		[2] 3,400.00				3,920.00
Subtotal, Committee on Appropriations					35,598.25		97,599.16		218.33		133,415.74
Surveys and Investigations Staff:											
Stuart W. Angevine	7/10	7/24	Germany		1,068.75		$1,540.00				2,608.75
	7/24	7/28	United Kingdom		423.75						423.75
	7/28	7/30	Scotland		168.75						168.75
	7/30	7/30	United Kingdom								
Richard C. Carter		7/9	Philippines		679.00		1,019.89				1,698.89
	7/9	7/14	Korea		441.50						441.50
	7/14	7/17	Japan		150.00						150.00
	8/10	8/12	United Kingdom		291.00		1,711.29				2,002.20
	8/12	8/25	Germany		876.50						876.50
	8/25	8/26	Italy		150.00						150.00
	8/26	8/28	Spain		225.00						225.00
Paul F. Dinsmore, Jr.	7/10	7/24	Germany		1,068.75		1,540.00				2,608.75
	7/24	7/28	United Kingdom		423.75						423.75
	7/28	7/30	Scotland		168.75						168.75
	7/30	7/30	United Kingdom								
Roy T. Mason		7/9	Philippines		679.00		1,019.89				1,698.89
	7/9	7/14	Korea		441.50						441.50
	7/14	7/17	Japan		150.00						150.00
	8/10	8/12	United Kingdom		291.00		1,705.57				1,996.57
	8/12	8/25	Germany		876.50						876.50
	8/25	8/26	Italy		150.00						150.00
	8/26	8/28	Spain		225.00						225.00
Robert C. Quigley		7/9	Philippines		656.00		1,010.00				1,666.00
	7/9	7/14	Korea		445.00						445.00
	7/14	7/17	Japan		318.75						318.75
	8/10	8/12	United Kingdom		291.00		1,711.29				2,002.29
	8/12	8/15	Germany		876.50						876.50
	8/15	8/25	Italy		150.00						150.00
	8/25	8/28	Spain		225.00						225.00
Peter B. Symonds	7/10	7/24	Germany		1,068.75		1,540.00				2,608.75
	7/24	7/28	United Kingdom		423.75						423.75
	7/28	7/30	Scotland		168.75						168.75
	7/30	7/30	United Kingdom								
Thomas L. VanDerslice	9/27		Germany		337.50		1,226.00				1,563.50
H. Branch Wood	9/27		Germany		337.50		1,226.00				1,563.50
Subtotal, Surveys and Investigations Staff					14,247.00		15,249.93				29,496.93
Committee total					49,845.25		112,849.09		218.33		162,912.67

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Transportation provided by military aircraft. Costs shown are comparable first-class commercial rates.

JAMIE L. WHITTEN, Chairman, Nov. 4, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
DELEGATION TO EUROPE AND MIDDLE EAST											
Beverly B. Byron	6/27	6/29	Ireland	136.49	210.20					136.49	210.20
	6/29	7/1	Egypt	105.000	150.00					105.000	150.00
	7/1	7/4	Israel		270.00						270.00
	7/4	7/7	Germany	533.25	225.00					533.25	225.00
Transportation, Department of the Air Force							2,866.29				2,866.29
Charles F. Dougherty	6/27	6/29	Ireland	136.49	210.20					136.49	210.20
	6/29	7/1	Egypt	105.000	150.00					105.000	150.00
	7/1	7/4	Israel		270.00						270.00
	7/4	7/7	Germany	533.25	225.00					533.25	225.00
Transportation, Department of the Air Force							2,866.29				2,866.29
Nicholas Mavroules	6/27	6/29	Ireland	136.49	210.20					136.49	210.20

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	6/29	7/1	Egypt	105.000	150.00					105.000	150.00
	7/1	7/4	Israel		270.00						270.00
	7/4	7/9	Germany	533.25	225.00					533.25	225.00
Transportation, Department of State							614.00				614.00
Transportation, Department of the Air Force							1,679.87				1,679.87
James L. Nelligan	6/27	6/29	Ireland	136.49	210.20					136.49	210.20
	6/29	7/1	Egypt	105.000	150.00					105.000	150.00
	7/1	7/3	Israel		180.00						180.00
Transportation, Department of State							1,358.78				1,358.78
Transportation, Department of the Air Force							1,186.42				1,186.42
Incountry travel for entire delegation, Navy							18,304.80				18,304.80
Local transportation for delegation in Egypt, State Department.							342.86				342.86
DELEGATION TO BERMUDA AND PANAMA											
Robert E. Badham	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,761.68				1,761.68
Wm. L. Dickinson	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,689.68				1,689.68
Marjorie S. Holt	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,730.82				1,730.82
Kenneth B. Kramer	8/6	8/9	Bermuda		140.00						140.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,451.32				1,451.32
Transportation, Department of State							137.35				137.35
Williston B. Cofer, Jr.	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,761.68				1,761.68
Thomas E. Cooper	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,761.68				1,761.68
Karen S. Heath	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,730.82				1,730.82
Alma B. Moore	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,730.82				1,730.82
Paul L. Tsompanas	8/6	8/9	Bermuda		420.00						420.00
	8/9	8/12	Panama		225.00						225.00
Transportation, Department of the Air Force							1,689.68				1,689.68
Miscellaneous delegation expenses, Panama									257.55		257.55
INDIVIDUAL OFFICIAL COMMITTEE TRAVEL											
Donald L. Campbell	6/27	6/29	Italy	290.815	245.00					290.815	245.00
	6/29	7/7	Germany	1,350.90	570.00					1,350.90	570.00
Transportation, Department of the Air Force							2,866.29				2,866.29
Ike Skelton	8/6	8/7	Netherlands	1,262.12	454.00					1,262.12	454.00
	8/7	8/12	Germany								
	8/12	8/13	Scotland								
	8/13	8/14	England								
Transportation, Department of State					2,916.00						2,916.00
Floyd Spence	8/6	8/9	Hong Kong	2,433.10	411.00					2,433.10	411.00
	8/9	8/13	Thailand	10,992.00	480.00					10,992.00	480.00
	8/13	8/15	Greece	12,960.00	216.00					12,960.00	216.00
	8/15	8/17	Austria	6,397.00	363.00					6,397.90	363.00
Local transportation and miscellaneous, Department of State.					431.55				242.67		674.22
Transportation, Department of the Air Force					8,229.82						8,229.82
Michael A. West	8/6	8/7	Netherlands	1,879.20	675.00					1,879.20	675.00
	8/7	8/12	Germany								
	8/12	8/13	Scotland								
	8/13	8/14	England								
Transportation, Department of State					2,916.00						2,916.00
Antonio B. Won Pat	8/6	8/9	Hong Kong	2,433.10	411.00					2,433.10	411.00
	8/9	8/13	Thailand	10,992.00	480.00					10,992.00	480.00
	8/13	8/15	Greece	12,960.00	216.00					12,960.00	216.00
	8/15	8/17	Austria	6,397.90	363.00					6,397.90	363.00
Local transportation and miscellaneous expenses, Department of State.							219.95		240.06		460.01
Transportation, Department of the Air Force							8,229.82				8,229.82
Committee total					13,514.80		70,474.27		740.28		84,729.35

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MELVIN PRICE, Chairman, Oct. 30, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Steny Hoyer	6/27	6/28	Greece		75.00						75.00
	6/28	7/1	Russia		232.52		147.10				379.62
	7/1	7/3	W. Germany		168.00		[3] 4,804.50				4,972.50
Stanford Parris	6/27	6/28	Greece		75.00						75.00
	6/28	7/1	Russia		232.52		147.10				379.62
	7/1	7/3	W. Germany		168.00		[3] 4,804.50				4,972.50

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Frank Annunzio	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		[4] 208.00				91.03		299.03
	8/12	8/15	Australia		276.00		50.00		41.24		367.24
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		52.74		37.94		351.68
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
							[3] 9,935.25				[3] 9,935.25
Committee total					2,282.04		19,994.65		277.85		22.554.54

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transportation.
[4] Refund made in country of unused per diem.

FERNAND J. ST GERMAIN, Chairman, Oct. 29, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency [2]	U.S. dollar equivalent or U.S. currency [3]	Foreign currency [2]	U.S. dollar equivalent or U.S. currency [3]	Foreign currency [2]	U.S. dollar equivalent or U.S. currency [3]	Foreign currency [2]	U.S. dollar equivalent or U.S. currency [3]
Paul Simon	6/27	6/28	Greece	4,282.50	75.00	[3] 11,000	192.64			15,282.50	267.64
	6/28	7/1	U.S.S.R.		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
Baltasar Corrada	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R.		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
E. Thomas Coleman	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R.		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
Congressman Wendell Bailey	6/7	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R.		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
John F. Jennings	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				804.50
Roberta Stanley	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
William A. Blakey	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
John Dean	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
Richard DiEugenio	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R.		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
Janet DiEugenio	6/27	6/28	Greece	4,282.50	75.00					4,282.50	75.00
	6/28	7/1	U.S.S.R.		232.52		155.44				387.96
	7/1	7/3	West Germany	403.20	168.00					403.20	168.00
U.S. military transportation							4,804.50				4,804.50
Committee total					4,755.20		49.792.04				54,547.24

[1] Per diem constitutes lodging and meals.
[2] For entire delegation (Drachmas).
[3] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CARL D. PERKINS, Chairman, Oct. 28, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Richard Frandsen	8/9	8/22	Kenya		1,162.00						1,162.00
Commercial transportation							1,862.00				1,862.00
Allison Freeman	8/9	8/22	Kenya		1,162.00						1,162.00
Commercial transportation							1,862.00				1,862.00
Andrew Glassberg	8/9	8/22	Kenya		1,162.00						1,162.00
Commercial transportation							1,862.00				1,862.00
David Gustafson	8/31	9/3	France		288.00		25.51				313.51
	9/3	9/5	Belgium		87.00		118.10				205.10
Michael McCabe	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/9	South Africa		156.00		222.34		34.81		413.15

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/9	8/14	Kenya		498.00		61.89		88.83		648.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		78.00						78.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,751.30				6,751.30
Richard Ottinger	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.89		563.23
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							3,285.65				3,285.65
Commercial transportation							(3)				
Richard C. Shelby	8/6	8/9	Hong Kong		411.00						411.00
	8/9	8/13	Thailand		480.00		65.30		58.19		603.49
	8/13	8/15	Greece		216.00		29.17		83.48		328.65
	8/15	8/17	Austria		242.00		125.48		98.39		465.87
Military transportation							8,871.27				8,871.27
Michael Ward	8/19	8/23	England		432.00						432.00
	8/23	8/26	Austria		264.00						264.00
	8/26	8/28	Germany		168.00						168.00
	8/28	9/5	England		936.00						936.00
Commercial transportation							3,380.00				3,380.00
Committee total					10,170.00		29,003.06		941.22		40,114.28

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Unavailable at this time—will file supplemental.

JOHN D. DINGELL, Chairman, Oct. 30, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
W. Barnds	7/24	8/6	Japan		1,338.00		62.39				1,400.39
	8/6	8/14	Korea		712.00						712.00
Commercial transportation					3,146.10				3,146.10		
Everett, Bierman	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia		276.00		180.77		67.84		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transportation							9,935.25				9,935.25
D. Bonker	7/20	7/23	United Kingdom		271.00						271.00
Commercial transportation							2,719.08				2,719.08
D. Bowen	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/8	South Africa		147.17						147.17
	8/15	8/19	Kenya		311.25		102.40		88.83		502.48
	8/19	8/20	Burundi [3]		32.42						32.42
	8/20	8/24	Rwanda		334.50						334.50
	8/24	8/26	Kenya		166.00						166.00
	8/26	8/28	Sudan		216.00						216.00
Military transportation (one-way)							3,285.65				3,285.65
Commercial transportation (one-way)							2,001.63				2,001.63
J. J. Brady	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transportation							9,935.25				9,935.25
W. S. Broomfield	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transportation							9,935.25				9,935.25
J. Carson	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,571.30				6,571.30
F. M. Chambers	8/8	8/9	Fiji		88.00		6.61		10.97		105.58
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transportation							9,935.25				9,935.00
G. Crockett	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,571.30				6,571.30
E. J. Derwinski	8/3	8/8	Taiwan		460.00						460.00
	8/8	8/11	Indonesia		49.60						49.60
	8/11	8/13	Thailand		261.00		55.15		112.95		429.10
	8/13	8/13	Burma								
	8/14	8/16	Hong Kong		208.00						208.00
Commercial transportation							4,004.00				4,004.00
R. K. Dornan	7/31	8/1	Saudi Arabia		152.00						152.00
	8/1	8/3	Kuwait		471.00						471.00
	8/3	8/4	Bahrain		152.00						152.00
	8/4	8/5	Qatar		144.00						144.00
	8/5	8/6	United Arab Emirates		142.00						142.00
	8/6	8/7	Oman		172.50				329.31		501.81
	8/7	8/9	North Yeman		276.00						276.00
	8/10	8/11	Cyprus		148.16						148.16
	8/11	8/14	Israel		270.00						270.00
	8/15	8/16	Turkey								
	8/15	8/16	Bulgaria		136.50						136.50
Commercial transportation							2,857.30				2,857.30
M. M. Dymally	8/13	8/17	India		320.00						320.00
	8/18	8/20	Thailand		174.00		120.15		6.02		300.17
	8/20	8/21	Burma [3]		21.00		6.57				27.57
	8/21	8/22	Hong Kong		208.00						208.00
	8/22	8/26	Korea		356.00						356.00
	8/26	8/27	Japan		206.00						206.00
Commercial transportation							3,655.00				3,655.00
F. S. Fatemi	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,571.30				6,571.30
M. Fenwick	7/25	7/27	Israel		180.00						180.00
Commercial transportation							3,918.00				3,918.00
P. Findley	7/1	7/4	Ecuador		283.41						283.41
Commercial transportation							691.00				691.00
	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand [3]		184.44				91.03		275.47
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong [3]		128.00		21.88		14.53		164.41
	8/20	8/22	Taiwan [3]		174.00		24.97		82.16		281.13
Military transportation							9,935.25				9,935.25
E. Friedman	6/27	6/28	Guatemala		150.00		153.76		426.96		730.72
	6/28	7/1	Mexico		300.00						300.00
	7/1	7/2	Honduras		75.00						75.00
	7/2	7/4	El Salvador		75.00						75.00
	7/4	7/5	Costa Rica		75.00		204.06				279.06
	7/5	7/7	Cuba								
	7/7	7/8	Nicaragua		85.00						85.00
Commercial transportation							1,299.33				1,299.33
M. E. Galey	8/5	8/23	Kenya		809.25						809.25
	8/24	8/28	Switzerland		400.00						400.00
Commercial transportation							3,141.00				3,141.00
B. A. Gilman	8/6	8/8	France		192.00						192.00
	8/9	8/13	Switzerland		320.00						320.00
	8/13	8/14	France		96.00						96.00
Commercial transportation							1,178.00				1,178.00
C. A. Grunberg	7/18	7/29	United Kingdom		745.60		25.20		13.40		784.20
Commercial transportation							1,730.00				1,730.00
P. V. Hyndman	7/24	8/6	Japan		1,338.00		62.39				1,400.39
	8/6	8/14	Korea		712.00						712.00
Commercial transportation							3,146.10				3,146.10
V. Johnson	7/8	7/11	Mexico		225.00						225.00
Commercial transportation							608.00				608.00
R. J. Lagomarsino	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia [3]		193.65		67.84		180.77		442.26
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transportation							9,935.25				9,935.25
T. Lantos	7/25	7/27	Israel		180.00						180.00
Commercial transportation							2,730.00				2,730.00
	8/17	8/23	People's Republic of China		450.00		541.53		63.83		1,055.36
	8/23	8/24	Hong Kong		104.00				6.12		110.12
Military transportation							3,828.70				3,828.70
H. Mattas	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transportation							9,935.25				9,935.25
P. Newman	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00		226.90				730.90
Military transportation							6,571.30				6,571.30
G. Peckham	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation					6,571.30						6,571.30
G. Pitchford	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,571.30				6,571.30
J. Pritchard	8/.8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
Commercial transportation from Washington State to join Codel in California.							220.00				220.00
Military transportation one-way over							4,967.63				4,967.63
Commercial transportation from Singapore back to States.							1,093.00				1,093.00
C. P. Rovner	9/20	9/23	West Germany [3]		158.92		14.98				173.90
Commercial transportation							2,654.00				2,654.00
J. M. Salvia	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand [3]		188.00				91.03		279.03
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan [3]		171.50		24.97		82.16		278.63
Military Transportation							9,935.25				9,935.25
S. J. Solarz	6/27	6/28	Guatemala		150.00		153.76		426.96		730.72
	6/28	7/1	Mexico		300.00						300.00
	7/1	7/2	Honduras		75.00						75.00
	7/2	7/4	El Salvador		75.00						75.00
	7/4	7/5	Costa Rica		75.00		204.06				279.06
	7/5	7/7	Cuba								
	7/7	7/8	Nicaragua		85.00						85.00
Commercial transportation							1,299.33				1,299.33
G. Strand	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,571.30				6,571.30
S. Weissman	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,571.30				6,571.30
L. Winn	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/16	Australia		368.00		67.84		180.77		616.61
Military transportation (one-way)							4,967.63				4,967.63
Commercial transportation (one-way)							1,382.00				1,382.00
H. Wolpe	8/5	8/7	Zimbabwe [3]		148.03		52.91				200.94
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya [3]		230.97		61.89		88.83		381.69
	8/14	8/17	Somalia [3]		142.26		45.50				187.76
	8/17	8/18	Angola [4]		19.71						19.71
	8/18	8/22	Nigeria [4]		278.00				226.90		504.90
Military transportation							6,571.30				6,571.30
C. L. Yesh	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transporation							9,935.25				9,935.25
C. Zablocki	8/8	8/9	Fiji		88.00		6.61		10.95		105.56
	8/9	8/12	New Zealand		228.00				91.03		319.03
	8/12	8/15	Australia		276.00		67.84		180.77		524.61
	8/15	8/16	Singapore		106.00						106.00
	8/16	8/19	Thailand		261.00		61.68		55.65		378.33
	8/19	8/20	Hong Kong		208.00		21.88		14.53		244.41
	8/20	8/22	Taiwan		184.00		24.97		82.16		291.13
Military transportation							9,935.25				9,935.25
Committee total					43,438.84		226,470.44		9,025.06		278,934.34

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refund made in country.
[4] Reimbursed U.S. Treasury for wife's air travel at coach rate as well as reimbursed Treasury for hotel accommodations for wife.

CLEMENT J. ZABLOCKI, Chairman, Oct. 31, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
William G. Lawrence	6/27	6/29	Italy	290.815	245.00					290.815	245.00
	6/30	7/7	Germany	1,350.90	570.00		[3] 4,996.32				5,566.32
Edward J. Gleiman	6/27	6/29	Italy	290.815	245.00					290.815	245.00
	6/30	7/7	Germany	1,350.90	570.00		[3] 4,996.32				5,566.32
Committee total					1,630.00		9,992.64				11,622.64

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Transportation provided by U.S. military aircraft.

JACK BROOKS, Chairman, Oct. 27, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Shirley Chisholm	8/5	8/7	Zimbabwe		164.00		52.91				216.91
	8/7	8/11	South Africa		306.00		222.34		34.81		563.15
	8/11	8/14	Kenya		249.00		61.89		88.83		399.72
	8/14	8/17	Somalia		231.00		45.50				276.50
	8/17	8/18	Angola		75.00						75.00
	8/18	8/22	Nigeria		504.00				226.90		730.90
Military transportation							6,571.30				6,571.30
David E. Bonior	8/21	8/24	Japan	47,380	206.00						206.00
Albert A. Sayers, Jr.	9/24	9/30	England	251.58	462.00		3,440.72				3,902.72
Committee total					2,197.00		10,394.66		350.54		12,942.20

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RICHARD BOLLING, Chairman, Oct. 28, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Branscome		9/2	U.S.A.				1,732.00				1,732.00
	9/3	9/14	Italy	863,360	720.00			179,866	150.00	1,043,226	870.00
	9/14		U.S.A.								
Irons		9/2	U.S.A.				1,732.00				1,732.00
	9/3	9/14	Italy	863,360	720.00			179,866	150.00	1,043,226	870.00
	9/14		U.S.A.								
Hanson		10/10	U.S.A.				1,274.00				1,274.00
	10/11	10/16	France	2,730.00	470.00	1,074.00	185.00			3,804.00	655.00
	10/16		U.S.A.								
Garfinkel		10/10	U.S.A.				1,274.00				1,274.00
	10/11	10/16	France	2,730.00	470.00	1,074.00	185.00			3,804.00	655.00
	10/16		U.S.A.								
Fuqua		10/10	U.S.A.								
	10/11	10/16	France	1,638.00	282.00					16,638.00	282.00
	10/16		U.S.A.								
Committee total					2,662.00		6,382.00		300.00		9,344.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DON FUQUA, Chairman, Oct. 30, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SMALL BUSINESS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Berkley Bedell	8/5	8/7	Zimbabwe	116.06	164.00		52.91			116.06	216.91
	8/7	8/11	South Africa	288.67	306.00		222.34		34.81	288.67	563.15
	8/11	8/14	Kenya	3,012.40	332.00		61.89		88.83	3,012.40	482.72
	8/15	8/18	Switzerland	519.10	240.00					519.10	240.00
Military transportation							3,285.65				4,641.65
Commercial transportation							1,356.00				4,641.65
Gus Savage	8/5	8/7	Zimbabwe	116.06	164.00		52.91			116.06	216.91
	8/7	8/11	South Africa	288.67	306.00		561.78		34.81	288.67	902.59
	8/11	8/14	Kenya	2,259.30	249.00		61.89		88.83	2,259.30	399.72
	8/14	8/17	Somalia	1,439.60	231.00		45.50			1,439.60	276.50
	8/17	8/18	Angola	70.75	75.00					70.75	75.00
	8/18	8/22	Nigeria	164.00	504.00				226.90	164.00	730.90
Military transportation							6,571.30				6,571.30
Committee total					2,571.00		12,272.17		474.18		15,317.35

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PAREN J. MITCHELL, Chairman, Oct. 29, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
L. A. (Skip) Bafalis	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	135,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
Barber B. Conable, Jr.	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	135,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
John J. Duncan	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	216.00		92.32		24.10		377.42
	8/31	9/6	Japan	132,362	578.00		256.22		55.41		889.63
Transportation by Department of Defense							13,538.74				13,538.74
Bill Frenzel	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	132,362	578.00		256.22		55.41		889.63
Transportation by Department of Defense							13,538.74				13,538.74
Sam M. Gibbons	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		314.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	135,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
James R. Jones	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	132,362	578.00		256.22		55.41		889.63
Transportation by Department of Defense							13,538.74				13,538.74
J. J. Pickle	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	132.362	578.00		256.22		55.41		889.63
Transportation by Department of Defense							13,538.74				13,538.74
John H. Rousselot	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	135,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
Richard T. Schulze	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	135,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
Fortney H. (Pete) Stark	6/29	7/1	England	120.96	238.00						238.00
	7/1	7/2	Germany	222.27	93.00						93.00
	7/2	7/5	Italy		324.00						324.00
Refund					81.00						81.00
	7/5	7/8	France	2,112	384.00						384.00
							2,646.30				2,646.30
Thelma J. Askey	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1981—Continued

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	132,362	578.00		256.22		55.41		889.63
Transportation by Department of Defense							13,538.74				13,538.74
David B. Rohr	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	132,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
	9/19	9/22	Germany	510.75	225.00		68.00				293.00
	9/22	9/24	Belgium	6,462	174.00						174.00
	9/24	9/26	Switzerland	312.50	160.00						160.00
							1,607.00				1,607.00
Arthur L. Singleton	8/17	8/23	P.R.C.	945.00	$525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		399.52
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	135,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
Richard B. Self	7/13	7/18	Switzerland	834.80	400.00		1,376.00				1,776.00
William K. Vaughan	8/17	8/23	P.R.C.	945.00	525.00		541.53		63.83		1,130.36
Refund					75.00						75.00
	8/23	8/24	Hong Kong	615.70	104.00				6.12		110.12
	8/24	8/27	Singapore	684.34	318.00		35.33		46.19		214.21
	8/27	8/28	Malaysia	213.67	182.00		9.53		22.68		214.21
	8/28	8/31	Thailand	5,980	261.00		92.32		24.10		377.42
	8/31	9/6	Japan	135,110	590.00		256.22		55.41		901.63
Transportation by Department of Defense							13,538.74				13,538.74
Committee total					26,622.00		193,855.01		2,838.29		223,315.30

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Oct. 28,1981.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2525. A letter from the Executive Director, Neighborhood Reinvestment Corporation, transmitting the annual report of the Corporation, pursuant to section 607(a) of Public Law 95-557; to the Committee on Banking, Finance and Urban Affairs.

2526. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of an agreement entered into by the American Institute in Taiwan, pursuant to section 12(a) of Public Law 96-8; to the Committee on Foreign Affairs.

2527. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting the Commission's fiscal year 1983 budget request, pursuant to section 27(k) of the Consumer Product Safety Act; jointly, to the Committees on Appropriations and Energy and Commerce.

2528. A letter from the Chairman, Federal Election Commission, transmitting the Commission's fiscal year 1982 request for a supplemental appropriation, pursuant to section 307(d)(1) of the Federal Election Campaign Act, as amended; jointly, to the Committees on Appropriations and House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLAND: Committee of conference. Conference report on H.R. 3454 (Rept. No. 97-332). Ordered to be printed.

Mr. ADDABBO: Committee on Appropriations. H.R. 4995. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes (Rept. No. 97-333). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT (for himself, Mr. PRICE, Mr. STRATTON, Mr. WHITE, Mr. NICHOLS, Mr. BRINKLEY, Mr. MOLLOHAN, Mr. DAN DANIEL, Mr. MONTGOMERY, Mr. ASPIN, Mrs. SCHROEDER, Mr. KAZEN, Mr. WON PAT, Mr. MCDONALD, Mr. STUMP, Mr. MAVROULES, Mr. HUTTO, Mr. SKELTON, Mr. LEATH of Texas, Mr. MCCURDY, Mr. FOGLIETTA, Mr. DYSON, Mr. HERTEL, Mr. SMITH of Pennsylvania, Mr. WHITEHURST, Mr. SPENCE, Mr. BEARD, Mr. MITCHELL of New York, Mrs. HOLT, Mr. ROBERT W. DANIEL, Jr., Mr. HILLIS, Mr. EMERY, Mr. TRIBLE, Mr. DOUGHERTY, Mr. COURTER, Mr. HOPKINS, Mr. DAVIS, Mr. KRAMER, Mr. HUNTER, Mr. NELLIGAN, Mr. HARTNETT, Mr. MATSUI, Mr. MORRISON, Mr. PORTER, Mr. ARCHER, Mr. DASCHLE, Mr. DECKARD, Mr. DICKS, Mr. DWYER, Mr. FLIPPO, Mr. ENGLISH, Mr. EVANS of Iowa, Mr. GAYDOS, Mr. GEJDENSON, Mr. GEPHARDT, Mr. CLAUSEN, Mr. PRITCHARD, Mr. ROE, Mr. MOTTL, Mr. MURPHY, Mr. MYERS, Mr. SMITH of New Jersey, Mr. SMITH of Alabama, Mrs. SNOWE, Mr. WAMPLER, and Mr. YATES):

H.R. 4977. A bill to direct the President to name the next *Nimitz* class nuclear-powered aircraft carrier as the United States Ship *Hyman G. Rickover*, to the Committee on Armed Services.

By Mr. BIAGGI:

H.R. 4978. A bill to amend title 18 of the United States Code—Crimes and Criminal Procedure; to the Committee on the Judiciary.

By Mr. CONABLE:

H.R. 4979. A bill to amend the Internal Revenue Code of 1954 to provide that a dividend paid by a corporation directly to certain charitable organizations at the direction of a shareholder shall be treated as a charitable contribution of the corporation, and to exclude such dividend from the income of such shareholder; to the Committee on Ways and Means.

By Mr. CORCORAN (for himself, Mr. BROYHILL, Mr. BROWN of Ohio, and Mr. DANNEMEYER):

H.R. 4980. A bill to amend the Alaska Natural Gas Transportation Act of 1976 to waive certain provisions of law in order to promote the construction and initial operation of the Alaska Natural Gas Transportation System; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. DONNELLY:

H.R. 4981. A bill to provide for the issuance of a postage stamp to commemorate the thirtieth anniversary of the date on which Rocky Marciano won the heavyweight championship of the world; to the Committee on Post Office and Civil Service.

By Mr. EDGAR:

H.R. 4982. A bill to extend eligibility for membership in the AMVETS to persons serving in the Armed Forces of the United States, and to citizens of the United States serving in the armed forces of allied nations, after May 8, 1975; to the Committee on the Judiciary.

By Mr. LOWERY of California:

H.R. 4983. A bill to amend the Fishermen's Protective Act; to the Committee on Merchant Marine and Fisheries.

By Mr. QUILLEN:

H.R. 4984. A bill to amend title 17 of the United States Code to exempt nonprofit veterans' organizations and nonprofit fraternal organizations from the requirement that certain performance royalties be paid to copyright holders; to the Committee on the Judiciary.

By Mr. SILJANDER:

H.R. 4985. A bill to amend title IV of the Social Security Act to make necessary modifications in selected provisions relating to eligibility and payments of aid under the AFDC program, in order to make such program more realistic and to assure that the assistance provided thereunder more effectively serves its intended purposes; to the Committee on Ways and Means.

H.R. 4986. A bill to amend title IV of the Social Security Act to make additional modifications in selected provisions relating to eligibility and payments of aid under the AFDC program, in order to make such program more realistic and to assure that the assistance provided thereunder more effectively serves its intended purposes; to the Committee on Ways and Means.

By Mr. SKELTON:

H.R. 4987. A bill to amend title 10, United States Code, to increase the number of Assistant Secretaries in the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. SOLARZ:

H.R. 4988. A bill to amend title XII of the National Housing Act to establish national standards in order to reduce incendiarism and maintain community vitality, and to encourage States to adopt minimum standards for arson investigation and insurance underwriting; to the Committee on Banking, Finance and Urban Affairs.

H.R. 4989. A bill to establish an Interagency Committee on Arson Control to coordinate Federal antiarson programs, to amend certain provisions of the law relating to programs for arson investigation, prevention, and detection, and for other purposes; jointly to the Committees on Banking, Finance and Urban Affairs, the Judiciary, and Science and Technology.

By Mr. VANDER JAGT (for himself and Mr. GUARINI):

H.R. 4990. A bill to amend the Internal Revenue Code of 1954 to clarify the status of certain amateur athletic organizations; to the Committee on Ways and Means.

By Mr. ADDABBO:

H.R. 4995. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes.

By Mr. DERWINSKI:

H.J. Res. 362. Joint resolution to clarify and reaffirm that it is the basic policy of the Government of the United States to rely on the competitive private enterprise system to provide needed goods and services; to the Committee on Government Operations.

By Mr. WRIGHT (for himself, Mr. YATES, and Mr. PEPPER):

H. Con. Res. 220. Concurrent resolution providing for the commemoration of the 100th anniversary of the birth of Franklin Delano Roosevelt; to the Committee on Rules.

By Mr. SILJANDER:

H. Res. 274. Resolution expressing the sense of the House of Representatives with respect to high interest rates, economic recovery, and the gold standard; to the Committee on Banking, Finance and Urban Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNARD:

H.R. 4991. A bill for the relief of Florence C. Rutan; to the Committee on the Judiciary.

By Mr. MAVROULES (by request):

H.R. 4992. A bill for the relief of Stanley Weiner; to the Committee on the Judiciary.

By Mr. SKEEN:

H.R. 4993. A bill to provide for the reinstatement and validation of U.S. oil and gas lease numbered NM-12846; to the Committee on Interior and Insular Affairs.

By Mr. STUMP:

H.R. 4994. A bill for the relief of La Paz Enterprises, Ltd.; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 756: Mr. ANDERSON.

H.R. 757: Mr. ANDERSON.

H.R. 1064: Mr. ANTHONY.

H.R. 1680: Mr. PHILIP M. CRANE.

H.R. 1960: Mrs. SCHNEIDER.

H.R. 2007: Mr. MCCOLLUM and Mr. WHITEHURST.

H.R. 2052: Mr. CORCORAN and Mr. HOYER.

H.R. 2319: Mr. MITCHELL of New York, Mr. SMITH of Alabama, and Mr. DORGAN of North Dakota.

H.R. 2322: Mr. SOLOMON, Mr. WON PAT, Mr. NAPIER, and Mr. DREIER.

H.R. 3083: Mr. ANTHONY.

H.R. 3086: Mr. HOLLAND.

H.R. 3191: Mr. MATSUI.

H.R. 3397: Mr. DAUB and Mr. LENT.

H.R. 3578: Mr. SHAW.

H.R. 4015: Mr. HILER, Mr. FAUNTROY, Mr. EDGAR, Mr. CONYERS, Mr. SMITH of Pennsylvania, Mr. CLAY, Mr. BROWN of California, Mr. SAVAGE, Mr. DASCHLE, Mr. PEPPER, Mr. SHANNON, Mr. DYSON, Mr. BARNES, Mr. WILSON, Mr. DONNELLY, Mr. GUNDERSON, and Mr. MAVROULES.

H.R. 4164: Mr. LOWERY of California.

H.R. 4184: Mr. MINETA, Mr. DREIER, Mr. NEAL, Mr. O'BRIEN, Mr. DAUB, and Mr. GINGRICH.

H.R. 4404: Mr. GRAMM.

H.R. 4507: Mr. FISH, Mr. GEJDENSON, Mr. WYDEN, Mr. WEISS, Mr. HORTON, Mrs. HECKLER, Mr. ST GERMAIN, Mr. RATCHFORD, Mr. MOLLOHAN, Mr. RAHALL, Mr. ANTHONY, Mr. LUNDINE, Mr. ALEXANDER, Mr. FARY, Mr. RINALDO, Mr. OTTINGER, Mr. JEFFRIES, Mr. LELAND, Mr. LEHMAN, Mr. MURPHY, Mr. WALGREN, Mr. MARKEY, Mr. BAILEY of Pennsylvania, and Mr. GEPHARDT.

H.R. 4554: Mr. SANTINI and Mr. DREIER.

H.R. 4720: Mr. WILLIAM J. COYNE.

H.R. 4775: Mr. PEASE, Mr. DREIER, Mr. MINETA, and Mr. DYSON.

H.R. 4776: Mr. DANIEL B. CRANE, Mr. MINETA, Mr. DREIER, Mr. DAUB, AND Mr. GINGRICH.

H.R. 4786: Mr. ANTHONY, Mr. SHELBY, Mr. JENKINS, Mr. WINN, Mr. MORRISON, Mr. ZEFERETTI, Mr. STENHOLM, Mr. HUBBARD, Mr. PRITCHARD, Mr. ENGLISH, Mr. MURPHY, Mr. JONES of North Carolina, Mr. LUJAN, Mr. PHILIP M. CRANE, Mrs. BOUQUARD, Mr. LUKEN, Mr. GRADISON, Mr. SANTINI, Mr. PARRIS, and Mr. CRAIG.

H.R. 4848: Mr. EDGAR, Mr. BETHUNE, Mr. DE LA GARZA, Mr. DIXON, Mr. CAMPBELL, Mr. FISH, Mr. FOGLIETTA, Mr. WILSON, Mr. HUGHES, Mr. DANIEL B. CRANE, Mrs. BOUQUARD, Mr. COELHO, Mr. FORD of Michigan, Mr. FARY, Mr. ZEFERETTI, Mrs. ROUKEMA, Mr. ENGLISH, Mr. GORE, Mr. GILMAN, Mr. BOWEN, Mr. LAGOMARSINO, Mr. KEMP, Mr. KOGOVSEK, Mr. HAMILTON, Mr. JONES of Oklahoma, Mr. JACOBS, and Mr. ERTEL.

H.R. 4902: Mr. MITCHELL of New York.

H.R. 4946: Mr. ROBERT W. DANIEL, Jr. and Mr. WHITEHURST.

H.J. Res. 272: Mr. BRODHEAD, Mr. SABO, Mr. KEMP, Mr. MOORHEAD, Mr. PEPPER, Mr. GEPHARDT, Mr. OBERSTAR, Mr. SANTINI, Mr. WEISS, Mr. STENHOLM, Mr. MITCHELL of Maryland, Mr. CORCORAN, Mr. NOWAK, Mr. WINN, Mr. BOWEN, Mr. YOUNG of Alaska, Mr. ADDABBO, Mr. DOUGHERTY, Mr. MARKEY, Mr. JONES of Tennessee, Mr. DOWNEY, Mr. PASHAYAN, Mr. MCHUGH, Mr. AUCOIN, Mr. EDGAR, Mr. ROE, Mr. FASCELL, Mr. PANETTA, Mr. RAHALL, Mr. DE LA GARZA, Mr. BIAGGI, Mr. CONYERS, Mr. FROST, Mr. LAFALCE, Mr. KOGOVSEK, Mr. ROYBAL, Mr. MADIGAN, Mr. GINGRICH, Mr. BEDELL, Mr. LUKEN, Mr. YOUNG of Florida, Mrs. BOUQUARD, Mr. LOWERY of California, Mr. CHAPPELL, Mr. RINALDO, Mr. BARNARD, Mr. MAZZOLI, and Mr. PATTERSON.

H.J. Res. 293: Mr. FRANK, Mr. BROWN of Ohio, Mr. ANDERSON, Mr. RUDD, Mr. WAMPLER, Ms. FERRARO, Mr. DAVIS, and Mr. MOLINARI.

H.J. Res. 350: Mr. ROBERT W. DANIEL, Jr., Mr. STENHOLM, Mr. NEAL, Mr. DANIEL B. CRANE, Mr. GOODLING, Mr. GOLDWATER, Mr. MILLER of Ohio, Mr. GLICKMAN, Mr. COATS, Mr. DUNCAN, Mr. DREIER, Mr. CHAPPELL, Mr. TAUKE, Mr. CAMPBELL, Mr. JEFFRIES, Mr. JAMES K. COYNE, Mr. FOUNTAIN, and Mr. HOPKINS.

H.J. Res. 359: Mr. SCHEUER, Mr. KOGOVSEK, Mr. LENT, Mr. YOUNG of Alaska, Mr. ATKINSON, Mr. SANTINI, Mr. SIMON, Mr. HARTNETT, Mr. HUTTO, Mr. DAUB, Mr. CHAPPELL, Mr. NICHOLS, Mr. BUTLER, Mr. WOLF, Mr. HANSEN of Idaho, Mr. SMITH of New Jersey, Mr. JOHNSTON, Mr. LAGOMARSINO, Mr. ROE, Mr. MCDONALD, Mr. HOWARD, Mr. CARNEY, Mr. COURTER, Mr. BOWEN, Mr. WALGREN, Mr. EMERSON, Mr. LUNGREN, Mr. JEFFRIES, Mr. WINN, Mr. EMERY, Mr. MITCHELL of Maryland, Mr. MCEWEN, Mr. MATSUI, Mr. FAZIO, Mr. JACOBS, Mr. FORSYTHE, Mr. DYSON, Mr. SMITH of Pennsylvania, Mr. MURPHY, Mr. MCDADE, Mr. WAMPLER, Mr. EDGAR, Mr. BINGHAM, Mr. CORRADA, Mr. HUGHES, Mr. GUNDERSON, Mr. SCHUMER, Mr. STOKES, Mr. JEFFORDS, Mr. MARKEY, Mr. REGULA, Mr. PORTER, Ms. FERRARO, Mr. NELLIGAN, and Mr. KINDNESS.

H. Con. Res. 178: Mr. JONES of Tennessee, Mr. BUTLER, Mr. WEBER of Ohio, Mr. MARKS, Mr. GEPHARDT, Mr. SPENCE, and Mr. DERRICK.

H. Con. Res. 214: Mr. TRIBLE, Mrs. COLLINS of Illinois, Mr. MCGRATH, Mr. LANTOS, Mrs. SCHNEIDER, Mr. HANCE, Mr. MARLENEE,

Mr. BADHAM, Mr. QUILLEN, Mr. LELAND, Mr. WAMPLER, Mr. LEWIS, Mr. YATRON, Mr. FISH, Mr. HANSEN of Utah, Mr. GUNDERSON, Mr. SUNIA, Mr. EMERSON, Mr. RITTER, Mr. GINGRICH, Mr. WORTLEY, Mr. DERWINSKI, Mr. SMITH of New Jersey, Mr. AKAKA, Mr. SAM B. HALL, JR., Ms. FIEDLER, and Mr. HORTON.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

272. By the SPEAKER: Petition of Eduardo T. Cabrera, Bago City, Philippines, relative to the Federal Employees' Compensation Act; to the Committee on Education and Labor.

273. Also, petition of Truong-Van-Luu, Palawan, Philippines, relative to immigration to the United States; to the Committee on the Judiciary.

274. Also, petition of Ho Ngan, Aachen, West Germany, relative to redress of grievances; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2559

By Mr. SNYDER:

—On page 2, line 5, strike "$1,450,000,000" and insert in lieu thereof "$1,402,898,000".

On page 2, line 9, strike "$425,000,000" and insert in lieu thereof "$375,000,000".

On page 2, line 14, strike "$33,000,000" and insert in lieu thereof "$29,730,000".

H.R. 4879

By Mr. ST GERMAIN:

Amendment in the nature of a substitute.

—Strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I—INTERNATIONAL BANKING FACILITY DEPOSIT INSURANCE ACT

SHORT TITLE

SEC. 101. This title may be cited as the "International Banking Facility Deposit Insurance Act".

INTERNATIONAL BANKING FACILITY DEPOSITS

SEC. 102. Section 3(1)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1813(1)(5)) is amended to read as follows:

"(5) such other obligations of a bank as the Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, shall find and prescribe by regulation to be deposit liabilities by general usage, except that the following shall not be a deposit for any of the purposes of this Act or be included as part of the total deposits or of an insured deposit:

"(A) any obligation of a bank which is payable only at an office of such bank located outside of the States of the United States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands; and

"(B) any international banking facility deposit, including an international banking facility time deposit, as such term is from time to time defined by the Board of Governors of the Federal Reserve System in regulation D or any successor regulation issued by the Board of Governors of the Federal Reserve System.".

BRANCHES OF INSURED BANKS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 103. (a) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended—

(1) in subsection (a), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa," each place it appears therein;

(2) in subsection (m)(1), by inserting "of the Trust Territory of the Pacific Islands," after "American Samoa,"; and

(3) in subsection (o), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa," each place it appears therein.

(b) Section 7 of such Act (12 U.S.C. 1817) is amended—

(1) in subsection (a)(4), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,"; and

(2) in subsection (b)(5)(B), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(c) Section 11 (a)(2)(A)(iv) of such Act (12 U.S.C. 1821(a)(2)(A)(iv)) is amended—

(1) by inserting "of the Trust Territory of the Pacific Islands," after "of American Samoa,"; and

(2) by inserting "the Trust Territory of the Pacific Islands," after "Virgin Islands, American Samoa,".

TITLE II—MORTGAGE PURCHASE AMENDMENTS OF 1981

SHORT TITLE

SEC. 201. This title may be cited as the "Mortgage Purchase Amendments of 1981.".

PURCHASES OF MORTGAGES MORE THAN ONE YEAR OLD

SEC. 202. (a) The third sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) is amended to read as follows: "The Corporation may purchase a conventional mortgage which was originated more than one year prior to the purchase date only if the seller is the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any other seller currently engaged in mortgage lending or investing activities.".

(b) The fourth sentence of section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended to read as follows: "The corporation may purchase a conventional mortgage which was originated more than one year prior to the purchase date only if the seller is the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any other seller currently engaged in mortgage lending or investing activities.".

MORTGAGE LOAN PURCHASES FROM THE FEDERAL DEPOSIT INSURANCE CORPORATION AND THE NATIONAL CREDIT UNION ADMINISTRATION

SEC. 203. Subsections (a)(1) and (b) of section 305 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454) are amended by inserting "the Federal Deposit Insurance Corporation, the National Credit Union Administration," after "Federal Savings and Loan Insurance Corporation," each place it appears.

EXTENSION OF REMARKS

PROMINENT NATIONAL MEDICAL LEADER IN VIRGINIA'S 10TH DISTRICT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. WOLF. Mr. Speaker, William D. Dolan, M.D., director of pathology at Arlington Hospital, serves as president of the American Blood Commission, a private sector umbrella group of 40 of the Nation's leading medical, business, and consumer agencies. Through this constituency, the commission represents the interests of millions of Americans and their families for a safe, efficient national blood supply system. I ask that Dr. Dolan's remarks to the 1981 annual meeting of the American Blood Commission be printed at this point in the RECORD.

REMARKS BY WILLIAM D. DOLAN, M.D., PRESIDENT, TO THE AMERICAN BLOOD COMMISSION'S SIXTH ANNUAL MEETING

The essential aim of the National Blood Policy is to improve the "quality and supply of blood and blood products." It seems that implementing a national resource sharing plan now being developed by the major blood service agencies would go a long way toward meeting this goal. Indeed, the National Blood Policy states that one of its key policy goals is "to enhance resource sharing and areawide cooperation in the collection, processing, distribution and utilization of blood in order to make the most effective use of the national blood supply."

The National Blood Policy indicates that the problem of often inadequate blood supplies is clearly a managment problem. The problems identified by the National Blood Policy pertaining to the supply and quality of blood resources, and the efficiency and accessibility of blood services "cannot be solved without coordination of the now fragmented elements which comprise the present system." The National Blood Policy further holds that achieving the necessary coordination involves building "a comprehensive framework for improving the blood service system by taking advantage of existing strengths in the present system in an orderly and constructive way."

Thus, the National Blood Policy calls for "a pluralistic and evolutionary approach to the solution of blood collection and distribution problems." The private sector was charged with the responsibility to improve the "organization of the blood service complex and the operational aspects of blood collection, processing and utilization to implement the National policy."

The National Blood Policy implementation strategy thus is based on the good faith of private sector agencies to work with each other for the common goal of positive change. It indicates that while acting pluralistically, the agencies involved should be prepared to adapt to new ways for the common good. "Although the implementation of the National Blood Policy should build on existing strengths in the present system to assure continuity of essential services, this intent is not to be interpreted as a mandate to maintain the status quo. It is to allow gradual evolution to the most effective organization and operation of the blood service complex." The National Blood Policy goes on to say in the very next paragraph that "if the private sector is unable to provide satisfactory progress, a legislative or regulatory approach would have to be considered."

That is exactly what Senator Hatch and his predecessor, Senator Schweiker, have said about resource sharing. From the Congressional Record of January 15, 1981, Senator Hatch's remarks pertaining to the Blood Assurance Act of 1981 were these: "It is clearly preferable that the existing blood organizations meet the goal" of a blood resource sharing agreement "without federal legislation." He continued, "The proposal incorporated in the Blood Assurance Act of 1981 is more a prod than an intervention. On that basis I am prepared to have this bill and other proposals considered by the Committee on Labor and Human Resources if current private initiatives fail."

Of course, the National Blood Policy's call for private sector implementation, building on the strengths of the existing pluralistic system but not maintaining the unacceptable status quo, called for a change-agent. That is why we, the original incorporators, established the American Blood Commission. You will recall that we carefully selected words in our Articles if Incorporation and ByLaws such as "monitor," "promote," and "coordinate" to describe the Commission's method of carrying out this mandate. The atmosphere was charged and no one wanted to alienate or be alienated. At the same time we had a public trust. We went on record as saying the American Blood Commission was organized in order "to implement the National Blood Policy" and that "it will operate to promote the public welfare" to "develop an adequate voluntary supply of blood to meet the health needs of the Nation."

That is a broad responsibility, and its broadness may have served to shield those whose commitment wavered. I am concerned that this Commission should, as the National Blood Policy stated, work to evolve a well-managed blood supply system and that the Commission not devolve into simply a debating society incapable of taking sustained and effective action to accomplish its mission.

Now is the time to stand up and be counted. Those who support this organization must demonstrate their commitment through leadership and action. It is time to reassert our mission and to add to the headway we already have made. I would like to see thoroughly explored, both on a regional and national basis, the matter of merging a resource sharing plan and the current regionalization effort. The key to success lies within resource sharing. Other initiatives and programs are important, as seen by the Commission's contribution in the area of uniform labeling, public information and communication and the National Blood Data Center. Where these programs continue to serve a useful purpose they should be continued and strengthened. We should also carefully monitor them to see if they need to be modified, phased into others, or closed when they complete their objectives. And we should identify other initiatives that are appropriate to coordinate the development of a comprehensive framework that will support improvement of the management of blood services and resources. Time is running out for the private sector, as represented by the American Blood Commission. During this coming year we can accomplish much, but how?

First, by the members of this Commission truthfully saying what they think and not just paying lip service to this effort. Second, if you don't like an idea, I have to ask you to come up with a better one. Third, while representing your organization and its programs don't blindly protect your turf, thus overlooking the common good. To quote one famous American: "A rising tide lifts all the boats."

This concept is vital to the well-being of the entire system we are attempting to improve for the benefit of all Americans. The strong, active support of the members of this organization will set the Commission on the right track and reinvigorate its efforts to demonstrate the private sector's capability in bringing the promise of the National Blood Policy to life.

References: National Blood Policy. Federal Register 39 (47): 9326-9330, and 39 (716): 32701-32711, 1974.

Articles of Incorporation and Bylaws. American Blood Commission, 1901 N. Ft. Myer Drive, Suite 300, Arlington, VA 22209.●

CLEAN AIR ACT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. DINGELL. Mr. Speaker, as House hearings continue on the Clean Air Act in connection with our urgent need to reauthorize the law, a Detroit News editorial, dated October 16, 1981, discusses the need for changes in the law to reflect air quality gains achieved.

We are working toward prompt consideration of the law by the Energy and Commerce Committee yet this year. Legislative action on this important law should not become lost in the morass of next year's budget process. That process was tedious and time consuming earlier this year, and there is no reason to believe that next year will be different.

I am hopeful we can process this law as expeditiously as possible.

The Detroit News article follows:

FIXING THE CLEAN AIR ACT

People often ignore past accomplishments when they debate the Clean Air Act regulations that govern automobiles. Progress has been remarkable in the past 10 years, and government data suggest that air quality has improved faster than expected.

Cars produce three major pollutants: carbon monoxide, hydrocarbons, and oxides of nitrogen. Since 1970, the law has forced reduction of these pollutants from cars in six stages, each of which mandated new equipment at considerable cost to the car buyer.

By the 1981 model year, the standards reduced hydrocarbons and carbon monoxide by 96 percent, nitrogen oxides by 76 percent.

Congress is now debating whether to tighten the regulations further, to clean up the last fraction of auto pollution.

The cost of the clean-air devices has spiralled through the six stages, and it is clear that the tighter the standards become, the greater the cost.

The Bureau of Labor Statistics says the consumer paid $16 per car for 1968 equipment, which reduced pollutants by 50 to 62 percent from precontrol levels. The 1981 equipment cost $400 a car. The law of diminishing returns is obviously at work.

The industry wants to step back a notch, from 1981 to 1980 standards, for carbon monoxide and nitrogen oxides, without changing the hydrocarbon standard. This would drop the emissions level for carbon monoxide from 96 percent to 92 percent, and for nitrogen from 76 percent to 52 percent.

The auto makers argue with good reason that the higher 1981 standards are too costly for the small gain in benefits. If the industry is permitted to go back to 1980 standards, GM's customers alone would save as much as $300 on some smaller models.

The reduction of auto pollution will continue even if the government does nothing more. Only new cars meet the stricter standards, and it takes about 10 years to replace the entire fleet. As old cars are removed from the road, pollution declines.

The most efficient way to improve air quality is to sell more new cars. And the best way to perk up sales is to reduce prices. Washington could do its part by approving a modest relaxation of the clean air standards.●

AVERELL HARRIMAN

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. UDALL. Mr. Speaker, the life of Averell Harriman is an almost unbelievable story. Born to wealth, he was a champion of the working families of America. The good he has done has been lasting and important. He was a towering figure in the foreign policy of several decades. He was for peace and restraint in foreign affairs, but he was tough and realistic about the Soviet Union and other adversaries. He could have been President, but never found just the right time to run.

I admire and respect this man. He has been a model for me and others of my generation. I hope he is with us another 90 years.●

FACTSHEET ON MOBILE SOURCE EMISSIONS

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. HILLIS. Mr. Speaker, on November 13 Congressman TRAXLER placed in the CONGRESSIONAL RECORD (pages 27474-27475 the first part of a factsheet on H.R. 4400, the Mobile Source Clean Air Act Amendments of 1981. The factsheet was prepared by the Motor Vehicle Manufacturers Association.

Due to the complexity of the Clean Air Act there is a great deal of misunderstanding and misinformation on what changes are needed. H.R. 4400 is an attempt to improve the act by reducing Government regulations and recognizing that we have perhaps reached a point of diminishing returns in reducing the emissions of vehicles.

Due to the lack of information surrounding the provisions of H.R. 4400, several false assertions have been circulated about the bill. The factsheet prepared by MVMA address those assertions. Therefore, I am inserting the second part of the factsheet in the RECORD at this point. I hope that Members will have an opportunity to review this material and join with me and Congressman TRAXLER in building support for a more reasonable Clean Air Act when it comes before us for reauthorization:

FACT SHEET ON MOBILE SOURCE EMISSIONS

ASSERTION

Standards for gasoline and diesel trucks and buses, already long delayed, will start to take effect between 1984 and 1986, depending on the pollutant. These reasonable standards will protect public health at a modest cost.

COMMENT

Heavy-duty vehicles and engines have been federally regulated since 1970. Under the 1970 Clean Air Act Amendments, general regulatory authority was extended to EPA and heavy-duty standards were tightened in 1974 and again in 1979. The 1977 Clean Air Act Amendments added a requirement that "final" standards must reflect a 90 percent reduction for HC and CO and a 75 percent reduction for NO_x (the same percentage specified for autos).

Motor vehicle manufacturers support the deletion of specific percentage reduction requirements from the Act. Heavy-duty standards should be set administratively under rule making procedures based on the need to meet National Ambient Air Quality Standards and on cost effectiveness.

Heavy-duty vehicles account for 3.5 percent of the HC, 11 percent of the CO, 10.7 percent of the NO_x, 3.6 percent of the particulates and 0.9 percent of the sulfur dioxide emitted from man-made sources nationwide in 1979, according to EPA.

Ninety percent reduction standards for HC and CO would require costly (about $900 per truck) catalyst technology for gasoline powered trucks. Such standards would, according to EPA, result in an improvement in air quality of only 2 percent for ozone and 7 percent for CO. Marginally less stringent standards would avoid this cost at no discernible loss in air quality. It would also avoid substantial added costs for maintenance and fuel over the life of the vehicle.

Seventy-five percent reduction standard for NO_x has been found by EPA to be unfeasible for diesel trucks.

Standards should be based on demonstrated air quality need and not on arbitrary percentage reduction pre-determinations.

ASSERTION

Setting the automobile NO_x standard at 2.0 g/m will require greater control from powerplants and other stationary sources.

COMMENT

Passenger cars accounted for about 15 percent of all man-made NO_x emissions nationwide in 1979.[1]

To date, states have relied almost exclusively on motor vehicle standards to reduce man-made NO_x emissions.

A standard of 2.0 g/m will provide for continued air quality improvement. According to latest EPA estimates,[2] total passenger car NO_x emissions have decreased 13 percent since 1973 (the year that standards began). The largest annual reduction occurred in 1979 as new cars meeting the 2.0 g/m standard (which started in 1977) bean to significantly impact the total on-the-road fleet.

According to recent EPA testimony "In NO_x, we have a non-problem. We have hundreds of monitors out there recording attainment . . . Over the next 10 years, we don't see the NO_2 problem getting worse. What happens after the next 10 years is hard for us all to forecast, but it seems to me as we look at it, what we see when we make these projections is some decline, and then the possibility of some increase in the post-1990 timeframe . . .

"The growth takes place in major power plants and fueling places. It takes place out in the country. The growth in NO_x emissions which may have been called to our attention tends to have to do with major stationary sources which are not in the same place [as mobile source NO_x emissions]. These are two different problems."[3]

ASSERTION

The state of the art in control technology dictates that Congress should write into law future diesel particulate standards.

COMMENT

The Clean Air Act authorizes the EPA Administrator to set standards for particulate emissions based on technology, but does not specify those standards. EPA has subsequently set light-duty vehicle standards of 0.6 g/m beginning in 1982, and 0.2 g/m for cars and 0.26 g/m for light trucks in 1985, despite industry data which demonstrated that technology would not be available to achieve those latter standards.

EPA is presently reviewing the 1985 standards.

Durable control technology to meet the 1985 standards has not yet been demonstrated.

[1] National Air Pollutant Emission Estimates, op. cit., p. 10.
[2] Ibid.
[3] Hearing transcript., op. cit., p. 99-101.

For most applications, the use of a particulate trap would be required. Assuming a passenger car standard of up to 2.0 g/m NO_x, the smallest vehicles would possibly be expected to comply with the 0.2 g/m particulate standard without the use of a particulate trap. These very small vehicles carry an uncertainty with respect to compliance with the standard for 5 years and 50,000 miles, even though they may be successful in achieving a 0.2 g/m particulate standard at low mileage.

The only potentially promising trap technology carries with it serious concerns with regard to required base engine redesign and its ability to regenerate (clean) itself during periods of low speed operation.

Establishment of statutory standards at the level proposed will discourage investment in and further development of diesel engines, because investment decisions will have to be made before any new review of the Clean Air Act would be likely to occur.

ASSERTION

The requirement that all cars beginning in model year 1984 meet standards regardless of altitude is needed for air quality and health protection.

COMMENT

Motor vehicle manufacturers support retention of the concept of "proportional" high altitude standards implemented by EPA under the Act for 1982-83 model years. Proportional standards provide for the same percentage reduction in emissions at high altitude that is required at low altitude, although the high altitude numerical standards would be somewhat higher.

At high altitudes, vehicles tend to emit more HC and CO and less NO_x emissions. Since ozone and NO_2 attainment is not considered a special problem at high altitudes, HC and NO_x standards more stringent than those at low altitude are not needed.

Of the 192 counties designated as high altitude, only 19 are presently classified by EPA as non-attainment for CO.

An 11.0 standard for CO at high altitude would provide the same proportional reduction as a 7.0 standard at sea level—the level presently permitted under waiver by EPA in model year 1982. It can be demonstrated that a high altitude CO standard of 11.0 would provide for attainment of the national health standard.

Nonproportional high altitude standards could once again raise the prospect of fewer model offerings being available in high altitude areas which account for only 3 percent of the vehicle population.

Permitting vehicles to be designed to meet standards at sea level or high altitude depending on their area of use is essential, to avoid the unnecessary cost, performance, and fuel economy penalties the present law would impose on the 97 percent of the fleet not sold at high altitude.

ASSERTION

Emissions averaging would lead to an increase in automobile pollution by allowing some vehicles to exceed emissions limits as long as the average emissions for the fleet met the standards.

COMMENT

An emissions averaging approach would not change the total amount of vehicle emissions entering the atmosphere. It is the total amount of pollutants emitted that affects air quality, not the contribution of any particular vehicle. In any case, current emission regulations—both Federal and in California—to a large extent are based on the averaging approach.

Motor vehicle manufacturers support a proposal that would authorize EPA to study alternative compliance procedures for motor vehicles, but that does not specify any single approach.

ASSERTION

Cars already meet the standards that would be relaxed.

COMMENT

A substantial part of today's fleet is meeting alternative NO_x and CO emissions standards under EPA waiver authority:

According to EPA, more than two/thirds of the 1982 gasoline powered new car fleet will be certified to meet a CO standard of 7.0 g/m instead of 3.4 g/m under waiver provisions of the Act. Under present law, beginning with model year 1983 all cars will have to meet 3.4 g/m.

Waivers of the 1.0 NO_x standard have been granted for virtually all of the existing diesel models through 1984. Small manufacturers (American Motors) are permitted to meet 2.0 g/m in model years 1981-82. Under present law, beginning with model year 1985 all diesel-powered cars will have to meet 1.0 g/m.

ASSERTION

The cost savings that would result from these proposals are inconsequential and would be offset by diminished fuel economy performance.

COMMENT

The cost impact of emission requirements is not uniform among motor vehicle manufacturers, or even among particular engine families of the same manufacture. For example, since these are "performance" rather than "design" standards manufacturers may select different systems to meet the requirements according to the needs of their respective products and engineering decisions.

In recent public statements, individual manufacturers have estimated that the average added cost of meeting 1981 auto standards compared to 1980 standards was as high as $480 per car. While retention of the 1980 standards would not permit all emission-related costs added in 1981 to be recouped, manufacturers have estimated, however, potential consumer cost savings in a range of $80 to $360 per car, depending upon the type of control technology used. In a 10-million-car sales year, this translates to a potential savings impact on the economy that could range between $800 million and $3.6 billion.

Individual auto manufacturers have publicly estimated that the retention of 1980 standards would allow them to improve fuel efficiency in a range of from 2 to 5 percent. Again, as in the case of cost estimates, the situation is different for each manufacturer according to the type of emissions control system used and other engineering considerations. Nevertheless, the proposed emission changes would lead to increases, not decreases, in fuel economy.●

PRESIDENT'S ECONOMIC RECOVERY PROGRAM

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. VENTO. Mr. Speaker, the New York Times published an editorial taking to task the President's economic recovery program for its inconsistencies and faulty logic. The administration was given its 3-year, 25-percent cut in Federal personal income taxes to enable citizens to save and invest—a key to its supply side prescription for economic recovery. Now we find that the tax cut is also being used as an excuse for Federal budget cutting in social welfare programs. The administration would have us believe the State and local governments will increase their taxes to pay for the needs which the Federal Government has abandoned. This of course, reduces what Americans can save. As the Times puts it, "* * * the administration cannot have it both ways."

I insert the Times editorial in full in the RECORD:

[From the New York Times, Oct. 31, 1981]

THE EMPEROR'S NEW TAX CUT

Though the occasion attracted little attention, the Reagan Administration last week unveiled the final, and most miraculous, phase of its economic plan for the country.

Phase One, it will be recalled, followed the supply-side prescription for economic recovery: tax less so people save and invest more, thus stimulating growth. Phase Two was get the Federal Government off people's backs and let states and local governments look after domestic needs. The next step was to answer the question, where would they get the money? What revenue stream would Washington relinquish for them to tap instead?

Now Norman Ture, a Treasury Under Secretary, has revealed the answer. The cut in Federal income taxes, he noted, makes new billions available to state and local taxation—available, that is, if governors and mayors have the nerve to try to tap it.

That is a puzzle and a contradiction, but not an answer. Either the tax cut is intended to leave more money in private pockets, and thus stimulate the economy; or it means there is more money for state and local governments to take out of private pockets, to pay for public services. Unless it wishes to be regarded as cynical and insincere, the Administration cannot have it both ways.

Last spring President Reagan told some county officials that, like Martin Luther King, he had a dream. To compensate them for assuming prime responsibility for welfare and other programs, he contemplated turning back tax sources that Washington had preempted. Now, Mr. Ture says, the mission is substantially accomplished. the three-year, 25 per cent cut in Federal personal income taxes will by 1984 provide states with an average of $2.24 billion in new taxing room.

Does the President really want states to pursue this source? Obviously not, if that would torpedo his recovery plan. No matter what one thinks of other aspects of the Reagan programs, his brand of federalism looks suspiciously like a shell game, whose only sure losers are the poor.

The Administration's concept of federalism turns on Mr. Reagan's conviction that the units of government that spend taxpayers' money should answer directly to those who pay taxes. He also says he knows that states cannot cope with added social welfare responsibilities unaided. But last summer's

cuts were deeper than expected, and they aren't the last. Instead of absorbing welfare, Medicaid and food stamps, White House planners talk of dumping more of the burden on state.

What chance, realistically, have states to finance mounting social welfare obligations with higher taxes? A beleaguered state like Michigan, its automotive industry in trouble, finds ever more people dependent on unemployment, welfare and other social programs; just at the time it needs more help it is getting less.

What should a resident of Detroit, say, do as a result? For Mr. Ture, that's easy: move. "You decide where you want to live," he says. That means Americans who don't have much choice about where to live are left stranded. Washington, able to help, has become unwilling. The states, willing for the most part, are not able. Mr. Reagan may consider his vision of federalism a dream; to America's needy people and communities, it's a hoax.●

NEW HYDE PARK'S GREAT ACHIEVER: MARIO NUZZI

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. LeBOUTILLIER. Mr. Speaker, in communities throughout this great Nation, there are individuals who have dedicated their life's energies to the betterment of others and their communities.

Within the Sixth Congressional District, which I so proudly represent, there is such a person who fills that role in the community of New Hyde Park, Long Island, N.Y.

On November 14, 1981, New Hyde Park, Nassau County, New York State, and the U.S. Congress, saw fit to participate in a special tribute to Mr. Mario Nuzzi as the people of New Hyde Park designated Mario Nuzzi to receive their "Man of the Year Award."

Leaders from all walks of life gathered to pay fitting recognition to a man who has done so much for his family, community, and country. What follows is a short biography of Mr. Nuzzi and a description of the ceremonies at which he was honored.

This material appeared in the Nassau Illustrated News and was written by Mr. James DeGraff Carr. I am proud to share the story of Mr. Mario Nuzzi—it is truly the story of a great achiever and a great American.

[The material follows:]

MARIO NUZZI IS NEW HYDE PARK'S MAN OF THE YEAR

(By James DeGraff Carr)

Nassau County Executive Francis T. Purcell, two United States Congressmen, two New York State Supreme Court Judges, both a State Senator and Assemblyman, a County Court Judge and Nassau County Republican Committee Chairman Joseph M. Margiotta are expected to be among the glittering galaxy of luminaries who will honor Greater New Hyde Park Chamber of Commerce's 1981 Man of the Year Mario J. Nuzzi, this coming Saturday evening, November 14, at his gala testimonial dinner dance in the New Hyde Park Inn Grand Ballroom.

Both Congressmen John LeBoutillier and Raymond J. McGrath are expected to grace the gala with their presence as well as Supreme Court, Appellate Division, Judges Thomas Gulotta and Sal Wachtler, County, Court Judge, Paul Lawrence, State Senator Ralph Marino, Oyster Bay Town Republican Committee Chairman: Assemblyman Dean G. Skelos and Nassau County Republican Committee Chairman and Mrs. Joseph M. Bargiotta with his law partner Michael and Mrs. Ricigiano.

TOWN OFFICIALS TO ATTEND

Prominent town officials who will be among the over 250 distinguished guests expected to attend the event will be Hempstead Town Presiding Supervisor and Mrs. Thomas S. Gulotta, and Councilman Joseph N. Mondello, North Hempstead Town Clerk and Mrs. John S. DaVanzo and Councilman and Mrs. Charles J. Fuschillo.

MAYOR GILL TO BE PRESENT

New Hyde Park Village's top public official, Mayor William T. and Mrs. Gill will also attend the Chamber Man of the Year gala, traditionally considered Greater New Hyde Park's most significant social event of the year.

PROFILE OF A WINNER

Mario J. Nuzzi was born October, 1923 in Jamaica, Long Island. He came to New Hyde Park at the age of five, where he has been residing for the last 53 years.

WORLD WAR II HERO

During the depression, Mario helped his father. Nuzzi clan partiarch John J. Nuzzi, support the family of 12 children. At the age of 18, he was drafted into the United States Army and spent 44 months overseas. He served in the Battle of Normandy, Battle of Cherbrough, Battle of the Rhine, Battle of Antwerp and the Battle of the Bulge. He was decorated with nine citations, one of which was the French Croix De Garre and also the Belgium Forge De Garre.

NUZZI BROS. ENTERPRISES FOUNDER

Upon his return from the service, Mario helped set up a successful fuel business (Nuzzi Fuel Oil) with his brothers, Joe, Mike and Angelo, three years later he went on his own to become even more successful when he and his partner, Anthony Ferrante established Nuzzi Bros. Enterprise, which consists of Nuzzi Bros. Auto Collision, Nuzzi Bros. Auto Salvage, Denton Ave, Auto Salvage, Nuzzi Reality, Tomar Realty and West Hampton Adult Home.

Mario is a member of the New Hyde Park Fire Department, New Hyde Park Lions Club, G & E Lider post (V.F.W.), New Hyde Park Elks, Lodge 2107, Past Vice President of Greater New Hyde Park Chamber of Commerce, second Vice President of American of Italian Defamation League. He was also knighted in 1973 by a representative from the Vatican for his outstanding workmanship for humanity.

The American Heart Association recently honored him with the Man of the Year Award for Nassau County, 1980. He personally raised $40,000 for this worthy cause. Mario has always been very generous to all fraternal and charitable organizations, and the Greater New Hyde Park Chamber of Commerce feels at this time, that he is most deserving of the Man of the Year Award.●

CLEAN AIR ACT REAUTHORIZATION

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. MADIGAN. Mr. Speaker, Mr. Jerry J. Jasinowski, a senior vice president and economist for the National Association of Manufacturers, recently was a guest contributor to the editorial page of the New York Times. I hope Mr. Jasinowski's efforts to reconcile competing arguments in the Clean Air Act debate will make a positive contribution to the reauthorization of this law. I am inserting Mr. Jasinowski's comments with this purpose in mind.

The article follows:

WASHINGTON.—The Clean Air Act has become a double-edged sword. One edge is the act's laudable objective of protecting public health from the effects of excessive air pollution. Unhappily, the other is the use, at times, of the incredible complexity of the 185-page law to impose Federal controls that retard economic development, industrial productivity, and the achievement of clean air.

Our best bet to improve air quality further is to encourage the expansion and modernization of our industrial plant and equipment. This process would phase out older manufacturing plants equipped with less-efficient air-pollution controls and replace them with plants with modern pollution controls and processes designed right into them.

The Clean Air Act is written in such a way as to make it exceedingly difficult to build new plants or modernize existing ones. This puts a premium on maintaining existing economically inefficient and polluting plants.

As a result of two requirements—"prevention of significant deterioration" and "nonattainment"—the act creates a Catch-22 situation in which a manufacturer cannot build his new plant is one location because the air is too clean cannot build it in another because the air is too dirty. As a result, the manufacturer may abandon his plans for a new plant, may decide to situate it in another country, or may decide to buy an existing plant and try to keep it running as long as possible.

If a manufacturer persists in pursuing his idea for a new plant or for improving existing facilities, he runs into a maze of bewildering regulations that complicate and delay matters. To comply with the "prevention of significant deterioration" program, which limits or prohibits the situating of factories where air quality does not meet national standards, he may have to estimate the impact of his proposed plant changes on tiny increments of pollution—an inexact, usually inconclusive exercise. Frequently, after spending a lot of time and money on these studies, he winds up installing the "best available control technology," which he could have done anyway without going through expensive, time-consuming guesswork.

To comply with the "nonattainment" rules, which govern emission sources—factory smokestacks, for example—in geographical areas that do not meet national air-cleanliness standards, the manufacturer

must, be upgrading or closing existing facilities, establish an "offset" to any emissions that will be produced by the new construction. In some industrialized regions, offsets—for example, buying small polluting companies and shutting them down—are difficult or impossible. In far too many cases, this provision prevents the construction of plants that could be more productive, less energy-intensive, and less polluting.

These provisions of the Clean Air Act delay or prevent the installation of modern and clean plants, equipment, and processes, and this pushes up costs. The experience of the Hampton Roads Energy Company, in Virginia, is a case in point. The company was formed in 1973 to construct a much-needed oil refinery at a projected cost of $300 million. The facility was expected to begin operations by 1979. Today, largely as a result of permit delays, the refinery still has not been built; because of inflation and the increased cost of capital, the latest cost estimate for the facility is $1 billion.

These and other provisions of the act have made this regulatory mechanism unnecessarily burdensome and expensive. The total cost imposed by the law for the last decade have been $118 billion, or $2,100 for every four-person household. By 1987, industry will have spent at least $300 billion trying to comply with the act. With costs at this level, in addition to other adverse effects, we cannot afford to extend the act without major changes.

Those changes should modify the provisions of the act that impede the modernization of industry. The debate over the law is often described—wrongly, I believe—as a choice between clean air and economic development. In fact, the law works against both, impairing the achievement of clean air as much as it saps our economic vitality. By modifying the act to encourage industrial modernization, we can have both clean air and economic growth.

In seeking amendments to the act, manufacturers are not arguing for the right to build plants without air-pollution controls. We are arguing for the right to build them with better controls. We are totally committed to continued progress toward cleaner air.

The House Subcommittee on Health and the Environment is continuing hearings on the act, and the Senate Environment Committee is debating possible amendments as well. If the Congress would soon enact legislation eliminating the counterproductive features of the law, the nation could enter 1982 with a modern Clean Air Act that would raise industrial productivity, provide more jobs, and achieve better air quality for all.●

A REFUSENIK'S PLIGHT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. MARKEY. Mr. Speaker, I rise to bring to the attention of my colleagues in the House the plight of Efim Krupnik, a Soviet Jew who, for 2 years, has been separated from his wife and son because of the Soviet Union's refusal to approve his applications for an exit visa.

In June 1977, Efim, his wife Rozalia, and his son Rostislav applied to emigrate together to Israel. At that time, Soviet officials recommended that Efim and Rozalia get a divorce, so that Rosalia and Rostislav could apply separately. Efim was told to postpone applying for an exit visa until 3 years after his 1976 retirement from the Klimov mechanical plant where he was a mechanical engineer.

The Krupniks complied with this advice, and Rosalia and Rostislav left the Soviet Union in October 1979. However, all of Efim's recent applications to emigrate have been refused. The Soviet Union still claims that Efim cannot leave for security reasons, even though 5 years have now passed since Efim's retirement.

Efim is 66 years old. He has already suffered a heart attack and recently became diabetic. He is only asking to be permitted to rejoin his family.

I am asking my colleagues to join with me in urging the Soviet Union to reaffirm its commitment to the principle of reunification outlined in the Helsinki accord by permitting Efim Krupnik to rejoin his family.●

LET'S LISTEN TO THE SAUDIS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. FINDLEY. Mr. Speaker, Philip M. Klutznik, a former Cabinet Secretary in the Carter administration and a former president of the World Jewish Congress, this weekend wrote in the Washington Post that the Saudi peace proposals "are not incompatible with the [Camp David] peace process" and that "if the autonomy talks fail to deal adequately with the Palestinian issue, there is no dishonor in supplementing them with the suggestions of others."

Following a visit to the Middle East in August, Mr. Klutznik likened the Palestinians to "modern-day Jews of the Arab world" and concluded that the PLO is "the only party qualifed to speak for the Palestinians."

For such a prominent American spokesman for the Jewish community to speak out so candidly and forthrightly is yet another sign of moderation on the basic issues that have for so long blocked peace in the Middle East. Mr. Klutznik is a man with exceptional credentials and his statement may prove to be a crucial development in Middle East policy by giving President Reagan the political running room he needs to move toward a more realistic policy that can lead to a lasting peace.

The article follows:

LET'S LISTEN TO THE SAUDIS

Not since Israel's creation in 1948, in my judgment, has there been a greater possibility of achieving peace between Israel, the Palestinians and its Arab neighbors.

Looking back, anyone who expected the Camp David accords to be accepted by all the states in the Middle East was unaware of the sensitivities that were either ignored or purposely shelved for later consideration. Likewise, anyone who now expects the Saudis' eight points to be universally applauded is remiss in not appreciating the real facts of life in the region—both in Israel and among parties less thoughtful than the Saudis.

However, the acceptance by Jordon, the PLO and others of the overall approach embodied in the Saudi eight-point "peace plan" may be a crucial turning point. For the first time, even if indirectly, important Arab parties have turned away from "outlawing" Israel as an illegitimate entity and have looked to negotiations with recognition and "coexistence" as the eventual goal.

Many have forgotten the extreme difference between the speeches Anwar Sadat and Menachem Begin made to the Knesset—differences that thoughtful negotiations helped resolve.

I feel somewhat the same about the current situation. The Saudis have taken a significant lead and will be attempting at the Arab summit in Fez later this month to achieve an Arab consensus. The importance of these developments must not be missed.

My visit in August to a number of Arab countries, including Saudi Arabia, convinced me that with very few exceptions there was a general feeling at the highest levels that Israel was here to stay, that it had developed into a military superpower, that Jewish nationalism was accepted as fact if not understood, and that the time had finally come to find an answer to the basic problem that stood in the way of a comprehensive peace.

Over and over, the Palestinian issue dominated conversation and viewpoints. The Palestinians have become a special people in the Arab world, in some ways like the Jews were in the West following World War II.

The next most significant conclusion was that the PLO was the only party qualified to speak for the Palestinians. There will be those who will say that such a conclusion is naive or ill-founded. Perhaps so; but it remains a fact that the PLO has sufficient strength in an increasing number of capitals to either accelerate or abort the peace process that was begun four years ago with Sadat's Jerusalem visit.

The PLO members are trying to create, and with some success, an organization that handles many social and economic problems, even as they continue to build a more sophisticated military potential. They are spoken of as "the modern-day Jews of the Arab world."

I found that the Camp David accords were rejected not so much because of unwillingness to contemplate peace with Israel as because they failed to link properly the Egyptian-Israeli treaty with resolution of the Palestinian issue. Many condemn Camp David for this, forgetting that without this beginning there probably would not be today's Saudi initiative. Others feel that Camp David has served its function and should now be supplemented or transcended.

It would be tragic and unthinkable to lose the momentum begun at Camp David. The autonomy discussions should now be accelerated in an attempt to draw Palestinian representation into the negotiations. But if the autonomy talks fail to deal adequately

with the Palestinian issue, there is no dishonor in supplementing them with the suggestions of others.

Here the Saudi approach may prove useful. As President Hosni Mubarak in Egypt has suggested, and as the Reagan administration has implied, the Saudi ideas are not incompatible with the peace process. Enlarging participation in the process was, in fact, envisioned at Camp David.

I knew the representatives of Saudi Arabia in the United Nations in the mid-1950s and 1960s. They were in the main mercenaries who were not always native Saudis or polished diplomats. Energy economics and 20 years have transformed the Saudi situation. Yet the ruling family, it appears to me, senses that many more changes need to be made. In my contacts outside the kingdom with representatives of the Saudi monarchy and with Saudi private businessmen, I have not found the alleged arrogance of which some others complain. There actually seems to be a kind of modesty accompanied by serious anxiety about the unknown future. Comparing Saudi Arabia with Iran under the shah is unrealistic. In fact, there is little comparison to Saudi Arabia today or probably in history—the country is sui generis.

I conclude that no genuine peace will be achieved anytime soon without some real measure of Saudi participation. If this conclusion is correct, or even if the conjecture has possibilities, then it should be explored by both the United States and Israel. We need to build on the progress Camp David made possible. We may be mid-stream between the beginning of a limited peace and the achievement of a comprehensive peace.●

DAY OF SORROW—64 YEARS OF TRAGEDY

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. LeBOUTILLIER. Mr. Speaker, November 7, 64 years ago, marks the birth of the "Great October Socialist Revolution." Thus began a metamorphosis so complete and so sinister as to enslave an entire people. With 60 million innocent victims in its wake, this revolution swiftly emerged as the most morally abhorrent and repressive system ever to darken and stain the pages of human history.

Today, the Soviet Union is not simply a state. It is a "Prison of Peoples," dedicated to the final eradication of the Judeo-Christian way of life and the sacred values on which it rests. It is the enemy of all people and the captor of each who would be so unfortunate as to come under its sway. It is, in short, the enemy of the eternal basis of the spirit—freedom.

In view of 64 years of continuous tragedy, the Congress of Russian Americans have issued a proclamation declaring November 7 to be a "Day of Sorrow." It is hoped that this proclamation will encourage all Americans to become more fully aware of the dangers inherent in a Communist form of government.

I commend this proclamation, and an accompanying news release, to my colleagues as follows:

CONGRESS OF RUSSIAN-AMERICANS, INC., NEWS RELEASE

On November 7th the rulers of the Soviet Union will celebrate the 64th anniversary of the "Great October Socialist Revolution". On this tragic anniversary of the Bolshevik takeover in Russia, the Congress of Russian Americans reiterates its continued concern for the condition and destiny of all people living under Communist rule. Sixty four years ago a tragedy occurred which scarred not only the Russian nation but also the entire free world: Lenin and his minority party overthrew the democratic Provisional Government of Russia. Two months later the Bolsheviks dissolved the freely elected Constituent Assembly, in which they had polled only 25 percent of the vote and renamed the nation the Union of Soviet Socialist Republics.

Despite the bitter struggle waged in the ensuing Civil War, which lasted more than three years and was followed by numerous peasant and worker uprisings against Communist domination, Lenin and his successors were able to consolidate their iron hold over the people that make up the USSR. Moreover, since World War II, Communist leaders have added to their empire most of Eastern Europe. This tyranny has caused millions of deaths and untold suffering in the prisons and concentration camps of the Gulag Archipelago, and has kept life at a subsistence level for most of the population.

The Soviet build-up of armaments in conjunction with foreign policy aimed at spreading the Communist system wherever possible has caused the threat of world war to hang over the United States and the free world for several decades. Furthermore, unsolicited Soviet meddling in the affairs of the developing nations continues to cause serious foreign policy problems faced by the United States and its allies.

For sixty four years Russian immigrants have repeatedly warned the world of the dangers of Communism. Too often they have been not only misunderstood, but even mistaken for Communists. As a result, the word "Russian" has ironically become synonymous with the words "Soviet" and "Communist". Moreover, despite being the first and foremost victim of Communism, the Russian nation is not even included on the list of captive nations.

Thus, in light of the ever-increasing threat of Communist domination we appeal to all people of good will to join us in condemning the inhuman and evil nature of Communism, reminding ourselves of all the people deprived of their basic human rights, defending those persecuted for their religious beliefs and praying for the souls of the millions of victims of Communist terror in all captive nations.

PROCLAMATION

Whereas November 7th, 1981 will be commemorated by the rulers of the Soviet Union as the 64th anniversary of the Bolshevik revolution; and

Whereas due to the Bolshevik overthrow of the democratic Provisional Government of Russia there appeared the first Communist state in the world, a state ruled by a totalitarian regime and characterized by the complete denial of economic, political, and spiritual human rights; and

Whereas the Communist rule of terror, based on the ruthless suppression of any internal opposition and on the total exploitation of all human and economic resources, has cost the people of the Soviet Union millions of lives; and

Whereas while the Soviet constitution purports to guarantee basic human rights and freedoms; it nonetheless qualifies these rights in such a manner that their intended purposes are perverted and made meaningless; and

Whereas the Soviet constitution is so worded that Soviet citizens are deprived of the right to appeal to it for the protection of their constitutional rights; and

Whereas the specter of Communism, regardless of where it has set root, has similarly resulted in the loss of millions of human lives as is this day clearly evident in the case of Afghanistan; and

Whereas the number of victims of Communist aggression continues to rise and there are many residing among us who are living reminders of the ruthless nature of the Communist system;

Therefore, I (name), do hereby proclaim November the 7th, 1981, the 64th anniversary of the Bolshevik revolution, a "Day of Sorrow" urging our citizens to become fully aware of the dangers inherent in a Communist form of government.●

FORGOTTEN TRABAJADORES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. McDONALD. Mr. Speaker, it is fascinating to watch the press today and how little attention it is paying to Nicaragua as the last lights of freedom go out there. It is amazing how little outcry there is when a business leader is assassinated or the only opposition newspaper is closed, even temporarily. Washington and New York City cocktail circuits are too busy talking about the horrible "right" in El Salvador and how peace must be negotiated at the point of a gun. Therefore, it was refreshing to read the editorial "Forgotten Trabajadores" in the Wall Street Journal of October 19, 1981, which recognized the situation in Nicaragua for what it is. The first three paragraphs of that editorial follow as a reminder to my colleagues who made so many eloquent but wrong statements during the debate on aid to Nicaragua after the Sandanistas took over.

FORGOTTEN TRABAJADORES

Thanks to a disturbingly effective left-wing propaganda campaign, the Reagan administration has been largely stalled in its efforts to gather public support for a U.S. counterattack against the Soviet-Cuban conquest of Central America. But it is far too early to give up the fight. The propaganda lies are by now so transparent that even the most liberal Congressmen, newspaper editors and churchmen surely cannot avoid recognizing them.

For example, can anyone still doubt that Nicaragua has been a victim of a Commu-

nist takeover? The Cuban-style "neighborhood committees" are in place, the secret police are being trained, La Prensa has been told it will be closed if it continues to speak up, Archbishop Obando y Bravo is being suppressed and a spectacular military buildup is under way. The Sandinistas are creating an army and militia of over 250,000, equivalent to a full one-tenth of the population, even though the country can't feed itself or pay its debts. Heavy equipment, including 30 T-55 tanks, has been pouring in from the Soviet bloc. The combined forces of Nicaragua and Cuba soon will dwarf any army south of the Rio Grande and drive a Soviet strategic wedge between North and South America.

Little Costa Rica, once a model democracy, has been destabilized and intimidated by the Nicaraguan buildup and internal subversion. The territory of Honduras is being used with impunity to funnel arms from Nicaragua to the Communist guerrilla army in El Salvador. An active terrorism campaign is under way in Guatemala, drawing the usual counter-terror from the right with its predictable additional contributions to destabilization.●

WHEN WILL THE PLO RECOGNIZE ISRAEL

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. BROOMFIELD. Mr. Speaker, amid all the hoopla surrounding the Saudi eight-point Middle East peace plan, the supporters of the Saudi initiative have failed to mention that the beneficiaries of the plan, the PLO, have refused to endorse it. Daily we hear that if the United States, Israel, and Egypt would renounce Camp David and support the Saudi plan, that peace would be at hand. Although I find it commendable that the Saudis have proposed a solution that they believe will eventually lead to a comprehensive peace settlement in the Middle East, I disagree that their plan should take precedence over Camp David. The important question is, are all the parties in the Arab camp unified in their support of the Saudi solution? The answer is no.

Not only is Egypt still willing to pursue the Camp David accords, but the PLO, as reported in the Washington Post on November 14, 1981, page A18, has failed to support the Saudi plan. I found it strange that such an important item as the PLO rejection of the Saudi plan did not receive front page coverage. But the article, at least, revealed the true desires of key actions within the PLO. Let me quote one part of the article:

> PLO Chairman Yasser Arafat has praised some aspects of the plan, but radical Palestinian groups have denounced it because it appears to suggest giving up the struggle to recover the entire area that was formerly Palestine.

In other words, powerful segments of the PLO still envisage driving Israel into the sea. As long as this attitude continues to exist, how can any reasonable person ask Israel to make concessions on the West Bank that will threaten their own existence? I believe that the burden is on the Palestinian people to reject these extreme positions and for the PLO to bring these extreme factions into line. It is time for all serious observers of the Middle East to again acknowledge that it is not Israeli intransigence that is blocking a full peace settlement, but PLO refusal to give up a basic element in their charter, namely the destruction of Israel.

The complete Washington Post story of November 14 follows:

[From the Washington Post, Nov. 14, 1981]

PLO LEADERS FAIL TO REACH ACCORD ON SAUDI PLAN FOR MIDEAST PEACE

(Reuter)

BEIRUT.—The Palestine Liberation Organization leadership held a lengthy meeting today but apparently failed to agree on a stand on Saudi Arabia's Middle East peace plan.

The Saudi plan, which some observers say implies recognition of Israel within its pre-1967 frontiers in return for creation of a Palestinian state, has divided the Palestinians.

PLO Chairman Yasser Arafat has praised some aspects of the plan, but radical Palestinian groups have denounced it because it appears to suggest giving up the struggle to recover the entire area that was formerly Palestine.

A vaguely worded statement after a meeting of the PLO's executive committee did not directly mention the Saudi proposals but said the session discussed "political initiatives and moves in the region."

"It was agreed to follow up contacts in this connection with the aim of achieving a unified Arab stand serving the Palestinian struggle and the just cause of our people," said the statement, according to a report by the Palestinian news agency WAFA.●

FAIRFAX COUNTY EXECUTIVE J. HAMILTON LAMBERT ASSESSES STATE OF METROPOLITAN WASHINGTON REGION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. WOLF. Mr. Speaker, J. Hamilton Lambert is a lifelong resident of the Washington area and a member of the Fairfax County government staff for the past 20 years. For the past 2 years, he has been county executive, the top administrative position in the county government. He has won wide acclaim not only for his performance in that position but as leader in promoting cooperation among the region's local governments. He is chairman of council of governments' committee of the area's chief administrative officers.

I ask that an interview which appeared in the fall 1981 edition of "The Region" be printed at this point in the RECORD. The state of the Metropolitan Washington region concerns us all.

Q. & A.: FAIRFAX COUNTY EXECUTIVE J. HAMILTON LAMBERT ON THE STATE OF THE REGION

Q. As one of the most prominent administrators in the local governments of the Washington area, how do you assess the state of the region? Are we in good shape?

A. Overall, compared to most other metropolitan regions in the United States, the Washington Metropolitan Area is in outstanding shape. Obviously, we have problems. Some of them—the high cost of housing, for example—may be related to our affluence. Others, such as our serious regional transportation problems, can be related to the fact that historically the region's largest employer was concentrated in a small central area, and regional approaches to solving the problem were begun rather late. But on balance, this is a healthy, fortunate region. We have an economy that is relatively insulated from cyclical fluctuations. We have one of the lowest unemployment rates in the nation, and a growing sense of regionalism is making it possible to approach our problems in a spirit of cooperation that has not always characterized this area's jurisdictions. I think we have every right to view the region's future with optimism.

Q. What trends or changes do you see for our cities and counties?

A. I expect that there will be some leveling off of population growth, due both to demographics and to a slowing of the growth of the Federal Government and its budget. I expect also that there will be more growth of employment centers in the suburbs and more concern on the part of the individual for shortening work trips. As our demographics change, I think we can look for some changes in the patterns of local government spending—perhaps relatively more emphasis on social programs for adults and the aged, less on schools, for example.

Q. Have some changes already taken place?

A. Yes. We already have seen changes in building patterns—more townhouses and apartments, fewer large-lot single-family homes—and this pattern probably will continue.

I hope we will see a continuing and strengthening of the gains in regional cooperation that have occurred in recent years. Many of our most urgent problems—water supply, sewage conveyance and treatment, sludge and other solid waste disposal, Metro and other transportation problems—can be solved only through regional approaches.

Q. What significance will the policies of the Reagan Administration hold for Metropolitan Washington as a region and for our local governments individually?

A. When the Federal Government cuts back on programs in which Federal funds pass through to the state and local governments, there has got to be a profound effect on those local governments. People have become accustomed to these programs and are reluctant to see them cut or dropped. At the same time, people support the concept of cutting both Federal programs and Federal taxes.

Now, the benefits of lower Federal income taxes can be pretty illusory if local governments pick up all the lost Federal program funding and fund these programs out of the property tax, sales tax and other local reve-

nues. Local governments are going to have to pick up some of these programs, but they are going to have to do so selectively. Otherwise, the taxpayer is going to be no better off. Local administrators, and particularly local governing bodies, are going to face some very difficult choices.

Q. Figures from last year's census show that jobs and households in the area are growing much faster than the population. What does this tell us about our present and future?

A. The fact that job opportunities are growing faster than the population is a good sign, except that we run a serious danger of imbalance if the kinds of jobs offered don't match the kinds of skills our population possesses. We really don't need to attract more skilled workers to this area as much as we need to improve the job skills of our own unemployed and underemployed, and to provide a transportation network that will connect the potential worker to the job location.

The growth of households suggests that household sizes are continuing to shrink, which is not a new trend. It may presage more construction of relatively small, multiunit housing as opposed to the traditional, suburban house on a half-acre lot.

Q. Paying for the completion of Metro comes in for a lot of discussion in Fairfax. Is this a serious problem throughout the region or is it worse in your County than elsewhere?

A. Metro funding will be a problem for the entire region. It is a greater problem in Virginia than in Maryland because the State of Maryland is picking up capital costs which in Virginia must be paid for locally. The growth of Metrorail into Virginia should help our citizens to recognize the value of the system to themselves as well as to the region.

Q. Aside from the loss of Federal revenue, do you see any long-term financial problems for local governments?

A. If interest rates remain high over a long period of time, they could make it difficult for local governments to continue orderly capital improvement programs. This has not become a serious problem yet and many economists see it as temporary situation.

Q. How about the positive side? What's the good news?

A. I think there is a lot of good news for people in this region. The best probably is that the economy not only is based on a very stable foundation but also is diversifying. And the next best news most likely is that—in spite of news stories to the contrary—the major jurisdictions in the Washington area really are working together to find regional solutions to regional problems. This is true both on the part of elected officials and at staff levels. As a county executive, I have been deeply impressed with how well the chief administrative officers of our region have worked across city, county and even state lines to cope with questions like the future of Metro, cleaning up the Potomac and guiding the economy and development of our region. That's good news—and it's kind of cooperation and coordination you don't find in many places.●

MX MISSILE PLAN

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. SCHUMER. Mr. Speaker, when President Reagan announced his decision regarding the MX missile system, Caspar Weinberger proudly stood at his side and entertained the technical questions concerning the new design. Three days later, the Secretary of Defense appeared before the Senate Armed Services Committee in staunch support of the President's plan to build 100 MX missiles, placing 36 in existing Titan silos which have been hardened to withstand pressure up to 5,000 p.s.i., and deferring the deployment of the others until further basing research can be completed. The administrations embrace of this proposal is disturbing, not to mention inconsistent.

Back in February, just 7 months ago, at his confirmation hearings, Mr. Weinberger stated:

Simply putting it (the MX) into existing silos will not answer the two or three concerns I have; namely, that these (silos) are well known and not harded sufficiently, nor could they be, to be of sufficient strategic value to count as a strategic improvement to our forces.

The confusion is highlighted even more by examining the contrasting opinions of high level advisers to the President. While Secretary of Defense Weinberger supported the plan, at the same Armed Services Committee hearing, Gen. David Jones, Chairman of the Joint Chiefs of Staff, registered a different view.

I remain to be convinced that hardened silos will give survivability. I reserve judgment as to whether it would be wise to go ahead with hardening.

How then, if even the President's top advisers on the subject are in conflict, can this MX proposal be deemed anything short of highly questionable?

This conflict between experts is not even the primary reason I consider this plan to be highly questionable. Its technical deficiencies speak well enough for themselves. My primary objection is that the entire concept of spending vast amounts of the taxpayer's money to "superharden" our fixed silos in order to gain survivability until 1984, when a new plan for a permanent solution will be put into effect, is utterly ridiculous. As Mr. Weinberger said, "It is not a final solution, only a system to be used until further research can provide a permanent solution." Recent estimates have placed the cost of this "temporary" program at $7 billion. I cannot support such spending when our present strategic forces are quite competent until research can be completed. Simultaneous destruction of all three elements of the strategic triad is virtually impossible. Further, the United States has many thousands of independently targeted strategic nuclear weapons, about 50 percent more than the U.S.S.R., by far enough to target any forseeable increase in the number of strategic targets in the Soviet Union.

Additionally, the superhardened silos will be as vulnerable to Soviet attack as our present Minuteman and Titan silos. According to the Department of Defense brief, "Soviet Military Power." "The SS-18 is capable of destroying any known fixed-target with high probability." Senator John Tower elaborated on this fact: "Intelligence officials tell us that improved Soviet missile accuracies will enable Moscow to destroy even the 'hardened' silos. Pouring in more concrete and steel will not reduce danger for any appreciable length of time. It could be measured in terms of months rather than years. Beyond that, Pentagon officials have no idea how they will actually harden these Titan silos. There is no plan, no design. They don't even know if it's possible."

Hence, it seems unwarranted for the Congress to appropriate at least $7 billion for such a stop-gap effort, especially in light of current budget constraints.

The Reagan plan was best summed up by former Secretary of Defense, Harold Brown, when he said, "Hardening the silos doesn't get you anything if they are left standing there in the middle of a crater."

The MX is inherently flawed. Congress should scrap it.●

GUARDIAN OF LIBERTY

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. STARK. Mr. Speaker, this year has seen a resurgence of the drive by the CIA and other "intelligence-gathering" forces to undo the reforms and lessons of the Watergate era by giving new and enormous powers to the CIA. It is incredible that so many can have forgotten the painful lessons of the past so quickly.

Fortunately, a number of leaders in the Congress have been resisting these efforts to turn the CIA into a domestic spying agency and to give it new and unlicensed powers against Americans and foreigners abroad. Senator BARRY GOLDWATER has spoken out on these ominous developments. I am also pleased to note, Mr. Speaker, the very active role played by Representative DON EDWARDS, chairman of the Subcommittee on Civil and Constitutional Rights of the House Judiciary Committee.

Chairman EDWARDS, whose district adjoins mine, was recently eloquently commended in an editorial in the November 5, 1981, San Jose Mercury. The editorial describes the terrible dangers inherent in the new Executive order proposal. As Chairman EDWARDS states:

If a free society is sacrificed for a better intelligence system, we have compromised our very goal.

Clearly, it is time for all citizens, conservative and liberal, who believe in a government of laws and of checks and balances to make their concerns known about a pending assault on our constitutional liberties.

Mr. Speaker, I would like to include in the RECORD at this point the editorial from the San Jose Mercury entitled, "Freedom's Just Another Word Under Reagan Order on CIA."

[From the San Jose Mercury, Nov. 5, 1981]

FREEDOM'S JUST ANOTHER WORD UNDER REAGAN ORDER ON CIA

When Sen. Barry Goldwater and Representative Don Edwards agree on anything, it's significant. When they agree that a proposed new executive order governing CIA activities is a frightening threat to civil liberties, it's time to head for the tornado shelter and batten down the doors.

The conservative Republican from Arizona is chairman of the Senate Select Committee on Intelligence, the liberal Democrat from San Jose is chairman of the Subcommittee on Civil and Constitutional Rights of the House Judiciary Committee. Both are alarmed by the Reagan administration's proposed revision of Executive Order 12036, the document that defines the functions of the Central Intelligence Agency, the FBI and other components of the American intelligence machine. Goldwater and Edwards—and the rest of us—have a lot to be alarmed about.

The scariest part of the new order, and the one that has created the most controversy, is Section 2, Paragraph 9, which states: "No one acting on behalf of agencies within the Intelligence Community may join or otherwise participate in any organization in the United States on behalf of any agency within the Intelligence Community without disclosing their intelligence affiliation . . . except in accordance with procedures established by the head of the agency concerned and approved by the Attorney General."

Like a multiple warhead atop an ICBM, that paragraph, with its deceptively turbid wording and curiously inverted structure, contains a number of civil liberties bombshells.

In the first place, it would allow the CIA for the first time to infiltrate and engage in spying against organizations within the country. As a later passage makes clear, the CIA's sleuths would even be allowed to act as agents provocateurs. Under the existing executive order, signed by President Carter in January 1978, only the FBI can engage in such machinations.

Reagan's order also would give the CIA a much longer and looser leash. Under the present rules, acts of domestic counterintelligence must be approved in advance by the attorney general. The Reagan rules would require only that such activities conform to some general, as yet unspecified and inevitably secret "procedures" to be agreed upon by the CIA and FBI czars, and the attorney general.

Invidious as it is, Section 2, Paragraph 9 is by no means the only frightening element of Reagan's proposal. The new order also would:

Remove the provision that Americans abroad can be subjected to continuing physical surveillance only it there is a reasonable belief that they are agents of a foreign power;

Make it possible for intelligence agencies to disseminate information they have collected about American citizens even if they are not the subjects of an investigation—"creating," as Edwards says, "serious privacy questions for Americans who are totally innocent of any wrongdoing";

Authorize the CIA to cooperate with state and local law enforcement agencies, a function presently limited to the FBI; and

Remove the requirement that the president receive a recommendation from the National Security Council before authorizing any covert actions overseas.

In drafting the National Security Act of 1947, the law that created the CIA, Congress took pains to bar the agency from any domestic spying role: "The agency shall have no police, subpoena (or) law enforcement powers or internal security functions." The consequences of ignoring that bit of legislative wisdom became chillingly clear a few years ago with the revelation that the CIA had spied on hundreds of thousands of Americans as part of "Operation Chaos," an elaborate—and unsuccessful—effort to prove that domestic dissenters were the puppets of sinister foreign powers.

Now the White House is about to give the CIA not merely a license but an official mandate to engage in precisely the same sort of police-state tactics again, with only the flimsiest procedural restraints. It's ironic that this administration, in the name of defending America and its institutions, is willing to endanger the very freedoms that distinguish this nation from its totalitarian enemies.

Congressman Edwards expressed the idea well in a different, but related, context. "If a free society is sacrified for a better intelligence system, we have compromised our very goal."●

ELMER B. STAATS, FORMER COMPTROLLER GENERAL, SUPPORTS ACTION TO PROVIDE FOR MORE ADEQUATE PAY LEVELS FOR TOP-LEVEL SENIOR EXECUTIVES

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. WOLF. Mr. Speaker, Elmer B. Staats, former Comptroller General of the United States, has written to me to express the hope that Congress will take some action this year to provide for more adequate pay levels for top-level senior executives. Mr. Staats' letter arrived coincidentally the same day I received the most recent report of the General Accounting Office which indicates once again that it would be cost effective to raise the pay cap. I value Mr. Staats' judgment and counsel, and I ask that the text of his letter of November 9 be included at this point in the RECORD.

WASHINGTON, D.C., *November 9, 1981.*

Hon. FRANK R. WOLF,
House of Representatives.

DEAR CONGRESSMAN WOLF: I am writing to express the hope that Congress will take some action this year to provide for more adequate pay levels for top-level officials. As you know, this was a matter of great concern to me while I served as Comptroller General. I issued several reports to the Congress on the subject and testified a number of times. It is my understanding that it is possible that some action will be taken on this matter with respect to the continuing resolution which expires, I believe, on November 20.

The facts in the case have been well publicized:

1. We now have seven levels of responsibility earning the same pay and, with the increases being permitted for the lower ranks, this will now be increased to eight levels. This adds up to more than 46,000 Federal executives and senior managers.

2. Federal executives were due a 9.1 percent pay increase in October 1980, but appropriation act language prohibited payment of this increase. A similar 7.02 percent raise due in October 1979 was denied similarly.

3. The Commission on Executive, Legislative, and Judicial Salaries recommended substantial increases in their report to the President and the Congress last year. In January 1981, the President recommended an immediate increase of 16.8 percent in executive salaries. This proposal was also rejected by the Congress.

4. And now the House Appropriations Committee and the Senate Appropriations Committee have voted to continue the pay restriction for 1982.

As you know, the Government is the loser because of the high turnover which this pay cap has brought about. The rate of retirement of executives at the pay ceiling increased from 17.6 percent in March 1978 to 67 percent for the 12 months ending August 31, 1980. The Federal Government is thus losing many of its most highly trained professional, scientific and executive managers just at the peak of their careers. Most are talking the position that they can get other employment and collect cost-of-living adjustments on their retirement. They can hardly be criticized for this.

My great hope is that the Congress will see fit to raise its own pay, along with that of members of the executive and judicial branches. The Commission on Executive, Legislative, and Judicial Salaries recommended increases for this group of about 40 percent. While I do not necessarily endorse a percentage figure this high, the case for substantial adjustment upward is a very strong one indeed. If the Congress is unwilling to provide for a pay increase for itself, I suggest that increases be provided at least for executive and judicial branches and for non-elective positions in the legislative branch. In doing so, the Congress would be taking action similar to that which was recenty taken in Great Britain and Canada where the linkage between legislative salaries and others had been broken. In fact, the linkage within the United States has been in effect only since 1965.

As Comptroller General, I was responsible for recommending actions which I believed would improve the operations of the Feder-

al Government and for making studies of the cost and benefits of government actions. Doing something here would certainly be cost effective and I hope that you will use the letter for whatever value it may have as the present continuing resolution expires.

Sincerely,

ELMER B. STAATS.●

SMOKING AND PREGNANT WOMEN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. STOKES. Mr. Speaker, the first advertisement showing a woman smoking appeared in 1919. Then in 1926 a beautiful young model in the advertisement of a leading brand did not smoke, but pleaded "blow some my way." But in 1928 a famous ad urged women to "reach for a Lucky instead of a sweet."

By 1934, according to a survey by the Milwaukee Journal, 16.7 percent of adult women smoked cigarettes. Moreover, it estimated that women consumed 135 packs per year compared to 244 for men.

After 1940, women's smoking rates rose rapidly. According to the "Health Consequences of Smoking for Women—A Report of the Surgeon General" and by 1965, 33.3 percent of American women were smoking versus 51.1 percent of men. Although smoking among all adult males had declined continuously since 1965 to 28.2 percent for women versus 36.9 percent for men in 1979, "the first signs of an epidemic of smoking-related disease among women are now appearing." The gloomy part of the picture, however, is that cigarette smoking among teenage girls has increased, although smoking among teenage boys has remained virtually constant.

Besides the harmful effects of smoking generally, for those entering the marital age and mothers-to-be there are serious implications to be considered. Thus a pregnant woman who smokes risks not only her health but also changes the conditions under which her baby develops.

Some of the factors involved in maternal smoking include spontaneous abortions, the deaths of unborn and newborn infants, pregnancy complications, and the long-term effect on those children who survive.

Women who smoke during pregnancy have more babies born dead, and more of their babies die during the first month of infancy, than those of nonsmoking mothers. The more a woman smokes during pregnancy, the greater the reduction in her infant's birthweight.

Mr. Speaker, these and other serious health consequences of smoking on women and those that affect men also have not deterred them from smoking. Although many agree that it is harmful and is a health hazard, the lifestyle persists. But there are hopeful signs that something can be done to help people take better care of themselves and their children by learning the health consequences of tobacco use.

We have already reported that smoking has declined among adult men and women, increased among teenage girls, and remained constant among teenage boys. Many antismoking programs exist for both young people and adults. But it is still not known what forms of education are most effective in keeping young people from moving from experimentation with cigarettes to becoming habitual smokers. Nor is it known how best to help adults give up the smoking habit.

There is a program, however, that can start people out on the right track. That is the Great American Smokeout sponsored by the American Cancer Society on November 19.

This can be a great day for smokers, particularly girls and pregnant women, for it is a day on which they can show themselves that quitting the habit may not be as difficult as they may have thought. It is done by giving up cigarettes for a day, 24 hours.

Last year a Gallup poll reported that nearly 16.5 million Americans tried to give up smoking during the Smokeout. Almost 5 million made it through the 24 hours, and 1 to 10 days later 2.2 million were still not smoking.

This is an effort to be commended. I hope that many more will join the Smokeout this year and that those who kick the habit for good will increase in number, especially for girls and pregnant women.●

ELMIRA IS FAR FROM DYING

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. LUNDINE. Mr. Speaker, the plight of America's major industrial cities attracts so much attention that we sometimes forget that dozens of smaller urban areas face the same problems—often with as much civic resolve and ingenuity. Recently, this neglect was partly redressed by a front-page story in the Wall Street Journal on Elmira, N.Y. With a population of more than 35,000 people, Elmira is nearly the largest city in the 39th District of New York. It is a city with a distinctive history: for many years the home of Mark Twain, and for many decades a significant manufacturing center. In recent years, however, Elmira has shared the fate of the rest of America's urban, industrial heartland in the Northeast and Midwest. Business failures have yielded persistent unemployment and an eroding tax base. And, in 1972, meteorological insult was added to economic injury when hurricane Agnes flooded much of the city.

Nevertheless, as the Wall Street Journal justly points out, Elmira is far from dying, and, indeed, thanks to the perseverence of some of its civic leaders, there are fresh signs of an improved future. I would add that, in my judgment, the Federal Government should be an active partner rather than a neutral bystander in this process of revitalization. Elmira is a textbook example of why the revitalization tools which the Reagan administration is trying to destroy—such as the Appalachian Regional Commission, the Economic Development Administration, and the urban development action grants—are especially needed today.

One other Federal assistance program which the President seeks to eliminate deserves special notice. This is the new labor-management cooperation program which recently provided another encouraging boost to Elmira's future which the Journal fails to mention. Last month, the Chemung County Labor-Management Committee, which is based in Elmira, was one of only nine such community groups in the country to successfully compete for the first round of grants under this Federal program. The grant will support the Chemung committee's work in promoting cooperation between local unions and businesses. This cooperation, in turn, will yield improved productivity in individual workplaces and an enhanced economic climate for the entire city. I am very encouraged by this development.

Overall, I believe my colleagues will find the Wall Street Journal's visit to Elmira instructive, and I commend this article to their attention:

ELMIRA WILL NEVER BE WHAT IT USED TO BE, BUT IS FAR FROM DYING

TOWN IN UPSTATE NEW YORK LOSES PLANTS AND PEOPLE; OPPORTUNITIES STILL EXIST

(By James M. Perry)

ELMIRA, N.Y.—Between 1880 and 1890, this city on the Chemung River in upstate New York grew by 50.4 percent. There were 48 hotels downtown, some of them respectable, and 67 passenger trains stopped at the three railroad stations every day.

There was history to the place, too. Regiments from George Washington's army destroyed the Iroquois Indian Confederation in a battle here. Mark Twain, summering at Quarry Farm, wrote some of his masterpieces here. At one time, this was the fire-engine capital of the world; later it was the typewriter capital. And because gliders are made here, it still thinks of itself as the soaring capital of the world.

But things just aren't the same these days.

The population, as measured by the 1980 census, is 35,327, down 4,618 from 1970, and even down 345 from Elmira's turn-of-the-

century salad days. Now there isn't a single hotel downtown, and the last passenger train went through here in 1970. The typewriter business—it once employed 6,600 people—is gone, and the fire-engine company is owned by an Ohio-based conglomerate. The glider company almost went out of business two years ago.

Elmira, the Cassandras will tell you, is dying.

SOMETHING SPECIAL

If so, this reporter would regret it. I was born here, and my forebears settled here long ago. The family business, an insurance agency in which my brother is a partner, was founded in 1860.

Elmira is special to me, but it isn't so different from dozens of other small cities that stretch across the old industrial heartland from Massachusetts to Wisconsin. In all the land-wringing about the problems of big cities in this belt—Buffalo, for example, or Cleveland—the fate of these smaller cities generally has been neglected.

So I came here to see if there is any life in the old home town—and, by extrapolation, in the rest of these towns.

There is first of all, conventional wisdom to consider. Conventional wisdom says that industry has left these small cities, with their strong unions, for the Sun Belt. Conventional wisdom, especially regarding Elmira, also says that people are "down" on their future. "Elmira seems to think it's always going to lose," says Democrat Stanley Lundine, the district's Congressman.

But, after spending a week here, talking to people and touring the plants and businesses, I think there is good news: Elmira isn't dying; it is changing. It just wore out, and the recovery is slow and painful—and a little depressing, for Elmira will never be the town it used to be.

SIGN OF CHANGE

Some changes are obvious. The day I arrived, workmen were removing the signs from Sears, Roebuck's downtown store. Sears is abandoning downtown for its new store in the Arnot Mall in Big Flats, halfway to Corning. One of my relatives is so angry about it that she cut up her Sears credit card.

And many of the old factories aren't exactly humming. The one we called "The Eclipse"—it was the Eclipse division of Bendix Corp.—employed almost 9,000 people during World War II, making cannons and artillery fuzes. The plant is half empty now, a part of Facet Enterprises, and fewer than 700 people work in it, making auto parts.

Despite the conventional wisdom, though, the Sun Belt was never a factor. Typical of Elmira's trouble is what happened to Remington Rand. In 1937 it was offered—and accepted, for nothing—the old Willys-Morrow plant, which had employed 6,000 workers in the 1920s, making transmissions, universal joints and gears for Overland and Willy-Knight automobiles. My grandfather was a manager at the plant, and I still have a pistol he carried—carried unhappily, for he was a gentle man—during periods of labor unrest. Elmira was a tough labor town.

The Remington Rand plant became the biggest office-machine factory in the world, or at least Remington boasted that it was. But in the mid-1950s the company began switching production abroad. In 1972, it closed the plant entirely, moving its last operation north to Canada, not south to the Sun Belt.

CONGLOMERATE UNITS

Other plants remain in operation here, but many of them are owned now by conglomerates, with headquarters far away. Kennedy Valve, for example, has been a local institution since 1907; it is now a subsidiary of ITT Grinnell Corp. of Providence, R.I. LRC Electronics Inc. is a division of Augat Inc. of Mansfield, Mass. American Bridge is part of U.S. Steel Corp.

And what is perhaps the city's best-known company, American LaFrance, the maker of those handsome custom-made fire engines, is a subsidiary of Figgie International, Harry Figgie's personal conglomerate (it also makes baseball bats) based in Willoughby, Ohio.

The president of the American LaFrance Division is Gerald Peters, who comes from Kentucky and displays in his office an autographed picture of former Alabama Gov. George Wallace. He isn't a typical Elmira businessman.

But he knows something about trucks, and maybe he is a lesson for Elmira. He came here, people say, to close down this plant. It was old and shabby and the work force wasn't very efficient.

"You wouldn't believe it," he says, "but they were making fire trucks in stalls. People brought the parts to the stalls and they put the trucks together. You couldn't tell which truck would be finished first. It depended on the foreman. If he was tough, he'd cannibalize parts from the next stall. We've got conveyor lines now, and it's a lot more efficient."

They also have a new plant, thanks to hard work over 10 years by the city, the county and the state, and here the story comes full circle. LaFrance is moving production into the old Remington Rand plant, where the Willys-Morrow plant used to be. It had been completely renovated, and Mr. Peters says the fire-engine business is here to stay.

Not just fire trucks, either. Mr. Peters reasons that there is more garbage to be collected than there are fires to put out. So he has taken his plant into the production of what he calls "refuse chassis" and what the rest of us call garbage trucks. When he heard that the Egyptian army wanted 200 trailers to carry tanks, he picked up that contract, too. "We opened the old Lehigh Valley Railroad repair shop in Sayre (Pa.), went out on the street to sign up 40 welders and turned those trailers out in nine months," Mr. Peters says. "You can't sit back these days and just wait for new business."

Others here understand that. Richard Evans is one of the city's movers and shakers and the owner of a roofing business. When business dried up here, he bought a plane and flew off and found business elsewhere. A local construction company, facing the same kind of problem, went off in the Chesapeake Bay area to build a bridge.

What Mr. Peters has done for American LaFrance is greatly admired by local business people, but there is a down side to it.

"When these companies were locally owned they did their business here," says Boyd McDowell II, president of Chemung Canal Trust Co., Elmira's only locally owned bank. "They banked locally, but now American LaFrance banks in Ohio; Kennedy Valve does its business in Rhode Island. And they all "ride the float, because the farther away the bank is, the longer they can hang on to their money. More and more, we are learning we have to depend on our local people and our local companies. That's our future."

THE GLIDER COMPANY

One of the local companies everyone roots for is Schweizer Aircraft Corp. Anyone flying into the Elmira airport (on the few flights that remain) knows about its gliders. Other aircraft seem to weave through the gracefully swooping sailplanes to reach the runway.

Schweizer was founded by three brothers who began building sailplanes when they were in high school. One of them, William, remains at the helm. Gliders don't sell very briskly these days, though, priced as they are from a knocked-down $18,000 model to a competition special at $40,000. "It's a luxury item," says William Schweizer, who, at 63, still soars in them regularly.

The craze now, he says a little sadly, is for hang gliders. But Schweizer doesn't build them and doesn't want to. The suspicion arises that maybe if American LaFrance's Gerry Peters were running Schweizer, he would be making hang gliders.

Schweizer survives on a more mundane product—a crop-dusting, bi-wing aircraft called the Ag-Cat. For 20 years, Schweizer made the plane for Grumman Corp., until Grumman cut Schweizer adrift two years ago. "We lost 80 percent of our business and had to lay off more than half of our 550 employes," says Paul Hardy Schweizer, Bill's son and a company vice president. "A big company, one of those conglomerates, would have closed the plant. We decided to tough it out. That's what it means to be involved in a community.

Now, Schweizer has bought out the Ag-Cat business and is back in production under its own name, turning out one plane a week. At the same time, the company hustled new contracts—making wing tips for Boeing's new 757 airplane, cargo doors for Beech's Super King Air 200s, even—in a one-shot deal—the tail assembly for something called the Cyclo-Crane, a cross between a blimp and a dirigible that is designed to lift and transport heavy objects.

"We feel we've made this a solid company that no longer will be subject to economic vicissitude," says, young Mr. Schweizer, who came home to his family's business after working eight years in Seattle for Boeing.

A CONTINUING FANTASY

Some of Elmira's business leaders continue to fantasize about some great national company's coming here to open a huge new plant and put Elmira back together the way it used to be. Last year, the entire Elmira establishment joined forces to bid for a 1.1 million-square-foot engine plant that was to be constructed jointly by J. I. Case Co. and Cummins Engine Co. The total investment was to be $356 million, and the local community, with the cooperation of local and state government, came up with $150 million in incentives. Elmira's industrial-development agency put in thousands of hours pulling the deal together.

"We understand they looked at 196 sites in North America, and we were one of the three finalists," says Andrew Pazahanick, the development agency's executive director. But as things turned out, space opened up on one of Cummins's own plants in North Carolina, and a new plant was not needed. A postscript: Elmira wouldn't have won anyway. Says Cummins executive James Shipp: "It was in the final five, but we had concluded it was too far out of the transportation area for our customers and suppliers."

The fact is that Elmira isn't likely to see another new plant that employs thousands

of workers. Unemployment here stands at 8.4 percent, compared with 7.5 percent nationally. But significant industrial opportunities still exists.

Not long ago, General Electric Co. left town, closing its foundry that had been a fixture here for decades. But a funny thing happened. Representatives of Trinity Valley Iron & Steel Co. of Ft. Worth, Texas, deep in the heart of the Sun Belt, came to Elmira to look at the equipment, with the idea of buying some and taking it home. Instead, they bought the foundry and put it back into production. Employment, at 300 people, is back to where it used to be, and orders totaling $20 million are already backed up.

"We're delighted with our work force here," says Thomas Kowalik, a foundry official. "They speak English."

CONFIDENCE AND PASSION

There are successful smaller companies here, and surely they represent the future. The Hilliard Co. employs 175 workers and makes industrial clutches and oil-filtering equipment. It plans to expand. "We're going to make it here," vows Vinton Stevens, the president. Hardinge Brothers employs almost 1,000 workers and makes high-precision lathes and related equipment. "We're happy here," says its president, Robert Bauman. "We aren't moving."

Every city needs people with passion. One such person here is George Zurenda, president of Elmira Stamping Co. It was Mr. Zurenda's idea to convert the old-Keeney Theater into what is now the Samuel Clemens Performing Arts Center, with attractions such as the New York Philharmonic Orchestra. The center has given Elmira a much-needed boost.

Any every city needs an eccentic genius. Elmira has one in Whitney Powers who started his company, Powers Manufacturing, in a chicken coop in 1959. He had worked for a glass bottle maker here for years and saw the need for a new product—an electronic machine to test and inspect glass bottles. He invented one and how he produces it. "It's the American way," he says. I saw a need and I filled it."

When Mr. Powers found that he couldn't get electronic circuit boards fast enough for his machines, he opened a separate business to manufacture them himself. Now, he says, small-time electronic geniuses from all over upstate New York are coming to purchase circuit boards for their own experiments. "These little guys are out there," Mr. Powers said: "Most of them come out of Cornell. Mind you, one day here, we're going to be the new Silicon Valley."

Now that's the old home-town spirit.●

BULLETPROOF VESTS FOR CRIMINALS—BIAGGI BILL SAYS NO

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation which is aimed at keeping bulletproof vests off of criminals in the United States. Under my bill, a bulletproof vest would be redefined as a firearm. This would mean that those who sell bulletproof vests must obtain proper licenses.

Current Federal law now restricts importing, manufacturing, interstate commerce, or dealing in firearms or ammunition by other than those who have properly obtained licenses. By redefining bulletproof vests as a firearm brings them under these same provisions.

Further, my bill would make unlawful the sale of bulletproof vests to or their purchase by a person under indictment or a fugitive from justice.

As a police officer for 23 years in the city of New York I feel very strongly about the need for passage of this legislation. I find it appalling that hardened criminals have routinely been provided with the additional protection of a bulletproof vest—protection which allowed them to commit more crimes.

I have introduced a bill identical to one sponsored by my colleague, Mr. MOYNIHAN. Both of our bills were developed after close consultation with Mr. Phillip Caruso—president of the New York City Patrolmen's Benevolent Association. This problem has a long history but one recent case illustrated the need for this legislation. On October 20, one armored car guard and two police officers were killed in what has been called the Brink's robbery. It was disclosed that one of the holdup gang was wearing a bulletproof vest which allowed the assailant additional time to inflict a fatal wound on one of the officers and later he was found to have a spent bullet from the dead policeman's gun in his pocket.

I emphasize that it is not my intent to deny honest law-abiding citizens the right to wear and own a bulletproof vest. Its sole intent is to keep the criminal element from benefiting from the protection of a bulletproof vest. I urge all of my colleagues who are concerned about law and order to join me in support of this vital legislation.●

U.S. CONSULATE IN GOTEBORG, SWEDEN

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. OBERSTAR. Mr. Speaker, the State Department long has been a convenient target for budget cutting, under both Democratic and Republican administrations. It is a department without a constituency of ready defenders.

Unfortunately, the cost savings through budget reductions at the State Department are often exceeded by the detrimental effects of those reductions on American interests worldwide. In 1980, President Carter closed seven consulates and achieved an annual cost savings of under $2 million. I believe then, as I do now, that these cost reductions were shortsighted and pennywise and pound foolish. One of the consulates closed was located at Goteborg, Sweden, a port city in west Sweden, an area of critical importance to Swedish naval operations. As the United States was closing its consulate in Goteborg, the Soviet Union was constructing and opening its new consulate building in Goteborg. The incident involving the Soviet submarine in Swedish waters underscores the importance of maintaining an American presence in Goteborg to respond to Soviet adventurism in Scandinavia.

The United States should reopen the consulate at Goteborg. Earlier this week, I wrote to Secretary of State Alexander Haig to urge that the State Department take this action. I ask that a copy of my letter to Secretary Haig be included in the RECORD. I urge my colleagues in the Congress to join me in this appeal to Secretary Haig that the American consulate at Goteborg, Sweden, be reopened immediately.

HOUSE OF REPRESENTATIVES,
Washington, D.C.

Hon. ALEXANDER M. HAIG, Jr.,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: In 1980, the Carter Administration closed the U.S. Consulate at Goteborg, Sweden, as part of a worldwide effort to reduce consular expenditures. I opposed that decision because I believed it was a blatant example of shortsighted cost savings achieved with enormous long-term detriment to American interests overseas.

I have written Under Secretary of State Walter Stoessel to express the importance of reopening the Consulate at Goteborg, which was the only American Consulate in Sweden outside of the Embassy in Stockholm. The deplorable incident involving the Soviet submarine in Swedish waters underscores the importance of maintaining an active American presence to respond to Soviet adventurism in the area of Scandinavia. Unfortunately, while the United States was closing its Consulate in Goteborg, the Soviet Union constructed its new consulate building at Goteborg.

The United States should now act decisively to strengthen United States-Swedish relations. I urge you to reopen our Consulate at Goteborg as soon as possible. The annual budget for the Consulate totaled approximately $225,000. The value to American interests, both strategic and commercial, far outweighs the Consulate operating budget.

A decision to reopen the Consulate would provide a tremendous boost to pro-American feeling, which runs strong in west Sweden.

With best wishes.

Sincerely,

JAMES L. OBERSTAR,
Member of Congress.●

TECHNICAL CLARIFICATION REQUIRED TO HELP U.S. OLYMPIC TEAM

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. VANDER JAGT. Mr. Speaker, together with my colleague from New Jersey (Mr. GUARINI), I am introducing a bill to amend the Internal Revenue Code in order to clarify the tax-exempt status of certain amateur sports organizations. This legislation is intended to be a technical clarification of language which became law by section 1313 of the Tax Reform Act of 1976, by which Congress intended to make it easier for amateur sports organizations to obtain tax-exempt status. In so amending section 501(c)(3) of the Internal Revenue Code in 1976, language was also added which excluded from tax-exempt status those organizations which provided facilities or equipment. This was done to prevent social clubs and groups of casual recreational athletes from receiving tax-deductible donations. The legislative history of the amendment makes it clear that it was not intended to apply to bona fide amateur sports organizations.

However, because of the Treasury Department's strictly literal interpretation of the language of the amendment, many national governing bodies for sports on our Olympic program have lost their tax-exempt status and many others are in imminent danger of losing theirs simply because they provide modest training facilities and equipment. Among these organizations are the national governing bodies for the sports of gymnastics, track and field, diving, and volleyball. Many other bona fide amateur sports organizations are experiencing similar problems. In fact, I am advised that there are currently pending at the Internal Revenue Service approximately 150 applications for tax-exempt status by various bona fide sports organizations which requests the IRS will probably be required to deny unless corrective legislation is enacted.

Without tax-exempt status, many of these organizations are unable to raise the funds necessary for their existence. This will affect severely our ability to field a strong Olympic team in 1984. It is vital that Congress enact this corrective legislation this year.

This amendment simply clarifies the intent of Congress as it was expressed in 1976 and will have a negligible revenue impact.

I strongly urge all my colleagues on both sides of the aisle to support this measure.●

TORTURE REPORTED OF ETHIOPIAN JEWS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. SOLARZ. Mr. Speaker, I would like to call to the attention of my colleagues a most compelling article that appeared in the New York Times on Sunday, November 15, concerning the disturbing situation that faces the Jews of Ethiopia.

The suffering of this small and ancient community has not until recently been well known, except to a handful of concerned Americans, many of them members of the American Association for Ethiopian Jews.

Mr. Speaker, I include this article in today's RECORD:

[Special to the New York Times]

MASS ARRESTS AND THE DENIAL OF EDUCATION IN NORTHERN AREA CITED BY VISITING GROUP

(By David K. Shipler)

JERUSALEM, NOVEMBER 14.—Jews in a northern province of Ethiopia are being arrested and tortured and their villages deprived of educational and other Government services, according to a group of 13 Americans and Canadians who recently visited the country.

"In the last six to eight months, a dozen groups of 50 to 100 individuals have been arrested, kept in prison for a few months, some of them tortured," said Steven Bauman, executive director of the Canadian Association for Ethiopian Jews, which is based in Toronto.

He and the other travelers said they had interviewed Falashas, as the black Jews of Ethiopia are called, in Addis Ababa, the capital, in Gondar, capital of Gondar Province, and in a mountain village that they reached on horseback. They spent 10 days in Ethiopia, entering on tourist visas, then stopped in Israel before returning home.

Most of the group, hoping some day to return to Ethiopia for further investigations, asked not to be identified. Mr. Bauman served as their spokesman.

WITHOUT EXPLICIT APPROVAL

He said that the most acute suffering appeared to be occurring in Gondar Province, where the governor, whom he identified as Major Melaku, "has taken it upon himself to go after the Falashas." The governor seemed to be conducting his campaign without any explicit authorization from the central Government, Mr. Bauman explained.

Hebrew teachers and religious leaders are being rounded up, he said, and the Government's development program has been closed down in villages occupied by the Ethiopian Jews. Twenty of their schools have been shut and 190 teachers and administrators dismissed, Mr. Bauman reported. The Jewish Children are not accepted into Government-run schools.

As Mr. Bauman and the others interpreted Major Melaku's motives, they center on a blend of ancient anti-Jewish sentiments and contemporary anti-Zionism, historical contempt for the Jews and current apprehension about links they are said to have to Israel. Major Melaku is said to derive his authority from his loyalty to Ethiopia's Marxist ruler, Lieut. Col. Mengistu Haile Mariam, whom he helped during the coup against Emperor Haile Selassie in 1974.

The Ethiopian Jews are believed to number about 28,000, according to estimates made five years ago; about 85 percent live in Gondar Province. The term Falasha is not their own but is the Amharic word for exiles. The Ethiopian Jews call themselves the House of Israel and believe they are descended from nobles close to Menelik, son of King Solomon and the Queen of Sheba.

DEAL BY BEGIN CONFIRMED

Although for years Israel showed no interest in helping Ethiopian Jews to immigrate here, members of the American-Canadian group said they could confirm a recent assertion in Toronto by Simcha Jacobovici, an Israeli who worked on the problem, that Prime Minister Menachem Begin and Colonel Mengistu made secret arrangements in 1977 to exchange Israeli arms for Ethiopian Jews. Only 121 Ethiopian Jews were allowed to leave before Ethiopia's expanding ties with the Soviet Union made Soviet weapons plentiful and Israeli arms superfluous. Mr. Begin's office has denied the accounts.

Since then, Ethiopian Jews have arrived in Israel only indirectly, by circuitous routes. The total number is about 1,400.

Their situation in Ethiopia has worsened in recent months, the visitors found, partly because old superstitions have been revived that blame them for crop failures and hunger in the region. Mr. Bauman said that the villages of the Ethiopian Jews were in obviously more desperate condition than those of non-Jews. "The Ethiopians would have cattle, albeit diseased cattle," he said, "but the Falasha villages would have nothing, not even diseased cattle."

He said this was partly because Christian landowners had blocked the carrying out of the Government's land redistribution law as it pertains to Ethiopian Jews, leaving them as tenant farmers who are charged up to half their crop for rent.

ARRESTED MAN'S ACCOUNT

While the land problem is universal among Ethiopian Jews, the group found that their arrest and torture seemed to be limited to Gondar Province. Several former prisoners were interviewed, Mr. Bauman reported, including one of the leaders who was accused of being a pro-Zionist ringleader.

He told them he had been tied by his hands and feet to a long stick, suspended by the stick and beaten with clubs. He said that he received no medical attention, and that he had been gagged and told to raise a finger when he was ready to confess. Between the beatings, which continued for about two weeks, Mr. Bauman quoted him as saying, he was thrown into a large room containing about 400 other prisoners who were being tortured, Jews and non-Jews. Many had large open wounds that had become worm-infested, Mr. Bauman was told.

The man suffered from broken bones that were never set, Mr. Bauman was told. He was released after a year and a half and walks with a limp.

Another man, currently in prison, is a religious leader, Mr. Bauman said, whose family can visit him only on Sundays, between torture sessions. "He is carried out on a stretcher," Mr. Bauman reported, "and has several bones broken. He can't move from the stretcher."

Mr. Bauman said that an international conference on Ethiopian Jews was being planned for next May in Jerusalem to focus attention on their plight.●

THE STATE OF OUR TAX COLLECTION SYSTEM

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. SWIFT. Mr. Speaker, we have been so concerned lately about tax policies—as to how much or how little can be cut from the budget—that I fear we are overlooking a very important aspect of our tax system which is, quite simply, the collection of the taxes themselves.

The methods in which taxes are collected by the Internal Revenue Service were very clearly depicted on CBS television's Sunday evening program—"60 Minutes." The fact that it was investigated by CBS was not the first notice of this issue. I first became aware of it in meetings with my constituents.

That CBS would report it only leads more credence to something which has become a growing concern to most Americans. What I am talking about are the arbitrary and often autocratic methods used by the IRS in carrying out its duties.

Our Federal tax system has always worked quite well because Americans are willing to pay their share of taxes. We are practically unique in regard to freely paying our taxes. However, continued policies of harassment by the IRS will change that very quickly.

The Ways and Means Committee must recognize the possible consequences of leaving unanswered, questions that are being asked by more and more Americans concerning the hostile methods employed by the IRS. It is amazing what Americans will do if you say "please" and what they will not do if you dictate or intimidate them.

While the Ways and Means Committee has been unusually busy this year, I feel it must find time in the near future to conduct a vigorous oversight investigation of the IRS's tax collection methods.

We need to assure the American taxpayer that the tax structure is fair and that the administration of collecting taxes gives proper regard to the dignity and basic rights of citizens. If we do not pay heed to what our constituents and the media have discovered, then the basic viability of our tax collection system will likely come apart.

If the IRS behaves like the Sheriff of Nottingham, Americans will surely think of Robin Hood. Let us head that off by taking action to assure that fairness and reason prevail in the IRS.●

THE GREAT AMERICAN SMOKEOUT

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. STOKES. Mr. Speaker, I wish to bring to the attention of my colleagues and annual event that has had great impact on the lifestyles and health of millions of Americans. It is the Great American Smokeout, sponsored by the American Cancer Society, and scheduled this year for November 19.

It is a special day for cigarette smokers, a day on which they prove to themselves that quitting the habit is possible, and not as difficult as many might fear. The Great American Smokeout is a lively and fun event. It emphasizes the benefits and techniques of quitting rather than the hazards of smoking. It is an upbeat and good-natured effort to encourage smokers to quit for just a day—24 hours—to prove to themselves that they can. Lots of them have ended up quitting for good.

Mr. Speaker, the first mass movement of smokers was led by Lynn R. Smith, editor of the Monticello (Minn.) Times, in his hometown in 1974. His idea of "D-Day" quickly spread throughout Minnesota under the sponsorship of the American Cancer Society. In 1976, it skipped west to California where it became known as the Great American Smokeout and enlisted more than 1 million smokers who signed pledges vowing that they would go 1 day without smoking.

In 1980, according to a poll conducted by the Gallup organization, nearly 16.6 million American smokers attempted to give up cigarettes on Smokeout day. Just under 5 million succeeded for a full 24 hours. One to ten days later 2.2 million were still not smoking.

The Smokeout has included rallies with gigantic ashtrays in public squares where people pitch in their cigarette packages, telephone pledgeins, parades, radio and television promotions, and assorted sight gags. Great American Smokeout personalities have included actors Ed Asner and Sammy Davis, Jr., singer Natalie Cole, who was last year's national chairman of the event, and this year Larry Hagman, "J. R." of the world-famous television series "Dallas," is leading the event.

On the more serious side, Mr. Speaker, most smokers concede that cigarettes are dangerous. According to the American Cancer Society's "Cancer Facts and Figures for 1981," smoking is responsible for about 83 percent of lung cancer cases among men and about 43 percent among women—more than 75 percent overall.

In recent years, however, the proportion of adult smokers in the U.S. population has been declining. From 1970 to 1978 adult male smokers declined from 43.5 percent of the population to 36.9, while women smokers decreased from 31.1 percent to 28.2 after a meteoric increase during the last decade. Teenage smoking increased significantly in the late 1960's and early 1970's, and still concerns medical authorities, although smoking among this group has also shown a slight decline.

There are now over 30 million ex-smokers in the United States, but 54 million others collectively smoke more than 620 billion cigarettes a year.

I believe this has grave potentialities for the health of the American people. The Great American Smokeout, however, provides smokers with a challenge that, if met, will mean great benefits for better health and less risks of lung cancer and other diseases.●

U.S. VISA POLICY—ONLY SOME IRISH NEED APPLY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. BIAGGI. Mr. Speaker, over my 13 years in this House and especially during the more than 4 years I have served as chairman of the ad hoc congressional Committee for Irish Affairs, I have been opposed to our State Department's visa policies as they apply to citizens of Northern Ireland.

It has been my firm contention that the Department of State conducts a most discriminatory policy in the granting of visas—and as a result, imposes a form of censorship against many thousands of Irish-Americans. The Department has also been shown to indulge in selective morality in their visa issuances.

The most recent example in the long history of this problem is the visa case of Mr. Owen Carron—an elected Member of the British Parliament. Mr. Carron was scheduled to visit the United States to speak to a number of Irish-American organizations, as well as to meet with various Members of Congress, including myself. The State Department denied Mr. Carron's visa for a variety of reasons which I consider to be specious and unconvincing. Since when do we deny visas because of statements made by the applicant? Since when does the "belief" of a consular officer carry the weight which could lead to a visa denial?

It is especially interesting to note that when the State Department initially advised my office as to the reasons why Mr. Carron's visa was

denied—they stated that his close relationship with the Sinn Fein political party was a factor. My office advised State that Sinn Fein is a legally sanctioned political party in Northern Ireland, as well as the Republic of Ireland. This reason was dropped in the official letter which I received last week from State—further weakening the argument for their decision.

The Department of State in this same letter said that they have in fact granted a multiple entry visa good for 3 years to the Reverend Ian Paisley. Mr. Paisley has gained international attention through his public statements of bigotry and hatred against Catholics in Northern Ireland and has openly advocated the use of violence. Yet according to State, "after careful consideration of his application it was determined there were no grounds of ineligibility which would prevent the issuance of a visa and accordingly, a visa was issued." Yet on the other hand, a duly elected Member of the British Parliament is denied because he was "seeking to enter the United States to engage in activities prejudicial to the American public interest" by "conducting a publicity tour on the political situation in Ireland."

I intend to seek a reversal of State's ruling in this matter and hope those of my colleagues who feel as I do will join me in this effort. The State Department professes a policy of neutrality on the Irish issue yet their visa policies are as much an example of political meddling as one could imagine. The method by which we issue visas to citizens of Northern Ireland should not smack of the kind of selective morality that we have seen in the Carron case.

I wish to share with my colleagues, the letter I recently sent to State seeking an explanation of their actions in denying Mr. Carron's visa and the Department's response.

OCTOBER 22, 1981.

Mr. RICHARD FAIRBANKS,
Assistant Secretary for Congressional Affairs, Department of State, Washington, D.C.

DEAR MR. FAIRBANKS: I am writing to inquire about the State Department's denial of Owen Carron's application for a visitor visa. Mr. Carron, who is a member of the British Parliament, was recently denied a visa for visiting the United States.

I am interested in knowing the State Department's reasons for denying Mr. Carron's application. He is not a member of a proscribed organization and he was scheduled to address several well-respected Irish-American groups as well as to meet with local Massachusetts public officials and Members of the U.S. Congress. Who makes the final decision to award to deny an application for a visitor visa to the United States? Who made the final decision in Mr. Carron's case? Is a special consideration usually given to elected public officials of foreign countries when they apply for permission to enter the United States?

As I was to meet with Mr. Carron during his visit to the U.S., I am very much interested in the reasons for which he was denied a visa. Please respond to me at my Washington, D.C. office.

With kindest regards, I am

Sincerely,

MARIO BIAGGI,
Member of Congress.

DEPARTMENT OF STATE,
Washington, D.C., November 9, 1981.

Hon. MARIO BIAGGI,
House of Representatives,
Washington, D.C.

DEAR MR. BIAGGI: I am replying to your letters of October 22 concerning the visa denial to Mr. Owen Carron and the issuance of a visa to Mr. Ian Paisley.

Mr. Carron, an elected member of the British Parliament, had stated his intent to visit the United States to "conduct a publicity tour on the political situation in Ireland." On October 16, Mr. Carron's visa was refused under section 212(a) (27) of the Immigration and Nationality Act. This section of the law, in part, prohibits the issuance of a visa to any foreign national who seeks to enter the United States to engage in activities prejudicial to the American public interest.

Among the factors that led to Mr. Carron's refusal were Mr. Carron's public statements in support of the legitimacy of violence and para-military efforts in Northern Ireland and the strong likelihood that he would be engaged in fund-raising activities on behalf of the Provisional Irish Republican Army. It was the Department's opinion that Mr. Carron's entry would have had serious and adverse effects on American foreign policy interests vis-a-vis both the United Kindgom and Ireland, in addition to running counter to the worldwide U.S. policy of opposition to terrorism. For these reasons the issuance of a visa to Mr. Carron would therefore have been prejudicial to the public interest. The Department's determination was made despite Mr. Carron's position as an elected Member of Parliament.

Mr. Ian Paisley applied for a visa in late 1980. After careful consideration of his application, it was determined there were no grounds of ineligibility which would prevent the issuance of visa and accordingly a visa was issued.

I wish to emphasize, however, that the visa applications of Mr. Carron and Mr. Paisley are individual and separate cases. Both decisions represent application of U.S. immigration law in specific cases. All visa applications are adjudicated on an individual basis at our overseas missions and referred, as appropriate, to the Department for supplementary information and opinion. Although the decisions on the applications of Mr. Carron and Mr. Paisley were made at our Consulate General in Belfast, both decisions were made on the bases of advisory opinions from the Department which were provided to the Consulate General after careful consideration by the Department.

You should be aware that visas are being issued in significant numbers to residents in Northern Ireland. For example, in fiscal year 1979, 17,522 nonimmigrant visas were issued by the Consulate General in Belfast. In fiscal 1980, 24,847 nonimmigrant visas were issued—an increase of approximately 40 percent over fiscal year 1979. The political beliefs of applicants are not criteria for issuance or refusal. The key issue is whether there are grounds of ineligibility—such as advocacy of violence or terrorism—as prescribed under U.S. law. It was under such grounds, for example, that Andy Tyrie, head of the Ulster Defense Association, was refused a U.S. visa the last time he applied in July 1980. In other instances, we found no grounds of ineligibility preventing visa issuance to the family members of the deceased hunger strikers including the brother of Bobby Sands.

I hope this information has been helpful in explaining the decisions made on the visa applications of Mr. Carron and Mr. Paisley.

Yours sincerely,

RICHARD FAIRBANKS,
Assistant Secretary for Congressional Relations.●

CALL TO CONSCIENCE 1981: NAUM TSELESCIN

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. FRENZEL. Mr. Speaker, again this year the congressional vigil for Soviet Jewry will try to focus world attention on the plight of all Soviet refuseniks. We are interested in every one of them, but the one I shall discuss today is Naum Tselescin.

Mr. Tselescin and his parents, both of whom are elderly and in poor health, wish to go to Israel to be reunited with Naum Tselescin's mother's sister. They have repeatedly requested permission to emigrate.

Over the past several years I have attempted unsuccessfully to help Mr. Tselescin in his efforts to obtain permission to emigrate from the Soviet Union. I was again saddened to learn that he was recently denied this permission for the fifth time since 1977.

Mr. Naum Tselescin holds a doctorate in powder metallurgy. Until he applied for an exit permit in 1977, he had been the Chief of the Department of New Materials in Leningrad. He now has been transferred to a menial factory job.

I am told that the reason given for refusing permission for emigration is that Mr. Tselescin has knowledge of military secrets. However, Mr. Tselescin completed a 2-year military obligation over 9 years ago, was not an officer, and would probably not have been privy to any classified information.

Once more, I request that Soviet authorities allow Mr. Tselescin, his parents, and all other Soviet refuseniks like them, to exercise their right to free emigration as agreed to under the Helsinki accords.●

ANOTHER TROJAN HORSE?

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. GARCIA. Mr. Speaker, last Tuesday the Subcommittee on Census

and Population, which I chair, held a hearing on the proposed changes in the Government's statistical indicators for inflation and unemployment. I am concerned that this aspect of the administration's prescription for economic recovery may have a detrimental effect on wage earners, social security recipients, and Federal retirees whose pay and benefits are linked to the Consumer Price Index (CPI). I am concerned that proposed revision will create the statistical illusion that inflation is declining while the administration neglects to treat the underlying economic problems that face our country. And I am sure that it has not failed to cross many minds that this proposal may be another "Trojan Horse" the administration is rolling out to perpetuate the illusion so necessary to sustain public belief in its plan for economic reform.

Dr. Sar Levitan, of the Center for Social Policy Studies at George Washington University, gave significant testimony before the subcommittee pointing out the need to improve the Government's data-gathering system to accurately reflect the real economic conditions that affect the population. To insure maximum exposure to Dr. Levitan's testimony, I include the text of his testimony in the RECORD.

TESTIMONY BY SAR A. LEVITAN, CENTER FOR SOCIAL POLICY STUDIES, GEORGE WASHINGTON UNIVERSITY

The disturbing sharp rise in unemployment rates during recent months has moved labor force statistics once again to center stage, vying with inflation for the attention of the public and Congress. It is important that the public regard for—and trust in—our labor force data system remains high. However, there are signs that a growing number of policymakers and citizens have serious doubts about the concepts and definitions and operation of the data system.

It has taken many years of hard work and nonpartisan dedication to build up the public goodwill which is required for the data system to work. The entire system operates on a voluntary basis. If this trust is lost—by either the general public or policymakers—it will not be easily regained.

WHAT HAS BEEN DONE?

Five years ago Congress mandated the establishment of a commission charged with the responsibility of reviewing the federal employment and unemployment statistics and making recommendations for strengthening and updating the nation's labor force counts. It took Presidents Ford and Carter and the U.S. Senate nearly two years to nominate and approve the membership of the commission. The nine citizens appointed reported their recommendations on Labor Day 1979. The law that established the commission also required the Secretary of Labor to comment on the disposition of the commission's recommendations within two years after its report was filed. By the end of October, again a little belatedly, Secretary of Labor Raymond Donovan announced his views on the report of the National Commission on Employment and Unemployment Statistics and his intentions for implementing its recommendations.

Having been associated with that commission, I was delighted to find that the Secretary thought well of our labors. Unfortunately, though, he didn't think that he could carry out a great many of our recommendations. The controlling factor, as one might have guessed, was that it costs money to collect, analyze, and report solid statistics. The Secretary reiterated about a dozen times in his comments that he couldn't in good conscience implement recommendations that would involve additional outlays.

A check of the commission operations, however, would have indicated to the Secretary that the commission was indeed very frugal not only in its recommendations for added expenditures (which total under $40 million per year), but in the management of its own operations. It practiced what it preached. The commission actually completed its work in 14 instead of the 18 months allotted to it by law, and it returned to the Treasury one-third (i.e., about $1 million) of the funds allocated by Congress.

The fact is that the commission members were not only most careful about spending public funds, but also downright stingy in their recommendations. They recognized, however, that there is no free lunch. If public policy is to be exercised intelligently and based on data rather than on gut reactions and ideologies, we should recognize that running a $3 trillion economy cannot be done without appropriate data. And labor force data are a cornerstone of economic intelligence.

There are several ways in which trust in our labor force data system could be lost. The system was designed in the Great Depression and little has been done to adapt the concepts and definitions to evolving labor force structure and our ever-changing economy. The data system is being called on to do tasks that it was not constructed to perform, and federal, state and local policymakers are recognizing that the numbers in their current form often cannot help them in some of their most important decisions. For example, we have been told to expect more decisions to be made on the state and local level, but the information to make these decisions often does not exist. There is ample justification for concern that our labor force data system may become a victim of penny wise but pound foolish decisions.

CHANGES FOR THE 1980'S

When the commission conducted its research and deliberations, there were many advocates who urged the panel to make value judgments about the data system. For example, some asked us to come up with one official standard of full employment. While each commission member had his or her own opinion of what is full employment, we confined our mission to help establish a data system that could be used by various groups—who have different sets of values and objectives—in their formulation of what they considered full employment. The goal is to have a labor force system which can respond to the different needs and concerns of various policymakers and administrations. The concept of full employment is just as much a political and moral question as it is an economic and statistical issue. Our goal was to provide accurate and relevant numbers that would serve any administration, whatever its politicai coloration, and the public at large. Given the new administration's outlook and policy goals, it is rather surprising to me that Secretary Donovan rejected so many of the commission recommendations. I will single out only seven items:

1. State and local data must be improved. A major tenet of the Reagan administration is the desirability of generally reducing the powers of government and assigning tasks to the lowest possible levels of government where government intervention is deemed necessary. Realizing, however, that the federal government cannot give up all its responsibility of aid to states and localities, the Reagan administration has favored the disbursement of federal funds to states through block grants.

It is, however, utterly irresponsible for the federal government to leave the money in state capitols without giving them some guidance and a helping hand in its disbursement. Accordingly, if the federal funds are to be distributed on the basis of helping the truly needy or the dependent population, then it will be necessary for states to possess the necessary statistics on which to base allocation decisions. Cognizant of the costs, the commission recommended that the present sample of 60,000 households of the Current Population Survey (CPS) be doubled. The current CPS can't even come close to accomplishing the job that it is intended to do. Both efficiency and equity considerations led the majority of the commission to make this recommendation.

According to Secretary Donovan, to double the sample of the CPS would cost some $20 million. This is still, even in these inflationary days, a considerable chunk of money. Since Secretary Donovan agrees that it is a good idea to increase the CPS sample, I had hoped that he would at least suggest that when the budget is balanced and inflation is reduced to tolerable levels, he would favor the government investing in an enlarged CPS sample. There is no such promise in the Secretary's report. It is, then, quite clear that anything that would cost money is out, which means not only that there will be no improvement in the quality of labor force statistics; indeed some erosion is inevitable. There will also be no improvement in data on minorities if the CPS is not expanded.

2. Establishment data must be improved since productivity information is derived from these numbers. A second tenet of the Reagan administration is that budget cuts and tax reductions are needed as new incentives to increase the American propensity to save and invest. It is hoped that these efforts will bolster our country's sagging productivity.

Given the administration's rightful concern about slower growth rates and even declines in our output per work hour, Secretary Donovan might have been expected to be more flexible in approving the commission's recommendations to improve the establishment data which serve as the basis for measuring the nation's productivity. But in this case, as in others, he feels that budget constraints will preclude taking any real steps to improve the estimates. It is particularly ironic that the Secretary expects the Employment and Training Administration to upgrade these data after notifying the employees of the agency that they are all subject to a reduction in force.

The statistical base for these productivity numbers is deteriorating sharply because the establishment sample is becoming increasingly eroded. For example, in the growing service industry sectors, the commission found the sample is very poorly represented.

3. Changing technology calls for improvements in occupational data. If the administration's tax cuts are going to generate

major investments in new technology, then we will have vast occupational changes. Some skills that are now being practiced by many people will become obsolescent, and these individuals will have to change their occupations. Also, we could face production bottlenecks due to shortages in other skills. The commission report contained changes in the occupational data system which should be made in an effort to avoid these inflationary wage pressures and to help people find jobs in new and needed occupations.

4. Unemployment insurance data can be put to better use. Administration representatives have indicated interest in allowing states to use UI for providing occupational training to laid off workers. The current condition of the UI system must be factored into the equation when any proposals are made. But if we are going to have rapid changes in the labor force and skill composition of this nation, then we will require effective training systems.

A number of years ago the Labor Department funded the continuous wage and benefit history sample which studies the characteristics of UI beneficiaries in about 15 states. As we are moving in the direction of block grants, should we leave the sample at only 15 states? This would provide a flimsy and inadequate basis for making decisions that might involve the spending of billions for training. The Secretary, of course, would not expand this survey to all states.

5. The data system cannot ignore economic hardship. Our numbers focus on counting the number of employed and unemployed persons, but virtually ignoring the linking of these numbers with facts about household income. Some employed people are still subject to economic hardship while some unemployed individuals are in families with incomes well above the national median.

Another important tenet of the administration is that the generation of jobs through supply side economics would create many new employment slots for the needy and help them on the road to economic independence and prosperity. It might be expected, therefore, that the Secretary would be willing to encourage the analysis of the March CPS data which make it possible to link employment with earnings and income. This would require negligible costs involving only a part-time programmer, an analyst and some computer time. The data are already collected as part of the CPS. Instead of enthusiastically embracing the commission's recommendation of linking employment with earnings, however, the Secretary acts in the best fashion of the Delphic Oracle. He leaves in great doubt whether his department will ever work on hardship measures that would show the progress that Reaganomics brings to the lowest quintile of the population. Indeed, the Secretary objects outright to the commission's recommendations to collect data on income by source, thereby leaving out the basic piece of intelligence needed for evaluating the Reagan welfare program.

6. Voluntarism must be included in the data system. The Secretary's recommendation to scuttle the commission's recommendation of collecting triennial data on volunteers is even more puzzling. The cost, again, would be minimal because it could be added as a supplement to the CPS. The commission found that there is a great deal of interchange between volunteer work and work performed by persons counted in the labor force. Moreover, volunteers contribute to the GNP just as paid workers do. In line with the administration's faith in the growing role of volunteers and their potential for carrying out responsibilities now undertaken by government, I fully expected the Secretary of Labor to have supported this recommendation. Surprisingly, he rejects it without any explanation.

7. Decisions must be made on mid-decennial report. The law now mandates a mid-decennial census in 1985. There is a long leadtime to conduct a census, and the administration has not asked for any funds to carry it out. I am sympathetic that a mid-decennial census would cost a lot of money and some bother to the citizenry. But because of the lack of funds, a great many of the detailed 1980 census statistics will not be published until 1984 or 1985. This means we will have to run the economy with 1969 data. It is ironic that this administration wants to run this economy with Great Society statistics.

TOUGH TIMES

Secretary Donovan's endorsement of the commission's confidence in the professional excellence, objectivity, and integrity of the Bureau of Labor Statistics and Census personnel is welcome. He has also pledged that the administration will do all that it can to ensure that the "Bureau's work will continue to be conducted in a thoroughly nonpartisan environment." But the challenge remains to obtain rsources to maintain the "professionalism with which the Bureau of Labor Statistics operates." Dedicated as these professionals are to their mission, we can't rely upon them to work as volunteers.

It was another Republican President who believed that one could not fool the public forever. By refusing to implement the commission recommendations, which he considers meritorious, Secretary Donovan places public trust in labor force statistics in jeopardy and denies policymakers basic tools to help them formulate these decisions.

Our labor force data system appears to be in for some tough times. There is a major difference between rational budget constraints and the starvation diet offered by Secretary Donovan. The taxpayer may be appreciative today of the Secretary's "savings," but the results may be costly because needed data will not be available for decisionmaking either by government officials or private employers.●

LET US REVISE THE MORTGAGE SUBSIDY BOND TAX ACT TO HELP HOUSING INDUSTRY

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. VANDER JAGT. Mr. Speaker, there is little question that the current economic conditions have fallen heavily on the Nation's housing industry. With interest rates at continued high levels, few home buyers can afford the tremendous burden of a new home mortgage. And, as disappointing as it is for millions of young Americans who cannot afford to buy a home, it is devastating to the hundreds of thousands of Americans in the Nation's housing industry. I am hearing from business after business, builders, subcontractors, and suppliers, telling me that business activity has never been worse. Experienced builders and their construction crews have been completely idled, and I fear that in many cases they will never be able to completely recover.

In light of this very severe crisis in the Nation's housing industry, caused not by lack of demand but by the scarcity of affordable mortgage credit, I have been literally bombarded with questions on why the mortgage subsidy bond program has been unable to operate at all to provide at least some lower cost mortgages to targeted home buyers. The mortgage subsidy bond program will provide only limited help to the overall homebuilding industry, of course, but in such a depressed period any help at all is sorely needed.

The ability of State and local housing authorities to issue tax-exempt bonds to finance residential mortgages was limited by the passage last year of the Mortgage Subsidy Bond Tax of 1980 as part of the Omnibus Reconciliation Act we passed last session. The act was generally to direct the subsidy to those individuals with the greatest need and to limit the overall revenue loss from this type of tax-exempt bond.

But, while the congressional intent of the 1980 act was to target and restrict the use of mortgage subsidy bonds, the actual result has been to bring to a halt any activity whatsoever under the program. Part of the problem appears to be in the nature of the restrictions originally included in the 1980 act, which were considered somewhat frantically during the closing days of the 96th Congress along with a multitude of other major issues in the budget reconciliation bill.

The regulations issued by the Department of the Treasury did not clarify all issues and may have even further clouded certain technical areas. The final result is that no housing authority has been able to put together an issue that bond counsel will approve as definitely meeting all the restrictions in statute and regulation. So, no homes are being financed through the program despite the abundance of willing sellers and willing and qualified buyers.

As amazed as I am by the problems with the 1980 act bringing the program to a halt, I am even more disturbed that the issue has not been examined by the Ways and Means Committee, which has jurisdiction. When members of the committee did attempt to discuss the problems with the Mortgage Subsidy Bond Tax Act, during consideration of the tax bills this past summer, they were persuaded that the situation would be reviewed in the Oversight Subcommittee and withdrew their amendments on that basis. Unfortunately, no action has been taken in the committee to re-

solve problems created by the restrictions in the 1980 act. Nevertheless, I have urged both the chairmen of the full committee and the Oversight Subcommittee to schedule consideration of the matter, and I retain some hope that we might be able to at least examine the situation before the end of the year.

Two legislative proposals to amend the 1980 act have been introduced in the House and should be examined by the committee. H.R. 3614 has been introduced by Mr. DUNCAN and has attracted over 100 cosponsors. H.R. 4843 was more recently introduced by Mr. FRENZEL and makes somewhat more limited changes in the most troublesome provisions. I have joined as a cosponsor of both bills with the hope that greater support will help win an examination of the issues in the Ways and Means Committee. I should add that the Senate Finance Committee reviewed these bills in its Subcommittee on Taxation in a hearing last month.

Mr. Chairman, while this matter of tax-exempt mortgage bonds may seem a complex and technical issue to many of us, it is very important to millions of individuals struggling in the home industry, as well as those thousands of families who will otherwise have their dream of home ownership denied. I fail to understand why we cannot at least examine why the mortgage subsidy bond program has been crippled and consider what action should be taken.●

STATESMANSHIP OF SADAT

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. DORNAN of California. Mr. Speaker, numerous eloquent statements have been made in tribute to Anwar Sadat by Members of this House. I add to these statements, a most thoughtful and moving editorial by KNX Radio, Los Angeles:

Where have all the statesmen gone? KNX mourns this generation's answer: to a bloody grave.

Not so many years ago, political observers looked at world leadership and shrugged. They bemoaned the passing of the mid-century giants: Churchill, Roosevelt, de Gaulle. And they predicted that the new generation's leaders would achieve far less stature by comparison. But they failed to reckon with a strange new kind of statesmanship-by-martyrdom practiced by giants like Anwar Sadat.

The Churchills, de Gaulles and Roosevelts distinguished themselves by mobilizing great forces to war. But the giants who succeeded them have been dedicated to the prevention of conflict in an era of potential global suicide. The irony is that by working to prevent mass destruction, men like John Kennedy, Martin Luther King, Jr., and Anwar Sadat suffered the ultimate violence themselves.

Anwar Sadat must have prepared himself for the possibility of personal destruction when he renounced traditional hatreds and sought peace with Israel. His assassination must not stamp out the spirit of his acts. What's needed now is more leaders prepared, like Sadat, to defy the forces of violence.

The price they may have to pay makes their emergence almost too much to hope for. But KNX calls on all the world's citizens to support that kind of courage by rejecting calls for vengeance, no matter how stirring. No other tribute to Anwar Sadat would mean more.●

CUTBACKS IN SCHOOL LUNCH?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. ASHBROOK. Mr. Speaker, when my good friend and respected colleague, Congressman BILL GOODLING, speaks out on the complex issues involving the child nutrition and national school lunch programs, he has done his homework and provides us with thoughtful insights and solid, commonsense recommendations.

I wish to commend the gentleman from Pennsylvania for this leadership in the area of child nutrition. Let me take this opportunity to share with my colleagues an interview with Congressman GOODLING entitled "Cut Back in School Lunches? Yes—Looser Rules Would Make Meals More Attractive, Reduce Waste, and Cut Costs" which appeared in the October 19, 1981, issue of U.S. News & World Report:

[Interview with Representative William F. Goodling, Republican, of Pennsylvania]

CUT BACK ON SCHOOL LUNCHES?

Yes—Looser rules would "make meals more attractive, reduce waste and cut costs."

Question. Representative Goodling, why do you favor easing the present federal nutrition guidelines for school lunches, as the Department of Agriculture is preparing to do?

Answer. First, the present guidelines, through their rigidity, encourage waste of food.

Second, given the current cut in the federal school-lunch subsidy, easing the guidelines is the only way to save the whole program.

Question. How is waste of food being encouraged?

Answer. The present guidelines require the school, in order to get federal reimbursement, to offer certain quantities of food from all the major food groups—milk, meat, bread and two kinds of vegetable or fruit—with limited substitutions, such as cheese for meat and rice for bread, allowed in all but the milk group.

The children must pick items from at least three of these four groups. Until recently, elementary-school children had to pick from all four.

So there is some choice, but it is quite limited. As a result, the children—especially the smaller ones—dump their spinach, pour out part of their milk and discard part of their meat.

When I was a school administrator before coming to Congress, I ate in school cafeterias for 23 years. I sat next to first graders who hated cooked spinach as much as I do but were trying to force it down because otherwise the teacher would go after them. Some of these kids tried to get me to eat their spinach for them, and I responded with the same silly statement people made to me when I was a kid: "Eat it. It's good for you."

I have watched youngsters get sick because teachers felt they had to force them to clean their plate and drink all their milk.

You're now required to serve little children 8 ounces of milk with the lunch. Some teachers who are also pig farmers love that requirement because half of that milk is dumped by the children and fed to the local pigs. But I deplore such waste.

Question. What remedy do you propose?

Answer. First, I favor a reduction by about one fourth in the minimum size of meals required. But remember: We are talking about minimum, not maximum, guidelines. In other words, nothing would prevent a school from serving more-copious meals than spelled out in the guidelines if it had the desire and the means to do so.

Second, food-service people have testified before Congress that they need greater flexibility to offer substitutions. That would make meals more varied and attractive and reduce waste, while, cutting down on costs at the same time.

For instance, one nutritionist testified that youngsters would be much better off with a good protein substitute, such as peanuts, for that piece of meat on their plate. Under present rules, we ship schools a lot of peanuts, but they cannot be counted as a protein substitute or in any other way unless you turn them into peanut butter. That makes no sense. It's certainly more nutritious to go with roasted peanuts as a meat substitute—if that is what the youngsters want—than to add sugar and other ingredients to the peanuts to make peanut butter.

Question. Would you allow ketchup to be counted as a vegetable, as the Agriculture Department's draft regulation would have?

Answer. No. Now, I'm not advocating silly substitutions like that or the substitution of cakes for bread. That proposal was seized upon and ridiculed by the media before it was withdrawn, but the whole fuss was needless: What school can afford to serve half a cup of ketchup or pickle relish instead of vegetables for lunch, or to substitute expensive cupcakes for cheap bread?

Question. Why do you say that an easing of the guidelines is the only way to save the school-lunch program?

Answer. Congress has reduced the school-lunch subsidy by nearly a billion dollars in the new fiscal year. If the school districts are not given the option of serving smaller portions and making sensible substitutes, the cost of a school lunch will go up by so much that the paying customers—the children required to pay the full cost of a lunch—will simply stay out of the school cafeteria. This will kill the school-lunch program altogether, and the big losers will be the needy children who now get a free or reduced-price lunch. Remember: There is no law in most states mandating a free or reduced-price lunch for needy youngsters unless you have a school-lunch program in the first place.

Question. If reduced portions and substitutes are permitted, by how much do you think school districts can raise the price of a lunch and still keep the program going?

Answer. I would estimate by a maximum of 15 cents.

Question. Aren't you concerned that eased guidelines might lead to children getting less nutritious meals?

Answer. No. You've got to remember that the guidelines would be minimum—not maximum—requirements and that we have people in the schools who have dedicated their lives to trying to serve nutritious meals. These people will continue to give seconds to youngsters who are hungry and ask for them and heap more food on the plate of those who they know need extra nurishment. All they ask is not to have their hands tied by rigid federal regulations.

Question. Wouldn't easing the guidelines be hardest on kids who are needy, since the school lunch is often their only substantial meal of the day?

Answer. On the contrary. As I pointed out, easing the guidelines is the only way to save the lunch program altogether—with needy children as the chief beneficiaries. We only cut the "free" lunch reimbursement by 3-plus cents.●

SOVIET AGGRESSION NEEDS TO BE ADDRESSED IN SALT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. BIAGGI. Mr. Speaker, the Soviet submarine that was recently caught in Swedish waters, armed with nuclear capabilities, is but another compelling reason for us to get on with the business of renegotiating a verifiable strategic arms limitations agreement.

We have regularly witnessed Soviet "diplomatic doublespeak" which, on one hand, seeks to maintain Baltic Sea neutrality and, on the other hand, seeks to aggressively promote Soviet interests in that area as well as other areas of the world. Events in Cambodia, Czechoslovakia, Angola, and most recently, Poland, should send a clear signal to the world about Soviet intentions. This is not a paper tiger threat. More importantly, we should not allow the European pacifists demonstrating against our defense posture with NATO to dilute our efforts to deter Soviet aggression abroad.

The willingness of the Soviets to employ nuclear weapons in the Baltic Sea merits a hard-line response in our next round of SALT talks. We need a verifiable treaty which will allow us to operate from a position of strength—both here and abroad. To do anything less would be to promote a false sense of security within our own Nation as well as in those European nations which rely on our defense capabilities and NATO for their survival.

When Secretary of State Haig and the Soviet Ambassador sit down on November 30 to recommence SALT negotiations, our message to all should be clear: America will not stand by and pretend that the Soviet nuclear threat in Europe is a passive one. Concurrently, we should send a similarly strong message to those in Europe who have been protesting the American nuclear presence there.

As the following editorial from the New York Daily News indicates, the American nuclear weapons are not the ones they should fear. I commend this article to my colleagues.

SOBERING LESSON FROM THE U.S.S.R.

The Russian submarine that came to grief snooping around a Swedish naval base should awaken West Europe's antinuclear protesters to the facts of life about atomic weaponry.

Pacifists and leftists demonstrating against stationing nuclear arms in Europe have singled out the United States and NATO as targets of their wrath. The Soviet Union showed them that it not only has nuclear weapons of its own, but is willing to deploy them in an almost reckless manner.

Sending a submarine armed with nuclear-tipped torpedoes on a spying mission into the territorial waters of a neutral country was arrogant, ruthless and—above all—extremely dangerous. What would have happened if the sub, instead of running aground, had been detected and cornered by the Swedes? Would a desperate captain have incinerated part of Sweden to escape?

The willingness of the Russians to risk such a calamity simply to satisfy their curiosity about Swedish defenses is shocking. Certainly it ought to drive home to dubious Europeans the message that American warnings about the Soviet menace are not idle talk.

The episode also exposed the emptiness and cynicism of Soviet propaganda. For years, Moscow talked up its idea of making Scandinavia a nuclear-free area. The Kremlin has pulled the wool over a lot of European eyes with its slogan that the Baltic is a "sea of peace."

At least the Swedes no longer are taken in by that bunk. They have seen firsthand what a "sea of peace" means to the Soviet Union, and they are furious.

We only hope their indignation will rub off on the Germans, Belgians, Dutch, British and others who have been denouncing American nuclear arms as though they were the only weapons Europe had to fear.

TAKING THE PLEDGE

Only one thing is certain about the New Jersey gubernatorial contest: There's going to be a recount. And that's perfectly reasonable. Any time there's a fractional difference between candidates in an election in which nearly 2.3 million ballots were cast, a scrupulous double-check is absolutley essential.

What bothers us, however, are the hints from Republican Tom Kean and Democrat Jim Florio that whoever comes out on the losing end of the recount automatically will drag the entire mess into the courts. If that happens, with all the ensuing legal maneuvers, challenges and endless appeals, New Jersey might not know the name of its next governor until sometime near the end of the decade—maybe longer.

We think it would be a damned good thing, therefore, if Kean and Florio would both pledge that, win or lose, they intend to abide by the results of the recount, period. That's what the public interest demands. And public interest is what elections are all about, isn't it?

GOING THE CANADIAN WAY

Prime Minister Pierre Elliott Trudeau demonstrated considerable political skill, as well as tenacity, in coaxing nine of Canada's 10 provincial leaders into supporting his plan for "repatriation" of the nation's constitution.

Trudeau made concessions on the method for amending the constitution. But he won acceptance of a bill of rights to be incorporated in the document before it comes home, so to speak, from Britain. Considering that the prime minister had only two provincial chiefs behind him when negotiations began, it was an impressive job of persuasion.

The only dissatisfied province is Quebec. But it is to be hoped that the differences with the French-speaking province will be resolved as time goes on, and Canada will emerge not only with its own constitution at last, but as one nation, indivisible.

THE TATTOED SOCIETY

One of the toughest jobs for the modern journalist is spotting new fads. They come and go so fast that news hounds have to be darned quick on their feet to keep track. So congrats to Daily News reporter Daniel O'Grady for being the first to identify what appears to be the latest hot item—the temporary (about one week) tattoo.

So far, temp-tat artists are still sticking to the traditional patterns—pierced hearts, screaming eagles, mom's name in a scroll, etc. But it shouldn't be too long before a new art form emerges: The tattoo with a message. By next summer, we predict, the beaches will be covered with bodies that read, "Ban the bomb" or "Nuke the whales."●

OIL TAKEOVER THRUST

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. OXLEY. Mr. Speaker, I would like to share with my colleagues three short editorials from leading Ohio newspapers which convey the strong pride held in the Marathon Oil Co. for almost a century. While both Houses examine the Mobil Corp.'s attempted takeover of Marathon with increasing scrutiny, these three editorials reinforce the need to keep Marathon an independent, community-minded domestic oil company.

[From the Findlay, Ohio, Courier, Nov. 4, 1981]

MARATHON

It takes big business to make an endangered species out of strength and success.

That's what is happening to Findlay's Marathon Oil Co., under financial attack by Mobil Corp. and perhaps others which want to absorb it because it is doing so well. Under management that has shown diligence and foresight Marathon built up a gas-oil reserve base that is the envy of competitors who would make it their prey.

It is much too early to determine how this Wall Street and court tug-of-war will go. The Findlay community can at this point find reasons of both hope and despair in

news reports, and those inclined either way will do just that. But exagerated hopes and fears breed rumors. Rumors breed more rumors. Then rumors most often fall apart. Let's don't decide what will happen before it happens.

It cannot be denied, however, that there is a great deal of concern in town about what will happen to Findlay if Marathon is gobbled up by a giant. Yet this concern, in turn, makes us realize how important Marathon is to the community and to Ohio.

At its roots Marathon is a northwest Ohio institution. Marathon is a legacy of success out of the oil and gas boom days of the 1880s when the fledgling Ohio Oil Co., Marathon's early name, turned a profit on 15-cent-a-barrel oil.

Marathon's contributions of leadership, resources and prestige to the community cannot be measured in stark, financial terms. But its support of the economy with a $58 million payroll is clearly recognized. We sense that these realizations and more are being slowly appreciated as Marathon fights for its survival as an independent corporation.

There isn't any thing we can say that will change events on Wall Street. But we do lend what used to be called moral support for an institution that is part of the life and blood of our community.

[From the Toledo, Ohio, Blade, Nov. 7, 1981]

OIL TAKEOVER THRUST . . .

Despite the shock waves generated in Findlay and other areas of northwest Ohio over Mobil Oil's attempt to grab control of Marathon Oil Co., the move should not have come as a surprise. Marathon, the 17th largest oil company in the country, is a prize that almost any conglomerate would reach for.

In the ambivalent atmosphere of anti-trust enforcement in Washington these days, Mobil no doubt has every reason to think it can do it; it could get the money. But it would be wrong. Neither Mobil nor Marathon is currently having trouble competing in the market, and the merger—by making the new company one of the larger ones in the industry—would lessen competition rather than strengthen it. This is just the opposite of the case with the Heileman-Schlitz brewery merger (discussed below), which has been opposed by the Justice Department.

Acquisition of Marathon for its large domestic and North Sea oil reserves admittedly would make corporate sense for Mobil, which is now the No. 2 retailer but has a weakness in domestic reserves. But, as a Marathon spokesman said, it would significantly lessen competition in such states as Florida, Wisconsin, Illinois, and to a lesser extent Ohio where Marathon's market position is much stronger than Mobil's. In general, Marathon sells gasoline at a lower wholesale price than Mobil in many areas where both companies are in competition.

The proposed merger, moreover, would lessen the need for Mobil to explore for new oil fields. A favorite theme of the oil companies is that they need higher gasoline prices to aid in their search for new sources of crude—a far more elusive task than it used to be. To explore for new petroleum sources requires corporate boldness and foresight, qualities that Marathon has demonstrated but which Mobil so far has reserved mostly for its corporate take-over bids and its ceaseless public-relations campaign to show that oil companies are not as bad as frequently pictured.

Marathon is resisting fiercely the Mobil take-over attempt, aided by a federal court restraining order temporarily halting Mobil's efforts and a decision by the Federal Trade Commission to scrutinize the proposal. In the long run, though, the Findlay-based firm probably will have to find a way to grow substantially itself or face take-over bids by other companies, perhaps by conglomerates with no huge stake in the energy field. Marathon is a healthy company, in no real need of whatever it is—which is far from clear—that Mobil can bring to it.

Unlike the beer merger, this one makes no sense from either the standpoint of improving competition in the industry or making life easier for consumers or the companies in question. Accordingly, the Reagan administration has more reason to oppose this bid for control of Marathon than it has worrying about the Wisconsin beer barons.

[From the Cleveland Plain Dealer, Nov. 14, 1981]

HOLD ON, MARATHON

Our support is with the people of Findlay, Ohio, who are expressing their disapproval of an effort by Mobil Oil Corp., America's second largest oil company, to acquire the locally headquartered Marathon Oil Co.

Seldom has there been so much unity of purpose in Findlay—which is about 50 miles south of Toledo. Their unity is tied to bread and butter. They fear Mobil's acquisition of Marathon, the 17th largest oil concern in the nation, will hurt them economically. At their rally this week it was clear that Findlay residents perceive this merger attempt as an intrusion by a carpetbagger.

Statistically Marathon Oil is a valuable community asset. Marathon employs 2,500 people, who pay $1.8 million a year in state income taxes and $1.2 million in income taxes to Findlay and other nearby communities. The company pays $9 million yearly in corporate taxes to the state and $3.2 million in other taxes for support of local government and schools. The company provides $760,000 in income taxes to Findlay. There is no denying its value to the community.

So the concerns of the people of Findlay are valid. There have been no guarantees that Mobil Oil, based in New York, would keep intact the circumstances keeping Marathon a local, independent oil concern. Other mergers, elsewhere, suggest otherwise.

Marathon Oil has gone into U.S. District Court to fight Mobil's unsolicited tender offer of $5.1 billion. The company's suit raises significant anti-trust issues and poses a major policy question for the Reagan administration.

All the legal arguments have not been made. The state attorney general has gone to court in an effort to use Ohio's anti-trust law on behalf of Marathon. Other facts: It is healthy for Mobil and Marathon to be competitors in shipping crude oil. It is in the best interests of consumers to have Marathon and Mobil sell gasoline in Ohio. It is in the interests of independent wholesalers and distributors of petroleum products to be able to buy supplies from Marathon.

Corporate bigness is not necessarily evil, particularly if the big firm is in your home town. Harold D. Hoopman, president and chief executive officer of Marathon, says, "We plan to do everything we possibly can to defeat this offer. We are determined to stay independent."

The effort by Marathon to stay independent is important to the people of Findlay and to the people of Ohio.●

THE STATE AND LOCAL GOVERNMENT CASH MANAGEMENT ACT OF 1981

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. LUNDINE. Mr. Speaker, I am pleased to introduce H.R. 4947, The State and Local Government Cash Management Act of 1981. The legislation will assist State and local governments raise additional revenues by easing restrictions on the management of their cash assets. It permits States and localities to deposit surplus funds in depository institutions at higher rates of interest and makes these governments eligible to establish interest-bearing checking accounts.

The efficient management of cash resources is particularly important to State and local governments during this time of economic stress. Local jurisdictions have suffered a series of economic setbacks caused not only by substantial reductions in Federal assistance, but by rising voter resistance to tax increases and record-high municipal borrowing costs.

State and local governments have already had to accept a substantial $13 billion reduction in Federal assistance, together with $2.3 billion in revenue losses as a result of the passage of the new tax legislation. Assistance programs to States and localities, which account for only 14 percent of total Federal spending, have been required to absorb nearly 66 percent of the cuts in new budget authority for the coming year.

State and local officials have been willing to accept this substantial share of the budget reductions enacted by Congress. But the cumulative effect of reduced Federal assistance, rising borrowing costs, and restricted tax revenues is beginning to play havoc with local budgets. A recent study by the National Governors Association found that at least 30 States expect to operate at a deficit this year, with almost all States lacking the capacity to raise funds from existing revenue sources to offset Federal cuts and rising interest costs. Most cities and towns found themselves in similar circumstances years ago and are now having to reduce basic services to limit further deterioration in their operating budgets.

Given such conditions among the Nation's State and local jurisdictions, it seems appropriate that Congress seeks ways to assist local officials in raising additional revenue and realizing additional savings in their day-to-

day operations. Earlier this year I introduced H.R. 2828, which seeks to lower the long-term financial costs to States and localities of issuing revenue bonds to finance major public works and infrastructure improvements. The proposal would reduce revenue bond underwriting costs by eliminating an outdated barrier to increased competition in the sale of these important financing instruments. It would permit sizable cost savings without additional cost to the Federal Government.

The legislation I am now introducing is similar in purpose to the revenue bond proposal. It provides the potential of additional revenue and increased fiscal control for local officials by eliminating unnecessary restrictions on public financing activities. It seeks to promote improved cash management opportunities for States and localities without additional cost to the Federal budget.

H.R. 4947 is a companion measure to S. 1686, introduced recently in the Senate by Senator RICHARD LUGAR (R-Ind.). The two proposals included in the legislation were developed by Senator LUGAR's staff on the Housing and Urban Affairs Subcommittee of the Senate Banking Committee.

The first proposal authorizes State and local governments to deposit idle or surplus funds in financial institutions at interest rates slightly below the average Federal funds rate. This would permit local funds to earn a much higher rate of interest and place local government deposits on an equal footing with surplus Federal funds.

Enabling legislation passed by the 95th Congress extended to the Federal Government the ability to deposit Treasury tax and loan account funds in depository institutions at interest rates approximately 1 percent below the average Federal funds rate. The legislation did not extend the same privilege to States and localities. Some State and local governments currently invest surplus funds in repurchase agreements and short-term Treasury bills. However, these options are not always available, particularly to smaller jurisdictions which lack both the skilled staff and the required minimum balances to enter these markets. As a result, these jurisdictions maintain their idle funds in accounts earning the minimum passbook interest rate.

A recent survey compiled by the Municipal Finance Officers Association reported that in early 1981, $46.7 billion in State and local government funds was held in time deposits. The average interest rate earned on this investment was 11.72 percent. The Federal funds rate at this time was 15.72 percent. Had States and localities been permitted to deposit these funds at an interest rate 1 percent below the Federal funds rate (14.47 percent), the increase in interest income could have exceeded $1.3 billion. While this example may be oversimplistic, it does serve to demonstrate the level of increased earnings possible under this proposal.

The second proposal consists of two provisions designed to clarify existing law to permit all general-purpose units of State and local government to establish and maintain interest-bearing Negotiable Order of Withdrawal (NOW) accounts. The Depository Institutions Deregulation and Monetary Control Act of 1980 extends eligibility for NOW accounts to nonprofit organizations "operated primarily for religious, philanthropic, charitable, educational, or other similar purposes." While the meaning of this provision is subject to dispute, it has generally been interpreted to exclude general-purpose governmental units. Currently, only special-purpose units of government can maintain NOW accounts, and only if the funds are used for schools, colleges, libraries, or health care facilities.

The confusion over eligibility for NOW accounts became a more sensitive policy issue last August when the Federal Home Loan Bank Board proposed regulations permitting savings and loan institutions to offer NOW accounts to general-purpose governmental units. At the same time, the Federal Reserve Board specifically prohibited commercial banks from offering such accounts. Further progress on the issue was halted by a permanent injunction against State and local participation in NOW accounts, resulting from the clear competitive advantage offered to thrift institutions by the conflicting regulations.

H.R. 4947 would resolve this issue by permitting both special-purpose and general-purpose units of State and local government to maintain NOW accounts at either commercial banks or thrift institutions. It would make NOW accounts available as a financial tool for local officials who seek to make better use of public funds. Had the $11.3 billion in State and local funds that were deposited in demand accounts at the end of 1980 been placed in interest-bearing NOW accounts, a minimum of $593 million in interest revenue could have been earned by States and localities.

By offering this provision, I am not implying that all State and local government funds will or should be deposited in NOW accounts. However, these accounts should be made available as a management option for financial managers seeking short-term return on valuable cash assets. I believe that permitting State and local funds to be deposited in NOW accounts is not only sound financial policy, it is well within the intent of the 1980 banking deregulation legislation.

State and local governments should be able to take advantage of new opportunities to earn the greatest possible return on public funds, particularly in light of increasing costs and declining Federal support. H.R. 4947 provides two additional cash management options that can be used not only to protect funds from inflation, but to provide additional sources of needed revenue. Had the legislation been in effect last year, over $1.9 billion in additional revenue would have been available to our States and localities.

While these measures would be beneficial to all local governments, they would be particularly advantageous to small cities and towns. As a former mayor of a small city in western New York, I am well aware of the limited cash management options available to most local officials. Most small cities do not have the staff to engage in any kind of sophisticated cash management programs. They also lack sufficient funds to make the high-interest investments routinely made by larger governmental units. The two measures in this legislation are easily used and provide small communities with tools to assure that temporarily idle funds are invested at the maximum possible return.

H.R. 4947 has already received strong endorsement from the National Association of Counties, the National League of Cities, the Municipal Finance Officers Associations, and from other organizations representing State and local governments. I have also discussed the legislation with the Independent Bankers Association, which has taken a neutral stand on the proposals, but encourages further study and consideration. While bankers are understandably concerned with the additional interest costs the proposals entail, they are also concerned with the serious fiscal problems confronting governmental units. The willingness of the IBA to take a neutral position on the legislation is not only meritorious, but exemplary of the kind of partnership between public bodies and financial institutions that this legislation, and H.R. 2828, seek to promote.

The proposals contained in H.R. 4947 are needed to help alleviate the fiscal pressures on State and local budgets. They are practical, commonsense initiatives that will help State and local officials achieve the kind of fiscal responsibility the public is now demanding of all levels of government. I think these are worthwhile proposals and urge Congress to adopt them.●

STOCKMAN CONFESSIONS POINT TO NEED FOR CLOSE SCRUTINY OF ADMINISTRATION POLICY

HON. FERNAND J. ST GERMAIN
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. ST GERMAIN. Mr. Speaker, the need for the Congress to carefully scrutinize the details of the administration's economic game plan is dramatically demonstrated by the Dave Stockman interviews in the December edition of Atlantic Monthly.

What this Congress accepted as economic gospel, as a thoroughly worked out, soundly based plan is now revealed as so much puffery by the architect of the plan. A cynical bit of economic hocus pocus which unfortunately the Congress swallowed and helped sell to the American people.

Concerned that the administration's proposals had not given consideration to the needs of housing and the cities, I urged the House on February 17 to stop, look, and listen before buying the Stockman rhetoric.

I was sincerely concerned that OMB and the White House had simply pulled numbers from the air to justify the dismantling of programs I felt were essential to the future of the Nation. In hopes of pushing the administration to come up with specific data to justify the budget cuts, I charged last February:

> Numbers have filled the Washington air like so much confetti. A billion here, a billion there . . . every edition of the newspapers brings news of bigger and better cuts. At times, we had to question whether we were running a giant butcher shop or a government . . .
>
> The numbers—and the competition for bigger and bigger headlines—have submerged the programs themselves. My suspicion is that we are at the mercy of some giant computer in the basement at the Office of Management and Budget, pouring forth endless printouts designed to reach some preconceived notion of what looks good as a multi-billion dollar prime cut.
>
> Budget and Economic reports have been great public relations and political tools of Presidents—Democrats and Republicans alike. President Reagan and his Administration certainly have the right to play the same game. The Congress, the public, and the press, however, have the distinct responsibility to question the quality and rationality of the cuts, the glories of IBM wizardry notwithstanding.

Now the Atlantic Monthly tells us that, indeed, the OMB wizards were simply playing with numbers with little or no concept of where all of this led.

Atlantic Monthly quotes Stockman directly:

> None of us really understands what's going on with all these numbers . . . People are getting from A to B and it's not clear how they are getting there . . . We didn't make all the thorough, comprehensive calculations about where we really needed to come out and how much to put on the plate the first time, and so forth.

Elsewhere the article tells us:

> He (Stockman) cheerfully conceded that the Adminstration's own budget numbers were constructed on similar shaky premises, mixing cuts from the original 1981 budget left by Jimmy Carter with new baseline projections from the Congressional Budget Office in a way that, fundamnetally, did not add up. The budget politics of 1981, which produced such clear and dramatic rhetoric on both sides was, in fact, based upon a bewildering set of numbers that confused even those, like Stockman, who produced them.

All the while, Mr. Speaker, Dave Stockman was telling the world, with the assistance of an essentially unquestioning Washington press corps, that he had arrived at the calculations in the new game plan with great precision. That certainly was the impression of his testimony before the Banking, Finance and Urban Affairs Committee last spring as he defended efforts to cut the heart out of housing and community development programs.

Nothing in that testimony suggested that Mr. Stockman didn't understand the numbers or that, as Atlantic Monthly tells us, the calculations were knowingly concocted on "shaky premises."

It was just the opposite. Continually, we ran into the claims that the "administration knows best," that OMB had the data to back up its most complex numbers. Those claims, in the face of the Stockman assurances, were difficult—and ultimately impossible—to overcome for those of us who questioned the rationale for dismantling essential areas of the economy.

Mr. Speaker, it is true that OMB directors are political appointees and we expect any OMB chief to defend his administration's proposals.

However, OMB is an extremely vital part of the Federal Government, the repository of basic data, the keeper of many of the projections on which many in this economy calculate their actions. The public and the Congress should be able to depend on the material flowing from that office, the political affiliation of the director notwithstanding. OMB is not, after all, a subsidiary of the Republican National Committee and its obligations must go beyond simply running up numbers and "shaky premises" to support preconceived political decisions.

Unfortunately, Mr. Speaker, much of the press corps has presented the Stockman episode in terms so familiar to Washington political parlor games, in terms of who wins and who loses influence, not unlike a rundown of the college football ratings.

Mr. Speaker, the decisions of the administration and the Congress last spring and summer affect the lives of millions and millions of Americans. To them it is not a Saturday afternoon political football game. It is real life, jobs, housing, education, health.

Regardless of the final outcome of these issues, it is clear that we owe the American people decisions based on hard facts and real numbers and not on cynical statements by officials who never understood the numbers and who really didn't believe in the game plan.

Last February, Mr. Speaker, I said that the President and his administration will find many of us willing to cooperate if we can be assured that there are indeed "scalpels," and not meat axes, in the medicine closet. And most importantly, if we can be assured that there are qualified surgeons on the job that truly want the patient to live.

Mr. Speaker, after reading the Atlantic Monthly article I am not convinced that we have "qualified economic surgeons" on the job or that the wielders of the budget knives have any desire to keep the patient alive.

For those who demanded last spring that the Congress accept in toto, without question, the administration's economic program, I hope the December edition of Atlantic Monthly becomes required reading.●

BEWARE THE "FAHD PLAN"

HON. JACK F. KEMP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, November 16, 1981

● Mr. KEMP. Mr. Speaker, many of us who opposed the sale of AWACS aircraft to Saudi Arabia have not been surprised by the events that have followed. We were not surprised to hear that, the day after the sale, the Saudi Arabians decided to raise the price of oil $2 per barrel. Nor were we surprised that they decided to curtail their production from 9.5 to 8.5 million barrels per day, a reduction as helpful to Libya as it is harmful to the United States. For that matter, we weren't surprised that the Saudi Foreign Minister Prince Saud recently chastised Oman for—Heaven forbid!—participating in American military exercises. These events have merely further substantiated our already well-buttressed view that Saudi Arabia does little to support the interests of the United States.

Considering their track record, then, we ought to be especially wary of the Saudis latest undertaking, the Fahd plan. This "peace plan," which is really a "peace offensive," makes a sham of the Camp David process. Its eight points which, among other things, require Israel to return to pre-1967 borders and provide for the establishment of a Palestinian state with East Jerusalem as its capital, pose a direct and grave threat to Israel's se-

curity and violate the terms of the Camp David accords to which the United States is committed.

Our State Department officials are making a mistake if they think they can advance Camp David while at the same time expressing approval of certain aspects of the Fahd plan. The Saudis, after all, have never concealed their opposition to Camp David; why should other Arab nations even consider joining the Camp David process when we are sending out signals that the Saudi approach is not entirely unacceptable?

Those who are so pleased by the Saudis' seeming willingness to accept Israel's right to exist should examine the Saudi's statements a little more closely. Clarifying point 6 of his plan, Prince Fahd has declared, "There is no Palestinian state without the PLO." The PLO has not renounced its commitment to liquidate Israel and, in fact, has been actively violating the terms of the cease-fire in Lebanon. The establishment of a state run by this terrorist group, which rejoiced at the death of Anwar Sadat, would clearly be a setback to peace in the Middle East. It indicates that while the Saudi Arabians may be deferring their immediate goal of the destruction of Israel, they are still angling, as Menachem Begin has said, "to liquidate Israel in stages."

Americans have as much to fear from the Fahd plan as Israel does. Our goal of a "strategic consensus" against Soviet adventurism in the Middle East is hardly well-served by establishing a militant Soviet client-state on Israel's borders. Nor is there any evidence that the Saudis share our desire to form such a consensus. They have been flirting with the Soviet Union and have continued to work with Soviet clients such as Libya and the PLO. How much longer will the Saudis continue to oppose our interests and consort with our enemies before we all recognize this?

American support for the Fahd plan, however qualified, is a dangerous indulgence in escapism and wishful thinking. I recommend the following Wall Street Journal editorial, "Eight-Pointed Confusion," to my colleagues to dispel the false hopes and misconceptions that are being entertained in this country and abroad.

The article follows:

EIGHT-POINTED CONFUSION

President Reagan has lately tried to reassure Israel and the world that the Camp David process lives, but we suspect U.S. credibility has suffered some permanent damage from the State Department's muddled handling of Saudi Arabia's eight-point peace plan. It seems to be another one of those increasingly troublesome cases of people in this administration sounding off about policy before there is a policy.

In this case, the initial sounding off at State gave importance to a Saudi plan that in fact contained nothing new, and certainly very little that the U.S. would be wise to support. It called, in essence, for a PLO state with its capital in East Jerusalem. And as usual, it was ambiguous on whether there would be any Arab recognition of Israel's right to exist.

But what with the Awacs deal cooking, and a big push to make the Saudis look like great statesmen, State exhibited the plan as some new Magna Carta. Before you could say Yasser Arafat, every Arabist in Europe had responded to what they saw as a new U.S. tack. Britain's Lord Carrington grabbed a plane for Riyadh and soon Secretary Haig found himself having to chastise the foreign secretary for saying the same things some of Mr. Haig's underlings had just said.

Over this last weekend, the PLO and the Saudis turned up the heat. A report from Beirut said that Mr. Arafat, on his own recent visit to Riyadh, had carried a message from Moscow promising Soviet support for the peace plan in return for Saudi recognition of the Soviet Union. The Saudis had already said that the Soviets had an "important role" to play in the Saudi peace plan.

If the Israelis are exasperated by the U.S. performance, they have every right to be. This on top of the Awacs deal is a bit much, particularly coming as it does when the Israelis are complying with the Camp David deal and pulling out of the Sinai. It also comes when the PLO, with Soviet encouragement no doubt, is brazenly violating the ceasefire the U.S. arranged in Lebanon, funneling more heavy weapons to South Lebanon to use in threatening Israel.

There is simply nothing to indicate that the PLO is ready to live at peace with Israel, and until there is, it would be highly irresponsible for the U.S. to entertain even a whisper of a PLO state. The Israelis have good cause to fear that such a state would be a grave threat.

In May 1980, for example, a resolution before Mr. Arafat's Fatah group, often referred to as the "moderate" wing of the PLO ("Fatah" is Arabic for "conquest"), called for "the liequidation of the Zionist entity—politically, economically, militarily, culturally and ideologically." Mr. Arafat claims he opposed this resolution, but he has consistently declared that aspirations for a Palestinian state wouldn't stop with the West Bank and the Gaza Strip. Last Dec. 7, he told an open meeting in Beirut, or so PLO radio reported, that "the victorious march will continue until the flag of Palestine is raised above Jerusalem and above the whole area of Palestine from the river to the sea, and from the Ras al-Nazzura to Eilat." That is, from the Jordan to the Mediterranean and from the Lebanese border to Israel's southermost city.

Such rhetoric is hard to dismiss, given that the PLO seems to have wiped out or intimidated almost every Palestinian Arab leader who has urged peace or cooperation with the Israelis. In February 1978, a prominent West Bank businessman who supported Sadat's peace initiative was shot dead. In June 1979, Sheikh Hashem Khuzendar, the religious leader of Gaza and a Sadat supporter, was assassinated; three weeks later, PLO spokesman Farouk Kaddoumi said "Our people . . . are capable of taking the necessary disciplinary measures against those who try to leave the right path."

Similarly, the PLO leaders openly rejoiced over the assassination of Anwar Sadat. They have been involved in bloody wars in Jordan and Lebanon. Even if Mr. Arafat should himself turn peacemaker—not likely given his heavy dependence on the Soviet Union—he may not have adequate control of other Palestinian terrorist groups. A PLO state would be a danger not only to Israel but perhaps even more so to its Arab neighbors. The Saudi plan, with its guaranteed place for the PLO, is not likely to entice the leaders of Jordan, the key to any lasting West Bank settlement.

By attaching new importance to the Saudi peace plan, the State Department simply reawakened pressures on the U.S. and Israel that Camp David had for a time laid to rest. It is likely to prove a mistake hard to repair.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, November 17, 1981, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 18

9:00 a.m.

*Select on Indian Affairs

To hold hearings on S. 1613, requiring the U.S. Court of Claims to consider the merits of certain claims filed by the Navaho Indian Tribe, alleging U.S. breach of legal and treaty obligations and S. 1468, designating a portion of land in Harney County, Oreg., to be held in trust for the Burns Paiute Indian Tribe.

1318 Dirksen Building

9:30 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To continue hearings on international narcotics trafficking.

3302 Dirksen Building

*Veterans' Affairs

To hold oversight hearings on the effects of the use of agent orange.

1224 Dirksen Building

10:00 a.m.

Armed Services

To hold hearings on the nominations of Robert N. Smith, of Ohio, to be Assistant Secretary of Defense for Health Affairs, and Melvyn R. Paisley, of

Washington, to be Assistant Secretary of the Navy for Research, Engineering, and Systems, and routine military nominations; and, in closed session, to receive a report of the Manpower and Personnel Subcommittee on flag and general officer strengths.
212 Russell Building

Energy and Natural Resources
Business meeting to resume markup of S. 1484, promoting the development of oil shale resources by revising the authority to lease lands containing oil shale deposits, and other pending calendar business.
3110 Dirksen Building

Environment and Public Works
Water Resources Subcommittee
Business meeting, to resume markup of S. 1692, providing for the operation, maintenance, and construction of deep-draft channels and national harbors.
4200 Dirksen Building

Judiciary
Business meeting, to mark up S. 1630, reforming the Federal criminal laws and streamlining the administration of criminal justice.
2228 Dirksen Building

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings on Government policy as it relates to the defense industrial base.
6226 Dirksen Building

2:00 p.m.
*Environment and Public Works
Business meeting to consider pending calendar business.
4200 Dirksen Building

Finance
Estate and Gift Taxation Subcommittee
To hold hearings on S. 1430, providing that the election to use the alternate valuation date for the estate tax may be made on a return that is filed late, and S. 1487, allowing independent local newspapers to contribute corporate earnings into a trust to provide for prepayment of estate taxes.
2221 Dirksen Building

NOVEMBER 19

9:30 a.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To hold hearings on S. 1702, broadening FHA authority to provide additional mortgage and loan insurance programs and policies.
5302 Dirksen Building

*Commerce, Science, and Transportation
To hold hearings on the nomination of James E. Burnett, Jr., of Arkansas, to be a member of the National Transportation Safety Board.
235 Russell Building

Finance
International Trade Subcommittee
To hold hearings on S. 958, requiring the administering authority to impose an additional duty upon imported articles which are products of a nonmarket economy country.
2221 Dirksen Building

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on international narcotics trafficking.
3302 Dirksen Building

*Labor and Human Resources
Business meeting, to consider the nomination of John R. Van de Water, of California, to be a member of the National Labor Relations Board.
4232 Dirksen Building

10:00 a.m.
Armed Services
Manpower and Personnel Subcommittee
To hold hearings on bonus and special pay provisions for members of the armed services.
212 Russell Building

Energy and Natural Resources
To hold hearings on the nominations of Pedro San Juan, of the District of Columbia, to be Assistant Secretary of the Interior for Territorial and International Affairs; Vernon R. Wiggins, of Alaska, to be Federal Cochairman of the Alaska Land Use Council; and Janet J. McCoy, of Oregon, to be High Commissioner of the Trust Territory of the Pacific Islands.
3110 Dirksen Building

Environment and Public Works
Water Resources Subcommittee
Business meeting, to continue markup of S. 1692, providing for the operation, maintenance, and construction of deep-draft channels and national harbors.
4200 Dirksen Building

Governmental Affairs
Energy, Nuclear Proliferation, and Government Processes Subcommittee
To hold hearings on nuclear proliferation policy and the implication of new technology.
6226 Dirksen Building

Judiciary
Criminal Law Subcommittee
To resume hearings on S. 186, authorizing funds through fiscal year 1988 for the Department of Justice, to provide assistance to State and local governments for the improvement of the State criminal justice system.
2228 Dirksen Building

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on S. 312, a private relief bill.
357 Russell Building

Select on Intelligence
Closed briefing on intelligence matters.
S-407, Capitol

10:15 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of F. Keith Adkinson, of West Virginia, to be a Federal Trade Commissioner.
235 Russell Building

1:30 p.m.
*Judiciary
To resume oversight hearings on government merger policies.
2228 Dirksen Building

3:30 p.m.
Foreign Relations
Closed briefing by officials of the Department of State on China-Taiwan policy.
S-116 Capitol

NOVEMBER 20

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Bobby Jack Thompson, of New York, to be Administrator of the U.S. Fire Administration, and Robert M. Garrick, of California, to be a member of the Board of Directors of the Communications Satellite Corporation (Comsat).
235 Russell Building

9:30 a.m.
Rules and Administration
To hold oversight hearings on the application and administration of the Federal Election Campaign Act (P.L. 96-187).
301 Russell Building

10:00 a.m.
Judiciary
**Juvenile Justice Subcommittee
To resume hearings on S. 1688, making it a Federal offense when a convicted criminal commits a series of crimes involving firearms, and S. 1689, providing that a convicted criminal sentenced to life imprisonment under State habitual criminal statutes be incarcerated in a Federal penitentiary.
2228 Dirksen Building

Conferees
Closed, on H.R. 3455, authorizing funds for fiscal year 1982 for military construction programs of the Department of Defense.
S-407, Capitol

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
2228 Dirksen Building

NOVEMBER 23

9:30 a.m.
*Judiciary
*Immigration and Refugee Policy Subcommittee
To hold hearings on certain preference system provisions of the Immigration and Nationality Act (Public Law 94-571).
5110 Dirksen Building

Select on Indian Affairs
To hold hearings on S. 1370, authorizing the Secretary of the Army to acquire such oil, gas, coal, or other mineral interest owned by the Osage Tribe of Indians necessary for the construction of the Skiatook Lake, Osage County, Okla.
5302 Dirksen Building

10:00 a.m.
Judiciary
Security and Terrorism Subcommittee
To hold hearings to examine the presence of Cuban intelligence operations within the United States.
2228 Dirksen Building

NOVEMBER 24

9:00 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To hold hearings on S. 1660, to validate certain oil placer mining claims in Hot Springs County, Wyo.
3110 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on State implementation of Federal regulations, focusing on standards of the Resource, Conservation and Recovery Act.
3302 Dirksen Building

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee and International Trade Subcommittee
To hold joint hearings on S. 1824, increasing the limit on reforestation am-

ortization and changing the funding source for the reforestation tax incentives trust fund from certain forest products tariffs to cutting fees from Federal timber sales; and to review several trade and tax issues relating to the forest products industry.
2221 Dirksen Building

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on Federal regulatory enforcement policy.
6226 Dirksen Building

Rules and Administration
To resume hearings on the application and administration of the Federal Election Campaign Act of 1971, as amended.
301 Russell Building

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
1202 Dirksen Building

Governmental Affairs
To hold hearings on the nomination of Frederic V. Malek, of Virginia, to be a Governor of the U.S. Postal Service.
3302 Dirksen Building

Judiciary
Business meeting, to consider pending calendar business.
2228 Dirksen Building

Labor and Human Resources
Education Subcommittee and Employment and Productivity Subcommittee
To hold joint oversight hearings on the implementation of vocational education programs and the Comprehensive Employment and Training Act (CETA).
4232 Dirksen Building

2:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To continue hearings to examine the presence of Cuban intelligence operations within the United States.
2228 Dirksen Building

NOVEMBER 25

9:30 a.m.
Veterans' Affairs
Business meeting, to mark up S. 349, providing for limited judicial review of the administrative action of the Veterans' Administration, and for reasonable fees to attorneys representing legal counsel for veterans.
412 Russell Building

10:00 a.m.
*Governmental Affairs
To hold hearings on proposed legislation requiring the Inspectors General of certain Federal agencies to periodically review their department's programs.
3302 Dirksen Building

Judiciary
Security and Terrorism Subcommittee
To continue hearings to examine the presence of Cuban intelligence operations within the United States.
2228 Dirksen Building

NOVEMBER 30

9:30 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on certain provisions of the Immigration and Nationality Act (Public Law 94-571), relating to the H-2 temporary worker programs and nonimmigrant programs.
2228 Dirksen Building

DECEMBER 1

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold joint hearings with the Committee on Labor and Human Resources on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To resume oversight hearings on America's role in the world coal export market.
3110 Dirksen Building

Labor and Human Resources
To hold joint hearing with the Committee on Agriculture, Nutrition, and Forestry on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

Small Business
Productivity and Competition Subcommittee
To hold hearings on Federal antitrust policies, focusing on recent small business mergers.
424 Russell Building

DECEMBER 2

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue joint hearings with the Committee on Labor and Human Resources on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

Labor and Human Resources
To continue joint hearings with the Committee on Agriculture, Nutrition, and Foresty on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

10:00 a.m.
Energy and Natural Resources
Business meeting on pending calendar business.
3110 Dirksen Building

DECEMBER 3

9:30 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To resume oversight hearings on America's role in the world coal export market, focusing on the domestic coal transportation network.
3110 Dirksen Building

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
1202 Dirksen Building

Governmental Affairs
Federal Expenditures, Research, and Rules Subcommittee
To hold hearings on proposed legislation providing for a uniform Federal procurement system.
3302 Dirksen Building

DECEMBER 4

9:30 a.m.
*Banking Housing, and Urban Affairs
To hold hearings on the use of Defense Production Act authorities to stimulate domestic production of titanium.
5302 Dirksen Building

DECEMBER 8

9:00 a.m.
Governmental Affairs
To hold hearings on debt collection procedures in the health professions student loan program, focusing on high delinquency rates.
5110 Dirksen Building

9:30 a.m.
Environment and Public Works
To hold oversight hearings on the Endangered Species Act (Public Law 96-159).
4200 Dirksen Building

Labor and Human Resources
To resume oversight hearings to examine affirmative action regulations of the Office of Federal Contract Compliance Programs, Department of Labor.
4232 Dirksen Building

DECEMBER 9

10:00 a.m.
Energy and Natural Resources
Business meeting on pending calendar business.
3110 Dirksen Building

DECEMBER 10

9:00 a.m.
Judiciary
*Criminal Law Subcommittee
To hold hearings on S. 613, amending the Federal Criminal Code to revise the scope of, and penalties under the Hobbs, Act, prohibiting interference with commerce by threat or violence.
2228 Dirksen Building

9:30 a.m.
Environment and Public Works
To resume oversight hearings on the Endangered Species Act (Public Law 96-159).
4200 Dirksen Building

Labor and Human Resources
To resume oversight hearings to examine affirmative action regulations of the Office of Federal Contract Compliance Programs, Department of Labor.
4232 Dirksen Building

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on activities of the Department of Energy.
3302 Dirksen Building

DECEMBER 11

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
1202 Dirksen Building

JANUARY 13, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

JANUARY 14, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To continue hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

JANUARY 20, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

JANUARY 28, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 4, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 11, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 18, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 23, 1982

11:00 a.m.
Veterans' Affairs
To hold hearings on legislative recommendations of the Disabled American Veterans.
Room to be announced

FEBRUARY 25, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

CANCELLATIONS

NOVEMBER 18

10:00 a.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings to discuss the retention or destruction of certain Federal Government files.
2228 Dirksen Building

SENATE—*Tuesday, November 17, 1981*

(Legislative day of Monday, November 2, 1981)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. The presence of Reverend Sorrill to deliver the prayer was requested by Senator MATHIAS.

PRAYER

The Reverend Doctor Harold W. Sorrill, Jr., pastor, Clinton Baptist Church, Clinton, Md., offered the following prayer:

Almighty God and Father, we approach Thee with bowed heads and humble hearts. Thou art powerful and yet compassionate. Thou art all-wise and yet understanding of the limited knowledge of Thy creatures. Thou art cosmic in vision and yet able to see the needs of the most humble individual. Thou art sovereign over all of creation and yet willing to give humans a freedom of choice.

Unto Thy human creature hast Thou given the right to govern. Unto us hast Thou given a free nation in which to find fulfillment of our dreams and aspirations. Unto us hast Thou given elected officials to serve as ministers of God to us for good. Thus we heed the call of Paul not to fear such but to subject ourselves to their leadership.

Grant that these Senators who gather here on this Tuesday might be given clear minds and wise understanding. Let Thy wisdom be expressed through these Thy ministers of government, that we who follow their leadership might find good in life.

In the name above all names, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, according to my notes, after the recognition of the two leaders under the standing order, the Senator from Wisconsin (Mr. PROXMIRE) will be recognized on a special order, to be followed by a period for the transaction of routine morning business, not to extend more than 20 minutes, in which Senators may speak for not more than 3 minutes each.

At the close of morning business, as ordered, the Senate will resume the consideration of H.R. 4169, the State-Justice-Commerce appropriations bill.

I inquire whether the Chair's records coincide with the program I have just outlined.

The PRESIDING OFFICER (Mr. ARMSTRONG). The majority leader is correct.

Mr. BAKER. I thank the Chair.

LEGISLATIVE SCHEDULE

Mr. BAKER. Mr. President, in addition to the State-Justice-Commerce appropriations bill today, there is at least one other appropriations bill that I hope we might take up, and that is the Foreign Assistance appropriations bill. I believe it might not take a great deal of time to finish that measure. I hope the minority leader might consider the possibility of approving proceeding to that measure by temporarily laying aside the State-Justice-Commerce measure at some point in the day and taking up that appropriations bill.

It is also my understanding that Senators on both sides of the aisle may have caucuses around the noon hour today. If the schedule will permit—and I hope it will—it will be the intention of the leadership to have the Senate stand in recess during that time, since the caucuses by both parties are semiofficial in nature and often result in expediting the proceedings of the Senate, and I believe that is usually a good investment of the time of the Senate.

It is not expected that the Senate will be in very late today, although that will be determined in large part by how much progress we can make or how difficult it is to achieve progress.

Mr. President, the continuing resolution on appropriations was received in the Senate Chamber last evening and has been referred to the Committee on Appropriations. It is my understanding that the Appropriations Committee will begin considering that matter today and perhaps even report a resolution to the Senate tonight. If that is the case, I will once again approach the minority leader on the possibility of waiving the rule impediment that would prevent its earlier consideration and propose to take it up tomorrow, if it is available tomorrow.

There is another matter, the so-called waiver package, Joint Resolution 115, dealing with the Alaska Natural Gas Pipeline project. It had been my hope that it might be taken up either today or tomorrow. I urge Senators, however, to consider that we must take up that matter sometime this week. It is highly privileged, by the terms of the statute. Later today, I hope to have another announcement to make about when that matter will be scheduled. I remind Senators that there is a statutory time with respect to the consideration of that measure.

It is expected that on Friday we will continue with other legislative items, perhaps appropriation bills, perhaps even a conference report on the continuing resolution. The continuing resolution expires, by its terms, at midnight on November 20. It is imperative, of course, that we deal with that matter in advance of that time.

I must repeat the admonition I made on Friday and repeated yesterday—that there is a strong probability of a Saturday session, perhaps even a Sunday session.

Mr. President, the Senate will be in session Monday, Tuesday, and Wednesday of next week. I expect that we will have legislative business to perform during those days and that we will have votes. Senators are on notice, as they have been for some months, that only Thursday and Friday are set aside for the Thanksgiving recess. I think that is essential in view of the work that is yet to be done by the Senate.

I will try to arrange, with the cooperation of the distinguished minority leader, to abbreviate the business of the Senate on Wednesday, so that it will be possible for Members to catch airplanes, especially those who live some distance from the Federal city. I estimate that we will not have a very busy schedule on Wednesday afternoon, after about 3 o'clock.

Mr. President, I do not believe I have any other announcements I can make today that will be of particular interest to the Senate, until later in this day at least.

Therefore, I am prepared to yield to any Senator seeking recognition or, if there are none, to yield the control of my remaining time to the distinguished minority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader for his outline of the program.

I have no need for my time at this point.

SENATOR NUNN ON NUCLEAR ARMS CONTROL

Mr. ROBERT C. BYRD. Mr. President, the control of nuclear weaponry has become a matter of increasing urgency and difficulty at several different levels. At the level of strategic intercontinental delivery systems, the administration has taken the position that the SALT II

agreement was "fatally flawed," and America must rebuild her strategic systems in order to negotiate a new treaty from a position of greater strength. The goal of the new negotiations is said to be arms "reduction," rather than "limitation."

There are serious problems with this approach. First, the strategic weapons recommendations made by the administration have been termed "interim" in nature. The decision to build a B–1 will cost so much over the next 5 years that the present Strategic Air Commander has stated the vital Stealth program will be stretched out. We simply cannot afford two new bombers at once. Furthermore, the decision to harden existing Titan and Minuteman silos, to place the MX missiles in them, does nothing to reduce the vulnerability of our ICBM force to Soviet attack.

Indeed, the administration's program calls for early retirement of portions of our B–52 and ICBM force, and may well make us more vulnerable in the mid-1980's than we would have been under the program of the previous administration. The net result of these decisions, decisions dictated by severe budget constraints rather than defense needs, is that the position of greater strength looks more and more illusory. Does this mean that we will delay the initiation of strategic arms talks with the Soviet Union indefinitely? Apparently not, since administration officials are saying that such talks will begin sometime next spring.

The second difficulty relates to the upcoming negotiations with the Soviets on the question of nuclear weapons in the European theater. It is essential that the American position in those negotiations appears serious and credible since the pressure is mounting on European governments to back off from their commitment to deploy such weapons in 1983. Our NATO partners expect us to negotiate the TNF question within the overall strategic arms framework. Indeed, Secretary Haig signed a communique with the other NATO defense ministers on May 5, 1981, which stated that the "* * * allies welcome the intention of the United States to begin negotiations with the Soviet Union on theater nuclear forces arms control within the SALT framework by the end of the year."

The problem here is that the administration, while rejecting SALT II, has not developed any of its own concrete arms reduction proposals around which the Alliance could rally. The danger exists, therefore, that the Soviets are being handed an opportunity to submit attractive proposals this year which could divide the Alliance and accelerate European tendencies to repudiate American leadership on the TNF deployment. The situation has been needlessly exacerbated by recent assertions that a nuclear conflict may be plausibly limited to European soil. Needless to say, such statements make implementation of the TNF deployment schedule more difficult. They put us in a more difficult position in the upcoming negotiations. They provide the Soviets with propaganda opportunities—opportunities which they skillfully exploit across Europe—to posture as genuine proponents of arm control. All that is occurring as they continue to deploy their SS–20 medium range ballistic missiles at the rate of one a week—making the imbalance of nuclear forces continually worse.

A third difficulty is that technological developments will make the successful conclusion of verifiable arms control agreements more difficult as time goes on. For example, U.S. cruise missile deployments introduce new elements of uncertainty into the equation, and the eventual production and deployment of similar Soviet weaponry will compound the uncertainties.

The distinguished Senator from Georgia, Senator NUNN, a highly respected Member of this body on defense issues, has made a valuable contribution to the discussion of these matters in a guest editorial published in the November 12, 1981, edition of the Washington Post. He suggests that institutional changes within the U.S. Government are needed in order to bring more coherence and consistency to American arms control efforts over time. He points out that more coordination is needed between Defense Department decisionmakers and administration arms controllers. Indeed, without more attention to this problem, our efforts to build a strong consensus within NATO on these matters may be doomed to failure.

In addition to these matters, however, Senator NUNN identifies with great clarity a problem now developing as a result of the proliferation of nuclear weapons technology: The possibility of nuclear weapons use by irresponsible parties to blackmail the West, to conduct nuclear terrorism, or even to precipitate a nuclear exchange between the superpowers. Senator NUNN surmises that the number of nuclear-armed nation states could grow from 6 to 20 by the end of this century. He speculates on a number of frightening, but certainly plausible, scenarios in which these weapons could plunge the world into a nuclear crisis, whether through detonations of unknown origin or through outright blackmail.

Thus, he points out that arms reduction or limitation principles must now be supplemented by a new concept—to control the potential use of such weapons in a crisis—so-called crisis-stability. Since there is no international mechanism to decisively contain these new possibilities of nuclear war, it seems clear that the United States and the Soviet Union bear a responsibility to work together on this crisis-management problem. Obviously, the problem is but a subset of the whole question of nuclear arms control arrangements which must be developed by the superpowers. It is one more important reason why the United States must make renewed efforts to develop, in detail, its arms control policies as soon as possible and to initiate serious negotiations with the Soviets.

I commend Senator NUNN for his continuing contributions to the debate on our Nation's defense posture and congratulate him for this thought-provoking article. I commend my colleagues' attention to it and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD. as follows:

[From the Washington Post, Nov. 12, 1981]

ARMS CONTROL: WHAT WE SHOULD DO

(By SAM NUNN)

America's arms control goals have been vague and poorly understood by the public. Our tactics have been short-term, and our strategy ambiguous. Our patience at the negotiating table has been short-lived. Our timing has too often been driven by election considerations and our expectations have swung between euphoria and despair.

Three arms control treaties with the Soviet Union have been signed (by presidents Nixon, Ford and Carter) but have not been ratified by the Senate. This may demonstrate that our "separation of powers" is alive and well, but it also raises serious questions as to whether any American president can conclude an arms control treaty any more.

THE SETTING

The United States is now abiding (without formal agreement) by a SALT treaty that President Reagan himself declared "fatally flawed." While awaiting leverage from newly announced but as yet unapproved strategic programs, we are not renegotiating this unratified treaty. Testimony indicates it will be at least the late 1980s before any new strategic programs close the "window of vulnerability" and bring us back to "parity." Several key parts of the recently announced strategic program, which are not yet well-defined, will have major arms control implications.

We are about to begin negotiations with the Soviets on tactical nuclear weapons, an area in which the United States has little leverage and NATO is at a pronounced military disadvantage. These negotiations provide the Soviet Union a considerable opportunity to prevent the long overdue NATO tactical nucelar force modernization. They also create an increasingly unrealistic separation between strategic and theater nuclear weapons and allow the Soviets skillfully to manipulate growing European skepticism of American leadership.

Under these circumstances, should we be puzzled when we look over our shoulder and our allies aren't following our lead? They don't know where we're going. Do we? Whether we like it or not, our arms control efforts and NATO's future are now linked. A clear, consistent arms control approach that enjoys the support of Congress and the American people is a national security imperative.

CONTINUITY

If the American position on arms control is to have more credibility with our allies, our adversaries and the American people, we must bring some continuity to our process for formulating and executing arms control policy and integrating it with military policies. We must develop a clear set of long-term goals, objectives and priorities that can be understood by the public, our allies and, ideally, even our adversaries.

Procedures within our government must be developed to ensure that strategic weapons programs and arms control measures mesh

together better. We can no longer separate the two functions, giving civilians the job of controlling arms and the military the job of procuring weapons. U.S. military planners must have a greater input in shaping our arms control objectives so that arms control measures can also be treated as viable instruments for attaining required security objectives.

For more than a decade, the Soviets have had essentially the same people negotiating SALT. During that same period, the United States has had six chief negotiators and the major support staff has been changed many times. Why shouldn't the Soviets be confident they can wait out the Americans? Why shouldn't our allies and our adversaries believe that our patience and our horizons are limited in the arms control arena?

One way to improve arms control continuity would be to upgrade substantially the current General Advisory Committee on Arms Control. The present committee is colocated with the Arms Control and Disarmament Agency and, rightly or wrongly, is viewed as an adjunct of that agency. We should consider creating a bipartisan presidential commission to be the board of directors for our arms control efforts.

The commission would be appointed by the president and confirmed by the Senate for overlapping terms long enough to give it independence and continuity. It could not and should not supersede the constitutional prerogatives of the executive branch to negotiate, and the Senate to ratify, treaties. It could, however, be asked to bring some coherence to our arms control philosophy and implementation. Reporting directly to the president, the board should have a broad charter to consider arms control under the rubric of overall national security and foreign policy.

It could provide a publicly respected review board to:

Help formulate long- and short-term arms control objectives, goals and priorities consistent with our national security and our defense policies;

Monitor negotiations; and

Keep the American public informed of the goals, objectives and priorities of our arms control efforts in a way that can be separated from partisan political considerations.

STABILITY

The U.S. arms control process has had a narrow scope that undermines its potential positive impact in military terms and in international opinion. Over the last decade, most of our arms control effort has been directed at limiting the size of nuclear arsenals rather than avoiding or limiting the potential use of nuclear weapons in crises—so-called "crisis-stability." We hope to reduce the number of weapons in the long run, but reductions in numbers do not automatically or necessarily increase crisis stability. We hope to save money with a sound arms control agreement, but an even larger strategic budget would be well worth the money if the result were the reduced likelihood of nuclear war. With thousands of nuclear warheads available to each side, control of their use in crises is more important than reduction of numbers, cost or technological development.

We must begin to think about arms control initiatives that will address crisis stability.

How would the Russians react if a low-flying aircraft with U.S. markings delivered a nuclear device on one of their cities? Do they have the capability to determine the true origin of the aircraft? Would stunned and angry Russians react calmly and cautiously or would they draw immediate conclusions and launch a nuclear attack against America? How would we react if a nuclear device exploded in a ship of unknown origin in San Francisco harbor and obliterated the city? Will we sit idly by while the possibilities grow in the years ahead that a fanatical leader may attempt to rid the world of the superpowers by pulling a Third World trigger?

Are these unreal science fiction fantasies or is there a growing possibility of a third-party or terrorist use of nuclear weapons? At my request last spring, Gen. Richard Ellis, then commander of the Strategic Air Command, undertook the evaluation of the possibility of a third party triggering a superpower nuclear exchange under a variety of scenarios. Unfortunately, this evaluation showed that there are real and developing dangers in this area.

Do the U.S.S.R. and the United States have a mutual interest in preventing a Third World trigger or a terrorist use of nuclear weapons? Should both nations have a mutual interest in working together to be able immediately to identify the source of a nuclear strike from a third country or from a terrorist attack? Can arms control efforts be made relevant to the growing dangers of this type of nuclear catalyst?

The point is not to frighten, but to stimulate the best minds in both the United States and the Soviet Union to think soberly about the future potential for destruction facing the world. There are an increasing number of scenarios that could precipitate the outbreak of nuclear war that neither side anticipated or intended. By 1990, our government believes that more than 20 nations may have the industrial capability to build nuclear weapons. Terrorist possession of nuclear warheads in the future cannot be dismissed. Several nations are now also developing rockets for "commercial purposes." The simple fact is that we really don't have an international framework or mechanism for quickly and decisively controlling or containing these possibilities. In a world growing more dangerous with proliferation of nuclear weapons and delivery systems, the United States and the Soviet Union, as well as other nuclear powers, have growing reason to work together to prevent nuclear war.

U.S.-SOVIET COOPERATION

While there is still time, serious thought should be given by ourselves and the Russians to our possible mutual interest in establishing a military crisis control center for the monitoring and containment of nuclear weapons used by third parties or terrorist groups. This could take the form of joint U.S.-Soviet information-sharing combined with a multinational center for crisis management. A precedent for this type of effort can be found in the four-power Berlin center for movement of aircraft in the Berlin corridors.

The crisis management group could be a permanent standing team of highly qualified civilian and military personnel, in full operation 24 hours a day, 365 days a year, with access to the top political and military leadership. Its purpose would be to provide a mechanism that gives each side more confidence in the facts during a nuclear crisis. It would afford the leaders of both nations a better chance to determine, independently and jointly, the origin and parties responsible for any explosion of nuclear weapons. It has the potential for encouraging cooperation and building confidence between the superpowers, even when political relations are at a low ebb. These steps could contribute to crisis stability. They could also add a significant degree of deterrence to third-country or terrorist attempts to light the nuclear bonfire.

This will not be a simple task completed quickly, but the discussions and negotiations should begin. These negotiations could be broadened to address other mutual arms control steps, such as confidence-building measures to enhance verification, strengthening the U.S.-Soviet hot line, as well as reducing the vulnerabilities of command, control and communications of both nations. We could also begin discussions on a possible nuclear weapons deployment agreement that would lengthen the warning time both nations would have of a nuclear attack.

The nuclear powers must begin to improve our capacity to control a nuclear crisis—regardless of origin. Our nation must adopt clear goals that establish a foundation for arms control that has long-term continuity and less vulnerability to domestic partisan politics. We must find an arms control policy we can live with.

Mr. ROBERT C. BYRD. I yield to Mr. PROXMIRE any of my time he may wish to use.

Mr. PROXMIRE. I thank my good friend, the minority leader.

Mr. President, as I understand it, I have a special order.

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. Mr. President, I shall use part of the time of the distinguished minority leader and then I shall use my regular time. I do not think I will use more than 15 minutes.

Mr. BAKER. Mr. President, in view of this statement, I yield back my time remaining under the standing order.

LET US NOT GIVE UP ON BALANCING THE FEDERAL BUDGET

Mr. PROXMIRE. Mr. President, is inflation still the major economic problem in this country? The answer is of course, yes, indeed. We continue to suffer the most serious inflation we have ever endured. It has continued ever since 1939, 42 long years, by far the longest continuous inflation in American history.

Wholesale prices have risen by more than 600 percent, making this inflation by far the severest the Nation has ever suffered. It has continued right through three wars and the end of those wars.

This inflation has been so virulent that even the massive release of resources after World War II, the Korean war, and the Vietnam war did not reverse, as the end of wars always had in the past, the relentless rise of prices.

Indeed, it has continued right through recessions, including the 1974–75 economic downturn, the worst recession since the Great Depression, but prices continued to march right uphill, and the inflation continues now through another recession, with unemployment at 8 percent and rising, with bankruptcies nearing record levels, with an enormous surplus of unused capacity and idle resources. Prices continue their steady climb.

And thanks very largely to America's predominant leadership in the free world this inflation has become international. It plagues every free market economy in the world and has done so for decades. And this represents a serious and damaging spinoff threatening the military strength of the free world.

INFLATION NO. 1 PROBLEM

Yes, indeed, price rises have moderated some under the pressure of the current recession. But for anyone with any sense of perspective inflation, rampaging inflation, remains as our No. 1, our major economic problem. We cannot neglect inflation as the No. 1 priority of our economic policies.

Because inflation remains our predominant economic problem, we must not give up on the basic anti-inflation economic policies because we now find ourselves in a serious and growing recession. Let me be specific: that means we should not abandon our determination to cut spending and to balance the budget.

Mr. President, in the last few weeks the rate of interest has been falling. The prime rate has fallen from 21 percent to below 17 percent. Interest rates on Treasury bills have come down rapidly. The Federal Reserve Board has sharply reduced the rediscount rate and seems poised to cut it again. Mortgage interest rates remain stubbornly and painfully high but may start coming down soon. But again, Mr. President, for anyone with any sense of perspective, interest rates remain outrageously high by any historical standard. And what is worse, all of us know that as soon as the economy recovers those interest rates will resume their climb right back to the paralyzing levels that have knocked the housing industry flat on its back and driven the automobile industry into the worst economic times in many years.

Mr. President, let us recognize the nature of this recession. This is an inflation-induced recession. To recover from the recession we should not deepen the inflation. We should slow it down.

HIGH INTEREST RATES

So once again because high interest rates remain as the cruel cutting edge of inflation we must follow policies that will bring them down and keep them down to the historic levels that have throughout virtually all of our history enabled this country to grow and prosper unmatched by any other country in the world.

Again let me be specific: That means we should not abandon our determination to cut Federal spending and balance the budget. It means we should get the Federal Government out of the credit markets by stopping net off budget borrowing, and that brings me Mr. President, to my regular countdown. We now have 317 days before the expiration of the $1.79 trillion debt limit on September 30, 1982. We should not raise that debt limit again.

We should use the 10½ months that we have and the roughly $75 billion leeway we have remaining to assure the financial markets that we will not push the debt limit any higher. This is it. The Federal Government will not sink further into debt.

Is such a course practical with 8½ million Americans out of work? Absolutely, and here is why: Most of those Americans are out of work because enormous Government borrowing has driven interest rates so high that consumers and businesses simply cannot afford to borrow money.

We suffer a credit depression. Why do we have 2 million fewer jobs in homebuilding than demand for homes should support?

Because with mortgage rates about 15 percent, or more, we have priced more than 1 million families right out of the housing market. For a typical American family buying a new home, monthly payments would exceed an absolutely prohibitive $1,000, 80 percent of which is interest. With reasonable interest rates the typical monthly payments could fall to $600 from $1,000 and we would easily have another 1 million housing starts and 2 million additional jobs. Similarly in automobiles, farm equipment, in a vast variety of small business, high interest rates have stopped business cold.

CUT INTEREST RATES—FOR MORE JOBS

Reduce interest rates and we put America back to work. And how do we reduce interest rates? We reduce the mammoth rate of Federal Government borrowing. We cut the deficit and balance the budget. We yank the Federal Government out of net off-budget borrowing. And how do we accomplish that? We observe the debt limit and stop right where it is now.

Mr. President, hard as it may be to accept the argument, we will actually put more Americans to work if we reduce spending and balance the budget than if we follow any other economic policy.

ADMINISTRATION SURRENDERS

The Reagan administration has started out on both the right and the wrong path in putting this country back to work. For the first time in 50 years we have an administration that has, in fact, won congressional action to reduce Federal spending and yet the administration has now officially given up on any effort to balance the budget during the first term of President Reagan.

Unofficially they had given up months ago as two events make clear. The first is the revelation in the Stockman article. The second is clear fact and arithmetic.

When the Reagan administration came in they were faced with a $40 to $45 billion 1982 deficit. They knew this. It was public knowledge.

In the face of this they proposed a $38 billion cut in the budget, which left them with a small deficit for the year.

But they then added a $7 billion increase in the military budget and a tax cut of $40 billion during fiscal year 1982. That meant, by the clear arithmetic itself, a $49 to $54 billion deficit. They abandoned the balanced budget. The projections for fiscal years 1983 and 1984, based on the fiscal year 1982 numbers, make a balanced budget impossible using their numbers and their program.

Since then, the reaction of the financial markets to this news and the onset of the recession has pushed the budget out of shape even more.

SUPPLY SIDERS LIKE KEYNESIANS

But the point is that they have done this with their eyes open. The supply siders have always talked like Keynesian economists: "The deficit does not matter." "The deficit is now only a small part of the GNP." "It is manageable."

Therefore, what is needed is fundamental shift in policy to make a balanced budget a goal of administration economic policy. Short of that they will never achieve a balanced budget and the adverse effects on housing, autos, farmers, and high interest and inflation rates will continue.

The Reagan administration seems to have abandoned the old time religion. The party of William McKinley, Theodore Roosevelt, William Howard Taft, Calvin Coolidge, Herbert Hoover, Dwight Eisenhower, Robert A. Taft, BARRY GOLDWATER, and Gerald Ford has abandoned the balanced budget for the siren song of the supply siders which says deficits do not count and that by pushing on a spring we can guarantee progress and prosperity.

Because of the recession it will be impossible to provide a balanced budget in fiscal year 1982, this year. With unemployment anticipated at 9 percent or more and a falling off of production, investment and sales, Government expenditures will go up while tax receipts decline.

PREPARE NOW FOR BALANCED BUDGET

A deficit in a period of recession is justified. Our problem has been that we have had a series of deficits going back for more than 20 years, not only in periods of high unemployment and recession, but in periods of rapid growth, relatively full employment, and runaway inflation.

Where do we go from here? We should work now to provide a balanced budget in the periods of recovery and prosperity which follow the recession.

Unless we provide either for large cuts in future spending or increase in revenues, or a combination of both in fiscal years 1983 and 1984, both the inflation rate and interest rates will zoom to their recent levels and above in those years.

So the time to prepare for a balanced budget and a surplus in fiscal year 1983 and fiscal year 1984 is now. There are a variety of tools and policies by which such a program can be carried out. Here are some of them.

AGENDA FOR ACTION

Let me list a kind of agenda for action:

First, the President is now preparing the fiscal year 1983 budget. It will be proposed next January.

That budget could provide revenues and expenditures which would be in balance if the economy recovers and real economic growth in fiscal year 1983 is 3 percent or more—a balanced budget with growth of 3 percent or more.

Second, the President can propose a budget which limits Federal expenditures to a specific percent of GNP. I propose

that for fiscal year 1983 expenditures be limited to 19 percent or less of GNP. That would force additional discipline on spending and get us closer to a balanced budget.

Third, the President can use the debt ceiling as a tool to enforce fiscal discipline. As I said, he has 10 months and 15 days before the present debt ceiling is reached. He was given an additional $94 billion of spending since Congress authorized the increase in the temporary ceiling.

About $75 or $80 billion of that still remains. He should announce now that there will be no further increase in the debt ceiling and force his administration, the departmental budget officers, the Office of Management and Budget, and both Houses of Congress to find the cuts between now and then so we can live within the existing debt ceiling.

Fourth, he can apply stricter limits of off-budget lending, to the credit budget, and to loans and loan guarantees of the Federal Government which play such an important part in putting the Government into the money markets and competing with the private sector for funds for housing, autos, and consumer goods.

Fifth, he must make the most rigorous examination of the military budget in order to cut out the fat and waste, the frills and excess baggage, and to see to it that the military budget is spent for military purposes. In addition, he and his administration must concentrate on saving massive amounts of money in the area of military contracting by moving from a system which is primarily one of sole-source or negotiated bidding to a system of competitive bidding.

Furthermore, we need to put an end to gold plating and emphasize simpler, less complex and more efficient weapons.

BALANCE BUDGET IN 1983

These are just a few of the things the President can do to make certain that as the economy recovers, which both he and his chief economic advisers confidently predict for the middle of 1982, that we move strongly and purposefully toward a balanced budget in fiscal year 1983.

Mr. President, there is always debate as to whether we should balance the budget under certain economic conditions. The general consensus is we are going to have recovery beginning next summer when the 10-percent income tax reduction takes effect, that this will be an enormous boost to consumer spending and to the optimism of business, and that we will economically expand in advance.

That may well be right. I think the general feeling is we will have a growth of at least 3, 4, 5 percent or more. Under those circumstances we should balance the budget. That means we go into 1983—October 1, 1982, of course, the fiscal year begins—we go into that year with a rising economy, with an expanding economy, with circumstances in which we should, of course, balance the budget.

Instead of abandoning the balanced budget, the President should abandon the pessimism of the supply-side economists on the right who, like their opposite numbers on the left, tell us deficits do not matter and that we owe the debt to ourselves.

Through both tax and spending policies put in place in the 1983 fiscal year budget we must move massively toward a balanced budget and a surplus as the economy moves out of recession and into expansion at the end of the present period of decline.

The time to plan for that is now.

The place to carry it out is through the fiscal year 1983 budget document.

THE CONTINUING TRAGEDY IN UGANDA

Mr. PROXMIRE. Mr. President, an article in the November 13, 1981 Washington Post details the horrors of Ugandan refugees fleeing their country by the thousands and desperately seeking sanctuary in Zaire and Sudan.

This is the aftermath of Idi Amin's genocidal activities, a continuing tragedy and a nightmare from which the survivors are still seeking relief.

Thousands of soldiers from Amin's defeated Army, as well as defectors who fought as mercenaries with the Tanzanian invasion forces, now roam the dense forests where Uganda, Zaire, and Sudan converge.

Apparently still well-armed, the guerrillas ambush security forces and terrorize the local population as well as the hundreds of thousands of refugees who fled during and after Amin's reign of terror.

The guerrillas have virtually depopulated wide areas of the West Nile Province, home of the Kakwa ethnic group to which Amin belonged. Refugee officials say that Arua, just inside Uganda, has been completely destroyed.

Government officials in Sudan and Zaire are apprehensive about the effects of the refugee influx on their strained economies, and fear disruption of a precarious political and social stability.

An estimated 185,000 refugees have arrived in the region around the Zairian border town of Aru since April, 1979. Since June, 1981 45,000 have arrived in the aftermath of increased attacks in the northwest region of Uganda.

At least 250,000 refugees have fled to southern Sudan, a country already harboring an equal number of Eritrean refugees from Ethiopia. Refugee camps are overcrowded, diseases have broken out, and food and medical supplies are scarce.

Mr. President, the effects of Idi Amin's reign of terror did not end with his Army's defeat or with his escape from Uganda. The people of Uganda who survived his genocidal acts continue to suffer.

Mr. President, our ratification of the Genocide Convention will not restore Amin's victims to life or the survivors to health and freedom from want. But what of the next bloody dictator, Mr. President, and what of his victims? The United States, as a signatory to a Convention created to prevent genocide, might have brought the full weight of the international community to bear against Amin's atrocities.

If ratification of the Genocide Convention saves even one tribe from extinction, how will we answer our national conscience if we continue to delay? Mr. President, I urge immediate ratification of the Genocide Convention.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning busines for not to exceed 20 minutes with statements limited therein to 3 minutes each.

CORPORATE CHARITABLE CONTRIBUTIONS—S. 1834

Mr. DURENBERGER. Mr. President, during the past few months we have said a great deal about the Federal Government enabling local communities and voluntary organizations to play a greater role in solving our Nation's problems. We have introduced a bill (S. 1834) that will increase the capacity of the private sector to address the problems we face as a society.

The spending reductions approved by Congress, though necessary, will have a severe effect on charitable organizations. One study estimates that voluntary organizations will lose over $27 billion in the next 3 years from the cutbacks in traditional Federal support. Inevitably, charities will suffer further funding setbacks as State and local governments look for ways to trim overburdened budgets.

In addition to reductions in funding through Government programs, charities also face reduced incentives for giving created by this year's Economic Recovery Tax Act. It has been estimated that those changes in the tax law will reduce giving over the next 4 years by $18 billion in current dollars and $10 billion in constant dollars from what giving would have been if the tax law had not changed.

Yet this country has never needed the services of our voluntary organizations more. We cannot expect charities and voluntary organizations to take on a much greater role in solving the Nation's problems while, at the same time, we do nothing to help these groups compensate for the losses they have suffered. I do not intend to let this happen, which is why I join in support of this bill.

This bill is intended to enhance what has become one of the most important sources of charitable contributions and the source with the greatest growth potential: corporate giving. It does so by permitting shareholders a say in directing corporate giving through their stock dividends.

Specifically, our bill will permit shareholders each year to direct that one or more of their quarterly dividends be given to a charity designated by the shareholder. The shareholder then will

not have this dividend taxed to him or her as income—nor will the shareholder be entitled to receive a charitable deduction for the gift. The corporation, in turn, would give to the designated charity an amount that after taxes would leave the corporation in the same position as if it had paid the dividend to the shareholder.

To use a simplified example, let us assume the corporation's maximum tax rate is 40 percent. If a shareholder were to designate his $100 quarterly dividend to a favorite charity, the corporation would then give that charity $167, receiving a $167 charitable contribution deduction for an effective cost to the corporation of $100. That is the same cost to the corporation as making the $100 dividend to the shareholder, since dividends are not deductible by the corporation.

So, Mr. President, this simple modification of current law will result in increased giving to charities when shareholders realize that foregoing a dividend will result in a donation of substantially more than the amount of the dividend. Let me stress again the tremendous pressure we have put on voluntary organizations—the future success of our fight against social problems does not lie solely with the Federal Government.

The private sector must now play an increased role in the effort. As we turn more and more services and responsibility over to volunteers, the very least we can do is also give them the financial and moral support they deserve during this crucial period of transition. America's charities are willing to meet the new demands we have placed on them. Passage of this bill would help to give them the capability to succeed.

ORDER FOR 2-HOUR RECESS

Mr. BAKER. Mr. President, as I indicated earlier, there are caucuses that will occur between the hours of 12 and 2 p.m. today on both sides of the aisles. I ask unanimous consent that at 12 o'clock the Senate stand in recess until the hour of 2 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. BAKER. Mr. President, I inquire of the Chair if there is any further morning business to be transacted.

The PRESIDING OFFICER. Is there any further morning business?

If not, morning business is closed.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The PRESIDING OFFICER. The Senate will now resume consideration of the pending business, H.R. 4169, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordererd.

ARTHUR FLEMMING, PUBLIC SERVANT EXTRAORDINARY

Mr. WEICKER. Mr. President, it is my intention in just a few minutes to offer an amendment to the bill making appropriations for the Departments of Commerce, Justice, State, Judiciary, and related agencies for fiscal year 1982. Before doing that, I should like to comment on what has been reported in the press relative to Arthur Flemming.

Mr. President, Arthur Flemming became chairman of the U.S. Commission on Civil Rights in March of 1974. Born in Kingston, N.Y., on June 12, 1905, Mr. Flemming was graduated from Ohio Wesleyan University in 1927 and received his master's degree from American University in 1929. He received a juris doctor degree from George Washington University in 1933 and has been granted honorary degrees from a number of colleges and universities.

Mr. President, Arthur Flemming began his academic career as an instructor of government at American University in 1927 and became director of the School of Public Affairs at the university in 1934. He left American University in 1939 to become a member of the U.S. Civil Service Commission, where he served for 9 years. During this time, he also served as chairman of the Labor-Management Manpower Policy Committee of the War Manpower Commission for 3 years.

In 1948, Mr. Flemming was named president of Ohio Wesleyan University. He left this post in 1953 to serve as director of the Office of Defense Mobilization and, after 4 years, resumed the presidency of Ohio Wesleyan.

He was appointed Secretary of Health, Education, and Welfare in 1958 by Dwight D. Eisenhower. In 1961, he began a 7-year term as the president of the University of Oregon and then became president of Macalester College, where he remained for 3 years.

Mr. Flemming was nominated chairman of the White House Conference on Aging in 1971 and special presidential consultant on aging in 1972. He served as commissioner on aging of the Department of Health, Education, and Welfare from 1973 to 1978.

A member of the first and second Hoover Commissions on the organization of the executive branch, Mr. Flemming also served as a member of President Eisenhower's Advisory Committee on Government Organization, a member of the International Civil Service Advisory Board, and chairman of the National Advisory Committee of Upward Bound.

Mr. Flemming was appointed president of the Oregon Council of Churches in 1964, president of the National Council of Churches of Christ in America in 1966, and president of the National Council on Social Welfare in 1968. He also served as chairman of the American Council on Education in 1969.

Mr. President, I have known Arthur Flemming for the past 8 years, during the time that I have served on the subcommittee on appropriations dealing with the Departments of Commerce, Justice, State, and other related agencies. I think every American, I know every American can be proud of the stewardship that Arthur Flemming brought to the U.S. Commission on Civil Rights. He was a great credit to the Eisenhower administration in his capacity as Secretary of Health, Education, and Welfare. He has been a great credit to the academic community, and he has been a great credit to all Americans, especially to the cause of civil rights since his attaining the chairmanship of that Commission. I am deeply disappointed—deeply disappointed—in the news I heard today, which is that he has been asked to step aside.

Mr. President, if there was ever a gentle man and a perceptive man, it is Arthur Flemming. Nobody of any color or race brought more conviction to the job, to the mission, than Arthur Flemming.

I do not know what party he is registered in, Mr. President. I assume, since he was a member of the Eisenhower Cabinet, he is a Republican. Believe me, there are few Republicans that have distinguished themselves in the area of civil rights. Mr. Flemming is one of them. This country is better today for his efforts.

It escapes me as to how this administration, which is not exactly perceived as being activist in the area of civil rights, would want to let go one of the few Republicans in this country who is so perceived.

By means of these few words on the Senate floor, I just want to let Arthur Flemming know that I think he is one of the great Americans of these times, and he has never been needed more than he is needed today. Democrat and Republican, white and black, look upon civil rights as a matter of nostalgia in the past; and many of the gains that were achieved under the aegis of Arthur Flemming and others are being lost. So whatever else will now occupy his energies, I certainly wish him well.

I also wish the President would reconsider what he is doing here and take the advice of those who know about civil rights and have this fine Republican at his side during what I think are going

to be very difficult times ahead in this area.

Mr. President, I am ready to present an amendment. I do not have the amendment with me at this time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 632

Mr. WEICKER. Mr. President, I have an amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an unprinted amendment numbered 632:

On page 31, line 24, after the period, insert the following: "except that nothing in this act shall be interpreted as the establishment of religion, or prohibiting the free exercise thereof."

Mr. WEICKER. Mr. President, first of all, I commend the clerk for reading my handwriting.

Mr. President, what I have done here is to use the actual words of the Constitution of the United States rather than to use the all-encompassing word "constitutional." We now have an attempt to put into this bill the specific language of the first amendment of the Constitution of the United States.

Since many of my brethren are trying to amend the Constitution legislatively, I think I will try to protect the Constitution legislatively and let us see if we can go ahead and have my colleagues rise to their feet here and vote against the specific wording of the first amendment of the Constitution of the United States.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, the issue has not changed since debate on this floor yesterday. I think there are very few moments that I have been as disappointed in the action of the Senate as I was when in effect we went contrary to the Constitution and to the history of the interpretation of the Constitution.

The matter of religion is not something that belongs in the affairs of this Government. Religion is a personal, not an official thing in the United States of America.

It has de facto achieved official status, but that did not make it right.

I think it is safe to say for over 100 years Protestantism was de facto if not de jure the official religion of this country. Because it was, large numbers of persons were deeply wronged.

Those who come to mind most easily are Catholics, who until the election of John Kennedy were discriminated against in the American political system; Jews who were discriminated against in the American political system.

The fact is that we do not recognize any particular faith. It is not the job of any Senator to take up on the floor whether a rabbi leads off on Saturday or the priest leads off on Sunday.

And this word that is bandied about the floor that we are living under the Judeo-Christian ethic, I see no words in the Constitution about the Judeo-Christian ethic. The only thing that is in the Constitution of the United States is amendment one:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

That is it. That is all that it says about religion. It is no more than that.

If an understanding of the Constitution of the United States is not clear on the floor of the Senate, where is it understood, where is it any more loved, where is it to be followed?

I want to make it clear to those who are engaged in this broad range of assaults that talk prolife, proprayer, who is against life, who is against prayer? No one that I know of.

In this instance the oath of office which I took to the Constitution of the United States makes it incumbent upon me to fight with every breath in my body to permit anyone to practice anything that he or she cares to in terms of his or her religion, anything; that he or she may practice in total freedom, not just freedom by law but freedom by virtue of fact.

And the minute religion intrudes upon the Government of this country in the sense of it becoming official we set person against person and community against community.

It is the law, it is the Constitution that has given to each one of us that freedom which I am committed to defend here on the floor with many of my other colleagues.

It just did not happen. This Nation was founded because of the violent acts of religion in another country thousands of miles away.

In the name of religion more mayhem and mischief has been committed in the history of this world than for any other cause.

My creed is the Constitution of the United States. It is not the creed of any other faith or any faith.

And so I hope in this very simple amendment that my colleagues will join with me in reaffirming their commitment to those magnificent words:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

Now, Mr. President, unless there is further to be said on the subject, I am quite prepared to move to the vote.

The PRESIDING OFFICER. Is there any further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Connecticut.

On the question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Arkansas (Mr. PRYOR), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I further announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I also announce that the Senator from Alabama (Mr. HEFLIN) is absent because of death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 380 Leg.]

YEAS—93

Abdnor	Garn	Moynihan
Andrews	Glenn	Murkowski
Armstrong	Gorton	Nickles
Baker	Grassley	Nunn
Baucus	Hart	Packwood
Bentsen	Hatch	Pell
Biden	Hatfield	Percy
Boren	Hawkins	Pressler
Boschwitz	Hayakawa	Proxmire
Bradley	Heinz	Quayle
Bumpers	Helms	Randolph
Burdick	Hollings	Riegle
Byrd, Harry F., Jr.	Huddleston	Roth
	Humphrey	Rudman
Byrd, Robert C.	Inouye	Sarbanes
Chafee	Jackson	Schmitt
Chiles	Jepsen	Simpson
Cochran	Johnston	Specter
Cohen	Kassebaum	Stafford
Cranston	Kasten	Stennis
D'Amato	Kennedy	Stevens
Danforth	Laxalt	Symms
DeConcini	Levin	Thurmond
Denton	Long	Tower
Dixon	Lugar	Tsongas
Dodd	Mathias	Wallop
Dole	Matsunaga	Warner
Durenberger	Mattingly	Weicker
Eagleton	McClure	Williams
East	Melcher	Zorinsky
Exon	Metzenbaum	
Ford	Mitchell	

NOT VOTING—7

Cannon	Heflin	Sasser
Domenici	Leahy	
Goldwater	Pryor	

So Mr. WEICKER's amendment (UP No. 632) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for debate on this measure be extended for not to exceed 5 minutes in order for me to make a statement and the distinguished Senator from North Carolina to offer an amendment in respect to this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order on tomorrow, the Senate resume consideration of the pending business, and that at that time the amendment of the distinguished Senator from North Carolina, which he is about to offer, will be the pending amendment; that at 11:30 a.m. tomorrow, the Senate temporarily lay aside this measure in order to accommodate the previous order for the vote on nine treaties, and that immediately following that vote, without further debate, intervening motion, or appeal, the Senate proceed to vote in relation to the Helms amendment.

Mr. HELMS. If the distinguished majority leader will yield, if the amendment is not accepted.

Mr. BAKER. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The Senate continued with the consideration of the bill.

Mr. BAKER. I yield to the distinguished Senator from North Carolina so that he may offer his amendment. I believe there will be approximately 4 minutes of debate left for that measure, at which time, under the order previously entered, the Chair will put the Senate into recess until 2 o'clock this afternoon.

I might say that this arrangement has been cleared with the minority leader, who has just left the floor to attend an official function.

Mr. President, at 2 o'clock this afternoon, I intend to ask the Senate to temporarily lay aside this measure in order to go to the foreign assistance appropriations bill.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I commend the distinguished Senator from Connecticut for what I trust is a correct perception of the intent of the amendment just adopted, which I urged all Senators to support. There never has been a question that it would be the "establishment of a religion" to have children be permitted to engage in voluntary prayer. Certainly, there is no prohibition of the free exercise of religion involved in school prayer. The question has been contrived as a result of the Supreme Court's meddling in a matter that was none of the Court's business in the first place.

Mr. President, I have been presiding over a farm bill conference on the House side. I could not be here for the discussion of the amendment of the distinguished Senator from Connecticut. I would mention now that had I been able to be here, I would have suggested that instead of the word "except" at the beginning of Senator WEICKER's amendment the word "and" be used instead. Of course, being tied up elsewhere, I was not able to do that.

UP AMENDMENT NO. 633

(Subsequently numbered amendment No. 633.)

Mr. HELMS. So, Mr. President, simply to make clear that there is no intent to derogate the limitation on expenditures in the Senate's unanimous approval of the Weicker amendment, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 633:

On page 31, at the end of line 24, insert the following:

"*Provided further*, That nothing in this provision shall be interpreted in derogation of the limitation on expenditures stated herein".

Mr. HELMS. Mr. President, it may be that the distinguished Senator from Connecticut would be willing to accept this amendment and there would then be no need for any further discussion, now or later.

Mr. WEICKER. I say to my good friend from North Carolina, I have not had a chance to evaluate the language which he has presented to the Senate. I certainly will do that prior to our returning to this bill on tomorrow. I will be glad to give an answer at that time.

Mr. HELMS. I appreciate that.

Mr. President, inasmuch as I will be in the farm bill conference again tomorrow, I ask that it be in order that I ask for the yeas and nays on the amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I will say that if the distinguished Senator from Connecticut decides to accept the amendment, I will of course ask that the yeas and nays be vitiated on tomorrow.

I yield back the remainder of my time.

Mr. WEICKER. I yield back the remainder of my time.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, at 12:21 p.m., the Senate recessed until 2 p.m., whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. LUGAR).

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS, 1982

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate may temporarily lay aside the pending business and proceed now to the consideration of S. 1802.

The PRESIDING OFFICER. Without objection, the clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1802) making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1982, and for other purposes.

The Senate proceeded to consider the bill.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KASTEN. Mr. President, it has now been more than 2 years since the Senate has considered a regular foreign assistance appropriations bill. It has been more than 3 years since such legislation has been signed into law. We are into the third year of continuing resolutions, and while the House Appropriations Committee has reported out foreign assistance legislation, it is nonetheless beginning to look like fiscal year 1982 will be the third full year of trying to manage and administer U.S. foreign assistance programs under a continuing resolution—a resolution, incidentally, which has as its base the unenacted conference report for fiscal year 1980.

Mr. President, it is against this background that the committee took the unusual step of reporting an original appropriation bill. We took this action for several reasons, but I believe we must emphasize that we did not take this action as a slap at the House.

On the contrary, the chairman and ranking Republican member of the House subcommittee have repeatedly indicated their own strong desires to get a foreign assistance appropriations bill enacted this year.

Hopefully our action here will help them in their efforts. I especially hope that our action will cause the administration to double its efforts, at the highest levels, and help those in the House who are working for enactment of the foreign assistance appropriations bill.

Mr. President, the bill as reported to the Senate provides for a total appropriation of $7,250,083,804 in new budget authority, $338,084,879 below the administration's September request, and $344,196,260 below the amount recommended in similar legislation reported in the House. The committee's recommendation is $1,505,981.028 below the President's March budget request. However, the committee's recommendation for the Export-Import Bank's program limitation is substantially above the administration's request.

The committee bill provides for a direct loan limitation of $4.7 billion, nearly $900 million more than was requested for the Eximbank in the President's September request. The budgetary effect of this recommendation means that the overall bill is over the President's September budget authority request.

However, I believe we are close enough to our goal, especially considering the give and take that will come in a conference with the House.

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

For multilateral economic assistance the committee is recommending the appropriation of $1,296,138,804, $322,318,875 below the administration's September request. Included under this heading are the multilateral development banks and voluntary contributions to United Nations and Organization of American States programs and agencies.

The committee is recommending small reductions, for budgetary reasons, to all of the multilateral development banks except for the soft loan window of the World Bank and for the Asian Development Bank. For the Asian Development Bank, the committee is recommending an appropriation slightly over the administration's September request.

The committee makes this recommendation in order to acknowledge that institution's superior management, which has consistently been more efficient and cost effective than all of the other multilateral banks.

For the International Development Association, the committee is recommending a reduction to the administration's request of $288 million. This recommendation follows the recommendation and justification originally made by the committee when it approved the first appropriation for IDA VI in the fiscal year 1981 supplemental. While this particular recommendation has created some controversy, it was held up by an overwhelming vote when an attempt was made in the full committee to increase it.

The committee's recommendation for voluntary contributions to U.N. and OAS voluntary programs is approximately $12.6 million below the administration's request. The committee is recommending $134.5 million for the United Nations development program and $38 million for UNICEF, the two most well known and well thought of U.N. programs in this account.

The request for the International Fund for Agricultural Development has been deferred for consideration until fiscal year 1983. The committee's justification for this action is presented in some detail in the committee report.

In recognition of our increased efforts in South America, the committee recommends $16.5 million for the OAS programs, the same as the President's March request.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

For bilateral economic assistance, the committee is recommending an appropriation level which is $140,766,000 below the administration's September request. The primary accounts under this heading are the Agency for International Development's functional accounts, which make up $1.2 billion of the committee's recommendation, and the economic support fund, which makes up $2.549 billion of the committee's recommendation.

The latter account provides funding to those countries which have a special political and security relationship with the United States, the primary ones being Egypt and Israel.

Other accounts included under this heading are the State Department's migration and refugee assistance program and its international narcotics control program, the Peace Corps, and the Inter-American Foundation.

TITLE III—FOREIGN MILITARY ASSISTANCE

The committee is recommending the full budget request for title III, the foreign military assistance program. This program is made up of three programs.

First is the military assistance grant program, which provides grant military equipment and services to selected allies around the world. This program is phasing out, and unless something unforeseen develops, this is the last year for this particular program.

The second part of the foreign military assistance program is the international military education and training program. This program provides grant assistance for the training of military personnel from other countries. This training is done both in the United States and at institutions overseas, primarily the schools in the Panama Canal Zone.

The third military assistance program, and by far the largest one, is the foreign military credit sales program. Under this program the United States provides credits so that selected friends and allies may purchase military equipment.

In addition, there are direct credits in the form of grants to selected countries, primarily Israel. The committee is recommending a total appropriation of $1,096,376,000 for this title.

TITLE IV—EXPORT-IMPORT BANK

The committee's recommendation for the Export-Import Bank is substantially above the administration's request. For the direct loan program the committee is recommending a program limitation of $4.7 billion, compared to the administration's September request of $3,872,000,000. For the guarantee and insurance limitations, the committee is recommending $9,220,000,000, $1 billion more than the administration's request. This latter amount does not have any budgetary affect. The $1 billion add-on breaks down into $500 million for increased guarantee commitments and $500 million in FCIA insurance.

The committee strongly supports the Export-Import Bank, and, in fact, there was quite a bit of sentiment to go even higher than we did. However, the budgetary situation is such that the committee felt it could not add any more than it did.

Parenthetically, there is a great deal of concern in the committee with respect to the management of the Bank. The committee has learned only second hand of a number of new policy directions which have been done without consultation. In the future, the committee expects to be so consulted.

Mr. President, the thread which ties the rationale for the U.S. foreign assistance program together can be described in one word—that word is stability. Whether our foreign assistance program is in the form of military assistance to Israel, or whether it is in the form of rural health clinics in Upper Volta, in both cases the purpose is to promote a stable world.

It is perhaps easiest to see this in our foreign military assistance program, where our assistance is seen directly as providing for security and stability from outside interference.

However, there are other destabilizing factors, not military, which our foreign assistance program seeks to address. Surely the orderly economic development of any country in the world is to our advantage, and through the various types of foreign economic assistance, whether it be population control or agricultural related, the rationale is to promote stability.

It does not take the citation of too many examples to show where a world which is not in a stable condition works toward the disadvantage of the United States. The type of world we hope for will open more markets for U.S. goods, meaning more jobs for American workers. A peaceful continent of Africa and South America results in a steady supply of many of the most crucial raw materials the United States needs. A stable Middle East means secure energy supplies, and a safe Isreal.

Mr. President, I know it is difficult for many of my colleagues to support the foreign assistance program, and frankly I have been one who in the past has been very critical of foreign aid. There remains much in the program which deserves criticism, but I think overall we must recognize it as a selfish vehicle, one that is meant to serve U.S. interests, though surely it does not do as good a job as we would wish.

So, while I do not expect to make foreign aid supporters out of long-time foreign aid detractors, I do believe that a thoughtful consideration of some of the arguments I have just made would at least cause them to recognize the possibility of value in this program.

I ask unanimous consent to insert in the RECORD at the conclusion of my remarks a letter to me from David Stockman, in which he indicates that except for some problems with the Export-Import Bank, the administration views this bill as furthering "the President's goal of holding down the budget and reducing the deficit."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. President, before I yield the floor to the ranking minority member, I would like to express my personal appreciation to Senator INOUYE, the ranking minority member of the subcommittee, who has been the leader and chairman of this subcommittee for many years.

Senator INOUYE has been tremendously helpful to me, always cooperative and understanding. It has been a great personal pleasure to work with him. I value his advice and I am enjoying his friendship, which I am confident will grow as years go by.

I would also like to thank the subcommittee staff who have done an outstanding job. I especially thank Jim Bond, his assistant, Ms. Jane McGhee, and also Richard Collins on the minority staff. They have worked hard and cooperatively in producing this bill which is before us today.

I urge my colleagues to support this legislation.

At this time, I yield the floor to Senator INOUYE for his opening statement.

The PRESIDING OFFICER. The Senator from Hawaii.

EXHIBIT 1

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., November 13, 1981.

Hon. ROBERT W. KASTEN, Jr.,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As the Senate prepares to take floor action on S. 1802, the Foreign Assistance and Related Programs Appropriations Bill, 1982, I wish to bring to your attention the Administration's views on the bill as reported by the Committee on Appropriations.

The Senate bill is generally in accord with the Administration request. While budget authority exceeds the September request by $338 million, or 3 percent, the resulting fiscal year 1982 outlay increase would be only $89 million. As reported by the Appropriations Committee, the Senate bill helps further the President's goal of holding down the budget and reducing the deficit.

The Administration has concerns, however, with the proposed treatment of the Export-Import Bank's credit limitations in this bill.

The $4.7 billion limitation on the Export-Import Bank's direct loan obligations and $9.22 billion limitation on loan guarantee commitments proposed in the bill substantially exceed the Administration's requests of $3.87 billion and $8.22 billion, respectively. They result in an increase of $828 million in budget authority, with resulting outlay increases of $83 million in 1982. Of even greater concern are outlay increases of $257 million in 1983, and $174 million in 1984.

There is also a special concern that S. 1802 proposes, for the first time, to set statutory m'nimums, or "floors" on new lending activities of the Bank. Such floors are highly undesirable, since they could force the Bank to seek additional business that may not be justifiable on economic or policy grounds.

I know that you share the Administration's continued commitment to reduce the growth of Federal spending. I hope that you will consider the Administration's concerns as you proceed with floor action on the bill.

Sincerely,

DAVID A. STOCKMAN,
Director.

Mr. INOUYE. Mr. President, I wish to thank my chairman for his kind words.

I join him in expressing gratitude to Mr. Bond, Ms. McGhee, and Richard Collins.

It has been my pleasure to work with the Senator from Wisconsin as he has learned his craft and developed the skills of a U.S. Senator. Senator KASTEN began the year as a freshman Senator. Before the day is out, I predict he will be a seasoned veteran. He has done a remarkable job, and I have, indeed, enjoyed working with him.

The chairman has enumerated the budgetary comparisons between this bill and the President's budget request, as well as the House-reported bill. I will not repeat those comparisons, but I do wish to echo Senator KASTEN's words and offer an explanation of why we are considering this bill—a Senate bill—today.

The foreign assistance programs of our country have been funded under continuing resolutions for the past 2 years. They continue to be funded in this manner at the present time, and there is a strong possibility that they will be funded under a continuing resolution for the remainder of fiscal year 1982.

Mr. President, when the administrators of Government agencies must operate their programs under the authority of a continuing resolution, they lose many of their management tools: necessary management decisions and personnel actions are delayed; planning and budgeting are tied to conditions which may no longer exist. Imagine trying to administer a program in 1982 under funding provisions and restrictions which were established in 1979. It is a difficult, if not impossible, task to do well. And yet, that is what we will require the administrators of these programs to do, if we do not enact a foreign assistance appropriations bill or—and here is the crux of the matter—make a fundamental adjustment in the terms of the continuing resolution. We can do that by making the Senate-reported bill, as amended, the base for calculating a rate of operations under a new continuing resolution.

It is as simple as that. We can force Government managers to make costly adjustments to outdated legislation or we can fulfill our responsibilities and legislate.

Mr. President, I strongly support the actions of the Appropriations Committee to bring this bill to the Senate floor. I do have some continuing concerns, and I shall address them when I offer amendments for consideration by the Senate.

There is one fundamental, overriding concern, however, which I wish to speak about now. I have said that I support the actions of the Appropriations Committee in bringing this bill before the Senate. I have said that, even though I am distressed by the lack of balance in this bill, because I believe it is our duty to draft legislation and to present it to the Senate for consideration and possible amendment.

Nonetheless, I would be remiss if I did not state, in unequivocal terms, my belief that an altogether disproportionate amount of the funding proposals in this bill are predicated on security assumptions primarily military in nature. This bill would provide appropriations to finance nearly $6 billion—$5,717,476,000—in security assistance and arms credits. The total of economic development assistance, excluding our refugee assistance programs, is only about one-half that amount, $3,118,207,804.

In this regard, let me note briefly what I regard as more than a curious anomaly. Global arms sales, according to the Department of Defense, increased by $1.3 billion in fiscal year 1971 to $15.2 billion in fiscal year 1980. The United States has surpassed the Soviet Union as the world's principal arms exporter. In the period 1977–80, the United States exported more than $24 billion in arms. This was 43 percent of the world total, as compared to 27 percent for the Soviet Union.

And yet, Mr. President, international stability has not increased. Listen to these comparisons:

In 1978, Nicaragua, having a per capita income of $840, spent $28 per capita on military expenditures but only $13 on health.

In the same year, Vietnam spent $18 per capita on military expenditures but only $4 on education and $1 on health.

In the Middle East, Egypt spent $91 per capita on the military but only $28 on education and $9 on health.

Apparently, arms sales do not contibute to stability. Rather than increasing stability and creating a favorable environment for U.S. economic goals, they have caused a fundamental shift in world opinion. Recent studies indicate that an increasing number of people in the non-Socialist world have come to regard the United States, not as the protector of the peace but as the proponent of arms sales.

Mr. President, our international security assistance programs are an important part of our overall foreign assistance programs. But when we allow them to dominate our relations with the developing world, we make the mistake of attempting to impose rather than create stability. The preponderant weight given to international security assistance and arms credits in this bill reveals, I believe, a fundamental misperception of the basic causes of instability in today's complex world.

In my view, the greatest threat to international stability is internal violence in the form of subversive or revolutionary movements bred by the conditions of crushing poverty and malnutrition in the developing world. It must be asked, if we make it easier for developing countries to opt for arms instead of bread for their people, do we improve their security? I think not. To the contrary, I believe that, if we base our foreign assistance policies on considerations which place too heavy an emphasis on military threats to security, our programs will fail to come to terms with the basic causes of instability and will deny the fundamental requirements of human existence to those in need. Military assistance, by any name, cannot serve to promote stability where it is threatened by economic discontent. If men are to work for peaceful social change, they must be encouraged to believe that their rightful demands will be met with enlightened humanitarian assistance and not repression by force of arms.

The funding level recommended by the committee would provide exactly what the President requested for mili-

tary assistance, for security assistance, for military training assistance, and for arms credits. Only the economic development assistance accounts were reduced.

Mr. President, at an appropriate time I will offer an amendment to provide full funding of the President's request for the International Development Association. I would hope that my colleagues will recognize the necessity of restoring at least a semblance of a balance to this bill.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. QUAYLE). Without objection, it is so ordered.

UP AMENDMENT NO. 634

(Purpose: Increase funding for the Sudan by $50 million, earmark funding for Egypt, Israel and Cyprus, and eliminate Committee language prohibiting assistance to Poland, Tunisia, and Costa Rica)

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 634.

Mr. KASTEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 8, Line 19, beginning with "$2,548,500,000" strike out all through "United States:" on Page 9, Line 2 and insert in lieu thereof the following: "$2,598,500,000: *Provided*, That of the funds appropriated under this paragraph not less than $806,000,000 shall be available for Israel, not less than $771,000,000 shall be available for Egypt, and not less than $100,000,000 shall be available for Sudan: *Provided further*, That, except as otherwise provided under this paragraph for Egypt, Israel, Sudan, Cyprus and scholarships for South African students, funds appropriated under this paragraph shall be made available only in accordance with the recommendations of the Committee on Appropriations of the Senate set forth in a table under the heading "Economic Support Fund" contained in Senate Report No. 97-266:"

Mr. KASTEN. Mr. President, this amendment serves two purposes. The first purpose is to eliminate the language in the committee bill which has caused some concern among our colleagues. That language prohibited funding for Poland, Tunisia, and Costa Rica, except that it provided that the President could have waived that limitation. The sole purpose for that committee language was technical in nature. The language was designed to effect the committee's decision to support the administration's budget request for the economic support fund, and was required in order to overcome earmarkings in the authorization legislation which would have had the effect of decreasing our recommendations by $25 million. Since the reporting of this legislation, however, a number of my colleagues have expressed the concern that the language might be misinterpreted. Therefore, this amendment would eliminate that language, but by using other language nonetheless effect the committee's recommendations. As for assistance to Poland, Tunisia, and Costa Rica, such assistance could be provided if the administration so desires.

Mr. President, the main purpose for the amendment now before us is to provide additional funding for the Sudan. This is on the basis of an urgent request by the administration, for which a budget amendment has been prepared and approved.

Mr. President, I have a letter from the President of the United States, dated November 16, 1981, to the Speaker of the House, and also a letter from OMB to the President, dated November 16, 1981, containing that request. I ask unanimous consent that both letters be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., November 16, 1981.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

Sir: I ask the Congress to consider an amendment to the request for appropriations for fiscal year 1982 in the amount of $50,000,000 for foreign assistance.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

RONALD REAGAN.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., November 16, 1981.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration an amendment to the request for appropriations in fiscal year 1982 in the amount of $50,000,000 for foreign assistance. The details of this request are contained in the enclosure to this letter.

I have carefully reviewed the proposal contained in this document and am satisfied that this request is necessary at this time. I recommend, therefore, that this proposal be transmitted to the Congress.

Respectfully,

DAVID A. STOCKMAN,
Director.

FUNDS APPROPRIATED TO THE PRESIDENT

1982 budget appendix page	Heading	1982 budget request	1982 amendments pending	1982 proposed amendment	1982 revised request
I-D7	Economic support fund	$2,431,500,000	$117,000,000	$50,000,000	$2,598,500,000

This proposal provides for additional assistance for Sudan. It would increase 1982 outlays by $50 million.

Mr. KASTEN. Mr. President, Sudan's economic situation at this time is probably the gravest in Africa. Sudan's external debt has grown to $5 billion, and it is in arrears on $2 billion of that debt, its debt service ratio having risen to an alarming 60 to 70 percent of its foreign exchange earnings. Its principal export, cotton, has declined precipitously in the past 10 years due to overvalued exchange rates and movement of farmers into other crops and the shortage of labor. Soaring oil prices have also eaten into the balance of foreign exchange earnings.

Sudan has been one of the few countries in that part of the world to support the Camp David peace process. As a result, Libya, its neighbor to the west, has been actively working to overthrow the current government, trying to capitalize on the current economic situation. As a result, Sudan has appealed to friends such as the United States to provide additional assistance to that being provided by the International Monetary Fund so that it can weather these current difficulties, especially while taking on the hard reforms that are required by the IMF. Sudan has bitten the bullet, but it does need help outside of the IMF action. The IMF estimates that even with the reforms, and with projected debt rescheduling, and with the IMF drawing, Sudan will still be short between $250 and $300 million to meet its obligations in the coming months. Some of these obligations must be met in the next 30 days, thus the urgency of this request.

Mr. President, the Sudan is our friend, a close friend of Egypt's and most importantly, a good friend of the Camp David peace process. I believe it is crucial at this time for the United States to take this action, which will be extremely valuable, both in political and economic terms, to the current Sudanese Government. The timing of this is very important, as President Nimeiri is currently in the United States and it would obviously be helpful to him to take home news of additional U.S. support personally.

Mr. President, one last point: There has been criticism in the past that our military assistance to Sudan has not been responsive to its economic problems. Sudan does, of course, have a legitimate military need, but this funding is economic in nature, and desperately needed at this time.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I am pleased to concur with my chairman, Senator KASTEN. I think his arguments are worthy of our consideration. I wholeheartedly support him in this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 634) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 635

(Purpose: To increase fiscal year 1982 appropriations for the International Development Association to the amount requested by the President)

Mr. INOUYE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Hawaii (Mr. INOUYE) proposes an unprinted amendment numbered 635:

On page 3, line 23, strike $532,000,000 and insert in lieu thereof $820,000,000.

Mr. INOUYE. Mr. President, technically, the amendent I propose is quite simple. It provides the amount requested by President Reagan for a fiscal year 1982 contribution to the International Development Association. The amount is $820 million, or $288 million above the amount recommended by the committee.

Politically, and in relation to our fundamental interests, however, this amendment is not at all simple—it has a direct bearing on international cooperation and global stability and on the position of the United States as the leading economic and political power in the world.

The International Development Association is the so-called "soft-loan window, or concessional lending facility of the World Bank." It extends long-term, interest-free credits to the poorest countries in the world. These are soft loans, but they are not "soft-headed" loans;

Reflecting the importance of the agricultural sector, on which the majority of the world's poor depend, IDA has devoted nearly half of its lending to agricultural and rural development;

The development projects financed by IDA must meet the same economic and financial standards of the World Bank; and

As the ongoing Treasury Department study—which was initiated by the Reagan administration—has indicated, IDA projects have historically enjoyed rates of return equal to or better than U.S. private sector projects.

Mr. President, my amendment would provide $820 million as the fiscal year 1982 U.S. contribution to the sixth replenishment of IDA resources. As negotiated in international meetings, the U.S. share of IDA VI is $3.24 billion or 27 percent of total donor contributions. U.S. negotiators—in these international meetings—responded to congressional concerns by achieving a reduction in the U.S. share. In IDA V it was 31 percent; in IDA VI it will be 27 percent.

Of equal importance, our negotiators achieved an increase in the contributions made by others—Japan and Germany, as well as nine other countries have increased their shares. For each dollar the United States contributes, other countries will contribute $2.70. If the United States contributes $820 million this year, others will contribute $2,220 million. Conversely, if we reduce our contribution, others will reduce theirs. The $288 million difference between the amount I propose and the amount proposed by the committee will generate $815 million in contributions from other countries.

We often speak of burden-sharing among the developed countries. Here it is. We contribute $820 million, and they contribute $2,220,000,000. Does anyone in this Chamber believe that the United States does not benefit from this burden-sharing? Does anyone in this Chamber believe that the United States would provide $3,240,000,000 in fiscal year 1982 bilateral assistance for programs which demonstrably serve our national interests

That, I suggest, is what we would have to do were it not for the burden-sharing arrangements provided in the International Development Association. I would remind skeptics that 7 of the top 10 IDA recipients border on the Indian Ocean. All are of strategic interest to the United States, and all have been courted by the Soviet Union. Our interest in opposing the expansion of Soviet influence dictates our support of IDA.

Mr. President, IDA lending promotes economic development of the less developed countries (LDC's) and thus enhances U.S. exports; 25 percent of all U.S. manufactured exports go to non-oil-producing LDC's. Add the 13 members of the OPEC oil cartel, and the share rises to 38 percent. The developing countries are the largest potential market for U.S. finished products. I trust I need not remind anyone that we are in a recession and that export expansion is important to economic recovery.

Mr. President, there is another aspect of this interdependency which must be recognized. IDA lending promotes economic and political stability in the Third World. The United States has a vital interest in the stability of the Third World. Last year, the United States imported $49 billion of commodities from non-oil-producing developing countries.

We imported 100 percent of the columbium and strontium we need for steel and other metals and alloys used in our aerospace, machinery, and transportation industries; 93 percent of the bauxite used in the aluminum industry; 62 percent of the zinc used in the electrical, alloy, and construction industries; 90 percent of the cobalt used in industrial and aircraft engines and in the computer industry; 81 percent of the tin used for electrical construction and transport industries.

Mr. President, I hope that the brief arguments I have presented will encourage others to support my amendment. I hope I have demonstrated my belief that U.S. contributions to the International Development Association are, in fact, investments in international stability and that they promote the economic welfare of not only the developing countries but also the United States.

I know that some will remain unconvinced, but I hope they will give their full attention to what I have said. We can no longer indulge in the harsh, often irresponsible and critical rhetoric of the past. The position of the United States as a world leader is in question. To lead we must participate and to participate we must accept responsibility.

Before he left for the Cancun summit, President Reagan said:

Certainly the record of the international system is not perfect, but people flirt with fantasy when they suggest that it's a failure and unfair.

Let us not flirt with fantasy.

Let us provide full funding of the President's request for IDA.

Mr. President, I point out, as I have on many other occasions, that about 15 years ago, the United Nations conducted an important census which received very little coverage in the press, a census of the world to determine the extent of poverty. It was decided at that time that the dividing line between the rich and the poor should be $400 per annum—$400 per year. If your per capita income was $400 or more, you were considered wealthy in the eyes of the United Nations. If it were $400 or less, you were considered poor.

At the time the census was taken, the world was divided into 65 percent poor, 35 percent wealthy. Put another way, there were 65 percent have-nots and 35 percent haves. That was 15 years ago.

Today, it is estimated that that ratio has changed from 80 percent poor to 20 percent wealthy. It is also estimated, by projections, that by the year 2000, this world will be divided into two segments—5 percent wealthy and 95 percent poor.

Mr. President, I am a politician. I am not a social scientist or an an anthropologist. These numbers frighten me, because these numbers conjure up in my mind revolutions, rebellions, civil wars, civil disorders, civil disasters.

This democracy of ours can only survive in a stable world. The only way our economy can survive is to sell. If we cannot get things such as strontium, bauxite, zinc, cobalt, and tin, we cannot produce.

IDA is one way to help these countries to help themselves. This is one way to bring about stability. This amendment will bring about a proper balance to this bill.

At the present time, two-thirds of the funds appropriated here are for military assistance, one-third for economic and humanitarian assistance. This amendment will bring about a semblance of a balance, and I hope my colleagues will support it.

Mr. KASTEN. Mr. President, I reluctantly oppose the amendment of the Senator from Hawaii, because I agree with the sense of his eloquent statement, and I also agree completely with the needs we have for worldwide economic development.

This issue was raised for discussion purposes in the subcommittee. In full committee, we had a vote, and the Senator's amendment was overwhelmingly rejected. That vote was 15 to 5.

The committee's recommendation tracks with the position taken by the full Appropriations Committee. It also tracks with the position that was agreed with by the Senate several months ago, when

we approved the first payment for IDA VI in the fiscal year 1981 supplemental.

The Senate position is the following: We would provide no more over 3 years in the IDA VI appropriation than in the IDA V appropriation—that total was $2.4 billion—and we would provide the payments in this 3-year period on the same percentage basis as the administration is requesting.

Thus, in fiscal year 1981, it would be $408 million; in fiscal year 1982, it would be $624 million; in 1983, it would be $1,368 billion. However, because the conference agreement on the fiscal year 1981 supplemental provided $500 million rather than $408 million, only $532 million is necessary now to continue the policy adopted on this matter in our 1981 supplemental.

I point out, further, that this amendment represents the administration's request, which represents a 25-percent increase over 3 years of the dollars we provided fo the soft loan window of the World Bank under IDA V, the previous agreement. This is at a time when we are being asked to cut back on our other programs.

It makes sense to me that we continue to maintain this level at the previous year's level because it is such an important program, but it does not make sense to increase it by 25 percent at a time when all our domestic programs are under such tremendous pressure. Acceptance of this amendment will drive this bill over the President's budget in both budget authority and outlays.

I also point out to the Senator from Hawaii that with the number I am recommending and that the committee has approved, there is clearly room to maneuver in conference with the House of Representatives. Frankly, we need that maneuvering room in order to get our numbers for the President's budget highest priorities under some of the other categories.

It is my understanding that we will have to do some negotiating in this area. It is also my understanding that the position of many Senators is that we should do a little negotiating in this area and somehow put more of the economic assistance into the overall foreign operations bill and balance that off with some of the military.

I hope that at this time we can maintain the Senate's position, which is to maintain the level of appropriations at the level under item 5 and that we reject the idea of going on with the level that would represent a 25-percent increase in this program at a time when domestic priorities and domestic programs are being cut back.

In truth, Mr. President, I think that by maintaining the current level, we are expressing our support of the kind of economic assistance programs we need. We did not cut this program; it was maintained at the current level. I think it would be a mistake to go further and to increase it by 25 percent.

Mr. INOUYE. Mr. President, it grieves me to stand in opposition to my distinguished chairman. I found it a delight to be working with him during this year. But on this matter I find that I must uphold the request submitted by the President.

Several weeks ago when the fiscal year 1981 supplemental appropriations bill was taken up, I believe my chairman, the distinguished Senator from Wisconsin (Mr. KASTEN) said in response to the Senator from Missouri (Mr. DANFORTH):

> It is not our purpose or interest to force a renegotiation of the sixth replenishment of the International Development Association.

If my chairman will yield, is that the position that he is still maintaining?

Mr. KASTEN. The distinguished Senator from Hawaii is correct. It is not my position, and I do not believe it is the Senate's position to force a renegotiation of IDA, under the terms and arrangements under the IDA VI agreements. I think it is still an open question as to what the amount is going to be when it comes out of conference. I think it is also an open question as to what the amount might be in future years as we were to live up to or attempt to live up to some of the overall commitments we have made.

The Senator is aware there have been discussions about stretching out the payments for an additional year with a number of the contributors. But it is not in any way my intention or the intention of the committee to force a renegotiation of IDA VI.

Mr. INOUYE. I believe that the chairman intends to stretch this out for a 3-year period; is that correct?

Mr. KASTEN. Right now the provision is over 3 years. There has been discussion of stretching it out on to a fourth year, and that is the open question.

Mr. INOUYE. But the Senator does support the full funding of the amount negotiated by our representatives.

Mr. KASTEN. I do not want to force renegotiation of the agreement, but at this point I think it is unrealistic to support funding of the amount requested for this fiscal year in this particular bill.

Mr. INOUYE. My concern is that for fiscal year 1981 supplemental we appropriated $500 million and the committee chairman's recommendation is $532 million for fiscal year 1982. That would leave a balance of $2.028 billion that we agreed to in the negotiations for IDA IV. I do not see how we can appropriate $1.104 billion in each of the next 2 fiscal years with the cap in mind. I think it would be an impossible chore.

Mr. KASTEN. With the present budgetary constraints we are faced with I think it will be an exceedingly difficult chore and it is in looking at those numbers that a number of people have at least brought up the possibility of stretching the commitments over into a fourth year or into part of a fourth year. That is an open question right now, and it depends a great deal upon the final amount that we come out of conference in and also the attitude of the administration with these amounts. But I think to change the Senate position at this time as the Senator's amendment would do great harm to this bill. It would put it over the President's request and it would also back us away from the position that we have taken in the subcommittee, the full committee, and the Senate, that this program should not be cut back but it certainly should not be increased 25 percent at a time when domestic programs are under so much pressure.

Mr. INOUYE. Mr. President, I ask unanimous consent to have printed in the RECORD at this juncture two letters, one dated November 6, 1981, the other dated November 12, 1981, from the Secretary of the Treasury, the Honorable Donald T. Regan.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., November 6, 1981.

Hon. DANIEL K. INOUYE,
U.S. Senate, Washington, D.C.

DEAR SENATOR INOUYE: I want you to know that your effort to restore the Administration's requested level of funding for the IDA VI replenishment during the Appropriations Committee mark-up of the foreign assistance appropriations bill is deeply appreciated.

We believe it is important to maintain our leadership in these international institutions, and thus have pledged to support previously negotiated agreements, albeit on an adjusted contribution schedule in recognition of domestic economic requirements.

While the Committee has provided a lower funding level for IDA than requested, I am hopeful that in conference with the House that level will be brought closer to the Administration's request. Again, your continuing support for this program and for the Administration's request is greatly appreciated.

With best wishes.

Sincerely,

DONALD T. REGAN.

THE SECRETARY OF THE TREASURY,
Washington, D.C., November 12, 1981.

Hon. DANIEL K. INOUYE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR INOUYE: I understand you will propose an amendment to the fiscal year 1982 foreign assistance appropriations bill to increase funding for the International Development Association (IDA) to the level requested by the President. I appreciate your support for the Administration's position in this matter and hope your colleagues will support your amendment.

IDA provides economic assistance to the world's poorest countries. Seven of the top ten borrowers are on the periphery of the Indian Ocean—Pakistan, Sri Lanka, Kenya, Egypt, Tanzania, Sudan, and India. All have been the targets of Soviet efforts to expand influence.

A major conclusion of the Administration's review of policies toward the multilateral development banks is that these institutions can be important instruments for promoting rational economic policies, which free the private sector to play a stronger role in developing countries. If we are to persuade other members to follow our leadership and to join us in supporting such policies, we will need clear signals of Congressional support for the Administration's position.

Due to budgetary constraints, the Administration's requests for IDA in 1981 and 1982 are sharp reductions compared to amounts provided in 1979 and 1980. Further reductions would have a minimal effect on outlays, since the full $820 million for IDA will result in outlays of about $25 million and $75 million in fiscal years 1982 and 1983, respectively.

IDA is a highly visible measure of the seriousness of U.S. intentions toward the banks. Congressional support for the IDA appropriations request is an important indi-

cator of U.S. willingness to assert a leadership role in the multilateral institutions.

With best wishes.

Sincerely,

DONALD T. REGAN.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I have the greatest respect for the judgment of the chairman of the subcommittee, the manager of the bill, and I appreciate the arguments that he has made here this afternoon in support of his position, arguments that I think reflect the austerity of the times and the difficult economic situation with which these United States find themselves.

But I feel that in the final analysis I have to come down on the side of the Senator from Hawaii, who has presented I think the stark reality of this situation.

We are not only in tough times in the United States, but we are in tough times in the world, and there has never been a time when it has been more important for us to be able to communicate in an effective and pragmatic way with the rest of the world, and that really is what is at issue here.

It is arming the President, arming the Government of the United States in order to be effective in the world.

What the Senator from Hawaii is doing is merely pressing the budget requests that have been made by the President. I do not think anyone who is familiar with the general policy and position of the Reagan administration would accuse this administration of being spendthrifts. I do not think that anyone would accuse this administration of wasting money deliberately.

And the amendment of the Senator from Hawaii really reflects the careful judgment of the President and Secretary of State and the other responsible officials of the administration.

I believe that this is a budget request that should be taken just as seriously as the request for any weapons system that we propose to add to our arsenal. We should take it just as seriously as any budget request for a defense item because the security of the United States depends upon a great number of things, and among those factors that affect our security and our vital interests are economic factors that can be heavily influenced by the kind of investment which is represented by the President's budget request.

I think we should keep firmly in mind that that is what we are talking about. We are not talking about some wild expenditure that is being proposed as an individual wish by a Member of the Senate. We are talking about the official request of the President as expressed in his budget.

That budget carefully considered, reduced to a bare minimum, reflects the judgment of the highest officials of Government as to what is necessary for our security and for the protection of our vital interests.

This is not an eleemosynary act. This is not some charity that we are proposing. This is an expenditure to promote the vital interests of this country and I think that is the way the Senator from Hawaii has expressed it.

Therefore, I think that it not only makes eminently good sense to support the amendment of the Senator from Hawaii, but that it also is a necessary thing to do, necessary in the judgment of the President, necessary in the judgment of the Secretary of State, and I think necessary in the judgment of any American who takes a realistic view of the world as it is today and as it is likely to be tomorrow.

So, Mr. President, I intend to vote in favor of the amendment of the Senator from Hawaii.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I want to commend my distinguished colleague from Hawaii who certainly, although he did not sit in on the months of deliberations and many, many sessions we had with David Stockman and others in the administration on IDA, has alertly gathered the spirit of the matter.

If we do not fulfill the President's request in this regard, we are going to unnecessarily bring up all kinds of questions as to what our intentions really are. After all, this agreement was worked out after many, many, many months of negotiating with 32 countries, and we have now taken a 3-year program and stretched it out to over 4, backloaded heavily in the final years.

I think the intention and good faith of the United States would be subject to considerable question around the world if the Senate now simply preempted the President on this and destroyed the careful continuity that has been worked out and the negotiating process that has brought us to the stage that we agreed to with the Senate authorizing committee and the President.

There are a number of reasons to support an amendment to bring our contribution to IDA up to the President's request level. These include the importance of IDA's role in furthering development, our strategic interest in many of the countries which receive loans from IDA, and maintenance of U.S. negotiating credibility with our allies.

IDA lends to the poorest countries on Earth. I am in complete accord with the President's view that developing countries must increasingly rely on investment and lending from the private sector. However, many of the countries which receive loans from IDA have not yet reached the stage where they are attractive risks for that sector. They need more educated labor forces, and a minimal infrastructure of basic roads, power, water, and food production before they will be able to attract much private capital. IDA loans help these countries meet some of these requirements.

I speak, having had some 25 years of experience in investing in countries abroad. I can assure those who are urging us to invest in those countries, I can say that until such time as there is that basic infrastructure, which no private sector can privately finance, they are not going to be prepared. So what we need to do is to put the seed money in that will attract that private capital, that will attract the technology and know-how that will flow once the basic needs have been met, and that is the whole purpose of IDA. That was the original concept from the beginning. It has worked wondrously well. It has taken certain economies that were at one time desperate up to the stage where they are now attractive for private loans, attractive for private investment, attracting not only capital but technology and know-how to their countries; and IDA can literally phase itself out of those countries and the private sector can take over. But we have a lot of countries today that are a long ways from that, and they need our help.

Many of the countries which receive assistance from IDA are of strategic importance to the United States, including Pakistan, Kenya, and the Sudan. We are increasing our bilateral assistance to some of these countries to help them defend themselves against external aggression and improve the lives of their citizens. It hardly makes sense to imperil a multilateral program which provides these same countries with financing from many countries.

Let us just take Pakistan alone. Both administrations, the Carter administration and the Reagan administration, both independently studying this situation of a nation that is strategic to us; a nation beset on one side with an invasion of Afghanistan; endangered because of the Iran-Iraq war, and put in a particularly strategic position because of total change in the evolutionary, revolutionary, process that is going on in Iran. We now are reaching out on a bilateral basis. Two U.S. administrations in a row, have believed it worthwhile to provide military and economic assistance to Pakistan, to bolster it up and give it a sense of security that it desperately needs right at this time.

How much better for us to be able to go to them and, with part of this loan and aid assistance that they need, do it through the World Bank? We know what happens when we bilaterally provide money to countries. Look at the billions of dollars that were forgiven in India alone.

There have not been defaults on the World Bank. There will not be defaults because they value highly the credit rating they have with an international organization of that stature. But many, many times there is resentment built up when we are doing these things and making loans that more properly could be done through the multilateral banks.

Further delay in meeting expected U.S. contributions to the IDA replenishment

will seriously call into question the good faith and dependability of the United States. The United States took an extra year to finally authorize our participation in the replenishment. During that time, in order to allow IDA to keep making commitments, other industrial countries advanced $1.5 billion in their own funds, even though they had the clear legal right to withhold their contributions until the United States was ready to meet its obligations. They have decided not to do this any longer. This means that every dollar we withhold from IDA results in an additional $2.7 billion being withheld by other countries. Thus, cutting the President's request by $300 million results in a total restriction on IDA lending of $1.1 billion.

This kind of disregard for our commitments to other industrial countries and to the financial impact on the poorest countries in the world will clearly have an impact on our credibility in other areas. We seek the cooperation of both industrial countries and developing countries in many areas which are important to us, ranging from defense relationships to international efforts to deal with communications and environment. If we seem to be capricious and undependable in one area, we are likely to undercut our negotiating ability in others.

I can simply say that if the Senate does this today, if we undercut the President's program, there was no use going to Cancun. All of the work that he did down there, a one-on-one basis with some 20 country leaders, would be for naught if we reverse it, if we show that he is so impotent that he cannot make a commitment of this kind, negotiated over many months by a previous administration and endorsed by this administration. We simply cannot undercut the President of the United States in this area.

And, as the arithmetic shows, it would really work adversely to the interest of the United States of America if we did so.

So I commend my distinguished colleague for his amendment. I urge that the amendment be accepted by the floor manager of the bill, Senator KASTEN, with whom we have all enjoyed working in these areas. We admire the tough-fisted and hardheaded approach in these areas. Someone has to be in that position. In this case, however, I do think when other hardheads, along with his—Secretary of Treasury Regan, Secretary Haig, Judge Clark, and David Stockman, himself—when they all have concurred that the basic program that they have laid out and that we have somewhat modified is the bottom line in this area, I think we ought to back them up and support them.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I would like to thank the Senator from Illinois for his kind comments and to say that it has been my pleasure in working with him. I unfortunately find myself in opposition with him on this particular issue, although I do not disagree with anything the Senator has said in his strong statement on behalf of increased IDA funding.

The fact is, Mr. President, that we are in a difficult financial position. And I think that the proponents of IDA, frankly, should be satisfied that we are at the level that we have had last year, and that, of course, is the Senate position.

The fact of the matter is that we have found ourselves cutting all sorts of programs—domestic programs, programs which are hitting American citizens. And there is not support, at least not in this Senator's State—and I am not so sure there is much support at plant gates or among people anywhere in this country—to increase funds in this particular area at a time when we are cutting back spending in so many others.

I would also like to remind the various proponents that this is the Senate position; it is the Appropriations Committee position. But we are going to conference. And I think that with our position at this particular level, our position being that we ought not to increase the funding for the soft-loan window of the World Bank, but we should not decry it either. Their position has been for huge increases. And somewhere in between, I think, we might find a ground that would be a whole lot more acceptable to the distinguished chairman of the Foreign Relations Committee and also to the ranking minority member of this committee.

But I cannot, Mr. President, agree to this amendment and I must reluctantly, despite my strong respect for the leadership on both sides of the aisle of the Foreign Relations Committee, I must reluctantly oppose this amendment at this time.

● Mr. DANFORTH. Mr. President, I wish to express my support for the amendment offered by the Senator from Hawaii. The amendment would reinstate the full $820 million requested by the administration for the U.S. contribution to the International Development Agency (IDA VI) in fiscal year 1982. The amount of money appropriated by the Committee on Appropriations for this purpose, $828 million less than the previously reduced administration request, falls far short of American obligations and threatens once again to damage our credibility as a reliable participant in international development assistance efforts.

I oppose this reduction in our fiscal year 1982 contribution for the same reasons I opposed a similar reduction proposed by the Appropriations Committee in May during consideration of the Supplemental Appropriations and Rescission Act of 1981 (H.R. 3512). These reasons include:

First, the United States made a commitment in 1979 to contribute a specific amount to IDA. Our credibility is at stake. The administration has already made a major change in that commitment by stretching out our payments. Another reduction in this installment would once again bring into question our ability to live up to this international obligation.

Second, we must not lose sight of the facts and purpose behind the number being debated. We are talking about the U.S. contribution to an organization that we helped create over 20 years ago, an organization that loans money to the poorest of the world's poor so that they might develop, so that they might grow enough to feed themselves.

Finally, the amendment is fully supported by the administration. These are not numbers that someone pulled out of a hat. They are the product of much thought and extended consultation with our allies.

Take a closer look at IDA.

A multilateral development bank, IDA offers low-interest loans to the world's poorest countries. Almost 75 percent of the lending now goes to the countries with a per capita income of less than $360.

IDA loans are targeted to the lowest income groups within the recipient countries, aimed at increasing prospects for long-term self-sufficiency. The loans are repaid in full by borrowers and the money is recycled.

Almost one-half of the loans are used to advance agriculture and rural development, and to increase badly needed food production.

More than 30 percent of IDA lending goes to African nations, with such important countries as Egypt, Kenya, Pakistan, and the Sudan highly dependent on the program.

It is important to note that IDA VI, the sixth replenishment of the International Development Association, represents an international agreement, a commitment by our Government to 32 other donor countries. In December 1979, all of the donor countries agreed on a $12 billion replenishment for 3 years beginning July 1, 1980.

The U.S. share of the arrangement is $3.24 billion, or 27 percent of the total. This is a decline from our 42-percent share at the inception of IDA.

IDA VI lending was already delayed by 1 year pending approval of the U.S. commitment. By the time the United States got around to offering our first installment, other participant countries had already finalized their offers and had even advanced IDA $1.9 billion. But the IDA cannot continue lending under an annual threat of the United States reneging on its agreed share.

The U.S. contribution of $500 million for the first installment was already less than half the amount proposed by the last administration. Instead of paying off our share in three equal installments of $1.080 million as originally anticipated, we will now be stretching our payments to 4 years. This change has already led some to question our commitment. The further reduction proposed by the Appropriations Committee further jeopardizes our participation in the replenishment effort.

The United States has always prided itself for being a tried and true leader in the international economic scene. I simply cannot understand why the committee is willing to jeopardize that position once again.

The President reaffirmed the administration's support of multilateral institutions in Cancun last month. We should and must stand by these obligations.●

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Will the Chairman yield for a question?

Mr. KASTEN. I would be pleased to yield for a question from the Senator.

Mr. INOUYE. Am I correct to assume from the Senator's statement that he will lead the Senate delegation to conference with an open mind in this matter?

Mr. KASTEN. Mr. President, I want to assure the Senator from Hawaii, the Senator from Illinois, the Senator from Maryland and others that I understand the importance and the strong support in the Senate for the President's mark. There are a number of items that we are going to work with in conference that would deal with economic and security assistance. It is my intention, No. 1, not to force any kind of renegotiation in the IDA VI round and, No. 2, to try to work with and accommodate the House insofar as we are able to do so within the overall budget constraints and restraints we find ourselves in.

So I go to the conference supporting the Senate position, but knowledgeable that the Senate position is one in which a large number of us would feel that the higher level is more desirable. And I will take that into consideration in our conference deliberations.

Mr. INOUYE. Am I also to assume from the Senator's statement that he has no intention to open IDA VI to renegotiation; that he will do his best to stand by the judgment of the negotiators?

Mr. KASTEN. I, in no way, want to force our negotiators to renegotiate IDA VI. I am confident that if there is a stretchout or if there is some other funding level agreed to that any of this can be done working with and accommodating the other contributors to the World Bank. And I am hopeful that we will not have to have any kind of a renegotiation.

It is my very strong feeling that we do not force a renegotiation on IDA VI. But I have an equally strong feeling that we want to work within the overall budget restraints. I do not want to force renegotiation. I would hope a position that would come out of conference would not force a renegotiation.

Mr. INOUYE. Mr. President, with this assurance, and because of my desire to present a united front when we enter into conference with the House, I will withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

UP AMENDMENT NO. 636

(Purpose: To provide full funding of the President's fiscal year 1982 request for Population Planning Development Assistance)

Mr. INOUYE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Hawaii (Mr. INOUYE) proposes an unprinted amendment numbered 636.

On page 6, line 3, strike $190,000,000 and insert in lieu thereof $211,306,000.

Mr. INOUYE. Mr. President, my amendment would provide full funding of the President's revised request for population planning development assistance—$211,306,000. This amount is $21,306,000 more than the committee's recommendation. However, it is still 17 percent below the President's March request of $253.4 million.

Mr. President, at present, the annual population growth rate in the more developed countries—that is, the United States and Europe—is six-tenths of 1 percent; in the less developed countries, it is 2.1 percent. At these rates, developed country populations will double in 113 years. A more disquieting projection is found in the estimate that the populations of the less developed countries will double in less than 35 years. In fact, United Nations projections indicate that the proportion of people living in developing countries will continue to rise in the remainder of this century—from 66 percent in 1960 to more than 78 percent in the year 2000. In other words, when this century becomes the next, three-fourths of the human population will be the "have-nots" of the world.

Population pressures have become critical and now threaten the future economic and political viability of a large number of developing countries vital to U.S. economic and security interests.

Allow me to give a specific example. The United States regards Egypt as vital to our interests. This is indicated, in part, by the fact that this bill contains funding proposals which would provide Egypt $1,671,000,000 in bilateral U.S. economic and security assistance in fiscal year 1982.

The present population of Egypt is 43.5 million people, and it is increasing at the rate of 3 percent each year. Forty-four percent of all Egyptians live in urban areas. It is estimated that urban populations in Egypt will double in 20 years. Cairo alone will grow from approximately 8 million people in 1980 to 16.4 million in the year 2000. The United Nations World Housing Survey reported that, in 1976, 60 percent of the people of Cairo lived in slums or squatter settlements. Imagine what it could be in the year 2000.

It does not greatly tax the imagination to think of what Egypt will be like in the year 2000—if population growth is not restrained. The number who live in slums and squatter settlements will increase. The number who have no jobs, no food, no hope will increase. The bitter fruit of despair will be ready for picking, and you may be certain that there will be extremists around to pick it.

We must ask ourselves whether we serve our Nation when we provide massive increases in arms—in the name of security and stability—and then seek to reduce budget expenditures by holding population assistance to 1979 levels. We ignore the true causes of instability and unrest at the peril of peace.

Mr. President, rapid population growth is outpacing the world's ability to provide the basic necessities of life. While we can take some comfort in the reduction in the annual rate of growth of the world's population—it has slowed to 1.7 percent from the 2 percent of the mid-1960's—we must also be aware that the annual increment to the world's population is increasing. The average annual population increment in the 1960's was 58 million; in the 1970's, at a reduced annual rate of growth, the annual increment was 66 million.

This is extremely significant, because of the inverse relationship between world population growth and world food production—per capita food production is declining. To be sure, we have been remarkably successful in our efforts to increase food production—but at great cost.

The doubling of world grain output since 1950 has entailed land abuse so severe that fully one-fifth and perhaps as much as one-third of the world's cropland is losing topsoil at a rate that is undermining its long-term productivity. The Department of Agriculture reports that the inherent productivity of 34 percent of U.S. cropland is now falling because of the excessive loss of topsoil.

Mr. President, I will not continue. Population problems are urgent, yet funds for population assistance have increased by less than 3 percent since 1979 and now represent in real purchasing power only 66 percent of the funds made available in 1972 when the Congress made population assistance a separate line item.

There are many here who know that I argued in committee for $240 million in funding. I was not successful, but I hope the full Senate will at least provide the President's revised budget request. I hope the Senate will support my amendment.

Mr. President, I have discussed this matter with the chairman of the subcommittee, and he has assured me that he is willing to accept this amendment.

Mr. KASTEN. Mr. President, the distinguished Senator from Hawaii is incorrect. Unfortunately, I am unable to accept this amendment. But he is correct in saying that we have discussed this amendment and that I agree with him that this account is one of great importance to our overall foreign assistance effort. It is an area in which I personally feel our support is deserved.

I would like to advise the distinguished Senator from Hawaii that the House amount of this account is approximately $50 million higher than our amount. Just to split, if we split the difference in conference, would put us over the President's budget.

I want to assure the Senator that I believe this is an important program. I believe this is a conferenceable item. I know I can assure the Senator that I will carry forward the desires that he has expressed so eloquently, as well as other Members of the Senate who I think are supportive of this program.

I further assure the Senator that the amount which comes out of conference will be a good bit closer, if not almost exactly, the amount which the President has requested and which the Senator from Hawaii is working toward.

Mr. INOUYE. Mr. President, with the assurance of the chairman that this is a conferenceable item, and that he would look with some favorable consideration

upon the President's request in conference, I withdraw my amendment.

The PRESIDING OFFICER. The amendment (UP No. 636) is withdrawn.

UP AMENDMENT NO. 637

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mrs. KASSEBAUM) proposes an unprinted amendment numbered 637.

On page 5, line 23, delete the number "$680,000,000" and insert in lieu thereof "$637,485,000."

On page 8, line 5, delete the number "$50,000,000" and insert in lieu thereof "$92,515,000."

Mrs. KASSEBAUM. Mr. President, this amendment reduces the appropriation for the Agriculture, Rural Development, and Nutrition account by $42,515,000 and increases the Sahel development program account by the same figure. This amendment reduces the Agriculture account to $637,485,000, the amount requested by the administration, and increases the Sahel development account to $92,515,000, an amount about $2 million less than the President requested.

The Sahel is a region of important humanitarian and political concern to the United States. The American people spoke from the heart in the early 1970's, when famine took the lives of thousands of Sahelians. They told the Congress that they could not accept that millions of their fellow human beings lived lives of hungry desperation and were condemned to periodic famine. The Sahel program was a mandate from the American people for a long-term commitment to enable these countries to halt the expansion of the Sahara desert and to achieve food self-sufficiency.

There have been problems with the Sahel program, of that there is no doubt. We must expect to encounter, and to overcome, problems when we made a long term commitment to the Sahel program.

The committee report indicates that there have been problems with the accounting of funds that were entrusted to the local governments. An Inspector General's report—and I would like to emphasize AID's Inspector General—discovered that some money was misused. In that there have been cases where the local governments have not used AID-furnished local currencies for agreed upon activities but for other public purposes. In these instances AID has been seeking and, so far, obtaining restitution. It is seeking to launch, with the funds we are discussing today, programs of technical assistance to train local government officials in better financial management.

In undertaking to assist the development of these countries, which are among the very poorest of nations, it was to be expected that there would be problems of this nature. What Congress has the right to expect as well is that AID will take effective action to solve these problems as they are discovered. I have received assurances from AID that improvements in the accounting procedures in the Sahelian states are among the highest priorities of the AID program in the region.

I would hope that my colleagues would join with me in this amendment. I have discussed it with the chairman and the ranking minority member of the subcommittee. I believe we can hopefully reach an agreement on this. I would appreciate their support.

Mr. KASTEN. Mr. President, I would like to say that we have been working with the Senator from Kansas on a number of different issues having to do with the African continent, knowing that she is the very capable subcommittee chairman of the African Affairs Subcommittee.

The Congress has long recognized the importance of providing assistance to the Sahel; and the Appropriations Committee believes that the Sahel development program is an international effort worthy of continued support. However, at a time when the economy of the United States is under considerable stress and major funding cuts have been made in a number of vital domestic programs, it is difficult to support the level of funding the Senator has proposed.

Mr. President, I congratulate the Senator for her work in finding ways to offset this particular account within the overall AID-Sahel development program so that we can increase these funds and put this back to the appropriate level, the appropriate level which the AID and the President have recommended, at the same time staying within the overall budget restraints which we have.

The Senator from Illinois may also want to address this issue.

It would be my intention at the appropriate moment to agree with the Senator from Kansas and to accept her very thoughtful amendment.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent to add as cosponsors Senator PELL and Senator CHAFEE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. I appreciate the remarks of the chairman of the subcommittee. It is not easy, as we are trying to find priorities for our appropriations. I am pleased that we are working at it in such a way that we can shift some funding to secure other funds. I do believe that this region is of major concern.

Mr. PERCY. Will the Senator yield?

Mrs. KASSEBAUM. I yield.

Mr. PERCY. Mr. President, with regard to the Sahel program, let me simply quote from recent testimony by AID Administrator Peter McPherson before a House subcommittee. He stated:

Since the Senate Appropriations Committee has proposed reducing the Sahel Developmnet Program to only $50 million, I would like to take this opportunity to emphasize the importance I attach to this program. We are creating the human and institutional capacity, as well as the research base, that the Sahel needs for food self-sufficiency and self-sustaining development by the end of this century.

Moreover, State Department officials advise me that decreasing the Sahel program to $50 million would endanger U.S. security interests in West Africa. The Sahel Development Program is an important tool for helping the Sahel countries to resist the threat of Libyan takeover.

I am, of course, most concerned with the prudent management of U.S. resources. We are moving rapidly and systematically to deal with weaknesses in financial management systems that have been highlighted by recent audit reports. We have instituted a requirement that AID Mission Directors in the Sahel certify, as a condition for continuing local cost financing under our projects, that adequate host-country accounting systems are in place. We are also launching programs of technical assistance and training to insure that Sahelian management institutions are strengthened. In doing this, we have squarely faced up to a legitimate criticism of the Sahel Program and are dealing with it effectively.

I commend my distinguished colleague from Kansas for offering this amendment. The manager has done a very fine job in managing this bill, and the changes in these accounts would not erode the basic allocations made by his committee. I commend the manager for accepting the amendment.

Mr. INOUYE. Mr. President, I commend my colleague from Kansas for her leadership in this area. I ask that my name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I also would like to say how happy I am that the managers of the bill have agreed to accept this amendment. We have many residents from the Sahel living in my State of Rhode Island. This matter is particularly interesting to those of us who represent Rhode Island.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment (UP No. 637) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. Mr. President, I move to lay that motion on the table .

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 638

(Purpose: To establish a limitation of $5,065,000,000 on the fiscal year 1982 direct loan program of the Export-Import Bank of the United States)

Mr. INOUYE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Hawaii (Mr. INOUYE) proposes an unprinted amendment numbered 638.

Mr. INOUYE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, line 23, strike $4,695,000,000 through $4,700,000,000 on line 24, and insert in lieu thereof $5,060,000,000 or more than $5,065,000,000.

Mr. INOUYE. Mr. President, my amendment would raise the committee's

recommended ceiling on Export-Import Bank direct loans from $4.7 billion to $5.1 billion. The amendment would increase budget authority by $365 million and outlays by less than $20 million.

In truth, this is not an increase. In fiscal year 1981, Eximbank direct lending authority was $5,461,000,000. My amendment would reduce this amount by almost $400 million. I would also note that the ceiling proposed in my amendment is equal to the ceiling adopted by the Congress in the Omnibus Reconciliation Act of 1981.

Mr. President, Eximbank loan authorization levels have been projected at a fiscal year level of $6,710,000,000. Funding of Eximbank direct loans at the $4.7 billion level recommended by the committee would, therefore, leave a $2 billion credit gap. I would suggest that, when our country is in a recession, when our trade balance is in deficit, when we are trying to revitalize our Nation's economy, it is not a good time to have a credit gap in export financing.

Faced with rapidly rising imported energy bills, the major exporting countries have been competing more aggressively for export sales. The Congressional Research Service has found that the increasing similarities in price, quality, and availability of developed country goods means that Government financing arrangements have become a determining factor in export sales.

The United States is involved in a heated international trade competition. The governmental credit agencies of foreign nations have become key elements of foreign and economic policy. These agencies aggressively promote the exports of their countries by offering extremely favorable financing to prospective purchasers, particularly on large, high technology products. In 1980, the General Accounting Office produced a study which found that, during 1978, Japan and the United Kingdom supported 35 percent of their exports, France supported 20 percent of its exports, and Germany 12 percent. Only 6 percent of American exports were supported by Eximbank financing.

Mr. President, the proposed cut in direct lending authority reduces our ability to meet foreign credit competition. At the very least, it signals an American withdrawal from aggressive credit competition, and, as a result, weakens our bargaining leverage in future negotiations to eliminate foreign credit subsidies. The Reagan administration is unilaterally disarming the United States in a global credit war.

The Eximbank has been a critical factor in promoting foreign trade. In fiscal year 1980, Eximbank's loans, guarantees, and insurance supported exports of $18.1 billion, a 33-percent increase over fiscal year 1979. The Department of the Treasury found that at least 70 percent of the $18.1 billion in exports attributable to Eximbank would not have occurred without Eximbank support. Eximbank helps our international balance of trade.

Mr. President, in fiscal year 1981, Eximbank was funded at $5.5 billion. Eximbank has already made its budget sacrifice—the $5.065 billion provided in my amendment is $500 million less than the 1981 level. Nonetheless, I do not believe the Senate would support a higher level.

Consequently, I am proposing a somewhat smaller reduction than that proposed by the committee in the hope that the Senate will do its part to encourage expansion of U.S. exports.

Mr. President, I have been assured by the chairman of the subcommittee that every effort will be made to uphold the committee's recommended level in conference.

Am I correct?

Mr. KASTEN. Mr. President, as the Senator from Hawaii knows, this is the only title in which the subcommittee recommendation and the full committee recommendation is now substantially over the President's request. It is there because there is a strong feeling on the part of the Senate that we do need this kind of assistance as we increase an aggressive export policy.

It is my hope that we can stay as close to the Senate level as possible. I know there is support in this Chamber to go even further than we have now come out of committee. We are substantially over the House number. It will be my very strong intention to stay as close to the Senate number as we can. However, unfortunately, I have to resist the amendment to increase the Eximbank figure.

Mrs. KASSEBAUM. Mr. President, I am very appreciative of the efforts of the chairman of the subcommittee to bring this in with savings that are necessary, but I should like to speak for a moment to the Export-Import Bank and some of the misconceptions that surround that program.

In the best of worlds, we would not need an Export-Import Bank funding program, but in the reality of the world as it is, we need to give assistance to U.S. manufacturers when they have to compete against subsidized foreign programs. It is not that we are just cutting assistance to large corporate structures if we significantly cut back Ex-Im funding or take it away altogether. What we are talking about, if that should be the case, is a loss of a number of jobs in the United States.

The distinguished Senator from Hawaii gave figures in proportion to the percentages of other countries compared with our own. I should like to give figures that show how Eximbank assists businesses, both large and small.

For example, more than 5,700 firms in all 50 States have received direct Ex-Im assistance.

Boeing alone helped support 3,500 first-tier subcontractors in 44 States, plus another 50,000 scecond- and third-tier suppliers of materials and services.

Nearly 75 percent of a Westinghouse powerplant project was contributed by than 32,000 exporting jobs in 37 States.

The Bank's 1980 operations supported 720,000 American jobs, using the Government's estimates that for every $1 billion in exports, 40,000 jobs are supported.

Those are some figures that show the importance of this program, the importance of funding for this program, so that we can be competitive in the international market.

I am appreciative of the efforts of the chairman of the subcommittee to retain a strong level of funding, and I wish to lend support to his efforts to keep a sound program in place.

Mr. KASTEN. Mr. President, I commend the Senator from Kansas and the Senator from Hawaii for their ongoing strong support of this program—particularly the Senator from Kansas, who has been working not only on the floor and in the Foreign Relations Committee but also in the Budget Committee, in a strong effort to support the Exim program.

I am aware of the importance of this program to our exporters. I am aware of international competition. I am aware of the growing amount of predatory financing which is being brought forth by a number of countries, and I am aware of the importance of this particular program. So I assure my colleagues that I will do everything I can to maintain this level, the level we have brought from the full committee, and I will work for a strong Eximbank funding policy.

Mr. INOUYE. Mr. President, with the assurance of strong leadership in our conference with the House in maintaining the committee's position, I withdraw my amendment.

The PRESIDING OFFICER. The amendment (UP No. 638) is withdrawn.

UP AMENDMENT NO. 634 WITHDRAWN

Mr. KASTEN. Mr. President, I ask unanimous consent to reconsider the vote by which my unprinted amendment No. 634 was adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KASTEN. Mr. President, I withdraw that amendment.

The PRESIDING OFFICER. The amendment (UP No. 634) is withdrawn.

UP AMENDMENT NO. 639

Mr. KASTEN. Instead, Mr. President, on behalf of Senator PERCY and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN), for himself, Mr. PERCY, and Mr. KENNEDY proposes an unprinted amendment numbered 639.

Mr. KASTEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 19, beginning with $2,548,-500,000" strike out all through United States:" on page 9, line 2 and insert in lieu thereof the following: "$2,623,500,000: *Provided*, That of the funds appropriated under this paragraph not less than $806,-000,000 shall be available for Israel, not less than $771,000,000 shall be available for Egypt, not less than $100,000,000 shall be available for Sudan, not less than $5,000,-000 for Poland, not less than $5,000,000 for Tunisia, and not less than $15,000,000 for Costa Rica:

Mr. KASTEN. Mr. President, this amendment essentially takes care of a small misunderstanding that our Appropriations Subcommittee had with the Foreign Relations Committee. I feel very strongly that it is important that we

work in close concert with Chairman PERCY, with the minority and with the staff. We found that it was necessary to make a change in this amendment.

Mr. PERCY. Mr. President, during consideration of the International Security and Development Corporation Act of 1981, the Senate agreed to $5 million earmarkings each for Poland and Tunisia and a $15 million earmarking for Costa Rica. This amendment simply restores those levels already agreed to by the Senate.

The earmarking for Poland would allow U.S. private voluntary agencies to purchase, transport, and distribute food and medical supplies to Poland. These supplies will be badly needed by Poland this winter, and this small U.S. effort will be politically very significant.

The earmarking for Tunisia sustains a badly needed U.S. economic aid program for that country. AID has an excellent record in Tunisia and this program has an especially high payoff. Politically, the program will help prevent social instability that is being stirred up by Tunisia's neighbor—Colonel Qadhafi of Libya. This earmark is essential.

The earmark for Costa Rica provides badly needed economic aid for the showplace for democracy in Central America. Without such aid, Costa Rica's faltering economy could cause problems not unlike those in Nicaragua and El Salvador. This is a wise investment in the future.

EMERGENCY AID FOR POLAND

● Mr. KENNEDY. Mr. President, last September 23 the Senate approved unanimously an amendment which I introduced, and Senators PERCY and PELL cosponsored together with Senators CRANSTON, BIDEN, TSONGAS, MITCHELL, and LUGAR, authorizing $5 million in emergency relief assistance for Poland.

Today I am pleased to cosponsor with Senators KASTEN and PERCY an amendment which will insure that these funds are appropriated without any restrictions for Poland—in addition to funds for Costa Rica and Tunisia—as originally envisioned by the Senate.

I believe that at this critical time when millions of Poles must face the harsh winter without sufficient coal to heat their homes, without sufficient food to feed their families, without sufficient medicine for their sick, it would be unconscionable to place restrictions on desperately needed humanitarian assistance.

Over the past year the Polish people have struggled to achieve new and important freedoms. The right to form independent trade and farm unions, the right to vote by a truly secret ballot, the right of local managers and workers to participate in the economic decisionmaking process—all these rights are unique in the Soviet bloc, and the Polish people continue to show their determination to defend these gains of the past year.

But Poland's deteriorating economic situation threatens this hard-won progress, as well as the very stability of the nation. The people of Poland hear the promise of future freedom and prosperity, but they must wait in line for food, clothing, and gasoline for hours on end, only to be told that there is no more. They are told that they must lower the temperature in their homes to 55° Fahrenheit, so that Poland can export its coal to earn hard currency for its debt.

We cannot solve all of Poland's economic problems but we must try to make a difference where we can. And one area of acute shortages where our assistance can literally make the difference between life and death is the area of drugs and medical supplies.

The Polish people are facing a severe health care emergency. Polish industry is presently unable to produce the quantity of medicines and essential medical supplies necessary to the health and well-being of its people. Even very basic items are in short supply—everything from aspirin to antibiotics, from tongue depressors to syringes is largely unavailable. And perhaps the most vulnerable victims of these shortages are the children, whose resistance to disease is further diminished by nutritional deficiencies caused by chronic food shortages.

I have been in close touch with members of the Polish-American Congress and the Solidarity labor union, as well as with the Polish Ambassador regarding this issue. All agree that we can make a difference. Project HOPE is currently sponsoring a drive to relieve Poland's critical medical emergency through donated drugs and supplies from American pharmaceutical firms, which are distributed to the Polish hospitals free of charge by Solidarity and the Polish Ministry of Health. This established network can be geared toward the children of Poland by insuring that the American Children's Hospital in Krakow, which is administered by HOPE with AID funds, is kept well supplied.

The United States should proceed rapidly to provide this desperately needed medical and related emergency assistance to the people of Poland. By supporting the appropriations amendment before us today, the Senate will confirm its unanimous support for our foreign aid authorization for Poland last September. I look forward to working with members of the conference committee and the administration in insuring that these funds are used effectively in the areas of greatest need in Poland.●

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 639) was agreed to.

The PRESIDING OFFICER. Are there further amendments?

UP AMENDMENT NO. 640

Mr. KASTEN. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 640.

Mr. KASTEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, line 22, insert in lieu of the figure "$2,500" the figure "$4,000"; and

On page 17, line 23, insert in lieu of the figure "$140,000" the figure "$138,500".

Mr. KASTEN. Mr. President, this amendment is of a technical nature. The committee agreed to a request by the administration to increase representation and entertainment expenses for the Department of Defense in connection with the foreign military assistance program. We provided most of the request, but they have informed us that they would like a slightly different breakdown between the entertainment expenses and representational allowance. This amendment complies with that request. It is my understanding that Senator INOUYE has had an opportunity to review the request and agrees with it.

Mr. INOUYE. I am always pleased to agree with my colleague.

Mr. KASTEN. I thank the Senator for his cooperation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 640) was agreed to.

UP AMENDMENT NO. 641

Mr. KASTEN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 641.

Mr. KASTEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 16, strike the language on lines 10 through 15, and insert in lieu thereof the following:

"SEC. 502. Except for the appropriations entitled 'International disaster assistance', 'United States emergency refugee and migration assistance fund' and the special requirements fund within the appropriations entitled 'Military Assistance' and the special requirements fund within the appropriations entitled 'Economic support fund,' not more than 15 per centum of any appropriation item made available by this Act for the fiscal year 1982 shall be obligated or reserved during the last month of availability."

Mr. KASTEN. Mr. President, this amendment corrects an oversight by the committee with respect to its requirement that not more than 15 percent of any appropriation item made be made available during the last month of the fiscal year. The exceptions to this have been the various contingency or disaster related accounts, and because the committee has decided to appropriate funds for special requirements funds under the economic support fund and the MAP program, we should therefore add those two programs as exceptions under this section.

I understand that Senator INOUYE has no problem with this, as it is a technical change.

Mr. INOUYE. It is a good amendment.

Mr. KASTEN. I thank the Senator for his help and cooperation.

I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (UP No. 641) was agreed to.

UP AMENDMENT NO. 642

Mr. KASTEN. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 642.

On page 3, line 12, in lieu of the figure "$1,678,305,878" insert the figure "$1,687,728,491".

Mr. KASTEN. Mr. President, this is a technical amendment adjusting the callable capital figure for the World Bank so that it conforms with the amounts provided in paid-in capital to the special capital increase and the general capital increase of the World Bank. The old figure reflected a different breakdown between these two replenishments.

Once more, it is my understanding that the Senator from Hawaii has had an opportunity to review this amendment, and he agrees with it.

Mr. INOUYE. My chairman is correct.

Mr. KASTEN. I thank the ranking minority Member for his help and cooperation.

I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (UP No. 642) was agreed to.

UP AMENDMENT NO. 643

Mr. KASTEN. Mr. President, on behalf of Senators PERCY and SARBANES, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) on behalf of Mr. PERCY and Mr. SARBANES proposes unprinted amendment numbered 643.

On page 13, line 17, delete the number "$3,063,500,000" and insert in lieu thereof the number "$3,083,500,000".

Mr. KASTEN. Mr. President, I note that the Senator from Maryland is here in the Chamber, and I yield to him to speak on behalf of this amendment.

Mr. SARBANES. I thank the chairman of the subcommittee.

Mr. President, I am very pleased to join the distinguished Senator from Illinois, chairman of the Senate Foreign Relations Committee, in introducing this amendment.

The additional $20 million in FMS credits for Greece will bring the appropriation for this purpose in the current fiscal year to the level authorized by the Foreign Relations Committee thereby keeping military aid to Greece and Turkey proportionately the same as in fiscal year 1981. It will have no effect on budget outlays. It is, however, a very significant and constructive step reaffirming established U.S. policy with respect to Greece and the Eastern Mediterranean since section 620C(b)(4) of the Foreign Assistance Act states that U.S. security assistance "shall be designed to insure that the present balance of military strength among countries of the region, including Greece and Turkey is preserved."

Adoption of this amendment will carry forward and indeed reinforce the solid working relationship between the United States and Greece. The peoples of the United States and Greece are joined by historic and traditional ties that reach back to the early days of the two countries, and these ties are cemented by a mutual commitment to democratic principles and the rule of law. The amendment proposed by the distinguished senior Senator from Illinois and myself reflects the importance attached to maintaining and strengthening that relationship, and contributes to that end.

Mr. KASTEN. Mr. President, this amendment would increase the foreign military credit sales ceiling by $20 million.

As I understand the Senator's intent, he is suggesting that this add-on be made available for Greece. The amendment is aimed at the ceiling guarantee level, thus it has no budgetary affect.

Mr. President, I support this amendment. It is my understanding that the amendment has been reviewed and agreed by the Senator from Hawaii.

Mr. INOUYE. I am pleased to join in the support.

Mr. KASTEN. I, therefore, am pleased to accept it on behalf of the majority and the minority of our committee.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. KASTEN. I am pleased to yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I am very pleased to join together with the distinguished Senator from Maryland (Mr. SARBANES) on this amendment which does add $20 million in foreign military sales financing for Greece.

This increase would provide $280 million for Greece which preserves the 7 to 10 ratio of military aid between Turkey and Greece.

There is no budget impact to this increase since FMS financing is off-budget. The loans are made at the cost of money to the U.S. Government.

The full $280 million was previously authorized by the Senate and is especially important to Greece at a time when a new government is taking office. By taking this action at this time, the Senate can send a signal to the new government in Greece that the United States wants to work together with Greece to help it preserve its security.

I might say parenthetically that I have been very disturbed by the newspaper reports of the anti-American attitude expressed by the crowds outside the Embassy in Greece.

We are not trying to say that this particular program is an answer to that. It was done long before those outcries. We in this country understand dissent as well as any other country. Here they have democracy working. They have the right to be anti-American or pro-American, whatever they want.

But the continuing policy that we are pursuing in this country and in this Congress is to show our good faith, to show our friendship with the people of Greece, the interdependence that we have with the people of Greece, and I believe that our record through the years will support those who in Greece believe that close ties between the United States of America—its Government and its people—and Greece, is in the best interests of both countries and the free world.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (UP No. 643) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 644

Mr. PERCY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) for himself and Mr. PELL, proposes unprinted amendment numbered 644.

Mr. PERCY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 7, delete the number "$216,138,000" and add in lieu thereof "$218,638,000".

On page 5, line 12 delete the number "$5,000,000" and add in lieu thereof "$7,500,000".

Mr. PERCY. Mr. President, this amendment increases the amount available for the United Nations Environment program by $2.5 million. The authorizing bill passed by the Senate earmarks $10 million for UNEP. The appropriations bill currently allocates only $5 million for this program. This amendment splits the difference between these two earmarks.

I believe that the managers of the bill have agreed to accept this amendment.

Mr. KASTEN. Mr. President, the amendment suggested by Senator PERCY would add another $2.5 million for the United Nations environment program.

I would like to point out that the committee was very generous with this Institution. We are recommending the appropriation of $5 million, $3 million or 150 percent more than the budget request.

The committee took this position despite our deep concern over two problems which have plagued this institution. The first problem has been consistent reports that the professional staff of UNEP is all but in open revolt with management. The second, more well known problem, was that institution's blatantly political action in turning down the low bid for construction of its headquarters building because the low bidder was an Israeli construction firm.

While under the circumstances I believe our recommendation is adequate and justifiable, I also recognize the Senator feels strongly about this, and I would like his assurance that his committee will look into some of these problems with the management of this Institution. The position of support taken by the subcommittee was in spite of deep concern over these two problems that have plagued this Institution.

Under these circumstances, our subcommittee was not in any way pleased or satisfied with the direction that this Institution was taking, and we sought in our hearings to demonstrate our strong concern.

I agree to the amendment of the Senator from Illinois reluctantly, but in my agreement I ask that he assure us that his committee will work with us and look into the problems that I have just spoken of because I know that the Senator does not wish to condone this kind of poor management and blatant political consideration.

If you can assure us that you will join with us in trying to solve some of the management problems of this agency I would reluctantly agree to your $2.5 million amendment for the U.N. environment program.

Mr. PERCY. I want to express concern also, and say that I share the Senator's concern, and can pledge to him that the Committee on Foreign Relations will fully look into this matter and advise the distinguished Senator from Wisconsin as to our findings.

Mr. KASTEN. With that understanding, we will go forward on this particular project, and I can assure the Senator we will do so together. Our concerns are mutual. Under those circumstances I will support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (UP No. 644) was agreed to.

Mr. PERCY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Mr. DANFORTH. Mr. President, I am concerned about the way in which S. 1802 deals with the U.S. payment to the International Fund for Agricultural Development (IFAD) in fiscal year 1982.

Let me begin with a bit of historical background about IFAD. IFAD was created in response to a recommendation of the World Food Conference in 1974.

It resulted directly from a proposal by the OPEC countries, which was actively supported by the United States. It was established in 1977 as a United Nations specialized agency, beginning operations in December of that year.

The United States made a generous contribution to IFAD of $200 million for the initial 3-year period, 1978–80. Other developed countries contributed $370 million, for a total of $570 million from the developed country side. OPEC contributions totaled $430 million for the initial 3-year period.

The issue before the Senate now is the level of the U.S. payment to IFAD for fiscal year 1982. The Senate has already passed the fiscal year 1982 foreign aid authorization bill, which includes a U.S. contribution to the replenishment of $180 million, of which no more than $45 million is to be made available in fiscal year 1982. S. 1802 as reported provides no payment in fiscal year 1982, leaving open the question of possible U.S. payments in fiscal year 1983 and fiscal year 1984.

In view of our historic support for IFAD, it troubles me that the United States would defer any contribution to the replenishment until at least fiscal year 1983—that is, October 1, 1982.

It is my understanding that the chairman of the subcommittee has three specific problems with making a U.S. contribution to the IFAD replenishment in fiscal year 1982. The first has to do with how much of the funding load is to be borne by the OECD—Organization for Economic Cooperation and Development—countries, including the United States, and how much by OPEC nations. The second problem has to do with the size of the IFAD staff, and the third concern has to do with the question of whether or not IFAD's unique mission still exists.

On the subject of cost-sharing, the original plan for IFAD was that the OECD–OPEC funding ratio was to be 50 to 50. The initial funding was 57 to 43, OECD–OPEC, and in the replenishment, the ratio would be 58 to 42. This is movement in the wrong direction, and we should do everything possible to reverse that direction and reestablish a 50 to 50 ratio. At the same time, we must be careful not to jeopardize or overlook the fact that $180 million in U.S. participation is leveraging $440 million from other OECD countries and $350 million from OPEC.

There is some question about whether or not OPEC is actively working to bring its contribution up to $450 million. The committee report expresses concern that that decision will not come until next summer. There are new indications from the President of IFAD that a decision may in fact be reached later this month. If this happens, some of the credit belongs to the Senator from Wisconsin for his diligence and concern in this matter. However, if this should occur, I would hope that a way could be found for us to respond in kind.

On the subject of professional staff size, I understand that at its origin IFAD was to have no more than 30 people. I am the last person to endorse bigger staffs, nor do I claim to be an expert on IFAD's staff needs. However, I am told that the administration has already initiated discussions with IFAD officials and other governments along the lines of the IFAD staff limit of 75 called for in the foreign aid authorization bill. I would hope this development could resolve this problem.

With regard to the final problem of IFAD's mission, I, too, would like to see an emphasis on the rural poor and on having IFAD work through other institutions rather than set up its own programs. I am not sure, however, that the record on this point is as "dismal" as the committee suggests.

Recent reports on IFAD—both the one done by our own GAO and one by the U.S. International Development Cooperation Agency, November 1980—credit IFAD with directing its resources toward the poorest countries and their small farmers. Individual IFAD projects have also been credited with introducing basic changes which have benefited small farmers in various countries.

I guess the real question is to what extent the entire program is put at risk with our failure to provide funds in fiscal year 1982. I am told that IFAD's president believes that the whole financial package would collapse if we do not meet our commitments.

It seems to me that the nature of this program, the emphasis on small farming, and the funding support from OPEC and other nations are very important concepts which should not be jeopardized. I am aware that the IFAD replenishment received considerable attention at the Cancun summit, which concluded, and I quote, that—

> IFAD requires prompt replenishment of its resources so that it may continue its operations without interruption.

The administration support for IFAD is clear, if not as visible as some of us would like. They sought $45 million early this year. That figure was adjusted downward to $39.6 million in the revised September budget. I would like to read a letter I received today from AID Administrator Peter McPherson reaffirming the administration support:

Hon. JOHN C. DANFORTH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DANFORTH: I am writing to you to make clear the Administration's position with regard to funding for the International Fund for Agricultural Development (IFAD). Most recently, Administration support for IFAD has been manifested in a request of $180 million as the United States' contribution to the replenishment of IFAD, with a first installment of $39.6 million to be appropriated for FY 1982.

The Administration's request was accepted by both the Senate Foreign Relations and House Foreign Affairs Committees. However, the Senate Committee adopted a Sense of Congress provision which noted its concern over the failure of OPEC countries to provide at least half of the contributions to IFAD, as

well as over certain staffing and implementation problems. The Senate Appropriations Committee also looked closely at these issues and felt, without foreclosing the possibility of funding for FY 1983, that they warranted closer examination before the Committee would be willing to appropriate funds. Thus, the Committee recommended that no funds be made available for IFAD for FY 1982.

I believe there is now greater appreciation on the part of IFAD as to the seriousness with which the Congress views these funding and organizational issues. We will, of course, continue to work with IFAD to assure that its original purposes can be met in a manner consistent with its prior commitments to the United States and other donors.

Of course, any action you might take during consideration by the Senate of the foreign assistance appropriation bill which is consistent with the President's request, would receive our support.

Sincerely,

M. PETER MCPHERSON.

In light of all this, it would be a great tragedy if the United States was perceived as the country that jeopardized this program's future, especially in light of positive signals received recently from OPEC.

It is my understanding that that is not the case. I am assured that in fiscal year 1983 the door is open for the United States to meet its funding commitment. I hope that the door is not closed for fiscal year 1982 if OPEC shows a willingness to meet its commitment and the other IFAD problems are resolved.

At any rate, OPEC and the other IFAD funding participants should know of the continuing U.S. commitment toward IFAD's goals and objectives.

I have been asked by Senators HATFIELD, LEAHY, EAGLETON, PERCY, and PELL, to express their support for these same sentiments.

Mr. KASTEN. Mr. President, I would simply like to state to the Senate and to the Senator from Missouri that the door is always open.

In his comments he pointed out that we have decided to defer funding for IFAD, and I might also remind the Senator from Missouri that the Arab countries have deferred their decision, as well, until next summer.

But our action is not meant to indicate to anyone that the door is closed on this question or that we do not look with favor and interest upon this program if the commitments of the other member countries are, in fact, met.

CYPRUS

Mr. PERCY. On page 9, lines 2 and 3 of S. 1802, the committee bill would provide that "not more than $7.5 million shall be available for Cyprus." The International Security and Development Cooperation Act of 1981 earmarks not less than $10 million for Cyprus.

I would note that in the Foreign Relations Committee markup a figure of $15 million was first considered, so that the $10 million earmark is already a compromise figure.

These funds would be used not only for refugee assistance but also for educational exchange. The $10 million figure in the authorizing bill represents a $5 million reduction from fiscal year 1981.

I understand that the continuing resolution in the House bill would provide $15 million for Cyprus in fiscal year 1982. Would it therefore be fair to assume that the conference report for the continuing resolution would provide at least $10 million for Cyprus and that it could be earmarked with language similar to that on page 9, lines 2–3 of S. 1802?

Mr. KASTEN. I believe that given the levels and earmarking for Cyprus in this bill and in the House continuing resolution that the assumption of the Senator from Illinois may well be correct.

Mr. PERCY. I thank my distinguished colleague very much indeed.

UP AMENDMENT NO. 645

Mr. PERCY. Mr. President, I send to the desk an amendment and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) proposes an unprinted amendment numbered 645:

On page 9, lines 22 to 25, delete everything after the number $34,160,000.

Mr. PERCY. Mr. President, I ask unanimous consent that Senators PELL and BIDEN be added as cosponsors to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. The amount to be appropriated as recommended by the Appropriations Committee reduces the President's revised request by about $2.5 million for international narcotics control.

Personally, I disagree with a reduction in this all important program to keep illegal drugs off America's streets, but I will not contest the reduction.

Although I imagine it makes Senator NUNN and other members of the Permanent Investigating Committee, who have spent so much time with me on drug abuse, unhappy when we look at the cost effectiveness of efforts that we make to try to reduce drug abuse in this country, and we recognize the tremendous cost of drug abuse running into the billions of dollars alone just on street crime. Anything we can do to reduce drug abuse is cost effective in my judgment.

This amendment deletes the prohibition on funds to the United Nations Fund for Drug Abuse Control. This program is aimed primarily at Pakistan. Now I understand that there may be some temporary absorption problems with UNFDAC, but this is no reason to prohibit funds for that program. Such a prohibition will be read in Pakistan as a sign that we are no longer interested in controlling the flow of illegal drugs from that area. I should think that simply reducing the funds for UNFDAC is sufficient and no prohibition is required. The President needs some flexibility in this area.

The Foreign Relations Committee has received a letter from the administration stating that no funds would be obligated for UNFDAC in fiscal year 1982 unless Congress receives a reprograming notice. I ask unanimous consent that that letter be placed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., November 12, 1981.

Hon. ROBERT W. KASTEN, Jr.,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In discussions which were held this afternoon between Mr. James Bond of the Senate Appropriations Committee Staff and Mr. Hans Binnendijk of the Senate Foreign Relations Committee staff with Mr. Joseph H. Linnemann of the Bureau of International Narcotics Matters, Mr. Linneman requested that the prohibitive language restricting the use of funds for the United Nations Fund for Drug Abuse Control be dropped from S. 1802.

If this can be done, the Administration would make a thorough review of our UNFDAC program needs and before proceeding to obligate any funds for this purpose the Bureau through the Department would submit a Notice of our Intention to Reprogram to both the Senate and the House of Representatives pursuant to Section 634 of the Foreign Assistance Act.

I hope this proposal is acceptable to you.

Sincerely,

RICHARD FAIRBANKS,
Assistant Secretary for Congressional Relations.

Mr. PERCY. With this assurance I do believe this amendment may be acceptable to the managers of the bill.

Mr. KASTEN. Mr. President, concern has been expressed by Senators PERCY, D'AMATO and others regarding the committee's action which cut funding for the United Nations Fund for Drug Abuse Control and put in the bill language prohibiting funding for that program.

The reason for the committee's action is that in the hearings we discovered that the pipeline for the U.N. fund remains quite large, and it is obvious that the program does not need any new funds. That situation has not changed.

However, I do understand the concern that has been expressed with reference to the prohibition which we have put in the legislation, and I am, therefore, willing to accept the amendment dropping the prohibition. However, it is nonetheless understood that the cut that we made to the program includes the cut from the U.N. fund. This is not going to hurt this program, as, in fact, they have already indicated that they intended to use money budgeted for the U.N. fund as a contingency fund for bilateral programs. Even now there is a reprograming pending which would use one of the $2 million available for the U.N. fund for a program in Mexico.

I am pleased that the Senator has asked that the letter from Mr. Richard Fairbanks, Assistant Secretary of State for Congressional Relations, be included in the RECORD. This letter indicates that the Department will not go forward with any funding for UNFDAC unless a reprograming is submitted in the normal reprograming fashion.

So with that understanding, I accept the amendment of the Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague very much indeed.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (UP No. 645) was agreed to.

Mr. PERCY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 646

Mr. PERCY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) for himself and Mr. PELL proposes an unprinted amendment numbered 646.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19 line 12, after the word Committees, insert the words "and the relevant authorizing committees".

Mr. PERCY. Mr. President, the current provision of section 512 requires that the Appropriations Committee approve any transfers of funds between appropriation accounts.

The Senate Foreign Relations Committee has informally received assurances from the administration that it would receive the same treatment concerning such transfers as does the Appropriations Committee.

This amendment simply formalizes that arrangement.

Mr. KASTEN. Mr. President, section 512 of this bill has been carried in the appropriation legislation for several years. It provides that transfers may not be made between accounts without the prior approval of the Appropriations Committees.

This amendment would add the authorizing committees to that approval process. While the authorizing committees are, of course, entitled to require such approval in its own legislation, I have no objection to including them here, and, therefore, on behalf of the majority, I am willing to accept the amendment of the Senator from Illinois.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (UP No. 646) was agreed to.

Mr. PERCY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AFRICAN DEVELOPMENT FOUNDATION

Mr. PERCY. Mr. President, on page 8, lines 11 to 12 of the bill there is deleted all funding for the African Development Foundation. I address this question to my distinguished colleagues, the managers of the bill. As you know, this program was authorized at the initiation and the initiative of the House of Representatives. I do not intend to move to delete this prohibition, but just simply I want the record to show that the Senate Committee on Foreign Relations supports the African Development Foundation.

I hope that between now and the conference we can discuss this program, and if you become convinced of its merits I hope you can recede to the House's position on this issue.

Mr. KASTEN. In response to the question of the Senator from Illinois, I would hope that we could, in fact, between now and the conference discuss this program. I would be more than anxious to do so. If, as the Senator says, we become convinced of the merits, we could certainly consider working with the House on this particular issue.

Mr. PERCY. Mr. President, I thank my distinguished colleague very much.

I would like to add that it is my understanding that the distinguished chairperson of the African Subcommittee of the Foreign Relations Committee, Senator KASSEBAUM, is supportive of this position, as well.

I was interested to note that the committee's report discusses the claim of the Sea Oil & General Co. against the Government of Indonesia. I am a strong supporter of American investors abroad, and I commend the committee for its efforts to resolve this longstanding dispute. At the same time, we have vital strategic and economic interests in Indonesia. I am concerned that the language of the report, directing that no funds be obligated for assistance to Indonesia until the claim is settled, will jeopardize these interests. Perhaps we can arrive at a different approach which will stimulate a settlement of the claim without posing such a serious risk to our interests in Indonesia.

Mr. KASTEN. The committee was disturbed by the continued lack of progress toward a resolution of the case. It was our intention to send an unmistakable message to the Government of Indonesia that Indonesia cannot expect U.S. assistance to continue unless it respects the rights of U.S. investors. At the same time, I share the Senator's concern regarding the vital interests of the United States in Indonesia. I am hopeful that the case can be settled promptly and that we will therefore avoid any interruption of assistance to Indonesia.

Mr. PERCY. I share the Senator's hope for prompt settlement, but I am concerned that even with the best of intentions, settlement may not be possible before the Foreign Assistance Act becomes law. The case is by no means one-sided. It involves complex issues of fact and law. If we attempt to force a settlement within a relatively short period under a threat that assistance may be terminated, we may drive the Indonesians into an extreme position and thus lessen or eliminate the possibility of a settlement.

Under these circumstances, the claim would remain unsettled and our interests in Indonesia would be severely damaged. I support the committee's efforts to reach a settlement, but I believe the approach reflected in the report may be counterproductive because it threatens an extreme sanction in the very near future.

Mr. KASTEN. The case has dragged on for several years without substantial progress toward settlement. Under these circumstances, the committee felt that strong action was required.

Mr. PERCY. The Senator is correct in noting that progress toward settlement has been extremely slow in the past. Within the last month, however, the Government of Indonesia has retained the law firm of White & Case to examine the case and to advise the Government regarding its resolution. I have been informed that the Washington office of White & Case is actively pursuing the case and expects to make its recommendations to the Government of Indonesia in the near future. At the same time, the Department of State, obviously responding to the committee's expressed concerns, has urged the Government of Indonesia at the highest levels to resolve this matter in order to avoid serious damage to our relations. The Indonesians have replied that they are doing their utmost to resolve the case and will act promptly upon the recommendation of their lawyers. One possibility would be the submission of the case to arbitration. I believe that progress toward a resolution of this claim is finally underway, due in large measure to the committee's strong expression of concern. I fear, however, that if the directive contained in the committee's report becomes effective, it may destroy the current impetus toward a settlement.

Mr. KASTEN. I am encouraged by the Senator's remarks. I believe it is important for the Senate to express its strong and continuing interest in a resolution of this case. At the same time, I appreciate the Senator's concern that our efforts in this regard not be counterproductive. Can the Senator suggest an approach which will effectively promote a settlement without risking the disadvantages he fears may result in the committee's directive?

Mr. PERCY. I recommend for the Senator's consideration the approach taken by the Appropriation's Committee of the House in its report on the same bill. The House report "urges the State Department to press for an immediate settlement and to delay obligation of funds in fiscal year 1982 until a full report has been made to the committee and discussions held." I believe this language reflects the strong concern which this body has regarding the continued lack of a settlement, but provides sufficient latitude and time for the resolution of the claim either through negotiations or arbitration. Does the Senator agree?

Mr. KASTEN. I believe the approach taken by the House may be acceptable. However, given the delays which have occurred in the past, I believe it is necessary to monitor the case very closely and to press for a prompt resolution of the claim.

Mr. PERCY. I share the Senator's concern, and I expect the State Department to take all available measures to promote a settlement and to keep the committee fully and completely informed of the status of this case.

Mr. KASTEN. With that understanding, I may be able to support the approach taken by the House Appropria-

tions Committee, providing the case is resolved, or if substantial progress toward resolution of the case is made.

Mr. PERCY. I thank the Senator for his patience and consideration, and I offer my full support of his efforts to resolve this case.

Mr. President, that concludes the items the Senator from Illinois intended to bring up. I will remain in the vicinity of the floor in the event other items do come up on which the comments of the Senator from Illinois would be necessary.

I see another distinguished member of the Foreign Relations Committee, Senator HELMS, in the Chamber. I do not always give him my proxy, but I always value his counsel and advice.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair and I thank the distinguished chairman of the Foreign Relations Committee.

I might say, Mr. President, that I just left a rat race called the conference between the House and the Senate on the farm bill. I see the distinguished occupant of the chair smiling, because he is also a member of that conference. But he could not be there because he has to be here presiding so he does not know the fun he missed, but I will tell him about it.

UP AMENDMENT NO. 647

(Purpose: To prohibit the availability of funds for the United Nations Institute for Namibia)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendnment numbered 647.

On page 5, line 13, before the period insert a colon and the following: "*Provided further*, That none of the funds appropriated under this heading may be available for the United Nations Institute for Namibia".

Mr. HELMS. Mr. President, the appropriation bill includes $500 million of the American taxpayers' funds for the so-called Institute for Namibia, to be funded through the voluntary contributions to the United Nations.

Mr. President, at this very moment some delicate negotiations are in progress with regard to the terms for an election for the independence of Namibia. The United Nations has designated SWAPO, a terrorist organization, as the sole and authentic representative of the people of Namibia, even though SWAPO has never participated in an election in Namibia, and in fact refuses to do so. SWAPO believes that power comes out of the barrel of a gun, or maybe out of United Nations support.

One of the sticking points in the proposed election arrangements is whether or not the United Nations should oversee the elections, and provide peacekeeping troops during the election process. But South Africa has rejected these proposals, correctly asserting that the United Nations does not come into the election process with clean hands. The United Nations, by designating SWAPO, that terrorist group, as the representative of the people of Namibia, has already taken sides in the dispute.

As a matter of fact, Mr. President, the United Nations—and this is no surprise to anybody who has observed the United Nations over the years—the United Nations has been funding SWAPO for years through various devices, such as the Institute for Namibia, the Fund for Namibia, and various so-called humanitarian and educational organizations.

Mr. President, let the record be clear that the Institute for Namibia is a Marxist organization, intended to indoctrinate its students in the principles of Marxism and revolution. Our distinguished colleague, the junior Senator from California (Mr. HAYAKAWA) has told us on more than one occasion on this floor how, during his visit to the institute, the walls were adorned with pictures of Marx and Lenin.

Moreover, the State Department has acknowledged in the past that the Institute caters only to SWAPO members, and that members of other political factions have been literally driven out. In 1979, the then Assistant Secretary of State for International Organizations, Mr. Charles Maynes, acknowledged in a letter to me that even the bulk of the members of SWANU, which is SWAPO's revolutionary competitor, had withdrawn from the Institute because of harassment from SWAPO. Needless to say, there have been no moderate students at the Institute whatsoever.

So the purpose of this amendment is, I hope, obvious. It is more than the $500,000 that is involved. What is involved is the question of what will happen if we continue to fund this outfit. Obviously, we will prejudice the negotiations to which I alluded earlier and we will contribute to the impression that the United Nations is an biased intervenor in what should be a free political process.

Frankly, Mr. President, I am deeply disturbed that this funding should remain in a bill approved by the Reagan administration. I do not believe the President himself knows one thing about this. Even though this may involve what amounts to a small sum of money around this place—$500,000—it is a significant sum to the American taxpayers, and the political impact of its inclusion in this bill would be all out of proportion to the size of the amount.

So, Mr. President, the pending amendment simply provides that none of the funds appropriated under this heading may be available for the United Nations Institute for Namibia. It would not reduce the overall funding, but it would prevent any U.S. contributions to the Institute.

Mr. President, I ask unanimous consent that my statement and insertions of October 12, 1979, when we last took up this subject, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE LEADING FUNDS FOR THE INSTITUTE OF NAMIBIA

[Friday, October 12, 1979]

AMENDMENT NO. 512

(Purpose: To prohibit funding for the Institute for Namibia)

The PRESIDING OFFICER. The pending question is the amendment of the Senator from North Carolina numbered 512.

Mr. HELMS. I thank the Chair.

Mr. President, the pending amendment is very simple. It would cut one-half million dollars from the so-called voluntary contributions to the United Nations intended for the U.N. Institute for Namibia.

Let us take a good close look at this institute. It is an educational arm of the Soviet-backed terrorist organization, SWAPO. I think it is an insult to the American taxpayer to even contemplate using U.S. funds for this purpose.

The U.S. funding is just one increment, however, of millions of dollars which the United Nations intends to funnel into this institute over the next 3 years.

In a recent letter to me, the Assistant Secretary of State for International Organization Affairs, Mr. Charles Maynes, has virtually confirmed that the so-called Institute for Namibia is nothing in this world but a SWAPO front. Although the Secretary attempts to make a distinction between military activities and educational activities, the fact remains that a grant to this institute is a grant to support SWAPO's revolutionary activity. I intended to go into more detail about this letter in a moment. Hopefully, it will help my colleagues to understand better the enormous range of funding which the United Nations provides to SWAPO, which it regards as "the sole and authentic representative of the Namibian people."

Mr. President, to that the Senator from North Carolina says "horseradish," because the truth is that SWAPO has no legitimate claim to represent the Namibian people, except the claim of terror. By funding SWAPO, the United States will make it impossible to have free elections in Namibia. There is a whole range of political groups in Namibia, both black and multiracial, who are dedicated to democratic principle; but SWAPO rejects democratic principles. Yet it is proposed under this bill to send U.S. taxpayers' money to the aid of SWAPO. A good example is described by Secretary Maynes himself, where he relates how SWAPO forced other political groups to leave the Institute.

I do not believe that the United States can be a party to funding even the educational arm of a terrorist group that rejects democratic principles.

It is understandable why the anti-American bloc at the U.N. should support such programs; but it is incomprehensible why the United States should support them.

The fact is that even though these programs are allegedly "educational" they in fact support the terrorist programs of Marxist revolutionaries in southern Africa. The United Nations has declared SWAPO to be the sole and authentic representatives of the people of Namibia and South Africa. They did this on the basis of the groups' terrorist activities and not upon any realistic assessment of the political strength of the organizations. It is clear Marxist dogma that a Marxist organization is the authentic representative of the people whether the people agree with it or not. It is the same doctrinaire drive for control that proclaims that Gus Hall's Communist Party of the U.S.A. is the authentic representative of the American people. Anybody who believes that will believe anything.

Since the U.N. has already proclaimed SWAPO to be the sole and authentic representative of the people of Namibia, to take

just one example, SWAPO has become the beneficiary of millions of dollars of U.N. funding. These funds come from both assessed and voluntary contributions. In the bill before us today, we are dealing only with voluntary contributions, but no one can get the true picture without looking at both.

According to an article which appeared last year in the publication American Relations, the U.N. has set up three special agencies to support revolution in southern Africa. These include the U.N. Commissioner for Namibia, the U.N. Council for Namibia, and the U.N. Fund for Namibia, which in turn funds the Namibia Institute, which is what this amendment addresses. According to the article, the U.N. Commissioner for Namibia is the U.N.'s government in exile for Namibia, with three offices in New York, Lusaka, and Botswana, with a total budget of $1,722,500, for 1978–79. The U.N. Council for Namibia has 25 member nations with a budget of $1,581,700 for 1978–79. The Council also recognizes SWAPO as the "sole and authentic representative of the people of Namibia," and funds SWAPO's New York office to the tune of $182,200.

The U.N. Fund for Namibia is a trust fund account established in 1971, which has received $950,000 from the assessed U.N. budget, and $1,303,874 from voluntary contributions. In 1974, the U.N. General Assembly approved the establishment of the Institute for Namibia. The Fund for Namibia gave the Institute $846,549 by March 1977. However, the United Nations Development Fund also gave the Institute $3,750,000 from voluntary contributions.

It is the category of voluntary contributions that we are talking about here.

Concerned about the funding of such outfits at the Institute for Namibia, I wrote to the Assistant Secretary of State for International Organizations Affairs, Mr. Charles Maynes, about the veracity of these figures and other information I had received. Secretary Maynes confirmed them both in outline and detail and added even more disturbing information. A complete copy of Secretary Maynes' letter is on the desk for every Senator. We had it distributed last night and it is here again this afternoon, and I hope Senators will take a look at it.

Mr. President, I also ask unanimous consent that the letter of Secretary Maynes and its attachments be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. In response to my questions, Secretary Maynes wrote:

"All of the Institute's students are Namibians. The bulk of them appear to be members or supporters of SWAPO. However, some of the students are also supporters of another Namibian liberation movement, SWANU, and some profess no political preference whatever. Professional staff members are listed on an enclosed table and are citizens of a variety of countries."

I am quoting, Mr. President, and I continue to quote the Secretary:

"Acting on behalf of the President, and after a careful review of our Embassy in Lusaka, Secretary Vance determined on February 6, 1979, that no fiscal year 1979 funds for the UN Institute for Namibia will be used to support the military or paramilitary activities of SWAPO. Although it is clear that there are some members of the faculty at the Institute who favor SWAPO and have expressed their preferences, these expressions, as well as those by groups who favor other political parties, have occurred within a climate of academic freedom that permits a range of political expression as well as the right to keep silent. There have been incidents between supporters of SWAPO and SWANU at the Institute. As a result of one incident a group of SWANU supporters left the Institute. However, our Embassy in Lusaka, maintains frequent contacts with the Institute, believes that these incidents have not affected the integrity of the Institute's academic program."

All that I just read was a precise quote from the Secretary's letter.

Mr. President, I am bound to ask has any Senator ever heard of such nonsense?

Here we have a case where the Secretary, Mr. Maynes, admits that "the bulk of the students appear to be members or supporters of SWAPO." Then he goes on to speak of what he calls "incidents"—and I hope the reporter will put quotation marks around the word "incidents"—where the climate of repression became so great the the minority organization, SWANU, had to leave the Institute. Can any Senator in his right mind vote to send a half million dollars to an outfit like that? Five hundred thousand dollars of the American taxpayers' money.

We are going to see momentarily. But what kind of double talk is this about "academic freedom" from the Secretary?

Mr. President, I believe the facts of the matter are somewhat different. Let us nail down one thing forever more: SWAPO is a terrorist organization which murders innocet people, destroys property, and all the rest of it. SWAPO has chosen to declare war against the black people of Namibia. It has even declared war against those who even dissent within the SWAPO movement. Oh, that is great academic freedom; $500,000 of the taxpayers' money to support an outfit like that. How absurd can we get?

The head of SWAPO, Sam Nujoma, had the dissenters arrested and imprisoned in Zambia. Oh, what a great fellow. By all means we ought to send him $500,000 of the taxpayers' money.

Mr. President, Senators had better not take a poll among the American people on this question.

He had the dissenters arrested and thrown in jail, and when a writ of habeas corpus was brought on behalf of these prisoners—you know, the ones who disagreed with the terrorists—this man, Sam Nujoma, had them spirited across the border to Tanzania, where the Tanzanian Marxist dictator, Jules Nyerere, has no compunction about legal niceties. He is not troubled about academic freedom and liberty. Oh, no. About 2,000 SWAPO dissenters have disappeared into Nyerere's jails and have never been seen again.

I will amend that. About 150 were released last year. That leaves 1,850 people who are either dead or locked in some dark prison cell because they committed the heinous crime of dissenting within SWAPO, the terrorist outfit.

Among those 150 were Andreas Chipanga, one of the original founders of SWAPO, and Dr. Kenneth Abrahams, a distinguished medical doctor with an international reputation. You see, they had committed the unpardonable sin of establishing a new political party, the SWAPO-Democrats, a party which rejects the terrorist tactics of Nujoma. Politically, they would be similar to the British Labor Party or the German Social Democrats.

Similarly, SWANU has joined a group called the Namibia National Front, a coalition of parties with a leftist orientation. Although SWAPO, SWAPO-D, and SWANU reject ethnic concepts of politics, the truth is that their base of support is tribal, coming mainly from the Ovambo and Herero tribes. None of them has any authentic claim to represent a majority even of their dominant tribes, much less Namibia as a whole.

The majority party is the Democratic Turnhalle Association, a multiracial democratic movement that recognizes the ethnic reality of the 11 ethnic groups in Namibia. In the elections held last December, DTA won not only a majority of the votes cast, but an absolute majority of both registered and prospective voters.

Mr. President, the Senator from North Carolina has been in direct contact recently with all of the democratic parties—that is with a little "d"—in Namibia, and I can attest to the fact that there is a healthy political spectrum operating there. I do not support the political views and aims of all these parties, but I do support their right to exist and to go before the electorate in free and fair elections.

However, the United Nations does not support their right to exist. The United Nations recognizes only the terrorist organization, SWAPO, as the sole and authentic representative of the Namibian people. Moreover, it provides extensive political patronage to SWAPO, not only through the Namibia Institute, but through millions of dollars in assessed and voluntary contributions.

So here the U.N. is setting itself up to be the impartial judge of elections in Namibia, but the U.N. itself is heavily financing one party, SWAPO—the one party that is determined to seize power through the barrel of the gun, rather than through the ballot box.

So the bottom line of this amendment, Mr. President, should be very clear: This hypocrisy has got to stop. We cannot pretend that financing so-called "educational and academic" programs such as the Institute of Namibia has nothing to do with the war against freedom being carried on by SWAPO. Of course, it has everything to do with it. The people of this country, the citizens and taxpayers of the United States, must not be required to fund this terrorist Institute. But unless this pending amendment is adopted, that is precisely what is going to happen.

Mr. President, I ask unanimous consent that the article from American Relations entitled "How the United Nations Finances Terrorists" be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HELMS. I thank the Chair, and I yield the floor.

"EXHIBIT 1

DEPARTMENT OF STATE,
Washington, D.C.

Hon. JESSE HELMS,
U.S. Senate.

DEAR SENATOR HELMS: Thank you for your letter of March 23, regarding SWAPO's relationship to the United Nations. We have requested information from our Mission to the UN and several foreign posts to respond to some of your questions, but I wanted to provide you now with the information available in the Department.

I would like to begin by noting that from 1946 on the Namibian problem has been uniquely internationalized because, alone among countries handling a League of Nations mandated territory, South Africa refused to transfer the Mandate to the UN. This set South Africa on a collision course with the UN which has affected international treatment of the issue ever since.

Regarding the treatment of political parties inside Namibia, the Security Council and the General Assembly have followed different courses. The Security Council has recognized no Namibian party as superior to any other. Through its approval of the Western settlement Proposal and its authorization of the formation of UNTAG by the Secretary General, the Council has clearly taken a stand in favor of the solution advocated by the Contact Group and originally agreed to by all parties to the settlement, including

South Africa. The operations of the United Nations Transition Assistance Group (UNTAG) in Namibia will take place under the overall authority of the Security Council. The whole purpose on the proposed transition is to prepare for and conduct elections under United Nations supervision and control in which all Namibian political parties can take part on an equal basis. In this context, it is clear that SWAPO will have a position no more nor no less favorable than any other political party. Moreover, the record of the United Nations for impartiality in peacekeeping situations, such as in the Middle East and Cyprus, is very good indeed. There is every reason to believe that UNTAG will acquit itself in a similarly unbiased fashion.

"Regarding the decision of the UN General Assembly to endorse SWAPO as the "sole and authentic representative of the Namibian people", many African states felt that early international recognition of one of the parties in Angola might have helped to prevent the civil war in that country. It was against this history that they decided to accord some recognition to SWAPO. Other members, agreeing that South Africa's continuing control of Namibia was illegal, accepted the African position. The Assembly arrived at this decision in 1973, well before the April 1977 beginning of the Western Five Power initiative on Namibia.

"Although the U.S. has not accepted that SWAPO is the 'sole and legitimate representative of the Namibian people,' the U.S. does regard the South African occupation in Namibia as illegal and has since 1966 when the UN General Assembly, in Resolution 2145 of October 28, revoked the mandate which had been granted to South Africa by the League of Nations on grounds that South Africa was taking no action to bring the territory toward independence, that it had extended apartheid to Namibia, and that it had refused to recognize that the authority of the League of Nations for mandated territories had passed to the United Nations. The United States supported and voted in favor of that resolution in 1966. We also supported Security Council Resolution 264 of March 20, 1969, which recognized the UNGA action as well as the advisory opinion of the International Court of Justice which, in 1971, upheld the GA resolution by ruling that the South African occupation of Namibia was in fact illegal.

"The following information is in response to the specific questions contained in your letter.

"1. TRAVEL COSTS FOR SWAPO MEMBERS

"We have had difficulties in identifying the exact travel cost for each individual but it appears that your figures for the travel expenses involved in paragraphs A–C of your letter were reached by taking the estimated total travel expense for all delegates, and dividing that figure by the number of delegates to attend. If that is the case, then I suggest that the figures involved may not be precisely accurate inasmuch as the travel expenses for any given representative may have been somewhat greater or smaller than those of another depending upon the distance traveled. Moreover, in at least some of these instances the proposed number of delegates did not attend the conferences in question, not all of the travel money was used, and some of it was returned to the original funding source.

"Under UN regulations, the organization pays the travel costs to key meetings of a limited number of delegates from each country, including the U.S. Although the exact amounts may not be correct, nevertheless the premise of the questions A, B, and C is accurate, i.e., that the United Nations does pay the travel expenses incurred by representatives of SWAPO to attend various international conferences taking place generally within the UN system. Because UN members consider South African occupation of Namibia, illegal, it is argued that it cannot represent the interests of Namibia at international meetings; consequently, provisions for SWAPO to attend have been made. The United States voted against the UNGA resolution calling for UN funding for this purpose. However, the resolution was adopted, I should note that these and other expenses which you mentioned were provided by Dr. Martti Ahtisaari, in his capacity as Commissioner for Namibia, and were taken from UN 1977 assessed budget funds.

"2. UN COMMISSIONER FOR NAMIBIA

"The activities of the UN Commissioner for Namibia are funded through the regular assessed budget of the United Nations. The Commissioner has offices located in New York, Lusaka, Zambia and Gaborne, Botswana. The distribution of the staff and resources in 1979 according to information provided by the UN is as follows:

	Established posts	Temporary posts	Resources (thousands)
New York	1 ASG	1 P–5	$514.0
	1 D–1	1 P–4	
	2 P–5	1 P–3	
	4 P–2/1	1 G–5	
	1 G–5	2 G–4	
	4 G–4		
Lusaka	1 D–1	2 P–3	345.2
	1 P–2	3 G–5	
	6 LL		
Gaborone	1 P–4		113.8
	1 P–3		
	1 G–4		
	2 LL		

"The employees in the Commissioner's office are international civil servants, and no record is kept whether they are members or supporters of SWAPO since the UN does not request information on political affiliations.

"3. THE UN COUNCIL FOR NAMIBIA

"The Council for Namibia is funded through the regular assessed budget of the United Nations. The Council for Namibia was created in 1967 by the General Assembly, once the South African mandate was revoked, to be the legal administrator of the territory until it attained independence. The U.S., and the Security Council, have never recognized this role for the Council.

"Resolution 33/182 authorized the expansion of the Council from 25 to 31 members. The present membership is composed of the following:

"Algeria, Angola, Australia, Bangladesh, Belgium, Botswana, Bulgaria, Burundi, Chile, China, Colombia, Cyprus, Egypt, Finland, Guyana, Haiti, India, Indonesia, Liberia, Mexico, Nigeria, Pakistan, Poland, Romania, Senegal, Turkey, USSR, United Republic of Cameroon, Yugoslavia, Venezuela, and Zambia.

"The Council meets in New York as required. During 1977 it was allocated 156 meetings on the basis of three meetings per week; however, actually only 86 meetings were held (including its standing committees and informal meetings). During 1978 the Council held a total of 97 meetings, 21 of which were Plenary Sessions and the balance were standing committees and informal meetings. The representative of SWAPO participates in the work of the Council as an observer.

"4. THE UN FUND FOR NAMIBIA

"The General Assembly established the UN for Namibia in 1971 to provide general development assistance to Namibia. In 1973 the Council for Namibia was named trustee of the Fund. The principal source of funding for the UN Fund for Namibia is voluntary contributions made by UN member states and from UNDP, although during 1979 some $500,000 of the Fund's budget will come from the regular UN assessed budget, in accordance with UNGA Resolution 32/9. The actual amounts contributed by member states vary from year to year. An enclosed table provides a breakdown of contributions made by member states in 1978, as well as amounts pledged in 1979. The United States does not contribute to the Fund.

"5. THE INSTITUTE FOR NAMIBIA

"A. Funding

"The principal source of funding for the Institute for Namibia is voluntary contributions from UN member states. However, as the Institute received $100,000 from the Fund for Namibia in 1977, a case could be made that some of the money given by the Fund to the Institute could be derived from the $500,000 provided to the UN Fund for Namibia from the assessed budget. Contributions from member states vary from year to year. Member states' contributions during 1973 amounted to $1,740,500; unpaid pledges, as of 31 December 1978, $57,900. In addition, in 1978 $15,000 was contributed by the UNHCR, $15,000 by UNESCO, and $42,000 was provided from public donations. An enclosed table provides a breakdown of contributions made in 1976 and 1977 as well as amounts pledged in 1979, in accordance with UNGA Resolution 33/182C.

"The second primary source of funding for the Institute is the United Nations Development Program, which has reserved $3.75 million from the Second Cycle (1977–1981) Indicative Planning Figure for Namibia for support of the Institute. Annual UNDP contributions accordingly average in the neighborhood of $800,000.

"B. Origins and political preferences of institute students

"All of the Institute's students are Namibians. The bulk of them appear to be members or supporters of SWAPO. However, some of the students are also supporters of another Namibian liberation movement, SWANU, and some profess no political preference whatever. Professional staff members are listed on an enclosed table and are citizens of a variety of countries.

"Acting on behalf of the President, and after a careful review by our Embassy in Lusaka, Secretary Vance determined on February 6, 1979, that no fiscal year 1979 funds for the UN Institute for Namibia will be used to support the military or para-military activities of SWAPO. Although it is clear that there are some members of the faculty at the Institute who favor SWAPO and have expressed their preferences, these expressions, as well as those by groups who favor other political parties, have occurred within a climate of academic freedom that permits to keep silent. There have been incidents between supporters of SWAPO and SWANU at the Institute. As a result of one incident a group of SWANU supporers left the Institute. However, our Embassy in Lusaka, which maintains frequent contacts with the Institute, believes that these incidents have not affected the integrity of the Institute's academic program. It also seems clear that the degree of partisan support for SWAPO within the student body is subordinate to the basic Institute climate of academic freedom. The support of the United States, and the United Nations for the Institute is predicated on the maintenance of this academic freedom.

"6. ADDITIONAL FUNDING FOR THE COMMISSIONER FOR NAMIBIA, THE COUNCIL FOR NAMIBIA, THE FUND FOR NAMIBIA, THE INSTITUTE FOR NAMIBIA, AND UN SYSTEM PROJECTS WHICH MIGHT BENEFIT SWAPO MEMBERS

"The UN is unable to provide information concerning the source from which Agency contributions to the Institute are made because this information is not requested when a contribution is received. However, except

as noted above. I am unaware of any funding provided to the Commissioner for Namibia, the Council for Namibia, the Fund for Namibia or the Institute for Namibia by any of the UN specialized agencies which you mentioned, UNDP or ECOSOC. However, UNDP and UN specialized agencies are involved in a number of humanitarian projects which benefit refugees throughout southern Africa. Frequently the refugees reside in camps, the administration of which is shared by a national liberation movement and the officials of the countries in which the camps are located. Moreover some of the refugees who reside in the camps and who benefit from the projects may be members or supporters of a particular liberation movement. A partial response to your questions in this area includes the following:

"UNESCO.—Two educational projects supported by UNDP which could benefit SWAPO members and which, taken together, total $356,500. One of these provides teachers' salaries and equipment at the Namibia Health and Education Center in Zambia; the other provides similar assistance at SWAPO's school for Namibian children in Angola.

"FAO—To my knowledge FAO does not provide funds for projects. However, it does provide food assistance to some Namibian refugees, some of whom may be members or supporters of SWAPO.

"UNICEP.—Provides no funding to the listed organizations but it does provide assistance to refugees from Namibia, some of whom may be SWAPO members or supporters.

"ITU.—One UNDP funded project which sends 35 fellows selected by SWAPO to the Postal and Telecommunications Training College at Ndola, Zambia at a cost of $344,400 for a three-year period.

"IAEA and WMO.—Neither of these specialized agencies provide funds to any of the four named Namibian organizations and I am unaware of any contributions which they might have made to projects which could benefit SWAPO.

"ILO.—The US is no longer a member of ILO, and the Department has no information regarding its expenditures. However, ILO Geneva has informed us that ILO regular budget funds have been used for manpower planning in cooperation with the Institute for Namibia. In addition, the ILO will be an executing agency for the Nationhood Program for Namibia and will engage in programs financed by the UNDP and the UN Fund for Namibia. In these activities, the ILO will be working with the UN Commissioner for Namibia and the Institute for Namibia. However, the ILO has not worked with or funded the activities of the UN Council for Namibia.

"WHO.—Namibia, represented by the Council for Namibia, is an associate member of the World Health Organization. The 28th UN General Assembly, in Resolution 3111, requested UN specialized agencies to take steps to enable the UN Council for Namibia to participate fully in the work of these agencies. In pursuit of that resolution, the World Health Assembly, in May 1974, admitted Namibia as an associate member and invited the UN Council for Namibia to designate a representative to participate in the work of the WHO. WHO has an office located in Lesotho which devotes its attention to Namibia. In 1978 the WHO program in Lesotho consisted of support for the representative in Lesotho, consultants in health services, and fellowships for health manpower development. WHO funds earmarked for Namibia in 1978 totaled $25,500, and $24,300 has been allocated for 1979.

"7. REDUCTIONS

"Regarding your inquiry about the allocation of reductions in the amount of $619.2 of the Secretary General's estimates $2,604.9 for Namibia under Section 3 of the budget (A/33/445/Add. 4), the attached Table sets forth in detail for each item the amounts allotted by the UN for 1979 and reflect savings available from the 1978 appropriation and the reduction made by the Fifth Committee. The resultant amount appropriated for 1979 is also shown.

"As I noted above, I will provide a final followup response to your request as soon as the remainder of the information which you need becomes available.

"Sincerely,

"CHARLES WILLIAM MAYNES,
"Assistant Secretary for International Organization Affairs."

U.N. FUND FOR NAMIBIA, 1978 CONTRIBUTIONS AND PLEDGES

Government	1978 contributions	U.S. dollars	Government	1978 contributions	U.S. dollars
Algeria	15,000		Senegal	1,000	
Argentina	4,000		Turkey	1,250	[1] 1,000
Australia	28,450	28,600	United Arab Emirates	4,000	
Austria	15,000	[1] 17,000	Republic of Korea	5,000	[1] 10,000
Belgium	30,921		Venezuela	1,000	
Finland		37,651	Pakistan	3,000	
France		[1] 160,000	Bahamas	500	
Ghana	1,740	[1] 1,740	Brazil	5,000	
Greece	3,000		Cyprus	258	
India	2,000	[1] 2,000	Egypt	2,000	
Indonesia	3,500	[1] 3,500	Ethiopia	3,000	
Iran	4,000		Iceland	2,000	
Ireland	5,329	[1] 17,893	Iraq	10,000	
Japan	10,000	[1] 10,000	Libya	15,000	
Kuwait	1,000	[1] 1,000	Mauritania	388	
Liberia	3,000		Mexico	5,000	
Netherlands	69,955	[1] 75,758	Nigeria	10,000	
New Zealand	5,127	[1] 2,000	Togo	227	
Philippines	2,000		Yugoslavia	5,000	

[1] Pledges.

ANNEX II

STAFF LISTING/MANNING TABLE, AS AT DEC. 31, 1977

Post (grade)	Name	National	Remarks
Office of the Director:			
Director (D-2)	Geingob, Hage G.	Namibia	
Personal assistant (P-1)	Tabor, Constance	Jamaica	
Secretary (G-5)			Vacant.
Secretary/typist (L-4)	Bright, Maureen	Zambia	
Secretary/typist (L-3)	S'hidhika, Phanny	Namibia	
Publications editor (P-4)			Do.
Constitutional, legal and judicial affairs:			
Deputy director (D-1)	Bonrani, Mark D.	Tanzania	
Secretary (L-5)	Kaluba, Joyce	Zambia	
Senior lecturer (P-3)	Ushewokunze, C. M.	Zambabwe	
Lecturer (P-2)	Tjiriange, E. N.	Namibia	
Assistant lecturer (P-1)	Sichitongo, M. D. F.	Zambia	
Secretary/typist (L-3)	Sanmuganathan, Lilani	Sri Lanka	
Historical, political and cultural:			
Assistant director (P-4)	Hamutenya, Hidipo	Namibia	
Secretary (L-5)	Onyango, Aileen	Uganda	
Senior lecturer (P-3)	Ncube, Mtshana	Zimbabwe	
Lecturer (P-2)	Al-Nagar, Omar	Sudan	
Assistant lecturer (P-1)	Parker, Kwadwo	Ghana	
Secretary/typist (L-3)			Do.
Do	Musonda, Grace	Zambia	Staff member in finance at L-4.

ANNEX II

STAFF LISTING/MANNING TABLE, AS AT DEC. 31, 1977—Continued

Post (grade)	Name	National	Remarks
Economics:			
Assistant director (P-4)	Setai, Bethuel	Lesotho	
Secretary (L-5)	Mulally, Dorothy	United Kingdom	
Senior lecture (P-3)	Kabi, Faith	Lesotho	
Lecturer (P-2)	Kauinge, M. J.	Namibia	
Assistant lecturer (P-1)	Matengu, Lemmy	do	
Secretary/typist (L-3)	Luweva, Eunica	Zambia	
Agricultural and land resources:			
Assistant director (P-4)	Semiti, G.A.J.	Tanzania	
Secretary (L-5)			Vacant.
Senior lecturer (P-3)	Mihai, Domitru	Romania	
Lecturer (P-2)	Mshonga, Shakespeare	Zimbabwe	
Assistant lecturer (P-1)	Iyambo, Simon	Namibia	
Secretary/typist (L-3)	Nangula, Sophia	do	
Social and educational:			
Assistant director (P-4)	Modise, Billy	South Africa	
Secretary (L-5)	Kategaya, Joan	Uganda	
Senior lecturer (P-3)	Tjitendero, Mose P.	Namibia	
Lecturer (P-2)	Muundjua, Pestus	do	
Assistant lecturer (P-1)	Matsepe-Casabuiri, I.	United Kingdom	
Lecturer (English) (P-2)	John, E. J.	India	
Assistant lecturer (English) (P-1)	Diallo, Aminata	United States	
Secretary/typist (L-3)	Shikangala, Maria	Namibia	
Do	Isa, Beatrice	Tanzania	
Medical officer (P-3)			Do.
Nurse (L-5)	Muundjua, Pumootu	Namibia	
Office of the Registrar:			
Registrar (P-3)	Shana, Stan C.	Zambia	
Secretary/typist (L-3)	Agoruah, Marian	Nigeria	
Senior archivist/librarian (P-2)	Jario, Koukoro	Namibia	
Assistant archivist/librarian (P-1)			Do.
Trainee archivist (L-5)	Katanga, Sylvia	Namibia	
Do	Muundjua, Ripanga	do	
Do			Do.
Do			Do.
Do			Do.
Secretary/typist (L-3)	Mumba, Rosemary	Zambia	
Office of Administration:			
Chief administrative officer (P-5)	Lombe, Petson D.	do	
Secretary (G-4)			Do.
Finance officer (P-3)	Desta, Engda	Ethiopia	U.N. at P-1.
Secretary (L-4)	Nyaywa, Chiistar	Zambia	
Assistant finance officer (P-1)	Casals, Edgar	Philippines	U.N.
Finance clerk (L-3)	Kumwenla, George	Zambia	

ATTACHMENT C

SECTION 3—NAMIBIA

	Amount requested by SYG	Savings available from 1978 appropriation	Reduction	Appropriation
Secretariat of the Council	116.2		47.0	69.2
Plenary meetings	188.0	43.5	31.0	113.5
Missions	244.8	56.6	40.2	148.0
International conferences	261.8	60.7	43.0	158.1
SWAPO	182.5	106.0		76.5
Contacts	129.9	30.1	21.2	78.6
Institute for Namibia	13.1	3.1	2.2	7.8
Decree No. 1	105.8		30.8	75.0
Membership contribution	43.1			43.1
Special allocation	300.0			300.0
Nationhood program	519.7		103.7	416.0
Fund for Namibia	500.0			500.0
Total	2,604.9	300.0	319.1	1,985.8

UNITED NATIONS INSTITUTE FOR NAMIBIA, CONTRIBUTIONS BY ALL DONORS

	1976 contributions	1978 contributions	1979 pledges
Brazil		10,000	
Canada	20,000	39,398	126,050
Cyprus		258	
Denmark		160,328	
Egypt		2,000	
Finland		114,906	125,502
France		20 000	
Germany, Federal Republic of		50 000	50 000
Ghana	2 000	1 000	1 740
Greece	2,000	4,000	
India		2,000	2,000
Ireland		5,640	
Italy			
Japan	50,000	50,000	100,000
Libyan Arab Jamahiriya		5,000	
Mali			
Netherlands	37,983	139,409	151,515
Nigeria		5,000	
Norway	53,957	144,480	176,523
Philippines		500	500
Republic of Korea		5,000	
Sweden		437,637	527,823
Togo		227	
Tunisia			
Turkey			1,000
United Arab Emirates		4,000	
United States of America	250,000	500,000	500,000
Venezuela		1,000	
Chile			1,000

EXHIBIT 2

HOW THE UNITED NATIONS FINANCES TERRORISTS

The Charter of the United Nations states that the first priority of the international organizaion is "to maintain international peace and security." Yet, in the name of peace, the United Nations in recent years has become a major source of support and legitimacy to ten revolutionary organizations which have depended upon terror as a primary weapon of influence and power.

A case in point is the assistance given to SWAPO, the "South West African Peoples Organization." SWAPO is the organization which has figured prominently in the highly touted Namibia settlement, popularly attributed to the leadership of U.S. Ambassador to the UN, Andrew Young, and his chief assistant, Ambassador Donald F. McHenry. At the end of July, SWAPO finally accepted proposals offered by South Africa and a five-nation UN Security Council committee for a settlement based upon elections watched by UN observers.

SWAPO's ability to hold out against the settlement was based on the twin foundations of diplomatic and financial assistance from the UN and military aid and terrorist training from the Soviet Union. Its trump card was its willingness to use murder and arson against the black peoples of South West Africa to blackmail the West. Terror was the weapon that finally pried from the United States the concession to support

turning over the highly strategic deep water port of Walvis Bay to the future Namibia—in other words, to SWAPO and its Soviet ally.

Now that elections are in prospect, the question of aid to SWAPO ought to be reexamined. SWAPO never had a mandate from the black peoples of South West Africa, much less from the total population. SWAPO leaders constantly emphasize that they believe in control, not in majority rule based on democratic principles. Nor is there any evidence that SWAPO's vision of a Marxist-Leninist society is what the people of South West Africa want. In fact, the evidence is just the opposite, for SWAPO itself has become badly split. UN aid to SWAPO places the United States in the position of throwing its support to one side in a dispute—not only giving the leadership cabal of SWAPO an unfair advantage over the SWAPO dissidents, but over the democratically oriented political parties as well.

SWAPO's political base is rooted only in the Ovambo peoples—about 46 percent of the residents of South West Africa. And even SWAPO's control over the Ovambo is not based on shared ideals or free consent; it is based upon systematic terror raids upon the innocent. The prospect of free elections gives the Ovambo an opportunity to escape from SWAPO's power. Perhaps that is why SWAPO has chosen to step up the terror in recent weeks, bringing into doubt its good faith in accepting the proposed settlement.

SWAPO'S SOVIET AND CUBAN SUPPORT

Under the leadership of San Nujoma, SWAPO has moved closer and closer to the Soviet bloc, almost in direct proportion to the strength of his support from the UN. Nujoma visited Moscow in August 1976, where he received promises of more sophisticated weapons for SWAPO. In October of that year, he went to Cuba as the guest of the Cuban Communist Party's Central Committee, where he had talks with Fidel Castro and Ernesto Viega, head of Cuba's trade union movement, who gave him promises of Cuba's "unshakeable support."

The Soviet commitment was renewed during Nujoma's meeting with the Soviet ex-president Podgorny in Lusaka on March 29, 1977. In July 1977, large Soviet transports, similar to Boeing 707's unloaded large quantites of military equipment in Luanda, including ground to-air missiles and ground-to-ground missiles. Some of the ground-to-air-missiles found their way to the SWAPO base in Cassinga in the south of Angola.

To what extent such supplies have been transferred to SWAPO is not known; but in a speech the year previously to the UN Security Council, South African Ambassador R. F. "Pik" Botha (now Foreign Minister) reported that the Soviet weapons delivered to Angola included:

. . . multiple-barrel 122–MM rocket launchers; 122–MM rocket launchers; 122–MM field guns; 100–MM motars; 82 MM recoilless guns; 75–MM recoilless guns; RPG–7 anti-tank rocket launchers; Sagger anti-tank missiles; T34 tanks; mobile bridging equipment; BTR–52 infantry fighting vehicles; MIG–21 aircraft; MIG–17 aircraft; Flat D–91 aircraft; Alouette III with air-to-ground missiles; Harvard T–6's; SAM–7 ground-to-air missiles 14.5 ZPU anti-aircraft, and so on.

These were the weapons, backed up by Cuban mercenaries, that Agostinho Neto used to seize Angola in the struggle against black guerrilla groups led by Holden Roberto and Jonas Savimbi. Such was the potential threat flashed by Nujoma in the face of the American negotiators.

In December 1977, Nujoma went to East Germany and met with the East German Communist Party chief Erich Honecker and Politburo member Hermann Axen, with whom Nujoma signed a written compact of cooperation for 1978 and 1979.

As early as 1965, various groups of SWAPO agents had been trained in guerrilla warfare in Moscow, China, Algeria, Korea, Egypt, Ghana and Tanzania. Using these skills principally against the Ovambo, they gained an ascendancy over that population group, but picked up very little support among other black African peoples in South West Africa. Instead, many of these joined in with the South African-sponsored Democratic Turnhalle Alliance, a multiracial group dedicated to democratic principles. Among the most prominent among the Turnhalle leaders was the distinguished moderate, Chief Clemens Kapuuo, leader of the Hereo people.

ASSASSINATION OF KAPUUO

The main threat to SWAPO came from the democratic forces of the Turnhalle Alliance, just as the main threat to the Patriotic Front in Rhodesia came from Bishop Abel Muzorewa and the democratic black leaders. The campaign of terror against the common people was stepped up (see insert accompanying this issue), but a specific decision was made to assassinate moderate black leaders.

On February 7, 1978, two SWAPO agents burst into a political meeting at Okahao with submachine guns with the intent to murder Kapuuo. Kapuuo escaped, but another leader, Toivo Shiygaya, and his body guard were killed. Other fire aimed toward the unarmed crowd wounded a young boy. The SWAPO murders escaped in the confusion.

Meanwhile, Nujoma, in a television interview, was saying:

"We are not fighting for a reform in the colonial system. We are fighting to liquidate the entire colonial system and to achieve genuine liberation.

". . . The question of black majority rule is out—we are not fighting even for majority rule. We are fighting to seize power in Namibia for the benefit of the Namibian people. We are revolutionaries. You can talk to Kapuuo. Kerina and all those reactionaries about majority rule and not to SWAPO."

But there was to be little opportunity to talk to Kapuuo about anything, because Kapuuo lay dead in Windilock from bullets fired by two SWAPO assassins on March 27.

THE CASSINGA STRIKE

On May 4, South African security forces, in a surgical strike, attacked a SWAPO base as Cassinga, in southern Angola. SWAPO apologists immediately assailed the attack as an assault on a "refugee" camp. On May 5, the UN General Assembly passed a resolution severely condemning South Africa for its attack, and expressing full and unqualified support for the continuation of the "armed liberation . . . of the Namibian people under the leadership of SWAPO."

"Armed liberation" was a much more honest description of the Cassinga base than "refugee" camp. The only refugees in the camp were some 100 children who had been abducted by SWAPO at gunpoint from a mission school in South West Africa. The South African Security forces found formidable defense works, such as trenches, bunkers and underground shelters. Large quantities of Soviet and Eastern bloc weapons were found and destroyed, and men—and women—in uniform were captured in the trenches.

Also captured in Cassinga were motion pictures of training exercises of SWAPO troops in uniform on the parade grounds. Journalists who saw the films later identified various landmarks in the films that were evident in aerial photographs taken before the battle.

More to the point, captured documents indicated that SWAPO's code name for the base was MOSCOW. And further, documents showed that an agreement existed for the military and political training of 70 SWAPO members in the real Moscow—of whom 20 were already there.

THE IMPORTANCE OF WALVIS BAY

The strong Soviet and Marxist orientation of SWAPO makes more significant the maneuvering of the UN over the fate of Walvis Bay, the only developed deepwater port between Capetown and Luanda. The UN also condemned South Africa for "its decision to annex Walvis Bay"—an event that occurred over 100 years ago. Although South Africa has never claimed to have sovereignty over South West Africa (a territory originally held in mandate from the League of Nations), Walvis Bay has always been treated as sovereign territory. Whatever the future of South West Africa, South Africa cannot afford the strategic danger of a Soviet base in Walvis Bay. Nor could Western Europe remain easy at the prospect of a Soviet naval base bisecting the oil life-line from the Persian Gulf.

Walvis Bay was the trump card ostensibly played by Ambassador McHenry in winning Sam Nujoma's acceptance of the five-nation proposals for Namibia, proposals already accepted by South Africa. South Africa, however, had not agreed to include Walvis Bay in the settlement; the only agreement was to negotiate about the future of Walvis Bay with the new, democratically elected government of Namibia. However, the United States went around South Africa and agreed to a separate resolution on Walvis Bay that was not part of the settlement, but implied U.S. support for handing it over to SWAPO.

In July the UN accepted the settlement, and the UN Secretary General sent a delegation to South West Africa to prepare for voter registration and for elections. But at the same time, SWAPO stepped up its terrorism with more raids and killings (see insert), a move which casts doubt upon the sincerity of Nujoma's acceptance of the free electoral process.

Within SWAPO, Nujoma himself is under fire. His relations with Agostinho Neto, the head of the Cuban-backed Angola regime, have cooled since Neto was sobered by the South African strike on Cassinga. He has been strongly attacked by his rivals for his penchant for silk shirts and lavish hotel suites. More important is the imminent return of Andreas Chipanga, who is organizing what he calls SWAPO–D: SWAPO–Democratic.

Chipanga is bringing with him 11 former officers of SWAPO who had been locked up first in Zambia and then in Tanzania for criticizing Nujoma's high living and alleged Swiss bank accounts. When a writ of habeas corpus was brought in Zambia for their release from prison, Zambian authorities whisked them across the border to Tanzania where habeas corpus has been abolished by the "African socialism" of Julius Nyerere. Eventually even Nyerere was forced by African pressures to release Chipanga and his friends. They have been waiting in London for details of the electoral procedures to be established.

Aside from a commitment to democracy—and that is a highly significant difference—it is not clear how the principles of SWAPO–D differ from SWAPO. In addition, there is another political group, the Namibia National Front, that is to the left of the moderate Democratic Turnhalle Alliance. There is hope, therefore, that the citizens of the new Namibia will have a chance to make a democratic choice in the proposed elections. Yet the unyielding support of the United Nations for one and only one black political group out of a number of black political groups casts into doubt even the UN's commitment to democracy.

For the UN to single out one group as the "official" liberation group, which is to be the sole recipient of UN funding, assistance and political support is to take sides unjustly in an affair which ought to be the internal business of Namibians. But it is even more unthinkable that the UN would put the

money collected from member nations behind a group that advocates and practices terrorism—a group that continues to step up terrorism even after a democratic settlement has been agreed to by all parties.

The role of the United States in giving diplomatic support to SWAPO, in the face of SWAPO's overwhelming pro-Soviet, anti-Western, Marxist-oriented bias is almost to guarantee that a regime hostile to the United States and to the West will be given power. If SWAPO were the only alternative, a case might be made for working with SWAPO to gain influence. But the evidence is that there are many alternatives, some black, some multi-racial, most of them democratic. Neither the United States nor the United Nations should take sides in a manner to foreclose a truly democratic, multi-party, multi-racial society in Namabia. Yet the record shows that both the U.S. and the UN have been taking sides. They have used the agencies of the UN to funnel huge amounts of cash and services to assist in the development of a society that is more amenable to Soviet interests than to the interests of the West.

HOW UN ASSISTANCES FUNNELED TO SWAPO

The very complexity of the UN and its allied agencies makes it difficult to trace total funding to terrorist organizations such as SWAPO. The United Nations itself is financed both through assessed and through voluntary contributions from member nations. Some of the specialized agencies are similarly financed through assessed and voluntary contributions, while others are financed purely through voluntary contributions. To make matters more difficult to untangle, some voluntary organizations simply channel funds through the administrative staff of another UN agency with special expertise for the execution of the project—a staff that could be supported by assessed funds.

The significance of the distinction between assessed and voluntary contributions is that the United States is assessed, just like a tax, for a sum equivalent to 25 percent of the assessed budget. But depite the whopping chunk of the tab which the United States pays, its influence in deciding the priorities of UN spending is minimal, since the Third World has the votes to override any objections. Although other nations, such as the Soviet Union, refuse to pay or underpay some of their assessments, the United States has seldom done anything but hand over a blank check.

As for voluntary contributions, the U.S. generally chooses to pay about 25 percent of the budgets established for most of the specialized agencies, although in some cases the proportion is much lower. In a few cases, such as after the withdrawal of the U.S. delegation from the Communist-dominated International Labor Organization (ILO), the United States pays nothing.

The official policy of the United States is that all so-called development funds for humanitarian purposes should come from voluntary contributions (development funds are the main source of contributions to terrorist groups). Yet, more and more, the UN bureaucracy has been increasing the amount and scope of development funds included in the assessed contributions, over which the United States has very little control. When this money is diverted to terrorist groups, the U.S. is thus in the position of supporting terrorism willy nilly.

Nevertheless, the United States still contributes freely to development funds in the voluntary budget, even though the U.S. knows that the priorities include terrorism.

Even when the funds do not come from the United States directly, the projects are often planned and operated by administrative personnel who are paid from the assessed funds, into which the U.S. has paid 25 percent.

THE REGULAR UN BUDGET

The regular (assessed) UN budget is a major source of funding for SWAPO. Three special agencies are under direct control of the main UN body:

(a) The UN Commissioner for Namibia
(b) The UN Council for Namibia
(c) The UN Fund for Namibia, which in turn funds The Namibia Institute

The UN Commissioner for Namibia is the UN's government-in-exile for Namibia. It has three offices in New York, in Lusaka, and in Botswana. The office in New York is the largest, with a budget of $1,129,200. The office in Lusaka, which is located, coincidentally, in the same city as the office of the Soviet Ambassador to Zambia, V. G. Solodovnikov, former director of the Soviet Africa Institute, and widely regarded as the director of Soviet field operations in Africa. It has a budget of $331,400. The office in Botswana has a budget of $261,900. Thus the total budget for the UN Commissioner for Namibia for 1978–79 is $1,722,500. These funds come directly from the assessed budget of the United Nations, of which the United States pays 25 percent.

The UN Council for Namibia has been considered by the UN as the administering authority for Namibia since 1967, although the Council's attempt to enter Namibia in 1968 was a failure. The Council has 25 member nations, and holds plenary sessions in Lusaka, the most recent being in March. The 1978–79 budget is $1,581,700. The Council recognizes SWAPO as "the sole and authentic representative of the Namibian people," and pays $182,200 for SWAPO's office in New York City. All of these funds come directly from the assessed budget of the United Nations, of which the United States pays 25 percent.

The UN Fund for Namibia is a trust fund account established in 1971, which has received $950,000 from the assessed UN budget, and $1,303,874 from voluntary contributions. In 1974, the UN General Assembly approved the formation of the Institute for Namibia, which opened its doors in Lusaka in August, 1976. The most recent available information shows that the Fund for Namibia, had given $846,549 to the Institute by March, 1977. However, the UN Development Fund, which will be discussed in detail below, has also given $3,750,000 to the Institute from voluntary contributions. The Institute has a Senate of 11 members appointed for five-year terms.

The Commissioner, the Council, and the Institute are closely interrelated and consult with SWAPO at every step. In 1976, all the members of the Council, as well as the Commissioner, participated in the International Conference in Support of the Peoples of Zimbabwe and Namibia, held in Maputo, Mozambique, from May 16 to May 21. Prior to the Lusaka meeting this year, three consultation missions were sent by the Council, one going to Gabon, Algeria and Nigeria, one to Mozambique and Tanzania, and the third to Angola, Botswana and Zambia. Each mission was composed of five members of the Council and a representative of SWAPO.

Still further aid is provided by the UN High Commissioner for Refugees, which in 1977 provided $45,500 from voluntary contributions for aid to Namibian refugees. The High Commissioner for Refugees in addition, using funds provided by the Institute for Namibia, established a health clinic in Botswana for Namibian refugees, at a cost of $40,000. There is no way to determine whether such assistance went to bona fide refugee civilians, or whether it went to the military camps of the SWAPO terrorists.

UNICEF AND THE UNDP

Much assistance is also provided through agencies associated with the UN Economic and Social Council and through the independent agencies.

UNICEF, for example, whose special mission is concerned with children, provided funding of $455,900 to the World Health Organization (WHO) to establish a health institute for Namibian refuges in Tanzania. These funds came from voluntary contributions.

But by far the most ambitious program of assistance to SWAPO is arranged through the Economic and Social Council's United Nations Development Program (UNDP). The UNDP is supposed to be the UN's major arm for channeling development funds to underdeveloped nations. But the UNDP has interpreted that mandate to include assistance to the so-called liberation movements, including SWAPO.

Typically, UNDP projects consist not of cash transfers, but of the funding of special projects to provide specific assistance, thus putting supplies, facilities, and expertise at the disposal of the terrorist groups. The UNDP provided aid to projects benefiting SWAPO in 1976–77 amounting to at least $7,297,042, all of it coming from voluntary contributions. Within the UNDP there is a special account, called the Colonial People's Trust Fund, whereby contributor nations can earmark contributions for specific projects.

Among the UNDP projects included in the above amount are some which the UNDP funded directly, and some which were funded using the specialized UN agencies as the executing entity. Among those funded directly was the $3,750,000 grant previously listed for the Institute for Namibia. The UNDP also provided $120,000 for an emergency airlift of foodstuffs to Namibian refugees in Angola, with the food itself provided by the World Food Program. No one knows how much went to "refugee" camps such as the military base in Cassinga. The UNDP also provided $31,500 to SWAPO for "education and training in the field of public information."

By funding projects indirectly, the UNDP takes advantage of the special expertise of the specialized agencies. For example, through the World Health Organization, UNDP has provided:

$198,000 for the Namibian Health and Education Center in Zambia.

$23,382 for a second grant to the above.

$739,000 for the Tanzania Health Center.

$52,000 for the Namibian Health and Education Center in Angola.

An undetermined amount for SWAPO members included in general health assistance to all southern African liberation movements.

Through UNESCO, UNDP has provided $151,500 in general educational assistance to SWAPO, and $205,000 for educational assistance to SWAPO in Angola.

Through the International Labor Organization (ILO), the UNDP has provided $1,570,838 for 200 SWAPO and Patriotic Front (Rhodesia) trainees in Botswana, Zambia and Tanzania for a two-year project. Some of the trainees will receive further training at the ILO Training Center in Turin, Italy.

Through the International Telecommunication Union (ITU), the UNDP has provided $344,400 for training in radio, postal and telecommunications skills. Such skills, of course, have both a civilian and military application.

Through the Food and Agriculture Organization (FAO), the UNDP has provided $58,208 for the SWAPO farm in Zambia, $29,382 for the SWAPO farm in Angola, and $23,832 for "assistance in agriculture" to SWAPO. It is not clear whether these farms are for training in agricultural skills, or for providing food for the military bases in Angola and Zambia.

In addition to the UNDP funding, some of the above agencies provide benefits to SWAPO with funds from other sources. For example, the FAO has provided $1,025,000 in foodstuffs for refugees in Angola from volun-

tary contributions of its own. In addition, the World Food Program, closely allied with FAO, has provided an undetermined amount of food assistance to the Institute for Namibia.

Furthermore UNESCO has budgeted $4.426 million in 1979–80 for assistance to all the African liberation movements, including SWAPO. The proportion of assistance to SWAPO cannot be determined. This money will be used for the education of refugees and candidates sponsored by liberation organizations, for certain specialized training of qualified personnel, and for training in "respect for cultural identity." In addition to the $4.426 million from UNESCO's own budget, UNDP is planning to give UNESCO an additional $3.087 million—3 percent of its budget—for these purposes.

SUMMARY OF AID TO SWAPO

Because of the peculiarity of UN finances and the proliferation of quasi-independent UN agencies and mutual interfunding of the same projects, it is difficult to arrive at a specific total for aid to SWAPO. Although the data in this article is taken only from official UN and Congressional sources, it is far from complete, and comes from different time frames. For example, we have only been able to trace $950,000 in assistance taken from assessed budgets between 1971 and 1977. But for the proposed biennium 1978–79, the UN plans to spend $3,304,200 from assessed funds just for the Commissioner of Namibia and the Council for Namibia. It must be assumed that similar, although perhaps lesser, amounts were spent on these offices in the past.

As for funds from voluntary contributions, the amounts for projects mentioned in this article total $8,686,416 in the past. But it should be noted that UNESCO alone, just one agency, plans to spend $7,513,000 in the 1978–79 biennium. We have been unable to assemble total projections of spending for SWAPO for the biennium.

UN AID TO OTHER TERRORISTS

Although this analysis has concentrated upon aid to SWAPO, that group is not the only terrorist organization which has received funding, project assistance, diplomatic support and international legitimacy. At least nine other such groups have received regular support, although in some cases the groups finally seized power, and funding was shifted to normal development assistance.

Not surprisingly, the ten are all so-called "liberation" groups whose prime purpose is to overthrow Western-oriented administrations in certain territories and install "neutral" dictatorships of one kind or another—almost always overtly Marxist. The same groups almost always receive weapons, training and operational financing from Soviet, Chinese or Eastern bloc countries.

Given the power blocs that make up the United Nations, it is not surprising that the United Nations cloaks these essentially anti-Western operations with respectability. Nor is it surprising that the shibboleth of anti-racism is used as a convenient cover for what is actually a strategic move to deny strategic materials and geo-political locations to the support of the West. What is surprising is that money provided by the United States and Western European nations makes up the bulk of the financing provided by the UN to the terrorists.

THE APPROVED LIBERATION GROUPS

Only liberation groups which have received the stamp of approval from the Organization of African Unity (OAU) and the UN seem to be eligible for UN funding. The ten groups have included:

The Palestine Liberation Front.

The Patriotic Front (ZANU and ZAPU in Rhodesia).

The African National Congress to Azania (ANC-South Africa).

The Pan African Congress to Azania (PAC-South Africa).

Movimento Popular de Libertacao de Angola (MPLA).

Movement for the Liberation of Djiboute (MDL).

Front for the Liberation of the Coast of Somalia (FLCS).

Mouvement de Liberation National des Iles Comores (MOL).

Front National pour la Liberation de l'Angola.

And, of course, SWAPO.

What all of these groups have in common, besides a Marxist outlook in economics and political control, is a rabid anti-Western attitude. The UN refuses to support non-Marxist movements, such as Jonas Savimbi's UNITA in Angola, or Bishop Abel Muzorewa's UANC in Rhodesia. They are not considered to be "National Liberation Movements (NLMs).

DEFINITION OF "TERRORIST"

Although the favored groups are officially considered NLMs by the UN, all of them more correctly ought to be termed terrorist groups. Some of their defenders seek to maintain that one man's freedom fighter is another man's terrorist but the word "terrorist" is used here advisedly to denote groups which, as a matter of tactics, conduct murder raids against defenseless civilians, plant explosives in non-military targets designed to injure civilians at random, and abduct or assassinate citizens of wealth or political importance.

The use of terrorism is never justified, not even when it is applied in the name of social justice. The kidnapping, torture, or murder of innocent civilians is never justified by an appeal to Marxist-Leninist concepts, making literal the theory of "class warfare." No amount of oppression can ever justify actions whose principal target is the people who are supposed to be "liberated." The Western ethic rejects the idea of collective guilt, and recoils from the political murder of innocents. The appearance of terrorism as a polticial strategy, therefore, almost always denotes an attack on Western values and interests.

In aiding terrorists movements, the UN consistently casts its aid in the guise of humaniterian assistance. The programs bear the label of health assistance, education or food for refugees. The UN never reveals whether the health facilities are used to treat terrorists wounded in the act of killing innocent civilians, or whether education includes technical training in military specialties, such as telecommunications, or whether the "refugees" are terrorists with knives or guns in their hands.

Yet, as was clearly established in the South African raid on Cassings, these putative refugee camps can be something far more sinister. Every such camp undoubtedly will include wives, children and hangers-on; but in no sense can they be considered as innocent citizens forced into exile by oppression. They have willingly chosen the way of the sword; and they have turned it against their own people instead of against the authorities they denounce as oppressors. It is a sign of the times that the West willingly chooses terror instead of justice, and eargerly finances its own destruction.

SUMMARY OF SWAPO TERRORIST INCIDENTS SINCE JANUARY 1978

JANUARY 5.—An Ovambo man was shot by a gang of terrorists. A number of AK 47 cartridge cases were discovered near the body.

January 8.—A private car with 10 civilian passengers detonated a Russian landmine. Four of the passengers were killed outright and six were seriously injured.

February 7.—The Ovambo Minister of Health, Mr. Shiygaya, was assassinated with a Russian-made pistol after a political meeting in Ovambo.

February 21.—A group of terrorists abducted 119 children and their teacher from the St. Mary's Mission School in Ovambo.

March 3.—Headman Mangola Kanyala was killed by a group of terrorists. His body was mutilated and his wife and children abducted.

March 25.—Another Headman, working for the South African Police, was shot by terrorists using a Russian-made pistol.

March 27.—Two terrorists assassinated the leader of the Herero people, Mr. Clemens Kapuuo. Mr. Kapuuo was widely regarded as a possible future leader of an independent Namibia.

April 18.—Two Ovambo children were killed by a Russian hand-grenade.

April 21.—An attempt was made on the life of the Ovambo's Minister of Justice, Mr. Tara Imbili.

April 22.—A bus was hijacked on the road between Oshakati and Ruacana. The bus with about 70 to 80 people on board was taken to Angola.

April 24.—South African forces made contact with 20 terrorists approximately 10 km south of the Angolan-South West African border. After a skirmish, the terrorists withdrew into Angola.

April 24.—A vehicle of South Africa forces was ambushed by SWAPO terrorists approximately six km south of the Angolan-South West African border. Security forces returned fire following which the terrorists withdrew to the safety of Angolan territory. A South African soldier was killed in this incident.

April 28.—A SADF patrol was attacked approximately 25 km east of Ruacana.

April 29.—Shots were fired at the border post at Ruacana. Fire was not returned.

April 29–30.—Landmines of Communist origin were set to explode at the new homes built for the members of the Ovambo Cabinet and the Legislative Assembly building at Ongwediva.

April 30.—A SADF patrol was attacked by approximately 10 SWAPO terrorists 45 km east of Enana. One SADF member was killed.

May 1.—Heavy fire was brought down on a SADF patrol approximately 43 km south east of Enana. A follow-up operation was mounted and the enemy fled over the Angolan border.

May 2.—The water pipeline running between Ondangua and Oshikango was sabotaged. (This pipeline is esssential for the livelihood of the local inhabitants.)

May 3.—Heavy fire was directed at the guard post and buildings at Ruacana including structures of the water scheme. Several buildings were damaged. Fire was not returned.

May 20.—South African security forces encountered armed SWAPO elements from across the South West Africa-Angolan border on South West African territory.

May 22.—Further contact made with armed SWAPO elements in South West Africa.

May 23.—South African forces in the Ruacana area were fired on from Angolan territory. A member of the South African security forces was wounded.

May 26.—South African forces in the Ruacana area were again fired on from Angolan territory.

May 31-June 2.—Armed SWAPO elements again engaged in South West African territory.

June 4.—Two armed men were arrested at a point northwest of Outspl. Two Tokarev pistols, one R1 rifle and a hand-grenade which they had obtained from Angola were found in their possession.

June 21.—Two terrorists dragged Mrs. Paulus Shilango out of her house, killed her and fled back across the border into Angola.

This incident occurred two km south of Oshikango.

June 30.—Near Oshikango a South African transport aircraft flying from west to east over South West African territory was fired upon from Angolan territory.

July 4 and 7.—South African security forces were ambushed by armed elements from across the South West Africa-Angola border on South West African territory at the following positions:

(a) 17 degrees 52S 16-degrees 17E (approximately 10 km west of Okankolo)

(b) 17 degrees 53S 16 degrees 55E (approximately 60 km east of Okankolo)

July 7.—Security forces encountered armed elements from across the South West African-Angolan border on South West African territory at 17 degrees 35S 16 degrees. The encounter led to exchange of fire and a member of security forces was wounded

July 7.—30 km northeast of Odangua, on Omahenge area, a member of the local population, Nambamy Kange, was kidnapped by SWAPO terrorists.

July 13 and 15.—The following three incidents occurred as a result of landmines planted by SWAPO terrorists who infiltrated from Angola into the Omahenge area:

(a) Approximately 12 km northeast of Oshigambo a vehicle was badly damaged in a landmine explosion.

(b) Approximately 16 km south of Oshikango four members of local population died and eight were seriously injured in three explosions.

(c) Approximately 10 km south of Oshikango a further two landmines were detected.

July 20.—Approximately 120 SWAPO terrorists divided into four groups crossed the Angolan-South West African border into South West Africa between beacon 22 and beacon 31.

July 31.—Security forces made contact with SWAPO terrorists approximately 20 km east of Oshikano in Jati strip. Two terrorists were wounded and taken back across the border into Angola.

An unknown number of SWAPO terrorists were reconnoitering in South West Africa south of beacons 6–10.

July 16.—An Ovambo, Mrs. Helena Kanine, believed to be a DTA organizer, was murdered by SWAPO terrorists in the Ondangwa area.

July 25.—Approximately 20 km north of Ondangwa, a deputy chief, Mr. Japhet Shilumba, was murdered in his shop by eight SWAPO terrorists. Mr. Shilumba was shot in the back of the head with a Makarov pistol. The shop was afterwards plundered.

July 27.—Mr. P. Nipukulula, a teacher at Eembahu 20 km from the Angolan border, was murdered by a SWAPO terrorist who shot him twice through the head and then stabbed him through the throat and heart with a bayonet. Wife of the deceased was threatened and shop ransacked. Empty AK 47 cartridge cases were found on the scene of the murder.

July 29.—Approximately 12 km west of Eenhana a water pipeline was brown up.

July 30.—Eight telephone poles were blown up by SWAPO terrorists approximately 2 km south of Oshikango.

July 22 and 24.—South African security forces approximately 35 km west of Ruacana were fired on from Angolan territory. In the second incident; two members of security forces were wounded.

July 31 and August 2.—The following incidents occurred as a result of landmines planted by SWAPO terrorists who infiltrated from Angola into South West Africa.

(a) Four security force vehicles were damaged.

(b) Landmines were defused by security forces. One member of security forces slightly injured.

(c) A private vehicle detonated a TM 46 landmine approximately 30 km south east of Enans. Two members of local population killed and two seriously injured.

(d) A private vehicle detonated a TM 46 landmine approximately 7 km west of Enana. One member of local population was killed and a member of the homeguard injured.

(e) A TM 3 mine was discovered and lifted by security forces approximately 55 km south of Omhulu.

August 12.—Security forces were ambushed by SWAPO terrorists approximately 60 km east of Onkankolo. Three members of security forces were killed.

August 13.—Terrorists fired on South African police patrol approximately 20 km south west of Eenhans.

August 13.—Security forces were fired upon while drawing water approximately 5 km east of Oahikango.

August 12 and 13.—Following incidents occurred as a result of landmarks planted by SWAPO terrorists who infiltrated from Angola into South West Africa:

(a) One TM 46 landmine was discovered and lifted approximately 2 km north of Singalumwe.

(b) One TM A3 landmine connected to TM 46 landmine discovered and lifted approximately 17 km west of Umbulu.

(c) A vehicle detonated a TM A3 landmine in the vicinity of Oshikango. A local resident, Mr. David Ohepo, was killed.

August 12.—A member of the local population, Mr. Elia Shikolola, was murdered by two SWAPO terrorists approximately 20 km south of Oshikango.

August 12.—A TM A3 landmine was discovered and lifted at approximately 18 km north west of Outapi. Tracks of 12 terrorists were found.

August 13.—A TM landmine connected to a TM A3 landmine was detonated by security forces vehicle approximately 15 km south east of Eenhana and one member of the security force slightly injured.

August 13.—A security forces bush hat was found booby trapped with a hand-grenade approximately 20 km west of Onkankolo.

August 14.—A TM 46 landmine was discovered and lifted approximately 17 km north east of Singalamwe.

August 15.—Security forces made contact with a group of SWAPO terrorists moving north toward the Angolan border 20 km east of Oshikango. After exchange of fire terrorists fled across border into Angola.

August 15.—One TM 46 landmine booby trapped with a hand-grenade was discovered and lifted approximately 16 km northeast of Singalamwe.

August 15.—A damaged TM 46 landmine was discovered approximately 15 km northeast of Onkankolo.

August 16.—A manhole on a water pipeline was blown up by SWAPO terrorists approximately 8 km south of Oshikango.

August 16.—Security forces encountered a group of terrorists approximately 5 km east of Oshikango. The group was preceded by two women armed with AK 47 rifles. Terrorists scattered after exchange of fire.

Mr. HELMS. I thank the Chair. I yield the floor.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER (Mr. WARNER). The Senator from Hawaii.

Mr. INOUYE. Mr. President, I find it necessary to speak in opposition to the amendment submitted by my friend from North Carolina. This Institute was created in 1976 by the United Nations General Assembly and it aims to train Namibian students for middle level positions in the civil service of an independent Namibia. The curriculum includes 3 years of basic secondary education. There is training in English, mathematics, political science, law and society, administration, history, economics, and education.

Research is conducted in areas of relevant concern. Examples are constitutional options for Namibia, agrigarian and land reform, health and education surveys, and urban housing. The curriculum does not include military training.

Mr. President, the donors are primarily western countries. Since 1978, the U.S. contribution has been $500,000 annually, which is approximately 18 percent of the total. Other donors include Canada, Western Germany, the Netherlands, and most of the Scandinavian countries.

The Reagan administration has asked for this money as a demonstration of the administration's support for an independent Namibia.

The U.S. contribution to the program is intended to demonstrate U.S. support for peaceful transition by preparing Namibians to administer their country at independence.

One of the weaknesses that history has shown whenever a colonial nation has left its colony has been the lack of preparation. This is replete throughout Africa. I believe the United States does not wish to have this repeated again in Namibia, a possible hot spot.

We have been assured that this is not a training school, a military school for SWAPO, nor is it a Marxist orientation center for Namibians.

It has been closely monitored. It is located in Zambia.

Mr. President, I think the sum is small, but I consider that this is in our national interest. If we should decide to move out of this activity, we may be inviting the very people we do not want involved to move in. There is a struggle going on at this time for the minds, the souls, and the hearts of Namibians. This is a small investment. I think it is an investment that will be appreciated by Namibians, and it is a small investment that will go a long way.

For the past 3 years, this amendment has been presented to the Senate. For the past 3 years the Senate has rejected it. I would hope that once again we reject this amendment.

Mrs. KASSEBAUM. Mr. President, I would agree with much of what the distinguished Senator from North Carolina says regarding the United Nations Institute. It has been a questionable institute.

My reservation at this time with this particular amendment is in the timing of it when there are some very delicate negotiations ongoing regarding the independence of Namibia. One of the very successful contact groups has just been in southern Africa meeting with some heads of state. There seem to have been some very positive efforts with regard to their Constitution and elections in Namibia.

I wonder if the Senator from North Carolina would consider language where-

by no funds would go to the Institute unless the President would feel it was so desirable.

Mr. HELMS. Mr. President, if the distinguished Senator will yield, the Senator from Kansas and I have discussed this previously. She has suggested language which is perfectly acceptable to me because it serves the purpose that both of us want to serve.

The language which we have drafted jointly would add, at the end of the pending amendment, the words "except if the President determines and submits in writing to Congress that providing such funds will promote an internationally recognized settlement in Namibia".

If that language is acceptable to the distinguished Senator from Kansas, I will send it to the desk as a modification.

Mrs. KASSEBAUM. I think that says it very well and I would be very supportive of the amendment with that language added.

Mr. HELMS. I thank the able Senator.

Mr. President, the distinguished Senator from Kansas makes a fine contribution to the Foreign Relations Committee and to this Senate.

UP AMENDMENT NO. 647, AS MODIFIED

Mr. HELMS. Mr. President, I send the modification to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

On page 5, line 13, before the period insert a colon and the following: "*Provided further*, That none of the funds appropriated under this heading may be available for the United Nations Institute for Namibia", except if the President determines and submits in writing to Congress that providing such funds will promote an internationally recognized settlement in Namibia.

Mr. KASTEN. Mr. President, I congratulate the Senator from Kansas and the Senator from North Carolina on their cooperative effort. On behalf of the majority I am pleased to accept the amendment, as modified.

Mr. INOUYE. Mr. President, with the perfecting amendment I will concur.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

Mr. TSONGAS. Mr. President, I will not concur in the amendment, as modified.

The Senate a couple of years ago wrote a chapter in the history of Rhodesia when, in the process of trying to resolve the issues peacefully, the Senate, in its wisdom last year, or, rather, in April 1979 and the summer following, despite pleas to not involve itself in lifting sanctions against Rhodesia, ignoring pleas to let a peaceful process endure, saw fit to lift sanctions. None of our allies did the same thing.

That did not become law because, fortunately, the House of Representatives, the so-called other body, had more sense. They were not spooked. Because the House of Representatives saved the Senate from its wisdom, there was peace in Rhodesia, now Zimbabwe. Had the wisdom of the Senate prevailed, there would have been bloodshed, violence, civil war, and Soviet entree into Rhodesia.

Rather than the Senate realizing it made a mistake, rather than being thankful the blood is not on our hands, what do we do? We do it again.

We are now in the process of trying to resolve the issue of Namibia. Can you tell me how agreeing to this amendment, while they are negotiating the Namibian settlement, helps? It does not. Whose blood is it? It is not ours, obviously, but it is theirs.

The amount of knowledge in this body of the Third World is lamentable. You do not vote on a Third World end result because you do not want to go back and defend it.

This would be the same situation. We would vote in a reactionary way, hoping the House would save us, and, if it does not, well, "They are the ones who bleed. To heck with it."

It is very hard to understand why something like this would come up. The only people who are served by it are internal parties in Namibia who want to hang on and hang on, and the only other party which could possibly be pleased by this are the Soviets.

This amendment plays right into the hands of the Soviet Union propaganda in Africa. Why do you want to do it? We might as well write to the Kremlin and say, "Dear Sirs: Please forward whatever amendments you think would be helpful in pursuing your policy in Africa. We will pass them without reservation."

That is the de facto effect of what we are doing, Mr. President. You cannot find one European country that would endorse this. The amendment is introduced and we fall over.

Chester Crocker, who is the Assistant Secretary of State for African Affairs, does not share my view of how to proceed in Southern Africa, but I think he is sincere, I think he is intelligent, I think he is openminded, and I have stepped back and not tried to interfere whatsoever with negotiations in Southern Africa. I have not uttered a word, but given him the leeway to try to resolve it. I think those on the other side of the issue have the same obligation. This amendment undermines that effort. So we get it up, we modify it with language, then we swallow it.

After a while, Mr. President, I shall get to the point, when something like this comes up and we know we will somehow get around it, that I shall let it go through without getting upset. But it represents the worst of what this body is about.

There are human beings whose lives are affected by what we do in this body. We did not give a damn in Rhodesia, did we? All those people would have died—well, that is their problem.

It is not their problem, Mr. President.

We wonder why we are having trouble dealing with Africa. Look no farther than this amendment.

Mr. President, I object to this amendment and even if I am the only one to vote against it, at least I shall not have to explain it later on to myself. I demand a rollcall on the amendment.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. KASTEN. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. TSONGAS. Yes.

Mr. KASTEN. I want to be sure on what measure he is demanding a rollcall. There will be an amendment offered on elimination of funding for Zimbabwe. That is not the amendment before us at this moment. The amendment before us at this moment has to do with funding for the Institute of Namibia. I want to be sure the Senator is asking for a RECORD vote—I assume most of his text had to do with Zimbabwe. I wonder if he could not allow this amendment to be accepted by a voice vote, and then we may have a RECORD vote and some discussion on the amendment of the Senator from North Carolina dealing with the question of the total elimination of funding for Zimbabwe, which I understand may be before us momentarily.

Mr. TSONGAS. Mr. President, I was speaking to the amendment that would eliminate money for the Namibian Institute. That is not an institute that I would subscribe to. My objection is to our willingness willy-nilly to intervene, to have an impact that can only be negative in terms of the negotiations. I would prefer that these kinds of amendments be fought so that at least the word goes out that there is at least a nucleus of people in the Senate who recognize the implications of what we are doing and are willing to vote no. Even if it is only one or two people, some Africans reading this transcript will not think we all are somehow party to this kind of very irresponsible, very rhetorical, very dogmatic, inflammatory movement.

The PRESIDING OFFICER. The Chair seeks clarification from the Senator from Massachusetts concerning his pending request for the yeas and nays. Is that request still pending?

Mr. TSONGAS. Mr. President, I demand the yeas and nays on the issue of the Namibian Institute if for no other reason than that one Member of this body is going to vote no.

Mr. INOUYE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. INOUYE. What is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from North Carolina No. 647 as modified by the Senator from North Carolina in accordance with the suggestions made by the Senator from Kansas. As I understand it, the Senator from Massachusetts has requested the yeas and nays on that amendment as modified.

The question is, Is there a sufficient second?

Mr. INOUYE. Mr. President, may we have the clerk read the full amendment as modified?

The PRESIDING OFFICER. First, we have to establish, under the rules, if there is a sufficient second to the request for the yeas and nays.

The Chair puts the question to the Members of the Senate, Is there a suf-

ficient second? There is not a sufficient second.

Mr. TSONGAS. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TSONGAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TSONGAS. Mr. President, I shall yield to the request of the Senator from Hawaii and the Senator from Kansas, but I want the record to indicate my strong opposition to any amendment which deals in this fashion and, hopefully, the administration will see it in its interest to take advantage of the modifying amendment. Hopefully, we shall go through this again perhaps next year, but I want it to be made very clear that I, for one, object to this kind of intervention and the human toll that it represents.

I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina as modified.

The amendment (UP No. 647), as modified, was agreed to.

Mr. HELMS. I move to reconsider the vote, Mr. President.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 648

(Purpose: To prohibit the availability of funds for Zimbabwe while North Korean military personnel are in Zimbabwe)

Mr. HELMS. Mr. President, I send an unprinted amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 648.

On page 23, between lines 4 and 5, insert the following:

SEC. 522. None of the funds appropriated by this Act may be made available after January 1, 1982, for the purpose of furnishing assistance for Zimbabwe while any military adviser or technician or other military personnel of the Democratic People's Republic of Korea is in Zimbabwe.

Mr. HELMS. Mr. President, this amendment is one which may disturb my friend from Massachusetts. He has already alluded to it. As he indicated in terms of his position on the amendment just approved, he wished to be on record in opposition to that amendment. By the same token, I offer this amendment to sound a warning not only to the Senate but also to the Reagan administration, with which I think I have fairly satisfactory credentials in terms of support.

The pending bill includes an appropriation of $75 million for assistance to Zimbabwe. That $75 million figure has a familiar ring. The Senator from Louisiana, whom I observe listening intently to this debate, may recall that that was the precise amount that was appropriated for Nicaragua, and this Senator twice stood in this spot and implored Senators not to put that money in the hands of the Sandinistas. The Senator from North Carolina did not prevail on either occasion, and I anticipate that the Senator from North Carolina will not prevail on this occasion. However, I feel that I owe it to my conscience at least to make the point and sound the warning.

As to the $75 million in this bill for assistance to Zimbabwe, we debated this issue at length when the matter came up on the authorization legislation. Briefly, today, the facts are the same as they were then. The Prime Minister of Zimbabwe, one Robert Mugabe, is a self-proclaimed Marxist who is trying to set up a one-party Marxist state in Zimbabwe, in defiance of the Lancaster House accords. Moreover, Mr. Mugabe is presently host to a large number of North Korean military personnel who are busily engaged in training a special unit for the repression of political dissent in Zimbabwe—Zimbabwe, of course, having been formerly known as Rhodesia.

Mr. President, I acknowledge that the precise number of North Koreans in Zimbabwe at this time has been a matter of debate. I believe that it is uncontested, however, that the first contingent numbered 106 and arrived some time in midsummer. That is the number that the State Department is sticking to. However, other information, entirely credible to the Senator from North Carolina, which has appeared in distinguished European publications such as the Economist, in Britain, and Die Welt, in Germany, places the number of North Koreans in Zimbabwe at over 200.

Furthermore, I have received reports from individuals who have interviewed witnesses in Zimbabwe who have seen more North Koreans coming in by way of the railroad to Beira, Mozambique, and which place the number closer to 500. The exact number, I submit, is not important. What is important is the principle.

It is also highly significant that the training that the North Koreans are giving in Zimbabwe, in part, involves the use of weapons which North Korea had supplied to Mr. Mugabe before independence, while he was a terrorist—in fact, during his period of terrorist activity.

Mr. President, this is a matter of great concern to this Senator. Mr. Mugabe's turning to North Korea for assistance at this time is a matter of utmost gravity. The type of communism in North Korea is one of the most rigid and brutal in the world. It is a brand of communism that Mr. Mugabe has always admired, and it is not at all surprising to this Senator that Mr. Mugabe now turns to the North Koreans for training, as he moves inexorably toward a more repressive society. The North Koreans are known to be ruthless and effective fighters in the world.

I do not question the sincerity of Senators in this body who still hold out hope that Mr. Mugabe, by some magical turn of events, may turn into a moderate and that he still wants to have a Western-style society in Zimbabwe. It is possible, though not at all probable, in the view of this Senator. I hope that my distinguished colleagues who hold that hope are correct, and I hope they will be proved correct. However, it seems to this Senator from North Carolina that what we are witnessing is a transition toward—not away from—a classic Marxist state. They propose to do it with $75 million of the American taxpayers' money.

So my fear is—we have seen it elsewhere, Nicaragua being a good example—that what appears to be a period of moderation is merely a transition period toward that classic Marxist state.

As I said at the outset of my remarks, Mr. President, was had a similar debate along the same lines on the Senate floor about a year or two ago with respect to the prudence of giving aid to Nicaragua. Some of my distinguished colleagues, for whom I have the utmost respect and affection, at that time thought, as some think with respect to Zimbabwe today, that we were witnessing in Nicaragua a period of moderation and that it would be appropriate to help the private sector in Nicaragua. I tried to argue at that time that such assistance would simply give the Marxists in Nicaragua even more control over the private sector and that it would bring about a more rigid Marxist state.

Now where are we with respect to Nicaragua? At the present time, the administration wholeheartedly agrees that Nicaragua is now totally under Marxist control and is a surrogate in Central America for Cuba and the Soviet Union in stirring up revolution.

Mr. President, I submit that the situation in Zimbabwe is absolutely analogous to the situation in Nicaragua a year or so ago. What we are observing is a transition period. In my view, we should not be giving any aid to Zimbabwe at all.

Nevertheless, I am still willing to give Mr. Mugabe a chance to prove that he is in fact a moderate. Before he receives aid from the United States, he should give the American taxpayers and the U.S. Government a signal that he is not abandoning his ties to the West. That signal should come only in the form of the removal of the North Korean troops recently in Zimbabwe. Why should we be giving financial and moral assistance to a country that is using one of the most despicable regimes in the world to train troops for internal control of dissent? How can we justify that to the U.S. taxpayers?

I do not know about other Senators, but I could not go home and send that proposition to my people of North Carolina.

This amendment merely provides that no assistance can be given to Zimbabwe while any military advisers or technicial or other military personnel of the so-called Democratic People's Republic of Korea is in Zimbabwe.

I hope Senators will consider how the vote on this amendment may look to the taxpayers in their respective States a year from now. How accountable are we to the decent, upstanding citizens of the United States who will have grave

doubts about the provision of assistance to a government headed by a Marxist, that is using North Korean Communist troops to train a praetorian guard to keep itself in power? If Mr. Mugabe is the friend of the West that he pretends to be, he will not hesitate to rid his country of North Korean military personnel. North Korea is a country that we have never signed a peace treaty with, that we do not even recognize in diplomatic relations. How can we collaborate with such a nation, even indirectly, at this time? Maintaining North Korean troops there is an unfriendly act, and we should withhold aid if they are not removed.

I yield the floor.

Mr. PERCY. Mr. President, I shall be very brief because we previously voted on a similar amendment on October 22 and by a vote of 14 to 61 rejected the amendment of the distinguished Senator from North Carolina.

Mr. President, the preponderance of assistance to Zimbabwe—military and especially economic assistance—continues to come from the West. The Reagan administration has chosen to stand with our Western friends in supporting a country which holds great promise for us in economic and political terms.

Economically, the U.S. private sector has taken a special interest in Zimbabwe's future. The U.S. Chamber of Commerce has established a special chapter there. There is a United States-Zimbabwe Trade Council.

Diplomatically, Zimbabwe has reacted positively to the efforts of the Reagan administration to work with South Africa and the other key parties to reach a Namibian settlement. The Reagan administration believes that a settlement is vitally important to our security interests in Africa.

A vast number of our Western friends have decided that Zimbabwe is a country worth supporting. In addition to the Reagan administration and Prime Minister Thatcher's government, the Governments of France, West Germany, Canada, Belgium, Holland, and the Scandinavian countries provide aid to Zimbabwe—just to name a few.

With regard to the presence of North Korean personnel in Zimbabwe, I would emphasize that our British friends continue to play the overwhelmingly predominant role in training and equipping the Zimbabwean Armed Forces.

To cut off all aid because Zimbabwe's leader has accepted an offer of a very small amount of training, cost-free, from a nation which supported him prior to independence, would be very shortsighted.

Mr. President, I believe that the administration's request for assistance to Zimbabwe makes good sense, and I urge my colleagues to oppose this amendment.

Mrs. KASSEBAUM. Mr. President, I will say to the distinguished Senator from North Carolina that we do have to be accountable in our voting record, though we are also here to exercise some thoughtful judgment on some very perplexing and complex issues.

We have had this debate before on October 22 when a similar amendment was offered to the Foreign Assistance Authorization Act.

The situation has not really changed since then.

I have been trying to follow very closely what the troop situation is in Zimbabwe, and the State Department has said that there are no more troops coming in than that were there at that time and at that time their figures were about 100, or 106, as a matter of fact, to be exact.

Salisbury is a small town about the size of Topeka, Kans., and I think if there were an unusually large troop movement of North Korea troops coming into the Salisbury, there would be many who would be very aware of this.

Zimbabwe is a country of important political, economic, and strategic interests to the United States. The U.S. relationship with Zimbabwe is based on this administration's understanding of the importance of all of southern Africa to America's security and prosperity.

There is a consistent and well-thought-out policy that has been approved by the President and which applies to the whole region.

One of the principal goals of our southern African policy is to halt the spread of Soviet influence in the region and with this I heartily concur with the Senator from North Carolina.

Within the Zimbabwe government there exists a wide variety of opinions concerning the future of that country.

For us to withdraw our economic assistance to Zimbabwe would strengthen the hands of those within the Zimbabwe government who wish to move that country into a closer relationship with the Soviet Union and its allies.

As chairman of the Subcommittee on African Affairs, I believe we simply cannot adopt policies that will increase the influence of the Soviet Union in southern Africa.

Rather we should be seeking to counter the existing Soviet influence through a positive foreign policy.

Foreign assistance such as the proposed aid to Zimbabwe is an essential element in an energetic and positive foreign policy.

I certainly share with the Senator from North Carolina concern about the level of Soviet influence in Zimbabwe, but I differ with him on the best method of countering that influence.

Rather than withdrawing from the leading role we are playing in Zimbabwe I would increase our involvement in that country. I would do this because I believe that the principles for which we stand, fair play, individual liberties, and human dignity, are the most powerful principles that the world has ever known, and I am convinced that our principles will inevitably triumph, but they cannot triumph if we close the door and refuse the hand of friendship.

Prime Minister Mugabe will have an important role to play in our search for a settlement and an end to foreign military pressure in southern Africa. In order to gain his cooperation in achieving our foreign policy goals, a careful diplomacy must be practiced.

The Reagan strategy in southern Africa is working. Slowly but surely the United States is achieving results in protecting American national interests in this increasingly important region of the world.

Foreign policy by legislation in the middle of sensitive political negotiations is dangerous and as it clearly undermines the President's credibility in dealing with foreign leaders.

Mr. President, on the last day of September the Senate voted to free the President's hands in another country in southern Africa. Our action had an impact on his ability to negotiate successfully with the parties in the region because it demonstrated to the world that he had the full confidence of the Senate in his regional strategy.

To now vote to undermine that strategy by removing a key element in it would be I believe a tragic mistake.

This policy has the full support of the Secretary of State and of the President.

For these reasons I hope this amendment will not be successful.

Mr. INOUYE. Mr. President, I wish to associate myself with the eloquent remarks of our distinguished friend from Kansas.

I wish to add that if we carry this amendment to its logical conclusion by suggesting that none of the funds appropriated by this bill would be made available for the purpose of furnishing assistance to any country while military experts or advisers or technicians of a Communist country may be in its area we would have to cut out aid to Poland, we would have to cut out aid to Jordan. Incidentally, Jordan just purchased SAM-6's from the Soviet Union. We would have to cut out any sort of relationship with Tanzania, Zambia, Zaire, India, and several others.

If we took that attitude, we would just isolate ourselves and we would lay the red carpet out for the forces of the Socialist world.

I hope that we do not make that mistake. We have made that mistake too often.

I can recall as a young man when we, for some unknown reason, decided to support a man called Fulgencio Batista. I think he was about as bad as any dictator in this century. With this man Fidel Castro, again we had an opportunity to have someone on our side, but we decided since he was a Marxist he was no good, and we continue to be troubled by that decision.

I hope that we do not repeat that decision here.

Mr. HELMS. Mr. President, I, was tempted to say gee, I do not quite know how to respond in the proper way to such a charming, lovely, and intelligent Senator as is the able and distinguished Senator from Kansas.

Yet I do not want her to misinterpret what I am about to say as a statement made in a caustic manner because it is not.

But as I listen to her and as I listen to my dear friend from Hawaii (Mr.

INOUYE). I felt that I was hearing a replay of the same thing that I heard when we debated on this floor the question of sending $75 million to the Sandinistas in Nicaragua.

I think it is pretty generally agreed that aid to Nicaragua was an inappropriate move. But I heard on that day, "Oh, we must hope." Hope for what? Hope that a leopard will change its spots? Hope that a Marxist will all of a sudden stop being a Marxist and start being a moderate?

I have got to say in all honesty, Mr. President, that I did not anticipate that I would see the policy being pursued here as one that would come from the Reagan administration. But the more I enquired, the more I found out. The so-called "country plan" which outlined the proposal for aid to Zimbabwe was worked up by whom? It was worked up by the Carter administration. It was prepared, Mr. President, by the Carter diplomats on the ground in Zimbabwe in the rush of excitement after independence. They broke all records to get emergency aid to Zimbabwe last year, and they wanted a grander proposal.

It was completely completed on paper within a few days after President Reagan came into office. It was printed for distribution in February of 1981, and Ronald Reagan, by that time, did not even have the seat of his chair warm.

Maybe I misunderstand the situation, Mr. President, but I thought the people of this country voted for a change last November, not only economic change but a foreign policy change. I do not think they voted to have the U.S. Government continue to support the spread of socialism or Marxism or communism in Africa.

I do not think the American people expected that the Carter plan—and that is what we are talking about, the Carter plan—to give $75 million to Zimbabwe would be adopted in toto.

What we have here, Mr. President—and I say this with all due respect for and affection for an administration which I have done my best to support—are the same bureaucratic ideas that were repudiated I think by the voters in November of 1980.

For that reason, if I am the only Senator to vote against sending this $75 million to Zimbabwe, so be it.

I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. TSONGAS. Mr. President, just as a point of information on the part of the White House, Jimmy Carter has not been there for 10 months. This is a proposal from the Reagan administration, and I support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Tennessee (Mr. SASSER), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I further announce that the Senator from Alabama (Mr. HEFLIN) is absent because of a death in the family.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER (Mr. DANFORTH). Is there any other Senator in the Chamber who desires to vote?

The result was announced—yeas 26, nays 67, as follows:

[Rollcall Vote No. 381 Leg.]

YEAS—26

Armstrong	East	Long
Byrd, Harry F., Jr.	Ford	Mattingly
Byrd, Robert C.	Garn	McClure
Cannon	Grassley	Nickles
Chiles	Hatch	Proxmire
DeConcini	Hawkins	Randolph
Denton	Hayakawa	Symms
Domenici	Helms	Thurmond
	Humphrey	Warner

NAYS—67

Abdnor	Glenn	Packwood
Andrews	Gorton	Pell
Baker	Hart	Percy
Baucus	Hatfield	Pressler
Bentsen	Heinz	Pryor
Biden	Hollings	Quayle
Boren	Huddleston	Riegle
Boschwitz	Inouye	Roth
Bradley	Jackson	Rudman
Bumpers	Jepsen	Sarbanes
Burdick	Johnston	Schmitt
Chafee	Kassebaum	Simpson
Cochran	Kasten	Specter
Cohen	Laxalt	Stafford
Cranston	Levin	Stennis
D'Amato	Lugar	Stevens
Danforth	Mathias	Tower
Dixon	Matsunaga	Tsongas
Dodd	Melcher	Wallop
Dole	Metzenbaum	Williams
Durenberger	Mitchell	Zorinsky
Eagleton	Murkowski	
Exon	Nunn	

NOT VOTING—7

Goldwater	Leahy	Weicker
Heflin	Moynihan	
Kennedy	Sasser	

So Mr. HELMS' amendment (UP No. 648) was rejected.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RANDOLPH. Mr. President, I respectfully request a rollcall on passage of the pending bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

UP AMENDMENT NO. 649

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, on behalf of the senior Senator from New York and myself, I send an unprinted amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. PELL), for himself and Mr. MOYNIHAN, proposes an unprinted amendment numbered 649.

On page 19, between lines 8 and 9, insert the following:

SEC. 551A. None of the funds appropriated or made available pursuant to this Act shall be available to any country in which on November 21, 1979, the United States Embassy and other U.S. Government property was attacked, and in which attacked American citizens died, and which has not paid full compensation in United States dollars to the United States Government for all damage done to U.S. Government property, for all damage done to property of United States citizens, for all expenses incurred by the United States Government directly and indirectly as a result of the attack, and for the loss of life of American citizens and of employees of the United States Government. For purposes of this section, full compensation shall include, but not be limited to, the cost of rebuilding and repairing all U.S. Government buildings damaged or destroyed in the attack; the cost of replacing or restoring all furnishings damaged or destroyed; the cost of replacing or restoring the lost, damaged or destroyed personal property of United States citizens and of local employees of the United States Government; the cost of renting, or otherwise acquiring office and housing space to replace the offices and United States Government housing rendered unusable; the cost of evacuating dependents of U.S. Government employees and the additional costs occurring to the United States Government for the support of dependents outside of the country from which they were evacuated; the amount of additional expenditures by the United States Government required to protect properly United States Government property and personnel remaining in the country after November 21, 1979; expenses incurred by the United States Government in assembling and presenting claims for damages resulting from the November 21, 1979, attacks, including legal fees; and appropriate sums for the benefit of the families, heirs and assigns of the United States citizens and local employees who died in the November 21, 1979, attacks. Appropriate sums to compensate for loss of life shall be not less than the greater of (1) compensation received by the families, heirs, and assigns of those who lost their lives, or (2) $500,000 for each life lost.

Mr. PELL. Mr. President, this is an amendment the Senator from New York had considered introducing. Unfortunately he could not be here so I am introducing the amendment with the Senator from New York as a cosponsor.

Mr. President, 2 years ago Americans watched in horror as mobs seized or sacked American Embassies in Iran, Pakistan, and Libya. Now, the administration is proposing to provide one of those countries, Pakistan, with $3.2 billion of taxpayers money; and $100 million is appropriated for Pakistan in this bill.

Mr. President, the amendment is simple. The operative paragraph says "None of the funds appropriated or made available pursuant to this Act shall be available to any country in which on November 21, 1979, the United States Embassy and other U.S. Government property was attacked * * * and which has not paid full compensation in United States dollars to the United States Government for all damage done." In effect, the amendment says to Pakistan, "Pay for the damage done to our Embassy before the enactment of this bill or you will lose the $100 million in assistance."

Mr. President, it was almost 2 years ago that a mob in Islamabad attacked and completely gutted our Embassy. For more than 5 hours the military government of President Zia ul-Hag did absolutely nothing in spite of increasingly desperate pleas for help from American diplomats trapped in the burning Embassy. In this attack, two Americans died as did two Pakistani employees of the U.S. Government. A few minutes more and our entire diplomatic staff in Islamabad would have been incinerated.

On that same day the American center in Lahore was burned to the ground as was our center in Rawalpindi. There were also destructive attacks on our consulates in Lahore, Karachi, and Peshawar.

Mr. President, it defies belief that the military regime could not have properly protected the U.S. Embassy, if it had been so inclined. The failure of the Government of Pakistan to protect the U.S. Embassy was a gross failure to live up to its obligations under international law and, speaking bluntly, constitutes toleration of an act of terrorism.

Two years after the attack the Government of Pakistan has still not finished paying the bill for the attack. I recognize Pakistan has recently paid for some of the damages caused. However, the Government of Pakistan still owes some $7 million for items such as furnishings, vehicles, and equipment. In addition, Pakistan has offered no compensation to the families of the deceased.

The amendment would require Pakistan to pay for these costs. In addition, Pakistan would have to compensate the U.S. Government for the cost of evacuating U.S. citizens, an evacuation made necessary by Pakistani refusal to properly protect American citizens in Pakistan, and for necessary security expenses. Finally, the amendment includes very modest compensation—$500,000 per life—to the families of the deceased.

Mr. President, I do not believe the U.S. taxpayer should pay 1 cent for the outrage that occurred 2 years ago in Pakistan. I sincerely regret that the Pakistani Government has not seen fit to live up to its obligations. However, I cannot see pouring billions into a "new relationship" with a country that will not pay the few million in damages for which it is so clearly responsible.

The amendment does not prohibit assistance to Pakistan. In fact, it does not even name Pakistan. Simply by fulfilling its obligations under international law, Pakistan can escape the effects of this amendment.

Mr. President, by approving this amendment, we will send a message to Pakistan that our patience is at an end. By paying before the enactment of this bill, Pakistan can still get the $100,000,000. Surely 2 years is long enough for a settling of accounts.

Mr. President, passage of this amendment will also send a clear message to the world that we expect our Embassies and diplomats to be treated with decency and respect. No country should think it can get away with the kind of terrorism that occurred 2 years ago in Islamabad. This is an amendment that I think will be applauded by Foreign Service officers everywhere and by the American people. I urge the passage of the amendment.

Mr. President, I do not intend to ask for a rollcall vote if this matter can be accepted. If it cannot be accepted, I shall ask for a vote.

Mr. INOUYE. Mr. President, it is with great reluctance that I speak against the amendment. The Department of State has advised the committee that, as of this moment, all claims made against the Government of Pakistan have been honored by the Government of Pakistan. As of this moment, of the claims submitted, $18 million have been paid. There are $4 million more not completely processed. However, the Government of Pakistan is in the process of entering into appropriate contracts so that these remaining $4 million in claims can be resolved.

Mr. President, I have to say that this amendment is unnecessary. Moreover, I think at this time, when we are trying to send a friendly message to Pakistan, it may send a wrong one. I hope that the Senate will be against this amendment.

Mr. KASTEN. Mr. President, I, too, reluctantly oppose the amendment of the Senator from New York. It is my hope that the Senator from Rhode Island will not ask for a rollcall vote despite the fact that it cannot be accepted by either the majority or the minority on the committee.

Essentially, Mr. President, the amendment would, for all practical purposes, eliminate assistance to Pakistan. The Senator from Hawaii is correct: negotiations are now under way to resolve these problems. The Government did not burn down the Embassy. I do not know of any cases in which payment for the loss of foreign property such as this, in which the U.S. property has been paid for, has been backed by the United States.

Finally, Mr. President, at this time, with the changes that we are seeing in this region, we have to recognize the importance of Pakistan. I think it is absolutely crucial.

For those reasons, Mr. President, we have to oppose the amendment of the Senator. It is my strong hope that he will not insist on a record vote.

Mr. PELL. I suggest, Mr. President, that we are not asking for aid from other countries. Pakistan is asking for aid from us. The burning of the Embassy was 2 years ago this week. So far, accounts have not been settled. Furthermore, the issue of compensation for loss of life has not been considered. My hope is that this will spur Pakistan to move ahead and settle up their just debts.

Is there any possibility of an assurance by the chairman and the ranking member that every effort will be made to insure that the Pakistani Government will comply or fulfill their just debts to the United States in this regard?

Mr. KASTEN. On behalf of the subcommittee, Mr. President, and I believe I can also speak on behalf of the administration, I assure the Senator from Rhode Island that we shall do everything we can to assure that the negotiations which are now underway continue at the most rapid rate, and that we shall work on these negotiations. I shall do everything I can to press the administration and the Pakistani Government to come to agreement on all legitimate questions.

Mr. PELL. Can the Senator provide assurances that we will seek fair compensation for the loss of life?

Mr. KASTEN. I cannot make any firm assurance on the question of compensation for loss of life, because I do not know of any precedent for compensation for loss of life. I can assure the Senator and the Senate that I shall bring this point forward strongly and say this was the subject of important debate on the floor of the Senate. A number of Senators are concerned about this issue, and I would like for these concerns to be taken into consideration.

Mr. PELL. Does the ranking minority member feel the same way?

Mr. INOUYE. Yes, sir, Mr. President.

Mr. PELL. Given these assurances, I am prepared to withdraw the amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1982

MOTIONS MODIFYING COMMITTEE AMENDMENTS TO H.R. 4121

Mr. HATFIELD. Mr. President, on September 22, the Committee on Appropriations reported H.R. 4121, an act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for fiscal year 1982. One week later, the President submitted a new package of budget cuts, including numerous reductions in the programs funded in the Treasury/Post Office appropriation bill.

The committee has carefully considered all of the President's newest proposals, and has adopted them wherever possible. At a meeting of the committee on October 22, the committee voted to reduce the already reported appropriations for the Departments and Agencies funded in this bill by $432 million.

Mr. President, I ask unanimous consent that committee amendments to H.R. 4121 be modified in accordance with the committee action of October.

I further ask unanimous consent that a revised bill be printed, reflecting the modifications just agreed to in the committee amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee modification of its reported amendments to H.R. 4121, providing further reductions in budget authority and outlays, is as follows:

Page 2, line 15, strike $36,007,000 and insert in lieu thereof $35,029,000.

Page 3, line 1, strike $22,300,000 and insert in lieu thereof $20,149,000.

Page 3, line 11, strike $14,279,000 and insert in lieu thereof $12,566,000.

Page 3, line 15, strike $209,304,000 and insert in lieu thereof $153,826,000.

Page 3, line 23 strike $148,850,000 and insert in lieu thereof $120,473,000.

Page 5, line 19, strike $52,206,000 and insert in lieu thereof $45,941,000.

Page 6, line 4, strike $206,625,000 and insert in lieu thereof $184,000,000.

Page 6, line 14, strike $168,436,000 and insert in lieu thereof $148,224,000.

Page 6, line 20, strike $864,772,000 and insert in lieu thereof $812,886,000.

Page 7, line 3, strike $933,513,000 and insert in lieu thereof $901,813,000.

Page 7, line 12, strike $617,428,000 and insert in lieu thereof $602,628,000.

Page 7, line 17, strike $500,000 and insert in lieu thereof $440,000.

Page 11, line 11, strike $946,240,000 and insert in lieu thereof $869,240,000.

Page 12, line 15, strike $13,200,000 and insert in lieu thereof $12,210,000.

Page 13, line 6, strike $22,278,000 and insert in lieu thereof $19,664,000.

Page 14, line 7, strike $1,640,000 and insert in lieu thereof $1,443,000.

Page 14, line 12, strike $2,263,000 and insert in lieu thereof $2,035,000.

Page 14, line 18, strike $2,959,000 and insert in lieu thereof $2,604,000.

Page 14, line 23, strike $3,939,000 and insert in lieu thereof $3,496,000.

Page 15, line 7, strike $37,651,000 and insert in lieu thereof $33,416,000.

Page 15, line 12, strike $2,628,000 and insert in lieu thereof $2,453,000.

Page 15, line 17, strike $1,000,000 and insert in lieu thereof $880,000.

Page 16, line 2, strike $1,212,000 and insert in lieu thereof $1,095,000.

Page 16, line 8, strike $1,822,000 and insert in lieu thereof $1,751,000.

Page 16, line 12, strike $218,000 and insert in lieu thereof $192,000.

Page 16, line 19, strike $621,000 and insert in lieu thereof $546,000.

Page 24, line 15, strike $134,142,000 and insert in lieu thereof $118,925,000.

Page 24, line 20, strike $16,330,000 and insert in lieu thereof $15,166,000.

Page 25, line 5, strike $91,000,000 and insert in lieu thereof $79,294,000.

Page 25, line 16, strike $13,399,000 and insert in lieu thereof $11,791,000.

Page 26, line 6, strike $47,000,000 and insert in lieu thereof $41,658,000.

Page 26, line 18, strike $100,000,000 and insert in lieu thereof $60,000,000.

Page 27, line 11, strike $134,031,000 and insert in lieu thereof $119,878,000.

Page 27, line 20, strike $20,131,000 and insert in lieu thereof $17,715,000.

Page 31, line 10, strike $117,462,000 and insert in lieu thereof $105,424,000.

Page 33, line 5, strike $15,037,000 and insert in lieu thereof $13,233,000.

Page 33, line 20, strike $4,373,000 and insert in lieu thereof $3,848,000.

Page 34, line 6, strike $16,000,000 and insert in lieu thereof $14,795,000.

Page 34, line 15, strike $12,404,000 and insert in lieu thereof $11,000,000.

FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS, 1982

The Senate continued with the consideration of S. 1802.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 649). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI) would vote "nay."

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY), the Senator from New York (Mr. MOYNIHAN), the Senator from Tennessee (Mr. SASSER), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

I further announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I also announce that the Senator from Alabama (Mr. HEFLIN) is absent because of death in the family.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 36, nays 55, as follows:

[Rollcall Vote No. 382 Leg.]

YEAS—36

Baucus	Dodd	Pell
Biden	Eagleton	Pressler
Bradley	Exon	Proxmire
Bumpers	Ford	Randolph
Burdick	Hatfield	Riegle
Byrd, Harry F., Jr.	Hollings	Rudman
Byrd, Robert C.	Huddleston	Sarbanes
Cannon	Humphrey	Stennis
Chiles	Jepsen	Warner
Cranston	Levin	Williams
DeConcini	Long	Zorinsky
Dixon	Melcher	
	Mitchell	

NAYS—55

Abdnor	Gorton	Metzenbaum
Andrews	Grassley	Nickles
Armstrong	Hart	Nunn
Baker	Hatch	Packwood
Bentsen	Hawkins	Percy
Boren	Hayakawa	Quayle
Boschwitz	Heinz	Roth
Chafee	Helms	Schmitt
Cochran	Inouye	Simpson
Cohen	Jackson	Specter
D'Amato	Johnston	Stafford
Danforth	Kassebaum	Stevens
Denton	Kasten	Symms
Dole	Laxalt	Thurmond
Domenici	Lugar	Tower
Durenberger	Mathias	Tsongas
East	Matsunaga	Wallop
Garn	Mattingly	
Glenn	McClure	

NOT VOTING—9

Goldwater	Leahy	Pryor
Heflin	Moynihan	Sasser
Kennedy	Murkowski	Weicker

So Mr. PELL's amendment (UP No. 649) was rejected.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KASTEN. Mr. President, I ask unanimous consent that Senator KENNEDY be listed as a cosponsor on the amendment by myself and Senator PERCY regarding funding for Poland and other countries.

The PRESIDING OFFICER. Without objection, it is so ordered.

ASSISTANCE TO LEBANON

Mr. MITCHELL. I wish to ask two questions of the majority floor manager, Mr. KASTEN.

My questions concern our Government's fiscal year 1982 ESF assistance program for Lebanon. During the Senate's consideration of the foreign assistance authorization bill (S. 1196), this body agreed by a unanimous voice vote to an amendment concerning Lebanon offered by my distinguished colleague from Massachusetts (Mr. KENNEDY). The Kennedy amendment provided that of the ESF funds authorized to be appropriated in fiscal year 1982, "* * * $5,000,000 shall be available only for Lebanon for relief and rehabilitation programs of international and private voluntary agencies."

Is it the understanding of the Senator from Wisconsin that this $5 million figure constitutes a floor for U.S. funding of the relief and rehabilitation activities in Lebanon of international and private voluntary agencies?

Mr. KASTEN. Yes, that is my understanding. In adopting the Kennedy amendment, the Senate acknowledged the great relief and rehabilitation needs of Lebanon and the special ability of private and international voluntary agencies to meet these needs in Lebanon.

Mr. MITCHELL. Is it also the belief of the distinguished majority floor manager that the Kennedy amendment does not preclude the United States from providing ESF assistance to other programs in Lebanon which do not involve private and international voluntary agencies, should it see fit to do so? In other words, does my colleague from Wisconsin share my view that the intention of the Senate in adopting the $5 million funding floor was to establish an adequate level of funding for PVO activities, but not at the expense of other worthwhile ESF programs?

Mr. KASTEN. Yes, that is my belief.

Mr. MITCHELL. I thank the Senator from Wisconsin.

(By request of Mr. PELL, the following statement was ordered to be printed in the RECORD:)

● Mr. KENNEDY. Mr. President, as the distinguished Senator from Maine (Mr. MITCHELL) has stated, we sponsored and the Senate unanimously adopted an amendment to the foreign assistance authorization bill last September to provide $5 million for relief and rehabilita-

tion assistance to Lebanon. Our action was taken in clear recognition of the plight of the thousands of Lebanese who have been victims of the fighting in that troubled land.

When the authorization bill passed the Senate, we noted that the $5 million in relief assistance represented a small but important commitment to the rehabilitation of Lebanon. I am pleased that the Senate today is reaffirming our commitment to Lebanon and stating clearly that we expect the administration to use supplemental funds available in this appropriation bill to increase assistance to Lebanon.

I thank the floor manager of the bill for the understandings on this important point, and I am pleased to join with my good friend Senator MITCHELL in the further understandings achieved today.●

Mr. HAYAKAWA. Mr. President, I rise in support of S. 1802, the foreign assistance appropriations bill.

Security and development assistance are essential components of U.S. national security and foreign policy. Both serve our long-range interest of providing a stable international environment by assisting our friends and allies to acquire and maintain the means with which to prevent major economic crises and deter external aggression. The Soviet Union has, through an unparalleled buildup of conventional and nuclear forces and assistance to client states, posed increasing challenges to our important interests in East Asia and the Pacific, the Middle East, Africa, and Latin America. The United States must continue its efforts to develop a coherent strategy that will counter the Soviet challenge by both strengthening our military forces and providing economic and security assistance to those nations which share our objectives of world peace and international cooperation.

In East Asia our interests are significant. The region contains a large reservoir of raw materials which supply the industrial base of the Western democracies with tin, rubber, tungsten, titanium, and zirconium. And, some of the world's most important sealanes pass through the region carrying the vital flow of petroleum from the Middle East to our Asian allies: Japan, the Philippines, and Australia.

Meanwhile the growth of Soviet military and naval forces in the area is increasingly troubling. The Soviet Union maintains 44 divisions in Asia and nearly 2,000 aircraft. The Soviet Navy also has been expanding far beyond the U.S.S.R.'s own defensive needs. About one-third of Moscow's submarine force now operates in the Pacific and there are reports that submarines armed with cruise missiles are in the vicinity of the strategic Straits of Malacca, so vital to allied shipping concerns. The Soviet threat to the sealanes is further increased by its access to Vietnam's naval base at Cam Ranh Bay.

The biggest immediate threat to peace and security in Asia is Vietnam, whose Soviet-supplied troops now occupy Cambodia and operate in strength along the Thai-Cambodian border. Thailand's major priority must be to defend itself against this experienced and well-equipped force of 80,000. In addition to its military burdens, Thailand is also faced with providing sustenance for the ever-increasing number of Vietnamese, Lao, and Khmer refugees who have sought sanctuary within its borders.

Mr. President, I believe S. 1802 is an important step forward in our efforts to secure U.S. strategic interests in the Pacific and to protect the immediate security of our Asian allies. The bill proposes to increase certain aspects of security assistance in response to Soviet challenges in the area and to provide continued funding for Thailand, the Philippines, Indonesia, Malaysia, Singapore, and Burma with consideration for the special increased needs of these countries. The bill also recognizes the importance of assisting projects specifically planned to address basic human needs in agriculture, education and health care.

I want to commend S. 1802 for recognizing Thailand's strained resources as a "front-line" state and for encouraging the administration to provide for the repayment of its military assistance over an extended period of time. I also want to commend S. 1802 for providing for the full funding of the international military and education program, a program which not only trains foreign military personnel about military organization, tactics, strategy, command, and control but also enlightens them about the political and social advantages of democratic institutions. The hundreds of thousands of foreign military personnel who have and will participate in the IMET program are important channels through which we can further our goals of encouraging freedom and preserving human rights.

Security and economic assistance are vital parts of a sound strategic posture. We must increase these efforts if we are to halt Soviet aggression and if we are to provide a framework for cooperation between the United States and those countries which feel threatened by an expanding Soviet military presence.

Mr. DOMENICI. Mr. President, S. 1802 as reported by the Appropriations Committee provides new budget authority of $11.5 billion for fiscal year 1982. Of this amount, more than one-third is designated for the Export-Import Bank.

With possible late requirements for the October 1981 pay raise and the administration's request for a special defense fund, the reported bill is $0.7 billion below the subcommittee's budget authority allocation under the first budget resolution and $0.1 billion below the subcommittee's outlay allocation.

The credit guarantee limitation on the Export-Import Bank in the reported bill is $1 billion above the credit budget assumptions of the first budget resolution. This increase could result in higher budget outlays in future years.

The Senate bill is $0.4 billion in budget authority and $0.1 billion in outlays above the House-reported bill, with possible later requirements taken into account.

The President's September budget request for programs and activities funded in this bill, with later requirements, represents roughly a 12-percent reduction in budget authority and a 2-percent reduction in outlays from his March budget request. The Senate-reported bill is about 8 percent in budget authority and 2 percent in outlays below the levels requested by the administration in March.

In both cases, about one-third of the reduction was accomplished by moving $0.5 billion from the on-budget direct credit program for foreign military sales (FMS) to the off-budget FMS guarantee program. This procedure is not consistent with sound budgetary practice.

With later requirements, the Senate reported bill exceeds the President's September budget request by $0.5 billion in budget authority and $0.1 billion in outlays.

The bill provides increases of $0.8 billion for the Export-Import Bank, $0.03 billion for voluntary contributions to international organizations and programs, and $0.02 billion for Peace Corps over the levels requested by the President in September. These increases are partially offset by decreases of $0.3 billion for the various multilateral development banks and $0.1 billion for bilateral development assistance and refugee programs.

The bill, as reported, however, is consistent with the authorization levels and other provisions of the Omnibus Reconciliation Act.

Mr. President, I ask unanimous consent that a table showing the relationship of the reported bill, together with possible later requirements, to the congressional budget and the President's budget requests be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Foreign Operations Subcommittee

[In billions of dollars]

	Fiscal year 1982	
	BA	O
Outlays from prior-year budget authority and other actions completed	0.1	6.0
S. 1802 (H.R. 4559, as reported in Senate)	11.5	3.3
Possible later requirements:		
Special Defense Acquisition Fund	0.3	0.02
October 1981 pay raise	0.01	0.01
Total for Foreign Operations Subcommittee	12.0	9.2
First budget resolution level	12.7	9.3
House level (as reported)	11.6	9.1
President's March request	13.1	9.4
President's September request	11.5	9.2
Foreign Operations Subcommittee compared to:		
First budget resolution level	−0.7	−0.1
House level	+0.4	+0.1
President's March request	−1.1	−0.2
President's September request	+0.5	+0.1

Mr. KASTEN. Mr. President, I know of no further amendments on either side on this bill, and I move we go to third reading.

The PRESIDING OFFICER. Are there any further amendments? If there are no further amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and to be read a third time. The bill was read the third time.

Mr. BAKER. Mr. President, there will be no more rollcall votes this evening.

The PRESIDING OFFICER. The question is, Shall the bill, as amended, pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY), the Senator from New York (Mr. MOYNIHAN), the Senator from Arkansas (Mr. PRYOR), the Senator from Tennessee (Mr. SASSER), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

I further announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

I also announce that the Senator from Alabama (Mr. HEFLIN), is absent because of death in the family.

The PRESIDING OFFICER. Is there any Senator in the Chamber who wishes to vote?

The result was announced—yeas 57, nays 33, as follows:

[Rollcall Vote No. 383 Leg.]

YEAS—57

Baker	Garn	Metzenbaum
Baucus	Glenn	Mitchell
Bentsen	Gorton	Murkowski
Biden	Hart	Nunn
Boschwitz	Hawkins	Packwood
Bradley	Hayakawa	Pell
Bumpers	Heinz	Percy
Chafee	Huddleston	Quayle
Chiles	Inouye	Riegle
Cochran	Jackson	Rudman
Cohen	Jepsen	Sarbanes
Cranston	Johnston	Simpson
D'Amato	Kassebaum	Specter
Danforth	Kasten	Stafford
Denton	Levin	Stevens
Dixon	Lugar	Thurmond
Dodd	Mathias	Tsongas
Dole	Matsunaga	Wallop
Durenberger	Mattingly	Williams

NAYS—33

Abdnor	East	Melcher
Andrews	Exon	Nickles
Armstrong	Ford	Pressler
Boren	Grassley	Proxmire
Burdick	Hatch	Randolph
Byrd, Harry F., Jr.	Hatfield	Roth
	Helms	Schmitt
Byrd, Robert C.	Hollings	Symms
Cannon	Humphrey	Warner
DeConcini	Laxalt	Zorinsky
Domenici	Long	
Eagleton	McClure	

NOT VOTING—10

Goldwater	Moynihan	Tower
Heflin	Pryor	Weicker
Kennedy	Sasser	
Leahy	Stennis	

So the bill (S. 1802), as amended, was passed, as follows:

S. 1802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for foreign assistance and related programs for the fiscal year ending September 30, 1982, and for other purposes, namely:

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the replenishment of the resources of the Fund for Special Operations, as authorized by the Act of June 3, 1980 (Public Law 96–259), $173,177,000, to remain available until expended: and $48,053,477, for the United States share of the increase in subscriptions to the paid-in capital stock, as authorized by the Act of June 3, 1980 (Public Law 96–259), to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such increase in capital stock in an amount not to exceed $609,582,129.

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the increase in subscriptions to the paid-in capital stock, as authorized by the International Financial Institutions Act, $37,168,491, to remain available until expended, and $109,720,549 for the General Capital Increase, as authorized by section 39 of the Bretton Woods Agreements Act, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable portion of the United States share of such increases in capital stock in an amount not to exceed $1,687,728,491.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $14,447,900, for the United States share of the increase in subscriptions to capital stock, as as authorized by the International Financial Institutions Act, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $532,000,000, for the second installment of the United States contribution to the sixth replenishment, as authorized by section 17 of the International Development Association Act, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury, for the United States share of the increase in subscriptions to the paid-in capital stock, as authorized by the International Financial Institutions Act, $4,713,851, to remain available until expended; and for the United States contribution to the increase in resources of the Asian Development Fund, as authorized by the Act of June 3, 1980 (Public Law 96–259), $111,250,000, to remain available until expended; and as authorized by the International Financial Institutions Act, $7,847,869, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such increase in capital stock in an amount not to exceed $42,632,409.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For payment to the African Development Fund by the Secretary of the Treasury, $41,666,667, as authorized by the Act of June 3, 1980 (Public Law 96–259), for the United States contribution to the second replenishment of the African Development Fund, to remain available until expended.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $218,638,000: *Provided,* That not less than $134,500,000 shall be available only for the United Nations Development Program: *Provided further,* That not more than $38,000,000 shall be available for the United Nations Children's Fund: *Provided further,* That not more than $7,500,000 shall be available for the United Nations Environment Program: *Provided further,* That none of the funds appropriated under this heading may be available for the United Nations Institute for Namibia, except if the President determines and submits in writing to Congress that providing such funds will promote an internationally recognized settlement in Namibia.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1982, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Agriculture, rural development, and nutrition, Development Assistance: For necessary expenses to carry out the provisions of section 103, $637,485,000: *Provided,* That of this amount the funds provided for loans shall remain available for obligation until September 30, 1983.

Population, Development Assistance: For necessary expenses to carry out the provisions of section 104(b), $190,000,000: *Provided,* That of this amount the funds provided for loans shall remain available for obligation until September 30, 1983: *Provided further,* That not more than $32,000,000 shall be available for the United Nations Fund for Population Activities: *Provided further,* That none of the funds appropriated under this heading may be available for the World Health Organization's Special Program of Research, Development and Research Training in Human Reproduction.

Health, Development Assistance: For necessary expenses to carry out the provisions of section 104(c), $120,405,000: *Provided,* That of this amount the funds provided for loans shall remain available for obligation until September 30, 1983.

Education and human resources development, Development Assistance: For necessary expenses to carry out the provisions of section 105, $101,000,000: *Provided,* That none of the funds appropriated under this heading may be available for scholarships for South African students in accordance with the last sentence of section 105(a) of the Foreign Assistance Act of 1961 (as added by title III of the International Security and Development Cooperation Act of 1981): *Provided further,* That of this amount the funds provided for loans shall remain available for obligation until September 30, 1983.

Energy and selected development activities, Development Assistance: For necessary expenses to carry out the provisions of sections 106 and 107, $120,000,000: *Provided*, That of this amount the funds provided for loans shall remain available for obligation until September 30, 1983.

Loan allocation, Development Assistance: Of the new obligational authority appropriated under this Act to carry out the provisions of sections 103 through 107, not less than $316,265,300 shall be available for loans for the fiscal year 1982: *Provided*, That loans made pursuant to this authority to countries whose annual per capita gross national product is greater than $730 but less than $1,180 shall be repayable within twenty-five years following the date on which funds are initially made available under such loans and loans to countries whose annual per capita gross national product is greater than or equal to $1,180 shall be repayable within twenty years following the date on which funds are initially made available under such loans.

American schools and hospitals abroad: For necessary expenses to carry out the provisions of section 214, $12,000,000.

International disaster assistance: For necessary expenses to carry out the provisions of section 491, $27,000,000: *Provided*, That of the funds appropriated under this paragraph, not less than $10,000,000 shall be used for earthquake relief and reconstruction in southern Italy.

Sahel development program: For necessary expenses to carry out the provisions of section 121, $92,515,000, to remain available until expended: *Provided*, That no part of such appropriation may be available to make any contribution of the United States to the Sahel development program in excess of 10 per centum of the total contributions to such program: *Provided further*, That none of the funds appropriated under this heading may be used for the African Development Foundation.

Payment to the Foreign Service Retirement and Disability Fund: For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $32,552,000.

Economic support fund: For necessary expenses to carry out the provisions of chapter 4 of part II, $2,623,500,000: *Provided*, That of the funds appropriated under this paragraph not less than $806,000,000 shall be available for Israel, not less than $771,000,000 shall be available for Egypt, not less than $100,000,000 shall be available for Sudan, not less than $5,000,000 for Poland, not less than $5,000,000 for Tunisia, and not less than $15,000,000 for Costa Rica: *Provided further*, That not more than $7,500,000 shall be available for Cyprus: *Provided further*, That $2,000,000 of the funds appropriated under this heading shall be available only for scholarships for South African students in accordance with the last sentence of section 105(a) of the Foreign Assistance Act of 1961 (as added by title III of the International Security and Development Cooperation Act of 1981).

Peacekeeping operations: For necessary expenses to carry out the provisions of section 551, $14,000,000.

Operating expenses of the Agency for International Development: For necessary expenses to carry out the provisions of section 667, $331,000,000.

Trade and development: For necessary expenses to carry out the provisions of section 661, $6,907,000.

Housing and other credit guaranty programs: During the fiscal year 1982, total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal.

International narcotics control: For necessary expenses to carry out the provisions of section 481, $34,160,000.

USE OF CERTAIN POLISH CURRENCIES

Subject to the enactment of authorizing legislation, during the fiscal year 1982, the equivalent in currency or credit of $70,000,000 in Polish zlotys (received by the United States from the April 1981 sale of United States Government-held dairy products to Poland) shall be available for use in Poland to serve United States interests, including use for activities of common benefit to the people of the United States and the people of Poland, such as joint programs in energy, agriculture, education, science, health, and culture, or for humanitarian activities.

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, $12,000,000.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $8,000 for entertainment allowances), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 849), as may be necessary in carrying out the program set forth in the budget for the current fiscal year.

During the fiscal year 1982 and within the resources and authority available, gross obligations for the amount of direct loans shall be not less than $9,950,000 or more than $10,000,000.

During the fiscal year 1982, total commitments to guarantee loans shall be not less than $99,950,000 or more than $100,000,000 of contingent liability for loan principal.

INDEPENDENCE AGENCY

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), $105,000,000: *Provided*, That none of the funds appropriated in this paragraph shall be used to pay for abortions.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refugees, including contributions to the Intergovernmental Committee for European Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980, allowances as authorized by sections 5921 through 5925 of title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code; $473,000,000; *Provided*, That these funds shall be administered in a manner that insures equity in the treatment of all refugees receiving Federal assistance: *Provided further*, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere: *Provided further*, That not more than $7,426,000 of the funds appropriated under this heading shall be available for the administrative expenses of the Office of Refugee Programs of the Department of State.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE

For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside of the United States, $63,500,000, to remain available for obligation until September 30, 1983.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $41,976,000.

FOREIGN MILITARY CREDIT SALES

For expenses necessary to enable the President to carry out the provisions of sections 23 and 24 of the Arms Export Control Act, $990,900,000: *Provided*, That of the amount provided for the total aggregate credit sale ceiling during the current fiscal year, not less than $1,400,000,000 shall be allocated to Israel.

During the fiscal year 1982 and within the resources and authority available, gross obligations for the principal amount of direct loans, exclusive of loan guaranty defaults, shall not exceed $990,900,000.

During the fiscal year 1982, total commitments to guarantee loans shall not exceed $3,083,500,000 of contingent liability for loan principal.

SPECIAL DEFENSE ACQUISITION FUND

There are authorized to be made available for the special Defense Acquisition Fund for the fiscal year 1982, $341,000,000.

TITLE IV—EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country that has detonated a nuclear explosive after the date of enactment of this Act other than a nuclear-weapon State, as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons, and that is eligible to receive economic or military assistance under this Act.

LIMITATION ON PROGRAM ACTIVITY

During the fiscal year 1982 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be not less than $4,695,000,000 nor more than $4,700,000,000. During the fiscal year 1982, total commitments to guarantee loans shall be not less than $9,215,000,000 nor more than $9,220,000,000 of contingent liability for loan principal.

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $15,115,000 (to be computed on an accrual basis) shall be available during the current fiscal year for administrative expenses, including hire of passenger motor vehicles, and services as authorized by section 3109 of title 5, United States Code: *Provided*, That (1) fees or dues to international organizations of credit institutions engaged in financing foreign trade, (2)

necessary expenses (including special services performed on a contract or a fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Export-Import Bank or in which it has an interest, including expenses of collections of pledged collateral, or the investigation or appraisal of any property in respect to which an application for a loan has been made, and (3) expenses (other than internal expenses of the Export-Import Bank) incurred in connection with the issuance and servicing of guarantees, insurance, and reinsurance, shall be considered as nonadministrative expenses for the purposes of this paragraph.

TITLE V—GENERAL PROVISIONS

SEC. 501. None of the funds appropriated in this Act (other than funds appropriated for "International organizations and programs") shall be used to finance the construction of any new flood control, reclamation, or other water or related land resource project or program which has not met the standards and criteria used in determining the feasibility of flood control, reclamation, and other water and related land resource programs and projects proposed for construction within the United States of America under the Principles and Standards for Planning Water and Related Land Resources dated October 25, 1973.

SEC. 502. Except for the appropriations entitled "International disaster assistance", "United States emergency refugee and migration assistance fund" and the special requirements fund within the appropriations entitled "Military Assistance" and the special requirements fund within the appropriations entitled "Economic support fund", not more than 15 per centum of any appropriation item made available by this Act for the fiscal year 1982 shall be obligated or reserved during the last month of availability.

SEC. 503. None of the funds appropriated in this Act nor any of the counterpart funds generated as a result of assistance hereunder or any prior Act shall be used to pay pensions, annuities, retirement pay, or adjusted service compensation for any persons heretofore or hereafter serving in the armed forces of any recipient country.

SEC. 504. None of the funds appropriated or made available pursuant to this Act for carrrying out the Foreign Assistance Act of 1961, may be used for making payments on any contract for procurement to which the United States is a party entered into after the date of enactment of this Act which does not contain a provision authorizing the termination of such contract for the convenience of the United States.

SEC. 505. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

SEC. 506. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

SEC. 507. Of the funds appropriated or made available pursuant to this Act, not to exceed $100,000 shall be for representation allowances of the Agency for International Development during the fiscal year 1982: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the total funds made available by this Act under the headings "Military Assistance" and "Foreign Military Credit Sales", not to exceed $4,000 shall be available for entertainment expenses and not to exceed $138,500 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $125,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,500 shall be available for entertainment and representation allowances. *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses.

SEC. 508. None of the funds appropriated or made available (other than funds for "International organizations and programs") pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to finance the export of nuclear equipment, fuel, or technology or to provide assistance for the training of foreign nationals in nuclear fields.

SEC. 509. Funds appropriated by this Act may not be obligated or expended to provide assistance to any country for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights.

SEC. 510. None of the funds appropriated or made available pursuant to this Act shall be obligated or expended to finance directly any assistance to Mozambique, except that the President may waive this prohibition if he determines, and so reports to the Congress, that furnishing such assistance would further the foreign policy interests of the United States.

SEC. 511. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Angola, Cambodia, Cuba, Laos, the Socialist Republic of Vietnam, or Syria.

SEC. 512. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated without the written prior approval of the Appropriations Committees and the relevant authorizing committees of both Houses of the Congress.

SEC. 513. No part of any appropriation contained in his Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress.

SEC. 514. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act.

SEC. 515. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act.

SEC. 516. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States' representative cannot upon request obtain the amounts and the names of borrowers for all loans of the international financial institution, including loans to employees of the institution, or the compensation and related benefits of employees of the institution.

SEC. 517. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States' representative cannot upon request obtain any document developed by the management of the international financial institutions.

SEC. 518. None of the funds appropriated or otherwise made available by this Act to the Export-Import Bank and funds appropriated by this Act for direct foreign assistance may be obligated for any government which aids or abets, by granting sanctuary from prosecution to, any individual or group which has committed or is being sought by any other government for prosecution for any war crime or an act of international terrorism, unless the President finds that the national security requires otherwise.

SEC. 519. None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity.

SEC. 520. The Secretary of the Treasury shall instruct the United States executive directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production of any commodity for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

SEC. 521. None of the funds made available under this Act for "Agriculture, rural development, and nutrition, Development Assistance," "Population, Development Assistance," "Health, Development Assistance," "Education and human resources development, Development Assistance," "Energy, private voluntary organizations, and selected development activities, Development Assistance," "Science and technology, Development Assistance," "International organizations and programs," "American schools and hospitals abroad," "Trade and development program," "Sahel development program, "International narcotics control," "Economic support fund," 'Peacekeeping operations," "Operating Expenses of the Agency for International Development," "Military assistance," "International military education and training," "Foreign military credit sales," "Inter-American Foundation." "Peace Corps," or "Migration and refugee assistance," shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operation not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings for the fiscal year 1982 unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance.

This Act may be cited as the "Foreign Assistance and Related Programs Appropriations Act, 1982".

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business, not to extend beyond the hour of 7:25 p.m., in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY CONSTRUCTION NEEDS

Mr. PRESSLER. Mr. President, I should like to note my support for the improvements at Ellsworth Air Force Base which were recently funded by the Senate's fiscal year 1982 military construction authorization bill.

A total of $36,880,000 is approved for major construction activities at Ellsworth, which is a key Strategic Air Command base located near Rapid City, S. Dak. These projects include an air-launched cruise missile facility, a flight simulator facility, and upgrading of the base's sewage treatment facilities.

In addition to these major projects, funds have also been provided for smaller construction projects which include an energy conservation investment program.

Mr. President, these are all badly needed construction projects at this important airbase. It is significant that the Ellsworth construction program recommended by this bill is second in size among all SAC bases inside the United States. That is, only one other SAC base in the United States would have more military construction under the provisions of this bill.

I point out, however, that much more work needs to be done to put Ellsworth AFB in a condition warranted by its strategic importance. I have inspected Ellsworth facilities on several occasions and have been briefed at length on what needs to be done to further strengthen the mission capability of this installation.

It is my hope that the fiscal year 1983 through fiscal year 1986 budget requests for Ellsworth will include funding for a much needed single enlisted persons barracks or dormitory, as well as funding of a new vehicle maintenance building and a security headquarters building.

Also, although the base maintenance and repair funding falls outside the scope of the military construction bill, it is important to note that the backlog of BMAR projects is still very substantial—both at Ellsworth and at other U.S. military facilities at home and around the world.

I am one who believes that we should be very careful not to allow funding for exotic new weapons programs, some of which could even be obsolete before they are ready for operation, to drive down funding for the essential nuts and bolts of our national defense.

This includes doing maintenance and repair work on a timely basis, so that bases like Ellsworth are not faced with ultimately costlier replacement construction.

ARMS CONTROL NEGOTIATIONS WITH THE SOVIET UNION

Mr. WARNER. Mr. President, I wish to call to the attention of my colleagues the letter sent by Senator HENRY M. JACKSON to President Reagan on March 24, 1981. In this letter, our distinguished colleague from the State of Washington articulates clearly and concisely the pressing need for the United States to engage in serious and comprehensive arms control negotiations with the Soviet Union.

He correctly envisions such an effort to be an essential part of a major peace offensive in which we must engage if we are to deny the Soviets the propaganda advantage they are currently exploiting to such good effect in Europe.

Since this letter was sent, events in Europe and the United States have added further impetus to the suggestions made by Senator JACKSON. Even those of us who have long admired and followed with interest the record of this great American legislator and pioneer in the field of arms control are struck by the prescience and timeliness of Senator JACKSON's remarks.

Since the Senator's letter was sent, President Reagan has proposed a program designed to modernize and restore credibility to our strategic deterrent. The President's program is an essential parallel to our policy of seeking meaningful and equitable limitations on strategic weapons at reduced levels.

In fact, I am convinced that the President's program is a necessary prerequisite for the achievement of such limitations—only a strong and balanced program of strategic force modernization will provide the incentive for the Soviets to negotiate sound and verifiable arms control agreements.

The concerns cited in the Jackson letter and the recommendations made therein provide a valuable background for all Members of the Senate on the eve of President Reagan's foreign policy address scheduled for tomorrow, November 18, 1981.

I ask unanimous consent that the full text of Senator JACKSON's letter and its enclosures be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D.C., March 24, 1981.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Following up on my recent talk with you, I want to underscore the importance of your launching a dramatic, sustained American peace offensive at a very early opportunity.

I welcome the emphasis you have put on the goal of East-West arms reduction. I am persuaded the time is ripe for you to put forward a bold and imaginative proposal for serious arms reductions—a proposal challenging the Soviets to join with us in concluding an arms reduction agreement in a manner that enhances stability in the nuclear balance at sharply reduced levels of strategic forces.

We should not allow the Soviets to preempt the issue of peace. Right or wrong, our allies—particularly in Western Europe—are of the view that our country and the new Administration are unwilling to play a responsible role in the restraint of nuclear arms. You and I know this is not true, but it is a bad perception which the Soviet leaders exploit.

The fact is the Soviets are making headway with their peace propaganda among our allies in Europe; they are getting a free ride with their depiction of you and the United States as war-loving. Certain circles in West Europe, especially left-wing elements, have fallen under Moscow's spell, and are having an influence on the leadership of parties and governments out of all proportion to their numbers.

What is missing is a relentless drive on our part to shift to our side the initiative for peace—for real peace and stabilizing arms reductions. Let the Soviets respond and react to U.S. proposals—repeated, repeated and repeated. Make Moscow at least show its true colors.

This country is determined, under your leadership, to revitalize its defenses and enhance deterrence. But we do this because the defense of freedom leaves us no alternative. We are a people of peace. We take no satisfaction in channeling the genius of this nation into the building of armaments. We would far rather participate in programs for enhancing the quality of life and ending poverty and disease for decent people everywhere.

This is the down-to-earth truth that President Eisenhower sought to convey to the world in his famous address of April 16, 1953. It is the truth that I believe you should now emphasize—by a far-reaching, innovative drive on behalf of serious mutual arms reductions.

The point is that strategic forces on both sides are larger than they need to be, provided that we can negotiate with the Soviets toward a common ceiling at a sharply lower level.

The urgent task of your Administration is to fashion a plan and strategy that would provide for the mutual reduction of Soviet and American strategic nuclear forces in a stabilizing manner. Some of our friends and allies believe that any smaller number of nuclear weapons is better than a bigger number. Obviously this is not so; what counts are matters of size, deliverability, accuracy, vulnerability, mix, balance and the like. I am confident it is not beyond the capacity of your Administration to develop a responsible proposal that if agreed to by the Soviets would provide a long-term stabilization of the strategic balance on the basis of equality at a reduced level of deterrence.

I do not foresee the Soviet leaders initially welcoming such an effort. In 1974, I outlined and urged a SALT proposal to stabilize the strategic balance through substantial reductions in U.S. and USSR strategic forces.

In mid-February 1977, after meeting with President Carter and at his request, I supplied him with a detailed analysis of the severely flawed nature of the then current SALT II draft text, advising a fresh start based on salvaging a more balanced, equal agreement to avoid winding up with a disastrous, unacceptable result that would widen and deepen the Soviet strategic margin still more.

In March 1977, President Carter proposed in the SALT talks certain mutual force reductions and a ban on the deployment of new ICBM's. While I had no responsibility for his specific proposals, once they were offered, I strongly supported them. But the Administration retreated at the first Soviet objection: it did not even try to convince the Russians.

And the SALT II treaty turned out to be an unequal charter for a massive Soviet strategic buildup. Far from putting a damper on the arms competition, it added fuel to the fire.

I am under no illusion about the difficulty of negotiating a fair and balanced arms reduction treaty with the Soviets. It will take hard bargaining, patience and time. Certainly, one speech won't do it—that is just

the kickoff. The campaign must be pressed month after month, year after year if necessary. But our nation should not be deterred from championing a noble cause only because our adversaries may continue to act ignobly.

Such a genuine peace offensive on our part is an honorable counter to the shabby Kremlin slogans of peace and plenty. It will clarify to our friends and allies our dedication to stabilizing nuclear arms reduction negotiations. As a minimum, it will put Moscow on the propaganda defensive. It keeps open the possibility of achieving over time real and significant steps in the direction of such a stabilizing disarmament.

At a time when the Soviet economy is in deep difficulty, we can make a convincing case that a redirection of their emphasis away from the military sector is the best way to improve their economic well-being.

If our initiative proved successful, it would permit both sides to shift resources from the buildup of nuclear arsenals to the building up of their economies. It could mean billions of dollars in savings on strategic weapons systems. It could alleviate the atmosphere of mistrust and fear that has for so long clouded East-West relations. The energy of our peoples could be devoted to purposes more constructive and more enduring than the amassing of nuclear weapons—to the struggle against hunger and disease and human squalor, to the provision of houses instead of silos, tractors instead of ICBM's, and medicines instead of nuclear explosives. It would be a turning point in East-West relations of historic proportions.

I am taking the liberty of enclosing a speech I delivered on the Senate Floor on May 1, 1953 in support of President Eisenhower's plan for "real disarmament." I am also including an April 22, 1974 address which was my effort at that time to articulate the American vision of a peaceful world, and to assure our bargaining position for stabilizing, mutual arms reduction.

With best regards.

Sincerely yours,

HENRY M. JACKSON,
U.S. Senator.

Enclosures.

REMARKS OF SENATOR HENRY M. JACKSON

Mr. President: Not every member of this body will subscribe to every last sentence of the foreign policy address the President of the United States delivered on April 16. But when the President offered the world a plan for the regulation of armaments and the use of the monies thereby saved for assistance to the economically underdeveloped areas of the world, I believe he spoke for all of us—Republicans and Democrats alike. The President's words were these:

"This government is ready to ask its people to join with all nations in devoting a substantial percentage of any savings achieved by real disarmament to a fund for world aid and reconstruction. The purposes of this great work would be: To help other peoples to develop the underdeveloped areas of the world, to stimulate profitable and fair world trade, to assist all peoples to know the blessings of productive freedom.

"The monuments of this new kind of war would be these: Roads and schools, hospitals and homes, food and health.

"We are ready, in short, to dedicate our strength to serving the needs, rather than the fears, of the world."

In saying this, the President gave voice to the longings in the heart of every good American. This nation of ours is determined, grimly determined, to build every single tank and plane and atomic bomb needed to punish aggression and prevent World War III. But we do this because the defense of freedom leaves us no alternative. We are a people of peace. We take no satisfaction in channeling the genius of this nation into the building of sterile armaments. We would rather, far rather, be participating in great programs for lifting poverty and disease from the shoulders of decent people everywhere.

It is this down-to-earth truth that the President's speech tried to make known to the world.

You will recall, Mr. President, that three years ago, and again in 1951, our late and beloved colleague, Senator Erien McMahon, sponsored a resolution asking the Senate to go on record as supporting the objectives outlined in the President's speech of April 16—the objectives of rascal-proof regulation of weapons production, and the use of resources thereby saved for constructive tasks on a world-wide basis.

Senators from both sides of the aisle joined with Brien McMahon in sponsoring Senate Concurrent Resolution 47. Along with Republicans and other Democrats, I introduced an identical resolution in the House of Representatives at the same time. This resolution proposed:

"That the Congress of the United States advocate and recommend an immediate special session of the General Assembly of the United Nations for the single purpose of stopping the armaments race by speeding agreement upon effective and enforceable disarmament and control covering conventional armaments, biological and chemical agents, and atomic and hydrogen bombs;

"That the Congress of the United States, as tangible evidence of its good faith, pledge itself to appropriate and to make available to the United Nations—when an effective and enforceable system of world-wide disarmament and control takes effect—a substantial portion of all money saved for a period of five years, such sums to be expended by the United Nations for peaceful development of atomic energy, technical assistance programs to underdeveloped areas, and general economic aid and assistance to all war-ravaged countries."

It may well be that President Eisenhower's words were inspired by recollection of this resolution. But this is of little import—Brien McMahon took no pride of authorship in his plan for peace with justice.

I need not remind this chamber that no person of our generation worked harder to enlarge the armed might of the United States than Senator McMahon. It was my privilege to sit on the Joint Committee on Atomic Energy while he served as its honored Chairman. I observed his total dedication to the twin cause of multiplying our atomic strength and, hand in hand with this, finding some way of abolishing these frightful armaments, and all other weapons as well, from the arsenals of the world.

When he peered into the future, Brien McMahon saw what the President of the United States saw. He saw what all of us must see, unless we close our eyes to the meaning of the onrushing arms competition. If the road before us continues without turning, the future promises at best a world living in fear of annihilation—a world in which our treasures are drained away in the manufacture of weapons which cannot feed a single hungry person or ease the pain of a single man or woman racked by disease. And that is the best we can hope for if armaments continue piling up on both sides of the Iron Curtain at an accelerating rate. If history is to be our guide, we must assume that eventually such an armaments race will spill over to outright global war.

In truth, the future holds only two eventual alternatives: atomic war—a war made hideous beyond imagination by the new destroyers of men and all their workers, or atomic peace—a peace made rich beyond imagination by the power of modern science and technology freed for peaceful tasks.

Mr. President, I will now reintroduce Senate Concurrent Resolution 47. A resolution of identical wording has already been reintroduced in the House. Senators from both parties are joining with me in this resolution. I am particularly proud to have as one of my co-sponsors the Chairman of the Foreign Relations Committee, the Senior Senator from Wisconsin.

I would not presume for an instant to predict that the Soviet rulers will be willing to join with us and the other nations of the free world in a plan for carrying on a world-wide crusade against hunger and disease and human squalor. I see nothing in the conduct of the new Soviet regime which would make for confidence on this score.

Yet I cannot believe that our nation must be deterred from subscribing to a noble goal simply because our adversaries may continue to act ignobly. This country has prospered and grown great in the service of noble causes, and we can forget this only at our peril.

As a minimum, moreover, the resolution on whose behalf I now speak will let men everywhere know who bears the responsibility for the fears and tensions that now beset the world. It tells the Kremlin: Put up or shut up. If this resolution is adopted by the Congress, and if the Soviet rulers refuse to join in a program which will give the world tractors instead of tanks, houses instead of barracks, and medicines in place of explosives—if the Kremlin refuses to become partner to such a program, the communist slogans of peace and plenty will become a mockery.

I urge with all the power at my command that every member of the Senate, by supporting this resolution, now unite behind the President of the United States in our quest for lasting peace.

[From the CONGRESSIONAL RECORD, Apr. 23, 1974]

ARMS REDUCTION, DETENTE AND SALT

Mr. MANSFIELD. Mr. President, as Senator JACKSON said in his address of April 22 to the Overseas Press Club:

"The issue facing us is not whether we want a détente, but how to achieve a real détente that will produce results favorable to a more peaceful world."

We are now negotiating with the Soviets in SALT II, and the outcome of these negotiations can decisively affect the real meaning détente will have. I believe it is of the utmost importance that SALT II follow a course that is consistent with the national security of the United States and the prospects for a SALT II Treaty based on United States-Soviet equality.

In this spirit, Senator JACKSON has set forth a U.S. SALT proposal to stabilize the strategic balance through substantial reductions in the strategic forces of both the United States and the Soviet Union. As he said:

"It is time for serious arms reductions by both sides—a stabilizing disarmament."

I wish to bring to the attention of my colleagues the full text of Senator JACKSON's constructive and statesman-like address. I urge the widest reading of his remarks. If agreed to, Senator JACKSON's program would mark an historic turning point in East-West relations, and could dramatically increase the confidence of all the world's people in the prospects for a cooperative and stable peace.

I ask unanimous consent that the full text of Senator JACKSON's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DETENTE AND SALT

(By Senator HENRY M. JACKSON)

In recent years, and especially in recent months, the foreign policy of the Nixon Administration has been centered on the development of a relationship between East

and West which they have called detente. No matter how hard or in which direction it has been punched—in the Middle East, in the SALT negotiations, on matters of human rights—the foreign policy of the Administration has revolved, like a tether ball, around the pole of that detente.

The detente has gone from a dream to an incantation without acquiring a definition along the way. And we have been left without a clear sense of where we are going or, for that matter, a common understanding of where we have been.

In its most fundamental sense detente must mean a relaxation of tensions accompanied by an effort to achieve mutual accommodation through the negotiating process. Defined in this manner, as a process of negotiation, it has the broad support of the American people. But like any process, the process of detente must be judged by the substantive results of the negotiations themselves and by the actual behavior that follows after agreements are negotiated.

Thus the issue facing us is not whether we want a detente, but how to achieve a real detente that will produce results favorable to a more peaceful world.

The centerpiece of the 1972 Moscow summit and the first test of the product of detente was the treaty on anti-ballistic missiles and the interim agreement on strategic offensive weapons—SALT I. I had considerable misgivings about the SALT I outcome, especially the interim agreement. The military advantage that the interim agreement conferred on the Soviets was in my judgment, an inauspicious beginning.

Now we are engaged in SALT II and it is this set of negotiations, perhaps more than any other, that will determine what real meaning detente will have. I welcome this opportunity to share with you a proposal that could stabilize the strategic balance through substantial reductions in the strategic forces of both the United States and the Soviet Union. In the course of my remarks tonight, which are directed to the SALT II negotiations, I have tried to develop a new direction in the effort to bring strategic arms under control—a direction based on the search for the sort of wide-ranging disarmament that would do much to bring us closer to a genuine detente and a more peaceful world.

In recent months we have seen the development by the Soviet Union of a significant number of new weapon systems incorporating an impressive range of new and costly technology. Not only have the Soviets achieved a genuine MIRV capability, but they have done so by developing two quite distinct MIRV technologies.

They have tested a whole new generation of intercontinental ballistic missiles, land and sea based, incorporating new technologies as well as new launch techniques. They have developed a mobile, land-based ICBM.

They have moved to increase by a very substantial factor the throw weight of their missile forces despite the fact that they already enjoy a threefold advantage in this area. These developments, all of which have come to light since the SALT interim agreement which was supposed to limit offensive weapons, have individually and in combination, added significantly to the offensive potential of the Soviet missile forces.

In assessing the significance of these developments, all of which are consistent with the often ambiguous terms of the SALT interim agreement, it is necessary to digress for a moment to consider the rationale by which the interim agreement was defended.

The numerical disadvantage into which the United States was frozen by the SALT I interim agreement was held by some to be effectively offset by our technological superiority. The most obvious American technological advantage—obvious in part because of the frequency with which Dr. Kissinger reiterated it—lay in the fact that we had achieved a MIRV capability and the Soviet Union had not.

Today our monopoly in MIRV technology has vanished like last year's snow and the lead in this area that we still possess by virtue of our earlier development of MIRV's can be expected to diminish rapidly as time goes on. This is neither novel nor surprising. In the long run—made longer if we find ourselves forced into a technological arms race and shorter if we do not—technology tends to even out.

That is the history of technology; and it is, in particular, the history of military technology. Given the numbers and throw weights agreed to in the SALT I interim agreement, under which the Soviets enjoy a protected advantage, technological equality will mean Soviet superiority in strategic weapons.

In the final analysis, an arms control agreement will not be stable if it freezes for one side an advantage in quantity while the other has to rely on an edge in quality that it cannot maintain. In the interim agreement we agreed to inferior numbers but the Soviets did not agree to inferior technology. We should never have presumed—I, for one, did not—that they would fail to seek the combination of superior numbers and comparable technology that add up to overall superiority; and this is precisely the direction that they have chosen.

In the current SALT II negotiations the Soviets are seeking to consolidate the advantage they obtained in the interim agreement while pressing for equality in technology. Again and again when the interim agreement was before the Senate I warned that this would be the Soviet strategy at SALT II. My amendment to the authorization for the interim agreement placed the Congress and the Administration on record on this issue by insisting that the interim agreement was not an acceptable basis for a SALT II treaty.

Now, with negotiations underway, we find that, just as expected, the Soviets have actually hardened their position. Far from viewing SALT II as an occasion to search for the sort of stable strategic balance that can result only from equality, they are insisting on a SALT II arrangement that would widen and deepen their strategic margin still further.

The response of the Administration to this situation has been disappointing in the extreme. For rather than concentrating on the design and presentation of an arms control proposal that could form the basis for a long-term stabilization of the strategic balance, the Administration has concentrated on quick-fix, short term proposals that can be readied in time for the forthcoming June summit meeting in Moscow.

In their desire to preserve the impression of momentum in the SALT negotiations, the Administration has abandoned its previous conviction that the essential purpose of a follow-on agreement should be to rectify the imbalance of SALT I. In their haste to meet an arbitrary and politically expedient self-imposed June deadline, the Administration has now begun to entertain Soviet proposals which are inimical to the national security of the United States and to the prospects for a SALT II treaty based on U.S.-Soviet equality.

Kept on such a course, SALT II is doomed to fail in the supreme mission of reducing the risk of mutual destruction. Indeed, instead of putting a damper on the arms race, such a failure would add fuel to the fire.

Given this situation, I am persuaded the time is ripe for the United States to put forward a bold and imaginative proposal for serious disarmament—a proposal that will test uncertain Soviet intentions by inviting them to join with us in concluding a far-reaching agreement to bring about a measure of stability in the nuclear balance at sharply reduced levels of strategic forces.

Instead of arms limitation agreements that do not limit, it is time for serious arms reductions by both sides—a stabilizing disarmament.

In outlining my proposal it is useful to begin by recalling the numbers agreed to under the terms of the SALT I interim agreement, according to which the United States may have no more than 1,054 intercontinental ballistic missiles. This force consists principally of Minuteman missiles that are termed "light" (in contrast to "heavy") under the definitions worked out in conjunction with the interim agreement. For their part, the Soviets are permitted 1,618 intercontinental ballistic missiles of which approximately 1,300 are of the "light" variety.

The other 300 Soviet ICBMs are "heavy"—so heavy, in fact, that these 300 alone carry as much "throw weight" as the entire permitted U.S. force of 1,000 Minuteman missiles. With respect to the Soviet missile force the terms "light" and "heavy" are misleading because the missile that the Soviets apparently intend to deploy as a substitute in the "light" category for the missiles in that category at the time of the interim agreement are several times more powerful, several times "heavier" than our comparable systems.

At sea the interim agreement provides that the United States may have up to 44 missile-firing nuclear submarines containing 710 launch tubes. The Soviets are permitted up to 62 comparable submarines, with 950 launch tubes, in addition to a number of older type submarines. The Soviets are now engaged in building up to these levels.

I believe that strategic forces on both sides are larger than they need to be, *provided* that we can negotiate with the Soviets toward a common ceiling at a sharply lower level.

Therefore I propose that we invite the Soviets to consider a SALT II agreement in which each side would be limited to 800 ICBMs and to no more than 560 submarine-launched missiles, equivalent to 35 missile-firing submarines of the Poseidon type. Long range strategic bombers, which were not included under the interim agreement, would also be limited to 400 on each side. Because the throw weight of the Soviet missile force is so much greater than that of our own, the two SALT delegations would be instructed to negotiate a formula for varying these basic numbers so as to bring the throw weight of the two intercontinental strategic forces into approximate equality.

The numbers resulting from the negotiating process need not be precisely the numbers outlined here, although I believe that significant variation from these numbers, if essential to successful negotiation, ought to move in the direction of further reductions rather than upward adjustments.

Because the strategic forces of the countries are structured differently at present and because we are always searching for ways in which to reduce the potential vulnerability of our deterrent, the treaty need not follow the precise numbers for each type of weapon system I have suggested—so long as the aggregate total of intercontinental strategic launchers was 1,760 or less. Reductions to a level of equality would be carried out, in phases, over a period of time to be negotiated.

A treaty reflecting the essential features that I have outlined here would represent a real and significant step in the direction of stabilizing disarmament. It would put to rest many of the misgivings that we now have that the Soviets are seeking to attain strategic superiority by consolidating their advantage in SALT I. It would permit both sides to shift their resources from the building up of nuclear arsenals to the building up of their economies.

The Soviet Union has turned to the United

States for economic assistance, for our capital, our agricultural produce and our advanced technology. So long as the Soviets suport the greatly exaggerated military sector of their economy at anything approaching current levels, an American program of subsidized economic transactions and the transfer of sophisticated technology, whatever its intended purpose, will inevitably amount to aid to the Russian army, naval and air forces.

At a time when the Soviet economy is in great difficulty we ought to be able to persuade them that a reordering of their priorities away from the military sector is the best way to achieve economic well-being. Adoption of my proposal could be an important step along a path that could lead eventually to billions of dollars in savings on strategic weapons systems.

It would enable us both to reorder our priorities.

If agreed to, it would mark a turning point in U.S.-Soviet relations of historic proportions. It would carry us to the brink of peace.

Such an accord could transform the atmosphere of mistrust and apprehension that has clouded the horizon of East-West relations since the end of World War II. It would add immeasurably to the confidence of both our peoples, indeed, of all mankind, that the grim prospect of thermonuclear war can be set aside and our energies devoted to purposes more constructive and more enduring than the amassing of the weapons of war. It would be, if ever there was one, a genuine conceptual breakthrough.

In the new and more hopeful world that would result, we could look forward to a broadening of the foundation of mutual accommodation, a deepening of the spirit of cooperation in trade and commerce, science and technlogy and the arts, and in the freer movement of people and ideas.

This is a program for the beginning of a more peaceful world. It is worthy of our best efforts. And I am committed to do whatever I can to bring it about.

I am under no illusion about the difficulty of negotiating an arms reduction agreement along the lines outlined here. It will take time and hard bargaining. The view of some in the Administration that force reductions are not negotiable is premature; and there are many who do not share this judgment. After all, it was Henry Kissinger himself, who warned—in his book "The Necessity for Choice"—that to reject sound proposals because they appeared to be non-negotiable was to acquiesce in negotiating on Soviet terms.

Some weeks ago I urged the President to consider the program that I have outlined here tonight. The response has not been encouraging. The refusal of the Administration to consider seriously a program for Soviet-American force reductions is as disappointing as the tendency to seek a quick cosmetic agreement in June is dangerous.

There is no critical point for negotiations that will be passed if June comes and goes without a follow-on SALT arrangement. There is nothing unique about the month of June that would justify an extension of the SALT I interim agreement and thereby legitimize its terms beyond 1977 and prejudice the prospects for a meaningful and stabilizing SALT II treaty.

I am not content to let the matter rest upon the complex and multi-purpose judgments of an embattled White House, or with a Department of State whose passion for momentum is sometimes indifferent to the direction in which it is headed. I have today requested, as Chairman of the Arms Control Subcommittee of the Senate Committee on Armed Services, that the Secretary of Defense undertake an immediate and thorough assessment of my arms reduction proposal for transmission to the Subcommittee.

Adoption of this proposal would mark a radical departure from the tentative and often marginal approach to arms control that we have followed in SALT. Reductions on the scale I am proposing will encounter opposition, not least of all from those in the military services whose training, experience and orientation are likely to militate against strategic force reductions in general, and extensive reductions in particular. While it would be imprudent to discard the professional judgment of the military and irresponsible to ignore their advice, I believe that we must not allow their skepticism to stand in the way of a proposal which will enhance our security.

I am confident that American military planners can be persuaded of the advantages of bilateral cutbacks in strategic weapons and that they too, in the final analysis, reflect the hopes we all share for a more stable strategic balance and a more peaceful world. I would hope that the Soviet military, which has been unreceptive to proposals such as this in the past, would give careful consideration to the promise of a better life for the Soviet people, who could be freed from part of the enormous burden of the arms they now bear. Here the job of persuasion must fall to the Politburo, and to them I am simply saying: Let us break with the troubled past and seek a more fruitful and secure future for both our peoples.

AVERELL HARRIMAN

Mr. PERCY. Mr. President, as Gov. Averell Harriman quite appropriately receives numerous tributes these days on his celebration of 90 vigorous and illustrious years, I was especially struck by Philip Geyelin's column in the Washington Post of November 14.

Respected journalist Phil Geyelin has concisely captured several Averell Harriman traits that are central to the significant service Averell Harriman has given his country.

First, as a man of considerable private fortune and active clout in the business world, he did not have to undertake—or stick to—a second career of public service at all. That he did it, and stuck with it, marks Averell Harriman as the very personification of the most able of individual Americans' commitment to the common welfare that is fundamental to the healthy functioning of our democracy.

Second, he kept his eye resolutely on the object of the exercise—the national security and the national welfare.

It was not beneath Governor Harriman's dignity to take a position at the Department of State in the 1960's less high ranking than the one he had previously held. The sole criterion for him was that there was an important job to be done that he was well qualified to do. Not for Averell Harriman are the ego trips so common to the official Washington scene, all too often to the detriment of our Government's policies and reputation.

Finally, and most important of all, in his half century of public service Averell Harriman has amassed an unparalleled depth of experience with key international issues and actors.

When I met with Soviet leaders in the Kremlin a year ago, I was facing in President Brezhnev a man who had already led his country for 16 years. Foreign Minister Gromyko has been in that position for 24 years. Defense Minister Ustinov has had similar defense industry responsibilities since 1941. They were facing their fourth U.S. administration in 6 years. Dealing with, negotiating with, nations as powerful and dedicated to their own self-interest as the Soviet Union is tough, serious business. It is highly desirable that we have available public servants who have been on the scene long enough to know how to represent the United States effectively in such situations.

In Averell Harriman, we have been so blessed. And he, in turn, has been blessed to have by his side his devoted, beautiful, and talented wife, Pamela, and the devoted support and undying admiration of their host of friends.

Mr. President, I ask unanimous consent to have printed in the RECORD the full text of the Phil Geyelin's November 14 Washington Post column.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AVERELL HARRIMAN: A GIANT

(By Philip Geyelin)

It was August 13, 1950. W. Averell Harriman was returning home from one more delicate mission—as President Truman's emissary to General Douglas MacArthur. He was about to take up another dicey piece of business as Truman's foreign policy coordinator.

Reporting in a late evening "newsmakers" broadcast, Walter Cronkite had this to say of the former almost-everything in American politics and diplomacy whose 90th birthday tomorrow was dedicated this week, at a fund-raising dinner, to the fortunes (material as well as political) of his beloved Democratic Party:

"Harriman could have been a playboy. He was born with a $70,000,000 silver spoon in his mouth . . . went to Groton and Yale . . . [then] into banking, became an eight-goal polo player, even developed a sort of upper-class stoop, a slight bow to boredom. But this millionaire was made of considerably sterner stuff. . . . Today Harriman seems to be a man devoted solely to selfless service to his country."

"Selfless service"—it sounds smarmy, unless you happen to be fed up to here with the rancid condition of American statescraft as it comes across these days: the obsession with "turf"; the "guerrilla warfare"; the who's-up-who's-down, who's-on-the-skids speculations of breathless analysts. Against that backdrop, a review of the record of Averell Harriman shines bright as a timely reminder to today's pushers and shovers of the purposes they are supposed to be serving—of what public service, at its best, is all about.

What it was all about, in Averell Harriman's case, was almost a half-century of reflexive, fire-horse pawing and champing at the fire bell's first ring. When Cronkite spoke of a "tall, stooped, unsmiling man who wearily climbed down from the big Constellation at Washington's National Airport," Harriman was 59 at that time and "wearily" was apparently the operative word. The way people talked about him 31 years ago made Harriman sound sometimes like a prime candidate for early retirement.

New York Times columnist C. L. Sulzberger, in an album of memoirs entitled "A Long Row of Candles," offered these snapshots of that period: "When Averell came in, he looked ghastly. He is visibly overtired and

thin . . . [and on another occasion] He looks tired and worn . . . [and on another] He really looked bushed . . . [and again] He looked poorly and has a tic in his eye . . . [and in 1951] Last week he worked straight through from 8 a.m. until 7 a.m. the following morning. That's too much for a man of sixty."

As it turned out, it wasn't. He had already served two presidents over 17 years: Franklin D. Roosevelt, as New Deal manager, lend-lease coordinator in London, wartime ambassador in Moscow; and Harry Truman as promotor and roving ambassador for the Marshall Plan. Still ahead was a mind-boggling succession of jobs: ambassador to London, secretary of commerce, nuclear test ban negotiator, undersecretary of state, Vietnam peace negotiator, and a half-dozen special presidential missions—not to mention governor of New York.

He voted for Al Smith in 1928 and became a Democrat for life because he was "very disturbed by the fallacies of the Republican Party, both domestic and foreign," he explained in a long conversation the other day. "I am just about always disturbed about something—you have to be."

He says he "can't get as excited about some things as I used to when I could put on a hat and do something about it." But when I called on him, he was hunched up, inches away from his television set. Israeli Prime Minister Menachem Begin was holding forth on ABC's "Issues and Answers," and if Harriman wasn't excited, his muttering suggested that he was, let's say, disturbed.

He was also philosophical. "Every situation always looks the worst it's ever been," he replied, when asked about the current international scene. "But these questions get solved because they have to be solved."

Does the man who dealth with Roosevelt and Churchill and Stalin subscribe to the theory that these men were giants—and that there are no giants on the contemporary stage? "History makes them giants, because what they do becomes important," is his answer. "But they are not giants when they do it—there will always be somebody around to do what's needed."

Without vanity but by way of illustration, he recalls that "everybody thought I was crazy" to accept a comedown from undersecretary of state to assistant secretary in the 1960s. "But it didn't bother me, because I knew I had a job to do. When something needed doing, I usually started to do something about it." He doesn't think that's unique—"there are many Americans who can do something about these things."

He's probably right. But there are not many—or at least not all that many now in action—who fit the test of selfless service set down by George Kennan, Harriman's No. 2 man in Moscow in the war years. In his "Memoirs" in 1967, Kennan wrote of Harriman:

"No diplomatist ever executed more punctiliously [his] instructions. . . . None—be it said to his eternal credit—was ever less inclined to distort the record however imperceptibly, in order to show himself and his performance off to good advantage. . . . The United States has never had a more faithful public servant."

DIANE DAVIES HARDIN

Mr. PERCY. Mr. President, at one time or another, we all come to realize how very much our lives have been enriched and made worthwhile because of the way we have been touched by a close friend. My own life has been so affected by a number of good friends, one of whom is Dave Hardin of Wilmette, Ill. He is an ordained minister, business leader, and chairman of Market Facts, Inc. of Chicago.

Through the years, I have not only been priviledged to know him as a friend, but I know what a devoted husband and father he has been.

Dave recently lost his wife Diane. At the funeral services in early September, he gave the eulogy himself. I wish to share it with my colleagues so that they might also share in the tragedies and joys of the bond between Dave and Diane and in the wonderful relationship Diane had with her beloved husband, wonderful children, and the world around her.

I ask unanimous consent to have printed in the RECORD the eulogy to Diane Davies Hardin.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

DIANE DAVIES HARDIN

(December 20, 1931–August 31, 1981)

For the past few years, it became fairly clear that I was likely to outlive Diane. Naturally, as we tend to do, I thought often about what her family and friends should know about her and what I would like to say about her. I felt several compelling reasons for wanting to say something.

First, I had a sense of injustice about her life and wanted to be sure that others shared it. Second, I had a strong need for people to admire Diane, because I felt she had done so much with such a poor start and not enough caring in her life. So, I waited and then on Monday night, Diane quietly slept her way into the Lord's hands.

In the past few years as her faith has grown more positive, so did her thoughts and her words. Her last word on Monday night, in response to my question about whether she was warm enough, was "Absolutely". Like all marriages, one of us was never warm enough, and she was that person in our marriage. About an hour later, she said "yes" to God and off she went.

When I sat down last night to organize the thoughts that I have had for several years about her unfortunate scenerio, the words simply wouldn't come. Finally, it came to me that I was dead wrong about why I wanted to say something. Her life was not an unfortunate one at all. It was a challenging and all inspiring adventure. Diane had been on a journey for her Lord. She had had an assignment, she had finished it and she had gone home. And, I hope she is enjoying what we are saying here today.

She certainly had a difficult and a hard life—separated from her father at the age of four, a victim of too many divorces, and too many homes, and too many schools, and not enough caring—eleven schools in twelve years, and no one caring to get her to college. A gentle, but very weak mother who sold everything in their house but Diane's bed and bureau to cover an alcoholism problem when Diane was eleven years old.

What was the real result for Diane? It was to become a person who could listen, who could empathize, who could understand the hurt and loneliness of others.

Then fourteen years ago she discovered she had multiple sclerosis and her world gradually collapsed. Most of you know the progression—the cane, the walker, the wheelchair, the terrible fatigue, the humiliating incontinence, the blindness and finally the inability to speak. Where did it lead? It led us to a lot of places. It led to a service on a Sunday morning in March, ten years ago, at a CLC meeting where Ben Johnson said, "If you want Jesus Christ to take over your life, just stand up where you are". Diane mumbled, "Why am I fighting the Lord any longer? With tears in her eyes, she stood up and committed herself to the Lord for good.

And she took me with her—it took me a little longer, but she took me with her. And, I think she nudged a few of the rest of us on the way.

That journey led us to the Christian healing services of Katherine Kuhlman, truly a saint, a great servant of God. A spiritual healing occurred, as we saw God at work in an unquestionable, unbelievable fashion.

One of the songs we are going to sing today was Diane's great favorite (we always sang it there); "How Great Thou Art".

It led her to a life of constant time alone with God, unable to read or watch television, she chose to listen mostly to the Moody Bible radio station. She once told me, "You know, I know so much now about God and the Bible, and I don't think anyone knows that".

Her sense of humor never left her. While she knew she was on a journey for God, it wasn't her choice of routes—it never is—and she once said, "I know the Lord loves me, but I really think some dumb angel has misplaced my file." Or, one night, when I came home she said, "What did it look like", and I said "What did what look like?" She said, "The truck that hit me".

Just two weeks ago today we were in Boston on vacation. Someone had provided us with a boat, and we were going out into the Boston Harbor. When we took the wheelchair down to the dock, and lifted her over the railing, her shoes fell off. I was always letting her shoes fall off.

The shoe fell into the water between the dock and the boat. It was the only pair of shoes we had with us. We eventually got it out, but when the captain was trying to fish it out, she mumbled to me, "It's okay, I don't use it much".

Her life became almost cloistered. She knew what to do with it most of the time. She wouldn't watch soap operas because she thought they were addictive and not very meaningful for where she was. Instead she prayed, and she pondered. And, as a result, I honestly think Diane became reconciled to the whole world. Even to the point of reviewing all of her relationships and writing her mother-in-law to ask forgiveness for not having always loved her enough.

She sensed problems for her friends and she prayed for them. Once she prayed for some carpeting to be delivered at a friend's home on time; and I said, "That's an interesting prayer." Her response was, "Their marriage needs that carpeting to be delivered on time". And I'm sure it did.

She loved you all. I think her attitude was personified by the way she responded to people who would show her snapshots or pictures of their child or their grandchild. They would hand them to her, she would look at them and say, "How lovely" or "how cute". And, a good share of the time she was holding them upside down.

She felt so lucky to have Nancy and Jan and Amy. She cried with joy when she first saw Amy in the hospital, because as she said, "You know I wouldn't know how to raise a boy".

Last night I asked the girls and a couple of her friends for some words to describe her. I heard words like: "gentle", "serene", "accepting", "unselfish", "loving without judgment", "caring, courageous and uncomplaining".

Now, lest you begin to feel I have kind of lost touch with reality, let me tell you there was a lot of anger and there was a lot of tears, but that's part of the process of our journey—each of our journeys. If there is one meaningful thing that Diane would like to see come of this memorial service, it would be to see us all do a little more caring—see us all take a step or two that we might not otherwise take, in memory of her, to care for

someone—to make a call or see someone—to forgive someone that we might not otherwise forgive for something.

What that would really be if we did it—what an event it would be for her and for our Lord. To close, I just want to say that Diane's life was not deprived. She was just on a journey for the Lord—a powerful journey for me—a great one for our girls, our families, and our friends. We love you all for coming.

Jesus said in Matthew, "Come unto me all ye who labor and are heavy laden, and I will give you rest". Diane is resting now.

PRESIDENT CARTER'S SUCCESS IN FOREIGN POLICY

Mr. PELL. Mr. President, last week the Boston Globe featured a very thoughtful piece by columnist William V. Shannon on the achievements of former President Jimmy Carter in the area of foreign affairs. Mr. Shannon cites 10 important successes including the Camp David agreement, the negotiation of SALT II, and normalization of relations with China to support his argument that President Carter has an impressive record as a "peacemaker and a peacekeeper." He suggests that history will prove Jimmy Carter to be one of America's better Presidents. I readily agree.

In his 4 years as President, Jimmy Carter approached some of the most complex problems in foreign policy with courage, persistence, and determination to find solutions that would promote peace, security and the dignity of the individual. His successes should be recognized and applauded. I hope that in time President Carter will receive the credit which he so justly deserves for making important contributions to international peace and stability.

Mr. President, I highly recommend Mr. Shannon's column to my colleagues and ask unanimous consent that the full text of his column be inserted in the RECORD at this point.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

SCORE 10 FOR CARTER

(By William V. Shannon)

One year ago today, Jimmy Carter lost the White House to Ronald Reagan. In my view, it was a serious misjudgment by the American people. They substituted a talker for a doer, a showhorse for a workhorse.

When historians begin to arrive at a consensus, they will rank Carter as one of our better Presidents. Since I spent all but the first few months of Carter's term serving abroad as one of his ambassadors, I am not a wholly disinterested witness. I am also more familiar with his record in foreign affairs than in domestic policy. On that foreign record alone, however, he has at least 10 achievements that will make his historical reputation secure.

Number one: He negotiated the Camp David agreement. I can think of no other President who mastered the intricacies of a complex major dispute as Carter mastered the Israel-Egypt dispute and who played so crucial a personal role in moving that dispute from stalemate to solution. Begin and Sadat shared the Nobel Peace Prize but both would probably have agreed that Carter was the man who deserved it.

Number two: He initiated the Panama Canal treaties and shepherded them to ratification. The United States still has serious problems in Central America, but think how much worse they would be if the canal were still a festering issue and guerrilla warfare against our troops in the Canal Zone were a real or potential danger. There was no natural constituency favoring the treaties. Insofar as there was any public interest, it was hostile. In achieving ratification, Carter carried off a brilliant tour de force of political initiative and creativity.

Number three: Carter made possible the peaceful transition from white-controlled Rhodesia to black-controlled Zimbabwe. There was strong pressure from the American business community in 1979 to recognize the "internal settlement" of Ian Smith and Bishop Muzorewa. Sen. Jesse Helms (R-N.C.) rounded up 39 senators in support of a resolution to have the United States drop its support for UN sanctions against Rhodesia. If Carter had caved in to this pressure, Smith and Muzorewa would never have gone to the London conference that produced last year's settlement. That is why Prime Minister Mugabe of Zimbabwe virtually endorsed Carter for re-election when he visited the White House in September 1980.

Number four: Carter extended full diplomatic recognition to Mainland China, finishing what Nixon began. Carter, who was trying to put our relations with every Communist country on a realistic basis, would have renewed relations with Cuba and Vietnam if either of those countries had been willing to meet him half-way.

Number five: Working through the canny politicking of Robert Strauss abroad and on Capitol Hill, the Carter Administration concluded the multilateral trade agreement and had it approved by Congress. This was the most important victory for liberalized trade since the Kennedy Administration.

Number six: When it was necessary to do so, Carter stood up to the Russians. After their invasion of Afghanistan, he had the courage in an election year to propose unpopular measures such as draft registration, a ban of US participation in the Olympics and a ban on further grain sales to the Soviets. Reagan criticized the first two and has now abandoned the third. Americans may think he is tougher than Carter, but does the Kremlin?

Number seven: Carter persuaded Greece to resume full military participation in the North Atlantic Treaty Organization and persuaded Congress to resume arms sales to Turkey.

Number eight: Carrying forward the bipartisan policy of previous administrations of wooing Eastern European countries to loosen their ties with the Soviet Union, Carter returned the crown of St. Stephen to Hungary. This symbol of Hungarian nationhood had been in US hands since 1945. Carter's return of the crown was of much more lasting significance in Eastern Europe than his vastly overcriticized delay in visiting Yugoslavia after Tito's death.

Number nine: He negotiated the second Strategic Arms Limitation Treaty. In the post-Afghanistan atmosphere, he had to postpone seeking ratification of SALT II. But if he had been re-elected along with a Democratic-controlled Senate, he would have sought and in all likelihood achieved its ratification this year. It is worth remembering that Carter was never defeated on a major foreign policy issue in Congress in four years.

Number ten: Carter stood up for human rights around the world. After the disgusting cynicism of Nixon and Kissinger, he restored America's good name.

As a peacemaker and a peacekeeper, Carter in four years compiled an exemplary record. He need not fear posterity's judgment.

THOMAS F. GILBANE'S MAGNIFICENT LEGACY

Mr. PELL. Mr. President, I would like to share with my colleagues the legacy of a dear friend who has built towering buildings but whose compassion and friendship has eclipsed even the magnificence of his buildings.

I would add here that, just yesterday morning, I had the opportunity to participate in the ground breaking of one of his latest projects, the new Federal building in our capital city of Providence.

Thomas F. Gilbane, 70, died November 7 in Providence, R.I. Throughout his life, Tom used his many talents to enrich countless lives, particularly the lives of young Rhode Islanders.

A native of Providence, Tom was chairman and chief executive officer of the Gilbane Building Co., one of the largest construction firms in the United States.

Under his leadership, the company built or supervised the construction of some of the larger structures in the country—including the National Air and Space Museum here in Washington, D.C.

His company received the Build America Award—the highest honor conferred by the Associated General Contractors—for the National Air and Space Museum.

Although he left an outstanding and impressive physical legacy, Tom has left an even more outstanding spiritual legacy—one clearly built through his work with young Rhode Islanders and demonstrated by the enrichment of their lives.

Tom and his brother Bill were among the original board members of Big Brothers of Rhode Island, when it was first organized in 1952. He later served as director and clearly loved the work and the many young people it helped.

He joined the Boy Scouts in 1924 and became an Eagle Scout. He maintained his enthusiasm for scouting and his work earned many honors, including the Silver Buffalo Award—the highest honor the Boy Scouts can bestow for volunteer service to young people.

An outstanding athlete and college football coach, as well as an AAU shotput champion, Tom was a member of the National Football Foundation and Hall of Fame, the Brown Athletic Hall of Fame, the Providence Gridiron Hall of Fame, and the Rhode Island Heritage Hall of Fame.

No recounting of his achievements, however, can do more than hint at the scope and talent of a unique man and his good works. Nor can a recounting capture the spirit and genuine warmth of this remarkable individual.

I grieve with his family but I am thankful that Tom's life has improved the lives of so many others. All of our lives are enriched for having known him and we will miss him.

Mr. President, I would like to share with my colleagues some newspaper accounts of his contributions to Rhode Island and the Nation. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Providence Journal, Nov. 9, 1981]

THOS. GILBANE DIES; BUILDER, CIVIC LEADER

PROVIDENCE.—Thomas F. Gilbane, 70, builder, civic leader and renowned Brown Univer-

sity athlete, died Saturday in Rhode Island Hospital of apparent heart failure, a day after he was admitted. He was the husband of Jean Ann (Murphy) Gilbane.

Mr. Gilbane was chairman and chief executive officer of the Gilbane Building Co., one of the largest construction firms in the United States.

Born in Providence, Nov. 4, 1911, he was a son of the late William Henry and Frances (Freeman) Gilbane. He lived at 151 Grotto Ave. and had a summer home, "Eastaway," in Narragansett.

Mr. Gilbane led a company that was founded in Providence in the 1870s as a one-man carpentry operation by his grandfather, William Gilbane. The company grew into a national concern that has such projects to its credit as the National Air and Space Museum in Washington and the facilities for the 1980 Winter Olympics at Lake Placid, N.Y.

The Gilbane family came to Rhode Island from Ireland during the potato famine of 1845, when William Gilbane was one year old. The company he founded as a young man soon rose to prominence and was selected as the builder for the original Rhode Island Hospital, the Museum of Natural History and the Casino in Roger Williams Park, Pendleton House (part of the Museum of Art at the Rhode Island School of Design), several substantial homes on the East Side of Providence and the original Hope, Technical and Classified High Schools.

Under Thomas Gilbane's leadership, the company built or supervised construction of some of the larger structures in the country, including in recent years three Miller Beer breweries and strategic petroleum reserve facilities in Texas and Louisiana that cost about $350 million.

The company received the Build America Award for the National Air and Space Museum, the highest distinction conferred by the Associated General Contractors.

Mr. Gilbane, who became president-treasurer of the company in 1939, was in charge of its World War II construction projects, which included the Quonset Point Naval Air Station and housing at the Newport Naval Base.

The U.S. Navy awarded the company its traditional "E"—excellence—award for its performance during the war.

In 1975 Mr. Gilbane became chairman and chief executive officer of the company.

Recent construction projects in Providence by the Gilbane Building Co. include the Holiday Inn, the Regency apartment buildings, the Blue Cross-Blue Shield building, One Weybosset Hill, an office complex, and the Gilbane headquarters building on Cathedral Square.

A member of St. Sebastian's Church, Mr. Gilbane was named two months ago an associate chairman of the interfaith National Bible Week.

A former president of the Greater Providence Chamber of Commerce, Mr. Gilbane stressed the importance of good relations between management and labor as a necessity for economic growth. In 1958 he headed a labor-management committee seeking legislation to improve the business climate of Rhode Island.

"He was a progressive influence in the community and we're going to miss him greatly," said Edwin C. Brown, secretary-treasurer of the state AFL–CIO. "He made a great contribution to the community in the labor-management field and through a variety of organizations with which he was affiliated. His life was filled with good works."

One of Mr. Gilbane's favorite organizations was Big Brothers of Rhode Island, which he served variously as a director and in other capacities.

Robert F. Killian, executive director of the United Way agency, said, "Thomas Gilbane was one of our original board members back in 1952 when we were organized. He remained a good friend right up to the end. Tom Gilbane was certainly one of the finest men I have ever known.

"We at Big Brothers always felt free to call upon him and his brother Bill and they never let us down. I think the important thing about Tom Gilbane was that he really believed in what he was doing, and was not just behaving the way he thought a person in his position was supposed to.

"There was that special personality thing about him, too. I didn't see him all that much, but I always felt when I was in his company as if I had known him all my life. Tom Gilbane was a great person. He just had it all."

A 1933 graduate of Brown University who majored in engineering and economics, Mr. Gilbane was a past president of the Brown Club of Rhode Island and a trustee emeritus of the university. He served on the school's Athletic Council and as director of the Brown Football Association in 1973–74.

Mr. Gilbane received an honorary degree from Brown in 1958.

He made his mark in football and track and became a member of Brown's Hall of Fame. He played center on the Brown football team for three years, graduating in 1933. The 1932 team was unbeaten and unscored on through seven games, but lost to Colgate on Thanksgiving Day. Mr. Gilbane's brother, William, was also a star of the team.

Mr. Gilbane held the interscholastic record in the shot put and discus throw when he graduated from Hope High School, and at Brown he became the national Amateur Athletic Union champion and a record holder in the shot put.

Mr. Gilbane served from 1936 to 1940 as coach of freshmen football at Brown, and in 1935 as head coach of varsity football at Westminister College in New Wilmington, Pa.

He had been a member of the Narragansett Council of the Boy Scouts of America since 1924 and had held several leadership posts in New England scouting. A former scoutmaster, he received the Silver Antelope Award in 1972 and served as chairman of the National Eagle Scout Association from 1974 to 1976. He received the Distinguished Eagle Pin in 1975.

Mr. Gilbane also served at various times as a director of the Providence Community Fund, a member of the advisory board of Salve Regina College and a director of Butler Hospital.

Among his other civic and social areas of interest were the Coast Guard Academy Foundation, the Industrial Foundation of Rhode Island, Providence Council of Knights of Columbus, Bishop Hendricken Council, Fourth Degree, Knights of Columbus, American Chapter of the Sovereign Military Order of Malta, Knights of the Holy Sepulchre, the National Football Foundation, the Emma Pendleton Bradley Hospital, the Sophia Little Home, Women and Infants Hospital, and the Rhode Island Society for Prevention of Blindness.

Mr. Gilbane also served at various times as chairman of the Harvard Parents Committee, president of the Rhode Island chapter of the Associated General Contractors of America, president of the Providence Gridiron Club, president of the Greater Providence Chamber of Commerce, a board member of the state affiliate of the American Heart Association and a board member and trustee of various business and financial institutions in the region.

Besides his wife, he leaves five sons, Thomas F. Gilbane of Shaker Heights, Ohio, Robert V. Gilbane of Rumford, Richard T. Gilbane of Houston, Tex., John D. Gilbane of Narragansett, and James M. Gilbane, a student at Harvard University; a daughter Jean M. Gilbane of New York City; a brother, William J. Gilbane of Providence, the president of Gilbane Building Co.; a sister, Virginia Choquette of White Plains, N.Y., and five grandchildren.

The funeral will be held tomorrow in the Cathedral of SS. Peter & Paul with a Mass of Christian Burial at 10:30 a.m. Burial in Swan Point Cemetery will be private.

[From the Evening Bulletin, Nov. 10, 1981]

THOMAS F. GILBANE

He was offensive center and defensive linebacker on Brown's greatest football team, the 1932 Bruins that were undefeated until the final game of the season against Colgate.

After the season, which was his senior year, he was selected to play for the East in the annual Shrine Game at San Francisco. During the week of preparation for the game the athletes toured the Shrine Hospital for Crippled Children. It was an experience he never forgot. He has mentioned it many times through the years.

In all probability he would have maintained his interest in youth anyway, but that incident gave a spark to his later activities.

He joined the Boy Scouts in 1924, became an Eagle Scout, and retained his interest in them throughout his lifetime. He has served in many capacities in scouting hierarchy and has been honored with several awards, among them the Silver Antelope, the Distinguished Eagle Pin and finally the Silver Buffalo Award, highest honor the Scouts can bestow for volunteer service to young people.

He was director of Big Brothers of Rhode Island. Cy Killian, executive director of the organization said, "He was one of the original board members along with his brother Bill, and they never let us down."

Other columns of this newspaper have been devoted to his business and charitable activities, and his work as a Catholic layman, but this pertains to his sports interests and those of youth.

Tom was first president of the Providence Gridiron Club, past president of the Brown Club of Rhode Island, and trustee emeritus of his Alma Mater.

He coached football at Westminister College and at Brown, and besides his gridiron accomplishments he was AAU shotput champion, and his shotput record at Brown stood until broken by his nephew, Paul Choquette. He also managed to find summer jobs for Brown athletes in his construction company. He never failed to give a pat on the back or pass on a compliment.

He was a member of the National Football Foundation and Hall of Fame, the Brown Athletic Hall of Fame, the Providence Gridiron Hall of Fame and the Rhode Island Heritage Hall of Fame.

He and Bill were as close as brothers could be. They played and worked together throughout their entire lifetime, and now there will be a great void in Bill's life.

Hundreds of us have lost a good and loyal friend, and the state has lost a most outstanding citizen.—Lanning.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

DEDUCTION FOR COST OF ADVERTISING PLACED IN A FOREIGN MARKET—MESSAGE FROM THE PRESIDENT—PM 93

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Finance:

To the Congress of the United States:

On September 9, 1980, President Carter sent a message to the Congress concerning the Canadian tax law which denies a deduction for Canadian income tax purposes for the cost of advertising placed with a foreign broadcast undertaking and directed primarily at the Canadian market. President Carter determined that this provision within Canadian law is an unreasonable practice which burdens U.S. commerce within the meaning of section 201(a)(2)(B) of the Trade Act of 1974, as amended (19 U.S.C. 2411(a)(2)(B)). President Carter further determined that the Canadian practice resulted in the loss of access by U.S. broadcasters to more than $20 million in advertising revenues annually.

President Carter, under provisions of the Trade Act of 1974, proposed legislation which would amend the Internal Revenue Code to deny a deduction, otherwise allowable under the Code, for expenses of an advertisement placed with a foreign broadcast undertaking and directed primarily to a market in the United States. This restriction would apply only if a similar deduction is denied to advertisers in the country in which such station is located for the cost of advertising directed primarily to a market in that country when placed with a U.S. broadcast undertaking. It would, therefore, be applicable to Canada.

Section 301 of the Trade Act of 1974 requires that if the President determines that action by the United States is appropriate to respond to any act, policy, or practice of a foreign country that is unjustifiable, unreasonable or discriminatory and burdens or restricts United States commerce, he shall take all appropriate and feasible action within his power to obtain the elimination of such act, policy or practice. The intent of section 301 is to resolve disputes and thereby eliminate the unjustifiable, unreasonable or discriminatory trade practices which burden or restrict United States commerce. The Canadian tax law is the subject of one such dispute. Notwithstanding a good faith effort on the part of the United States Trade Representative to resolve the dispute and have the offending practice eliminated, this dispute has not been resolved. Therefore, I am acting under the authority of section 301 to recomend legislation similar to the amendment proposed by President Carter. This amendment to the Internal Revenue Code would mirror the Canadian law as it applies to broadcast undertakings, i.e., it would deny a tax deduction for expenses of advertisements placed with a foreign broadcast undertaking and directed primarily to a market in the U.S. This restriction would apply only if the laws of the country in which such foreign broadcast undertaking is located deny a similar deduction to advertisers in that country. Thus, the legislation will establish a disincentive to the transfer of U.S. advertising revenues to foreign broadcast undertakings only if the laws of the country in which such broadcast undertakings are located create a similar disincentive vis-a-vis U.S. broadcast undertakings. Thus, if Canada should repeal its law, the amendment will cease to apply to Canada. It would be effective with respect to deductions attributable to transactions entered into on or after the date of introduction of this bill.

At this time, the mirror image legislation is an appropriate response to the Canadian practice. The intent of such legislation is not to erect new barriers to trade, but rather to encourage the Canadians to eliminate their unreasonable and restrictive practice. I recognize, however, that this amendment by itself may not cause the Canadians to resolve this dispute. Therefore, I note that I retain the right to take further action, if appropriate, to obtain the elimination of the practice on my own motion under the authority of section 301(c)(1). Hopefully, this will not be necessary.

This legislative proposal is being submitted at this time because I believe it is imperative that the Government of Canada be made to realize the importance the U.S. Government attaches to the resolution of this issue. I urge its early passage.

RONALD REAGAN.

THE WHITE HOUSE, *November 17, 1981.*

MESSAGES FROM THE HOUSE

At 3:21 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 841. An act to name the United States Post Office Building in Portsmouth, Ohio, the "William H. Harsha United States Post Office Building";

H.R. 1710. An act to authorize the use of the frank for official mail sent by the Law Revision Counsel of the House of Representatives;

H.R. 2494. An act to designate the John Archibald Campbell United States Courthouse;

H.R. 4506. An act to name the lock and dam authorized to replace locks and dam 26, Mississippi River, Alton, Illinois, as "Melvin Price Lock and Dam"; and

H.R. 4569. An act to designate the United States Post Office Building in Hartford, Connecticut, as the "William R. Cotter Federal Building".

HOUSE BILLS REFERRED

The following bills were read twice by unanimous consent, and referred as indicated:

H.R. 841. An act to name the U.S. Post Office Building in Portsmouth, Ohio, the "William H. Harsha United States Post Office Building"; to the Committee on Governmental Affairs.

H.R. 1710. An act to authorize the use of the frank for official mail sent by the Law Revision Counsel of the House of Representatives; to the Committee on Governmental Affairs.

H.R. 2949. An act to designate the John Archibald Campbell United States Courthouse; to the Committee on Environment and Public Works.

H.R. 4506. An act to name the lock and dam authorized to replace locks and dam 26, Mississippi River, Alton, Ill., as "Melvin Price Lock and Dam"; to the Committee on Environment and Public Works.

H.R. 4569. An act to designate the U.S. Post Office Building in Hartford, Conn., as the "William R. Cotter Federal Building", to the Committee on Governmental Affairs.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2227. A communication from the Clerk of the United States Court of Claims, transmitting, pursuant to law, a copy of the Court's judgment in the case of the Greek Nation of Oklahoma v. the United States; to the Committee on Appropriations.

EC–2228. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on the study with respect to converting the transient aircraft maintenance function at Randolph Air Force Base, Texas, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–2229. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a status report on projects assisted under Section 608 of the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

EC–2230. A communication from the Executive Director of the Neighborhood Reinvestment Corporation, transmitting, pursuant to law, a report on the activities and fiscal status of the Neighborhood Reinvestment Corporation; to the Committee on Banking, Housing, and Urban Affairs.

EC–2231. A communication from the Chairman of the U.S. Consumer Product Safety Commission, transmitting, pursuant to law, the fiscal year 1983 budget request of the Commission; to the Committee on Commerce, Science, and Transportation.

EC–2232. A communication from the Assistant Secretary of Energy (Conservation and Renewable Energy), transmitting, pursuant to law, the comprehensive program management plan for the Federal Wind Energy Systems Program; to the Committee on Energy and Natural Resources.

EC–2233. A communication from the Assistant Secretary of State (Congressional Relations), transmitting a draft of proposed legislation to implement the Inter-American Convention on International Commercial Arbitration; to the Committee on Foreign Relations.

EC–2234. A communication from the Assistant Secretary of State for Congressional Relations, transmitting, pursuant to law, the text of an agreement between the United States and Taiwan relating to the protection of information; to the Committee on Foreign Relations.

EC–2235. A communication from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to November 10, 1981; to the Committee on Foreign Relations.

EC–2236. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC–2237. A communication from the Chairman of the Board of Directors of the Tennessee Valley Authority Retirement Sys-

tem, transmitting, pursuant to law, statements, tables, and general information on the TVA retirement plan; to the Committee on Governmental Affairs.

EC–2238. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of legislation adopted by the Council on October 27, 1981; to the Committee on Governmental Affairs.

EC–2239. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a copy of the fiscal year 1982 request of the Commission for a supplemental appropriation; to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–607. A resolution adopted by the Citizens' Party of Connecticut, opposing the decontrol of natural gas; to the Committee on Energy and Natural Resources.

POM–608. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Energy and Natural Resources.

"RESOLUTION NO. 170

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, for several years, Guam has been attempting to achieve economic self-sufficiency. With relief from certain federal regulations not applicable to its marketplace, Guam could become self-sufficient. These laws were imputed on Guam during the colonial days when Washington lobbyists were concerned about a possible massive influx of inexpensive foreign-made products into the American marketplace. Those laws, of course, became outdated in 1946 when the Philippines received its independence. Unfortunately, Guam has never been able to gain relief from these laws; and

"Whereas, recent changes in federal tax and budget policies have brought the issue of Guam's economy to a head. For years, Guam's representatives have attempted to convince Washington that with certain amendments to Guam's Organic Act and other federal laws, Guam could become economically self-sufficient. Therefore, Guam would be far less dependent on federal financial assistance at a considerable savings to the American taxpayer; and

"Whereas, the territory has commissioned several economic studies conducted by prestigious organizations. Very recently, Professor Arthur B. Laffer submitted the results of an in-depth study on Guam's economic growth potential and negative results of continuing the application of certain federal laws to Guam. These studies confirm Guam's position that its real economic problems can only be resolved by federal action aimed at eliminating the federal legal obstacles now retarding Guam's attempts at achieving economic self-sufficiency. The gravity of the problem now facing Guam compels immediate action to amend restraining federal laws: and

"Whereas, the history of Guam's economy has been punctuated by a history of federal administration at times restrictive in its impact to the territory. In the opinion of many economists, Guam's development often times was severely retarded by certain federal laws or policies made applicable to this territory. From 1898 to 1950, Guam was a military reservation administered by the U.S. Navy. From 1951 to 1962, federal security clearances were imposed on travelers, businessmen and even residents of Guam seeking to return to their homeland. After 1962, that security clearance requirement was lifted, and for the first time, market incentives and investment incentives began to attract enterpreneurs destined to become pioneers of Guam's private sector. It was only after the first election of our Governor in 1970 that the island of Guam started on the road to normal civilian operation. The local government has been struggling to achieve increased authority over Guam's internal affairs ever since; and

"Whereas, a private economic base has been established on Guam, now it only needs nourishment to flourish. That nourishment is, in part, the freedom to grow without undue restraints or confinements; now, therefore, be it

"Resolved, That the Sixteenth Guam Legislature requests the assistance of the President in establishing an Economic Advisory Commission for Guam to operate in association with the White House Domestic Council and the Council of Economic Advisers. The object of the Commission would be not only to examine specific federal laws now restraining Guam's economy but also to propose model legislation or policies to effectively deal with establishing a self-sufficient Guam; and be it further

"Resolved, That a Presidential Advisory Commission to study initiatives which could be taken to permit growth in Guam's economy—they could recommend specific federal deregulatory initiatives which could make Guam a productive American community and an example to the world instead of a ward of the State . . . and the effect would be a rapid and dynamic success; and be it further

"Resolved, That this plea comes at a time when Guam must vigorously pursue all policies which will allow Guam to stand on its own two feet and successfully survive the adversity associated with the dramatic transition current policies have forced upon Guam; and be it further

"Resolved, That the economic studies mentioned above provide specific recommendations which the Presidential Economic Advisory Commission on Guam should consider whether:

"1. Guam should be exempted from quotas established under Headnote 3(a) of the U.S. Tariff Schedules. Guam must become truly a free port wherein anything that is the manufacture of or the growth of this island leaves it duty free and enters any other American port duty free without regard to quotas established under Headnote 3(a).

"2. Certain provisions of the Jones Act should be amended so as to permit the use of foreign bottoms for fishing within Guam waters by American fishermen.

"3. Guam should be exempted from federal minimum wage laws and be allowed to control importation of alien labor at wage rates the local government deems fair and equitable.

"4. Guam should be permitted special treatment under the Immigration and Naturalization Act to permit local certification of immigrant workers and foreign investors; and

"5. The Internal Revenue Act should be amended to permit the government of Guam to adopt its own income tax incentives for investors and businesses; and be it further

"Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Ronald Reagan, President of the United States of America; to the Honorable George Bush, Vice-President of the United States of America; to the Honorable Strom Thurmond, President Pro-tem of the United States Senate; to the Honorable Thomas P. O'Neill, Speaker of the House of Representatives, United States Congress; to Senator Lowell P. Weicker; to Professor Arthur B. Laffer; to the Secretary of the Interior; to Mr. Pedro San Juan, Director Designate, Office of Territories; to Congressman Antonio B. Won Pat; and to the Governor of Guam."

POM–609. A resolution adopted by the San Diego County Republican Party, supporting legislation to make English the official language of the United States; to the Committee on the Judiciary.

POM–610. A petition from a citizen of Alma, Georgia, relative to union violence in America; to the Committee on Labor and Human Resources.

POM–611. A petition from a citizen of Houston, Tex., relative to union violence in America; to the Committee on Labor and Human Resources.

POM–612. A petition from a citizen of Orlando, Florida, relative to outlawing monopoly bargaining in the Federal service; to the Committee on Labor and Human Resources.

POM–613. A resolution adopted by the Republican National Hispanic Assembly of Texas, urging the Reagan Administration to continue its efforts to bring more Hispanics into the Administration at high level positions; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 57. Joint resolution to provide for the designation of February 7 through 13, 1982, as "National Scleroderma Week".

By Mr. THURMOND, from the Committee on the Judiciary, with amendments, and an amendment to the title:

S. Res. 98. A resolution to designate February of each year as "American History Month".

By Mr. HATFIELD, from the Committee on Appropriations, without amendment:

S. 1857. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes (Rept. No. 97–273).

By Mr. HATFIELD, from the Committee on Appropriations, with amendments:

H.J. Res. 357. Joint resolution making further continuing appropriations for the fiscal year 1982, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

Lawrence W. Pierce, of New York, to be United States Circuit Judge for the Second Circuit;

Clarence A. Beam, of Nebraska, to be United States District Judge for the District of Nebraska;

John Bailey Jones, of South Dakota, to be United States District Judge for the District of South Dakota;

Emmett Ripley Cox, of Alabama, to be United States District Judge for the Southern District of Alabama;

Cynthia Holcomb Hall, of California, to be United States District Judge for the Central District of California;

Robert J. Wortham, of Texas, to be United States Attorney for the Eastern District of Texas for the term of four years;

Alan H. Nevas, of Connecticut, to be United States Attorney for the District of Connecticut for the term of four years;

John W. Gill, Jr., of Tennessee, to be United States Attorney for the Eastern District of Tennesse for the term of four years;

Joseph P. Russoniello, of California, to be United States Attorney for the Northern District of California for the term of four years;

Philip N. Hogan, of South Dakota, to be United States Attorney for the District of South Dakota for the term of four years;

J. Jerome Perkins, of Indiana, to be United States Marshal for the Northern District of Indiana for the term of four years;

Denny L. Sampson, of Nevada, to be United States Marshal for the District of Nevada for the term of four years;

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. DURENBERGER (for himself, Mr. BAUCUS, Mr. HATCH, Mr. BRADLEY, Mr. HEINZ and Mr. DANFORTH):

S. 1854. A bill to make permanent the exclusion of gross income of national research service awards; to the Committee on Finance.

By Mr. BENTSEN (for himself and Mr. TOWER):

S. 1855. A bill to make section 457(e)(1) of the Internal Revenue Code of 1954 inapplicable to certain State judicial plans; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 1856. A bill for the relief of Francesco Bellizzi and Maria Bellizzi, husband and wife, and their children, Marco Bellizzi and Dina Bellizzi; to the Committee on the Judiciary.

By Mr. HATFIELD (from the Committee on Appropriations):

S. 1857. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes; placed on the calendar.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 1858. A bill to declare that the United States holds certain lands in trust for the Washoe Tribe of Nevada and California and to transfer certain other lands to the administration of the U.S. Forest Service; to the Select Committee on Indian Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURENBERGER (for himself, Mr. BAUCUS, Mr. HATCH, Mr. BRADLEY, Mr. HEINZ, and Mr. DANFORTH):

S. 1854. A bill to make permanent the exclusion from gross income of national research service awards; to the Committee on Finance.

NATIONAL RESEARCH SERVICE AWARDS

Mr. DURENBERGER. Mr. President, today I am introducing, along with Senators BAUCUS, HATCH, BRADLEY, HEINZ, and DANFORTH, legislation to bring a permanent solution to the issue of the tax status of awards granted by the Public Health Service for biomedical research training—national research service awards (NRSA's). In 1977 the Internal Revenue Service ruled that NRSA's were not scholarships because recipients must engage in health research or teaching or equivalent service for a period equal to the length of the award. Thus, NRSA's did not qualify under section 117 of the code exempting the entire amount of the scholarship for degree candidates and up to $300 per month—$3,600 per year—for a total of 3 years for nondegree candidates.

Each year since that time Congress has passed legislation to treat NRSA's as scholarships under section 117. The latest extension expires at the end of this year. By providing for a permanent inclusion of NRSA's under section 117, the Congress would relieve itself of the burden of periodic extension of the moratorium on full taxation of the awards. Further, such an exemption would be in keeping with the intention of both the Senate and House authorizing committees.

The most recent expression of intent by the authorizing committees is found in the statement of managers in the Omnibus Budget Reconciliation Act of 1981. After citing other expressions of intent over the years since the Internal Revenue Service first ruled NRSA's taxable, the managers stated:

National Research Service Awards are not made for the purpose of receiving services designated by the grantor. Rather, the payback requirement offers benefits to the Nation from the participation of NRSA recipients in the research enterprise. As the Committee does not believe that the payback requirement is a quid pro quo, the tax exemption should be applicable.

As a member of the committee with jurisdiction over the tax issue and as chairman of its Subcommittee on Health, I concur with my colleagues on the authorizing committees. NRSA's are the primary means of assuring an adequate manpower pool for our Nation's health research enterprise. Taxation of these awards would severely limit the effectiveness of this program in encouraging our country's most promising, aspirant scientists to direct their careers toward much-needed biomedical research. Further, these awards are the principal incentive offered prospective physician investigators to enter medical research and forgo the considerably greater financial rewards of private sector practice.

The awards are not large, and taxing them would certainly diminish their attractiveness. Degree candidates receive between $7,040 and $13,040 to cover tuition, fees, and living expenses. Postdoctoral trainees receive a larger sum—between $13,380 and $18,780, but these are people who could be receiving substantially more for other activities, and their exclusion is limited to $3,600 per year.

It is clear that taxation of these awards is not in keeping with the intention of the original legislation, and that such taxation would create an economic disincentive to accepting national research service awards without any significant concomitant benefit to the U.S. Treasury. Consequently, I believe that the Nation's interests are served best by maintaining these awards as fellowships under the Tax Code.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (2) of section 161(b) of the Revenue Act of 1978 (relating to exclusion from gross income for national research service awards) is amended by striking out "during calendar years 1974 through 1980" and inserting in lieu thereof "after December 31, 1973".

● Mr. BAUCUS. Mr. President, my respected colleague from Minnesota, the chairman of the Finance Committee's Subcommittee on Health, Senator DAVID DURENBERGER, is today introducing legislation providing that national research service awards (NRSA's), traditionally treated as scholarships or fellowship grants for tax purposes since their inception in 1974, be permanently given this tax status. As the ranking minority member of the Health Subcommittee, I am most pleased to be a cosponsor of this bill—one clearly deserving of bipartisan support.

The NRSA program, by assuring a highly qualified manpower pool for the Nation's biomedical research enterprise, has significantly contributed to scientific progress in the battle against disease and premature death. Taxation of the full amount of the tuition payments and stipends provided by this program would create a serious disincentive to the students and young scientific investigators training for careers in biomedical research with the assistance of NRSA's.

Since 1977, when the Internal Revenue Service ruled, in Revenue Ruling 77-319, that amounts received from the NRSA program must be included in gross taxable income, the erosion of the value of these Federal awards has been prevented by a series of congressional moratoriums on their full taxability. It is now clear that IRS has no intention of reversing its ruling, and it is thus time for the Congress to end its periodic enactment of these moratoriums by making the current tax treatment of NRSA's permanent tax policy. In doing so, the Congress would significantly enhance the incentive offered by NRSA's whose recipients have, for the past 4 years, not known from 1 year to the next whether their modest financial resources would be decreased through taxation.

The committee's responsible for authorizing the NRSA program, Labor and Human Resources in the Senate and Energy and Commerce in the House, have on several occasions emphatically stated that the IRS ruling is a misinterpretation of their intent in creating the award program. They have clearly indicated that any service "payback" required is not intended for the purpose of the grantor—the Federal Government—receiving services from the grantee as is implied by the IRS ruling that such payback or quid pro quo. Rather, as stated by the authorizing committees in the conference report on the budget reconciliation bill, "the payback requirement offers benefits to the Nation from the participation of NRSA recipients in the research enterprise."

The viability and purpose of Federal support for research training should not be allowed to be undermined by the erroneous interpretation of the law by the IRS. As a member of the Finance Committee which has jurisdiction over tax matters, I intend to lend Chairman DURENBERGER my full support in bringing this matter to a favorable close before the current moratorium on full taxation of NRSA's expires on December 31, 1981.●

● Mr. HATCH. Mr. President, I am pleased to join Senator DURENBERGER in introducing a bill which makes permanent an existing tax exemption for income derived from national research service awards (NRSA's). The NRSA's provide support for pre- and post-doctoral students of the biomedical and behavioral sciences in areas of national

need and have undoubtedly contributed to the recent rapid advances in biomedical research as exemplified by the recombinant DNA technology. Indeed Congress has many times recognized the importance of the training program to the maintainence of the Nation's Biomedical and behavioral research efforts.

It should be recognized that although the NRSA's do contain pay-back clauses, their primary function is to train investigators for entry into areas of national need in the boimedical and behavioral sciences. The NRSA's are granted competitively and thus seek out the best available candidates. This insures the elements of scholarship so essential to our scientific enterprise.

Dr. Donald Fredrickson, former Director of the National Institutes of Health, and many others, have often discussed the difficulty in attracting talent to research fields. In particular the number of physicians entering research training has rapidly declined since the early 1970's. While there is no immediate cause for alarm concerning the future supply of scientific manpower overall, we must be aware of the trends and react appropriately. The stipends of the NRSA's have not kept pace with inflation and the prospect of taxation would further detract from the subsistence levels the NRSA's provide. A congressional failure to provide tax exemptions for NRSA recipients will result in a true disincentive for bright young students to enter research areas associated with our national needs.●

By Mr. BENTSEN (for himself and Mr. TOWER):

S. 1855. A bill to make section 457(e)(1) of the Internal Revenue Code of 1954 inapplicable to certain State judicial plans; to the Committee on the Judiciary.

TEXAS JUDGES BILL

● Mr. BENTSEN. Mr. President, today I am introducing legislation which would address a technical, unintended problem caused by section 457 of the Internal Revenue Code of 1954. This legislation is in the nature of a technical correction to section 457, since it is fair to say that had Congress perceived this problem when first enacting section 457 in 1978, some effort would have been made to cover the situation that bill should remedy.

Section 457 was adopted to clarify the taxation of benefits under optional salary reduction arrangements sponsored by State and local governments. Congress wrote section 457 to the code to accomplish two things: First, to establish structural requirements which deferred compensation salary reduction plans would have to meet to earn favorable tax treatment; and second, in section 457(e) to specify the tax treatment of salary reduction planned benefits which failed to meet the structural requirements.

If a plan fails to satisfy the requirements of an eligible State deferred compensation plan, then compensation deferred under such plan is currently includable in a participant's income for the first taxable year in which there is no substantial risk of forfeiture—that is, upon vesting. The Internal Revenue Service recognized at the time it promulgated the proposed section 457 regulation that there are State plans that are the regular retirment plan of the State but which do not qualify as eligible State-deferred compensation plans under the code. Thus, participants in these plans would appear to be subject to the severe tax treatment requiring the inclusion of all such deferred compensation taxable income immediately upon vesting.

Mr. President, this is a very harsh result and in some cases is one which probably goes well beyond what Congress was attempting to get at by the adoption of section 457. In fact, in the preamble to the proposed regulations the Internal Revenue Service acknowledged that it is unclear whether this result was intended. The reforms brought about by section 457 were an attempt to prevent situations where employees of State and local government defer recognition of income through optional deferred compensation agreements with their employers. The bill I am introducing today in no way weakens that reform. This legislation is narrowly drawn and provides no loophole for the kind of optional preferred compensation arrangements limited by the 1978 act.

The bill I am authorizing would add to the exceptions from section 457 State judicial plans that are the regular, exclusive, mandatory plan for service as an elected State judge. The bill would not allow additional, optional contributions by judges that would affect the concludable compensation.

Since I believe that this legislation is essentially a technical correction to the 1978 provision, and is in no way intended to carve out a "safe harbor" for the newly adopted plans, I have included a limitation in the bill that would apply the exception to only those plans continuously in existence since December 31, 1978, the point after which section 457 became effective. Further, in light of the technical correction nature of this legislation, the provisions of the bill are generally effective with respect to taxable years beginning after December 31, 1978.●

By Mr. CANNON (for himself and Mr. LAXALT):

S. 1858. A bill to declare that the United States holds in trust for the Washoe Tribe of Nevada and California and to transfer certain other lands to the administration of the U.S. Forest Service; to the Select Committee on Indian Affairs.

LEGISLATION RELATING TO CERTAIN INDIAN LANDS

Mr. CANNON. Mr. President, I introduce for myself and my distinguished colleague, Senator LAXALT, a bill to provide for the transfer, in trust, of certain portions of the Stewart Indian School complex in Nevada to the Washoe Tribe in Nevada and California. Involved in the transfer are some 2,890 acres.

The Bureau of Indian Affairs announced its decision early in 1980 to close the Stewart Indian School. The facility was closed in September of 1980. Subsequent to that action, the Washoe Tribe leased all lands associated with the Stewart School excluding the school grounds themselves. The purpose of the tribe was to increase its agriculture production capabilities. This agriculture pursuit will continue under the provisions of this bill. I emphasize that the lands involved in this bill are those associated with the Stewart School but do not include the school facility itself. The school facility is the subject of competing claims which have yet to be resolved.

The Stewart properties included in this bill lie within the recognized aboriginal lands inhabited by the Indians at the time of white entry and lend strength to the claim of the tribe to this legislative transfer. The Washoe number some 1,500 individuals of which some 500 live within three established colonies in western Nevada and one colony in northern California. The tribal leadership has as a major goal the initiation of economic and development programs designed to meet the needs of the tribal members. Central to that goal is the expansion of the tribe's land base. The Stewart lands will supplement existing ranch lands consisting of 795 acres, permitting an intensive ranch development project.

The Washoe request for this land is supported by the Inter-Tribal Council of Nevada. Adjoining private landowners have also approved the Indian request.

I believe the claim of the Washoe Tribe to this land has merit. It would provide a boon to tribal efforts to achieve self sufficiency and would maintain the traditional uses of the property. I urge its early attention.

Mr. LAXALT. Mr. President, I am pleased today to cosponsor legislation with my distinguished colleague from Nevada, Senator CANNON, to transfer to trust status for the Washoe Tribe of Nevada and California ranch land surrounding the old Stewart Indian School in Nevada.

The land involved in this legislation was originally a part of the Stewart Indian School complex that was closed by the Bureau of Indian Affairs in September 1980. Located in the Carson Valley of Douglas County, the Stewart ranch parcel includes approximately 2,890 acres of ranch and farm lands. The parcel was originally held in fee status and was acquired by the United States for the school site in 1939 and 1940.

I believe that the Washoe Tribe's overall goal of achieving economic self-sufficiency can be greatly enhanced by acquiring these parcels into trust status, thereby complementing the tribe's existing ranch operations. The tribe, in conjunction with its existing lease on the ranch property, has developed a detailed ranch plan which calls for intensive reorganization and development of the resources on the ranch to increase productivity.

Mr. President, prior to our introduction of this bill, Senator CANNON and I asked the tribe to meet with several conditions. These included meeting with adjacent landowners to identify and resolve their concerns, meeting with Carson City officials to discuss that city's needs relative to water rights, and gaining the support of all other tribes in Nevada, and the preparation of a com-

prehensive master plan. The tribe has met all of these conditions and I am convinced that this legislation is in the best interests of all concerned. I look forward to its prompt passage.

ADDITIONAL COSPONSORS

S. 312

At the request of Mr. LEVIN, the Senator from New Hampshire (Mr. RUDMAN) was added as a cosponsor of S. 312, a bill for the relief of Maria and Timofei Chmykhalov, and for Lilia, Peter, Liubov, Lidia and Augustina Vashchenko.

S. 1675

At the request of Mr. HATFIELD, the Senator from Michigan (Mr. RIEGLE), and the Senator from Nebraska (Mr. EXON) were added as cosponsors of S. 1675, a bill to help eliminate world hunger and malnutrition and promote global security.

S. 1814

At the request of Mr. JEPSEN, the Senator from Washington (Mr. GORTON), and the Senator from Texas (Mr. TOWER) were added as cosponsors of S. 1814, a bill to amend title 10, United States Code, to require the Secretary concerned to comply with the terms of certain court orders in connection with the divorce, dissolution, annulment, or legal separation of a member or former member of a uniformed service and which affect the retired or retainer pay of such a member or former member, and for other purposes.

SENATE JOINT RESOLUTION 123

At the request of Mr. HAYAKAWA, the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. COCHRAN), the Senator from Maine (Mr. COHEN), the Senator from Arkansas (Mr. PRYOR), the Senator from Pennsylvania (Mr. HEINZ), and the Senator from Wisconsin (Mr. KASTEN) were added as cosponsors of Senate Joint Resolution 123, a joint resolution authorizing the President to proclaim "National Disabled Veterans Week".

SENATE CONCURRENT RESOLUTION 45

At the request of Mr. GRASSLEY, the Senator from South Carolina (Mr. HOLLINGS), the Senator from South Carolina (Mr. THURMOND), the Senator from Arizona (Mr. DECONCINI), and the Senator from Idaho (Mr. SYMMS) were added as cosponsors of Senate Concurrent Resolution 45, a concurrent resolution expressing the sense of the Congress with respect to the rights of the people of Afghanistan.

AMENDMENTS SUBMITTED FOR PRINTING

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1982

AMENDMENT NO. 633

(Ordered to be printed.)

Mr. HELMS proposed an amendment to the bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Judiciary Committee be authorized to hold a markup during the session of the Senate today, Tuesday, November 17, to discuss S. 1630, the Criminal Code bill.

The PRESIDING OFFICER. Without objection, it is so ordered .

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, November 18, to hold a business meeting on pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, November 19, at 10 a.m., to hold a confirmation hearing on the nominations of:

Pedro Sanjuan to be Assistant Secretary of Interior for Territorial and International Affairs;

Vernon Wiggins to be Federal Cochairman of the Alaska Land Use Council; and

Janet McCoy to be High Commissioner of the Trust Territory of the Pacific Islands.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL DEFENSE

● Mr. TOWER. Mr. President, this summer, the CBS Television Network broadcast a five-part "Defense Special" in which it was suggested that the United States was about to embark on a colossal defense spending spree with few questions asked and with very little debate. To the contrary, I believe the debate has been vigorous and well joined.

It is worth remembering that the foundation for this debate was developed during the late 1970's as the public became increasingly aware of the deficiencies in our defense capabilities in the face of an ever-strengthening Soviet threat. You may recall that just 1 year ago it was virtually impossible to find a major newspaper or periodical or a television commentary dealing with defense, that did not decry the dismal state to which our military forces had been allowed to deteriorate. We had an All-Volunteer Army full of category IV's who could not fight; a Navy with too few ships and too few men to safely put to sea; and an Air Force whose fighters could not launch for want of spare parts and proper maintenance. It was a deplorable situation, but one that the press and media dutifully reported.

Curiously, just 1 year later, it is difficult to find a publication or media commentary that does not suggest defense cuts are now entirely appropriate. Yet what has changed in that brief year? Soviet investment in force modernization and expansion continues unabated. While the condition of our own forces, so deplorable just a year ago, has changed little.

Mr. President, our hope of maintaining a military strong enough to insure our security and discourage Soviet aggression lies not in a politician's promise but in the commitment of a nation. Only with the full and vigorous support of the American people can we hope to restore our Nation's defenses. And we will have this support only if the public remains fully informed.

There are those among the press who have continued to report this issue objectively. They have served the public by reporting the facts rather than manipulating them to fit an editorial conclusion. They have retained the distinction between opinion and fact and take care that their readers know which is which. An editorial published in late September in the Detroit News appraising the CBS Defense Special reflects this philosophy. It represents a standard of journalism from which many could benefit.

I urge all my colleagues to read this exceptional editorial and I ask that it be printed in the RECORD.

The editorial follows:

CBS NEWS AND NATIONAL DEFENSE

The role of loyal opposition is better suited to Britain's parliamentary system than to the American political process that depends upon bipartisan consensus on crucial issues like national defense.

But this reality hasn't dissuaded CBS News from attempting to assume the role. The network's penchant for inveighing against military preparedness was demonstrated—again—when CBS News recently devoted five prime-time hours to a "documentary" entitled "The Defense of the United States."

The series, aired on five consecutive June evenings, was considered so worthy by CBS executives that they rebroadcast it in August. And though the network claimed the documentary expressed no point of view, executive producer Howard Stringer admitted that the program "did draw some conclusions."

Indeed it did.

The CBS "message" was so blatantly antimilitary that the American Security Council demanded equal time for rebuttal. John Kester, former special assistant for defense in the Carter administration, charged CBS with exhibiting "the least honest and most seductive" efforts of "the old anti-defense crowd" to conclude "that money spent on national defense is wasted."

Meanwhile, CBS News President Bill Leonard explained that America was "ready to embark on this colossal defense spending spree with few questions asked and very little debate." Series anchorman Dan Rather solemnly agreed, hoping that the documentary would "start the debate rolling in every town and city in America."

There was no mistaking the network's position in the debate. The advisers and interviewees for the series were fairly consistent in their concern about America's drift toward Armageddon. Loaded terms like "Iron Triangle" (the connection between the Pentagon, Congress, and defense contractors), "military-industrial complex," and "closed society" were used liberally. The segment concerning weapons procurement was entitled "The War Machine."

During the whole of the five-part program, there was no mention of the Soviet arms

surge that precipitated President Reagan's response. CBS chose to ignore that while the Soviets spend 11–15 percent of their gross national product (GNP) on the military, the United States spends only 5 percent. Nor was there a reference to Russia's annual defense effort, which in recent years has been nearly 50 percent larger than America's.

Walter Cronkite was brought forth to dismiss the specter of the Soviet buildup, noting, "As for the military spending, the figures are also misleading. Our two systems, our two economies, are so different that to compare the costs of tanks and rocket launchers is just about as meaningful as comparing the costs of a college education."

Rather than dwelling upon the numerical differences, CBS suggested that Americans should be wary of "the largest peacetime military budget in our history" to confront "an enemy who we are told is stronger and more dangerous than ever."

Never mind that the Soviet submarine fleet is the world's largest or that the USSR boasts 4.8 million troops compared to America's 2.1 million. Once again Mr. Cronkite assured viewers that only 10 percent of the Soviet ships "are actually out at sea" and the Russian forces contain "half a million men . . . trained as border guards and construction workers."

Mr. Cronkite failed to add, however, that 100 percent of the Soviet Navy is combat ready, or that Russian border troops are equipped as infantry with automatic weapons, armored vehicles, light artillery, and assault aircraft.

Defense Secretary Weinberger was permitted to assert that the Soviet Union is an expansionist power. Yet CBS cameras gave only a passing glance to a map that the secretary was using to illustrate his point. Then Mr. Cronkite declared: "You can get yourself pretty frightened looking at all the administration's maps and charts of Soviet aggression and military spending. But like so many of our perceptions of the Soviet Union, it tells you only half the story, the half the administration uses to press its case for higher and higher defense budgets."

And if that wasn't soothing enough, Mr. Cronkite laid the Russian threat to rest by concluding, "Since 1960, Soviet influence around the world has actually declined." That astonishing statement omits some nagging exceptions: Afghanistan, Angola, Cambodia, Chad, Congo, Cuba, Ethiopia, Grenada, Guyana, Laos, Libya, Mozambique, Nicaragua, Syria, South Yemen, and Vietnam.

CBS, oddly, was more concerned about American belligerence. Two segments concentrated upon the U.S. strategy of fighting a limited nuclear war in Europe that could lead to the continent's devastation. The network was similarly worried about what it characterized as a self-fulfilling prophecy: U.S. military leaders, mesmerized by the nuclear option, might be tempted to launch a pre-emptive strike against the Russians.

An oft-repeated theme throughout the series was that an arms race is futile because neither side can win. Correspondent Richard Threlkeld answered his own rhetorical question, "Do weapons really make us strong?" by adding, "That depends on how you define national security." Commenting on the "conventional wisdom" that promotes military expenditures, Mr. Threlkeld was obviously more impressed by the counter argument that defense spending will destroy the economy. Yet he wearily concluded that Congress rarely asks "hard questions" about defense requests.

The facts suggest otherwise. During the past two decades, Congress has not only asked questions, but it has slashed military spending. Several recent examples come to mind.

In 1973 the Senate cut the Navy's F–14 aircraft request by 73 percent and the Air Force's B–1 by 22 percent. The House voted for major cuts in funding for the F–15 aircraft, ship construction, and the anti-ballistic missile. A 1975 House committee cut appropriations for the Airborne Warning and Control System (AWACS) aircraft by 50 percent. That same year, a Senate committee delayed approval of the B–1 bomber, a move that resulted in the airplane's eventual cancellation. In 1976 the Senate pared the MX missile funding request by 39 percent while denying a Navy appeal for a nuclear-powered strike cruiser. Meanwhile the House reduced the Navy cruise-missile program by 40 percent.

Even today, when the "hawks" are supposedly ascendant, Congress has decided to cancel the Pentagon's NAVSTAR Global Positioning System that would put 18 navigation satellites into space directed by a huge ground-control station. The Air Force request for funds to create a new generation of jet fighters has been denied. And the Navy's appeal for $121 million to design a new class of ships was similarly rebuffed. All told, the House Armed Services Committee has canceled funding for 31 separate weapons projects whose potential costs were in the tens of billions of dollars.

During this period, the Soviet arms buildup dwarfed the U.S. military output. Accordingly, Henry Kissinger gingerly accepted Russia's numerical advantage in the 1972 SALT I agreement because, he concluded, "If you project the existing building program of the Soviet Union into the future you will . . ." see "why we believe that . . ." this ". . . is a good agreement."

Yet CBS News persists in promoting the myth that U.S. military leaders are blindly committed to winning a maniacal arms race at all costs. The charge is hardly original, and we suspect it will continue to be popular among those who equate national defense with self-destruction.

When all is said and done, of course, we must concede that CBS is entitled to its opinions. But it's well to remember that the network has a long history of denigrating the American military, and of selecting its data with a pronounced anti-U.S. bias. It consistently draws its materials through the stained filter of mid-Manhattan dovishness, thus producing portraits of the Pentagon that can only merit the warm endorsement of the nation's adversaries.

We don't know who is responsible for the puzzling slant of CBS News, but we do know that CBS is one of only three major national networks, an arrangement Walter Lippmann once compared to the nightmare vision of an America with only three printing presses.

CBS News is enormously influential, possessing as it does a shared monopoly of national television journalism. One would think, therefore, it would be more conscious of its privileged position and exercise its first ethical imperative, that of advising the viewer that a program of editorial comment, based on the network's understanding of events and circumstances, is just that—and is by no means a balanced analysis of American preparedness and the Soviet threat.●

SENATOR EAST ADDRESSES NORTH CAROLINA TEXTILE MANUFACTURERS ASSOCIATION

● Mr. HELMS. Mr. President, this past Friday, my distinguished colleague from North Carolina (Mr. EAST) addressed the annual meeting of the North Carolina Textile Manufacturers Association in Palm Beach, Fla.

Senator EAST spoke to the NCTMA on the need for the U.S. Government to take a tougher stand on foreign textile and apparel imports. He rightly pointed out that—

The issue here is not "protection" versus "free trade," but rather whether Americans will defend their legitimate economic interests as vigorously as our trading partners defend theirs.

Senator EAST emphasized that—

Given the cutthroat practices that characterize the international market these days, it is a little naive to talk about "free" trade—as if foreign governments did not give every possible advantage to their own commercial interests.

Senator EAST said:

The critical test will be the outcome of the negotiations on the Multifiber Arrangement that resume in Geneva on November 18. The present MFA, which expires on January 1, is patently unfair to American textile and apparel interests.

Mr. President, in order that my colleagues might have the benefit of Senator EAST's comments, I ask that the text of Senator EAST's speech be printed in the RECORD following my remarks.

The text of the speech follows:

MULTIFIBER ARRANGEMENT

STATEMENT OF SENATOR JOHN P. EAST

I would like to take this opportunity, as a guest of the North Carolina Textile Manufacturers Association, to reaffirm my view that our government must take a tougher stand on foreign textile and apparel imports.

Some 2.7 million Americans, in every region of the country, depend on the fiber/textile/apparel complex for their livelihoods. In Los Angeles, for example, 10 percent of the jobs are in textiles and apparel; in Philadelphia, 21 percent; in Miami, 22 percent; and in New York City, 33 percent.

If the flood of imports continues unchecked, business failures and massive unemployment will result. Minorities and women, who make up a large part of the labor force, will suffer most. The illiterate and unskilled among them will have little hope of finding work elsewhere.

We must not allow this to happen. The issue here is not "protection" versus "free trade," but whether Americans will defend their legitimate economic interests as vigorously as our trading partners defend theirs.

Textiles and apparel are vital and viable industries. In the last 20 years, textile productivity gains alone have averaged 4 percent a year—double the rate for manufacturing in general. All things being equal, these industries can compete.

But all things are not equal. I will not discuss the fact that foreign workers must toil under wage scales and working conditions that would be intolerable in America. Nor will I discuss the more favorable tax structures bestowed by many foreign governments. I am confident that the tax cuts and regulatory reform initiatives undertaken by the Reagan administration will enable American enterprise to hone its competitive edge without sacrificing quality of life.

I will not even discuss the fact that this country shoulders a disproportionate burden for the defense of the free world. It is possible for some of our trade partners—notably Japan—to assume a greater share of that burden, but it is not possible for some others.

What I will discuss here is the question of differing economic systems and economic policies. There is no question that foreign businesses enjoy a greater degree of encouragement and support from their respective governments than their American counterparts receive from ours. Subsidized interest rates, officially-sanctioned cartels and mo-

nopolies, tariff and nontariff barriers to imports are but a few of the benefits that foreign governments accord their major industries.

I am not suggesting that we follow their example by say, repealing the antitrust laws or by merging the Labor and Commerce Departments. We neither can nor should resort to the "state capitalism" devices utilized by our rivals.

What I am saying is that given the cutthroat practices that characterize the international market these days it is a little naive to talk about "free" trade—as if foreign governments did not give every possible advantage to their own commercial interests. I have never met an American exporter who could not argue persuasively that it is easier for foreign companies to do business here than for Americans to do business abroad.

In this light, then, the problems faced by the textile and apparel manufacturers may be properly viewed not as someone else's hard luck story, but as a symbol of the problems faced by all American businesses that must compete internationally. In the same way, the attitude that our government assumes on this issue will be a good indicator of the line it will take on trade issues generally.

The crucial test will be the outcome of the negotiations on the Multifiber Arrangement that resume in Geneva on November 18. The present MFA, which expires on January 1, is patently unfair to American textile and apparel interests. It allows foreigners to increase their exports to this country at a minimum rate of 6 percent a year, at a time when our domestic market can be expected to grow only 1.5 percent a year. Various loopholes in the present treaty, which allow for switching and borrowing from established quotas, allow exporters to increase some shipments by as much as 24 percent.

These loopholes must be plugged, and a new arrangement must be negotiated that will restrict the growth of imports to the growth of the domestic market. I have not hesitated in the past to emphasize this need to U.S. Trade Ambassador Bill Brock and to President Reagan, and I will not hesitate to speak out forcefully in the future. I would hope that the American business and labor communities will recognize the very real stake that they have in the outcome of this issue, and they will add their voices to mine.●

ATLANTIC ELECTRIC, UTILITY OF THE YEAR

● Mr. WILLIAMS. Mr. President, it is with great pleasure I bring to the attention of my colleagues that the Atlantic Electric Utility Co. of my State of New Jersey has been selected as the Electric Utility of the Year for 1981 by Electric Light & Power magazine.

This award recognizes the exemplary work Atlantic Electric has accomplished over the past year for its customers, shareholders, and employees. The dedication to its position as a public utility and the progressive nature of its management has enabled this company to outshine its contemporaries in the industry and to faithfully fulfill its goals as a utility.

Unlike other electric utilities in our country today, Atlantic Electric is in an unusual position. Most companies are experiencing a reduction in demand for electric service both as a result of increased conservation efforts and population decreases in their service areas. Atlantic Electric, however, is working hard to meet rising demand, which is expected to continue for the foreseeable future as the trend of population growth in the region persists.

Mr. President, under normal circumstances, it would be difficult for any utility to effectively respond to such noticeable changes in its service area. Today an even greater burden has been placed on the entire industry by the lingering economic problems which continue to plague our country. Yet, under the able and innovative leadership of Mr. John D. Feehan, the president and chief executive officer of Atlantic Electric, this modest-size utility has met this demand and I am confident they will continue to provide for the needs of the southern one-third of New Jersey.

The November issue of Electric Light & Power magazine contains a special report in honor of Atlantic Electric as Utility of the Year. This article provides an excellent view of this utility and the fine job it has done, and I highly recommend it to my colleagues. Again, I offer my sincere congratulations to John Feehan, his workers, and Atlantic Electric for earning this prestigious award.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

ATLANTIC ELECTRIC IS 1981 AWARD UTILITY

Atlantic Electric Co. has been named Electric Light & Power's 1981 Outstanding Electric Utility of the Year. The utility was chosen by a panel of industry judges to be the 13th winner of the annual award.

EL&P Editor Robert Lincicome said the award was based on an impressive three-year financial record, the utility's leading role in converting oil-fired generating capacity back to coal, and an innovative communication program.

Utility president and chief executive officer John Feehan expressed appreciation for the award and noted that the company faces even stiffer challenges in coming years. With growth in demand in recent years sparked by the introduction of nine gambling casinos and hotels in Atlantic City, the utility must deal with unprecedented capital requirements that total twice the company's current assets in the next decade, Feehan said. (One interesting technique being explored for raising capital at Atlantic Electric is explained in the article below.)

Over the past three years the utility has recorded an almost unmatched record of improvement in earnings: a seven percent gain in 1978 to $2.21 a share; another seven percent increase in 1979 to $2.36 a share; and an eleven percent rise in 1980 to a record $2.36 a share.

Part of the impressive earnings record is due to the company's swift replacement of imported oil with coal as a power plant fuel. When the company's largest generating station, the B. L. England station, was converted to oil for environmental reasons in the early 1970s the company retained all the coal-burning equipment and kept it maintained. The station was back on coal one month after the 1973 Arab oil embargo, making it the first utility to convert back. The company is now converting its other major station, the Deepwater plant, back to coal also and is aiming at reducing its oil dependence to 10 percent.

GOALS FOR THE 80'S

1. Reduce construction expenditures holding annual levels to below 12 percent of capitalization.

2. Maximize internal generation of cash in order to reduce outside financing (minimum of 50 percent internal generation).

3. Increase the return on equity to a level high enough to allow common stock to sell at or above book value.

4. Provide customers with reliable electric service at a price that reflects their contribution to cost.

5. Minimize load growth while maintaining a viable economy.

ELECTRIC UTILITY OF THE YEAR FOR 1981: ATLANTIC ELECTRIC FINDS GOLD IN REDUCED GROWTH, NEW DIRECTION

(By Robert A. Lincicome and Robert W. Smock)

Small but mighty is perhaps the most apt description of Atlantic Electric.

The utility, which serves some 380,000 customers in southern New Jersey, was selected by EL&P's panel of industry judges to be the 1981 recipient of the magazine's annual award of excellence. The award is the thirteenth to be given since the program was initiated in 1969.

Among the major factors highlighting the company's award-winning performance were the following:

A virtually unmatched record of improvement in earnings over the past 3 years and a 28-year history of annual dividend increases every year.

An impressive program for reducing dependence on imported oil, predating general industry concerns, that has decreased oil usage from 67 percent of total company generation in the early 1970's to less than 20 percent today, plus achieving a diverse balance of fuel sources;

An operating record founded on high availability and reliability of all major components;

An aggressive, open two-way communication aimed at improving the understanding of customers, regulators, legislators and company management for the positions, problems and needs of each other;

A flexible, innovative approach to dealing with the problems imposed by new social and economic imperatives.

STEADY STRENGTHENING

Although EL&P's award was based largely on the strength of the company's 1980 performance, recognition also was given to the company's almost-constant strengthening over the past 8 years. The growth trend dates back to the time current president John D. Feehan assumed the chief executive officer's post and began to address what was then beginning to develop as a new era of trials and tribulations for the electric industry.

Feehan, an affable, easy-going executive was the right man for the times. He and his staff approached the mid-70's with a flexible, but pragmatic philosophy. The questions were not about how to reshape the developing environment to fit the plans of the utility, but rather how to best adapt the company's programs and plans to conform to the stricter imperatives of the times in the best interests of its customers and shareholders.

RESULTS

The results? After suffering a down-grading of its debt issues just after Feehan assumed the CEO's position, the company has steadily climbed back, getting a firmer grip on its construction program, improving its capital structure and moving away from its former heavy dependence on imported oil.

Following the post-embargo ups and downs of the mid-70's, Atlantic Electric posted a 7 percent earnings gain in 1978, to $2.21 per share. The next year, 1979, it added another 7 percent earnings gain, to $2.36 per share. Last year, earnings per share of common rose an additional 11 percent, to $2.62. Through June of this year, it has jumped upward by 64 percent over the same period in 1980 on the strength of the 16 percent rate relief granted by the New Jersey Board of Public Utilities in September, 1980. Dividends, which have been increased every year for 27 years went up again in

1980, a 28-year record equalled by only a few utilities.

The 1980 increase in earnings came on revenue gains of 27 percent. However, expenses increased even faster, 28 percent, although kWh sales were up only 6 percent.

Return on common equity, as a result of the $50 million rate increase received in September 1980, rose to 11.6 percent by year-end, and by mid-1981 was almost 14 percent, above the statutory 13.75 percent allowable ROR granted by the P.U.B.

Moreover, Atlantic Electric has been granted emergency rate relief aimed at recovering a portion of the $76-million deficiency in fuel adjustment clause collections, which will improve the quality of its earnings in 1982. The balance of the levelized energy adjustment under-recovery will be subject to further rate actions in 1982.

In non-financial areas Atlantic Electric also has made substantial progress.

It has moved ahead in its quest to regain in former AA bond rating. The company is now rated A+ and is continuing its program to gain the AA rating in the near future. To this end it has launched, and is continuing an aggressive information program to keep rating houses, as well as individual brokers, up-to-date in their knowledge of the company and its performance.

The company also continues to work hard to gain better understanding of its needs and problems by consumers. To accomplish this the company is conducting an active two-way communication program with its customers.

And for employees, the company is pursuing its goals of more and better training, affirmative action programs and direct two-way communications with company management. Labor satisfaction appears to be strong. As one union member remarked, "The only way they'll get rid of me is to shoot me!"

GOALS-ORIENTED PROGRESS

John Feehan and his four senior vice presidents have made Atlantic Electric's small size a virtue. They work hard at it.

Feehan is a strong believer in setting specific goals and objectives at all levels, and of measuring progress against those goals. "We don't make 'em all," he remarked, "but we achieved a lot more than if we'd reacted to outside developments."

For example, a review of 1980 goals shows the company did achieve a 10 percent step up of its public relations programs. It simplified its bill format to make it easier for customers to understand, but it failed to achieve its goal of initiating one new conservation initiative, nor did it reduce peak demand growth to zero. For share holders, the company improved earnings performance 11 percent and dividends 7.6 percent compared to its 6 percent goal for both. It did not achieve its goal of regaining its former AA bond rating. Operationally, it did return two targeted generating units to coal and launched a corporate planning function and corporate model as planned. It achieved its affirmative action goals but fell short of its training goal and its goal of no fatal accident.

THREE KEYS TO SUCCESS

Corporate officers point to three unique reasons for the company's success: planned diversity, open two-way communications and total flexibility in its approaches to meeting financial and management goals.

To Feehan and his staff, planned diversity means diversity in just about everything; in management, loads, capacity, and fuel sources.

Because of its modest size, Atlantic Electric has been able to buy small participation in large generating units of other, bigger utilities. This has spread involvement over many different kinds of units . . . including nuclear, which it could never have afforded on its own . . . and providing the economies of scale where they otherwise could not have been attained.

The diversity of generating sources, in addition to providing a diversity of fuel bases also contributes to overall system reliability and insulates the company from the devastating effects an outage of a single, major station might otherwise cause. It has, says J. L. Jacobs, senior vice president-finance, been a major factor in the company's low forced outage rate, which has allowed the company to participate in the Pennsylvania-Jersey-Maryland (PJM) interconnection with reserves well under the average 22 percent margin required. It also has enabled Atlantic Electric to curtail construction of some 125 MW of new capacity, representing nearly 10 percent of total system capacity.

Communications is one of Feehan's major concerns. "Credibility," he says, "tends to work conversely to the size of customers' bills." The most promising approach to combatting this, he said, was to develop a personal relationship, a realistic alternative given the utility's size.

A first approach was to establish two-way conference telephone hookups with high school classes in certain specified communities. It was Feehan's personal project; CEO to student, direct, not a downline function. The conference calls allowed Feehan to discuss company activities and concerns, as well as broader energy issues, to answer specific questions or respond to rumors and myths. Over four years, 36 of these phone conferences have been held. Not only have they been effective in helping students understand the nation's as well as the region's energy problems, and the needs and concerns of the company, but there has been a side benefit of better understanding by parents.

Another effective communications program has been the company's series of roundtables. The first of these were held with editors, publishers and educators; then were broadened to include customers. These later consumer roundtables are free-wheeling monthly meetings with Feehan and with his four senior vice-presidents. Consumer participation is by invitation. Typical participants are representatives of consumer or environmental groups, people who have written complaint letters about the utility to local newspapers or to the company directly, and local officials concerned about the utility service or issues.

Roundtable participants select the topics of discussion, not company officials. Many of the meetings revolve around the interaction of members, rather than from one-way messages from the company. Begun on a centralized basis, the roundtables now are held in each of the six counties served by the company.

In other communications areas, the conventional speakers bureau has been revitalized. Frequent meetings are held with the state regulatory commission. Open houses have been held at company plants. Energy Awareness Expositions have been held at local shopping centers. Meetings are held with small groups of employees to ensure understanding of company programs and to answer any and all employee questions.

Interestingly, the executive offices at Atlantic Electric are shirt-sleeve work areas. And, more often than not, the CEO, senior v.p.s and other managers answer their own phones.

The third area is the flexibility inherent in Atlantic Electric management. It is, perhaps, a characteristic of most small organizations that they can act or react swiftly, even reversing direction if need be. To the extent that Atlantic Electric is small by American electric utility standards, it enjoys this advantage. But the company is not really small in real terms, and its flexibility is really more a matter of attitude.

Feehan and his entire management team maintain open minds, seeking optimum solutions to the problems and obstacles facing them. Supported by a board of essentially outside directors, without ingrained industry preconceptions, Atlantic Electric's management is free to approach problems in new and creative ways, through non-traditional avenues.

It is this flexibility that made it possible for the company to meet the demands of Atlantic City's newest industry, gambling casinos. In a 3-year period, the company was called upon to compress its planning, engineering and construction functions to accommodate nine new casino customers, each with average peak demand equal to the systems' normal total annual peak growth.

And it is this flexibility that has allowed the company to move forward in a new direction for company development—toward a stronger company through aggressive promotion of conservation and a zero-demand growth future.

NEW DIRECTION

Looking at the future of Atlantic Electric, the most interesting aspect is the "new direction" for the company—a formal conservation program launched last April to allow the company to hold demand growth down and maintain control of its construction requirements.

Atlantic Electric faces a real problem. It is one of the few electric utilities in the Northeast experiencing vigorous growth in demand. The company's average increase in energy growth over the past 5 years has been more than 4 percent, spurred in part by the revitalization of the Atlantic City area economy resulting from introduction of gambling casinos. Last year, both peak and kWh demand increased by 6 percent.

The company's forecast sees demand rising at nearly 3 percent per year for the rest of the decade if left unchecked. In an effort to hold its construction requirements down over the past 5 years, the company has added little generating capacity. Its reserve capacity is at a relatively low level. Peak demand in 1980 was 1262 MW. while its generating capacity was 1435 MW, resulting in a 13.7 percent reserve. While this reserve is well below the level required of PJM interconnected pool members, AE gets by because of a combination of its size and its historically high availability and reliability levels.

CEO Feehan says that the capital cost, at current interest rate levels, of added capacity to meet unbridled demand over the next 10 years would be close to $2 billion. If demand continues to grow unchecked over the next 5 years the company would have to spend about $900 million on new construction. "That means," he explained to employees in one of a series of some 60 meetings held since last April, "that in the next 5 years we would have to double the $900 million we've invested in Southern New Jersey over the past 95 years. Continuing further on the same road we would have to triple our investment within the next 10 years."

Feehan simply doesn't believe it can be done. "It's just not in the cards," he says. Over the past 5 years the company has found it difficult enough to support capital spending totaling $280 million and to regain its AA bond rating (an as yet unachieved goal).

"We are convinced," Feehan told the annual shareholders' meeting in April, "that Atlantic Electric must embark on a new program which will meet the needs of the people of southern New Jersey while we make every reasonable and even some unreasonable efforts to reduce the massive construction program we face. We have got to lower our construction expenditures somehow."

The attempt to reduce capital requirements will have four elements:

An "aggressive" promotion of conservation,

Use of load management techniques,

Encouragement of alternative energy sources by customers such as solar water heating and windmills, and

"Pursuit of opportunities to have others make needed investments" for the company. These investments could be made by cogenerators, other utilities, government agencies, or anybody else, Feehan explains.

Can a significant reduction in growth and capital needs be achieved? Feehan hopes so but, more importantly, points out that the company has no choice but to make the attempt. Even if it can't fend off long-term growth, adds Senior Vice-President Jerrold Jacobs, the company may at least be able to buy some time and put off borrowing in the present market.

Also, progress in this direction will improve the quality of earnings, as well as the quantity, according to Vice-President-Control J. A. Salomone, a key to more favorable financing in the future.

It may prove impossible to influence demand, company officials agree. When the company was aggressively selling electricity it got one-third of the residential heating market; now that company "salesmen" are suggesting that customers look into natural gas, half of all new homes in the service territory are being built with electric heat.

Atlantic Electric is a firm believer in quantitative goals, and that appears to be a major reason for its success in recent years. Its goals for the future include holding residential rate increases below the inflation rate and improving its capital structure to 45–49 percent debt, 38–40 percent common, and 13–15 percent preferred. If the "new direction" works, it may achieve its goals.

STRENGTH THROUGH DIVERSITY

As mentioned, CEO Feehan is a strong believer in spreading risks or, as he calls it, "strength through diversity." Probably the best example of the pay off from that philosophy is the story of fuel conversions at Atlantic Electric's B. L. England station, which has two units which were built to burn coal.

As with most northeastern coal-burning power plants state air pollution authorities forced a switch to low-sulfur oil to reduce sulfur dioxide pollution. Commenting in 1971 on these regulations. Feehan—then a vice president of Atlantic Electric—said, "These measures have forced shift from coal to oil as a fuel with massive conversions along the east coast aggravating the shortage of oil. The low sulfur oil required is unique to only certain areas of the world; other sources must be desulfurized. We have been thrown into a Mid-east fuel market which is fraught with unrest, tax increases and threats to cutoff the supply."

Such warnings were not unusual back then, but Atlantic Electric carried the philosophy one step further. Even though it was forced to rely on imported oil for most of its generation, the company maintained its coal-burning capability at England station so that it could rapidly switch back. When the oil embargo struck in October, 1973, England was back on coal within a month, the first station to do so.

The company has reduced its dependence on oil from 62 percent to 20 percent right now and has set a goal of 10 percent oil by 1989 by completing the conversion back to coal at its Deep-water station. The company's current generating facilities and fuel mix looks like this:

Deepwater, 281 MW, coal/oil/gas

England, 449 MW, coal/oil

Various combustion turbines, 360 MW, oil and gas,

Ownership of shares of units operated by other utilities.

Keystone, 41 MW, coal,

Conemaugh, 65 MW, coal,

Peach Bottom, 157 MW, nuclear,

Salem, 1, 80 MW nuclear,

Firm purchases, 47 MW.

The company's goal is to broaden its fuel and generating diversity with the following planned additions (if necessary) for the rest of the decade:

Share of Salem 2, 83 MW, nuclear, in 1981,

Share of Hope Creek 1, 53 MW, nuclear, in 1986,

Share of Hope Creek 2, 54 MW, nuclear, in 1988,

Cumberland 1, a 290 MW coal unit to be built in 1988 and operated by the company which will own 260 MW of the total,

Share of Vienna 9, 125 MW, coal-fired, in 1988.

The basic philosophy, says Engineering Senior Vice President Frank Ficadenti, is to buy small shares of large units. The company feels that the construction of the Cumberland station is necessary, however, to maintain a reasonable amount of capacity directly under Atlantic Electric control.

Ficadenti, in charge of the company's forecasting effort, feels that the casino impact has peaked out. At one time a maximum of 25 gambling casinos were expected. At present there are eight operating, and one being completed. Several projects have foundered, leading Ficadenti to believe that saturation has been reached. The impact, however, is large and its ripples will be felt out into the future. Ficadenti calculates the total effect of bringing gambling to Atlantic City, both direct and indirect, at 125 MW by 1995.

The overall, 15-year forecast for the whole service territory, the southern one third of New Jersey, is for a compound growth rate of peak demand of 2.7 percent per year. With the added capacity outlined above, total generating capability will rise to 2223 MW by 1995, compared to 1483 MW now.

The fuel mix is now 26 percent oil, 47 percent coal, and 27 percent nuclear. By 1989, completion of the units shown and the planned conversions would change the fuel mix to 61 percent coal, 36 percent nuclear, and 13 percent oil.

COAL CONVERSION

The conversion back to coal is an "overriding goal" for the company in the opinion of Ernest Huggard, senior vice president in charge of operations. He explains that half the company's cost of doing business is fuel cost. With two units at the England station (totaling 290 MW) and one 80 MW unit converted at the Deepwater station, the difference in fuel cost is $60 million a year.

When the second unit at Deepwater (another 80 MW unit) is converted, another $10 million a year will be saved at today's prices. That $70 million total saving can be compared to Atlantic Electric's overall fuel and interchange energy expense of $200 million a year. The total cost to convert England and Deepwater will be $140 million, with the utility's cogeneration partner at Deepwater, DuPont, picking up $55 million of the expense.

The entire story of the coal conversion is a fascinating tale of engineering innovations, searches for fuel, and environmental compromises. In next month's EL&P we'll devote a separate feature article to explaining how Atlantic Electric helped lead the way in coal conversion and how the current conversion plant at the Deepwater station is progressing.

SMOOTH OPERATIONS

Vice president in charge of production, Henry Schwemm, is proud of the low company-wide forced outage rate, particularly in view of the large amount of coal-fired capacity. The practical effect of the smooth operation of the company's power plants is that its reserve obligation to the PJM interconnection is a low 10 percent, compared to a PJM planning requirement of 22 percent. The major factor in determining a company's reserve obligation is forced outage rate, explains Senior Vice President Huggard. Looking into the next 10 years, the company figures to save as much as $175 million in capital expense by avoiding the need to build 125 MW due to he reduced reserve obligation.

The key to high availability, says Huggard, "is a good planned maintenance program—and don't deviate from it." For example, the company used to have a normal, day-shift maintenance force at its major generating stations, Huggard explains. Now they have 24-hour, three-shift maintenance coverage at the England station. There's also heavy emphasis on planned outages. The two coal-burning cyclone-type boilers at the England station are each taken out twice a year for three to four week overhauls. These two boilers, now considered to be at mid-life, are slated for a major, $16 million rehabilitation. The cyclone furnaces, wall tubes, and most other heat exchange surfaces will be replaced.

Huggard explains that another reason for the company's availability record is the relatively low unit size. The largest company-owned and operated steam unit is 160 MW.

That philosophy can also be seen in the capacity expansion plan. The major new facility to be built and operated by the company, the coal-fired Cumberland unit, is to be only 290 MW in size. That's twice the size of the largest existing unit, but relatively small compared to what other utilities are planning for the eighties. "It's a manageable size for us," says Huggard.

The company is also proud of its gas-turbine maintenance group. "It's one of the most flexible, cost-effective programs we have," says Huggard. Atlantic Electric operates 350 MW of gas turbine capacity at six locations, all over its service territory.

The gas turbines are remotely operated, but require constant attention from one of two maintenance gangs. There's one group in the eastern part of the company's service territory and one in the west, each with its own mechanics, engineers, and support staff. The company negotiated the right to train the mechanics to cross traditional trade lines to attain the flexibility needed to work on gas turbines. The result has been extremely smooth running units with what Huggard claims is an extremely high start reliability.

John Born, vice president of electric operations, notes that the gas turbines are extensively used as synchronous condensers during high load periods. For example, the two most heavily used units devoted more than 12 percent of their running hours to synchronous condenser duty during 1980. For all gas turbines operated by Atlantic Electric, an average of 3.5 percent of running hours were dedicated to synchronous condenser duty.

Born points out that the concept of flexibility also applies to the company's transmission and distribution workforce of 300. "These people are not specialists," he says. Any member of a line crew can do any part of a job. Some crews are used to build new facilities, others for installation, others for maintenance and repair.

The company is divided into nine electrical operating districts, Born explains. District size ranges from 35 to 60 people. There is a separate group that handles transmission level underground work, submarine cable work, and the Atlantic City underground network. Each district also has from three to six people that specialize in buried distribution.

The company workforce has remained at the same level for the past 8 years, says Born, even though kWh sales have increased by one-third. One reason for this achievement is the institution of a work-force management system about 5 years ago, he explains. Currently, 99 percent of all T&D work is pre-engineered and written up ahead of time. A computerized system generates all the paperwork, a bill of materials, labor esti-

mate, etc. From 500,000 to 600,000 manhours of work a year is pre-planned. Born says that the company has relied on outside contract crews to supplement company crews but in the past year the contract force has been reduced by 25 percent.

A vehicle maintenance expense control system is being developed for the transportation maintenance force, Born adds. That group is responsible for the company's trucks, trenchers, tensioners, construction equipment, etc. All light vehicle maintenance is done at district garages, but the heavy work is now done at a central garage.

One of the trickiest operational problems was co-ordinating company crews with casino construction, explains senior vice president Huggard. Downtown Atlantic City is served by an underground duct network. The company didn't want to delay a casino opening by installing service too late and, on the other hand, didn't want to waste resources by installing too early, since each installation was a major project. (All but one of the casinos are served at 23tkV and they average about five megawatts each.)

The coordination was complicated by the prohibition on under-ground work in downtown Atlantic City during the annual summer tourist season, from June 1 to Sept. 1, adds Engineering Vice President Frank Ficadenti. In order to accommodate the nine new casinos, the entire electrical system had to be beefed up by adding one new 69-kV feeder to the "island" of Atlantic City, by upgrading the existing feeders, by building a new 69/23 kV substation, by adding a 69/23 facility at an existing sub, and by installing new duct banks (with as many as 12 ducts per bank.)

Somehow, it's all worked out and most of the work is now completed, Ficadenti feels. As many as 25 casinos were once forecast for the city, but with eight now in and one being completed, Ficadenti feels, "That's it."

The balance of the company's existing T&D projects are aimed at reinforcing the transmission system, chiefly the east-west ties between the load and generation centers on the Atlantic coast and the Delaware River valley.●

THE MARION COUNTY LAWYERS' CLUB

● Mr. LUGAR. Mr. President, I take this opportunity to submit for the RECORD a copy of a speech given by J. Clay Smith, Jr., acting chairman of the Equal Employment Opportunity Commission, to the Marion County Bar Association on October 24, 1981.

This speech reviews the historical and commendable contribution that have been made by Indiana's black lawyers in the pursuit of civil rights and of putting and end to discrimination.

As a strong supporter of extension of the Voting Rights Act. I support and encourage the continuation of the positive accomplishments and goals of the Marion County Bar Association.

The speech follows:

SPEECH OF DR. J. CLAY SMITH, JR.[1]

I am delighted that you invited me to the great state of Indiana—a state that has had within its borders such persons as Elwood Haynes of Kokomo, Indiana, an automobile inventor; Orville Wright, of Newcastle, Indiana, who invented the airship; and C. F. Jenkins, of Richmond, Indiana, who invented the movie machine. I am also delighted to be in Marion County, in which the Marion County Lawyers' Club was founded around 1925.

That the Marion County Lawyers' Club now renamed the Marion County Bar Association, and its members have made a substantial contribution to Marion County, the city of Indianapolis, the state of Indiana, and of course, to the nation is not arguable. The name of the Marion County Lawyers' Club was changed to the Marion County Bar Association on October 27, 1942. I do not know the names of the 1925 founders of the Marion County Lawyers' Club. However, in 1942 six lawyers were listed as incorporators of the Marion County Bar Association; namely, Moses Wilson Beene, James Battey, E. L. Moore, Will Porter, R. B. H. Smith, and E. L. Johnson. Except for Will Porter, these gentlemen also constituted the first board of directors of the association, along with three other lawyers; namely, Howard Hooper, W. W. Hyde and Robert Lee Brokenburr.

This paper will not attempt to cover the long and distinguished history of the Marion County Lawyers' Club. The contents of my remarks will review the Eighth Annual Convention of the National Bar Association, hosted by the Marion County Lawyers' Club on August 4–6, 1932, here in Indianapolis, Indiana.[2] Hence, I have entitled this paper, "The Marion County Lawyers' Club—1932: A Peep at the 1980's."

In 1932 Indianapolis had two bar associations—the Indianapolis Bar Association and the Marion County Lawyers' Club. At that time Paul G. Davis was president of the Indianapolis Bar Association and Forrest W. Littlejohn was president of the Marion County Lawyers' Club. The Indianapolis Bar Association had 400 members; there were approximately 1,000 lawyers in Indianapolis, and 1,110 lawyers in the state. The Marion County Lawyers' Club had approximately 50 members; there were approximately 50 Afro-American lawyers in Indianapolis and fewer than 60 Afro-American lawyers in the state. Records reveal that the Indianapolis Bar Association did not have a race restriction membership provision in 1932. This fact is gleaned from a speech by James M. Ogden, who in 1932 was the Attorney General of Indiana. In a speech during the National Bar Association convention, Mr. Ogden stated, "Some of your members [the members of the National Bar Association] are members of our organization [Indianapolis Bar Association] as well." NBA Proceedings at 61. Mr. Ogden's remarks were obviously referring to the members of the Marion County Lawyers' Club. This is an interesting fact since many volunteer bar associations denied Black lawyers admission as late as 1950. I do not know what the admission policy of the Indiana State Bar Association was or whether a state bar association existed at all.

In the 1920's and 1930's Afro-American lawyers practiced in five cities in Indiana: Gary, Michigan City, Richmond, South Bend and Indianapolis. According to a lawyers' directory published by the NBA in 1932, the following lawyers practiced law or lived in Indianapolis: (last name first) Austin, Elsie H., 229½ Indiana Ave.; Bailey, R.L., 46 Pa. Ave.; Battey, James M., 229½ Indiana Ave.; Beatty, J. W., 152½ E. Court St.; Beckwith, Frank R., 2232 Hovey St.; Beene, Moses W., 152½ E. Court St.; Brokenburr, Robert Lee, 45 Pa. Ave.; Browder, John, 152½ E. Court St.; Brown, Joseph K., Walker Bldg.; Bryant, Lawyer, 152½ E. Court St.; Bryant, James A., 229½ Indiana, Ave.; Grant, Marshall, 401 N. Senate St.; Grant, Wilbur H., 401 N. Senate St.; Henderson, W. E., 152½ E. Court St.; Henry, W. S. 229½ Indiana Ave.; Hooper, Howard, 227½ E. Washington St.; Hyde, W. W., 152½ E. Court St.; Jacobs, Carey, 1213 N. West St.; Johnson, E. L., 152½ E. Court St.; Littlejohn, F. W., 46 N. Pa., Ave; Longwood, Bee, 152½ E. Court St.; Moore, E. Lewis, 227½ E. Washington St.; Perry, H. R. 533 N. Senate Ave.; Ransom, F. B., 640 N. West St., Walker Bldg.; Richardson, Henry J. Jr., 229½ Indiana Ave.; J. Wellman Smith, 229½ Indiana Ave.; R. B. H. Smith, 152½ E. Court St.; Terrace A. C., 226 W. Vermont St.; Thurston C. H., 229½ Indiana Ave.; Williams Frank, 152½ E. Court St.

Several of the members of the Marion County Lawyers' Club held important positions in the National Bar Association. For example Freeman B. Ransom was a Vice President of the NBA and was a member of the Committee on Convention, the Committee on Legislation, and the Credentials Committee. Ransom was also a consultant to Mary McLeod Bethune in her capacity as Director of the Division of Negro Affairs, National Youth Administration. He is listed as a consultant to the 1939 Second National Conference on The Problems of The Negro and Negro Youth held in Washington. He served on the Committee on Civil Liberties and Political Suffrage, along with Ms. H. Elsie Austin another Hoosier, Afro-American woman lawyer. See Proceedings of The Second National Conference on The Problems of The Negro and Negro Youth, Washington, D.C., January 12–14, 1939, at p. 58.

Robert Lee Brokenburr was a member of the NBA Committee of Jurisprudence and Law Reform, the Publicity Committee and the Committee on Affiliation of Bar Associations H. R. Wilson was a member of the NBA Credentials Committee and the Committee on Annual Bar Day. Henry J. Richardson, Jr.[3] was a member of the National Bar Association Legal Directory Committee. Robert L. Bailey was an NBA member of the Budget Committee serving as Vice-Chair. Mr. Bailey was also Assistant Attorney General of Indiana.

The 1932 Convention was held in the Walker Casino—owned by the famous millionairess Madam C. J. Walker, an Afro-American woman, who for a time lived in Indianapolis. February 10, 1910, was the day that Madam Walker arrived in Indianapolis, Indiana. So impressed was she by the city's business possibilities for Blacks and the cordiality extended to her, she decided to make it her home. A home on North West Street with the factory in the rear became the first Madam C. J. Walker Manufacturing Company. Two years later, adjoining space at 644 North West Street was purchased for expansions. Two young lawyers, Freeman B. Ransom and Robert Lee Brokenburr, who romed with Mme. Walker, gave her free legal advice. Attorney Brokenburr filed the Articles of Incorporation on September 19, 1911, with Mme. Walker as the sole owner. F. B. Ransom gave up his law practice to become General Manager of the company until his death, in 1947, while Mr. Brokenburr retained his private practice, plus served as Assistant Manager. The company's growth rate was astronomical. Outside of the U.S., Walker products were in demand. The Foreign Trade Department was opened after her 1913 trip to Panama, Cuba and the West Indies. The Walker Company

[1] Dr. Smith received his A.B. from the Creighton University in Omaha, Nebraska, in 1964; J.D. from Howard University Schoool of Law in 1967; LL.M in 1970 and SJD in 1977 from the George Washington National Law Center, respectively. This paper is respectfully dedicated to Henry J. Richardson, Jr., and H. Elsie Austin, who both have touched many lives in Indianapolis, our nation and the world.

[2] See Proceedings of the 1932 National Bar Association Convention in Indianapolis, Indiana.

[3] See Richardson, Report of the Legal Aid Division of the National Bar Association, Inc., 1 National Bar Association Journal 130 (1942). At this writing Mr. Richardson is the oldest living member of the Marion County Bar Association.

gave employment to hundreds of Blacks, particularly during a time when America's economic future was bleak.

The splendid nature of the Walker Building was noted after welcoming remarks of the then Mayor of Indianapolis Reginald H. Sullivan by Perry W. Howard, a Republican National Committeeman from the State of Mississippi. Attorney Howard stated:

"We are delighted to be in Indianapolis; to be in this splendid building—the handiwork of a noble woman and constructed under the management of a gentleman for whom we have the highest regard as a member of the bar—Honorable F. B. Ransom—than whom we have no finer man in the country." Id. at 59.

I know that you have asked me to address the role of the black lawyer in the 1980's. With your permission, I choose to follow my own course of reviewing the mind of the Afro-American lawyer in 1932 which has a direct bearing on the issues of the 1980's. Hearing no objections—I shall proceed.

During the 1932 NBA Convention hosted by the Marion County Lawyers' Club some very profound concepts emerged from the mouths of now historic Afro-Americans. These concepts confirm my assessment of the strict confidence that Afro-American lawyers had in the judicial process and the judicial systems of America, and their total rejection of communism. For example, Perry Howard spoke about the consequence of the "lack of faith in our system of jurisprudence." Mr. Howard stated:

"We have faith in our courts and faith in the institutions of our country. We have faith in the Executive of our country. We are not going to turn communist and we are not going to turn anarchist, but with faith in God and the courts and learned in the law, we are going to fight it out for justice . . ." Id. at 60.

From the very begining of the Afro-American lawyer on this continent in 1845, the plight of the Black lawyer has been peculiar. Segregation retarded the Afro-American lawyer's growth and development to diversify his practice in specialized civil law areas, to diversify his client base, to break into corporate law firms, corporate and government legal offices and to diversify the courts of our nation at every level. Perry Howard noted this theme in his speech before the NBA in 1932 here in Indianapolis. He stated:

"Our colored attorney has a fight that is peculiar. Segregation has a tendency to prevent our receiving a fair deal. Learned as they are in the law, if we ever get what is coming it will have to be through the leadership of the lawyers of this country. From everywhere we have come and met on Indiana soil; we find here the best of our group—the National Bar Association—in the City of Indianapolis." Id. at 60.

This statement is very important because it asserts a position that is jurisprudential in nature and one which explains why the Afro-American bar exists today. From this statement we learn that Afro-American lawyers are unique; that race restrictions deterred Afro-American lawyers in the profession of law; that scholarship alone is not the sole test of upward mobility; and that the legal profession as a collective body must assert itself to eradicate discrimination and its impact.

In 1932 when the Afro-American lawyers met in Indianapolis, Herbert Hoover was the president of the United States. In the Spring of 1931, the depression in Europe reached panic proportions when a banking crisis struck Austria and spread rapidly into Germany. As you recall, the catastrophic crash of the Wall Street stock market in October, 1929, heralded the great depression. That depression spread to Europe. The economic conditions of Europe and it's economic isolation, and a worsening of its financial and political chaos, spawned Adolf Hitler.

In 1932 large segments of the American population were suffering from unemployment, bankruptcy and strife. Afro-Americans were in a perilous state. Black lawyers from all over the nation came to Indianapolis, Indiana to stake their claim deeper into America values, and simultaneously to hold America accountable for the plight of Black people. During the Indianapolis meeting, Jesse S. Heslip, from Toledo, Ohio, the president of the National Bar Association, gave the keynote address entitled, "Straight Ahead, We Cannot Detour, We Will Not Retreat." It is within the contexts of President Heslip's address that the conditions of the world of Black America and the role of the Black Lawyer in the 1930's are laid bare.

President Heslip spoke about the conditions existing in Western Europe, the British Empire, the Far East, in Africa and South America. He stated:

"Practically the whole of Western Europe is seething in misery. . . . The British Empire is facing the gravest future. . . . We are fully cognizant of the suffering in the Far East. . . . Africa is virtually broken. . . . South American Republics are daily engaged in civil commotion. . . ."

President Heslip then described the conditions existing in the United States. He said:

"The average citizen of these United States a few months ago looked upon this panorama with a sense of security from the agitation and distress which he saw in other parts of the world. With our statesmen, editors and bankers declaring in God-like fashion that 'prosperity was just around the corner' this average citizen felt himself God's selected saint. The United States boasts that it is the wealthiest and most enlightened nation of the family. Yet hardly any other nation, blessed with America's facilities, could so fail and neglect to provide ways and means of relief from these economic and political burdens as miserably, miserly and ignorantly as our Federal Government.

"With bank failures as common as daylight; with no sound and safe economic program proposed by either of our major parties; with farmers and urban homes staggering under unprincipled mortgage loan; with diseased parents and undernourished children uncared for; with smokeless factories, rusted machinery, and bankrupt business, and with approximately 12,000,000 unemployed, the United States offers only bread lines and soup kitchens as its relief to its distressed and tormented citizens.

"Unemployment is the rule of today. And with unemployment, selfishness and intolerance have increased to the point where substantial numbers of the American people are on the brink of extinction. . . .

"Along with this economic upheaval, there is an increasing racial prejudice. We find race prejudice in America greatly intensified and extending to almost every phase of our life. It is firmly believed that our economic condition, causing unparalleled unemployment, has given rise to more selfishness and more intolerance. . . .

"The Negro occupies the lowest and most unsafe position in America's economic program. We are the first wards of the public charity, as a rule, because we occupy a very insecure economic position. What can the Negro business and professional man expect in the way of economic safety and prosperity with any reasonable degree of permanency when he is primarily dependent upon Negro labor for patronage and support? All about us we see Negro homes falling under the crash of the judicial hammer at foreclosure sales; we witness Negro families scattered and broken by reason of poverty forced upon them through the inability of the chief bread winners to sustain them by decent labor; we find otherwise respectable Negro men and women seizing upon boot-legging and prostitution as means of livelihood, not by choice, but because of this most detestable and prejudicial economic scheme. The Negro church, school, and home are the background of our social life. With these institutions devastated by poverty may not the Negro business and professional men reasonably anticipate their own collapse?" Id. at 66, 69.

A point for emphasis here is president Heslip's concern about the impact of the economy on the profession of the practice of law by the Afro-American lawyer, and on the Afro-American population as a whole. Heslip's declaration that the "Negro occupies the lowest and most unsafe position in America's economic program" could be argued today. Heslip asserts that the "Negro lawyer must prepare himself to meet these issues . . . [and] become thoroughly grounded in constitutional law." Id. at 71. Finally, and in the tradition that characterizes the Afro-American lawyer's faith in our constitutional democracy, Heslip states that the "Negro lawyer . . . must be ready to face the nation's highest tribunal in search of justice for ourselves. . . . We are consecrated to the sacred task of extending to the Negro equal economic opportunity and the full indicia of peace, life and liberty." Ibid.

Other great speeches were given here in Indianapolis during the 1932 convention of the National Bar Association hosted by the Marion County Lawyer's Club. Walter White the Executive Secretary of the NAACP highlighted the need for federal intervention where state laws and state courts refused or failed to protect the constitutional rights of Blacks. White was not a lawyer, but as an official in the NAACP his presence at the convention was an important one. Mr. White stated that the NAACP's "next step will be a step further in giving federal courts the right to give redress when the state courts and the state itself do not take steps to give that redress." Id. at 74.

Several other important speeches were delivered during the 1932 meeting in Indianapolis. Mr. C. Frances Stradford [Chicago, Illinois] delivered an important paper entitled "Social Unrest and The Law," and Freeman L. Martin delivered a paper on the subject of "How To Stay In Court." Also in attendance and constantly mentioned in various speeches was Dr. Charles Hamilton Houston, Dean of the Howard University School of Law, who spoke on "The Effect of the Program Inaugurated for Lawful Enforcement of Law." And, highlighting the discrimination by the federal government, Thomas Campbell from Denver, Colorado gave a strong paper entitled, "Governmental Policy Regarding Employment at The Hoover Dam."

Women have always played a significant role in the Afro-American Bar—and so it was in Indianapolis in 1932. Two women were very influential during the convention; namely, Ms. Ollie May Cooper of Washington, D.C., the National Assistant Secretary of the NBA,[4] and Georgia Jones Ellis, of Chicago, Illinois, who delivered a significant paper entitled, "The Necessity of Universal Suffrage." And, I believe that H. Elsie Austin, who I have previously mentioned, and Bee Longwood were two of the few Black women lawyers in Indianapolis during the 1932 Convention.

Ms. H. Elsie Austin is a unique woman who has made a significant contribution to the law and to humankind itself. In 1930 Ms. Austin was graduated from the University of Cincinnati, College of Law. She is the first black woman graduate of this law school. From 1937–1939, she served as Assistant Attorney General in the state of Ohio and is the first black woman lawyer in the history of the nation to hold this position.

[4] See J. Clay Smith, Jr., Ollie May Cooper: "The Real Dean of Howard University School of Law," 20 How. L.J. 368 (1980); Note, Ollie Cooper, 94 Dies; Taught Law at Howard U., Washington Post, Col. 3, B5, April 17, 1981.

Also, Ms. Austin was elected as National Vice-President of the National Bar Association circa 1937. Presently, she resides in Washington, D.C. and sends her personal regards to the Marion County Bar Association.

In conclusion, you invited me to come to Indianapolis to discuss the role of the Black lawyer in the 1980's. Your role as Afro-American lawyers, your mission as Afro-American lawyers, your commitment as Afro-American lawyers, and your role as the now Marion County Bar Association is no different today than in 1932. The Marion County Bar Association must continue to assert its energy for the eradication of discrimination in the American workforce. You must take your stand on the principles undergirding affirmative action. In the tradition of two of your outstanding members—Howard Hooper and Mercer M. Marice, this association must seek, find and secure justice and knock on the doors of injustice and callousness which restricts equal opportunity—whether economic or employment affecting Black Americans.

I accepted the invitation of the Marion County Bar Association because of your history in America and because of your sustained desire to rid America of race distinctions and discrimination.

The Marion County Bar Association is important to me as a citizen of the United States and as Chairman of the U.S. Equal Employment Opportunity Commission.

To my knowledge, it has been a half century since the NBA held a convention in this city. The United States is indebted to the Marion County Lawyers Club (Association) for fifty-six years of leadership in the county, the city of Indianapolis, the state of Indiana and in the nation. I am happy that I have been able to articulate themes of the 1930's that laid the foundation for your banquet theme—The Role of Black Lawyers in the 1980's.●

AVERELL HARRIMAN

● Mr. PRYOR. Mr. President, one of the most distinguished public servants in the history of the United States, Averell Harriman, recently celebrated his 90th birthday. That milestone has received considerable attention and properly so. Few Americans, in the two centuries this Government has existed, have contributed more to the cause of peace and good will than Mr. Harriman.

Averell Harriman stands as a model of public service. As Governor, Ambassador, Cabinet member, and in other public offices, he has contributed significantly to our development as a nation and as a power in the modern world.

His influence, however, extends far beyond official records, and his spirit, his commitment, and his willingness to give time and talent have inspired men and women in this country and around the world.

The Washington Post of November 14, 1981, contained a column by Philip Geyelin on the remarkable Averell Harriman. Mr. President, I ask that this be placed in the RECORD.

The column follows:

AVERELL HARRIMAN: A GIANT

(By Philip Geyelin)

It was August 13, 1950. W. Averell Harriman was returning home from one more delicate mission—as President Truman's emissary to General Douglas MacArthur. He was about to take up another dicey piece of business as Truman's foreign policy coordinator.

Reporting in a late evening "newsmakers" broadcast, Walter Cronkite had this to say of the former almost-everything in American politics and diplomacy whose 90th birthday tomorrow was dedicated this week, at a fund-raising dinner, to the fortunes (material as well as political) of his beloved Democratic Party:

"Harriman could have been a playboy. He was born with a $70,000,000 silver spoon in his mouth . . . went to Groton and Yale . . . [then] into banking, became an eight-goal polo player, even developed a sort of upper-class stoop, a slight bow to boredom. But this millionaire was made of considerably sterner stuff. . . . Today Harriman seems to be a man devoted solely to selfless service to his country."

"Selfless service"—it sounds smarmy, unless you happen to be fed up to here with the rancid condition of American statescraft as it comes across these days: the obsession with "turf"; the "guerrilla warfare"; the who's-up-who's-down - who's - on-the-skids speculations of breathless analysts. Against the backdrop, a review of the record of Averell Harriman shines bright as a timely reminder to today's pushers and shovers of the purposes they are supposed to be serving—of what public service, at its best, is all about.

What it was all about, in Averell Harriman's case, was almost a half-century of reflexive, fire-horse pawing and champing at the fire bell's first ring. When Cronkite spoke of a "tall, stooped, unsmiling man who wearily climbed down from the big Constellation at Washington's National Airport," Harriman was 59 at that time and "wearily" was apparently the operative word. The way people talked about him 31 years ago made Harriman sound sometimes like a prime candidate for early retirement.

New York Times columnist C. L. Sulzberger, in an album of memoirs entitled "A Long Row of Candles," offered these snapshots of that period: "When Averell came in, he looked ghastly. He is visibly overtired and thin . . . [and on another occasion] He looks tired and worn . . . [and on another] He really looked bushed . . . [and again] He looked poorly and has a tic in his eye . . . [and in 1951] Last week he worked straight through from 8 a.m. until 7 a.m. the following morning. That's too much for a man of sixty."

As it turned out, it wasn't. He had already served two presidents over 17 years: Franklin D. Roosevelt, as New Deal manager, lend-lease coordinator in London, wartime ambassador in Moscow; and Harry Truman as promoter and roving ambassador for the Mashall Plan. Still ahead was a mind-boggling succession of jobs: ambassador to London, secretary of commerce, nuclear test ban negotiator, undersecretary of state, Vietnam peace negotiator, and a half-dozen special presidential missions—not to mention governor of New York.

He voted for Al Smith in 1928 and became a Democrat for life because he was "very disturbed by the fallacies of the Republican Party, both domestic and foreign," he explained in a long conversation the other day. "I am just about always disturbed about something—you have to be.'

He says he "can't get as excited about some things as I used to when I could put on a hat and do something about it." But when I called on him, he was hunched up, inches away from his television set. Israeli Prime Minister Menachem Begin was holding forth on ABC's "Issues and Answers," and if Harriman wasn't excited, his muttering suggested that he was, let's say, disturbed.

He was also philosophical. "Every situation always looks the worst it's ever been," he replied, when asked about the current international scene. "But these questions get solved because they have to be solved."

Does the man who dealt with Roosevelt and Churchill and Stalin subscribe to the theory that these men were giants—and that there are no giants on the contemporary stage? "History makes them giants, because what they do becomes important," is his answer. "But they are not giants when they do it—there will always be somebody around to do what's needed."

Without vanity but by way of illustration, he recalls that "everybody thought I was crazy" to accept a comedown from undersecretary of state to assistant secretary in the 1960's. "But it didn't bother me, because I knew I had a job to do. When something needed doing, I usually started to do something about it." He doesn't think that's unique—"there are many Americans who can do something about these things."

He's probably right. But there are not many—or at least not all that many now in action—who fit the test of selfless service set down by George Kennan, Harriman's No. 2 man in Moscow in the war years. In his "Memoirs" in 1967, Kennan wrote of Harriman:

"No diplomatist ever executed more punctiliously [his] instructions. . . . None—be it said to his eternal credit—was ever less inclined to distort the record however imperceptibly, in order to show himself and his performance off to good advantage. . . . The United States has never had a more faithful public servant."●

ADDITIONAL LAND FOR THE TRUSTOM POND REFUGE IN RHODE ISLAND

● Mr. STAFFORD. Mr. President, in reviewing the Interior Appropriations bill, I am reminded of the fine effort put forth by Senator JOHN CHAFEE in the effort to provide Federal funding for the purchase of additional land for the Trustom Pond Refuge in Rhode Island.

This acquistion is crucial not only to Rhode Island and New England, but also to the United States as a whole. We need to preserve precious pieces of land such as the Trustom Pond area for future generations to enjoy and for the protection of those fish and wildlife species which need these areas for their continued survival.

Mr. President, I would like to request that an article from the Narragansett Times, which illustrates the importance of this appropriation, be printed in the RECORD.

The article follows:

[From the Narragansett Times, Nov. 5, 1981]

SEN. CHAFEE TO THE RESCUE: TRUSTOM EXPANSION SQUEAKS BY

(By Craig N. Berke)

A joint Congressional committee yesterday approved $440,000 for the purchase of 60 acres of privately owned land to expand the boundaries of the Trustom Pond National Wildlife Refuge in South Kingstown.

The committee approval means that the appropriation is almost certain to be included in the U.S. Interior Department's land and water conservation budget that will be passed along to President Reagan.

Hope for the acquisition dwindled briefly yesterday, however, when the joint House-Senate conference committee killed the funding.

Members of the House earlier this year had approved $591,000 to purchase land adjacent to Trustom. But Senate members of the committee balked at the amount, and the House members gave up during caucus yesterday morning in Washington, D.C.

But when Rhode Island Sen. John H. Chafee, a strong backer of the Trustom package, heard that news, he marched over to the conference with aide Robert Hurley. The Republican senator pulled off some political wizardry, persuading Senate members of the committee to restore $440,000, the amount needed to buy the 60 acres owned by Joseph J. Young, Jr.

Because of rising property taxes, Mr. Young had threatened to sell his land for residential development if the Senate didn't allocate funds for the purchase this year. Mr. Young, an Arlington, Va., resident, repeatedly has lobbied for the federal purchase, wanting to keep his South Kingstown land undeveloped.

"It was like raising Lazarus from the dead," Mr. Young said of the Congressional action in a telephone interview from Washington yesterday. "At 9:30, it was a dead turkey, and at 12:30 it was alive again. I had left that meeting thinking it was a completely dead duck. An hour later, the action had been reversed. It was amazing."

The conference committee's report goes back to both houses for approval, before the budget goes to the President.

Congresswoman Claudine Schneider, who helped push for the original $591,000 approval in the House, said last night she was "thrilled we got at least $440,000." Noting the temporary death of the funding yesterday, Mrs. Schneider observed that "the Senate was not tuned in to this project at all" until Senator Chafee made his pitch.

Mr. Young's sale to the federal government would average $7,300 an acre, seemingly a bargain when one considers it had already been platted for development of prime shoreline homesites.

The appropriation was preceded by the August approval by the U.S. Department of Fish and Wildlife of the long-range plan to expand the 365-acre Trustom Pond refuge to about 965 acres.

Fish and Wildlife officials have said their first priority was purchasing Mr. Young's 60 acres.

The Rhode Island Audubon Society, upon learning of the government land acquisition plan, pledged to donate its 115-acre preserve on the east shore of Trustom Pond to the national wildlife refuge.

That leaves about 425 acres the federal government would still like to purchase outright, or at least secure their development rights, leaving them as open space. It has been estimated that $1.25 million would be needed to complete the purchase of the acreage surrounding the current boundaries.

"This is an extraordinarily important thing for the state and southeastern New England," Mr. Young said. "The prospect of having nearly 1,000 acres on the ocean, including one-and-a-half miles of ocean beach, is just marvelous."

The Trustom Pond area is a pristine wilderness adjacent to Moonstone Beach, which, other than a few family residences and farms, has been untouched since before the American Revolution. Alfred L. Hawkes, executive director of the state Audubon Society, calls it "one of the prettiest areas on the coast."

In January, when Mr. Young announced plans to develop as many as 100 house lots on his property, a local conservation group called Friends of Trustom Pond formed to try to save the unspoiled nature of the area.

The group mobilized local support, writing members of the state's Congressional delegation and getting the South Kingstown Town Council to renew a resolution to keep the area development-free.

Mr. Young said he is pleased with all Congressional representatives who played a role in the funding project, and described it as "a marvelous thing to see."

Mr. Young pointed out that between potential federal and state purchases in the Matunuck and Moonstone areas, as many as 2,000 acres may be preserved for open space.

If outright purchases are not possible, the next best thing may be securing the development rights, according to a regional spokesman for the U.S. Department of Fish and Wildlife.

Under such a plan, the government would pay the landowner half the property's value. The landowner would still hold title to the land, and would be permitted to maintain a residence on it. The owner also could use the land for anything other than new residential, commercial or industrial purposes. Permitted uses would include agriculture, hunting, trapping or fishing.●

DR. LORING HART

(At the request of Mr. ROBERT C. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. LEAHY. Mr. President, like all Vermonters, I applaud the dedication and excellence shown by Dr. Loring Hart during his tenure as president of Norwich University. Norwich University is the Nation's oldest private military college, and one of the Nation's finest. Dr. Hart's own service is complete within the tradition expected by this fine university.

I ask that an article about Dr. Hart from the Sunday Rutland Herald and the Sunday Times Argus, October 25, 1981, of Vermont be printed in the RECORD.

The article follows:

HART BROUGHT SCHOOL INTO STEP WITH TIMES IN 10 YEARS AT HELM

NORTHFIELD.—Dr. Loring Hart is leaving his post as president of Norwich University in June, culminating a decade-long reign at the nation's oldest private military college. The school will not be long without him, though. Hart plans a return to the Northfield campus a year after he delivers his last commencement address as the school's 21st president.

The 56-year-old former English teacher might return to the Norwich classrooms; he has named that as one option after a planned 12-month sabbatical, or perhaps help in fundraising efforts for the university.

He leaves not the same homogenous military-oriented school he inherited in 1972 but a school so changed that founder Alden Partridge might not recognize it.

"The essential nature of the school up until about 1970 had remained virtually unchanged since 1819" when it was founded, says the gray-haired career educator.

When Hart took control of the school, it was an all-male, traditional college firmly rooted in the past. What the next president will run is a co-educational university with two campuses as different as day and night that costs $20 million to operate annually. The new president will find his administration is rushing headlong into an uncertain future, hustling to keep enrollment up and stretching curricula and development dollars to the limit.

Hart has naturally been given much of the credit for the school's metamorphosis during the past 10 years. He is generous, however, in passing around the plaudits. Hart believes his tenure has been successful largely because he made it his policy of including others in decisions. Says Hart: "I try never to make unadvised decisions."

It was a policy that endured from the beginning.

Hart's association with Norwich began in 1957, seven years after he graduated from Bowdoin College in Maine. He signed on as an English teacher and soon rose to department chairman. By 1968 he was, by his own admission, a dean and vice president "very much involved in things." In 1972, at the age of 46, he succeeded Barksdale Hamlett as president.

It was an unsteady time for Norwich. The anti-war sentiment of the Vietnam era was running high. The cadet population had fallen to fewer than 1,000. In a precedent-setting move, Hart orchestrated the 1972 merger with Vermont College. The private school was then in financial debt.

"It was considered to be a finishing school for debutantes," Hart remembers, recalling that enrollment had fallen significantly at the small two-year college.

The merger was the first of many steps Hart says were not intended to break traditions, but rather to bring Norwich into a more modern age.

"The need for change" to co-education, says Hart, "was inevitable."

"We thought we could maintain two campuses: one in Northfield, male and military and one in Montpelier, civilian and for women."

He got more than he bargained for. The impact of the merger was heavy and irreversible.

"Within two months women were demanding to live in these barracks, and their parents were demanding it," says Hart.

By 1974 the tide had turned completely. A 155-year-old barrier was broken and a handful of the women who had requested to live on the Norwich campus signed into the Corps of Cadets. Not until a year later would women be enrolled in federal service academies like West Point and Annapolis.

Hart's simple conclusion is that women have changed the very fabric of life for cadets. Those who before sought comfort in the familiar cloak of fraternity suddenly found themselves competing on every level with women.

Things were quite difficult for the first female cadets but they endured.

"They strengthened every aspect of university life," Hart recalls. At a time when military life was scorned, the admission of women gave Norwich "a sense of modernity . . . that we were with it."

There were other changes. The energy crisis of the mid-1970s played havoc with the school's budget and Norwich faced a deficit of about $750,000. Under Hart's leadership the school began a multi-faceted program designed to diversify the curriculum, raise capital and fill the empty beds on both campuses.

"We knew that if we didn't restore the campuses to capacity we would face major deficits," he says.

Hart proudly points out that the school's most successful development campaign ever pulled in $8 million. The curriculum was broadened and the faculty upgraded. The grand plans, guided by the raspy-voiced president who brought all the pieces together, eventually worked. This fall the freshman "rooks" were crammed three to a room. Enrollment at VC was near capacity. In their neat, carpeted offices admissions personnel had to be smiling just a little.

One episode stands apart from all others in this decade, though. Foreign students had been attending Norwich throughout the 20th century, but never so many as had come from Iran. The numbers grew and peaked in 1979 when 139 cadets enrolled at Norwich were receiving paychecks from the Imperial Navy of Iran.

Hart remembers the Iranian revolution and the hostage crisis as times of "great upheaval." But he says there were never political problems between Iranian cadets and their American counterparts.

He remembers making hasty arrangements

for the 85 Iranian cadets to leave in April 1980 when then-President Jimmy Carter ordered all Iranian government employees out of the U.S.

Though he sympathized with the young men, emotion can go just so far in the military, Hart says: "As young people I would have liked to see them stay and finish their educations. As officers of the Imperial Iranian Navy I wanted them to leave."

The summer's commencement exercises helped relieve some of the sadness brought about by the Iranian episode. But right behind it were stirrings of another issue—a rumored takeover of programs from financially ailing Goddard College.

The Plainfield school and Norwich eventually reached agreement for the university to take over four adult degree programs. But it was a hard road. Hart says that both college communities were misled by media reports of negotiations for transfer of the programs, and dismisses as "all nonsense" rumors at the time that the two schools considered merging.

He strongly denies Norwich ever "bought" programs: "We bought nothing from Goddard College. It had nothing to do with buying a program. I don't know how you would put a price on a program. We paid a transfer fee for records."

Even in the twilight of his tenure Hart still puts in those long days. He is in his office by 8:30 a.m. and the testimonial dinners sometimes last past midnight. He will not miss the travel or the late nights out on the road. Over the years he has visited dozens of cities, attended hundreds of fundraising events of all kinds, shaken the hands of thousands of alumni. It has been a far cry from his school days when college presidents "walked around the campus, taught a class, smoked their pipes and commented on the events of the day."

Those days are, of course, gone. College presidents today are money-making technicians, public relations whiz kids. Teaching, perhaps sadly, is too often an extracurricular activity for them now.

But Loring Hart is cut from another mold. Ironically enough, like MacArthur, he promises he'll be back.●

NOMINATION OF ELLIOTT ABRAMS

● Mr. HELMS. Mr. President, today the Committee on Foreign Relations heard the testimony of Elliott Abrams, whom the President has nominated to serve as the Assistant Secretary of State for Human Rights and Humanitarian Affairs. Mr. Abrams was warmly welcomed by the members of the committee, and his nomination was approved by a unanimous and bipartisan vote.

Mr. President, the Reagan administration has consistently espoused the fundamental rule of liberty in the conduct of our Nation's foreign policy. In nominating Mr. Abrams for this sensitive post, the President has given this young man a unique opportunity to articulate to the world the true character of the issues at stake in discussions about "human rights" throughout the world. The human rights debate is fundamentally a battle of ideas, Mr. President, and Mr. Abrams appears to be a man whose education and experience equip him well to carry on a forceful and persuasive articulation of the truth about the human rights.

I am often saddened by the remarkable consistency with which many so-called human rights arguments are made in favor of regimes and movements whose ultimate goal and historical practice consists in the revolutionary subjugation of a people to tyrannical rule by a narrow ideological party. It seems that some people will go to any extreme to defend leftist subversion, terrorism, and revolution anywhere in the world. They believe that no government is just unless it is Marxist. They believe that private property is "oppression." They believe that the family is an "obstacle to progress." They believe that religious faith is "the opiate of the masses."

The President, the substance of the human rights discussions normally reported in the international media is all too often polluted with these suppositions, however nicely disguised by legalisms and technical jargon. It is intellectually fashionable in many quarters these days to demean the family, to attack private property, to belittle religious faith, and to constantly heap abuse upon the values and traditions of our free Nation, while embracing unquestionably the most brutal of suppressions, so long as it promises, starry-eyed, the ideological deliverance of the people to a revolutionary utopia.

We all know where such revolution is coming from: The centers of export for totalitarian revolution around the world are common knowledge. North Korea has its agents in Latin America and Africa; Libya sends assassins to eliminate its enemies around the world; and Havana, Moscow, East Berlin and Peking all harmonize in the revolutionary symphony.

We must recall that, in the case of Argentina, of El Salvador, and of many other trouble spots in the world, it is precisely these revolutionary provocateurs who create the climate in which human rights violations are most likely to take place. Once the revolutionary insurgents have begun, their leftist allies in the propaganda network around the world begin to beat the drum about human rights violations, but always limit themselves to criticism of governments, not insurgents.

Those governments which they attack are usually those who are allied with the United States in opposition to Soviet imperialism—to call it by its proper name. It is my hope that what many perceive to be a vacuum in the human rights dialog, the lack of criticism of leftist governments and the revolutionary terrorists they support around the world, will be eliminated by a sober, informed and consistent balance in our approach to human rights.

Mr. Abrams has a unique opportunity as the administration's "point man" in matters concerning human rights; to expose the fallacies of the arguments which seek to dignify totalitarianism. Mr. President, the battle is one of ideas. As Solzhenitsyn has written, and as he told me himself in reference to Russia, his homeland, the enemy is falsehood, and it inevitably brings violence in its wake. I wish Eliott Abrams much fortitude and perserverence in the task that awaits him.●

A REGION OF INSECURITY U.S. INDIFFERENCE, SOVIET BUILDUP CREATE NEW DANGERS IN ASIA

● Mr. HAYAKAWA. Mr. President, the presence of the Soviet Fleet on all the world's oceans, the impressive military technology of the Soviet Union, and its aggressive shipbuilding program all provide conclusive evidence that Moscow looks to the oceans as a way of expanding its worldwide influence and military power.

The growth of Soviet armed strength in East Asia far beyond the U.S.S.R.'s own defensive needs is particularly troubling. Some of the world's most important sealanes pass through the area and is a major source of strategic raw materials for the free world.

"The United States ignores security matters in East Asia at its own risk," conclude David Fitzgerald and Michael Moodie in a September Sea Power Magazine article entitled "A Region of Insecurity: U.S. Indifference, Soviet Buildup Create New Dangers in Asia."

In recent years Moscow has built up its forces both quantitatively and qualitatively. It now has 44 divisions in Asia, totaling between 300,000 and 400,000 personnel. Most of these forces are deployed against China but there is a parallel buildup of between 10,000 and 12,000 men in the Kurile Islands north of Japan. Moscow has nearly 2,000 aircraft stationed in the Far East and about one-third of its submarine force. The Soviet Fleet is now deployed to the point where it could dominate the Pacific sealanes and, if it chose, blockade them. Also, the sealanes of the Western Pacific have been further endangered by recent Soviet access to Vietnam's naval base at Cam Ranh Bay, thereby increasing the mobility of the Soviet Pacific Fleet and simultaneously extending its reach.

The United States cannot ignore the Soviet threat to the sealanes of the western Pacific. Japan imports 75 percent of its oil through these avenues. Australia, the Philippines and the ASEAN states—Association of Southeast Asian Nations—depend on seaborne trade to maintain their dynamic economies. And most importantly, the United States imports large quantities of titanium, zirconium, rubber, tin, and tungsten from east Asia.

As Fitzgerald and Moodie note:

> In pursuing its interests and responding to developments in Pacific Asia, the United States will have to draw upon the full panoply of policy instruments at its disposal. Clearly, one of the most important of these instruments is the Navy . . . The big problem, of course, is one of numbers.

I wholeheartedly share the concerns of Messrs. Fitzgerald and Moodie about the increasingly uneasy security situation in the Asian Pacific region and our ability to respond. In 1964 our fleet numbered 917 active ships. It is now only 460. During the same period of time, the number of combat ships has declined from 440 to 310. Given the present world situation and the increased Soviet naval capabilities, our efforts to reverse that trend must continue.

Mr. President, Messrs. Fitzgerald and Moodie have written a thoughtful and timely article. I commend it to my colleagues and ask that it be printed in the RECORD.

The article follows:

A REGION OF INSECURITY: U.S. INDIFFERENCE, SOVIET BUILDUP CREATE NEW DANGERS IN ASIA

(By David Fitzgerald and Michael Moodie)

With the end of the Vietnam War, American defense planners turned their eyes away from the restless Asian littoral of the Pacific. Out of inclination, the Carter administration initially gave almost exclusive priority to the defense of Western Europe. Out of necessity, it was forced to focus on the Persian Gulf. As a consequence, little attention has been given to Asian security.

But to continue the previous policy of benign neglect would be a serious mistake.

The United States ignores security matters in East Asia at its own great risk. U.S. interests in the area are large, complex, and increasing. Some of the world's most important sea lanes pass through the region, carrying vital commodities not only to the United States but to key friends and allies such as Japan, the Philippines, and Australia. The region also constitutes a large reservoir of raw materials, most of which are in short supply in the industrial democracies. The United States itself imports large quantities of titanium, zirconium, rubber, tin, and tungsten from East Asia.

The continued economic vitality of the area is a further U.S. concern. Economically, the Pacific Basin is one of the most dynamic regions of the world, reflecting a rate of annual economic growth well above the world average. Japan and the members of the Association of Southeast Asian Nations (ASEAN), moreover, are among America's most important trading partners. Several of them also play a key regional role in the U.S. global security system, and would provide facilities, forces, and funds for a joint defense effort to confront commonly perceived naval and military threats.

Given those and other important American interests in the Asian-Pacific region, the United States has no choice but to respond to the increasingly uneasy security situation in the area. Problems already developing at a rapid rate in East Asia would have a particularly important impact on the U.S. Navy because they might well affect adversely, the forces available to the Navy to carry out its missions elsewhere in the world. Noted Asian scholar Robert Scalapino, writing in Foreign Affairs, suggested the twin hallmarks of the Asian scene today are "fragility and fluidity."

Two new geopolitical factors that threaten to disrupt Asia's fragile, fluid balance of power are the growth of Soviet naval and military forces in the area and increased domestic and regional political instability that could erupt into conflict at almost any time.

QUALITATIVE AND QUANTITATIVE BUILDUP

The growth of Soviet armed strength in Asia far beyond the USSR's own defense needs troubles many states in the area. In recent years Moscow has built up its forces in the Soviet Far East both quantitatively and qualitatively. Since the deterioration of Sino-Soviet relations, which almost came to a head during the 1969 border tensions, the Soviet Union has stationed about 44 divisions in Asia, totaling between 300,000 and 400,000 combat personnel. Included in that total are several armored divisions equipped with T-62 tanks and BM-21 rocket launchers. These forces are without question deployed against China. Because of the long-term buildup, more recent qualitative force improvements, such as the introduction of new tank units, have not generated excessive concern in most Asia capitals (other than Peking itself).

What is more worrisome to U.S. friends in the area, especially the Japanese, is the parallel Soviet buildup of forces in the Kurile Islands north of Japan. According to officials of the Japanese Defense Agency quoted in the 10 January 1980 issue of Aviation Week and Space Technology, there is in the Kuriles a nucleus of 10,000 to 12,000 men—a force which could easily be expanded to division size, and already equipped with MI-24 Hind D helicopters and heavy artillery.

Soviet military exercises on the Kuriles within sight of Japan's northernmost island of Hokkaido also have upset the Japanese. Such Soviet actions provide a handy defensive screen behind which Moscow could convert the Sea of Okhotsk and its approaches into a Soviet preserve.

Moscow also has nearly 2,000 aircraft stationed in the Far East. Included in the total are MiG-23, -25, and -27 fighters, a variety of transports, and TU-16 Badger, TU-95 Bear, and Backfire bombers.

While the Soviet ground and air buildup in the Far East is sobering, it is the growth of Soviet naval power in the region that generates the most intense concern. According to Stuart Johnson and Joseph Yager of the Brookings Institution, two trends characterize recent Soviet developments in the Far East: fleet modernization and a growing emphasis on antisubmarine warfare (ASW). About one-third of Moscow's submarine force, including Delta 2 ballistic missile submarines in the Sea of Okhotsk, now operates in the Pacific. Kresta-class cruisers and Krivak-class destroyers form the backbone of the surface fleet. The introduction of such first-line ships into the Soviet Pacific Fleet has of course greatly increased Moscow's capability to operate over longer ranges and for longer periods of time.

The arrival of the ASW carrier Minsk and its escorts in earrly 1979 substantially enhanced the already formidable capabilities of the Soviet Pacific Fleet. In all, the new ships assigned in recent years added 800,000 tons to the fleet and brought its total number to over 750 vessels. The Minsk can carry 30 to 35 aircraft, depending on the specific mix of V/STOL (vertical/short takeoff and landing) fighters and helicopters carried. Another important addition to the fleet has been the modern LPD (amphibious transport dock) Ivan Rogov, which gives the USSR an amphibious capability in the region for the first time.

In addition to fighting ships, the USSR operates intelligence ships almost constantly in the waters around Japan, and Soviet intelligence and reconnaissance aircraft frequently skirt Japanese airspace.

The threat generated by growing Soviet power in the Western Pacific is obvious. The Japanese are particularly concerned that the introduction of new amphibious capabilities heightens the danger that the Soviet Union will be able to launch a direct attack against Japan. The Japanese newspaper Sankei reported a Japanese Defense Agency assessment:

"If hovercraft are used it will be possible to land in Hokkaido within a little less than 20 minutes [from Soviet-occupied Kunashiri]. It means that Japan has been put into the situation where a dagger has been thrust at its throat."

The Japanese recognize, of course, that such Soviet action is most unlikely except in the context of a general breakdown of East-West relations.

A POTENTIAL FOR BLOCKADE

However, Japan shares a broader concern with all U.S. friends and allies in the region—namely, that the Soviet fleet now has developed to the point where it could dominate the Pacific sea lanes. Japan imports 75% of its oil from the Middle East. That oil must pass through the Malaccan, Lombok, and Sunda Straits, to say nothing of the constricted sea lanes around Japan itself, to get to Japan. The dynamic economies of the ASEAN states depend on seaborne trade traversing those same sea lanes.

There is now a real fear, therefore, that the Soviet Union could blockade those sea lanes. That fear is not diminished by reports which have circulated that Moscow has stationed submarines, armed with cruise missiles, in the vicinity of the Straits of Malacca where they would be in position to sink allied shipping in the event of hostilities.

The Soviet threat to the sea lanes of the Western Pacific has been exacerbated by a further development favorable to Moscow: Soviet access to Vietnam's naval base at Cam Ranh Bay. The importance of the base would be difficult to overestimate. First, it is close to the Straits of Malacca, Lombok, and Sunda. Second, its use brings Soviet military forces closer to the largest U.S. naval facility in the region, at Subic Bay in the Philippines. Third, it provides a convenient base for both ship and aircraft surveillance activities. Finally, and perhaps most important, access to Cam Ranh Bay greatly increases the mobility of the Soviet Pacific fleet, at the same time it extends its reach. Perhaps the fleet's most serious disadvantage is the geographic difficulty it faces in operating out of its bases in Soviet Asia at Vladivostok and on the Kamchatka Peninsula. With the exception of Petropavlosk, the Soviet ports are icebound several months each year. To reach the high seas, vessels operating from those ports must transit the choke points of Japan's Soya, Tsugaru, and Tsushima Straits. Moreover, Vladivostok is far distant from the most probable centers of Soviet naval activity in the Indian Ocean and South Pacific. Cam Rahn Bay, 1,000 miles south of Vladivostok, alleviates most of these shortcomings.

The potential threat inherent in growing Soviet power in Pacific Asia is not only military: there is a political dimension as well. In crises short of actual conflict, Soviet threats to shipping in the area could, if the Kremlin so decided, raise the cost of trade by driving up insurance rates or forcing merchant ships to take safer routes (south around Australia, for example) that are longer, more time consuming, and thus more costly. The Soviets thus could apply very heavy pressure on regional economies.

More important, the perception among Asian leaders of unchecked Soviet power in the region could make those decisionmakers more accommodating to Mocow's policies. Any such development would be particularly disturbing if the need to accommodate were strongly felt in Peking and/or Tokyo.

THREATS TO REGIONAL PEACE

The second major threat to U.S. interests in the Pacific Basin is the increasing regional instability flowing from historical regional rivalries, more recent domestic discontent, or lagging economic performance. The instability problem is most acute in Southeast Asia, although the still unsettled state of affairs on the Korean peninsula also could lead to a conflict situation. In South Korea domestic political difficulties pose an ominous threat; instability could well be the pretext for renewed aggression from the north.

Widespread conflict in Southeast Asia also could jeopardize the economic advances made by many of the region's non-Communist states. The biggest immediate problem is Vietnam, whose aggressiveness disturbs all states in the region. The threat of further fighting in Indochina remains high, although the level of tension in the area diminished somewhat during the past year. Conflict nevertheless continues in Cambodia, Thailand faces steady pressures against its border,

and Mainland China remains unhappy with the present stalemate. Given such tension and turmoil, prospects for stability are not high.

Regional stability could be further upset by domestic upheaval in, and/or internal challenges to, some Southeast Asian regimes. A common problem plaguing many of these countries is political strife stemming from racial, religious, or regional differences among their heterogeneous populations. The Philippines, for example, has been the scene of growing domestic political opposition to the Marcos regime—opposition marked, moreover, by increasing violence such as bombings last year in Manila, and the ongoing rebellions of Communists and Moslems. Discontent in Indonesia also has been on the rise, and both Malaysia and Thailand are facing domestic difficulties.

Such problems seriously hamper the ability of governments in the region to respond to external challenges and, at the same time, build an improved political and social infrastructure. Worse, instability virtually invites outside involvement. There is, consequently, a continuing potential for superpower confrontations. The fact that Moscow, Washington, Peking, and Tokyo are all keenly interested in Pacific Asian developments suggests an intricate, constantly changing minuet among those powers and, if confrontation is to be avoided, a degree of accommodation not always present.

A SYNERGISM OF CONCERN

Clearly, both trends—the growth of Soviet military power in Asia and increasing regional instability—are major concerns to American policymakers. U.S. problems in the area, moreover, are made even more difficult by the interaction of these trends. Regional instability, whether the result of conflict between states or violence within a given Asian nation, creates opportunities for an external actor with the power, and the will to exercise that power, to become involved.

In Asia today, that external actor is the Soviet Union. In the wake of Vietnam, there exists a strong perception that the United States has not been able to match long-term Soviet gains in Asia. The Soviet bid for hegemony in Asia, while perhaps less direct than in other regions of the world, is not seen to be countered by gun-shy America. That perception could change, of course, under the Reagan Administration, particularly since the Sidra Gulf incident. But the Sidra incident involved a direct attack against American aircraft; whether the same U.S. response is likely elsewhere, under less direct provocation, has yet to be determined. Domestic violence and regional conflict in Asia create further fears in the region that Moscow will try to exploit such problems while the United States sits idly by.

If the United States is to maintain its influence and support its clear national interests in Asia it must therefore be willing to demonstrate a strong national commitment to peace and security in the area. Such commitment must be made, moreover, within the context of a coherent foreign policy which to date has, in the opinion of some analysts, not yet been fully enunciated. In any case, there are important implications for the U.S. Navy.

A CRISIS OF NUMBERS

In pursuing its interests and responding to developments in Pacific Asia, the United States will have to draw upon the full panoply of policy instruments at its disposal. Clearly, one of the most important of those instruments is the Navy. As they have in the past, decisionmakers in Washington will undoubtedly, therefore, call upon the Navy—there really is no viable alternative—to support American interests across a wide range of geopolitical scenarios.

The impact of developments in eastern Asia on the role of the U.S. Navy must be viewed in three distinct contexts: wartime, crisis, and peacetime. In a general war situation the U.S. Navy in the Pacific would have three major missions. Optimally, it would bottle up the Soviet fleet in port. Second, it would have to maintain the security of the important sea lanes. Third, it would have to be ready to support land operations in the region as and wherever required.

But there are serious difficulties which could impede accomplishment of each of these wartime tasks. The big problem, of course, is one of numbers. The deployment of a U.S. carrier task force from the Seventh Fleet to the Indian Ocean has already demonstrated the great pressures that could be imposed on U.S. naval operations in the Pacific if a near-term conflict were global in scope. Since any shooting confrontation with the Soviet Union is likely to be worldwide, there is a serious question whether the U.S. Navy in the Pacific has the capability to adequately perform all of its wartime missions.

During a less-than-wartime crisis in the Pacific, whether directly involving the Soviet Union or not, the U.S. Navy's tasks would be: first, when and if appropriate, to exert political pressure, through asserting a naval presence in the area of crisis, for favorable resolution of the problem; and second, to offset any similar moves the Soviet Union might make with its own Pacific Fleet. (One example: the U.S. Navy might be dispatched to the chokepoints around Indonesia to prevent the Soviet Union from exerting uncontested pressure by threatening to close the straits.)

In their excellent Brookings study, "Force Without War," Barry Blechman and Stephen S. Kaplan identify the difficulties always facing decisionmakers who use naval power as an instrument of political influence. The omnipresent problems cited are made even more difficult today with the growth of the Soviet navy, which now, for the first time, poses a global obstacle to the unhampered use of American naval forces. Moreover, the increasing sophistication of the non-aligned states in Asia, and throughout the Third World, about the use of naval power as a political instrument, as well as the buildup of regional navies, may make them less susceptible in any case to friendly U.S. naval pressure. (Soviet naval pressure, less friendly, might for that reason be more successful.)

MUSCULAR PRESENCE

The peacetime role of the U.S. Navy in the Pacific is, simply, to promote stability and provide to America's friends and allies an overt, and muscular, symbol of the U.S. commitment to regional progress and development. The impact of the U.S. naval presence in the Western Pacific thus is as much psychological as it is political or military—as was well demonstrated by the consternation exhibited by U.S. friends in the region when, as mentioned earlier, the United States denuded the Seventh Fleet in order to send vessels to the Indian Ocean after the fall of the Shah of Iran and seizure of the American embassy in Tehran. An earlier example is the uproar that occurred after the U.S. "swing strategy"—calling for the shift of naval/military assets from the Pacific to the Atlantic in event of conflict with the Soviet Union—was publicized.

The Navy is not, of course, the only policy instrument on which American decisionmakers must rely in peacetime to promote regional stability in Pacific Asia. In fact, it is not, and should not be considered, the primary instrument. Rather, naval forces play a supporting role to political, economic, and diplomatic policies. Symbols of strength which certainly no hostile nation can safely ignore, they nevertheless should be used sparingly.

THE SUBIC IMPERATIVE

Obviously, whether during peacetime, in a crisis situation, or in time of war, the successful exploitation of naval forces in the Western Pacific depends in large part on those forces being on the scene—particularly since the sprawling geography of the area, as well as present military trends, demand immediate response if naval forces, or any other, are to be effective. That response can be timely only if naval forces are positioned in strength in the region on a continuing basis. And the factors determining a continuing presence are the number of ships in the fleet and the availability of support facilities.

For that reason alone, continued U.S. access to the Subic Bay naval base is extremely important. Were the U.S. Navy forced to leave the Philippines, it might be impossible to find adequate and/or early alternatives that would allow the Navy to respond as quickly to contingencies throughout the region. The Marianas have been suggested as one option, but they can only be considered a fall-back position, and would greatly increase the distance the fleet would be from probable areas of conflict and, therefore, lessen the time the U.S. Navy would have available to respond in times of crisis.

How the United States balances its need for continued access to Subic Bay with other foreign policy goals in the Philippines will thus be an extremely difficult policy problem for the Reagan administration to resolve.

The Subic facilities will be useless, of course, unless the Navy has the ships it needs to carry out all of its worldwide responsibilities. But, as mentioned earlier, the continuing deployment in the Indian Ocean demonstrates how overextended the U.S. Navy is at present. It is therefore difficult to conceive how American naval forces could, in the foreseeable future, respond effectively to simultaneous crises in the Indian Ocean and Pacific Asia. Thus, even in peacetime, the dispatch of forces to other areas has diluted the symbolic, supportive role the Navy plays in the Western Pacific.

HOW MUCH HELP FROM JAPAN?

The United States does not have to do the job alone, however, U.S. allies in the region can and must do more. Japan, in particular, can play a greater role in bolstering security in the Pacific.

Japan has, in fact, if somewhat belatedly, recognized the need to pay greater attention to military issues. At the end of December 1980 Tokyo announced it would increase its 1981 defense budget by 7.6%. While that increase is not as much as American officials want, it does represent a greater increase than was provided in the previous year's budget. Moreover, the summary of Japan's most recent White Paper on Defense demonstrates a new Japanese perspective, stating that "the White Paper is designed to include a description based upon the recognition that Japan must now consider her defense from a global perspective. . . . Because it was realized to be very important to grasp the situation in global scope, special chapters on military environments in the Middle East and Southeast Asia are included . . . for the first time this year."

There are, in naval terms, several tasks on which Japan could concentrate without violating its constitutional requirement to develop only defensive capabilities. If, for example, Japan would improve its maritime reconnaissance, build up its ASW capabilities, and take over the air defense of Japan itself, the end result would be a strengthening of U.S. forces in the region. Suffice it to say that the Japanese recognize these possibilities and are looking at a number of ways to improve their self-defense capacity in the areas stipulated.

Nevertheless, the question remains: Will Japan become more active in furthering the security of Pacific Asia? The answer depends to some extent on Japan's future relationship with the United States. At present, unfortunately—but understandably—the Japanese appear to retain a nagging fear, in the wake of the American debacle in Vietnam,

that the United States has little interest in Pacific security. That does not mean, however, that Japan itself will step in to play a more assertive role in maintaining peace in the region. On the contrary, it may make Tokyo more accommodating to prevalent security trends in the region. It is more likely that Japan will shoulder a greater defense burden if it is convinced it is doing so as a partner of the United States.

IMPROVED COMMUNICATIONS

Australia is another American ally in the region likely to play an increasingly important role in the years ahead. Australian Prime Minister Malcolm Fraser has stated that "Australia [has] an interest in seeing that Soviet power in the Pacific and Southeast Asia is balanced by the power of other major states or by appropriate regional arrangements." That interest stems, of course, from Australia's strategic location, its vast resources and growing economy, and its own longtime commitment to democratic ideals.

Moreover, although Australian leaders recognize that their country will never be able to handle regional security threats on its own, they are planning major improvements in Australia's defense capabilities. Said improvements include: higher manpower expenditures; the selection of a new combat aircraft (either the F–16 or F–18); and modernization of facilities in the country's northern and western regions.

In addition, the Australian navy is undertaking the largest peacetime shipbuilding and base modernization program in the country's history. Moreover, Australia some time ago offered the United States the opportunity to develop a naval facility at Cockburn Sound on its west coast, and approved U.S. use of communication facilities at the North-West Cape.

Japan and Australia are only two of the Pacific Asian states improving their defense capabilities. Others are following suit. Indonesia, for example, is building up its navy through the acquisition of corvettes, fast attack craft, and submarines, and is also upgrading its air force and overhauling and re-outfitting existing army equipment.

Like Indonesia, Thailand is a member of ASEAN and could play an important role in maintaining regional security—as it probably should; Thailand is the country most immediately threatened by Vietnam's aggression and must also cope with the tragedy of the ever-swelling numbers of Vietnam refugees. Guerrilla activities in some sections of Thailand compound the difficulties facing Thai leaders.

Thailand's major priority is, and necessarily must be, dealing with the country's short-term problems. Over the longer term, however, Thailand could become a key player in regional affairs. Politically, it has participated with its ASEAN partners in coordinating successful diplomatic campaigns against Vietnam and marshaling international support for the ASEAN cause. As a member of ASEAN, Thailand is also linked to some of the region's most vibrant economics. Like Australia, its strategic location makes it a natural link between the Indian and Pacific basins—the same location gives it the potential for being the site of facilities that might offset Soviet access to Cam Ranh Bay.

But to be an effective regional actor Thailand must improve its military capabilities. Bangkok hopes to continue bolstering its forces with additional procurement of highly versatile aircraft as well as fast attack missile patrol boats. That will help, of course. But unless the United States increases its own capability for assisting Thai and other indigenous forces, it must face the consequences of inadequately protecting American interests.

That may be the most important fact of geopolitical life in the region for U.S. decisionmakers to learn. Because, like it or not, none of the efforts of the other nations in the area can be truly effective without the continued presence of the United States in Asia. Only a major power can offset the adverse trends of recent years. The United States does not have to, and should not, work alone. It should, rather, ensure that its own efforts contribute to the development of a regional capability among friends and allies that will allow them to withstand pressures from potential adversaries.

The United States is a necessary but not all-sufficient component of the regional security system, informal as it may be. The U.S. Navy is a vital part of the American contribution to that system which, if it is to be effective and if U.S. goals in the area are to be achieved, must be given greater attention as a powerful and flexible policy instrument in the Pacific Asian region.●

SELECTIONS TO FEDERAL RESERVE BOARD—SENATE RESOLUTION 209

● Mr. GRASSLEY. Mr. President, I should like to compliment my able colleague from Iowa, Senator ROGER JEPSEN, for his excellent initiative, Senate Resolution 209. This measure is both important and timely.

On January 31, 1981, Frederick Schultz' term as a Governor of the Federal Reserve System expires. At that time, President Reagan will be able to select a new Governor, S. Res. 209 asks the President, the Senate, and the Senate Committee on Banking, Housing, and Urban Affairs to follow the Federal Reserve Act of 1913 in choosing a replacement.

The act states that not more than one Governor shall be selected from any one Federal Reserve district, and that due regard shall be given to a fair representation of financial, agricultural, and commercial interests as well as geographic divisions within the country. I regret to report we have strayed from the purpose of this act.

Agricultural interests have hardly received fair representation—of the 60 individuals who have been Governors since the Board's inception, only 7 of these have been from agricultural backgrounds and there has been no agricultural representation in the past 20 years. Only 23 individuals appointed since 1959 have had business experience, and only 1 of these was a small businessman.

The track record for the appointment of Governors from different geographic regions of the country has been equally poor. Each Governor is required to have some nexus with a different district, be it by virtue of birth, education or limited residence in a particular region of the United States.

If measured by the duration of their professional life spent in one region of the United States, over half of the individuals appointed to the Federal Reserve Board of Governors are from the east coast. Fewer than one-quarter are Midwesterners and a smaller number hail from the South.

During this time frame, only two Governors are from the West. Using a percentage of professional career as a measurement, the majority of Governors are from the East and were educated at ivy league colleges. While their contributions have been valuable, I think it is time to establish some regional and occupational balance.

The policies of the Federal Reserve Board of Governors have had a dramatic impact on small businesses and farmers. These individuals cannot enter the marketplace and negotiate a loan at a rate below prime. They are the individuals who borrow at a few percentage points above the prime and desperately need short term capital.

I think it is important for the President to seriously consider nominating an individual to fill Governor Schultz' vacancy with an agricultural or small business background. To effectively communicate this message, I urge all of my colleagues to cosponsor this important measure.●

PUBLIC HOUSING OPERATING ASSISTANCE

● Mr. DODD. Mr. President, I would like to bring to the attention of the Senate an impending crisis in the low-rent public housing program. This administration, in the name of economic recovery, is threatening to undermine this Nation's most significant housing resource for low-income people and a public investment that would cost $75 billion to replace today. This simply does not make good sense, in either economic or human terms.

I would ask to submit for the RECORD an article from the New York Times of November 11, 1981. As this article points out, the budget figures put forward by this administration for public housing operating subsidies will force many housing authorities across the country to close down critically needed low-rent housing units.

Let me review for a moment the budget figures with which we are dealing. Public housing projects have been funded at only 85.5 percent of their funding system which has already been shown to be inadequate and to have systematically underfunded public housing projects over the years, particularly for the large urban housing authorities.

The continuing resolution for fiscal year 1982 contains a supplemental appropriation for fiscal year 1981 in the amount of $148 million.

Despite the need for this supplemental as documented by the Department of Housing and Urban Development's own formula and figures, the administration is asking that this supplemental appropriation be deleted, and is refusing to distribute the funds provided in the continuing resolution. This cavalier attitude toward a critical housing resource for low-income people and a significant investment of public funds is totally irresponsible.

The budget figures for fiscal year 1982 are even more devastating. Despite a recognized need of $1.5 billion for public housing operating subsidies, only $1.205 billion has thus far been appropriated for fiscal year 1982, in accordance with the administration's original request.

This amount, according to the Department's estimates, will provide only 82 percent of required funding in the coming year.

However, these estimates appear over-

stated. The administration continues to attribute $60 million in increased income to the 1982 estimates, based upon the recent legislated increase in the rent-to-income ratio.

Yet, information from housing authorities across the country is that the income from rent will not increase and will actually decrease. This is due not only to the startup time required in implementing the rental increase, but much more importantly, to the erosion of the income of public housing tenants which will result from the recent changes to welfare payments and other low-income assistance programs.

The National Association of Housing & Redevelopment Officials estimates that the $1.205 billion will be adequate to fund housing authorities at a maximum of 79 percent of the documented need, and quite possibly less than that when actual income projections and utility rate increases are known.

Yet, the administration is requesting that these funds be reduced even further to a level of $1.06 billion, an amount adequate to support and maintain our 1.2 million public housing units at a maximum of 69 percent of required need.

Mr. President, this situation cannot go unchallenged. Housing authorities have little recourse for dealing with cuts of this magnitude.

The persistent underfunding in recent years has reduced or eliminated housing authority reserve funds to the extent that there is no cushion to absorb any cuts. Over 44 percent of all public housing expenditures are spent on utilities, and this percentage is significantly higher for certain housing authorities, particularly in the Northeast.

Since housing authorities cannot turn off the heat or lights, they will be forced to again reduce basic services such as maintenance and security.

The housing authorities in my State experience a particular difficulty in adjusting to a reduction in operating assistance due to the high cost of utilities. For example, the Bridgeport Public Housing Authority must spend 56.8 percent of its total budget for utilities. The authority has depleted already all reserve funds and has reduced staff by 25 percent over the past 2 years. Utilities represent 50 percent of the operating budget for the Hartford Housing Authority.

Under a severe austerity program, this agency is not replacing staff and has reduced support for maintenance and resident services.

This is not just a minor belt-tightening that we are discussing. Housing authorities will be forced to take such drastic moves as eliminating all security services, confining maintenance activities to emergency repairs only, and closing units as they become vacant because there will be no resources to prepare them for new occupancy or to maintain them if they were occupied.

An internal HUD memorandum on the subject predicts cutoffs of utilities and other essential services, massive layoffs of personnel, possible labor strikes, unit closures, vandalism, rent strikes, litigation and displacement. Yet, still the administration ignores this crisis.

Mr. President, these policies will result in a totally dilapidated inventory of publicly owned housing, which no level of resources will be able to recapture.

Unless we act quickly and responsibly, we will have totally destroyed the shelter and living environments of over 3.5 million low-income citizens in this country.

We must reject economic policies that are shortsighted and without a shred of good business sense. I hope my colleagues on the Appropriations Committee and the full Senate will join me in attempting to deal with this crisis now.

The New York Times article follows:

[From the New York Times, Nov. 11, 1981]

HOUSING OFFICIALS FEAR HARM FROM CUTBACKS

(By Robert Pear)

WASHINGTON, Nov. 10.—Housing officials from around the country warned today that public housing units were falling into disrepair and would deteriorate rapidly because of reductions being made in Federal housing subsidies.

Their warnings were buttressed by internal documents from the Department of Housing and Urban Development that forecast the same consequences: "critical cash flow problems" for most public housing authorities, "cutoff of utilities and other essential services," layoffs of maintenance workers, rent strikes, litigation and the "closing down of large numbers" of public housing units.

Philip Abrams, Deputy Assistant Secretary of Housing, said the concerns were valid but overstated. With improved management and with larger contributions from state and local governments, he said, public housing authorities could continue operations at current levels.

President Reagan has proposed reductions in the level of Federal housing subsidies as part of his overall effort to control the growth in Government spending. Subsidies in the last fiscal year totaled $962 million, or 85.5 percent of the amount for which local housing authorities were eligible under the established formula. For the current fiscal year, the Administration has requested $1.06 billion in subsidies, representing 69 percent of the "reasonable" service level indicated by the formula.

At a news conference here, Robert Maffin, executive director of the National Association of Housing and Redevelopment Officials, said:

"Local housing authorities are not crying wolf when they predict doom for public housing at the projected operating fund levels. Ninety thousand units of housing with a replacement value of $6 billion are already seriously deteriorated and could be permanently lost from the nation's housing stock unless remedial measures are taken immediately."

The Federal Government provides operating subsidies for 1.2 million units of public housing with 3.4 million tenants.

John Simon, general manager of the New York City Housing Authority, the nation's largest, with 146,000 units, said the city was already deferring maintenance of lawns and shrubbery at public housing projects.

CONCERN IN NEW CITY

If further reductions are approved by Congress, he said, the housing authority will have to cut back on elevator repairs, janitorial services, building security and social programs for tenants. Vandalism will almost certainly increase, according to a written analysis prepared by the city agency, and public housing will then "begin to mirror closely the very slum buildings which are found surrounding the projects."

Several local housing officials said their problems were becoming so serious that they might ask the Federal Government to take over management and operation of their projects. The housing authority in Jersey City has already inquired about the procedures for turning over its housing stock to the Federal Government.

Housing officials from Denver, San Francisco, Salt Lake City, Fort Worth, Milwaukee, New Orleans and Miami joined Mr. Maffin in warning that the proposed budget cuts, combined with the reductions already made, would seriously harm their operations. The Chicago Public Housing Authority has already experienced difficulty meeting its weekly payroll, Mr. Maffin said.

In a confidential memorandum to Philip D. Winn, the Federal Housing Commissioner, the staff of the Department of Housing and Urban Development said the proposed budget cuts "would result in nothing less than disaster for Boston and similar public housing authorities, probably forcing them to close down a substantial number of units."

The memorandum said the proposed cuts would "severely compromise the ability of public housing authorities to provide decent, safe and sanitary housing for low-income families" and would result in widespread vandalism.●

THE TRIDENT

● Mr. CHAFEE. Mr. President, last week was a truly historic one for this country's nuclear submarine program. On Wednesday, November 11, the Nation's first Trident class nuclear powered fleet ballistic missile submarine, the U.S.S. *Ohio*, was commissioned as an operating unit of the U.S. Navy. Three days later, on Saturday, November 14, the Nation's third Trident submarine, the *Florida*, was christened and launched.

And, Mr. President, last week we also received the announcement that one of this Nation's most distinguished naval officers, Adm. Hyman G. Rickover, is retiring after nearly 60 years of service to his country. Admiral Rickover has played a critical role in the design and construction of the *Ohio*, as he has in all of our nuclear submarines. The country owes him a great debt.

The commissioning of the U.S.S. *Ohio* was an extraordinary moment in history when, as the first ship of its class, the *Ohio* became the largest, fastest, and quietest strategic submarine the Navy has ever had at sea. The *Ohio* represents a major modernization of the sea-based component of our strategic deterrent forces. It provides us with survivable and reliable nuclear forces, thus enhancing our own security and helping to insure peace.

The awesome size and strength of the U.S.S. *Ohio* are meant to deter all potential enemies from our country. It is my hope, and I am sure it is the hope of every American citizen, that the missiles aboard the Trident submarines never be used, that her full striking force never be felt, and the technological genius which created her and sent her to sea never be proven in time of war.

The *Ohio* and her sister ships have been designed and built by the workers of the electric boat division of the General Dynamics Corp. Seven years in the making—from initial design through construction to commissioning—the *Ohio* is an impressive achievement by the men and women who created her and proudly

delivered her to the U.S. Navy. In facilities in Groton, Conn., and Quonset Point, R.I., 25,000 workers produced the *Ohio* and the *Florida*, and are working on six other Trident submarines. Each ship is 560 feet long—almost two football fields in length—and each is an accomplishment worthy of national recognition.

Electric Boat will deliver six *Los Angeles* class attack submarines, and one Trident submarine, to the U.S. Navy this year. This is an exceptional record for a shipyard, and an especially important one today, when the need for U.S. naval strength has never been greater.

Mr. President, I attended the commissioning of the U.S.S. *Ohio* on November 11, Armistice Day: a day of peace, a day of reflection on the wars that have ravaged this country. The success of the Trident submarines will be measured by their preservation of peace, by their protection of our country's shores, and by their deterrence of aggression.

This Nation's submarines have been a crucial element in preserving peace for the last 30 years. It is the hope of the men and women who build them, of the naval officers and men who serve on them, and of all Americans, that the Trident class submarines will continue in this role for at least another 30 years.●

DISABLED AMERICAN VETERANS—THEY PAID THE PRICE FOR PEACE

● Mr. HAYAKAWA. Mr. President, history has shown that Americans have the ability to put the tragedies of their wars behind them. Dwelling on the past, even a victorious one, delays seeing accomplishments in the future. This inborn capability is progressive and has led America to great achievements. But, when putting the past behind us means forgetting the sacrifices of the brave men and women who fought so hard to assure our continued freedom, then a grave wrong is being committed.

In an article authored by Sherman Roodzant, National Commander of the Disabled American Veterans, for Stars and Stripes, this potential error is brought to our attention. Mr. Roodzant, a Vietnam-era veteran and a fellow Californian, emphasizes the importance of not forgetting our veterans, particularly the disabled. These brave soldiers sacrificed their blood for our freedom—we must not forget them when they need us most.

Last week I introduced Senate Joint Resolution 123 which proclaims the week of November 7 through November 13, 1982, "National Disabled Veterans Week." My resolution seeks to bring to our Nation's attention the contributions and sacrifices of its 2½ million disabled veterans. I look forward to its final passage so that my 35 cosponsors and I may begin preparations for an exciting and meaningful week. With the help of insightful articles such as Mr. Roodzant's, this Nation is reminded that, in the process of putting the trying times of war behind us, we must not forget the brave who fought to insure our freedom.

I believe Mr. Roodzant brings out some very important concerns of our disabled veterans, and I hope my colleagues will take a moment to read his article. I ask that Mr. Roodzant's article be printed in the RECORD.

The article follows:

DISABLED AMERICAN VETERANS—THEY PAID THE PRICE FOR PEACE

(By Sherman E. Roodzant)

The screams of the wounded and the stench of gunpowder surrounded Robert Richardson, a private in America's Continental Army, but he fought on until a British cannonball struck his hand spike. It broke in two, one end tearing his belly open. The wind from the cannonball left his right arm useless. Richardson's blood had paid the price of peace and freedom. But, for the rest of his life, he was totally disabled.

For a while, the Continental Congress provided the Revolutionary War veteran a disability pension of half his military salary. It helped, but Richardson was unable to support himself on this meager allowance. Even this pittance ended shortly after the War of Independence when the new national government turned responsibility for disabled veterans over to the individual states and their Poor Law systems.

Life was tough—really tough—for Richardson and other patriots wounded in the struggle for free America from colonial chains. Many were reduced to begging.

Things are better for the 2½ million disabled veterans living in today's America. But, on Veterans Day this year, it's appropriate to recall what happened to the disabled veterans of our Revolutionary War. What happened to them established a pattern that has, to some extent, been played out after each of our country's nine wars—a pattern of forgetfulness that's playing itself out again today, just six years after the last American was killed in Vietnam, our most recent war.

Perhaps that's understandable. When wars end, people want to get back to normal, to peacetime life, leaving the turmoil and anxiety of war behind. Following the Vietnam War—the most unpopular war in our nation's history with the single exception of the Civil War—the process of forgetting has been unusually rapid. People want to bury the bitter social division of the Vietnam years.

That's good, but there's a tragedy in the way we're going about it: When people forget about wars, they tend to forget about the sacrifices that veterans, particularly disabled veterans, have made. And when the public forgets the needs of disabled veterans, so do their elected representatives.

Maybe that's why the VA hospital system has been hit by one budget cut after another for the past five years, forcing the VA to turn thousands of eligible veterans away from the doors of its health care facilities.

Maybe that explains why job programs for disabled and Vietnam era veterans have been kept too small to make a serious dent in the employment problems these veterans have experienced.

Maybe that's why we've seen, for the first time this year, curtailments in GI Bill education programs.

Maybe that's the reason veterans' preference in Federal employment was attacked so viciously back in 1977 and 1978.

Maybe that's why the VA and other Federal agencies were so slow initially in recognizing the seriousness of such problems as the defoliant Agent Orange, the exposure of Cold War veterans to radiation in atomic weapons tests, and the post-traumatic stress difficulties of half a million or more Vietnam veterans.

Can it be that the American people have forgotten their warriors as they go about the process of forgetting the trying times of war? The 700,000 members of the Disabled American Veterans believe this is exactly what happened . . . not just after Vietnam, but after World War I, World War II, and the Korean War as well.

They are acutely aware that no veteran of any war should ever be forgotten. Without the sacrifices these men and women made, there would be no United States.

Back in 1903, Theodore Roosevelt said something that nearly every American would probably agree with. "A man who is good enough to shed his blood for his country is good enough to get a square deal afterward," he declared.

Looking at veterans' programs realistically, it's unlikely that our country would ever let the plight of its disabled veterans get as bad as it was for Private Richardson and his disabled comrades following the American Revolution. But it would be a mistake to simply assume, without giving it much thought, that all of our political leaders are bending over backward to make sure veterans—even disabled veterans—are getting the kind of "square deal" Roosevelt was talking about.

On Veterans Day, 1981, we must ask ourselves a very basic question. Can we do too much to guarantee a square deal for a sailor whose arms were crushed when a Nazi torpedo smashed through the hull of his ship . . . for the pilot whose body was burned and disfigured when his plane was shot down over Korea . . . for the Marine whose legs were blown off by a Viet Cong booby trap in the Mekong Delta . . . or for the World War I soldier who lost his sight in the Battle of the Marne?

Every American owes these people a debt that can never really be repaid.●

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I have conferred with the minority leader in respect to the requests I am about to put to arrange the schedule of the Senate on tomorrow.

I now would like to put the requests.

First, Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10:30 a.m. on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order, the distinguished Senator from Colorado (Mr. HART) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the distinguished Senator from Delaware (Mr. BIDEN) then be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DESIGNATING PERIOD FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that, after the time allocated to the two Senators under the special orders, there be a brief period for the transaction of routine morning business, not to extend past the hour of 11:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, under the previous order, is there not a provision for the Senate to go into executive session and for a vote at 11:30 on the

resolutions of ratification on nine treaties, one vote to count for nine votes?

The PRESIDING OFFICER. The majority leader is correct.

ORDER TO RESUME CONSIDERATION OF H.R. 4169

Mr. BAKER. Mr. President, I ask unanimous consent that after the disposition of those treaties on tomorrow, the Senate return to legislative session and resume consideration of the State, Justice, Commerce appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE CONSIDERATION OF HOUSE JOINT RESOLUTION 357

Mr. BAKER. Mr. President, I ask unanimous consent that, at the hour of 1 p.m. on tomorrow, the Senate proceed to the consideration of the continuing resolution making appropriations for various Departments and Agencies of Government, House Joint Resolution 357.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object.

Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON HELMS AMENDMENT NO. 633

Mr. BAKER. Mr. President, I inquire of the Chair, was there an order entered earlier today for a vote on the Helms amendment to the State, Justice, Commerce appropriations bill to follow on immediately after the vote on the resolutions of ratification?

The PRESIDING OFFICER. The vote was ordered in relation to the Helms amendment.

Mr. BAKER. The order has been entered for a vote on the Helms amendment after the vote on the resolutions of ratification, which begins at 11:30 a.m.?

The PRESIDING OFFICER. Yes, in relation to the Helms amendment.

Mr. BAKER. Mr. President, I assume it is not necessary to amend my unanimous-consent order just previously entered to accommodate that order, but I now do so. It will read that at 11:30 a.m. the Senate will go into executive session for the purpose of considering the resolutions of ratification of nine treaties to be ratified by a single vote to count for nine votes. At the expiration of time for that rollcall, under the order previously entered, the Senate will resume consideration of the State, Justice, Commerce appropriations bill, and a vote in connection with the Helms amendment will occur at that time, without further debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, then the balance of the order will read that after the disposition of the Helms amendment, the Senate will continue consideration of the State-Justice-Commerce appropriations bill until the hour of 1 o'clock.

Then I ask that the balance of my request be reiterated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, I see no other Senators seeking recognition. I will inquire of the minority leader if there is any further business to be transacted on his side.

Mr. ROBERT C. BYRD. Mr. President, I know of none.

RECESS UNTIL TOMORROW AT 10:30 A.M.

Mr. BAKER. Mr. President, I know of no further business to come before the Senate. I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 10:30 a.m. tomorrow morning.

The motion was agreed to and, at 7:20 p.m., the Senate recessed until Wednesday, November 18, 1981, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 17, 1981:

THE JUDICIARY

Alvin I. Krenzler, of Ohio, to be U.S. district judge for the northern district of Ohio, vice Don J. Young, retired.

IN THE AIR FORCE

The following officers for appointment in the U.S. Air Force under the provisions of chapter 36, title 10, of the United States Code:

To be major general

Brig. Gen. Leon W. Babcock, Jr., [redacted] Regular Air Force.

Brig. Gen. Robert D. Beckel, [redacted] Regular Air Force.

Brig. Gen. John A. Brashear, [redacted] Regular Air Force.

Brig. Gen. Duane H. Cassidy, [redacted] Regular Air Force.

Brig. Gen. William M. Charles, Jr., [redacted] Regular Air Force.

Brig. Gen. Joseph H. Connolly, [redacted] Regular Air Force.

Brig. Gen. Charles J. Cunningham, Jr., [redacted] Regular Air Force.

Brig. Gen. Thomas G. Darling, [redacted] Regular Air Force.

Brig. Gen. William A. Gorton, [redacted] Regular Air Force.

Brig. Gen. Monroe W. Hatch, Jr., [redacted] Regular Air Force.

Brig. Gen. Paul H. Hodges, [redacted] Regular Air Force.

Brig. Gen. William L. Kirk, [redacted] Regular Air Force.

Brig. Gen. Donald L. Lamberson, [redacted] Regular Air Force.

Brig. Gen. Gerald D. Larson, [redacted] Regular Air Force.

Brig. Gen. William J. Mall, Jr., [redacted] Regular Air Force.

Brig. Gen. Charles McCausland, [redacted] Regular Air Force

Brig. Gen. Robert E. Messerli, [redacted] Regular Air Force.

Brig. Gen. Joseph D. Moore, [redacted] Regular Air Force

Brig. Gen. Richard D. Murray, [redacted] Regular Air Force.

Brig. Gen. David L. Nichols, [redacted] Regular Air Force.

Brig. Gen. Peter W. Odgers, [redacted] Regular Air Force.

Brig. Gen. George B. Powers, Jr., [redacted] Regular Air Force.

Brig. Gen. Richard W. Pryor, [redacted] Regular Air Force.

Brig. Gen. Bernard P. Randolph, [redacted] Regular Air Force

Brig. Gen. Robert H. Reed, [redacted] Regular Air Force.

Brig. Gen. Thomas C. Richards, [redacted] Regular Air Force.

Brig. Gen. Robert A. Rosenberg, [redacted] Regular Air Force.

Brig. Gen. Robert D. Springer, [redacted] Regular Air Force.

Brig. Gen. Thomas S. Swalm, [redacted] Regular Air Force.

Brig. Gen. William E. Thurman, [redacted] Regular Air Force.

Brig. Gen. Edward L. Tixier, [redacted] Regular Air Force.

Brig. Gen. Harold W. Todd, [redacted] Regular Air Force.

Brig. Gen. Kermit Q. Vandenbos, [redacted] Regular Air Force, Medical.

Brig. Gen. Brien D. Ward, [redacted] Regular Air Force.

Brig. Gen. Clifton D. Wright, Jr., [redacted] Regular Air Force.

HOUSE OF REPRESENTATIVES—*Tuesday, November 17, 1981*

(FIRST LEGISLATIVE DAY)

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. WRIGHT).

DESIGNATION OF SPEAKER PRO TEMPORE

THE SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
November 16, 1981.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Tuesday, November 17, 1981.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Reverend Canon Charles A. Perry, the Washington Cathedral, offered the following prayer:

Almighty God, who has given us this good land for our heritage: We humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Save us from violence, discord, and confusion; from pride and arrogance, and from every evil way. Defend our liberties, and fashion into one united people the multitudes brought hither out of many kindreds and tongues. Endue with the spirit of wisdom those to whom in Thy name we entrust the authority of government, especially our Representatives in Congress here assembled, that there may be justice and peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations of the Earth. In the time of prosperity, fill our hearts with thankfulness, and in the day of trouble, suffer not our trust in Thee to fail. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. ROUSSELOT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 301, nays 39, answered "present" 2, not voting 91, as follows:

[Roll No. 304]

YEAS—301

Addabbo	Dowdy	Hutto
Akaka	Downey	Hyde
Albosta	Duncan	Jeffords
Alexander	Dunn	Jeffries
Anderson	Dwyer	Jenkins
Annunzio	Dymally	Jones (NC)
Archer	Dyson	Jones (OK)
Ashbrook	Eckart	Jones (TN)
AuCoin	Edwards (AL)	Kastenmeier
Badham	Edwards (CA)	Kazen
Bailey (MO)	Edwards (OK)	Kemp
Beard	Emery	Kildee
Bellenson	English	Kindness
Benedict	Erdahl	Kogovsek
Benjamin	Erlenborn	Lagomarsino
Bennett	Ertel	Lantos
Bereuter	Evans (DE)	Leach
Bethune	Evans (IN)	Leath
Bevill	Fary	Lent
Biaggi	Fascell	Levitas
Bingham	Fazio	Lewis
Bliley	Fenwick	Livingston
Boggs	Ferraro	Loeffler
Boland	Fiedler	Long (LA)
Boner	Fields	Long (MD)
Bonker	Findley	Lott
Bouquard	Fish	Lowery (CA)
Bowen	Flippo	Lujan
Brinkley	Florio	Luken
Broomfield	Foley	Lundine
Brown (OH)	Frank	Lungren
Broyhill	Frost	Madigan
Burgener	Garcia	Markey
Burton, Phillip	Gaydos	Marks
Butler	Gephardt	Marlenee
Byron	Gibbons	Marriott
Campbell	Gingrich	Mavroules
Carney	Glickman	Mazzoli
Chappell	Gore	McClory
Cheney	Gradison	McCurdy
Clausen	Gray	McDade
Clinger	Green	McEwen
Coelho	Gregg	McGrath
Collins (IL)	Grisham	Mica
Collins (TX)	Gunderson	Michel
Conable	Hall, Ralph	Miller (OH)
Conte	Hall, Sam	Mineta
Conyers	Hamilton	Minish
Corcoran	Hammerschmidt	Mitchell (NY)
Courter	Hansen (UT)	Moakley
Coyne, James	Hartnett	Molinari
Crane, Daniel	Hatcher	Mollohan
Crane, Philip	Hawkins	Montgomery
Crockett	Heckler	Moore
D'Amours	Hendon	Moorhead
Daniel, Dan	Hertel	Morrison
Daniel, R. W.	Hightower	Mottl
Danielson	Hillis	Murtha
de la Garza	Hopkins	Myers
Deckard	Howard	Napier
Derwinski	Hoyer	Natcher
Dicks	Hubbard	Neal
Dixon	Huckaby	Nelligan
Donnelly	Hughes	Nelson
Dougherty	Hunter	O'Brien
Oakar	Schulze	Udall
Oberstar	Schumer	Vento
Panetta	Shamansky	Volkmer
Parris	Shaw	Walgren
Pashayan	Shelby	Wampler
Patman	Shumway	Washington
Patterson	Shuster	Watkins
Paul	Siljander	Waxman
Perkins	Simon	Weaver
Peyser	Skeen	Weber (MN)
Porter	Skelton	Weber (OH)
Price	Smith (IA)	White
Pritchard	Smith (NE)	Whitehurst
Pursell	Smith (NJ)	Whitley
Quillen	Smith (PA)	Whittaker
Rahall	Snowe	Whitten
Railsback	Snyder	Williams (MT)
Ratchford	Solarz	Williams (OH)
Regula	Solomon	Wilson
Rhodes	Spence	Winn
Ritter	St Germain	Wirth
Roberts (KS)	Stangeland	Wolf
Robinson	Stanton	Wolpe
Rodino	Staton	Wortley
Roe	Stokes	Wright
Roemer	Stratton	Wyden
Rogers	Studds	Wylie
Rose	Stump	Yates
Rosenthal	Swift	Yatron
Roth	Synar	Young (AK)
Roukema	Tauke	Young (FL)
Roybal	Tauzin	Young (MO)
Rudd	Taylor	Zablocki
Santini	Thomas	Zeferetti
Scheuer	Traxler	
Schneider	Trible	

NAYS—39

Brown (CO)	Fountain	McCollum
Coats	Frenzel	Miller (CA)
Coughlin	Gejdenson	Mitchell (MD)
Craig	Gonzalez	Roberts (SD)
Dannemeyer	Goodling	Rousselot
Daub	Hansen (ID)	Sabo
Davis	Harkin	Schroeder
Derrick	Hiler	Sensenbrenner
Dickinson	Holt	Sharp
Dreier	Johnston	Smith (AL)
Edgar	Kramer	Smith (OR)
Evans (GA)	Latta	Stenholm
Evans (IA)	Lowry (WA)	Walker

ANSWERED "PRESENT"—2

Gramm	Ottinger

NOT VOTING—91

Andrews	Emerson	Mattox
Anthony	Fithian	McCloskey
Applegate	Foglietta	McDonald
Aspin	Ford (MI)	McHugh
Atkinson	Ford (TN)	McKinney
Bafalis	Forsythe	Mikulski
Bailey (PA)	Fowler	Moffett
Barnard	Fuqua	Murphy
Barnes	Gilman	Nichols
Bedell	Ginn	Nowak
Blanchard	Goldwater	Obey
Bolling	Guarini	Oxley
Bonior	Hagedorn	Pease
Breaux	Hall (OH)	Pepper
Brodhead	Hance	Petri
Brooks	Hefner	Pickle
Brown (CA)	Heftel	Rangel
Burton, John	Holland	Reuss
Carman	Hollenbeck	Richmond
Chappie	Horton	Rinaldo
Chisholm	Ireland	Rostenkowski
Clay	Jacobs	Russo
Coleman	LaFalce	Savage
Coyne, William	LeBoutillier	Sawyer
Daschle	Lee	Seiberling
Dellums	Lehman	Shannon
DeNardis	Leland	Stark
Dingell	Martin (IL)	Vander Jagt
Dorgan	Martin (NC)	Weiss
Dornan	Martin (NY)	
Early	Matsui	

□ 1215

Mr. HANSEN of Idaho changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S.J. Res. 34. Joint resolution to provide for the designation of the week commencing with the third Monday in February 1982 as "National Patriotism Week."

PRIVATE CALENDAR

The SPEAKER pro tempore (Mr. MURTHA). This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

REMEDIOS R. ALCUDIA, CHRISTOPHER, EZRA, VERMILLION, AND PERISTELLO ALCUDIA

The Clerk called the bill (H.R. 1547) for the relief of Remedios R. Alcudia, Christopher, Ezra, Vermillion, and Peristello Alcudia.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

LASZLO REVESZ

The Clerk called the bill (H.R. 1352) for the relief of Laszlo Revesz.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZATION OF COASTWISE TRADING PRIVILEGES TO THE VESSEL "CAPT TOM"

The Clerk called the bill (H.R. 1797) to direct the Secretary of the Department in which the U.S. Coast Guard is operating to cause the vessel *Capt. Tom* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade.

There being no objection, the Clerk read the bill as follows:

H.R. 1797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 4132 of the Revised Statutes of the United States (46 U.S.C. 11), or any other provision of law, the Secretary of the department in which the United States Coast Guard is operating shall cause the vessel Capt. Tom, owned by Mr. John W. Coston of Hampstead, North Carolina, to be documented as a vessel of the United States, upon compliance with the usual requirements, with the privilege of engaging in the coastwise trade and fishing so long as such vessel is owned by a citizen of the United States.

With the following committee amendments:

On page 2, strike lines 1, 2, and 3 and insert in lieu thereof "That, notwithstanding the provisions of section 27 of the Merchant Marine Act of 1920 (46 U.S.C. 883), or any other provision of law to the contrary, the Secretary of the department in".

On page 2, line 8, strike "Capt." and insert in lieu thereof "Capt".

The SPEAKER pro tempore. Without objection, the committee amendments are agreed to.

Mr. WALKER. Mr. Speaker, I object, and I ask that the question be put on the committee amendments.

The SPEAKER pro tempore. The question is on the committee amendments.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

Two hundred and nineteen Members are present, a quorum.

RECORDED VOTE

Mr. WALKER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 353, noes 0, answered "present" 4, not voting 76, as follows:

[Roll No. 305]

AYES—353

Addabbo	Broomfield	Dannemeyer
Akaka	Brown (CA)	Daub
Albosta	Brown (CO)	Davis
Alexander	Brown (OH)	de la Garza
Anderson	Broyhill	Deckard
Andrews	Burgener	Dellums
Annunzio	Burton, John	DeNardis
Applegate	Burton, Phillip	Derrick
Archer	Butler	Derwinski
Ashbrook	Byron	Dickinson
Aspin	Campbell	Dicks
Atkinson	Carney	Dixon
AuCoin	Chappell	Donnelly
Badham	Chappie	Dougherty
Bailey (MO)	Cheney	Dowdy
Beard	Clausen	Downey
Beilenson	Clinger	Dreier
Benedict	Coats	Duncan
Benjamin	Coelho	Dunn
Bennett	Collins (IL)	Dwyer
Bereuter	Collins (TX)	Dyson
Bethune	Conable	Eckart
Bevill	Conte	Edgar
Biaggi	Corcoran	Edwards (AL)
Bingham	Coughlin	Edwards (OK)
Blanchard	Courter	Emerson
Bliley	Coyne, James	Emery
Boggs	Craig	English
Boland	Crane, Daniel	Erdahl
Boner	Crane, Philip	Erlenborn
Bonker	D'Amours	Ertel
Bouquard	Daniel, Dan	Evans (DE)
Bowen	Daniel, R. W.	Evans (GA)
Brinkley	Danielson	Evans (IA)
Evans (IN)	Loeffler	Roukema
Fary	Long (LA)	Rousselot
Fascell	Long (MD)	Roybal
Fazio	Lott	Rudd
Fenwick	Lowery (CA)	Sabo
Ferraro	Lowry (WA)	Santini
Fiedler	Lujan	Scheuer
Fields	Luken	Schneider
Findley	Lundine	Schroeder
Fish	Lungren	Schulze
Flippo	Markey	Schumer
Florio	Marks	Seiberling
Foley	Marlenee	Sensenbrenner
Ford (MI)	Marriott	Shamansky
Fountain	Martin (IL)	Sharp
Frank	Mavroules	Shaw
Frenzel	Mazzoli	Shelby
Garcia	McClory	Shumway
Gaydos	McCollum	Shuster
Gejdenson	McCurdy	Siljander
Gephardt	McDade	Simon
Gibbons	McEwen	Skeen
Gingrich	McGrath	Skelton
Glickman	McHugh	Smith (AL)
Goodling	McKinney	Smith (IA)
Gore	Mica	Smith (NE)
Gradison	Michel	Smith (NJ)
Gray	Miller (CA)	Smith (OR)
Green	Miller (OH)	Smith (PA)
Gregg	Mineta	Snowe
Grisham	Minish	Snyder
Gunderson	Mitchell (MD)	Solarz
Hall (OH)	Mitchell (NY)	Solomon
Hall, Ralph	Moakley	Spence
Hall, Sam	Molinari	St Germain
Hamilton	Mollohan	Stangeland
Hammerschmidt	Montgomery	Stanton
Hansen (ID)	Moore	Staton
Hansen (UT)	Moorhead	Stenholm
Harkin	Morrison	Stokes
Hartnett	Mottl	Stratton
Hatcher	Murtha	Studds
Hawkins	Myers	Stump
Heckler	Napier	Swift
Hertel	Natcher	Synar
Hightower	Neal	Tauke
Hiler	Nelligan	Tauzin
Hillis	Nelson	Taylor
Holt	Nowak	Thomas
Hopkins	O'Brien	Traxler
Horton	Oakar	Trible
Howard	Oberstar	Vento
Hoyer	Obey	Volkmer
Hubbard	Ottinger	Walker
Huckaby	Oxley	Wampler
Hughes	Panetta	Washington
Hunter	Parris	Watkins
Hutto	Pashayan	Waxman
Hyde	Patman	Weaver
Jeffords	Patterson	Weber (MN)
Jeffries	Paul	Weber (OH)
Jenkins	Pepper	Weiss
Johnston	Perkins	White
Jones (NC)	Peyser	Whitley
Jones (OK)	Porter	Whittaker
Jones (TN)	Price	Whitten
Kastenmeier	Pritchard	Williams (OH)
Kazen	Pursell	Wilson
Kemp	Quillen	Winn
Kildee	Rahall	Wirth
Kindness	Railsback	Wolf
Kogovsek	Ratchford	Wolpe
Kramer	Regula	Wortley
LaFalce	Rhodes	Wright
Lagomarsino	Ritter	Wyden
Lantos	Roberts (KS)	Wylie
Latta	Roberts (SD)	Yates
Leach	Robinson	Yatron
Leath	Rodino	Young (AK)
LeBoutillier	Roe	Young (FL)
Lent	Rogers	Young (MO)
Levitas	Rose	Zablocki
Lewis	Rosenthal	Zeferetti
Livingston	Roth	

ANSWERED "PRESENT"—4

Gonzalez	Hendon	Roemer
Gramm		

NOT VOTING—76

Anthony	Bedell	Brooks
Bafalis	Bolling	Carman
Bailey (PA)	Bonior	Chisholm
Barnard	Breaux	Clay
Barnes	Brodhead	Coleman

Conyers	Hagedorn	Nichols
Coyne, William	Hance	Pease
Crockett	Hefner	Petri
Daschle	Heftel	Pickle
Dingell	Holland	Rangel
Dorgan	Hollenbeck	Reuss
Dornan	Ireland	Richmond
Dymally	Jacobs	Rinaldo
Early	Lee	Rostenkowski
Edwards (CA)	Lehman	Russo
Fithian	Leland	Savage
Foglietta	Madigan	Sawyer
Ford (TN)	Martin (NC)	Shannon
Forsythe	Martin (NY)	Stark
Fowler	Matsui	Udall
Frost	Mattox	Vander Jagt
Fuqua	McCloskey	Walgren
Gilman	McDonald	Whitehurst
Ginn	Mikulski	Williams (MT)
Goldwater	Moffett	
Guarini	Murphy	

□ 1230

So the amendments were agreed to.

The result of the vote was announced as above recorded.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to direct the Secretary of the Department in which the U.S. Coast Guard is operating to cause the vessel *Capt Tom* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade."

A motion to reconsider was laid on the table.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that further reading of the Private Calendar be dispensed with.

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. BOLAND. Mr. Speaker, I move further reading of the Private Calendar be dispensed with.

POINT OF ORDER

Mr. SENSENBRENNER. Mr. Speaker, I make a point of order against the motion.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. SENSENBRENNER. Mr. Speaker, clause 6 of rule XXIV, the second paragraph says that—

> On the third Tuesday of each month after the disposal of such business on the Speaker's table as requires reference only, the Speaker may direct the Clerk to call the bills and resolutions on the Private Calendar.

There is a precedent that the Private Calendar may be dispensed with, but that was only before the first bill was called on the Private Calendar.

I would state that since the first bill has been called on the Private Calendar, in order to comply with clause 6 of rule XXIV, the complete Private Calendar must be called unless dispensed with by unanimous consent. The unanimous-consent request has been objected to.

I believe that the point of order should be sustained and the motion should be ruled out of order.

The SPEAKER pro tempore. The Chair will note that under clause 6, rule XXIV on the first Tuesday of each month, a two-thirds vote is required to dispense with the call of Private Calendar, that call being automatic. The Speaker's authority to direct the call is discretionary on the third Tuesday, and so the rule is silent on the motion to dispense with the call, and consistent with that discretionary authority and absent any precedent to the contrary, the point of order should be overruled.

Mr. SENSENBRENNER. Mr. Speaker, I appeal the decision of the Chair.

Mr. FOLEY. Mr. Speaker?

The SPEAKER pro tempore. The gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I move that the motion to appeal the Chair's decision be laid on the table.

The SPEAKER pro tempore. The question is on the motion to lay the appeal from the Chair's decision on the table.

The question was taken; and on a division (demanded by Mr. SENSENBRENNER) there were—yeas 75, nays 37.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

Mr. FOLEY. Mr. Speaker, I have a privileged motion at the desk.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Mr. FOLEY moves that when the House adjourns today it adjourn to meet at 4 p.m. today.

Mr. WALKER. Mr. Speaker, I move to table the motion.

The SPEAKER pro tempore. Under the last sentence of clause 4, rule XVI, that motion to adjourn is not debatable and therefore cannot be laid on the table.

The question is on the motion.

□ 1245

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 191, nays 172, not voting 70, as follows:

[Roll No. 306]

YEAS—191

Addabbo	Bevill	Chappell
Akaka	Biaggi	Coelho
Albosta	Blanchard	Collins (IL)
Alexander	Boggs	Conyers
Anderson	Boland	Coyne, William
Andrews	Boner	Crockett
Annunzio	Bonker	D'Amours
Applegate	Bouquard	Danielson
Aspin	Bowen	Daschle
AuCoin	Brinkley	de la Garza
Beilenson	Burton, John	Derrick
Benjamin	Burton, Phillip	Dicks
Bennett	Byron	Dixon
Donnelly	Hutto	Reuss
Dorgan	Jenkins	Rodino
Dowdy	Jones (NC)	Roe
Downey	Jones (OK)	Roemer
Dwyer	Jones (TN)	Rose
Dymally	Kastenmeier	Rosenthal
Dyson	Kazen	Roybal
Eckart	Kildee	Sabo
Edgar	Kogovsek	Santini
Edwards (CA)	LaFalce	Scheuer
English	Lantos	Schroeder
Ertel	Leath	Schumer
Evans (GA)	Levitas	Seiberling
Evans (IN)	Long (LA)	Shamansky
Fary	Long (MD)	Sharp
Fascell	Lowry (WA)	Shelby
Fazio	Luken	Simon
Ferraro	Lundine	Skelton
Flippo	Markey	Smith (IA)
Florio	Mavroules	Smith (PA)
Foley	Mazzoli	Solarz
Ford (MI)	McCurdy	St Germain
Fountain	McHugh	Stenholm
Frank	Mica	Stokes
Frenzel	Miller (CA)	Stratton
Frost	Mineta	Studds
Garcia	Minish	Swift
Gaydos	Mitchell (MD)	Synar
Gejdenson	Moakley	Tauzin
Gephardt	Mollohan	Traxler
Gibbons	Mottl	Vento
Glickman	Murtha	Volkmer
Gonzalez	Natcher	Walgren
Gore	Neal	Washington
Gramm	Nelson	Watkins
Gray	Nichols	Waxman
Hall (OH)	Nowak	Weaver
Hall, Ralph	O'Brien	Weiss
Hall, Sam	Oakar	White
Hamilton	Oberstar	Whitley
Harkin	Obey	Whitten
Hatcher	Ottinger	Wilson
Hawkins	Panetta	Wirth
Hertel	Patman	Wolpe
Hightower	Patterson	Wyden
Horton	Pepper	Yates
Howard	Perkins	Yatron
Hoyer	Peyser	Young (MO)
Hubbard	Price	Zablocki
Huckaby	Rahall	Zeferetti
Hughes	Ratchford	

NAYS—172

Archer	Dreier	Leach
Ashbrook	Duncan	LeBoutillier
Atkinson	Dunn	Lent
Badham	Edwards (AL)	Lewis
Bailey (MO)	Edwards (OK)	Livingston
Beard	Emerson	Loeffler
Benedict	Emery	Lott
Bereuter	Erdahl	Lowery (CA)
Bethune	Erlenborn	Lujan
Billey	Evans (DE)	Lungren
Broomfield	Evans (IA)	Madigan
Brown (CO)	Fenwick	Marks
Brown (OH)	Fiedler	Marlenee
Broyhill	Fields	Marriott
Burgener	Findley	Martin (IL)
Butler	Fish	McClory
Campbell	Gingrich	McCollum
Carney	Goodling	McDade
Chappie	Gradison	McEwen
Cheney	Green	McGrath
Clausen	Gregg	McKinney
Clinger	Grisham	Michel
Coats	Gunderson	Miller (OH)
Collins (TX)	Hammerschmidt	Mitchell (NY)
Conable	Hansen (ID)	Molinari
Conte	Hansen (UT)	Moore
Corcoran	Hartnett	Moorhead
Coughlin	Hendon	Morrison
Courter	Hiler	Myers
Coyne, James	Hillis	Napier
Craig	Holt	Nelligan
Crane, Daniel	Hopkins	Oxley
Crane, Philip	Hunter	Parris
Daniel, R. W.	Hyde	Pashayan
Dannemeyer	Jeffords	Paul
Daub	Jeffries	Porter
Davis	Johnston	Pritchard
Deckard	Kemp	Pursell
DeNardis	Kindness	Quillen
Derwinski	Kramer	Railsback
Dickinson	Lagomarsino	Regula
Dougherty	Latta	Rhodes

Ritter
Roberts (KS)
Roberts (SD)
Robinson
Rogers
Roth
Roukema
Rousselot
Rudd
Schneider
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Smith (AL)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Stanton
Staton
Stump
Tauke
Taylor
Thomas
Trible
Walker
Wampler
Weber (MN)
Weber (OH)
Whitehurst
Whittaker
Williams (OH)
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—70

Anthony
Bafalis
Bailey (PA)
Barnard
Barnes
Bedell
Bingham
Bolling
Bonior
Breaux
Brodhead
Brooks
Brown (CA)
Carman
Chisholm
Clay
Coleman
Daniel, Dan
Dellums
Dingell
Dornan
Early
Fithian
Foglietta
Ford (TN)
Forsythe
Fowler
Fuqua
Gilman
Ginn
Goldwater
Guarini
Hagedorn
Hance
Heckler
Hefner
Heftel
Holland
Hollenbeck
Ireland
Jacobs
Lee
Lehman
Leland
Martin (NC)
Martin (NY)
Matsui
Mattox
McCloskey
McDonald
Mikulski
Moffett
Montgomery
Murphy
Pease
Petri
Pickle
Rangel
Richmond
Rinaldo
Rostenkowski
Russo
Savage
Sawyer
Shannon
Stark
Udall
Vander Jagt
Williams (MT)
Wright

Messrs. KRAMER, BROWN of Ohio, and JEFFORDS changed their votes from "yea" to "nay."

Mr. FRENZEL changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

□ 1300

ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. FOLEY).

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 188, nays 172, not voting 73, as follows:

[Roll No. 307]

YEAS—188

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews
Annunzio
Aspin
AuCoin
Beilenson
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blanchard
Boggs
Boland
Boner
Bonker
Bouquard
Bowen
Brinkley
Brown (CA)
Burton, Phillip
Byron
Chappell
Coelho
Collins (IL)
Conyers
Coyne, William
D'Amours
Daniel, Dan
Danielson
Daschle
de la Garza
Dellums
Derrick
Dicks
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dwyer
Dymally
Dyson
Eckart
Edgar
Edwards (CA)
English
Ertel
Evans (GA)
Evans (IN)
Fary
Fascell
Fazio
Ferraro
Flippo
Florio
Foley
Ford (MI)
Fountain
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gramm
Gray
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Harkin
Hatcher
Hertel
Hightower
Howard
Hoyer
Hubbard
Hughes
Hutto
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kildee
Kogovsek
LaFalce
Lantos
Leath
Lehman
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
Markey
Mavroules
Mazzoli
McCurdy
McHugh
Mica
Miller (CA)
Mineta
Minish
Mitchell (MD)
Moakley
Mollohan
Mottl
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patman
Patterson
Pepper
Perkins
Peyser
Price
Rahall
Ratchford
Reuss
Rodino
Roe
Roemer
Rose
Rosenthal
Roybal
Sabo
Santini
Scheuer
Schroeder
Schumer
Seiberling
Shamansky
Sharp
Shelby
Simon
Skelton
Smith (IA)
Smith (PA)
Solarz
St Germain
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tauzin
Traxler
Vento
Volkmer
Walgren
Washington
Watkins
Waxman
Weaver
Weiss
White
Whitley
Whitten
Wilson
Wirth
Wolpe
Wyden
Yates
Yatron
Young (MO)
Zablocki
Zeferetti

NAYS—172

Archer
Ashbrook
Atkinson
Badham
Beard
Benedict
Bethune
Bliley
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Butler
Campbell
Carney
Chappie
Cheney
Clausen
Clinger
Coats
Collins (TX)
Conable
Conte
Corcoran
Coughlin
Courter
Coyne, James
Craig
Crane, Daniel
Crane, Philip
Daniel, R. W.
Dannemeyer
Daub
Davis
Deckard
DeNardis
Derwinski
Dickinson
Dougherty
Dreier
Duncan
Dunn
Edwards (AL)
Edwards (OK)
Emerson
Emery
Erdahl
Erlenborn
Evans (DE)
Evans (IA)
Fenwick
Fiedler
Fields
Findley
Fish
Frenzel
Gingrich
Goodling
Gradison
Green
Gregg
Grisham
Gunderson
Hammerschmidt
Hansen (ID)
Hansen (UT)
Hartnett
Heckler
Hendon
Hiler
Hillis
Holt
Hopkins
Horton
Hunter
Hyde
Jeffords
Jeffries
Johnston
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leach
LeBoutillier
Lent
Lewis
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Madigan
Marks
Marlenee
Marriott
Martin (IL)
McClory
McCollum
McDade
McEwen
McGrath
McKinney
Michel
Miller (OH)
Mitchell (NY)
Molinari
Moore
Moorhead
Morrison
Myers
Napier
Nelligan
O'Brien
Oxley
Parris
Pashayan
Paul
Porter
Pritchard
Pursell
Quillen
Railsback
Regula
Rhodes
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Rogers
Roth
Roukema
Rousselot
Rudd
Schneider
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Smith (AL)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Stanton
Staton
Stump
Tauke
Taylor
Thomas
Trible
Walker
Wampler
Weber (MN)
Weber (OH)
Whitehurst
Whittaker
Winn
Wolf
Wortley
Wylie
Young (AK)

NOT VOTING—73

Anthony
Applegate
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Bedell
Bereuter
Bolling
Bonior
Breaux
Brodhead
Brooks
Burton, John
Carman
Chisholm
Clay
Coleman
Crockett
Dingell
Dornan
Early
Fithian
Foglietta
Ford (TN)
Forsythe
Fowler
Fuqua
Gilman
Ginn
Goldwater
Guarini
Hagedorn
Hance
Hawkins
Hefner
Heftel
Holland
Hollenbeck
Huckaby
Ireland
Jacobs
Lee
Leland
Levitas
Martin (NC)
Martin (NY)
Matsui
Mattox
McCloskey
McDonald
Mikulski
Moffett
Montgomery
Murphy
Pease
Petri
Pickle
Rangel
Richmond
Rinaldo
Rostenkowski
Russo
Savage
Sawyer
Shannon
Udall
Vander Jagt
Williams (MT)
Williams (OH)
Wright
Young (FL)

Mr. O'BRIEN changed his vote from "yea" to "nay."

□ 1315

So the motion was agreed to.

The result of the vote was announced as above recorded.

Accordingly (at 1 o'clock and 19 minutes p.m.) the House adjourned until 4 o'clock p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[*November 17 (first legislative day), 1981*]

2529. A communication from the President of the United States, transmitting an amendment to the request for appropriations for fiscal year 1982 (H. Doc. No. 97-112); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[*November 17 (first legislative day), 1981*]

By Mr. DAVIS (for himself, Mr. CARNEY, Mr. DREIER, Mrs. HOLT, and Mr. LENT):

H.R. 4996. A bill to transfer the Coast Guard from the Department of Transportation to the Department of the Navy; jointly, to the Committees on Merchant Marine and Fisheries and Armed Services.

By Mr. HUGHES:

H.R. 4997. A bill to amend title 28 of the United States Code to authorize the collection of fees for the processing of certain requests for Federal Bureau of Investigation identification records, and for other purposes; to the Committee on the Judiciary.

By Mr. MOTTL:

H.R. 4998. A bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from gross income of certain retirement benefits received by individuals to the extent that such benefits do not exceed the maximum social security benefits payable to any individual; to the Committee on Ways and Means.

By Mr. WALKER (for himself, Mrs. HOLT, Mr. BLILEY, Mr. LUNGREN, Mr. HILER, Mr. GINGRICH, Mr. ROUSSELOT, Mr. CRAIG, Mr. KEMP, Mr. PARRIS, Mr. ASHBROOK, Mr. MCEWEN, Mr. HYDE, Mr. WEBER of Minnesota, Mr. MCGRATH, Mr. LOTT, Mr. SOLOMON, Mr. HANSEN of Utah, Mr. SMITH of Alabama, and Mr. ROBERTS of Kansas):

H.R. 4999. A bill to amend the Internal Revenue Code of 1954 to provide that the individual income tax rate reductions enacted by the Economic Recovery Tax Act of 1981 for 1982 and subsequent years shall take effect 6 months sooner than scheduled under such act; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.J. Res. 363. Joint resolution authorizing the President of the United States to proclaim the second week in May starting in 1982 as "Municipal Clerk's Week"; to the Committee on Post Office and Civil Service.

By Mr. OTTINGER:

H. Con. Res. 221. Concurrent resolution expressing the support of the Congress for the Alaska Natural Gas Transportation System and for further consideration of waivers of law regarding that system; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII,

[*November 17 (first legislative day), 1981*]

223. The SPEAKER presented a memorial of the Legislature of the Territory of Guam, relative to establishment of a Presidential Economic Advisory Commission for Guam; jointly, to the Committees on Education and Labor, the Judiciary, Merchant Marine and Fisheries, and Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

[*November 17 (first legislative day), 1981*]

H.R. 870: Ms. OAKAR.

H.R. 1603: Mr. PORTER and Mr. OXLEY.

H.R. 2793: Mr. CONABLE, Mr. D'AMOURS, and Mr. DENARDIS.

H.R. 3632: Mr. HORTON, Mr. RICHMOND, and Mr. CONYERS.

H. Res. 250: Mr. ECKART, Mr. LEE, Mr. WON PAT, Mr. PRICE, Mr. DWYER, Mr. CARMAN, Ms. MIKULSKI, Mr. WAMPLER, and Mr. BARNES.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

[*November 17 (first legislative day), 1981*]

275. By the SPEAKER: Petition of Sterling Lyon, Premier of Manitoba, Canada, relative to the Garrison Diversion project, N. Dak.; to the Committee on Appropriations.

276. Also, petition of the Republican County Central Committee, San Diego County, Calif., relative to amending the Constitution of the United States to designate English as the official language of the United States; to the Committee on the Judiciary.

277. Also, petition of Jose Bayan Moscoso, Iloilo City, Philippines, relative to the Philippine Scouts; to the Committee on Veterans' Affairs.

(SECOND LEGISLATIVE DAY)

The House met at 4 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

The sum of Thy word is truth; and every one of Thy righteous ordinances endures forever.—Psalm 119: 160.

O God, as we move on with the necessary details that press upon us, we remember Your commandments and ordinances that speak the truth to people in every generation. With all the pressures of life, may we recognize our need to focus on the eternal verities and the timeless truths that have been the heritage of a free people. May all who seek to be truly human and desire to reflect Your love, bind together in harmony and peace that justice may roll down like waters and righteousness like an ever-flowing stream. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last legislative day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. WALKER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a guorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 336, nays 49, answered "present" 2, not voting 46, as follows:

[Roll No. 308]

YEAS—336

Addabbo	Albosta	Anderson
Akaka	Alexander	Annunzio
Archer	Frenzel	McHugh
Ashbrook	Frost	Mica
Atkinson	Fuqua	Michel
Badham	Garcia	Mikulski
Bafalis	Gaydos	Miller (CA)
Bailey (MO)	Gephardt	Mineta
Bailey (PA)	Gibbons	Minish
Beard	Gilman	Mitchell (NY)
Bellenson	Gingrich	Moakley
Benedict	Glickman	Molinari
Benjamin	Gonzalez	Mollohan
Bennett	Gore	Montgomery
Bereuter	Gradison	Moore
Bethune	Gramm	Moorhead
Bevill	Gray	Morrison
Biaggi	Green	Mottl
Bingham	Grisham	Murtha
Blanchard	Guarini	Myers
Bliley	Gunderson	Napier
Boggs	Hall (OH)	Natcher
Boland	Hall, Ralph	Neal
Boner	Hall, Sam	Nelligan
Bonker	Hamilton	Nelson
Bouquard	Hammerschmidt	Nichols
Bowen	Hance	Nowak
Brinkley	Hansen (ID)	O'Brien
Broomfield	Hansen (UT)	Oakar
Brown (CA)	Hatcher	Oberstar
Broyhill	Heckler	Obey
Burgener	Hefner	Oxley
Burton, John	Heftel	Panetta
Burton, Phillip	Hendon	Pashayan
Butler	Hertel	Patman
Byron	Hightower	Patterson
Carman	Hillis	Pease
Carney	Holland	Perkins
Chappell	Hollenbeck	Petri
Chappie	Holt	Peyser
Cheney	Hopkins	Pickle
Clausen	Horton	Porter
Coelho	Howard	Price
Collins (IL)	Hoyer	Pursell
Collins (TX)	Hubbard	Quillen
Conte	Huckaby	Rahall
Corcoran	Hughes	Railsback
Courter	Hunter	Rangel
Coyne, William	Hutto	Ratchford
Craig	Hyde	Regula
Crane, Philip	Ireland	Reuss
D'Amours	Jeffords	Rhodes
Daniel, Dan	Jeffries	Rinaldo
Daniel, R. W.	Jenkins	Ritter
Danielson	Jones (NC)	Roberts (KS)
Daschle	Jones (OK)	Robinson
de la Garza	Jones (TN)	Rodino
Deckard	Kastenmeier	Roe
DeNardis	Kazen	Roemer
Derrick	Kemp	Rogers
Derwinski	Kildee	Rosenthal
Dicks	Kogovsek	Rostenkowski
Dixon	Kramer	Roth
Donnelly	LaFalce	Roukema
Dorgan	Lagomarsino	Rousselot
Dougherty	Lantos	Roybal
Dowdy	Leach	Rudd
Downey	Leath	Santini
Dwyer	LeBoutillier	Sawyer
Dymally	Lee	Scheuer
Dyson	Lehman	Schneider
Eckart	Lent	Schulze
Edwards (AL)	Levitas	Schumer
Edwards (CA)	Lewis	Seiberling
Edwards (OK)	Livingston	Sensenbrenner
Emery	Loeffler	Shamansky
English	Long (LA)	Shannon
Erdahl	Long (MD)	Sharp
Erlenborn	Lott	Shaw
Ertel	Lowery (CA)	Shumway
Evans (DE)	Lujan	Shuster
Evans (IN)	Luken	Siljander
Fary	Lundine	Simon
Fascell	Lungren	Skeen
Fazio	Markey	Skelton
Fenwick	Marks	Smith (AL)
Ferraro	Marlenee	Smith (IA)
Fiedler	Marriott	Smith (NE)
Fields	Martin (IL)	Smith (NJ)
Findley	Matsui	Smith (OR)
Fish	Mavroules	Smith (PA)
Flippo	Mazzoli	Snowe
Florio	McClory	Snyder
Foglietta	McCollum	Solarz
Foley	McCurdy	Spence
Fountain	McDade	Stangeland
Fowler	McEwen	Stanton
Frank	McGrath	Stark

Staton	Udall	Wilson
Stenholm	Walgren	Winn
Stokes	Wampler	Wirth
Stratton	Washington	Wolf
Studds	Watkins	Wolpe
Stump	Waxman	Wright
Swift	Weaver	Wyden
Synar	Weiss	Wylie
Tauke	White	Yates
Tauzin	Whitehurst	Yatron
Taylor	Whitley	Young (FL)
Thomas	Whittaker	Young (MO)
Traxler	Whitten	Zablocki
Trible	Williams (OH)	Zeferetti

NAYS—49

Anthony	Dreier	Miller (OH)
Aspin	Dunn	Mitchell (MD)
Barnes	Edgar	Parris
Brodhead	Emerson	Paul
Brown (CO)	Evans (GA)	Roberts (SD)
Campbell	Evans (IA)	Russo
Clinger	Ford (TN)	Sabo
Coats	Gejdenson	Schroeder
Conable	Gregg	Shelby
Conyers	Harkin	Solomon
Coughlin	Hartnett	Vento
Coyne, James	Hawkins	Walker
Crane, Daniel	Hiler	Weber (MN)
Dannemeyer	Jacobs	Weber (OH)
Daub	Kindness	Wortley
Davis	Latta	
Dickinson	Lowry (WA)	

ANSWERED "PRESENT"—2

Ottinger	St Germain

NOT VOTING—46

Andrews	Dornan	McCloskey
Applegate	Duncan	McDonald
AuCoin	Early	McKinney
Barnard	Fithian	Moffett
Bedell	Ford (MI)	Murphy
Bolling	Forsythe	Pepper
Bonior	Ginn	Pritchard
Breaux	Goldwater	Richmond
Brooks	Goodling	Rose
Brown (OH)	Hagedorn	Savage
Chisholm	Johnston	Vander Jagt
Clay	Leland	Volkmer
Coleman	Madigan	Williams (MT)
Crockett	Martin (NC)	Young (AK)
Dellums	Martin (NY)	
Dingell	Mattox	

□ 1610

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

□ 1620

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The unfinished business of the House is the question of agreeing to the motion to lay on the table the appeal from the decision of the Chair which overruled the point of order made against the motion of the gentleman from Massachusetts (Mr. BOLAND) to dispense with the further call of the Private Calendar. The Chair had announced that the motion to lay on the table the appeal from the Chair's decision had been agreed to by a division vote of 75-37. And so the motion to lay the appeal on the table has been agreed to by a division vote.

The question is on the motion from the gentleman from Massachusetts (Mr. BOLAND) to dispense with the further call of the Private Calender.

Without objection, the motion is agreed to.

LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I take this time to announce to the House the program for the remainder of the day and for tomorrow.

Immediately upon conclusion of any routine business that may come by way of unanimous-consent requests, we intend to take up the rule on the conference report for S. 815, the defense authorization bill, and then take up the conference report, and hope to pass that this afternoon.

Having done so, we then would return to the suspensions listed for today, debate all five of the suspensions, but postpone any votes that might be demanded upon any of those suspensions until tomorrow.

On tomorrow, Wednesday, we would begin with votes on the suspensions that had been put over from today, then go to the conference reports on H.R. 3454, the Intelligence Authorization Act, and H.R. 4522, the District of Columbia appropriations.

Then we would go to the Department of Defense appropriations bill for fiscal year 1982.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Illinois.

Mr. MICHEL. At what time would we be coming in then in the morning—at 10 o'clock?

Mr. WRIGHT. We plan to come in at 10 o'clock.

The SPEAKER. The plan is to come in at 10 o'clock and work late tomorrow evening.

Mr. MICHEL. I thank the Speaker.

AUTHORIZING APPROPRIATIONS FOR NATIONAL ADVISORY COMMITTEE ON OCEANS AND ATMOSPHERE ACT OF 1977

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1133) to amend the National Advisory Committee on Oceans and Atmosphere Act of 1977 to authorize appropriations to carry out the provisions of such act for fiscal year 1982, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. CARNEY. Mr. Speaker, reserving the right to object, it is not my intention to object. In fact, I stand in support of S. 1133 for the authorization of the National Advisory Committee on Oceans and Atmosphere Act and I would urge my colleagues to support such a bill.

Mr. JONES of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. CARNEY. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Speaker, S. 1133 amends the National Advisory Committee on Oceans and Atmosphere Act of 1977 to provide authorizations for fiscal year 1982 and to provide two additional technical changes in the act.

The act of 1977 reestablished the Advisory Committee, more commonly referred to by its acronym, NACOA, with a more precise legislative mandate. Briefly, the Committee is composed of 18 Presidentially appointed members who have knowledge and expertise in marine and atmospheric policy areas. NACOA is mandated to review the progress of the marine and atmospheric science and service programs of the Federal Government and to advise the Secretary of Commerce of their recommendations for the programs. The Advisory Committee is instructed to report annually to the President and Congress on the status of the programs and to provide pertinent reports on the issues that are commissioned by either the President or Congress.

The Senate bill we are considering contains two differing provisions from H.R. 2448, which was reported out of the Merchant Marine and Fisheries Committee. Mr. Speaker, let me state that I firmly believe, given the differences between the Senate and House versions, that the proper course for this Congress is to support the passage of S. 1133.

The first difference rests in the amount of funding specified by the Senate. S. 1133 provides for a 1-year authorization of $555,000 for fiscal year 1982 which was recommended by the administration. The bill reported out of the Merchant Marine and Fisheries Committee recommended a 3-year authorization of $650,000 for fiscal year 1982 and such sums as may be necessary for each of fiscal years 1983 and 1984. The committee wishes to express its concern about considering a 1-year authorization for this program; however, we relinquish this concern in order to secure funding for the program during fiscal year 1982. The second matter deals with a technical amendment recommended by the administration and adopted by S. 1133. The provision would increase the

NACOA members' compensation from $100 per diem to the daily rate of GS-18, or approximately $192 per diem. During an oversight hearing held before the Committee, the Acting Chairman of NACOA testified that an increase in per diem was not necessary to maintain NACOA's present level of performance. Subsequently, the Merchant Marine and Fisheries Committee deleted this technical amendment from the administration's bill. The Committee on Merchant Marine and Fisheries would like to be on record as expressing reservations about the increase in per diem and suggest that this increase be considered a ceiling. It will remain within the discretion of the Chairman and members of NACOA to grant per diem at a lower rate than that of GS-18.

In conclusion, the members of the Committee on Merchant Marine and Fisheries have supported the efforts of the Advisory Committee which has provided qualified and knowledgeable reports and recommendations for the marine and atmospheric programs. I urge my colleagues to consider S. 1133 which contains a modest and administration-supported authorization figure of $555,000 for fiscal year 1982.

Mr. CARNEY. Mr. Speaker, I rise in support of passage of S. 1133, the fiscal year authorization for the National Advisory Committee on Oceans and Atmosphere (NACOA).

This bill would authorize this Advisory Committee at a level of $555,000 for fiscal year 1982 only. The bill would also give NACOA the option of raising its daily per diem rate for NACOA members from $100 per day to the GS-18 rate which is approximately $192 per day. I would like to emphasize here that this per diem increase is purely optional on the part of NACOA, and that NACOA may elect to maintain the current rate in order to live within their budget.

Although the Committee on Merchant Marine and Fisheries reported H.R. 2448, a bill which would have reauthorized NACOA for fiscal year 1982 at $650,000 and at such sums as may be necessary for fiscal years 1983 and 1984, in discussions with the other body, it was decided to proceed with a 1-year reauthorization at this time. We are hopeful that the White House will soon make its new appointments to NACOA, and we would urge the White House to view this reauthorization of NACOA as a signal of continued support in the Congress for an advisory body in the general area of oceans and atmosphere.

Historically, and especially under the leadership of the late Donald McKernan, NACOA has provided a valuable sounding board for both administration and congressional policymaking with respect to atmospheric science policy issues and especially ocean and coastal resource management issues. There has generally been strong bipartisan support for NACOA and this continued support is generally a function of the quality of appointments to this body.

Mr. Speaker, NACOA is an important advisory body for the continued wise use, in management, and development of one of our Nation's last frontiers, the oceans. I would strongly recommend passage of S. 1133 which would reauthorize NACOA throughout fiscal year 1982.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina (Mr. JONES)?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Advisory Committee on Oceans and Atmosphere Act of 1977 (33 U.S.C. 857-13—857-18) is amended—

(1) in section 3(b)(2), by striking "office, or until ninety days after such date, whichever is earlier." and substituting "office.";

(2) in section 5, by striking "of $100 per day" and substituting "not to exceed the daily rate for a GS-18"; and

(3) in section 8, by striking "and " immediately after "1980," and by striking the period at the end of the section and substituting ", and $555,000 for the fiscal year ending September 30, 1982. Such sums as may be appropriated under this section shall remain available until expended.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1133.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4995, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1982

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 97-335) on the resolution (H. Res. 275) waiving certain points of order against the bill (H.R. 4995) making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2559, COAST GUARD AUTHORIZATION, FISCAL YEAR 1982

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 97-336) on the resolution (H. Res. 276) providing for the consideration of the bill (H.R. 2559) to authorize appropriations for the Coast Guard for fiscal year 1982, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 220, PROVIDING FOR COMMEMORATION OF 100TH ANNIVERSARY OF THE BIRTH OF FRANKLIN DELANO ROOSEVELT

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 97-337) on the resolution (H. Res. 277) providing for the consideration of concurrent resolution (H. Con. Res. 220) providing for the commemoration of the 100th anniversary of the birth of Franklin Delano Roosevelt, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR UPGRADING OF THREE POSITIONS ON CAPITOL POLICE

Mr. MINISH, from the Committee on House Administration, submitted a privileged report (Rept. No. 97-338) on the resolution (H. Res. 244) providing for upgrading of three positions on the Capitol Police, and for other purposes, which was referred to the House Calendar and ordered to be printed.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 815, DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1982

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 270 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 270

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (S. 815) to authorize appropriations for fiscal year 1982, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development, test, and evaluation for the Armed Forces, to authorize appropriations for fiscal year 1982 for operations and maintenance expenses of the Armed Forces, to

prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for fiscal year 1982 for civil defense, and for other purposes, and all points of order against said conference report for failure to comply with the provisions of clause 3, rule XXVIII are hereby waived.

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. DERRICK) is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the minority to the gentleman from Missouri (Mr. TAYLOR), pending which I yield myself such time as I may consume.

Mr. Speaker, the rule makes in order the consideration of the conference report to accompany S. 815, the Department of Defense Authorization Act of 1982, by waiving points of order against the conference report for failure to comply with the provisions of clause 3 of House rule 28.

Clause 3 of rule 28 limits the contents of the conference report to the scope of the differences between the two Houses. The waiver is necessary in order to consider the changes recommended by the administration in their revised Defense budget request sent to the Congress on October 2 and reported by the conference committee.

The Defense budget request submitted by the administration last March recommended a total authorization level for fiscal year 1982 of $136.5 billion for procurement, research, development, test, and evaluation operations and maintenance, and other purposes. The House adopted an authorization level of $136.1 billion in July; the Senate earlier approved $136.5 billion. Subsequent to the start of the conference, the administration submitted, in October, a revision to their March 10 Defense budget deemed necessary as a result of the administration's revised economic forecast and to include the President's recent decisions on strategic programs. The October 2 revision reduced by $6.2 to $130.2 billion the administration's Defense authorization request.

In an effort to incorporate these proposed changes, the conferees have reported a Defense authorization bill that in several categories reduces authorizations below those passed by both the House and the Senate, and in two cases, increases authorizations above the House and Senate levels. Fourteen authorization categories in titles 1, 2, 3, and 4 were reduced. Authorizations for two categories, Army aircraft and Navy missiles, were slightly increased, as recommended by the administration. The chairman and the ranking minority member of the Armed Services Committee will fully describe these changes when the House later considers the conference report.

Mr. Speaker, the conference report to S. 815 authorizes appropriations of $130.7 billion for fiscal year 1982, which is $419 million above the administration's October budget revision, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons; for research, development, test and evaluation for the Armed Forces; for operations and maintenance expenses of the Armed Forces; for civil defense; and for military training student loads. S. 815 also authorizes personnel strength for each active duty component, the Selected Reserve of each Reserve component of the Armed Forces, and for civilian personnel of the Department of Defense.

Mr. Speaker, a strong defense is vital to the safekeeping of our Nation. This legislation enhances our defense capabilities, I would urge my colleagues to adopt the rule so that we may proceed to consider this most important conference report.

□ 1630

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 270 is a rule waiving all points of order against consideration of the conference report to the bill, S. 815, the Department of Defense authorization for 1982.

The rule waives clause 3 of rule 28, which would otherwise prohibit our consideration of this conference report because the conferees have agreed on provisions that are outside the scope of what was committed to conference.

The chairman of the Committee on Armed Services, the gentleman from Illinois (Mr. PRICE), and the ranking Republican member of the committee, the gentleman from Alabama (Mr. DICKINSON), testified before the Committee on Rules that the scope violations consist primarily of revised authorization levels below those passed by both the House and Senate earlier this year.

Mr. Speaker, my colleagues will recall that the House passed H.R. 3519 in July and authorized $136.1 billion for the Department of Defense in 1982. The Senate had passed its bill, S. 815, containing $136.5 billion in authorizations. During the intervening months, the conferees were confronted with an administration request for lower authorization levels from its March budget request.

Both the chairman and the ranking Republican member of the Armed Services Committee made it plain that the conferees have reluctantly agreed in large part to President Reagan's decision to trim his defense budget request and this conference report is some $5.8 billion below the House-passed level and is about $6.2 billion below the Senate-passed level.

To their credit, the conferees have agreed to a conference report that does take into account the revisions submitted by the administration, although these reductions mean deferring things that our services truly need.

Mr. Speaker, there was no controversy about granting this waiver in the Committee on Rules, and this rule was ordered reported by a unanimous voice vote.

I urge the House to adopt this rule, so that we may take up the conference report.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 815, DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1982

Mr. PRICE. Mr. Speaker, I call up the conference report on the Senate bill (S. 815) to authorize appropriations for fiscal year 1982, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development, test, and evaluation for the Armed Forces, to authorize appropriations for fiscal year 1982 for operations and maintenance expenses of the Armed Forces, to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for fiscal year 1982 for civil defense, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of November 3, 1981.)

The SPEAKER pro tempore. The gentleman from Illinois (Mr. PRICE) will be recognized for 30 minutes, and the gentleman from Alabama (Mr. DICKINSON) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Illinois (Mr. PRICE).

Mr. PRICE. Mr. Speaker, the conference report on S. 815 was agreed to after a long and difficult conference. The conferees met 18 times in a period of more than 3 months. The conference was delayed by the late receipt of the administration's proposals on stra-

tegic programs and by the second revision to the budget which was transmitted in October.

Because the October budget revisions call for a reduction in defense spending, the conference report provides for amounts which are lower than those contained, in many instances, in either the House or the Senate bill. For this reason it was necessary to request a rule waiving points of order against the conference report for exceeding the scope of the bill committed to conference.

The conference report provides total authorizations of $130.7 billion for procurement of major weapons systems, research, development, test and evaluation, and civil defense. The authorization total is $5.8 billion below the amount contained in the House amendment to S. 815 that was committed to conference and $6.2 billion below the Senate bill.

The total of authorizations is $419 million above the President's amended October request but $5.8 billion below the March budget request of the administration.

Mr. Speaker, when I presented the original House bill, H.R. 3519, on June 24, I noted at the time that we had reported the largest authorization bill ever recommended by our committee. I stated that the members of the committee were keenly aware that bringing a large defense bill to the floor of the House at a time when Congress was agonizing over budget cuts in all other areas of the Government, was not an easy thing to do. Nevertheless, the committee made such a recommendation after reviewing the frightening growth in Soviet military capability and the enormous advances in Soviet research and development on strategic and tactical weapons.

However, when the President himself, as a result of change in budgetary forecast, recommended a significant reduction in defense spending in October, a reduction totaling $8.7 billion in budget authority ($6.2 billion of which is subject to authorization) and $2 billion in outlays, the conferees on the part of both the House and the Senate concluded that the responsible thing to do was to report an authorization bill more nearly in line with current administration proposed limits. Accordingly, we made significant reductions.

Reductions in the procurement category, for example, totaled over $3 billion and included reductions in some 40 programs below the level initially approved by either the House or the Senate.

In the area of personnel strength, the level for active forces contained in the conference report is 12,400 below the level approved by the House and 6,800 below the level approved by the Senate.

What I said in presenting the bill to the House last summer concerning the growth in Soviet capability is no less true today. Making reductions of the amount proposed by the conference was painful. But the defense budget cannot be immunized from the overall budgetary process and in face of the changed economic forecast of the administration, the conference, I believe, did the only thing it could do.

As stated by the conferees in the statement of managers, the conferees on the part of both houses believe that the authorization amounts initially committed to conference more nearly reflect the long-term requirements for achieving the marked improvements in national defense posture that is necessary. The reductions made in the final conference report are really, for the most part, in the nature of deferrals and conferees emphasize that these reductions are made without prejudice and driven by budget realities rather than military requirements.

Mr. Speaker, the conference report was printed on November 3 and has been available for some time so I will not take extensive time in the House to review the conference action.

I would like to emphasize that the conference report is unusually delayed this year because of events beyond the control of the members of the conference. To begin with, although the bill was reported before May 15, it was not called before the Rules Committee until June 18 and was not scheduled for floor action until June 24. It passed the House on July 16 and the conference began on July 23. More prompt scheduling of such a large authorization bill once reported would be extremely helpful, not only for the authorization process, but to the Appropriations Committee.

When the House returned from the August recess, the conference that might ordinarily have been finished by the end of September was further delayed because of the delay and uncertainty concerning the administration's strategic program recommendations and because the administration, in an unusual move, proposed a second budget revision which was eventually submitted in October. These developments in the administration made delay of the conference inevitable.

Mr. Speaker, I move the adoption of the conference report.

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume.

I am privileged to appear with our distinguished chairman of the Armed Services Committee to support the conference report on S. 815, the Department of Defense Authorization Act.

The circumstances under which we considered this bill with the other body were unique. As you remember, we passed S. 815, as amended, last July after 7 days of extended debate. We subsequently were delayed in considering the bill in conference by the August recess and then by the administration's strategic decisions. Then, in early October, because of revised economic forecasts the administration submitted budget revisions that reduced the original defense authorization request by $6.2 billion.

After considering the latest revisions, the conferees decided against holding further hearings in that the items that were proposed for reduction had already been the subject of previous hearings.

The conferees agreed to authorizations totaling $130.69 billion, which is $419 million above the administration's October request but $5.8 billion below our authorization bill passed in July.

I want to make it perfectly clear to my colleagues that these cuts do not mean that we do not need the additional military capability represented by the $5.8 billion reduction. On the contrary, while we debate and cut, the Soviet Union continues a single-minded and relentless buildup of military power. She surpasses the United States in the production of almost all major elements of military power, including tanks, armored vehicles, aircraft and missiles. She continues to use this power as an instrument of national policy. For example, to date the U.S.S.R. has shipped 60,000 tons of military equipment to Cuba, a rate far exceeding previous years. We have grave concern that a portion of this equipment is being transshipped to aid the insurgents in Central and South America.

Because of the unrelenting buildup of Soviet power, the members of our committee see the reductions in the authorization bill as temporary setbacks in the Nation's attempt to maintain conventional and strategic parity with the U.S.S.R.

We supported the President's plan for construction of the MX and B–1 with restrictions against obligating and expending any fiscal year 1982 funds before November 18, 1981. Expenditure of funds for a basing mode for the MX were specifically precluded before that date but, because of continued concern over the survivability of MX, the bill provides for conduct of research and development for other MX deceptive basing modes.

If after November 18, 1981, both Houses have not passed resolutions of disapproval, the B–1 and MX program could proceed subject to appropriations being provided. Our committee is planning strategic force hearings later in the fiscal year, and we will be examining the cost and schedule particulars of both the B–1 and MX on a continuing basis.

Mr. Speaker, I support this conference report and urge its approval.

□ 1640

Mr. PRICE. Mr. Speaker, I yield 4½ minutes to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Speaker, I think the conferees did a good job on this. I think we all ought to enthusiastically support it.

Mr. Speaker, I take time to engage my distinguished colleague from Florida in a colloquy on this most important legislation. I want to particularly recognize my colleague for his leading role in the war on drugs that are infesting our country. Coming from a State where the infusion of drugs has turned what Floridians believe is a tropical paradise into a battleground, we know only too well what a serious problem we are facing.

Mr. SHAW. Mr. Speaker, I wish to thank my distinguished colleague from Florida, the senior ranking member of the Armed Services Committee, for the hard work and dedication he displayed during the conference over the exemption of the posse comitatus statute. We should pay attention to the tireless dedication he exhibited in pushing for the strongest antidrug legislation. Even when others said it could not be done, he persevered. Because of his commitment to finding an answer for our country's most pressing domestic problem, he did not give up. I feel that, as a result, we won a subtle victory, but this is only the beginning.

Mr. BENNETT. I also want to praise my colleague's perseverance and determination. I, too, agree that this must only be the beginning. While this legislation will shortly become the most powerful antidrug bill ever passed by Congress, it is still like dipping a bucket of water from the sea. If we are to win this desperate war against drugs, the entire Congress and the administration must display the same courage as the House. We passed legislation calling for direct participation by the military by a 60-vote margin. While we have achieved an important victory, the battle has just begun.

Mr. SHAW. I agree with the gentleman. This compromise is a step in the right direction, but it represents just that: A compromise. I have stated in the past, and I want to reiterate, there really should be no compromise when dealing with the illegal trafficking of narcotics. The House realized the importance of tough legislation and thus set a record. Now it is up to the administration. The monkey is on their back. We need to present a unified front against drugs.

Mr. BENNETT. It is important to point out that the administration already has the power to engage the Navy and Marine Corps in fighting drug smuggling. Only Navy regulations stand in the way of such active participation, and I hope existing regulations will be amended to permit full participation. Title 21 of the United States Code specifically allows full involvement. And I want to point out that when Congress enacts this measure, it will contain language agreed on in conference not to diminish any existing power under law to fight drug smuggling, and this clearly allows the Navy to cooperate fully if its own regulations are amended. I have recently met with the Secretary of the Navy, the Commandant of the Coast Guard, and the Deputy Secretary of Defense, along with the gentleman from Florida. I believe that they are beginning to realize how important it is to enact tough laws to fight this war on drugs.

Mr. SHAW. In addition, I have met with Mr. Meese at the White House and with top-level Justice Department officials to discuss this issue. They understand our position and see the need to get more deeply involved. The question is, To what extent? The first thing we must do is look at the self-imposed regulations of the Navy. We need some changes to free the Navy to work with us in this regard. We need active support from this administration. The obstructive attitude of the Department of Defense is not in line with this House or this administration's policy to crack down on crime and illegal drug trafficking. We heard strong words from the Attorney General when he released the administration's report of its campaign to deal with our ever-increasing problem of crime. We need the same get-tough language in the drug area. It is not the responsibility of the Department of Defense to dictate policy, but rather to enforce those policies enacted by the administration and Congress. I want to put DOD on notice that we expect them to do their share in the fight against drugs.

Mr. BENNETT. Again, I want to commend my colleague from Florida and remind the rest of this distinguished body that a battle has been won, but the war is by no means over.

I yield back the balance of my time.

Mr. PRICE. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, I rise in opposition to this conference report on S. 815, the 1982 Department of Defense Authorization Act. The best thing that can be said is that it wastes nearly $6 billion less than the original House bill.

The bill reflects the discredited philosophy embraced by the Reagan administration that we can solve the problem of our national defense by throwing huge amounts of additional money at it. Let us look at the figures. In fiscal year 1981, we authorized $35.8 billion and appropriated $34.5 billion for procurement. In this conference report, we authorize $48 billion, or 40 percent more than last year. What a bonanza for the defense contractors.

For research, development, test, and evaluation, last year we authorized $16.9 billion and appropriated $16 billion. This conference report authorizes $20.4 billion, or 27.5 percent more. Last year, we appropriated $54.2 billion for operation and maintenance. This conference report contains $62.2 billion, or 15 percent more. Civil defense has gone up nearly 10 percent. All in all, this bill authorizes $25.86 billion more for defense than last year. Looked at another way, for every dollar we saved through the painful budget reconciliation process, we are spending 74 cents of it to increase the defense budget.

In line with this national money toss, the conferees approved $1.9 billion for the President's MX system, although they were so unsure of this proposal that they wrote in a congressional veto provision. Why are we wasting money on systems which nobody seems to support? Similarly, $1.6 billion is included for procurement and $227 million for advanced procurement of this year's variant of the B-1 bomber, called the long range combat aircraft. At times like these, the Department of Defense reminds me of children at a candy store. If you ask them whether they want a lollipop or a tootsie roll, they will invariably say both. If you ask DOD whether it wants a B-1 or a Stealth bomber, it will invariably say both.

Beyond the sheer dollar amounts, we need to look at what dangerous language the report contains. It contains an ever-growing U.S. financial crutch to NATO, while other countries decrease the proportion of their GNP to NATO. It contains an authorization for the military to participate in civilian law enforcement efforts. It contains provisions requiring Selective Service registrants to provide their social security number for easier identification and location, raising the specter of "Big Brother." It contains a provision allowing the Selective Service, Defense Department, Treasury Department, and the Department of Health and Human Services to share computer information about people eligible for the draft. And it still contains $750,000 to celebrate our victory at the Battle of Yorktown.

There were a few good provisions in the House bill, like section 602 limiting the contracting out of commercial and industrial functions; and section 916 on gender-based recruiting distinctions. Both disappeared in conference. Other good provisions did survive, barely. There is a unit-cost reporting requirement and a requirement to look for waste, fraud, and abuse in the Department of Defense. While both are

useful, they are not strong enough to salvage the rest of the bill. I will therefore vote against it.

Mr. VENTO. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I rise in opposition.

I commend the gentlewoman in the well. I would ask whether or not the Nunn amendment she fought for on the floor was retained in this particular conference.

Mrs. SCHROEDER. I thank the gentleman. Most of it is still there.

Mr. VENTO. I thank the gentlewoman.

Mr. Speaker, this is not a good bill. It is better than the original bill passed by the House when unbridled spending in the Pentagon was thought commendable. Since then, budgetary constraints, reality, have forced a shrinking of the administration's wholly unrealistic ambitions in defense spending. While this bill does slightly reduce spending, it is still persists as being unrealistic.

Unfortunately, the conference report does not reflect an understanding of how to maximize national security within a limited defense budget and that this requires the elimination of programs of marginal value. We then could concentrate our purchasing on larger, more efficient numbers of weapons systems deemed vital.

Instead of following this admittedly difficult path, the conference committee chose to shrink slightly almost every program, leading to waste through inefficient rates of procurement. The possible savings and the real addition to our national security were less than could have been realized simply because the committee surrendered to the various Pentagon pressure groups eager to keep spending at public expense.

I submit that a proper defense posture would establish a national security safety base. We should determine which systems are essential to our Nation's security and which are merely peripheral. Which systems work and which systems do not work. Above all, the national security safety base can only occur in a healthy economy. With this in mind we must seek an effective defense at the most economical means.

Unfortunately, the conference committee has chosen to sponsor as many systems as possible rather than choosing between competing programs. Rather than concentrating our limited defense funds, we are spreading these resources out over the spectrum with little regard for need or effectiveness. As a consequence, we are spreading ourselves out too thin when all is essential, in reality nothing receives the needed priority. The examples of this phenomena are numerous.

For the Air Force, the conference report recommends the purchase of 36 F-15's and 120 F-16's at a cost of $2.25 billion. Instead, we could have purchased 160 F-16's at a cost of about $1.6 billion. While the F-15 admittedly does have a greater capability, is it worth $650 million to equip one Air Force squadron with F-15's rather than F-16's? No case for this excess expenditure has been made. The F-15 is an expensive plane which the committee should have rejected.

In this bill, we find $550 million authorized for Army procurement of the AH-64/Hellfire system. The major advantage of this system over the less expensive AH-1S is claimed to be its night/bad weather capability. However, I have learned that many armored officers feel this would be of dubious value.

On the other hand, the committee commendably did see fit to cancel SOTAS, a system of doubtful worth but of undoubted cost which may well become irrelevant if the Army pushes its streamlining inherent in the proposed revision to "Manual 100-5."

When we turn to the Navy, there are some gleams of hope. The direction to the Navy to explore the feasibility of diesel-electric submarines may well save money by saving us from superfluous capability. I understand that this inclusion is due to the leadership and energy of the gentleman from Virginia. He must be commended for this important initiative.

However, the second largest procurement item, naval aircraft, has been left in a mess. Despite the rule, no thought has been given to the proper equipment of our naval aviation.

The original budget request in March supposed a 15-carrier Navy. This has since been abandoned. Even the Chief of Naval Operations admits that this goal is impossible. The problem we run into is block obsolescence of our carrier force and the inability of our industrial base to counter this. As a result, it is essential for Congress to prepare for this situation. Even before their scrapping, our aging carrier force cannot be expected to operate at full capability. Thus, we must determine what our Navy can do and what it needs to do.

The first point to be made is that the prime purpose of any navy is control of the sea, the ability to use the oceans for one's own purposes. In the current politico-military context, this means that me must be able to effectively challenge the Soviet Navy.

What kind of Navy can effectively do that? The first requisite is that we need our battle groups to survive. The main threats to our battle groups are the Backfire and cruise missiles. The only naval aircraft capable of intercepting Backfire is the F-14. This year's F-14 procurement was unaltered despite the 60-percent increase in total program size that it is supposed to support. The naval aircraft A-6 is the only capability we possess to strike a *Kirov* centered Soviet battle group. The first A-6/Harpoon squadron has recently been deployed on the *John F. Kennedy.* We will be short 60 A-6's by 1985 and yet this program was left unaltered in this conference report.

As General White testified to the Appropriation Defense Subcommittee on July 22, the Marine Corps looks to an all V/STOL force. Nevertheless, the conference committee ironically supports the stretchout of the AV-8B program.

Why have these discrepancies occurred? Because instead of these essential changes, the committee supports a purchase of F/A-18's for over $2 billion. This problem-plagued program was supposed to be the affordable plane we could buy in quantity. Instead, it is being allowed to suck the dollars out of other more essential naval aviation programs.

We still buy at the March 1981 level of F/A-18's predicated on a 1377 total program, a program total the Navy will privately admit only exists because Congress would make a fuss about a reduction and related cost increase for each F-18. The real program size is around 800 and the unit cost is over $30 million. This is waste, fraud, and mismanagement at its worst. And for what?

The F/A-18 certainly does not help national security. The Office of Naval Warfare questions the need for light attack squadrons. The chairman of the Senate Appropriations Committee questions the need and looks to the A-7E to fulfill the light attack function for some years.

As far as the Marine fighter role is concerned, Marine data shows that there are enough F-4's to equip Marine squadrons until the all-V/STOL force is possible.

The F/A-18 is the worst example of what is wrong with this conference committee report. The bill serves the Pentagon; it serves the manufacturer; it may even be said to create employment in some areas, but unfortunately it does not serve our national defense as it should.

I would urge the House to reject the report in the hope that fiscal prudence and national security may ultimately win out against parochial interests.

Evey Member should vote for a bill that is prodefense. No Member should vote for a fiscally imprudent bill that is merely pro-Pentagon. Given these criteria, I believe the choice is obvious, to vote "no" when the roll is called on this measure.

Mr. PRICE. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. MAVROULES).

Mr. MAVROULES. Mr. Speaker, I rise to urge my colleagues to support and adopt the conference report on S. 815, the Defense Authorization Conference Report for Fiscal Year 1982.

One noteworthy aspect of the conference report is the decision to proceed with the procurement of 63 F-18 aircraft in fiscal year 1982, with long lead provided for the procurement of 84 aircraft the following year. As many of you know, the House Armed Services Committee recommended procuring the F-18 aircraft at a more efficient production rate, and in our bill we authorized procurement of 84 F-18's in this fiscal year. However, because of the overall reduction applied to the defense budget by the President's October budget amendment, there simply was not sufficient budget authority to fund the F-18 program at 84 aircraft.

However, many share my concern that the F-18 aircraft is not being procured in sufficient quantities to take advantage of the economics of scale. Higher production rates must be realized in order to reduce unit costs. Because the F-18 is so essential to future naval aviation requirements, I want to join the conferees in urging higher procurement rates in future years for the F-18 program.

I would like to yield to my colleague from California.

□ 1650

Mr. DICKINSON. Mr. Speaker, I would like to yield 3 minutes to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I rise in strong support of the conference report on S. 815, the Defense Department authorization bill for fiscal year 1982. As a conferee with respect to the posse comitatus provisions of that bill, I can assure my colleagues that it is the product of hard work and great dedication on the part of many Members concerned about the drug problem in this country. In particular, the gentleman from Florida (Mr. BENNETT), the gentleman from Texas (Mr. WHITE), from the Armed Services Committee, the gentleman from New Jersey (Mr. HUGHES), and the gentleman from Michigan (Mr. SAWYER), from the Judiciary Committee, are to be highly commended for their contribution to facilitating cooperation between the military and civilian law enforcement authorities. I believe that we have fashioned workable and well-defined authority for the military to provide much-needed assistance, particularly in the war against drugs.

The posse comitatus law has created substantial confusion about what sorts of assistance the military may legally provide to Federal, State, and local law enforcement agencies. As such, it has erected a nonsensical barrier to cooperation between the Armed Forces and Civilian in enforcing the law. Our provisions will permit the military to share vital intelligence collected during military operations, share military equipment and facilities, and train and advice civilian law enforcement personnel. While these provisions clarify existing authority, the conferees, based on demonstrated need, included two additional types of assistance which are not now permitted. First, Defense Department personnel may assist in the operation and maintenance of radar and communications equipment where requested by the head of an agency enforcing Federal drug, immigration, or customs laws. Second, under circumstances determined by the Secretary of Defense and the Attorney General to be an emergency, equipment may be operated outside the land area of the United States by military personnel to serve as a base of operations or to transport law enforcement officials, provided that the equipment is not used to interdict vessels or aircraft. This avoids placing military personnel in a confrontational situation.

Because we were given strong assurances by the Federal military and law enforcement agencies involved that arrest and seizure authority was not needed, the very limited arrest provisions contained in the bill passed by this body last July were deleted. However, I understand that the chairman of the Subcommittee on Crime plans to conduct oversight hearings on the implementation of these provisions to insure that they fulfill our goal of authorizing the military to provide appropriate and effective assistance, particularly in the drug area. In addition, pursuant to the report requirements which this body included in its bill, we will be receiving periodic reports from the executive branch on its operations under these provisions. Thus, I believe that we will be in a position to reevaluate the assistance we have authorized, if this proves necessary.

Mr. Speaker, again I urge my colleagues to join me in strong support of S. 815.

Mr. DICKINSON. Mr. Speaker, I would like to yield an additional 3 minutes to the gentleman from Michigan (Mr. SAWYER) to speak on the same topic.

Mr. SAWYER. Mr. Speaker, we did have, as the gentleman from Illinois said, a very extended and difficult conference on what appeared to be a relatively simple and somewhat noncontroversial provision. Really, the leadership in it came from the gentleman from Florida (Mr. BENNETT) who persisted in holding our ground very strongly throughout the conference.

Basically, of course, for those who are not familiar with the term posse comitatus, it has come to mean, while it literally means the force of a county, or really sheriff's posse, it has come to mean the use of the military in assisting civilian law enforcement. Abuse was put into the statute, the criminal prohibition arising out of some atrocities or whatever, created by Union troops in the South following the Civil War, and of course now today we are confronted by what is perhaps the biggest threat to the Nation there is, some $65 billion a year drug traffic coming in from overseas, and it is preventing us from using the reasonable facilities and equipment and surveillance of the military in trying to interdict this and leaving it solely to the Coast Guard and Customs.

We did not get everything we wanted, but we got, I would say, a good 90 percent. We can perform the interdictions without the use of the military equipment so long as they will do the surveillance and oversight. To emphasize the importance of it, I would like to quote the gentleman from New Jersey, chairman of my subcommittee, BILL HUGHES, who likes to say that in his district they have yet to lose anyone to the Soviet Union, but they lose them to crime and drugs all the time. To not use the kind of investment our people have in this military equipment and expertise, I think is a waste of a tremendous resource in a vital battle.

Mr. PRICE. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Speaker, I wonder if I might engage in a very brief colloquy with the gentleman from New York (Mr. STRATTON)?

Mr. STRATTON. Yes, indeed.

Mr. MOFFETT. I ask my friend from New York, the conference agreement on the armed services authorization bill did not provide multiyear procurement funds for the Blackhawk helicopter program. The conferees were of the opinion that the Blackhawk program was not ready at this time for multiyear funds.

Is it correct to infer that the action of the conferees does not prejudice reconsideration of the Blackhawk program as a candidate for multiyear procurement in the future?

Mr. STRATTON. Mr. Speaker, if the gentleman will yield, speaking as the chairman of the Subcommittee on Procurement, I would say, the action of the conferees was taken without prejudice to the basic Blackhawk program. In the judgment of the conferees, it is a bit premature to consider Blackhawk as a candidate for multiyear procurement at this time because it does not yet appear to meet the criteria for such a program.

After the Blackhawk program has demonstrated that it meets the criteria, including cost stability, I think it would be appropriate to reconsider the program for multiyear procurement.

Mr. MOFFETT. I thank the gentleman.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman.

Mr. DICKINSON. Mr. Speaker, in further amplification of the subject, let me say that this was a matter of discussion specifically whether or not it might be prejudiced if it were not funded for multiyear procurement. The Senator from Texas, Mr. TOWER, chairman of the Senate Armed Services Committee, made the statement in conference and it is part of our record that if indeed the Army wanted to come back for a reprograming of this early on and not wait for the next budget cycle, we would entertain it favorably. Certainly, we on this side of the Capitol would look at it favorably as soon as they let it go into production.

Mr. MOFFETT. I thank the gentleman.

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume, and I yield to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Speaker, I understand that the restrictions and the guidelines for contracting out that the House had put in our bill are entirely out of this conference report. Am I correct?

Mr. DICKINSON. Well, now, if this is the case I am unaware of it, and perhaps the chairman could help me. I do not think we did anything to it. I have no recollection of it. Of course, it is a large bill, but I do not think so.

Mr. KAZEN. I was just wondering what happened to the authorization.

Mr. DICKINSON. There were no changes in the House bill in the conference dealing with that subject.

Mr. KAZAN. Well then, I just wondered where we would be before the appropriations bill comes out because this House spoke pretty clearly on what we wanted as far as contracting out was concerned, and it seems that our conferees were not able to hold our position on that subject. If that is correct, I regret very much that that happened.

Mr. DICKINSON. Well, of course this has been a matter of rather intensive scrutiny by our committee for some time, and the gentleman and I have been in accord. There was no change in the House position that this Member can recall. I would be glad to hear from my colleague from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Speaker, maybe I can shed a little light on it, and I know the gentleman from Texas has had an interest in it. The House had a provision—the gentleman is correct in that—in the bill. The Senate had a provision that we felt was extremely detrimental so it was sort of a standoff. Both provisions were dropped, I say to the gentleman. I regret that is the case but that is what we had to do in conference.

Mr. KAZEN. Will the gentleman yield further?

Mr. DICKINSON. If I could be of help, I would be glad to yield.

Mr. KAZEN. No, I just regret the fact that this action was taken by the conference. I am going to vote for the conference report, but very reluctantly because as we go through year after year, our defense posture is weakened by the fact that we do a lot of contracting out that should not be done.

□ 1700

If the chips ever fall, we have in our armed services some of our personnel and some of our civil servants who keep up our equipment and our spare parts and our inventories and do the work on the bases, but when we contract our these things, we lose control over them for all practical purposes in the long run. In many instances the Government does not save the money they think they are going to save; they might the first time around, but the second time around these private contractors have the field to themselves and they can charge what they want.

Mr. DICKINSON. Mr. Speaker, I agree with the gentleman.

Mr. Speaker, at this time I yield 5 minutes to the gentleman from Michigan (Mr. DAVIS).

Mr. DAVIS. Mr. Speaker, I find myself in the unfamiliar positon today of rising in opposition to the conference report on S. 815, the fiscal 1982 Defense authorization bill. As a strong supporter of our defense rebuilding effort in general, I am usually in agreement with the position of my committee in working to insure that our defense dollars will be spent in a way which will yield us the strongest possible national defense.

In the legislation before us today, I again find myself in agreement with almost all of the positions taken by the conferees and I offer my compliments to my colleagues from the committee who I know worked long and hard on reaching agreement with the Senate.

I was however, very disappointed with one particular action by the conferees, in receding to the Senate position on Project ELF and it is at this I direct my comments. The administration requested $34.9 million for this Navy research and development program for fiscal year 1982. In subcommittee, I offered an amendment which was adopted eliminating all but $5 million for the program plus language that was approved by the full committee and the House. The Senate, which has traditionally supported this program to a greater extent than the House, retained full funding for the program. During the conference, the administration announced its plans to go ahead with ELF; the absence of such a decision by the President had been noted in the House committee's report. Subsequently, the House receded to the Senate's position providing full funding for the program.

My colleagues on the committee are aware of the serious concerns that have been expressed regarding ELF, the continuing changes that have been made in all aspects of the system, and the fact that even the Navy recommended against funding the system earlier this year. Even with these considerations, and without the benefit of congressional review of the newest system, we are faced with an authorization bill providing funds badly needed in other defense areas for a marginally useful program for which no urgent need exists.

The cost of the system cannot be measured only in absolute dollar-value, however. Many of us have gone home to our constituents to explain why our defense problems are so severe and why it is absolutely necessary that we spend money to address these problems. To spend money on a system of such a questionable, discredited nature can only damage our efforts to obtain funding for those requirements which are truly critical in nature and so hinder our long-term efforts to rebuild our defenses.

Because I feel strongly about this matter, I cannot in good conscience support the conference report.

Mr. PRICE. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Speaker, I thank the distinguished chairman of the committee, the gentleman from Illinois (Mr. PRICE), for yielding these 2 minutes to me.

Mr. Speaker, I rise in support of those sections of the conference report relating to section 905 of H.R. 3519 which deal with the use of the military to assist civilian law enforcement. As the sponsor of the provisions that formed the primary structure of the House bill, I am pleased to support this reconciliation of differences with the other body.

I firmly believe that the provisions contained in this conference report represent a signficiant advance for law enforcement. These provisions permit enhanced cooperation by the military with civilian law enforcement. This law will encourage the military to share intelligence information, equipment, facilities, and training capabilities. In addition, to modifying current Federal law. These provisions also add new authority for the military to track and monitor air and sea traffic related to drug smuggling.

The provisions of section 905 of this conference report will dramatically improve the ability of law enforcement agencies to stem the tide of ille-

gal drugs into the United States. The single most important new weapon sought by Federal, State, and local law enforcement officials to fight the influx of illegal drugs is an improved ability to monitor air and sea traffic to detect smugglers. We have given these beleagured law enforcement officials one of the new tools they requested.

I should note that the provisions contained in this conference have the support of the Reagan administration. The Department of Justice, the Department of Defense, the Coast Guard and the Customs Service have all endorsed the concepts contained in the conference report. In addition, virtually all of the State and local law enforcement officials we have heard from are heartened by the advances made by this bill.

In closing, I would like to take this opportunity to thank some of my fellow conferees for their diligence and hard work on this issue. My distinguished colleagues CHARLIE BENNETT of Florida, DICK WHITE of Texas, and HAL SAWYER of Michigan are to be commended for their dedication to fashioning a measure that we can all be proud of. From the other body I would like to single out Senator SAM NUNN whose profound understanding of the importance of this measure lead him to offer these provisions initially as an amendment to the Senate version of the Department of Defense authorization bill. In conference, the accommodations reached between the two bodies were always guided by the commitment of all of the conferees to developing a comprehensive response to the articulated needs of civilian law enforcement with respect to interdicting drugs. At the same time we have preserved the appropriate role of the military. I am proud to have been a conferee on such an important anti-crime initiative.

Mr. DICKINSON. Mr. Speaker, I yield 6 minutes to the gentleman from California (Mr. BADHAM).

Mr. BADHAM. Mr. Speaker, I rise to strongly urge support and adoption of the conference report on S. 815. I think it is a good conference report, and it is one that the Members have worked long and hard on.

I would like, just as our friend, the gentleman from Massachusetts (Mr. MAVROULES), to call attention to one aspect and one phase of this conference report; namely, the one that deals with the procurement of 63 F-18 aircraft in fiscal year 1982 and the long-lead procurement of 84 aircraft in the following year. The Committee on Armed Services of the House recommended 84 this year and more in the following year, but with budget constraints such as they are, this is a lot better than nothing.

The thing I would like to bring to the attention of the House today is that the F-18 is probably the best aircraft that the Navy has ever considered purchasing. It is a splendid aircraft, and it has met with controversy—I think undue and unfortunate controversy—on the floor of this House.

Two basic issues have been the source of controversy, cost and performance. But when we knock out the inflation as we have known it over the past several years, it works out that they have a cost growth of 2.2 percent annually in this program, and that is hardly an uncontrollable increase in cost.

When the Navy made the specification book for what an F-18 ought to do, they made it with such high hopes and such high expectations and such high desires that no plane which has ever been invented or flown by any nation on this Earth has come close to what have been called the specifications for the F-18. But our F-18 does come close. It has better range, it has better speed, it has better acceleration, and it has better capabilities than any aircraft in any naval force of this day.

But that is not all that causes me to rise to support this conference report containing the F-18. I would interject at this point an article from the November 9 issue of the New York Times by Col. James Hart, who really, as we would say in the vernacular, "tells it like it is," because he is one of the souls who flies an F-18, and if we ever went to war or into combat, he would be at the front lines. That article to which I referred is as follows:

[From the New York Times, Nov. 9, 1981]

BUILD F-18's

(By James G. Hart)

WASHINGTON.—Since 1975, the Navy and Marine Corps have advocated, developed, tested, and started production of a new airplane, the F/A-18 Hornet. If the program is fully approved, 1,366 Hornets will be produced for the United States; already more than 200 have been purchased by Canada and Australia. This aircraft has generated lengthy debate in the news media and the Congress, a debate that still goes on. However, seldom do I see anything written by the one person who "pays" for the good or bad features of a new plane—the pilot, the guy who must fly it every day.

The F/A-18—the F-18, as it is popularly known—is essential to the future of Marine and Navy tactical aviation, and the case for it deserves a thorough hearing. The F stands for "fighter," A for "attack"—and this combination is crucial to aviators who must fly in both the air-to-air and the air-to-ground arenas. Heretofore, new planes could handle one mission or the other, but not both.

It is understandable that the pilot's opinion is seldom solicited and rarely heard. Armchair critics, so ready to comment theoretically on the military requirements and technical capabilities of modern aircraft, are normally reluctant to discuss the practical problems that pilots face in the cockpit. As one who has flown some of the best—and worst—aircraft this country has produced, I feel it is time to speak out.

Two very basic issues have been the sources of controversy: cost and performance. While both are indeed complex, a close look at a few facts is in order.

The cost of the F/A-18 program is currently estimated by the Navy at $35.3 billion—dollars escalated by inflation through 1990. This results in a price of $25.6 million per aircraft, in inflated dollars. It is noteworthy that fully 61 percent of the projected cost is nothing but the result of inflation. If you removed inflation from the calculations, the price would be $10.1 million per aircraft. This means that in the last six years, the F/A-18 has shown a cost increase of 2.2 percent—a figure that is not desirable, but reasonable, considering the significant challenges involved in developing a new airplane.

Price is most significant when measured against value. To a pilot, value instantly translates into two kinds of performance: that of the basic airplane, and that of its weapons system.

Consider these facts—facts that are significant in the cockpit, and are hard to appreciate in an armchair.

At speeds of 550 to 750 miles per hour—the critical speeds that we fight at—the F/A-18 will accelerate faster than the F-4 and F-14, but more important, it will also out-accelerate enemy aircraft.

The F/A-18, armed as a fighter, will go 30 percent farther than the F-4, which it replaces.

The F/A-18, when carrying bombs, is not only faster than the A-7, which it replaces, but when both the F/A-18 and the A-7 carry more than 6,000 pounds of bombs, the F/A-18's will travel farther.

The F/A-18 has, embodied in one aircraft, a radar system with significantly increased air-to-air capabilities over the F-4's, and a more accurate and reliable bombing capability than the A-7's. These statements can be made of no other airplane in the world.

The facts support the superior value of the F/A-18. The final question, then, is need: Is there a legitimate military requirement for the plane? Clearly, the answer is yes.

The F/A-18 was designed to be a reliable fighter and attack plane that could engage in combat, accomplish its mission, and survive in increasingly difficult areas—and so it is. The plane's performance speaks for itself.

In these days of spiraling mechanical, fuel, and personnel costs, airplane maintenance is equally important. Even though the F/A-18 is new, it is already demonstrating three times the reliability, and requires half the maintenance, of existing aircraft.

Whether viewed from the squadron's maintenance control office or through the pilot's canopy, it satisfies every crucial requirement—something no plane on any drawing board I know of can do.

The final decision should be based on a rational evaluation of accurate data. If it is, I have every confidence that I will be flying the F/A-18 for many years. Let me quote a pilot who is at the Marine Corps Air Station, at El Toro, Calif., and who flew the F/A-18 the other day for the first time: "Wrap it up, and send it to me today. With that airplane, I'll never lose another fight!"

Mr. Speaker, I would like to bring to the attention of the House the fact that on Friday, October 2, 1981, our distinguished colleague from Minnesota extended his remarks for the record with an unusually vicious attack on the Navy's F/A-18 strike fighter.

Some of his remarks were quoted in the wire service over the weekend.

We are all accustomed to and expect vigorous criticism and debate regarding new weapon systems acquisition. Indeed, it is our duty to determine and weigh the facts concerning the development, test, production, operation, and cost of our military systems. In so doing, it is also our duty to the American public to interpret reports of events in test programs in the light of all the facts without invention or distortion.

In this instance, my colleague from Minnesota has so twisted the facts and circumstances surrounding the event upon which he commented with such irony that he has reflected upon the skill and integrity of the devoted Navy and company personnel developing and testing the F/A-18, inferred faulty performance of the aircraft where none exists, and fabricated a totally erroneous conclusion of F/A-18 mechanical reliability. Therefore, I feel strongly obligated to refute his remarks in a recitation of the actual facts surrounding the incident.

On Wednesday, September 30, 1981, an F/A-18A test mission for stores certification was scheduled and flown out of NAS Patuxent River, Md., in accordance with the planned test program. A TA-4 aircraft flown by a Navy pilot and carrying a photographer was assigned as chase plane to observe and record on film the separation of a bomb rack from the F/A-18 when it was jettisoned in flight. This evolution requires very close and accurate positioning of the chase plane to produce a complete picturization of separation of the bomb rack from the F/A-18 when it is ejected. Unfortunately, the TA-4 chase plane was incorrectly positioned to provide for safe clearance of the ejected bomb rack, and the rack struck the wing of the TA-4 as it was purposefully separated from the F/A-18. The crew escaped by ejection seat from the damaged TA-4.

This accident occurred during a legitimate and scheduled test flight which was in no way intended as a "promotional" mission. There was no material failure of F/A-18 systems. Ejection of the bomb rack from the F/A-18 was intentional and planned. The unintentional loss of the TA-4 was an extremely regrettable event. We can be thankful that the two crewmen were saved by their training and reliable escape equipment.

Unfortunately, the demanding and rigorous operations connected with flight test work sometimes results in accidents. This event was one of those and no more. The F/A-18 was in no way to blame. I trust that my colleague from Minnesota will now amend his remarks in view of the facts.

Mr. Speaker, at this point in the RECORD I include a letter addressed by the Deputy Chief of Naval Operations (Air Warfare), U.S. Navy, to the gentleman from Minnesota (Mr. VENTO), dated October 7, 1981, as follows:

HON. BRUCE F. VENTO,
House of Representatives,
Washington, D.C.

DEAR MR. VENTO: I have just read your remarks on "The F/A-18—With Weapons Systems Like This, Who Needs Enemies" entered into the Congressional Record on 2 October 1981, and I feel compelled to respond to the inaccurate statements and misrepresentation of facts presented to your colleagues on the accident occurring on 30 September.

The basic information that you received on the aircraft involved in the accident was correct. A TA-4J aircraft was being used to monitor the F/A-18 in flight as it was performing part of the attack mission testing requirements. The occupant of the rear cockpit of the TA-4J was assigned duties as a cameraman to record the jettisoning of a vertical ejector rack and one MK 82 inert bomb from the F/A-18, a requirement which is necessary to ensure that not only weapons but their weapons racks can safely be jettisoned without damaging the parent aircraft. Filming has always been used to carefully examine, and reexamine, exactly what happens at the moment of release and subsequently how the weapon, or weapons rack plus bomb in this test, clear the aircraft.

The flight was being flown at an altitude of 5,000 feet and at a speed of .8 MN. Both pilots of the F/A-13 and TA-4J, as well as the cameraman in the TA-4J, had been carefully pre-briefed on how the test was to take place. For an as yet undetermined reason, and a formal investigation is in progress, the pilot of the TA-4J positioned his aircraft too close to the F/A-18 for the safe jettisoning of the bomb rack. When the rack with the inert MK 82 500 pound bomb was jettisoned, it struck the outer wing panel of the TA-4J, causing the aircraft to burst into flame and roll out of control, forcing the two occupants to eject immediately. As you noted, the crew members were recovered safely but the aircraft obviously was lost.

In your remarks you questioned what the aircraft was doing on this flight. I hope my previous explanation provides that answer. You also stated the bomb rack fell off—not so; it was deliberately jettisoned by the pilot of the F/A-18 by pressing the bomb release mechanism as had been carefully planned and properly briefed. Lastly, the trained cameraman in the rear cockpit was performing an assigned duty of filming the technical aspects of objects being jettisoned from an aircraft at different speeds and different altitudes. The film was being made to record in graphic detail this portion of the test, and in no manner was it a Navy propaganda piece or a MACDAC promotion.

I trust the above information fully corrects the erroneous assumptions which you were provided. I can assure you that I too am vitally interested in the F/A-18, though for perhaps completely different reasons than yours and I will provide you every bit of information we have available to us on the program at any time. I respectfully encourage you to request authoritative information in the future to prevent further inaccuracies in your statements relative to the aircraft.

Very respectfully,
W. L. MCDONALD,
Vice Admiral, U.S. Navy, Deputy Chief of Naval Operations (Air Warfare).

□ 1710

So, Mr. Speaker, I commend to the House the passage of this conference report so that the business of our defense might get underway.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. BADHAM. I yield to the gentleman from Minnesota.

Mr. VENTO. If the gentleman will recall, did the gentleman see the release?

They made the point out that it was an accident. Is the gentleman aware of that?

Mr. BADHAM. I have a copy of the record.

Mr. VENTO. It refers, if the gentleman will yield, it refers to it as an accident, does it not? I would think if the gentleman would look he could find that out. One of the reasons we had that is that the Navy had, and, of course, we did not have the information that apparently the gentleman has at that time, but it was a photographic mission and it was manned by McDonnell Douglas personnel, for instance, in the plane. The bomb rack came off by accident, is what it reported in my release. Later on they told me no, it did not come off by accident, that they jettisoned the bomb rack and it got caught somehow in the airfoil and ripped the wing off the plane that was accompanying it.

I thought I said it was an accident, but I suppose that we ought to report back that it was not an accident, that it was done intentionally. Is that the impression of the gentleman?

Mr. BADHAM. I was responding, if the gentleman will allow me to reclaim the time, that the gentleman has been given quite an accolade as the leading critic of the F-18 fighter plane. The F-18 has made its first kill, and unfortunately it has downed one of our own planes. That really does not sound, and I think the gentleman would agree that that absolutely was not the case.

Mr. PRICE. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. I thank the chairman for yielding me this time.

Mr. Speaker, I rise in strong support of this conference report. I would like to point out that 45 percent of the combat missions are assigned to the Reserve Forces, those combat missions that would take place in a conventional war.

What I am worried about, Mr. Speaker, is does the National Guard or Reserve have the proper equipment. I would like to ask the chairman of the

Procurement Subcommittee, the gentleman from New York (Mr. STRATTON), if he would mind giving the House what equipment does come to the Reserve Forces?

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. STRATTON. As the gentleman knows, we tried in the House to make sure that there would be adequate equipment in there for the Guard and for the Reserves.

Unfortunately, the September budget request directed a good deal of its thrust toward some of the Reserve and Guard items.

But the conference, I think, has done very well by the Guard and the Reserve. Nevertheless, we fought hard for it and included in the conference report is about $225 million for Guard and Reserve items.

We have $10 million for C-12's. We have 20 A-10's. The original request was 60.

We have $50 million in there for equipment to be supplied to the Army National Guard, including the AVLB conversion kits, 155 millimeter howitzer, M-125A2 mortar carriers and M577A2 command post vehicles.

We have F-16's earmarked for the Air Guard.

We have $113 million for C-130's for the Guard and $55 million for the AH-1S helicopter.

Mr. MONTGOMERY. I would like to thank the chairman. This is certainly fair.

I might say the House of Representatives was the first group to move out and start giving new equipment to the Reserves instead of hand-me-down equipment. I certainly commend the gentleman and his subcommittee for giving the Reserves this much-needed equipment.

Mr. STRATTON. If the gentleman would yield further, we would not have done it without the constant urging and prodding of the gentleman from Mississippi (Mr. MONTGOMERY), and he deserves a great deal of credit for the result of this conference report.

Mr. MONTGOMERY. I thank the gentleman.

Mr. PRICE. Mr. Speaker, I have no further requests for time and yield back the remainder of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. VENTO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 335, nays 61, not voting 37, as follows:

[Roll No. 309]

YEAS—335

Addabbo	Edwards (AL)	Jones (TN)
Akaka	Edwards (OK)	Kazen
Albosta	Emerson	Kemp
Alexander	Emery	Kindness
Anderson	English	Kogovsek
Andrews	Erdahl	Kramer
Annunzio	Erlenborn	LaFalce
Anthony	Ertel	Lagomarsino
Applegate	Evans (DE)	Lantos
Archer	Evans (GA)	Latta
Ashbrook	Evans (IA)	Leach
Aspin	Evans (IN)	Leath
Atkinson	Fary	Lee
Badham	Fascell	Lehman
Bafalis	Fazio	Lent
Bailey (MO)	Ferraro	Levitas
Bailey (PA)	Fiedler	Lewis
Barnes	Fields	Livingston
Benedict	Findley	Loeffler
Benjamin	Fish	Long (LA)
Bennett	Flippo	Long (MD)
Bereuter	Florio	Lott
Bethune	Foglietta	Lowery (CA)
Bevill	Foley	Lujan
Biaggi	Fountain	Luken
Bliley	Fowler	Lundine
Boland	Frenzel	Lungren
Boner	Frost	Marks
Bonker	Fuqua	Marlenee
Bouquard	Gaydos	Marriott
Bowen	Gejdenson	Martin (IL)
Brinkley	Gephardt	Matsui
Broomfield	Gibbons	Mavroules
Broyhill	Gilman	Mazzoli
Burgener	Gingrich	McClory
Butler	Glickman	McCollum
Byron	Gonzalez	McCurdy
Campbell	Goodling	McDade
Carman	Gore	McEwen
Carney	Gradison	McGrath
Chappell	Gramm	McHugh
Chappie	Green	McKinney
Cheney	Gregg	Mica
Clausen	Grisham	Michel
Clinger	Guarini	Miller (OH)
Coats	Gunderson	Mineta
Coelho	Hall (OH)	Minish
Collins (TX)	Hall, Ralph	Mitchell (NY)
Conable	Hall, Sam	Moakley
Conte	Hamilton	Molinari
Corcoran	Hammerschmidt	Mollohan
Coughlin	Hance	Montgomery
Courter	Hansen (ID)	Moore
Coyne, James	Hansen (UT)	Moorhead
Coyne, William	Hartnett	Morrison
Craig	Hatcher	Mottl
Crane, Daniel	Hawkins	Murphy
Crane, Philip	Heckler	Murtha
D'Amours	Hefner	Myers
Daniel, Dan	Heftel	Napier
Daniel, R. W.	Hendon	Natcher
Danielson	Hightower	Neal
Dannemeyer	Hiler	Nelligan
Daschle	Hillis	Nelson
Daub	Holland	Nichols
de la Garza	Holt	Nowak
Deckard	Hopkins	O'Brien
DeNardis	Horton	Oakar
Derrick	Howard	Oxley
Derwinski	Hoyer	Panetta
Dickinson	Hubbard	Parris
Dicks	Huckaby	Pashayan
Dixon	Hughes	Patman
Donnelly	Hunter	Patterson
Dougherty	Hutto	Pease
Dowdy	Hyde	Pepper
Downey	Ireland	Perkins
Dreier	Jacobs	Petri
Dunn	Jeffords	Peyser
Dwyer	Jeffries	Pickle
Dymally	Jenkins	Porter
Dyson	Jones (NC)	Price
Eckart	Jones (OK)	Quillen
Railsback	Shaw	Thomas
Ratchford	Shelby	Traxler
Regula	Shumway	Trible
Rhodes	Shuster	Udall
Rinaldo	Siljander	Walgren
Ritter	Simon	Walker
Roberts (KS)	Skeen	Wampler
Roberts (SD)	Skelton	Waxman
Robinson	Smith (AL)	Weber (MN)
Roe	Smith (IA)	Weber (OH)
Roemer	Smith (NJ)	White
Rogers	Smith (OR)	Whitehurst
Rose	Smith (PA)	Whitley
Rosenthal	Snowe	Whittaker
Rostenkowski	Snyder	Whitten
Roth	Solarz	Williams (OH)
Roukema	Solomon	Wilson
Rousselot	Spence	Winn
Rudd	St Germain	Wirth
Santini	Stangeland	Wolf
Sawyer	Stanton	Wortley
Scheuer	Staton	Wylie
Schneider	Stenholm	Yatron
Schulze	Stratton	Young (AK)
Schumer	Stump	Young (FL)
Sensenbrenner	Swift	Young (MO)
Shamansky	Synar	Zablocki
Shannon	Tauzin	Zeferetti
Sharp	Taylor	

NAYS—61

Beilenson	Garcia	Roybal
Bingham	Gray	Russo
Blanchard	Harkin	Sabo
Bonior	Hertel	Savage
Brodhead	Hollenbeck	Schroeder
Brown (CA)	Kastenmeier	Seiberling
Brown (CO)	Kildee	Smith (NE)
Burton, John	Lowry (WA)	Stark
Burton, Phillip	Markey	Stokes
Clay	Mikulski	Studds
Collins (IL)	Miller (CA)	Tauke
Conyers	Mitchell (MD)	Vento
Crockett	Moffett	Washington
Davis	Oberstar	Weaver
Dellums	Obey	Weiss
Dorgan	Ottinger	Williams (MT)
Edgar	Paul	Wolpe
Edwards (CA)	Pursell	Wyden
Fenwick	Rangel	Yates
Ford (MI)	Reuss	
Frank	Rodino	

NOT VOTING—37

AuCoin	Duncan	Martin (NY)
Barnard	Early	Mattox
Beard	Fithian	McCloskey
Bedell	Ford (TN)	McDonald
Boggs	Forsythe	Pritchard
Bolling	Ginn	Rahall
Breaux	Goldwater	Richmond
Brooks	Hagedorn	Vander Jagt
Brown (OH)	Johnston	Volkmer
Chisholm	LeBoutillier	Watkins
Coleman	Leland	Wright
Dingell	Madigan	
Dornan	Martin (NC)	

□ 1730

The Clerk announced the following pairs:

On this vote:

Mr. Dingell for, with Mr. AuCoin against.

Mr. Rahall for, with Mrs. Chisholm against.

Mr. Ginn for, with Mr. Leland against.

Mr. Breaux for, with Mr. Ford of Tennessee against.

Until further notice:

Mr. Richmond with Mr. Brown of Ohio.

Mr. Wright with Mr. Vander Jagt.

Mr. Barnard with Mr. Coleman.

Mrs. Boggs with Mr. Dornan of California.

Mr. Watkins with Mr. Beard.

Mr. Volkmer with Mr. Madigan.

Mr. McDonald with Mr. Martin of North Carolina.

Mr. Early with Mr. McCloskey.

Mr. Mattox with Mr. Goldwater.

Mr. Brooks with Mr. Forsythe.

Mr. Bedell with Mr. Martin of New York.
Mr. Fithian with Mr. Hagedorn.
Mr. Johnston with Mr. Duncan.
Mr. Pritchard with Mr. LeBoutillier.

Messrs. HOLLENBECK, RANGEL, BLANCHARD, YATES, FORD of Michigan, and Mrs. SMITH of Nebraska changed their votes from "yea" to "nay"

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PRICE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on S. 815.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION TO HAVE UNTIL MIDNIGHT, WEDNESDAY, NOVEMBER 18, 1981, TO FILE CONFERENCE REPORT ON H.R. 4144, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 1982

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Wednesday, November 18, 1981, to file a conference report on the bill (H.R. 4144), making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for the other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

NEW ROLLCALL RECORD SET

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, today we set a record, and I know that all the Members are all going to be enthusiastic to hear about the record. Today, with the plethora of rollcalls we have set a brand new record. One of our Members now has achieved 11.363 percent of all the rollcalls of the year. The most the gentleman from Maryland, Mr. Bauman, ever achieved was 9.7 percent, approximately.

Today at 4:30 p.m. we had 308 rollcalls, which cost $3,225,345.20. And 11.363 percent thereof comes to $366,516.50.

I know all the Members will be glad to know that this new record has been achieved.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

The gentleman has some very good figures. I am wondering if the gentleman could tell us how much the road show up in Baltimore cost the taxpayers today? That is a rather expensive enterprise that has been engaged in, too.

Did the gentleman bother to take down some of those figures?

Mr. DANIELSON. I do not have those figures, but I will be glad to hear them.

Mr. WALKER. I am disappointed that the gentleman does not have those figures.

BANKING, FINANCE AND URBAN AFFAIRS COMMITTEE HEARS 259 WITNESSES; ADDITIONAL HEARINGS SCHEDULED FOR ATLANTA AND PROVIDENCE

(Mr. ST GERMAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ST GERMAIN. Mr. Speaker, the Banking, Finance and Urban Affairs Committee is continuing its series of grass roots hearings on the economy. The commitee will be in Atlanta on Friday, December 4, and Providence, R.I., on Monday, December 7.

During the committee's first four hearings in St. Paul, Minn., Seattle, Wash., Tucson, Ariz., and Chicago, Ill., we heard 259 witnesses—workers, builders, senior citizens, small business people—citizens from every walk of life.

Mr. Speaker, the concern over the economy is growing even in great growth areas of the Sun Belt. The pain and suffering of people without jobs and the tragedy of small businesses slipping into bankruptcy have been dramatically brought before the committee in these hearings.

As the Seattle Times described the witnesses:

> They came to the Federal Building from the woods, from closed-down mill towns, lumber yards, real-estate offices, sporting goods stores, neighborhood groceries, trade organizations and associations for retired persons, to tell the committee headed by Representative FERNAND J. ST GERMAIN, Rhode Island Democrat, just how badly the Pacific Northwest is being hurt by "Reaganomics."
>
> Situations related by the unemployed and others were grim—they touched on having to poach wild animals for food for their children; the humiliation of asking for food stamps and unemployment checks and other help, of family strife because there is not enough money to buy food, clothing and other necessities.

Then the next day the committee traveled to Tucson, Ariz., in the heart of the Sun Belt and the Arizona Republic, published in Phoenix, carried this lead on its story:

> For 7½ hours on Saturday, seven Congressmen were told about unemployed construction workers unable to feed their families, small businesses ready to collapse, builders unable to sell homes and the elderly unable to pay their medical bills.

Mr. Speaker, the committee will publish the hearing record following the completion of the Atlanta and Providence hearings. It is our intention to issue a report on the six hearings and these documents will help provide guidance to the committee, and hopefully to the Congress and the administration, as we consider economic legislation in the coming months.

Hopefully, Mr. Speaker, the direct face-to-face testimony gathered in this set of hearings will give official Washington a more concrete base for decisionmaking than the shaky premises, the numbers no one understood and the other economic shots in the dark we have heard so much about in recent days thanks to William Grieder and Atlantic Monthly.

THE BALTIMORE CONNECTION

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, as you know, our Democratic colleagues on the House Ways and Means Committee decided to go to Baltimore today.

The stated purpose was to receive testimony on the impact of President Reagan's economic program.

I find it ironic that those who helped make the economic mess in Washington decided to flee up the parkway to Baltimore. Perhaps they thought the Democratic record of failure would not follow them there.

But the citizens of the great city of Baltimore—and of America—know that the Democratic Party has no program of its own.

The citizens of Baltimore—and of America—know that you are trying desperately to put a show on the road that has flopped in Washington for 25 years.

With the appearance of the Democratic economic team in Baltimore, that city today had two teams with losing records and dwindling support among the people.

Speaking for myself, Mr. Speaker, I would say the Baltimore Colts are doing a better job than your team. At least the Colts have a game plan and know where they want to go.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he

will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

Votes will be taken on Wednesday, November 18, 1981.

COURT OF APPEALS FOR THE FEDERAL CIRCUIT ACT OF 1981

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4482) to establish a U.S. court of appeals for the Federal circuit, to establish a U.S. Claims Court, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Court of Appeals for the Federal Circuit Act of 1981".

TITLE I—UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT AND UNITED STATES CLAIMS COURT

NUMBER AND COMPOSITION OF CIRCUITS

SEC. 101. Section 41 of title 28, United States Code, as amended by the Fifth Circuit Court of Appeals Reorganization Act of 1980 (Public Law 96-452; 94 Stat. 1994), is amended by striking out "twelve" and inserting in lieu thereof "thirteen" and by adding at the end of the table the following new item:

"Federal	*All Federal judicial districts.".*

NUMBER AND RESIDENCE OF CIRCUIT JUDGES

SEC. 102. (a) Section 44(a) of title 28, United States Code, as amended by the Fifth Circuit Court of Appeals Reorganization Act of 1980 (Public Law 96-452; 94 Stat. 1994), is amended by adding at the end of the table the following new item:

"Federal	*12".*

(b) Section 44(c) of title 28, United States Code, is amended by adding at the end thereof the following new sentence: "While in active service, each circuit judge of the Federal judicial circuit appointed after October 1, 1982, and the chief judge of the Federal judicial circuit, whenever appointed, shall reside within fifty miles of the District of Columbia.".

PANELS OF JUDGES; NUMBER OF JUDGES FOR HEARINGS

SEC. 103. (a) Section 46 of title 28, United States Code, is amended—

(1) by striking out "divisions" each place it appears and inserting in lieu thereof "panels"; and

(2) in subsection (d) by striking out "division" and inserting in lieu thereof "panel".

(b) Section 46(b) of title 28, United States Code, is amended by inserting immediately before the period at the end of the first sentence thereof the following: ", except that the United States Court of Appeals for the Federal Circuit shall determine by rule a procedure for the rotation of judges from panel to panel to ensure that all of the judges sit on a representative cross section of the cases heard, and may determine by rule the number of judges, not less than three, who constitute a panel".

(c) Section 46(c) of title 28, United States Code, is amended by inserting immediately after "three judges" in the first sentence thereof the following: "(except that the United States Court of Appeals for the Federal Circuit may sit in panels of more than three judges if its rules so provide)".

PLACES OF HOLDING COURT

SEC. 104. (a) Section 48 of title 28, United States Code, is amended by striking out the first two sentences and inserting in lieu thereof the following:

"(a) The courts of appeals shall hold regular sessions at the places listed below, and at such other places within the respective circuit as each court may designate by rule:".

(b) Section 48 of title 28, United States Code, as amended by the Fifth Circuit Court of Appeals Reorganization Act of 1980 (Public Law 96-452; 94 Stat. 1994), is further amended by inserting at the end of the table of circuits and places the following new item:

"Federal	*District of Columbia, and in any other place listed above as the court by rule directs.".*

(c) Section 48 of title 28, United States Code, is further amended by striking out the final paragraph and inserting in lieu thereof the following:

"(b) Each court of appeals may hold special sessions at any place within its circuit as the nature of the business may require, and upon such notice as the court orders. The court may transact any business at a special session which it might transact at a regular session.

"(c) Any court of appeals may pretermit, with the consent of the Judicial Conference of the United States, any regular session of court at any place for insufficient business or other good cause.

"(d) The times and places of the sessions of the Court of Appeals for the Federal Circuit shall be prescribed with a view to securing reasonable opportunity to citizens to appear before the court with as little inconvenience and expense to citizens as is practicable.".

ORGANIZATION OF UNITED STATES CLAIMS COURT

SEC. 105. (a) Chapter 7 of title 28, United States Code, is amended to read as follows:

"CHAPTER 7—UNITED STATES CLAIMS COURT

"Sec.

171. Appointment and number of judges; character of court; designation of chief judge.
172. Tenure and salaries of judges.
173. Times and places of holding court.
174. Assignment of judges; decisions.
175. Official duty station; residence.
176. Removal from office.
177. Disbarment of removed judges.

"§171. Appointment and number of judges; character of court; designation of chief judge

"(a) The President shall appoint, by and with the advice and consent of the Senate, sixteen judges who shall constitute a court of record known as the United States Claims Court. The court is declared to be a court established under article I of the Constitution of the United States.

"(b) The President shall designate one of the judges of the Claims Court who is less than seventy years of age to serve as chief judge. The chief judge shall continue to serve as chief judge until he reaches the age of seventy years and another judge is designated as chief judge by the President. After the designation of another judge to serve as chief judge, the former chief judge may continue to serve as a judge of the court.

"§172. Tenure and salaries of judges

"(a) Each judge of the United States Claims Court shall be appointed for a term of fifteen years.

"(b) Each judge shall receive a salary at an annual rate determined under section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351-361), as adjusted by section 461 of this title.

"§173. Times and places of holding court

"The principal office of the United States Claims Court shall be in the District of Columbia, but the Claims Court may hold court at such times and in such places as it may fix by rule of court. The times and places of the sessions of the Claims Court shall be prescribed with a view to securing reasonable opportunity to citizens to appear before the Claims Court with as little inconvenience and expense to citizens as is practicable.

"§174. Assignment of judges; decisions

"(a) The judicial power of the United States Claims Court with respect to any action, suit, or proceeding, except congressional reference cases, shall be exercised by a single judge, who may preside alone and hold a regular or special session of court at the same time other sessions are held by other judges.

"(b) All decisions of the Claims Court shall be preserved and open to inspection.

"§175. Official duty station; residence

"(a) The official duty station of each judge of the United States Claims Court is the District of Columbia.

"(b) After appointment and while in active service, each judge shall reside within fifty miles of the District of Columbia.

"§176. Removal from office

"(a) Removal of a judge of the United States Claims Court during the term for which he is appointed shall be only for incompetency, misconduct, neglect of duty, engaging in the practice of law, or physical or mental disability. Removal shall be by the United States Court of Appeals for the Federal Circuit, but removal may not occur unless a majority of all the judges of such court of appeals concur in the order of removal.

"(b) Before any order of removal of a judge of the Claims Court may be entered, a full specification of the charges shall be furnished to the judge involved, and such judge shall be accorded an opportunity to be heard on the charges.

"(c) Any cause for removal of a judge of the Claims Court coming to the knowledge of the Director of the Administrative Office of the United States Courts shall be reported by him to the chief judge of the United States Court of Appeals for the Federal Circuit, and a copy of the report shall at the same time be transmitted to the judge.

"§177. Disbarment of removed judges

"A judge of the United States Claims Court removed from office in accordance with section 176 of this title shall not be permitted at any time to practice before the Claims Court.".

(b) The item relating to chapter 7 in the chapter analysis of part I of title 28, United States Code, is amended to read as follows:

"7. United States Claims Court	*171".*

REPEAL OF PROVISIONS RELATING TO THE COURT OF CUSTOMS AND PATENT APPEALS

SEC. 106. Chapter 9 of title 28, United States Code, and the item relating to chapter

9 in the chapter analysis of part I of such title, are repealed.

INTERLOCUTORY APPEALS FROM CERTAIN ORDERS

SEC. 107. Section 256(b) of title 28, United States Code, is amended by striking out "section 1541(b)" and all that follows through "in that section" and inserting in lieu thereof "section 1292(d)(1) of this title, and the United States Court of Appeals for the Federal Circuit may, in its discretion, consider the appeal".

ASSIGNMENT OF JUDGES

SEC. 108. (a)(1) Subsection (b) of section 291 of title 28, United States Code, is repealed.

(2) Subsection (c) of section 291 of such title is amended by striking out "(c)" and inserting in lieu thereof "(b)".

(b) Section 292(e) of title 28, United States Code, is amended by striking out "the Court of Claims, the Court of Customs and Patent Appeals or" and by striking out "in which the need arises".

(c)(1) Section 293 of title 28, United States Code, is amended—

(A) by repealing subsections (a), (c), and (d);

(B) by redesignating subsection (b) as subsection (a); and

(C) by redesignating subsection (e), as that subsection will become effective on April 1, 1984, as subsection (b).

(2) The section heading of section 293 of title 28, United States Code, is amended to read as follows:

"§293. Judges of the Court of International Trade".

(3) The item relating to section 293 in the section analysis of chapter 13 of title 28, United States Code, is amended to read as follows:

"293. Judges of the Court of International Trade.".

(4) Section 160(a) of title 28, United States Code, as that section will become effective on April 1, 1984, is amended by striking out "293(e)" and inserting in lieu thereof "293(b)".

JUDICIAL CONFERENCE

SEC. 109. Section 331 of title 28, United States Code, is amended—

(1) in the first paragraph, by striking out "the chief judge of the Court of Claims, the chief judge of the Court of Customs and Patent Appeals,"; and

(2) in the third paragraph, by striking out the second sentence.

RETIREMENT

SEC. 110. (a) Section 372(a) of title 28, United States Code, is amended—

(1) in the third paragraph, by striking out "Court of Claims, Court of Customs and Patent Appeals, or"; and

(2) in the fifth paragraph, by striking out "Court of Claims, Court of Customs and Patent Appeals, or".

(b) Section 372(b) of title 28, United States Code, is amended by striking out "Court of Claims, Court of Customs and Patent Appeals, or" each place it appears.

(c) Section 372(c)(17) of title 28, United States Code, is amended by striking out "Court of Claims, the Court of Customs and Patent Appeals, and the Customs Court" and inserting in lieu thereof "United States Claims Court, the Court of International Trade, and the Court of Appeals for the Federal Circuit".

REPEAL; DISTRIBUTION OF COURT OF CLAIMS DECISIONS

SEC. 111. Section 415 of title 28, United States Code, and the item relating to section 415 in the section analysis of chapter 19 of such title, are repealed.

DEFINITIONS

SEC. 112. Section 451 of title 28, United States Code (including that section as it will become effective on April 1, 1984), is amended—

(1) in the second paragraph, by striking out "the Court of Claims, the Court of Customs and Patent Appeals,"; and

(2) in the fourth paragraph, by striking out "Court of Claims, Court of Customs and Patent Appeals,".

TRAVELING EXPENSES

SEC. 113. The second paragraph of section 456 of title 28, United States Code (including that paragraph as it will become effective on April 1, 1984), is amended by striking out "the Court of Claims, the Court of Customs and Patent Appeals" and inserting in lieu thereof "the United States Court of Appeals for the Federal Circuit".

APPLICATION OF CERTAIN PROVISIONS TO THE UNITED STATES CLAIMS COURT

SEC. 114. (a) Section 460 of title 28, United States Code, is amended to read as follows:

"§460. Application to other courts

"Sections 452 through 459 of this title shall also apply to the United States Claims Court, to each court created by Act of Congress in a territory which is invested with any jurisdiction of a district court of the United States, and to the judges thereof.".

(b) The item relating to section 460 in the section analysis of chapter 21 of title 28, United States Code, is amended to read as follows:

"460. Application to other courts.".

INTERESTS OF THE UNITED STATES IN CERTAIN ACTIONS

SEC. 115. Section 518(a) of title 28, United States Code, is amended by striking out "in the Court of Claims" and all that follows through the end of the sentence and inserting in lieu thereof "and appeals in the United States Court of Appeals for the Federal Circuit, the United States Claims Court, or the Court of International Trade, in which the United States is interested".

TRANSMISSION OF PETITIONS IN SUITS AGAINST THE UNITED STATES

SEC. 116. (a) Section 520(a) of title 28, United States Code, is amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court or in the United States Court of Appeals for the Federal Circuit".

(b) The section heading of section 520 of title 28, United States Code, is amended and by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court or in United States Court of Appeals for the Federal Circuit".

(c) The item relating to section 520 in the section analysis of chapter 31 of title 28, United States Code, is amended to read as follows:

"520. Transmission of petitions in United States Claims Court or in United States Court of Appeals for the Federal Circuit; statement furnished by departments.".

BUDGET ESTIMATES

SEC. 117. Section 605 of title 28, United States Code, is amended—

(1) by inserting immediately before the period at the end of the second paragraph the following: "and the estimate with respect to the United States Court of Appeals for the Federal Circuit shall be approved by such court"; and

(2) by striking out "Bureau of the Budget" each place it appears and inserting in lieu thereof "Office of Management and Budget".

DEFINITION OF COURTS

SEC. 118. Section 610 of title 28, United States Code, is amended by striking out "the Court of Claims, the Court of Customs and Patent Appeals" and inserting in lieu thereof "the United States Claims Court".

TECHNICAL ASSISTANTS

SEC. 119. (a) Chapter 47 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§714. Technical assistants

"The chief judge of the Court of Appeals for the Federal Circuit, with the approval of the court, may appoint such technical assistants as may be necessary, each of whom shall be subject to removal by the chief judge with the approval of the court. Such technical assistants may include a senior technical assistant and such number of assistant technical assistants as may be necessary.".

(b) The section analysis of chapter 47 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"714. Technical assistants.".

OFFICERS AND EMPLOYEES OF THE UNITED STATES CLAIMS COURT

SEC. 120. (a) Section 791(a) of title 28, United States Code, is amended to read as follows:

"(a) The United States Claims Court may appoint a clerk, who shall be subject to removal by the court. The clerk, with the approval of the court, may appoint necessary deputies and employees in such numbers as may be approved by the Director of the Administrative Office of the United States Courts. Such deputies and employees shall be subject to removal by the clerk with the approval of the court.".

(b) Section 792 of title 28, United States Code, and the item relating to section 792 in the section analysis of chapter 51 of such title, are repealed.

(c)(1) Section 794 of title 28, United States Code, is amended to read as follows:

"§794. Law clerks and secretaries

"The judges of the United States Claims Court may appoint necessary law clerks and secretaries, in such numbers as the Judicial Conference of the United States may approve, subject to any limitation of the aggregate salaries of such employees which may be imposed by law.".

(2) The item relating to section 794 in the section analysis of chapter 51 of title 28, United States Code, is amended to read as follows:

"794. Law clerks and secretaries.".

(d)(1) Section 795 of title 28, United States Code, is amended to read as follows:

"§795. Bailiffs and messengers

"The chief judge of United States Claims Court, with the approval of the court, may appoint necessary bailiffs and messengers, in such numbers as the Director of the Administrative Office of the United States Courts may approve, each of whom shall be subject to removal by the chief judge with the approval of the court.".

(2) The item relating to section 795 in the section analysis of chapter 51 of title 28,

United States Code, is amended to read as follows:

"795. Bailiffs and messengers.".

(e) Section 796 of title 28, United States Code, is amended by striking out "The Court of Claims" and inserting in lieu thereof "Subject to the approval of the United States Claims Court, the Director of the Administrative Office of the United States Courts".

(f)(1) Section 797 of title 28, United States Code, is amended to read as follows:

"§797. Recall of retired judges

"(a) Any judge of the United States Claims Court who has retired from regular active service under the Civil Service Retirement Act shall be known and designated as a senior judge and may perform duties as a judge when recalled pursuant to subsection (b) of this section.

"(b) The chief judge of the Claims Court may, whenever he deems it advisable, recall any senior judge, with such judge's consent, to perform such duties as a judge and for such period of time as the chief judge may specify.

"(c) Any senior judge performing duties pursuant to this section shall not be counted as a judge for purposes of the number of judgeships authorized by section 171 of this title.

"(d) Any senior judge, while performing duties pursuant to this section, shall be paid the same allowances for travel and other expenses as a judge in active service. Such senior judge shall also receive from the Claims Court supplemental pay in an amount sufficient, when added to his civil service retirement annuity, to equal the salary of a judge in active service for the same period or periods of time. Such supplemental pay shall be paid in the same manner as the salary of a judge.".

(2) The item relating to section 797 in the section analysis of chapter 51 of title 28, United States Code, is amended by striking out "commissioners" and inserting in lieu thereof "judges".

(g)(1) The item relating to chapter 51 in the chapter analysis of part III of title 28, United States Code, is amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(2) The chapter heading of chapter 51 of title 28, United States Code, is amended by striking out "COURT OF CLAIMS" and inserting in lieu thereof "UNITED STATES CLAIMS COURT".

ABOLISHMENT OF UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

SEC. 121. (a) Chapter 53 of title 28, United States Code, and the item relating to chapter 53 in the chapter analysis of part III of such title, are repealed.

(b) Subsection (b) of section 957 of title 28, United States Code, is repealed, and subsection (a) of such section 957 is amended by striking out "(a)".

(c) Sections 1255 and 1256 of title 28, United States Code, and the items relating to sections 1255 and 1256 in the section analysis of chapter 81 of such title, are repealed.

COURTS OF APPEALS JURISDICTION

SEC. 122. Section 1291 of title 28, United States Code, is amended—

(1) by inserting "(other than the United States Court of Appeals for the Federal Circuit)" after "courts of appeals"; and

(2) by adding at the end thereof the following new sentence: "The jurisdiction of the United States Court of Appeals for the Federal Circuit shall be limited to the jurisdiction described in sections 1292 (c) and (d) and 1295 of this title.".

INTERLOCUTORY DECISIONS

SEC. 123. (a) Section 1292(a) of title 28, United States Code, is amended—

(1) by striking out "The courts" and inserting in lieu thereof "Except as provided in subsections (c) and (d) of this section, the courts";

(2) by striking out the semicolon at the end of paragraph (3) and inserting in lieu thereof a period; and

(3) by striking out paragraph (4).

(b) Section 1292 of title 28, United States Code, is amended by adding at the end thereof the following new subsections:

"(c) The United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction—

"(1) of an appeal from an interlocutory order or decree described in subsection (a) of this section in any case over which the court would have jurisdiction of an appeal under section 1295 of this title; and

"(2) of an appeal from a judgment in a civil action for patent infringement which would otherwise be appealable to the United States Court of Appeals for the Federal Circuit and is final except for an accounting.

"(d)(1) When the chief judge of the Court of International Trade issues an order under the provisions of section 256(b) of this title, or when any judge of the Court of International Trade, in issuing any other interlocutory order, includes in the order a statement that a controlling question of law is involved with respect to which there is a substantial ground for difference of opinion and that an immediate appeal from its order may materially advance the ultimate termination of the litigation, the United States Court of Appeals for the Federal Circuit may, in its discretion, permit an appeal to be taken from such order, if application is made to that Court within ten days after the entry of such order.

"(2) When any judge of the United States Claims Court, in issuing an interlocutory order, includes in the order a statement that a controlling question of law is involved with respect to which there is a substantial ground for difference of opinion and that an immediate appeal from its order may materially advance the ultimate termination of the litigation, the United States Court of Appeals for the Federal Circuit may, in its discretion, permit an appeal to be taken from such order, if application is made to that Court within ten days after the entry of such order.

"(3) Neither the application for nor the granting of an appeal under this subsection shall stay proceedings in the Court of International Trade or in the Claims Court, as the case may be, unless a stay is ordered by a judge of the Court of International Trade or the Claims Court or by the United States Court of Appeals for the Federal Circuit or a judge of that court.".

CIRCUITS IN WHICH DECISIONS ARE REVIEWABLE

SEC. 124. Section 1294 of title 28, United States Code (including that section as it will become effective on April 1, 1984), is amended by striking out "Appeals" and inserting in lieu thereof "Except as provided in section 1292(c), 1292(d), or 1295 of this title, appeals".

JURISDICTION OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SEC. 125. (a) Chapter 83 of title 28, United States Code, is amended by adding at the end thereof the following new sections:

"§1295. Jurisdiction of the United States Court of Appeals for the Federal Circuit

"(a) The United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction—

"(1) of an appeal from a final decision of a district court of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, the District Court of the Virgin Islands, or the District Court for the Northern Mariana Islands, if the jurisdiction of that court was based, in whole or in part, on section 1338 of this title, except that jurisdiction of an appeal in a case involving a claim arising under any Act of Congress relating to copyrights or trademarks and no other claims under section 1338(a) shall be governed by sections 1291, 1292, and 1294 of this title;

"(2) of an appeal from a final decision of a district court of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, the District Court of the Virgin Islands, or the District Court for the Northern Mariana Islands, if the jurisdiction of that court was based, in whole or in part, on section 1346 of this title, except that jurisdiction of an appeal in a case brought in a district court under section 1346(a)(1), 1346(b), 1346(e), or 1346(f) of this title or under section 1346(a)(2) of this title when the claim is founded upon an Act of Congress or a regulation of an executive department providing for internal revenue shall be governed by sections 1291, 1292, and 1294 of this title;

"(3) of an appeal from a final decision of the United States Claims Court;

"(4) of an appeal from a decision of—

"(A) the Board of Appeals or the Board of Patent Interferences of the Patent and Trademark Office with respect to patent applications and interferences, at the instance of an applicant for a patent or any party to a patent interference, and any such appeal shall waive the right of such applicant or party to proceed under section 145 or 146 of title 35;

"(B) the Commissioner of Patents and Trademarks or the Trademark Trial and Appeal Board with respect to applications for registration of marks and other proceedings as provided in section 21 of the Trademark Act of 1946 (15 U.S.C. 1071); or

"(C) a district court to which a case was directed pursuant to section 145 or 146 of title 35;

"(5) of an appeal from a final decision of the United States Court of International Trade;

"(6) to review the final determinations of the United States International Trade Commission, relating to unfair practices in import trade, made under section 337 of the Tariff Act of 1930 (19 U.S.C. 1337);

"(7) to review, by appeal on questions of law only, findings of the Secretary of Commerce under headnote 6 to schedule 8, part 4, of the Tariff Schedules of the United States (relating to importation of instruments or apparatus);

"(8) of an appeal under section 71 of the Plant Variety Protection Act (7 U.S.C. 2461);

"(9) of an appeal from a final order or final decision of the Merit Systems Protection Board, pursuant to sections 7703(b)(1) and 7703(d) of title 5; and

"(10) of an appeal from a final decision of an agency board of contract appeals pursuant to section 8(g)(1) of the Contract Disputes Act of 1978 (41 U.S.C. 607(g)(1)).

"(b) The head of any executive department or agency may, with the approval of the Attorney General, refer to the Court of Appeals for the Federal Circuit for judicial review any final decision rendered by a board of contract appeals pursuant to the terms of any contract with the United States awarded by that department or agency which the head of such department or agency has concluded is not entitled to finality pursuant to the review standards specified in section 10(b) of the Contract Disputes Act of 1978 (41 U.S.C. 609(b)). The head of each executive department or agency shall make any referral under this section within one hundred and twenty days after the receipt of a copy of the final appeal decision.

"(c) The Court of Appeals for the Federal Circuit shall review the matter referred pursuant to subsection (b) in accordance with the standards specified in section 10(b) of the Contract Disputes Act of 1978. The court shall proceed with judicial review on the administrative record made before the board of contract appeals on matters so referred as in other cases pending in such court, shall determine the issue of finality of the appeal decision, and shall, if appropriate, render judgment thereon, or remand the matter to any administrative or executive body or official with such direction as it may deem proper and just.

"§1296. Precedence of cases in the United States Court of Appeals for the Federal Circuit

"Civil actions in the United States Court of Appeals for the Federal Circuit shall be given precedence, in accordance with the law applicable to such actions, in such order as the court may by rule establish.".

(b) The section analysis of chapter 83 of title 28, United States Code, is amended by adding at the end thereof the following new items:

"1295. Jurisdiction of the United States Court of Appeals for the Federal Circuit.
"1296. Precedence of cases in the United States Court of Appeals for the Federal Circuit.".

UNITED STATES CLAIMS COURT JURISDICTION AND VENUE

SEC. 126. (a) Sections 1336(b), 1346(a), and 1398(b) of title 28, United States Code, are each amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(b) Section 1402(a) of title 28, United States Code, is amended by inserting "in a district court" immediately after "civil action".

(c) Section 1406(c) of title 28, United States Code, is amended—

(1) by striking out "Court of Claims" the first place it appears and inserting in lieu thereof "United States Claims Court"; and

(2) by striking out "Court of Claims" the second and third places it appears and inserting in lieu thereof "Claims Court".

(d) Section 1491 of title 28, United States Code, is amended to read as follows:

"§1491. Claims against United States generally; actions involving Tennessee Valley Authority

"(a)(1) The United States Claims Court shall have jurisdiction to render judgment upon any claim against the United States founded either upon the Constitution, any Act of Congress, or any regulation of an executive department, or upon any express or implied contract with the United States, or for liquidated or unliquidated damages in cases not sounding in tort. For purposes of this paragraph, an express or implied contract with the Army and Air Force Exchange Service, Navy Exchanges, Marine Corps Exchanges, Coast Guard Exchanges, or Exchange Councils of the National Aeronautics and Space Administration shall be considered an express or implied contract with the United States.

"(2) To provide an entire remedy and to complete the relief afforded by the judgment, the court may, as an incident of and collateral to any such judgment, issue orders directing restoration to office or position, placement in appropriate duty or retirement status, and correction of applicable records, and such orders may be issued to an appropriate official of the United States. In any case within its jurisdiction, the court shall have the power to remand appropriate matters to any administrative or executive body or official with such direction as it may deem proper and just. The Claims Court shall have jurisdiction to render judgment upon any claim by or against a contractor arising under section 10(a)(1) of the Contract Disputes Act of 1978.

"(3) To afford complete relief on any contract claim brought before the contract is awarded, the court shall have exclusive jurisdiction to grant declaratory judgments and such equitable and extraordinary relief as it deems proper, including but not limited to injunctive relief. In exercising such jurisdiction, the court shall give due regard to the interests of national defense and national security.

"(b) Nothing herein shall be construed to give the United States Claims Court jurisdiction of any civil action within the exclusive jurisdiction of the Court of International Trade, or of any action against, or founded on conduct of, the Tennessee Valley Authority, or to amend or modify the provisions of the Tennessee Valley Authority Act of 1933 with respect to actions by or against the Authority.".

(e) Section 1492 of title 28, United States Code, is amended by striking out "chief commissioner of the Court of Claims" and inserting in lieu thereof "chief judge of the United States Claims Court".

(f)(1) Sections 1494, 1495, 1496, and 1497 of title 28, United States Code, are each amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(2) The section heading of section 1497 of title 28, United States Code, is amended by striking out "growers," and inserting in lieu thereof "growers' ".

(g) Section 1498 of title 28, United States Code, is amended—

(1) in subsection (a), by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court";

(2) in subsections (b) and (d), by striking out "Court of Claims" and inserting in lieu thereof "Claims Court".

(h) Sections 1499, 1500, 1501, 1502, and 1503 of title 28, United States Code, are each amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(i) Section 1504 of title 28, United States Code, and the item relating to section 1504 in the section analysis of chapter 91 of such title, are repealed.

(j) Section 1505 of title 28, United States Code, is amended by striking out "Court of Claims" the first place it appears and inserting in lieu thereof "United States Claims Court" and by striking out "Court of Claims" the second place it appears and inserting in lieu thereof "Claims Court".

(k) Section 1506 of title 28, United States Code, is amended by striking out "Court of Claims" the first place it appears and inserting in lieu thereof "United States Claims Court" and by striking out "Court of Claims" the second and third places it appears and inserting in lieu thereof "Claims Court".

(l) Section 1507 of title 28, United States Code, is amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(m)(1) The item relating to chapter 91 in the chapter analysis of part IV of title 28, United States Code, is amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(2) The chapter heading of chapter 91 of title 28, United States Code, is amended by striking out "COURT OF CLAIMS" and inserting in lieu thereof "UNITED STATES CLAIMS COURT".

(3) The item relating to section 1499 in the section analysis of chapter 91, United States Code, is amended to read as follows:

"1499. Liquidated damages withheld from contractors under Contract Work Hours Standards Act.".

REPEAL OF PROVISIONS RELATING TO THE COURT OF CUSTOMS AND PATENT APPEALS

SEC. 127. Chapter 93 of title 28, United States Code, and the item relating to chapter 93 in the chapter analysis of part IV of such title, are repealed.

FEES AND COSTS

SEC. 128. (a) Section 1926 of title 28, United States Code, is amended to read as follows:

"§1926. Claims Court

"(a) The Judicial Conference of the United States shall prescribe from time to time the fees and costs to be charged and collected in the United States Claims Court.

"(b) The court and its officers shall collect only such fees and costs as the Judicial Conference prescribes. The court may require advance payment of fees by rule.".

(b) The item relating to section 1926 in the section analysis of chapter 123 of title 28, United States Code, is amended to read as follows:

"1926. Claims Court.".

REPEAL; TIME FOR APPEAL

SEC. 129. Section 2110 of title 28, United States Code, and the item relating to section 2110 in the section analysis of chapter 133 of such title, are repealed.

COURT OF APPEALS JURISDICTION

SEC. 130. Section 2342 of title 28, United States Code, is amended—

(1) by inserting "(other than the United States Court of Appeals for the Federal Circuit)" immediately after "court of appeals";

(2) in paragraph (4), by inserting "and" immediately after the semicolon;

(3) in paragraph (5), by striking out "; and" and inserting in lieu thereof a period; and

(4) by striking out paragraph (6).

PLANT VARIETY PROTECTION OFFICE DECISIONS

SEC. 131. Section 2353 of title 28, United States Code, and the item relating to section 2353 in the section analysis of chapter 158 of such title, are repealed.

UNITED STATES CLAIMS COURT PROCEDURE

SEC. 132. (a) Sections 2501 and 2502(a) of title 28, United States Code, are amended by striking out "Court of Claims" and insert-

ing in lieu thereof "United States Claims Court".

(b)(1) Section 2503 of title 28, United States Code, is amended to read as follows:

"§2503. Proceedings generally

"(a) Parties to any suit in the United States Claims Court may appear before a judge of that court in person or by attorney, produce evidence, and examine witnesses.

"(b) The proceedings of the Claims Court shall be in accordance with such rules of practice and procedure as the Claims Court may prescribe and in accordance with the Federal Rules of Evidence.

"(c) The judges of the Claims Court shall fix times for trials, administer oaths or affirmations, examine witnesses, receive evidence, and enter dispositive judgments. Hearings shall, if convenient, be held in the counties where the witnesses reside.".

(2) The item relating to section 2503 in the section analysis of chapter 165 of title 28, United States Code, is amended by striking out "before commissioners".

(c) Section 2504 of title 28, United States Code, is amended—

(1) by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court"; and

(2) by striking out "commissioner" each place it appears and inserting in lieu thereof "judge".

(d) Section 2505 of title 28, United States Code, is amended—

(1) by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court"; and

(2) by striking out "report findings" and inserting in lieu thereof "enter judgment".

(e) Section 2506 of title 28, United States Code, is amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(f) Section 2507 of title 28, United States Code, is amended—

(1) in subsection (a), by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court"; and

(2) in subsection (c), by striking out "Court of Claims" and inserting in lieu thereof "Claims Court".

(g) Section 2508 of title 28, United States Code, is amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(h)(1) Section 2509(a) of title 28, United States Code, is amended to read as follows:

"(a) Whenever a bill, except a bill for a pension, is referred by either House of Congress to the chief judge of the United States Claims Court pursuant to section 1492 of this title, the chief judge shall designate a judge as hearing officer for the case and a panel of three judges of the court to serve as a reviewing body. One member of the review panel shall be designated as presiding officer of the panel.".

(2) Section 2509 of title 28, United States Code, is amended—

(A) in subsections (b), (c), (d), and (f), by striking out "trial commissioner" and inserting in lieu thereof "hearing officer";

(B) in subsections (b), (c), and (e), by striking out "chief commissioner" and inserting in lieu thereof "chief judge";

(C) in subsections (b), (f), and (g), by striking out "Court of Claims" and inserting in lieu thereof "Claims Court";

(D) in subsection (d), by striking out "of commissioners"; and

(E) in subsection (g), by striking out "commissioners serving as trial commissioners" and inserting in lieu thereof "judges serving as hearing officers".

(i)(1) Section 2510 of title 28, United States Code, is amended to read as follows:

"§2510. Referral of cases by Comptroller General

"(a) The Comptroller General may transmit to the United States Claims Court for trial and adjudication any claim or matter of which the Claims Court might take jurisdiction on the voluntary action of the claimant, together with all vouchers, papers, documents, and proofs pertaining thereto.

"(b) The Claims Court shall proceed with the claims or matters so referred as in other cases pending in such court and shall render judgment thereon.".

(2) The item relating to section 2510 in the section analysis of chapter 165 of title 28, United States Code, is amended to read as follows:

"2510. Referral of cases by Comptroller General.".

(j)(1) Section 2511 of title 28, United States Code, is amended by striking out ", or of the Supreme Court upon review,".

(2) Sections 2511, 2512, 2513(c), 2514, and 2515(a) of title 28, United States Code, are each amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(k)(1) Section 2516(a) of title 28, United States Code, is amended—

(A) by striking out "(a)"; and

(B) by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(2) Subsection (b) of section 2516 of title 28, United States Code, is repealed.

(l) Section 2517 of title 28, United States Code, is amended—

(1) in subsection (a), by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court"; and

(2) in subsection (b), by striking out the comma immediately after "discharged".

(m) Section 2518 of title 28, United States Code, and the item relating to section 2518 in the section analysis of chapter 165 of such title, are repealed.

(n) Section 2519 of title 28, United States Code, is amended by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court".

(o)(1) Section 2520(a) of title 28, United States Code, is amended—

(A) by striking out "(a)";

(B) by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court"; and

(C) by striking out "$10" and inserting in lieu thereof "$60".

(2) Subsections (b) and (c) of section 2520 of title 28, United States Code, are repealed.

(3) The section heading for section 2520 of title 28, United States Code, is amended by striking out "; cost of printing record".

(4) The item relating to section 2520 in the section analysis of chapter 165 of title 28, United States Code, is amended to read as follows:

"2520. Fees.".

(p)(1) The item relating to chapter 165 in the chapter analysis of part VI of title 28, United States Code, is amended to read as follows:

"165. United States Claims Court Procedure..... 2501".

(2) The chapter heading of chapter 165 of title 28, United States Code, is amended by striking out "COURT OF CLAIMS" and inserting in lieu thereof "UNITED STATES CLAIMS COURT".

(q)(1) Chapter 165 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§2521. Notice of appeal

"Review of a decision of the United States Claims Court shall be obtained by filing a notice of appeal with the clerk of the Claims Court within the time and in the manner prescribed for appeals to United States courts of appeals from the United States district courts.".

(2) The section analysis of chapter 165 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"2521. Notice of appeal.".

REPEAL OF PROVISIONS RELATING TO THE COURT OF CUSTOMS AND PATENT APPEALS

SEC. 133. Chapter 167 of title 28, United States Code, and the item relating to chapter 167 in the chapter analysis of part VI of such title, are repealed.

APPEALS FROM COURT OF INTERNATIONAL TRADE

SEC. 134. Section 2645(c) of title 28, United States Code, is amended by striking out "Customs and Patent Appeals within the time and in the manner provided in section 2601 of this title" and inserting in lieu thereof "Appeals for the Federal Circuit by filing a notice of appeal with the clerk of the Court of International Trade within the time and in the manner prescribed for appeals to United States courts of appeals from the United States district courts".

FEDERAL RULES OF EVIDENCE

SEC. 135. Rule 1101(a) of the Federal Rules of Evidence is amended by striking out "Court of Claims" the first place it appears and inserting in lieu thereof "United States Claims Court" and by striking out "and commissioners of the Court of Claims".

TITLE II—CONFORMING AMENDMENTS OUTSIDE TITLE 28

SEC. 201. Section 225(f)(C) of the Federal Salary Act of 1967 (2 U.S.C. 356(C)), is amended by inserting immediately before the semicolon at the end thereof the following: "and the judges of the United States Claims Court".

SEC. 202. Section 7703 of title 5, United States Code, is amended—

(1) in subsection (b)(1), by striking out "Court of Claims or a United States court of appeals as provided in chapters 91 and 158, respectively, of title 28" and inserting in lieu thereof "United States Court of Appeals for the Federal Circuit";

(2) in subsection (c), by striking out "Court of Claims or a United States court of appeals" and inserting in lieu thereof "Court of Appeals for the Federal Circuit"; and

(3) in subsection (d), by striking out "District of Columbia" and inserting in lieu thereof "Federal Circuit".

SEC. 203. The second sentence of section 71 of the Plant Variety Protection Act (7 U.S.C. 2461) is amended to read as follows: "The United States Court of Appeals for the Federal Circuit shall have jurisdiction of any such appeal.".

SEC. 204. Section 11(d) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2210(d)) is amended by striking out "Court of Claims of the United States" and inserting in lieu thereof "United States Claims Court".

SEC. 205. Section 204 of title 18, United States Code, and the section heading thereof are amended by striking out "Court of

Claims" and inserting in lieu thereof "United States Claims Court or the United States Court of Appeals for the Federal Circuit".

SEC. 206. Section 39 of the Trademark Act of 1946 (15 U.S.C. 1121) is amended by inserting "(other than the United States Court of Appeals for the Federal Circuit)" immediately after "circuit courts of appeal of the United States".

SEC. 207. (a) Section 29 of the Act entitled "An Act to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes", approved August 13, 1946 (25 U.S.C. 70v-3), is amended by striking out "Court of Claims" each place it appears and inserting in lieu thereof "Claims Court".

(b) Subsection (c) of section 29 of such Act is repealed.

(c) Subsection (d) of section 29 of such Act is amended by striking out "Supreme Court in accordance with the provisions of section 1255" and inserting in lieu thereof "United States Court of Appeals for the Federal Circuit in accordance with the provisions of section 1295".

SEC. 208. Section 2 of the Act of May 18, 1928 (25 U.S.C. 652) is amended—

(1) by striking out "Court of Claims" the first place it appears and inserting in lieu thereof "United States Claims Court";

(2) by striking out "Court of Claims of the United States" and inserting in lieu thereof "Claims Court"; and

(3) by striking out "Supreme Court of the United States" and inserting in lieu thereof "United States Court of Appeals for the Federal Circuit".

SEC. 209. Section 7422(e) of the Internal Revenue Code of 1954 is amended by striking out "Court of Claims" each place it appears and inserting in lieu thereof "United States Claims Court".

SEC. 210. Section 7428 of the Internal Revenue Code of 1954 is amended by striking out "Court of Claims" each place it appears and inserting in lieu thereof "Claims Court".

SEC. 211. (a) The second sentence of section 7456(c) of the Internal Revenue Code of 1954 is amended to read as follows: "Each commissioner shall receive pay at an annual rate determined under section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351-361), as adjusted by section 461 of title 28, United States Code, and also necessary traveling expenses and per diem allowance, as provided in the Travel Expense Act of 1949, while traveling on official business and away from Washington, District of Columbia.".

(b) Notwithstanding the preceding paragraph, until such time as a change in the salary rate of a commissioner of the United States Tax Court occurs in accordance with section 7456(c) of the Internal Revenue Code of 1954, the salary of such commissioner shall be equal to the salary of a commissioner of the Court of Claims.

SEC. 212. Section 7482(a) of the Internal Revenue Code of 1954 is amended by inserting "(other than the United States Court of Appeals for the Federal Circuit)" immediately after "United States Court of Appeals".

SEC. 213. Section 1302 of the Act of July 27, 1956 (31 U.S.C. 724a), is amended—

(1) by striking out "Court of Claims" and inserting in lieu thereof "United States Claims Court"; and

(2) by striking out "in accordance with subsection 2516(b) of title 28,".

SEC. 214. Section 8(g)(1) of the Contract Disputes Act of 1978 (41 U.S.C. 607(g)(1)) is amended—

(1) in subparagraph (A), by striking out "Court of Claims" and inserting in lieu thereof "United States Court of Appeals for the Federal Circuit"; and

(2) in subparagraph (B), by striking out "United States Court of Claims for judicial review, under section 2510 of title 28, United States Code, as amended herein," and inserting in lieu thereof "Court of Appeals for the Federal Circuit for judicial review under section 1295 of title 28, United States Code,".

SEC. 215. Section 10(c) of the Contract Disputes Act of 1978 (41 U.S.C. 609(c)) is amended by striking out ", or, in its discretion" and all that follows through "of the case".

SEC. 216. Section 713 of title 44, United States Code, is amended—

(1) by striking out "eight hundred and twenty-two" and inserting in lieu thereof "eight hundred and twenty";

(2) by inserting "and" immediately after "Superintendent of Documents;"; and

(3) by striking out "to the Court of Claims, two copies; and".

SEC. 217. Section 1103 of title 44, United States Code, is amended by striking out "the Court of Claims," and by striking out "chief judge of the Court of Claims,".

SEC. 218. (a) The following provisions of law are amended by striking out "Court of Claims" each place it appears and inserting in lieu thereof "United States Claims Court":

(1) Sections 1 and 2 of the Act of October 19, 1973 (87 Stat. 466).

(2) Section 8715 of title 5, United States Code.

(3) Section 8912 of title 5, United States Code.

(4) Section 2273(b) of title 10, United States Code.

(5) Section 337(i) of the Tariff Act of 1930 (19 U.S.C. 1337(i)).

(6) Section 606(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2356(a)).

(7) Section 1 of the Act entitled "An Act providing for the allotment and distribution of Indian tribal funds", approved March 2, 1907 (25 U.S.C. 119).

(8) Section 2 of the Act of August 12, 1935 (25 U.S.C. 475a).

(9) Section 6110(i)(1) of the Internal Revenue Code of 1954.

(10) Section 2 of the Act of May 28, 1908 (30 U.S.C. 193a).

(11) Section 7 of the Act of July 31, 1894 (31 U.S.C. 72).

(12) Section 1302 of the Act of July 27, 1956 (31 U.S.C. 724a).

(13) Section 183 of title 35, United States Code.

(14) Section 104(c) of the Contract Work Hours and Safety Standards Act (40 U.S.C. 330(c)).

(15) Sections 13(b)(2) and 14 of the Contract Settlement Act of 1944 (41 U.S.C. 113(b) and 114).

(16) Sections 8(d) and 10(d) of the Contract Disputes Act of 1978 (41 U.S.C. 607(d) and 609(d)).

(17) Sections 171 and 173 of the Atomic Energy Act of 1954 (42 U.S.C. 2221 and 2223).

(18) Section 10(i) of the Trading With the Enemy Act (50 U.S.C. App. 10(i)).

(19) Sections 103(f), 103(i), 105, 106(a)(6), 108, 108A, and 114(5) of the Renegotiation Act of 1951 (50 U.S.C. App. 1213(f), 1213(i), 1215, 1216(a)(6), 1218, 1218a, and 1224(5)).

(20) Section 4 of the Act of July 2, 1948 (50 U.S.C. App. 1984).

(b) The section heading of section 108A of the Renegotiation Act of 1951 (50 U.S.C. App. 1218a) is amended by striking out "COURT OF CLAIMS" and inserting in lieu thereof "UNITED STATES CLAIMS COURT".

(c) Section 108A of the Renegotiation Act of 1951 (50 U.S.C. App. 1218a) is amended by striking out "Supreme Court upon certiorari in the manner provided in section 1255" and inserting in lieu thereof "United States Court of Appeals for the Federal Circuit in accordance with the provisions of section 1295".

SEC. 219. The following provisions of law are amended by striking out "Court of Claims" each place it appears and inserting in lieu thereof "Claims Court":

(1) Section 4(c) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(c)).

(2) Section 20 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831s).

(3) Section 403 of the International Claims Settlement Act of 1949 (22 U.S.C. 1642b).

(4) Section 2(a) of the Act of May 15, 1978 (92 Stat. 244).

(5) Section 311(i) of the Federal Water Pollution Control Act (33 U.S.C. 1321(i)).

(6) Section 10(b) of the Intervention on the High Seas Act (33 U.S.C. 1479(b)).

(7) Section 282 of title 35, United States Code.

(8) Section 10(a)(1) of the Contract Disputes Act of 1978 (41 U.S.C. 609(a)(1)).

(9) Section 5261 of the Revised Statutes (45 U.S.C. 87).

(10) Section 41(a) of the Trading With the Enemy Act (50 U.S.C. App. 42(a)).

SEC. 220. The following provisions of law are amended by striking out "United States Court of Customs and Patent Appeals" and "Court of Customs and Patent Appeals" each place they appear and inserting in lieu thereof "United States Court of Appeals for the Federal Circuit":

(1) Section 21 of the Trademark Act of 1946 (15 U.S.C. 1071).

(2) Section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182).

(3) Section 305(d) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457(d)).

SEC. 221. (a) The following provisions of law are amended by striking out "Court of Customs and Patent Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for the Federal Circuit":

(1) Subsections (d) and (f) of section 516 of the Tariff Act of 1930 (19 U.S.C. 1516 (d) and (f)).

(2) Section 516A (c) and (e) of the Tariff Act of 1930 (19 U.S.C. 1516a (c) and (e)).

(3) Section 528 of the Tariff Act of 1930 (19 U.S.C. 1528).

(4) Section 337(c) of the Tariff Act of 1930 (19 U.S.C. 1337(c)).

(5) Section 284(c) of the Trade Act of 1974 (19 U.S.C. 2395(c)).

(6) Section 308(9) of the Ethics in Government Act (28 U.S.C. App.).

(7) Sections 141 through 146 of title 35, United States Code.

(b)(1) The item relating to section 141 in the section analysis of chapter 13 of title 35, United States Code, is amended by striking out "Court of Customs and Patent Appeals" and inserting in lieu thereof "Court of Appeals for the Federal Circuit".

(2) The section heading for section 141 of title 35, United States Code, is amended by striking out "Court of Customs and Patent Appeals" and inserting in lieu thereof "Court of Appeals for the Federal Circuit".

SEC. 222. The following provisions of law are amended by striking out "the United States Court of Claims, the United States

Court of Customs and Patent Appeals" each place it appears and inserting in lieu thereof "the United States Claims Court":

(1) Section 6001(4) of title 18, United States Code.

(2) Section 906 of title 44, United States Code.

TITLE III—MISCELLANEOUS PROVISIONS

EFFECTIVE DATE

SEC. 301. The provisions of this Act shall take effect on October 1, 1982.

CONTINUED SERVICE OF CURRENT JUDGES

SEC. 302. The judges of the United States Court of Claims and of the United States Court of Customs and Patent Appeals in regular active service on the effective date of this Act shall continue in office as judges of the United States Court of Appeals for the Federal Circuit. Senior judges of the United States Court of Claims and of the United States Court of Customs and Patent Appeals on the effective date of this Act shall continue in office as senior judges of the United States Court of Appeals for the Federal Circuit.

APPOINTMENT OF CHIEF JUDGE OF COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SEC. 303. Notwithstanding section 45(a) of title 28, United States Code, the first chief judge of the United States Court of Appeals for the Federal Circuit shall be the chief judge of the United States Court of Claims or the chief judge of the United States Court of Customs and Patent Appeals, whoever has served longer as chief judge of his court. Notwithstanding section 45 of title 28, United States Code, whichever of the two chief judges does not become the first chief judge of the United States Court of Appeals for the Federal Circuit under the preceding sentence shall, while in active service, have precedence and be deemed senior in commission over all the circuit judges of the United States Court of Appeals for the Federal Circuit (other than the first chief judge of that circuit). When the person who first serves as chief judge of the United States Court of Appeals for the Federal Circuit vacates that position, the position shall be filled in accordance with section 45(a) of title 28, United States Code, as modified by the preceding sentence of this section.

COURT OF CLAIMS COMMISSIONERS

SEC. 304. (a) Notwithstanding section 171(a) of title 28, United States Code, as amended by this Act, a commissioner of the United States Court of Claims serving immediately prior to the effective date of this Act shall become a judge of the United States Claims Court on the effective date of this Act.

(b) Notwithstanding section 172(a) of title 28, United States Code, as amended by this Act, the initial term of office of a person who becomes a judge of the United States Claims Court under subsection (a) of this section shall expire on September 30, 1986, except that no such individual shall serve as a judge after reaching the age of seventy years.

(c) Notwithstanding section 172(b) of title 28, United States Code, as amended by this Act, until such time as a change in the salary rate of a judge of the United States Claims Court occurs in accordance with such section 172(b), the salary of such judge shall be equal to the salary of a commissioner of the Court of Claims.

APPOINTMENT OF JUDGES BY THE PRESIDENT

SEC. 305. The Congress—

(1) takes notice of the fact that the quality of the Federal judiciary is determined by the competence and experience of its judges; and

(2) suggests that the President, in nominating individuals to judgeships on the United States Court of Appeals for the Federal Circuit and the United States Claims Court, select from a broad range of qualified individuals.

EFFECT ON PENDING CASES

SEC. 306. (a) Any case pending before the Court of Claims on the effective date of this Act in which a report on the merits has been filed by a commissioner, or in which there is pending a request for review, and upon which the court has not acted, shall be transferred to the United States Court of Appeals for the Federal Circuit.

(b) Any matter pending before the United States Court of Customs and Patent Appeals on the effective date of this Act shall be transferred to the United States Court of Appeals for the Federal Circuit.

(c) Any petition for rehearing, reconsideration, alteration, modification, or other change in any decision of the United States Court of Claims or the United States Court of Customs and Patent Appeals rendered prior to the effective date of this Act that has not been determined by either of those courts on that date, or that is filed after that date, shall be determined by the United States Court of Appeals for the Federal Circuit.

(d) Any matter pending before a commissioner of the United States Court of Claims on the effective date of this Act, or any pending dispositive motion that the United States Court of Claims has not determined on that date, shall be transferred to the United States Claims Court.

(e) Any case in which a notice of appeal has been filed in a district court of the United States prior to the effective date of this Act shall be decided by the court of appeals to which the appeal was taken.

TENNESSEE VALLEY AUTHORITY LEGAL REPRESENTATION

SEC. 307. Nothing in this Act affects the authority of the Tennessee Valley Authority under the Tennessee Valley Authority Act of 1933 to represent itself by attorneys of its choosing.

The SPEAKER pro tempore. Is a second demanded?

Mr. RAILSBACK. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. KASTENMEIER) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. RAILSBACK) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. KASTENMEIER).

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

It is a pleasure to bring H.R. 4482 before the House. This is a bill which passed the House last Congress, without a single vote cast against it. The list of supporters—which has grown during the last year—is longer and reflects more diversity of perspective than for any court reform proposal that I have ever worked on.

The proposed legislation establishes a new intermediate appellate court to be called the U.S. Court of Appeals for the Federal Circuit. Creation of this court is accomplished through a merger of the existing Court of Claims and the existing Court of Customs and Patent Appeals into a single appellate court with expanded jurisdiction. The creation of this new court substantially improves the administration of the law in the areas of patents, Government contracts, trademarks and international trade; provides a tribunal capable of exercising appellate jurisdiction nationwide; and results in improved functioning of the Federal appellate system.

H.R. 4482 also creates a new article I trial forum known as the U.S. Claims Court, which would inherit the trial jurisdiction of the Court of Claims. The creation of this court provides an upgraded and better organized trial forum for Government claims cases.

There are several very important reasons for this legislation. First, the caseload of the Federal appellate system has reached crisis proportions. Between 1962 and 1979 appellate court cases more than quadrupled—from approximately 5,000 to 20,000. During this same period, Federal circuit judges only increased from 78 to 97. In spite of the fact that the omnibus judgeship bill created an additional 35 circuit judgeships, it created many more at the base of the judicial pyramid: the district court level. These new lower court judges have kept their new circuit court brethren more than occupied with constantly increasing numbers of appeals. In addition, legislation passed by the 95th and 96th Congresses has drastically increased the burdens on the appellate courts. For example, both the bankruptcy and magistrate reform bills gave relief to the district courts while funneling larger numbers of appeals directly to the circuit courts of appeals. This bill is not a panacea for these festering caseload problems. It does, however, provide partial relief.

A second specific goal of the legislation is to provide increased uniformity in the patent law. The establishment of a single court to hear patent appeals has been identified as one of the most far-reaching reforms that could be made to strengthen the U.S. patent system in such a way as to foster technological growth and industrial innovation. The new Court of Appeals for the Federal Circuit will provide nationwide uniformity in patent law, will make litigation results more predictable and will eliminate the expensive and time-consuming forum shopping that characterizes litigation in the field.

The proposal contains additional positive features. From a practical standpoint, a merger of the Court of Claims and the CCPA could be accomplished with minimal disruption. Since the courts presently occupy but do not quite fill the courts building and already share the library and dining facilities, a new building does not have to be built. From a budgetary perspective, the merger would be extremely cost effective and would result in cost savings. Consolidation of the Court of Claims and the Court of Customs and Patent Appeals is constitutionally permissable and logistically and technically uncomplicated. It will reduce the incentive to forum shop and bring desirable uniformity to an important area of the law. The number of appeals resulting from attempts to obtain different rulings on disputed legal points can be expected to decrease. Business planning will be made easier as the law becomes more stable.

At the same time, the merger of the courts will relieve docket pressures both on the regional appellate courts and on the Supreme Court. Although the number of appeals to be redirected is not great in proportion to the total caseload of these courts, the cases that would be rerouted contain some of the most complex and time-consuming issues the courts consider. The impact of the new court on the dockets of these courts therefore will be far greater than the raw numbers might indicate. Thus, the proposed court will increase the capacity of the Federal judicial system for definitive adjudication of patent and other issues falling within its jurisdiction.

Mr. Speaker, I would like to call to the attention of Members that there is an amendment to the bill which specifies that the court shall establish the times and places of sitting "with a view to securing reasonable opportunity to citizens to appear before the court with as little inconvenience and expense to citizens as is practicable."

The bill as introduced and reported specifies that the court may sit anywhere in the Nation. The purpose of the amendment is to assure that the court will take into account, not merely its own preferences, but the needs of litigants in establishing its schedule of sittings.

The amendment responds to the concerns of our colleagues from the Post Office and Civil Service Committee, particularly the gentlelady from Colorado (Ms. SCHROEDER) that Federal employees who are appealing decisions of the Merit Systems Protection Board not be required to travel to Washington to present their appeal, but may be assured of a forum nearer to the place where they live or work.

In closing, I remind my colleagues that similar legislation passed both the House and the Senate during the 96th Congress. I urge your continued support for this legislation and would now defer to my colleague from Illinois, the ranking minority member, who with his colleagues, contributed so significantly to this legislation.

Mr. RAILSBACK. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MCCLORY), the ranking minority member of the Judiciary Committee.

Mr. McCLORY. Mr. Speaker, first of all I want to commend the gentleman from Illinois (Mr. RAILSBACK), and the chairman of the subcommittee, the gentleman from Wisconsin (Mr. KASTENMEIER), for bringing this measure to the floor of the House.

Mr. Speaker, I rise in support of H.R. 4482, which establishes a new intermediate appellate court by merging two existing article III courts, the Court of Claims and the Court of Customs and Patent Appeals.

I would like to emphasize for the membership two important aspects of this legislation. First, H.R. 4482 is an important court reform measure in that it will expedite and unify the present jurisdiction of the two merged courts and further expand its jurisdiction to include all patent appeals from the district courts around the country.

The second aspect is the effect this legislation is going to have on industrial innovation, which I believe is a key to increase productivity in our country. As has been pointed out by other Members, the validity of a patent is dependent, to a certain degree, upon geography. It is particularly difficult for small businesses to make useful and knowledgeable investment decisions where patents are involved when they fear a patent may be attacked and tied up for years in expensive litigation. The standard of patentability should not vary from circuit to circuit.

A good friend of mine, the former Secretary of Commerce, Phil Klutznick, testified last year in support of this legislation and in his testimony before the subcommittee he said the following:

> Decisions to file patent applications and to invest in commercializing inventions would be improved meaningfully as a result of the greater uniformity and reliability made possible by a national court of appeals.

Mr. Speaker, this legislation was favorably reported, on voice vote, both in the subcommittee and the full Judiciary Committee. It will not result in any additional cost to the taxpayer. As a matter of fact, the Financial Management Division of the Administrative Office indicated to the subcommittee in a letter dated May 26, 1981, that these modifications in operational procedures may save an estimated $500,000 per year.

I urge the Members to vote favorably for its passage.

Mr. RAILSBACK. Mr. Speaker, I yield to myself such time as I may consume.

Mr. Speaker, I rise to add my support to H.R. 4482, the bill to help improve our patent system by merging the U.S. Court of Claims and the U.S. Court of Customs and Patent Appeals (CCPA), into a single appellate court with expanded jurisdication.

H.R. 4482 has strong support from both sides of the aisle. It has the support of the administration, the Departments of Justice and Commerce, the American Patent Law Association, the Judicial Conference and the judges and commissioners of the two courts involved. It is also supported my numerous corporate lawyers and the industrial research institute which is a private, nonprofit corporation with a membership of approximately 250 industrial companies that account for a major portion of the industrial research and development conducted in the United States. The Senate is also moving a bill very similar to H.R. 4482, S. 1700.

Our subcommittee held several days of hearings wherein we heard a great deal of testimony concerning the problem of forum-shopping which presently is practiced in many different district courts around the country. For example, if you wanted to bring a lawsuit which would have the effect of attacking the validity of an existing patent, you would most likely file such a lawsuit in the eighth circuit. On the other hand, if you were trying to have a patent held valid, you would try and have the suit filed in the fifth circuit. The problem is further complicated in that the Supreme Court in the last 35 years has taken one case to resolve a conflict between circuits. The validity of a patent should not dependent upon geography.

Only a small percentage of the patents granted are challenged in court, but of those patents challenged, over 50 percent are held to be invalid. In the eighth and ninth circuits, of all patent cases appealed from the district courts, 80 percent hold the patent to be invalid. A great deal of this instability is attributable to forum-shopping. Although we are not talking about a lot of cases, the chilling effect of this fact is substantial on everyone who holds a patent. It is especially discouraging for the single inventor and the small businessman who does not have the resources for prolonged litigation. The average cost of legal fees for routine patent litigation runs $250,000 per party. Removing the incentive to forum-shop will also reduce the costs to litigants.

As a practical matter, the merger of the court of claims and the court of customs and patent appeals can be accomplished with virtually no disruption to the people involved. This legis-

lation would not involve the building of any new courtroom facilities. The existing courts already jointly occupy almost all of the courts building at Lafayette Square in Washington, D.C. They presently share the same library and court personnel share the same dining facilities. By rule of court, it can sit at other designated places throughout the country. I urge my colleagues to vote favorably for the passage of this legislation.

Some of the persons, corporations and organizations supporting this legislation are the following:

SUPPORTERS AND OPPONENTS—SEPTEMBER 1, 1981

ORGANIZATIONS SUPPORTING H.R. 2405

1. American Patent Law Association.
2. National Bar Association.
3. National Patent Law Association.
4. Committee for Economic Development.
5. Industrial Research Institute.
6. Wisconsin Alumni Research Foundation.
7. National Small Business Association.
8. Small Business Legislative Council.
9. American Society of Inventors.
10. National Patent Council.
11. American Chemical Society.
12. Saginaw Valley Patent Law Association.
13. Chemical Manufacturers Association.
14. Menominee Indian Tribe of Wisconsin.
15. Klamath Indians of Oregon.
16. District of Columbia Bar Association.
17. Computer and Business Equipment Manufacturers Association.
18. Licensing Executives Society, Inc. U.S.A./Canada.
19. Intellectual Property Owners Association.
20. National Association of Manufacturers.

GOVERNMENT AGENCIES SUPPORTING H.R. 2405

1. United States Department of Justice.
2. Judicial Conference of the United States.
3. United States Department of Commerce.

SELECTED INDIVIDUALS WHO SUPPORT H.R. 2405

1. Professor Daniel J. Meador, School of Law, University of Virginia.
2. Dean Paul Carrington School of Law, Duke University.
3. Larry Cassett, Esq., Director of Patent, Trademark and Licensing Activities.
4. Nicholas deB. Katzenbach, Esq., IBM Corporation.
5. Dale L. Carlson, Esq., Patent Counsel, Union Carbide.
6. Paul S. Quinn, Esq., Wilkinson, Cragun & Barker, Washington, D.C.
7. Chief Judge Daniel M. Friedman, U.S. Court of Claims.
8. Chief Judge Howard T. Markey, U.S. Court of Patent and Customs Appeals.
9. Hon. Henry J. Friendly, U.S. Court of Appeals for the 2nd Circuit.
10. Erwin N. Griswold, Esq., Former Solicitor General of the United States.
11. Harry F. Manbeck, Jr., Esq., General Patent Counsel, General Electric Company.
12. Homer O. Blair, Esq., Past President, Licensing Executives Society (U.S.A.).
13. Donald R. Dunner, Esq., Member of the Patent Subcommittee, Advisory Committee on the Domestic Policy Review for Industrial Innovation.
14. Charles R. Haworth, Esq., Johnson, Swanson & Barbee, Dallas, Texas.

BUSINESS ENTERPRISES SUPPORTING H.R. 2405

Allied Chemical Corporation, Morristown, NJ, Roy H. Massengill, Assistant General Counsel, Chief Patent Counsel.

Allis-Chalmers Corporation, Milwaukee, WI, Robert B. Benson, Counsel and Director Patent Law Department.

American Can Company, Greenwich, CT, Robert P. Auber, Director, Patent & Trademark Law.

American Flange & Mfg. Co., Inc., Linden, NJ, Melvin E. Libby, Patent Counsel.

American Hoechst Corporation, Somerville, NJ, Leroy G. Sinn, Director, General Patent Counsel.

Avant, Incorporated, West Concord, MA, Robert, L. Nathans, Patent Counsel.

Avco Corporation, Greenwich, CT, Irwin P. Garfinkle, General Patent Counsel.

Bangor Punta Corporation, Greenwich, CT, Patrick J. Walsh, Patent Counsel.

Borg-Warner Corporation, Chicago, IL, Robert L. Zieg, General Patent Counsel.

Burndy Corporation, Norwalk, CT, Ernest Fanwich, General Counsel,

CPC International Inc., Englewood Cliffs, NJ, Ellen Trevors, Asst. Secretary & Corporate, Patent and Trademark Counsel.

The Carborundum Company, Niagara Falls, NY, William Holt, Patent Counsel.

Carrier Corporation, Syracuse, NY, J. Raymond Curtin, Patent Counsel.

Champion International Corp., Stamford, CT, Evelyn M. Sommer, Patent Counsel.

Colt Industries—Chandler Evans Division, W. Hartford, CT, Radford W. Luther, Patent Counsel.

Combustion Engineering, Inc., Windsor, CT, Eldon H. Luther, Vice President-Corporate, Patent Counsel.

Community Technology Foundation, Boston University, Boston, MA, Lawrence Gilbert, Patent Administrator.

Container Corporation of America, Chicago, IL, Richard W. Carpenter, Patent Counsel.

The Continental Group, Inc., Oak Brook, IL, Jospeh E. Kerwin, General Manager, Patent Dept.

Corning Glass Works, Corning, NY, Clarence R. Patty, Jr., Assistant Secretary-Director, Patent Operations.

Crown Zellerbach Corporation, San Francisco, CA, Corwin R. Horton, Patent Counsel.

Deere & Company, Moline, IL, H. Vincent Harsha, Director of Patents.

Dennison Manufacturing Co., Framingham, MA, George E. Kersey, Patent Consultant.

Door Oliver, Inc., Stamford, CT, Burtsell J. Kearns, Corporate Patent Counsel.

Dow Chemical Company, Midland, MI, Dr, Richard G. Waterman, General Patent Counsel.

EG & G, Inc., Wellesley, MA, Ralph Cadwallader, Patent Counsel.

E. I. duPont DeNemours & Co., Wilmington, DE, Robert C. Kline, Chief Patent Counsel.

Ethyl Corporation, Baton Rouge, LA, Donald L. Johnson, Patent Counsel.

Exxon Enterprises, Inc., New York, NY, Robert I. Pearlman, Assistant General Counsel.

FMC Corporation, Philadelphia, PA, Pauline Newman, Director, Patent & Licensing, Department.

Foster Wheeler Energy Corporation, Livingston, NJ, Marvin A. Naigur, Asst. General Counsel, Patents Licensing.

General Mills, Inc., Minneapolis, MN, Gene O. Enockson, Associate Counsel, Intellectual Property Law.

General Motors Corporation, Detroit, MI, George E. Frost, Director, Patent Section.

The Goodyear Tire & Rubber Company, Akron, OH, Richard H. Childress, Director of Patents & Trademarks.

Gulf & Western Industries, Inc., New York, NY, Thomas E. Harrison, Jr., Patent Counsel.

Honeywell, Inc., Minneapolis, MN, Henry L. Hanson, Director of Corporate, Intellectual Property.

Instrumentation Laboratory, Inc., Lexington, MA, Lowell McCarter, Patent Counsel.

International Paper Company, New York, NY, Walt Thomas Zielinski, Counsel, Patents, Science, & Technology.

International Playtex Company, Stamford, CT, Stewart J. Fried, Patent and Trademark Counsel.

Itek Company, Lexington, MA, Homer O. Blair, Vice President, Patents & Licensing.

Johnson & Johnson, New Brunswick, NJ, Leonard P. Prusak, General Counsel.

Kennecott Copper Corporation, New York, NY, John L. Sniado, Director, Patents & Licensing.

Arthur D. Little, Inc., Cambridge, MA, Bessie Lepper, Patent Counsel.

The Lummus Company, Bloomfield, NJ, Wallace C. Neyerlin, Manager, Patent and Licensing Dept.

Martin Marietta Corporation, Bethesda, MD, Gay Chin, General Patent Counsel.

Massachusetts Institute of Technology, Cambridge, MA, Arthur A. Smith, Jr., General Counsel, Office of Sponsored Programs & Director of Patent Licensing.

McDonnell Douglas Corporation, Long Beach, CA, Walter J. Jason, Patent Director.

Merck & Company, Inc., Rahway, NJ, Rudolph J. Anderson, Jr., Associate General Counsel, & Director of Patents.

Milliken Research Corporation, Spartanburg, SC, H. William Petry, Vice President.

Minnesota Mining & Manufacturing Co., St. Paul, MN, Cruzan Alexander, Chief Patent Counsel.

Monsanto Company, St. Louis, MO, John E. Maurer, Director, Patent Dept.

NCR Corporation, Dayton, OH, J. T. Cavender, Corporate Patent Counsel.

The Norton Company, Worcester, MA, Frank S. Chow, Chief Patent Counsel.

Owens-Illinois, Inc., Toledo, OH, Myron E. Click, Assistant General Counsel.

The Perkin-Elmer Corporation, Norwalk, CT, Salvatore A. Giarrantana, Corporate Patent Counsel.

Phillips Petroleum Company, Bartlesville, OK, Donald J. Quigg, Chief Patent Counsel.

Pitney-Bowes, Inc, Stamford, CT, William D. Soltow, Jr., Corporate Patent Counsel.

Polaroid Corporation, Cambridge, MA, Robert F. Peck, Patent Counsel.

The Procter & Gamble Company, Cincinnati, OH, Richard C. Witte, Chief Patent Counsel.

Raytheon Company, Lexington, MA, Joseph D. Pannone, Patent Counsel.

Revlon, Inc., New York, NY., Ernest D. Lipscomb III, Director, Patents.

Reynolds Metals Company, Richmond, VA, John F. C. Glenn, Chief Patent Counsel.

Schering-Plough Corporation, Kenilworth, NJ, Bruce M. Elsen, Director, Patents, U.S.

Scott Paper Company, Philadelphia, PA, William J. Foley, Chief Patent Counsel, Law, Division.

The Singer Company, Elizabeth, NJ, Edward L. Bell, Asst. Vice President & Chief Patent & Trademark Counsel.

Smith Kline Corporation, Philadelphia, PA, Alan D. Lourie, Director, Corporate Patents.

Sperry Rand Corporation (Univac Division), Blue Bell, PA, Marshall M. Truex, General Patent Counsel.

St. Regis Paper Co., W. Nyack, NY, Joseph M. Maguire, Director, Patent & Licensing.

The Standard Oil Company, Cleveland, Ohio, Larry W. Evans, Manager, Patent & Licensing.

Stanford University, Stanford, CA, Niels J. Reimers, Manager, Technology Licensing.

A. E. Staley Manufacturing Company, Decatur, Illinois, Charles J. Meyerson, Director, Patent & Food Law Division.

Stauffer Chemical Company, Westport, CT, Lloyd L. Mahone, Director, Patent Department.

United States Gypsum Company, Chicago, Illinois, Robert G. Robinson, Patent Counsel.

United Technologies Corporation, Hartford, CT, Richard N. James, Deputy General Counsel & Director, Patent Section.

Varian Associates, Palo Alto, CA, Stanley Z. Cole, Director, Patents & Licensing.

Westinghouse Electric Corporation, Pittsburg, PA, Clement L. McHale, General Patent Counsel.

Weyerhaeuser Company, Tacoma, WA, Patrick D. Coogan, Patent Counsel.

Xerox Corporation, Stamford, CT 06904, Ronald Zibelli, General Patent Counsel.

Rex Nord, Milwaukee, WI, W. H. Levit, Jr., General Counsel.

IBM Corporation, J. Jan Jancin, Patent Counsel, Washington, D.C.

Eli Lilly and Company, Indianapolis, IN, Arthur R. Whale, General Patent Counsel.

J. I. Case Corporation, Milwaukee, WI.

Allen-Bradley Corporation, Milwaukee, WI.

Continental Can Company, Stamford, CT, Ronald C. Eksten, Vice President and General Counsel.

Shell Oil Company, Houston, TX, Robert C. Clement, General Manager, Patents and Licensing.

□ 1750

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time.

Mr. RAILSBACK. Mr. Speaker, I yield 5 minutes to my friend, the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I rise in strong opposition to H.R. 4482.

Mr. Speaker, this bill creates a new court. It is unnecessary. It is not going to do much to alleviate the caseload in our Federal appellate system, and attacks the problem of inconsistent Federal appellate decisions on a piecemeal basis rather than a national basis.

The legislation is opposed by the American Bar Association and by the bar association of the seventh Federal circuit.

Proponents of this bill assert that a national Patent Appeals Tribunal will help alleviate docket pressures in the regional courts of appeal. However, in 1979 the Federal appellate caseload was approximately 20,000 cases, with only 192 of these cases being appealed from patent decisions. While other reasons may be advanced for a new Patent Court of Appeals, this data clearly does not support the claim that a new national court will relieve docket congestion or caseloads in the several courts of appeals around the country.

Proponents also argue patent cases are so complex that a specialized court is necessary. While patent law may well be an area of specialty in which most appellate judges are not intimately familiar, most patent suits contain ancillary and antitrust claims. There is no reason to believe a new court of appeals would be any more competent to rule on those contract and antitrust claims than existing courts of appeals. Patent appeals cases constitute such a small percentage of the present workload that there is no reason to believe present appellate judges cannot master the issues in cases before them.

A third reason for opposing this legislation is the possibility that once in place, such a court of appeals could become a dumping ground for jurisdiction over other categories of law which Congress wished to assign. The realities of this legislative process are once a new court is created, it is difficult to keep it from expanding or having new authority thrust upon it. At a time when Americans are clamoring for streamlined government, Congress should be reluctant to pass any legislation which could evolve into a court of ever-expanding jurisdiction.

Finally, Mr. Speaker, proponents have argued that forum shopping and inconsistent opinions have resulted from our present judicial system as relates to patent law. However, this is a longstanding criticism which has been leveled against our appellate judicial system in all areas of law. If one accepts the criticism that the proponents of this bill have levied against the current patent system, then it should be corrected in a manner that applies to all the other areas of law, not just patent cases.

The subcommittee chairman, my colleague from Wisconsin, Mr. KASTENMEIER, and the full committee chairman, the gentleman from New Jersey, Mr. RODINO, have recently introduced legislation, H.R. 4762, which is supposed to bring more uniformity to appellate cases. It seems inconsistent on one hand to be supporting legislation which narrowly applies only to patent cases and ignoring the other areas of law while, on the other hand, supporting legislation which is national in application, applying to all the areas of law. If one assumes that our Federal appellate system is in disrepair, any corrective legislation should address all the areas of the law, not just patent cases.

For these reasons, Mr. Speaker, I urge my colleagues to vote against suspending the rules to pass H.R. 4482. The bill is unnecessary, it creates a Trojan horse, and should be defeated.

Mr. RAILSBACK. Mr. Speaker, I have no further requests for time.

Mr. KASTENMEIER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KASTENMEIER) that the House suspend the rules and pass the bill, H.R. 4482, as amended.

The question was taken.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

SECTION 8(a) PILOT PROGRAM EXTENSIONS

Mr. MITCHELL of Maryland. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4500) to extend through fiscal year 1983 SBA pilot programs under section 8 of the Small Business Act.

The Clerk read as follows:

H.R. 4500

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 8(a) of the Small Business Act, the programs authorized by subparagraph (B) of section 8(a)(1) of such Act and by paragraph (2) of section 8(a) of such Act shall be continued through fiscal year 1983.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Maryland (Mr. MITCHELL) will be recognized for 20 minutes, and the gentleman from Pennsylvania (Mr. MCDADE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. MITCHELL).

GENERAL LEAVE

Mr. MITCHELL of Maryland. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MITCHELL of Maryland. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4500 and urge the immediate passage of this legislation.

Mr. Speaker, this bill would do two things. First it would extend for 2 years, or until September 30, 1983, a pilot program under which SBA is given the final authority to determine which prospective procurements or contracts are capable of performance by socially and economically disadvan-

taged firms under SBA's 8(a) program. Second, it would extend for a similar 2-year period a pilot program which authorizes SBA to waive Federal bonding requirements for 8(a) contractors which are unable to obtain a surety bond from private sources providing that the company has not been in existence for over 1 year.

In 1978, Public Law 97-507 established the 8(a) procurement and bond waiver pilot program. These pilot programs were originally designed for a 2-year period. However, since 1979, SBA has been extremely slow in implementing these programs. In fact, as of this day, SBA has not waived a single 8(a) bond. Because of administrative delays. There is an insufficient data base to evaluate the effectiveness of these two programs. In view of past delays, the committee and the Government Accounting Office have recommended a 2-year extension. The administration has joined this recommendation and has assured the committee that the programs will be properly implemented.

I want to commend all of the members of the committee who worked to develop this legislation and provide proper guidance to the SBA in the operation of the programs. I am pleased with the bipartisan support from HAL DAUB and JOSEPH MCDADE, the ranking minority member of the committee.

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 4500, which extends the SBA section 8(a) pilot and bond waiver programs through fiscal year 1983. Both provisions were created as part of Public Law 95-507, which I authored in late 1978.

It was my intention that both of these programs be made permanent. However, in conference with the Senate it was decided that they should be limited to a few years during which SBA, GAO, and Congress would have time to evaluate the programs' true worth. Unfortunately, to this day, neither of the programs has been implemented satisfactorily, as was found by both GAO and the Small Business Committee.

Incredibly, the Small Business Administration waited some 19 months into an initial 24-month program to publish proposed rules on the surety bond waiver program. Final regulations were not forthcoming until after expiration of the 24-month period. To this day, more than 36 months later, SBA has failed to issue the standard operating procedures necessary to implement this law. This program must be continued to carry out Congress intent that this program be given a chance to work and be properly evaluated.

The 8(a) pilot program was also delayed. A pilot agency for the program was not designated by the President until 75 days after the bill became law. To date, little more than a handful of contracts have been awarded, although the number, dollar amount, and quality of these procurements are growing at an encouraging rate. The more sophisticated contracts are just now being made available, so it would be a mistake to allow the program to expire before full evaluation of the program is completed.

I know that some question has arisen as to the most appropriate agency for this program. I personally believe that a defense agency should continue with this pilot program. As chairman of the Defense Appropriations Subcommittee, I find it imperative that the defense activities put more reliance on placing high quality, high dollar value contracts with qualified small and disadvantaged firms. Procurement officials must accept the fact that small disadvantaged firms are capable of more than just janitorial services or ditch digging. It is good for our defense industrial base, and it is good economic policy. Accordingly, I will support this bill whether or not the program is shifted to a nondefense agency, but I would be disappointed to see that happen. The Army has always resisted having this program in its agency. It should be asked to give this program a chance before it passes judgment one way or the other. As of today we do not have sufficient experience to make a satisfactory evaluation.

I urge my colleagues to vote to extend these programs. They are not giveaways; rather, they have the potential for increasing the number of qualified small disadvantaged firms doing business with the Federal Government.

Mr. MITCHELL of Maryland. I thank the gentleman.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4500 which will extend the Small Business Administration's 8(a) pilot program for 2 years. Chairman MITCHELL has adequately described the provisions of the bill. So I shall not repeat them as the House is late and the bill noncontroversial. It is one we support. However, it is clear that the program has performed below expectation in many instances in the past. Indeed, GAO concluded that the 8(a) pilot program has not been effective. However, the President has asked us to support this bill because of the great potential that it holds to help small and disadvantaged businesses compete for Government contracts. We have strong assurances from the Administrator of SBA that changes will be made to correct the problems of the past. Indeed, some steps already are being taken in this direction.

Based on these assurances, I am here to ask for your support for H.R. 4500.

Mr. Speaker, I reserve the balance of my time.

□ 1800

Mr. MITCHELL of Maryland. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Speaker, I thank the distinguished chairman of the Small Business Committee, and I wish to join him and my colleagues in urging adoption of this bill. I want to compliment the chairman for his diligence and his success in addressing an area that I think under present circumstances shows that there is an acute need for, particularly in the smaller businesses in the lower echelons that have need of this bonding process.

So, I urge my colleagues in the House to affirmatively support this measure.

Mr. MITCHELL of Maryland. I thank the gentleman for his remarks.

Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. DAUB).

Mr. DAUB. Mr. Speaker, I thank my good friend and chairman of the Small Business Committee. I want to note first of all that I want the record to show my appreciation for the hard work and leadership that the chairman has provided on this pilot 8 program. With the concerns I have, I ask to enter into a colloquy with my colleague for the purpose of establishing two points that I think are important to the membership. Let me also say that the ranking minority member on our side has certainly been an encourager to me in pursuit of this pilot 8 program.

Mr. MITCHELL of Maryland. I will be delighted to answer any questions my colleague would want to propound.

Mr. DAUB. First, could the gentleman indicate whether or not it is true that the bill as drafted preserves the discretion of the President to designate the agency that will operate the pilot program?

Mr. MITCHELL of Maryland. That is correct. Such discretion is preserved in the legislation.

Mr. DAUB. Is it true, if the gentleman will further yield, that the Small Business Administration has recommended that the pilot program be placed in a nondefense agency?

Mr. MITCHELL of Maryland. As the gentleman will recall, there was a discussion when the administrator of the program appeared before the committee. At the gentleman's urging, it was suggested that the administrator recommend other areas other than de-

fense areas to be examined for recommendation for use in the pilot program. That has been done.

Mr. DAUB. I thank the gentleman, and I certainly do rise in support of this legislation.

Mr. MITCHELL of Maryland. I thank the gentleman for his support.

Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Speaker, is it true that the chairman and the committee are prepared to support the SBA recommendation that the pilot program be placed in a nondefense agency?

Mr. MITCHELL of Maryland. That is correct. There was a consensus arrived at during the markup of this bill, members of the committee will recall, and we are prepared to support that recommendation that comes from the Administrator.

Mr. WOLF. I thank the chairman.

Mr. McDADE. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. HILER).

Mr. HILER. Mr. Speaker, during final consideration of the bill by the House Committee on Small Business, I offered amendments to correct several weaknesses that I perceived in the 8(a) pilot program and an amendment to eliminate the provision that extends the surety bond waiver program. I requested this time to highlight those defects so that my colleagues can better assess all of the implications of H.R. 4500.

The purpose of the bill under consideration is to extend for another 2 years a program that is intended to help socially and economically disadvantaged small businesses develop the capability to perform sophisticated, high-technology, large-dollar, multiyear contracts. The program is being tested to determine whether the program is achieving this goal and whether the authority to demand certain contracts is an effective means to this end. Thus, our consideration of H.R. 4500 must address the level of success achieved by the 8(a) program over the last 3 years.

Testimony presented during our hearings on the bill indicated that the program, as created by Congress, has failed to realize the fundamental purposes of its existence. Further, the mere request for an extension, the second thus far, stands as clear evidence that elements of failure to adequately assess the program exist. Yet, H.R. 4500 offers no substantive changes in the law.

Two of the weaknesses I perceive in the bill concern the use of the Department of Defense as the test agency and the use of construction contracts to carry out the purposes of the legislation. Because efforts are underway by the Small Business Administration and the OMB to recommend that the President designate a nondefense agency for the program, I will not elaborate on this concern. However, a brief statement on the use of construction contracts may be helpful.

Testimony presented to the committee indicated that construction contracts may be counterproductive to developing a business' ability to compete and to perform. One of the central arguments here concerns the fact that the competitive bid process is an essential element of the construction industry. To succeed, a business must develop the skills of surveying the market for available work, deciding which jobs are appropriate to the company's capabilities, estimating the job and its costs, obtaining bonding, soliciting subcontracting bids, and preparing the bid. Yet, the 8(a) pilot program does not require competitive bidding: It is a sole-source negotiation program, a process that, according to testimony, can increase construction costs by 40 to 120 percent.

My final concern addresses the surety bond waiver program. According to the GAO, surety bonding is often a prerequisite for obtaining some Government contracts, but the practice occurs particularly in construction work. Further, the SBA requests, as a matter of normal procedure, that agencies not require bonding for nonconstruction contracts except where it is absolutely essential to protect the interests of the Government.

As noted in the committee report, the SBA administers a surety bond program that allows the Administration to guarantee reimbursement of between 80 and 90 percent of the value of a contract which does not exceed $1 million. The purpose of the program is to help small businesses obtain the bonding required for Federal projects, especially construction contracts over $25,000, as mandated by the Miller Act.

In its report to the Congress on the surety bond program, the GAO revealed that of the 6,085 applications that were received for bonding under the guarantee program, only 2 percent, or 144, were refused. Further, of the 144 applicants who were denied bond guarantees, 87 percent were not qualified 8(a) firms, of the 57 remaining, 48 had participated in the 8(a) program longer than the 1-year limit and were not eligible. Six of the remaining nine firms had been in business longer than the 2-year maximum.

Thus, the GAO reports, had the bond waiver program been implemented, only three firms would have been eligible during the period of October 1978 through June 1981. Further, considering the very low rate of refusal under the bond guarantee program, the advisability of waiving the bond requirement for firms that have been rejected by the guarantee program is questionable.

The effort to help disadvantaged small businesses develop expertise is admirable, and providing the SBA with the power to reserve desirable contracts may be the appropriate avenue for achieving this goal. Yet, in 3 years, the 8(a) pilot program in its current form has not advanced the purposes of the program and has not provided an adequate base from which to assess the viability of the program.

As we consider this bill, we should all be aware of the weaknesses of H.R. 4500 and should question the need to extend the surety bond waiver program. The good intentions of the program deserve our full consideration.

Mr. MITCHELL of Maryland. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. SAVAGE).

Mr. SAVAGE. Mr. Speaker, today the House will have the opportunity to vote on passage of legislation, H.R. 4500, to extend through September 30, 1983, two test or pilot programs administered by SBA. These programs are supposed to help SBA nurture the development and growth of small businesses owned by socially and disadvantaged minorities. I sincerely hope that the Members of this body will overwhelmingly pass this very important bill, because many minorities need these programs in order to get a footing to make it in the economic mainstream.

Under the pilot procurement program, SBA has the authority to enter into procurement contracts with designated agencies and to then subcontract the work to minority firms. I am pleased that this bill we soon will be voting on will give SBA more authority to determine which procurement needs of a designated agency are appropriate for inclusion in the 8(a) program. SBA needs this additional authority because, in the past, designated agencies invariably managed to frustrate congressional intent by simply stonewalling or by not cooperating to increase minority participation in Government contracts. This change in language should give more teeth to SBA in this area.

The other pilot program included in this legislation extends SBA's authority to waive bond requirements that otherwise would be in force on Government contracts. History of this particular program shows that SBA seldom, if ever, used this authority to help minorities in construction trades. I hope that the present Administrator of SBA will be more aggressive in this area so that more minorities can break into this line of work.

In summation, this bill deserves to be passed and I urge all my colleagues to support it today.

Mr. Speaker, I just want to say that after we have just passed overwhelmingly so much money for MX missiles,

neutron bombs, deployment of the Pershing missile in Europe, B-1 bombers—so much to kill, and we will be straining to give just a little bit to heal. All we are asking here is to extend a program that has proved itself for minority businesses in this country who are asking, not for welfare, not asking for a handout, just a hand, just an opportunity to help ourselves overcome disadvantages imposed upon us.

America must be concerned about the welfare and about the domestic problems that we face. I urge the Members to do what they did in voting for killing, and vote for healing and help to extend the contract set-aside program for minority businesses.

● Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 4500, a bill to extend section 8 SBA pilot programs through fiscal year 1983.

This legislation is an extension of a pilot program that was established by Public Law 95-507 which established a 2-year pilot procurement program where the President would designate an agency with which the SBA would have increased authority to negotiate any contract requirements it selects for use in the 8(a) program. The Department of the Army was the agency selected as the 8(a) pilot agency. Under this bill, the President could continue with the Department of the Army or select another agency.

The SBA's regular 8(a) program is used to aid and encourage economically and socially disadvantaged firms. The procuring agency volunteers a given contract for inclusion in this program. The pilot program will allow the SBA to add other contracts for inclusion in the program. The additional contracts may be of two types: Those traditionally included and those traditionally excluded from the 8(a) program. In particular, this legislation encourages the expansion of the number of contracts in the area of historical exclusion such as high technology contracts, multiyear contracts with followup potentials, large amount contracts and those contracts with commercial application.

I am very pleased to see this pilot program extended for an additional 3 years. The SBA's 8(a) program is very important to minorities and socially and economically disadvantaged companies throughout the United States. I hope that these additional 2-years of experience with a pilot program will lead to increasing participation by all segments of our business communities. I urge my colleagues to approve H.R. 4500.●

Mr. McDADE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MITCHELL of Maryland. Mr. Speaker, I have no further requests for time, and I urge passage of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. MITCHELL) that the House suspend the rules and pass the bill, H.R. 4500.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL PHYSICIANS COMPARABILITY ALLOWANCE ACT OF 1978

Ms. OAKAR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4793), to amend title 5, United States Code, to extend the Federal Physicians Comparability Allowance Act of 1978, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Physicians Comparability Allowance Amendments of 1981".

SEC. 2. Section 5948 of title 5, United States Code, is amended—

(1) in subsection (d)—

(A) by striking out "September 30, 1981" and inserting in lieu thereof "September 30, 1983"; and

(B) by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1985";

(2) in subsection (g), by amending so much of paragraph (1) as precedes subparagraph (A) to read as follows:

"(1) 'Government physician' means any individual employed as a physician or dentist who is paid under—"; and

(3) in subsection (g)(1)(F), by striking out "title 4 of the Foreign Service Act of 1946 (22 U.S.C. 861-890)" and inserting in lieu thereof "chapter 4 of title I of the Foreign Service Act of 1980 (22 U.S.C. 3961 and following)".

SEC. 3. Section 3 of the Federal Physicians Comparability Allowance Act of 1978 (Public Law 95-603; 92 Stat. 3018) is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1985".

SEC. 4. (a) Any service agreement entered into on or after the date of the enactment of this Act pursuant to section 5948 of title 5, United States Code, as amended by section 2 of this Act, shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

(b) The amendments made by this Act shall not be construed to authorize additional or supplemental appropriations for the fiscal year ending September 30, 1982.

SEC. 5. (a) Section 8344(c) of title 5, United States Code, relating to termination of civil service annuities on reemployment, is amended by adding at the end thereof the following: "Upon separation from such position, an individual whose annuity is so terminated is entitled to have his rights redetermined under this subchapter, except that the amount of the annuity resulting from such redetermination shall be at least equal to the amount of the terminated annuity plus any increases under section 8340 of this title occurring after the termination and before the commencement of the redetermined annuity.".

(b)(1) Subject to paragraph (2), the amendment made by subsection (a) shall apply to individuals whose annuities terminate under section 8344(c) of title 5, United States Code, on or after October 1, 1976.

(2) In the case of an individual whose reemployment ended before the date of the enactment of this Act, the amendment shall apply only upon application by the individual to the Office of Personnel Management within one year after the date of enactment. Upon receipt of such application, the Office shall recompute the annuity, effective as of the day following the day reemployment ended.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Ohio (Ms. OAKAR) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. DERWINSKI) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Speaker, I yield as much time as I may consume.

Mr. Speaker, the purpose of the physicians' comparability allowance program is to aid recruitment and retention of highly qualified Government physicians for a specified period of service in a particular agency. In return for this benefit to the Government, the physician receives an allowance for the duration of the agreement in an amount determined by the agency head and specified in the agreement.

The allowances are to be paid only to categories of physicians for which the agency is experiencing recruitment and retention problems. The amounts are to be fixed at the minimum necessary to alleviate these problems.

H.R. 4793 will extend that authority for 2 years. I would like to point out this bill does not provide new or additional benefits to Federal physicians—it only continues an existing program.

The Office of Personnel Management has evaluated the effectiveness of the program and recommended a further extension of the program. Dr. Devine, Director of OPM, has informed me:

We believe the comparability allowance program for General Schedule and certain other physicians has significantly benefited the government in its staffing of physicians. Federal agencies using the authority have all told us that the ability to pay the allowances has significantly helped them in their recruitment and retention efforts, and they urge continuation of the allowance in competing with non-federal employers for doctors * * * Accordingly, the Office of Personnel Management favors extension of this authority for two additional years.

Mr. Speaker, I would point out that the national average salary of physicians in private practice is reported to be $78,400. The average Federal gener-

al schedule salary, as reported by OPM, is only $45,608, and that includes the special allowance.

Clearly, if Congress does not extend this authority, our presently employed Federal physicians will flee the systen; and agencies, who are already finding it difficult to recruit new doctors, will find it impossible to fill vacancies.

H.R. 4793 also contains a committee amendment which amends section 8344(c) of title 5, United States Code, relating to termination of civil service annuities on reemployment. The amendment corrects an inequity in current law by insuring that an individual, upon termination of the period of reemployment, would receive a new annuity which is not less than the terminated annuity with the intervening cost-of-living adjustments. The amendment also authorizes lump sum payments to any individual who has been adversely affected.

I would, therefore, urge the House to favorably pass H.R. 4793.

□ 1810

Mr. DERWINSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation is the extension of a practical and workable program to assist the Federal Government in recruiting and retaining highly trained and experienced physicians. Specifically, the bill extends through September 30, 1983, the authority of Federal agency heads to make special bonus pay agreements with physicians employed under the General Schedule. Current authority for such payments expired on September 30.

The bill also provides that a civil service annuitant who receives a Presidential appointment or is elected to a Federal office will no longer suffer a loss of retirement benefits.

The Office of Personnel Management has advised the Post Office and Civil Service Committee that the physicians comparability allowance program has significantly helped Federal agencies in the recruitment and retention of physicians. Accordingly, OPM has urged continuation of the program for an additional 2 years.

While the bill would allow payment of special bonuses of up to $10,000, the Congressional Budget Office estimates that 1,337 physicians with bonuses averaging $7,125 would be affected. Additionally, the bill explicitly states that no additional or supplemental appropriations may be authorized for 1982, and new contracts awarded in 1983 would require no more than $1 million in budget authority.

According to the General Accounting Office, the average salary of a physician in the General Schedule, as of December 1980, was $45,608, while the average salary of a physician in the private sector was $78,400.

The other provision in the bill corrects an anomaly in the reemployed annuitant provisions of the civil service retirement law.

Under existing law, when an annuitant is reemployed as a Presidential appointee or is elected to Congress, his civil service retirement annuity is terminated. Upon termination of the period of reemployment, the individual is entitled to a new annuity computed on the basis of the additional service and salary.

When this provision was enacted in 1976, it was designed to work to the individual's advantage since the new higher average salary and additional service would result in an annuity larger than the one terminated. However, the combined effect of executive pay caps and large cost-of-living increases in annuities have resulted in situations where the new computed annuity is less that the original annuity would have been had it continued in effect.

As for the physicians comparability allowance program, I think it provides a big assist to the Federal Government in recruiting and keeping physicians. Without such a program, I am afraid the Federal Government would be completely disadvantaged in the competition for top medical personnel.

I urge prompt enactment of this legislation.

Ms. OAKAR. Mr. Speaker, I yield back the balance of my time.

● Mr. WOLF. Mr. Speaker, I rise in strong support of H.R. 4793, an extension of the Physicians' Comparability Act of 1978 for 2 additional years.

This is a vital program which has significantly benefited the Government in its staffing of physicians. According to the OPM, Federal agencies using the comparability allowance authority have attested that it has greatly helped them in their recruitment and retention efforts and they unanimously urge continuation of the allowance authority in view of the continuing difficulty they are having in competing with non-Federal employers for doctors.

This is just another painful example of the problem created and being exacerbated each day by the pay cap. The committee has figures from the GAO which vividly depict Federal physicians average salaries lagging behind salaries of physicians in the private sector by over $32,000. As of December 1980, the average salary of a physician in the Government was $45,608 compared to $78,400 for a physician in the private sector.

Mr. Speaker, while this bill is certainly not the panacea for the serious compensation problems plaguing our physicians in Government, it is a positive first step. Continuation of the Physicians' Comparability Act of 1978 is necessary. It deserves our strong support.

However, we should not fool ourselves into thinking this measure alone will solve serious pay problems of Federal physicians. It will not. The Congress soon must address this particular critical problem, as well as the overall pay cap crisis which is encouraging an extraordinary exodus of our most senior and talented top officials. We can no longer afford to sit back and do nothing while this brain drain continues. It is false economy.●

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Ohio (Ms. OAKAR) that the House suspend the rules and pass the bill, H.R. 4793, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Ms. OAKAR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1551) to amend title 5, United States Code, to extend the period within which physicians comparability contracts may be entered into, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5948(d) of title 5, United States Code, is amended—

(1) by striking out "September 30, 1981" and inserting in lieu thereof "September 30, 1982"; and

(2) by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

MOTION OFFERED BY MS. OAKAR

Ms. OAKAR. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Ms. OAKAR moves to strike out all after the enacting clause of the Senate bill, S. 1551, and to insert in lieu thereof the provisions of the bill, H.R. 4793, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend title 5, United States Code, to extend the Federal Physicians Comparability Allowance Act of 1978, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4793) was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill, H.R. 4793, just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

INTERNATIONAL BANKING FACILITY DEPOSIT INSURANCE ACT

Mr. ST GERMAIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4879) to amend the Federal Deposit Insurance Act to clarify the treatment of international banking facility deposits for purposes of deposit insurance assessments, as amended.

The Clerk read as follows:

H.R. 4879

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—INTERNATIONAL BANKING FACILITY DEPOSIT INSURANCE ACT

SHORT TITLE

SEC. 101. This title may be cited as the "International Banking Facility Deposit Insurance Act".

INTERNATIONAL BANKING FACILITY DEPOSITS

SEC. 102. Section 3(1)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1813(l)(5)) is amended to read as follows:

"(5) such other obligations of a bank as the Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, shall find and prescribe by regulation to be deposit liabilities by general usage, except that the following shall not be a deposit for any of the purposes of this Act or be included as part of the total deposits or of an insured deposit:

"(A) any obligation of a bank which is payable only at an office of such bank located outside of the States of the United States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands; and

"(B) any international banking facility deposit, including an international banking facility time deposit, as such term is from time to time defined by the Board of Governors of the Federal Reserve System in regulation D or any successor regulation issued by the Board of Governors of the Federal Reserve System.".

BRANCHES OF INSURED BANKS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 103. (a) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended—

(1) in subsection (a), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa," each place it appears therein;

(2) in subsection (m)(1), by inserting "of the Trust Territory of the Pacific Islands," after "American Samoa,"; and

(3) in subsection (o), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa," each place it appears therein;

(b) Section 7 of such Act (12 U.S.C. 1817) is amended—

(1) in subsection (a)(4), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,"; and

(2) in subsection (b)(5)(B), by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(c) Section 11(a)(2)(A)(iv) of such Act (12 U.S.C. 1821(a)(2)(A)(iv)) is amended—

(1) by inserting "of the Trust Territory of the Pacific Islands," after "of American Samoa,"; and

(2) by inserting "the Trust Territory of the Pacific Islands," after "Virgin Islands, American Samoa,".

TITLE II—MORTGAGE PURCHASE AMENDMENTS OF 1981

SHORT TITLE

SEC. 201. This title may be cited as the "Mortgage Purchase Amendments of 1981".

PURCHASES OF MORTGAGES MORE THAN ONE YEAR OLD

SEC. 202. (a) The third sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) is amended to read as follows: "The corporation may purchase a conventional mortgage which was originated more than one year prior to the purchase date only if the seller is the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any other seller currently engaged in mortgage lending or investing activities.".

(b) The fourth sentence of section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended to read as follows: "The corporation may purchase a conventional mortgage which was originated more than one year prior to the purchase date only if the seller is the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any other seller currently engaged in mortgage lending or investing activities.".

MORTGAGE LOAN PURCHASES FROM THE FEDERAL DEPOSIT INSURANCE CORPORATION AND THE NATIONAL CREDIT UNION ADMINISTRATION

SEC. 203. Subsections (a)(1) and (b) of section 305 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454) are amended by inserting "the Federal Deposit Insurance Corporation, the National Credit Union Administration," after "Federal Savings and Loan Insurance Corporation," each place it appears.

The SPEAKER pro tempore (Mr. PATTERSON). Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Rhode Island (Mr. ST GERMAIN) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. WYLIE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Rhode Island (Mr. ST GERMAIN).

Mr. ST GERMAIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4879, now before the House with a committee amendment in the nature of a substitute, is a bill that deals with two very significant banking matters on which prompt action is vital. In effect, the committee amendment for convenience incorporates two separate bills ordered reported by the Banking Committee on November 5 into a single bill containing two titles.

Title I of the bill contains the text of a bill introduced on November 2 as H.R. 4879 by my colleague from New York, Mr. SCHUMER, dealing with international banking facilities. On December 3, 1981, pursuant to regulations of the Federal Reserve Board, international banking facilities will be permitted in the United States. IBF's may be established by U.S. depository institutions, by Edge and Agreement Corporations, and by U.S. branches and agencies of foreign banks. The Board issued proposed rules last December and adopted the final rule June 18, 1981, with an effective date of December 3, 1981.

In brief, an IBF may accept deposits from and extend credit to foreign residents or other IBF's. All such funds will be exempt from reserve requirements and from interest rate limitations of regulation Q. The purpose of IBF's at U.S. banking offices is to enhance the international competitive position of banking institutions in the United States.

Consistent with this basic purpose, it now becomes necessary to review the February 18, 1981, interpretation of FDIC to the effect that IBF deposits are subject to FDIC insurance assessments under the Federal Deposit Insurance Act. The Subcommittee on Financial Institutions Supervision, Regulation and Insurance of the House Banking Committee heard testimony that if U.S. IBF's are required to pay the FDIC premium amounting to one-twelfth of 1 percent of their deposits, then they will be competitively disadvantaged. This premium is considered especially important because, as the testimony indicated, many IBF's may operate on very narrow margins. Title I of H.R. 4879 would eliminate the insurance requirement for what, in essence, are deposits of extremely sophisticated international investors seeking the highest possible yields. With the December 3 effective date nearing, Congress has an opportunity to prevent burdensome regulation and at the same time insure competitive equality between U.S. and foreign banks by acting in a manner fully consistent with the letter and spirit of the Federal Reserve Board's action in permitting the establishment of IBF's.

Title I of the bill also includes an amendment adopted at full committee markup extending FDIC deposit insurance coverage to branches of insured banks operating in the Trust Territory of the Pacific Islands. Currently FDIC's authority to insure deposits includes areas in the Pacific such as Guam and American Samoa. But, under current law, FDIC cannot offer insurance in the trust territory. FSLIC's authority to insure thrift deposits does include the trust territory. Therefore, title I of the bill would expand FDIC's authority to cover the trust territory.

Title II of the bill was introduced by myself, Mr. STANTON, and Mr. GONZALEZ, and was considered by the committee as H.R. 4515. This title deals with existing statutory limitations affecting mortgage purchases both by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. Present charter requirements limit the dollar value of loans which are more than 1 year old when sold to 20 percent of the total value of conventional mortgages in FHLMC's or FNMA's portfolios.

This limitation will soon raise serious problems in connection with new programs under which FHLMC and FNMA will use their currently unused capacity to purchase or place older mortgages and, it is expected, as a result provide improved liquidity to mortgage lending institutions. This is the highly successful SWAP program of the Federal Home Loan Mortgage Corporation. This program, in the short period it has been in effect, has been popular indeed, inasmuch as it permits the swapping of older, low-yielding mortgage loans for mortgage corporation participation certificates (PC's). These illiquid mortgages, responsible in large part for difficulties being encountered by the thrift industry, are converted into highly liquid securities. Ultimately, additional funds are freed up for new mortgage funding.

I have been advised by FHLMC that with its most recent auction, FHLMC has virtually reached its 20 percent ceiling for all practical purposes and that absent this legislation now, the program must be shut down until such time as purchases of new mortgages in the Corporation's other programs made it possible to hold another SWAP auction. It is now clear that the value of new loans will be depressed for 1982 and as a consequence, it seems unlikely that the SWAP program can be offered at anywhere near a level commensurate with the need and demand unless Congress approves this legislation.

Another provision of title II would give the same seller/service status to FDIC and NCUA as that FSLIC with respect to using FHLMC and FNMA programs to aid troubled financial institutions and to dispose of loan portfolios acquired in takeovers. This flexibility is fully consistent with action taken by the House on October 28 in passing overwhelmingly H.R. 4603, the so-called regulators' bill.

The provisions now included in this title were the subject of hearings by the Subcommittee on Financial Institutions on September 22 at which time testimony was received from the Home Loan Bank Board, the Comptroller of the Currency, DHUD, FHLMC, FHMA, as well as from every major trade association by appearance before the subcommittee or by written statement. All testified in favor of providing increased flexibility for each Corporation's mortgage purchase operations.

Title II is a limited piece of legislation which does not address the more fundamental issues affecting both FHLMC and FNMA. There are more comprehensive proposals circulating involving both FHLMC and FNMA which are part of the committee's comprehensive discussion principles issued by Mr. STANTON and myself on Monday, November 9, on which the committee will begin hearings in the near future.

Mr. Speaker, at this point I am inserting in the RECORD the text of two letters from the Congressional Budget Office relating to that Office's cost analyses of H.R. 4879 and H.R. 4515:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., November 12, 1981.

Hon. FERNAND J. ST GERMAIN,
Chairman, Committee on Banking, Finance and Urban Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 4879, the International Banking Facility Deposit Insurance Act, as ordered reported by the House Committee on Banking, Finance and Urban Affairs, November 5, 1981.

H.R. 4879 would amend the Federal Deposit Insurance Act by removing international banking facility (IBF) deposits from the deposit insurance assessment requirements. The Board of Governors of the Federal Reserve System authorized the establishment of IBFs within U.S boundaries in June 1981, and it is expected that the IBFs will begin conducting international deposit and loan activities in December 1981. To date IBFs have been exempted from a variety of federal reserve regulations, including reserve and rate ceiling requirements. While subject to federal taxes, IBFs are exempt from state and local taxes. Under current law, however, deposits in IBFs would be subject to the Federal Deposit Insurance Corporation (FDIC) annual assessment of one-twelfth of 1 percent of deposits. As such, any bank defaults would be covered by FDIC insurance, although such assistance is not considered likely.

H.R. 4879 would eliminate the requirement for IBF insurance coverage as well as the assessment payment. The primary budget impact of this provision would be a reduction in the FDIC assessment base, resulting in lower collections by the FDIC.

It is difficult to precisely estimate the loss in FDIC receipts as a result of H.R. 4879, because of uncertainty as to the magnitude of IBF activity. The growth in IBFs, even without this bill, is expected to be considerable. A recent analysis published in London suggests that gross off-shore banking has tripled within the last five years and now is at a level of approximately $1.3 trillion in deposits. This study estimates that by 1985 IBFs would likely capture at least 10 percent of that market. Based on information from the Federal Reserve, under current financial conditions IBF deposits in the $100 billion range would not be unreasonable to expect within one year. Under current law, for each $10 billion in IBF deposits, the FDIC would receive approximately $8 million in assessments annually, and net approximately $4 million annually after adjustments for administrative expenses and rebates of 60 percent to the IBFs. Also, additional receipts would accrue from the investment income generated from these assessments, and revenues to the Treasury would increase as a result of the tax on the income from the rebates to the banks, the combination resulting in additional receipts and revenues of approximately $600,000 annually, for each $10 billion in deposits.

If assessments were no longer required as provided in H.R. 4879, the FDIC would lose this source of receipts. It is expected that this reduction in receipts to the FDIC would be at least partially offset by the additional taxes paid to the Treasury by the IBFs. The higher tax payments would result from two factors: earnings on the additional deposits in IBFs resulting from this bill, which would make the return on investment more attractive; and the fact that assessments could no longer serve as a tax deduction. Assuming an effective tax rate of 13 percent, it is estimated that for each $10 billion in IBF deposits, approximately $1 million would be paid in additional federal taxes by the IBFs as a result of removing the assessment potential. Thus, the net budget impact for each $10 billion in IBF deposits would be a net loss of approximately $3.6 million in receipts annually. If total deposits are assumed to be $100 billion, total government receipts would decline by $36 million per year. To the extent that additional deposits in IBFs are generated because of this bill, additional taxes would be paid, and the net cost could decline. However, there is no basis at this time for projecting the magnitude of any increase in deposits resulting from this bill.

Finally, H.R. 4879 would make FDIC insurance coverage available to a small number of banks located in U.S. territories, which would increase FDIC assessment slightly. At the same time, a potential liability as a result of this insurance coverage would also be incurred by the FDIC. It is assumed that, over time, assessment income would cover defaults, and no net cost to the government would be incurred.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN,
Director.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., November 13, 1981.

Hon. FERNAND J. ST GERMAIN,
Chairman, Committee on Banking, Finance, and Urban Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 4515, a bill to remove certain limitations on the mortgage loan purchase authority of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association, as ordered reported by the House Committee on Banking, Finance, and Urban Affairs, November 5, 1981.

This bill would abolish the 20 percent limit on the proportion of conventional mortgages held by the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA) that may consist of mortgages older than one year when acquired. It is expected that enactment of H.R. 4515 would result in no additional costs to the federal government and may possibly achieve some savings, although the amount of such savings cannot be estimated with precision.

Under current market conditions, FHLMC purchases of conventional mortgages have dropped from $6.5 billion in 1978 to an annual rate of approximately $2.4 billion in the first half of 1981. This shortage of new mortgages, combined with the successful introduction of the FHLMC "SWAP" program (seasoned mortgages held by thrifts are exchanged for the corporation's more liquid participation certificates), has pushed the mortgage corporation's holdings of seasoned mortgages to 20 percent.

Likewise, FNMA's $3 billion in unused authority to purchase seasoned mortgages will probably be exhausted early next year. Thus, the 20 percent limit on seasoned mortgaged holdings, combined with a diminished supply of new mortgages, could restrict the total volume of mortgage purchases by FHLMC and FNMA.

Abolishing the 20 percent limitation on mortgage purchase authority would allow the FHLMC and FNMA to continue as buyers in the secondary market, thus helping to relieve some of the financial pressure on the thrift industry. Without such activity by FHLMC and FNMA, it is possible that additional assistance from the Federal Deposit Insurance Corporation (FDIC), as well as the Federal Savings and Loan Insurance Corporation (FSLIC), would be required, although it is difficult to precisely estimate the extent of such assistance.

No additional federal revenue losses are anticipated as a result of the capital loss on mortgage sales to FNMA or swaps with FHLMC. Capital losses tend to be lower (prices are higher) on mortgages sold to FNMA and FHLMC than on those sold to other secondary market buyers. To the contrary, if FHLMC and FNMA significantly reduce their purchases, it will increase capital losses arising from mortgage sales, which would serve to reduce taxable income and federal revenues.

In addition, H.R. 4515 would allow FHLMC to purchase mortgages from the FDIC and the National Credit Union Administration (NCUA), thus increasing the flexibility of the FDIC and NCUA. It is expected that no net budget impact would result from enactment of this provision.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN,
Director.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank the very distinguished committee chairman for yielding, and I only rise to say that as a member of this committee I think I speak for every other member when I say we are very grateful and indebted to the chairman for having moved expeditiously on these matters. This action will expedite in the secondary mortgage market a very much needed procedure that I think the Subcommittee on Housing had done well to bring out earlier this year in prior hearings.

Mr. Speaker, I rise in support of H.R. 4515 offered by the distinguished chairman from Rhode Island.

This bill would remove the existing limitation on the number of mortgages over 1 year old which Freddie Mac and Fannie Mae can purchase. It would also permit Freddie Mac to purchase mortgage loans from the FDIC and the National Credit Union Administration.

The Housing Subcommittee considered this legislation last April during its hearings on the fiscal year 1982 HUD authorizations bill. The subcommittee did not pursue the legislation at that time because we were caught up in the morass of reconciliation.

However, the need for this legislation which existed last April is even greater now. It would permit thrift institutions and credit unions to deal in 2 days with the financial squeeze being caused by large portfolios of older low-yielding mortgages.

First, institutions could "swap" the mortgages for Freddie Mac participation certificates. The certificates could then be used as collateral to lower the institution's borrowing costs.

As an alternative, the institution could decide to sell the mortgages to Fannie Mae. The Bank Board has recently proposed a regulation that would make this second option more attractive than it presently is, by allowing Federal S. & L.'s to write off losses on the sales of old mortgage loans over the remaining life of the loans. Presently, the loss must be taken in the year in which the sales occur.

Finally, title II of the amendment will also assist the FDIC in aiding troubled financial institutions by facilitating the disposal of mortgage loans acquired in takeovers.

I think that this is a very worthwhile amendment and I commend the chairman of the full committee for his efforts in helping to bring it to fruition. I urge my colleagues to support it.

Mr. SCHUMER. Mr. Speaker, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from New York.

Mr. SCHUMER. Mr. Speaker, I thank the distinguished chairman of the Banking Committee for yielding, thank him for his support, and commend him for securing prompt action on it.

Rather than reiterate the reasons why this legislation is important for restoring the competitiveness of U.S.-based banks in the international market—which Chairman ST GERMAIN has so clearly done—I would like to focus briefly on one particularly important aspect of this legislation.

Unlike the budget and spending bills that we have spent most of our time on this year, this bill is not a tug of war between budget functions, between regions of the country, or between Democrats and Republicans. There will be winners but no losers. Since so little of the business that IBF's will engage in is currently conducted in the United States, not even the banks will be fighting a zero-sum game. Simply stated, a very large market that has been pushed overseas by a series of regulations will be brought back home. The exact size of this market is unknown, but estimates range in the tens of billions of dollars.

The successful operation on IBF's in the United States will not only enhance the prestige and desirability of the United States as an international banking center, but will also have important concrete benefits. First and foremost, there will be a net increase of jobs in the banking industry and in ancillary service industries. Second, IBF's will generate new tax revenues, since the Treasury will be collecting tax payments rather than issuing credits for taxes paid to foreign governments. Finally, oversight of the international operations of U.S. banks will be made easier by having these operations conducted at home rather than abroad.

Mr. Speaker, H.R. 4879 represents the logical and necessary conclusion to the process of creating an improved framework under which U.S.-based banks can compete for international deposits and loans in international markets. By exempting international banking facilities' deposits from the FDIC insurance assessment, we will remove the final legal and regulatory obstacle to the successful operation of international banking facilities in the United States.

While I would like to stress the importance of the bill, it should be made clear at the outset that the bill does not alter fundamental domestic banking structure, which the committee will conduct hearings on in the future.

Rather, the major effect of this legislation will be to allow banking business that is currently being conducted overseas to be conducted at home.

As some of the Members may know, an international banking facility, or IBF, is not a physical entity, but is a strictly international account that is used for purely international transactions. An IBF would not compete for retail deposits with domestic banks; it may transact business only with foreign residents, foreign banks and central banks, foreign branches of U.S. banks, other IBF's, and its parent institution. The minimum account would be $100,000.

The foundation for the establishment of IBF's was laid in the International Banking Act of 1978, which was largely a result of Chairman ST GERMAIN's interest and effort.

In June of this year the Federal Reserve Board took another step toward the establishment of IBF's when it published regulations exempting IBF deposits from interest rate limitations and reserve requirements. These regulations will take effect on December 3, 1981. In anticipation of this date, nine States have changed their tax laws in order to foster the growth of IBF's in their State banking centers. Those States are New York, California, Connecticut, Georgia, Illinois, Florida, North Carolina, Mississippi, and Maryland.

The exemption of IBF deposits from the FDIC insurance assessment can be seen as a vital step in making domestic IBF's competitive when one factors this assessment into a typical international monetary decision. Nearly half of the interbank placements carry margins of one-sixteenth of 1 percent, which is less than the one-twelfth of 1 percent assessment. The spread on loans generally ranges between three-eighths of 1 percent and five-eighths of 1 percent. Therefore, adding the burden of FDIC insurance will cut into profitability and cut into competiveness.

The formation of competitive IBF's in the United States opens up a huge market for American banks. Precise estimates of the size of the market are difficult to find, but there is no doubt that it reaches into the tens of billions of dollars.

Since so little of the business IBF's will engage in is currently conducted in the United States, U.S. IBF's will not be fighting a zero-sum game with each other. First and foremost, there will be a net increase of jobs in the banking industry and in ancillary service industries. Second, IBF's will generate new revenue for the Treasury, since tax credits formerly granted to U.S. banks for taxes paid to foreign governments will be replaced by taxes actually paid to the Treasury. IBF payrolls will ripple through the economy, generating additional State and local tax revenues. Finally, oversight of the international operations of U.S. banks will be made easier by having these operations conducted at home rather than abroad.

I believe that the benefits from the growth of domestic IBF's provide compelling reasons for taking the final step as provided for by H.R. 4879.

Mr. LAFALCE. Mr. Speaker, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from New York.

Mr. LAFALCE. Mr. Speaker, I rise in support of both these bills, H.R. 4879 and H.R. 4515.

Mr. Speaker, today I am pleased to join my colleagues in support of H.R. 4879, amending the Federal Deposit Insurance Act to exempt deposits in international banking facilities from FDIC assessment and insurance coverage. Passage of this bill is the final step in the process of establishing these facilities in the United States. With them, domestic banks will once again be able to compete in the full range of international financial services.

For years, the U.S. banking industry has watched the explosive growth of international banking centers in London, Zurich, and more recently in the Bahamas, Bahrain, Hong Kong, Singapore, and the Cayman Islands. Operating with virtually no government regulation, these centers have attracted most of the growing volume of "stateless" dollars generated by increased international trade. The necessity of moving this enormous amount of money, much of it petrodollars, back into productive investment, and the development of a 24-hour-a-day world foreign exchange market have made international financial activity a far more important—and profitable—component of banking. Many U.S. banks responded to this by establishing subsidiaries in the same locations, thus effectively maintaining a share of the market, but at a cost of tax income to the Treasury and of jobs for U.S. workers.

The transactions taken over by these overseas branches, amounting to hundreds of billions of dollars, involve international movements of currency through deposit and lending activities by governments, banks, and multinational corporations. This international financial market is commonly referred to as the Eurodollar market, because the dollar is the preeminent currency traded, and because these dollars exist outside of the American domestic financial system.

The motivation for shifting the funds from New York City and other U.S. banking centers to overseas operations was twofold. First, the combination of State and local taxes far exceeded the level of taxation in foreign locations. Second, two Federal Reserve Board regulations prevented U.S. banks from providing to holders of Eurodollars services which were readily available at overseas institutions and which gave overseas institutions an overwhelming competitive advantage.

Regulation D requires member banks to maintain non-interest-paying reserves at Federal Reserve district banks against all deposits, and regulation Q prohibits member banks from paying interest on deposits with maturities of less than 30 days. Together, they limited U.S. banks from offering interest rates competitive with foreign institutions operating without any such restrictions.

Several years ago, a proposal for rectifying this inequitable and anticompetitive situation surfaced. Domestic banks would be authorized to operate international banking branches, or "windows" in U.S. locations. Funds handled by these branches would not be allowed to enter the American monetary system, and could only be traded on the international markets. Access to the branches would be restricted to foreign nationals, and deposits would be limited to those generated by operations outside the United States. In order to make these new international facilities competitive, they would be exempt from State and local tax and from Federal Reserve regulations.

I was an early and active participant in the effort to develop this proposal into an operating program. Originally, we hoped to accomplish our goal without Federal legislation, by amending Federal Reserve regulations, and with the necessary State legislation. New York State moved promptly to do its part, motivated largely by the prospect of additional jobs in New York City. Other States, including Georgia and California, followed suit. In 1978, I sought and obtained approval from the New York State congressional delegation to encourage the Federal Reserve Board to act swiftly in making the necessary regulatory changes, and in June of this year, the Fed announced final rules for operation of international banking facilities with an effective date of December 3, 1981.

One final obstacle to IBF's was still to emerge. Despite previous reviews to the contrary, counsel for the Federal Deposit Insurance Corporation determined that deposits in international banking facilities would, after all, be subject to assessments under the Federal Deposit Insurance Act. Exemption from the act could not be made administratively and would, instead, require that Congress act to amend it. Without such an exemption, IBF's could not meet the interest rates of the international market, and initiation of operations would not be likely on the December 3 target date. The pressure for immediate congressional action was on.

It is a credit to the Banking Committee that action on H.R. 4879 was prompt and efficient, and that we have the opportunity to act today to meet that deadline.

The benefits of international banking facilities are likely to be considerable. The new business will generate additional tax revenue for the U.S. Treasury, instead of having domestic banks claim tax credits for taxes paid to foreign governments. An even more significant benefit will be the creation of thousands of new jobs in New York City and other IBF locations. The New York Bankers' Clearinghouse has estimated that approximately 5,000 to 6,000 jobs with a total payroll of some $90 million will eventually result from these operations. Certainly the economic benefits of international banking in London have been considerable.

Once the ability of American banks to pay competitive interest rates is restored, I would expect a large share of this Eurodollar market to return to the United States, much of it to New York City. Our Stability has always been a substantial incentive for foreign investors, and our financial institutions are equipped to offer the most advanced transaction assistance available. International banking facilities are the key to restoring New York as the world's international financial center.

Mr. Speaker, today we have an opportunity to provide a degree of relief to mortgage lending institutions and, indirectly, to homebuilders and home buyers. H.R. 4515 removes certain existing limitations of the mortgage loan purchasing authority of the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA). These actions could assist mortgage lending institutions by improving their liquidity and freeing up much needed mortgage money.

There can be no doubt that the housing market is in a state of disarray. Each month we are greeted with the news that housing starts have reached an all time low. According to the National Association of Home Builders, 1981 may prove to be the worst year for new housing construction since World War II. Unless the last quarter of the year shows a radical turnaround, starts may be fewer than 1 million housing units. In 1946, hardly a stellar year even for those days, 1,023,000 units were begun. Even if we reach this level in 1981, we could still be far behind the 2 million annual starts that are needed to meet the Nation's housing needs over the long haul.

I doubt that any of our colleagues has not heard from builders and prospective home buyers in his or her district asking for relief from the pressures of high interest rates and tight mortgage money. And very few of us have escaped the pleas of carpenters, plumbers, electricians, and construction workers who have found work too infrequently in the past few years.

Our task is clear, Mr. Speaker. We must act now to provide some immediate relief to the recession, indeed the depression, that now grips the housing economy.

Both FHLMC and FNMA were chartered to provide a secondary market for residential mortgages that lenders are originating in the primary mortgage market. Both have been a continual source of money for the housing market by freeing lenders of long-term obligations and increasing their mortgage liquidity.

Since August 1968, FNMA has purchased approximately 2.5 million residential mortgages, including FHA-insured, VA-guaranteed, and conventional mortgages. FNMA's mortgage portfolio is approaching $60 billion. Behind these numbers, Mr. Speaker, are almost 3 million American families who were able to secure financing for their homes, thanks to FNMA purchases.

The FHLMC has purchased or participated in the purchase of over $25 billion in mortgages originated in the primary mortgage market over the past decade; 75 percent of these dollars have flowed directly to thrift institutions, while the remaining 25 percent has gone to commercial banks and mortgage bankers. Like FNMA, FHLMC secondary mortgage purchases have included FHA-insured, VA-guaranteed, and conventional mortgages, with the greatest volume being conventional single-family mortgages.

Mr. Speaker, the Federal Home Loan Mortgage Corporation Act and the National Mortgage Association Charter Act limit to 20 percent the aggregate balance of all conventional mortgages in instruments that are older than 1 year when purchased for FNMA and FHLMC respectively. This limitation was imposed at a time when housing starts had dropped to low levels and very little mortgage lending was taking place, conditions not very different than we find today. At that time, Congress responded by limiting FHLMC and FNMA's purchase of older loans so that their buys financed new mortgage originations.

It is indeed ironic that although on the surface conditions in the housing market are not unlike those in the early 1970's, the 20-percent limitation is actually a constraint in today's mortgage market. Today, financial institutions are experiencing severe earnings and liquidity problems due largely to excessive interest rates. Most hold sizable portfolios of loans that are well below current market interest rates. It is a ominous sign of the times, Mr. Speaker, that we greet the recent announcement that the FHA has dropped its ceiling on graduated payment mortgages from 17 to 16.5 percent, eliminating the differential between gradual and level payment rates, with some degree of optimism. Ten years ago, the FHA's level payment mortgage rate was 7.5 percent.

In order to cope with this new market reality, both FHLMC and FNMA have initiated new programs designed to meet the current extreme situation that most mortgage lenders find themselves in. FHLMC has underway currently a special placement program—SWAP's—that allows residential mortgage lenders to sell older, low-yielding mortgages to the Corporation, and, in exchange, receive mortgage corporation participation certificates—PC's. The originator does not obtain liquidity directly, because he does not receive a direct cash payment for the low-yield mortgage. However, the PC's acquired in the transaction are a more liquid security than a portfolio of illiquid mortgages. PC's can then be used as collateral to borrow funds for mortgage originations. Because the PC is used as collateral, the lender's borrowing costs are lower, allowing him to pass on these savings to prospective home buyers. The 20-percent limitation is currently constraining the FHLMC from achieving its estimated maximum total volume of SWAP's of more than $5.7 billion for 1981. In effect, a mechanism designed originally to increase mortgage originations is actually working, in today's high interest environment, to constrain the ability of the FHLMC to provide collateral generation mechanisms for mortgage originators.

Similarly, FNMA is prepared to purchase old mortgage loans currently held by savings and loan institutions. The Federal Home Loan Bank Board has proposed a rule change that would allow S. & L.'s to write off losses on the sales of old mortgages over the remaining life of the loans rather than in the year in which the sales occurred. This action will allow S. & L.'s to convert low-yielding mortgages to cash or FNMA securities and increase the supply of funds available to new home borrowers. However, FNMA expects that the demand for FNMA securities will far exceed the 20-percent limitation on the purchase of mortgage instruments that are older than 1 year.

Earlier this year, James E. Murray, president of FNMA, testified before the Banking Committee in support of H.R. 4515. Mr. Murray let us know that this bill is both necessary and, as important, the FNMA was satisfied that it will be able to provide a market for these low-interest mortgages now being held by the S. & L. associations without impairing its ability to buy new mortgages.

Mr. Speaker, I urge my colleagues to take heed of the changing environment that mortgage lenders, homebuilders, and home buyers face today. The 20-percent limitation enacted to address problems that were real in 1970 is totally inappropriate in today's housing market. FNMA and FHLMC were chartered to free up mortgage money so that the long-term obligations entered into by mortgage generators did not preclude the purchase of homes by our children and our grandchildren. We must allow these Federal instrumentalities to accomplish their task. To do so we must be sensitive to changing market realities—changes that require the Congress to remove old restrictions on the secondary mortgage market.

We have an opportunity to provide some real relief from the consequences of high interest rates that afflict our economy. Let us not miss that opportunity.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4879, and I want to commend the distinguished gentleman from Rhode Island (Mr. ST GERMAIN), the chairman of the full Committee on Banking, Finance and Urban Affairs, for acting so expeditiously to bring this legislation to the House floor today, for, as the chairman has said, there is a need for prompt action on both titles of this bill.

Several years ago the committee chairman and I participated in proceedings which led to the enactment of the so-called International Banking Act. The philosophy of that act was that foreign and domestic banks should be placed on as near an equal a competitive footing as possible with respect to domestic banking business, and we have been working ever since to implement that policy.

Today we have an opportunity to enhance the competitiveness of U.S. banks by permitting them to compete on equal terms with foreign banks for international business without having to leave the United States to do it. Deposits which now must be booked in offshore international banking facilities, such as the Cayman Islands, could be accepted in the United States without the burden of deposit insurance, which would not be appropriate in any event.

With respect to title II, I concur with what the chairman said and what the chairman of the subcommittee, the gentleman from Texas (Mr. GONZALEZ), said, that it is necessary to act promptly to authorize the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to purchase mortgages older than 1 year in excess of 20 percent of their respective portfolios. Only last month this House passed H.R. 4603 to provide expanded authority for the agencies which regulate depository institutions to cope with the problems some of these institutions are facing due to their difficulties in matching old, low-yielding, long-term assets with expensive short-term deposits.

□ 1820

Title II will enable Fannie Mae and FHLMC to purchase more of these low yielding rate mortgages, and the participation certificates which thrift institutions receive in exchange will provide vital improvement in their liquidity.

There is one point of clarification, however, that I believe we can take care of by a colloquy at this time. Mr. Chairman, would you not agree that financial institutions, such as savings and loans, banks and credit unions, which have made mortgage loans in the past but may presently be out of the market, are covered by the phrase "or any other seller currently engaged in mortgage lending * * *"? I believe we are all in agreement that this phrase is designed to generally define the type of sellers and not to pinpoint the precise time of the mortgage lending activity. Would the chairman agree with that assessment?

Mr. ST GERMAIN. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. I want to thank our colleague from Ohio (Mr. WYLIE), for raising this matter on the floor today. His assessment of the meaning of the phrase "or any other seller currently engaged in mortgage lending" is the correct one. The intent is to define the class of sellers eligible for the program in general terms, to assure that sellers are over time engaged in mortgage lending activities. A mortgage lender is not excluded under this definition if its mortgage window is temporarily closed as a result of economic conditions, the lack of lendable funds, or the lack of a demand for mortgage loans. The mortgage market is subject to cyclical movements which create periods when mortgage lending activity slows or in some cases stops. The thrust of the bill before the House, in fact, is a recognition of this fact and seeks to allow the secondary market institutions to utilize their processing and purchasing capacity throughout economic cycles.

Mr. WYLIE. I thank the gentleman for that response and for the agreement with my assessment of what the bill is intended to do.

With that response, I urge adoption of the legislation.

● Mr. STANTON of Ohio. Mr. Speaker, I rise in support of H.R. 4879, as amended by the committee's amendment in the nature of a substitute. As amended, the bill now includes language originally appearing in H.R. 4879 and H.R. 4515, two unrelated bills passed by the Banking Committee on November 5. The committee approved H.R. 4879 by voice vote and approved H.R. 4515 by a record vote of 35 to 1.

H.R. 4879, as passed by the committee, would exempt international banking facilities (IBF's) from deposit insurance requirements. The IBF's are limited domestic offices of U.S. banks which are designed for the exclusive conduct of international banking business. They are intended as a substitute for foreign branches and, therefore, they may accept deposits only from non-U.S. residents and each deposit or withdrawal must exceed $100,000. By regulation, the Federal Reserve has exempted IBF's from interest rate restrictions and reserve requirements.

Deposit insurance is the one remaining major regulatory cost that must be eliminated in order to give IBF's full parity with a foreign branch of a U.S. bank. This bill is designed to accomplish that purpose.

According to proponents of the bill, the business of international banking is so highly competitive that the cost of FDIC insurance may determine whether a bank operates its international business domestically through an IBF or offshore through an uninsured foreign branch. Bank officials note that no international banking center levies deposit insurance assessments on international deposits. They also assert that the size of the deposits—and the size of the corporate depositors—obviates the need for insurance.

H.R. 4879 also includes an amendment agreed to by the committee which extends FDIC insurance coverage to banks operating in the Trust Territory of the Pacific Islands. This amendment would make FDIC insurance parallel FSLIC insurance.

In my opinion these amendments to the Federal Deposit Insurance Act are truly noncontroversial. They are needed amendments likely to have considerable benefit at no or minimal cost.

Title II of the bill is language originally appearing as H.R. 4515. This title would allow FNMA and FHLMC to assist the various financial institutions which are holding low yielding mortgages to liquify their portfolios.

In some cases this will be accomplished by means of a swap program where mortgages will be exchanged for participation certificates guaranteed by FHLMC. Those certificates can be used to collateralize loans at better terms than if the mortgages were used directly.

In other cases the mortgages will be purchased directly from an institution. Although the institution will show a loss on the sale, it will have additional cash to meet its needs. This purchase authority will also be expanded in order to permit sales from the FSLIC

and FDIC to FNMA and FHLMC. The assets sold by the insuring agencies would come to them through their authority to assist the purchases and mergers of troubled financial institutions.

Mr. Speaker, while FNMA is not yet at the limit of its capacity to purchase older mortgages, FHLMC has virtually exhausted the 20-percent basket in current law which limits its authority. Without rapid enactment of this bill, a useful tool in managing the portfolios of troubled institutions will cease to be effective.

I urge my colleagues to support passage of H.R. 4879.●

Mr. WYLIE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, when these bills were in the Committee on Banking, Housing, and Urban Affairs there were two separate bills, H.R. 4879, the International Banking Facility Deposit Insurance Act, and H.R. 4515, the removal of certain limitations on Fannie Mae and FHLMC purchase authority. I have no objection to the first portion, the International Banking Facility Deposit Insurance Act. However, the second portion of the bill, which is now title II, removing of certain limitations on the purchase of mortgages, I do have objection and I would like to express that.

Mr. Speaker, as a general rule, I like short bills. Even though H.R. 4515 is short, however, I must oppose it, for the American people will be regretting we passed it for a long time to come.

It seems harmless enough: It allows the Federal National Mortgage Corporation and the Federal Home Loan Mortgage Corporation to purchase unlimited quantities of old residential mortgages. At the present time, I understand, these agencies are permitted to have no more than 20 percent of their portfolios by volume invested in mortgages more than 1 year old.

This change is very significant. Originally, these agencies were intended to provide secondary mortgage markets for new mortgages. As secondary marketeers, Fannie Mae and Freddie Mac stand virtually alone. The idea, for whatever merits it had, was to provide a secondary market for mortgages so that the housing industry would not stagnate.

With this bill, we are seeing the purpose of these agencies change. Originally they could hold only 10 percent in old mortgages, then the ceiling was placed at 20 percent. Now it will be removed entirely. By passing this legislation, we are changing the primary purpose of Fannie Mae and Freddie Mac from providing a secondary market to bailing out the mortgage lenders that are stuck with virtually worthless mortgages—the mortgages the Government encouraged them to make in the first place.

In exchange for these old mortgages, the mortgage lenders will receive certificates that they can take to the discount window of the Federal Reserve and get a temporary bailout. In a letter to Senator JAKE GARN, the President of Freddie Mac writes:

> The SWAP program provides lenders a number of advantages in dealing with a portfolio of low yielding mortgages. In a SWAP transaction, the lender receives participation certificates in exchange for low coupon mortgages. The lender is not required to show a regulatory or accounting loss * * *.

This means, of course, that when the lender sells the mortgage to the Corporation, the sale is at par value, not market value. But let me continue reading the letter:

> The participation certificates which the lender obtains in exchange for the mortgages are instruments which may be used as collateral for loans to meet both short-term and long-term needs of the institution * * *. For example, participation certificates may be used as collateral for borrowings at the Federal Reserve Board discount window recently opened to savings and loan associations. Mortgages would be far less attractive for this purpose.

Significantly, this is the first example of how a savings and loan will be able to use these participation certificates that Mr. Brinkerhoff cites. Is this the principal use for the certificates? That would seem to be the case.

Last year, Congress passed the Monetary Control Act which opened the discount window to savings and loans for the first time. During the past year, the savings and loans have had some difficulty borrowing from the Fed, and this bill is designed to remove that difficulty.

I further understand that there is no limit on the aggregate amount of mortgages that the two corporations, we are discussing here today, can buy. I realize that there is a limit on the size of any specific mortgage, but there is no overall limitation. One of the questions that bothers me when I look at how this bill and the Monetary Control Act fit together, as a hand fits a glove, is: Will the Fed throw open its discount window to every mortage lender in the country? Have we any assurances that the below market, that is, inflationary, loans from the Fed will be held to a minimum? I have heard none. Rather, in recent days the Fed seems to be moving to accommodate a reflation, and using the discount window could be one way to do it.

So, Mr. Speaker, I conclude with a question: Is not this bill a virtual guarantee of further inflation and higher interest rates? Are we not pursuing a policy of patching up a jerry-built system that cannot endure? Are we not, in fact, taking an extremely shortsighted view of things, hoping that we can avoid a calamity on the short run? I think that we must answer all these questions "Yes." And that is why I am opposed to this bill and urge my colleagues to vote against it.

No country has ever solved the problems brought on by inflation with more inflation. And neither will we. Inflation will only stop when we quit monetizing debt and adopt a sound monetary standard based on gold.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. WORTLEY).

Mr. WORTLEY. Mr. Speaker, I rise in strong support of H.R. 4879, legislation to exempt international banking facilities from Federal Deposit Insurance assessments.

Enactment of this legislation will have residual effects upon our economy. More jobs and new businesses are compelling arguments for enactment of this legislation, not to mention increased tax revenues for the Federal Treasury.

I urge the favorable adoption of this legislation and yield back the balance of my time.

Mr. WYLIE. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

Mr. ST GERMAIN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Rhode Island (Mr. ST GERMAIN) that the House suspend the rules and pass the bill, H.R. 4879, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to clarify the treatment of international banking facility deposits for purposes of deposit insurance assessments and to remove certain limitations on the mortgage loan purchase authority of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association."

A motion to reconsider was laid on the table.

□ 1830

GENERAL LEAVE

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the legislation just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

COMPENSATION OF CERTAIN TENNESSEE VALLEY AUTHORITY EMPLOYEES

Mr. FLIPPO. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 203) requesting certain reports relating to the Tennessee Valley Authority Act of 1933, and prohibiting certain transactions by the Board of Directors of that Authority.

The Clerk read as follows:

H. CON. RES. 203

Whereas the Tennessee Valley Authority is an agency of the Federal Government;

Whereas the rate of compensation for all employees of the Federal Government is capped by the joint resolution entitled "Joint resolution making continuing appropriations for the fiscal year 1982, and for other purposes", approved October 1, 1981 (Public Law 97-051); and

Whereas is is the intent of Congress that no employee of the Tennessee Valley Authority shall be paid at a rate of compensation that exceeds the Federal pay cap: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Board of Directors of the Tennessee Valley Authority shall hereafter present a detailed report to Congress and the Office of Management and Budget formally requesting any amendments to law relating to compensation of employees which the management of that Authority deems necessary; and such Board of Directors shall not implement any program the effect of which would be to provide compensation for any employee of such Authority in excess of the statutory Federal pay cap.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Alabama (Mr. FLIPPO) will be recognized for 20 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. FLIPPO).

Mr. FLIPPO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 203 expresses the intent of Congress that no employee of the Tennessee Valley Authority shall be paid at a rate of compensation that exceeds the Federal pay cap. The resolution is a bipartisan measure sponsored by all the Members of this body whose districts are served exclusively by TVA. It was reported from the House Public Works and Transportation Committee without dissent. The resolution directs the Board of Directors of the TVA to present a detailed report to Congress and the Office of Management and Budget formally requesting any amendments to law relating to compensation of employees which the management of that Authority deems necessary. Finally, it provides that the Board shall not implement any program, the effect of which would be to provide compensation for any employee of the Authority in excess of the statutory Federal pay cap.

Section 3 of the Tennessee Valley Act (49 Stat. 58) provides that no regular officer or employee of the Authority shall receive a salary in excess of that received by the members of its Board of Directors. The members of the Board of Directors are currently paid a salary at executive level IV which is $52,750 per year. This salary, as well as that of other Federal employees, is subject to the pay cap contained in the joint resolution making continuing appropriations for the fiscal year 1982 (Public Law 97-51).

On October 7, 1981, without notice, hearings or an opportunity for public comment, the Board of Directors approved a plan for offering retention contracts to some 75 management personnel. Board members said the retention contracts would encourage qualified personnel to remain with the Authority. Under these contracts selected managers would agree to work for TVA for a period of 3 years. In consideration of this, TVA would pay a retention amount of up to $36,000 per year over and above current salary levels. This would place the compensation paid these personnel above the level received by members of the Board and above the statutory pay cap for Federal employees. The maximum for base salary and retention contract would be $88,700 per year. The total annual first-year costs associated with this plan are some $1,000,000. The costs would be recovered through power system revenues, which are derived from sale of electricity to cooperatives and municipalities, 65 percent; industries, 21 percent; and the Federal Government, 14 percent.

In an effort to find a loophole to circumvent the Federal pay cap and the provisions of the TVA's own charter, the TVA Board has attempted to expand the distinction between the terms "salary" and "compensation" as used in the TVA Act.

The House Public Works and Transportation Committee finds that the difficulty associated with the TVA's position is that there is no legislative history indicating that Congress intended such a distinction in terms when it passed the TVA Act in 1933.

The language of the TVA Act indicates the congressional authors of the act were concerned with compensation of employees, both salaried and hourly. While the TVA Act gives great flexibility to the Authority in many areas, the establishing of salaries is specifically limited in section 3. Beyond that, the Congress expressed an interest in almost all of the salaries and wages paid to those engaged in the electric power program. In section 9(a), the Authority is required to report to the Congress annually the payments to power system employees earning more than $1,500 a year. This reporting level accounted for about 80 percent of the employees in the early days of the Authority.

Pay differences between TVA managers and those in private industry is nothing new. Significant differences existed when the TVA was created in 1933. Again, in 1938 when a joint committee examined a broad range of TVA activities, spokesmen for the Authority cited vast differences in pay of management employees compared to rates in private industry. Pay differences existed in 1959 when the Authority was put on a self-financing basis for the electric power program. It is obvious the differences continue to exist today but this is insufficient reason for the TVA Board to act with such haste to put in place the retention bonus program.

In view of the absence of clean authority, the committee feels that the TVA should be very conservative in its interpretation of its authority to approve plans such as retention contracts. The action of the Board in approving these contracts raises serious questions as to whether section 3 of the TVA Act and the statutory cap on Federal salaries have been violated. It also raises serious questions of equity concerning the pay of TVA employees in relation to that of other Federal employees. In this connection, the committee notes that if the retention contracts are considered proper, then there is, in fact, no limit on the amount of pay which can be received by the management employees and, for that matter, all other TVA employees.

Action by this body on this resolution is essential at this time because in the past when TVA or other agencies of Government have exceeded the authority of their charter, the failure of the Congress to protest the action has been cited in the courts as reason enough to sustain the action the action and allow it to stand.

In view of the above issues, the committee intends to conduct a thorough investigation into this matter. It is my hope that the statements by the Authority will be examined in detail.

The committee intends that the retention contract plan not be implemented until clear statutory authority has either been established or enacted into law.

Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. Mr. Speaker, I rise in support of the resolution.

The Tennessee Valley Authority, in approving a plan to pay some of its managers up to $36,000 per year above their current salary if they agree to stay with TVA for 3 years, has raised some very serious questions. As my colleagues have pointed out, TVA em-

ployees are Federal employees, and are subject to the statutory pay cap. The extra payments for agreeing to remain with TVA would place the compensation of these employees above the pay cap. It would also be above the salary received by the Authority's Board of Directors. Yet section 3 of the TVA Act provides that employees shall not receive a salary in excess of that paid members of the Board.

The resolution directs TVA to formally request from OMB and Congress any amendments to law relating to compensation of employees it considers necessary. It also directs TVA not to implement any program which would have the effect of providing compensation to any employee in excess of the Federal pay cap.

This will insure that our committee and the Congress will have an adequate opportunity to examine this important matter and to take appropriate action. I urge passage of the resolution.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 203. I believe it is most important that we receive more information about the situation regarding TVA employees before additional compensation or other actions are approved.

On the one hand I agree that there does not seem to have been a congressional intent to allow the additional compensation for TVA as proposed. On the other hand I am most concerned that the key technical and managerial employees within TVA may be leaving and there may be some difficulty in replacing them. It is because of this that I support the committee conducting a thorough investigation into what extent compensation and other conditions may be contributing to any loss of TVA's valuable and skilled employees. Until this investigation has been completed, I think it is appropriate that the statutory pay cap remain in place as it does for other Federal employees.

Again, Mr. Speaker, I support House Concurrent Resolution 203 and ask my colleagues to do likewise.

Mr. FLIPPO. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Tennessee (Mrs. BOUQUARD).

Mrs. BOUQUARD. Mr. Speaker, I rise in support of House Concurrent Resolution 203, and I urge my colleagues to support the passage of this legislation. Those of us who represent districts served by the Tennessee Valley Authority have unanimously introduced this measure in a bipartisan approach to solve a most troubling situation, that has developed as a result of the TVA's obvious effort to circumvent the pay cap for Federal employees. A GAO opinion states the bonus plan violates the TVA Act as well as the intent of the Federal pay limitations. The very nature of this convoluted pay raise is ample testimony to the intent of the TVA in this regard.

The Tennessee Valley Authority has long enjoyed unparalleled independence for a Federal agency. In many respects, this autonomy was necessary since production and sale of electricity is, by law, financed solely by TVA and not by the use of appropriated funds. But, the action of the TVA in approving a questionable pay raise, one which was consciously denied by this Congress to other Federal agencies, has raised fundamental questions about the independent status of this agency. Most utility customers in this Nation, whether served by private or public utilities, enjoy the protection of public utility commissions, or similar agencies, which can examine the necessity for rate increases and other operating policies. The ratepayers of the TVA have no such protection, they are quite simply at the mercy of the TVA board when it comes to decisions such as the implementation of this dubious bonus system. It is precisely this lack of protection which we are attempting to correct in this legislation.

While those of us in the Congress who represent districts served by the TVA do not have any official role to play in the development of policies such as this bonus plan, we have serious reservations about the justification for this increase. I am told by individuals familiar with the operations of the Tennessee Valley Authority that the argument that this increase is necessary to retain qualified personnel is highly suspect. In fact, according to these individuals, the loss of such employees may be far more a result of recent TVA policy decisions than the result of dissatisfaction over compensation. I raise this issue simply to make clear to those of my colleagues from other parts of the country that there is question over the assumptions used by TVA to justify the increases.

Finally, Mr. Speaker, as is clear by the language of this resolution, it is not legally binding on the TVA. It is, as it is intended to be, a clear and unequivocal expression of the disapproval of the Congress of this bonus system. If, however, TVA chooses to ignore this action—and I say to my colleagues that there are some TVA officials recommending just that—then we will come back to you with mandatory legislation to roll back this exorbitant pay raise.

I sincerely hope that TVA will now act responsibly and withdraw this plan.

I urge the overwhelming approval of this resolution.

□ 1840

Mr. FLIPPO. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. JONES).

Mr. JONES of Tennessee. Mr. Speaker, I rise in support of House Concurrent Resolution 203. As a cosponsor of the resolution, I want to express my thanks to the committee for its expeditious handling of this measure.

At a time when the taxpayer at large and electric rate payers in the TVA service area are facing reductions in Federal spending but higher and higher electric rates, I think the approval of the TVA salary schedule was totally uncalled for.

I have expressed my opposition to this situation from the outset and will continue to do so. I recognize the problems that face the TVA Board of Directors in retaining experienced and capable executives. However, I think the approval of the salary raises was in violation of the TVA Act and the intent of Congress with respect to TVA pay schedules.

I might add that I just received a copy of the General Accounting Office report that was requested on this matter. It likewise agrees that the TVA Board's action was a violation of its charter. That only confirms what those of us from the Tennessee River Valley have contended since being informed of this action.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 3 minutes to the distinguished ranking member of the Rules Committee, the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, this is a very good resolution. I am happy that the committee acted in an expeditious way to bring it to the floor of the House. I think we should take a look at what the Board of Directors of TVA are now doing.

I remember when I first ran for Congress, some 19 years ago, if you said anything bad about TVA you could not be elected. Now if you say anything good about TVA, it is questionable.

I think what is happening within the Board of Directors is that they are taking action behind closed doors and saying to heck with the ratepayers, and even to heck with what the Congress of the United States does.

They have openly said, as reported in the newspapers, that it does not matter what the Congress does in regard to the rate raise or the increase in pay, that they are going to go ahead with it anyway.

Now to me that is thumbing their nose at the Congress of the United States.

I commend the committee for its action in bringing this concurrent resolution to the floor today and also for

the proposed hearings that may be held in regard not only to this pay raise, but other activities as well.

I think that the TVA Board of Directors should consider the ratepayers of the valley. They cannot keep adding burden after burden, burden after burden on their shoulders, and expect them to pay without any complaints.

The complaints have been many. The rates are very high. Yet behind those closed doors the Board of Directors are choosing to operate on their own initiative. They continue to do things that the American people question, that the American people do not approve, and that especially the ratepayers do not approve.

For instance, behind closed doors without any notification, until it was leaked to the press, they decided to close certain nuclear facilities without rhyme or reason, and they did so because the TVA Act itself is broad and they have great power.

I would like to see the TVA Act reopened. I was glad to hear the gentlewoman from Tennessee say that if this concurrent resolution is not put into effect then she will offer a measure to open it up, and I commend her for that and I will join her in that endeavor.

So, Mr. Speaker, I urge the adoption of this resolution. I urge the committee to hold hearings and I think it is time that we let them know that this Congress is not going to be ignored.

Mr. FLIPPO. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. BONER).

Mr. BONER of Tennessee. Mr. Speaker, what we have here is a classic case of the straw that broke the camel's back. House Concurrent Resolution 203, of which I am a cosponsor, is in response to a pay plan which was adopted on October 7, 1981, by the Board of Directors of the Tennessee Valley Authority. The House concurrent resolution sponsored by my colleague from Alabama expresses the sense of the Congress that the Board shall not institute these pay raises. Under this plan, 75 TVA executive officers could receive up to $36,000 per year in addition to their regular salaries as a "retention contract." This action by the Board constitutes an action which means no more than an additional $1 million per year in the budget of a $4 billion Federal utility.

While this might appear to be comparatively insignificant amount, it is the final straw. The real issue is not the Board's incurring of a debt of .0004 percent of their operating budget; but rather the manner and the method which they endeavored to take this action. In effect, the TVA Board has declared that they are not responsible to the Congress of the United States. Such an insubordinate attitude cannot and shall not be allowed to stand.

Yesterday, the General Accounting Office issued an advisory opinion which stated that the action by the Tennessee Valley Authority Board was made "without the authority of law." After discussing the potential necessity of amending the organic charter with my colleagues from the TVA service area, I must report that there is a great deal of interest to amending the TVA charter if the Board refused the recommendations contained within the GAO advisory opinion.

Mr. Speaker, I respectfully urge my colleagues to support the Tennessee Valley Authority delegation in passing this concurrent resolution unanimously and by so doing, send a clear and direct message to the Board of the TVA that they must return, first and foremost, to the basic charge contained in the TVA charter, to produce electrical power "at the lowest possible rates."

● Mr. ROE. Mr. Speaker, House Concurrent Resolution 203 expresses the intent of Congress that no employee of the Tennessee Valley Authority shall be paid at a rate of compensation that exceeds the Federal pay cap. It directs the Board of Directors of the TVA to present a detailed report to Congress and the Office of Management and Budget formally requesting any amendments to law relating to compensation of employees which the management of that Authority deems necessary. Finally, it provides that the Board shall not implement any program, the effect of which would be to provide compensation for any employee of the Authority in excess of the statutory Federal pay cap.

Section 3 of the Tennessee Valley Act (48 Stat. 58) provides that no regular officer or employee of the Authority shall receive a salary in excess of that received by the members of its Board of Directors. The members of the Board of Directors are currently paid a salary at executive level IV which is $52,750 per year. This salary, as well as that of other Federal employees, is subject to the pay cap contained in the joint resolution making continuing appropriations for the fiscal year 1982 (Public Law 97-51).

On October 7, 1981, the Board of Directors approved a plan for offering retention contracts to some 75 management personnel. The stated reason was an attempt to stem further losses of qualified personnel to private industry. Under these contracts the manager would agree to work for TVA for a period of 3 years. In consideration of this, TVA would pay a retention amount of up to $36,000 per year over and above current salary levels. This would place the compensation paid these personnel above the level received by members of the Board and above the statutory pay cap for Federal employees.

The action of the Board in approving these contracts raises serious questions as to whether section 3 of the TVA Act and the statutory cap on Federal salaries have been violated. It also raises serious questions of equity concerning the pay of TVA employees in relation to that of other Federal employees. The committee intends to conduct a thorough investigation into this matter, and will then consider what actions are appropriate to correct this situation. The committee intends that the retention contract plan not be implemented until clear statutory authority has either been established or enacted into law.●

● Mr. BEARD. Mr. Speaker, while I rise in support of this resolution, I must point out that I think it absurd that this body must take valuable time to discuss an action that will have no binding effect whatsoever. The Tennessee Valley Authority is a creation of this body, yet we seem to have very limited oversight capabilities.

At my request, the General Accounting Office has issued an opinion regarding this outrageous bonus plan, and as I had reported 3 weeks ago, their finding is that TVA has violated its own charter. In fact, the language of the GAO report is remarkably similar to that of a lawsuit I have filed in U.S. district court in middle Tennessee. In my lawsuit, I content that TVA has not only violated the 1933 TVA Act, but they have also violated Congress own law passed in October of last year setting a cap on the salaries of Federal employees.

Mr. Speaker, this bonus plan represents the most arrogant action taken by a Federal agency in my 9 years in Congress. It comes in the wake of the most recent of TVA's ever-spiraling rate increases, and has served only as an insult to ratepayers in eight States who are finding it increasingly difficult to pay their electric bills. In rather extensive travels in my own State, I have found people angrier than at any time in memory.

And yet, TVA told those of us in the valley delegation that the scheme was not only necessary, but that it was also legal. In the first place, they have yet to present the supporting material I requested that would supposedly justify paying 75 employees up to $36,000 a year in so-called retention bonuses. But the most amazing thing is that their chief counsel offered a document purporting to show that the scheme was legal—all because TVA has the authority to set compensation for its employees. And to back up his legal scholarship, he sought expert, outside advice from a Washington law firm. I wonder how outside that advice is, as it came from a retired TVA chief counsel who has been paid up to $100 an

hour for the chance to back up his former employers.

Mr. Speaker, this problem of retention on the part of Government of top management personnel is a serious one. I personally feel that we in the Congress will have to find the guts to face it someday soon. But I think we would all agree that the approach not to take is to allow one Government agency stage an obvious end-run around the law. I do not think any of us would want to allow that at any time, but for TVA to attempt such a presumptuous act at this particular time should serve as only a slap in the face of every taxpayer in the United States. In an attempt to bring Government spending under control, all sectors of our society have been asked to make sacrifices. And now—if the TVA Board is allowed to have it their way—people like TVA's Director of Occupational Health and Safety, its Director of Information, its learned General Counsel and eight of his assistants, would all be allowed to make more money in 1 year than the Vice President of the United States. I think that the Members of this House would agree that such a notion is too ridiculous to warrant serious consideration.

But the problem here, Mr. Speaker, is far more serious than it might appear. Are we facing an intergovernment dispute of crisis proportions? It would seen to me that we are. Here we have a huge quasi-governmental agency producing power in three States for 2.7 million ratepayers. It employs 48,000 men and women. It actually operates its own construction force of such enormous size as to qualify it as the third largest in the world. In short, its impact on an entire region of the country is staggering, and yet we in the U.S. House of Representatives find ourselves debating a resolution that would only slap the hand of its own creation. Today's action—and I hope it will be unanimous—will nonetheless be useful. I would hope that it will give the members of the TVA Board one last opportunity to realize the error of their ways and immediately rescind their bonus plan.

But in the long run Mr. Speaker, we are going to have to find a better method of Congress providing oversight—not only for the Tennessee Valley Authority—but also for the growing number of other agencies whose charters have been drafted in such a fashion as to terribly confuse the lines of authority. The problem we are addressing today may be repeated throughout Government if we do not find a remedy. If this resolution fails to accomplish that, I am still hopeful that my lawsuit will be able to enforce the laws we have made here in this Chamber. Thank you.●

● Mr. DUNCAN. Mr. Speaker, the Tennessee Valley Authority was created by Congress in 1933 to provide electricity at the lowest possible rates to the people of the valley. Congress has retained the right to set the salaries of the Directors of the Authority, which in turn places a cap on the salaries of the employees of the agency. The present Board of Directors, however, has taken an action which circumvents this cap by creating a retention contract for up to 75 top managers. House Concurrent Resolution 203 makes clear the intent of Congress and prevents the implementation of this retention contract plan, which the General Accounting Office has ruled is illegal. It is the responsibility of Congress, not the Board of Directors, to set the cap for these salaries.

Even if this plan were legal, there is no justification for the Board's action. To this day the Board does not know who will receive the retention contracts. There is no documentation to support the Board's contention that executives are leaving the agency for higher salaries. The Authority only recently set up a program for exit interviews. The fact is only 12 executives have left the power operations in the last 2 years. Half of these retired. It does not seem to me that these figures justify a $1 million program, whatever its purpose, which will be paid for by the ratepayers in the valley. The employees who have left the agency have spent an average of 25.3 years in the Authority. If TVA's argument is that it is becoming a training school for the private sector, then these employees are certainly spending a lot of time in school.

TVA has overstated its need for this plan to the public. According to a General Accounting Office report, which I requested, TVA has had little difficulty in filling 10 positions in the agency. The promise that these contracts will enhance the safety of TVA's nuclear powerplants fails to point out that only four of the positions apparently eligible for such contracts deal with the day-to-day operations of these plants.

I would also like to point out the comparison to the private sector which TVA feels justifies its need for higher salaries. A story in the October 28 Knoxville Journal compares the agency to the Southern Co., which is basically similar in power operations to TVA. The story states:

> Among Southern's four subsidiaries, 29 executives make more than $50,000 a year. At TVA, 75 people who work in part or in whole in power operation * * * make more than $50,000 a year.

What will be the consequences of this action? If TVA can take from its power revenues to enrich its management, might not other agencies follow suit? This is a factor which must be considered.

There is also the matter of the morale of the agency's employees, in particular those who recently lost a hard-fought campaign for a higher cost-of-living increase. How must these employees feel now as they watch their managers take a hefty pay raise? James W. Eickman, acting secretary of the Salary Policy Employee Panel, wrote to me and expressed the betrayal these workers feel. "Employee morale has suffered to the extent that energy production, productivity, and safety may be in jeopardy, although employees have been counseled repeatedly that any kind of work action is illegal," Eickman said. The Board had ample time to consider the impact on morale of these retention contracts. According to a story in the Knoxville News-Sentinel a TVA manager warned other managers of the situation in a memorandum issued a week before the Board voted on the retention contract plan. "Several main (and unfortunately concurrent) factors in recent weeks have combined to cause a major impact on employee attitudes and probably morale," the memorandum stated. The story goes on to note that despite these warnings "over 'only modest' pay increases and other events, the Board approved the pay bonuses which amount to 70-percent raises for some top managers."

Finally, let me ask this question. Do these managers deserve a 70-percent-pay raise at a time when we are trying to control the rapid escalation of salaries? If you ask the people of the valley I believe you would receive a resounding no. This sentiment was expressed most clearly in the letters to the editor of the News-Sentinel the Sunday after the bonus pay plan was adopted by the Board.

It is Congress role and responsibility to determine the pay cap for Federal agencies. It is a responsibility we do not take lightly. Yet the TVA Board has overridden this role. We must act to encourage the Directors to work within the system to achieve their goal. I urge my colleagues to support this resolution so that we may find an orderly and intelligent solution to this problem. At this point I include the following letter:

COMPTROLLER GENERAL OF THE UNITED STATES,
WASHINGTON, D.C., *November 16, 1981.*

Hon. JOHN J. DUNCAN,
House of Representatives.

DEAR MR. DUNCAN: We refer to your letter dated October 9, 1981, concerning the plan adopted by the Tennessee Valley Authority (TVA) on October 7, 1981, to provide certain cash payments to its top management officials in addition to their regular salaries. You say that this plan appears to be in conflict with the TVA Act, and you have therefore asked that we conduct a study on the legality of the plan.

Enclosed is a copy of our advisory opinion in which we concluded that the plan improperly contravenes the TVA Act.

Essentially, section 3 of the TVA Act, 16 U.S.C. 831b, prohibits TVA employees from receiving a "salary" in excess of that received by members of the TVA Board of Di-

rectors, but it also authorizes the Board to otherwise fix the employees' "compensation." Members of the TVA Board of Directors under the terms of 5 U.S.C. 5315 hold positions at level IV of the Executive Schedule, and their salary or "basic pay" is therefore limited to $52,750 per annum. Thus, the salaries of TVA's top executives, managers, and engineers are also limited to $52,750 per annum.

The TVA Board of Directors adopted a resolution at their October 7 meeting approving a plan to pay up to 75 TVA executives a yearly amount of up to $36,000 in addition to their regular salaries. Those executives would thus receive more yearly pay under the plan than the annual salary or "basic pay" prescribed by law for members of the TVA Board of Directors.

TVA officials have suggested that the additional pay would constitute "compensation" but not "salary" under the terms of section 3 of the TVA Act, and that the new pay plan is therefore legally permissible. Since 1955 the TVA has construed the word "salary" as used in section 3 of the TVA Act as meaning an employee's "basic compensation," or "annual rate of compensation," not including overtime compensation, occasional bonuses, retirement fund contributions, and miscellaneous fringe benefits. We agree with that construction of the statute. However, the new pay plan was clearly designed to circumvent the statutory limitation on salary, and in our view the additional pay would constitute a part of an executive's basic "annual rate of compensation," i.e., his "salary." It is therefore our opinion that the new pay plan improperly contravenes the salary limitations imposed by section 3 of the TVA Act.

While it is our opinion that the new pay plan adopted by the TVA is not authorized by law, TVA contends it is experiencing difficulties in recruiting and retaining top executive talent due to the existing salary limitations imposed by statute. Due to what has commonly come to be known as Federal executive "pay compression," the purchasing power of level IV executive pay had decreased by about 40 percent since 1969 as the result of high levels of inflation during the intervening years. This has caused personnel recruitment and retention problems throughout the Federal Government. Our July 31, 1980 report, "Federal Executive Pay Compression Worsens" (FPCD-80-72), discusses this problem more fully. In that report we recommended the Congress take action to correct the "pay compression" problem that exists generally throughout the Federal establishment. We suggest this general problem be taken into account in any specific remedial legislative action taken with respect to the TVA's new pay plan.

In your letter of October 9 and a subsequent letter dated October 16 you also posed a number of specific factual questions about some of the details of the pay plan and the effects it would have on TVA's ratepayers. Members of our Energy and Minerals Division have provided your staff with the answers to those questions.

We trust this will serve the purpose of your inquiry.

Sincerely yours,

CHARLES A. BOWSHER,
Comptroller General of the United States.●

● Mr. CLAUSEN. Mr. Speaker, I rise in support of House Concurrent Resolution 203 and urge my colleagues here this afternoon to do likewise.

As I understand the situation, the Tennessee Valley Authority must compete with the industrial sector for the kind of specialized talent that is necessary to plan, manage, and operate the major energy facilities that are part of TVA. The salary in industries for people occupying positions similar in responsibility to those of much of TVA's top management sometimes exceeds four times that which can be paid to TVA employees because of the restrictions contained in section 3 of the enabling statute. This is a situation that is not well designed to lead to the recruitment and retention of the kind of high quality talent needed to operate TVA's nuclear and coal fired powerplants safely and efficiently. I believe this is a very important matter and one which deserves increased attention by the committee in the very near future. In this context I am most pleased that the committee has committed itself to conduct a thorough investigation into this matter to examine, among other things, whether TVA may be losing valuable and skilled employees at a greater rate than similar agencies and industries and to what extent compensation or other conditions may be contributing to any such losses.

Mr. Speaker, while I do have these very serious concerns regarding the need to assure TVA's ability to operate safely and efficiently, I believe the restriction on salary contained in section 3 of the TVA Act is clear. Until we raise that ceiling legislatively or somehow soften its restrictive nature, I believe it is appropriate that no action be taken by TVA which could have the effect of circumventing the act's requirements. Therefore, Mr. Speaker, I support House Concurrent Resolution 203, urge its adoption here this afternoon, and also assure my support and cooperation during the committee's effort as a matter of high priority next session to examine TVA's salary structure needs.●

Mr. FLIPPO. Mr. Speaker, I have no further requests for time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. FLIPPO) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 203.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1850

GENERAL LEAVE

Mr. FLIPPO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

DENYING TAX DEDUCTION FOR EXPENSES OF ADVERTISEMENTS IN FOREIGN BROADCAST UNDERTAKING AND DIRECTED PRIMARILY TO A U.S. MARKET—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and without objection, referred to the Committee on Ways and Means.

(For message, see proceedings of the Senate of today, November 17, 1981.)

TAX CUT ACCELERATION NEEDED

(Mr. SMITH of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Alabama. Mr. Speaker, I rise to express my support for legislation to accelerate the tax rate reductions that will be introduced today by my colleague from the State of Pennsylvania, the Honorable ROBERT WALKER. This measure would move the effective dates of the tax reductions included in the Economic Recovery Tax Act forward from July 1982 and 1983 to January 1982 and 1983. This bill will stimulate and speed economic recovery.

I am reminded of the words of Albert Einstein who recognized that "all that is valuable in society depends upon the opportunity for development afforded an individual." The American people historically have shown that when given the incentive and opportunity, they are the most productive people on Earth. I firmly believe the American people do not want to return to the age-old past of tax-and-spend. They want to see this country return to a can-do spirit that made America the industrial giant she is today. I have confidence that when the American people realize that we in Congress still subscribe to earning what you get and keeping what you earn, productivity will increase and will put our economy back on track and our people back to work.

The economic recovery has not failed. It has not had a chance to work. It has taken the country more

than 30 years to recognize that tax and spend do not solve, but add to our problems and yet some would question why in 6 weeks the administration's economic recovery plan will not control spending that has gone unchecked for more than 1,560 weeks.

We know that stimulating the economy with Federal spending has not worked. For more than 30 years, the American people have been asked to put their faith in a system that has given them 8-percent unemployment and more than 14-percent inflation, eroding their paychecks and robbing them of their savings and security. It is time we put aside the age-old theory that tax-and-spend is good for the economy. We know from experience that tax and spend policies are hazardous to our economic health. It is this school of thought that is responsible for the economic mess we find ourselves in today.

This legislation would give the American worker tax relief now, not 9 months from now and just as importantly it would mean stimulating the economy now rather than later. Unless the Government gives the working people in this country some real relief, high taxes, inflation and over-regulation are going to ruin this Nation's middle class—the people who keep this country running.

LEGISLATION PERMITTING FBI TO CHARGE FEE FOR FBI'S IDENTIFICATION DIVISION SERVICES

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, today I am introducing a bill that would permit the Director of the Federal Bureau of Investigation to charge a fee to certain users of the FBI's Identification Division services. Currently, the Director of the FBI is required to collect identification, criminal identification, crime, and other records, and to make these records available for the official use of law enforcement officials of the Federal Government, the States, cities, and penal and other institutions. Although it is not required to do so, the FBI may also exchange these identification records with officials of banks and to State and local governments. The FBI records enable these entities to conduct thorough investigations of applicants for jobs and licenses in areas where security and trustworthiness of the applicant are essential. Without access to these records, these organizations may unknowingly employ individuals who do not meet these qualifications.

Unfortunately, the service provided by the FBI has gotten so popular that the FBI has been unable to keep up with the demand. Response time is often too slow to be of any use to the requesting agency. Especially where the agency making the request for records is a criminal justice or law enforcement agency, the failure to receive the records promptly may be disastrous. We cannot permit this situation to continue. The FBI, in an attempt to rectify the situation, has suspended service for 1 year to all but law enforcement agencies. This would allow them the time to catch up on the backlog in demands, and to update their records. By the time they resume service to banks and State and local agencies for employment and licensing purposes, the FBI believes it will be able to provide prompt and complete information to them.

This suspension of service, while well motivated, creates an enormous problem and places an enormous burden on the agencies that can no longer obtain these essential records. It is difficult, if not impossible, for them to obtain this information elsewhere. Without the information, they will not be able to thoroughly check out the background of potential employees.

There is one other alternative to suspension of service. The FBI can be authorized to charge fees to certain users of the system, to cover its costs of providing the records. The fee would be minimal—just enough to cover the costs of providing the records. It would allow the FBI the necessary funds to run an adequate Identification Division, and would more fairly distribute the burden of the FBI's service. The dissemination of these records to all who rely on them is essential to an effective fight against crime. My bill would permit the FBI to continue this service. But the FBI should not be required to shoulder the entire burden. The Federal Government must be a partner with the users of the system.

□ 1740

WEAK CLIENTS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, yesterday the administration tried again to continue a theory that we now know has been repudiated by their own Budget Director, David Stockman. By seeking to cut 5 percent across the board from the continuing resolution, the Republicans proceeded to deny the truth that has recently been revealed.

Even Stockman admits that when he put together his list of "really fierce, blood-and-guts stuff—widows' benefits and orphans' benefits, things like that. Still it did not add up to $40 billion." And, my friends, we have already made some of those cuts and we have begun to see results:

Hundreds of thousands of schoolchildren have already dropped out of the school lunch program. Not just those Mr. Stockman considers weak claimants—upper income children who enjoy a marginal subsidy—but rather "weak clients," low-income children for whom we know the school lunch program provides nearly half of their daily nutritional needs.

Had the Michel amendment succeeded, that mere 5 percent across-the-board cut would have removed 100,000 low-income women, infants, and children, all certified to be at nutritional risk, from the supplemental feeding program for women, infants and children—a program which repeatedly has been proven effective on medical, nutritional, and cost measures. The administration, though, never even heeded its own equity principle. As early as March, the Reagan budget would have drastically slashed the WIC program—removing 700,000 pregnant and lactating women, infants, and children from participation. Despite Congress unanimous rejection of this approach, by September, the administration proposed cuts eliminating 800,000 participants.

These are hardly weak claims, but unfortunately they are weak clients, clients who cannot afford to pay hundreds of Washington lobbyists to press their case. And, as we have now been told, weak clients suffer and have already suffered for their weakness.

The Michel amendment would also have slashed another 5 percent from the already weakened elementary and secondary education program for disadvantaged youngsters (title I). Secretary of Education Bell has repeatedly testified to title I's successes in meeting the undisputed needs of this group of children. "But," he said, "that's where the big money is." Again, the claims of effectiveness are strong, the clients, unfortunately, weak.

These are a few of the most egregious examples.

The fact is that this administration has set in motion an open-door policy for special interests to plunder every social program they could. Whatever they could steal from the social side of the ledger to plough back into defense and tax loopholes they did. But the greed level rose out of control. This administration has been "as intimidated by the squeaking wheel" as any in the history of our country.

For not only have Republicans been unwilling to acknowledge the "swamp of $10 to $20 to $30 billion of waste in the defense budget," but they gave away billions to powerful clients with weak claims in the tax bill.

"One could go on at great length searching for balance and equity in the outcome of the Reagan program

without satisfying the question." Unless this administration and this Congress reconsider the billions given away through the tax cut and the billions thrown at the Pentagon, even the slightest hint of equity will be lost.

□ 1900

DR. RUBEN METTLER, CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER OF TRW, INC.

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, I am indeed honored to take this opportunity to introduce to the Members of Congress, by way of the CONGRESSIONAL RECORD, Dr. Ruben Mettler, chairman of the board and chief executive officer of TRW, Inc.:

Dr. Mettler was elected to his present position in December 1977, after serving as president and chief operating officer since 1969. He has been a director of the company since 1965.

Dr. Mettler serves on the boards of Bank America Corp., Goodyear Tire & Rubber Co., and Merck & Co., Inc. He is a member of the board of trustees of the California Institute of Technology, the Cleveland Clinic Foundation, and the Committee for Economic Development, for which he served as chairman of the Subcommittee on Inflation.

He is also active in a number of business and public service organizations. In 1978–79 he was chairman of the National Alliance of Business (NAB), an organization which helps train and find jobs in industry for the disadvantaged. He and the Secretary of State were cochairmen of the 1980 United Nations Day activities in Washington, D.C. In addition, he is chairman of the national campaign for the United Negro College Fund in 1980 and 1981 and a director of the National Action Council for Minorities in Engineering, Inc. He is a member of the business council, serving as vice chairman in 1961, and the Business Roundtable's Policy Committee, serving as a chairman of its ad hoc task force on economic strategy and its task force on employment policy.

Dr. Mettler has served the Government in advisory capacities, including vice chairman of the Defense Industry Advisory Council (1964–70), chairman of the President's Task Force on Science Policy (1969–70), and a member of the President's Blue Ribbon Defense Panel (1969–70).

Born in Shafter, Calif., in 1924, Dr. Mettler entered Stanford University in 1941. He enlisted in the Navy a year later. While in the Navy, he attended the California Institute of Technology, where he received a bachelor of science degree in electrical engineering in 1944. In 1946, after completing Navy service, he entered graduate school at Caltech and received a master of science degree in 1947 and a doctorate in electrical and aeronautical engineering 2 years later.

Dr. Mettler then became a member of the technical staff of Hughes Aircraft Co. for 5 years, working on advanced aircraft electronic and radar systems. In 1954 he was appointed a full-time consultant to the Department of Defense.

In 1955 Dr. Mettler joined the newly organized Ramo-Wooldridge Corp., where he was a leading participant in the Nation's ballistic missile and early space programs. In 1957 he was assigned responsibility for technical supervision of the Atlas, Titan, Thor, and Minuteman programs. During this time he also was responsible for developing several of the Nation's early scientific satellites, including Pioneer 1, the first satellite to be launched by a private firm.

When Ramo Wooldridge merged with Thompson Products in 1958, Dr. Mettler became executive vice president and then president of TRW Space Technology Laboratories. When the unit became part of the TRW System Group in 1965, he was named president of the group. In 1968 he became assistant president of TRW. He was promoted to president of the company in 1969.

Dr. Mettler received the Eta Kappa Nu award for the Nation's most outstanding young electrical engineer in 1954, and the U.S. Junior Chamber of Commerce named him one of the 10 outstanding young men in America in 1955. In 1964 the Engineering Societies of Southern California elected him engineer of the year. In 1965 the founding members of the National Academy of Engineering elected Dr. Mettler to the organization in recognition of his contribution to engineering theory and practice. In 1966 Dr. Mettler was selected one of 23 alumni to receive the first Alumni Distinguished Service Award given by the California Institute of Technology. In 1979 the National Conference of Christians and Jews honored Dr. Mettler with the organization's National Human Relations Award, and in 1980 Baldwin-Wallace College awarded him an honorary degree, doctor of humane letters. At this point in the RECORD I include the following resolution:

RESOLUTION

Whereas Ruben F. Mettler has been selected to receive the First Annual Roy Wilkins Memorial Award from the Los Angeles Chapter of the National Association for the Advancement of Colored People on November 23, and

Whereas Ruben F. Mettler is a native son whose successful business career has been dedicated to progress in human relations as well as to industrial achievements in science and engineering that have included a part in building Ramo-Wooldridge Corp. in California and its successful merger with Thompson Products to form TRW Inc., and

Whereas he has given unstintingly of his time and resources to help solve the problems of the disadvantaged and the unemployed, chairing the National Alliance of Business for two terms, heading the national campaign of the United Negro College Fund during a record-setting drive in 1980–81, and joining with others in industry to form the newly organized National Action Council for Minorities in Engineering, and

Whereas he has seeked to link business success with corporate responsibility throughout his career, helping the Nation to more nearly realize Roy Wilkins' Dream: Be it therefore

Resolved, That the California State Senate and Assembly salute Ruben F. Mettler as the recipient of the First Annual Roy Wilkins Award to be bestowed by the NAACP in Los Angeles.

THE FIFTH ANNIVERSARY OF THE UKRAINIAN HELSINKI GROUP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DOUGHERTY) is recognized for 60 minutes.

Mr. DOUGHERTY. Mr. Speaker, today we are commemorating the fifth anniversary of the Ukrainian Public Group to Promote the Implementation of the Helsinki accords. On November 9, 1976, 10 brave people composed a declaration which outlined the aims of the Ukrainian Helsinki Group. Chief among these aims was to report on the Ukrainian situation to the cosigners of the Helsinki accords.

Within 3 months, the leader of this group, Mykola Rudenko, was arrested in Kiev and sentenced to 7 years of strict-regimen labor camp and 5 years in exile. He was found guilty of "anti-Soviet agitation and propaganda", the so-called crime which occurs with such regularity in the Soviet Union. The swiftness of Rudenko's arrest by the Soviet Government symbolizes all too clearly their decision to blatantly ignore the international document they signed in Helsinki.

Adding salt to the wound, Rudenko's wife was also arrested this year, for "disseminating anti-Soviet materials and illegally receiving letters from her imprisoned husband." Many of you may remember the special order the Ad Hoc Committee on the Baltic States and Ukraine conducted in July for Raisa Rudenko, which took place just as we were informed of her arrest. Mr. Speaker, how many years do you think Raisa Rudenko was sentenced to prison for illegally receiving letters from her husband? Was she sentenced to 1 year or 2 years for this terrible crime of receiving a letter from her husband? No, the Helsinki Commission in Washington has learned that Mrs. Rudenko was been sentenced to 10 years of imprisonment. This treat-

ment is unbelievable, and again, I find it indicative of the Soviet attitude toward the Helsinki accords.

The Rudenkos are but two of the millions who have suffered in Ukraine. But their sense of honor in bringing to light human rights violations separate them from many of their countrymen. Many Americans find it difficult to comprehend the life-threatening danger of being a member of the Ukrainian Helsinki Group. Every single member of the group has been imprisoned or sent out of their own country. One has even committed suicide.

We are here today to ask the Soviet Government some tough questions. Why do you persecute men and women who are simply monitoring an international agreement signed by the Soviet Union? How much longer will these violations of human rights continue? Does the Soviet Government think the entire world is blind to the inhumane treatment of Ukrainian citizens?

More importantly, we salute today the members of the Ukrainian Helsinki Group. For 5 long years they have suffered for their countrymen. The free nations of the world appreciate all that they have done, and hope beyond measure that they will not be marking any future anniversaries behind prison bars. At this point in the RECORD I include the following:

THE UKRAINIAN PUBLIC GROUP TO PROMOTE THE IMPLEMENTATION OF THE HELSINKI ACCORDS—FOUNDED NOVEMBER 9, 1976, IN KIEV, UKRAINE

A LIST OF MEMBERS (STATUS AS OF OCTOBER 1981)

1. Imprisoned

1. Berdnyk, Oles. Writer; born November 25, 1927; founding member of Group; also political prisoner 1949–55; sentenced December 21, 1979, in Kiev to 6 years' imprisonment and 3 years' exile.

2. Chornovil, Vyacheslav. Journalist; born December 24, 1937; joined Group in October 1979; also political prisoner 1967–68, 1972–80; sentenced June 6, 1980, in Yakutsk to 5 years' imprisonment.

3. Heyko-Matusevych, Olha. Philologist; born September 9, 1953; joined Group in April 1977; sentenced March 12, 1980, in Kiev to 3 years' imprisonment.

4. Horbal, Mykola. Musician, teacher; born May 6, 1941; joined Group in September 1979; also political prisoner 1971–78; sentenced January 21, 1981, in Kiev to 5 years' imprisonment.

5. Kalynychenko, Vitaliy. Engineer; born 1937; joined Group in November 1977; also political prisoner 1966–76; sentenced May 18, 1980, in Dnipropetrovsk to 10 years' imprisonment and 5 years' exile.

6. Kandyba, Ivan. Lawyer; born July 7, 1930 founding member of Group; also political prisoner 1961–76; sentenced July 24, 1981, in Lviv to 10 years' imprisonment and 5 years' exile.

7. Lesiv, Yaroslav. Teacher; born 1945; joined Group in September 1979; also political prisoner 1967–78; sentenced in Spring 1980 in Ivano-Frankivsk to 2 years' imprisonment.

8. Lukyanenko, Lev. Lawyer; born August 24, 1927; founding member of Group; also political prisioner 1961–76; sentenced July 20, 1978, in Chernihiv to 10 years' imprisonment and 5 years' exile.

9. Lytvyn, Yuriy. Journalist, poet; born 1934; joined Group in December 1977; also political prisoner 1955–68, 1974–77 sentenced December 19, 1979, in Kiev to 3 years' imprisonment.

10. Marynovych, Myroslav. Engineer; born January 4, 1949; founding member of Group; sentenced March 27, 1978, in Vasylkiv to 7 years' imprisonment and 5 years' exile.

11. Matusevych, Mykola. Historian; born July 19, 1946; founding member of Group; sentenced March 27, 1978, in Vasylkiv to 7 years' imprisonment and 5 years' exile.

12. Ovsiyenko, Vasyl. Teacher; born 1949; joined Group in March 1977; also political prisoner 1973–77; sentenced February 8, 1979, in Radomyshl to 3 years' imprisonment.

13. Popovych, Oksana. Born January 30, 1928; joined Group in February 1979 while in labor camp; also political prisoner 1944–54; sentenced in February 1975 in Ivano-Frankivsk to 8 years' imprisonment and 5 years' exile.

14. Rudenko, Mykola. Writer; born December 19, 1920; founding member and head of Group; sentenced July, 1977, in Druzhkivka to 7 years' imprisonment and 5 years' exile.

15. Shukhevych, Yuriy. Electrician; born March 28, 1934; joined Group in January 1979 while in labor camp; also political prisoner 1948–58, 1958–68; sentenced September 9, 1972, in Nalchik to 10 years' imprisonment and 5 years' exile.

16. Shumuk, Danylo. Born December 30, 1914; joined Group in February 1979 while in labor camp; also political prisoner 1935–39, 1945–55, 1957–67; sentenced July 7, 1972, in Kiev to 10 years' imprisonment and 5 years' exile.

17. Sichko, Petro. Economist; born August 18, 1926; joined Group in April 1978; also political prisoner 1947–57; sentenced December 4, 1979, in Lviv to 3 years' imprisonment.

18. Sichko, Vasyl. Student; born December 22, 1956; joined Group in April 1978; sentenced December 4, 1979, in Lviv to 3 years' imprisonment.

19. Sokulsky, Ivan. Poet; born 1942; joined Group in October 1979; also political prisoner 1969–74; sentenced in Summer 1980 in Dnipropetrovsk to 10 years' imprisonment and 5 years' exile.

20. Striltsiv, Vasyl. Teacher; born January 13, 1929; joined Group on April 1977; also political prisoner 1944–54; sentenced November 12, 1979, in Dolyna to 2 years' imprisonment.

21. Stus, Vasyl. Poet; born January 8, 1938; joined Group in October 1979; also political prisoner 1972–80; sentenced October 2, 1980, in Kiev to 10 years' imprisonment and 5 years' exile.

22. Tykhy, Oleksiy. Teacher; born January 31, 1926; founding member of Group; also political prisoner 1957–64; sentenced July 1, 1977, in Druzhkivka to 10 years' imprisonment and 5 years' exile.

23. Zisels, Yosyf. Engineer; born December 2, 1946; joined Group in October 1978 while in labor camp; sentenced April 1979 in Chernivtsi to 3 years' imprisonment.

2. Died

24. Melnyk, Mykhaylo. Teacher; born 1944; joined Group in November 1978; committed suicide March 9, 1979, as a result of continuous KGB persecution.

3. In internal exile

25. Krasivsky, Zinoviy. Poet; born November 12, 1929; joined Group in October 1979; also political prisoner 1967–78; sentenced March 12, 1980, in Lviv to serve out remaining 8 months' imprisonment and 5 years' exile of previous sentence.

26. Meshko, Oksana. Pensioner; born January 30, 1905; founding member of Group; also political prisoner 1947–55; sentenced January 7, 1981, in Kiev to 6 months' psychiatric imprisonment and 5 years' exile.

27. Rebryk, Bohdan. Teacher; born June 30, 1938; joined Group in February 1979 while in labor camp; also political prisoner 1967–70, 1974–81; sentenced in summer 1974 in Ivano-Frankivsk to 7 years' imprisonment and 3 years' exile.

28. Senyk, Iryna. Nurse, poetess; born June 8, 1926; joined Group in May 1979 while in exile; also political prisoner 1944–54, 1972–78; sentenced in 1972 to 6 years' imprisonment and 3 years' exile.

4. Released

29. Romanyuk, Vasyl. Orthodox priest; born December 9, 1925; joined Group in February 1979 while in exile; also political prisoner 1944–54, 1972–79.

30. Rozumny, Petro. Teacher; born March 7, 1926; joined Group in October 1979; sentenced December 21, 1979, in village of Solone near Dnipropetrovsk to 3 years' imprisonment; released in Summer 1981.

31. Shabatura, Stefaniya. Artist; born November 5, 1938; joined Group in October 1979 while in exile; also political prisoner 1972–77.

5. Forced to emigrate

32. Grigorenko, Petro. Soviet army general; born October 16, 1907; founding member of Group; also political prisoner 1964–65, 1969–74; stripped of Soviet citizenship on March 10, 1978, and exiled.

33. Karavansky, Svyatoslav. Poet, journalist; born December 24, 1920; joined Group in September 1979; also political prisoner 1944–60, 1965–79; emigrated to the West in November 1979.

34. Malynkovych, Volodymyr. Physician; born 1940; joined Group in October 1978; emigrated to the West in December 1979.

35. Strokata, Nina. Physician, microbiologist; born January 31, 1926; founding member of Group; also political prisoner 1971–75; emigrated to the West in November 1979.

36. Svitlychna, Nadia. Philologist; born November 8, 1936; undeclared member of Group while in Ukraine; joined Group in fall 1978; also political prisoner 1972–76; emigrated to the West in October 1978.

37. Vins, Petro. Student; born 1956; joined Group in February 1977; also political prisoner 1978–79; emigrated to the West in June 1979.

38. Plyushch, Leonid. Cyberneticist; born in 1939; member of Group's External Representation; also political prisoner 1972–76; emigrated to the West in January 1976.

Mr. Speaker, it is my pleasure at this time to yield to my colleague, the gentleman from Massachusetts (Mr. DONNELLY), the cochairman of the ad hoc committee.

Mr. DONNELLY. Mr. Speaker, I am pleased to join with my friend from Philadelphia in commemorating the founding of the Ukrainian Public Group to promote the implementation of the Helsinki accords. We have reserved this time in the House today to

call attention to the fact that the Ukrainian men and women who have taken responsibility for monitoring Soviet compliance with the Helsinki accords are in prison or exile. These people have been subjected to many attacks on their privacy, and, in fact, one of these brave people committed suicide due in no small part to the continued harassments of the Soviet authorities and the KGB.

We are here to state to all Americans and to all the free world that we have not forgotten their efforts, nor will we forget their efforts that they have taken over the past 5 years.

The Ad Hoc Committee on the Baltic States and the Ukraine, which was recently formed in the House, will work for the release of the imprisoned members of the Ukranian Helsinki group.

The Soviet Government has repeatedly violated the terms of the Final Act. That is why members of the monitoring group have been attacked so viciously. The Soviets simply do not want news to reach us or our neighbors in the free world of the many violations of human rights that occur within the Iron Curtain. Today's special order is one sign that the Soviet effort to keep the voices of dissent quiet is a failure. The Soviet should realize that they will never be able to silence the voices of freedom no matter how hard they try, and in that effort they are condemned to defeat.

In conclusion, let me thank my colleagues from Pennsylvania and applaud him for taking this time at the end of the session today to commemorate and to recommit our efforts to those brave people in the Ukraine who are simply monitoring a signed agreement that is being violated on a day-to-day basis by Soviet authorities and members of the KGB, and recommit ourselves and members of the ad hoc committee on the Baltic States and the Ukraine that we also, here in the Congress, shall monitor the events that take place in the Ukraine and in all the Baltic States, and that those voices of freedom are being heard, will be heard and shall be heard, and that they have many supporters here in the Congress and many people who will be participating in the special order tonight.

Mr. DOUGHERTY. I thank my colleague from Massachusetts for his comments on this most significant day.

I would like to recognize my colleague from Pennsylvania, a very distinguished Member of this body and a champion in the cause of the Ukraine, Mr. BAILEY.

Mr. BAILEY of Pennsylvania. I thank my colleague very much, very sincerely.

Mr. Speaker, let me first of all compliment Mr. DOUGHERTY and Mr. DONNELLY for their leadership of the Ad Hoc Congressional Committee on the Baltic State and the Ukraine. I am pleased to join my colleagues this afternoon in commemorating the fifth anniversary of the founding of the Ukrainian Public Group to Promote the Implementation of the Helsinki accords. Today's anniversary is not only an occasion for celebration, but also an opportunity to commend the men and women who have been persecuted for the their belief in and support of the principles of human rights that underly the Helsinki accords.

The emergence and success of the Ukrainian Helsinki Group has reaffirmed to the Soviets and to our Western Nations that the Ukrainian people's movement for national and human rights is very much alive. The efforts by Soviet officials to suppress and silence these men and women have been brutal. But despite the persecution of 23 of its 37 members, the group has been successful in monitoring the human rights provisions of the Helsinki accords. The evidence they have collected is clear—the Soviets have completely disregarded the rights of the Ukrainian people.

The group declared its intent to raise the level of legal consciousness in the Ukraine. It has done so by unhesitatingly accepting and working on the proposition that laws, whether they be the constitutions of the Ukrainian people or the Universal Declaration of Human Rights and the Helsinki Final Act, are real and binding, and that each individual has a right to their protection, from all, including naturally, his own government. It has succeeded in raising this consciousness and, by its own adherence to the letter and spirit of the law, has demonstrated imperialist Russia's wanton disregard for its own laws and for the international agreements it has signed.

The Helsinki accords have given rise to a genuine hope that individuals and nations in the Eastern bloc will have their rights respected. Certainly the efforts of the Ukranian Helsinki Group are invaluable to attaining this goal. We do well to commend and encourage these men and women in their work, knowing full well ourselves that often times a very high price has to be paid to attain dignity, justice, and freedom from repression. Let us do more than commend and recognize in the future. Let us find a way to give more direct assistance. If we cannot do so as a Government then let us do so as individuals.

Mr. DOUGHERTY. Mr. Speaker, I would like to thank my colleague from Pennsylvania for those very inspiring remarks.

At this time I would like to yield to another colleague, the gentleman from Pennsylvania (Mr. NELLIGAN).

Mr. NELLIGAN. I thank the gentleman for yielding.

Mr. Speaker, I wish to compliment the cochairman of the ad hoc committee that they so ably head. As a matter of fact, I want to compliment both of them for their untiring efforts on behalf of human rights for all peoples of the world. I, too, am pleased to be a member of that committee.

Mr. Speaker, we are here today to commemorate the fifth anniversary of the founding of the Ukrainian Helsinki Group.

On November 9, 1976, nine men and one woman courageously confronted the Government of the Soviet Union by forming an organization to monitor that country's compliance with the 1975 Helsinki accords.

Given the long history of repression in the Soviet Union, particularly against the people of the Ukraine, the establishment of such a monitoring group was an exceedingly brave act. In an atmosphere of intimidation, threats, and ruthless retaliation, these individuals publicly declared their intent to see that fundamental human rights were observed by the Government of the Soviet Union.

Regrettably, but predictably, the members of the Ukrainian Helsinki Group have suffered dearly for their defiance of the Kremlin. At the present time, all 37 of the Ukrainian monitors have been imprisoned, incarcerated in "hard regime" labor camps or exiled from their homeland.

Yet, the very fact that we can commemorate the fifth anniversary of this group on the floor of the House of Representatives is a tribute to their success. Despite the persecution of its individual members, the Ukrainian Helsinki Group continues to exist as a major force for human rights in the Soviet Union.

The members of this group have endured extreme hardship, but their voice has been heard. The Government of the Soviet Union has attempted to break the will and drive of the Helsinki Group's leaders, but they have not succeeded.

I believe a major factor in the ongoing battle for human rights in the Ukraine is the spirit of the Ukrainian people themselves. Ukrainians, who number 50 million, or 20 percent of the Soviet Union's population, have survived long years of Russian oppression. They have been denied their national churches, political representation, and culture. Yet they have continued to resist the forces of Russification.

I also believe the spirit of the Ukrainian people and the establishment of the Helsinki Group belie the myth that the Soviet Union is a homogenous state. It reveals the underlying truth that the Soviet Union is an authoritarian regime seeking to impose its will on an amalgam of sepa-

rate nations, ethnic groups, and racial entities.

In attempting to bring the Soviet Union into compliance with its international agreements, in attempting to guarantee the citizens of the Ukraine certain rights in national, cultural, civil, political, and religious affairs, and in attempting to have the Ukraine—as a European state and founding member of the U.N.—included in the Helsinki process, the Ukrainian Helsinki Monitoring Group is striving to maintain and develop the identity of the Ukrainian people.

This is a process which the United States must support. The defense of human and national rights of the Ukraine must remain a consistent element of American foreign policy.

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Mr. DOUGHERTY. I want to thank my colleague from Pennsylvania for those very moving remarks. It addresses it right to the point that we are talking about.

I thought it very interesting today, Mr. Speaker—I sent a letter to Ambassador Dobrynin advising him that we would take this special order today. The Soviet Embassy in Washington refused to accept the letter and therefore, since Mr. Dobrynin would not take my letter, I will read it publicly and perhaps he can get it out of the CONGRESSIONAL RECORD.

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 17, 1981.

His Excellency ANATOLY DOBRYNIN,
Ambassador to the United States,
Washington, D.C.

DEAR AMBASSADOR DOBRYNIN: Last week marked the Fifth Anniversary of the founding of the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords. As you may know, all 37 members of the Ukrainian Helsinki Group have been sentenced to prison or exiled from their country. At the same time, the Soviet Union continues to violate the human rights of these and many other Ukrainian citizens.

The United States Congress is very concerned for the welfare of the men and women of the Ukrainian Helsinki Group. They are simply monitoring the Soviet government's adherence to the accords of the Helsinki Act, signed in 1975. For this reason, the House of Representatives will conduct a Special Order to address this serious issue this evening. It is my hope that your government will carefully consider the statements of the many Congressmen who will speak out tonight in support of the Ukrainian Helsinki Group.

With best regards.

Sincerely,

CHARLES F. DOUGHERTY,
Member of Congress.

As I said, Mr. Speaker, since Mr. Dobrynin did not care to accept my letter, maybe he will get a copy of the CONGRESSIONAL RECORD and he can read it there.

It is rather interesting, though, Mr. Speaker, if the Soviet Union has reached the point in time where they are so afraid to even accept a letter from a Congressman, I guess they are really beginning to recognize the fact that their phoniness, their charades, their make-believe, is not having any impact on this country. I find it interesting that a country that signs an agreement in the area of human rights and then blatantly violates that agreement is trying to convince those of us in the U.S. Congress that we should enter into some type of disarmament agreement, I would pose that thought that if the Soviets are so embarrassed and so willing to blatantly violate an international agreement in the area of human rights, how can we ever expect to trust anything they would say in any type of agreement of disarmament?

Mr. CONYERS. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. Mr. Speaker, at this time I would like to yield to my colleague from Michigan (Mr. CONYERS) and I am pleased to have him participate.

Mr. CONYERS. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding to me. I would like to come to the floor to indicate to him and to my colleagues in the Congress the mutual concern that we all have for human rights and their violations wherever they may occur in the world.

I would tell him that I have been visited by members of this organization who constitute Ukrainian Public Group, for promoting the Helsinki accords, and I must say that I was quite frankly taken aback by what they told me of the suffering, of the treatment that their relatives and families and friends have been afforded, and the years of struggle that this special order signifies. And so, out of that concern I want to say to my colleague that I come to the well to join those in the Congress and those in this country who feel deeply about the concern of justice and equality and human dignity throughout the world.

I would like to work with him, with the Foreign Relations Subcommittee that is now holding hearings in this matter, and I would like to learn more about it and find out what we as a Congress can do to bring all of the assistance that we can to these very courageous people.

Now, if I might say to my colleague, I hope that we will be able to separate many of the complex issues on foreign policy and foreign relations from this particular incident. I think that it would be a grievous error if we were to link the consideration of disarmament with this particular issue and suggest that because one is insoluble, the other is insoluble. As the gentleman knows, I have tried to promote a peaceful context in which the nations on this planet could resolve their differences, because I am persuaded that violence and the nuclear arms race will never solve the problems of my people or his people. And so, it is with that still-strong hope that I approach this subject and I join the ranks of those that the gentleman has persuaded to march with him, and hope that perhaps there can be some dialog started.

I was talking with another Member who feels as strongly as we do about this subject, and perhaps this will go down as a naivete, but perhaps there can be some dialog that has not been initiated take place. One of the members of the subcommittee to which I refer that hearings were held yesterday told me that some part of the Russian Government was there recording the proceedings. It is my fervent hope that anything from those proceedings will not be further used to harass or suppress the people for whom we work so diligently to gain their freedom and to make justice work all over the world, and particularly in the Soviet Union.

So, it is out of these deeply held views that the gentleman has been able to bring me to his side and enlist in what I consider to be a very noble and a very praiseworthy cause. I thank the gentleman for yielding.

Mr. DOUGHERTY. Mr. Speaker, I would like to thank my colleague for those very thoughtful comments, and they were very important to us all.

Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. I will be glad to yield to my colleague.

Mr. DYMALLY. Mr. Speaker, I thank the gentleman.

I think it was 2 months ago that I had the privilege to visit with some Ukrainians from the State of Pennsylvania and I placed in the CONGRESSIONAL RECORD a statement about their concerns, about the state of affairs in the Ukraine. I would like to make reference to that statement and to congratulate the Member from Pennsylvania for bringing this subject to the attention not only of the Congress but of the people of the United States.

Mr. DOUGHERTY. Mr. Speaker, I thank the gentleman very much for those comments.

Mr. Speaker, at this time I would like to include as an addition to my original comments the names of all of the 37 members of the Ukrainian Public Group to promote the implementation of the Helsinki accords. I think it would be appropriate that the CONGRESSIONAL RECORD of the United States include the names of these outstanding men and women.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I rise merely to offer my name on the list of the gentlemen who have associated themselves with the gentleman's special order today, and to thank him for

his interest and his great concern in this very, very troubling problem. I just felt that the least I could do would be to offer my name to add to the roster.

Mr. DOUGHERTY. I thank my colleague from Texas for those comments.

● Mr. BONKER. Mr. Speaker, I welcome this opportunity to commemorate the fifth anniversary of the founding of the Ukrainian Helsinki Monitoring Group, and appreciate the efforts of my distinguished colleagues, Congressmen DOUGHERTY and DONNELLY for calling this special order today. I also wish to recognize the good work of the Ad Hoc Committee on Baltic States and Ukraine, chaired by Congressmen CHARLES DOUGHERTY and BRIAN DONNELLY.

Last July, the Subcommittee on Human Rights and International Organizations held a hearing on human rights in the Soviet Union, and focused specifically on the persecution of dissidents and human rights groups in the Ukraine. At that hearing, we were honored to have with us, Dr. Nina Strakota-Karavansky, a member of the Ukrainian Helsinki Group and a former political prisoner. Her husband, Sviatoslav Karavansky, served over 30 years in prison for his human rights activities. In her testimony, Dr. Nina Strakota discussed the long prison sentences received in the Ukraine for religious, ideological, or political activities, and police intervention into family matters. She named dozens of friends and colleagues who have been harassed, imprisoned, or incarcerated in psychiatric hospitals. Many of these people were the original monitors of the Helsinki agreements. The fact that the Soviet Union imprisons those who take seriously the international human rights agreements that their country has signed is chilling proof of Russia's refusal to comply with the Helsinki accords.

Dr. Nina Strakota-Karavansky told the Subcommittee on Human Rights and International Organizations that:

> The unsanitary conditions of a prisoner's daily existence, directed against the prisoner's mind, body, and spirit, are an indisputable proof of the use of torture in the USSR.

At the completion of her testimony, Dr. Strakota said: "May the Lord bless those who do not remain indifferent to the suffering of my nation."

I think that her words are the key to human rights advocacy: We must not remain indifferent to the suffering of others. We in the United States have a unique opportunity—and obligation—to speak for those who cannot speak. It is my hope that the Congress will use this opportunity in every possible way to bring attention to the tortured, the disappeared, and the silenced in the Ukraine, and around the world. It is also my hope that as the Reagan administration continues to send the Soviet Union huge amounts of our agricultural products they will remember the captured people of the Ukraine.●

● Mr. DENARDIS. Mr. Speaker, on November 9, 1976, 10 Ukrainian men and women organized to serve a noble and lawful mission. The Ukrainian Helsinki Group was formed to monitor the compliance by the Soviet Government with the 1975 Helsinki accords. In its founding declaration, the group demanded that the International Declaration of Human Rights, which guarantees the free exchange of "information and ideas through any media regardless of frontiers, become the basis of relations between the individual and the state" in the U.S.S.R. The history of the group is a chronicle of the Soviet Government's thorough contempt for the humanitarian principles expressed in these two documents, which they themselves signed, as well as in their own Constitution. Of the group's eventual 37 members, not one remains alive and at liberty in the Ukraine today. They have all been imprisoned, sentenced to labor camp, or exiled. But under the physical and psychological burden of persecution, not a single member broke down. Not one man or woman retracted his or her position enunciated in the name of 50 million fellow countrymen.

I therefore join my colleagues in the denunciation of the oppression of human rights in the Ukraine and wherever the Soviet reach of power extends. And I join my colleagues also in the celebration of the spirit of human liberty which lives still in the members of the Ukrainian Helsinki Group and which is the duty of the free world to protect and promote.●

● Mr. DERWINSKI. Mr. Speaker, I wish to join with my colleagues in noting the fifth anniversary of the founding of the Ukrainian Public Group To Promote the Implementation of the Helsinki accords. This group was established on November 9, 1976, in Kiev by 10 human rights activists with the objectives of monitoring the Soviet Government's compliance with the human rights provisions of the 1975 Helsinki accords and to inform the citizens of Ukraine and the world community of any violations.

Of the 37 members that joined the group during the past 5 years, the majority have been imprisoned for this activity, while the others are either exiled, expatriated, or under police surveillance. One member was driven to suicide.

The group's leader, Mykola Rudenko, was sentenced to 7 years imprisonment and 5 years exile. Vasyl Stus, a poet and a member of the Ukrainian Helsinki Group, was tried solely on the basis of the thoughts he expressed in personal correspondence to friends, which was presented as evidence in the courtroom. Stus was sentenced to 15 years. Another example of the ruthlessness with which the Soviet authorities combat Ukrainian nationalism can be found in the case of Yuriy Shukhevych, who joined the Helsinki Group while still serving his latest prison term. Shukhevych was first arrested and imprisoned for 10 years in 1947, when he was 14. He was the son of the commander of the Ukrainian Insurgent Army. Since then, he has spent all of 4 years in prison, and if he is released after his current term in 1987, at the age of 53, he will have spent 35 years behind bars or barbed wire.

With the continued suppression of human rights in Communist countries, it is imperative that the democratic countries of the world assert their opposition to this form of political tyranny and reinforce the work of the Ukrainian Public Group in monitoring the violations of the provisions of the Final Act of the Conference on Security and Cooperation in Europe. Unfortunately, the Soviet Government has repeatedly violated the terms of the act, and further, has obstructed the Ukrainian Group's efforts to monitor violations. It is necessary to remember that the Soviet Union continues to suppress the nationalistic spirit of the non-Russian Republics within the U.S.S.R.

As a cosponsor of House Concurrent Resolution 205, which requests the President to act through diplomatic channels for the release of the members of the Ukrainian Public Group from incarceration and to prevail upon the Soviet Government to cease harassing and persecuting them, I believe that it is especially important for the United States to continue its full and uncompromising support, for the basic concept of the sovereign rights of a people, to the free and independent choice of the form of government under which they wish to live. I join in expressing my hope that the aspirations of the captive peoples for national independence will once more be restored. We must not let the determined spirit of the captive peoples as represented by the Ukrainian Helsinki Group, be broken.●

● Mr. YATRON. Mr. Speaker, I rise today to join the distinguished gentleman from Pennsylvania, Mr. DOUGHERTY to pay tribute to the Ukrainian Public Group To Promote the Implementation of the Helsinki accords on the fifth anniversary of its founding.

Mr. Speaker, the brave men and women of the Ukraine who founded the group have risked their lives and have been subjected to insufferable torture at the hands of their Soviet oppressors because they have attempted to peacefully exercise the rights guaranteed to them under the Helsinki accords.

Clearly, the Soviet Government has displayed its total disregard with respect to the basic principles of human rights by neglecting to comply with the stipulations set forth by the Helsinki accords which they willingly signed in an international forum. But more importantly, this historic occasion exemplifies the strength and patriotism of the Ukrainian people who in the face of adversity and danger, have relentlessly continued their peaceful quest to realize their fundamental human rights objectives under these accords.

The plight of the members of the Ukrainian Helsinki Group characterizes the desires of the Ukrainian people to exercise their human rights and to determine their own national destiny.

Mr. Speaker, the United States as a signer of the accords has a responsibility with respect to pressing the Soviet Union to adhere to this agreement so that the people of the Ukraine and throughout the Baltic States can exercise their basic human rights and self-determination.●

● Mr. JAMES K. COYNE. Mr. Speaker, as Americans who are free of governmental oppression, we tend to take for granted the freedom guaranteed to us by the Constitution and the Bill of Rights. In our relative comfort and sense of freedom, we often fail to acknowledge the constant struggle being waged by people throughout the world for recognition of their fundamental human and civil rights.

On the fifth anniversary of the founding of the Ukrainian Helsinki Group, we must bring to mind the pain and suffering of those courageous Ukrainian men and women who have believed in the principles and implementation of the Helsinki accords. The attempts of the Ukrainian Group to monitor human rights abuses in the Soviet Union, have been met with severe persecution by the Soviet Government. The members of the group have been subjected to imprisonment, long sentences in forced labor camps, and harassment by the KGB. Disregarding the group's efforts, the Soviet Government has repeatedly violated the terms of the Helsinki Final Act and continues to flout the basic intentions of the Helsinki accords.

Talks on the Helsinki accords resumed in Madrid in late October. To clearly demonstrate our support for the courage and dignity of the Ukrainian Group, it is incumbent upon the United States to bring to the attention of the Soviet representatives their Government's gross violations of compliance with the human rights provisions of the Helsinki Final Act. We must call for a halt to such violations and a halt to the persecution and harassment which Ukrainian Helsinki Group members, and all those around them, must endure.

We treasure the rights and freedoms which we have struggled to obtain. Let us never become so complacent that we are blind to the struggles of others.●

● Mr. HUGHES. Mr. Speaker, 5 years ago, on November 9, 1976, the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords was founded to promote compliance with the then nascent Helsinki accords. The accords were intended as a landmark international agreement, guaranteeing the rights and dignity of every country which became a signatory.

Unfortunately, the past 5 years have proven the utter insincerity and hypocrisy of the Soviet Union in signing the accords. The fate of the members of the Ukrainian Helsinki Group bears tragic witness to the Soviet Union's continued abysmal human record.

Thirty-seven courageous Ukrainians joined together to attempt to insure that the civil, cultural, political, and religious freedoms guaranteed at Helsinki would indeed be allowed. All of them have undergone persecution, whether through imprisonment, persecution, exile, or expulsion. Each was punished for the crime of thinking freely and acting as individuals in a society dependent on compliance with a totalitarian regime.

We, as leaders of a nation whose citizens champion liberty, must not allow the spirit and intent of Helsinki to die. We must continue to work for greater freedom of citizens of all nations, taking our inspiration from the courage of the Ukrainian Helsinki Group, who acted with far less hope of success, and far greater loss from failure.●

● Mr. DWYER. Mr. Speaker, we have a dual purpose here today as we commemorate the fifth anniversary of the Ukrainian Helsinki Group.

Not only do we rise in humble tribute to its 37 brave members and the terrible suffering they have so selflessly endured, but also, we act as comrades in spirit to help them advance their noble cause.

We are, quite simply, among those "People of good will" on whom the Ukrainian's steadfast quest for freedom depends. This theme, so eloquently expressed in 1976 by founder Mykola Rudenko, is truer still 5 years hence.

Soviet persecution of the group's members, their families, friends, and sympathizers, continues unabated, Yet equally relentless is the message of the imprisoned and exiled members who refuse to give in.

Five years have passed since those first 10 Ukrainians risked everything to make sure the Soviets lived up to their Helsinki promises.

It is painfully obvious that they have not done so; rather, the Soviet Government has stepped up its repressive tactics in the face of the Ukrainian challenge.

That challenge, as all of us here know, is a potent one. The truth is a most powerful adversary, and the Soviets are duly fearful, fighting it at every turn the only way they know how—with force.

The Helsinki monitors have documented such violations time and time again; in fact, they are enduring them now, with a sense of courage and dedication that inspires fellow Ukrainians to continue their struggle for basic human rights.

Of the 37 original Helsinki monitors, there are no active members left in the Ukraine. Yet their effectiveness is not diminished by this grim fact. Instead, their efforts stand as testament to the enduring strength and belief of their fellow countrymen that ultimately, the Ukrainian patriotic struggle will be won.●

● Mr. HOLLENBECK. Mr. Speaker, I would like to take this opportunity to rise and join Members of this distinguished body in protesting the ongoing persecution of the Ukrainian Helsinki Group by Soviet authorities on this the fifth anniversary of the group's formation. I know that a majority of my colleagues share my sentiments when I say that this is a travesty of justice which must not be allowed to continue.

Earlier this month, I cosigned a letter to the Soviet Ambassador requesting the release of those Soviet citizens who are members of the Ukranian Public Group To Promote Implementation of the Helenski Accords. According to reports I have reviewed, it is my understanding that all members of this group have been either imprisoned, sent to labor camps, or forced into exile. I would hardly consider their efforts to monitor compliance with the Helsinki agreements a crime. However, I believe that this is precisely the attitude the Soviets have adopted toward these individuals and is just one more example of the disregard with which Kremlin officials view their commitments to the free world.

In marking the fifth anniversary of the Ukrainian Helsinki Group's formation, we can only hope that the sixth anniversary will be brighter for all of those who believe in basic human rights and have had the misfortune of being born in the Soviet Union.●

● Mr. MICHEL. Mr. Speaker, in recent weeks I have received letters from various groups favoring implementation of the Helsinki accords, particularly as those accords apply to the situation in Ukraine. I understand a special order was held on this subject last week. I was unable to join in that order so I would like to take this opportunity to associate myself with all those who seek full implementation of the Helsinki accords.

As reported by our distinguished colleague, the gentlelady from New Jersey (Mrs. FENWICK) members of the Ukrainian Public Group To Promote Implementation of the Helsinki Accords have reportedly been imprisoned, sent to labor camps or forced into exile.

Such action on the part of the Soviet Union is in direct contravention to the letter and spirit of the Helsinki accords—the Final Act of the Conference on Security and Cooperation in Europe.

As you will recall, the United States, the Soviet Union, and all other nations agreeing to those accords vowed to respect elemental human rights. It is clear that the Soviet Union, through intimidation, beatings, surveillance, imprisonment, and the abuse of psychiatric therapeutic drugs and devices has made a mockery of the Helsinki accords.

I join with all our colleagues in calling upon the Ambassador of the Soviet Union to the United States to relay to his government the concern of the American people over abuses of human rights in Ukraine and throughout the Soviet Union.●

● Mr. BARNES. Mr. Speaker, I am pleased to join my colleagues in recognizing the work and struggle of the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords.

This month marks the fifth anniversary of the founding of an alliance of committed individuals who have demanded that the Soviet Government honor the Ukrainian people's claim to the full range of human rights. These men and women have endured the risks and dangers that accompany their vigilant information-gathering activities—their lives have been restricted, they have been harassed, arrested, imprisoned, and one has died in the battle. We honor today a small group of people who believe so deeply in the quest for human rights of their fellow Ukrainians that they have sacrificed their personal security and well-being and have lived with the agonies of forced separation from their families. These ordinary people—an economist, artist, priest, historian, former general, lawyers, physicians, teachers, engineers, journalists, students, and writers—have waged an uncompromising battle to publicize human rights violations in the Ukraine.

However, all 37 of the group's members have been prevented from doing the work they set out to do—23 are now in Soviet prisons, 6 have been forced into exile abroad, and 4 are in internal exile.

In their memorandum No. 5, the members of the group write:

* * * we have a constitution that is not altogether bad, our country signed the Universal Declaration of Human Rights and the Helsinki Accords, and in all these documents there are endless repetitions about Human Rights, about all that Man can do and has a right to and this and that, etc. But when it comes to a reality, then all of these rights and opportunities turn not only into mirages but into cruel blows. By demanding that which is declared in official documents, a human being dooms himself to endless tortures. Himself and those closest to him * * *.

We recognize today a spirit of determination and conviction which lives in the hearts of these individuals. The American people should know that the dream of freedom we hold so dear is so loved by those in the world for whom the reality has not yet come.

Mr. Speaker, I am glad to have this opportunity to express my admiration for these brave individuals.●

● Mr. MITCHELL of New York. Mr. Speaker, I am honored to have the opportunity to note the fifth anniversary of the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords. I thank my colleague from Pennsylvania, Mr. DOUGHERTY, for sponsoring this special order and allowing us to bring greater public attention to the important struggle for human rights that is occurring in the Soviet Union as a result of the activities of the Ukrainian Helsinki Group.

On November 9, 1981, 10 brave Ukrainian men and women formed the Helsinki Group to promote Soviet compliance with the Helsinki accords, signed by the Soviet Union and 34 other nations of Europe and North America. The accords included a number of human rights principles which the signatory states promised to respect.

In founding the Ukrainian Helsinki Group, these individuals sought to foster free exchange of information and ideas among nations. Of the 10 founders, 7 are now in Soviet prisons, 1 is in internal exile and 2 were forcibly exiled from the Soviet Union. Twenty-seven other individuals who joined the group suffered similar fates. These individuals—writers, poets, teachers, journalists, lawyers, priests, and artists—were punished by the Soviet Union for trying to insure that the U.S.S.R. simply abided by the agreement it had signed in Helsinki to observe basic tenets of human rights.

In spite of such oppression, their struggle for human rights continues. In the words of the Ukrainian Helsinki Group:

Peace in Europe cannot be built on lies and the secret designs of the rulers of individuals states. Peace cannot be built on the oppression of peoples, for such a peace does not mean happiness for the oppressed and disfranchised, and they will strive to destroy it.

Few situations so dramatically demonstrate the differences between the Soviet Union and free nations. It is the responsibility of all free nations to continue to point out those differences and endeavor to correct Soviet indifference to human rights. I am pleased that the House has set aside this time to bring public attention to the struggle of the Ukrainian Helsinki Group.●

● Mr. McGRATH. Mr. Speaker, I appreciate this opportunity to take part in the commemoration of the fifth anniversary of the founding of Ukrainian Helsinki Monitoring Group. Five years ago last week a small group of Ukrainians publicly joined together and announced their intention to inform their fellow citizens and the rest of the international community of Soviet compliance with the Helsinki Final Act.

For those of us who are able to join any political or social organization at will, it is difficult to understand the significance of the formation of the Helsinki Monitoring Group. In a nation whose people have been subjugated to Soviet communism by a brutal and oppressive regime, the founding of the Helsinki Monitoring Group was an act of tremendous courage. Under the leadership of Mykola Rudenko, a former war hero and an internationally renowned writer, the Ukrainian Helsinki Group challenged the Soviet police state with something that transcends military might and power, the human desire for freedom and dignity.

Today, Rudenko and many others who joined his struggle are imprisoned by a government whose greatest fear is that the message and will for freedom and human rights will spread among its citizenry. We must make every effort to support the work of the Ukrainian Helsinki Group by bringing attention to their plight and by demanding Soviet compliance with the Helsinki Final Act which our nations agreed to in 1975. I hope all of my colleagues here today will join in their work and prayers for the success of the Ukrainian Helsinki Group.●

● Mrs. HOLT. Mr. Speaker, if anybody has any doubt about the nature of the Soviet Union, I would invite his attention to the fate of the brave Ukrainian citizens who 5 years ago formed a group to monitor Soviet compliance with the human rights provisions of the Helsinki accords.

The Ukrainian human rights group has been systematically persecuted for no reason except its commitment to building freedom in a despotism. Of the 36 members, all are imprisoned, committed to internal exile, or exiled to the West.

The slavemasters of the Kremlin are determined that not even a slight breath of freedom shall penetrate their land. And they want the whole world to follow the Soviet model, for the existence of freedom anywhere is a threat to them.

They do not fear that the West will attack them militarily; what they fear

is that some small currents of the spirit of freedom might reach their subjects.

They have spent more than 60 years trying to stamp out Ukrainian nationalism and crushing the other captive nationalities that long for self-rule and liberty, but they have not succeeded.

They will not succeed, Mr. Speaker. The instinct for freedom is too strong for the Kremlin imperialists, and dissenters within the Soviet Union are in constant clandestine communication with the free world.

Today we salute a band of Ukrainian patriots who are being martyred for their stand for human rights. I know that someday the Ukraine will be free.●

● Mr. BLANCHARD. Mr. Speaker, I would like to take this opportunity to join in the special order taken today by my esteemed colleague from Pennsylvania, Mr. DOUGHERTY, and my esteemed colleague from Massachusetts, Mr. DONNELLY, on the occassion of the fifth anniversary of the founding of the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords.

All of us in Congress, and throughout the world, who care deeply about human rights, can only have kind comments for the brave members of the Ukrainian Public Group. The noble words on human rights contained in the Helsinki accords have been repeatedly ignored by the Soviet Union. The exile and incarceration of all of the members of the Ukrainian Public Group is but one more tragic example of how shockingly the Soviet Government regards basic human rights.

As a member of the Ad Hoc Congressional Committee on the Baltic States and the Ukraine, I congratulate my colleagues for taking this important special order. Let us work together in Congress and in all countries in the free world for human rights to be enjoyed by all individuals, everywhere.●

● Mr. ADDABBO. Mr. Speaker, it is with a great sense of urgency and deep concern for the sanctity of human rights in the Ukraine and the Baltic States that I rise today to join my distinguished colleagues in the House of Representatives in observing the fifth anniversary of the founding of the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords.

While I have this opportunity I would like to praise two fellow easterners, CHARLES F. DOUGHERTY and BRIAN DONNELLY, cochairmen of the Ad Hoc Congressional Committee on the Baltic States and Ukraine, for their efforts on behalf of the people in these areas. The committee has been at the forefront of congressional interest and action in keeping the plight of these citizens in the public eye. It is through this heightened awareness among ourselves and our constituents that I hope someday these strong-willed people will regain the freedom and human rights they once knew before the Soviet Union decided "freedom" was a dirty word.

Tragically, the fifth anniversary is an anniversary devoid of happiness, with tears of sorrow instead of joy. It is an anniversary of an organization founded by a group of brave and courage men and women who have known nothing but fear and persecution, suffering and pain, since they united 5 years ago to promote the Soviet Union's compliance of the Helsinski accords.

All 37 individuals who joined the Ukrainian Helsinki Group have been hounded by agents of the Soviet Union. Many have been imprisoned and exiled. Their crimes? Nothing more than asking the Soviets to honor an international agreement helping them to secure human rights. We should not be shocked by the Soviet's Unions actions. As we all too well know, in Russia the freedom to express oneself, travel freely, and be safe and secure in one's home is for the chosen few, not the many. Time and time again the Soviet Union has shown its blatant disregard for international treaties and laws. Time and time again the Soviet Union has sought to deny "its" people the God given right to dignity and self-worth. We, a nation which will forever place the rights of its populace at the top of its priorities must continue to speak out loud and often against the inhuman practices of the Soviet Union. In doing so we will be speaking for those people who are unable or too fearful to do so.●

● Mr. FLORIO. Mr. Speaker, 6 years ago the Soviet Union joined the western world in ratifying the Helsinki accords. At that time there was great hope of a mutual undertaking between East and West for the realization of individual human liberties. At Helsinki, the Soviet Union pledged to respect the territorial rights of other nations, the right of all peoples to self-determination, to expand the exchange of information and culture among nations, and to facilitate the reunification of families separated by political boundaries.

November 9, 1981 marked the fifth anniversary of the creation of the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords. The Ukrainian Helsinki Group is one of several citizen's groups formed within the Soviet Union to insure full citizen participation in the Helsinki process. These public monitoring groups have provided the west with a comprehensive review of Soviet compliance with the Helsinki accords. I do not have to elaborate that it is, in fact, a record of consistent noncompliance, including continuing suppression of religious and ethnic minorities and the harassment and jailing of Soviet citizens who attempt to exercise the rights guaranteed by the Helsinki agreement.

The brutality of the Soviet system has perhaps fallen the heaviest on the members of the Ukraine Helsinki Group. Twenty-three of its thirty-seven members are imprisoned, four are in exile, and one had died. Not one remains alive and at liberty in Ukraine today. If Soviet persecution of the Ukraine Helsinki Group has been so complete, what achievements may we attribute to the Group? First and foremost, its very emergence in 1976 rekindled the Ukrainian people's demand for national and human liberties. The group's personal suffering and perseverance in reporting have awakened the world to the Soviet Union's cynical and systematic violation of the national and human rights of the Ukrainian people on their own land.

The hopes and efforts of the Ukrainian Helsinki Monitoring Group for basic national identify and human rights have contributed to a general ferment in eastern Europe against Soviet colonialism. The continuing struggle we are witnessing in Poland, in the Baltic nations and other eastern European states, share with the Ukrainian group a common genesis and legitimacy proclaimed upon the ratification of the Helsinki accords.

Mr. Speaker, the U.S. Government and all free peoples must denounce in the strongest way the continuing Soviet persecution of the Ukrainian nation. As a founding member of the Committee on Baltic States and Ukraine, I am pleased to be a sponsor of House Concurrent Resolution 205, commemorating the fifth anniversary of the founding of the Ukrainian Helsinki Group. I have joined our colleagues, Mrs. FENWICK, in writing to Ambassador Dobrynin, urging the immediate release of the imprisoned members of the Ukrainian Helsinki Group.

The concern and vigilance by the members of this Chamber offers the Ukraine people hope in their struggle against tyranny. The members of the Ukrainian Helsinki Group are courageous and self-sacrificing. Our efforts on their behalf must be based on the same commitment to which they have given their lives.●

● Mr. RATCHFORD. Mr. Speaker, I rise today both to honor the fifth anniversary of the founding of the Ukrainian Helsinki Monitoring Group, and to urge the authorities in the Soviet Union to put an end to the persecution of this group and other individuals who have the courage to speak out against the repressive policies of the Soviet Government.

The flagrant violations of the provisions in the 1975 Declaration of Human Rights in Helsinki undermine the universal principle of the dignity of man, and the bravery of the Ukrainian Helsinki Monitoring Group is testimony that the spirits of men and women may triumph over even the most heavy-handed oppression. In a land where religion is repressed, dissent is not tolerated, and the ability to think differently comes only at a great cost to the individual who dares to do so, it is remarkable that these people will risk their security to speak out. What is not surprising, however, are the heavy-handed tactics used by an insecure government to block this spring of free thought and speech.

The grimly familiar stories of individuals who are arrested, convicted, and imprisoned on trumped-up charges merely because they dare to differ, paint a gloomy portrait of the human rights picture in the Soviet Union. The Soviet Government's attempts to destroy the Ukrainian Helsinki Monitoring Group and with it the sense of national consciousness held by so many of the 55 million Ukrainians are quite simply a travesty of the standards of respect and dignity that should be accorded every genuinely free human being.

Mr. Speaker, the rights granted to the citizens of the Helsinki Pact signatories are the most basic freedoms accorded to all members of civilized nations. Without a doubt, the persecution of members of the Ukrainan Helsinki Monitoring Group violate the very human rights that the Helsinki accords and the group itself seek to protect. I urge the officials in the Soviet Union not only to uphold the obligations of the Helsinki accords, but also to release current members of the Ukrainian Helsinki Monitoring Group from their unjust incarceration, and to put an end to the harassment of this courageous group of individuals.

● Mr. FASCELL. Mr. Speaker, I am pleased to have this opportunity to join in commemorating the anniversary of the founding of a group of individuals dedicated to the cause of human rights, the Ukrainian Public Group. This group, organized by 10 Ukrainian activists on November 9, 1976, has suffered the most severe repression of any of the 5 Soviet Helsinki Monitoring Groups.

The Ukrainian Helsinki Group addresses national issues: Diminished opportunities for Ukrainian culture, the lack of popular Ukrainian political representation, and the situation of Ukrainian political prisoners who represent 40 percent of all Soviet political prisoners. The official Soviet response to the Ukrainian Helsinki Group has been harsh. Today, 30 group members are imprisoned. KBG repression has been particularly cruel: Mykola Horbal and Vyacheslav Chornovil were framed for "attempted rape." The families of some group members have also been imprisoned. Contrary to earlier reports, on September 11, 1981, Raisa Rudenko, wife of group leader Mykola Rudenko, did not get a 3- but a 10-year term of imprisonment. Even frail old women are not exempt—member Oksana Meshko, 76, after being detained for 6 months for psychiatric "examination," was later sentenced to 5 years of internal exile.

In the September issue of Kommunist, KGB Deputy Chairman Tsvigun tried to explain away increased pressures for improved national, religious and emigration rights for Ukrainians as "the intrigues of imperialist intelligence agencies." Despite such adversity and hardship, the work of the Ukrainian Public Group continues, serving as a constant reminder of the need to secure fundamental human rights for individuals throughout the world.●

● Mr. WIRTH. Mr. Speaker, as a member of the Commission on Security and Cooperation in Europe, which monitors the Helsinki accords, I rise to congratulate the Ukrainian Helsinki Monitoring Group on its fifth anniversary.

Five years ago, on November 9, 1976, 10 Ukrainians met in Kiev to announce the founding of the Public Group to Promote the Implementation of the Helsinki accords—a citizens' group whose stated purpose is to examine how the Soviet Government is meeting its human rights commitments under the 1975 Helsinki Final Act. The group's contributions to the Helsinki process have been numerous and valuable.

Today, of the 37 men and women who founded or thereafter joined the Ukrainian Helsinki Monitoring Group, 23 are imprisoned; 3 have been imprisoned and released; 4 are in internal exile; 6 have been forced to emigrate; and 1 has committed suicide. This is evidence both of brutal repression by the Soviet authorities and of the effectiveness of the group's public campaign for human rights.

A memorandum issued by the Ukrainian Helsinki Monitoring Group in the fall of 1979 clearly enunciates the commitment of these courageous people to the principles of Helsinki. As the Madrid Review Conference on the Helsinki accords continues, and a delicate balance between human rights implementation and bilateral military security is sought, we would do well to listen to the voice of the Ukraine:

MEMORANDUM ISSUED BY THE UKRAINIAN HELSINKI MONITORING GROUP

The past two decades became marked in the world as an era of political thaw and the activation of movements that expressed the will of individuals, political groups and entire peoples. This phenomenon did not bypass the Soviet Union, as well.

As the events in 1968 in Czechoslovakia demonstrated, the Soviet government—its statements during the post-Stalin period to the contrary—was not prepared for nor did it adapt to such forms of manifestation of social life and, of all the means of resolving an irritating political situation, chose the most primitive and the most traditional means of an imperial state—military might.

In recent years we have had an analogous phenomenon inside the Soviet state. The government signed international treaty acts in Helsinki, having no intention of observing them. These acts were to have applied to someone, somewhere abroad—American Negroes or Indians—but not to Soviet citizens. As if to say, Soviet society has already secured all rights for its citizens after the October Revolution.

That is what the government thought (it also expected that, as happened earlier, the Soviet people would remain indifferent to everything), but something else happened. In that same state where politics and manifestations of social life are monopolized by the Communist Party were formed public groups to promote the implementation of the Helsinki Accords.

The position of the Helsinki groups attracted the attention of the community in the country itself and throughout the world, on the other hand evoking intolerance on the part of Soviet authorities. The Soviet government would like to drive this current of public opposition into an illegal position, into the underground, transforms it into an anti-state group and, charging it with anti-state conspiracy, square accounts with it. It would like to deprive it of the immunity of publicity and legality, of the support of world public opinion.

We believe that the Helsinki Group in Ukraine has become a national problem for today, a vital issue for the Ukrainian people. We direct the attention of Ukrainian patriots to the exceptional need for its existence, and to the fact that the Group has become a factor in the national liberation struggle of the Ukrainian people for their national and political liberation, for the human right to live freely on their own land.

We who have signed below attest before the entire world and declare to the Soviet government: the Ukrainian Group to Promote the Implementation of the Helsinki Accords lives. The existence of the Group is equivalent to our life, our right to think, to create, to express our opinions.

We do not want to stand on the sidelines while sociopolitical problems that concern us are being decided.

We cannot watch in silence while accounts are squared with patriots, with the better sons and daughters of our people.

We are vitally interested in having life in our country and in the entire world put in order, we are vitally interested in the victory of laws that would guarantee maximum human rights.

Those of us who have just joined the Ukrainian Helsinki Group state that we remain faithful to the founding documents announced by the Group and declare that we will continue to act within the framework of the law.

We also call on everyone to further the activity of the Ukrainian Helsinki Group, to spread its popularity and acquaint the widest circles of the public with its ideas.●

● Ms. FERRARO. Mr. Speaker, I ask my colleagues to join me in the fight against the Soviet Government's

unjust treatment of Ukrainian human rights activists.

As Americans, most of us have not been subjected to harassment, arrest, or persecution because of our personal beliefs. The members of the Ukrainian Helsinki Monitoring Group, who have tried to promote basic human rights for Ukrainian citizens, have not been as fortunate. Their willingness to stand up for their beliefs despite the severe consequences they have suffered, not only deserves our recognition, but also, our own willingness to stand up to Soviet oppression in the Ukraine. Thus, I urge my colleagues and the President of the United States to do their utmost in persuading the Soviet authorities to release imprisoned members of the Ukrainian Monitoring Group and to cease the persecution and arrests of human rights activists.

The United States has the right to question Soviet denial of fundamental freedoms to its citizens under the 1975 Helsinki agreement. The United States has the duty to question Soviet denial of fundamental freedoms to its citizens under the Constitution of the United States and the Declaration of Independence which constitute the basic freedoms of our democracy that we hold dear. I sincerely hope that all Americans will exercise this duty by supporting the efforts of the Ukrainian people to resist russification policies and to reachieve independence.●

● Mr. ROE. Mr. Speaker, I rise today to join my colleagues in both commemorating the fifth anniversary of the formation of the Ukrainian Helsinki Monitoring Group and saluting the bravery of that group's members who placed their very lives in jeopardy in an effort to secure basic human rights for the Ukrainian people.

In 1975 a wave of hope swept through the world as 35 nations, including the United States and the Soviet Union, signed an agreement in Helsinki calling for a new era of cooperation between them. Included in that agreement were pledges to initiate disarmament discussions, freer flow of trade and a recognition of basic human rights for all the peoples of the world.

It was the human rights declaration that raised the hopes of millions of people in Eastern Europe who fell under the Soviet Communist yoke in the period following the First and Second World Wars. For decades the Soviet ruling elite maintained strict political control over the Ukraine, Estonia, and Latvia. The freedom of speech and movement that we take for granted in our great country became the "forbidden fruit" of captive Eastern Europe. Those who dared to taste of that fruit faced some of the most heinous punishments known to modern man. Thousands of Ukrainians were taken from their homes and transferred to the waste lands of labor camps of Siberia and other desolate locations, never to be heard from again.

Mr. Speaker, it is no wonder then that the Helsinki accords of 1975 set free the passionate desire for freedom in the Ukrainian people that had been stifled but never annihilated by the Soviet aggressors.

On November 9, 1976, a group of 10 brave Ukrainians founded the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords, openly challenging the Soviets to live up to the Helsinki accords they had signed a year earlier.

In our own history, they can be compared to the American patriots who declared their desire to be free from British rule.

The leader of the Ukrainian Public Group was writer Mykola Rudenko. The other brave Ukrainian heroes who joined the group were Oles Berdnyk, Petro Grigorenki, Ivan Kandyba, Levko Lukianenko, Mykola Matunevych, Myroslav Marynovych, Oksana Meshko, Mykola Rudenko, Nina Strokata, and Okeksiy Tykhy.

The Russian response to the formation of the group was quick and brutal. Within 3 months, Rudenko and several others were arrested. The Russians have once again sent a loud and clear message to the world that freedom of thought, expression, and other basic human rights would not be tolerated for any nation under their domination. But in spite of the systematic imprisonment of the members of the group, the Ukrainian people reaffirmed their desire to push for the goals outlined in the historic Helsinki agreement. In 1977, the group enlarged to 37 members and sent a series of petitions to the Soviet authorities asking that the Helsinki accords be followed in full, especially in regard to the human rights declarations.

The Soviet response was the same. More members of the group were arrested. At the present time, all members of the Ukrainian Helsinki Monitoring Group are either in jail, committed to internal exile, or have fled to the West.

They have been punished on grounds unheard of in the Soviet Union since the days of Stalin. For example, poet Vasyl Stus was sentenced to prison for 15 years because of thoughts he expressed in letters and notes to friends.

The members of the monitoring group are not the only ones who have been made to suffer by the Soviet authorities. Families of the group members have been persecuted and harassed as well. Wives have been arrested because of their husbands' "crimes" and their children are being expelled from universities.

The Helsinki Conference resumed in Madrid, Spain, last month with the Soviet Union once again a participant. While the Soviets are talking peace in Spain, they are still throwing supporters and relatives of the Ukrainian Monitoring Group into jail.

Mr. Speaker, I urge my colleagues to support a resolution I have sponsored asking President Reagan to act through diplomatic channels for the release of the monitor group from prison and to ask the Soviet Union to cease their persecution of them and their families.

We have learned in the past that the Soviet Union responds to world pressure in matters of this type. We must never let up on that pressure until the people of the Ukraine are once again a free nation.●

● Mr. GRAY. Mr. Speaker, I am honored to join with those of my colleagues who have gathered in this Chamber today to voice our deep concern at the continuing violations of human rights in the Soviet Union.

Specifically, I believe it is important for us to note that this month will mark the fifth anniversary of the founding of the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords.

Mr. Speaker, this group was formed in Kiev by 10 courageous individuals, soon after the Soviet Union signed the accords. It was one of several groups which came together in the aftermath of the Helsinki conference. Sadly, it experienced the most tragic fate of any of the groups, in that all 37 people who ultimately joined the organization have subsequently undergone intense persecution by the Soviet Government—persecution ranging from police surveillance to sentences of exile and long-term imprisonment.

As we mark this anniversary, Mr. Speaker, I believe we must recognize that the only crime of these persons was to attempt to bring their government into compliance with an international agreement signed by the Soviets themselves. The Helsinki accords guarantee rights in the areas of culture, civil liberties, religious freedom, and political liberty.

These goals are far from realized in the Soviet Union, as the members of the Ukrainian Public Group know only too well. Instead, the Soviet Union has carried out a brutal campaign to suppress even the enunciation of these rights, as evidenced by the fate of the Ukrainian Public Group.

The group's activities, however, have not been meaningless. Through their courage and personal sacrifice, the members of the group have demonstrated to the entire world how the Soviet Union ignores its international agreements. For instance, as we meet here today, Mr. Speaker, fully 5 years after the signing of the Helsinki accords, the Soviet Union has established no government-sactioned enforcement mechanism. It disregards

monitoring of an international agreement by other nations as intrusion into its "internal affairs." And it labels the monitoring by its own citizens as "anti-Soviet agitation and propaganda."

Mr. Speaker, it is important that we state our concern here today, because the Soviet system of terror and repression relies on silence itself; it relies on the lack of interest and public outcry of the world community.

As men and women of conscience, we must not remain silent. We must continually call public attention to the Soviet Union's violation of human rights. For those who cannot speak out, we must raise our voices, lest their sacrifices be in vain.●

● Mr. ANNUNZIO. Mr. Speaker, it is a privilege for me to join my colleagues in commemorating the fifth anniversary of the Ukrainian Public Group to Promote the Implementation of the Helsinki accords, and I was also proud to cosponsor House Concurrent Resolution 205, calling upon the President of the United States to act through diplomatic channels for the release of these heroic Ukrainian monitors from incarceration and to prevail upon the Soviet Government to cease harassing and persecuting them.

Earlier this year, I joined with other Members of Congress in contacting the Soviet Ambassador here in the United States on behalf of Raisa Rudenko, the wife of Mykola Rudenko, Ukrainian poet-author and founder of the Ukrainian Public Group to Promote the Implementation of the Helsinki accords, and a copy of that letter follows:

JULY 28, 1981.

Hon. ANATOLIY DOBRYNIN,
Ambassador, Embassy of the Soviet Union, Washington, D.C.

DEAR MR. AMBASSADOR: We are writing to express our concern about the disappearance of Raisa Rudenko, the wife of Mykola Rudenko.

Recent reports have indicated that Mrs. Rudenko might have been arrested on 15 April of 1981. It is believed that she has been charged with a violation of article sixty-two of the Ukranian Criminal Code for allegedly smuggling poetry from her husband in prison.

We urgently request that Raisa Rudenko be released from detention, and that she be permitted communication with her husband as to her whereabouts and condition. Finally, and most importantly, we reiterate our request that Mykola Rudenko be released from the labor camp and allowed to travel to the United States for medical treatment and that his wife, Raisa, be allowed to accompany him.

Sincerely,

FRANK ANNUNZIO,
Member of Congress.

Mr. Speaker, I was also glad to join with my good friend and colleague from Illinois, the Honorable Edward J. Derwinski, in cosponsoring House Concurrent Resolution 123, to seek the resurrection of the national churches in the Ukraine, which follows:

H. CON. RES. 123

Concurrent resolution to seek the resurrection of the national churches in the Ukraine

Whereas the Charter of the United Nations, as well as its Universal Declaration of Human Rights, sets forth the objective of international cooperation "in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion . . ."; and

Whereas in the so-called Brezhnev Constitution of the Union of Soviet Socialist Republics article 52 unequivocally provides that "Freedom of conscience, that is, the right to profess any religion and perform religious rites or not profess any religion, and to conduct atheistic propaganda, shall be recognized for all citizens of the United Soviet Socialist Republics. Incitement of hostility and hatred on religious grounds shall be prohibited"; and

Whereas not just religious or civil repression but the genocide—the absolute physical extermination—of both the Ukrainian Orthodox and Catholic Churches in a nation of over fifty million brutally violates the basic civilized rights enunciated above: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the President of the United States of America shall take in the name of human rights immediate and determined steps to—

(1) call upon the Government of the Union of Soviet Socialist Republics to permit the concrete resurrection of both the Ukrainian Orthodox and Catholic Churches in the largest non-Russian nation both within the Union of Soviet Socialist Republics and in Eastern Europe; and

(2) utilize formal and informal contacts with Union of Soviet Socialist Republics officials in an effort to secure the freedom of religious worship in places of both churches that their own constitution provides for; and

(3) bring to the attention of all national and international religious councils the nature of this outstanding Stalinist crime and perpetuated violation of basic human rights, with an appropriate address to mobilization of their resources toward the realization of this resolution's objective.

We find ourselves in continuing confrontation with the Communists for the minds of the people of the world, and although no one would disagree that all efforts should be made to stop the nuclear arms race, the spiritual struggle between freedom and communism can never cease. I feel that our commitment to freedom compels us to dedicate ourselves to the cause of freedom throughout the world and to support the continuing efforts of the Ukrainian people to win the rights of self-determination and liberty.

If we loose the struggle for the minds of men and women everywhere, our weaponry will not prevail, and this fifth anniversary of the Ukrainian Public Group to Promote the Implementation of the Helsinki accords is a most appropriate occasion to proclaim our precious heritage and remain firm in our sympathy for the aspirations of the Ukrainian people in their struggle to resist the vicious and brutal Communist system.●

● Ms. OAKAR. Mr. Speaker, over 5 years ago 35 countries of Europe and North America signed the Helsinki Final Act. Among the most important provisions of this document are the ones guaranteeing elementary human rights and freedom of cultural and national expression. In response to this important international agreement, citizen groups were formed in nearly all the signatory countries. One of the most important of the Helsinki-related groups is the Ukrainian Public Group to Promote the Implementation of the Helsinki accords, based in Kiev. The group was formed just over 5 years ago, on November 9, 1976.

Ukraine has been the scene of frightful violations of human rights in this century. Her people have suffered wars, famines, terror, and repression that have caused the violent death of many millions of Ukrainians. In recent decades, mass arrests have been implemented to stem the growing movement for human and national rights in Ukraine. Thus, Ukrainians, who comprise 20 percent of the Soviet population, constitute over half of the political prisoners. Led by writer-poet Mykola Rudenko, the Ukrainian Helsinki Group was organized by its 10 founding members to address this unhappy state of affairs.

The group issued several incisive memoranda describing the systematic violations of human rights in Ukraine. Most of these repressions, the group showed, stemmed from the efforts of Soviet authorities to deny Ukrainians their right to national expression.

It took great courage on the part of the Ukrainian Helsinki Group to publicize the reprehensible state of affairs in their country. Immediately upon the formation of the group, the KGB undertook a campaign of harrassment against its members. When vandalism and violence did not stop the activities of the group, the secret police moved in with arrests. Those arrested, however, were replaced with other Ukrainian citizens who claimed the right to act in the spirit of the human rights provisions of the Helsinki accords.

The positions of the Ukrainian Helsinki Group are not only directed toward the achievement of human rights. The Group recognizes that human rights are integrally tied with national rights. Ukraine, the group points out, one of the largest countries in Europe, has a population of 50 million and a rich and diverse economy. Besides that, the Ukrainian S.S.R. is a charter member of the United Nations. By virtue of these facts, the group argues logically, Ukraine should have its own representatives at all international gatherings, including the Helsinki follow-up meetings. Taking such a principle and courageous stand

on the national rights of Ukrainians is what led to the 10-and 15-year sentences for many of the Ukrainian Helsinki Group members. Over 30 men and women in the group have been arrested, imprisoned or exiled.

It is fitting that we pause to commemorate the founding of this significant Helsinki Group and offer our moral support to its members and encourage the United States and our allies to extend the same kind of political support. When the peoples of Eastern Europe—among them the 50 million Ukrainians—finally achieve the rights guaranteed them by the Helsinki Final Act and other international agreements, the threat posed by Soviet military might will have been defused and the whole world will then be a safer and happier place for everyone.●

● Mr. FISH. Mr. Speaker, it is with great concern that I join my colleagues in a concerted effort to liberate a group of Soviet citizens dedicated to compliance by their government with the humanitarian provisions of the Helsinki accords.

Subscribing to the principles of human, democratic, and national rights, the Ukrainian Helsinki Monitoring Group of which we speak today, has linked their struggle with the worldwide pursuit of fundamental human rights. On November 9, 1976, repressed and persecuted Ukrainians founded their monitoring group. They created, in effect, an open public group under a totalitarian regime, providing the vehicle in which Ukrainian dissent could be heard.

The Ukrainian pursuit of freedom is significant, as the Ukrainians comprise 20 percent of the Soviet population with over 50 million people—the most numerous of the non-Russian Soviet people and the second largest Republic of the U.S.S.R.

Severe repression in the Ukraine is the reason for the massive arrests of intellectuals, workers, and religious believers in 1965-66, 1972 and 1977-78. With particularly harsh prison sentences, Ukrainians are denied, inter alia, their right to emigrate. Ukrainian dissidents courageously survive in prisons, camps, psychiatric institutions and in eternal exile. The incarcerated monitors include: Anatoly Shcharansky, Vladimir Semyonich, Vyacheslav Chornovil, and Yuri Shukhevych.

Opening a new era in the struggle for human and national rights, the Ukrainian Helsinki Monitoring Group—with the support of Western democracies—has a compelling moral basis in demanding the Soviet Union uphold human rights. Interestingly, Ukrainian dissidents have and continue to strictly adhere to Soviet law and ideology. Pointing to early Soviet doctrine in which nationalism was a force to be respected, the dissidents request the Soviet constitution be upheld.

The Ukrainian Helsinki Monitoring Group has managed, despite precarious circumstances, to publish extensive documentation of widespread repression and abuse of power in the Ukraine. Reports of arbitrary arrests, illegal searches, and destruction of various aspects of Ukrainian culture have become commonplace. Foreign radio broadcasts carrying information on the monitors has prompted Soviet citizens to volunteer additional information on human rights violations in various areas of the U.S.S.R.

The success of the first Helsinki group in Moscow has encouraged other such groups in Soviet-satellite countries. It is imperative that the U.S. support these undaunted efforts to secure human rights, so that it may encourage men and women who live under Soviet oppression to voice their opposition, as have the people of Lithuania, Georgia, and Armenia.

The dissidents are looking to the West for support in their quest for basic human rights. It is essential that we support their aspirations.●

● Mr. VENTO. Mr. Speaker, I rise today to join with my colleagues to voice my support for the Ukrainian Helsinki Group.

Despite continued harassment and imprisonment by Soviet officials, this brave group of individuals have not been silenced. Their efforts to bring to public light the Soviet violations of the letter and spirit of the Helsinki accord are a true tribute to Ukrainian respect for individual rights.

However, these individuals cannot succeed alone. They need our support and the support of concerned individuals throughout the world. We must redouble our efforts to force the Soviet Union to guarantee the basic human rights as set forth in the Helsinki agreement.

This issue will not go away and like the Ukrainian Helsinki Group, we shall not be silenced.●

GENERAL LEAVE

Mr. DOUGHERTY. Mr. Speaker, it is my understanding that as many as 21 of our colleagues have submitted statements for the RECORD, and I ask unanimous consent that any of the Members who care to submit statements may have 5 legislative days to submit those statements on this very critical issue.

The SPEAKER pro tempore. Is there objection of the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DOUGHERTY. Mr. Speaker, I would also like to extend an invitation to all the Members to join us at a reception which is currently going on this evening in room 2168, sponsored by the ad hoc committee and the Ukrainian committee, to meet with many of the individuals who participated in the activities of the Ukrainian group.

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In closing, Mr. Speaker, let me just extend my personal thanks to all the members of the Ukrainian group, the members of the Ukrainian community here in this country, who have brought to the Members of Congress such a vital issue. We cannot do it alone. It is also up to the people of the United States, the people of Ukrainian descent, of Lithuanian descent, of Latvian descent, or whatever, who feel they have a cause that has to be championed, and they have an issue which has to be given the light of Congress and the light of day.

Indeed, Mr. Speaker, without their enthusiasm and without their support, the people behind the Iron Curtain would certainly be silent without recognition.

In closing, let me pledge to those people on behalf of all the Members of Congress who are part of the Ad Hoc Committee on the Baltic States and Ukraine our continuing efforts to see that the Soviet Union knows that we are here to support and champion the cause of the Ukraine and the cause of human rights for those people who believe in dignity, who believe in self-growth, and who believe that they should have the right to live and grow as free people.

LEGISLATION TO ENHANCE AMERICA'S ENERGY FUTURE AND NATIONAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MAVROULES) is recognized for 30 minutes.

● Mr. MAVROULES. Mr. Speaker, today I rise to introduce a bill that will enhance America's energy future and national security. The bill I am introducing today, the Department of Defense Renewable Energy Utilization Act, addresses these important national concerns by giving the DOD a greater role in reshaping its own energy needs and consumption patterns.

There is no more serious threat to the long-term economic and military security of the United States than that which stems from the growing deficiency of secure and assured energy resources. The 1973 Arab oil embargo alerted all Americans, but particularly the military, to the vulnerability of their dependence on petroleum products.

America's lifeline, and its Achilles' heel, is oil. Unfortunately, this dangerous dependency carries on into the military sector. The DOD cannot afford to be immobilized by interruptible supply lines dependent on foreign nation's whims or crippling energy costs that work to divert valuable defense dollars to fuel costs, and not to improving our military preparedness. I refer to the DOD annual report for

fiscal year 1982, January 1981, which acknowledges that:

Inflation can steal defense purchasing power, and thereby (damaging) the national security.

Thus, it is counterproductive not to have the DOD participate more directly in meeting its energy needs.

Meeting these energy needs is just as important as deciding whether to build the B-1 bomber or how many tanks should be purchased in fiscal year 1983. DOD cannot move its tanks or jet aircraft, nor power its buildings or equipment without energy. Unfortunately, these energy needs are being primarily met by petroleum products. Mainly because of the demand by aircraft and ships, some 81 percent of DOD's total energy needs must be met by petroleum products.

Obviously, there is little room for using innovative alternative energy sources to meet the energy requirements of DOD's transportation sector. Renewables, where applicable, would provide the proper mechanism for giving DOD an inexhaustible and reliable energy source for its electrical power generation needs.

The DOD Renewable Energy Utilization Act establishes the appropriate mechanism for DOD to accomplish this important task by accelerating the commercialization of solar and other renewable technologies.

Program goals of industry growth, innovation, promoting small business development, and the facilitation of early transition to sustaining markets are just a few of the benefits to be derived from the Renewable Energy Act. Through these efforts of multiyear purchases, we will be able to assure private industry that the proper market assurances of large numbers of energy equipment will be provided so that they will be willing to invest in the appropriate production equipment and research and development required for innovation. These large near-term markets will provide it with a proper market stimulus for cost-reducing innovations through mass production, so that newer energy technologies can compete with conventional energy equipment. In this manner, the Renewable Energy Act can do for photovoltaics and other renewable technologies what the space program did for the semiconductor industry.

President Reagan has made it quite clear that he will hold true to his campaign promise to dismantle DOE, thus effectively removing from the energy scene a previously important participant in this area. Therefore, without DOD help, the achievement of technological developments that need to take place before photovoltaics and other renewable energy alternatives can become cost competitive with electricity from other sources will be slowed down dramatically. Postponing these major scientific breakthroughs does not make sense at a time when the solar industry desperately needs assistance from the Federal Government, and particularly needs to cure the Federal Government of its schizophrenic treatment of renewables.

I think it behooves the administration and the DOD to support Congress efforts to demonstrate to the American people not only the seriousness of our energy problems but also what alternatives are available and can be stimulated by proper Government action and policy.

Furthermore, it is shortsighted to suggest that the costs of demonstrating these technologies through the DOD—as some critics of renewable energy sources believe—outweighs the importance of getting them into the energy stream as quickly as possible. It is not an embarrassing situation for the DOD to get involved in energy-related activities. To me, it makes good sense to tap DOD resources and its disciplined approach to solving problems for energy-related advances that they stand to directly benefit from.

Defense-related programs are the dominant consumers of fuel in the Federal sector. Excluding purchases for the strategic petroleum reserve, the Pentagon purchases were approximately 97 percent of Federal fuel purchases in the first half of fiscal year 1980 and 94 percent in fiscal year 1979. The Defense Department's fuel purchases amounted to $4 billion in fiscal year 1979, while this figure jumped dramatically to an average of $7.5 billion to $9 billion in fiscal year 1980.

It is obvious that in order to effectively reduce the DOD's fuel bill, Congress and the Pentagon must join together in a strong united front to move the Pentagon much more quickly away from its overall dependence on petroleum products, and into energy systems that promote energy conservation and the use of alternate energy sources. These efforts must be accelerated during the next few years.

By the Defense Department taking the lead in utilizing promising alternate energy sources for military application, the Pentagon's efforts will result not only in reducing its consumption of petroleum products, but its experience and the accompanying technological spinoffs will be adaptable to the needs of the civilian world as well. This will assure a growing market for energy systems powered by solar and other renewable forms of energy and will hasten the general commercial, residential, industrial, agricultural, and governmental use of such systems in the United States and abroad.

Surely, the DOD has the motive, and perhaps, more importantly, it has the ability to provide a market of sufficient size, and if need be, it can underwrite prices. There is every reason to support the Pentagon as the lead agency in energy use production in this country. This course of action will not take it away from its defense-related activities. This realistic approach was even recognized by former Defense Secretary Clark Clifford who said that Americans have a right to demand that the Pentagon should use its economic power to help solve those domestic problems which are important to our total national security.

Along this vein, one renewable energy source that has a promising career with the DOD is photovoltaics, simple devices with a projected lifetime of over 20 years. Photovoltaics—solar cells which covert sunlight directly into electricity—were first used on space satellites of the 1960's at a cost of $250,000 per watt. But, as in other semiconductor technologies, such as pocket calculators, continued advances in materials research and manufacturing processes have dramatically reduced the cost of photovoltaic systems. It is encouraging to note that today this cost has fallen to only $10 to $12 per peak watt, thus making them cost competitive with diesel-fired electric generators in remote site applications. Hopefully, the mideighties will herald the appearance of the $1.60 to $2.20-per-peak-watt photovoltaic module. With DOD creating a large near-term market stimulus for cost-reducing innovations through mass production, these lowered costs will be a big boost to the photovoltaic industry.

A task force on solar energy commercialization released by the DOD in 1977 entitled "DOD Photovoltaic Energy Conversion Systems Market Inventory and Analysis" stated that:

Photovoltaics offer a number of advantages to the DOD. In addition to potential cost and fuel savings, photovoltaic energy systems would provide the DOD a highly reliable, silent power source allowing virtually unattended operation in most areas of the world. Near term benefits to the DOD include cost and logistics savings at remote sites, in portable equipment and offshore applications.

The U.S. would also receive national benefits from accelerated commercialization of photovoltaics. Over the longer term, photovoltaic energy systems will offer the nation a cost competitive source of commercial electric power or provide a user-owned dispersed source of power, thus reducing dependence on foreign energy sources. Other national benefits include the development of exports to underdeveloped countries where photovoltaic systems would be utilized for rural electrification and irrigation pumping.

Thus, the potential market for P/V and P/V-thermal systems consists of installations and specialized energy requirements at remote sites, for offshore uses, and for portable equipment. In terms of total energy consumption, installations are the prime market, P/V systems are likely to prove cost effective for use in these specialized applications several years before they become competitive with commercial electrical power on a unit cost basis. The potential high reliabil-

ity, low maintenance requirements, quiet operation, long lifetime, and modular character of P/V energy systems make them a desirable alternative for these applications.

DOD energy consumption only amounts to 2.2 percent of the national energy requirements. Thus some of the DOD markets for P/V energy systems may represent only a small fraction of the total U.S. market for comparable applications. A number of examples are also listed in the exhibit of cases where P/V energy systems for DOD applications may be directly transferred to the private sector. Examples include cathodic protection, microwave repeater stations, airway navigation, warning lights, and large scale applications at remote sites. More generally, a large P/V substitution market exists in both the DOD and private sector for systems currently powered by small generators.

In addition, there is the real potential of moving the United States further into the international photovoltaic market. There exists very little disagreement with the fact that developing Third World countries need reliable energy sources. The U.S. photovoltaics industry has recognized the significance of the foreign markets to achieve future growth and to serve as a bridge between the applications in developing countries and grid-connected residential and commercial applications for photovoltaic systems domestically in the future. Countries, such as the United States, which are developing photovoltaic technologies have a strong commitment to promoting exports to the developing countries, particularly of the global Sun Belt region. Reasons for this emphasis include the lack of a conventional energy distribution infrastructure—often resulting in very high energy costs—the availability of solar energy in such areas, and policies of national governments to promote the use of renewable resources as a means of reducing oil imports and the development of local industries.

Through DOD advances in photovoltaic military applications, that have private sector applications, these forward-looking steps can be easily transferred abroad, thus not only linking these developing nations' energy advances to the United States but also allowing for the direct transfer of advanced energy technology. Surely, our national security can only be enhanced through these efforts in international cooperation for energy resources advances.

Legislative initiatives have attempted to stimulate DOD interest in the very real benefits of alternate energy sources such as photovoltaics. DOD has been involved in a number of projects to promote energy conservation and alternate energy sources. Though the Department has been doing an admirable job in promoting a steady, incremental progress toward long-range national energy conservation goals wherever possible, more needs to be done, particularly in stressing the attributes of renewables. The DOD has taken just about all the steps that it can with respect to energy conservation, and more emphasis must now be placed on exploiting the benefits of alternate energy sources, especially as a displacement fuel for conventional fuels and overall operating costs. With respect to providing a viable energy source for military construction and power systems purposes, photovoltaics and other renewables offer a solution to substituting conventional fuels for other energy resources.

In addition, during the time of war when the DOD and its supporting industries' energy needs would at least triple, the use of photovoltaics as an alternate fuel source becomes even more valuable. Hence, it makes good sense for the DOD to become more directly involved in the development of photovoltaic energy as a replacement for conventional petroleum fuels in the field of electrical power generation.

The time has come for Congress to create a permanent Department of Defense program that will establish for the DOD a badly needed continuity in its long-range plans for promoting solar technologies. This will assist the industry in determining exactly what it must do on its own to make this energy alternative a viable energy source for the DOD.

By temporarily creating through Government procurement a large enough market for solar cells, mass production techniques will be instituted so as to drive down the cost of the cells, thus stimulating a larger private demand for them.

Up to a few weeks ago, two Federal programs were involved in defense-related photovoltaics activities, the Federal photovoltaic utilization program (FPUP), Public Law 95-619, title V, part 4 of the National Energy Conservation Policy Act, and recent military construction authorization and appropriations bills. The FPUP program was established to use Federal facilities as proving grounds for photovoltaic applications which would have the potential for substantial energy impacts on the public sector in the future. The military construction budget, on the other hand, calls for the Department of Defense to install photovoltaic systems wherever it is cost effective. Unfortunately, for a number of years, there have been two conflicting cost-effective formulas dictating what the DOD does with this renewable energy source. These inconsistent formulas, which come from the authorizing and appropriating language to the DOD military construction budget, have effectively prevented the DOD from effectively applying photovoltaics in a more aggressive manner.

Unfortunately, neither program has provided the proper impetus for promoting both photovoltaic commercialization and market development. Worse yet, President Reagan, who has shown great sympathy for the nuclear energy industry, has exhibited a strong dislike for alternate energy sources in America. No funding has been placed in the fiscal year 1982 DOE budget for photovoltaic commercialization or market development, only for research and development. As a matter of fact, the President's budget is replete with such devastating budget cuts in the area of alternate energy sources. This is surely a sad state of affairs for America's energy future.

Photovoltaic projects, originally set to receive $160.2 million in fiscal year 1981, received only $144.6 million after the President's rescission and deferral scheme for fiscal year 1981. For fiscal year 1982, this funding level stands at only $97.6 million. In addition, in the general area of solar energy, with a $585 million original funding level for fiscal year 1981, this figure dropped to about $303 million after reconciliation for fiscal year 1982. Though this figure of $303 million is a disappointment to those who want to see energy independence achieved within the foreseeable future, it certainly is more generous than President Reagan's $193.3 million figure for fiscal year 1982.

America's energy misfortunes are compounded by the administration's blanket decision to slowly take apart DOE, and provide no viable substitute for DOE, the Federal energy agency.

This sad situation signals to me, loud and clear, that DOD must step in and take over in those critical energy areas that affect its energy needs. In the case of photovoltaics, its technology, reliability, and cost effectiveness has been proven time and time again, and these factors have placed photovoltaics at a level ready for commercialization. Now, more than ever, the DOD must step in to replace the DOE in advancing the commercialization and market development of photovoltaics and other renewable energy sources that have direct military and civilian applications.

We can no longer depend on the DOE to carry the ball for photovoltaics and other renewables, and we cannot rely on DOE's past track record in this area to fall back on for support and guidance. After all, Federal agencies primarily are the mouthpiece of the governing administration, and past administrations have not followed the congressional intent for Federal energy programs.

In the past, the Carter administration was very lax in pursuing congressionally created photovoltaic programs. President Carter's cry for meeting 20 percent of our Nation's energy needs through solar energy could

never have been achieved had we relied on his budget recommendations. As illustrative of that administration's shortcomings in this area, it even failed, in the fiscal year 1980 budget, to have the DOE or even OMB request any funds for the FPUP program. With good reason, the House Science and Technology Subcommittee on Energy Development and Applications was greatly concerned that the congressional mandate to begin FPUP in 1980 was being ignored. Ultimately, only about $38 million of the original $98 million was ever funded for FPUP purposes, and $7 million of this still remains uncommitted. Never really having gotten off the ground properly, the FPUP program expired at the end of fiscal year 1981, leaving an unimpressive story to tell. This is hardly a step in the right direction for promoting energy self-sufficiency.

The question that comes to my mind, at this point, is: Who or what will fill the gap for promoting photovoltaic and other solar energy uses in America, particularly through the tapping of our military resources?

The Federal track record in photovoltaics has never experienced a winning moment. Criticism leveled against the DOE's past treatment of photovoltaic programs that was observed on September 19, 1978, before the Senate Subcommittee on Energy Research and Development of the Senate Committee on Energy and Natural Resources is aptly appropriate today to capsulize DOE's experience with photovoltaics to date. Senator GARY HART's opening statement for the subcommittee record stated:

> Present and past administrations have fallen into a disturbing habit of submitting unrealistically low budget requests for this program in the interest of demonstrating fiscal restraint, leaving Congress to authorize and appropriate the program at levels consistent with the developmental needs of this technology. The unfortunate result has been the evolution of a Federal photovoltaics program which lacks coherence, a sense of mission and priorities, and the commitment of the Department of Energy.

It seems reasonable to deduce that, based on the DOE's past track record, it has been painfully slow in addressing the mandate of Congress to start a purchasing program for photovoltaics. And certainly, fiscal year 1982 does not promise to be a great year for DOE photovoltaics efforts, which now will be advancing at a snail's pace.

Perhaps, though, we should be looking on the bright side, for regardless of DOE's failings in the photovoltaic area, DOD's experiences have been more impressive, but still rather limited when compared to Congress original intentions for what role photovoltaics will play in America's energy future.

DOD has been rather outspoken in the past with respect to the very real benefits it stands to receive by utilizing photovoltaics. Though realizing that there are appropriate military applications for this energy source, the DOD has unfortunately been dealing with photovoltaics on a limited scale for a number of years. In "Program Plan for Department of Defense Participation in the DOE/DOD Initiative for Solar Photovoltaics Utilization" of April 1978, it summarizes the conclusion that appeared in a report released by the Federal Energy Administration entitled "DOD Photovoltaic Market Inventory and Analysis." This report sought to lay out the groundwork for promoting these conclusions as part of the FPUP program. The conclusions were:

> DOD is the largest single Federal user of petroleum fuel and therefore, has the maximum energy savings payoff potential.
>
> DOD has a greater variety of electric powered equipment and facilities and can cover more application types, which would result in greater spin-off to private sector markets.
>
> A coherent in-house product design, development, production and deployment structure exists, from R. & D. labs to procurement offices, depots, and maintenance facilities.
>
> Extensive test and evaluation facilities exist throughout the world. This is especially significant in that the test facilities themselves are a major early market for photovoltaics. By conducting official DOD testing on early applications at the test sites, the lead time for introduction of these new systems in DOD can be shortened.
>
> Physical security at military bases can insure against vandalism, which could be a serious problem for other agencies. This would not necessarily hinder visibility; an aggressive public affairs program can accomplish visibility and technology transfer.
>
> Existing facilities provide the capabilities to implement, monitor, and evaluate the cross impacts of various options in a controlled environment.

With the DOD's public position evidencing a strong support of and commitment to photovoltaics, it appears obvious that DOD's efforts to utilize photovoltaics to a greater degree could only be assisted by substituting the two conflicting formulas presently applicable to DOD photovoltiac activities for a formula that offers a realistic and straightforward approach to determining the cost effectiveness of photovoltaics for military construction and power systems purchases.

Ever since DOE and DOD initially got involved in photovoltaics and other solar renewables, there has been a problem in devising a formula that realistically appraises the cost effectiveness of these valuable energy resources, within a world of rising energy costs, volatile political situations in oil-producing countries, and the need to develop alternate energy sources. Gone are the days when solar renewables were considered merely novel or an energy source for the future. The future has arrived today. Photovoltaics and other solar renewables have proven their reliability and usefulness time and time again.

Congress and DOD must join efforts in developing these promising energy alternatives. America has everything to gain and nothing to lose by this effort. The Department of Defense Renewable Energy Utilization Act offers the DOD the opportunity to do its part to guide this Nation to a higher level of energy independence and energy security, which in turn leads to our national security.

Forced to live beneath an energy ceiling, America needs the DOD's expertise, resources, and commitment to national security to move it closer to an energy independence that is secure, reliable, and permanent.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GILMAN) is recognized for 5 minutes.

● Mr. GILMAN. Mr. Speaker, yesterday, October 16, and earlier today, October 17, I was in New York City in pursuance of my duties as a member of the U.S. delegation to the United Nations General Assembly, and was consequently unable to be present in the House Chamber to vote on a number of matters that came up.

Yesterday, I was absent for rollcall No. 298, the matter of approving the Speaker's approval of the Journal of the previous day's proceedings, which passed, 303 to 8; I would have voted "yea." I also missed rollcall No. 299, on ordering the previous question on the rule for the consideration of the 1982 continuing appropriation; I would have voted "nay," in order to allow an amendment to the rule to be offered, but the previous question was ordered, 185 to 174. Finally, there was a vote on the rule itself (rollcall No. 300), on which I would have voted "aye," and which passed, 197 to 169.

Earlier today, a number of votes developed on technical matters. I would have voted "aye" on rollcall No. 304, the question of approving the Speaker's approval of yesterday's proceedings—which motion passed, 301 to 39—and I would have voted "aye" on a technical amendment to a private bill, H.R. 1797 (rollcall No. 305), which amendment passed, 353 to 0. I would have voted "no" on the Foley motion to allow the House to adjourn to a later time today (rollcall No. 306) which passed, 191 to 172, and I would have voted "no" on the Foley motion to adjourn (rollcall No. 307) which passed, 188 to 172.●

ALASKAN NATURAL GAS PIPELINE WAIVERS ARE UNWISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 5 minutes.

● Mr. CORCORAN. Mr. Speaker, the House will soon be considering Alaskan Natural Gas Transportation System (ANGTS) waivers submitted to Congress on October 15 by the President. Congressional consideration of these waivers will be on an expedited basis provided for in the Alaskan Natural Gas Transportation Act of 1976. Congress must act by mid-December on the waiver approval legislation, House Joint Resolution 341.

These waivers would transfer the bulk of the financial risks from the sponsors and lenders to the consumers. Consumers could end up paying for an incomplete system that may never transport any gas at all. The lenders that testified before the Energy and Commerce Committee's Subcommittee on Fossil and Synthetic Fuels, of which I am a member, made it clear that this waiver package does not necessarily mean that this project will receive the financing that is needed to complete it.

In 1977, President Carter made a decision to support the Northwest Energy Co.'s Alcan proposal. The Congress supported this proposal as well, but we were assured by Mr. McMillian, chairman and chief executive officer of Northwest Energy Co., that consumers, in his words, would not "have to bear the hypothetical burden of the noncompletion of the project."

Mr. Speaker, after 7 days of hearings with the testimony of 63 witnesses, I have concluded that the proposed financing package for this $50 billion project is not in the best interest of the millions of gas consumers throughout our country. In the coming days, I will be providing further information emphasizing the reasons why we should reject this ANGTS waiver package. I urge you, Mr. Speaker, and our colleagues, to oppose this waiver legislation.●

AIR TRAFFIC CONTROLLERS SHOULD BE REHIRED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, last October 5 I addressed a letter to the President of the United States, Mr. Reagan, in which in essence I requested that he consider the calling back of the majority, if not all, of the air traffic controllers who were fired by him earlier this year.

I pointed out in the letter some of the basic reasons for my request. Principally, I pointed out that it seemed so revengeful in view of the fact that the union, to all intents and purposes, had been broken, and, therefore, it was a question of not only being merciful but it was a question of being reasonable and avoiding a billion-dollar expenditure in the course of trying to hire new air traffic controllers.

Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I am glad to yield to the gentleman from California.

Mr. DYMALLY. Mr. Speaker, I commend the gentleman from Texas (Mr. GONZALEZ) for bringing this matter to the attention not only of Congress but of the people of the United States.

I, too, wrote the President. I said to him, "You have won. You have punished them. Be compassionate. You have made your point. Let's not be punitive."

I regret to say, I say to my friend, the gentleman from Texas, that the President wrote me a most disappointing letter through his legislative coleader saying that he had no intention of recalling these men back to their jobs.

Mr. GONZALEZ. Mr. Speaker, did the gentleman say that he received a reply from the President himself?

Mr. DYMALLY. No; the letter was from his legislative assistant.

Mr. GONZALEZ. I was beginning to feel a little bit disinflated, because I received a letter from his chief liaison officer in the White House, and I wanted to point out that the gentleman would have been very, very unusually treated if he had received a letter directly from the President in answer to one that he directed to the White House.

This is the first President in 20 years that I have had occasion to work with who apparently has that as a practice, because he does not demean himself by answering letters from an individual Congressman. Even Gerald Ford, who first used Mr. Friedersdorf as his chief liaison, and Mr. Nixon used a different approach. I have this much to say, that at least you would get a reply from them. I, too, like the gentleman from California, received a nonreply, an unresponsive letter via Max Friedersdorf.

Mr. DYMALLY. Mr. Speaker, I say to my friend, the gentleman from Texas, that I was in a meeting at Raleigh, N.C., last weekend, and there sat a wife and a husband, and the son was absent. The husband and the son were air traffic controllers. The father was management, and he took the side of the President. The mother, as we walked out of the reception area, whispered to me, "I hope you continue to support the controllers because I think my son is right." She disagreed with her husband. I cannot express the tension that exists in that house.

I believe the President lacks compassion, and we know that the airlines are suffering. In fact, in today's NBC show we saw a number of United Air Lines pilots being used as salesmen because they run the risk of having 1,000 pilots being laid off because of the cutbacks.

I think the President has made his point. I think the Nation has accepted his punitive action toward the controllers. They are ready to come back.

Mr. Speaker, this makes no sense economically or from a human point of view. It makes no sense to continue to have these men out there when we run the risk of reduced traffic, reduced income for the airlines, and reduced income for these men and women who are out of work.

Mr. GONZALEZ. Plus the hazards that the coming days of the winter will bring about and enhance in air travel. It will necessitate either a further cutback on air travel, which has already been severely cut back, or greater risks to the traveler.

Mr. Speaker, I am deeply grateful to the gentleman from California (Mr. DYMALLY), because his experience parallels my experience.

Mr. Speaker, I place in the RECORD at this point my letter to the President dated October 5, 1981, as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 5, 1981.

Hon. RONALD REAGAN,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to request that you reconsider your position regarding re-hiring of air traffic controllers who went on strike.

First, hiring and training replacement air traffic controllers will be expensive. Estimates I have head from the Department of Transportation suggest that the cost of replacing the controllers will be on the order of one billion dollars. At a time when the Administration is looking for ways to save money, it makes eminent sense to avoid the needless cost of replacing the nation's air traffic controllers.

Second, re-hiring controllers would not alter the status of their union, which is likely to be decertified. If the Union is decertified, it would be pointless to pretend that re-hiring the controllers would mean accepting any of their union's demands. It would not mean that even in the unlikely event the union somehow remains certified.

Third, continuation of the blacklisting of the controllers will mean continuation of large scale cutbacks in air service. It will also mean extension of the present anticompetitive air traffic regulations, which, for example, prevent new carriers from entering any major market. It will mean continued delays at most major terminals, at most peak hours. There is no need to impose indefinitely these conditions on the traveling public, nor any need to continue regulations that discourage the competition that is the cornerstone of this nation's economic policy.

Fourth, the existing situation compromises safety. For example, controllers have been taken out of the tower at Stinson Field, a general aviation field in San Antonio. This was done despite the fact that there are busy fields on each side of San Antonio—the San Antonio Municipal Airport, Kelly Air Force Base, Randolph Air Force Base, and Stinson Field. This creates a complex local traffic pattern, and operation of Stinson without tower assistance frightens people who live in the area. The School Superintendent of the area affected has

strongly objected to the threat posed by loss of tower assistance at Stinson Field. A copy of his letter is attached.

Fifth, I understand that lack of controller availability has required the Air Force to reduce training and logistics traffic in the San Antonio area. Military training flight time has been curtailed for several years as one means of reducing military costs—I do not think it should be subjected to additional curtailment, particularly at a time when readiness is the prime objective of the Department of Defense.

You could act now to ameliorate these and other effects of the lack of air traffic control staff. Continuation of the policy of blacklisting controllers who went out on strike gains nothing; it imposes substantial unnecessary costs on the government; and it needlessly extends the problems noted above. On the other hand, an offer to rehire controllers would avoid those problems and show clearly that a firm hand need not be vengeful.

I hope you will reconsider your position on this matter.

With best wishes, I am,

Respectfully yours,

HENRY B. GONZALEZ,
Member of Congress.

Mr. Speaker, I might also say that when I received the nonanswer via the President's chief of White House liaison with the Congress, I then designated my administrative assistant as my alter ego to correspond, and she replied to Mr. Friedersdorf pointing out the inconsistencies in his transmission of the message.

Mr. Speaker, I have before me an editorial which appeared in last week's issue of Business Week for November 9, 1981, and Business Week is certainly anything but a liberal publication. If anything, it is antiunion. It was one that supported the President ferociously when he fired the air traffic controllers, and I think it is even very partisan in the sense that it has been very much in support of President Reagan and his administration, even during last year's campaign. I have this editorial, which is headed "Rehire Air Controllers." They have written a very well-reasoned editorial as to why it would inure to the benefit of the country and the President if he would rehire the air traffic controllers. The editorial to which I referred is as follows:

REHIRE AIR CONTROLLERS

Even though the decertification of the Professional Air Traffic Controllers Organization is still under appeal, it is clear that the Reagan Administration's victory over the union is total. The misled air controllers have been punished, their inflated self-importance punctured, and the Administration has demonstrated firmly and properly that it will not tolerate a strike by federal employees. Now it is time for it to turn to the serious problems caused by a shrunken air control system. Specifically, it should find ways to hire back 2,000 or so controllers who are needed right away as bad weather sets in and more people start traveling during the holidays.

The reduced air control system is imposing heavy costs—one study estimates losses at $12 billion—on the airlines and the public, including business. Disastrous losses by the major airlines in the third quarter are further evidence that the harm is substantial.

Bringing back fired air controllers will present some personnel problems. Under normal private industrial practice, for example, rehired workers who were fired for misconduct lose their seniority and certain other benefits. But traditionally people rehired by the federal government, even if they were originally fired for wrongdoing, receive credit for past service. Any rehired veterans among the strikers could win back certain preferential rights.

But such matters are within the control of the President and Congress, and they should make sure that rehired strikers obtain no advantages over workers who obeyed the law and refused to strike. The essential point is that it makes no sense for business and the general public to keep paying a heavy price for a war that has already been won.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. SHAMANSKY) is recognized for 5 minutes.

● Mr. SHAMANSKY. Mr. Speaker, on November 16, I was unable to be on the House floor for rollcall votes Nos. 298 and 299. Had I been present I would have voted "yea" on rollcall No. 298 and "yea" on rollcall No. 299.●

EXPORT-IMPORT BANK FINANCING NOTIFICATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. NEAL) is recognized for 5 minutes.

● Mr. NEAL. Mr. Speaker, I am notifying the House today of the U.S. Export-Import Bank's proposal to provide credits of $550 million to help finance the sale of U.S. goods and services for the Yacyreta hydroelectric project on the Parana River between Argentina and Paraguay.

The Eximbank is prepared to extend the loan to Entidad Binacional Yacyreta, an authority created by the Governments of Argentina and Paraguay to build the $10.4 billion power project. According to the Eximbank international competition for contracts on this project has been intense.

I am submitting for the RECORD copies of Eximbank materials describing the Yacyreta project and outlining the terms of the proposed Eximbank participation in the sale of U.S. goods and services.

This notification from the Eximbank was referred to me as chairman of the Banking Committee's Subcommittee on International Trade, Investment and Monetary Policy. Under section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, the Eximbank must notify Congress of proposed loans or financial guarantees, or combinations thereof, of $100 million or more. Unless the Congress determines otherwise, the Eximbank may give final approval to the transaction after 25 days of continuous session of the Congress after notification.

I would welcome any comments or questions my colleagues might have on this proposed transaction. The Eximbank material follows:

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C. November 4, 1981.

Hon. STEPHEN L. NEAL,
Chairman, Subcommittee on International Trade, Investment and Monetary Policy, House Banking Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Eximbank has submitted a statement to the Speaker of the House of Representatives and the President of the Senate in accordance with the provisions of Section 2(b)(3)(i) of the Export-Import Bank Act of 1945. I am taking the liberty of providing you with a copy of this statement.

Sincerely,

NANCY S. PIGMAN,
Congressional Relations Officer.

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., November 4, 1981.

THE SPEAKER OF THE HOUSE OF
REPRESENTATIVES,
The Speaker's Room,
U.S. Capitol,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits a statement to the United States Senate with respect to the following transaction involving U.S. exports to Argentina and Paraguay.

A. DESCRIPTION OF TRANSACTION

1. Purpose

Eximbank is prepared to extend a direct credit in the amount of $550 million to Entidad Binacional Yacyreta ("EBY"), to assist in financing the export from the United States of U.S. goods and services for the construction of the Yacyreta hydroelectric project on the Parana River between Argentina and Paraguay.

The project will consist of a 70 mile long earth dam impounding a reservoir of 1,700 square kilometers, two spillways, fish passage facilities, a navigation lock, an irrigation intake in each country and a conventional covered powerhouse with twenty Kaplan turbine and generator units rated at 135 MW each. Total power available on completion will be 2,700 MW.

The total cost of the project is estimated at $10.4 billion, including escalation during construction, working capital and debt repayment during construction. Non-local costs are estimated at $4.4 billion, including U.S. costs of $647 million (6.2 percent of total project costs) for financing under the proposed Eximbank credit.

2. Background

From the outset, foreign competition for this project has been intense. Fourteen international companies or consortia were prequalified for the generating and electromechanical equipment (see attachment). Five international consortia were prequalified for the main civil works contract. Eximbank has been in constant contact with its foreign government counterparts throughout the world with respect to the financing

terms and conditions offered by foreign suppliers receiving official support. In accordance with the consensus understanding among the leading industrial countries, most export credit agencies, including the Austrians, Germans and Japanese provided official notification that they would support the project through a ten year repayment term beginning six months after installation of the last turbine, now estimated to occur in 1991. Early in the competition almost all export credit agencies offered the minimum consensus interest rate for Argentina at that time of 7.75 percent per annum. Bids submitted in July 1980 included this interest rate.

In response to this competition Eximbank issued a letter of interest on September 29, 1978, and subsequently a preliminary commitment on February 28, 1980, indicating that Eximbank was prepared to consider financing for up to $830 million in contract value of U.S. goods and services for the project on terms matching those of other government export credit agencies. Eximbank has twice extended the availability of its commitment, as have other government export credit agencies extended their commitments, because the award process had been slowed by difficulties in evaluating bids for the civil works contract. EBY has now filed its application for an Eximbank credit in compliance with the terms of the preliminary commitment.

The U.S. equipment to be financed under the credit will include hydroelectric turbines at a cost of $287 million, already awarded to Allis-Chalmers, heavy construction equipment estimated at $242.4 million, for which awards to specific U.S. suppliers are expected by the end of 1981, and other electro-mechanical equipment estimated at $117.6 million, for which awards to U.S. suppliers are expected by the third or fourth quarter of 1982. The commitment of Eximbank has been reduced from the $705 million figure in its preliminary commitment to $550 million because the electric generators which had been included in the preliminary commitment have been awarded to Germany and Japan thus reducing the eligible U.S. goods and services from $830 million to $647 million.

3. Identity of the Parties

EBY is a bi-national authority organized by Argentina and Paraguay under the Treaty of Yacyreta of December 3, 1973, with a capital of $100 billion divided equally between Argentina and Paraguay. The shareholders for the respective countries are Aqua y Energia Electrica, the Argentine Government entity responsible for a major portion of the generation, transmission and distribution of electricity throughout Argentina, and Administracion Nacional de Electricidad, the public agency reponsible for Paraguay's electric power development. Although Argentina and Paraguay, through EBY, will be co-owners of the project, Paraguay will sell virtually all of its share of electricity to Argentina, which will utilize most of the power produced.

The Government of the Republic of Argentina, acting through its Ministry of Finance, will guarantee the payment of all indebtedness owed by EBY to Eximbank under the Eximbank Credit. The Government of Argentina will similarly guarantee other external indebtedness incurred by EBY in the construction of the project.

4. Nature and Use of Goods and Services

The U.S. equipment which is eligible for financing under the Eximbank credit and which will be used in the project consists of the following:

	Millions
16-18 Kaplan type hydroelectric turbines rated at 135 MW each (2-4 of the 20 turbines required will be manufactured in Argentina under an Allis-Chalmers transfer of technology agreement)	$287.0
Heavy construction equipment (bulldozers, graders, compactors, loaders, trucks, concrete plant equipment, etc.)	242.4
Other electromechanical equipment (transformers, conductors, steel lines, powerhouse cranes, pumps, etc.)	117.6
Total	647.0

The turbines have already been awarded to Allis-Chalmers, and although formal awards for the civil works contract and the other electromechanical equipment have not yet been made, it is anticipated that heavy construction equipment and electromechanical equipment to the extent indicated above will be sourced in the United States.

Allis-Chalmers estimates that up to 18 million man hours of labor is represented in the manufacture of the turbines alone. This will be extended over an eight year period involving 1000 employees at Allis-Chalmers' manufacturing facility at York, Pennsylvania. Caterpillar Tractor Co., (which along with WABCO, Grove, Ford and others, is expected to be a major supplier of heavy construction equipment) estimates that the manufacture of that equipment will result in over 2,000 man years of production from its four major plants in Illinois in addition to another 4,000 man years of production from subcontractors. The impact upon U.S. manufacturers of the additional electromechanical equipment will be equally significant.

B. EXPLANATION OF FINANCING

1. Reasons

The proposed credit of $550 million by Eximbank will facilitate the export of $647 million of U.S. goods and services. The favorable impact on U.S. manufacturers of the turbines, heavy construction equipment and other electromechanical equipment for the project, their sub-suppliers throughout the country and employment in the areas where the plants are located would not be possible without the Eximbank financing terms offered to meet extensive and intensive foreign competition. None of the goods to be exported is in short supplying in the United States, and Eximbank perceives no adverse impact on the U.S. economy.

The Yacyreta hydroelectric project is the largest project ever undertaken by the Republic of Argentina. It is designed to utilize Argentine's largely undeveloped hydro potential (presently only 32 percent of installed energy capacity). This is particularly important since petroleum, in 1977, accounted for 64 percent of Argentina's total primary consumption of energy. In 1973 a feasibility study was undertaken by a consortium of U.S., German, Argentine and Paraguayan firms, culminating in the Treaty of Yacyreta between Argentina and Paraguay. The International Bank for Reconstruction and Development and the Inter-American Development Bank conducted a review of the project in 1976 followed by a Joint Appraisal Mission in 1978. This focused on the Argentine electric power sector since Argentina for the foreseeable future will use virtually all of the EBY power. It was determined that the project was the "least cost" solution for Argentina's future power needs from the mid '80's onward. This project has the support of both the IBRD and IDB which have extended loans of approximately $210 million each for civil works.

2. The financing plan

The total cost of U.S. goods and services to be exported from the Untied States for the project is estimated to be $647 million, which will be financed as follows:

Cash payment	$97,059,000
Eximbank credit	550,000,000
Total	647,059,000

(a) *Eximbank Charges.* The Eximbank Credit will bear interest at the rate of 7.75 percent per annum, payable semiannually. A commitment fee of .5 percent per annum will be charged on the undisbursed portion of the Eximbank Credit.

(b) *Repayment Terms.* Indebtedness incurred by EBY under the Eximbank Credit will be repaid by EBY in twenty approximately equal semiannual installments of principal beginning May 15, 1992. This date is six months after the planned start-up of the last turbine, the same repayment term supported by other government export credit agencies for their suppliers.

Attached is additional information on Eximbank activity in and economic data on Argentina.

Sincerely,

WILLIAM H. DRAPER III.

Argentina (basic data)

Growth rates (percent) 1980:	
Real GDP	−5
Manufactured products	−3
Consumer prices	87.6
Wholesale prices	57.7
Money (MI)	88.0
Domestic credit	130.2
Exports (billions)	$8,00
Imports (billions)	$10,400
Balance (billions)	$−2,600
Budget deficit as percent of GDP	3.9
Government expenditures/ GDP	10.5
Unemployment rate	2.4
Interest rate	80.5
Exchange rate change	23.1
GDP origin (percent):	
Agriculture	12.2
Manufacturing	35.3
Construction	5.7
Transportation and commerce	7.1
Commerce	17.3
Other	22.4
Total	100.0
Export composition (percent) 1979:	
Agricultural products	74.0
Industrial products	25.0
Mineral products	1.0
Total	100.0
Import composition (percent):	
Capital goods	23.2

Argentina (basic data)—Continued

Consumer goods	9.0
Fuels	16.9
Other	50.9
Total	100.0
Balance of payments (millions) 1980:	
Current account	$-4,855
Overall balance	$-2,800
External debt (millions) 1980:	
Public	$14,500
Private	$12,700
Total	$27,200
Debt service as percent of exports of goods and services	46

[In millions of dollars]

Short-term FCIA insurance	96.0
Medium-term insurance and guarantees	106.4
CFF and relending loans	5.7
Direct credits and financial guarantees	420.6
Actual exposure	628.7
Direct credits approved since August 31, 1981	0
Potential Eximbank exposure as of November 3, 1981:	
Applications	16.2
Outstanding P.C.'s	382.4
Pending P.C.'s	83.3
Referenced transaction	550.0
Total	1,031.9
Actual and potential Eximbank exposure	1,660.6

PREQUALIFIED SUPPLIERS OF GENERATING AND ELECTROMECHANICAL EQUIPMENT

Group number and name	Country
1—Boving & Co. Ltd.	England.
2—Voest-Alpine AG	Austria.
3—ACWEST Consortium between:	
Allis Chalmers	U.S.A.
Westinghouse	U.S.A.
4—Yacyreta consortium among:	
Siemens AG	West Germany.
Energomachexport	U.S.S.R.
G.I.E.	Italy.
5—Consortium to be created among:	
Duro Felguera S.A.	Spain.
La Maquinista Terrestre y Maritima S.A.	Spain.
A.B. Bofors-Nohab	Sweden.
Karlstads Mekaniska Werkstad (KMW)	Sweden.
6—Alsthom	France.
7—Ingra	Yugoslavia.
8—Creusot-Loire	France.
9—Asea	Sweden.
10—General Electric Co.	U.S.A.
11—Elin Union A.G.	Austria.
12—Consortium among Voith and Japanese companies:	
Mitsubishi Electric Co.	Japan.
Hitachi Ltd.	Japan.
Toshiba	Japan.
Fuji Electric Co.	Japan.
Mitsubishi Heavy Industries	Japan.
J. M. Voith GmbH	West Germany.
13—Escher Wyss	Switzerland.
14—Aeg Telefunken	West Germany.
15—Brown Boveri and Co.	Switzerland.
16—Skodaexport	Czechoslovakia
17—Dominion Engineering Works Ltd.	Canada.

Source: Entidad Binacional Yacyreta.

LEGISLATION TO CREATE A NATIONAL INSTITUTE ON ARTHRITIS AND MUSCULOSKELETAL DISEASES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 10 minutes.

● Mr. PEPPER. Mr. Speaker, I am today introducing a bill which, if enacted, will bring to this Nation an important new focus on the most widespread, crippling diseases—arthritis and musculoskeletal disorders.

On June 10, the Subcommittee on Health and Long-Term Care of the Select Committee on Aging, both of which I am privileged to chair, held a hearing to examine the state-of-the-art in arthritis research and the adequacy of Federal support for this endeavor. We heard testimony from victims of arthritis as well as nationally prominent physician researchers. Out of this hearing grew my determination that increased attention and a sharper focus on arthritis and other musculoskeletal disorders were absolutely imperative. The impact of these diseases—in human, social, and economic terms—is too profound and too serious to be on a back burner any longer.

The tangible expression of a national commitment to accelerate the attack on this collection of diseases, which debilitate at least one-sixth of our population, would be the creation of a National Institute on Arthritis and Musculoskeletal Diseases. That is the purpose of the legislation I introduce today. I will describe the provisions of this measure in some detail, but first I believe it is important to provide to my colleagues and to the public the facts and circumstances which, in my view, make imperative the establishment of this new Federal research institute.

Nearly everyone has a relative or friend who suffers from the ravages of arthritis pain. Arthritis and related diseases affect more than 37 million people in the United States. Arthritis limits the mobility of more people than any other disease. Sixteen million have osteoarthritis, but arthritis is not exclusively a disease afflicting the elderly; 250,000 children suffer from juvenile arthritis. Yet funding for research attacking the causes and identifying treatments and cures of this epidemic disease has been pitifully small. The National Institutes of Health expend only $1.74 per arthritis sufferer. This level of effort contrasts sharply with the economic cost of arthritis. Current estimates indicate that arthritis now costs the Nation as much as $25 billion every year. A study in one State found that fully half of all workers' compensation claims are arthritis related. The cost of workers' compensation to insurance carriers—and thus to employers—resulting from arthritis and other musculoskeletal conditions is over $200 million in California alone.

Musculoskeletal conditions rank first among all disease groups in cost attributable to lost earnings and services from nonfatal illness, and they rank second only to circulatory diseases in total economic cost. The level of lost earnings and medical expenses resulting from musculoskeletal disorders now exceeds $30 billion annually. Such conditions account for 20 percent of medicare hospitalization costs, in excess of $1 billion each year.

More than 100 different diseases of the joints and related structures have been identified as rheumatic diseases. Other diseases and conditions which are not by definition rheumatic, but which affect bones, are addressed by researchers under the rubric of musculoskeletal disorders. These vary widely in nature and effect. Their severity ranges from discomfort to severe pain and disability; some are life threatening.

Osteoarthritis, a disease characterized by progressive joint degeneration, affects millions of older Americans. Osteoporosis, loss of bone mass, occurs in varying degrees in most elderly women; nearly 90 percent of women 75 years of age and older have X-ray evidence of the disease.

Since musculoskeletal conditions are most common in elderly persons, and since the aging population is expected to increase substantially over the next several decades, the frequency of occurrence and the impact of such conditions will likewise increase unless efforts are focused on means of reducing the incidence of these pervasive health problems.

Millions of our citizens are victims of rheumatoid arthritis, a chronic, inflammatory disease characterized by fatigue, immobility, and deformity. The disease runs an erratic and frustrating course, with periods of both exacerbation and remission. It is often chronic and progressive, and its cause is not yet known.

The general public normally views arthritis as a condition affecting older persons, but some 250,000 children suffer from one or more forms of this painful and debilitating disease. It may affect a variety of organs—heart, lungs, and eyes—as well as joints.

Lupus is a serious, potentially fatal disease which attacks many tissue and organ systems, including joints, skin, kidneys, and heart.

Other forms of rheumatic disease and musculoskeletal disorders include Lyme arthritis, which is transmitted by ticks; scleroderma, a serious treatment-resistant disease characterized by hardening of the skin; inherited connective tissue diseases such as osteogenesis imperfecta and Marfan's

syndrome; rheumatic fever; gout; and pseudogout.

The National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases, the NIH research institute which houses the arthritis and musculoskeletal research programs, is a patchwork body that is expected to address a constellation of unrelated research needs from digestive diseases to hematology to dermatology. There is no rhyme or reason to the conglomeration of these programs, and arthritis and musculoskeletal research has suffered as a result.

The potential economic benefit to the Nation and the widespread alleviation of pain and suffering that would result from an increased focus on research in arthritis and musculoskeletal disorders is enormous. Even a tenfold increase in these efforts could be repaid many times over through lower job absenteeism, reduction in the need for attendant care, home health care, institutionalization, medical expenses, and reduced workers' compensation payments, among others. The tendency of some arthritis sufferers to turn to quack remedies would be drastically reduced if we were able to improve treatments, cure forms of rheumatic disease, and prevent such diseases. People with arthritis often become frustrated to the point of desperation, seeking to lessen the pain of their disease. Nearly $1 billion a year is expended by arthritics on unproven remedies. Consider the potential for discovery that even a tenth of that amount could mean to millions of Americans.

Even with the meager research dollars that currently are expended, research investigators have brought us a variety of exciting developments that have increased exponentially the level of our scientific knowledge about many of the 100 forms of arthritis.

Over the past decade genetic markers have been found for several rheumatic diseases, including the discovery of HLA-B27 in ankylosing spondylitis, a spinal arthritis that primarily strikes young men; HLA-DRW4 in rheumatoid arthritis, which affects all ages and sexes, but is most common in women; HLA-DRW2 and HLA-DRW3 in systemic lupus erythematosus [SLE, or lupus], which often attacks young black women, along with whites, of childbearing age; and HLA-DRW5 in a form of childhood arthritis which affects the eyes. It is now possible to identify populations with a high risk of contracting these rheumatic diseases. As a consequence, researchers are striving to identify infectious agents or other environmental factors which trigger disease in those people who are susceptible to it. But little epidemiological research has been conducted to aid in this search because funds simply are not available. For the same reason—lack of money—precious little research has been undertaken to unlock the mysteries of juvenile arthritis. Similarly, there has been a paucity of attention given to osteoarthritis.

Many research scientists believe they are very close to identifying the causes of various forms of arthritis. With accelerated effort, prevention, improved treatments, and cures now are in the realm of the possible. Some of the areas under active exploration include abnormalities of the body's immune system and the role of particular viruses and collagens; the interrelationship between sex hormone activity and immunologic and genetic factors; tissue and bone transplantations; lymphapheresis, or blood purification; and many others.

In the field of orthopedic and other musculoskeletal research, studies of biochemical, hormonal, and nutritional factors in bone metabolism and mineralization may bring effective treatment and prevention of osteoporosis. Advances in recent years have made widespread the application of surgical joint implantations. Currently, some 120,000 hip replacements and 40,000 knee joint replacements are performed annually. Although highly successful in the short term, the prognosis for long-term or permanent success of these procedures is not assured. Researchers are giving attention to corrosion of replacement materials, load failures, infections, and allergic reactions.

Mr. Speaker, it is imperative that a vigorous attack be launched against rheumatic diseases and other musculoskeletal disorders. In my view, the instrument for this attack should be the creation of a National Institute on Arthritis and Musculoskeletal Diseases.

My bill would create such an institute within the National Institutes of Health. It is patterned on the statutory authority of other NIH research institutes. It is based upon, and follows, an evolutionary thread of existing law beginning with the National Arthritis Act, a 1975 measure which established a National Commission on Arthritis. That Commission was charged with the development of a long range arthritis plan with specific recommendations for the use and organization of national resources to combat arthritis.

The Commission put together a document that is at once massive in size and comprehensive in scope, a plan that reflects the thinking of the best researchers, physicians, and other professionals in the field of rheumatology, as well as persons with arthritis and parents of children who have arthritis.

Unfortunately neither the National Arthritis Act nor the plan the law mandated has come close to being implemented. Because of this, and because the need is so great, a sharp new focus on arthritis research is imperative.

That is the reason for this bill, which adds to title IV of the Public Health Service Act a new part J and establishes a National Institute on Arthritis and Musculoskeletal Diseases. The Institute is directed to undertake research and demonstrations relating to the cause, prevention, and treatment of arthritis and musculoskeletal diseases; to promote coordination of research programs in the public and private sector; to make grants for research; to establish an information clearinghouse; and to conduct research training.

The Director of the new Institute is charged with developing a plan for a national program to expand, intensify, and coordinate activities of the Institute and to carry out the plan. The national program is expected to encompass research in epidemiology, etiology, and prevention of arthritis and musculoskeletal diseases; development, trial, and evaluation of drugs and devices; refinement, development, and evaluation of implants and prosthetic devices; and set up monitoring of the causes of athletic injuries and seek ways to prevent such injuries. Sports-related disorders also are a focus of the new Institute.

The bill authorizes support for new and existing multipurpose arthritis and musculoskeletal disease research centers and provides a specific funding authorization. It also establishes an interagency coordinating committee, chaired by the Director of the Institute, the mission of which is to improve coordination of all research and service programs relating to arthritis and musculoskeletal diseases.

Mr. Speaker, I am absolutely convinced that the creation of a National Institute on Arthritis and Musculoskeletal Diseases will result in major advances in the prevention, treatment, and cure of the most widespread of diseases afflicting Americans. The current level of funding or only a modest increase for research on rheumatic and musculoskeletal diseases, along with the increased visibility a separate Institute would provide, offer the potential for great human and economic benefit to the Nation.

Finally, it is appropriate and fitting to pay tribute, in connection with the development of this legislation, to a legendary patroness of the health sciences, Mary Lasker, who believes strongly in the need to strengthen the national attack on arthritis. As in so many areas of our mutual concern over the years, her deep commitment and enthusiasm in this matter have bolstered my own.

I welcome cosponsors of this legislation and urge my colleagues to add their support to this important proposal. HENRY WAXMAN, who so ably

chairs the Subcommittee on Health and the Environment, which has jurisdiction over the National Institutes of Health, has expressed interest in reexamining the adequacy of funding and visibility of research in the area of arthritis. It is anticipated that the bill will be considered in the spring, when other aspects of the work of the NIH will be before the subcommittee.

I include the text of the bill at this point in the RECORD.

H.R. 5006

A bill to amend the Public Health Service Act to establish a National Institute on Arthritis and Musculoskeletal Diseases

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT OF INSTITUTE

SECTION 1. Title IV of the Public Health Service Act is amended by adding at the end the following new part:

"PART J—NATIONAL INSTITUTE ON ARTHRITIS AND MUSCULOSKELETAL DISEASES

"ESTABLISHMENT OF INSTITUTE

"SEC. 481. There is established in the Public Health Service a National Institute on Arthritis and Musculoskeletal Diseases (hereinafter in this part referred to as the 'Institute').

"RESEARCH AND TRAINING IN ARTHRITIS AND MUSCULOSKELETAL DISEASES

"SEC. 482. In carrying out the purpose of section 301 with respect to arthritis and musculoskeletal diseases the Secretary through the Institute and in cooperation with the advisory council to the Institute established under section 432 shall—

"(1) conduct, assist, and foster research, investigations, experiments, and demonstrations relating to the cause, prevention, and methods of diagnosis and treatment of arthritis and musculoskeletal diseases, including sports related disorders;

"(2) promote the coordination of research programs conducted by the Institute, and similar programs conducted by other agencies, organizations, and individuals;

"(3) make available research facilities of the service to appropriate public authorities and to health officials and scientists engaged in special studies related to the purposes of this part;

"(4) make grants to universities, hospitals, laboratories, and other public or private agencies and institutions and to individuals for such research projects relating to arthritis and musculoskeletal diseases and disorders, as recommended by the advisory council to the Institute;

"(5) establish an information clearinghouse on research, prevention, and treatment of arthritis and musculoskeletal diseases and collect and make available on a timely basis, through publications and other appropriate means, information as to, and the practical applications of, research and other activities carried out pursuant to this part;

"(6) secure from time to time, and for such periods as necessary, the assistance and advice of persons from the United States and abroad who are experts in the field of research authorized by this part; and

"(7) in accordance with regulations and funds appropriated or donated for the purpose, provide research training and instruction and establish and maintain research traineeships, in the Institute and elsewhere, in matters pertaining to the diagnosis, prevention, and treatment of arthritis and musculoskeletal diseases, including sports related disorders, with such stipens and allowances (including travel and subsistence expenses) for trainees as may be deemed necessary, with the number of persons receiving such training and instruction and the number of persons holding such traineeships to be fixed by the advisory council to the Institute, and in addition provide for such training, instruction, and traineeships through grants, upon recommendation of the advisory council to the Institute, to public and nonprofit private institutions.

"NATIONAL ARTHRITIS AND MUSCULOSKELETAL DISEASES PROGRAM

"SEC. 483. The Director of the Institute, with the advice of its advisory council, shall develop a plan for a National Arthritis and Musculoskeletal Diseases Program to expand, intensify, and coordinate the activities of the institute respecting the diseases, and shall carry out the program in accordance with such plan. The program shall be coordinated with the other research institutes of the National Institutes of Health to the extent that they have responsibilities respecting such diseases and shall, at least, provide for—

"(1) investigation into the epidemiology, etiology, and prevention of all forms of arthritis and musculoskeletal diseases, including sports related disorders, primarily through support of basic research in such areas as immunology, genetics, biochemistry, microbiology, physiology, bioengineering, and any other scientific discipline which can contribute important knowledge to the treatment and understanding of these diseases;

"(2) research into the development, trial, and evaluation of techniques, drugs, and devices used in the diagnosis, treatment, and prevention of arthritis and musculoskeletal diseases;

"(3) research on the refinement, development, and evaluation of technological devices that will replace or be a substitute for damaged bone, muscle, and joints and other supporting structures; and

"(4) establish mechanisms to monitor the causes of athletic injuries and identify ways of preventing such injuries on scholastic athletic fields.

The plan required by this section shall be developed within one hundred and eighty days after the date of the enactment of this part and shall be transmitted to the Congress at that time.

"MULTIPURPOSE ARTHRITIS AND MUSCULOSKELETAL DISEASE RESEARCH CENTERS

"SEC. 484. (a) The Secretary, acting through the Institute may, after consultation with its advisory council provide for the development, modernization, and operation (including staffing and other operating costs such as the costs of patient care required for research) of new and existing centers for arthritis and musculoskeletal diseases. For purposes of this section, the term 'modernization' means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

"(b) Each center assisted under this section shall—

"(1)(A) use the facilities of a single institution or a consortium of cooperating institutions, and

"(B) meet such qualifications as may be prescribed by the Secretary, and

"(2) conduct—

"(A) basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of, arthritis and musculoskeletal diseases and complications resulting from such diseases including research into implantable biomaterials and biomechancial and other orthopaedic procedures; and

"(B) research training programs for physicians, scientists, and other health professionals.

"(c) Each center assisted under this section may conduct programs to—

"(1) estabish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases; and

"(2) disseminate the results of research activities and develop means of standardizing patient data and recordkeeping.

"(d) The Secretary shall give appropriate consideration to the need for centers especially suited to meeting the needs of special groups affected by arthritis and musculoskeletal diseases, especially children and the elderly.

"(e) The Secretary shall evaluate on an annual basis the activities of centers receiving support under this section and shall report to the appropriate committees of Congress the results of his evaluations not later than four months after the end of each fiscal year.

"(f) Support of a center under this section may be for a period of not to exceed five years and may be extended by the Director of the Institute, for additional periods of not more than five years each, after review of the operations of such center by an appropriate scientific review group established by the Director of the Institute, and recommended for approval by the advisory council to the Institute.

"(g) For purposes of this section, there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1983, $15,000,000 for the fiscal year ending September 30, 1984, and $18,000,000 for the fiscal year ending September 30, 1985.

"ARTHRITIS AND MUSCULOSKELETAL DISEASE COORDINATING COMMITTEE

"SEC. 486. (a) In order to improve coordination of all activities in the National Institutes of Health, in the Department of health and Human Services, and in other departments and agencies of the Federal Government relating to Federal health programs and activities relating to arthritis and musculoskeletal diseases, including sports related disorders, the Secretary shall establish a Coordinating Committee to be composed of representatives of the Department of Health and Human Services (including the Food and Drug Administration), the Veterans' Administration, the Department of Defense, and other Federal departments and agencies involved in research, health services, or rehabilitation programs affecting arthritis and musculoskeletal diseases. The committee shall include the Directors (or their designated representatives) of each of the research institutes of the National Institutes of Health involved in arthritis and musculoskeletal diseases related research. The committee shall be chaired by the Director of the Institute and shall prepare a report, not later than sixty days after the end of each fiscal year, for the Secretary detailing the work of the committee in

seeking to improve coordination of departmental and interdepartmental activities relating to arthritis and musculoskeletal diseases during the preceding fiscal year. Such report shall include:

"(1) a description of the work of the committee in coordinating the research activities of the National Institutes of Health relating to such diseases during the preceding year, and

"(2) a description of the work of the committee in promoting the coordination of Federal health programs and activities relating to arthritis and musculoskeletal diseases to assure the adequacy of such programs and to provide for the adequate coordination of such programs and activities.

"(b) The committee shall meet at the call of the chairman, but not less often than four times a year.".

CONFORMING AMENDMENTS

SEC. 2. (a) Section 431(a) of the Public Health Service Act (42 U.S.C. 289a(a)) is amended by striking out "arthritis, rheumatism, and".

(b)(1) Subsection (a) of section 434 of such Act (42 U.S.C. 298c-1) is amended by striking out "Arthritis, Diabetes," each place it appears and inserting in lieu thereof "Diabetes".

(2) Subsection (b) of such section is amended (A) by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes", and (B) by striking out "Arthritis and Musculoskeletal and".

(3) Subsection (c) of such section is amended (A) by striking out "arthritis and musculoskeletal and", and (B) by striking out "arthritis, musculoskeletal and"

(4) Subsection (d) of such section is amended (A) by striking out "Arthritis and Musculoskeletal and", and (B) by striking out "arthritis,".

(5) Subsection (e) of such section is amended by striking out paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(6) The heading for such section is amended by striking out "ARTHRITIS, DIABETES," and inserting in lieu thereof "DIABETES".

(c)(1) Subsection (a) of section 436 of such Act (42 U.S.C. 289c-3) is amended (A) by striking out "arthritis, diabetes mellitus," and inserting in lieu thereof "diabetes mellitus", and (B) by striking out "an Arthritis Interagency Coordinating Committee,".

(2) Subsection (b) of such section is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(d)(1) Subsection (a) of section 437 of such Act (42 U.S.C. 289c-4)) is amended by striking out "the National Arthritis Advisory Board,".

(2) Subsection (b)(2) of such section is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(3) Subsection (d) of such section is amended by striking out "and the National Arthritis Advisory Board, six of the members of each" and inserting in lieu thereof ", six of the members of".

(4) Subsection (g) of such section is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(5) Subsection (h)(3) is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(6) The heading for such section is amended by striking out ", ARTHRITIS,".

(e) Sections 438 and 439 of such Act (42 U.S.C. 289c-5, 289c-6) are repealed.

(f) The heading for part D of such Act is amended by striking out "ARTHRITIS, DIABETES," and inserting in lieu thereof "DIABETES".●

EARLY WARNING REPORT, WEEK OF NOVEMBER 16, 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

● Mr. ASPIN. Mr. Speaker, today at the request of the Budget Committee I am inserting this week's early warning package in the CONGRESSIONAL RECORD. This week the House of Representatives is likely to consider three additional spending bills, the conference reports on the Transportation and District of Columbia appropriation bills, and the House-reported Defense appropriation bill. These bills are each under target. This package also contains brief summaries of the potential budget impact of authorization bills that are scheduled for floor action. These materials factually compare the total amount of spending provided or authorized by these bills with the assumptions for such spending that resulted from congressional approval of the first budget resolution for fiscal year 1982. The committee intends to insert into the CONGRESSIONAL RECORD these staff analyses, and analyses of all other appropriations, entitlement, or revenue bills as they are scheduled for floor action. We hope to provide these "early warnings" to interested Members every Monday. I believe that it is very important for the House to have information that compares such bills to the budget resolution. Achievement of the resolution spending targets is not likely to occur unless the Members are clearly aware of the budget impact of their votes.

EARLY WARNING—HOUSE BUDGET COMMITTEE

H.R. 4995, DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 1982

This bill is under its targets for discretionary spending.

Staff analysis

Committee: Appropriations.
Subcommittee: Defense.
Chairman: Mr. Addabbo (New York).
Ranking Minority Member: Mr. Edwards (Alabama).
Scheduled: Wednesday, November 18, 1981.

I. Description of bill

The purpose of this bill is to make appropriations for the Military functions of the Department of Defense. Functional areas provided for in the bill include the pay, allowances and support of military personnel, operation and maintenance of the Forces, procurement of equipment and systems and research, development, test and evaluation. Appropriations for military assistance, military construction, family housing and civil defense are provided in other bills.

The bill in total is under the 302(b) targets for this subcommittee by $12.1 billion in budget authority and $3.2 billion in outlays.

Title I.—Military personnel

	Budget authority	Outlays
President's September request	38.7	38.4
House committee recommendation	37.4	37.2
Difference from request	−1.3	−1.2

Permanent change of station (PCS)

In fiscal year 1982 the Defense Department will spend approximately $3 billion on movement of military personnel and their household goods from one duty assignment to another. The Committee estimates that on the average the DOD will move two out of every three of its military personnel on a permanent change of station move during the course of the year. The Committee believes that this is excessive and directed several actions to reduce the number of moves and improve management procedures. The reduction is $170.2 million.

Subsistence

As a result of audit reports estimating waste, fraud, abuse and mismanagement, and because of improper budget procedures the Committee is deleting $100 million from the approximately $2.6 billion that will be spent for subsistence support of military personnel in fiscal year 1982.

Installment reenlistment bonuses

The Committee is making the reduction based on changing the basis of award for reenlistment bonuses from lump sum back to the pre-1979 installment method. This reduction of $392.9 million makes no change in the number of bonuses that can be awarded just in the method of payment.

Recruiting and Advertising

The Committee makes the reduction of $100.0 million from the approximately $1.3 billion that was budgeted for recruiting and advertising for fiscal year 1982. Based on the increase over fiscal year 1981 and the improved recruiting situation of the Military Services it is expected that this reduction will have no adverse impact on military recruiting.

Title II.—Military retired pay

	Budget authority	Outlays
President's September request	14.98	14.71
House Appropriations Committee recommendation	14.93	14.66
Difference from request	−0.05	−0.05

The difference of $50 million is based on adjustments for Military Pay Accounting, Waste, Fraud, and Abuse, and Budget Reconciliation Act adjustment for the change in the Survivors Benefit Plan.

Title III.—Operations and maintenance

	Budget authority	Outlays
President's September request	62.6	60.6
House committee recommendation	61.2	59.5
Difference from request	1.4	1.1

Fuel prices

Based on the current world oil price situation, the Committee has reduced the DOD request by 9 cents per gallon. This reduces the DOD request by $499 million.

Army

The Committee reduced Army O&M by $418 million with the major cuts recommended in Europe Base Operations, Training, Medical, and Service-Wide Support, and fuel.

Navy

The Committee reduced Navy O&M by $352.2 million with the major cuts recommended in Central Supply and Maintenance, Advance Funding for Ship Overhauls, and fuel. There were major add-ons in General Purpose Ship Operations, Leased Communications, and Change orders for Ship Overhauls.

Air Force

The Committee reduced Air Force O&M by $800.8 million with the major cuts recommended in JCS Exercises, Base Operations and fuel.

Defense agencies

The Committee increased Defense Agency funding by $306 million with major "add-ons" to Overseas Dependent Education and JCS Directed and Coordinated Exercises.

Title IV.—Procurement

	Budget authority	Outlays
President's September request	64.2	43.6
House Appropriations Committee recommendation	63.7	43.7
Difference from request	−0.5	+0.1

The decrease in budget authority and increase in outlays in due to the changes in "mix" between the appropriations which have varying first year outlay rates. Areas where significant changes are recommended by the Appropriations Committee are:

A reduction of $186 million is proposed for multiyear contracting for the F-16 aircraft, based on the use of prior year funds, and the BLACKHAWK which does not appear to meet two of the criteria for multiyear contracting (stability of funding and confidence in cost estimates).

Additional reductions in Army procurement are for the PATRIOT missile system, Laser Hellfire system, TOW missile modification, M88 Recovery Vehicle, Ammunition, and Communication and Electronics Equipment. The Committee recommended adding fundg for the U.S. ROLAND missile, C-120 Airplane, AAH Helicopter (14), AH-1 Helicopter (12), various ammunition items, Other Support Equipment, and $140 million for Guard and Reserve Readiness Equipment.

A reduction of $1,221 million is recommended for Navy procurement to include: $162 million for Navy Aircraft with no quantity reductions, $104 million for aircraft modification, $88 million for various missile and torpedo programs including SPARROW, PHOENIX, HARPOON, MK 48 Torpedo, and M46 Torpedo modification. A net reduction of $726 million is recommended in Shipbuilding and Conversion for: Trident advance procurement, CVN aircraft carrier advance procurement, TALS SEABEE Barge Carrier, Fast Logistics Ships (T-AKRX) (Conversion), and a general reduction of $216 million. Additional reductions are recommended in Civil Engineering Support Equipment, Personnel-Command Support Equipment, and Aviation Support Equipment.

A net increase of $662 million is recommended for Air Force procurement. Reductions for aircraft are recommended for the Long Range Combat Aircraft (−$100 million), A-10 aircraft, F-15 aircraft (−6 aircraft), and spares and repair parts. Funds are recommended to be added for the A-7K aircraft (6 aircraft) (assuming authorization for these aircraft), KC 10A Aircraft (+4 aircraft) MC−130H Aircraft (+4 aircraft), C-130H aircraft (+8 aircraft), Wide Bodied Cargo Airlift, and modification programs. The AIM-7F/M SPARROW missile program is recommended for reduction. Additional funds are recommended for the Minuteman MK-12A Reentry Vehicle, Rapier, and the Special Update program (classified). Other program reductions are recommended for munitions Support Equipment, and Vehicular Equipment. Program increases are recommended for Electronics and Telecommunication Equipment, and other Base Maintenance and Support Equipment (includes Special Update program which is classified).

Title V.—Research, development, test, and evaluation (RDT&E)

	Budget Authority	Outlays
President's September request	20.3	18.3
Committee recommendation	19.3	17.8
Difference from request	−1.0	−0.5

Areas where significant changes are recommended by the Appropriations Committee are:

A reduction of $191 million is recommended for Army RDT&E to include a net reduction of $105 million for changes recommended by the authorization conference; a reduction of $13 million for programs which exceeded fiscal year 1982 level by unjustifiably large percentages; and other reductions for the Synthetic Flight Training Systems, Aircraft Weapons, Joint Tactical Fusion program, Major Range/Test Facilities, as well as numerous other programs.

The Committee recommended added funding of $37 million for the Remotely Piloted Vehicles program. This program had been reduced by $37 million in the October amended budget request.

A reduction of $369 million is recommended for Navy RDT&E to include a net reduction of $197 million for changes recommended by the authorization conference; a reduction of $8 million for programs which exceeded the fiscal year 1981 level by unjustifiably large percentages and additional reductions for Productivity Enhancement, Extremely Low Frequency Program, Ship Development (Engineering) for survey and estimating work on inactive carriers, avionics development, the HXM Helicopter, as well as numerous other programs.

A reduction of $322 million is recommended for Air Force RDT&E to include a net reduction of $39 million for changes recommended by the authorization conference, a reduction of $19 million for programs which exceed the fiscal year 1981 level by unjustifiably large percentages; and additional reductions for the Long Range Combat Aircraft (B-1) (−$179 million); Advanced Radiation Technology; no funding for the Next Generation Trainer; no funding for the Alternate Fighter Engine; as well as reductions in numerous other programs. Additional funding of $51 million over the budget request is recommended for the Advanced Ballistic Reentry System.

A reduction of $176 million is recommended for RDT&E Defense Agencies to include a reduction of $58 million for the Defense Nuclear Agency, $55 million for Experimental Evaluation, and $7 million based on authorization conference action.

II. Comparison with target for discretionary appropriations action

Pursuant to the Budget Act and HBC scorekeeping, the subcommittee has two targets: one for discretionary programs and one for mandatory programs. Since the Appropriations Committee is bound by existing entitlement law, it generally cannot effectively change the amounts required for the funding of mandatory programs. Its target for discretionary programs is therefore the main focus for this Early Warning report. Further, if the conference report on this appropriation bill exceeds the target for discretionary budget authority, the fiscal year 1982 First Budget Resolution. As shown on line 7 below, the bill plus discretionary amounts not yet considered is below the 302(b) target for discretionary action by $11.3 billion in budget authority and $2.8 billion in outlays.

III. Summary table

[In millions of dollars]

	Budget authority	Outlays
The amounts shown below are only for discretionary 1982 spending in this bill:		
1. Discretionary amounts in bill	181,436	105,357
2. Prior action		
3. Total action to date	181,436	105,357
4. 302(b) target	192,698	108,128
5. Over (+)/Under (−)	−11,262	−2,771
6. Amounts assumed but not yet considered		
7. Over (+)/Under (−)	−11,262	−2,771
8. Mandatory amounts in bill	15,172	14,843
9. Prior action		49,304
10. Total	15,172	64,147
11. 302(b) target	21,525	70,022
12. Over (+)/Under (−)	−6,353	−5,875
13. Supplemental amounts needed	5,497	5,410
14. Over (+)/Under (−)	−856	−465

IV. Explanation of over/under

The total of the 302(b) subdivisions made by the Appropriations Committee must equal the total amounts of the 302(a) allocation, but the assumptions which make up the subcommittee target need not be the same as the program assumptions that underlie the Budget Resolution. The specific assumptions behind the 302(b) target are not known—as a result, the specific programmatic reasons that the bill is over or under the subcommittee targets can not be precisely identified. This bill is within its 302(b) allocation for total discretionary amounts.

V. Comparison with the President

This bill is under the President's requests for items in this bill by $4.3 billion in budget authority and $2.8 billion in outlays.

VI. Credit (in millions of dollars)

The Budget Resolution contains non-binding targets for credit program amounts. This is the first year that there has been a credit scorekeeping system. There is no 302(a) and 302(b) allocation for credit program annual limits. For comparative purposes only, the table below shows the bill and First Budget Resolution assumptions.

	Direct loan obligations	Primary guarantee commitments	Secondary guarantee commitments
1. Credit program limits in the bill			
2. Limits assumed in the budget resolution not acted on in the bill			
3. Credit programs not subject to limit			
4. Total in bill			

	Direct loan obligations	Primary guarantee commitments	Secondary guarantee commitments
5. Budget resolution assumptions			
6. Over (+)/Under (−)			

There are not credit programs in this bill.

VII. Amendments

A number of amendments are anticipated including one to be offered by Mr. Addabbo deleting funding for the B-1B Bomber.

VIII. Definitions of terms in summary table, section III

Line 1. Discretionary amounts in bill: Discretionary fiscal year 1982 appropriations in HR 4995.

Line 2. Prior action: The fiscal year 1982 budget authority and outlays for this committee that were appropriated in prior bills.

Line 3. Total action to date: Line 1 plus line 2.

Line 4. 302(b) target: The target for discretionary appropriations set by the Appropriations Committee pursuant to the Budget Act.

Line 5. Over (+) or Under (−): Line 3 minus line 4.

Line 6. Amount assumed but not yet considered: These are amounts assumed in the fiscal year 1982 Budget Resolution for which funding has been deferred by the Appropriations Committee.

Line 7. Over (+) or Under (−): Line 5 minus line 6.

Line 8. Mandatory amount in bill: Funding for mandatory programs (entitlements).

Line 9. Prior action: Outlays from budget authority enacted for years prior to fiscal year 1982, plus permanents and advance appropriations assigned to the Appropriations Committee.

Line 10. Total: Line 8 plus line 9.

Line 11. 302(b) target: The target for mandatory amounts set by the Appropriations Committee. The target set by the Appropriations Committee includes the effect of assumed authorizing legislation that changes the level of mandatory programs.

Line 12. Over (+)/Under (−): Line 10 minus line 11.

Line 13. Supplemental amounts needed: Amounts for any new entitlement legislation assumed in the Budget Resolution, for the October 1 pay raise.

Line 14. Over (+)/Under (−): Line 12 plus 13.

CONFERENCE REPORT, H.R. 4209, FISCAL YEAR 1982 DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

This bill is under its targets for discretionary spending.

Staff analysis

Committee: Appropriations.
Subcommittee: Transportation.
Chairman: Mr. Benjamin (Indiana).
Ranking minority member: Mr. Coughlin (Pennsylvania).
Scheduled: Thursday, November 19, 1981.

I. Description of bill

This conference report provides funds for the Department of Transportation and related agencies for fiscal year 1982.

The conference report as a whole is under the 302(b) targets for this subcommittee by $1,056 million in budget authority and $145 million in outlays (the sum of lines 5 and 12 below). If amounts assumed in the budget resolution but not yet considered are added, and mandatory programs are fully funded, the subcommittee could be under its targets by $997 million in budget authority and $88 million in outlays (the sum of lines 7 and 14 below).

II. Comparison with target for discretionary appropriations action

Pursuant to the Budget Act and HBC scorekeeping, the subcommittee has two targets: one for discretionary programs and one for mandatory programs. Since the Appropriations Committee is bound by existing entitlement law, it generally cannot effectively change the amounts required for the funding of mandatory programs. Their target for discretionary programs is therefore the main focus for this Early Warning report. Further, if a conference report exceeds the target for discretionary budget authority, the bill will be subject to the "delayed enrollment" provision of Section 305 of the fiscal year 1982 First Budget Resolution. As shown on line 7 below, the conference report plus discretionary amounts not yet considered is below its 302(b) target for discretionary action by $1,064 million in budget authority and $252 million in outlays.

III. Summary table

[In millions of dollars]

	Budget authority	Outlays
The amounts shown below are only for discretionary 1982 spending in this conference report:		
1. Discretionary amounts in conference report	10,268	6,458
2. Prior action		
3. Total action to date	10,268	6,458
4. 302(b) target	11,332	6,710
5. Over (+)/Under (−)	−1,064	−252
6. Amounts assumed but not yet considered		
7. Over (+)/Under (−)	−1,064	−252
The amounts shown below are only for mandatory appropriations included in this conference report:		
8. Mandatory amounts in conference report	345	332
9. Prior action	166	13,200
10. Total	511	13,532
11. 302(b) target	503	13,425
12. Over (+)/Under (−)	+8	+107
13. Supplemental amounts needed	59	57
14. Over (+)/Under (−)	+67	+164

IV. Explanation of over/under

Despite the fact that the House Budget Committee is unable to give a definitive answer to the question of where a particular bill is over or under its 302(b) allocation, it does compare the items in a bill to the assumptions contained in the budget resolution. It is important to note that the line-item assumptions in the budget resolution are not binding on a committee. Although within the totals assumed in the budget resolution for this conference report, the conference report makes several changes among funding priorities including:

A reduction of $500 million in budget authority and $400 million in outlays for the purchase of Consolidated Rail Corporation (ConRail) securities. The Committee anticipates that funds appropriated for operating expenses in fiscal year 1981 will be available to finance operations through fiscal year 1982.

An increase of $122 million in budget authority and $226 million in outlays for AMTRAK.

A decrease of $142 million in budget authority and $118 million in outlays for Urban Mass Transportation Administration (UMTA).

An increase of $125 million in budget authority and $21 million in outlays for interstate highway transfer grants.

A decrease of $215 million in budget authority and $32 million in outlays for the Appalachian highway system which is maintained in the Energy and Water Appropriation bill.

A decrease of $198 million in budget authority and $179 million in outlays in FAA operations.

For mandatory items, the conference report plus assumed "full funding" of mandatory items would be over its budget authority target largely because the target seems not to make an allowance for the civilian agencies pay raise that will become effective this October.

V. Comparison with the President (Discretionary amounts only)

This conference report is above the President's September request for discretionary items in the conference report by $844 million in budget authority and over by $633 million in outlays and below the President's March request by $489 million in budget authority and $151 million in outlays.

VI. Credit (In millions of dollars)

The budget resolution contains only nonbinding targets for credit program amounts. This is the first year that there has been a credit scorekeeping system. There is no 302(a) and 302(b) allocation for credit program annual limits. For comparative purposes only, the table below shows the conference report and the first budget resolution assumptions.

	Direct loan obligations	Primary guarantee commitments	Secondary guarantee commitments
1. Credit program limits in the conference report		445	3
2. Programs assumed to be limited in the budget resolution but not acted upon in the conference report			
3. Credit programs not subject to limit	291	−291	
4. Total in conference report	291	154	3
5. Budget resolution assumption	291	129	3
6. Over (+)/under (−)		+25	

The Transportation Subcommittee total limitations proposed for guarantee programs (in this conference report) exceed the budget resolution by $25 million. The Transportation Subcommittee set limitations for guarantee programs that differed from the resolution as follows:

Aircraft purchase loan guarantees are limited to $175 million, $75 million above the resolution, but a 50 percent cut from the 1981 level. The Committee expressed concern that an abrupt termination of the program would adversely affect carriers which had made investments based on the availability of guarantees.

Railroad rehabilitation and improvement financing fund guarantees are limited to $270 million, $50 million below the resolution. The Committee noted that the largest pending loan guarantee application had been withdrawn.

VII. Amendments

None.

VIII. Definitions of terms in summary table, section III

Line 1. Discretionary amounts in bill: discretionary fiscal year 1982 appropriations in H.R. 4209.

Line 2. Prior action: the fiscal year 1982 budget authority and outlays for this committee that were appropriated in prior bills.

Line 3. Total action to date: line 1 plus line 2.

Line 4. 302(b) target: the target for discretionary appropriations set by the Appropriations Committee pursuant to the Budget Act.

Line 5. Over (+)/Under (−): line 3 minus line 4.

Line 6. Amounts assumed but not yet considered: these are amounts assumed in the fiscal year 1982 Budget Resolution for which funding has been deferred by the Appropriations Committee, probably until next Spring's supplemental appropriation bill.

Line 7. Over (+)/Under (−): line 5 plus line 6.

Line 8. Mandatory amount in bill: funding for mandatory programs (entitlements).

Line 9. Prior action: outlays from budget authority enacted for years prior to fiscal year 1982, plus permanents and advance appropriations assigned to the Appropriations Committee.

Line 10. Total: line 8 plus line 9.

Line 11. 302(b) target: the target for mandatory amounts set by the Appropriations Committee. The target set by the Appropriations Committee includes the effect of assumed authorizing legislation that changes the level of mandatory programs.

Line 12. Over (+)/Under (−): line 10 minus line 11.

Line 13. Supplemental amounts needed: amounts for any new entitlement legislation assumed in the Budget Resolution, for the October 1 pay raise.

Line 14. Over (+)/Under (−): line 12 plus 13.

CONFERENCE REPORT, H.R. 4522, DISTRICT OF COLUMBIA APPROPRIATIONS

This bill is under its targets for discretionary action.

Staff analysis

Committee: Appropriations.

Subcommittee: District of Columbia.

Chairman: Mr. Dixon (California).

Ranking minority member: Mr. Coughlin (Pennsylvania).

Scheduled: Tentatively, Wednesday, November 18, 1981.

I. Description of bill

This bill provides appropriations for payments and loans to the District of Columbia.

This bill as a whole is under the 302(b) targets for this subcommittee by $14 million in budget authority and $13 million in outlays (the sum of lines 5 and 12 below). The only mandatory amounts in this subcommittee's jurisdiction are outlays from prior-year budget authority.

II. Comparison with target for discretionary appropriations action

Pursuant to the Budget Act and House Budget Committee scorekeeping, the subcommittee has two targets: one for discretionary programs and one for mandatory programs. Since the Appropriations Committee is bound by existing entitlement law, it generally cannot effectively change the amounts required for the funding of mandatory programs. Its target for discretionary programs is therefore the main focus for this Early Warning report. Further, if the conference report on this approriation bill exceeds the target for discretionary budget authority, the bill will be subject to the "delayed enrollment" provision of Section 305 of the fiscal year 1982 First Budget Resolution. As shown on line 7 below, the bill plus discretionary amounts not yet considered is below the 302(b) target for discretionary action by $14 million in budget authority and $14 million in outlays.

III. Summary table

[In millions of dollars]

	Budget authority	Outlays
The amounts shown below are only for discretionary 1982 spending in this bill:		
1. Discretionary amounts in bill	557	516
2. Prior action		
3. Total action to date	557	516
4. 302(b) target	571	530
5. Over (+)/under (−)	−14	−14
6. Amounts assumed but not yet considered		
7. Over (+)/under (−)	−14	−14
The amounts shown below are only for mandatory appropriations included in this bill:		
8. Mandatory amounts in bill		
9. Prior action		32
10. Total		32
11. 302(b) target		31
12. Over (+)/under (−)		+1
13. Supplemental amounts needed		
14. Over (+)/under (−)		+1

IV. Explanation of over/under

The total of the 302(b) subdivisions made by the Appropriations Committee must equal the total amounts of the 302(a) allocation, but the assumptions which make up the subcommittee target need not be the same as the program assumptions that underlie the Budget Resolution. The specific assumptions behind the 302(b) target are not known—as a result, the specific programmatic reasons that the bill is over or under the subcommittee targets cannot be precisely identified.

The bill would appropriate a total of $557 million for the Federal payment to the District of Columbia, $14 million less than the amount assumed in the Budget Resolution.

V. Comparison with the President's request

This bill is below the President's request for discretionary items in this bill by $14 million in budget authority and $14 million in outlays.

VI. Credit

The Budget Resolution contains non-binding targets for credit program amounts. This is the first year that there has been a credit scorekeeping system. There is no 302(a) and 302(b) allocation for credit program annual limits. For comparative purposes only, the table below shows the bill and First Budget Resolution assumptions. The budget authority and outlay effects of credit activity are reflected within the 302(a) and 302(b) allocations for budget authority and outlays.

[In millions of dollars]

	Direct loan obligations	Primary guarantee commitments
1. Credit program limits in the bill	145	
2. Limits assumed in the budget resolution but not acted on in the bill		
3. Credit programs not subject to limit		
4. Total in bill	145	
5. Budget resolution assumptions	145	
6. Over(+)/under(−)		

The only credit activity in this bill is loans to the District of Columbia. The bill would limit those loans to $145 million in 1982, the same amount assumed in the Budget Resolution.

SUMMARY OF AUTHORIZATIONS

H.R. 4500—SBA PILOT PROGRAMS

This bill would reauthorize and extend for two years (through fiscal year 1983) two pilot programs administered by the Small Business Administration (SBA) under section 8(a) of the Small Business Act. One program allows the SBA to enter into procurement contracts with a participating Federal agency and then, in turn, subcontract the work to socially and economically disadvantaged small businesses. The other program allows the SBA, in specific situations, to waive Federal bonding requirements for section 8(a) contractors. H.R. 4500 would create no spending authority.

H.R. 4793—FEDERAL PHYSICIANS COMPARABILITY ALLOWANCE ACT EXTENSION

The Act extends the existing authority to allow Federal agencies to pay special allowances to physicians in order to encourage such personnel to remain in the Federal government. The special allowance may not exceed $7,000 for an individual who has served for less than two years and may not exceed $10,000 for those who have served for more than two years.

An amendment to the Act authorizes special adjustments in annuity payments for former civil servants or former Members of Congress whose retirement pay may be lowered because they ended their retirement to return to Federal service, but later left the service or Congress to continue such retirement.

CBO estimates that no additional fiscal year 1982 cost is associated with this bill.

H.R. 4879—DEPOSIT INSURANCE FOR INTERNATIONAL BANKING FACILITY DEPOSITS

This bill would allow Federal deposit insurance to be extended to a greater portion of foreign deposits in U.S. banks in an attempt to attract more of those deposits to the U.S. This bill creates no spending. Indeed, in future years, Federal outlays could be reduced because insurance premium receipts paid into the Federal Deposit Insurance Corporation Fund would increase if new deposits are attracted to the American banking system.

H.R. 4515—TO REMOVE LIMITATIONS ON FNMA AND FHLMC MORTGAGE PURCHASES

H.R. 4515, as reported, would eliminate the limit on the purchase of mortgages older than one year by the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Association (FHLMC). Currently, no more than 20 percent of the conventional mortgages purchased by FNMA and FHLMC may be more than one year old at the time of purchase. Because the volume of newly originated conventional mortgages has fallen off sharply in recent months, the removal of this limit would allow FNMA and FHLMC to provide a larger secondary market support for mortgage lenders. In addition, it is hoped that this will allow distressed mortgage lenders more opportunity to sell older, lower yielding mortgages and improve their financial condition. This is not a spending bill. FNMA and FHLMC are government-sponsored enterprises with mixed, private and public boards of directors and with private capital.

H.R. 4482—U.S. COURT OF APPEALS FOR THE FEDERAL CIRCUIT

H.R. 4482 merges the appellate division of the existing U.S. Court of Claims and the U.S. Court of Customs and Patent Appeals into the U.S. Court of Appeals for the Fed-

eral Circuit. It also establishes a new article I trial court, the U.S. Claims Court, composed of sixteen article I judges. This court will hear cases currently under the jurisdiction of the trial division of the U.S. Court of Claims. As a transitional measure, those individuals in active service as trial commissioners of the Court of Claims will become article I judges of the Claims Court. It is expected that enactment of this legislation will result in no significant additional cost to the government.

H. CON. RES. 203—TVA PAY

H. Con. Res. 203 is a concurrent resolution and, thus, not a law. As such it has no spending effect whatever. The purpose of the resolution is to express to the Board of the Tennessee Valley Authority the intent of Congress that no TVA employee should be paid in excess of the Federal pay cap.

H.J. RES. 349—MULTINATIONAL FORCE AND OBSERVERS PARTICIPATION RESOLUTION

Funding for the participation of the United States in a Multinational Force of Observers (MFO) to implement the treaty of peace between Egypt and Israel has already been provided in H.J. Res. 325, the first continuing resolution for fiscal year 1982. This subsequent authorizing legislation is necessary to permit the assignment of U.S. military forces to the MFO and to set out the other details of U.S. participation.

The fiscal year 1982 cost of U.S. participation in the MFO is $125 million in budget authority and outlays. The amounts were not assumed in the first budget resolution and were not provided for in the Appropriations Committee's 302(b) allocation. If the costs of this bill are added to the amounts in the reported version of the fiscal year 1982 Foreign Assistance Appropriations bill the 302(b) allocation would be exceeded. However, these funds have already been appropriated, and the no House action has been scheduled on the fiscal year 1982 Foreign Assistance bill. Consequently, while action on this authorization bill has no effect on fiscal year 1982 spending, the earlier appropriations of $125 million for the MFO may result in a budget problem when (and if) the fiscal year 1982 Foreign Assistance Appropriation bill is considered in the House.

It should be noted that although U.S. participation in the MFO was not assumed in the first budget resolution, and not provided for in the 302(b) allocation of the Appropriations Committee, the required funding can be accommodated within the totals available within function 150, International Affairs. This is because appropriation bills already approved by the House have set spending for the Department of State and for food assistance programs at levels which are below those assumed in the resolution.

H.R. 3663—THE MOTOR BUS ACT OF 1981

This bill is a regulatory reform bill and is neither a spending bill or an authorization. The bill follows previous rail and aviation deregulation legislation by deregulating the bus industry. The bill will be marked up Monday, November 16 in a session by the Public Works Committee and is expected to be brought before the Rules Committee on Tuesday and possibly to the floor Wednesday or Thursday.●

SOVIET PIPELINE—POLICY BY OMISSION

(Mr. LONG of Louisiana asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LONG of Louisiana. Mr. Speaker, the Reagan administration has made the financing of the natural gas pipeline from West Siberia to Western Europe a key issue in East-West commercial policy. This single issue will be significant in determining whether the West will have a unified or divided position on trade with the Eastern bloc. Western participation in construction of the pipeline and subsequent sales of Soviet gas to Western Europe will also sharply increase the West's economic ties with the Soviet Union.

Earlier this year, I asked Secretaries Haig, Regan, Baldrige, and Edwards to respond to a series of questions about U.S. policy toward the construction of the proposed pipeline. The Secretaries' response to my inquiries were inserted in the CONGRESSIONAL RECORD on July 10 and 14. The pipeline issue was also explored in "Energy in Soviet Policy," a recent publication of the Subcommittee on International Trade, Finance and Security Economics of the Joint Economic Committee.

Since my initial letters, the administration has taken several steps that have implications for our overall policy toward commercial ties with the Eastern bloc. Germany has reached an informal agreement with the Soviet Union on financing the construction of the pipeline. During the economic summit in Ottawa, the President reportedly urged Chancellor Schmidt to reconsider Germany's participation in the construction and use of the pipeline. Shortly before the summit, however, the Department of Commerce granted an export license to Caterpillar for equipment to be used on the construction of gas pipelines designed for internal Soviet consumption.

In the wake of an evolution of U.S. policy and further reports of European commitments to the construction of the pipeline, I again sought the opinions of key administration officials. The highlights of their responses follow:

AUGUST 6, 1981.

Hon. ALEXANDER HAIG,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: Several months ago I asked you some specific questions on the financing and construction of a massive new Soviet natural gas pipeline from the Yamburg gas field in Siberia to West Europe. Your answers and those of other Secretaries were most helpful. I shared them with my colleagues in Congress by inserts in the CONGRESSIONAL RECORD July 10 and 14th. Since then several significant developments have occurred:

1. The Ottawa meeting was held at which the pipeline, we understand, was discussed.

2. The approval by the administration of the Caterpillar pipelaying equipment export for use in constructing Soviet pipelines.

3. The agreement between German banks and companies and the Soviet Union on the first part of the Yamburg pipeline equipment financing.

The additional questions I have deriving from these recent developments are the following:

1. Has the Reagan administration taken a position in opposition to the pipeline agreement or one of conditional approval if the Europeans build in sufficient safeguards to avoid undue vulnerability to Soviet use of the "gas lever"? How did the U.S. proposal of alternative nuclear and coal developments fit into our discussions with the Europeans? What are the time dimensions and realism of the alternative source proposals, e.g. When could U.S. coal be available in volume to the Germans for alternative use, is a new nuclear electric program in the FRG politically feasible? Did we also influence the new Norwegian agreement to supply gas to the FRG as an off-setting arrangement?

2. Was the approval of the sale of Caterpillar company of pipelaying equipment to the Soviet Union an indication of a Reagan administration's policy on the use of foreign availability and critical technology criteria in strategic trade? Is this a precedent to be used in CoCom discussions? Has the Reagan administration indicated that use of "foreign policy" criteria will be similar or different than in the Carter administration, e.g. the several Dresser drilling bit cases?

3. What specially have the Germans agreed to, under what conditions? We hear conflicting reports on Soviet concessions on interest rates, gas pricing, pay back, etc. What are the facts? Does this initial financing agreement indicate that the larger Western consortium agreement is now likely to follow? How soon and with what specific details?

4. What would be the implications to the Soviet Union and East Europe if the agreements on the pipeline were not reached? A recent analysis of the Wharton Economic Forecasting Analysis group (WEFA) indicates the criticality of the pipeline to the Soviet bloc. Do you agree with their analysis? Does this not give the West more leverage than we have yet used? Is it possible by United States action for the West to better use its critical leverage in the pipeline arrangements?

Please provide us answers before Labor Day so that I may share your responses with my Congressional colleagues in a timely fashion.

Sincerely,

GILLIS W. LONG,
Member of Congress.

DEPARTMENT OF STATE,
Washington, D.C., September 10, 1981.

Hon. GILLIS W. LONG,
U.S. Senate.

DEAR MR. LONG: I am writing in response to your letter to Secretary Haig of August 14 regarding the proposed Siberian to Western Europe gas pipeline. I regret the delay in responding to you.

Let me note as a preface that the pipeline is an issue still very much in flux. Although there have been press reports of intensified Soviet-European negotiations and agreements on some aspects of the project, a large number of details remain to be worked out. Furthermore, President Reagan and his counterparts at the Ottawa Summit agreed to consult on the pipeline alternatives and European energy security. Our concerns and the upcoming consultations with our allies

and friends, will have to be factored into any final European decision on the project.

We are concerned about the significant security problems that could accompany expanded European-Soviet energy relations. Yet, we recognize also that a U.S.-European confrontation on the question of the prospective pipeline would not serve our interests and would increase tensions within the alliance. We have strong views regarding the project, and hope that U.S.-European consultations on this issue will result in a common Western position.

Let me now turn more specifically to the questions you raised.

President Reagan expressed his concerns about the security implications of the proposed project at the Ottawa Summit. As noted above, he and his counterparts agreed to consult on energy alternatives to the pipeline which would limit European dependence on Soviet sources of energy and maintain, or even improve, Europe's overall energy security. The President noted that detailed consultations on energy alternatives will have to include technical discussions on the prospects for expanded European use of coal, increased reliance on nuclear power and the prospects for non-Soviet oil and gas.

We are now laying the foundation for the technical discussions. We expect that senior US officials will meet with their European counterparts in the next one or two months to discuss these issues.

Our initial assessments indicate that in light of the long lead time required to bring the proposed pipeline into operation, alternative energy sources are a real possibility. We hope that within the next five years the US coal infrastructure will be more than sufficient to meet European demand. The feasibility of expanding nuclear power in Europe will depend on technical and economic as well as political factors. In addition, further changes in the international petroleum market and the European demand for liquid hydrocarbons may well reduce the commercial attractiveness of the proposed pipeline over the medium term.

Foreign availability was an important consideration but not the only factor in the Administration's decision to approve the sale of 100 Caterpillar pipelayers to the Soviet Union. Had we refused the license request it is virtually certain that the Caterpillar order would have gone to foreign competition. Komatsu of Japan has sold similar pipelayers to the Soviets in recent years. The pipelayers themselves represent low technology equipment without military applications, and as such are controlled for foreign policy rather than security reasons. They are not on the COCOM list of Western controlled strategic goods. Therefore this decision does not set a precedent for COCOM discussions. A review of the criteria for foreign policy controls on sales of oil and gas exploration and production equipment is in progress.

As I mentioned above, many details of a prospective Soviet agreement with certain West European countries on the pipeline remain to be worked out. We too have noted reports of progress regarding certain parts of the financing package and equipment sales. But based on the best information available to us, the details of both the financing and equipment supply aspects of the package deal have not yet been concluded. Furthermore, the discussion on gas pricing is still at a preliminary stage.

Your final questions suggest that the pipeline has important implications for the Soviets and their Eastern European allies. We generally agree with that assessment. The pipeline would contribute to the development of the Soviet gas infrastructure and provide a market in the West which would be an important source of hard currency. If the details were to fall through, the Soviets would need to reconsider their energy, fiscal and more general economic plans.

It may be the case, as you suggest, that in light of the Soviet's desire for the deal, the West has a great deal of leverage which could be used in negotiating pipeline arrangements. Since we are not privy to the specific details of Soviet-European exchanges on this subject, it is difficult to evaluate what leverage the Europeans have sought to employ. As noted in our earlier letter to you, negotiators have been relatively successful in coordinating their proposals and independently presenting a united front to the Soviets. It is possible that closer collaboration at the later stages of discussions, should the negotiations proceed to that point, would offer the Europeans an opportunity to extract the best possible terms.

I hope you find this information responsive to your questions.

Sincerely,

RICHARD FAIRBANKS,
Assistant Secretary for Congressional Relations.

THE SECRETARY OF ENERGY,
Washington, D.C., September 25, 1981.

Hon. GILLIS LONG,
House of Representatives,
Washington, D.C.

DEAR MR. LONG: Thank you for your recent letter on the potential Northwest Siberian pipeline. It is my understanding that you have sent the same letter to the Departments of State, Treasury, and Commerce. As these other agencies will be addressing those questions which relate to their expertise, I shall focus my comments on questions 1 and 4.

The Reagan Administration has deep energy security concerns regarding the potential Northwest Siberian pipeline. At the Ottawa Summit, the President expressed these concerns to the other Heads of Government and suggested that we cooperate in developing alternative supply options. During the weeks ahead, we will be discussing these matters in-depth with our allies and friends as we seek to develop a common approach to the multifaceted and complex problems which we are facing. With regard to the emergency management option which you mention, we believe that increased capabilities to reduce vulnerability to possible supply interruptions are desirable regardless of the state of negotiations on the Northwest Siberian pipeline.

With regard to alternative energy supply sources, we believe that increased dependence upon Soviet gas may not be the only option available to Western Europe. The pipeline could not be completed before the latter part of this decade and there is time for Western Europe to develop alternative sources which could go a long way toward replacing prospective Soviet gas deliveries. Although no single alternative could replace the total amount of gas that would flow through the pipeline when it is at full capacity as originally conceived, a combination of supply alternatives could help meet the European objective of source diversification and supply security.

As you noted, expanded use of coal and nuclear power are clearly options which should be considered. American coal resources are so vast that no export program would be constrained by supply availability and we are firmly committed to expanding our coal sales to Western Europe. Although the expanded use of nuclear power in West Germany and other European countries is politically sensitive, the U.S. is prepared to collaborate further in advancing European programs. We also consider the accelerated development of North Sea gas to be desirable. In this regard, we are pleased with the recently concluded Statfjord gas agreement that will bring Norwegian gas to continental European markets by the mid-1980's. (However, it should be noted that this was a commercial venture in which the U.S. Government played no role.) As stated above, we wish to discuss alternatives to the Northwest Siberian pipeline with the West Europeans in the weeks ahead in order to develop a mutually satisfactory approach.

The Northwest Siberian pipeline is critically important to Soviet energy and economic planning and the failure to complete it could have profound implications. At present, the USSR earns about half of its hard currency from oil sales to the West. By the mid-1980's these earnings may be eliminated due to the peaking of Soviet oil production, domestic consumption requirements and the needs of their East European clients. Without offsetting hard currency earnings, sales of other commodities or contingency measures, the USSR would experience significant financial difficulties in maintaining current levels of purchases.

Furthermore, it should be pointed out that the USSR needs Western assistance to accelerate the development of its huge gas reserves in Northwest Siberia. Completion of the pipeline would help facilitate the development of Soviet gas resources because it would contribute to the infrastructure needed for domestic gas resource extraction, processing and distribution. Since gas is the one bright spot on the Soviet energy horizon, failure to complete the Northwest Siberian pipeline could have both severe domestic energy and foreign exchange implications.

I trust that these comments are responsive to your concerns.

Sincerely,

JAMES B. EDWARDS.

THE SECRETARY OF COMMERCE,
Washington, D.C., September 18, 1981.

Hon. GILLIS W. LONG,
House of Representatives,
Washington, D.C.

DEAR MR. LONG: Thank you for your letter concerning the proposed Siberia to Western Europe gas pipeline.

The following responses correspond to the numbered questions in your letter:

1. The Reagan Administration has concerns about the significant security problems that may result from the construction of the pipeline. Our estimates show that if the pipeline were completed, France and West Germany would be dependent on the Soviet Union for approximately twenty-six and thirty percent, respectively, of their gas. President Reagan expressed these concerns at the Ottawa Summit and agreed with his counterparts to explore possible energy alternatives to the pipeline which would limit European dependence on Soviet sources of energy and improve Europe's energy security. The President noted that detailed consultations on energy alternatives for Western Europe should include expanded use of coal, increased reliance on nu-

clear power, and the prospects for oil and gas from sources other than the Soviet Union. The Administration is now preparing for these discussions. Senior U.S. officials will meet with their European counterparts within the next two months.

Because the pipeline could not be completed before the latter part of this decade, other energy sources for Western Europe are a real possibility. The Administration has instituted a high-priority program to facilitate and increase the export of United States coal. We believe that in the next five years, our coal infrastructure will be sufficient to meet European demand. The feasibility of expanding nuclear power in Europe will depend on technical and political factors. We are prepared to assist the Europeans in developing their nuclear capabilities. Norway recently agreed to supply gas to Continental Europe by the mid-1980s. The Administration did not have an active role in these negotiations, but has encouraged the accelerated development of North Sea gas. In addition, changes in the international petroleum market will help reduce the commercial attractiveness of the proposed pipeline.

2. The 100 Caterpillar pipelayers recently authorized for export by the Administration are not high technology equipment. Furthermore, the end-use statement signed by the Soviets specifically states that the pipelayers will not be used on the Siberian pipeline. The license was approved because foreign countries could sell comparable equipment to the Soviets. Only national security controls are considered in COCOM deliberations; because the pipelayers are not high technology equipment, they are controlled for foreign policy and not for national security reasons.

The Reagan Administration is currently conducting a review of oil and gas export controls. An Administration position should be announced in the near future. This policy will be consistent with the decision to license the Caterpillar pipelayers.

The Dresser licenses to export technical data and training to build a rock bit plant were controlled for national security reasons but were later revoked after the Soviet invasion of Afghanistan. In addition to the review of oil and gas export controls, the Administration is currently conducting a broad-based review of foreign policy controls. In the past, our allies have complained that we have used foreign policy controls arbitrarily and without prior notice to them. The aim of our policy review will be to determine whether foreign policy controls should be used only in accordance with contingency plans developed with our allies in advance of crises.

3. Because the project is still in the negotiation stage, it is not possible at this time to provide you with specific terms on the financing of the pipeline. A consortium of West German banks has announced achievement of an understanding on financing with the Soviets, but many aspects of the financing, equipment sales, and gas purchase proposals remain to be settled. As the major purchasers of gas and suppliers of equipment and financing, the West Germans would probably set the pace and tone for negotiations by other possible participants.

4. The analysis by the Wharton Economic Forecasting Group accurately states that the pipeline is extremely important to Soviet energy and economic planning. The pipeline would contribute to the development of the Soviets' gas infrastructure and provide them an important source of hard currency. Failure to complete the pipeline could have a profound effect on the Soviet economy.

In view of the Soviets' desire for the pipeline, the Europeans do have a great deal of leverage which could be used in negotiations. The Administration has not been privy to the details of the negotiations and cannot accurately evaluate what leverage the Europeans have sought to use. However, to date, the Europeans have been relatively successful in coordinating their proposals and presenting a united front to the Soviets. It is possible that closer collaboration at the later stages of discussions, should the negotiations proceed to that point, would offer the Europeans an opportunity to extract the best possible terms.

Sincerely,

MALCOLM BALDRIGE,
Secretary of Commerce.

DEPARTMENT OF THE TREASURY,
Washington, D.C., September 22, 1981.

Hon. GILLIS W. LONG,
House of Representatives,
Washington, D.C.

DEAR MR. LONG: This is in response to your letter concerning the financing and construction of the Soviet natural gas pipeline to Western Europe. I understand that similar questions were sent to the Departments of State, Energy, and Commerce. I will therefore direct my response mainly to your questions on the financing of the pipeline and the implications for the Soviet economy of a cancellation of the project.

At this time, I am not aware of firm financial commitments for the proposed Siberian pipeline. Such key aspects of the project as official political risk insurance for bank creditors, interest rates, gas pricing and pipe sales contracts are still being negotiated by European and Japanese businessmen. Thus, recently reported deals for financing of specific components of the project should not be regarded as complete or final. We expect, nevertheless, that terms for private commercial financing would reflect market conditions, even though interest may be capitalized, and that official involvement would be consistent with the OECD International Arrangement on Official Export Credits.

If there were a cancellation of the project it would be likely to retard Soviet gas development and reduce potential hard currency earnings from Soviet energy exports, although these effects cannot be predicted with complete confidence. If the Soviets are able to conserve more energy and increase the use of fuels other than oil, such as gas, more oil would be available for export to the West. If they are not successful and the gas project is cancelled or reduced, then hard currency earnings will decline. In this case, sacrifices elsewhere in the Soviet economy could become necessary. How stringent these measures would have to be depends inter alia on the Soviet's need for imports from the West (e.g. grain) and on the world market prices of these imports and the non-energy goods that the Soviets export. As the Wharton Econometric Forecasting Associates study suggests, cancellation of the pipeline deal would require important changes in Soviet energy and economic plans, but the East Bloc would still have several options for adjustments, such as more rapid development of import substitution or other export industries. This may be one of the reasons why the Europeans have had limited success in pressuring the Soviets to agree to more favorable pipeline terms.

President Reagan is very much concerned over the dangers of possible increased Western European reliance on Soviet natural gas. He expressed this concern to our Allies at the Ottawa Summit. In response, the Allies agreed to consult with us on their needs for Soviet energy. Technical level talks involving U.S. and European experts are being planned. During these consultations, we will more fully examine Europe's alternative and contingency energy and gas supply plans in order to identify steps needed to allay security concerns and put Western energy relations with the Soviets on the most favorable terms.

Sincerely,

W. DENNIS THOMAS,
Assistant Secretary
(Legislative Affairs).●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DUNCAN (at the request of Mr. MICHEL), after 2 p.m. today, for an indefinite period on account of hospitalization.

Mr. AUCOIN (at the request of Mr. WRIGHT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HANSEN of Utah) to revise and extend their remarks and include extraneous material:)

Mr. GILMAN, for 5 minutes, today.

Mr. CORCORAN, for 5 minutes, today.

Mr. PAUL, for 60 minutes, on December 2.

(The following Members (at the request of Mr. DONNELLY) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. SHAMANSKY, for 5 minutes, today.

Mr. NEAL, for 5 minutes, today.

Mr. PEPPER, for 10 minutes, today.

Mr. ASPIN, for 5 minutes, today.

Ms. FERRARO, for 30 minutes, today.

Mr. STOKES, for 60 minutes, November 19, 1981.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LONG of Louisiana, and to include extraneous matter, notwithstanding the fact that it exceeds 2 pages of the RECORD and is estimated by the Public Printer to cost $1,320.

(The following Members (at the request of Mr. HANSEN of Utah) and to include extraneous matter:)

Mr. MICHEL in two instances.
Mr. BROYHILL.
Mr. MCGRATH in two instances.
Mr. FORSYTHE.
Mr. CONTE.
Mr. LAGOMARSINO in two instances.
Mr. GINGRICH in two instances.
Mr. CONABLE.
Mr. ROUSSELOT.
Mr. LEBOUTILLIER in two instances.
Mr. DERWINSKI in two instances.
Mr. COLLINS of Texas in three instances.
Mr. ASHBROOK in two instances.
Mr. FRENZEL in five instances.
Mr. NELLIGAN.
Mr. GILMAN.
Mr. WEBER of Ohio in two instances.
Mr. JAMES COYNE.
Mr. DENARDIS.
Mr. PAUL.
Mr. WOLF.
Mr. RITTER.

(The following Members (at the request of Mr. DONNELLY) and to include extraneous matter:)

Mr. EDWARDS of California.
Mr. WILLIAM J. COYNE.
Mr. AUCOIN.
Mr. RODINO in two instances.
Mr. WHITTEN in two instances.
Mr. IRELAND in two instances.
Mr. FROST.
Mr. ROE in two instances.
Ms. OAKAR.
Mr. O'NEILL.
Mr. SHAMANSKY.
Mr. SOLARZ in two instances.
Mr. MINISH.
Mr. FLIPPO.
Mrs. SCHROEDER.
Mr. SANTINI.
Mr. LONG of Maryland in four instances.
Mr. FUQUA.
Mr. LEHMAN in two instances.
Mr. SCHUMER.
Mr. GEPHARDT.
Mr. WEISS.
Mr. FORD of Michigan.
Mr. LONG of Louisiana.
Ms. FERRARO.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 34. Joint resolution to provide for the designation of the week commencing with the third Monday in February 1982 as "National Patriotism Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; according (at 7 o'clock and 29 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 18, 1981, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[*November 17 (second legislative day), 1981*]

2530. A letter from the Assistant Secretary of Defense (Comptroller), transmitting selected acquisition reports and SAR summary tables for the quarter ended September 30, 1981, pursuant to section 811(a) of Public Law 94-106; to the Committee on Armed Services.

2531. A letter from the Assistant Secretary of the Air Force (Research, Development and Logistics), transmitting notice of the proposed conversion to contractor performance of the refuse collection and disposal function at Pope Air Force Base, N.C., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

2532. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Air Force's proposed sale of certain defense equipment and services to Turkey (Transmittal No. 82-01), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

2533. A letter from the Secretary of Housing and Urban Development, transmitting a status report on projects assisted under section 608 of the National Housing Act, requested in House Report 96-979; to the Committee on Banking, Finance and Urban Affairs.

2534. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense equipment and services to Turkey (Transmittal No. 82-01), pursuant to section 36(b) of the Arms Export Control Act, together with certification that the sale is consistent with the principles contained in section 620C(b) of the Foreign Assistance Act of 1961, pursuant to section 620C(d) of the act; to the Committee on Foreign Affairs.

2535. A letter from the Deputy Administrator of General Services, transmitting a report on the latest investigations of the cost of travel and the operation of privately owned vehicles to Federal employees while engaged on official business, pursuant to 5 U.S.C. 5707(b); to the Committee on Government Operations.

2536. A letter from the Maritime Administrator, Department of Transportation, transmitting a study comparing the relative costs of repairing and outfitting the training vessel *Bay State* with the costs of reactivating and converting the SS *Tulare* of the U.S. National Defense Reserve Fleet for use as a training ship of the Massachusetts Maritime Academy, pursuant to section 1609 of the Omnibus Budget Reconciliation Act of 1981; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*November 17 (second legislative day) 1981*]

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 3663. A bill to amend subtitle IV of title 49, United States Code, to provide for more effective regulation of motor carriers of passengers; with an amendment (Rept. No. 97-334). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 275. Resolution waiving certain points of order against H.R. 4995, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes (Rept. No. 97-335). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 276. Resolution providing for the consideration of H.R. 2559, a bill to authorize appropriations for the Coast Guard for fiscal year 1982, and for other purposes (Rept. No. 97-336). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 277. Resolution providing for the consideration of House Concurrent Resolution 220, a concurrent resolution providing for the commemoration of the 100th anniversary of the birth of Franklin Delano Roosevelt (Rept. No. 97-337). Referred to the House Calendar.

Mr. MINISH: Committee on House Administration. House Resolution 244. Resolution providing for upgrading of three positions on the Capitol Police, and for other purposes (Rept. No. 97-338). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Concurrent Resolution 220. Concurrent resolution providing for the commemoration of the 100th anniversary of the birth of Franklin Delano Roosevelt (Rept. No. 97-339). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[*November 17 (second legislative day), 1981*]

By Mr. ANNUNZIO:

H.R. 5000. A bill to provide that interest shall be paid on funds placed in escrow for purposes of paying taxes and insurance on residential real property and certain other types of property; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BEREUTER (for himself, Mr. UDALL, Mr. LUJAN, Mr. CLAUSEN, Mr. KAZEN, Mr. YOUNG of Alaska, Mr. SEIBERLING, Mr. LAGOMARSINO, Mr. WON PAT, Mr. MARRIOTT, Mr. MILLER of California, Mr. CORRADA, Mr. PASHAYAN, Mr. MURPHY, Mr. VENTO, Mr. COELHO, and Mr. GEJDENSON):

H.R. 5001. A bill to authorize the States and the Indian tribes to enter into mutual agreements and compacts respecting jurisdiction and governmental operations in Indian country; to the Committee on Interior and Insular Affairs.

By Mr. BREAUX (for himself and Mr. FORSYTHE):

H.R. 5002. A bill to improve fishery conservation and management; to the Committee on Merchant Marine and Fisheries.

By Mr. GAYDOS:

H.R. 5003. A bill to amend title 28, United States Code, to authorize the Attorney General to acquire and exchange information to assist Federal, State, and local officials in the identification of certain deceased indi-

viduals and in the location of missing children and other specified individuals; to the Committee on the Judiciary.

By Mr. GEPHARDT (for himself, Mr. BAFALIS, Mr. FORD of Tennessee, Mr. GUARINI, and Mr. GRADISON):

H.R. 5004. A bill to amend the Internal Revenue Code of 1954 to clarify the tax treatment of variable annuity contracts; to the Committee on Ways and Means.

By Mr. MAVROULES:

H.R. 5005. A bill to amend title 10, United States Code, to promote the use of solar and other renewable forms of energy in military facilities and equipment; to the Committee on Armed Services.

By Mr. PEPPER:

H.R. 5006. A bill to amend the Public Health Service Act to establish a National Institute on Arthritis and Musculoskeletal Diseases; to the Committee on Energy and Commerce.

By Mr. SMITH of Oregon:

H.R. 5007. A bill to provide for the designation of the Burns Paiute Indian Colony of Oregon as the beneficiary of a public domain allotment and to provide that all interests in public domain allotments in Harney County, Oreg., which are held by Indian allottees who die intestate and without heirs, shall escheat to the United States to be held in trust for the benefit of the Burns Paiute Indian Colony of Oregon and added to the Burns Paiute Indian Reservation; to the Committee on Interior and Insular Affairs.

By Mr. WIRTH (for himself and Mr. SWIFT):

H.R. 5008. A bill to amend the Communications Act of 1934 to make certain technical revisions regarding the administration of such act, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BRINKLEY:

H. Con. Res. 222. Concurrent resolution directing the Commissioner of Social Security and the Secretary of Health and Human Services to immediately conduct a study and report to Congress on steps which can be taken to correct the benefit disparity known as the notch problem, in order to insure equitable and fair treatment for those who have based their retirement plans on benefit levels which have existed for the past decade; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

[*November 17 (second legislative day), 1981*]

By Mr. GOODLING:

H.R. 5009. A bill for the relief of Annie L. Mitchell; to the Committee on the Judiciary.

By Mr. WHITE:

H.R. 5010. A bill for the relief of Frank C. Koper; to the Committee on the Judiciary.

By Mr. STUMP:

H. Res. 278. Resolution to refer H.R. 4994 to the Chief Commissioner of the U.S. Court of Claims; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

[*November 17 (second legislative day), 1981*]

H.R. 2250: Mr. BENEDICT.

H.R. 3474: Mr. CONTE, Mr. STANTON, Mr. BROOMFIELD, Mr. HILER, and Mr. SMITH of New Jersey.

H.R. 3721: Mr. D'AMOURS.

H.R. 3940: Mr. BEDELL, Mr. DANIEL B. CRANE, Mr. DYSON, Mr. GINGRICH, and Mr. LUKEN.

H.R. 4147: Mr. IRELAND and Mr. LEHMAN.

H.R. 4571: Mr. MITCHELL of Maryland, Mr. WON PAT, Mr. BEDELL, Mr. CONYERS, Mr. DASCHLE, and Mr. OTTINGER.

H.R. 4573: Mr. SEIBERLING.

H.R. 4833: Mr. ROBINSON.

H.R. 4835: Mr. DREIER, Mr. WHITEHURST, Mr. FAZIO, and Mr. FISH.

H.R. 4898: Mr. FIELDS.

H.R. 4930: Mr. APPLEGATE, Mr. ASHBROOK, Mr. BENJAMIN, Mr. BROYHILL, Mr. COATS, Mr. CORCORAN, Mr. DANIEL B. CRANE, Mr. DANNEMEYER, Mr. ECKART, Mr. KOGOVSEK, Mr. LATTA, Mr. LUKEN, Mr. MADIGAN, Mr. MCEWEN, Mr. MOTTL, Ms. OAKAR, Mr. OXLEY, Mr. PEASE, Mr. PETRI, Mr. REGULA, Mr. ROEMER, Mr. SABO, Mr. SEIBERLING, Mr. SMITH of New Jersey, Mr. STANTON of Ohio, Mr. STOKES, Mr. SWIFT, Mr. WEBER of Ohio, Mr. WOLPE, and Mr. WYLIE.

H.J. Res. 293: Mr. SMITH of Oregon, Mr. CARNEY, Mr. WALGREN, Mr. BARNARD, Mr. SHELBY, Mr. HAGEDORN, Mr. BAILEY of Missouri, Mr. WILLIAMS of Ohio, Mr. DOUGHERTY, Mr. MAZZOLI, Mr. QUILLEN, and Mr. GINGRICH.

H.J. Res. 360: Mr. LOWRY of Washington, Mr. UDALL,, Mr. FRANK, Mr. MURPHY, Mr. BARNES, Mr. VENTO, Mr. TRAXLER, Mr. LUNDINE, Mr. BENJAMIN, and Mr. FROST.

H. Con. Res. 27: Mr. BIAGGI.

H. Con. Res. 178: Mr. GOODLING, Mr. WHITEHURST, Mr. LEWIS, and Mr. BREAUX.

H. Res. 264: Mr. DANIEL B. CRANE, Mr. DORNAN of California, and Mr. BEDELL.

H. Res. 268: Mr. DELLUMS, Mr. OBERSTAR, Mr. AKAKA, Mr. DORGAN of North Dakota, Mr. MATSUI, Mr. FORD of Michigan, Mr. BARNES, Mr. WON PAT, Mr. BEILENSON, Mr. CLINGER, Mr. FASCELL, Mr. SUNIA, Mr. KASTENMEIER, Mr. DASCHLE, Mr. FAZIO, Mr. RATCHFORD, Mr. FOGLIETTA, Mr. COELHO, Mr. MITCHELL of Maryland, Mr. WEAVER, Mr. WYDEN, Mr. MURPHY, Mr. FRANK, Mr. GEJDENSON, Mr. BEDELL, Mr. EDGAR, Mr. DUNN, Mr. OTTINGER, Mr. SCHUMER, Mr. DIXON, Mr. ROSENTHAL, Mr. JOHN L. BURTON, Mr. LEHMAN, Mr. MARKEY, Mr. WEISS, Mr. MILLER of California, Mr. RAILSBACK, Mr. MCKINNEY, Mr. MINETA, Mr. HOLLENBECK, Mr. BROWN of California, Mr. BINGHAM, Mr. ST GERMAIN, Mr. PEYSER, Mr. MINISH, Mr. DAVIS, Mr. GUARINI, Mr. LANTOS, Mr. HOWARD, Mr. WOLPE, Mr. HOYER, Mr. PANETTA, Mr. GREEN, Mr. GILMAN, Mr. HUGHES, and Mr. DWYER.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

[*November 17 (second legislative day), 1981*]

H.R. 4995

By Mr. FOGLIETTA:

—At the end of the bill, add the following new section:

SEC. 701. None of the funds appropriated by this Act may be used for the purpose of converting to performance by contractor personnel any firefighting functions or base-security functions that are currently performed by Department of Defense personnel.

By Mr. GREEN:

—Page 68, after line 22, insert the following new section:

SEC. 792. Of the total amount appropriated under title IV, entitled "Procurement", with the exception of amounts appropriated for acquisition of spare parts and repair parts, and of ammunition, and title V, entitled "Research, Development, Test, and Evaluation", of this Act, three percent shall be withheld from obligation and expenditure.

—Page 68, after line 22, insert the following new section:

SEC. 792. Of the total amount appropriated under title IV, entitled "Procurement", and title V, entitled "Research, Development, Test, and Evaluation", of this Act, three percent shall be withheld from obligation and expenditure.

By Mrs. ROUKEMA:

—At the end of the bill, add the following new section:

SEC. . Not more than 98 percent of the total amount appropriated by this Act for procurement under title IV, and not more than 98 percent of the total amount appropriated by this Act for research, development, test, and evaluation under title V, may be obligated or expended. None of the reduction required by the preceding sentence in funds available for procurement may be taken from amounts appropriated for procurement of spare parts.

By Mr. WEBER of Ohio:

—Strike out section 778. Redesignate succeeding sections accordingly.

EXTENSIONS OF REMARKS

SOCIAL SERVICE DIRECTOR SUPPORTS REAGAN EFFORTS

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. BROYHILL. Mr. Speaker, during recent days we have heard primarily from the people who are very much opposed to the President's efforts to reduce Federal spending. Today I would like to call to my colleagues attention the comments from Mr. Ben Carpenter, the very efficient, effective, and respected director of the Department of Social Services in Gaston County, the largest county in my congressional district.

Mr. Carpenter indicates that the news media has exaggerated the effects and the size of the Federal budget cuts. He is indeed correct.

Mr. Carpenter recognizes the need to return more authority, power, and flexibility to the States. He is indeed correct.

Mr. Carpenter recognizes the need to reduce the bureaucracy and to cut down on the paperwork and regulations which occupy far too much of his employees' time. He is again correct.

Mr. Carpenter believes that local administrators should have as much flexibility as possible in administering the complex programs. Again, he is correct.

Mr. Speaker, I wish the Members of Congress had the same opinions about these programs as my constituent, who is on the frontline administering the programs we enact here in Washington. I believe more deserving people would be served at less cost to the hard-working taxpayers.

I urge my colleagues to read the interview written by my friend, Bill Williams, the editor of the Gastonia Gazette. Thank you.

MAN ON A "HOT SEAT"

(By Bill Williams)

There is one man in Gaston County who probably has grown accustomed to the hot seat, but then everything is relative. The seat he thought was hot last week might have been cool compared to what it might be next week, or the week after that.

The man's name is Ben Carpenter. He is director of the Gaston County Social Services Department. He has been in that position since April Fool's Day, 1974. He is still trying to figure out who got fooled, himself or the Social Services board.

One day this week, I picked up the phone and without any forewarning to the man on the other end dialed Carpenter's number. I asked if he had 10 minutes, and he said yes. I told him that I wanted to do a column on what it's like to be a Social Services director in a time when social services is not a growth commodity. He said he would answer to the best of his ability and he wouldn't pull his shots.

So, the following is the result of that question-and-answer period.

Q.: What's it like sitting in the hot seat of Social Services director now?

A.: It's kind of frustrating. We are going through a period of uncertainty and there are going to be some cutbacks. We know that. It is frustrating to me to have to let people off. I have never had to do that before. It's unpleasant. I have had to let five service workers go, and that will get me through July, and then we will have to have some other reduction in force, and then more after that. After awhile, it becomes difficult to organize an agency with what you have left. There are caseloads that are not being covered and the staff is pushing for some kind of resolution. I could give a better resolution if I knew what the bottom line was going to be.

Q.: What, in your opinion, is the thrust of President Reagan's social services proposals?

A.: The president is determined to get some control over the bureaucracy, and I support this. He is determined to give to the states certain responsibilities which the federal government has assumed down through the years. This has merit, because if you can get hold of the bureaucracy, you can get hold of the other problems. Red tape takes time from the real job. I ran a survey some time back and found that only 35 percent of the staff's time was going to service. The rest was going to paper work. We have picked that up now to 60-65 percent. We are offering more service without more people. If the amount of red tape could be cut, we could get that up to 80-85 percent without more people. Block grants could do that, depending on what the states would do.

The president is determined, also, because of the election mandate, to reduce the amount of money going into entitlement programs. The whole thrust is to balance the budget and to do that he has to cut into social programs.

Q.: Is there as much cutting back as has been prophesied in the press?

A.: I think that the press has had some statistics that are not exactly right. For instance, some time ago, there was a story that said that 40 percent of the payments to mothers with dependent children would be cut out. That was totally misleading. My personal belief is that this will be no more than 10 percent.

Q.: What is your general philosophy of "Welfare?"

A.: I am a fiscal conservative. Any program ought to be cost effective. The greatest value possible should come from a dollar. There would be some local ability to control what is being done, and that we don't have . . . in terms of caring for dependent children, providing a decent nutritional level, services to foster children and to abused children. I believe in that. But I believe that we have lost the ability to apply on the local level remedies for unusual situations.

As an example: A man called the other day complaining about some young girls who were getting assistance. These girls, he said, were having young men into their homes for ulterior purposes. On the other hand, the man knew of an old lady who couldn't get assistance because her son was living with her and she simply did not meet the standards of eligibility. We have to consider his income with hers.

Q.: What one change would you make in the system if you had your way?

A.: Well, aside from reducing the amount of paperwork, I would make it possible for my staff to have some discretion in making decisions on whether to help or turn down help. We need more authority in emergency situations. I have a $25 million budget, but I can't apply any of that in real emergency situations.

Q.: Is there going to be a significant number of people hurt seriously because of budgetary cutbacks?

A.: There will be a significant number who think they are hurt. We have a $4 million AFDC (Aid to Families with Dependent Children) budget. That will be reduced about $400,000 annually, spreading over 2,000 cases. There will be some cutback in the foodstamp program, and that will hurt some. The administration is trying not to hurt the older-people programs. Whether this will be a significant amount, I have no way of knowing.

Q.: What is the state of "welfare" in Gaston County today? How many are on your rolls?

A.: There are 5,000 on AFDC; 12,000 on food stamps; five or six thousand eligible for Medicaid in any given month; 1,600 service cases (non-financial cases such as those in protective services, adoption, counseling, family planning, etc.) . . . probably between 15,000 and 20,000 people in all—about 10 percent of the county's population. We are spending about $15 million of our $25-million budget on Medicaid. This is growing from 17 to 22 percent annually.

Q.: If there are no significant cutbacks, what will a graph over the next 10 years show?

A.: It would probably show that we would have about the same percentage of population—about 10 percent—and that Medicaid alone would grow to $40 or $50 million in those years. The county's cost would be $10 million as opposed to $1 million now. AFDC would remain about $4 million a year. The staff probably would be about the same.

Q.: If you had your 'druthers,' what would you prescribe for Gaston County's social services efforts during the next 10 years?

A.: The first thing would be a coordinated human services effort. I would consider the total needs of a person in terms of what you can provide to get this family self supporting, to get this person to be a contributing member of society. Second, I would provide institutional care for the person who needs it, the person who is not going to be able to live alone in society, can't meet his or her own needs because of physical or whatever problems. And third, I would institute some system of internal cost-effective auditing. We are externally audited all the time but internally we don't look at the correlation

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

of one part of county government with another. Part of this is because we rely so much on the dollars that come down to us from elsewhere.●

ARTHUR SHULTZ—A TRIBUTE

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. McGRATH. Mr. Speaker, I read with sadness about the death of Arthur Shultz, who passed away on November 2 at the age of 71.

For the last 12 years, Art was a resident of Lynbrook, where he made an invaluable contribution to the lives of all senior citizens in our community.

As the author of "As a Senior Sees It," a weekly newspaper column, Art covered the activities of senior citizens' clubs and organizations in the town of Hempstead, passing along helpful information, advice, and news.

Art was also a member of the Lynbrook Republican Club, the Village Independent Party, the Masonic Order, the Malverne Square Group, the Nathan Hale Senior Citizens Housing Project of Lynbrook, the Valley Stream AARP, and he served as the chairman of the Mayor's Senior Citizen Advisory Board.

He was able to make friends in many areas of life and he used his experiences to help the elderly.

To the end, Art maintained his marvelous sense of humor, as this excerpt from his last column shows:

> Some new suggestions have been bantered about to take the place of "Seniors." The latest that we heard have been: Experienced Persons, Prime Generation, Silver Citizens * * * of course, we could get realistic about the whole thing and admit that we are old and proud of it." ("As A Senior Sees It," Local News, Nov. 7, 1981.)

Art Shultz served as an example for all of us that age need not deter us from productive activity and our zest for living.●

THE 25TH ANNIVERSARY OF THE CITY OF STANTON

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. PATTERSON. Mr. Speaker, it is an honor to invite my colleagues to join me in recognizing the city of Stanton, as it celebrates its 25th anniversary. Stanton is commonly referred to as "the Crossroads to Vacationland" because it is centrally located amidst some of southern California's best known tourist attractions. These include Disneyland, Knott's Berry Farm, the Movieland Wax Museum, and some of the region's most popular beaches. Stanton is a city whose citizens enjoy a smalltown atmosphere within a modern urban setting.

Early in the 19th century, the area which we now know as Stanton was part of Rancho Los Alamitos. In 1834, Rancho Los Alamitos was purchased by California Governor, Jose Figueroa, from Juan Jose Nieto. Figueroa later sold the property to Dan Able Sterns, in 1842. Cattle were bred on Rancho Los Alamitos until 1861, a year in which the beef market suffered from a sharp decline in demand. That same year, a disastrous flood followed by a period of severe drought paralyzed the area. Financial losses forced Sterns to give up Rancho Los Alamitos. The land was later subdivided and sold in the local market.

The Southern Pacific Railroad came into the Stanton area around the turn of the century. The advent of rail service in this region enticed prospective property buyers and new settlers migrated to the area.

In 1911, the city of Anaheim proposed the creation of a sewer farm on a 16-square-mile site which included the Stanton territory. Local ranchers quickly mobilized and with the help of wealthy landowner Phil Stanton, they incorporated their city. The new city was officially named Stanton—probably after Phil Stanton, although no one knows for sure—and its citizens were triumphantly able to prevent the sewer farm from encroaching upon their community.

Stanton was disincorporated in 1924, so that the State might construct roads and make other infrastructural improvements in the area. The town was reincorporated in 1956, by which time the territory that was originally known as Stanton had been subdivided so extensively that the new city consisted of barely more than 3 square miles. The first mayor of the "new" Stanton was Victor Zuniga. Those who served with Mayor Zuniga include Herbert Cook, mayor pro tem; Max Moolick, city clerk; and Councilmen Frank Kohl, Jesse E. Phillips, and Henry Mendez.

In 1957, Stanton was the home of 1,500 residents. Today it is a city of 24,726. The city is currently governed by Mayor Lawrence J. Romagnino and Councilmen Charles J. Rell, mayor pro tem; Frank W. Marshott; Martha V. Weishaupt; and Joseph M. Wheeler. The Stanton city clerk is Lynda Burgess; the city manager is Dr. James Neal; and the assistant manager is Kevin O'Rourke.

Although the "Crossroads to Vacationland" is primarily a residential community, it is home to approximately 350 retail and wholesale businesses. Stanton is certainly a city worthy of your recognition. Mr. Speaker, it is with pleasure that I ask my colleagues to rise with me in wishing the city of Stanton a very happy 25th anniversary.●

BILL TO IMPROVE FISHERY CONSERVATION AND MANAGEMENT

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. FORSYTHE. Mr. Speaker, today Mr. BREAUX and I are introducing a bill which will amend the Fishery Conservation and Management Act of 1976 (FCMA) to provide for a more timely and smoothly functioning fishery management system and to bring the act up to date in light of our experiences during the past several years.

As I have previously stated in the CONGRESSIONAL RECORD, November 4, 5, 9, 1981, the FCMA management system devised in 1976 has become overburdened to the degree that even routine amendments for fishery management plans are taking as long as 23 months to put into place. While I fully support the need to carefully consider what we are doing before we impose regulatory restraints on the fishing industry, it makes no sense to take so long to do anything that the legitimate conservation and management objectives of the FCMA are frustrated and the interests of the fishing industry left unprotected. For this reason, the legislation being introduced today is designed to clarify, simplify, and expedite the implementation of the FCMA and the functioning of the regional fishery management councils created by the act.

One means by which this is accomplished is by setting specific time limits for the Secretary of Commerce to act on management plans and amendments to those plans. The regional fishery management councils should have a reasonable expectation that when they devote so much time to developing management regimes, the Department of Commerce will determine whether the council proposals are consistent with the national standards, the FCMA, and other applicable law in an expeditious manner. The schedule of review times provided for in this legislation will insure that the Department of Commerce has an adequate amount of time to advise the councils of its disapproval of all or part of a council proposal, to inform the council of the reasons therefore, and to give suggestions for improvement. The effective management of natural resources simply cannot be accomplished if bureaucratic procedures delay decisions interminably. Wise management of our natural resources requires timely decisions.

This legislation also deals with another aspect of sound decisionmaking, the identification of the need for and the collection of the necessary data

for conservation and management of our fishery resources. The regional councils have commented on numerous occasions that there is a need for them to be able to collect data in order to determine whether a fishery management plan is needed. This legislation provides that if a council determines that the statistics and other data available to it are insufficient or unreliable for the purposes of determining whether a plan is needed or for preparing a plan, the council may prepare and submit to the Secretary a data collection program for the fishery which sets forth the types of statistics which the council considers necessary and a justification for the need for such data. The Secretary is to review and approve or disapprove each proposed data collection program within 60 days after the date on which it is submitted to him.

Another amendment to the FCMA contained in this legislation provides that if the Secretary of Commerce makes a certification under paragraph (1) of section 8(a) of the Fisherman's Protective Act of 1967, regardless of whether the President directs any action to be taken under paragraph (4) of such section (8)(a) as a result of such certification, then the reduction, or termination, of allocations to a foreign nation are to proceed in accordance with section 201(e)(2)(A) of the FCMA. The reduction, or termination, of allocations under this section is now linked only to whether the nationals of a foreign country, directly or indirectly, are conducting fishing operations or engaging in trade or taking which diminishes the effectiveness of the International Convention for the Regulation of Whaling. The proposed amendment will insure that actions by a foreign nation under such agreements as the International Convention for the High Seas Fisheries of the North Pacific Ocean and the International Convention for the Conservation of Atlantic Tunas could subject a foreign nation to the potential reduction or loss of its allocations as well.

Other provisions of this legislation: First, clarify that conservation and management measures shall prevent overfishing while allowing on a continuing basis the full utilization of optimum yield by the U.S. fishing industry; second, clarify that guidelines established by the Secretary to assist in the development of fishery management plans do not have the effect of law; third, relieve the Secretary of Commerce of the burden of submitting certain reports on the implementation of the FCMA; fourth, specify that the Federal Advisory Committee Act (FACA) does not apply to the regional councils, the councils' scientific and statistical committees, or the councils' advisory panels. The legislation amends the FCMA to establish procedures to insure adequate public notice and full public knowledge of council meetings and operations; fifth, gives the Secretary the authority, pursuant to a council plan requiring the issuance of permits under a limited entry system, to establish fees at levels exceeding administrative costs; sixth, requires that any fishery management plan prepared by a council include draft regulations for implementing the plan. The Secretary must publish the regulations proposed by the council, as well as any suggested revisions and an explanation of why such revisions are necessary. The Secretary is given a specified period of time in which to promulgate final regulations once the management plan is approved. If the Secretary does not publish final regulations within the specified number of days, the regulations proposed by the council will automatically go into effect. Indentical procedures will apply with regard to amendments to a plan; seventh, clarifies that U.S. observers aboard foreign vessels are responsible for carrying out enforcement as well as scientific and other functions necessary or appropriate to carry out the purposes of the act. In addition they will be expected to cooperate in carrying out such other scientific programs relating to the conservation of living resources as the Secretary deems appropriate. Such programs could include, for example, participating in studies relating to seabird mortality in the Japanese high seas salmon fishery in the North Pacific.

As a package, I believe this legislation goes a long way toward dealing with the problems the fishing industry has brought to our attention in recent months. Effective citizen participation in the fishery management process is only possible if citizens are able to see that their participation has a positive impact on their lives and if they perceive that the process is a cooperative arrangement between Government and the people it serves. Enactment of this bill will bring us all closer to what we were seeking when we passed the FCMA in 1976—assurance that the national fishery conservation and management program involves, and is responsive to the needs of, interested and affected states and citizens; promotion of efficiency; full use of Federal, State, and academic capabilities in carrying out research, administration, management, and enforcement; and the establishment of workable and effective procedures which meet the needs of all concerned.●

MUNICIPAL CLERK'S WEEK

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. GONZALEZ. Mr. Speaker, today I am reintroducing a resolution which would authorize the President of the United States to proclaim the second week in May starting in 1982 as "National Municipal Clerk's Week." The purpose of this resolution is to recognize and honor on a nationwide basis those who bear the title of municipal clerk. The International Institute of Municipal Clerks, representing thousands of our Nation's most established professional public servants, has endorsed such recognition and has set aside this special week in honor of this group.

As a matter of historical perspective, the municipal clerk goes back to pre-Biblical times. The ancient cities of Greece had their own city secretary who's primary duty was to read aloud official documents. The office of clerk can be traced back to the Middle Ages, where initially, a clerk was any member of a religious order. This was derived from the word "cleric" or "clergyman." Our early American colonists established the office of clerk and it quickly became a way of life.

Mr. Speaker, since the earliest days, municipal clerks have been at the heart of virtually all the official act of local government, bringing together the local residents and their government. The result of this has been the orderly maintenance of public records without which responsive local government could not exist.

At this time I would like to encourage my colleagues to join in with me in recognizing this special week for those special individuals who efficiently serve the principles of local government day after day.●

REAGAN THE "LIBERAL"

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. GINGRICH. Mr. Speaker, to hear the liberal elements in the Democratic Party and the news media tell it, President Reagan's budget cuts are right out of the dark ages. Actually, President Reagan's economic recovery program is more "liberal" than the late President John F. Kennedy's economic policies. And I do not know of anyone who considers JFK to have been a coldhearted reactionary. President Reagan's budget cuts are not near as drastic as critics of his pro-

gram would have the American people believe.

Robert Akerman recently made this point in a column which appeared in the Atlanta Journal of November 9, 1981. Akerman writes:

On balance, the Reagan budget is more liberal than that of the supposed great liberal, John F. Kennedy. Just 20 years ago Kennedy devoted approximately 30 percent of the federal budget to social programs, but Reagan is a "reckless reactionary" because he is trying to cut back to 52 percent.

In short, Akerman's column gives historical perspective to the Reagan budget cuts.

The article follows:

REAGAN A JFK LIBERAL?

Sometimes it takes something from way out in left field to give us a jolt and put things in better perspective.

Not that the Libertarian Review in particular or libertarianism in general is "left" in the Marxist sense; indeed, the socialist welfare state is the very thing that libertarianism is fighting. But, as you will see from what follows, libertarianism is way out in one field or another compared to the political perspective most folks have.

And I think it's good for us to learn how things look from that perspective even if we don't choose to stay that far out in the field for the whole ball game. So I want to share a point made in the farewell issue of Libertarian Review, which is more or less being merged with another publication called Inquiry.

The point is that President Reagan's cuts in social welfare spending are not nearly so drastic a reversal as most people think. Libertarian Review provides some figures that are at least useful as an antidote for the overreaction coming from the liberals at the other extreme of the political spectrum.

For one thing, the publication confirmed the point which I have made, and which Reagan himself has made, that he has not cut the size of the federal government, he has only slowed its rate of increase. It's easy to lose sight of that in all the talk about spending "cuts."

True, because defense spending is being increased (a fact which Libertarian Review deplores), some social programs are actually being reduced. But what Libertarian Review makes clear is that even these cuts are not as severe as the liberals make out, and really seem to believe.

The fact is that "even after the cuts, Reagan will be devoting a greater portion of the federal budget to social spending than did the Kennedy administration." In 1961, the total federal budget was $97.8 billion. Of that, $46.6 billion or roughly 48 percent was devoted to defense. About $29 billion, or 29.8 percent, was devoted to social spending. These percentages remained stable from 1961 through 1963.

But whereas Kennedy devoted 48 percent of the budget to defense, Reagan's 1982 budget would allocate only 27.2 percent to defense—and even after what Libertarian Review calls "his massive military spending spree," the defense portion will reach only 37.6 percent by 1986.

In contrast, social spending will take more than 52 percent of the 1982 Reagan budget compared with that 29.8 percent of the Kennedy era.

The libertarian publication isn't making these points to praise Reagan; on the contrary, they think he's not cutting enough in social welfare spending. Since they believe in a radical reduction in all government programs, they accuse him of being "too moderate." Nonetheless, it is a refreshing way to look at it after all the screaming from the liberals about Reagan's "brutal cuts."

I made the same point myself some time back with regard to one specific example, aid to college students. As much as the cuts may hurt individual families under current conditions, the truth is that what Reagan is trying to cut is a form of aid to middle- and upper-income families that did not exist prior to 1978.

I do not necessarily endorse all of Reagan's cuts—I have commented on individual issues in previous columns. But what occurs to me after considering the criticisms from the libertarian perspective is how quickly we become addicted to federal programs, with entitlements enacted in fairly recent legislation becoming accepted as eternal rights within a matter of a few years—and how quickly we lose perspective as a result of superficial reporting that forgets what happened yesterday.

On balance, the Reagan budget is more liberal than that of the supposed great liberal, John F. Kennedy. Just 20 years ago Kennedy devoted approximately 30 percent of the federal budget to social programs, but Reagan is a "reckless reactionary" because he is trying to cut back to 52 percent. Doesn't that thought shake you up a bit, and at least raise the question of why so many people need so much more government help than they did in Kennedy's day?●

THE MANAGUA FOUR

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LAGOMARSINO. Mr. Speaker, at the time this body was debating the wisdom of sending foreign aid to Nicaragua, those who argued in favor of that aid repeatedly pointed to the private sector's existence in Nicaragua as evidence of the Sandinista regime's commitment to pluralism, that it was not committed to establishing a Marxist regime in that Central American nation.

It must be apparent by now to all those advocates for aid to Nicaragua that any hope for pluralism has been abandoned with the arrest of the four Nicaraguan businessmen who protested the policies of the Government. Both a Wall Street Journal commentary and a Washington Post editorial put into very clear perspective the situation in Nicaragua, and I urge my colleagues to give careful consideration to those thoughts.

I would like to raise only one other point. What does it take to convince skeptics there is a Marxist regime in Nicaragua and the threat of its happening again in El Salvador, Guatemala, or even Mexico, is a very real possibility?

[From the Wall Street Journal, Nov. 4, 1981]

THE MANAGUA FOUR

Central American sources tell us that those four Nicaraguan business leaders the Sandinista police routed out of bed and arrested two weeks ago have been sentenced—to seven months in prison. Their crime: signing a letter to the ruling junta protesting a speech by junta strongman Humberto Ortega threatening to hang dissenters against the government's Marxist-Leninist policies "along the streets and highways of the country."

So far as we can tell, word of the sentencing hasn't filtered out officially. But even if our sources are premature, the human rights of the four, Enrique Dreyfus, Benjamin Lanzas, Gilbert Cuadra and Enrique Bolanos, had already been damaged by their Gestapo-style arrest. And they are by no means the only ones feeling the pressure as the Sandinistas move toward the repressive stage of Marxist-Leninist development. Yet we have heard no outcry whatsoever from the "human rights" lobby in the U.S.

We wonder why this is. Is it because business leaders have no human rights? It should be kept in mind that these particular business leaders actually participated in the revolution against Anastasio Somoza two years ago. Alfonso Robelo, who also signed the letter but who has not yet been arrested, was in the triumphant junta that was formed after the Somoza forces were routed.

Mr. Robelo has not escaped trouble, however. After his four colleagues were arrested a mob of 400 Sandinistas attacked his home, throwing rocks through the windows, scrawling obscenities on the walls and splashing his car with red and black paint. His current whereabouts are unknown.

Mr. Robelo and the four jailed men are members of a private-sector umbrella organization called COSEP, which in the U.S. would be equivalent to the Business Roundtable, NAM, Chamber of Commerce and a variety of trade associations all rolled into one. If you can imagine Ronald Reagan sending Irving Shapiro, Reginald Jones, David Rockefeller and Lee Iacocca to the chain gang you have an idea of what's involved. As we have mentioned before, the junta also is cracking down on the church and the press. The country's one independent newspaper, La Prensa, also once a Somoza foe, has been threatened with permanent closing if it continues to insist on reporting the junta's activities honestly.

The policies the business leaders criticized are no mystery. In addition to threatening to hang opponents, Mr. Ortega has issued a statement saying, "Our revolution has a profoundly anti-imperialist character, deeply revolutionary and rooted in class; we are anti-Yankee; we are opposed to the bourgeoisie; we are guided by scientific doctrine, by Marxism-Leninism." And if that is not enough to get the message across, there is the steady buildup of the Nicaraguan army under the guidance of 1,000 Cubans and the constant inflow of heavy weapons from Communist countries.

Yet while all this was going on, the Sandinistas had the effrontery to send an emissary to Washington to tell Congress and the Washington press that nothing interesting was happening. The emissary, Sandinista international relations secretary Julio Lopez, explained that the arrested businessmen would have to prove their charges (for example, that the government is Marxist-

Leninist) or go to jail. Biggest joke of all, he insisted there were no Cuban troops in Nicaragua.

Of course, there is plenty of precedent for the Sandinistas to believe that Washington will swallow any kind of nonsense. After all, didn't Jimmy Carter sign a statement that the Sandinistas were not fomenting revolution elsewhere—a condition of the aid program voted by Congress—even though there were reports from the field even then that they were aiding guerrillas in El Salvador? Haven't American "human rights" advocates always had a double standard, attacking alleged violations by regimes friendly toward the United States and ignoring any mayhem committed by "anti-Yankee" people like Mr. Ortega? And haven't American banks funneled refinancing to the Sandinistas on the basis of phony promises that the private sector in Nicaragua would be protected?

Among the questions the jailed businessmen asked in their letter were: "What use does it serve to proclaim a mixed economy if you continue to confiscate firms illegally? What use does it serve to proclaim to guarantee a free press if you continue to close the communications media? What use does it serve to proclaim pluralism if you impede political parties from carrying out their meetings, attack them with 'divine' mobs, as you characterize them, in order to seize the country in an excess of chaos and violence?"

What good indeed? Quite obviously to convince liberal Yankees that they are not seeing a repetition of the Cuban march toward tyranny. But even if American human rights defenders are unwilling to believe that, we wonder how they can ignore the fact of the businessman arrests.

[From the Washington Post, Nov. 9, 1981]

TOWARD A POLICE STATE

Yet another long step has been taken toward Cuban-style totalitarianism in Nicaragua. Three business leaders from the private sector have been convicted and sentenced to seven months in prison simply for signing an open letter criticizing official economic policies. A fourth signer arrested with the three was freed. A prominent opposition politician, a former member of the first post-Somoza Sandinista junta, was attacked in his house by a mob.

The reasons for concern over the fate of these men go beyond the evident fact that the attack on them is an attack on economic rationality in a country where the economy is in a calamitous condition, in good measure because of arbitrary interference by an untutored, Marxist-oriented government. In Nicaragua, the private sector has been one of those key independent areas of national life to which Nicaraguans and others could look to see whether the junta intended to honor its pledges of respect for a pluralistic society. Two other key areas, the press and the church, are already under siege.

But there is another consideration. The private sector, by its readiness to seek out a way of coexisting with the junta, has been instrumental in winning for the Sandinistas at least a tentative stamp of approval from the United States and other wary outsiders. The very businessmen who are the junta's most recent victims, for instance, have lobbied in Washington for a resumption of American economic aid. Just the day before the four were arrested on Oct. 21, their complaint about junta mismanagement had been cited in the U.S. Senate as it approved a foreign aid amendment providing $33 million for Nicaragua, all of it intended to be directed to the private sector. For the junta to move against these businessmen can only be taken as an assault on Nicaragua's American tie, frail as it is.

The junta's violation of its citizens' rights has now developed to the point where even those Americans who are otherwise sharply critical of administration policy are increasingly disenchanted with the Sandinistas and increasingly open in their critiques of the junta's domestic policies. As this happens, moreover, signs multiply that Reagan administration officials are getting ever more frustrated at what some of them take to be Nicaragua's important role in funneling arms and perhaps also troops from Cuba to El Salvador. Strictly from its own point of view, this is a strange time for the junta to be reminding Americans that it seems to be becoming a Communist-controlled police state.●

IRISH NATIONAL CAUCUS

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. McGRATH. Mr. Speaker, this Friday, November 20, many Irish Americans from the New York metropolitan area will gather for the annual Irish National Caucus dinner. I would like to take this opportunity to express my support and appreciation to the membership of the Irish National Caucus for their work in promoting human rights in Northern Ireland and seeking an end to the violence that has plagued that area for over a decade.

Contrary to reports published in Washington and other areas of the Nation, the Irish National Caucus has repeatedly condemned all violence in Northern Ireland. The organization utilizes all of its funds within the United States to keep the public informed of ongoing developments in the struggle against oppression of the Catholic minority in Ireland's six northern counties. Just as other organizations keep Members of Congress up to date on human rights issues in other parts of the world, the Irish National Caucus has done an outstanding job of shedding light on human rights violations in Northern Ireland. The caucus faces a rather difficult task because it is monitoring the activities of an ally of the United States which has strong ties to the American press and various business and cultural interests.

As I have asked on many occasions, I hope that all Members of this great body will join me in supporting the work of the Irish American Caucus and all organizations dedicated to preserving respect for freedom and human rights in Northern Ireland and throughout the world.●

DR. HENRY THOMAS YOST, JR.

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. CONTE. Mr. Speaker, this Sunday, a very distinguished scholar and constituent of mine passed away in Northampton, Mass. A distinguished biologist, educator, and author, Henry T. Yost, Jr., the president of the American Association of University Professors and Rufus Tyler Lincoln professor of biology at Amherst College, died at the age of 56.

A resident of Amherst, Dr. Yost was born in Baltimore, served in the U.S. Army from 1943 to 1946, and was graduated from the Johns Hopkins University with a bachelor's degree in 1947. After receiving his doctorate in 1951 from Johns Hopkins, Dr. Yost was appointed instructor of biology at Amherst College. In 1951, Dr. Yost also began his career as an active volunteer with the American Association of University Professors (AAUP).

In his three decades of service to the 70,000-member AAUP, Dr. Yost fulfilled two terms on the association's council, was a member of committees on professional ethics and teaching, research, and publications, and from 1973 to 1980 was chair of the AAUP Committee on Government Relations. As committee chair he frequently testified before the U.S. Congress in an effort to advance the welfare of higher education. In June 1980, Dr. Yost was elected 37th president of the 66-year-old AAUP, and on November 12 of this year was honored by the association when a resolution was passed by the AAUP Council establishing the Henry T. Yost faculty fellowships and student internships in higher education.

Author of numerous publications, including the textbook "Cellular Physiology," Dr. Yost coauthored one of the most definitive and highly regarded scientific textbooks, "Science of Genetics." Published in 1976 by Prentice-Hall, "Science of Genetics" was acclaimed by Nature magazine as "the most readable and exciting student text" and as "the best general text on genetics." ASM News stated in its August 1977 issue:

> Out of Amherst College has come a most interesting and stimulating book . . . [Yost] possesses a keen sense of history and a commitment to accuracy and depth.

Dr. Yost was former chairman of the Western Massachusetts Health Planning Council, former chairman of the Valley Health Planning Commission of Western Massachusetts, a member of the science advisory board of the Consumers Union, and member of the executive committee of the Massachusetts PAX. Twice awarded fellowships

to the Chester Beatty Research Institute in London, Dr. Yost was a member of the New York Academy of Sciences and the Radiation Research Society. A 1965 recipient of an honorary master's degree from Amherst College, he was also a member of the Genetics Society of America and the Botanical Society of America.

Dr. Yost is survived by his wife of 33 years, the former Martha Jean Thomas, and a daughter, Brenna Duncan. A memorial service will be scheduled at Amherst College at a later date.●

A FRIENDLIER CLIMATE IN MEXICO

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LAGOMARSINO. Mr. Speaker, in the aftermath of the Cancun Economic Summit Conference, we can be optimistic that cooperation rather than confrontation will mark our relations with both developed and developing nations of the world.

Of particular importance to the United States is a close, cooperative relationship with Mexico. The meetings between the two leaders of Mexico and the United States have demonstrated a growing respect and mutual understanding which will serve as the basis for probably the closest relationship our two nations have ever enjoyed. A report by William Randolph Hearst, Jr., supports this analysis, and I believe it merits the attention of my colleagues:

A FRIENDLIER CLIMATE IN MEXICO

(By William Randolph Hearst Jr.)

MEXICO CITY—Take it from me—a new era of friendlier and more mutually beneficial relations between Mexico and our country is opening up.

This became apparent to me in a nearly hour-long talk this week with President Jose Lopez Portillo, who is being widely acclaimed for his statesmanship in conducting the 22-nation Cancun Summit Conference.

As host and chairman, he is credited with having averted a confrontational crisis between the leaders of the Northern industrialized nations and the Southern so-called Third World—underdeveloped countries.

So, thanks to his skillful diplomacy and our own president's personal magnetism and conciliatory attitude, a measure of success was achieved at Cancun.

President Lopez Portillo told me he thinks the most important achievement was the willingness of the North-South leaders to seek a solution of world economic problems through cooperation rather than confrontation. He feels the conference "opened the door" to a fresh economic approach between the Western industrialized nations and the Third World countries, and believes the "spirit of Cancun will make irreversible" the movement toward establishment of this new international economic order.

Important as all that may be, what impressed me most about the meeting with the dynamic Mexican leader, whose Spanish ancestry dates back four centuries, was how his attitude toward the United States has changed since Ronald Reagan became president. Our relations with Mexico had deterioriated to one of its lowest points under the Carter administration, poisoned by a quarrel over the price of natural gas and what the Mexicans felt was a lack of respect by President Carter for Mexico and President Lopez Portillo. There were numerous irritants on both sides, but what particularly shocked the Mexicans was Carter's reference, during his presidential visit to Mexico City, to an ailment suffered by many visitors here as "Montezuma's revenge." It was true, but hardly diplomatic.

President Reagan moved quickly to remedy relations with Mexico. As president-elect, he met with President Lopez Portillo in the Mexican border town of Juarez. The Mexican president was one of the first foreign leaders to visit the White House after Reagan became president. By treating the proud Mexican with great respect and warmth, telling him "my house is your house," President Reagan quickly won his friendship.

That has led to what President Lopez Portillo told Joe Kingsbury Smith, our National Editor, and me is a "new climate" in relations between our two countries. That new climate was one of the major factors which prompted the Mexican leader to agree in August to sell to our government over a five-year period 109 million barrels of oil for our government's strategic reserve. He did this despite strong opposition from some of the Arab oil producing countries which want to keep America dependent on Middle East oil as a means of influencing American policy toward Israel.

Saudi Arabia flatly refused to sell the Carter administration oil for our strategic reserves, and warned that if its commercial oil sales to the U.S. were diverted to the strategic reserves, it would cut off all supplies.

The most encouraging word we received from President Lopez Portillo was assurance that he may go even further to free us from our virtual bondage to Arab oil producers.

We asked him if America's oil supplies from the Middle East were cut off, would he, as a good neighbor, supply the United States with sufficient oil to meet its basic economic and security needs.

"I do hope we shall never find ourselves in that position," he replied. "But in case we should, Mexico, within the limits of its possibilities, would do everything possible to satisfy America's needs."

That's what I call not only a good neighbor, but a better ally than some of those with whom we are linked and committed to defend in the NATO alliance.

President Lopez Portillo is also striving to play the role of peacemaker in Central America and the Caribbean. He hopes to bring about normalization of relations between Cuba and the United States.

By helping Cuba explore for off-shore oil, he is hoping to make Castro less dependent on the Soviet Union.

"I believe it is quite possible to solve many of the serious problems of Cuba if we can help them discover a sufficient amount of oil," he told us. "By solving those problems, there will be detente in the area. We do not want to link any political ideology to these solutions. This is something we would very much like the American public to understand. We are making extraordinary efforts to create a detente in the area."●

AN IMPROVED APPROACH TO CHARITABLE GIVING

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. CONABLE. Mr. Speaker, recently I introduced legislation which could result in significantly more contributions to charities without an additional cost to individual donors.

H.R. 4979, and S. 1834 introduced in the other body by Senator MOYNIHAN, reflect an idea which began with Robert Sproull, the president of the University of Rochester. The idea stems from the observation that when a person donates his corporate dividened check to a charity, he receives an income tax deduction for the donation but the corporate tax still has been paid with respect to that dividend amount. This is because a corporation does not receive a deduction for its dividends to shareholders. Therefore, corporate dividends are paid with "after-tax" dollars; that is, after the corporate tax has been paid. Thus, in order for a corporation to pay a shareholder a $100 dividend it must begin with an amount greater than $100, so that it will have $100 left after paying the corporate tax. Since most corporations have a marginal tax rate of 46 percent, they must begin with $185 in gross taxable income in order to have $100 in net after-tax income available for distribution.

The legislation would allow a corporate deduction for dividends which a shareholder directs a corporation to send to a charitable organization. The heart of the proposal embodies a mechanism for allowing the additional deduction only to corporations which match the shareholder's dividend by an amount which reflects the reduced corporate income tax because of the new deduction. Thus, the reduced corporate income tax inures neither to the shareholder nor the corporation, but to the charity. The charity receives an increased contribution in the amount of the reduced corporate tax.

While H.R. 4979 reflects the basic concept, the mechanics of implementing it may require some further attention. I trust that any technical rough edges will be identified and addressed as the bill advances through the legislative process.●

PARTY OR NATION?

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. GINGRICH. Mr. Speaker, the liberal Democratic Party leadership

continues to put petty partisan advantage above the national interest. The liberal Democrats' opposition to bipartisan social security reform was one such example. Another example of their party-before-Nation strategy is now obvious. Liberal Democrats are hoping the recession will cause their political stock to soar—the American worker be damned. We should not forget that liberal Democratic tax-and-spend economic policies caused today's recessionary economy. It is amazing that the liberals' great hope to return to power comes from a recession they caused. This tells us something about the moral and intellectual makeup of American liberalism.

Where are the alternative policies the liberal Democrats would substitute for the Reagan economic recovery program? They have none. What the liberal Democrats do have to offer, as the Wall Street Journal says, is:

A continuation of the tax, tax, tax—spend, spend, spend policies that have seriously weakened the economy and sent inflation and interest rates into double digits.

The liberal wing of the Democratic Party allegedly has a patent on compassion for working Americans. But is it compassionate to favor a recession—which hits working people the hardest—in order to regain political power? Is it compassionate to urge the reintroduction of policies that created economic disaster?

The Wall Street Journal and the Atlanta Journal have editorialized against the liberal Democrats' party-before-Nation strategy. "Tip's Gauntlet" from the Wall Street Journal of October 29, 1981, and "Party or Country?" from the Atlanta Journal of September 22, 1981, expose the liberal Democrats' cruel opportunism.

The editorials follow:

[From the Wall Street Journal, Thursday, Oct. 29, 1981]

TIP'S GAUNTLET

Gloomy economic predictions have put House Speaker Tip O'Neill in a jovial mood this week, no doubt because he is persuaded he has outmaneuvered the President on economic policy. The Speaker told the press, in effect, that the President will have to grovel, confessing that his policies are all wrong, if he wants any help from the Democrats.

We would suggest that the President respond not by groveling but by declaring war. The nation is now entering a recession, which most economists have long warned would be the price of correcting the policies Mr. O'Neill and the like pursued for decades. Mr. Reagan has a policy mix with the hope of both curing inflation and limiting the price of correction. It is by no means clear that these policies will fail. But if they do fail, it will be because the Congress, thanks to the efforts of leaders like Speaker O'Neill, is refusing to bring the federal budget under control.

The Speaker and his henchmen are the nation's economic problem. They are deliberately and cynically undermining the President and his program to protect the institutional power Congress and its leaders have amassed over the last decade. A man who can beam over the prospects of recession and continued inflation is not thinking about the welfare of the country but merely of cutting the President down to size. The O'Neill Democrats fervently hope that the economic program will fail so that they can capitalize at the polls.

The President's attempts to overhaul Washington's old ways have stirred all the Machiavellian instincts of the place. Suddenly big spender Congressmen preach sermons about the looming deficit. An attempt by the administration to reform the school lunch program by making it apply only to poor kids is first undermined by the Congress and the bureaucracy and then turned into a media manipulation exercise by Senate Democrats. The hypocrisy spreads like cancer cells.

Most important of all, he has the American people, and it is evident that they understand the fight in Washington quite well. A new Gallup Poll shows that 64 percent would favor giving the President a right he has requested to veto budget items line by line, versus 24 percent who would be opposed. This would be the most effective way to restore budget control, as has been demonstrated in states where that power exists. Congress will fight every inch of the way against giving the President that power, since it would curtail its own. But if the President took his case to the people and combined that with the use of the crude, bludgeon-type veto power he has now, he might well win. Certainly a full-court press for the item veto would be a precise and effective way to pick up the gauntlet Tip O'Neill is throwing down.

The President cannot afford to let the challenge go unanswered. The Speaker says that until the President admits his policy has failed, the Democrats will offer no alternatives. But everyone knows they have no alternative except a continuation of the tax, tax, tax—spend, spend, spend policies that have seriously weakened the economy and sent inflation and interest rates into double digits. The President, who does have a program, and a good one given the difficulties he inherited, must not let himself be put on the defensive by the likes of these.

And like children who have been warned not to waste water, Congressmen now are taking delight in wrenching the money spigots open again. The Senate voted 87-8 Tuesday for a $7.6 billion Interior Department appropriations bill that was some $1 billion over the target the President set last month.

With the entire Washington community responding as it always does to a President who wants to bring the government under control, the President is not well-equipped with troops. Senate Republicans have deserted him, preferring to duck the hard work of spending cuts and preferring to talk up tax increases. The administration itself shows signs of division and panic, with part jawboning the Fed for easy money and part dropping hints about tax boosts. Thatcherization looms.

But the President is the President, and he is not without weapons. The veto is one, and he should use it liberally in the months ahead even at the risk of delaying the task of rationalizing the government. He certainly ought to be able to get his own officials together to get them speaking with one voice.

[From the Atlanta Journal, Sept. 22, 1981]

PARTY OR COUNTRY?

The response by leading Democrats to the Reagan administration's suggestion that cost-of-living increases in eight benefit programs be deferred next year causes us to wonder whether they view the greater challenge to be rebuilding the party or rebuilding the country.

Leaders, such as House Speaker Tip O'Neill, appear to react with glee to the prospect that a new Democratic constituency is being created by the President. We wonder, therefore, whether Democrats will oppose the deferral plan because they have an alternative, because they honestly believe the delays unnecessary, or because they see the opportunity to recruit disgruntled beneficiaries.

The pool is substantial. The deferrals would affect recipients of such benefits as Supplemental Security Income, black lung, railroad retirement, federal and military and veterans retirement, food stamp and nutrition allowances and Social Security.

Since the election last fall, national Democrats have been groping for an issue on which to rebuild the party. President Reagan appears to have provided it.

Given such an opportunity, it is too much, we suppose, to hope that Democrats weigh program costs and react on the basis of what is in the best interest of the country rather than the party.

Spending for entitlement programs has to be addressed. Democrats will find beneficiaries easy to organize in opposition. If they choose to take the lead role in blocking the President's suggestion, they have a responsibility to the country to offer alternatives.

Opposing these deferrals will provide Democrats a cheap and easy win—but as soon as they do, we expect them to present as alternative plan to contain runaway costs in entitlement programs.●

A TRIBUTE TO JOHN M. THORNE

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. FROST. Mr. Speaker, I rise with sadness to report the passing of John M. Thorne, a resident of Grand Prairie, Tex., and a personal friend. Mr. Thorne was a man of such stature that I feel compelled to call his life to the attention of my colleagues.

A lawyer, civic leader, and coach, John Thorne was unique because he combined his personal and professional dedication in bettering his community. He helped to foster the growth of business and industry in the Dallas-Fort Worth area through his service on the original board of directors of the North Texas Commission. For that service, Thorne received a commendation from the commission for his 10 years of service and was also recognized with an honorary citizen award from both Dallas and Fort Worth.

By helping to found the Grand Prairie Crime Commission, Thorne took a stand in the war on crime. He was a president of the Grand Prairie Chamber of Commerce and received its Citizen of the Year Award for 1978-79. And on September 11, 1981, Thorne was recognized by the Grand Prairie Rotary Club when he was made a Paul Harris Fellow and $1,000 was donated in his name to promote education and service projects.

What was unique about John Thorne, however, was his ability to sustain a high profile in the business community without compromising his commitment to the youth of that community. He put his natural athletic instincts to good use by organizing the Dallas Parochial League, an organization which now sponsors and supervises all athletic competition among Catholic schools in the area diocese. Mr. Thorne also helped start a statewide Catholic high school girls' basketball competition which is now known as the Texas Catholic Interscholastic League.

John Thorne clearly embodied the spirit of voluntarism that is missing in many communities across the country. At a time when the Federal Government is retreating from its commitments to "people programs" it will be to people of John Thorne's talents and personal commitment that we will look to for filling the void.

He will be missed by his many friends and relatives in the Dallas-Fort Worth area. To his wife Lois and his family, I extend my deepest condolences.●

BURNS PAIUTE INDIAN TRIBE

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. SMITH of Oregon. Mr. Speaker, I am introducing legislation today that would provide for the designation of the Burns Paiute Indian Tribe as the beneficiary of a public domain allotment in Harney County, Oreg.

This legislation is needed to resolve a matter which occurred when Jesse T. James, a Burns Paiute Indian and sole owner of a 160-acre public domain allotment, died intestate and without legal heirs.

According to Federal law, public domain allotments valued in excess of $2,000 are to escheat to the United States and held in trust for such Indians as the Congress may designate. In the case of Mr. James' allotment, the land is valued in excess of $9,000.

Section 373b of title 25, United States Code, which is the Federal law governing the probate disposition of allotments, has rarely been used, but to prevent the necessity of future legislative action, this bill would provide that any other restricted public domain allotment located in Harney County, Oreg., and held by an Indian allottee who dies intestate and without legal heirs shall also be held in trust by the United States for the Burns Paiute Indian Tribe.

Although this legislation is basically technical in nature, it is very important to the Burns Paiute Indian Tribe. The tribe would like to develop the allotment for agricultural purposes, and by doing so, the tribe hopes to become more economically self-sufficient. I commend the tribe's effort to become more economically independent and would urge expeditious action by Congress on this legislation.●

THE COMMUNICATIONS TECHNICAL AMENDMENTS ACT OF 1981

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. WIRTH. Mr. Speaker, I am today introducing legislation to improve the Federal Communications Commission's effectiveness by making several primarily technical and housekeeping revisions to the Communications Act of 1934. The bill, entitled the Communications Technical Amendments Act of 1981 would, if enacted, reduce the FCC's costs and enable the Commission to better serve the public interest.

The Communications Technical Amendments Act of 1981 is based largely on the "Track I" legislative proposals which the FCC submitted to Congress earlier this year in response to requests from both the House and Senate. Most of the Commission's suggested amendments are merely technical revisions of existing law. The remaining provisions permit the FCC to have greater flexibility in reorganizing staff, in carrying out its duties, and in reducing the amount of unnecessary paperwork. My bill incorporates most of the Track I proposals.

The following is a section-by-section summary of each provision.

SECTION-BY-SECTION SUMMARY

Section 1: Specifies the short title of the bill to be the "Communications Technical Amendments Act of 1981."

Section 2: Modifies overly restrictive prohibitions on FCC Commissioners' and Commission employees' financial interests in companies with communications-related interests. (The existing law forbids Commission employees to own even one share of stock in a company such as Greyhound Buslines, which incidentally owns and operates radios on their transportation vehicles.)

Section 3: Deletes outdated language referring to terms of Commissioners; ties Commissioners' salaries to the Executive Schedule; permits the Commission to locate its main office within two miles of the District of Columbia; permits the Commission to reorganize its staff; gives the Commission the authority to accept reimbursement from sponsors for expenses incurred by Commission employees in attending conventions, conferences, and meetings.

Section 4: Permits the Commission to accept the voluntary and uncompensated services of individuals who hold amateur station operator licenses in the preparation and administration of amateur station operator examinations, and in the detection of violations of the FCC rules governing the amateur radio band. (This proposal would conserve Commission resources by permitting the Commission to use the services of individuals and organizations interested in amateur radio, by bolstering manpower resources available to detect amateur ban violators of the Act and Commission rules.)

Section 5: Permits the Commission to reorganize its bureaus and offices.

Section 6: Clarifies the Commission's jurisdiction over all radio communications. (This proposal would clarify court precedent that radio signals are interstate by their very nature, regardless of particular instances where it might be argued that the radio transmission did not cross state boundaries. Enactment of the amendment would aid the Commission's enforcement efforts against violators in the CB band, which have in some cases successfully defended themselves by arguing that the Commission had not proven that their signal crossed state lines.)

Section 7: Gives the Commission the authority to enter into contracts with private testing laboratories, for type acceptance testing of devices that are capable of emitting radio frequency energy, where the owner or operator of the laboratory does not have a conflict of interest with the device being tested. (This proposal gives the Commission the flexibility to conduct equipment testing through private laboratories, while guarding against conflict of interest problems.)

Section 8: Permits qualified persons who are legally eligible to obtain employment in the United States to obtain radio operator licenses. (This proposal would permit legal aliens to obtain commercial radio operator licenses which are needed for jobs in telecommunications, airline, and other industries. For example, restricted permits for aircraft radio communications are required for aircraft mechanic or baggage handler positions.)

Section 9: Authorizes the suspension of licenses of persons who aid and abet violations of the Communications Act.

Section 10: Brings the Communications Act into compliance with international agreements concerning the licensing of certain aircraft radio stations and operators.

Section 11: Authorizes the Commission to intercept radio communications and to disclose information thereby obtained to federal agencies in an emergency which endangers human life, or to an agency which is charged solely with carrying out a specialized law enforcement function if that agency is already authorized under federal law to intercept radio communications in carrying out such functions; permits the Commission to enter into contracts with such agencies for reimbursement for the services rendered. (In specific instances, the Commission is called upon to provide a service to other Federal agencies by monitoring and intercepting certain radio communications. This proposal would permit the Commission to provide this service within the

constraints of existing law, and to contract with these agencies for reimbursement for the services rendered.)

Section 12: Authorizes the Commission to require the temporary cessation of any regulated radio frequency transmission if such transmission causes electromagnetic interference to any radio communications or electronic equipment and if such interference causes imminent danger to the safety of human life; specifies that the cessation will continue for no more than 60 days without Commission proceedings. (This proposal gives the Commission authority to shut down radio transmission in an emergency endangering human life—e.g., Space Shuttle radio communications interference. If after a 60 day period the interference still has not ceased, the Commission must conduct proceedings before it can continue to require the cessation of the radio transmission.)

Section 13: Increases license terms from 5 to 10 years for non-broadcast licenses; makes the license terms of auxiliary broadcast station licenses—such as remote pickups, studio-transmitter links, and intercity relay transmitters—run concurrently with the main station license terms. (Since auxiliary licenses are contingent upon possession of the main license, they should run concurrently.)

Section 14: Authorizes the Commission to allow the operation of citizens band radio service and radio control service without licenses, if the Commission finds that operation of such services without licenses would serve the public interest, convenience, and necessity. (At present, the Commission's licensing in the CB band is basically a rubber-stamp procedure, albeit at considerable cost to the Commission. Permitting the Commission to de-license this service would remove unnecessary burdens upon the millions of applicants for CB and radio control service licenses and the Commission.)

Section 15: Permits the Commission to limit the grounds for a petition to deny an application for authorization of a nonbroadcast radio station to allegations of electromagnetic interference, except that an allegation of antitrust violation must be considered where there is no other means by which to make such an allegation.

Section 16: Permits the Commission to grant temporary radio operation authorizations for renewable periods of 180 days if extraordinary circumstances require temporary operations in the public interest.

Section 17: Makes consistent the Act's provisions regarding agreements to withdraw competing applications for a construction permit. (This proposal would conform the Act's language in the case of competing applications for construction permits, to that adopted in the Budget Reconciliation Act of 1981 for the case of a license renewal applicant competing with applications for construction permits.

Section 18: Defines the terms "willful" and "repeated" for the purposes of the Act.

Section 19: Deletes obsolete language.

Section 20: Permits the Commission to eliminate construction permit requirements for public coast stations, privately owned fixed microwave stations, or stations licensed to common carriers; for other stations or classes of stations, requires construction permits unless the Commission finds that a waiver of such requirement for a construction permit serves the public interest, convenience, and necessity. (This proposal would permit the elimination of construction permits in those services which it has proven to be an unnecessary administrative and financial burden on the potential entrant and on the Commission.)

Section 21: Deletes section 325 of the Act, which requires a Commission permit in order to export programming for use on a foreign station whose signal can be received in the United States. (This section was enacted in 1934 to control two problems then existing: the broadcast of certain objectionable programs into the United States from Mexican stations and persistant electronic interference from the same source. These problems are no longer of serious concern and, to the extent that they still exist, there are treaties with Mexico, Canada, and other nearby foreign nations which can form the basis for international cooperation. In addition, the section raises serious First Amendment concerns of prior restraint.)

Section 22: Authorizes the Commission to receive assistance from private sector frequency coordinators in the private land mobile and fixed services. (This proposal would provide a statutory basis for present Commission practice.)

Section 23: Shifts the burden of notification of interested parties in licensing cases from the Commission to the appellant; requires the Commission to file the records upon which the order complained of was entered within 40 days, in accordance with the Federal Rules of Appellate Procedure (Rule 17). (This proposal shifts the burden of notification to those who have the easier access to the information of who are the interested parties.)

Section 24: Establishes the time from which certain petitions for review must be filed as the release date of the text of the order, decision, action, or report complained of. (This proposal provides a clear starting time for when an appeal of a Commission order must be filed. It also insures that potential appellants have the benefit of reviewing the official text of the order, decision, or report before the deadline for filing a notice of intent to appeal.)

Section 25: Specifies the effective date of Commission orders to be thirty days from the release of the public notice of the order, unless the Commission designates a different effective date.

Section 26: Clarifies that cable systems are subject to the Commission's forfeiture authority. (This proposal would remove any ambiguity regarding the Commission's forfeiture authority over cable operators. The amendment would also ratify current Commission practice.)

Section 27: Directs the courts to retain illegal radio equipment operated in violation of section 302 or unlicensed equipment wrongly used in violation of section 301, and to thus prevent its continued operation in cases of conviction of such violations. (Illegal or unlicensed radio equipment is often returned to individuals who have been convicted of manufacturing, distributing, or selling such equipment. This proposal would aid in the Commission's enforcement efforts and substantially reduce interference problems experienced by the general public.)

Section 28: Amends section 605 to permit the Commission's use of volunteers in the amateur radio band. (This proposal conforms section 605 to section 4(f)(4) to accommodate the use of volunteer monitoring of the amateur radio band for purposes of detecting violations.)

Section 29: Replaces obsolete language.

Section 30: Extending to FCC employees statutory protection against assaults and death for Federal employees. (Commission employees are sometimes put into dangerous circumstances due to their investigation of unlicensed radio operations by drug smugglers and others. This proposal would afford greater employee protection to the Commission's investigators and inspectors.)●

VETERANS DAY

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. SEIBERLING. Mr. Speaker, last March the House unanimously approved House Joint Resolution 182, designating April 26, 1981, as "National Day of Recognition for Veterans of the Vietnam Era." I was a cosponsor of House Joint Resolution 182, and I joined with my colleagues in commending the contribution and sacrifice made by the men and women who served with our Armed Forces in Vietnam.

I also noted at the time that if there was to be any real meaning behind Vietnam Veterans Recognition Day, Congress would have to take concrete action to address the special problems faced to this day by our Vietnam veterans. Suicide, alcoholism, unemployment, and drug abuse are all problems associated with Vietnam veterans. In 1979, Congress recognized the need for counseling programs tailored to the particular needs associated with service in Vietnam, and authorized the creation of a Vietnam veterans' outreach counseling program. Despite the success of the program, the Reagan administration attempted to terminate it.

I am pleased to note that the 97th Congress has demonstrated its willingness to translate the sentiments expressed in House Joint Resolution 182 into meaningful programs. Last month, Congress cleared legislation which specifically address some of the problems faced by Vietnam veterans. That legislation, H.R. 3499 (Public Law 97-72), extends until September 30, 1984, the readjustment counseling program. Public Law 97-72 also extends through December 31, 1983, the period during which Vietnam-era veterans can use remaining GI bill eligibility to pursue on-the-job training programs, vocational courses, or a high school diploma, and establishes a VA-run small business loan program to provide loans to disabled and Vietnam veterans. Most important, Public Law 97-72 finally makes Vietnam veterans who are suffering from problems linked to the use of the defoliant known as agent orange eligible for Vietnam hospital, nursing home, or outpatient care. This provision will almost certainly help ease the suffering of Vietnam veterans who have faced the agonies of cancer, skin

rashes, and incapacitating headaches, and the heartbreak of parenting deformed children—all problems associated with exposure to agent orange.

An article in today's Washington Post about Veterans Day ceremonies in Washington Highlights both the problems and prospects for Vietnam veterans. Many of the Vietnam veterans described in the article suffered debilitating injuries in Vietnam. All of the members of the Young Veterans Choir, in town to sing on Veterans Day, are suffering from posttraumatic stress syndrome. Yet they have, at last, begun to turn the corner on the problems associated, directly or indirectly, with their service in an unpopular conflict. I hope that Congress will continue to provide our Vietnam veterans with the assistance they need to put the war behind them. The Post article follows these remarks:

[From the Washington Post, Nov. 12, 1981]

FLAGS, MEDALS AND A SOLEMN PLEDGE

VETERANS DAY RITE LAUDS THREE GENERATIONS

(By Peter Perl and Celestine Bohlen)

Wearing the medals of four wars, three generations of veterans gathered before the Tomb of the Unknown Soldier in Arlington National Cemetery yesterday to hear Secretary of Defense Caspar Weinberger pledge that "never again will we ask young men and women to serve in a war we do not intend to win."

"To keep peace with freedom, we must be so strong both in military force and in national will and resolve that no aggressor will choose to strike us or our allies," Weinberger told a crowd of 3,000 flag-waving veterans who gathered under sunny skies on Veterans Day and the 60th anniversary of the dedication of the Tomb of the Unknown Soldier.

In downtown Washington, also at the 11th hour of the 11th day of the 11th month—commemorating the moment of the Armistice that ended World War I—there was a different kind of Veterans Day gathering.

The scars and shattered limbs didn't show beneath their brown choir robes as 54 Vietnam veterans stood in a courtyard off New York Avenue. Neither did their emotional wounds as they began to sing.

The Young Veterans Choir, the members of which all are currently under treatment for post-traumatic stress syndrome at the Veterans Administration hospital in Menlo Park, Calif., came to Washington carrying messages in song and poetry and in reminiscences of a war that they continue reliving and continue escaping.

Most of the nation's 2.7 million Vietnam veterans came home years ago to schools, jobs and families. But these 54 are among those who are still making that journey home. Their message yesterday was that they don't want to carry forever the badge of Vietnam, that they want finally to be considered just as veterans, American sons, brothers and fathers.

"Finally, this is my veterans parade," said Fernando Valdez, 32, a Mexican-born former Army helicopter crew chief from San Diego. "It has been a very long time coming."

On Oct. 3, 1970, Valdez's helicopter was shot down over the central highlands of Vietnam. The crash severed his right arm, shattered his legs and blinded his left eye. He came home with more than 20 combat decorations, but the decade that followed his homecoming was a downward spiral culminating in heroin addiction, federal and state bank robbery convictions, four years in prison and, finally, mental collapse, he said.

Only in the last year, through the group therapy he shares with other troubled young veterans, Valdez said he has turned a corner, kicked drugs and started rebuilding. "I am trying to become an asset rather than a liability or a casualty," he said.

The Young Veterans Choir visit was organized by various veterans groups and by Rep. Tom Lantos (D-Calif.) who represents the hospital's home district. The visit coincided with the opening of an exhibit at Octagon House at 1799 New York Ave. NW, of the designs submitted for the new Vietnam Veterans Memorial, planned for a site on the Mall near the Lincoln Memorial.

The choir sang songs of love and brotherhood, and several veterans recited original poetry about their experiences.

"I am learning how to be a loving father and a loving husband for the first time," said Larry Connolly, a 33-year-old former marine who specialized in flame throwers and rocket assaults. Connolly, who landed in the Menlo Park program only after being turned away from other VA facilities, said he hoped the country would be reminded on Veterans Day of the need for such programs.

Connolly, who carries shrapnel in his legs, said he had grown increasingly paranoid and violent in recent years, slowly stockpiling an arsenal at his Northern California home and eventually accumulating four automatic rifles, a machine gun, a mortar, 200 pounds of explosives and 20,000 rounds of M16 rifle ammunition.

A few months ago, he said, he tried to run down his wife with a truck and then tried to kill himself, he said. His gun misfired.

"I have still been fighting [the war] and I am finally letting it go," Connolly said. "I am trying to become a normal loving American male. . . . I want people to know that."

With the planned construction of the new Vietnam Veterans Memorial, the war and its veterans are moving more firmly into America's official memory. While Vietnam veterans were in a small minority at Arlington yesterday, several veterans leaders said their organizations are seeing a gradual influx of these younger ex-servicemen.

"They're coming out of the so-called Vietnam syndrome," said A. Leo Anderson, chief of Veterans Affairs for the District of Columbia. "They're settling down, getting married, going into debt. They're coming back to reality."

Most of the Vietnam veterans who turned up at Arlington wore civilian garb, avoiding the conscious statement of the veterans organizations. "There are a lot of us around," said Jim Imparato, a 30-year-old Vietnam veteran from Philadelphia who drove here for the ceremonies. "Maybe we just don't want people to know it."

Imparato came to Washington with Max Inglett, 30, who is now in a wheelchair because of spine injuries received in Cambodia. Inglett, a Californian, decided last month to trek across the country, gathering support for a legislative program to prevent future Vietnams.

"He's got a lot of guts," said an admiring Imparato who decided to join Inglett's cause when he saw his fellow veteran on TV. But Imparato said he had always wanted to attend the Arlington ceremonies. "Veterans are veterans," he said. "I don't care which war they were in."

Yesterday, silence—marred only by airplanes passing above—greeted Weinberger, standing in for President Reagan, as he walked up the marble steps with former representative Hamilton Fish (R-N.Y.), 92, to lay a red-white-and-blue wreath at the marble Tomb of the Unknown Soldier.

It was Fish who sponsored the 1921 bill, the last signed by Woodrow Wilson, to bring home an unknown soldier from the battlefields of World War I. Thirty seven years later, two more soldiers—their names "known but to God"—were buried in the marble tomb, honoring the dead of World II and the Korean War.

Yesterday, Neil Keltner, national commander of the Legion of Honor, which hosted the Arlington ceremonies, said a fourth soldier should be buried at the crypt in Arlington, one honoring the dead and missing from America's most recent war.

At about the same time, the Young Veterans Choir was singing its final song, "Blowing in the Wind," with its final question:

"How many deaths will it take till we know

"That too many people have died?"●

ISMET DELETIOGLU—A TRUE AMERICAN GIVES THANKS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. SOLARZ. Mr. Speaker, as Thanksgiving approaches, I would like to pay tribute to a remarkable and generous Turkish American, Ismet Deletioglu, who each year opens his restaurants in Chicago to thousands of people who otherwise would spend this holiday alone and hungry.

This Thanksgiving will be the sixth that Mr. Deletioglu has hosted the poor, the elderly, and the forgotten of the Chicago area to a complete traditional turkey dinner in his restaurants. He and his family and friends will work to prepare and serve the meal to all who respond to his invitation.

For Ismet Deletioglu knows all too well the problems of loneliness, poverty, and hunger. One of seven children, he was orphaned at the age of 10, and went to work to support himself at any jobs he could find in his poor Turkish fishing village.

Matt was able to reach the United States 14 years ago, penniless and alone. Like many immigrants, he struggled to learn the language and customs of his adopted country. Working as many as three jobs at a time, he scrimped and saved, but finally he was able to open his own restaurant, the French Port. His business prospered, and he opened another restaurant.

But he wanted to share his good fortune with others, particularly at the holidays. He remembered the ancient Turkish custom where the wealthy open their homes to feed the poor 1 day a year and decided to open his

Chicago restaurant to feed the poor on Thanksgiving.

Explaining why he has continued this tradition and why he chooses to spend his holiday feeding the lonely and hungry, Matt replies:

I think people should care * * * What we do, we do from the heart. Not for publicity or money. Just from the heart * * *

This year, in tribute to the compassion, commitment, and warmhearted generosity of this "new" American, the Daughters of the American Revolution awarded Matt the DAR Americanism Medal. This award, which symbolizes the best of our American traditions, is a fitting tribute for this energetic and active man.

Matt Deletioglu is a credit to our Nation, an authentic patriot who has prospered through hard work and dedication while enriching our society with the best of his old culture and traditions.

I am proud to count Matt Deletioglu among my friends and to have the opportunity today to recognize his contributions to our great country and pay tribute here in the Congress to his efforts to help thousands of our less fortunate citizens experience a warm and memorable Thanksgiving.●

MIRACLE WORKER

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. IRELAND. Mr. Speaker, Frostproof, Fla., has produced its own version of the miracle worker recently, and I had the pleasure of spending some time with him in Washington last week.

Daniel Johnston, a 17-year-old Frostproof student was in Washington to receive an award for his achievement in developing a computer program designed to teach sign language to the hearing impaired, or teachers of the hearing impaired.

I had heard about Daniel from several proud members of his community, as they tracked his success story through the regional competition in Atlanta for inventors of aids for the handicapped, and on to Washington as one of the Nation's leading finalists in competition sponsored by the National Academy of the Sciences.

Needless to say, I was very proud to have a resident of the Eighth Congressional District achieve this high honor. It illustrates quite clearly, I believe, that much of this country's greatest innovations and research comes from individuals, like Daniel, working for their own personal fulfillment, either on their own or within their small businesses.

Daniel's success is also linked to the helping hands he received in Polk County. After quickly exceeding the capabilities of the machinery at his high school, nearby Webber College extended the use of their computer equipment, as well as the advice and counsel of Dr. Al Strictland. A local doctor learned of Daniel's talent and limited resources for computer equipment, and offered a loan to enable him to purchase necessary supplies to complete his research.

Dr. Fred Lenfesty, president of Polk Community College is looking forward to having Daniel pursue his college career there, and has provided much encouragement to him for his future studies in this exciting field.

The display of support and enthusiasm for Daniel and his project is remarkable, and, I think, one of the nicest aspects of his victory.

His talent and the helping hands of his community provided Daniel Johnston with the opportunity to be a miracle worker in his own right.●

EXECUTIVE DISSENT—AGAINST THE BUDGET CUTS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. RODINO. Mr. Speaker, last week, J. Richard Munro, president of Time, Inc., addressed the Union League Club of New York about the folly, the unfairness and the shortsightedness of the Reagan administration's actual and planned cuts in social spending, while the Reagan tax cuts benefit mostly higher income people.

In excerpts from that speech printed last Sunday in the New York Times, Mr. Munro also criticized the administration's retreat from civil rights enforcement and from safety, health, consumer, and environmental protections.

It is clear from Mr. Munro's remarks that at least one corporate executive is deeply concerned about the effects of the Reagan economic program on the future of not only the truly needy but all members of our society.

The Times article follows:

[From the New York Times, Nov. 15, 1981]

EXECUTIVE DISSENT—AGAINST THE BUDGET CUTS

(By J. Richard Munro)

I know that business executives are not supposed to disapprove of the Administration's spending program. Polls show support among us hovering around 90 percent. That's a phenomenal vote of confidence. I support the new policies that promote growth, new investment and greater productivity.

Yet, in the rush to fight inflation and stimulate investment, I fear that we have cut too deeply, that we have put too high a burden on the poor and elderly, and that we are jeopardizing the long-term goals of this program and the interests of business.

I am especially concerned about the cuts in social spending. They have gone too far, too fast. And too few of us understand their impact.

Most of us probably have found comfort in the notion that the cuts were marginal and that the cuts fall equally on everyone. The cuts are anything but evenhanded, and the effects are far from marginal as the numbers show. About 70 percent of the 1982 cuts now in place come from programs affecting the poor.

You can go down the line—education at all levels, jobs and training programs, Medicaid, housing aid, food stamps, school nutrition, support for poor families with children, energy assistance, unemployment insurance, and numerous other social services. Every one of these received major spending cuts, adding up to $25 billion of the $35 billion total cut from the budget this summer.

That doesn't include $13 billion in more cuts just proposed, and the $100 billion in cuts projected for 1984. Although those cuts are mostly unspecified, programs for the poor will again be on the chopping block.

Combined with tax cuts that benefit mostly higher-income people, this program adds up to a major redistribution of money in our society, from the lower end to the upper end of the scale.

Despite Administration assurances, the truly needy will have to cut back family budgets that simply can't be stretched any more.

The truly needy include the elderly and disabled poor. But the group that concerns me most is children, in families headed by a woman.

One out of 6 of all American children, about 10 million, lives in poverty today. One out of 4 of all children will need welfare support at some time before growing up. About one out of 6 of all children has no regular source of medical care. One out of 3 has never seen a dentist. Among black children, 2 out of 5 are poor.

Under the new budget, they are losing a little here and a little there, not too much taken one by one. But when the losses total several hundred dollars this year per family with even greater losses next year and the next, that will have a great impact.

We should also be concerned about the many social services, Government and privately run, being cut severely under this budget. In Fairfield County, my wife and I are active in the Juvenile Diabetes Foundation. It is just been hit by Federal budget cuts that sharply reduce its research program. Actually, I think we can probably raise money locally to replace some of the loss. But what about similar organizations with no access to corporate contributions or well funded local governments?

Let me sum up. The budget cuts are leaving serious and immediate human needs unmet. And if the budget cuts continue as scheduled, the problems of the poor will worsen intolerably. As business executives, I do not think we should stand by and let this happen.

On a practical level, let's consider the opportunity cost of letting the cuts go through. This year, we have the chance to restore business incentives for greater investment. The President, the Congress, and, most important, the public are behind us. Yet, this public support will vanish if the burdens of this program remain so uneven, and if the promised surge of prosperity pays off only for those already well off.

While we can talk about the need for patience until the long-term benefits arrive,

the next election is a year away—close to the bottom of what appears to be a deep recession—at the very time the budget cuts put more holes in the "safety net" for people.

Also, while the economy declines, safety, health, consumer and environmental protections are weakening; civil rights enforcement is taking a giant step backward, and the share of taxes paid by corporations drops significantly.

That's not a scenario designed to build confidence in the current program. Consequently, in the next election, people may decide that they're not getting the changes they really wanted. And it'll be another generation before we get a similar chance to enact business incentives.

George Will wrote in a recent column that programs like Social Security spring from Americans' acceptance of "the ethic of common provision." He went on to say that President Reagan "must convince Americans that his conservatism is compatible with that ethic."

Let's consider the economic effects. Remember that in a few years, the children of today will be our employees, adding, we hope, to our bottom line. Because of the end of the baby boom, there will be far fewer of them available. And we can already read projections of labor shortages later in this decade, especially in skilled labor. Budget cuts in training and education will worsen that problem.

Consider also Social Security: There are three workers today for every beneficiary. In 30 years, there will be two, when the children of today should be in their prime working years.

Out of economic necessity, we can't afford to let the productive potential of any of today's children languish because of our neglect.

More than ever, they are vital to our future, and we should help them get the best possible start in life. That means good schools, good nutrition, health care, housing, stable homes.

Yet, we're moving in the opposite direction now and in the foreseeable future. That disturbs me, and I think it should disturb you.●

RESOLUTION NO. 33028

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. AuCOIN. Mr. Speaker, I am today presenting, for inclusion in the RECORD, a copy of a resolution passed by the Portland City Council concerning waterway user fees.

The action taken by the Portland City Council represents a viewpoint that nearly every Oregonian understands. The administration's plan to impose fees on users of the inland waterway system was proposed without consideration of the impact of the fee on competing modes of transportation. The effect of this action on America's inland ports would be devastating.

To impose this tax on Oregon would be particularly destructive since it already is suffering from one of the highest unemployment rates in the country. Oregon's timber industry is already in the worst shape since the 1930's. This condition has been made worse by the fiscal and monetary policies advocated by this administration.

I commend this resolution to you Mr. Speaker, as an expression of what knowledgeable and thoughtful Oregonians are saying about this grossly inequitable proposal. Oregonians, regardless of political persuasion, stand united in their opposition to this move.

RESOLUTION NO. 33028

Whereas, waterborne commerce has historically played a dominant role in the economy of Portland and Oregon; and

Whereas, Portland is the leading export port on the United States West Coast and thus contributes substantially to the United States' balance of trade; and

Whereas, the Portland area has long been the sponsor of the annual navigation channel dredging by the Corps of Engineers; and

Whereas, the costs of this dredging have been more than offset by the consequent revenues generated to the regional and national economies; and

Whereas, the Columbia/Snake River system has benefited not only the economies of communities in both states bordering the Columbia River, Oregon and Washington, but also a number of landlocked hinterland states; and

Whereas, the imposition of the segmented waterway user fees proposed by the Administration would severely jeopardize the competitiveness of Portland as a seaport; and

Whereas, the imposition of segmented user fees will inhibit the full development and utilization of the Columbia-Snake River slack water lock and dam system: Therefore be it *Resolved,* By the City Council of the City of Portland, Oregon:

One, that Congress reject legislation having the port-specific user charges;

Two, that Congress not adopt any type of user charge legislation pending completion of the Section 205 study as well as additional studies on the impact of proposed legislation on the port system in the United States;

Three, that, if user charge legislation is adopted it assess charges on a uniform basis, as contained in the legislation introduced by Senator Mark O. Hatfield of Oregon; and

Four, that a copy of this memorial be sent to the President of the United States, the Secretary of Transportation, the Director of OMB, and each member of the Oregon Congressional delegation to emphasize our belief that budget balancing at the cost of this Nation's transportation system would be a grave danger to local economies and to the economy of the United States as a whole.

Adopted by the Council November 12, 1981.

GEORGE YERHOVICH,
Auditor of the City of Portland.●

W. AVERELL HARRIMAN: A MONUMENT TO DEMOCRACY

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. ZEFERETTI. Mr. Speaker, I am proud to have this opportunity to join with my colleagues in paying tribute to W. Averell Harriman.

One wonders how any man could have crowded so much useful and dramatic activity into a single lifetime. He has managed to combine longevity with youthfulness, wisdom with exuberance, and good fortune with an extraordinary sense of public responsibility. His astounding record of getting what he goes after is matched only by his passion for excelling. Among his chief qualities are a dogged determination and a singleness of purpose until the objective has been achieved.

Any President, knowing 10 years in advance that he would need a personal White House staff chief on international affairs, could not have designed a range of experience more germane than the one W. Averell Harriman has completed in his career. No other American has, over the years, been so intimately and continuously involved in so many major decisions and milestones in American foreign policy. No other has participated in so many of the first history-making conferences.

Very few men possess W. Averell Harriman's wealth of experience and breadth of knowledge. His vitality and vigor are a source of amazement to his contemporaries. He is a unique man in American history and is one of the truly great men of our times. He has brought to his multitudinous responsibilities above all else a quality of Yankee shrewdness and realism—an invaluable astringent. Perhaps more clearly than anyone else, he recognized the character and conditions of the cold war with the Russians under Stalin.

The experience of W. Averell Harriman now add up to establish him as the leading "Kremlinologist" of our time. He has spent more time in direct consultation with Stalin, Khrushchev, Molotov, Dobrynin, Brezhnev, and other leaders of Communist Russia, living or dead, than any other American official. He was U.S. Ambassador to the Soviet Union from 1943 to 1946, a period that bridged the end of World War II and the outset of the cold war. He accompanied President Roosevelt to the conferences with Churchill and Stalin at Teheran and Yalta, and went with Truman to Potsdam. He also served as the European field manager for the Marshall plan, the most successful roadblock ever erected against Communist imperialism.

W. Averell Harriman, who turned 90 last week, is proving to be one of the most remarkable monuments to democracy this Nation has produced, far more durable and unchanging than most other national landmarks. While he has been serving this Government, even the U.S. Capitol, the veritable symbol of the Republic, has been pushed forward 32½ feet and given a new face. W. Averell Harriman is more

than a national monument. He is a living symbol of the relative constancy of American foreign policy over the last five decades.

In paying tribute to this fine gentleman, I merely want to add my personal best wishes for continued health and happiness in the years ahead.●

THE CRUSADING CORRIGANS, FATHER AND SON

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Ms. OAKAR. Mr. Speaker, cities have institutions and most institutions have traditions. John T. Corrigan, prosecuting attorney of Cuyahoga County for the past quarter of a century is, indeed, one of those institutions. And it appears as if his son, Michael Corrigan, may one day carry out what has become a tradition in our county.

John T. Corrigan's intellectual honesty and professional integrity are beyond reproach. He has maintained an order recognized in our community and one that ideally should be emulated across our Nation.

[From the Cleveland Plain Dealer, Nov. 16, 1981]

THE CRUSADING CORRIGANS, FATHER AND SON

(By Thomas S. Andrzejewski)

The timbre of their voices is alike—a sonorous, no-nonsense delivery. If the ceiling of the Sistine Chapel could talk, it would sound either like John Thomas Corrigan or his son, Michael John Corrigan.

The Corrigans are county prosecutors. John the father, 58, has been Cuyahoga County prosecutor almost as long as most adults can remember, since 1957. Michael the son, 32, is one of his 110 assistants, albeit one who has had a goodly share of the more publicized, so-called "newspaper cases."

Other prosecutors have been known to imitate the John T. delivery that is genetically Michael's. It is as if the sparkling-clear, straightforward-sounding resonance has some magic that wins cases and assigns you to the side of righteousness—without preaching, just with logical, orderly recitation of the facts that on first listening, at least, slams shut a steel trap on any alibi.

It is no surprise the Corrigans sound like that. Both apparently think like that—so much so that the animosities against John T. are there for Michael to deal with. He has been called a moralist, racist and persecutor.

But it is likewise true that the respect for the legal acumen of the father—and for his honesty, idealism and crusade for strong beliefs about justice—is slowly attaching itself to the son.

Michael was graduated with honors from Boston College after a four-year football scholarship. He worked several years as a construction laborer. The combination left him educated and able to deal with people on several social levels, much like his father, a World War II infantry sergeant and the son of a Cleveland policeman.

Michael may be cut from the same bolt, but the weave and pattern of the fabric don't always go in the same directions.

"I've never tried to imitate my father," said Michael in an interview. "I emulate my father to a certain extent. I don't intend on attempting to fill his shoes. I think I am my own person.

"I think we're substantially different. My father was raised in a time era where you could become an adult and still be idealistic. I'm raised in a time era when it's very difficult to become an idealist, so you become a realist very quickly."

Court-watchers soon will be treated to three novel events. One is that John T. himself will try a case, the first in 11 years. Second, Michael will try it with him.

Third, father and son, both strongly in favor of the death penalty as punishment and deterrent, will be trying the first capital punishment case here under Ohio's new and untested death penalty. It is against two men accused of shooting Cleveland Patrolman Anthony J. Johnson to death following a bank robbery Oct. 21.

"I look forward to trying this case with my father, there's no question about that," said Michael. "But this case is more important to me, probably not because of my father, but because it involves the killing of a police officer.

"I've been blessed with a lot of good cases, and there's no question, many of them I've gotten as a result of my relationship with the boss."

John T. (he is routinely referred to by his middle initial, to distinguish him from the other John Corrigans in public office) is almost a living legend as the long-time reigning prosecutor. It is taken for granted that the reign is becoming a dynasty, and Michael is heir apparent.

Michael has joked with acquaintances about how one would go about getting a job with the prosecutor's office.

"First you have to go to St. Ignatius and be Irish. And it helps if your father's the county prosecutor," he has been quoted as saying.

John T. is mostly predictable, usually respected although not always liked. The dislike comes about because he sticks to a rigidly conservative point of view.

That has put him at odds with obstreperous young (and sometimes older) lawyers of the liberal bent, judges experimenting with creative sentencing, well-meaning reformists and just about anyone who would give the accused an inch of leeway when Corrigan is convinced there is a mile of evidence against him.

His prosecutions in several cases involving black defendants—ranging from self-styled Black Panthers to con men to Cleveland councilmen—have raised charges of unequal treatment and insensitivity to racial issues.

Corrigan has staunchly responded to such charges that he must pursue prosecution when a crime is committed, and he personally believes he has done so without regard to race or any other extralegal factor.

He has three more years in his current term, and expects to run once more. Neither John T. nor Michael says Michael will be the successor. John T. says it is up to Michael if he cares to pursue a political career; Michael says simply that he always will want to remain a prosecutor.

Unlike his father, he is sometimes rowdy and a prankster compared to the image of the dignified, strait-laced John T. Michael has a propensity to get into an occasional beef with a defense lawyer that might become loud and mean—and to have embarrassing, out-of-court contacts with law enforcement agents.

Last summer he sideswiped a Westlake police car because, he said, he was distracted by his overheated engine indicator light. He said he did not contest a ticket for failing to keep an assured clear distance.

Two years before he joined the prosecutor's office in 1974, he was pinched on Public Square while sitting in his pickup truck, wearing a pirate's mask outside a bank.

Police were called—ironically by his girlfriend, a bank employe, for whom he was waiting. She had been told of a suspicious person outside. He was released after police established his identity as someone other than a bank heist artist.

The mask may not have charmed his girlfriend—as he intended—as much as the live turkey he leashed to the door of her parents' Bay Village home. Michael had a date with another girl, he explained, and needed somewhere to drop off the bird.

Three years ago, Michael was married. He and his wife, Cathe (he would not say what jokes he has played on her) have a son, 2, and are expecting another child.

All this is not to say that John T. is a super-straight, humorless, uninteresting defender of society's rights.

True, he appeared for years in navy blue suits, tailored at the place policemen have their uniforms made, and white starched shirts. In recent years he's given in to pastel shirts and lighter suits.

But he always has beamed a charming smile, sometimes looking like a husky, 6-foot-2 pixie when joking around. To many old-timers he's just Jack Corrigan, a proper but fun-loving Irishman, who with the boys can be as salty as they come.

His office always has been loaded with wholesome-looking, ageless, pleasant female secretaries. On one occasion, Gentleman Jack excoriated a newsman vigorously enough to burn some ears and redden some faces during a discussion of matters ranging from the honesty of his assistants to racial policies of Cleveland policemen—topics known to bristle him even when he is in the best of humor.

Michael is trying to nurture the kinds of good working relationships his father has with police. Michael is not a desk-bound prosecutor, often working the field with investigating officers.

"In my seven years here, I never, ever tried a case in which I wasn't thoroughly convinced the party was guilty," said Michael. "I never will."

Michael has gathered about him a coterie of a half-dozen other assistants that, according to some of his colleagues, former colleagues and defense lawyers, has become the ruling clique of the prosecutor's office. Others chalk up the friendships to human chemistry.

Michael has four sisters. One, Margaret, is on maternity leave from her job as an assistant district attorney in Boston.

John T. said one family event would thrill him more than trying a case with his son. That would be deputizing his daughter as an assistant county prosecutor, and watching her and Michael try one together.●

PRESERVING VOTING RIGHTS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. RODINO. Mr. Speaker, those of us who have fought over the years for the preservation of the Voting Rights Act can be encouraged that President Reagan has announced that he is now firmly committed to protect what he aptly termed "The crown jewel of American liberties."

While he stopped short of full support of the voting rights legislation recently passed by the House with spectacular bipartisan backing, he expressed a willingness to carry on a discussion of those issues on which we may differ. It is important to note, however, that he unequivocally endorsed extension of the act for 10 years "to protect all our citizens" and continuance of the bilingual ballot provisions in the manner voted by the House.

He disagrees with the "bailout" provisions written into the legislation and with the section 2 amendment regarding the proof required for voting rights suits to succeed.

But the President has wisely altered his original views on the Voting Rights Act.

Therefore, in the course of the dialog the President has invited, I do not think it should be difficult to convince him of the correctness of the actions we have taken on these issues. The "bailout" standards we have set are reasonable—demanding, yes, but reasonable in that they provide incentive and opportunity for jurisdictions to comply with the law and escape preclearance.

The section 2 amendment to which he objects merely reflects what legislative history shows the Congress always intended: That proof in a voting rights suit could rest on either discriminatory result or purpose; that success in a constitutional lawsuit should not rest on how well local officials might have covered their tracks; that this amendment will simply make section 2 comport with the language in section 5, the preclearance section. Our bill is sound, just, and necessary to protect the "most sacred right of free men and women"—to use the President's words. He should now employ the enormous prestige of his office and his proved personal powers of persuasion once again in the Senate to secure passage there of the most successful Civil Rights Act in our history.●

OUR FUTURE—AND THE ENERGY WE NEED: DR. HANS OSBORG SPEAKS OUT

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LeBOUTILLIER. Mr. Speaker, I believe that the greatest aspect of the energy crisis over the years has been the crisis of stagnation. We have weathered oil shortages, gas lines, price chaos, and lagging productivity; but we have seen little in the way of constructive planning for the future. The real crisis is the crisis of neglect. The debate on energy has been bereft of solid ideas on how to go forth into the 21st century with a new set of energy sources. Pretending that current sources will remain adequate is wishful thinking; thinking that mere conservation will help us to limp through the next 50 years is a dangerous pipedream.

Dr. Hans Osborg is a noted chemist and metallurgist from Port Washington, N.Y. I recently met with Dr. Osborg, and he offered me a concise and cogent memorandum on the advisability of methanol use. His ideas, aside from being lucid and easily understood by laymen, are forceful and constructive. In short, Dr. Osborg believes that the use of methanol as a multidimensional energy source is a profitable and valuable way to proceed.

I would like to share with you a memo on methanol and its proposed myriad uses that Dr. Osborg recently sent me:

MEMORANDUM

To: Congressman LeBoutillier.
From: Hans Osborg.
Subject: A simple approach, regarding as sound, for the relief of the energy crisis.

In the course of my thirty years of trailblazing in chemical energy, including military, commercial, and industrial applications, certain conclusions concerning basic policies and goals have become self-evident:

Chemical energy must become available domestically in unlimited quantities and at relatively low costs.

In the past, most energy has been generated through the burning of hydro-carbon products such as oils and natural gas. However, only 45 percent of the U.S. hydrocarbon requirements can be obtained from hydro-carbons available within the U.S.

Petroleum products are essential and irreplaceable raw materials for chemical industry, providing products necessary for industry, commerce, and civilian consumption. It is, therefore, unintelligent, if not inexcusable, to burn petroleum products and natural gas.

Available knowledge in science and technology teaches that energy can be conveniently and economically generated from domestic raw materials such as coal and shale.

However, the burning of coal can be regarded as only a temporary expedient, as its combustion dangerously contaminates the atmosphere with carbon dioxide, leading to the well-understood "greenhouse effect". It is, therefore, essential to convert coal into products more suitable for energy generation.

Stationary power plants, as well as motive energy, can be adequately supplied through the use of Methanol, made from coal or natural gas. Methanol can be burned in stationary power plants. This will automatically minimize the formation of carbon dioxide.

For automotive use, the application of Methanol as a fuel is well enough understood to prove that it can become one of the, if not the, dominant fuels of the future. However, use of 100 percent Methanol is possible only if automobile engines are modified drastically. With 150 million (or more) engines in daily use, this is a task which will require a longer period of time than we have available.

Straight Methanol can become a relatively inexpensive and abundant fuel for automotive propulsion in about fifteen to twenty years.

In the interest of national security, the first practical target should be the replacement of about one third of the gasoline with Methanol. In this manner, the U.S. would become independent of imported oils and eliminate its negative trade balance.

The solubility of Methanol in gasoline is presently limited to 10 percent of Methanol. Miscibility can be increased by certain proprietary Additives of domestic origin. It has been established that up to about 30 percent of Methanol can be added to gasoline without separation with the help of small percentages of such Additives.

In addition to the technological advantages and the beneficial effect on the U.S. trade balance, the proposed Methanol/gasoline fuel mixture will make it possible to provide automotive fuels at a lower cost than gasolines, whether derived from oil or coal.

A lower cost fuel, abundantly available, will contribute materially to the recovery of the American automobile industry and allow Americans to live the life they are accustomed to instead of accepting conditions dominating life in Japan and Europe.

The shrinking of car size and the increase in mileage per gallon are but two factors which, by themselves, are insufficient to restore American automobile industry. A cheaper fuel will also make it possible to manufacture cars suitable for family use and vacations, thus reviving the tourist industry and providing more adequate funds for maintenance of our highway system.

The use of Methanol is known to minimize pollution. The introduction of the Methanol-gasoline mixture will obviate the converter. (The introduction of the converter is in reality an admission of failure to think logically: change of fuel makes more sense than correction of inadequate combustion.)

The converter has produced its own evils:

It increases gasoline consumption;

It consumes valuable chemicals which are essential as catalysts in many chemical processes;

It has a limited lifetime.

Once the 30 percent Methanol/gasoline mixture has been established, further increases in Methanol will become possible.

The project discussed herein has been conducted, under my sponsorship, by the Franklin Institute Research Laboratories in Philadelphia. All of the funding has been private, without any expectation of government support. The next step of the project requires further funding, which is now

being discussed with selected leading industrial companies.

It would be very helpful to continue this project at an accelerated pace if the proper agencies in Washington, or Congress itself, would wish to take a position in support of our approach.

HANS OSBORG.

PORT WASHINGTON, NY., *September 1981.*●

WWNC—AMERICA'S NO. 1 RADIO STATION

HON. BILL HENDON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. HENDON. Mr. Speaker, for the third consecutive year, radio station WWNC in Asheville, N.C., has been rated the No. 1 station in the United States.

Based on the national Arbitron ratings, WWNC commands a 39.3 percent share of the radio market which includes western North Carolina and portions of eastern Tennessee and northeastern South Carolina. That is a larger share than any of the nearly 9,000 other licensed radio stations in the Nation and it comes against competition from 14 other fine stations which serve the western North Carolina broadcast area.

I am pleased to congratulate General Manager Sheldon Summerlin, Sales Coordinator Billy Curran and disc jockeys Randy Houston, Fred Brown, Scotty Rhodarmer, and Wiley Carpenter on their great accomplishment.

The following is an article which recently appeared in the Asheville Citizen, explaining the achievement of WWNC. I commend it to the attention of my colleagues.

[From the Asheville Citizen, Aug. 21, 1981]

WWNC RADIO STATION RATES NO. 1 FOR THIRD YEAR IN ROW

(By Merianne Epstein)

WWNC Radio in Asheville has been rated the number one station in the United States for the third year in a row.

Scotty Rhodarmer, WWNC's 5:30 a.m. to 10 a.m. announcer, was rated the number one announcer in the country for the third straight year.

The ratings were done by Arbitron, a national firm that measures radio and television audiences. No radio station has been rated number one three years in a row. In fact, WWNC was the first radio station to get the top rating for two years running.

"This is not a glamour award," said Sheldon Summerlin, station general manager and vice president. "We've come in first and there are close to 9,000 licensed radio stations in the country."

The number-one rating is based on the share of a listening audience that a radio station obtains. According to Summerlin, there are 14 stations competing for the biggest share of the audience within WWNC's broadcast area.

"Think of the shares as a piece of pie," Summerlin said. "We have 39.3 percent of the pie, which is the largest share of any radio station in the nation.

"The first time we were rated number one was in 1979 and it was the first time a country station had gotten number one. That in itself was an achievement," he said.

"Last year it happened for the second year in a row. No station in the history of Arbitron—which started in the early 1950s—had gotten it two years in a row."

Achieving the number-one rating for the third year in a row means that WWNC isn't "just a flash in the pan or a fluke," according to Summerlin. "It means we've established ourselves as a legitimate nationally rated broadcast facility.

"I don't want to take credit for this," Summerlin said. "I probably do less than most people around the station." He feels that the station has given the public what they really want and hasn't tried to sell them on an idea or concept.

The station staff members are all local, a point of pride for Summerlin. Other stations try to hire the best personnel they can find across the country, he said. "We find local people that have talent," he said, "and teach them the rudiments of broadcasting. They don't have to have any radio experience.

"We have a weatherman named Cloudy Colman. He's an old country boy, lived here all his life. He's never been to radio school and had never been on the radio before," Summerlin said.

"He tells weather by the old methods—the bark on the trees, the hair on woolly worms, the depth of potatoes in the ground and his arthritis," he said.

The station has tried to capitalize on popular television shows such as soap operas, "Real People" and "That's Incredible," he said.

"Most radio stations just have announcers. We have 'characters' that come in and out and talk to the DJs on the air. It's like the soap operas on TV. We offer continuing stories that you have to keep up with. We make it really entertaining." WWNC's cast of characters include Bertha the Maid, Cousin Melvin, Uncle Fudlow and Captain Barney.

WWNC Radio want on the air in 1927 and began broadcasting country music in 1969. During its first year of operation it was owned and operated by the Asheville Chamber of Commerce. It is now owned by Multimedia Inc. of Greenville, S.C.●

TRIBUTE TO FAY ROTENBERG

HON. THOMAS P. O'NEILL, JR

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. O'NEILL. Mr. Speaker, I am sorry to report the recent death of my friend Fay Rotenberg of Brookline, Mass.

Fay was an active worker on behalf of both charitable and political causes. She will be sorely missed by all who had the good fortune to know her.

My wife Millie joins me in extending our heartfelt condolences to her family.

At this point I would like to insert the Boston Globe obituary on Fay and the eulogies delivered at her funeral by Norman Lamm, the president of Yeshiva University, and by Rabbi Abraham Klausner.

[From the Boston Globe, Aug. 20, 1981]

FAY ROTENBERG, 69, BACK BAY SHOP OWNER

Funeral services will be held at noon today in Temple Israel, Boston, for Fay (Amgott) Rotenberg of Chestnut Hill, owner of Rug Gallery Inc. on Newbury Street, Back Bay. Mrs. Rotenberg, who was 69, died Tuesday in New England Deaconess Hospital after a brief illness.

Previously, she had been the owner for more than 30 years of the Studio Shop in Copley Square, one of the first contemporary furniture stores in New England. Mrs. Rotenberg also owned the Studio Shop in Rockport where she was a summer resident for more than 40 years.

Mrs. Rotenberg was well known for her involvement in politics. She campaigned for many national and state Democratic candidates and was active in the Brookline League of Women Voters. Through her son, Jon A. Rotenberg, a former state representative from Brookline, she met and became friends with Speaker of the House, Thomas P. (Tip) O'Neill, Jr.

Long an observer of the political scene, Mrs. Rotenberg began corresponding with O'Neill, offering her comments and suggestions. Mrs. Rotenberg also corresponded with former Secretary of State Henry Kissinger, and her letters apparently had some impact.

Once during the Ford Administration, Mrs. Rotenberg's son Jon was introduced by O'Neill to Kissinger. Upon hearing Jon's last name, Kissinger immediately asked if he were related to Fay. In 1978 Mrs. Rotenberg finally met Kissinger and again her son, Jon was the connection. For about $1300, he "bought" a private chat with Kissinger at a celebrity fund-raising affair at Emerson University.

A 45-minute chat with the man his mother so admired was Jon's birthday present to her that year. Both Kissinger and O'Neill continued to correspond with Mrs. Rotenberg during her recent illness.

As founder and president of the Newbury Street League, Mrs. Rotenberg was instrumental in getting more street lights for Newbury street. She also was a director of the Back Bay Association, a life member of Hadassah and Beth Israel Hospital, an advisor to the B'nai B'rith Youth Organization, and was a Girl Scout leader in Brookline.

She was a national vice president of the Women's Division of Yeshiva University, New York City, and a past president of the New England region of the division.

An accomplished interior decorator, Mrs. Rotenberg decorated three student lounges at the University and most recently decorated a lounge in the Yeshiva University High School for Boys, Manhattan. For her efforts, she was honored with the university's distinguished service award two years ago at a luncheon at the Waldorf-Astoria in New York. Mrs Rotenberg also received several national and regional awards for her interior design works.

Mrs. Rotenberg was a graduate of Lasell Junior College in Newton and Beth Israel School of Nursing and attended graduate school at Boston University. In the 1930s she worked as an evening supervisor of nurses at Beth Israel Hospital and had received the Kaufman Award which is given to an outstanding nurse.

Born in Worcester, Mrs. Rotenberg had lived in Brookline before moving to Chestnut Hill 20 years ago.

Besides her son, she leaves two daughters, Judi Ross of Newton and Jane Moss of

Chestnut Hill; a brother, Milton Amgott of New York City; and two grandchildren, Abigail and Alison Ross of Newton.

IN TRIBUTE TO FAY ROTENBERG BY NORMAN LAMM

Along with all other members of the Yeshiva University family who knew and cherished Fay Rotenberg, my wife and I were dismayed to learn of her untimely death.

Indeed, the word death seems so incongruous with the picture of this vital, vigorous, lively lady. The very use of the past tense rings so false and seems so awkward when used of a woman whose humor, human concern and sanguine outlook made her so much part of the present and so promising of the future.

Fay was both a conceiver and executor of ideas in the realm of philanthropy. She performed both functions for Yeshiva University with elan. She perceived the need for an aesthetic dimension to student life, and so devoted herself to the enhancement of the "quality of life" of our undergraduate students, both men and women. She initiated and carried out the renovation and refurbishing of student lounges at Yeshiva College, at Stern College and at the boy's High School. All this she did in a spirit of love, warmth, and friendship, with no thought of the recognition it would bring her.

Nevertheless, the University did recognize her splendid volunteer work by designating her as Guest of Honor twice within one year—1980—at the New England Heritage Dinner and at Yeshiva University Women's Organization National Luncheon at the Waldorf Astoria.

But our real feelings for Fay went beyond the formal acknowledgements of her beneficence. She not only gave generously, but she was a model and inspiration for others to do likewise. And even more than what she gave and what she raised, was what she was—a warm and responsive human being who combined universal concerns for all people with special dedication to her own folk; a sparkling sense of humor with a well-developed artistic flair; intellectual curiosity with a penetrating directness; pride in her own children with concern for all children; an exterior of handsome toughness with an inner core of beautiful goodness and generosity of spirit.

Fay was a lovable human being, and we shall not soon meet the likes of her. Together with her mourning family, we feel bereaved and an aching sense of emptiness.

Our consolation is that the nobility of her deeds, the singularity of her personality, and the integrity of her loyalties will prove imperishable and be her everlasting memorial.

In the concluding works of King Solomon's immortal tribute to Jewish Womanhood in the concluding chapter of the Book of Proverbs:

"Give her of the fruit of her hands,
And let her works praise her in the gates."

May her soul be bound up in the bond of immortal life.

IN TRIBUTE TO FAY ROTENBERG BY RABBI ABRAHAM KLAUSNER

It is not usual for a Rabbi, presiding at a Memorial Service, to introduce himself to the assembled. I do so. In a significant sense, I am part of the eulogy I offer in remembrance and in praise of Fay Rotenberg.

I am Rabbi Abraham Klausner. I served briefly in this Temple and this community, many years ago. In that brief period, one of those wondrous things happened. A rare friendship developed between Fay and myself. I shall tell you about it.

Fay as you well know, spent the fullness of her life amid beautiful things. She sensed, I believe, the relationship between the sacred and the beautiful, as expressed in the poetic line: Ivdu Et Adonoy B'hadrat Kodesh—Serve the Lord in the beauty of holiness. One of the last of the communications I received from her was a notice that she was to be honored by Stern College, a division of the Yeshiva University, for her devotion to that institution, which took the form of creating a beautiful environment for student and faculty as they pursued their studies. Closer to home, here in Boston, the city of her concerns, with the Newberry League, she sought, again, to invest in the ordinary, the extraordinary, and make beautiful the secular.

There are three forms of beauty. There is the beauty of nature revealed in the graceful symmetry of a tree, the fragrance of a flower, the sparkling star pinned against the black velvet of night—and in this connection I think of Fay's smile—this beauty results from the action and interaction of the forces of nature upon the substances of the earth.

The second type is the beauty of the artist, the creative soul. A Michelangelo chisels stone, and a living David leaps forth. Bialik fashions words and phrases, and our people's experience are forever imprisoned in the memory of humankind. A Beethoven organizes sound, and the impressive symphony breaks forth. Such is the beauty of the creative artist, which results from the reaction of the soul of people and the skill of their hands upon the substances of the earth.

Now, my friends, the highest type of beauty is that which results from the reaction of soul upon soul. It is the beauty of nations at peace, a society that is just and responsive, a beauty that is brought to its highest expression in a friendship that is true and loyal, supportive and understanding. It was a wondrous and a beautiful thing that happened, as I tell it now, so many years ago, when first we met and a friendship was urged upon us, one that has sustained us through all these years, even to this hour of death, as we shared our respective hopes, aspirations and accomplishments.

We are, all of us, giving people. It is one of the attributes that makes us human. Giving takes many forms. Giving can be obligatory or dutiful, it can also be gracious. With Fay giving was an art in which she sought to express her feelings for others and her gratitude for life itself. Birthdays, festivals, and celebrations generally were occasions for remembering and sharing, for reaching out and saying, with gift and form, the things we hardly ever, but should always want to say.

In a film story, the name of which I do not remember, there is a scene that impressed me deeply. A child speaks to his parent, asking him what he thought he had done with his life, what have you accomplished? What have you made or provided for the future? The Parent stares at his child, hesitates a moment, and that says, I thought you might be my contribution for all our tomorrows. For Fay—her children, the three Js, as she always referred to them in her writings to me, were her offerings to the future, they were her beauty, her perfection. Oh, what pride she took in them. They in turn were for her an extraordinary source of courage and confidence in all her days and all her efforts.

A tradition has developed, calling for a brief eulogy. Though sensitive to that tradition, I continue to speak. But you will understand. I have come a long way across sometimes the desert and sometimes the oasis of many years. I have the feeling that if I continue to speak, she is with us. When I finish, she will be gone. I am reminded of David, King of Israel, who knew that he would die upon a Sabbath. He then sat, each Sabbath, and composed his psalms, knowing full well that the angel of death would not take him while he sang the praises of the Lord. As long as we speak, and tell of her concerns and devotions to her faith, we feel she is with us.

In our religious ways, we are given to forms and coloration. For Fay Judaism was pervasive. Like a spring of living waters, it refreshed her soul, and thus she was able to lend herself to the totality of Jewish life, dramatized by the Sabbath Eve Dinner to which her family and friends were regularly gathered to celebrate not merely the day, but the very spirit which tries to make us a little less than the angels of heaven.

Perhaps that was her goal in life. To make us more than we are, to encourage us towards the fulfillment of the promise that is within each of us.

Come then, and let us give thanks to God for the years she served as our conscience, years in which she brought joy and comfort into the hearts of so many of us. We ask of God to teach us of His ways, that we may learn from this sadness to be evermore responsive to each other. We ask that her spirit, now and forever, permeate the lives of her children, Jane, Judi and Richard, Jon, her brother Milton, and the greatest of her blessings, her grandchildren, Abigail and Alison, and all of us so privileged to move in the orbit of her love and her attention.●

VETERANS DAY: NOT JUST ANOTHER DAY OFF

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. WILLIAM J. COYNE. Mr. Speaker, Veterans Day is too often seen by many as just another day off from work. I am happy to say that this is not the case with David Minsterman of Pittsburgh. His recognition of this solemn day of remembrance is especially worthy of note in view of the fact that, at 14 years of age, he is too young to know firsthand the horrors of war.

David brought the meaning of Veterans Day to a personal level in an essay competition sponsored by the Disabled American Veterans, Greater Pittsburgh Chapter 8. His essay, which describes the loss of his great uncle in a submarine attack on the U.S.S. *Turner* in 1944, was chosen the winner of that competition over 91 entries.

I would like to share what David had to say with my colleagues—an example

of someone who sees Veterans Day as more than just another day off:

WHAT VETERANS DAY IS ALL ABOUT

(By David Minsterman)

Veterans Day is the one day we bring to mind all the men and women who helped save our country. We remember all the people whose lives were interrupted and most of all, those whose lives were lost in the service of their country.

On January 3, 1944, my great uncle was killed. He was serving aboard the destroyer, the U.S.S. *Turner*. His ship was returning from three successful battles over a period of many months. Ten miles off New York Harbor, the destroyer was anchored for the night. At 6 a.m. the U.S.S. *Turner* was torpedoed and sunk. My uncle and all the men aboard were lost at sea. Harry Randall was only 20 years old when he died, only six years older than I am today. I think it's good for us to think about men and women like my uncle, because if it wasn't for them the United States of America wouldn't be the great country it is today.

A lot of children think of Veterans Day as just a day off from school. I think teachers should take time out to explain just what Veterans Day really means. Maybe they could ask each student to write a paragraph about a person in their family who served their country in the military service. Every family has its own heroes, and when children realize that Veterans Day is for their family too, it would become an important day for everyone.

Veterans Day only comes once a year, so I think we should do everything we can to honor all the people who died fighting for their country, and for all the people who came back but whose lives were changed by these dreadful wars. We honor all the people who served in times of peace, and the men and women in the service now, who keep our country strong and ready to fight if that terrible time would ever come.●

WHEN IS AN ENDORSEMENT NOT AN ENDORSEMENT?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. EDWARDS of California. Mr. Speaker, President Reagan's recent remarks regarding extension of the Voting Rights Act have caused deep concern not only among minority group members but among all Americans who care about civil rights.

While ostensibly endorsing full extension of this most important of our civil rights statutes, the President gave his tentative support to two amendments which would greatly harm the effectiveness of the Voting Rights Act.

In a guest editorial by Vernon E. Jordan, Jr., which appeared in the New York Times on November 16, 1981, the implications of the President's mixed message are explored. I commend the article to the attention of my colleagues.

My colleagues will also be interested in an editorial which appeared in the Los Angeles Times on November 16, 1981. The editorial examines what is, to many, the most troubling aspect of the President's statement—his endorsement of language which would require a finding that the framers of a voting law intended their law to discriminate before such a law could be invalidated. As the editorial points out:

To prove intent by fathoming the minds of legislators . . . is an impossible task. And that is what opponents of the Voting Rights Act intend it to be.

The articles follow:

[From the New York Times, Nov. 16, 1981]

DILUTING VOTING RIGHTS

(By Vernon E. Jordan, Jr.)

When is an endorsement not an endorsement? The answer is: when President Reagan backs extension of the Voting Rights Act of 1965.

The President's "endorsement" of extending the act, which expires in 1982, was qualified with backing for amendments that would weaken the act.

In the process, the President missed an opportunity to strengthen his image among blacks.

Minority-group members' anger at the Reagan Administration's disastrous economic program could have been countered, at least to some small degree, by a strong, forthright statement endorsing the version of the Voting Rights Act extension that has already been passed by the House of Representatives.

The President's move was not only a political mistake that will make it even harder for his party to attract minority-group voters, but also it was a disservice to the conservatism he symbolizes. True conservatism seeks to "conserve" the best of the past. It venerates constitutional rights, individual freedom, and protection of civil rights from Government abuse. Therefore, the Voting Rights Act, with strong enforcement provisions that do not permit local governments to escape their responsibilities, is in essence a deeply conservative law. It has the support of many citizens and legislators who proudly label themselves "conservative."

Superficially, the President's endorsement of extending the act for 10 years fits that tradition. He spoke of voting as a "sacred right" and of reaffirming his commitment to voting-rights protection.

However, the President then went on to say that he supports two changes in the bill passed by the House. Far from being minor amendments, those changes would seriously undermine the effectiveness of the Voting Rights Act.

The first change would be to further liberalize the "bailout provisions" through which states and local government covered by the law could escape Justice Department oversight of their electoral operations. Such governments now need "pre-clearance" by the Justice Department for any proposed changes in their election laws or procedures.

Many people agree with the President that a bailout for jurisdictions that have not violated voting rights for a period of time is "a matter of fairness." But to me, it is an escape hatch that virtually invites local power elites to lie low for long enough to get out from under Federal coverage. Even with the law as it stands, abuses occur. Introducing a "reasonable bailout" feature just asks for trouble.

The pre-clearance procedure is simple and reasonable; to date, more than 800 requested changes in local laws have been routinely approved. Hardly burdensome, as its foes argue, it does not warrant a bailout amendment. The Justice Department and the courts are not likely to come down on local officials unless there is blatant violation of voting rights, such as the one that moved a Federal court to suspend City Council elections in New York City because they discriminated against minority-group voters.

Perhaps more serious is the President's support for using intent-to-discriminate as the test of whether the Goverment should act to protect voting rights. The House bill uses the "effects" standard: Changes in election laws and procedures can be challenged if they have a discriminatory, negative effect on minorities.

Intent to discriminate is impossible to prove. Local officials don't wallpaper their offices with memos about how to restrict minority-group members; access to the polling booth.

Discriminatory effects, however, are clear to all. They can be measured, and judged. A redistricting plan that wipes out black representation in a state legislature could be spotted and dealt with for what it is—a discriminatory change in election laws that deprives minorities of their voting rights.

But if the standard is intent to discriminate, the onus would be on the people whose rights were violated to try to prove that the change was deliberately made to deprive black voters of representation. The evidence would be virtually impossible to assemble.

So the President's endorsement of the Voting Rights Act is a sham. It observes the letter but not the spirit of voting-rights protection. And it will make the coming battle over the voting-rights extension in the Senate much harder to win.

[From the Los Angeles Times, Nov. 16, 1981]

INTENTIONS THAT ARE NOT HONORABLE

Lawyers have been struggling for centuries over the issue of "intent," a legal concept that calls for knowledge of the motives of a criminal—or of a legislature—whose actions lead to a wrongful result.

Should it be necessary to prove an intent to do wrong in order to punish an offender more severely or to invalidate a statute?

That question is now plaguing Congress in the dispute over extension of the Voting Rights Act of 1965, and the debate could have a major effect on government policy not only on civil rights but also in many other important areas.

Under existing law, the government must prove intent, as well as illegal effect, in its prosecutions of state or local governments for violations of the Voting Rights Act. But, by an overwhelming vote, the House of Representatives wants to exclude proof of intent from legislation extending the act beyond its expiration next August.

Just as adamantly, the Reagan Administration and Senate conservatives want to retain intent, and a 1980 decision of the U.S. Supreme Court supports their position. The Court held, 5 to 4, that there has been no violation of the rights of black voters in Mobile, Ala., even though the effect of an ordinance mandating at-large elections has been to prevent blacks from winning election to the City Commission.

In the view of the majority, there was no proof of intentional discrimination and, for

that reason, the ordinance must stand. But the justices in the minority argued that a discriminatory intent had been proved by "the totality of the relevant facts"—chief among them the probability that no black would ever sit on the City Commission because of the at-large system.

The congressional debate could directly affect the enforcement of other civil-rights legislation, including prohibitions against housing and employment discrimination. If the conservatives prevail and the government must prove the additional burden of intent, it would be impossible to prosecute a majority of cases, however obvious the violations might be.

Yet the conservatives are inconsistent. While demanding proof of intent in the case of racial discrimination, they want to remove it from pending legislation that would make it a crime to disrupt overseas intelligence activities by publishing the names of American secret agents.

In other words, the conservatives demand a showing of intent only if it will weaken or narrow the grounds for enforcement of a statute whose purposes they oppose. But they would discard intent entirely if it would impair the enforcement of a statute that they favor.

Obviously there are cases in which intent is a legitimate factor in determining the degree of guilt. The man who shoots his neighbor accidentally might be guilty of manslaughter or another offense if his victim dies, but he is not guilty of murder.

In the case of civil rights, however, it is absurd to argue that laws that result in obvious discrimination must be left in force in the absence of proof of deliberate intent to discriminate.

In the Mobile case, city officials had to know that creation of at-large elections would keep blacks out of public office. Blacks number 35 percent of the voters in Mobile, and the effect of the law was to force them to run against candidates of the 65 percent white majority.

In the case of at-large elections or racial gerrymandering, government prosecutors should have to prove only that discrimination does exist, not that the offending jurisdictions meant it to exist.

To prove intent by fathoming the minds of legislators—particularly in the case of laws written 10, 20 or 100 years ago—is an impossible task. And that is what opponents of the Voting Rights Act intend it to be.●

PAUL LEWIS

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. MURPHY. Mr. Speaker, a few days ago, Paul Lewis, director of district 15 for the United Steelworkers of America, passed away. He was a man of great integrity with a true concern for the men and women he represented, as well as for his community. As a tribute to Paul, I ask that the following editorial, which appeared recently in the Valley Independent, be entered into the RECORD.

The Mon Valley in particular lost a valuable member of its community the other day with the death of Paul (Putsy) Lewis, the director of district 15, United Steelworkers.

Paul Lewis had an excellent reputation as a sensible exponent of the labor movement. He was not one of those radical types often pictured with labor unions.

He was a man who knew reason. He was a man who believed in the principle of a working relationship between those who manage the company and those who work for that company.

As a result of that, he was able to maintain the respect from both sides of any bargaining table, and that is sorely needed in today's complex society.

That's a big reason why he will be missed by the Mon Valley community. There are many others, some of which he never bragged about, but just went along doing what was asked of him to do—solely with the intention of providing help for others less fortunate.

We recall his input into the United Way of Mon Valley as a member of the board of directors. He always championed and totally believed in the United Way concept, and made a great contribution toward that end.

That was only one area in which Putsy Lewis contributed. There are many other examples, all of them outside his realm as the leader of Mon Valley steelworkers. He always found the time to offer his advice and wisdom, collected over a number of years of close contact with human needs.

One local union leader expressed it well when he said his shoes will be difficult to fill. We totally agree with that.

Our sympathy is extended to his thousands of steelworker family and most particularly to his immediate family. The valley truly has lost a valuable asset.

[From the Valley Independent, Nov. 12, 1981]

PAUL LEWIS

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MEN OF THE YEAR

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LONG of Maryland. Mr. Speaker, last Monday, November 9, 1981, Allen Quille and Bernie Maizlish were honored at the St. Frances Academy third annual "Men of the Year" dinner in Baltimore, Md.

Allen Quille, a native Baltimorean, is an officer or board member of more than 25 local and international organizations and charitable institutions, including the Equal Opportunity Commission, the Better Business Bureau, United Fund, Democratic National Finance Committee, Jewish National Fund, Israel Bonds, Salvation Army, American Red Cross, and Boy Scouts and Girl Scouts of America.

Under his leadership, more than $2 million has been raised for the restoration and renovation of America's oldest black school, St. Frances Academy and Convent.

Bernard Maizlish, born in Russia, and raised in Cuba, became a U.S. citizen when he joined the armed service during World War II. After he was wounded in combat and discharged, Mr. Maizlish returned to his boyhood craft of watchmaking. He enrolled as a student and later became an instructor at the Joseph Bulova School of Watchmaking, where he worked with the school's foundation to teach disabled veterans and handicapped civilians. He was the first alumnus chosen to hold the lifetime position as trustee for the Joseph Bulova School for disabled veterans.

Mr. Maizlish, in the traditional Jewish sense of Tzdaka—charity—believes the highest degree of charity is that which is given anonymously.

We are proud of these two men for their concern for their community and the needy. My congratulations and best wishes to them both.●

ALCOHOL IS HARMFUL TO THE UNBORN

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. BROWN of California. Mr. Speaker, another report will soon be issued correlating drinking with birth defects, defects which are easily preventable. Fetal alcohol syndrome affects between 1 in 300 and 1 in 750 births in the United States, yet few women seriously consider the hazards of alcohol upon their unborn children.

We must educate the American public to these hazards and allow them to make responsible decisions about drinking based upon all the facts. One means of doing this is to cosponsor my bill, H.R. 2251, or Senator THURMOND's bill, S. 1435, which would place warning labels on alcoholic beverages.

As the evidence mounts and the harmful effects of fetal alcohol syndrome are known, it becomes imperative for the Government to act. If we do not do it now, then future generations will have to care for these unfortunate individuals. We have a responsibility to our citizens, present and future, to give them an opportunity to lead full, productive lives.

I urge my colleagues to consider the following information carefully and to support my bill as part of a comprehensive program for better health care.

[From the Riverside, Calif., Press-Enterprise, Nov. 12, 1981]

BINGE EARLY IN PREGNANCY CAN HURT FETUS, TESTS SHOW

CHAPEL HILL, N.C.—University of North Carolina scientists say they have new evidence that one or two episodes of heavy drinking by a woman early in pregnancy can seriously damage her unborn child.

The evidence indicates the condition known as fetal alcohol syndrome may begin as early as the third week after conception—well before most women suspect they are pregnant.

The evidence was uncovered in experiments done on laboratory mice by Dr. Kathleen Sulik of the School of Medicine and Dr. Malcolm Johnston of the Dental Research Center. Their findings are to be published in the Nov. 20 issue of the journal Science.

Their results confirmed and expanded on studies by Dr. William Webster, a scientist at the University of Sydney, Australia, Sulik said. Webster said last year that even brief exposure to alcohol can cause severe malformations in mice not commonly seen in fetal alcohol syndrome.

Sulik and Johnston said they have shown for the first time that mouse embryos can survive early alcohol injury to be born with subtle defects in appearance that are remarkably similar to those in human fetal alcohol syndrome.

Defects in children include smaller eyelid openings, flat nasal bridges, shorter noses and longer upper lips. The most serious results are mental retardation and hyperactivity.

Sulik said fetal alcohol syndrome affects between one in 300 and one in 750 births in the United States.●

AMENDMENTS TO THE FISHERY CONSERVATION AND MANAGEMENT ACT, NOVEMBER 17, 1981

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. BREAUX. Mr. Speaker, today, I have introduced, with the co-sponsorship of our distinguished colleague, Mr. FORSYTHE, amendments to the Fishery Conservation and Management Act (FCMA). I am sure that the Members have enjoyed reading the recent series of remarks by Mr. FORSYTHE, the ranking minority member of our Fisheries and Wildlife Conservation and the Environment Subcommittee, which detail some of the problems we have identified with the existing fishery management process. These problem areas were originally identified during the last Congress and have been more fully explored and developed in recent hearings conducted by the subcommittee.

I think it is possible to sum up the problems we have uncovered with the simple statement that the current regulatory process being applied by the Federal Government does not fit the problems of a regionally structured conservation and management regime for renewable, living marine resources. How has this problem been manifested in practice? By the inability of regional fishery management councils to timely develop management plans for various species of fish; by the necessary and illogical application of Federal agency regulatory management practices to the resource conservation efforts of such councils; by the inability of either the Federal Government or regional councils to implement emergency regulations for the protection of every threatened fishery; by continuing inadequacies in observer and enforcement efforts; and by continued second-guessing of council-formulated management plans by the Federal Government. In short, the regional fishery management councils, which were created by the Congress in 1976 and charged with the ultimate responsibility for protecting and developing the fishery resources of the United States for the benefit of U.S. fishermen, have been prevented from effectively carrying out their mission.

The amendments we are introducing today are designed to correct this problem. Generally, the bill will:

First, streamline the procedures for public notice and participation in the development of fishery management plans and amendments thereto in a manner that strikes a balance between the need for local input in such process and the need for expenditious implementation of plans and plan amendments;

Second, require the Secretary of Commerce to review proposed Council management plans and to conduct those regulatory reviews as are required by Federal law in a timely fashion; third, more clearly delineate the standards for secretarial review of proposed fishery management plans; fourth, grant States the fishery resource management responsibility over Federal "enclaves" within State waters; fifth, permit the councils to collect recent data and information relevant to either the threshold question of whether or not a management plan for a particular fishery resource is necessary or the actual preparation of such a management plan. This provision will not, however, permit the councils to request data solely for the purpose of collecting information; sixth, require the councils to supplement existing Federal and State data protection schemes with their own procedures so as to fully protect those individuals who submit data to such councils; and seventh, more carefully spell out the duties and responsibilities of foreign fishing observers so as to increase the ability of the United States to enforce its foreign fishing regulations.

A number of other amendments necessary to insure the development of U.S. fishery resources for the benefit of U.S. fishermen are included in the bill.

Mr. Speaker, I would like to also take this opportunity to address one issue that has not been included in the proposed legislation—a solution to the vexing problem of foreign processing ships operating in state internal waters. Much evidence was presented to the subcommittee on this very complicated issue. It is my hope that we will be able to arrive at a solution to this issue that proves satisfactory to all parties by the time the legislation we are introducing today is considered. I believe that this goal can be accomplished through the dedicated efforts of all concerned Members and I have instructed the subcommittee staff to continue discussions with all affected parties.

Mr. Speaker, I believe this bill represents the consensus of the numerous witnesses who have appeared before the subcommittee during the past 3 months and I urge my colleagues to join us in sponsoring, and insuring the enactment of, these necessary reforms.●

HENRY HACKER—A CADET'S DREAM COMES TRUE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. SOLARZ. Mr. Speaker, over the years, I have sponsored many fine young cadets to the Military Academy in West Point, N.Y. I am particularly proud of Henry Hacker, an outstanding young individual who will be among the first graduating cadets to take advantage of our 1978 legislation enabling qualified cadets the opportunity to enter medical school.

I respectfully request permission to reprint an article in the CONGRESSIONAL RECORD from the Newsletter, the West Point Jewish Chapel Fund, titled a "Cadet's Dream Comes True." This article refers to Cadet Hacker's desire to become a doctor as well as to graduate from the Academy. I am sure you will agree that Cadet Hacker is truly a special individual. I congratulate this fine young American and wish him untold success in his promising future.

CADET'S DREAM COMES TRUE

Henry Hacker took a chance and won.

A member of the Jewish Chapel Squad who graduated this year, he will go to the Uniformed Services University of the Health Sciences in Bethesda, Md., as a member of the Medical Service Corps.

He had always wanted to be a doctor, but when he applied to West Point in 1977, graduates of the Military Academy were not allowed to go to medical school.

"I knew that Congress was considering a bill at the time to change that. I gambled that it would pass and I won," he said.

In 1978, Congress passed a law allowing two percent of the USMA graduating class to attend medical school if they qualified. This year one and a half percent of the 906-member class qualified to attend. Henry Hacker was among them. A chemistry major at West Point, with a minor in electrical engineering—a combination that he admits was "challenging"—Cadet Hacker was considering an unusual specialty—bionic medicine.

Elated at his assignment, Cadet Hacker recalled his senior year in high school in Brooklyn, N.Y., when his father was seriously ill in the hospital and he wasn't sure he could attend college at all. Medical school seemed unattainable. Appointment to West Point by Congressman Stephen Solarz was the answer to a lot of hopes and dreams.

Admitting that it was tough, the slight, dark-haired intense young man winces a little when he recalls plebe year. "The Jewish Chapel services and the food at the Oneg Shabbats afterward gave us something to look forward to, especially in plebe year," he recalls.

Another extracurricular activity that makes his eyes light up when he discusses it is flying. He is working on his pilot's license and hopes to continue that in Maryland. At graduation, however, his spirits were flying on sheer happiness.●

CAREENING CREDIT

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. BETHUNE. Mr. Speaker, I ran across an article in today's Wall Street Journal that should convert a number of deficit watchers into off-budget credit watchers.

It makes a very important point, and that is that the Federal deficit tells less than half the story about the extent of Federal borrowing. For those of us who are concerned about the extent of the Government's claim on the capital market, the focus should be on the careening Federal credit activity taking place off budget.

CAREENING CREDIT

Not so long ago, everybody watched the CPI. It went up and up at a snappy clip—what fun. But after some months of slowing and faltering, watching it got kind of boring. Nowadays, everybody watches the budget deficit. It, too, goes up and up; but the deficit watchers are missing the point.

The deficit watched by watchers is the difference between what the government will take in and what it'll put out as it appears in the federal budget. The size of the shortfall is taken as an indicator of how much government will be borrowing. And that's why people watch the deficit. But the picture given by the budget deficit is not the full picture; in fact, it's not even half the picture.

There exists another budget and this budget also generates a deficit which requires government borrowing. It's called off-budget. Off-budget is where the financing needs of federal credit programs reside. And what big needs they are. Since 1977, new loans and loan guarantees have towered over the budget deficit. Last year, off-budget credit represented over a fifth of the funds raised in the domestic credit market.

Off-budget credit ranges from high visibility items like bailouts for Chrysler and New York City to more obscure programs like assistance for Indians and railroads, although most programs are targeted for housing. Generally, government credit programs fall into three types: direct loans, loan guarantees and borrowing by sponsored agencies. Many programs provide more than one type of credit. The purpose of all the programs is to provide cheap credit for those who might otherwise be shut out of the market.

Most of the financing itself is an undercover job, done through a conduit known as the Federal Financing Bank. This bank borrows money from the Treasury and it borrows largely on the basis of "entitlements" without effective oversight. Not surprising, then, that since its creation in 1974 the amount of off-budget credit extended has zoomed. Indeed, off-budget credit is the fastest growing form of credit in the domestic credit market.

This credit activity—no matter how sneaky its procurement—has exactly the same impact as on-budget demands for credit: It crowds out private borrowers. Thus, hoping to bring down interest rates by limiting on-budget borrowing is like hoping to tackle Earl Campbell with only one arm.

Aside from its contribution to federal activity in the credit markets, this kind of credit allocation is bad for the economy. After all, the point of allocating credit is to give credit to enterprises which fail the test of the marketplace on the premise that the social benefits outweigh the costs. This is a nice way of saying that credit allocation channels funds away from projects earning risk-adjusted market rates of return to those earning below-market rates. Credit allocation, by design, misallocates credit from productive uses to less productive uses.

All this works together to keep interest rates high, productivity low and economic growth slow. And it all works together largely unseen and unevaluated by anyone but agency bureaucrats and lobby groups of the sectors favored by cheap government credit.

Now that attention is focused on getting the government out of the credit markets, it would be a great time to rein in off-budget credit allocation. Especially since Congress has turned mulish about cutting the on-budget deficit by cutting spending. So we were delighted with the administration's announcement to snip some $20 billion from loan guarantees. The proposal includes a hefty $16 billion chunk off housing finance with the rest coming out of a dozen or so other loan guarantee programs.

It could, of course, be argued that limiting new federal credit guarantees to $161 billion this year is not nearly enough. And it isn't. But at least that $20 billion slice represents some sort of recognition that it's a waste of energy and political capital to beat back the on-budget deficit when the off-budget one careens into space.●

"BEAR" BRYANT FOR PRESIDENT

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. FLIPPO. Mr. Speaker, I am pleased to have the opportunity to congratulate one of Alabama's finest citizens and an American sports living legend, Coach Paul "Bear" Bryant.

On Saturday, November 14, 1981, with an impressive victory over Penn State, Coach Bryant entered the football record books beside the immortal Amos Alonzo Stagg as the winningest coach in collegiate football. Coach Bryant now has 314 victories in 37 years as a head coach, a truly awesome record.

Bryant attended the University of Alabama and played on the 1934 Crimson Tide team that defeated Stanford in the Rose Bowl. He began his coaching career as a Crimson Tide assistant in 1936. Before returning to his alma mater as head coach in 1958, Bryant built successful programs at Maryland, Kentucky, and Texas A. & M. He has led Alabama to 12 Southeastern Conference championships and 6 national crowns during his 24 years there. He was named National Coach of the Year in 1961, 1971, and 1973. The Alabama Crimson Tide has played in 22 consecutive bowl games under Coach Bryant's leadership. This, too, is a na-

tional record, and no other team is a close second.

While history often judges men by their victories, and Coach Bryant clearly has a place in history because of his, those who know Coach Bryant know him as a special man who cares about his players and is more concerned about teaching "good living" than he is in setting records. Coach Bryant is an inspiration to all Alabamians, indeed to all Americans. People have tremendous respect and admiration for him. Among those who have played for Coach Bryant are such greats as Joe Namath, George Blanda, Steve Sloan, Richard Todd, and Ken Stabler. Those are just the quarterbacks; 44 of Coach Bryant's former players or assistant coaches have become head coaches for collegiate or professional teams.

Coach Bryant is an excellent motivator and an extremely popular figure throughout the State of Alabama. Alabama political figures are pleased that Coach Bryant has decided not to run for their jobs, for Alabamians would undoubtedly elect him President.

I join thousands of other Alabamians in congratulating the greatest football coach of all time, Coach Paul William "Bear" Bryant, and in wishing him many more victories.●

REAGAN'S UNDECLARED WAR ON WOMEN, CONTINUED

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mrs. SCHROEDER. Mr. Speaker, the Small Business Administration is designed to give special assistance, in the form of loans, management consulting, guaranteed loans, Government contracts, and so forth, to small businesses.

Comes now President Reagan's new SBA chief, Michael Cardenas, arguing that "having special programs for women is discriminating."

If special programs are discriminatory, why does Mr. Cardenas stay on as the head of the SBA?

The full flavor of Mr. Cardenas' disengenuous comments can be obtained by reading the November 16, 1981, Wall Street Journal, "Special Programs for Women Dying Away at Reagan's SBA."

SPECIAL PROGRAMS FOR WOMEN DYING AWAY AT REAGAN'S SBA

(By Sanford L. Jacobs)

Special help for women seems to be going out of vogue in Washington, where the Reagan embrace of laissez faire means programs for special groups are out of favor. The new team at the Small Business Administration has practically killed the women's programs there.

"I do not think," says SBA Chief Michael Cardenas, "we ought to have special programs especially for women. I feel having special programs for women is discriminating," Mr. Cardenas says women do not need programs tailored for them because they can find management assistance and business training in SBA's other programs.

Rather than special programs, the SBA should inform women how the agency can help them, he says. "My philosophy is to increase our outreach to them, to have them have more access." He adds: "With few exceptions women have accepted it."

One who does not accept it is Marlene Johnson, president of the National Association of Women Business Owners. "This administration believes that if you leave everyone alone, everyone will be O.K.," Miss Johnson says. "But historically that is not true. The strong prey on the weak."

Many women run their businesses successfully without special help, says Miss Johnson, owner of a St. Paul advertising agency. But many others benefit from programs that help them overcome the "cultural differences" that make business ownership tougher for some women than for men.

Nearly a casualty of the SBA retrenchment was the American Woman's Economic Development Corp. in New York. AWED is considered one of the best private, nonprofit training and management assistance programs for women entrepreneurs that the SBA has funded. But last February the SBA said it would end the funding in April. Beatrice A. Fitzpatrick, AWED's chief executive, rallied support from many corners, including conservative Republicans like Senator Paul Laxalt of Nevada, a pal of President Reagan.

The SBA didn't cut off AWED's funds entirely, though it threatened to several times during the year. But the agency let months pass without sending any money, so AWED couldn't pay suppliers or employes. Women helped by the program chipped in $56,000; corporations provided $122,000 more.

Federal money covered practically the entire AWED budget when the cutoff notice came. Miss Fitzpatrick has obtained commitments from corporate and individual donors to cover more than half her budget for the 12 months ending next Sept. 30. Still, AWED is asking the SBA for nearly $600,000 for the period and lesser amounts for the next two years. "That is pretty steep," Mr. Cardenas says, though he says no decision on the funding request has been made.

Miss Fitzpatrick has asked for $389,000 in fiscal 1983 and $184,000 in fiscal 1984. "We can't just go from all federal money to none overnight," she says. "I don't think we should be punished because we are helping women."●

HON. ALBERT L. SKLAR

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LONG of Maryland. Mr. Speaker, it is with great pleasure that I invite my colleagues to join me in tribute to the Honorable Albert L. Sklar, an outstanding dedicated public servant retiring from the Eight Judicial Circuit Court after 17 years.

A native of Baltimore, Judge Sklar was graduated from the University of Baltimore Law School in 1932 and was admitted to the Maryland Bar that same year.

He was elected to the Maryland House of Delegates in 1939 and served there until 1955. Judge Sklar's career as a public servant extended beyond his responsibilities as a Delegate. He served as counsel to the Junior Association of Commerce from 1935 to 1946, was a member of the Tax Revision Commission of Maryland from 1939 to 1941, and was a member of the Postwar Redevelopment Commission from 1941 to 1945.

He later served as the chairman of the Commission to Revise the Public Service Laws of Maryland and with the expertise he developed went on to become a member and chairman of the Public Service Commission from 1958 to 1964.

In addition to his public career, Judge Sklar has been active in religious and social groups. He was president of the University of Baltimore Alumni Association from 1965 to 1972, was president of the Menorah Lodge of the B'nai B'rith and the Histadrut Council, and was a board member of the Chizuk Amuno Congregation. He also served on the board of the Jewish Children Family Services of Associated Jewish Charities, and was a member of the Amicable Lodge and Scottish Rite.

In recognition of his years of outstanding service, he has received the Menorah Lodge's Man-of-the-Year Award, the Dr. Herman Seidel Humanitarian Award, and the Alumnus of the Year Award from the University of Baltimore.

His dedicated service has touched the lives of many people, and his contributions will be truly missed. I am privileged to ask my colleagues to rise with me in commending an outstanding public servant—Judge Sklar, we thank you.●

VETERANS' NEWS BRIEFS

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. SANTINI. Mr. Speaker, I would like to share with my colleagues an article which appeared in the October 25 edition of the Las Vegas Sun. This article, written by Bill Morris who is the commander of a Disabled Veterans chapter, correctly summarizes some of the flaws of a veterans-related bill which the House passed earlier this fall, H.R. 4034, the HUD-Independent Agencies appropriations bill. I voted against this bill because of its tremendous budget outlays which seemed inconsistent with our new commitment to bring Federal expenditures more into line with available resources.

The Sun article points out that the bill was over budget requests, but more important, that the cutbacks it did call for were taken from the wrong areas. The article goes on to make some very good suggestions concerning ways in which the Veterans' Administration could cut costs, bring down the price of this bill, and still give priority service to our American veterans. I intend to make these recommendations to the VA and recommend this article to you to read.

[From the Las Vegas Sun, Oct. 25, 1981]

VETERANS' NEWS BRIEFS

(By Bill Morris)

As promised here is a report on H.R. 4034.

When the President took office he submitted a proposed budget to Congress. Congress took a look at it and came up with its own version . . . the Gramm/Latta Budget Compromise. Reagan agreed to accept it.

H.R. 4034 established the funding for the Veterans Administration for fiscal year 1982. However, the president said he will veto it if it gets through Congress as it provides a larger figure than what he originally asked for, and was not in compliance with his policy.

The bill squeaked through the House with a margin of 209 for and 197 against the measure with 27 not voting. Jim Santini voted against it.

At the VFW National Convention in the summer of 1980 then candidate Reagan stated, "To me it is unconscionable that veterans in need are denied hospital and medical care because of inadequate funding which has closed hospital beds and cut health care personnel within the VA."

In his nationwide speech Sept. 23 the president asked for an additional $451.7 million to be further slashed from the VA budget. A majority of the cuts ($297 million) would come from the VA's medical care account.

I agree that some cuts need to be expected, but why not cut from the top and leave the veterans alone. The VA is top-heavy with bureaucrats. For example, why does the VA need 300 lawyers?

The VA medical system can provide health care to veterans at about one-third the cost of care to the private sector.

If cuts are necessary, and they are, why not make the VA clinics part of the VA hospital system? This would automatically eliminate several positions, all high-paying, such as director, assistant director, fiscal, medical chief of staff, several heads of departments and many others. This would save a considerable amount of money annually. Independence can sometimes be a bane to one's existence.●

HON. W. AVERELL HARRIMAN

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1981

● Mr. BEVILL. Mr. Speaker, it is a true pleasure to join with my colleagues in the House to honor one of the great living Americans, W. Averell Harriman.

Throughout his long and distinguished public career, Governor Harriman has served his Nation and his party with the highest caliber of statesmanship, character, and personal integrity.

It was my personal privilege to serve with him on the Democratic Advisory Council of Elected Officials, for which he chaired the Foreign Affairs Task Force.

Governor Harriman shared freely of his wise counsel and rich personal and professional background. His service to this Nation as an elected official, as Ambassador, and as counselor to our Presidents has set him apart as one of our most knowledge citizens on the workings of our democracy.

As he enters 91st year, we should all be thankful for this generous and highly cultured gentleman. I join with America's citizens in honoring him, and in wishing him continued health and happiness.●

REMARKS OF THEODORE EDISON ON THE ENVIRONMENT

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. MINISH. Mr. Speaker, the name of Edison is justly celebrated for many achievements associated with our economic and technological progress over the last century. I am honored to represent West Orange, N.J., where the great inventor made his home, and among my distinguished constituents is Mr. Theodore Edison, son of the great "Wizard." Mr. Edison recently communicated to me a brief essay in which he reflected on the relative demands of progress and of preserving our environment. I share these thoughts with you:

OCEAN BEACHES, AND THE PRESERVATION OF "VARIETY"

A great many people are beginning to realize that population pressures are tending to produce such universal regimentation that our lives will become poorer instead of richer unless we take immediate steps to preserve "variety."

For example, I think that thousands of the visitors to ocean beaches would like to see substantial parts of those beaches kept at least somewhat inaccessible. Although such people may not visit a "remote" beach very often, each one of them may count each trip to it a rewarding and memorable experience, rather than just another outing: the "reward" in each case being partly dependent on an understanding of the area's unusual natural features. When off-road vehicles invade such places, feelings of peace and solitude are sure to be destroyed, and unique elements of the area can soon be lost forever. Why does every bit of beach have to be made so accessible that a journey to it degenerates into a mere alternative to going to the movies?

By way of simile, would it not be a tragedy to banish all classical music from a metropolitan area, without possibility of recall, just because a search for excitement may make rock and roll temporarily more popular? Who knows that tastes won't change?

Natural ocean beaches come and go, and I understand that in extreme cases they can change from a 200-foot width to almost zero (or vice versa) as the result of a single storm. Potential disaster areas can easily be created when careless visitors are presented with more and more opportunities to strip sensitive protective vegetation from the dunes. Would it not be best to reduce the chance of irreparable damage by keeping human activities in outstanding natural areas as simple as possible?●

WORKSHOP MEMBERS VISIT CAPITAL

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LONG of Maryland. Mr. Speaker, on Wednesday, November 18, 1981, six men and women, who are participating in the "Senior Power in Government" workshop at the University of Baltimore, will journey to Washington for a firsthand look at their Nation's Capital.

The 6-week workshop, conducted in cooperation with the area Agency on Aging, will acquaint older Baltimoreans with the political process and includes both classroom sessions at the university and field trips to Washington, Annapolis, and places of interest in Baltimore.

Seniors who will visit with us Wednesday are: Gwendolyn West, director of the Northwest Senior Center, Hilda Lurie, Esther Cohen, Inez Blair, Sydney Tucker, and Jack Glassman. Also visiting will be Dr. C. Richard Swaim, assistant professor, Public Affairs Institute, University of Baltimore.●

WASTEFUL DEFENSE SPENDING

HON. JAMIE L. WHITTEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. WHITTEN. Mr. Speaker, I believe it is essential that attention be called to some of the serious problems involving wasteful spending in the name of defense.

Mr. Speaker, I probably have had as much experience with defense appropriations as anyone else serving in Congress. I was a member of the Naval Appropriations Subcommittee beginning in 1943 and served on the Defense Subcommittee until 1974. Since that time I have continued to follow the subject closely. I have always supported strong national defense but I have learned through experience the vast difference between defense and defense spending.

We are aware of the warnings sounded by President Eisenhower about the military establishment and the arms industry. And we recall the convictions of our former colleague and the former Secretary of Defense, Mel Laird, that a strong economy is the first requirement for strong defense.

Mr. Speaker, I fear that too many have come to judge our defense strength by the size of defense spending. Not only is this dangerous but simply spending in the name of defense is highly inflationary, doubly so when it is wasteful. I submit that there is even greater danger when our leaders, the Secretary of State and the Commander-in-Chief, may be led to believe that we are stronger than we actually are just because of increased defense spending.

For these reasons, and based on my years of experience in defense appropriations, I joined in initiating a broad study of defense procurement practices and related matters. We did this in February as the huge increases in defense spending were being proposed. That study has been completed and the Defense Department has been asked to reply to the findings.

On October 19, 1981, in view of the gravity of some of the findings, a copy of the investigative staff report was provided to the Secretary of Defense for his response and action. In addition, many of the major issues set forth in the report were separately identified in the letter of transmittal to provide emphasis. One month later no response has been made by the Secretary.

The committee has directed the surveys and investigations staff to continue its efforts in this area, and it is anticipated further such reports will follow.

For the benefit of Members and others I include in the RECORD a brief summary of the report.

SUMMARY OF INVESTIGATIVE STUDY

In February of this year, the Defense Subcommittee directed the Committee's Surveys and Investigations Staff to conduct a broad investigation into the procurement practices of the Department of Defense. This Staff submitted a comprehensive report on September 23, 1981, followed by supplements on October 23 and 27, 1981.

The DOD supports between one-fourth and one-third of all scientists and engineers in the United States. About $10 billion is spent each year on Defense-related R&D. Much of the technology of the R&D community has resulted, for example, in the construction of a combat ship requiring 35,000 design changes and 6,000 change orders so that every possible "Buck Rogers gadget" as it is developed can be included. Thus, the development time has lengthened for each succeeding generation of weapons systems. For example, the Polaris A-1 took 5 years, the Polaris A-3 took 6 years, the Poseidon C-3 took 9 years, and the Trident C-4 will take about 11 years! Low-cost estimates are encouraged in order to get R&D programs through the approval and budget process, and money is spent and results accepted whether or not a quantified strategic or tactical combat need exists.

There is the lack of competitive procurement as required by enacted legislation. Only about 11 percent of DOD's procurement dollars are spent under the competitive procurement method, thereby driving procurement costs upward.

The DOD has placed its priorities and funds in areas of R&D and the procurement of weapons systems, neglecting the logistical support for these systems for many years. The 82nd Airborne Division, the Army's premier combat outfit, frequently failed to submit requisitions for material that was sorely needed due to the fact that sufficient Army O&M funds were not available notwithstanding billions of dollars unobligated and unspent.

The Army has requested $869 million in fiscal year 1982 to procure 600 Infantry/Cavalry Fighting Vehicles (IFV/CFV). A premature decision to type-classify and produce these expensive multipurpose vehicles has resulted in vehicles produced which will not effectively meet requirements. Production problems and changes in tests required to assess doctrine, tactics, vulnerability, and supportability have delayed planned achievement of an initial operating capability by more than 1 year and will probably result in costly design changes and additional program delays.

Development of the PATRIOT air defense missile system continues to progress under constrained conditions pending the results of DOD directed tests. The PATRIOT force included in Army's air defense plan does not meet all of the Army's D-day requirements, and recent studies show this need can be met by a number of options. If the PATRIOT is chosen as the option, production costs can be reduced and delivery can be expedited by increasing the number of units produced each year.

The concept of a Rapid Deployment Joint Task Force has evolved from a force of light divisions capable of rapid response to contingencies throughout the world, to a very costly, unified command for Southwest Asia. Program costs are currently estimated at $17 billion but will likely be higher; yet there is no approved operational plan in existence as yet for the RDJTF.

The primary constraining factor on the RDJTF's potential for success is transportation, especially the woefully inadequate airlift. Planning for the Maritime Prepositioning Ships program, as well as sealift support, in general, in many instances appears to consist of ill-conceived, urgency driven, stop-gap measures that either do not fulfill requirements or are contrary to them. Duplicative and potentially costly communications planning shortfalls are also in evidence.

Military spending in preparation for chemical warfare has been limited in recent years to protective equipment. The planned fiscal year 1982 procurement of modifications to warning devices presently in the U.S. inventory at a cost of $67 million. A less expensive modification kit is available which would result in an initial procurement savings of approximately $57.8 million.

The full cost of the proposed B-1 LRCA program will be considerably more than the "baseline" cost of $19.7 billion. The aircraft will have less capability than directed by Congress, and the highly concurrent schedule for development and procurement poses significant risks to timely deployment and adequate support of the system.

The Army has requested over $2.2 billion this year to procure M-1 tanks. This tank still has design deficiencies, fails to meet several requirements pertinent to maintainability and supportability, and actual production continues to lag far behind previously planned and funded delivery schedules.

A decision by the Navy to remove the automated propulsion control system from TARAWA Class LHA, amphibious assault ship (installed at great cost), will cost the taxpayers an additional $30 million.

Deficiencies in the Target Acquisition Display System of the Army's new AH-64 Attack Helicopter (the cost of which has escalated more than 100 percent since the award of the maturity development contract) make the capability of the entire weapon system questionable.

Contractors' pyramiding of prices for components and parts is costing the taxpayers millions of dollars annually. In one instance, a part purchased by DOD from a prime contractor at a cost of $199,405 had been obtained by this prime from a subcontractor at a cost of only $9,770. After passing through the hands of several other subcontractors, the cost increase to DOD over the original subcontractor's actual base price was 1,941 percent.

Defense contractors continue to pass unallowable overhead costs on to DOD. Examples of unallowable costs contractors have attempted to hide in their overhead pools include $1,500 for 10 tickets to the premier of the movie "Superman" and $266 for a tour of Tijuana, Mexico. Due to manpower shortages in DOD audit functions, these items were discovered on a sampling basis, and no one knows how many such charges go undiscovered and are actually paid each year.

Post initial provisioning reviews are not being conducted as required by regulation. As a consequence, there is a severe shortage of spare parts, and cannibalization has become a way of life in the field. For example, at RAF Bentwaters in June 1981, the cannibalization rate on the A-10 was 9.7 percent for each 100 sorties flown. This situation is not confined to the A-10 but includes items as uncomplicated as the Army's "off-the-shelf" M-880 Dodge pickup truck.

The implementation by the military services of a strong, workable challenging procedure for requisition of nonstandard and nonstocked items, which they have resisted for years, could save the taxpayers about $141 million annually.

Tens of millions of dollars of inventory losses are due to inadequate supply processes, losses in transit, and theft. For example, in fiscal year 1980, DLA alone experienced a net loss on Government property it handled in the amount of $41.7 million.

The Leader/Follower procurement technique can lead to an increase of competitive procurement and result in savings of hundreds of millions of procurement dollars. The Army's Missile Command used this technique to good effect in the procurement of only three weapons systems and achieved estimated savings exceeding $171 million.

Pursuit of an agressive component breakout program can result in substantial savings in the purchase of spare parts by the military services. One major contractor charged DOD 630 percent more for spare parts than it would cost if these spares had been procured directly from the component manufacturer.

Higher prices are paid for DOD procured items because of erroneous or improper pro-

curement method coding, inadequate or nonexistent technical specification data, and restrictive procurement specifications. The net effect of these procurement practices is an increase in sole-source and/or noncompetitive contract awards.

The military services are paying significantly different and sometimes higher prices to procure the same items. The Army currently has two contracts for the same supply item, one of which is administered in Philadelphia and the other in Dallas. The cost of the item is $29.42 under the Philadelphia contract but $55.00 under the Dallas contract.

The Naval Sea System Command (NAVSEA) continues to practice unsound contracting policies in applying economic price adjustment clauses to overhead. This failure was emphasized to NAVSEA early in this study. NAVSEA's response has failed to reflect an understanding of this deficiency, and they continue doing business in the same old way—compounding the problem. NAVSEA stands alone among DOD agencies in its handling of economic price adjustment clauses.

Problems exist in contracting for engineering, maintenance, technical, and logistic support services because of continuous reliance on contractors rather than DOD personnel. A series of negotiated contract extensions that resulted in the Government paying about $1.2 million more than the going competitive rate for repair services that totaled about $8.6 million.

Neither DOD nor the military services are cognizant of the numbers of persons or costs involved in contractor-supplies technical services or the total effect such services have on the present state of readiness. In 1980, the Logistics Management Institute, an outside study agency, reported approximately 4,500 in-house and contractor civilians provide technical assistance to U.S. forces in CONUS, overseas, and aboard Navy ships. DOD was unable to obtain these figures from internal management systems.

Processes for material obligation validation are inadequate, ineffective, and time-consuming. Requisitions for material no longer required have not been cancelled and, conversely, valid requisitions have been erroneously cancelled—seriously delaying the receipt of needed supplies by combat units.●

GUN CONTROL OVERSEAS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LEHMAN. Mr. Speaker, an excellent article on the subject of gun control overseas appeared recently on the editor's page of the U.S. News & World Report. I found it very informative and compelling, and would like to share it with my colleagues who may have missed it.

[From the U.S. News & World Report, Sept. 28, 1981]

GUN CONTROLS OVERSEAS

(By Marvin Stone)

A proposed federal law to regulate the ownership of handguns is being pushed toward hearings in Congress. Moreover, advocates of gun control are expected to raise the issue when the President's crime-prevention package, now in preparation, comes up for congressional debate.

To provide a basis for comparison, we asked our correspondents around the world how other countries deal with gun sales. Their reports:

Ottawa. In Canada, all guns must be registered. To buy a handgun, you must get a five-year certificate from the local police, who will check your mental stability and general conduct and ask why you need a firearm. You take the certificate to a dealer and pick out the gun you want. You describe it to the police and if they approve, they give you a certificate to buy it. The dealer checks the permit and makes a record.

London. Owning a rifle or handgun in Britain requires a license renewable every three years. To buy a gun, an individual must apply directly to the chief police officer of the area. Typical of conditions imposed are membership in an established shooting club and keeping the gun and ammunition in the club's security at all times. A license to own a gun is not necessarily permission to carry it around.

Paris. For a handgun under 35 centimeters (about 13¾ inches) in length, you need a permit authorized by the government representative in the locality, who checks your reasons and record. The only people allowed to carry handguns are police officers or, sometimes, persons who transport large sums of money. The penalty for illegal possession is one to three years for the first offense, two to five for the second.

Bonn. Prolonged examination is necessary to get a hunting license, which permits acquisition of a rifle or shotgun. A handgun then is permitted also, to give wounded animals the coup de grâce. The only other ground for buying a handgun is special need such as regular transport of large sums or being a target for terrorists. Weapons must be registered.

Rome. Any Italian without a criminal record can legally buy a gun. Italians buying weapons are automatically registered with the police. To carry a firearm away from home, a second permit is required. A proposal to let only police officers carry guns outside the home was heavily defeated four days after the attempted assassination of Pope John Paul II.

Geneva. Nearly every Swiss home has a rifle or revolver, because servicemen are required to keep their weapons there; abuses reportedly are rare. Licensing and registration are required for buying a personal handgun or other firearm. Sale to ex-convicts, alcoholics and the mentally ill is forbidden.

Stockholm. All sales of firearms are registered, and the police examine every application. Few people own personal handguns. Mailorder guns are banned.

Moscow. Citizens can't legally have firearms without special permission—or hunting knives, either, except in the far North. Hunters in a club can have weapons if they register them with the police and keep them at the club.

Tokyo. Handgun ownership is restricted to a very few types of persons. Police-administered tests and screening of prior conduct have been tightened more and more. License duration has been shortened to three years. Illegal possession draws fines up to $13,000.

Peking. Even air rifles are restricted in the People's Republic of China. The purchase of a firearm requires permission from a work unit and a permit from a security agency. An individual almost never receives a permit for a handgun.●

CUTS IN PUBLIC HOUSING FUNDING

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. SCHUMER. Mr. Speaker, the Reagan administration's desire to end all subsidies for construction of rental housing for low- and moderate-income families is well known. Less well known but perhaps more damaging is its steady withdrawal of support for an important existing housing resource—the Nation's 1.2 million units of public housing, which provide shelter for over 3.4 million tenants.

Notwithstanding the administration's hook or crook accounting methods, cuts in the operating subsidies and modernization programs, combined with increases in tenant rent payments, will cause very real harm. Tenants who are already stretched thin will be paying more but getting less. Housing authorities will be unable to provide even their current level of maintenance, repairs, and services. Those authorities which are not yet in desperate financial condition will be so soon others will face bankruptcy and the closing of units.

On Sunday, November 15, the New York Times printed a story describing the administration's plans concerning public, housing and the drastic impact that these plans will have. I submit that article to be printed in the RECORD and hope that my colleagues will take the time to read it.

The article follows:

NEW YORK ASSAILS REAGAN PROPOSAL ON PUBLIC HOUSING

(By Lee A. Daniels)

A Reagan Administration plan that would reduce Federal aid for public housing, coupled with rent increases for all 600,000 tenants of the New York City Housing Authority, will have "a traumatic and devastating effect," the agency's two top officials charge.

Joseph J. Christian, the authority's chairman, said last week that the proposed reductions in Federal aid "would severely restrict what we could do across the board."

"Our operations would no longer be recognizable as the program we're running today," he said.

John Simon, the authority's general manager, said the reductions and the increase in rents could result in "great instability and turmoil" throughout the 264 housing projects in the city. The rent increases, which are scheduled to take effect next year, will require tenants to pay 1 percent more of their income toward rental in each of five years.

"It seems they have declared World War III on public housing," Mr. Simon said, referring to Federal officials.

$185 MILLION SUBSIDY LAST YEAR

The two men were reacting to an Administration request to Congress for $1.06 billion in Federal subsidies for the nation's local housing authorities for the current fiscal year, which began Oct. 1. That would be 69 percent of the amount that, according to the Housing Act of 1974, agencies could have expected under a formula established by the act.

Even if Congress should appropriate more that the Administration is requesting, the Administration could spend less.

In 1980, Federal subsidies to local housing agencies totaled $962 million, about 85 percent of what they were eligible for under the established formula. Nationally, the Federal Government provides operating subsidies for 1.2 million units of public housing that shelter 3.4 million tenants.

The Federal subsidy for New York's housing agency last year was $185.2 million, the officials said. They said that left them with a $31 million shortfall, which was made up by reducing numerous services and by leaving 10 percent of the agency's 12,000 staff positions unfilled.

While the subsidy would go to about $204 million under the Administration's request to Congress, the housing agency's increasing expenses and deficit—factors taken into consideration by the 1974 formula—would mean that the Federal aid would be less than Congress envisioned in the Housing Act of 1974.

The Administration's new request for funds was strongly criticized last week at a meeting in Washington of the National Association of Housing and Redevelopment Officials. The group contended that the Federal subsidy should remain at least at 85 percent of the formula, which would be about $1.26 billion.

Philip Abrams, a deputy assistant secretary of the Federal Department of Housing and Urban Development, said last week that the proposed reduction in subsidies could be offset with improved management and larger contributions from state and local governments.

However, public housing officials said it was unrealistic to expect local and state governments, which themselves are financially strapped, to make additional contributions to local housing authorities.

SHARP COMMENTS UNUSUAL

In addition, housing officials in New York City and elsewhere in the nation contend that public housing, from the construction of the buildings to the support of numerous operating programs, has been a Federal responsibility since projects began to be built in the 1930's and that the Government cannot simply walk away from them now.

The sharp comments by Mr. Christian, the New York City Housing Authority chairman, and Mr. Simon, its general manager, during an hourlong interview at the authority's headquarters in Manhattan, were a departure from their usually low-key public stance.

Mr. Simon set forth his views last month in a letter to the Department of Housing and Urban Development, which was later submitted to a Congressional subcommittee. In the letter, Mr. Simon said that the proposed reductions would force the agency "to make the kind of cuts that will lead to a rapid and substantial deterioration of all Federal projects in New York City."

He also said they would produce "tenant unrest in very difficult areas of the city" and lead "to the probability of rent-withholding actions, some legally sanctioned by court orders for lack of services which will further damage the financial viability of the authority."

Specifically, Mr. Christian and Mr. Simon said the proposed reductions would force the New York City Housing Authority to take these actions:

Cut its workforce by 1,200 people, including 200 in management and supervisory positions.

Reduce its 1,400-member police force by 100 officers.

Eliminate half of all painting contracts, now let to private contractors through public bidding, for apartments and public spaces. According to city law, the authority must repaint these areas every three years. Because of a necessarily greater gap between paint jobs, Mr. Simon said, the agency would be "extremely vulnerable to rent abatement claims." a situation that would "further exacerbate its financial conditions by incurring additional legal and administrative expenses."

Eliminate half of all maintenance and repair contracts and purchase of materials for such work.

Eliminate routine replacement of all gas ranges and refrigerators, which are normally replaced on a 16-year cycle.

Close down all community centers, day-care centers, centers and programs for the elderly, and all other tenant and youth programs.

"There's going to be a cumulative impact on our tenants," Mr. Christian said in the interview. "Many of them are being affected by budget cuts in other social service areas. Now they'll see us raising rents while cutting services. It's not going to go over well."

His words were underscored by Harold Pinkney, chairman of the 49-member Resident Advisory Council, the Housing Authority's official tenants union. Members of the council, a volunteer body, are elected by districts from all of the agency's projects.

In a separate interview, Mr. Pinkney—who praised the authority for its current and past work—said the proposed Federal reductions would be "very devastating" for the tenants and the authority.

"Many tenants are stretched thin now," he continued, adding that if the Housing Authority increased rents and cut services, "they're asking for trouble—a citywide rent strike is a real possibility."

Such a situation would represent an extraordinary turn of events for the authority, which is the oldest and widely regarded as among the most stable and best-run public housing agencies in the country.

The popular image of New York's housing projects is represented by such giant projects as the 3,500-unit Whitman-Ingersoll development in Brooklyn or the 2,000-unit Frederick Douglass Houses in Manhattan. Two of these high-rise complexes have more than 3,000 units, eight have more than 2,000, and 63 have more than 1,000 apartments. However, the large majority of the authority's projects are low-rise buildings of less than 700 units each.

In managing this vast enterprise, the Housing Authority collects about 97 percent of the rents due every month—it collected $256.3 million last year—and is generally credited with a good record and you won't be wrong," said Robert Maffin, executive director of the National Association of Housing and Redevelopment Officials, referring to the New York agency. "That's the comment you'll get from any quarter."

Federal housing officials, who have officially commended the New York Authority's management record in the past, recently asked them to help the Chicago Housing Authority revise its management procedures. The Chicago authority, the second largest in the country, has been beset with chronic management and financial difficulties.

Mr. Simon noted that the Housing Authority had a waiting list of about 160,000 people, even though, because of the extremely low turnover in project apartments, in would take them 18 years to get an apartment. The length of that waiting list, he said, "speaks volumes about the need for housing among poor people in the city."

"And yet," Mr. Christian added, the Federal Government "is cutting back on its help. I think they're trying to eliminate Government's responsibility for housing, period."●

DULANEY HIGH SCHOOL STUDENTS VISIT NATION'S CAPITAL

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LONG of Maryland. Mr. Speaker, on Wednesday, November 18, 1981, 230 young men and women from the senior class of Dulaney High School, Lutherville, Md., will journey to Washington for a firsthand look at their Nation's Capital.

These students, lead by Mr. Robert Webster, Mr. James McNamara, Mr. Anthony Capezio, Mr. Edwin Lynch and Mr. Maynard Keadle, will tour Capitol Hill on their own, observe the House and Senate in session, and sit in on committee hearings.

I am delighted these students are taking this opportunity to visit with us, and I hope their interest in our Nation's political process will continue.

Students who will visit us Wednesday are:

Patti Abers, Nancy Aleszczyk, Martha Allen, Bill Auslander, Lisa Allen, Jennifer Azzam, Ruthie Babcock, Debbi Barrett, Michael L. Cirri, Dave Carey, Keith Blades, Jennefer Baer, Bob Adolph, Joan M. Baker.

Dave Bauer, Debbie Bennett, Jeff Bauer, Jim Boulden, Melanie Pefinis, Beth Merlin, Yvonne Beare, Mary Beth Berie, Janet James, Janice Bedford, Pam McDade, Scott Heffner, Charles Brown, Jill Campbell.

Maria Carlucci, Suzanne Cooke, Vance Cole, John Corsi, Laurie McIntosh, Barb Williams, Christina Mosner, Bill Copenhaver, Jamie Flattery, Scott Conewell, Pam Carlson, Karen Conley, Kim Jensky, Steve Marshner, Pat Burton, Missy Hoffman.

Carol Dudley, Karlene Crowley, Melanie Cutler, Larry Detweiler, Barrie Degraw, John DeSantis, Kathy Ehrlich, Ginger Engel, Carol Drussell, Dianne Diehl, Eric Hetrick, John Chlan, Walter Eppler, Nancy Ettenhofer.

John Faillace, Sharon Fleming, Jim Fahey, Chris Cross, Sherri Craig, Kris Ettenhofer, Barbara Cobb, Joseph Gagliano, Bill Schroeter, Harry Walker, Bill Pearce, Don White, Dennis Rice, Ursula Vinson.

Roy Littler, Dereen Schafer, Stephen LaRocca, Amy Funk, Joe Glass, Claire

Foley, Bill Gavenes, Fred Fisch, Nick Garcia, Betty Gladstone, Nick Filipidis, Steve Flemke, Laura Friedel, Guy Garey.

Kyle Grume, Robet Gugerty, John Hammann, Chris Harting, Amy Hempey, Denise Hanna, David Jeter, Adriane Green, Chris Hayes, Lisa Griesbaum, Scott Heffner, Erik Hopf, Lisa Hovermale, Mary Huffman.

Raymond Isenock, Glen Jackson, Jessica Jett, Mike Jones, Jeff Maclay, Lauran Rough, David Langrehn, Alex Inde, Peggie Johnston, Mark Hull, Senda Johnston, Chris Klaben, Karen Johnston, Kathy Hoyt.

Scott Kenney, Jeff Klass, Gretchen Knapp, Glenn Kroneberger, Karen Hotton, Cindy Lederer, Shaune Kellett, Beth Ann Lansinger, Rich Krueger, Craig Landsman, Kris King, David King, Beth Kirchner, Margie Lanzette.

Karen O'Connor, Tracey Schuerbolz, Sandy Rudolf, Kathy Rowe, Cathy Russo, Stacey Shinn, Linda Shirley, Steve Smith, Tom Smith, Joselina Sorra, Matthew Stegman, Erik Stensvold, Renuka Ramaiah, Tom Siedlecki.

Shaida Sina, Kelly Sporer, Linda Singh, Andy Berner, Jaqueline Stepcick, Sheelah Sullivan, S. Wagner, Tiffany S. Tagg, Scott Thilbodeau, Cathy Thompson, Marni Tilrico, Mark Tipmongkol, Michael Valencia, Hector Vinas.

Kenneth Warfield, Maria Voelker, Bob Volk, Ann Wazenski, Shelley Workman, Jeff Zimmerman, Brian Znamirowski, Ted Wollinski, Dave Workinger, Amy White, Karen Zurwelle, Joseph Wynn, Tom Wilkes, Steve Wientge.

Lou Fazio, Claudie Lee, Robert Lee, Lynn Leonard, Kenny Long, Andrew Marley, Amy Marshall, Kelly Lindsay, Lisa Lorenzo, Neil Lewis, Mark Lentz, Soo Lee, Robb Lippy, Mark Mathias, Sondra Lee.

Charles McManus, Tamara McMillan, Scott McQuaid, Jennifer Melcher, Joe Montalbano, Neil Moore, Linda Morgan, Sandy Murphy, Carol Miller, Bonnie Miller, Lisa Miller, Glen Miles, Julie Mordicai, Kim Oliver, Werner Petzold.

Mitchell Platis, Patricia Paresi, Carol Over, John Pearce, Howard Plopper, Tish O'Donnell, Ernie Papaminas, Jayme Poetzman, Kevin Propheter, Scott Richardson, Stewart Riley, Chris Rindone, Woods E. Robinson, Eugene Roth, Marianne Reinhardt.

Neil Nordberg, Donald Roberts, David Rittenhouse, Steven Riley, Kim Rennie, Eileen Quinn, Pam Pozanski, Simone Ryland, Julie Sackett, Mimi Schuerholz, Duane Seibert, Carol Seiders, Marty Ryan, Sean Fealey, Mike Sharkey.●

VARIABLE ANNUITY CONTRACTS AND REVENUE RULING 81-225

HON. RICHARD GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. GEPHARDT. Mr. Speaker, I am introducing legislation today to clarify the tax treatment of variable annuity contracts funded with mutual fund shares. This legislation essentially codifies the result reached by the Treasury Department in revenue ruling 81-225. That is, in order for such variable annuity contracts to achieve tax deferral of earnings under the tax law, the mutual fund shares funding such contracts must not be available to the general public for purchase other than through the variable annuity. While codifying the ruling, this legislation reverses the inequitable retroactive application of the ruling. In addition, the legislation clarifies two technical matters not specifically addressed in the ruling. Under the legislation, investment managers of the assets funding the variable annuity contracts may be unaffiliated with the issuing insurance company and a contract holder may allocate or reallocate contract amounts attributable to him among segregated asset accounts of the insurance company or among subaccounts of one segregated asset account.

Mr. Speaker, I will not take long today to discuss our social security system and individual retirement. Suffice it to say that no one seriously contends, nor was it ever intended, that individuals rely solely on their social security for retirement income. Consequently, individuals must save and invest for their retirement security. The variable annuities which are the target of revenue ruling 81-225 are generally purchased with "after-tax" dollars and any earnings on such accounts are taxed as ordinary income when paid. Additionally, there is no income tax deduction for the purchase amount. Annuities clearly have been, and will hopefully continue to be, an excellent means for middle-income Americans to provide retirement savings. Therefore, although the annuity is purchased with "after-tax" dollars and there is no income tax deduction for that purpose, these annuities remain a viable retirement vehicle because taxation is deferred on the income earned on these invested amounts until eventually paid out to the annuitant. Commensurate with the benefit to the individual from retirement savings, is the benefit to our Nation from the expanding capital formation base. Private retirement savings must be encouraged.

The Treasury and the IRS have been on a 5-year program to substantially restrict annuities as a base for retirement security. In 1977, the IRS released a revenue ruling that was quickly and decisively overturned by a Federal district court. However, due to a technical device, that decision was overturned. The Treasury has recently been attempting to do administratively what they unsuccessfully tried to get Congress to do in 1978.

This most recent Treasury ruling is grounded on a public access policy argument; that is, a person who invests in mutual fund shares through an annuity should not achieve tax deferral if a person who invests directly in the same mutual fund shares is taxed currently. The Treasury ruling is designed to prevent the use of annuities in situations where the capital used to purchase the annuity is invested in an asset that could have been purchased directly without the use of an annuity.

While this latest theory of the Treasury has never before been stated anywhere in the more than 50-year history of the rules governing annuity taxation, my legislation adopts the Treasury's theory. I do this because it is critical that Congress act expeditiously to provide certainty in this area so that companies and consumers alike can make informed and thoughtful financial decisions. Additionally, legislation will insure certainty by clarifying questions that the ruling did not address and are now causing great confusion and uncertainty.

Let me briefly address the other aspects of this legislation. First, my legislation reverses the egregious abuse of administrative discretion concerning the retroactive application of the ruling. Without warning or rationale, that ruling imposes a 1981 tax liability on persons who in good faith and often on the advice of independent tax advisers, purchased these annuities with the understanding that earnings from them would be deferred pursuant to the tax law as in effect for over 50 years.

The public access rationale could not have been foreseen and is contrary to at least three recently published rulings that sanctioned variable annuities where mutual fund shares that supported the variable annuity were also offered through another account to the general public. Further, it will be almost impossible for any insurance company to compute and report the earnings on the annuity as required by the retroactive application of the ruling. In short, the retroactive application of this revenue ruling, based on agency whim rather than clear statutory guidance, is inherently inequitable.

Second, under the Federal securities law, variable annuity contract holders have the right to remove an investment manager. It would be an extraordinarily curious result for the exercise of those rights to lead to a negative tax consequence; nor should the tax law, through administrative action particularly, indirectly repeal our securities laws. Consequently, my legislation clarifies that an independent investment manager is permissible. Of course, my legislation does not allow the contract holder himself to be the investment manager.

Finally, the tax law has for years clearly sanctioned the tax-free—like-kind—exchange of one annuity contract for another. Contract holders wishing to change investment orientation to reflect our ever-changing economic conditions should be able to accomplish this same goal by allocating or reallocating contract amounts pur-

suant to the terms of a single contract without formally going through the cumbersome and expensive administrative aspects of the more formalistic exchange procedure.

In summary, Mr. Speaker, this legislation provides critical statutory guidance concerning the proper tax treatment of variable annuities funded by mutual fund shares. In concurrence with the approach already taken by the Treasury, the Congress is establishing as a policy matter through legislation, that the earnings on these annuities should not be tax deferred unless the mutual fund shares are not otherwise available to the public. However, while the legislation adheres to the result reached by the Treasury, the retroactive application cannot and must not be condoned.

I urge all my colleagues to support the rapid enactment of this legislation.

Thank you, Mr. Speaker.●

HANDGUN BODY COUNT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LEHMAN. Mr. Speaker, the handgun body count for the month of September was 690. That is more than all the people killed in Japan, Great Britain, Switzerland, Canada, Israel, Sweden, and West Germany during the entire year of 1980. The U.S. News & World Report recently published a report of the regulations regarding gun sales in other countries, which may help to explain why their fatalities are so few in comparison to our own.

The list follows:

HANDGUN BODYCOUNT—SEPTEMBER 1981

ALABAMA (2)

Gertha Davis, Sandy Portis.

ARIZONA (11)

Irene Barley, Michelle Brevaire, Julio Castillo, Maria Castillo, Ernest Cleveland, Johnny Douglas, Susie Douglas, Kenneth McGruder, Leon Morgan, Gary Rushing, Huga Torres.

ARKANSAS (3)

Robert Martin, Gregory Snodgrass, Rose Webster.

CALIFORNIA (80)

Mark Anthony, Apolonio Baragas, Kenny Bolen, Linda Brazel, Frank Brooks, Frank Bustos, Richard Carrington, Willie Citizen, Cecil Connors, Tony Cordero, Fairbank Crawford, Frances De Pold, Lance Dugan, Charles Eaton II, Victor Espinosa, Joe Eyerman, Charles Eyler, Joseph Fedenisn, Fabriel Flores, Shirley Franklin, Diana Gallardo, Theodore Harper, Anthony Herrera, Buella Hopson, Vanessa Iberri, Shirley Jessup, Rodney Kiest, Carl Kilborn, Mrs. Bertie King, Bertie King, Glen King, Robert Labuzan, David Ledesma, hector Leroy, Manuel Leyva, Greg Lock, Betty Loree, Robert Labuzan, Larry Manuel, Lonnie McDermott, Thomas McMillan, Pierre Middleton, Jacob Monroe.

Mary Monroe, Bryan Morgan, Manuel Nazario, James Neasham, Loraine Neasham, Houston Newton, Edward Parra, Clayton Peoples, Luiz Pino, Benny Plue, Carroll Prier, Marcos Quintana, Fernando Ramirez, Javier Ramirez, Peter Reyes, Jose Rodriguez, Richard Seabridge, Johnny Smith, Roy Smith, Arthur Stone, Vivian Stringfellow, John Taylor, Robert Thorpe, Jesus Valdez, Mario Vasquez, Adolpho Velez, Cynthia Warden, Everett Washington, Jr., Stephen Williamson, Larry Wood, Francisco Zamora, Unidentified male, Unidentified male, Unidentified male, Unidentified male, Unidentified male, Unidentified male.

COLORADO (13)

Felix DeLemma, Brenda Ford, David Goddard, Grace Goddard, Marie Greene, David Hines, K. S. Kafka, Shanon Kennedy, Jacqueline King, Chester Moody, Helena Myer, Betty Nelson, Lorna Stiles.

CONNECTICUT (5)

Gurtaili Heri, Frank Piccolo, Olin Robinson, Vincent Roccisano, John Wrabel, Jr.

DISTRICT OF COLUMBIA (3)

Khalid Muhammed, Louis Smith, Unidentified male.

FLORIDA (57)

Wilgun Alexis, Cecilia Agra, Nathaniel Broom, Luther Bryant, Dennis Butterworth, Rafael Camacho, John Camp, Pable Correa, Narciso Cuevas, Edward Davis, John Davis, Amelia Exposita, Conrado Exposita, Gustavo Fernandez, Gerald Forsyth, Blanche Gamble, Nestor Garcia, Jacqueline Garganus, Charles Garrett, William Genco, Thomas Gorman, Orlando Hernandez, Kevin Hyatt, Sherry Hyde, Joseph Mandell, Barbara Miles, John Niemi, Dr. Juan Ocana, Joseph Oliveti, Paul Plichta, Luis Quiala, Marsha Rigby, "Roberto", Erasto Sanchez, David Santiago, Johnny Stokes, Carlos Sueira, Thomas Sullivan, Tommy Thomas, George Tullis, Sr., Thomas Turner, Ed White, John Williams, Louise Wilson, Willie Woody, William Wydra, Unidentified female, Unidentified female, Unidentified female, Unidentified male, Unidentified male, Unidentified male, Unidentified male, Unidentified male, Unidentified male, Unidentified male.

GEORGIA (8)

Amos Bonner, Tony Brown, Richard Garcia, William Greer, Henry McLemore, Jr., David Plair, Jerry Washington, Unidentified male.

HAWAII (2)

Evagelia Tuiloma, Unidentified male.

IDAHO (4)

Pedro Martinez, Martin Vasquez, Richard Whitacre, Unidentified male.

ILLINOIS (89)

Pable Acevedo, Anthony Alejandro, Patricia Avery, John Baker, Frank Barajas, Dennis Batts, Carrie Bell, Paul Benifield, Gregory Brown, Nancy Bryant, Margaret Carr, Leroy Carter, Nichlas Chomor, Chikyu Chung, Dennis Clark, Gregory Clark, Morris Connor, Eldra Danner, Jr., Frank Depasquale, Keith Dicks, Timothy Dongan, James Dunlevy, Gregory Enright, Frank Ensinger, Ernest Felix, James Flowers, Harold Freeman, Charles Garrett, Carl George, Juan Gomez, Baby Girl Gray, Alejandro Guman, Andrew Gyce, Greg Hardy, Darrell Harris, Percy Herron, Andre Jacobs, Timothy Jenkins, Bernard Johnson, Cynthia Johnson, Derrich Johnson, Donald Johnson, Glen Johnson, Corle Jones, Jackie Kendall, Hammond Lavois, James Lewis, Sean Malone, Helga Marschall, Calvin Maxwell, Jerry Mayberry, Michael Makler, Albert McAfee, Kevin Miller, Mike Morales, Thomas Morgan, Jessie Myers, Willie Myers, Emma Oliver, Lee Pearce, Sylvester Peck, Robert Peretti, Miguel Quilos, Jose Ramos, Edgar Richmond, Edwin Roman, James Rosenborogh, William Rufus, Sylvester Rusin, Sebley Russell, Michael Ryan, David Serrano, Roy Simpson, Eva Smith, Nehamon Smith, Robert Smith, Willie Tigner, Augustine Torres, Jose Trinidad, Sreekanth Varma, Wilfredo Vasquez, Muriel Ward, Richard Wells, Dwight White, Alicia Woodridge, Abelardo Zirondore, Unidentified male, Unidentified male, Unidentified male.

INDIANA (16)

James Begley, Peral Davis, James Hueber, Marie Isenhart, Jackie Kendall, John Lancaster, Jennifer Maynard, Antonio Ojeda, Doris Oliver, David Ott, Shirley Phyne, Charles Rawson, Michael Reeve, Lloyd Staton, Glenn Tobias, Gene Williams.

IOWA (7)

Clark Fisher, Kate Fisher, Stanley Fisher, Paul Harvey, JaNean Lindquist, Tracy Lundberg, Unidentified female.

KANSAS (11)

Jacqueline Anderson, Irwan Haley, F. Hilderbrand, Louis Redding, Mark Snyder, Binh Cong Thai, Son Van Thai, Unidentified female, Unidentified female, Unidentified female, Unidentified female.

KENTUCKY (8)

Harry Christy, Emmarie Gerstner, Robert Gerstner, Robert Hall, Jewell Holland, Steve McGrew, David Supple, Dr. G. Tanner, Jr.

LOUISIANA (8)

Rose Bargky, Clyde Duronslet, Noel Howard, Henry Ratcliff, Cinda Russell, Forothy Spears, Albert Steifer, George Stroyewski.

MAINE (1)

Morton Kaplan.

MARYLAND (23)

Abraham Applebaum, Samuel Blakney, Silas Bridges, Byron Cherry, Kenneth Edwards, John Henry, Jr., Oscar Johnson, Roberta Kaufman, Dennis Mashburn, Calvin Maxwell, Mitchell Myers, Gerald Overdue, Robert Parrish, Peggy Peck, Dr. George Phillips, James Pope, Margarette Pope, Peggy Pope, Athony Robers, Gary Rorie, Larry Stevenson, Purcell Turner, Unidentified male.

MASSACHUSETTS (11)

William Allen, Carl Grochmal, Denise Grochmal, Richard Grochmal, Stella C. Grochmal, Stella T. Grochmal, Dana Hill, Mort Kaplan, Laura Maslak, Grasford Palmer, Michael Peters.

MICHIGAN (44)

Josie Ball, Thelma Barnes, Anna Brewer, Marion Brown, Bobby Burton, Thomas Campbell, Della Collins, James Connelly, Jeanette Craft, John Curtis, John Davis, Ramoul Davis, Carl Fambro, Henry Ford, Paul Garza, John Gregory, Luke Grass, Jerilyn Jackson, Mary Jackson, Richard Lepkowski, Anthea Lewis, Andrea McLeod, Jeffery McNeal, Linda Micinski, Timothy Nowlen, John Oliver, Cesar Pagan, Dwight Poe, Charles Rawson, Gregory Rea, Gordon Rekuc, Janiene Scurlock, Kenneth Seltz,

Erick Shuman, George Smith, Joseph Smith, Major Taylor, Leroy Weston, James Wilkins, David Williams, Elijah Williams, Karl Wolff, unidentified female, unidentified male.

MINNESOTA (8)

Paul Boyden, Gary Bucher, Suella Hopson, Glenn Peterson, Richard Seabridge, Gary Wold, unidentified male, unidentified male.

MISSOURI (25)

Michael Bishop, W. Blumenberg, James Buckley, Donnell Buford, William Chochran, William Davis, Carl Harvey, Police Sgt. Henderson, Scott Humphries, Richard Jackson, Kim Labbee, Stephen Mayhew, Darrell McCafferty, Medice Joseph, Darrell Sanders, Alvin Smith, Rickey Starks, Gordon Stillie, William Strong, Charles Taylor, Larry Thomas, Robert Thomas, Glen Tobais, Rodney Walker, Sherve Williams.

NEBRASKA (6)

Ronald Bisping, Gregory Combs, Rhea Grabow, Gina Lawrence, Bert Schriner, Jr., Marilyn Waege.

NEVADA (2)

Charlie Brown, Timothy Calton.

NEW HAMPSHIRE (2)

Carole Perriello, Lorraine White.

NEW JERSEY (5)

Robert Craig, Henry Goodson, Brenda Lynch, Larry Schultz, Wayne Williams.

NEW MEXICO (9)

Helen Chavez, Ramon Chavez, Millard Deck, Helen Deck, Doris Johnson, James Johnson, Pedro Morel, Gabe Nava, Theodore Vanbastian.

NEW YORK (20)

Felix Aquino, Clinton Barnes, James Boyson, Dr. Jacob Brickman, John Gioia, Carroll Kelley, Freddy Lackerman, Robert Lehan, Taylor Majors, Vincent Minichiello, Sharon Reese, Solomon Robinson, Peter Sawicki, Cruz Silva, David Supple, Bienvenito Taberas, David Werner, unidentified male, unidentified male, unidentified male.

NORTH CAROLINA (14)

Jesse Andrews, Frank Daniel, James Day, Jr., Ralph Felder, Michael Finazzo, Tyler Frndak, Edward Harkless, Leroy Hemphill, Scott Humphries, Maxcey Lights, Jay Lockhart, Nathaniel McClarin, Walter Puterbaugh, Lewis Williams.

OHIO (22)

Mark Bennett, George Billias, Scott Brady, Teresa Coonrod, Rhonda Dickson, Yvonne Foster, Anthony Griffith, Freddy Miller, Robert Mullikin, Richard Obliski, Michael Pfeiffer, Wayne Rader, Crystal Riser, Kevin Robinson, Peter Sawicki, Ralph Steinie, Robert Stout, James Turner, Ronald Wehrs, Calvin White, Daniel Wielogorski, Unidentified male.

OKLAHOMA (6)

Mr. Brewer, Sanford Dudley, Ty Hiatt, George Marzett, Andres Salazar, Joan Wohl.

OREGON (1)

Melvin Rayner.

PENNSYLVANIA (34)

Carolyn Adams, Richard Breves, Joseph Costa, Linde Cousins, Kelley Davis, Curtis Gormley, Georgie Gormley, Renee Greenwood, Bailey Groseclose, Lucille Groseclose, Paul Hamilton, Andrew Harcun, James Hart, Richard Humphreville, Allen Johnson, Helen Johnson, Cynthia Jones, Kevin Lewis, Carl Long, Mary Lou Marks, Dorothy Moss, Debra Nicholson, Alonzo Nole, Fletcher Oglesby, Donald Rhodes, Edward Rickard, Joseph Shingle, Kenneth Singleton, Fred Thomas, Michael Tristani, Charles Weaver, Reuben Weaver, Keith Williams, Danny Wright.

SOUTH CAROLINA (5)

Ralph Felder, Edward Harkless, Leroy Hemphill, Maxcey Lights, Christa Soule.

SOUTH DAKOTA (3)

Brian Mathis, LaDonna Mathis, Patrick Mathis.

TENNESSEE (16)

Edna Baker, Richard Carrington, Robert Flowers, Richard Johnsey, Warzell Johnson, Booker Ligon, Reginald Phipps, William Pipkin, Raymond Ross, Judy Sanders, Tony Snyder, Taylor Waldrun Sheryl Wilbur, Tammy Woods, Unidentified male, Unidentified male.

TEXAS (81)

Louis Acosta, Jack Barner, John Boriskie, Harold Boy, Wardell Braziel, Arzo Buckley, Jr., Alexander Bugg, Leslie Busby, Pamela Cabiness, Justo Castillo, Ruben Castillo, Jr., Floyd Crump, Adline Dearman, Brian Doherty, Charles Dugger, Charles Dunn, Dr. Berlie Fallon, Jesse Fernandez, Gregory Flores, Gene Gamble, Jose Gutierrez, Earl Hart, John Hays, Thomas Hedrick, Carroll Hudson, Robert Huff, Kenneth Jackson, Deborah Jenkins, Steven Johnson, Gulshan Karmali, Estelle Kimble, Alvin King, Luis Lobos.●

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MOBILIZING THE AIRWAVES—FREEDOM'S CHALLENGE TO TOTALITARIANISM

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LeBOUTILLIER. Mr. Speaker, America, alone among all nations of the world, has established freedom as a fundamental right bequeathed to all men by their Creator. "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." Even before independence, freedom was on John Adams' mind when he wrote in 1765 that the settlement of America constituted "the opening of a grand design in Providence for illumination of the ignorant, and the emancipation of the slavish part of mankind all over the Earth."

The very essence of the American Revolution was the founding of freedom and the establishment of lasting institutions to guarantee the rights of freedom and citizenship. The depth of this commitment lies in the fact that, if a government becomes destructive of freedom, one of the rights of the people is to abolish such a government and replace it with a new government most likely to effect the safety and happiness of the people.

Thus, freedom was not viewed as a right pertaining to Americans alone, a phenomena relative to a country's specific culture or history. Rather, the Founding Fathers rightly judged freedom as a fundamental right visited upon all men by their Creator and, as such, rooted by that Creator in the very nature of man. It was, in short, an "inner measure" of man's ultimate purpose, and all cultures and histories were to be judged by the extent to which they would contribute to its realization.

In stark contrast to this tradition is that system of terror given birth in the Soviet Union which seeks to destroy the very soul of man. November 7, 64 years ago, marks the birth of the "Great October Socialist Revolution." Thus began a metamorphosis so complete and so sinister as to enslave an entire people. With 60 million innocent victims in its wake, this revolution swiftly emerged as the most morally abhorrent and repressive system ever to darken and stain the pages of human history.

Today, the Soviet Union is not simply a state. It is a "prison of peoples," dedicated to the final eradication of the Judeo-Christian way of life and the sacred values on which it rests. It is the enemy of all people and the captor of each who would be so unfortunate as to come under its sway. It is, in short, the enemy of the eternal basis of the spirit—freedom.

Throughout the world, the Soviet Union is conducting one of the most sophisticated disinformation efforts the world has ever known. It makes use of pamphlets and reviews, of cinema, theater, and radio, of schools and universities. Little by little, it penetrates all classes of people and even reaches the more intellectually advanced of the community with the result that few are aware of the poison which increasingly pervades their minds and hearts. Aware of the universal desire for peace, Soviet propagandists pretend to be the most zealous promoters in the movement for world peace. At the same time, they stir up class warfare in small villages and towns throughout the underdeveloped world, causing suffering and death. Knowing their system offers no internal guarantee of peace, they have recourse to unlimited armaments. Under various deceptive names, they establish organizations and periodicals with the sole purpose of carrying their ideals into quarters otherwise inaccessible. They worm their way into freedom-loving organizations and, without receding from their subversive principles, they invite free men to collaborate with them in the realm of so-called humanitarianism and charity.

America's most powerful weapon against the Soviet system is the power of the truth. With an improved Voice of America, Radio Free Europe/Radio Liberty, and most recently, Radio

Marti, America would have the means to transmit the truth, unhindered by totalitarian instruments of fear and repression, to all the enslaved peoples of the world. The remarkable success Radio Free Europe has had in unifying the Polish people serves as a vivid reminder of this power.

The power of truth could, over time, create "Polands" throughout the Soviet orbit, including the Soviet Union itself. It could unravel the Soviet Empire without a single American boy going off to war.

In an interview which I recently conducted with Alexandr Solzhenitsyn, he complained that Voice of America broadcasts were deliberately toned down so as not to be damaging to the Soviet leadership. He said:

Your radio broadcasting does not provide the need spiritual help for people. This is one aspect. The other one—you sell yourselves on a lower level than you really are. You—you do harm to yourselves. Thirdly, you limit even very ordinary information on current events. In foreign policy, you deal with sources very gingerly, and in a very circumspect manner, like Afghanistan.

In Frankfurt, Germany there is an emigre publication ("Pasev") being published, and it—it teems with very valuable data on Afghanistan, because its staff members go to Afghanistan and meet with Afghanistan partisans.

But the Voice of America will never lower itself and use their sources. In fact, instead of giving us news items, they help us toward ignorance—toward disinformation—and this is one of the basic mistakes and shortcomings of the Voice of America, because they are affliliated with the State Department, and they have acted in a way, as to never violate State Department policy. Therefore they give us stones instead of bread.

In a study entitled "Mobilizing the Airwaves: The Challenge to the Voice of America and RFE/RL" published by the Heritage Foundation, the current status of the radios and how to increase their effectiveness is examined. The author, Mr. Paul Olkovsky, research assistant for the Heritage Foundation, correctly underscores the fact that the last 10 years have taken their toll on RFE/RL and VOA. With the pursuit of detente and the proclamation that America must get over its inordinate fear of communism, the radios have been seriously underfunded and allowed to lapse into technical obsolescence.

Moreover, Mr. Olkovsky points out that well-deserved criticism has been directed particularly against the Voice of America because of the nature and quality of its programing. Quoting Ludmilla Alexeyeva, a noted Soviet dissident who was a VOA listener for over 20 years, Mr. Olkovsky states: "VOA's broadcasts are frequently boring . . . politically acute topics, which other radio stations are discussing, are avoided. Very often facts, unpleasant for the Soviet authorities, are either hushed up or smoothed over."

I commend this study to my colleagues, part I of which is printed below. Parts II and III will follow on consecutive days:

MOBILIZING THE AIRWAVES: THE CHALLENGE TO THE VOICE OF AMERICA AND RFE/RL

INTRODUCTION

For tens of millions of East Europeans, the most reliable information about their own country comes from outside. Each day they listen—often secretly—to the radio broadcasts beamed from the West. No sources of information are more important to them, or to U.S. interests, than the Voice of America (VOA) and Radio Free Europe/Radio Liberty (RFE/RL). The radios broadcast around the clock in some forty languages and their signals reach significant portions of the western Soviet Union and its European satellites. Without these programs, Poles certainly would not have been informed of the momentum of the Solidarity workers' movement, nor would other East Europeans have known of its existence.

It is clearly in the national interest of the United States that these stations continue to operate. As the peoples under Communist domination are informed about the realities of their governments and the nations of the West, they are less likely to be misled by Party propaganda. The Soviet Union pays tribute to the power of these programs in its own way by spending a tremendous sum to jam them.

Yet the radios are in danger at home. During the detente era, they were seriously underfunded and needed technical improvements were not made. In view of the potential these stations hold for American security policy, it is important that this trend be reversed. This study examines the current status of the radios and how to increase their effectiveness.

THE DECLINE OF THE BROADCASTS

The last ten years have taken their toll on RFE/RL and VOA. With the pursuit of "detente" and the proclamation that America must get over its "inordinate fear of communism," the radios have been seriously uderfunded and allowed to lapse into technical obsolescence. Efforts to make VOA programming as bland as possible have eroded employee morale. While the Voice of America, an agency of the U.S. government, and Radio Free Europe/Radio Liberty, a private corporation funded by the U.S. government, have differing missions, the inherent difficulties of broadcasting to the Eastern Bloc are similar.

Increased funding is urgently needed to modernize equipment, particularly to combat jamming by the Soviets and to extend the broadcast signal to regions not now reached. Programming must be more flexible to adapt to audience circumstances and interest. Staffs need to be increased, while security must be provided when personnel occupy vulnerable posts abroad.

HISTORY AND CURRENT OPERATIONS OF RFE/RL

Until 1976, Radio Free Europe/Radio Liberty functioned as two completely separate organizations. Radio Free Europe began broadcasting in July 1950 in the wake of the Berlin Blockade and the Communist seizure of power in Czechoslovakia. After the Hungarian Revolution in 1956, accusations arose that inflammatory broadcasts by Radio Free Europe might have misled the people of Hungary into believing that the United States was ready to intervene on their behalf. Although these allegations were unfounded, Radio Free Europe modified its broadcasting policy; it became a surrogate free press for the countries of Eastern Europe.

Radio Liberty began broadcasts to the Soviet Union as Radio Liberation in January 1951. It was then a part of the "American Committee for Freedom of the Peoples of the U.S.S.R., Incorporated." The Committee's main activity was sponsoring shortwave broadcasts by recent emigres. Like Radio Free Europe, Radio Liberation's policy evolved from broadcasting quasi-wartime propaganda to providing a "home service" station that filled the Soviet people's need for information. This gradual shift in emphasis led to changing the name of the station to Radio Liberty in 1963.

Radio Free Europe and Radio Liberty are unique in international broadcasting. They operate in much the same manner as the broadcast media in the United States, providing international news and commentary; but they supplement this by reporting and interpreting events in a manner understandable to Soviet or East European citizens. Correcting misinformation or expanding on the partial information given by the official Communist media are also integral parts of their programming.

When covert funding of Radio Free Europe and Radio Liberty by the Central Intelligence Agency was revealed in 1970, President Nixon was pressured to shift appropriation authority to Congress. In 1972, he established the "Presidential Study Commission on International Broadcasting" to examine whether Radio Liberty and Radio Free Europe should continue to receive U.S. funding and support, and what form such funding should take, or whether the stations should be shut down. The Chairman of the Senate Foreign Relations Committee, J. William Fulbright, led the attack against the radios and branded them "relics of the Cold War."

The Commission, chaired by Milton S. Eisenhower, published a report to the President in 1973 titled "The Right To Know" In which it concluded that:

"* * * the Commission feels that the use of United States Government funds for Radio Free Europe and Radio Liberty should be put into proper perspective. It is our conviction that the special contributions of Radio Free Europe and Radio Liberty to a better understanding by citizens of the Iron Curtain countries of what is happening in the wider world and their own countries have an indirect but very appreciable long-term effect. Hence, the cost of the radios cannot be considered separately from our nation's total cost of working for peace and deterring agression. Over a long period of years, the contribution can obviate military expenditures many times greater than the broadcasting costs. Contrariwise, elimination of the radios could lead over time to increased military costs."[1]

The Eisenhower Commission suggested that a "Board for International Broadcasting" be created. In 1973, Public Law 93-129, later amended after the merger of the two radios in 1976, established the Board for International Broadcasting "to review and evaluate the mission and operation of RFE/RL, Incorporated, and to assess the quality, effectiveness and professional integrity of its broadcasting within the context of the broad foreign policy objectives of the United States."[2] The BIB is composed of

[1] "The Right to Know," report of the Presidential Study Commission on International Broadcasting, 1973, p. 56.

[2] The Board for International Broadcasting, sixth annual report, 1980, p. 1.

five voting members appointed by the President to fixed three-year terms and two ex officio members (the chief operating executive of the radios and the Chairman of the Board of RFE/RL). It handles the funding for RFE/RL and acts as a coordinator between the radio and the executive and legislative branches of the U.S. government.

Today, Radio Free Europe/Radio Liberty, Incorporated, broadcasts over 1,017 hours weekly in six major languages of Eastern Europe and fifteen languages of the Soviet Union. Most of RFE/RL program operations are based in Munich, West Germany, but transmitters broadcast from Spain and Portugal, and correspondents report from several capitals of Europe. RFE/RL has studios, administrative offices, and programming facilities in New York City and Washington, D.C. Its staff numbers 1,662 worldwide. Its FY 1981 revised budget is $97,495,000 at the exchange rate of 1.74 Deutsche Marks to the dollar, including $3,000,000 in emergency funds should the exchange rate fall below DM 1.74.

Besides broadcasts to the Eastern Bloc, RFE/RL operates the largest private research facility in the West concentrating on Soviet, East European and communist affairs. RFE/RL estimates that it reaches an audience of 32 million East Europeans and 14 million Soviet citizens. Constant Soviet jamming prevents millions more from receiving the broadcasts.●

AMENDMENT FOR DEFENSE APPROPRIATIONS

HON. ED WEBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. WEBER of Ohio. Mr. Speaker, I am submitting for the CONGRESSIONAL RECORD an amendment I intend to offer to H.R. 4995, the defense appropriations bill. Section 778 of this bill limits members of the National Guard, the Air National Guard, and other Reserve units in the amount of drill pay which they may collect for the time they spend fulfilling their commitment to these units if they are also employed as technicians by these units.

This bill unfairly discriminates against this group of Federal employees, but no others. In no way do we limit the ability of other Government employees to collect drill pay for the time they spend in the Guard on weekends, yet we are limiting this one group because they are employed as technicians.

At the same time that the Federal Government is actively encouraging private sector employers to cooperate in enabling their employees to serve as members of the Guard, we are making it harder for a very select group of Federal employees to serve as "weekend warriors."

Therefore Mr. Speaker, I encourage all of my colleagues to join me in deleting this section which unfairly places a pay cap which discriminates against one select group of people.

AMENDMENT

Amendment to H.R. 4995, as reported offered by Mr. WEBER of Ohio: Strike out section 778. Redesignate succeeding sections accordingly.●

"CASEIN LOBBY"

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. FRENZEL. Mr. Speaker, on November 8 the Washington Post printed an excellent article regarding lobbying efforts in behalf of legislation to curb casein imports. The article very aptly points out the folly of pursuing a protectionist avenue which would likely have no positive impact on the dairy farmers it is meant to assist.

There appears to be no indication whatsoever that lower casein imports would encourage casein users to use nonfat dry milk as a substitute. More likely, rather than pay premium prices for this sort of substitute, users would turn to less costly alternatives.

Further, limiting casein imports would have a disastrous effect on our efforts to encourage the European Community to make some less protectionist changes in its own central agriculture policy. It is petty hard to convince our trading partners to lower their trade barriers when groups like these are trying to raise ours. I urge my colleagues to examine the article as an example of an interesting, unusual, and apparently painless, lobbying effort.

HOW A LOBBY MILKS A NONISSUE TO STAY ALIVE

(By Robert G. Kaiser)

In the gallery of dubious issues invented in Washington, let history make room for casein, a substance that seems ideally suited for the conversion of molehills into mountains.

Casein is milk protein, and it is a marvelous product—the dairy cow's answer to Kryptonite. It is used to make pharmaceuticals, glue, paper coatings, coffee whitener, artificial whipped-cream topping, baby formula, imitation cheese and probably the occasional kitchen sink.

Casein also makes a big political furor, thanks primarily to the dairy lobby, which seems determined to gain a symbolic victory on casein simply to demonstrate it can win on some issue. Any issue.

Hundreds of thousands of taxpayers' dollars have already been spent investigating casein. Now President Reagan's secretary of agriculture wants to cut the import of casein by half, a move his own department says would cost U.S. consumers $115 million.

Reagan has gone along by asking for yet another government study of casein, which will cost tens of thousands of dollars more. So tomorrow morning the International Trade Commission, the government agency empowered to investigate charges of unfair trading practices, begins this latest inquiry.

The story of casein is an example of the way lobbyists an members of Congress can seek out issues that might make them look good with voters at home and with the clients who hire them to influence government decisions. Import restrictions on casein would not measurably improve any dairy farmer's standard of living, but the lobbyists and some members of Congress have been working for such restrictions as though they were crucial to the farmers' survival.

Among casein's many unusual qualities is this: None of the stuff is "Made in U.S.A." This country is by far the world's leading producer of milk, but the government's dairy price support program does not cover casein. Therefore producers would lose money if they manufactured casein, a product that comes from the same milk curds that go into cottage cheese. So all the casein used here must be imported.

That's the rub. America is a free-trading nation in principle, but not in agricultural products. Few agricultural commodities and no dairy products can come into this country freely, but casein is officially categorized as an industrial, not an agricultural, product. There is no limit and no duty on its importation, and it comes in at a cheap price compared to other forms of milk protein.

On the basis of these facts, the American dairy industry, and particularly its representatives in Washington, have decided to make a big—yea, an enormous—deal out of casein.

The principal figure in this effort is Patrick B. Healy, secretary of the National Milk Producers Federation. Healy contends that imports of casein "must be controlled" to preserve markets for U.S. dairy products and to reduce the cost of the government's dairy price support program. Healy has been fighting for restrictions on casein imports since Earl Butz was secretary of agriculture.

The dairy industry's friends in Congress have been echoing Healy's certainty about the ill effects of dairy imports as if they had read the message on a new stone tablet, "Look at casein," shouted Rep. James M. Jeffords (R-Vt.) in a recent House debate, "If we just eliminate casein imports, we do away with 3.3 billion pounds" of milk surpluses.

The dairy industry argues that if casein imports were limited, users would turn to nonfat dry milk as a substitute, increasing consumption of that product. That would reduce government surpluses of nonfat dry milk, the industry says, thus lowering the cost of the dairy price support program.

If the program can be made cheaper, the industry argues, there would be less justification for holding down the basic dairy price support.

This is the industry's line. It has all the intellectual sinew of a cover story. In fact, dry milk cannot be used for most of casein's uses. There wouldn't be much substitution, according to all the government studies, and according to industry officials, too. The suspicion is irresistible that the dairy lobby in Washington is primarily interested in casein as a fight it might win.

"It's a classic example" of the way lobbyists look for issues to score points on, according to Ellen Haas of the Community Nutrition Institute, a "public interest" lobbying organization. "They had to win on something."

It is indisputable that the dairy lobby has not been having one of its best seasons. Tough and resourceful as ever, it has been unable to avoid the repercussions of huge government-owned surpluses of dry milk, cheese and butter—surpluses produced in

part by the lobby's past successes in raising basic dairy price supports.

This year dairy farmers are hurting. Their prices are not keeping up with inflation, and their real incomes will fall. Healy and others in Washington who have to explain these unhappy developments to their troops presumably would like to have a victory on casein to balance the bad news.

As an official of one of the big dairy co-ops put it, action restricting casein imports would have "a tremendous psychological impact. It's all we've got. You've got to get something out of Congress."

One of the dairy lobby's traditional advantages has been tenacity, and the casein crusade is no exception. Healy has been pressing it for years, and in 1979 he persuaded the House Ways and Means Committee to ask the International Trade Commission to investigate the impact of casein imports.

Unfortunately for the dairy lobby, the ensuing study did nothing to bolster its case. The ITC concluded that there was "virtually no relationship between imports of casein and the purchases of nonfat dry milk under the price support program." The commission found that powdered milk could not be substituted for most uses of casein, which depend on its unique physical properties.

The dairy lobby rejected that finding and began to press the Carter administration to conduct another study, this one inside the Agriculture Department. Bob Bergland, Jimmy Carter's secretary of agriculture, held the dairy lobby off for months. But in the spring of 1980, shortly before the important Wisconsin ("America's Dairyland") primary, he put the new study into motion. "We can't prove there was a connection between the two events," a smiling civil servant at the department said later.

Last June the department's study was published. It concluded that the Trade Commission had been correct—neither import quotas nor a duty on casein would significantly affect consumption of powdered milk.

Under the law, it would be possible either to reduce imports by up to half the amount imported in a representative recent period of time, or impose a duty of up to 50 percent of the value of the casein. The Agriculture Department's study concluded that a quota roughly cutting imports in half would convince most users of casein to do without the stuff or find substitutes based on soybeans, not powdered milk. The report estimated that just 10.3 million additional pounds of powdered milk would be consumed each year. (The government currently has 800 million pounds of powdered milk in storage, and is adding millions more each week.)

A 50 percent import duty would result in "no increase in the use of domestically produced skim milk solids, the report said. Either move, it said, would add tens of millions of dollars to the retail costs of products based on casein.

Despite the real conclusion that no legal quota or duty could significantly affect the consumption of powdered milk, the lobby preferred this sentence in the report:

"If no casein had been imported in 1980, commercial disappearance (that is, use) of domestic skim milk solids would have increased by the equivalent of 333 million pounds of nonfat dry milk. Thus, government purchases of nonfat dry milk would have been 333 million pounds lower, saving about $300 million on Commodity Credit Corp. outlays (for the purchase of surplus milk)."

Kenneth Clayton, author of the report, admitted in an interview that this hypothetical proposition has no basis in reality, not least because there would be no legal way to block all imports of casein, and even the dairy lobby says it doesn't want to do that. (Much casein is used for pharmaceutical products and baby formula for children who can't digest milk.)

Moreover, there would never be full substitution of milk for casein. Clayton said of this figure, "Not that it was very realistic . . . but we needed a base."

Realistic or not, friends of the dairy industry like the number Rep. Thomas E. Petri (R-Wis.) used in a recent House debate. Noting that the U.S. imported 152 million pounds of casein last year, "the equivalent of 333 million pounds of nonfat dry milk," Petri told the House: "All or most of this amount of milk may have been sold on the commercial market if it were not for the imported casein."

Later Petri was asked for the basis of this contention. "It just says 'could have,'" Petri said of his statement on the floor. He said he knew the Agriculture Department had concluded that milk could not be substituted for casein, "and that could well be true." He was speaking of a hypothetical case in which the government banned all casein imports, he said.

Sen. David Boren (D-Okla.) made Petri's use of figures look conservative in a Senate debate. Last year's casein imports displaced "upward of 4 billion pounds of domestically produced skim milk," Boren declared solemnly, offering no rationale whatsoever for his assertion.

In private conversation, some dairy lobbyists argue that the real problem with casein is prospective—that its use is growing fast and could take off if not controlled. But the facts don't sustain this contention either.

This year, it appears, casein import will total about 135 million pounds, some 17 million pounds less than last year and roughly the same level as in 1970. Casein imports jump up and down from year to year.

It is true that an increasing amount of casein goes into food products, particularly imitation cheese. Most of that apparently ends up in pizza.

Imitation cheese made with casein is cheaper—and much less tasty—than the real thing. There is a growing market for the stuff, part of it for straight imitation cheese eaten by people on diets restricting their intake of animal fats.

However, it isn't easy to make a case that casein imports—or anything else—is holding down consumption of real cheese. Americans are on a cheese binge. From 1970 to 1980, consumption of real cheese in this country grew from 2.3 billion to 4 billion pounds. This is the only segment of the dairy industry that is booming.

The dairy lobby and its friends in Congress seem to realize that they cannot make too strong a case for a significant cut in casein imports, so they have recently taken a different tack.

Originally the industry and its supporters sought a "zero quota" in casein imports, as Healy noted in a recent interview. (Now he says charges that the industry wants to exclude all casein imports are "ridiculous, ridiculous.") Then the lobby went for a quota that would cut imports by more than half.

But in September, Sen. John Melcher (D-Mont.), one of the dairy lobby's staunchest allies, introduced a new resolution in the Senate calling for a quota of about 140 million pounds a year, the average level of imports over the past five years. The Senate actually endorsed this proposal in a non-binding attachment to its version of the farm bill.

Asked why the industry had modified its objective, Healy said it was a matter of "what can be obtained." Neither house of Congress appeared willing to go along with deeper cuts, Healy said. "It's extremely important that we do cap these imports at some point," Healy added. "More and more erzatz foods are being developed from it," he said, noting that this seemed to be a pattern in other food stuffs, too. "These foods that we have eaten for millenia, that have nurtured us to where we are, should not be tampered with," Healy added.

This latest gambit leaves the industry in a quandary. It sought an International Trade Commission investigation on the ground that the current level of imports "materially interferes" with the dairy price support program. Now the industry seeks an import quota that would preserve the current level of imports.

This is one of the issues the ITC will have to deal with at the hearing that begins tomorrow morning.●

DISASTROUS NATURE OF FEDERAL INVOLVEMENT IN MEDICAL CARE

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. PAUL. Mr. Speaker, the last few weeks and months have brought an unprecedented number of incidents which illustrate the disastrous nature of Federal involvement in medical care.

From the relatively benign Burton-Parsons saline solution scandal to the deadly omissions of the National Cancer Institute that apparently contributed to the premature deaths of innocent children, the record of Government involvement in medical care is uniquely an abysmal one.

Those of us in the medical profession know of too many bleak examples, and now one of the bleakest has been brought prominently to the attention of the American people. I am referring, of course, to the recent admission by the National Heart, Lung, and Blood Institute that a drug called propranolol—which would have saved tens of thousands of American lives had it been available—has been and is still being banned for no reason by the FDA. The effectiveness of propranolol has been demonstrated beyond any doubt, it has been in use in Europe for 16 years, and yet Americans are still being cruelly denied its life-saving benefits.

Propranolol is a stunning example, but sadly it is not an isolated one. The FDA routinely deprives people of their full range of options—and sometimes denies them life as a result. The Health Resources Administration tells hospitals what equipment and services they may offer, thus denying local

physicians and administrators the chance to serve the communities they know.

Medical research has also been co-opted by Government, and the effect has been a narrowing of the scope of the research. Increasing Federal assumption of medical costs has allowed prices to skyrocket, bringing yet another call for Federal cost containment.

Often we physicians fall prey to the kind of thinking that perpetuates these problems: Namely, that we can somehow get Federal money while avoiding Federal interference. But the truth is that Federal financing inevitably spawns stifling Government control.

The Wall Street Journal, in a recent editorial, suggested that perhaps we do not need an FDA. I would go further. I would say we need to get Government out of medicine completely.

Missed opportunities, needless suffering, and loss of life are the tragic but inevitable consequences of Government meddling in medicine. The truth is plain: The Government has done nothing whatsoever to improve the quality of medical care in the United States. In fact, the opposite is true; Government-mandated obstructionist policies have led only to suffering and death.

The sorry state of national health care in Britain—an article about which I am reprinting below—serves as a clear and frightening guide of where our own future may lie. Medical care is far too important to be left to the control of Government planners and regulators, no matter how well intentioned.

The American people are being savaged by Government blundering in medicine; lives are being destroyed. We simply must put a stop to this indefensible outrage.

The article follows:

[From the New York Times, Nov. 2, 1981]

PRIVATE HEALTH CARE MAKING NEW INROADS IN BRITAIN

(By Steven Rattner)

LONDON.—The elegant Harley Street Clinic, on Weymouth Street, is privately owned. So are the Wellington Private Hospital near Regents Park and, over in Chelsea, the Charter Clinic and the Cromwell Hospital.

All told, a rash of recent openings has left London boasting more than a dozen privately-owned hospitals, institutions that in turn are just one segment of a system of private health care that is burgeoning across Britain.

Nearly 35 years after Britain's National Health Service was established and became a model for the world, the idea of identical health care provided for everyone free of charge by the Government is being increasingly challenged by the development of parallel private services.

TWO-TIER HEALTH SYSTEM

"Their perception is that the National Health Service is falling down," said Hugh Elwell, a health-care consultant, referring to the users of private care.

In the last two years, the number of Britons covered by one of the 12 private health-insurance plans rose by one-third, to three million people, or 6 percent of the population. The rate of growth in the number of private hospital beds has accelerated to 20 percent a year. Public hospital beds, meanwhile, have fallen by 15 percent over the last decade. Later this year, the first of a chain of private family doctors' offices is scheduled to open.

Much of this growth in private care has resulted from doubts about the ability of the National Health Service to fulfill its mission. At the moment, recent improvement notwithstanding, 630,000 people are on waiting lists to undergo surgery, which can mean delays of two years for nonemergency operations.

HEALTH BECOMES POLITICAL ISSUE

The growth in private care and the continuing uncertainties about the quality of National Health Service care has made health a hot political issue in Britain. For the last decade, Government restrictions on the development of private care have wavered as political power has shifted. Under Barbara Castle, Health Secretary under Prime Minister Harold Wilson, private care was threatened. Now all that has changed.

"The N.H.S. would find it extremely difficult to have to cope with the additional load if the private sector no longer existed," said Patrick Jenkin, the current Health Secretary. "It is quite wrong to see private hospitals and the N.H.S. as somehow vying with each other."

For its part, the Labor Party has opposed any move toward private health care.

Labor Party activists notwithstanding, private health enjoys wide support in Britain, according to a variety of public-opinion polls. A recent survey found that 60 percent of Britons favored private medicine and 20 percent opposed it. At least one major trade union has won private health insurance as part of its workers' benefits package.

A variety of studies have failed to provide any substantial evidence that the British health service, which has been accompanied by a vast bureaucracy, provides better care than the American nonnationalized system.●

RESOLUTION IN RESPECT OF JOEL HENRY HILDEBRAND

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. FUQUA. Mr. Speaker, in recognition of the achievements of the distinguished chemist, Joel Henry Hildebrand, and as a tribute to him on his 100th birthday, the Committee on Science and Technology has prepared the following resolution, which I am pleased to share with the Members:

[Committee on Science and Technology, U.S. House of Representatives]

Resolution in respect of Joel Henry Hildebrand, November 16, 1981.

Resolved, That the Committee wishes to pay its tribute to the accomplishments of the distinguished chemist, Joel Henry Hildebrand, on his 100th birthday.

Resolved, That the many and multifaceted contributions are noted by the Committee, and several of these activities are set forth as follows:

Authored or co-authored numerous texts in chemistry, including "Principles of Chemistry," "Reference Book of Inorganic Chemistry," "Regular and Related Solutions," and "Introduction to Molecular Kinetic Theory."

Authored or co-authored about 300 scientific papers. The latest, "A History of Theory of Solutions," will appear in Annual Review of Physical Chemistry on or about his 100th birthday.

Was elected to the National Academy of Sciences in 1929.

Served as president of the American Chemical Society in 1955, and chairman of its California Section in 1917.

Served as president of the Sierra Club (1937–1940).

Was manager of the U.S. Olympic ski team in 1936.

Has co-authored books on ski mountaineering, back-packing, and camp cooking.

Was a leader in the successful campaign to establish Kings Canyon National Park in California's High Sierra.

Is well known for his discovery of the oxygen-helium mixture to minimize "bends" in deep-sea divers, his having taught freshman chemistry to 40,000 students, his excellent photography, his editorships of journals, contributions to methods of science and general education.

Awards, including the Remsen Award, 1949; King's Medal, Government Great Britain; Gibbs Medal; Proctor Prize; Madison Marshall Award; William H. Nichols Medal; Norris Award, and Priestly Gold Medal, American Chemical Society; S. C. Lind Award, American Chemical Society, 1972.

Resolved, That the clerk take the appropriate steps to print this resolution and to transmit a copy of it to Joel Henry Hilderbrand.

DON FUQUA,
Chairman, Committee on Science and Technology, U.S. House of Representatives.●

THE INSANITY DEFENSE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. ASHBROOK. Mr. Speaker, many observers of the judicial process have become increasingly frustrated as a result of the frequent use of the so-called insanity defense in criminal cases. Violent crime has become a major problem in the United States and a number of legal scholars, public officials and not surprisingly, victims of crime, have begun to raise serious questions about the routine release of admitted felons following a period of alleged psychiatric rehabilitation.

Carol Gallo, a Washington, D.C., freelance writer, has written an excellent article concerning the insanity defense. This scholarly piece first appeared in the September 26 issue of the national conservative weekly, Human Events, and more recently was excerpted in the October 1981 edition of Criminal Justice Report, a publica-

tion of the National Association of Attorneys General.

Miss Gallo presents a reasoned analysis of this issue based on the legal history of the insanity defense. I would commend it to my colleagues for reading.

The Gallo article follows:

NATIONAL ASSOCIATION OF ATTORNEYS GENERAL—CRIMINAL JUSTICE REPORT

THE INSANITY DEFENSE

(The following was excerpted from an article by Carol Gallo, a Washington, D.C., freelance writer, who is currently working on a book about the insanity defense.)

Even before John W. Hinckley II had been indicted for the attempted assassination of President Ronald Reagan his defense attorneys were lining up psychiatrists, and the controversy over Hinckley's "sanity" had started. The Hinckley affair, as well as a number of other notorious criminal cases, has focused national attention on the extent to which psychiatry has undermined justice in the United States by justifying criminality. As a result, a growing number of lawmakers, jurists, and even psychiatrists themselves are suggesting sweeping changes in insanity pleadings at both the state and federal levels.

"Not guilty by reason of insanity" is a special verdict of acquittal in a criminal trial. The verdict grants that although the accused committed the act in question, he cannot be held legally responsible because he was not sane at the time of the crime. Defendants thus acquitted are then usually committed to a mental institution for an indeterminate period and released upon the recommendation of institution psychiatrists when the psychiatrists consider the person "sane."

Since the insanity defense originated almost 200 years ago, definitions used to describe insanity have broadened, and new variations of the defense have been developed, giving criminals ever-increased chances of escaping the legal consequences of their acts. A more insidious variant of the insanity plea is the "diminished capacity" defense, where psychiatric testimony is used to argue that the accused, although clearly sane, still should not be held responsible for his acts because a "mental condition" diminished his capacity to harbor the criminal intent required for conviction.

This was the basis for the so-called "Twinkie Defense" of Dan White, whose controversial trial for the murder of two San Francisco city officials drew national outrage and has resulted in current attempts at major legislative overhaul of allowable criminal defenses. Dr. Martin Blinder, one of the psychiatrists who testified for White, told the jury that White had been depressed before the crime and had been eating junk food, which led to further depression and more junk food, and the sugar made White violent.

Let us trace the historical development of the insanity defense:

In the Anglo-American legal tradition, before a person can be convicted of a crime, two questions must be answered. The first is, did the accused perform the act in question? The second is, did he have criminal intent? An example will illustrate the point the law is trying to make.

A man is driving a car when a small child darts out in front of him. He tries to avoid hitting the child but cannot do so, and the child is killed. Hypothetically, if this man were tried for murder, he would be found not guilty, because he did not intend to kill. Thus he would be distinguished from a man who saw his enemy on the street and deliberately ran him down.

Criminal intent (mens rea) is also important in distinguishing the severity of the crime. For example, two men have a sudden, heated brawl and during its course one is knocked down and killed. If brought to trial, and the survivor showed he did not kill with malice aforethought, he would be found guilty of manslaughter.

"Prior to 1800, 'legal' insanity, as a special verdict of acquittal, did not exist," writes Dr. Halpern in the April 1980 Journal of Legal Medicine. "An individual was acquitted because of the failure of the prosecution to prove its case or because the jury chose out of sympathy to find the defendant 'not guilty.' In any event, he was immediately set free. If guilty, and extenuating circumstances existed (which could include lunacy), a special recommendation of a pardon was included in the verdict."

A special point that should be observed here is one that is glossed over by some legal scholars: Care for the language was observed. A lunatic who committed a crime—a sub-human "wild beast," or someone who could not tell the difference between right and wrong—might be pardoned, but he very clearly was found "guilty" first.

This respect for language, absolutely essential to justice, received a severe blow in 1800, according to Dr. Halpern. "In that year, James Hadfield, a war-injured British ex-soldier, believing he had been called by God to undergo self-sacrifice, took a shot at King George III. As Hadfield did intend to shoot at the king, and did know the difference between right and wrong, he would have been found guilty. So his lawyer had to invent a new defense."

Hadfield's attorney had numerous witnesses testify on Hadfield's deranged, delusional mind. Physicians were called to establish that his derangement had been caused by the head injuries he had received in the war. The argument then put forward was that Hadfield's delusional state, not his intention to commit the crime, should be the deciding factor for the jury.

The jury found Hadfield "not guilty" and added to that verdict, "the prisoner appearing to have been under the influence of insanity at the time the act was committed." Hadfield was committed to a lunatic asylum "until": His Majesty's pleasure be known." Although officially "not guilty," Hadfield was not freed, and died in incarceraton, now being called a "patient," instead of a prisoner.

"This decision was important for many reasons," says Dr. Halpern. "In effect from that time 'not guilty by reason of insanity' became a separate verdict of acquittal. Secondly, from that time forward, the jury's attention was increasingly focused on the definition of insanity, rather than on the question of whether the accused committed the act and had criminal intent. Lastly, the concept of insanity in the law became intertwined with 'science,' and effectively taken out of the purview of the laymen jurors."

Criminals were not individuals who had simply violated the rules of the culture, but people who suffered from some form of sickness called "mental illness." Once ethics were redefined in terms of medicine, it was continuously to widen the definitions so that any kind of criminality could be excused.

What is at stake here, of course, is our viewpoint on the nature of man. Is he a sentient, essentially spiritual being who makes choices in life? Or is he a material object, acted upon by genes and past experiences, whose choices are predetermined—an object that can neither be praised nor blamed? The evolution of the definitions of insanity reflect the latter, determinist approach.

The M'Naughten rule, adopted in England some 43 years after the Hadfield case, used a "cognitive" test for insanity. In order for the accused to be found insane under M'Naughten, "* * * it must be clearly proved that, at the time of the committing of the act, the party accused was laboring under such defect of reason, from disease of the mind, as not to know the nature and quality of the act he was doing, or, if he did know it, he did not know he was doing what was wrong."

America's first major contribution came in 1834 with the "irresistible impulse" test. As the label would suggest, this is the "just couldn't help it" approach, which assumes free-will does not exist, that impulses to act in certain ways sometimes can be resisted, and sometimes can't be. Thus a person under the influence of an irresistible impulse cannot be held responsible for his actions, even though he knows what he is doing, intends to do it and knows it is wrong.

There were no major redefinitions until the 1954 Durham decision was made by Judge David L. Bazelon in the U.S. Court of Appeals for the District of Columbia: "* * * An accused is not criminally responsible if his unlawful act was the product of mental disease or defect," and, in 1966, the U.S. Court of Appeals for the Second Circuit held, "* * * A person is not responsible for criminal conduct if at the time of such conduct as a result of mental disease or defect he lacks substantial capacity to appreciate the criminality of his conduct or to conform his conduct to the requirements of the law."

Yet these wildly deterministic definitions of insanity still placed too many restrictions on the psychiatricization of justice. A second inroad was consequently developed, "diminished capacity," the basis of the Dan White "Twinkie defense." It was designed for the use of those criminals who clearly were not insane by even the above definitions. Here the accused pleads "not guilty" as distinguished from "not guilty by reason of insanity" and uses psychiatric testimony to show that, because of a mental condition (depression after having eaten too many Twinkies, for example), the required criminal intent did not exist.

"Diminished capacity" was largely developed and popularized by psychiatrist and law Professor Bernard Diamond, who outlined his case in the Stanford Law Review, December 1961:

"Central to the difficulties with any definition of legal insanity is the all-or-none conceptualization of the law. A defendant is either sane and totally responsible, or insane and not at all responsible. Such all-or-nothing concepts are peculiarly foreign to modern psychiatric thinking."

The trouble with the above restrictive definitions, says Diamond, is that it forces the psychiatrist to be either the "tool of vengeance" (i.e., to testify a defendant is sane, thus opening the door to possible punishment for murder, etc.) or to perjure himself and convince the jury the accused is insane when he really isn't (in order to help the defendant avoid punishment).

Piggybacking his idea on a 1867 Scottish decision, his solution was for psychiatrists to testify that this or that mental condition

caused the defendant "diminished capacity" to harbor criminal intent, which, of course, only the psychiatrist could "diagnose." This approach undercut the traditional question whether the defendant had criminal intent, and focuses attention on how able the defendant was to formulate intent.

"Thus we arrive at a legal spectrum of an infinitely graduated scale of responsibility which corresponds, or could be made to correspond closely, to the psychological reality of human beings as understood by 20th Century medical pyschology," wrote Diamond.

But Diamond does not believe in free-will anyway, and all this is academic. "I concede that this whole business of lack of mental capacity to premeditate, to have malice or to entertain intent, is a kind of sophistry which must not be allowed to remain an end in itself. Right now we must utilize these legal technicalities to permit the psychiatrist to gain entrance into the trial court * * *.

"The next step * * * is to expand the principle of limited or diminished responsibility of the mentally ill offender to include all definitions of crime." It was easier to introduce this principle in the crimes of homicide because there already existed the legal structure of graduated responsibility for homicide."

In a decision made in June 1980, the Wisconsin Supreme Court struck down the diminished capacity defense:

"* * * diminished capacity inevitably opens the door to variable or sliding scales of criminal responsibility. We should not lightly undertake such a revolutionary change in our criminal justice system." It went on to question whether psychiatry can determine a defendant's intent at the time the crime was committed, and concluded it could not.

"Whether or not there should be criminal responsibility is essentially a moral issue. It is just, in light of the ethics and standards of our society, to hold a person who is insane accountable for what he has done."

The Court quoted University of Wisconsin Professor of Criminal Law Frank A. Remington: "In general, it is not at all apparent that psychiatrists know any more than does the layman about whether the defendant had an intent to kill when the act causing death was committed."

Even the hopes that psychiatry would help law enforcement officials spot habitual murderers have been dashed. Targeted by numerous malpractice lawsuits, the American Psychiatric Association has been forced to argue the case for psychiatric incompetence in the courts, and has done so most convincingly. In *Tarassoff* v. *the Regents of the University of California*, via an *amicus curiae* brief, the APA, citing massive professional literature, disclaimed any special psychiatric ability to protect society from potentially harmful citizens. In an even more compelling brief argued before the Supreme Court (*Estelle* v. *Smith*), the APA said: "The professional literature uniformly establishes that [predictions of future violence] are fundamentally of very low reliability and that psychiatric testimony and expertise are irrelevant to such predictions. * * * On the issue of future criminal behavior, it only distorts the fact-finding process. The fundamental disadvantage of utilizing such testimony is that it gives the appearance of being based on expert medical judgment, when in fact no such expertise exists."

But old myths die hard, and sadly the two bills designed to handle the insanity defense and its variants on the federal level, S. 818, introduced by Senator Hatch (R-Utah) and S. 1108, introduced by Senator Edward Zorinsky (D-Neb.)—while obviously well-intentioned—assumed many of the premises that first got us into trouble. The bills unfortunately swim in a sea of sliding definitions and psychiatric bogeymen, and fail to meet three simple tests that need to be met if the situation is to be corrected. These tests are:

First, the insanity defense per se should be entirely abolished. This is an argument for judicial conservatism, an argument to go back to the system that prevailed in jurisprudence before the modernities of 1800.

Second, psychiatrists should not be permitted to testify on criminal intent. They have no business speculating on how "mental illness," or even yesterday's breakfast, could explain the defendant's crime. The jury can draw more sensible conclusions about intent by first-hand inference, weighing the evidence placed before it. This would effectively end the psychiatric invasion of mens rea, abolish the "diminished capacity" excuse and return the examination of criminal intent to the jury rather than the "experts."

Third, psychiatrists should be stripped of their "expert status" entirely. Should a psychiatrist be called by the defense to testify on any grounds not excluded by the above, the jury should know he has about as much understanding of the human mind (probably a good deal less) as the butcher, the baker, the candlestickmaker, and his legal status should reflect that fact.

The problem is that "instanity" is not, nor ever could be, a medical term. It is always an ethical term. Insane acts are those which are counter-survival to a person himself, his family, his country, or to the many unknown individuals we commonly called "mankind."

Phonying up scientific names to describe morally and ethically aberrant behavior is anathema to justice. Questions of right and wrong are not irrelevant, they are paramount. They are not unknowable and complex; they can be reasoned and based on common sense. Our laws should reflect these simple truths.●

POLISH INDEPENDENCE DAY

HON. JAMES L. NELLIGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. NELLIGAN. Mr. Speaker, November 11 marked the 63d anniversary of Polish Independence. Since the invasion by Sweden in 1655, Poland and its people have been invaded, occupied, suppressed, and dominated, with the exception of the period between World War I and World War II.

After the three partitions of Poland by Austria, Prussia, and Russia in the late 18th century, the 19th century was marked by the continued Polish resistance to foreign and, in particular, Russian rule. The Polish people were reorganized under the Roman Catholic Church. It was the Catholic Church and the clergy that were the main factors in maintaining Polish nationalism. After World War I, on November 11, 1918, Poland declared its independence, which was recognized the following summer by the Treaty of Versailles. The ideals of self-determination, proclaimed by Woodrow Wilson and embodied in the treaty, enabled the people of Poland to realize their struggle for justice and freedom.

Today we are seeing a rebirth of Polish self-identification as a reaction to domination by the Soviets of the Polish Government. The Polish people have alined themselves with the solidarity movement with the reassertion of the Catholic Church as the symbol of Polish nationalism. We are all inspired by this struggle for autonomy, and it is most appropriate that we in the United States reassert our support for the determination of the Polish people to attain liberty.

I join with Americans of Polish descent in the 11th District of Pennsylvania, which I am privileged to represent, in honoring and supporting the Solidarity movement. I join with Americans all over the United States in praying for the success of the Polish people in freeing themselves from the yoke of Soviet domination.●

NATIONAL CONVENTION OF SOCIETY OF PROFESSIONAL JOURNALISTS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. WEISS. Mr. Speaker, last week the Society of Professional Journalists, Sigma Delta Chi, held its national convention in Washington. One of the issues hotly discussed at that convention was the Freedom of Information Act and the legislative proposals that are now before the Congress. Katherine Graham, chairman of the Washington Post Co., and chairman and president of the American Newspaper Publishers Association, spoke to the convention on the importance of the Freedom of Information Act to a free press.

I include Katherine Graham's remarks to the Society of Professional Journalists in the RECORD:

Good morning, and welcome to Washington. We are pleased that the annual meeting of the Society of Professional Journalists, Sigma Delta Chi, is being held in our nation's capital this year.

I think it is particularly important that you are meeting in Washington this year because of the unprecedented challenge being mounted to one of the most basic tenets of this organization. That goal was set out by the founders of this society in 1909, when they pledged to "work to safeguard the flow of information from all sources to the public, so that it has access to the truths required to make democracy function, and to protect our freedoms."

I must tell you this morning that this principle—the presumption that a democracy works best when its government's actions are open to the scrutiny of the people—is

under the most serious attack in recent years.

Not more than a quarter of a mile from here, the Senate is preparing to hold what may be the final day of hearings on bills that would significantly curtail the Freedom of Information Act.

I do not, of course, need to tell this gathering of journalists how the Freedom of Information Act has helped reporters in their pursuit of the news. It was three years ago that this Society, together with the Reporters Committee for Freedom of the Press, created the Freedom of Information Service Center—which offers advice and assistance to those wishing to use the federal Freedom of Information Act, and the various state open records acts. The increasing use that is being made of the Center is a pretty good measure of its value.

What I want to talk about this morning, however, is what I think the Freedom of Information Act symbolizes, and why I think any significant cutback in the Act would be a serious loss for us all.

The Freedom of Information Act, as an expression of national policy, embodies our commitment as a democratic society to open government.

In a perfect world, of course, there would never have been any need to spell out this fundamental principle in a statute. But before passage of the Freedom of Information Act in 1966, the world was far from ideal.

I was talking with a reporter the other day who recalled that while working on a story in the early 1960s, she had asked the Arms Control and Disarmament Agency for a list of members of its General Advisory Committee. A public information staff member told her: "We don't give out that information."

The reporter reminded the information officer that the list was in the agency's annual report which the reporter had misplaced. Even so, the government official still refused. When the reporter asked on what grounds the names were being withheld, the information officer disappeared for a few minutes, then returned and declared: "We claim executive privilege."

What this story illustrates (and every reporter who worked in Washington in those years has a similar tale) is that before passage of the Freedom of Information Act, government officials thought—no matter what the request—that it was perfectly all right to say "No."

I think the most important gain from the Freedom of Information Act is that it has largely changed this erroneous presumption.

The bipartisan coalition in Congress that drafted this legislation recognized, of course, that the public's right of access to information had to be very carefully balanced against all legitimate interests in national security, law enforcement, business confidentiality and personal privacy.

But the Johnson Administration, in a memo to all executive agencies shortly before the law went into effect, informed them the Freedom of Information Act left no doubt that disclosure was now the "transcendent goal."

Where too many government officials previously had felt that the burden was on the public to justify any request for information, the Freedom of Information Act made it abundantly clear that the burden was in fact on bureaucrats to justify any refusal.

That is exactly where the burden of proof should be.

None of us, of course, would claim today that the Act works perfectly.

Despite the admonitions of the Johnson, Ford and Carter Administrations to all executive agencies to meet the obligations of the Act in "spirit as well as practice," the fact remains that even today—in some government agencies and departments—bias against disclosure and an arbitrary preference for secrecy remain less the exception than the rule. Bureaucrats who oppose the principle of open government—or who do not wish to disclose embarrassing information—continue to manage to circumvent the Act in a frustrating variety of ways.

The Reagan Administration, for its part, complains of the use of the Freedom of Information Act in "unintended" ways—citing its use by business interests seeking unfair competitive advantage, by criminals seeking to thwart or undermine law enforcement agencies, and by foreign agents and others hostile to the United States seeking intelligence information. The Reagan Administration has proposed a wholesale overhaul of the Act to address these issues.

Certainly, if the Freedom of Information Act was indeed being seriously misused, I think as citizens we would be concerned with finding remedies. But in fact, the statute was drafted very precisely to protect fully these legitimate interests—and I think the burden lies on those seeking to change it to demonstrate how these protections have failed. Is the Act creating problems for the nation's law enforcement agencies? The FBI has not cited a single instance where information released under the Freedom of Information Act has hampered an investigation.

Does the Act endanger our national security? Former CIA Director Admiral Stansfield Turner said in 1980: "Thus far, we have not lost a case in the courts when we have claimed that something was classified and therefore could not be released."

What about trade secrets and business confidentiality? Well, the House Committee on Government Operations looked at this in 1978 and reported that "the committee has found no major abuses." The report went on to say that to the extent there had been difficulties, the problems had been in administrative procedures rather than in the substance of the law.

For the most part, I have to conclude that the problems that have been ascribed to the Freedom of Information Act are greatly overdrawn—and the proposed solutions for the most part seem as unneeded as they are undesirable. The case for a sweeping overhaul of the Act simply has not been made.

That is not to say the Freedom of Information Act cannot be improved—if what we really are talking about is improving it, and not weakening it. It can, of course, be made to serve all of us—both in and out of government—better.

I favor, for instance, the provision in S. 1730—the bill introduced by Senator Hatch—which would require the Office of Management and Budget to develop uniform fee schedules for all government agencies. At the present time it is virtually impossible to anticipate what fees will be charged when one attempts to use the Freedom of Information Act. Legislative language also should clearly state that fees ought not to be used to discourage requests, or to be imposed as obstacles to disclosure of requested information. I think it also important to strengthen provisions for waiver of all charges where the information would primarily benefit the general public.

I also support establishment of procedures to allow persons submitting information requested by the government to oppose release of that information to third parties. The Administration's proposal—which would allow parties unilaterally to stamp all documents they submit "confidential"—clearly invites abuse. But I feel it is only fair that a party be notified and allowed to object when a request is filed on information it has provided the government, and that a ruling be made in a reasonable period of time.

But the thought I want to leave you with today is that the major effort underway to modify the Freedom of Information Act—to roll back, to a great extent, the presumption of openness—is an effort that must not be allowed to prevail.

It is impossible to quantify the value of this Act either to the press, or through the press to the American people. The impact of this Act certainly cannot be measured solely by the number of freedom of information actions that journalists have filed. Every time a reporter walks into a government office—and properly is handed a public document that otherwise might arbitrarily have been withheld—society has benefited from the presumption of openness codified by this Act.

No single statute has ever given the citizens of a democracy a better window on their government. The Freedom of Information Act says to Americans—and to the World—that the business of government in a democracy is the people's business.

Upholding that principle—preserving that guarantee of public access to government records—is of overriding importance to us all.

Our government must remain committed to the benefits of openness. The societal benefits which derive from the availability of information concerning the functioning of government must be protected.

Nothing so diminishes democracy as obsessive and needless secrecy. Never has it been as important that the right of people to know the actions of their government be secure.

Thank you.●

HUMAN RIGHTS—HUNGARY

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. BONKER. Mr. Speaker, on November 4, Freedom House marked the 25th anniversary of the invasion of Hungary by the Soviet Union, calling it a "day of disgrace."

Freedom House, a national organization that monitors the level of political rights around the world said, "Soviet tanks and troops invaded Hungary on November 4 to put down its people's bid for human rights and political independence * * * It was Soviet imperialism at its worst."

As the Reagan administration continues to send the Soviet Union huge amounts of our agricultural products, I would hope they would remember the captive people of Hungary as well as thousands of other political dissi-

dents who are suffering in the Soviet Union and Eastern Europe.

I would like to commend to my distinguished colleagues the Freedom House statement.

The statement follows:

Is Western Europe doomed to pay in blood for not remembering what events a quarter-century ago should have taught?

In October 1956, two thousand students in Pest demonstrated peacefully for greater freedom. The students were joined by workers and soldiers. Their yearning became a revolt against the system imposed on Hungary by the Soviet Union. That was October.

On November 4—twenty-five years ago today—Soviet tanks and troops invaded Hungary to put down its people's bid for human rights and political independence. The Soviet's counter-revolution was terrible and terrifying. It was a day of disgrace. It was Soviet imperialism at its worst—repeated when Soviet troops invaded Czechoslovakia in 1968 and Afghanistan, a non-aligned neutral, in 1979.

A quarter-century later West Europeans and Americans may forget at their peril the Soviet's bloody counter-revolution in Hungary. "A river of blood flowed from Buda and from Pest into the Duna * * * Scattered on the streets before the Parliament of Budapest were the bodies of children, college students, aged men and women," wrote a Freedom House eyewitness then. A puppet Hungarian government made peace with the Soviet Union, but the years have not produced real political freedom or basic human rights for Hungary or the rest of Eastern Europe. On the contrary, Soviet forces are poised around Poland.

Behind the borders of Western Europe—today—the USSR has placed a new arsenal of SS-20 nuclear missiles, 50,000 tanks, 4,500 helicopters, and five million tons of ammunition—all zeroed in on the people of Europe who enjoy political freedom and civil rights.

Yet young Germans and Frenchmen—this October—mounted demonstrations against American support * * * support for the defense of the peoples of Western Europe * * * support which their governments had requested. No mention in the demonstrations of the years of disgrace when Soviet armaments, nuclear and conventional, were deployed.

Must the lessons of a quarter-century ago be learned again, perhaps in a still bloodier contest: Free peoples do not start wars; nations that oppress their own citizens do.●

THE CORNUCOPIA PROJECT'S "EMPTY BREADBASKET? THE COMING CHALLENGE TO AMERICA'S FOOD SUPPLY AND WHAT WE CAN DO ABOUT IT"

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. RITTER. Mr. Speaker, this morning Rodale Press released its Cornucopia project on the entire U.S. food system. The project entitled "Empty Breadbasket? The Coming Challenge to America's Food Supply and What We Can Do About It" is a scholarly look at the world's most productive food system, our own, and its vulnerabilities. The report also offers sound alternatives to the problems this sector faces in order to make a healthy transition toward an agriculture sector which preserves our precious resources and protects our Nation's farmland.

I would like to provide for my colleagues a brief summary of the project's findings. The project was undertaken in Emmaus, Pa. I urge all my colleagues to take a close look at the findings in this project that brings to light the hard choices which our agriculture industry faces in order to combat the threats to our Nation's food system.

EMPTY BREADBASKET? THE COMING CHALLENGE TO AMERICA'S FOOD SUPPLY AND WHAT WE CAN DO ABOUT IT

The most bountiful food system in the world is in trouble. To provide our food abundance, we are destroying vast amounts of soil, water, energy. In the midst of plenty, we are consuming our potential for future productivity, insuring a severe rise in the future cost of food.

That is the conclusion of a major study of the U.S. food system, "Empty Breadbasket?", which was released at a Washington news conference today by the Cornucopia Project of Rodale Press, a Pennsylvania-based publishing company concerned with food, health, energy and farming.

Two years in the making, the Cornucopia Project's report documents alarming trends in the food system and a series of steps that can be taken now to insure the sustainability of the system. "If we do not take these steps, the system will crash," explained Robert Rodale, Chairman of Rodale Press. "The $7 loaf of bread will be a reality by the end of this century unless we act now to protect our food supply."

The report examines these threats to the food system:

SOIL EROSION

America's agricultural lands lose 5.8 billion tons of topsoil annually—more than during the Dust Bowl of the 1930's. We lose 26 square miles of productivity every day to erosion. At current rates, eastern Washington will have no topsoil left in 10 years; Iowa will exhaust its soil in 40 to 50 years. For every pound of corn grown in Iowa, 5 to 6 pounds of topsoil are eroded.

DEVELOPMENT

We lose 3 million acres of agricultural land yearly to urban development, or 342 acres every hour. Taken together, erosion and development waste about 39 square miles of land every day, enough to feed 400,000 people a year.

FOOD TRANSPORT

The average food molecule in this country travels 1,300 miles before being eaten. Areas of the east coast, once self-sufficient, now import the majority of their food, mostly from California and Florida. New York imports more than 77 percent of its food. Dependence on distant food sources makes the supply vulnerable to disruption from an energy shortage, transportation strike, Medfly invasion or other natural disaster. The price of petroleum to fuel this system will continue to raise food prices. Much of this food could be grown more cheaply closer to home.

WATER DEPLETION

We are using up the groundwater tables for irrigation, especially in the West and Southwest. Already, farmland in Arizona and Texas has been abandoned because of high irrigation costs from lowering water tables.

ECONOMIC STRUCTURE

American farmers are in serious trouble. Farm debt is now over $160 billion, an average of $69,000 for every farm in the country. In 1980 net farm income plunged 29 percent. Constantly inflating land values is the only thing standing between many farmers and bankruptcy.

ENERGY DEPENDENCE

From farming to processing and distribution, the food system is a gas guzzler. This dependence threatens the system. A recent study by the Department of Energy showed that a fuel shortage or reduction of 10 percent would lead to an increase of 55 percent in the price of fresh fruits and vegetables.

MINERAL BASE

Our supplies of phosphate rock for phosphorous is running out. By 2000, we will be dependent on OPEC—the Organization of Phosphorous Exporting Countries like Jordan and Saudi Arabia and Morocco, for our phosphate.

MONOCULTURE

About 95 percent of our food now comes from only 30 plants. This genetic uniformity makes crops highly vulnerable to disease, as the 1970 corn blight demonstrated.

ENVIRONMENT IMPACTS

America's farmers now use about 2 pounds of pesticide and 112 pounds of synthetic fertilizer nutrients per acre of cropland. The environmental impact of these substances costs an estimated $839 million annually. In the past 15 years, while pesticide use has gone up 140 percent, crop loss to insects has increased more than 40 percent.

The Cornucopia Project report considers other problems in the food system as well. It then goes on to list a series of steps that could be taken by consumers, farmers, the food industry and government to keep these problems from collapsing the food system.

Recommendations for change include incentives of soil conservation, the promotion of regionalized agriculture, to avoid long-distance trucking where possible, direct-marketing by farmers, legislation to protect prime farmland from development, and the ending of subsidies to non-sustainable agricultural practices, including policies that encourage groundwater mining, land speculation and huge farm debts.

"We have a window of opportunity over the next few years to correct the system so it becomes sustainable," explained Medard Gabel, Director of the Cornucopia Project. "We must begin to act now, while we still have time."●

CURBING ACTIVIST JUDGES

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. ASHBROOK. Mr. Speaker, a recent editorial in the St. Louis Globe-Democrat sums up the feelings of many Americans who have been di-

rectly or indirectly affected adversely by the rulings of unelected Federal judges who have chosen not to interpret the law but to make new law.

I have witnessed this type of unchecked judicial activism on a number of unfortunate occasions in my own State of Ohio in the area of forced racial busing and public housing and can agree wholeheartedly with the Globe-Democrat editorial. The Congress is absolutely correct in taking steps to reverse this activist trend. I would urge my colleagues in the House of Representatives, particularly those with whom I serve on the Judiciary Committee, to take immediate steps to enact legislation which would limit the growing and unconstitutional power of the Federal judiciary.

The Globe-Democrat editorial follows:

JUDICIARY—CURBING ACTIVIST JUDGES

For many years a number of federal judges, including justices on the U.S. Supreme Court, not only have interpreted the law, they have made new law. They have done this despite the fact that such action is not authorized by the Constitution.

The Reagan administration commendably is moving to curb this judicial activism in such areas as abortion and school busing, according to Attorney General William French Smith.

Were it not for the activism of some federal judges, the massive and highly unpopular compulsory school busing orders covering whole cities would have stopped long ago. But, like Roman emperors, the judges seem to think they can do no wrong, even when their dictatorial busing plans fail miserably and only succeed in resegregating school system after school system.

This activism has infested the Supreme Court itself, a fact attested to earlier this year by Justice William H. Rehnquist as he accused the high court of "constantly tinkering with the principles laid down" in 1976 and thus making it "virtually impossible" for states to promptly execute convicted murderers.

It is encouraging that Attorney General Smith says the Justice Department will attempt to curb these judicial excesses by means of legislation and litigation. In past administrations, the Justice Department has been almost totally passive to the federal judiciary overstepping its bounds.

It is one thing to insulate the federal judiciary from political pressure. But when judges continue to take advantage of this immunity by interpreting the Constitution to suit their own pet social theories, it is time to call a halt.

Already there are strong movements for changing the constitutional provision which gives federal judges life tenure so that they will be required to stand for election. If the present situation is not rectified, these demands may be translated into action. The people are not going to stand by indefinitely and be dictated to by federal judges who attack the neighborhood school system, frustrate capital punishment of murderers and oppose the wishes of the great majority of Americans on other key issues.●

SUPPORT URGED FOR FEDERAL EDUCATION AID

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. FORD of Michigan. Mr. Speaker, Federal education aid for local school districts has made a positive impact on students' achievement and assisted local educators in updating their skills and classroom materials. In many districts, Federal aid has prompted important and innovative education improvement. I was pleased to note that the Detroit Free Press on November 15 recognized the significant benefits of programs like title I of the Elementary and Secondary Education Act and Head Start. These and several other Federal education efforts have boosted Michigan's educational quality and helped make our State a national leader. I want to share this insightful editorial with you:

[From the Detroit Free Press, Nov. 15, 1981]

SCHOOL AID: WASHINGTON BACKS OUT WHEN HELP IS NEEDED MOST

A major justification for ongoing cuts in federal aid to schools is that such aid comprises only eight percent of school budgets. But it is a critical eight percent, targeted for those youngsters with special needs who got little aid before. They will suffer unless the federal government's educational priorities can be reversed.

The Reagan administration has offered both practical and philosophical reasons for slashing school-aid programs for the poor, the handicapped, the foreign-born. The practical reason is that such programs haven't really worked, while wasting vast sums of money. The philosophical reason is that the government shouldn't dictate to the states what their educational priorities should be. Neither rationale stands up under scrutiny.

Admittedly, the evidence that compensatory federal programs help kids has been slow coming in. It took decades for scholars to track enough Head Start youngsters to determine whether they retained the benefits of early childhood education. It has taken decades, as well, for schools to learn to fine-tune compensatory education well enough to help disadvantaged youngsters acquire basic skills.

But just as the federal government is withdrawing support for public education, some impressive documentation of the benefits of federal school dollars has begun to show up. Major studies have confirmed the benefits of Head Start and Follow Through. Schools in Detroit and elsewhere have accomplished major turnarounds in achievement with the help of Title I.

Congressional conservatives, however, have closed their eyes to this evidence, just as they close their minds to the fact that returning control to the states of federal dollars sounds better in theory than it will work in practice. Consolidation of 42 categorical programs into a single block grant program means programs will have to compete with one another for funding. Thus such variables as political pressure, the state of a municipality's treasury and the sensitivity of local officials will determine whether the handicapped, the learning disabled or slow learners continue getting special help.

So far, Mr. Reagan has won his battle to cut the federal government's commitment to education. The U.S. can't afford to be all things to all people, says the president. He may yet have trouble on his hands, though, as it begins to sink in that it is bloated military spending, not funding for social programs, that is straining the fabric of the federal budget. The message still to be conveyed is that cuts in education threaten our survival as a free and vibrant people far more than any overseas adversaries. Right now, the government is pursuing policies that endanger not only the future of thousands of youngsters but could fill our streets with disaffected people who feel they have no stake in society. Can we afford that?●

PRESIDENT OF TIME, INC., ISSUES WARNING ON REAGAN BUDGET CUTS

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Ms. FERRARO. Mr. Speaker, in this hectic year of budget and tax cutting, the most consistent rationale offered by the administration and its supporters for the program it has pursued is the promise of renewed economic prosperity for all. At no time this year has the debate been over whether or not we should have a stronger economy, with greater productivity, lower inflation, lower unemployment, and all the rest.

The argument, at all times, has been over whether the President's program is the best way, or even a suitable way, to achieve our common goals.

For many of us who have opposed the Reagan program, a vital question has been, What is the cost to the Nation of depriving disadvantaged children of sound nutrition, quality education, and basic health care? Our concern has been that the budget cuts in many social programs will not cause a deferral of opportunity, but, more harshly, a simple denial of opportunity to a generation of young Americans.

Unfortunately, this thinking has not been shared by our Nation's business leaders, who have instead subscribed to the trickle-down theory encompassed by Reagonomics.

My concern over this shortsightedness by our Nation's business leaders was greatly eased by an article by J. Richard Munro, the president of Time, Inc., which appeared in the November 15 New York Times and was excerpted from a speech he gave last week to the Union Club of New York.

Mr. Munro's concern is that the Reagan cuts have put too great a burden on the poor, thereby jeopardiz-

ing the long-term goals of the program. While Mr. Munro demonstrates that he is a man of compassion for the poor, he also makes a case based on the long-term economic consequences. Mr. Munro writes:

Remember that in a few years, the children of today will be our employees, adding, we hope, to our bottom line * * * We can already read projections of labor shortages later in this decade, especially in skilled labor. Budget cuts in training and education will worsen that problem.

I am extremely encouraged by Mr. Munro's article. I hope other business leaders will carefully consider his views, and I urge my colleagues to read the article, which is reprinted below.

[From the New York Times, Nov. 15, 1981]

EXECUTIVE DISSENT AGAINST THE BUDGET CUTS

(By J. Richard Munro)

I know that business executives are not supposed to disapprove of the Administration's spending program. Polls show support among us hovering around 90 percent. That's a phenomenal vote of confidence. I support the new policies that promote growth, new investment and greater productivity.

Yet, in the rush to fight inflation and stimulate investment, I fear that we have cut too deeply, that we have put too high a burden on the poor and elderly, and that we are jeopardizing the long-term goals of this program and the interests of business.

I am especially concerned about the cuts in social spending. They have gone too far, too fast. And too few of us understand their impact.

Most of us probably have found comfort in the notion that the cuts were marginal and that the cuts fall equally on everyone. The cuts are anything but evenhanded, and the effects are far from marginal as the numbers show. About 70 percent of the 1982 cuts now in place come from programs affecting the poor.

You can go down the line—education at all levels, jobs and training programs, Medicaid, housing aid, food stamps, school nutrition, support for poor families with children, energy assistance, unemployment insurance, and numerous other social services. Every one of these received major spending cuts, adding up to $25 billion of the $35 billion total cut from the budget this summer.

That doesn't include $13 billion in more cuts just proposed, and the $100 billion in cuts projected for 1984. Although those cuts are mostly unspecified, programs for the poor will again be on the chopping block.

Combined with tax cuts that benefit mostly higher-income people, this program adds up to a major redistribution of money in our society, from the lower end to the upper end of the scale.

Despite Administration assurances, the truly needy will have to cut back family budgets that simply can't be stretched any more.

The truly needy include the elderly and disabled poor. But the group that concerns me most is children, in families headed by a woman.

One out of 6 of all American children, about 10 million, lives in poverty today. One out of 4 of all children will need welfare support at some time before growing up. About one out of 6 of all children has no regular source of medical care. One out of 3 has never seen a dentist. Among black children, 2 out of 5 are poor.

Under the new budget, they are losing a little here and a little there, not too much taken one by one. But when the losses total several hundred dollars this year per family with even greater losses next year and the next, that will have a great impact.

We should also be concerned about the many social services, Government and privately run, being cut severely under this budget.

In Fairfield County, my wife and I are active in the Juvenile Diabetes Foundation. It's just been hit by Federal budget cuts that sharply reduce its research program. Actually, I think we can probably raise money locally to replace some of the loss. But what about similar organizations with no access to corporate contributions or well-funded local governments?

Let me sum up. The budget cuts are leaving serious and immediate human needs unmet. And if the budget cuts continue as scheduled, the problems of the poor will worsen intolerably. As business executives, I don't think we should stand by and let this happen.

On a practical level, let's consider the opportunity cost of letting the cuts go through. This year, we have the chance to restore business incentives for greater investment. The President, the Congress, and, most important, the public are behind us. Yet, this public support will vanish if the burdens of this program remain so uneven, and if the promised surge of prosperity pays off only for those already well off.

While we can talk about the need for patience until the long-term benefits arrive, the next election is a year away—close to the bottom of what appears to be a deep recession—at the very time the budget cuts put more holes in the "safety net" for people.

Also, while the economy declines, safety, health, consumer and environmental protections are weakening; civil rights enforcement is taking a giant step backward, and the share of taxes paid by corporations drops significantly.

That's not a scenario designed to build confidence in the current program. Consequently, in the next election, people may decide that they're not getting the changes they really wanted. And it'll be another generation before we get a similar chance to enact business incentives.

George Will wrote in a recent column that programs like Social Security spring from Americans' acceptance of "the ethic of common provision." He went on to say that President Reagan "must convince Americans that his conservatism is compatible with that ethic."

Let's consider the economic effects. Remember that in a few years, the children of today will be our employees, adding, we hope, to our bottom line. Because of the end of the baby boom, there will be far fewer of them available. And we can already read projections of labor shortages later in this decade, especially in skilled labor. Budget cuts in training and education will worsen that problem.

Consider also Social Security: There are three workers today for every beneficiary. In 30 years, there will be two, when the children of today should be in their prime working years.

Out of economic necessity, we can't afford to let the productive potential of any of today's children languish because of our neglect.

More than ever, they are vital to our future, and we should help them get the best possible start in life. That means good schools, good nutrition, health care, housing, stable homes.

Yet, we're moving in the opposite direction now and in the foreseeable future. That disturbs me, and I think it should disturb you.●

SENATE—*Wednesday, November 18, 1981*

(Legislative day of Monday, November 2, 1981)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

Our help is in the name of the Lord, who made heaven and earth.—Psalms 124: 8.

Sovereign Lord, as the founders of this Republic sought and heeded Thy counsel more than 200 years ago, so may we in this crucial hour. Thy word promises: *If any one lack wisdom, let him ask of God who giveth freely and upbraideth not, and it shall be given him.*—James 1: 5.

Gracious Father, grant that the leadership of this Nation, like the Founding Fathers, shall humble themselves before Thee, acknowledge their need of Thy wisdom, open their hearts to the Holy Spirit's direction and allow themselves to be guided in the light of Thy truth. We ask this in the name of Him who is "the Way, the Truth, and the Life." Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SCHEDULE TODAY

Mr. BAKER. Mr. President, after the recognition of the two leaders today, there are special orders in favor of the Senator from Colorado (Mr. HART) and the Senator from Delaware (Mr. BIDEN), for not to exceed 15 minutes each. There is also a previous order, according to my notes, for morning business to extend not past 11:30 a.m. today.

At 11:30 a.m., I remind Senators, the Senate will go into executive session for the purpose of considering the resolutions of ratification on nine treaties, and there will be one vote to count for nine. So Senators are urged to watch their clocks and to be here in time for that very important vote.

Immediately after that vote, there will be a vote on the Helms amendment to the State-Justice-Commerce appropriations bill, dealing with school prayer.

Debate on State-Justice will continue thereafter, until 1 p.m., when the Senate, by order previously entered, will proceed to the consideration of the continuing resolution, House Joint Resolution 357.

THE PRESIDENT'S FOREIGN POLICY SPEECH

Mr. BAKER. Mr. President, I have just watched a historic speech by the President of the United States to the National Press Club and, by television, to the country and the entire world.

The President reiterated this Nation's commitment to the Atlantic Alliance and the desire to reduce the massive buildup of arms in Europe. I should like to quote one paragraph from the President's speech. He said:

> There is no reason why people in any part of the world should have to live in permanent fear of war or its specter. I believe the time has come for all nations to act in a responsible spirit that does not threaten other states. I believe the time is right to move forward on arms control and the resolution of critical regional disputes at the conference table.

I commend the President of the United States for this effort on behalf of peace and stability.

Mr. President, I ask unanimous consent that the entire text of the President's speech be printed in the RECORD.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

The President's speech is as follows:

TEXT OF THE ADDRESS BY THE PRESIDENT TO THE NATIONAL PRESS CLUB

Back in April while in the hospital I had, as you can readily understand, a lot of time for reflection.

One day I decided to send a personal, hand-written letter to Soviet President Leonid Brezhnev reminding him that we had met about 10 years ago in San Clemente, California, as he and President Nixon were concluding a series of meetings that had brought hope to all the world. Never had peace and goodwill seemed closer at hand. I would like to read you a few paragraphs from that letter.

"Mr. President: When we met I asked if you were aware that the hopes and aspirations of millions of people throughout the world were dependent on the decisions that would be reached in your meetings. You took my hand in both of yours and assured me that you were aware of that and that you were dedicated with all your heart and mind to fulfilling those hopes and dreams."

I went on in my letter to say: "The people of the world still share that hope. Indeed, the peoples of the world, despite differences in racial and ethnic origin, have very much in common. They want the dignity of having some control over their individual destiny. They want to work at the craft or trade of their own choosing and to be fairly rewarded. They want to raise their families in peace without harming anyone or suffering harm themselves. Government exists for their convenience, not the other way around."

"If they are incapable, as some would have us believe, of self government, then where among them do we find any who are capable of governing others?"

"Is it possible that we have permitted ideology, political and economic philosophies, and governmental policies to keep us from considering the very real, everyday problems of our peoples? Will the average Soviet family be better off or even aware that the Soviet Union has imposed a government of its own choice on the people in Afghanistan? Is life better for the people of Cuba because the Cuban military dictate who shall govern the people of Angola?"

"It is often implied that such things have been made necessary because of territorial ambitions of the United States; that we have imperialistic designs and thus constitute a threat to your own security and that of the newly emerging nations. There not only is no evidence to support such a charge, there is solid evidence that the United States, when it could have dominated the world with no risk to itself, made no effort whatsoever to do so."

"When World War II ended, the United States had the only undamaged industrial power in the world. Our military might was at its peak—and we alone had the ultimate weapon. the nuclear weapon, with the unquestioned ability to deliver it anywhere in the world. If we had sought world domination then, who could have opposed us?"

"But the United States followed a different course—one unique in all the history of mankind. We used our power and wealth to rebuild the war-ravaged economies of the world, including those nations who had been our enemies. May I say there is absolutely no substance to charges that the United States is guilty of imperialism or attempts to impose its will on other countries by use of force."

I concluded my letter by saying, "Mr. President. should we not be concerned with eliminating the obstacles which prevent our people—those you and I represent—from achieving their most cherished goals?"

It is in the same spirit that I want to speak today to this audience, and the people of the world, about America's program for peace and the coming negotiations which begin November 30 in Geneva, Switzerland. Specifically, I want to present our program for preserving peace in Europe, and our wider program for arms control.

Twice in my lifetime I have seen the peoples of Europe plunged into the tragedy of war. Twice in my lifetime Europe has suffered destruction and military occupation in wars that statesmen proved powerless to prevent, soldiers unable to contain, and ordinary citizens unable to escape. And twice in my lifetime, young Americans have bled their lives into the soil of those battlefields—not to enrich or enlarge our domain—but to restore the peace and independence of our friends and allies.

All of us who lived through those troubled times share a common resolve that they must never come again. And most of us share a common appreciation of the Atlantic Alliance that has made a peaceful, free and prosperous Western Europe in the post-war era possible.

But today a new generation is emerging on both sides of the Atlantic. Its members were not present at the creation of the North Atlantic Alliance. Many of them do not fully understand its roots in defending freedom and rebuilding a war-torn continent. Some young people question why we need weapons—particularly nuclear weapons—to deter war and to assure peaceful development. They fear that the accumulation of weapons itself may lead to conflagration. Some even propose unilateral disarmament.

I understand their concerns. Their questions deserve to be answered.

But we have an obligation to answer their questions on the basis of judgment and reason and experience. Our policies have resulted in the longest European peace in this century. Would not a rash departure from these policies, as some now suggest, endanger that peace?

From its founding, the Atlantic Alliance has preserved the peace through unity, deterrence and dialogue.

First, we and our allies have stood united by the firm commitment that an attack upon any one of us would be considered an attack upon us all;

Second, we and our allies have deterred aggression by maintaining forces strong enough to ensure that any aggressor would lose more from an attack than he could possibly gain; and

Third, we and our allies have engaged the Soviets in a dialogue about mutual restraint and arms limitations, hoping to reduce the risk of war and the burden of armaments, and to lower the barriers that divide East from West.

These three elements of our policy have preserved the peace in Europe for more than a third of a century. They can preserve it for generations to come, so long as we pursue them with sufficient will and vigor.

Today, I wish to reaffirm America's commitment to the Atlantic Alliance and our resolve to sustain the peace. And from my conversations with Allied leaders, I know that they also remain true to this tried and proven course.

NATO's policy of peace is based on restraint and balance. No NATO weapons, conventional or nuclear, will ever be used in Europe except in response to attack. NATO's defense plans have been responsible and restrained. The Allies remain strong, united and resolute. But the momentum of the continuing Soviet military build-up threatens both the conventional and the nuclear balance. Consider the facts. Over the past decade:

—The United States reduced the size of its armed forces and decreased its military spending. The Soviets steadily increased the number of men under arms. They now number more than double those of the United States. Over the same period the Soviets expanded their real military spending by about one-third.

—The Soviet Union increased its inventory of tanks to some 50,000 compared to our 11,000. Historically a landpower, they transformed their navy from a coastal defense force to an open ocean fleet, while the United States, a sea-power with transoceanic alliances, cut its fleet in half.

—During a period when NATO deployed no new intermediate range nuclear missiles, and actually withdrew 1,000 nuclear warheads, the Soviet Union deployed more than 750 nuclear warheads on the new SS–20 missiles alone.

Our response to this relentless build-up of Soviet military power has been restrained but firm. We have made decisions to strengthen all three legs of the strategic triad—sea, land and air-based. We have proposed a defense program in the United States for the next 5 years which will remedy the neglect of the past decade and restore the eroding balance on which our security depends.

I would like to discuss more specifically the growing threat to Western Europe which is posed by the continuing deployment of certain Soviet intermediate nuclear missiles.

The Soviet Union has three different missile systems—the SS–20, the SS–4, and the SS–5—all with a range capable of reaching virtually all of Western Europe. There are other Soviet weapons systems which also represent a major threat. The only answer to these systems is a comparable threat to Soviet targets. In other words, a deterrent preventing the use of these Soviet weapons by the counter-threat of a like response against their own territory.

At present, however, there is no equivalent deterrent to these Soviet intermediate missiles. And the Soviets continue to add one new SS–20 a week. To counter this the Allies agreed in 1979, as part of a two-track decision, to deploy as a deterrent land-based cruise missiles and Pershing II missiles capable of reaching targets in the Soviet Union. These missiles are to be deployed in several countries of Western Europe.

This relatively limited force in no way serves as a substitute for the much larger strategic umbrella spread over our NATO Allies. Rather, it provides a vital link between conventional, shorter range nuclear forces in Europe and inter-continental forces in the United States. Deployment of these systems will demonstrate to the Soviet Union that this link cannot be broken.

Deterring war depends on the perceived ability of our forces to perform effectively. The more effective our forces are, the less likely it is that we will have to use them. So, we and our Allies are proceeding to modernize NATO's nuclear forces of intermediate range—to meet increased Soviet deployments of nuclear systems threatening Western Europe.

Let me turn now to our hopes for arms control negotiations. There is a tendency to make this entire subject overly complex. I want to be clear and concise.

I told you of the letter I wrote to President Brezhnev last April. Well, I have just sent another message to the Soviet leadership. It's a simple, straight-forward, yet historic message: the United States proposes the mutual reduction of conventional, intermediate range nuclear, and strategic forces.

Specifically, I have proposed a four-point agenda to achieve this objective in my letter to President Brezhnev.

The first, and most important, point concerns the Geneva negotiations. As part of the 1979 two-track decision, NATO made a commitment to seek arms control negotiations with the Soviet Union on intermediate range nuclear forces. The United States has been preparing for these negotiations through close consultation with our NATO partners. We are now ready to set forth our proposal. I have informed President Brezhnev that when our delegation travels to the negotiations on intermediate range land-based nuclear missiles in Geneva on the 30th of this month, my representatives will present the following proposal: the United States is prepared to cancel its deployment of Pershing II and ground launch cruise missiles if the Soviets will dismantle their SS–20, SS–4, and SS–5 missiles. This would be an historic step. With Soviet agreement, we could together substantially reduce the dread threat of nuclear war which hangs over the people of Europe. This, like the first footstep on the moon, would be a giant step for mankind.

We intend to negotiate in good faith and go to Geneva willing to listen to and consider the proposals of our Soviet counterparts. But let me call to your attention the background against which our proposal is made. During the past 6 years, while the United States deployed no new intermediate range missiles and withdrew 1,000 nuclear warheads from Europe, the Soviet Union deployed 750 warheads on mobile, accurate ballistic missiles. As this chart illustrates, they now have 1,100 warheads on the SS–20, SS–4, and SS–5 missiles and the United States has no comparable missiles. Indeed, the United States dismantled the

last such missile in Europe over 15 years ago.

As we look to the future of the negotiations, it is also important to address certain Soviet claims which, left unrefuted, could become critical barriers to real progress in arms control.

The Soviets assert that a balance of intermediate range nuclear forces already exists. That assertion is wrong. By any objective measure, as this chart indicates, the Soviet Union has an overwhelming advantage, on the order of six-to-one.

Soviet spokesmen have suggested that moving their SS–20's beyond the Ural mountains will remove the threat to Europe. As this map demonstrates, the SS–20's, even if deployed behind the Urals, will have a range that places almost all of Western Europe, the great cities—Rome, Athens, Paris, London, Brussels, Amsterdam, Berlin and so many more—all within range of these missiles, which incidentally are mobile and can be moved on short notice.

The second proposal I have made to President Brezhnev concerns strategic weapons. The United States proposes to open negotiations on strategic arms as soon as possible next year. I have instructed Secretary Haig to discuss the timing of such meetings with Soviet representatives.

Substance, however, is far more important than timing. As our proposal for the Geneva talks this month illustrates, we can make proposals for genuinely serious reductions but only if we take the time to prepare carefully. The United States has been preparing carefully for resumption of strategic arms negotiations because we do not want a repetition of past disappointments. We do not want an arms control process that sends hopes soaring only to end in dashed expectations.

I have informed President Brezhnev that we will seek to negotiate substantial reductions in nuclear arms which would result in levels that are equal and verifiable. Our approach to verification will be to emphasize openness and creativity—rather than the secrecy and suspicion which have undermined confidence in arms control in the past.

While we can hope to benefit from work done over the past decade in strategic arms negotiations, let us agree to do more than simply begin where these efforts previously left off. We can and should attempt major qualitative and quantitative progress. Only such progress can fulfill the hopes of our own people and the rest of the world. Let us see how far we can go in achieving truly substantial reductions in our strategic arsenals.

To symbolize this fundamental change in direction. we will call these negotiations START—Strategic Arms *Reduction* Talks.

The third proposal I have made to the Soviet Union is that we act to achieve equality at lower levels of conventional forces in Europe. The defense needs of the Soviet Union hardly call for maintaining more combat divisions in East Germany today than were in the whole Allied invasion force that landed in Normandy on D-Day. The Soviet Union could make no more convincing contribution to peace in Europe—and in the world—than by agreeing to reduce its conventional forces significantly and constrain the potential for sudden aggression.

Finally, I have pointed out to President Brezhnev that to maintain peace, we must reduce the risks of surprise attack, and the chance of war arising out of uncertainty or miscalculation. I am renewing our proposal for a conference to develop effective measures that would reduce these dangers. At the current Madrid meeting of the Conference on Security and Cooperation in Europe, we are laying the foundation for a Western-proposed Conference on Disarmament in Europe. This conference would discuss new measures to enhance stability and security in Europe. Agreement on this conference is within reach. I urge the Soviet Union to join us and the many other nations who are ready to launch this important enterprise.

All of these proposals are based on the same fair-minded principles: substantial, militarily-significant reductions in forces; equal ceilings for similar types of forces; and adequate provisions for verification.

My Administration, my country and I are committed to achieving arms reductions agreements based on these principles. Today I have outlined the kinds of bold, equitable proposals which the world expects of us. But we cannot reduce arms unilaterally. Success can only come if the Soviet Union will share our commitment; if it will demonstrate that its often-repeated professions of concern for peace will be matched by positive action.

Preservation of peace in Europe and the pursuit of arms reductions talks are of fundamental importance. But we must also help to bring peace and security to regions now torn by conflict, external intervention and war.

The American concept of peace goes well beyond the absence of war. We foresee a flowering of economic growth and individual liberty in a world at peace.

At the Economic Summit in Cancun, I met with the leaders of 21 nations and sketched out our approach to global economic growth. We want to eliminate the barriers to trade and investment which hinder these critical incentives to growth. And we are working to develop new programs to help the poorest nations achieve self-sustaining growth.

Terms like "peace" and "security" have little meaning for the oppressed and the destitute. They also mean little to the individual whose state has stripped him of human freedom and dignity. Wherever there is oppression, we must strive for the peace and security of individuals as well as states. We must recognize that progress in the pursuit of liberty is a necessary complement to military security. Nowhere has this fundamental truth been more boldly and clearly stated than in the Helsinki Accords of 1975. These Accords have not yet been translated into living reality.

Today I have announced an agenda that can help to achieve peace, security and freedom across the globe. In particular, I have made an important offer to forgo entirely deployment of new American missiles in Europe if the Soviet Union is prepared to respond on an equal footing.

There is no reason why people in any part of the world should have to live in permanent fear of war or its specter. I believe the time has come for all nations to act in a responsible spirit that does not threaten other states. I believe the time is right to move forward on arms control and the resolution of critical regional disputes at the conference table.

Nothing will have a higher priority for me and for the American people over the coming months and years.

Addressing the United Nations 20 years ago, another American President described the goal we still pursue today.

"If we all can persevere," he said, "if we can . . . look beyond our own shores and ambitions, then surely the age will dawn in which the strong are just and the weak secure and the peace preserved." He did not live to see that goal achieved.

I invite all nations to join with America today in the quest for such a world.

Mr. ROBERT C. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. ROBERT C. BYRD. Mr. President, I, likewise, watched the President as he addressed the National Press Club, and I listened with great interest to what he had to say.

I feel that this was the best delivered speech I have seen the President make, and I congratulate him on the speech. I commend him on taking the leadership in the efforts to bring about disarmament, not on a unilateral basis, but, as he emphasized, meaningful disarmament, mutual arms control.

I believe his words will be well received around the world and should certainly give heart to all peace-loving peoples everywhere. I think his statement was timely, and what he had to say constituted a very constructive initiative on arms control.

It is my hope that the initiative the President has taken will put us in a strong opening position vis-a-vis the Soviets as we go into negotiations on the question of theater nuclear weapons on the European continent at the end of this month, in Geneva.

The Soviets have engaged in a very intensive propaganda offensive in recent months, throughout Europe, to discredit America's commitment to arms control.

This must be expected. This is certainly in accordance with their style and was predictable. They have skillfully attempted to divide the alliance and to play on the fears of many in Europe that Europe would be used as a battleground by tne superpowers. They have done this at the same time that they continue deploying medium-range ballistic missiles, as the President stated, at the rate of one SS–20 per week—primarily aimed at Europe.

The alliance has taken no steps to stimulate or to simulate this belligerent activity, except to plan the emplacement of American-made missiles beginning in 1983 unless the destabilizing Soviet deployment is stopped.

The President has now taken the lead in the propaganda offensive. I think he has very effectively taken the offensive out of the Soviets' hands. He has certainly spoken most convincingly, and in such a persuasive way that our European friends should be encouraged. Their concerns should be put to rest. In my judgment, he has put the Soviets on the defensive, precisely where they should be.

I am sure that all my colleagues on both sides of the aisle join me in wishing the administration complete success in persuading the Soviet Union to dismantle the SS–20 launchers which have been the major factor causing the imbalance of nuclear missiles in the European theater. It will be a most difficult job because, if there is one thing the Soviets are generally superior at, it is of being tough at the bargaining table. So the President has my support in this endeavor. If, however, the Soviets cannot be persuaded to engage in such meaningful reductions in the European theater, then the President has my complete support in going forward to lead the alliance to deploy our own missiles, because it will then be clear that there is no other alternative.

The President is seeking an alternative and he is seeking an alternative which would redound to the peace of the world and to the lowering of manpower costs, human costs, and monetary costs for all countries involved.

But if the Soviets should reject this effort on the part of the President, then we know there is no alternative, and in that regard, again, I support the President fully.

Without such credible determination, of course, the Soviets could not be persuaded to dismantle their SS–20's, SS–5's, and SS–4's.

In addition, Europe expects us to go forward with strategic intercontinental arms talks as the overall framework within which the TNF talks are to proceed. Today, the President indicated a strong willingness to proceed expeditionally with strategic negotiations next year, and again he can count on my complete support. I am hopeful those talks can begin as soon as possible.

I thank the Senator for yielding.

Mr. BAKER. Mr. President, I wish to express my profound thanks to the distinguished minority leader.

I venture the estimate that only the President's speech today will have more impact here and around the world than the statement just uttered by the distinguished Senator from West Virginia, the minority leader.

It was truly a statement of major importance. The President's speech, now supported by the bipartisan leadership of the Senate, this initiative so quickly endorsed by the distinguished minority leader I believe adds strength and credibility to the President's remarks that he could have received in no other way.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. BAKER. I thank the minority leader. I am certain I speak for the President in expressing those thanks, and I believe the country will express its thanks to the minority leader for this act of prompt statemanship.

THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, I hate to move from that lofty item to another item of routine business, but there are a few items on today's Executive Calendar that I am prepared to consider according to the notation on our Executive Calendar and have been cleared here.

I inquire of the minority leader if he is in a position to consider the nominations appearing on page 3 of today's Executive Calendar under the headings of both the Judiciary and the Department of Justice?

Mr. ROBERT C. BYRD. Mr. President, I am so prepared.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering all of the nominations appearing on page 3 of today's Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

THE JUDICIARY

The legislative clerk read the nomination of Lawrence W. Pierce, of New York, to be U.S. circuit judge for the second circuit.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Emmett Ripley Cox, of Alabama, to be U.S. district judge for the southern district of Alabama.

THE NOMINATION OF EMMETT RIPLEY COX FOR THE POSITION OF UNITED STATES DISTRICT COURT JUDGE FOR THE SOUTHERN DISTRICT OF ALABAMA

Mr. HEFLIN. Mr. President, it is my distinct honor and pleasure to recommend to the U.S. Senate Emmett Ripley Cox of Alabama, nominee for the position of U.S. district court judge for the southern district of Alabama.

Mr. President, it was but a few months ago, in this August Chamber, that we passed judgment on Justice Sandra O'Connor's fitness for service on the bench of the highest Court in the land. As important as that Court is, and that nomination was, we often lose sight of the fact that it is our entire network of Federal courts which serves to protect our precious civil liberties and preserve our basic constitutional guarantees.

And it is the Federal district court which is the foundation, the bedrock, of that system. It is the district court—the entry level trial court within the Federal judiciary—to which aggrieved parties look for equity and justice.

The vast majority of cases filed in Federal court never reach the Supreme Court—not because they are not meritorious, but because they have been disposed of, and parties given redress, at the trial court level.

Recognizing the importance of the district court in our Federal system of jurisprudence, it is, then, no insignificant nomination which these hearings take up today.

I commend the President on this nomination. Mr. Cox is an outstanding attorney and I am confident that he will serve with distinction upon confirmation. He graduated in the upper 5 percent of his class at the University of Alabama Law School, where he was a member of the Moot Court Team representing the university, winning the Southeastern competition and competing with distinction at the national competition in New York.

Upon graduation from law school, he has practiced continuously in Birmingham and Mobile, Ala. The hallmark of his practice has been legal scholarship of the highest order, as exemplified by a landmark case early in his legal career. *Dallas County* v. *Commercial Union Assurance Co.*, 286 F.2d 388.

It involved the falling of a clock from the steeple of the courthouse of Dallas County, Ala. This case turned on the cause of the fall and whether a fire more than a half century before this incident was proximately related to the accident.

As a young lawyer, Rip Cox realized the predicament his client was in regarding evidentiary proof, and diligently researched the records of the Selma Morning Times until he found the appropriate article from 1901 supporting his client's position.

On appeal, based upon Mr. Cox's brief, the Fifth Circuit Court of Appeals wrote what has been acclaimed the single clearest treatise on the hearsay rules of evidence in modern times, reestablishing the

ancient document as a significant exception to the hearsay rule. Such legal scholarship has characterized Mr. Cox's work ever since.

This position in the southern district of Alabama is perhaps unique. It is headquartered in Mobile one of the major port areas of the Nation. It has only two active trial judges, who carry an extremely heavy caseload comprised of an interesting mixture of not only traditional civil and criminal litigation, but also an extremely large docket of admiralty, labor-management, and constitutional rights litigation.

Mr. Cox has had a diverse practice encompassing a great number of these areas. He has on a regular basis, represented both plaintiffs and defendants in civil litigation; and has had a heavy dose of admiralty, real estate and labor law practice in both Federal and State courts.

Mr. Cox was rated qualified for this position by the members of his local bar association and by the American Bar Association. In addition, a thorough and complete investigation was conducted by the Federal Bureau of Investigation and the Senate Judiciary Committee on this nomination.

I have personally met with Mr. Cox and discussed all issues and matters in regard to his qualifications and fitness for the bench. I am satisfied based upon the review of this nomination and my personal discussions with Mr. Cox, that he should be confirmed by the U.S. Senate.

Based upon my personal observation, and the nominee's eminent reputation within the legal community of Alabama, I am confident that he will serve with great distinction on the Federal bench, and with each case he tries, provide proof of the wisdom of President Reagan's nomination. It is with a great deal of pleasure that I recommend and wholeheartedly support, the nomination of Emmett Ripley Cox for this most important position.

Thank you, Mr. President.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Cynthia Holcomb Hall, of California, to be U.S. district judge for the central district of California.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Clarence A. Beam, of Nebraska, to be U.S. district judge for the district of Nebraska.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of John Bailey Jones, of South Dakota, to be U.S. district judge for the district of South Dakota.

HON. JOHN BAILEY JONES

Mr. ABDNOR. Mr. President, with Senate confirmation of the nomination of John Bailey Jones as U.S. district judge for the district of South Dakota, a distinguished American has joined the Federal judiciary.

It was a unique personal privilege for me to join with my distinguished senior colleague, the Honorable LARRY PRESSLER, in introducing Judge Jones to the Senate Judiciary Committee last week for his confirmation hearing.

John Jones and I grew up as neighbors in Lyman County, S. Dak. We attended school in the county and later served in the South Dakota Legislature together—he in the house of representatives while I was in the senate.

In introducing Judge Jones to the committee, I commented briefly on some of the qualities which prompt me and a host of others in South Dakota to include him among the very, very select few we esteem and hold in highest respect. John's personal integrity, his honesty, his sense of personal responsibility, his diligence, his dedication to and high regard for the law, and particularly, his unique understanding of people and their problems are among his very special attributes.

A Judicial Qualifications Committee, upon examining the qualifications of some 18 potential nominees for this position on the Federal bench, included Judge Jones upon its top recommendations. Upon his ultimate selection, the choice of John Jones was greeted with rare unanimity from members of the Judiciary, the legal profession, the press, Republicans and Democrats alike—and even among the others who sought the post.

U.S. District Judge Fred J. Nichol, who is retiring this year, said of Judge Jones:

Every word I've ever heard of him . . . has been good, and I welcome him to the federal judiciary. A judge's judge—a topflight choice . . . and you will have no regrets whatever over his carrying out of that office—a reputation of ability and fairness and a personal integrity beyond reproach—a gratifying choice on merit and qualifications and not for political reasons—a great credit to the legal profession and to the bench are typical of the public comments which greeted the announcement of his selection.

Such universal tribute is highly unusual in South Dakota or any other State.

John Bailey Jones was born in and grew up in South Dakota. He continues to reside in Presho.

He received his college and law school education at the University of South Dakota. This was preceded by 2 years of active duty in the U.S. Navy. After completing law school, Judge Jones entered private practice and concurrently served as county judge in Lyman County, S. Dak.

In 1967 he was appointed circuit judge for the 10th District of South Dakota, where he has continued to serve with distinction. In addition to his service in the South Dakota Legislature, he has been active in numerous civic and professional endeavors. Particularly noteworthy is his service to the South Dakota American Legion Boys' State, a program for young people dealing with the responsibilities of citizenship and government.

Judge Jones on the Federal bench is indeed a credit to the Federal judiciary, its finest traditions and its highest standards.

NOMINATION OF JOHN B. JONES TO BE FEDERAL DISTRICT JUDGE

Mr. PRESSLER. Mr. President, I wish to voice my strong support for the nomination of John Bailey Jones to be U.S. district judge for the district of South Dakota.

Judge Jones is considered in my home State as one of the most preeminent trial judges in South Dakota. He is a fine example of the type of individual who should be elevated to the Federal bench. The President, recognizing the need for experience in the Federal judiciary, has wisely chosen a man of Judge Jones' background for this nomination.

Judge Jones has been a judge of the Sixth Judicial Circuit in South Dakota since 1967. Prior to that he was a county court judge. During this long period on the bench, Judge Jones has tried a wide variety of cases presented by hundreds of counsel. In my visits with members of the South Dakota bar. I have heard nothing but universal acclaim for his legal ability and fairness. These are qualities which will serve him well on the Federal bench.

A native of South Dakota, Judge Jones was born in Mitchell. He received both his undergraduate and legal degrees from the University of South Dakota. Prior to going on the bench, he was engaged in the general practice of law for 14 years in Presho, Lyman County, where he and his wife, Rosemary, have resided and raised their six children.

Judge Jones has a fine record of involvement in civic affairs and served in the South Dakota Legislature. While on the bench, Judge Jones has been active in a number of judicial organizations and institutes for continuing judicial education.

Both on and off the bench, Judge Jones enjoyed the highest reputation for diligence, competence, and integrity. As a devoted family man and as a willing contributor of time and effort to the betterment of his community, he is a highly respected citizen in Lyman County. His dedication to the fair and efficient administration of justice has also gained him the reputation as an outstanding jurist throughout our State.

Mr. President, I applaud President Reagan for his excellent selection for this judicial position. I urge my colleagues to quickly confirm this nomination.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Robert J. Wortham, of Texas, to be U.S. attorney for the eastern district of Texas.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Alan H. Nevas, of Connecticut, to be U.S. attorney for the district of Connecticut.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of John W. Gill, Jr., of Tennessee, to be U.S. attorney for the eastern district of Tennessee.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk read the nomination of Joseph P. Russoniello, of California, to be U.S. attorney for the northern district of California.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Philip N. Hogen, of South Dakota, to be U.S. attorney for the district of South Dakota.

SOUTH DAKOTA'S NEW U.S. ATTORNEY

Mr. ABDNOR. Mr. President, it is a pleasure for me to applaud the Senate's action today in confirming the nomination of Philip N. Hogen as South Dakota's new U.S. district attorney.

Phil Hogen is uniquely qualified for this position. He is an excellent attorney with broad-based experience. He is thorough, conscientious and sensitive to all aspects of the responsibilities of this office.

Earlier this year the Justice Department listed nine criteria on which they reviewed the various candidates for U.S. attorney. Phil Hogen not only fulfilled all these requirements, but more. He brings to the job a good, broad background of practical legal and administrative experience, and a devotion to vigorous law enforcement and the principles for which the American people supported the Reagan administration so enthusiastically. A lifelong South Dakotan, he is the son of a Sioux Indian mother and grandson of immigrant Scandinavian homesteaders all of whom had a keen interest in all levels of government in this country.

Inasmuch as he was my administrative assistant when I first came to Congress, I am especially knowledgeable of his qualifications for the position of U.S. attorney, and have been honored to enthusiastically endorse his nomination and confirmation.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of J. Jerome Perkins, of Indiana, to be U.S. marshal for the northern district of Indiana.

Mr. LUGAR. Mr. President, I am deeply pleased that the Senate will have the opportunity to confirm today, an outstanding black law enforcement official, J. Jerome Perkins to be the U.S. marshal for the U.S. district court in the northern district of Indiana.

Mr. Perkins is the first black citizen in the history of the Indiana northern district to serve in this important position, and only the second black to serve as a U.S. marshal in the State of Indiana.

This nomination by the President is also important because it came to floor after Mr. Perkins was recommended as the best individual for this job on a merit basis by a bipartisan selection committee I established with my colleague from Indiana, Senator DON QUAYLE, to replace the political patronage system.

Mr. Perkins has enjoyed an extensive career in law enforcement, and has special experience in working with young people. He has been the supervisor of security for the South Bend, Ind. school system. He is a 20-year veteran of the South Bend police force and the former chief of detectives. He has been very active in his church and in his community.

The Senate confirmation of Mr. Perkins to be U.S. marshal is a proud day for all citizens of Indiana, who are committed to equal opportunity and justice.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Denny L. Sampson, of Nevada, to be U.S. marshal for the district of Nevada.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I have 1 minute remaining and, with the indulgence of the minority leader, I yield that 1 minute to the distinguished Senator from Wyoming, the chairman of the Ethics Committee.

Mr. WALLOP. I thank the majority leader.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

SCHEDULE OF TAPE RECORDING VIEWINGS IN THE MATTER OF SENATOR WILLIAMS

Mr. WALLOP. Mr. President, I offer today a further reminder to my colleagues who have not seen the taped material in the matter of Senator WILLIAMS to take advantage of the Ethics Committee's new showings of those materials.

I remind them that December 3 has been fixed as the date for floor action on Senate Resolution 204, a resolution to expel Senator WILLIAMS. Each Member will surely want to become informed of the evidence upon which the Ethics Committee based its recommendation, both out of a sense of fairness to the Senate and to Senator WILLIAMS. To assist the Members with the great volume of data, the committee has sent to each office a copy of each committee publication in this matter, and a number of the tape recordings played in the committee hearings will be presented again on Thursday, November 19, and Tuesday, November 24.

There are approximately 35 Senators each of whom I will call on personally who have not yet heard and seen these tape recordings. Senator HEFLIN and I urge all of them to take advantage of one of these sessions. There will be four identical sessions on those 2 days, one each morning from 9:15 a.m. to 12:45 p.m., and one each afternoon from 2:15 p.m. to 5:45 p.m. The location is in room 457 Russell, and no appointment is necessary. One staff person per Senator may attend the afternoon session on November 24.

Again I remind each Member that it behooves each Member to equip himself to make an informed judgment when this important resolution is voted upon.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. ROBERT C. BYRD. Mr. President, I yield my time to the distinguished Senator from Colorado (Mr. HART) if he has need thereof.

RECOGNITION OF SENATOR HART

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HART. Mr. President, may I inquire as to what the time situation is?

The PRESIDING OFFICER. The Senator has all the leadership time available and, additionally, the Senator has a special order for 15 minutes.

Mr. HART. I thank the Chair.

THE PRESIDENT'S SPEECH TODAY

Mr. HART. Mr. President, I wish to go on record this morning supporting the position taken by the minority leader, the Senator from West Virginia, in strong support of the initiative taken by the President this morning to control the spread of nuclear weapons in Europe.

The President has put forward a bold and far-reaching arms control position, and we all wish him well in promoting that position, whether we are Democrat or Republican.

The American people and I believe the people of the world understand that there is probably no issue before civilized mankind more important than bringing some control to the spread of nuclear weapons

whether they are on the Continent of Europe or throughout the world itself.

NATO

Mr. President, for good or for ill the proposal put forward by the President this morning cannot be taken out of the context of the general state of health of the NATO Alliance today.

NATO is the United States most important defense commitment worldwide and unfortunately many have come to believe that that relationship over the past year or two or more is in danger of unraveling.

It is in fact the failure of our foreign policy in Europe for the last 10 months that jeopardizes the critical theater nuclear force talks, and fortunately the proposal put forward by the President cannot be considered on its merits out of the context of the health of that alliance.

The importance of that alliance, of course, goes beyond the linked heritages of the United States and Europe and beyond our linked military and economic interests. The NATO Alliance is the living embodiment of the lesson that we learned from World War II, the lesson of collective security against a common threat.

Yet today, as I have indicated, the NATO alliance is under deep stress. These strains have been brought about, in large part, by the misstatements, missteps, and out-and-out mistakes of the Reagan administration. Examples of those mistakes are numerous.

First, and perhaps foremost, the administration alarmed our allies with its unilateral decision to build the neutron bomb. Building a weapon to be used on European soil involves vital European interests; it demands full consultation with our allies. Yet the Reagan administration announced plans to develop the neutron bomb without adequate consultation. We have every right to expect our allies to bear their fair share of NATO's burdens, but if we want them to do that, we must respect their desire to participate in the decision. Until the administration commits to full discussion with allies—before the fact—we cannot have a strong and healthy alliance.

Second, the administration has ignored the real issue of how to provide a quality defense for NATO in the 1980's.

In the NATO alliance, as here at home, increasing military spending alone does not insure military effectiveness, since it does not address the fundamental military questions. Military effectiveness depends on tactics, on unit cohesion, on readiness, for example, not on spending alone.

But the administration has provided no leadership in this area. It—like the administration before it—has offered only quantitative solutions. It defined sharing the burden of spending in terms of an arbitrary percentage of growth in military spending. But it is impossible for European leaders to gain support for increased defense spending without a clear qualitative redefinition of the notion of military strength in a changing world.

More important, a qualitative definition of strength requires reallocating the military division of labor for protecting the West's vital interests. Since the NATO alliance was formed, world realities have changed. The economic and military interests we share with our Western European partners now extend well beyond the central front of Europe—to the Middle East, to Japan, to increased trade with Warsaw Pact nations. Until we face the question of protecting vital Western interests in a changed world, we will not have a strong and healthy alliance.

Third, the administration has failed to articulate a clear military rationale for placing intermediate-range American missiles on European soil. We have not explained how the deployment of these weapons fits into our overall defense strategy. Until we can provide a military rationale for putting the cruise missile on European soil—where it will be vulnerable—we cannot gain European support for it. Until we articulate a clear and convincing military rationale for putting our weapons in Europe, we cannot have a strong and healthy alliance.

Fourth, our allies are increasingly insecure because the administration has delayed negotiations with the Soviet Union, on both theater nuclear forces and the larger issue of strategic forces.

We have to applaud once again the initiative taken by the President today. Had that initiative been taken sometime last spring or summer we would have a better chance of gaining the support of our allies in standing behind our commitment to deploy those weapons if negotiations fail.

By pursuing force modernization but not arms control negotiations, we have violated the essence of the NATO agreement of 1979. This has allowed the Soviet Union to paint us as the obstacle to peace. The growing European anti-nuclear movement is visible evidence of the erosion of this policy. Although Soviet SS-20's pointed at the heart of European cities are fact, the possibility of intermediate-range U.S. missiles on European soil has engendered greater fear—because Europeans view our delays in negotiations as a lack of commitment to the prevention of nuclear war. Until we fully commit ourselves to both strategic and TNF negotiations, we will not have a strong and healthy alliance.

Here the President must go forward with bringing our SALT negotiators to the bargaining table much sooner than next spring to make this a fact.

Fifth, the administration has alarmed our allies with its loose talk on limited nuclear war. The administration's ill-considered statements have helped confirm what so many Europeans fear: That when the United States talks of limited nuclear war, it means nuclear war limited to the European Continent. Until the administration clearly rejects the dangerous notion of limited nuclear war, we will not have a strong and healthy alliance.

Sixth, the NATO alliance has been strained by the administration's economic policies, as well as its military policies. Our economic policies—most notably the high interest rates the administration uses as its single weapon against inflation—have serious negative effects on our allies and their trading partners. As the administration's hard-line rhetoric chills East/West relations, Europeans have lost the benefit of increased trade with Warsaw Pact nations, which had been an economic side effect of détente. Until this administration recognizes that our economies are intertwined just as our security is intertwined, we will not have a strong and healthy alliance.

Finally, our allies are concerned by the administration's single-minded insistence on dealing with world problems in military terms alone. Our security depends on military effectiveness, but some critical international problems demand social, economic, and diplomatic solutions as well.

The administration prefers to rely on near-impossible military action in the Middle East to secure our oil supply while abandoning domestic policies that could bring energy independence to this Nation. And so, we do little to bring much-needed stability to a troubled region on which our allies rely so heavily.

The administration persists in ignoring the vitally important issue of halting the spread of nuclear weapons worldwide. While it calls for repealing the Symington amendment, for lifting the ban on commercial spent fuel reprocessing, for exporting nuclear materials to countries that have not accepted international safeguards, European and American cities could become vulnerable to nuclear terrorism. Deterrence, a military solution, has no effect on terrorists.

The administration also persists in ignoring the overwhelming needs of the Third World—for food, for health, for economic development. Left unmet, these needs are the seeds of war.

Until we recognize that there are threats to our long-term security that cannot be met by arms alone, we cannot have a strong and healthy alliance.

All this adds up to 10 months of failed foreign policy which has seriously undermined the NATO alliance. A weakened NATO would be a matter of serious concern at any time. But now, on the threshold of the crucially important TNF talks, the implications are particularly grim.

The President's laudable objectives for the TNF talks—the so-called zero-level option—is jeopardized by the very lack of unity some of his policies have produced.

First, the administration's ineptitude may have deprived the alliance of the most important lever we have at the bargaining table—NATO cohesion. To agree to the zero-level option, the Soviets must believe we are negotiating with the full support and commitment of our European allies. But the Soviets can find ample evidence of dissension and disagreement in NATO. They may count on the continuing erosion of European support to keep U.S. missiles out of Europe, believing their SS-20's might remain without ever having to face the countervailing NATO forces they fear.

In other words, the Soviets could take a calculated risk—to forgo good faith negotiations now, and hope for a more

favorable outcome later, because of some of the lack of confidence that our European and NATO allies feel for that alliance.

Second, if the administration's effort to negotiate the zero-level option fails for these reasons, there may not be sufficient European support for deploying our missiles—even at reduced numbers. The antinuclear movement is broad-based and growing. It includes not just traditional pacifists, but trade unionists, women's groups, and church activists. They—like American citizens in Nevada and Utah—do not want nuclear weapons in their backyards. Before we dismiss them, remember that two administrations failed to garner domestic support for an MX basing mode here in our country. The administration badly miscalculates the breadth and depth of European antinuclear sentiment. Clumsy statements suggesting the protesters are following a line laid down in Moscow only further divide the necessary base of European support for our arms control initiative.

Third, even the most successful conclusion to the TNF talks—adoption of the zero-level option—would be, at heart, inadequate to European nuclear security if there is not parallel progress on limiting strategic weapons.

Both the United States and the Soviet Union have weapons that are dual targeted. They may be used as intercontinental missiles—but they can also be used as theater weapons in Europe. Even the best TNF agreement contains this huge loophole. Closing the loophole will require limits on intercontinental missiles—something that can be accomplished only in the larger context of SALT talks.

As long as the administration focuses only on theater nuclear weapons, and neglects intercontinental weapons, they will remain a threat to the security of the Western alliance—as well as to the United States—as long as there is no strategic arms agreement.

Strategic arms limitation agreements are vital to our national security. And they are vital to the security of the NATO alliance for much the same reasons as they are vital to us:

An agreement would limit the size of the Soviet threat;

An agreement would provide greater certainty for defense planning;

An agreement would give us greater ability to focus our resources on conventional forces;

An agreement would help us build a much-needed new consensus on collective security issues.

This last point is the real challenge for NATO. At the end of World War II, we recognized that U.S. national security was inseparable from the security of Western Europe. That is still the case today. But nearly every other fact of the immediate postwar world has changed.

Today we need to reexamine our experience in the postwar years, to reconsider its meaning, and to reach a new consensus based on a strategic reformulation of alliance policies for the 1980's.

We must apply a healthy skepticism to the actions of the Soviet Union and move beyond the naivete and sentimentality of détente.

We must reconsider the individual defense responsibilities of the nations in the alliance. We must recognize that the NATO alliance's economic and military interests are broader than ever before, and reach consensus on a new division of labor.

We must work with the allies toward economic and diplomatic solutions for problems that cannot be solved militarily.

We must recognize that military effectiveness lies not in spending more or spending less, but in spending better, and with our allies, we must concentrate on what we need to fight and win wars.

And we must make Europe a full partner in United States-Soviet nuclear arms control talks and direct our policies toward the absolute prevention of nuclear war—the most overriding concern in the world today.

At a time when the only true security is collective security, we have shaken the confidence of the very allies who would provide it. In an age where once distant countries are neighbors, and where nuclear weapons threaten worldwide holocaust, there is no way—and no need—to go it alone. We must draw on our allies' wisdom and experience—and we must learn to act in concert with them.

Once again, Mr. President, I think all of us laud and applaud the initiative put forward by the President of the United States this morning. But the key to that initiative's success is the participation and confidence which our European allies have in that proposal.

The Soviet Union must believe that the failure of progress in limiting theater nuclear weapons would mean a deployment of our modern nuclear weapons on European soil. If our allies do not have the confidence in the Alliance and in us to commit to that deployment, then we hold a very weak bargaining hand. We all hope that the steps taken over the past 8 or 10 months that have led to the erosion in the NATO confidence in us can be redirected and changed, hopefully overnight, by the action taken by the President. We will support those actions. We will urge our allies to cooperate with us.

But we must have the credibility of their commitment to us and to the Alliance to make the President's bargaining position strong enough to succeed. And we all hope that it will succeed.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 11:30 a.m.

Mrs. KASSEBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ARMSTRONG). Without objection, it is so ordered.

PRESIDENT REAGAN ON STRATEGIC ARMS CONTROL

Mr. PRESSLER. Mr. President, I rise to commend and praise President Reagan for his speech on strategic arms this morning. I have frequently said that President Reagan may well be more effective in the arms control area than any President we have had. I have also said that President Reagan may be able to accomplish in the arms control area what former President Nixon was able to accomplish on China policy. That may sound strange to some, but I say it because of the trust with which President Reagan is regarded by certain political elements normally opposed to any arms control agreement. He is in a unique position from a domestic political point of view to enter into balanced and verifiable arms control agreements and to move forward effectively in this area.

President Richard Nixon, who was considered a conservative, anti-Communist President, could go to China and establish foreign relations with that Communist Nation more easily than could a liberal Democrat.

The same may be true for President Reagan in the arms control area. The Reagan administration is in a unique position to negotiate with the Russians on arms control and arms reductions.

Let me also say, as chairman of the Arms Control Subcommittee of the Foreign Relations Committee, that there has been much talk about arms control, arms reductions, and arms limitations over the years, but very little has been accomplished. We are faced now with a huge budgetary deficit. There is growing realization that we cannot afford, without adding greatly to that budget deficit, some of the weapons that have been considered. Neither can the Soviets afford further escalation of the nuclear arms race.

I hope the Soviets will read the President's speech carefully. I am confident that it will be received around the world very well because it is a very serious effort to initiate genuine arms control.

I commend the majority and minority leaders for their statements here in the Chamber this morning.

I want to praise President Reagan for his arms control speech and for his efforts in strategic policymaking. I believe he is a man of peace who understands the realities of the world situation. Without effective verification methods, and without a serious response from the other side, we cannot expect him to succeed. But President Reagan has taken a

giant step this morning in his speech, and I am very pleased with his initiatives.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. WEICKER. Mr. President, I ask unanimous consent that Mr. Geoffrey Baker and Mr. Steve Moore of my staff be granted the privilege of the floor during the present time, the treaty vote, and the vote on the State, Justice, Commerce bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNOUNCEMENT OF INTENTIONS TODAY ON COMMERCE—STATE—JUSTICE APPROPRIATIONS BILL

Mr. WEICKER. Mr. President, I should like to state at this time that it is my intention to oppose the amendment of the distinguished Senator from North Carolina to the State, Commerce, Justice appropriations bill. I indicated yesterday in a dialog with the distinguished Senator from North Carolina that I would take a look at his amendment, determine its effect on this legislation, and then give him my opinion today as to whether or not to oppose the amendment.

It is my intention to oppose the amendment of the distinguished Senator from North Carolina. It is also my intention, Mr. President, to continue to discuss in detail the various aspects of the State, Justice, Commerce appropriations bill and, more particularly, the effect of what has been done to it in terms of legislative language.

Mr. President, I felt it necessary to place these thoughts on the record in light of the dialog that took place yesterday around midday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent to proceed for 7 minutes so that I may make a statement prior to the vote.

Mr. STENNIS. Mr. President, may we have order, so that the Senator can be heard?

The PRESIDING OFFICER. The Senator will be in order.

It is the request of the Senator from Illinois that he be permitted to proceed for 7 minutes. Is there objection? The Chair hears none, and it is so ordered.

LATVIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, today is a very important day, indeed. It is the 63d anniversary of the independence of Latvia, whose right of national self-determination found proper recognition at the end of World War I.

In 1941, that right, that independence, that nationhood, were cruelly violated when the Soviet Union invaded, repressed, and annexed Latvia, along with her neighboring Baltic nations, Lithuania and Estonia.

Today, as Americans, we commemorate Latvia's national independence. We renew our support for the legitimate aspirations of the people of Latvia. We stand up to be counted in favor of the restoration of basic human rights in Latvia. And we oppose the U.S.S.R.'s Russification of Latvia and suppression of Latvia's own identity and traditions.

I also join with all Americans in saluting the dedication of Latvian Americans to Latvian independence, and in acknowledging our admiration for the contributions they have made to this country.

Mr. President, it is symbolic and important to me that on the floor with me today is Senator JOHN STENNIS, who for many years was the guiding spirit and the guiding light—and still is—behind the Senators' prayer breakfast. Tomorrow morning, Senators—25 or so—will bow their heads and pray to God.

In this Chamber, we have emblazoned in marble "In God We Trust," and it is the only legislative body I know of in the world that has such an inscription on its walls, and we certainly recognize that we seek guidance for our activities here.

I was very pleased to note that today, in the House of Representatives, the opening prayer was delivered by Rev. Vilis Varsbergs, of the Chicago Latvian Zion Evangelical Lutheran Church. I am very honored and pleased that he is in Washington today. I shall read the prayer he delivered this morning in the House of Representatives, and I suppose this is the first time that a prayer delivered in the House has been uttered on the floor of the Senate the same morning:

> Almighty God, Father of peoples and Lord of nations: constantly remind us, we pray, that history is Your story which tells us that You desire freedom and justice even for the small and weak. Help us, therefore, to hasten the day when no man and no people will be oppressed and exploited. This day we especially ask Your favor upon Latvia and her neighbors Estonia and Lithuania. As You had given them a brief day of freedom, so do not now disappoint their hope that the good will prevail, that justice will soon triumph, that freedom will return on the wings of peace to them and to all Your children—through Jesus Christ, our Lord. Amen.

I do not believe that a more fitting tribute could be given to Latvian Independence Day than this beautiful prayer uttered in the House of Representatives this morning and now repeated in the Senate of the United States.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. STENNIS. Mr. President, I highly commend the Senator on his presentation and for giving us and the people of the world the benefit of the thoughts contained in that very fine prayer.

I recall when Latvia came into being in its present form. I have great admiration for its people, with some of whom I have come in contact since that time. There is great merit, great truth, and great honor to them with respect to their outlook, their viewpoint, their family life, and their Government.

Mr. PERCY. I thank my distinguished colleague very much.

As the former chairman and now the ranking minority member of the Armed Services Committee, he speaks with a tremendous voice of authority in the Senate of the United States on every subject, especially when he speaks on the quest for freedom of all people in the world.

The United States is a beacon of light. Our arms program makes credible our foreign policy; and our foreign policy is such that, though we have won freedom ourselves, we shall always strive to see that other people throughout the world have the same opportunity for freedom; and keeping a strong United States of America is important.

I think it is also important for us to note on the floor of the Senate today a very significant speech just delivered by the President of the United States on arms reduction. START—Strategic Arms Reduction Talks—was inaugurated today, and SALT—Strategic Arms Limitation Talks—is no longer the term for our discussions with the Soviet Union on what should be done about strategic arms in the United States and the Soviet Union. We are going to work toward arms reductions, not just limitations. This was a dramatic, bold presentation by President Reagan.

Mr. President, I am proud to associate myself with the speech delivered by the President this morning, as to the goals, the aims, and the ambitions of our country and our highest priority, arms reduction.

President Reagan's announcement that he has directed Secretary Haig to begin the new strategic arms reduction talks as soon as possible next year is good news. While we must not underestimate the difficulty of the negotiations that lie ahead, I fully expect that the President will achieve an agreement with the Soviet Union that will, for the first time in the nuclear age, provide for genuine reductions in the awesome strategic weaponry deployed by both sides.

I also applaud the President's announcement that the NATO Alliance is prepared to forego the deployment of new land-based, intermediate-range missiles in Europe provided the Soviets agree to scrap their enormously hostile and destabilizing force of SS–20, SS–4, and SS–5 missiles. Taken in full consultation with our NATO Allies, this decision should once and for all reassure the people of Europe and the world that the United States is committed to the pursuit of peace and stability in its relationship with the Soviet Union.

In my opinion, this eminently reasonable NATO offer will appropriately test the Soviets' self-declared dedication to a

peaceful and harmonious relationship with the Western Alliance. I can only hope that the Soviet Union recognizes and acts on this unique opportunity to reverse what otherwise could prove to be another costly spiral in the nuclear arms race.

THE NEED FOR ARMS CONTROL

Mr. CHAFEE. Mr. President, today, I watched with great interest as President Reagan outlined his proposals concerning arms control negotiations with the Soviet Union.

In my view, there is no higher priority for the security of our country and the preservation of peace than the serious pursuit of arms control agreements with the Soviet Union. I was gratified to see that administration is not only moving forward with the talks on medium-range missiles in Geneva later this month, but also intends to begin talks on strategic arms control in early 1982.

The talks on strategic arms are absolutely essential to the ultimate success of the talks on intermediate-range missiles. In that regard, I want to emphasize my firm conviction that both sides should continue their adherence to the unratified SALT II treaty and that we should strive to retain as many of the features of that treaty as possible as a useful basis for "starting" the next round of talks.

President Reagan also made a dramatic proposal today, offering to forgo the deployment of our Pershing II and ground-launched cruise missiles in Europe if the Soviets will dismantle the medium-range missiles they have already deployed.

The proposal represents a positive step toward renewing the arms control process with the Soviet Union. I believe it is more important to renew this process—for strategic as well as medium-range systems—than to emphasize the details of a specific proposal.

Indeed, it is likely that the Soviets will require time to evaluate this proposal. Hard bargaining must be expected, and complete success in the negotiations.

By the same token, we should not anticipate that the talks will necessarily result in no nuclear weapons being deployed. What we can and must expect is that the negotiations begin moving, that they be conducted earnestly and seriously by both sides, and that they lead to a stable balance at the lowest levels possible.

I would like to comment on another aspect of this problem which has great significance. By his statement today, President Reagan has re-emphasized the defensive purpose of our forces in Europe, their role as a deterrent to conflict, and the full commitment of the United States to the security of its NATO allies.

The goal of insuring this deterrence—both conventional and nuclear and at the lowest force levels possible—is a worthy one and one which I fully support.

Recently, we have seen considerable unnecessary confusion in Europe and, unfortunately, in this country regarding our strategy and our commitments, and I believe today's statement should put an end to this confusion. The programs and policies of the United States and its NATO allies are designed to preserve the peace, not to endanger it.

Just as there should be no doubt about our commitment to the security of our allies, there should be no doubt about our willingness to work hard to achieve balanced and fair arms control agreements.

TREATIES

Mr. PERCY. Mr. President, the Senate has before it this morning for advice and consent a total of nine treaties. Seven of these are income tax treaties, one is an estate and gift tax treaty, and the final treaty is an extension of the existing Treaty of Friendship and Cooperation with Spain. I know of no opposition to any of these agreements. They were unanimously approved in the Foreign Relations Committee and have the full support of the Reagan administration. Reports on each of them are available to every member at his desk.

Mr. President, the agreement to extend the 1976 Treaty of Friendship and Cooperation with Spain is a simple 8-month extension of a treaty which was discussed at length in the Senate at the time of its original approval. The treaty recently expired by its own terms and the 8-month period is designed to bridge the period until Spain's formal entry into the North Atlantic Treaty Organization. NATO entry will itself be accompanied by a treaty protocol which requires the advice and consent of the Senate. Thereafter, any particular aspects of our bilateral security relations will be handled by executive agreement under the umbrella of the NATO Treaty.

Mr. President, the eight tax treaties before us are additions and modernizations of the broader network of bilateral tax treaties which the United States maintains to relieve our citizens from the burden of double taxation and excessive withholding rates. They are all relatively routine agreements, with the exception of a few issues in some of them, each of which is treated in the committee reports.

Mr. President, given the number and range of the tax treaties before the Foreign Relations Committee, we have taken special care this year to consult closely with the tax-writing committees of the Congress, both Senate Finance and House Ways and Means; Senator MATHIAS, the chairman of our Subcommittee on International Economic Policy, and I wrote to the leadership of those committees earlier this year asking for their comments not only on the individual treaties before us, but also on the general nature of the tax treaty process. I ask unanimous consent to have printed in the RECORD copies of the letters and statements received from the chairman and other members of those committees, which were of great assistance during the consideration of these agreements by the Committee on Foreign Relations.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON WAYS AND MEANS,
Washington, D.C., September 24, 1981.

Hon. CHARLES H. PERCY,
Chairman, Senate Committee on Foreign Relations, U.S. Senate, Dirksen Building, Washington, D.C.

DEAR SENATOR PERCY: Thank you for your thoughtful letter inviting the Ways and Means Committee's view on the tax treaties presently pending before the Senate Committee on Foreign Relations. We are enclosing a statement for the Committee's September 24 hearing record which expresses our views on this matter; the Honorable Barber B. Conable, Jr., ranking minority member of the House Ways and Means Committee, joins me in this submission and a supplemental statement of Mr. Conable's is enclosed as well.

We very much appreciate the courtesy you have extended to us by inviting our comment on these treaties. As you have observed, these tax treaties do have a direct impact on our tax system; as such they deserve a careful review by the tax-writing Committees of Congress. While time has not permitted us to consult with the full membership of the Ways and Means Committee, the enclosed statement addresses those provisions of the pending treaties which cause the greatest concern, a concern that we believe will be generally shared by the Committee. In addition, we have taken this opportunity to express our deep frustration with the tax treaty process as it currently exists.

We view our efforts today as but a first step in developing a better understanding with the executive branch on tax treaty policies and in improving the process of negotiation and ratification of tax treaties which amend substantive tax laws and policies. It is our intention to pursue the issues that we have raised in further discussions with Ways and Means Committee members and the Treasury Department. We will make every effort to submit to you expeditiously any further recommendations we may have on these specific treaties since we understand that the Committee would like to schedule a final markup session on these treaties in mid-October.

Once again, thank you for your consideration of our views on this important matter.

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

STATEMENT OF CHAIRMAN ROSTENKOWSKI BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE ON TAX TREATIES AND PROTOCOLS

Mr. Chairman, I very much appreciate your invitation to submit a statement to the Committee in order to set forth the views of the House Committee on Ways and Means regarding the tax treaties and protocols presently under consideration by the Committee. The Honorable Barber B. Conable, Jr., ranking minority member of the Committee on Ways and Means, concurs with the views expressed herein and is submitting a supplemental statement as well.

The tax treaties before you today raise a number of important tax policy issues and may prove to be precedent-setting, particularly in regard to future tax treaties with developing countries. As such, these tax treaties deserve very thorough consideration by this Committee as well as by the tax-writing Committees of both Houses. Indeed, since these treaties were largely negotiated by the last Administration, I would hope that the Treasury Department will also carefully evaluate these documents and their implications for U.S. treaty policy now and in the future.

Let me state at the outset that I am not satisfied with the process that has evolved for negotiating and ratifying tax treaties. As you are well aware, the Treasury Department has determined, with little or no input from the legislative branch, those countries

with which to negotiate tax treaties and has proceeded to negotiate with those selected countries with virtually no oversight by Congress. The Senate is then presented with a "fait accompli" for ratification. Too often the treaty presented conflicts with or negates the legislative tax policies that we in the tax writing Committees and in Congress have established. Such conflicts are present in some of the treaties before you today.

Also, I am not enthusiastic about the rationale which leads us to adopt a tax treaty with a country just for the sake of having a treaty. Why is it in the interest of the United States to have tax treaties with tax haven countries? Why do we want a concessionary tax treaty with a developing country where there is virtually no U.S. investment to protect or one where there is little potential for double taxation? Today there are several treaties that fall into these categories.

It is unfortunate that a better understanding between the executive and legislative branches on an overall U.S. tax treaty policy has not been developed. The purpose of my testimony today is at least in part to lay the groundwork for a more consultative process in the future. I am hopeful that the bipartisan Congressional approach that we have undertaken today will encourage the Administration to work with us in that regard.

Let me assure you that I am most sensitive to your Constitutional role in this process. But I am also aware that it places a difficult burden on this committee for us to come before you at this stage in the process and say "Please don't report this tax treaty for ratification because it contravenes what we did in the Ways and Means Committee and in the Congress last year!" Yet that is the only recourse we, as a Committee having responsibility for our tax system, are left under the treaty process as it exists today.

Accordingly, it is our intention to pursue further discussions with the members of the Ways and Means Committee and the Treasury Department on these general problems we have with the treaty process and on the specific concerns set forth below with regard to some of these treaties. Clearly the effect in many cases has been to selectively amend legislatively adopted provisions in the Internal Revenue Code; as such the Ways and Means Committee has an unquestionable interest in these provisions. It is our hope that our views can be reconciled with regard to these treaties before you and that we can propose at an early date an improved process for dealing with tax treaties in the future.

With that introduction, let me turn first to the Canadian tax treaty as I realize it is viewed as the major treaty being considered today by this Committee. While the Canadian treaty raises a number of tax policy issues as are discussed in the materials prepared by the Joint Committee on Taxation staff, I will focus on only the most troublesome aspects from the Ways and Means Committee perspective.

Just last year, Ways and Means reported and the Congress approved legislation to tax the capital gains of foreign investors in U.S. real property. The bill applies to dispositions after June 18, 1980, and all appreciation on dispositions coming under the bill is taxable. The bill also specifically recognized the need to coordinate these rules with potentially conflicting tax treaty provisions. Thus, the bill provided that treaty rules would prevail until January 1, 1985; at that time, the new Code rules would override any conflicting treaty provision. This decision was reiterated and refined in the Economic Recovery Tax Act of 1981 where we provided, as a technical amendment, that for treaties signed between January 1, 1981, and January 1, 1985, the treaty rules would apply for a maximum period of two years. I frankly do not know how Congress could make the point any clearer that we intend these Code rules to apply and that this tax is not negotiable.

Nevertheless, we are now presented with a treaty that excludes certain property from the tax—trade or business property—and allows Canadians a step-up in basis to the effective date of the new treaty for purposes of computing taxable gain on their property. Is this just the first step in a series to come of undoing the Foreign Investment in U.S. Real Property Tax Act? If we are to extend such concessions to Canada, I cannot imagine that our other major treaty partners will not demand the same treatment. I note that the Philippines treaty for example overturns the 1980 Act in total. Yet, I cannot fathom what principles of tax equity or of sound treaty policy would justify selective application of these new rules to only the citizens of certain countries. Should we then reconsider the wisdom of these new provisions in whole or in part? Must we override each treaty by new legislation? Or should we ask you to reserve ratification?

This one provision of the Canadian treaty is illustrative of the types of problems many of these treaty provisions pose for the tax writing Committees of Congress. I find this situation a most vexing one, and I confess to my own uncertainty about the appropriate solution, given that such a narrow range of options is available by the time a tax treaty reaches the ratification stage.

The proposed Canadian treaty poses a number of other issues that will concern members of the Ways and Means Committee. The treaty permits certain types of discrimination by Canada against U.S. investors. Yet many members have long objected to and are seeking an end to the Canadian treatment of business expenses for U.S. advertising and broadcasting which discriminates against U.S. taxpayers. We should be ending such discrimination, not endorsing it. In fact, retaliatory legislation may be introduced and considered this Congress in response to Canadian tax discrimination against U.S. television broadcastors.

Further, the treaty's provisions contradict the Code rules and IRS regulations in regard to the foreign tax credit. The Code provides an overall limit on the credit while the treaty applies per-country limitations. The treaty also implies that the rules concerning what taxes are creditable will be amended for Canada. While similar foreign tax credit problems are present in other existing and proposed treaties as well, the Ways and Means Committee is presented with a most difficult situation when the solutions we develop in Committee on such complex questions as these are then selectively amended by various tax treaties. Often this result clearly stems from an attempt to avoid the legislative process. One might well ask what the law actually is on foreign tax credit issues, the answer is, "It depends!"

Finally, the Canadian treaty permits U.S. residents to deduct charitable contributions made to Canadian charities and vice versa. A similar provision is also contained in the proposed treaty with Israel. By determining the U.S. tax treatment of U.S. taxpayers, this provision goes beyond the typical scope of tax treaties, may prove precedent-setting for future treaties and certainly contravenes the provisions in the I.R.C.

As I mentioned earlier, these are not the only troublesome provisions of this treaty, but they are those that cause the most difficulty for the House Ways and Means Committee because they directly conflict with legislative decisions. At the very least, Treasury must offer a persuasive defense of the policies proposed here, and it is our intention to pursue these issues further with the Administration. If it proves necessary, we will submit recommendations to this Committee as expeditiously as possible.

A number of the other proposed treaties contain provisions that represent questionable tax policy from our perspective. I will describe these briefly. As I mentioned above, the Philippines treaty also contravenes the 1980 Act on foreign investors in U.S. real estate. I do not believe the Ways and Means Committee will find a total negation of the 1980 Act acceptable, and we would therefore recommend reserving on this provision of the Philippines treaty. As the Joint Committee on Taxation will discuss, this treaty also contains a major issue of treaty policy in regard to reciprocal exemption of international aircraft operations.

The Israeli treaty, in addition to the concern I expressed earlier about allowing the deduction for charitable contributions to Israeli organizations, contains a troublesome provision on forced loans; the treaty allows compulsory loans to the Israeli government to be treated as income taxes eligible for the U.S. foreign tax credit. When the loans are repaid, they are to be treated as a refund of Israeli taxes and the taxpayer's creditable foreign taxes thereby reduced. As a matter of fact, this amounts to a loan to Israel from the U.S. government. Some may argue that this provision should not be of great concern because Israel no longer requires forced loans. However, the inclusion of such provisions can and does prove precedent-setting. The Morocco treaty has a similar provision on compulsory loans and Morocco still requires such loans of U.S. businesses.

The treaty with Jamaica also contains a provision that would be most controversial in the Ways and Means Committee. A protocol to the treaty extends the North American exception under the foreign convention rules, an exception adopted just last year for U.S. possessions, Canada and Mexico, to include Jamaica. As a result, conventions in Jamaica would be treated as held in the U.S. for tax purposes. Once again the traditional scope of tax treaties is expanded by determining the U.S. tax treatment of U.S. taxpayers. The Jamaican treaty does contain certain provisions of importance to the U.S., such as broad anti-treaty shopping provisions and an agreement to negotiate mutual assistance provisions. Nevertheless, as a matter of tax policy, it is the tax-writing Committees and the Congress that should consider an expanded North American exception; further, if they did agree that an expansion was warranted, I am sure the members would logically consider including a broader group of other Carribean countries. Once again we are troubled by this type of expansion of the scope of typical treaty provisions and it places the tax-writing Committees in a most awkward position.

Earlier, I touched on our difficulties with overriding the foreign tax credit rules by treaty in the context of the Canadian treaty. The proposed protocol with Norway presents an even more controversial issue; the protocol provides a U.S. foreign tax credit for a special tax Norway imposes on submarine petroleum resources. There is little doubt in my mind that this tax would not be considered a creditable income tax in the absence of this provision. As you will recall, a similar provision was included in the UK protocol ratified in 1979 and it too proved controversial. In light of that experience perhaps, the protocol with Norway contains a per country limitation on the credit.

As a tax policy matter, these provisions I have just described in the proposed treaties with Canada, the Philippines, Israel, Morocco, Jamaica and Norway cause me the greatest concern, a concern that I believe the members of the Ways and Means Committee will share. Further, it is somewhat alarming that the Treasury Department is unable to provide us estimates of the expected revenue

losses involved as this information is clearly needed to assist us in evaluating their significance. At this time we would recommend, as noted above, that the provision in the Philippines treaty which overrides the act on foreign investors in U.S. real property be reserved. The other issues I have raised will require additional discussions with Treasury.

Let me turn now to the basic questions posed by tax treaties with developing countries, as illustrated by several of the treaties before you today. Technically all these tax treaties except those with Canada and Norway are with developing countries. As such, we are forced to address the question of what our tax treaty policy should be with developing countries and when it is in the best interest of the U.S. to have such tax treaties in force. As a general rule, I can see no benefit to this country from a tax treaty with a developing country unless (1) there is significant U.S. investment taking place in the treaty country and, as a result, double taxation is occurring that should be resolved by treaty; or, (2) it is determined that the treaty country is being used to abuse or evade U.S. laws, and thus it is in our interest to have strong exchange of information provisions, anti-treaty shopping rules and mutual assistance agreements for law enforcement purposes.

We must recognize at the outset that developing countries have economic interests that differ dramatically from our own. Accordingly, they will want very different provisions in a treaty, provisions that will conflict with the treaty policy positions Treasury has taken in the U.S. model treaty. Developing countries will be most reluctant to forego source-based taxation and as a result, any treaties negotiated with developing countries will vary significantly from the rules we typically insist upon in regard to limitations on source-based taxation. This fact of life is illustrated in the provisions of the proposed treaties with Argentina, Bangladesh, BVI, Egypt, Israel, Jamaica, Malta and Morocco, all of which permit more source-based taxation than typical in U.S. tax treaties.

In addition, such countries will typically want other tax concessions, such as the treatment of forced loans in the Israeli and Moroccan treaties, and they will urge "tax sparing" provisions that represent a very significant departure from U.S., and indeed international, tax policies. "Tax sparing" provisions in essence eliminate all tax, by both countries, on the profits and certain other types of income derived from investments in the treaty country. As an example of this potential problem, the Moroccan treaty is accompanied by an Exchange of Notes in which the U.S. agreed to resume discussions on incorporating a "tax sparing" credit at a later date.

We do not believe that the purpose of a tax treaty or of treaty provisions should be to eliminate all tax on certain activities producing income or profits, and we want to make that position clear to the Treasury Department as they consider future treaties with developing countries. This result is reached, though by a different route, in the proposed treaty with Argentina. Because Argentina has a strict territorial system, they do not tax any foreign source income of their residents. Accordingly, there is no possibility of double taxation from a U.S. tax on U.S. source income accruing to a resident of Argentina. The effect of the treaty then is to totally exempt such U.S. source income from tax. Many of our treaties provide that the U.S. will not forego tax unless the income is subject to tax by the treaty partner, and I do not understand why a similar provision has not been included here.

Frankly, given Argentina's territorial system one could question the need for this treaty at all. The treaty does not measure up under the general rule I have cited. It does not even contain an anti-treaty shopping provision. Finally, its provisions on source-based taxation are among the most egregious of all in this class of treaties. Accordingly, we would recommend that Treasury be required to negotiate these two additional provisions—an anti-treaty shopping provision and one to insure that U.S. tax will not be foregone unless tax is paid to Argentina.

The proposed treaties with Bangladesh and Malta are the other two that I question the need for. There is little if any U.S. investment in these countries and the anti-treaty shopping provision in the treaty with Malta is not as strong as it should be. I hope Treasury will not pursue treaties of this type in the future.

For similar reasons, the proposed treaty with Cyprus was high on my list for severe criticism. In addition, Cyprus is an undisguised tax haven country. I am most relieved that the Administration has withdrawn this treaty and the BVI treaty. Congress cannot countenance tax treaties with haven countries. In fact, I was prepared to recommend that notice of our intent to terminate be given to the BVI, and I would urge this Committee and the Treasury Department to seriously consider this option between now and June 30, 1982, when such notice must be given. The treaty with the Netherlands Antilles should be studied in the same light. I am most skeptical about the wisdom of retaining the present treaties we have with haven countries, and I surely see no reason to invite new treaties with other haven countries.

Finally, I would hope this Committee would place a sunset date on any of these treaties with developing countries that you decide to report for ratification. These treaties are among the first we have negotiated with countries of this type and as such we are breaking new ground. Congress should assure itself that these treaties are of limited duration so that we may reassess them within a reasonable time period. Further, the Administration should consult with this Committee and the tax writing Committees before undertaking further negotiations with other developing countries. We must jointly agree upon some ground rules before proceeding further down this path.

Before closing, I would like to raise some administrative issues that are also worthy of your consideration. Several of the proposed treaties contain broad and unprecedented delegations of authority to the competent authorities of the treaty countries, in essence to the IRS and the foreign tax administrators. The first permits the competent authorities to eliminate double taxation in cases not provided for in the treaty. Under a literal reading, this delegation could be interpreted to include double taxation arising from any source, even state unitary tax systems. Accordingly, the scope of this delegation of authority must be clarified and limited to include only noncontroversial technical matters, not items of substance. The competent authorities are also allowed to increase the dollar amounts specified in the treaties, but no standards are included to guide their actions in this regard. Once again, the intended scope of this delegation must be established.

Finally, there has been an ongoing debate between the House Ways and Means Committee and the Treasury Department concerning Congressional oversight of the administration of treaty provisions by the U.S. competent authority. The standard treaty secrecy clause has been interpreted by the IRS to limit the access to such information to persons directly engaged in the assessment or collection of taxes. IRS, therefore, has not permitted the General Accounting Office, acting as an agent of the Ways and Means Committee, to review competent authority case files.

The Treasury Department has agreed, as a matter of principle, that such access for oversight purposes should be assured. To accomplish this result, Treasury agreed to add the term "administration" to the exchange of information clause as new treaties are negotiated and to clarify the intent of this change with our treaty partners. Further, Treasury agreed to use the mutual agreement process to gain the agreement of our present treaty partners. Still, I am informed by the Joint Committee on Taxation staff that this matter is not clearly resolved in the treaties before you. Therefore, I would urge that the Committee express its support of the need for Congressional oversight in this area and its understanding that our treaty partners will permit GAO access for this purpose when acting as our agent.

In all of these administrative matters I believe, and I hope Treasury will agree, that Senate guidance on the question will be adequate to resolve the matter to the satisfaction of all parties.

With that Mr. Chairman I will conclude, and I thank you again for your invitation and your indulgence. We intend to consult further on the matters I have raised today with members of the Ways and Means Committee and with the Administration. We will make every effort to submit to you in an expeditious fashion any further recommendations we may have on these specific treaties once those consultations are completed.

STATEMENT OF THE HONORABLE BARBER B. CONABLE, JR., BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE ON TAX TREATIES AND PROTOCOLS, SEPTEMBER 24, 1981

Mr. Chairman, I appreciate your invitation to appear before the Committee today to submit our position regarding the tax treaties and protocols now under consideration. I am in substantial agreement with the statement of my Chairman, Mr. Rostenkowski, and, therefore, I have only a few brief, supplementary remarks.

My primary interest is in the tax treaty and protocol process itself. In recent years, the treaty network of the United States has been substantially expanded. This has caused increasing concern on the part of many members of the Committee on Ways and Means because, as a result, the treaty process has become the equivalent of substantive tax legislation, an area clearly within this jurisdiction of our Committee. Mr. Rostenkowski has well highlighted the extent to which the treaties under consideration here contravene specific tax legislation which previously, and in some cases recently, has been approved by our Committee and the Congress. Therefore, my remarks will center on what I see as a disturbing trend in the treaty process.

This development is significant for several reasons. First, the potential of tax treaties for adversely modifying United States tax policy has been increased greatly. Second, the overall revenue impact of tax treaties is growing. Third, the potential for permitting foreign competitors of U.S. businesses to obtain treaty shopping benefits which afford them an unfair advantage over U.S. businesses is becoming greater. Finally, and most important, the expansion of the tax treaty network is, in effect transferring Congressional authority, in tax legislation, to Treasury officials who are responsible for negotiating the treaties. The trend looms even more importantly because there is little or no oversight conducted to monitor either the development or implementation of these treaties.

In view of these concerns, I believe two alternatives should be given serious consideration. First, attention could be given to the possibility of modifying the treaty

process to allow a greater role for the tax writing committees of the Congress. This could make it easier to avoid inconsistencies between provisions of the tax treaties and overall U.S. tax policy and to more clearly modify actual implementation of the treaties.

Second, attention also could be given to modifying the provisions of the internal revenue code which deal with tax treaty provisions in order to prevent treaties from overriding basic U.S. tax policy established through the Code.

Thank you for the opportunity to testify before your Committee today.

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C., October 8, 1981.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your gracious invitation to present my views to the Foreign Relations Committee on the tax treaties currently pending before it. I understand that Senator Long, the ranking minority member of the Finance Committee, may also respond to your invitation. Your invitation, and the similar invitation you extended to the Chairman and ranking minority member of the Ways and Means Committee, may serve as the catalyst for needed improvement in the process by which the Senate renders its advice and consent to tax treaties.

THE TREATY PROCESS

In implementing their objectives, tax treaties inevitably modify the tax rules and policies established by the Congress and embodied in the Internal Revenue Code. Indeed, the Code itself recognizes this in providing in sections 894 and 7852(d) that treaty provisions may override statutory provisions.

However, the displacement of the policies established in the Code by the sometimes conflicting policies established through the tax treaty process gives me, as a member who devotes considerable time and energy to the tax legislative process, cause for some concern. Particularly as the United States tax treaty network grows and as tax treaties become more detailed and complex, this concern regarding the possible conflicts between the tax legislative process and the tax treaty process can only increase.

Your solicitation of the involvement of the tax-legislation-writing committees in the tax treaty process is a helpful first step in allaying those concerns. Precisely because a number of the pending treaties present possible conflicts with tax issues either presently of concern to the members of the Finance Committee or recently the subject of carefully considered tax legislation, your invitation in this instance is most welcome. Because all 20 members of the Finance Committee have an interest in minimizing the conflicts between the tax legislative process and the tax treaty process, however, and because this submission cannot purport to reflect all the members' views, I have suggested to the other members that they may wish to communicate their views to you separately.

Equally important, further initiatives to improve the coordination of the tax legislative process with the tax treaty process will come, I hope, from the Department of Treasury. Such initiatives should include, at a minimum, consultation with the chairmen of the Foreign Relations Committee and the Finance and Ways and Means Committees at several stages of the treaty negotiation process.

First, before negotiations are commenced, I suggest that the Treasury notify Congress regarding the reasons for seeking a new tax treaty. In the case of a protocol to an existing treaty or a treaty to replace an existing treaty, such notification ought to include an explanation of the specific provisions of the extant treaty and U.S. or foreign law, and an explanation of any changed economic conditions, which together may give rise to the need for a revised treaty. Further, the Treasury might provide Congress a description of the goals hoped to be achieved through the adoption of a new treaty or protocol. For treaties with nations with whom we have no existing tax treaty such notification should include a description of the problems U.S. taxpayers may experience in commercial and other contacts with the other nation's taxing jurisdiction, the commercial activity that might be fostered by such a treaty, and what interests of the U.S. might be served by promoting trade with or investment between the U.S. and the other nation. In the present group of treaties, some early explanation of the goals to be achieved through tax treaties with developing countries with whom U.S. taxpayers have minimal commercial contacts would have cleared up a number of questions.

Second, once negotiations have commenced, periodic consultation with Congress regarding progress, problems, and the choices among options in the treaty negotiation process could facilitate the process of later Senate ratification. I understand that such consultation is often sought in the case of treaties outside of the tax area. While we all wish not to "politicize" every issue under negotiation some level of contact would be desirable. The need for Senate recommendations, clarifications, or even possible reservations regarding some of the pending treaties could have been obviated by even the most cursory level of communication between Congress and the Treasury during the negotiation stage.

Third, the Treasury should find it useful during the tax legislative process itself, to keep the tax-writing committees abreast of the impact of pending legislation on ongoing treaty negotiations. Recent legislative decisions in the real property and foreign convention areas, for instance, might have been better informed had the decision-makers been fully aware of the status and substance of ongoing treaty negotiations, particularly those with Canada. Coordination between treaty negotiators and those involved in the tax legislative process could avoid the development of conflicting provisions.

REVENUE EFFECT

For the Senate to give its informed advice and consent to these treaties, particularly in these days when budget questions loom large on every front, it will be necessary to obtain a more-than-speculative indication of the revenue impact of these treaties. Especially where a treaty or protocol deems a foreign tax creditable against U.S. tax which, under the Code, would not be creditable, some more-than-negligible loss to the Treasury may be involved. I recommend, therefore, that the Foreign Relations Committee withhold further action on any of the treaties until detailed revenue estimates are supplied regarding each of the pending treaties.

FOREIGN INVESTMENT IN U.S. REAL PROPERTY

As part of the Omnibus Reconciliation Act of 1980, Congress enacted the Foreign Investment in U.S. Real Property Tax Act (FIRPTA), a statute designed to tax the disposition of direct or indirect investments in U.S. real property by nonresident aliens and foreign corporations. The members of the Finance Committee took a great deal of interest in developing this legislation in response to popular insistence that foreign investment in U.S. real property bear at least the same tax burdens as domestic investment. It was not without some difficulty that these concerns were balanced against desires not to discourage foreign investment in the United States for unwarranted reasons. Several of the pending treaties, however, seem to disrupt the balance struck by that legislation.

One such disruption is the application of the nondiscrimination article of several treaties. FIRPTA clearly indicated that the statute would override existing treaties, on this and any other conflicting points. It was expected that new treaties would specifically state whether or not FIRPTA overrode conflicting treaty provisions; many members expected that new treaties would specifically state that FIRPTA always overrode possibly conflicting treaty provisions. Several treaties do not make such a statement. I recommend, therefore, that approval of the treaties be subject to the explicit understanding that the treaty nondiscrimination provisions do not override FIRPTA. This is, we understand, consistent with Treasury's interpretation.

Several treaties cede substantial portions of the taxing jurisdiction asserted by FIRPTA. Both the Canadian and the Argentine treaties alter the statutory method for determining whether an entity is a U.S. real property holding organization by excluding trade or business property from real property. Second, a number of the treaties treat partnerships, trusts, and estates as entities rather than conduits for the purposes of determining whether and when a nonresident alien will be treated as making a taxable disposition of a U.S. real property interest.

Third, the Canadian treaty includes a provision which prevents either country from taxing gains on the sale of real property holding companies by residents of the other unless the other country would tax foreign investors on their real property holding companies in comparable circumstances. Fourth, the Canadian treaty uses a different standard than that provided by FIRPTA for determining whether a Canadian shareholder of a real property holding organization is taxed on the sale of his interest.

Each of these items appears to run contrary to our intent in enacting FIRPTA and, if accepted, would constitute significant concessions of U.S. taxing jurisdiction. Because the combined effect of these concessions may be to undermine the thrust and efficacy of FIRPTA, particularly in the case of the Canadian treaty, I recommend that a full explanation of the rationale for these concessions be provided before the committee approves these treaties.

It is understood that many of these items which today constitute concessions of U.S. taxing jurisdiction, may have been less significant if considered prior to FIRPTA's enactment. In light of FIRPTA, therefore, and in light of considerable sentiment that the taxes imposed by FIRPTA are not to be bargained away, the Treasury may wish to approach the Canadians to renegotiate these points.

The Canadian treaty also overrides FIRPTA in permitting a step-up in basis for Canadian-owned U.S. real property to the effective date of the new treaty. It is understood that this provision is designed to avoid a substantial number of sales and repurchases of property prior to the effective date of the new treaty. Generally, the gain on such sales would be protected from taxation under the present treaty. While this provision may be appropriate in Canada's case because of this unique provision in the existing treaty, we suggest that it will not be considered appropriate in future treaties with Canada or other countries.

The Philippine treaty completely overrides the FIRPTA provisions regarding the taxation of the disposition of an interest in a U.S. real property holding organization. I recognize that this provision was negotiated long before the enactment of FIRPTA. Further, the lack of any anti-treaty shopping

provision in the Philippine treaty could permit the abuse of the FIRPTA override by third country nationals. For these reasons I recommend that the Senate specifically reserve its consent to the Philippine treaty on this issue.

EXPANDED DEDUCTION FOR U.S. TAXPAYERS

Historically, the purposes for entering tax treaties have been the elimination of double taxation and the facilitation of administrative cooperation. Three treaties (Canada, Israel, and Jamaica) go beyond this circumscribed realm to grant to U.S. taxpayers deductions they would not enjoy in the treaty's absence. The Canadian and Israeli treaties permit U.S. taxpayers to take a deduction for contributions to a charitable organization in the other country. The Canadian treaty and the Jamaican protocol contain provisions permitting a U.S. person to deduct the expenses of attending a business convention in those countries.

I find these provisions particularly troubling. First, the granting of new deductions to U.S. taxpayers, even where the other country's taxpayers receive similar deductions, does not seem to be an appropriate treaty function. Particularly, as in the extension of the convention deduction to Jamaica, where Congress specified precisely which of our North American neighbors were to be included within the convention deduction rule's scope, it is inappropriate for a treaty to override Congress's specific intent. Because some Finance Committee members have expressed serious concern over this provision, I urge you to examine the Jamaican protocol with great care. Congress itself, of course, concluded that this deduction is appropriate for conventions in Canada. Had it not, the Canadian treaty provision would be similarly troublesome.

Second, there is concern whether the treaty process should be used to create support, on a selective basis, for foreign charities. While the provision in the Canadian treaty, similar to a provision in our existing treaty, may be justified by the special relationship we enjoy with that neighbor, the possibility that we could be perceived as discriminating among the charities of the world, and the effect that establishing this precedent may have on negotiations with other nations, should give us reason to question these provisions.

FOREIGN TAX CREDIT

The question of what foreign taxes are creditable against U.S. tax has, for several years now, been the subject of substantial controversy. Several versions of the section 901 regulations that have been proposed have been subjected to substantial criticism by affected taxpayers.

Some taxpayers maintain that the regulations adopt an overly restrictive interpretation of the statute so that the credit issue may be preserved for treaty negotiations. Taxpayers also complain that requests for IRS rulings receive no action and suspect similar motives to explain the IRS inaction.

I am sympathetic with the plight of taxpayers who do not know whether the foreign tax they pay is creditable or not. This issue ought to be addressed administratively, by regulation or ruling, or, if necessary, by legislation. Because the issue deals with a tax benefit to be enjoyed by U.S. taxpayers that is granted unilaterally, requiring no action by the foreign country, I believe that the granting of a credit for an otherwise clearly uncreditable foreign tax or levy is an inappropriate subject for the typical tax treaty.

Particularly where, as in the Moroccan and Israeli "forced loan" situations, the foreign levy deemed creditable against U.S. tax is quite distinct from an income, war profits, or excess profits tax (or a tax assessed in lieu of such a tax), the treaty process appears to interfere with a clear legislative decision. If it is concluded, in any instance, that the treaty process is an appropriate forum for designating a foreign levy creditable against U.S. tax, I trust, at the least, that the negotiators will recognize that the decision that a foreign levy is creditable, while a benefit to U.S. taxpayers, is a detriment to the U.S. Treasury and should be regarded as a significant U.S. concession.

DISCRIMINATION

It is unfortunate whenever a tax treaty, particularly one with a developed country, fails to resolve tax discrimination problems between the treaty partners. The dispute with Canada over C–58, Canada's indirect tax discrimination against U.S. broadcasters, is exactly the sort of dispute it was hoped the new Canadian treaty would resolve. I am disappointed that the new treaty, at the insistence of the Canadians, ignores this dispute. In weighing whether you will favorably report the Canadian treaty, we hope you will include the need for a prompt resolution of this dispute in your calculus of benefits versus detriments.

COMPETENT AUTHORITY DISCRETION

Consistent with preserving the Senate's right to advise and consent regarding tax treaty measures, your committee may wish to develop specific standards to circumscribe the power delegated to the IRS under several treaties to expand taxing jurisdiction by adjusting amounts expressed in currency and by resolving disputes outside the scope of a treaty. The Finance Committee would be happy to work with you in the development of such standards if you desire.

It is also important that Congress and the General Accounting Office not be precluded from access to mutual agreement case files in the possession of the competent authority. Your report, I understand, will make this point clear.

TAX HAVENS

The Treasury's decision to withdraw from consideration the treaties with the British Virgin Islands and with Cyprus is to be applauded. Until satisfactorily strict anti-treaty shopping provisions, similar to the one in the Jamaican protocol, are included in those treaties, their progress through the ratification process will be justifiably difficult.

In conclusion, I wish again to reiterate my thanks for your solicitation of Finance Committee views. Your attentiveness to the concerns of the Finance Committee and the cooperation your staff has shown in accommodating our efforts are essential first steps at improving the coordination of the tax treaty and the tax legislation processes. I would be pleased to have you include this letter in the record of your committee's hearing on September 24, and I look forward to working with you further on this matter.

Sincerely,

BOB DOLE, *Chairman.*

U.S. SENATE,
Washington, D.C., October 26, 1981.

Hon. CHARLES PERCY,
Hon. CHARLES MATHIAS,
Committee on Foreign Relations, Dirksen Senate Office Building, Washington, D.C.

DEAR CHUCK AND MAC: Thank you very much for soliciting the comments of members of the Senate Finance Committee on the tax treaties pending before the Committee on Foreign Relations. Your consideration of our views is greatly appreciated.

At the outset, I'd like to support the views stated in the letter to you from Senator Dole. He has eloquently expressed many of my concerns.

There are two issues of particular concern to me: first, the apparent override in many of the treaties of the Foreign Investment in Real Property Tax Act (FIRPTA); second, the failure to authorize the General Accounting Office's access to information received under the treaties.

As a member of the House, I was actively involved in the passage of FIRPTA. Adherence to the provisions of FIRPTA is a very important issue to me and the 2.8 million Iowans I represent. Our intention in enacting FIRPTA was to treat the capital gains recognition of foreigners and United States citizens similarly. In passing that legislation, Congress expected our treaty negotiations to honor the provisions of FIRPTA in new tax treaties. Technical changes negotiated in the Canadian, Argentine, Egyptian and Philippine treaties run contrary to that intent. These are serious precedents which undermine the spirit of FIRPTA. While Canada and the United States enjoy a special relationship, this does not seem a compelling reason to ignore all of the guidance set forth in the legislation. With respect to other treaties, I can see no reason at all to deviate from FIRPTA. I believe the treaties should be made consistent with FIRPTA, and I strongly recommend you report these out with a reservation that the treaties conform to FIRPTA.

My second difficulty with these treaties is their failure to expressly state that the appropriate Congressional committees, and the General Accounting Office, as their agent, have appropriate access to information exchanged under the treaties. As you are aware, the IRS has taken the position that the secrecy clause in most existing treaties denies GAO access to mutual agreement casefiles. Treasury has indicated that future treaties would specifically provide for GAO access, but most of the treaties before your committee would not do so. I respectfully request that you take whatever steps are necessary to insure that we do have access to tax information exchanged under these treaties within the boundaries of Internal Revenue Code Section 6103. As Chairman of the Subcommittee on Oversight of the Internal Revenue Service, I believe that the inclusion of this provision is very important if Congress is to effectively oversee the administration of the treaties.

Thank you for your consideration of my concern and suggestions.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.

Mr. PERCY. Mr. President, specifically, we have taken account of the concerns expressed on some of the provisions in these agreements by recommending appropriate amendments, reservations, understandings, and report language. These are incorporated in the proposed resolutions of ratification pending before the Senate. Most of them are quite technical and none is expected to present serious problems for the other countries concerned.

Finally, Mr. President, we have sought to establish a broader understanding with the Department of Treasury regarding the process of negotiating future tax treaties, and in particular the timing and nature of consultations with the Foreign Relations Committee and the tax-writing committees. We expect by an exchange of letters with Treasury Secretary Regan to clarify that process in the near future. Already our consultations have been productive and informative and I anticipate no difficulty in regularizing this process.

In addition to the correspondence already referred to, I ask unanimous consent to have printed in the RECORD a brief summary of the various amendments, reservations, and understandings

included in the proposed resolutions of ratification of each of the tax treaties.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROPOSED CONDITIONS IN TAX TREATIES

All eight of the resolutions of ratification reported by the Committee on the tax treaties contain an understanding regarding Congressional access to the information exchanged under the treaty. The understanding makes clear that the General Accounting Office, the Senate Finance Committee, the House Ways and Means Committee and the Joint Committee on Taxation will be afforded access for the exercise of their oversight responsibilities.

In addition to that understanding, the following resolutions of ratification contain further conditions:

BANGLADESH

An understanding to make clear that U.S. shipping operations would be afforded "most-favored nation" treatment by Bangladesh.

EGYPT

A reservation making clear that the treaty will not supercede the U.S. Foreign Investment in Real Property Taxation Act of 1980.

MALTA

An amendment to correct a technical error concerning the so-called "second withholding tax."

MOROCCO

A reservation making clear that U.S. foreign tax credits granted under the treaty for loans which U.S. businesses are required to make shall not be granted after 1988. This "sunset provision" would parallel a similar provision in the Protocol with Israel.

Mr. PERCY. Mr. President, I recommend that the Senate give its advice and consent to all of the treaties under consideration.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

EXECUTIVE SESSION

TREATIES

The PRESIDING OFFICER. Under the previous order, the hour of 11:30 having arrived, the Senate will now go into executive session to conduct one rollcall vote to count as nine rollcall votes on the resolutions of ratification to nine treaties, Executive Calendar Nos. 11 through 19, which the clerk will state.

The legislative clerk read as follows:

Treaty Doc. No. 97-20, an Agreement extending for 8 months provisions of the Treaty of Friendship and Cooperation with Spain; Ex. Y, 96-2, a Tax Convention with the People's Republic of Bangladesh; Ex. U, 96-2, a Tax Convention with the Arab Republic of Egypt; Treaty Doc. No. 97-1, a Tax Convention with the Federal Republic of Germany; Ex. C, 94-2, a Tax Convention with the State of Israel; Ex. M, 96-2, a Protocol amending the 1975 Tax Convention with Israel; Ex. F, 96-2, an Income Tax Treaty with the Republic of Malta; Ex. H, 95-2, a Tax Convention with the Kingdom of Morocco; and Ex. Z, 96-2, a Protocol amending the 1971 Tax Convention with the Kingdom of Norway.

The PRESIDING OFFICER. The question is on agreeing to the resolutions of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER (Mr. KASTEN). Are there other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 97, nays 0, as follows:

[Rollcall Vote No. 384—Treaty Doc. No. 97-20,
385—Ex. Y—96-2,
386—Ex. U—96-2,
387—Treaty Doc. No. 97-1,
388—Ex. C—94-2,
389—Ex. M—96-2,
390—Ex. E—96-2,
391—Ex. H—95-2, and
392—Ex. Z—96-2]

YEAS—97

Abdnor	Ford	Moynihan
Andrews	Garn	Murkowski
Armstrong	Glenn	Nickles
Baker	Gorton	Nunn
Baucus	Grassley	Packwood
Bentsen	Hart	Pell
Biden	Hatch	Percy
Boren	Hatfield	Pressler
Boschwitz	Hawkins	Proxmire
Bradley	Hayakawa	Pryor
Bumpers	Heflin	Quayle
Burdick	Heinz	Randolph
Byrd, Harry F., Jr.	Helms	Riegle
Byrd, Robert C.	Hollings	Roth
Cannon	Huddleston	Rudman
Chafee	Humphrey	Sarbanes
Chiles	Inouye	Sasser
Cochran	Jackson	Schmitt
Cohen	Jepsen	Simpson
Cranston	Johnston	Specter
D'Amato	Kassebaum	Stafford
Danforth	Kasten	Stennis
DeConcini	Laxalt	Stevens
Denton	Levin	Symms
Dixon	Long	Thurmond
Dodd	Lugar	Tower
Dole	Mathias	Tsongas
Domenici	Matsunaga	Wallop
Durenberger	Mattingly	Warner
Eagleton	McClure	Weicker
East	Melcher	Williams
Exon	Metzenbaum	Zorinsky
	Mitchell	

NOT VOTING—3

Goldwater	Kennedy	Leahy

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolutions of ratification are agreed to.

The resolutions of ratification agreed to are as follows:

RESOLUTIONS OF RATIFICATION

AGREEMENT EXTENDING FOR 8 MONTHS PROVISIONS OF THE TREATY OF FRIENDSHIP AND COOPERATION WITH SPAIN

Resolved, (two-thirds of the Senators present concurring therein). That the Senate advise and consent to the ratification of the Agreement Extending for Eight Months Provisions of the Treaty of Friendship and Cooperation with Spain, effected by an exchange of notes at Madrid on September 4, 1981.

TAX CONVENTION WITH THE PEOPLE'S REPUBLIC OF BANGLADESH

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention with the People's Republic of Bangladesh for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Dacca on October 6, 1980 (Ex. Y, 96th Cong., 2d session), subject to the following:

(1) understanding that if the Government of Bangladesh agrees in treaties or other agreements with other countries to reductions in a tax at source on profits from the operation of ships in international traffic, the Government of Bangladesh agrees to reopen negotiations with the United States with a view to the conclusion of a protocol which would extend to residents of the United States deriving such profits the same treatment granted to residents of such other countries.

(2) understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

TAX CONVENTION WITH THE ARAB REPUBLIC OF EGYPT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention with the Arab Republic of Egypt for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Cairo on August 24, 1980 (Ex. U. 96th Cong., 2nd session), subject to the following:

(1) understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

(2) reservation that notwithstanding the provisions of paragraph (3) of Article 7 of the convention (which relates to the taxation of gains from the alienation of shares of a corporation or of an interest in a partnership, estate, or trust, the property of which consists, directly or indirectly, principally of real property situated in one of the countries), gain derived by a resident of a Contracting State, from the alienation or other disposition of an interest in a corporation, or an interest in a partnership, trust, or estate, which has an interest in real property located in the other Contracting State, or the assets of which are considered under the domestic law of that other Contracting State to consist, in whole or in part, of real property, or an interest therein, in that other State, may be taxed by that other State to the extent provided for by its domestic law. In addition, gain derived by a corporation which is a resident of a Contracting State upon the distribution (including a distribution in liquidation or otherwise) of an interest in real property (as determined under the domestic law of the other Contracting State) may be taxed by that other Contracting State to the extent provided for by its domestic law.

TAX CONVENTION WITH THE FEDERAL REPUBLIC OF GERMANY

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Tax Convention with the Federal Republic of Germany, signed at Bonn on December 3, 1980 (Treaty Document 97-1), subject to the understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities subject only to the limitations and procedures of the Internal Revenue Code.

TAX CONVENTION WITH THE STATE OF ISRAEL

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention signed at Washington on November 20, 1975, between the Government of the United States of America and the Government of the State of Israel with Respect to Taxes on Income (Ex. C, 94th Cong., 2nd session), subject to the understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

PROTOCOL AMENDING THE 1975 TAX CONVENTION WITH ISRAEL

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Amending the Income Tax Convention with Israel (Ex. M, 96th Cong., 2nd session), subject to the understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this protocol where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

INCOME TAX TREATY WITH THE REPUBLIC OF MALTA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty with the Republic of Malta with Respect to Taxes on Income, signed at Valletta on March 21, 1980, subject to the following:

(1) amendment to paragraph 5(c) of Article 10 of the Treaty, so as to read as follows:

"(c) the dividends are paid out of profits attributable to one or more permanent establishments of such company in that State, provided that the gross income of the company attributable to such permanent establishment constituted at least 50 percent of the company's gross income from all sources."

(2) understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

TAX CONVENTION WITH THE KINGDOM OF MOROCCO

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Tax Convention with the Kingdom of Morocco, signed at Rabat on August 1, 1977, together with a related exchange of notes (Ex. H, 95th Cong., 2nd session), subject to the following:

(1) reservation that foreign tax credits shall not be allowed after January 1, 1988, for loans which U.S. taxpayers are required to make to the Government of the Kingdom of Morocco.

(2) understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

PROTOCOL AMENDING THE 1971 TAX CONVENTION WITH THE KINGDOM OF NORWAY

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Amending the Tax Convention with the Kingdom of Norway (signed at Oslo on December 3, 1971), which Protocol was signed at Oslo on September 19, 1980 (Ex. Z, 96th Cong., 2nd session), subject to the understanding that appropriate Congressional committees and the General Accounting Office shall be afforded access to the information exchanged under this treaty where such access is necessary to carry out their oversight responsibilities, subject only to the limitations and procedures of the Internal Revenue Code.

(Later the following occurred:)

Mr. BAKER. Mr. President, it has been brought to my attention that there was not a motion to reconsider or a tabling motion with respect thereto after the resolutions of ratification were adopted on the treaties. I now move, as in executive session, to reconsider the vote by which the resolutions of ratification were adopted.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE SESSION

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session and resume consideration of H.R. 4169, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

VOTE—AMENDMENT NO. 633

The PRESIDING OFFICER. Under the previous order, without intervening motion, appeal, or debate, the Senate will now proceed to vote on amendment No. 633 of the Senator from North Carolina (Mr. HELMS). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Texas (Mr. TOWER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators who wish to vote?

The result was announced—yeas 58, nays 38, as follows:

[Rollcall Vote No. 393 Leg.]

YEAS—58

Abdnor	D'Amato	Hatch
Andrews	DeConcini	Hawkins
Armstrong	Denton	Hayakawa
Baker	Dixon	Heflin
Bentsen	Dole	Helms
Boren	Domenici	Hollings
Byrd, Harry F., Jr.	Durenberger	Humphrey
Byrd, Robert C.	East	Jepsen
Cannon	Eagleton	Johnston
Chiles	Ford	Kassebaum
Cochran	Garn	Kasten
Long	Grassley	Laxalt
Lugar	Pressler	Stennis
Mattingly	Proxmire	Stevens
McClure	Quayle	Symms
Melcher	Randolph	Thurmond
Murkowski	Roth	Wallop
Nickles	Sasser	Warner
Nunn	Schmitt	Zorinsky
	Simpson	

NAYS—38

Baucus	Gorton	Packwood
Biden	Hart	Pell
Boschwitz	Hatfield	Percy
Bradley	Heinz	Pryor
Bumpers	Huddleston	Riegle
Burdick	Inouye	Rudman
Chafee	Jackson	Sarbanes
Cohen	Levin	Specter
Cranston	Mathias	Stafford
Danforth	Matsunaga	Tsongas
Dodd	Metzenbaum	Weicker
Eagleton	Mitchell	Williams
Glenn	Moynihan	

NOT VOTING—4

Goldwater	Leahy	Tower
Kennedy		

So Mr. HELMS' amendment (No. 633) was agreed to.

Mr. HELMS. I move to reconsider the vote by which the amendment was agreed to, Mr. President.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, as I indicated, because of the actions taken by the Senate, there certainly is much to discuss in a constitutional respect. I think it should be pointed out that which is the duty of the committee—that is, the appropriate funding of the Departments of State, Justice, Commerce, the Judiciary, and related agencies—has been attended to both by the subcommittee and by the full committee and by action here, on the floor of the U.S. Senate.

Our work is done. I know of no other amendments that affect the job that we were given to do as a subcommittee, that the ranking member and the chairman were given to do. Apparently, there is not enough business in the Committee on the Judiciary. Instead, they feel that whatever legislation is needed has to be achieved within the scope of the Committee on Appropriations.

Mr. President, nobody on the outside is doing a number on the Senate; we are doing a number on ourselves.

Mr. THURMOND. Will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from South Carolina.

Mr. THURMOND. Since the Senator mentioned not enough work to do in the Judiciary, I just want to mention that we have plenty of work to do in the Judiciary. We are very busily engaged in our nine subcommittees, turning out a lot of bills and legislation. However, any Senator has a right to bring up anything on the floor that he wants to. I am sure the Senator understood that the bill he referred to and now the amendment are the will of the Senate.

Mr. WEICKER. I say to my good friend from South Carolina that I do not understand how it is that he and some of his conferees here on the Senate floor have managed to take the appropriations process and so convolute it

that we cannot get any business done. If, indeed, the good Senator from South Carolina wants to change the laws of this Nation as they apply to busing, as they apply to abortion, as they apply to prayer in schools, may I suggest that there is an appropriate procedure which has been used for hundreds of years, namely the authorizing process. Legislation of that kind would come through his committee and could be brought up here, on the Senate floor, to be voted on. But that is not done. Apparently, that process and the constitutional amending process take too long for the Senator from South Carolina.

So, instead, we shall go ahead and take the appropriations process, which is meant to deal with dollars—not general policy but dollars—and use it as a vehicle to circumvent the Constitution of the United States and to circumvent the regular legislative process.

I say to the Senator, I am delighted that he raised this issue, because I have not seen anything on the floor of the Senate coming out of the Senator's committee relating to any of these matters. All of a sudden, it is a sort of ad hoc situation, where members of his committee come out here and try to slap this stuff on appropriations bills.

Mr. THURMOND. Will the Senator yield?

Mr. WEICKER. I think if, indeed, there is criticism by the American people as to what Congress is doing with the spending of their money, do not blame the President, do not blame the House, let us blame the fact that the appropriations process has been brought to a dead halt by this type of social legislation.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. WEICKER. Sure, I yield, Mr. President.

Mr. THURMOND. Mr. President, I just want to say to the distinguished Senator from Connecticut that any Senator has a right under the rules to bring up these matters and if a Senator does bring it up, I am sure that the Senator from Connecticut cannot object. If a Senator does bring it up, I am sure Senators can object. If enough Senators vote for a measure, that is the will of the Senate, and that is what has been done here. The majority has voted to have voluntary prayer in schools.

If there is any obstruction here, it is on the part of the Senator from Connecticut, not on the part of the Senator from North Carolina or the Senator from South Carolina.

Mr. WEICKER. I say to the Senator that we did our best in the committee to make sure these issues would not come up, believing, rather, that they should properly come forth from the committee of the Senator from South Carolina, but they are not here through his committee. I look forward to such legislation being presented to the U.S. Senate.

Obviously, I am going to be in opposition, but I have no complaints coming if I lose on that matter. That is another story entirely. What worries me is the utilization and abuse of the appropriations process.

Admittedly, this did not start with the Senator from North Carolina or the Senator from South Carolina. It started many years ago. But it has reached epidemic proportions, to the point that no appropriations bill can now clear the floor.

The net result is that we are going from continuing resolution to continuing resolution. I have been informed by the leader that he intends to bring up the Department of Justice authorization bill, and we will have a lot to discuss on that matter. We will have many votes and try to resolve those issue. But at least nothing else is being harmed in that process. What is being harmed right now is the functioning of the entire Government.

Do I realize that everybody is within their rights? Everybody is certainly within their rights. Anybody can do whatever they want on the Senate floor. That does not mean it necessarily leads to the most expeditious handling of our Government.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. HELMS. I thank my friend from Connecticut.

I say this in the kindest and most affectionate way to my distinguished friend: I think the complaints about legislating on appropriation bills depends on whose ox is being gored. Did the Senator not have authorization language on the appropriation bill with reference to the Legal Services Corporation?

Mr. WEICKER. Only in response to the fact that the House had placed that language on the bill. The restrictions had been placed on by the House, and we had to respond to it. The restrictions placed on it were not the restrictions of the Senator from Connecticut. Given the choice between a dozen restrictions and four restrictions, we opted for four restrictions. None of the restrictions was recommended by the Senator from Connecticut.

Mr. HELMS. Nonetheless, the Senator did have authorization language on an appropriations bill.

Mr. WEICKER. No. That language was actually the language of the distinguished Senator from Florida (Mr. CHILES).

Mr. HELMS. Who was listed as the sponsor of it?

Mr. WEICKER. It is a committee bill. There is nothing I can do, as the chairman of the committee, when these matters are on there.

Mr. HELMS. How about the legislation itself?

Mr. WEICKER. I did not offer it. I might add that it is an Appropriations Committee bill, voted by the full Appropriations Committee. The language the Senator refers to was voted by the full Appropriations Committee. I am obliged, when I come out here, as the chairman, to represent the position of the committee. I say to the Senator now that my position in the committee was no restrictions. Then we had the House position, which was articulated by the Senator from North Carolina, which had many restrictions, and then we had the midway point, which was the position of the Senator from Florida, which was four or five restrictions, whatever it was. My position was zero restrictions.

Mr. HELMS. In any case, the Senator did support authorization language, for whatever purpose.

Let me say this, if my friend from Connecticut will yield further: I think the U.S. Senate should legislate in any way it can in the best interests of the American people.

The Senator may not agree on this issue or that issue. But I do not hold any reverence for the concept around here that we must not have legislation here or legislation there because it might inconvenience the appropriations process, or whatever. I think we need to do what the majority of the Senate decides is in the best interests of the American people.

I say again that the Senator may disagree. The Senator very frequently refers to one measure or another or one amendment or another as unconstitutional. Well, that is his view of it. But I was puzzled the other day when he repeatedly said that this prayer amendment that came from the House, as he has stated, was unconstitutional. I imagine that he is talking about the Bill of Rights and the first amendment.

I call the Senator's attention to the fact that the Bill of Rights was not adopted for the purpose of locking in the authorities and powers of the Federal Government. It was to reserve powers and rights to the States, and that is what the House said with its amendment, and that is the reason I pressed for it.

I thank the Senator for yielding.

Mr. WEICKER. In response to the Senator, I say that I have no problem with the legislating that is going on. I do not fault it until it reaches the point where it totally obviates the entire process.

Since I have been on the committee—certainly in the last several years—these types of amendments have been put on appropriations bills. That is plenty of time, it seems to me, for the Judiciary Committee, now that it is under the astute leadership of the distinguished Senator from South Carolina, to get its act together and get the legislation on the floor.

In the past, those of us on this side of the aisle could blame the Democrats for not proposing legislation. Now we have no one to blame but ourselves.

There is nothing to prevent any of these matters being presented by the Judiciary Committee, by the committee bringing its bills to the floor. I see no bills on the floor. We are going to use either appropriations bills or authorization bills to do a job that is better done in a more orderly way.

I say to the Senator that I am not a nitpicker. Frankly, I realize that there are going to be extraordinary occasions which demand that the appropriations process be used for legislative ends.

But when it happens time in and time out, day in and day out, on every occasion, clearly, then, somebody is not doing their job.

Our job is done. The Senator from South Carolina and the Senator from Connecticut and the members of the Appriations Subcommittee have done our

job. Now it has all gone for naught, while we sit here hung up on a couple of points which should have stood on their own feet, as a matter of their own debate, as a matter of their own legislation. This bill is going onto a continuing resolution. All this time will have been lost and nobody regrets it more than I do.

Perhaps what we should do is that the next time we have an agriculture bill here, we should spend our time discussing extraneous matters to tack onto it. I do not think that is the way matters should be handled.

I fully understand that nothing is going to change from what I say, but I just think it important to point out—and this is where I started my comments—that these very important agencies of Government are not getting the legislative treatment they deserve in terms of their appropriations. That cannot be laid at the door of the Senator from South Carolina or the Senator from Connecticut, who have managed this appropriations process for close on to 6 months.

Mr. HELMS. Let me ask the Senator this, if he will yield.

Mr. WEICKER. I yield.

Mr. HELMS. Why does the Senator not go to third reading now, instead of belaboring the subject?

Mr. WEICKER. Because what has happened is that, using this bill as a vehicle, and without any hearings on the matter, without any committee deliberation, without any subcommittee deliberation, we just tack on a few words effecting an attempted, enormous constitutional change.

Let me say this, that it is very easy for me to say, just as the Senator alluded to, let us let the courts handle this hot potato, and let the President handle this hot potato.

The Senator knows what happens. The courts handle it, and then Senators like the Senator from North Carolina do not like what the courts say and accuse the courts of legislating.

Too often, over the past several decades people have passed the buck right out of this Chamber and right out of the White House into the Supreme Court.

I am not going to do that. I am not going to do that, as far as I am concerned, whether it is the independence of the judiciary as it relates to effective remedies against discrimination, or whether it relates to the rights of women in the sense of abortions, or whether it is the matter of the first amendment and freedom of religion.

The Senator from North Carolina can send one signal. I am going to send another.

I admire him. Let me say this to the Senator. There is no questioning where he stands on these issues. There is no questioning where I stand on these issues.

The Senator from North Carolina is not passing the buck.

Mr. HELMS. I thank the Senator.

Mr. WEICKER. But I am not going to go ahead and pass the buck either.

That is the reason why the lines are now being drawn. I realize that politically the neck of the Senator from North Carolina is on the line and then all of a sudden my neck goes on the line.

Really, the resolution of this debate probably will not take place in this Chamber today. Rather, it will come when the Senator from North Carolina and I have to face our constituents on the record that we have established. But our constituents will be probably more fortunate than any others in the country. They will not have to find us wandering around in some fog.

We are right out there and probably the best thing I can say now is thank God for the Senator from North Carolina that he is not running in Connecticut and thank God for me that I am not running in North Carolia.

Mr. HELMS. I thank the Senator.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 650

(Subsequently numbered amendment No. 634.)

(Purpose: To express the sense of the Senate that academic exchange programs should not be reduced)

Mr. WEICKER. Mr. President, I intend to offer an amendment, but prior to sending it to the desk I shall read it:

SEC. 509. The Senate finds that:

(a) The budget amendments requested by the President would cause a fifty-six percent reduction in important international academic and cultural exchange programs in which the United States participates;

(b) The reductions would drastically reduce the Fulbright Program and cause the elimination of the Humphrey Fellowship Program;

(c) The reductions in these programs would deny thousands of students and scholars the opportunity to study in the United States and to enhance their knowledge of our people and government;

(d) The reductions would deny foreign students and scholars exposure to the rich culture of the United States and advantages of our democratic government;

(e) The result of these reductions will be an increased disparity between the number of Soviet sponsored academic exchanges and the number of exchanges sponsored by the United States;

(f) The United States will be relinquishing the educational exchanges as an aspect of our foreign policy and good will to others;

(g) These educational exchange programs constitute "a weapon of ideas" which if effectively used by the United States Government can be a deterrent to the spread of totalitarian influence.

Therefore, it is the sense of the Senate that the academic and cultural exchange programs sponsored by the United States should not be reduced and that the President of the United States, in conjunction with the Congress of the United States, should establish a program for increasing United States participation in academic exchange programs.

Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Th assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an unprinted amendment numbered 650.

Mr. WEICKER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

SEC. 509. The Senate finds that:

(a) The budget amendments requested by the President would cause a fifty-six percent reduction in important international academic and cultural exchange programs in which the United States participates;

(b) The reductions would drastically reduce the Fulbright Program and cause the elimination of the Humphrey Fellowship Program;

(c) The reductions in these programs would deny thousands of students and scholars the opportunity to study in the United States and to enhance their knowledge of our people and government;

(d) The reductions would deny foreign students and scholars exposure to the rich culture of the United States and advantages of our democratic government;

(e) The result of these reductions will be an increased disparity between the number of Soviet sponsored academic exchanges and the number of exchanges sponsored by the United States;

(f) The United States will be relinquishing the educational exchanges as an aspect of our foreign policy and good will to others;

(g) These educational exchange programs constitute "a weapon of ideas" which if effectively used by the United States Government can be a deterrent to the spread of totalitarian influence.

Therefore, it is the sense of the Senate that the academic and cultural exchange programs sponsored by the United States should not be reduced and that the President of the United States, in conjunction with the Congress of the United States, should establish a program for increasing United States participation in academic exchange programs.

Mr. HOLLINGS. Mr. President, I think the amendment is most timely. We have just observed and listened to the President before the National Press Club deliver his all-important message relative to arms control and international peace.

It is quite significant in President Reagan's talk that much of the considerate and deliberate conclusions that he reached were reached with regard of the peoples of Western Europe.

I think that highlights the need for strong and effective cultural and educational exchange programs. We can take a position but unless it is understood, appreciated, and supported by our allies and the peoples of the world generally, then the best of the defense appropriations, or the best of the defense policies and programs will die aborning because of a lack of that understanding and support.

I happen to think that the President's talk was right on target. I thought it was one of the most eloquent he has ever delivered, and I think it is a message right straight down the line for a balanced program of mutuality of arms reductions, one that is verifiable, and that is the kind that I have yearned to support.

So I welcome President Reagan's talk.

The amendment that the Senator from Connecticut has now submitted just fits right in. There are so many, many things by way of budgeteering that really amount to a budget savings rather than a budget cut. I think that became significant in the recent Stockman article where he catalogs all the different programs and comes up with the conclusion that we just cannot do everything in spending cuts unless we are willing to cut into the heart of needed programs.

One of the real investments is the educational and cultural exchange of the Fulbright scholarship and Humphrey scholarship programs.

Over the years they have given us in large measure the stability that we enjoy today in world peace. I think to have cut this back as has been requested is incongruous with what President Reagan presented this morning in that address before the National Press Club.

On the contrary, rather than heeding the President's September budget revision, and cutting some $50 million, the committee has increased the educational and cultural exchanges by $9 billion. It might appear as a $9 billion increase momentarily here in State, Justice, Commerce, but in the long run it is a saving under the 050 function providing for defense. Since I have to deal with them all on the defense side, I look upon this as in reality a spending cut on defense and affords us to step down in the arms race.

So this is a long-range view, this is the investment, this is a true responsibility in the functioning of an appropriate government. I commend the Senator from Connecticut for his leadership in this particular score. It is a tried and true program, and I urge the Senate to include the admonition that the amendment provides.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. I thank my distinguished colleague from South Carolina for his very perceptive and astute remarks.

Mr. President, in a memorandum from the U.S. International Communication Agency as to the detailed impact of the 12 percent across-the-board fiscal year 1982 cut, let me read that section which applies to exchanges:

3. EXCHANGES (—$44.4 MILLION)

As indicated above, the major portion of the FY 1982 cut will be applied to grant-funded exchange programs in order to preserve essential Agency core-program operations. Specifically, the academic program will be cut by 53 percent ($25,600,000); the International Visitor program, by 58 percent ($11,500,000); and Private Sector programs, by 70 percent ($5,400,000). Library and book programs, support to American schools overseas, and program direction will also be reduced by $1,900,000.

The full impact of cuts of this magnitude, applied to institutions and individuals after the fiscal year has begun, is not possible to gauge at this time. The private organizations that perform the detailed exchange work for the Agency would be severely damaged. Some, in all probability, would not survive.

a. *Academic programs:* A 53 percent cut in funds available for the Fulbright academic program will eliminate support for all but programs administered by Binational Commissions and programs with those countries, primarily in East Europe, with which the United States has bilateral agreements. Even binational commission programs will face reductions of some magnitude. We will retain active programs in only 59 of the 120 countries in which we now operate.

This cut will increase tremendously the ever-widening disparity between the number of academic scholarships awarded by the Soviet Union and the United States Governments, particularly in Third World countries. As a direct result of these cuts, the number of academic program grantees will be reduced by at least 40 percent. In addition, host country contributions to the program, currently at $9 million, are expected to fall off sharply in response to the diminished American commitment, leading to a further significant decrease in the number of scholars exchanged. Important diplomatic relationships and goodwill built up over three decades will be damaged.

Mr. President, I ask unanimous consent that the full text of this memorandum be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

U.S. INTERNATIONAL COMMUNICATION AGENCY—DETAILED IMPACT OF 12-PERCENT ACROSS-THE-BOARD FISCAL YEAR 1982 CUT

[The recently transmitted budget amendment reduced USICA's fiscal year 1982 estimates by $67,400,000 as follows]

	Fiscal year 1982 estimate	House appropriation bill	Amendment	Amended estimate
Salaries and expenses	$453,286	$448,286	—$54,394	$398,892
Salaries and expenses (special foreign currency)	10,352	9,800	—1,242	9,110
East-West center	16,880	16,500	—2,026	14,854
Radio construction	80,884	25,000	—9,706	71,178
Total	561,402	499,586	—67,368	494,034

The International Communication Agency, the U.S. Government's most vital weapon in the arsenal of ideas, plays a strategic role in America's security. This "weapon of ideas" must be used effectively so that the alternative, military weapons, are not put to use. In this context, following a USICA presentation to the President and the NSC on August 17, 1981, the President directed the Agency to proceed immediately with "Project Truth," a program to counter the extensive propaganda and disinformation campaign of the Soviet Union. Notwithstanding this and other important Agency national security responsibilities, the present budget emergency requires the Agency to reduce its activities in FY 1982.

Over the last 15 years, USICA's funds have decreased by 30 percent in constant dollars. Even more damaging has been the decline in staff, our most critical resource, which has dropped by 35 percent from 11,604 to an authorized level of 7,513, over the same period. In the long term we do not believe that the Agency can, at the currently planned 1982 level, effectively carry out its enhanced national security role. Thus, in this present budget situation we have prioritized Agency programs to preserve to the maximum extent possible our staff resources and our basic program mechanisms, particularly the Voice of America, our field presence overseas, the Wireless File, and other support for the field. In the brief period of time available to consider resource alternatives, we have applied the reductions so that the Agency's basic structure is not permanently affected.

Therefore, as an emergency measure, we have allocated a major share of the reduction to the exchange program on the assumption that a significant part of this very valuable grant program can be deferred for a year or two and be rebuilt more readily than our more staff intensive programs. We regret the circumstances that necessitate this action, but feel it is preferable to a generalized cut back of many already weakened programs.

Even with this approach other programs are also affected adversely. We have applied reductions to field operations, principally to cut back on library operations and some smaller posts so that fixed costs can be reduced. Other reductions have been applied to planned technology improvements and transmission back-up systems and program support activities of the Voice of America. A substantial cut has been made in film and television programs, exhibits, and performing arts presentations.

Unfortunately, our accumulated reductions, which will now take USICA below $500 million, have been in inverse relationship to the resources that the Soviets have been spending on the weapons of ideas, now in excess of $2 billion per year. The pending amendment cuts heavily into our operating resources at a time when USICA's role has become more compelling.

Prior to the transmission of the September budget amendment, the House had passed the FY 1982 appropriations bill, reducing USICA's request by $61.8 million. As noted on the chart on page one, the House applied most of the cut, $55.9 million, to the Radio Construction account inasmuch as those funds will not be required until FY 1983.

The specific program cuts and their impact by program element follow:

Salaries and Expenses (including Special Foreign Currency) ($—55.6 million; —87 positions).

1. Overseas Missions ($—3.4 million; —73 positions):

A total reduction of $3.384,000 and 73 positions will be applied to our overseas missions as follows:

Area	Positions	Funds
East Asia and Pacific	4	$ 325,000
Africa	19	1,017,000
N. Africa, Near E. and S. Asia	15	1,080,000
American Republics	18	605,000
Europe	17	357,000
Total	73	3,384,000

As a result of these cuts, we will close: (1) four country programs in Iraq, Mauritania, Benin, and Rwanda; (2) six branch posts in Chile, Ecuador, Venezuela, Colombia, and Brazil; and (3) the reading room in Auckland, New Zealand, the American center and library in Stockholm, Sweden, and six minimum distribution outlets in Africa. In total, 73 positions will be eliminated. Taken together, these and other program reductions in our overseas missions will further weaken our efforts to reach the successor generation and will curtail our operations in developing nations of the third world, a group that the Administration is very concerned about.

2. Voice of America (—$1.8 million):

The Voice of America's staff and program broadcast schedule will be maintained intact. However, VOA will be required to eliminate its high-frequency signal transmissions which presently back up the satellite circuits that feed programming to VOA's overseas transmitters. Subsequently, should a disruption in the satellite circuit occur.

VOA literally would be off the air to major geographic regions of the world until the satellite circuits could be restored or until VOA could reactivate the high-frequency transmissions from one of its U.S.-based stations. Such disruptions could be critical to U.S. national interests in times of any international crisis or major world event. In addition, VOA will have to make major resource cuts in its central news and feature operations which service all of VOA's English and foreign-language broadcast operations. Program quality will suffer.

3. Exchange (—$44.4 million):

As indicated above, the major portion of the FY 1982 cut will be applied to grant-funded exchange programs in order to preserve essential Agency core-program operations. Specifically, the academic program will be cut by 53 percent ($25,600,000); the International Visitor program, by 58 percent ($11,500,000); and Private Sector programs, by 70 percent ($5,400,000). Library and book programs, support to American schools overseas, and program direction will also be reduced by $1,900,000.

The full impact of cuts of this magnitude, applied to institutions and individuals after the fiscal year has begun, is not possible to gauge at this time. The private organizations that perform the detailed exchange work for the Agency would be severely damaged. Some in all probability, would not survive.

a. Academic programs: A 53 percent cut in funds available for the Fulbright academic program will eliminate support for all but programs administered by Binational Commissions and programs with those countries, primarily in East Europe, with which the United States has bilateral agreements. Even binational commission programs will face reductions of some magnitude. We will retain active programs in only 59 of the 120 countries in which we now operate.

This cut will increase tremendously the ever-widening disparity between the number of academic scholarships awarded by the Soviet Union and the United States Governments, particularly in Third World countries. As a direct result of these cuts, the number of academic program grantees will be reduced by at least 40 percent. In addition, host country contributions to the program, currently at $9 million, are expected to fall off sharply in response to the diminished American commitment, leading to a further significant decrease in the number of scholars exchanged. Important diplomatic relationships and goodwill built up over three decades will be damaged.

This reduction in funds will eliminate the International Student Exchange (Georgetown) Project and the Humphrey Fellowship Program. Programs in 27 private organizations with many long term relationships will be dissolved. Funding for six major program agencies will be eliminated. This could cause as many as five of these agencies to close, with major impact on parent organizations such as the American Council on Education and the Institute of International Education. All Student Support Services to the more than 300,000 foreign students in the United States without U.S. Government financial support (such as counseling, orientation, and other programs to enrich their U.S. experience) will be terminated. The American Studies Program will be reduced to minimal materials support to Fulbright Commissions. Assistance to overseas schools will be drastically reduced with severe impact on the effectiveness of these schools as showcases of American educational philosophy and practice.

b. *International Visitor Program:* The number of funded International Visitor program grantees will be halved from 1,500 to 750. In past decades, this program has been instrumental in introducing 33 current heads of state and government and many leaders in other fields to the United States in the formative stages of their careers. Programs in some 75 countries will be eliminated entirely and reduced substantially in the remaining 45. This will necessitate the elimination of support to 13 private agencies that arrange programs for individual grantees. We believe that three of these agencies will probably be forced to close.

Program support to the 1,600 visitors who travelled to the United States last year on non-U.S. Government funds will be eliminated entirely.

A network of some 750,000 volunteer, private sector, locally financed "citizen diplomats" in every part of the nation and nearly 100 U.S. communities has developed over three decades to assist the people who come under the auspices of our International Visitor program. Their programming and hospitality assistance make this a combined citizen-government effort, a contribution-inkind that has been estimated at $15.5 million per annum. Without our catalytic role for these organizations and with the curtailment of visitor inflow, these volunteer organizations will begin to dissolve and will not be available again for future IV programming.

c. *Private Sector Program:* The Private Sector Program's commitments under existing bilateral agreements and executive orders to such organizations as the National Committee on U.S.-China Relations, Asia Society, and the Council on Scholarly Communication with the PRC, will be reduced to 50 percent of the current level with significant implications on the ability of these organizations to achieve their objectives.

Core private sector programs, such as Operations Crossroads Africa, American Council of Young Political Leaders, and Council on International Programs who play a significant role in promoting citizen-to-citizen exchanges, will be reduced from half to two-thirds with support for some of the organizations being completely terminated.

Overall, people-to-people exchanges will be reduced from 2,000 to less than 600. The Agency has made a general nation-wide solicitation of private non-profit organizations to participate in new projects and exchange initiatives which support U.S. foreign policy goals and objectives. All funds for these initiatives will be eliminated. USICA Private Sector grants provide "seed money" for these organizations to obtain private support, estimated by these organizations at a 5 to 10 fold effect.

4. Program and Management Support (—$3.4 million, —14 positions):

Exhibits, fine and performing arts, films acquired to support our posts, and TV programs, reduced heavily in March, will be cut back again. Our in-house audiovisual production now is limited to videotape products covering current events and subjects relevant to the support of worldwide U.S. foreign policy interests and goals, with emphasis on the following USICA global themes: U.S. political and security policies, the U.S. economy and the world economic system, solving the energy problem, America in a changing world, and the arts, humanities, and sciences in America.

The added cuts will significantly curtail this effort and will totally eliminate those dealing with American political and social values and products in support of USICA's cultural presentation program. Other cuts will eliminate fine arts exhibitions or performing arts tours in 30 countries and delay the showing of a major exhibition on the American Theatre.

In addition, efforts to update the Agency's technological base with text-editing, minicomputers, word processors and other advanced computer and communication technology will be curtailed or deferred.

These cuts will deprive both our Washington operations and field posts of valuable program and management support and make their tasks more difficult.

In addition to the specific program cuts outlined above, we will apply net built-in savings of $2.6 million to the overall $55.6 million Salaries and Expenses cut. These savings derive from international exchange rate gains, partially offset by added inflationary costs and other mandatory requirements for Agency activities.

East-West Center (—$2.0 million):

Support to the East-West Center in Hawaii will be cut by over $2.0 million. This would force substantial retrenchment within this valuable center of multi-national education, study and research. Specifically, the cut will result in substantial decreases in research efforts, dissemination efforts through the Asian/Pacific region, numbers of participants involved in our programs (cut 300 participants) and in financial contributions from the governments of Asia and Pacific Islands. More broadly, the reduction will weaken our effort to strengthen relations and understanding with the influential people of Asia and Pacific at the time when it is to the national interest to build and strengthen these cooperative relationships with the United States.

Radio Construction (—$9.7 million):

The FY 1982 construction requirements for the Botswana and Sri Lanka facilities, for which equipment valued at $5.7 million has been procured, can be accommodated within the amendment cut of $9.7 million since these funds will not be required until FY 1983.

Mr. WEICKER. I think the New York Times phrased it very well when they said "The U.S. is about to launch a policy of unilateral disarmament in the worldwide contest of ideas," unilateral disarmament in the worldwide contest of ideas.

Let me give a specific, concrete example of what I am talking about. About a year-and-a-half ago I had occasion to visit the Island of Cuba. I hear a great deal of consternation expressed by members of this administration, indeed Members on the floor of the U.S. Senate, as to the Cuban troops in Ethiopia and in Angola.

While I certainly do not advocate looking upon that with favor, I want to point out that that is nowhere near the danger that we face from the activity that I am about ready to describe.

It is my feeling that Africa is going to swallow up those Cuban troops just like they swallowed up the colonial troops of Europe, and like they swallowed up the Chinese and anybody else who goes there; they will not last very long.

However, in the visit to Cuba I had occasion to visit what is now called the Isle of Youth, formerly the Isle of Pines.

On that island sit about 60 senior high school complexes. Many of them are devoted to students from foreign nations. The one I visited had 600 Namibian students, 600 young people getting their education courtesy of the Soviet Union and Cuba.

Namibians have as their native language English, so there is no language barrier with Americans. Indeed, the language barrier is greater for them being in Cuba. Those Namibians are not here getting their education in the United States. They are in Cuba and they are going back to that emerging nation and they are going to become the leaders of

Namibia, the business leaders, the educational leaders, the scientific leaders, the political leaders, the military leaders, with an education courtesy of the Soviet Union and Cuba.

I asked the question in our subcommittee: how many Namibians have we had here in the United States of America, the United States with its University of South Carolina, with its Yale University, its Princeton University, its University of Southern California, its Georgetown, its George Washington University, its University of Maryland, Brown University, Duke, right on down the list?

How many have we had here in the past year? Two. Now do not worry that the main threat is being posed by those troops. You worry about those 600 students and, mind you, that was one of many complexes, others being devoted to other nations.

It is a great term the New York Times used "unilateral disarmament in the worldwide contest of ideas."

Here is the great thing that the United States has to offer the world: our educational complexes, systems, and personnel. We have just decided to withdraw from the field while at the same time we say that we want to be the No. 1 in power in this world. That makes as much sense as saying, "We are going to be the No. 1 in this world insofar as our preeminence, our power, but we are going to cut education 25 percent, we are going to cut science 25 percent."

May I remind my colleagues that the United States is not going to outman the Soviet Union. That is a biological impossibility. We are going to continue our preeminence, by what comes from up here, our minds, our quest for technology, our mastery of technology, our quest for science, our mastery of science.

So this business that we can leave education in the international sense or we can leave education in the domestic sense is sheer suicide for this small nation, which has thrived and grown great because of its ideas.

That is why we want to emphasize all of this in this appropriation bill, to reaffirm—I might add we did everything we could in a monetary sense. I might say—my good friend from Texas (Mr. TOWER), chairman of the Armed Services Committee I will leave the hardware to you and I will take care of the ideas.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Connecticut, as I say, is right on target. Less than a year ago I had an opportunity to visit in Panama. I was checking and reporting on the operation of the Panama Canal under the new treaty, and I was impressed by one singular factor. I had the opportunity to talk at length with Gabriel Lewis, a former ambassador. In Panama they were not asking for money; they needed jobs. They were talking about putting some 20,000 high school graduates out, and they needed jobs at the other end of the line.

More than anything else that impressed me was exactly what the Senator from Connecticut is talking about. Ambassador Lewis said, "You have reduced your cultural and exchange programs," and I recalled that Omar Torrijos studied and trained with our American military. He said, "More than that, hundreds of Panamanians, the young, bright high school graduates, are being taken over into Cuba and they are being trained there and being sent back. If you do not step up your programs like that, you will lose your influence in Panama and throughout the world." Here is a leader who has cast his lot with the United States in that particular treaty, and now he has got the obligation, the feeling, and the apprehension that it will work. One of the ways to make certain that it works is for them to continue on, as they have tried to do, toward free elections in a free society. Yet he sees it being eroded by the Cuban operation described by the Senator from Connecticut.

I think the keynote of it all is that the man of peace of this decade, Anwar Sadat, was involved in the exchange program. I think that, more or less, describes the thrust of this amendment better than anything I could add.

I thank the distinguished Senator, and Mr. President, I ask unanimous consent to place in the RECORD a listing supplied by the International Communications Agency of the current heads of state and cabinet ministers who are alumni of the educational and cultural exchange programs. I am advised that the 33 heads of state indicated in the listing is current but that the number of cabinet ministers may not be exactly correct, but 378 is a good representation of the impact of the exchange program.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CURRENT HEADS OF STATE AND CABINET MINISTERS ALUMNI OF ECA PROGRAMS

Total Heads of State: 33.
Total Cabinet Ministers: 378.

AREA OF AFRICA

(6 Heads of State, 82 Cabinet Ministers)

Botswana—Chief of State and Head of State Q. K. Masire, IV 1971—Cabinet Ministers: 8.
Burundi—Cabinet Minister: 1.
Cameroon—Cabinet Ministers: 4.
Central African Republic—Cabinet Ministers: 2.
Gabon—Cabinet Ministers: 2.
Ghana—Cabinet Ministers: 2.
Guinea-Bissau—Cabinet Ministers: 5.
Kenya—President Daniel T. Arapmoi, IV 1969—Cabinet Ministers: 5.
Lestho—Cabinet Minister: 1.
Liberia—Cabinet Ministers: 2.
Madagascar—Chief of State Didier Ratsiraka, IV 1973.
Malawi—Cabinet Ministers: 3.
Mali—Cabinet Ministers: 3.
Mauritius—Head of State Sir Bayandranah Burrenchobay, IV 1969—Cabinet Ministers: 7.
Republic of the Congo—Cabinet Minister: 1.
Rwanda—Cabinet Minister: 1.
Seychelles—President France Albert René, IV 1960.
Sierra Leone—Cabinet Ministers: 7.
Somalia—Cabinet Minister: 1.
South Africa—Cabinet Ministers: 2.
Uganda—Cabinet Minister: 1.
Upper Volta—Cabinet Ministers: 4.
Zaire—Cabinet Ministers: 10.
Zambia—Cabinet Ministers: 9.
Tanzania—President Julius Nyerere, IV 1960.

AREA OF AMERICAN REPUBLICS

(6 Heads of State, 58 Cabinet Ministers)

Argentina—Cabinet Ministers: 4.
Barbados—Prime Minister Tom Adams, IV 1973—Cabinet Ministers: 8.
Bolivia—Cabinet Ministers: 2.
Brazil—Cabinet Ministers: 3.
Chile—Cabinet Ministers: 2.
Colombia—President Julio Cesar Turbay Ayala, Vol. Vis. 1977—Cabinet Ministers: 6.
Costa Rica—Cabinet Ministers: 3.
Dominican Republic—Vice President Jacobo Majlute, IV 1976—Cabinet Ministers: 3.
Ecuador—Cabinet Ministers: 2.
El Salvador—Cabinet Ministers (Governing Junta): 2.
Guyana—Prime Minister Ptolemy Reid, IV 1966—Cabinet Ministers: 2.
Honduras—Cabinet Ministers: 5.
Nicaragua—Member of JRN Moises Hassan Morales, Academic 1968, Cabinet Ministers: 6.
Paraguay—Cabinet Minister: 1.
Peru—Cabinet Ministers: 2.
Surinam—Cabinet Minister: 1.
Trinidad—Cabinet Minister: 1.
Venezuela—President Dr. Luis "Herrera' Campins, IV 1967.

AREA OF EAST ASIA

(5 Heads of States, 50 Cabinet Ministers)

Australia—Prime Minister J. M. Fraser, IV 1964, Cabinet Ministers: 7.
Burma—Cabinet Minister: 1.
China—Cabinet Minister: 1.
Fiji—Head of State (Government-General Ratu Sir George Cakobau, IV 1963, Head of Government (Prime Minister Ratu Sir Kamisese Mara, IV 1964, Cabinet Ministers: 2.
Hong Kong—Cabinet Ministers: 2.
Indonesia—Cabinet Ministers: 3.
Japan—Cabinet Ministers: 3.
Korea—Prime Minister Dr. Nam Duck-Woo, Academic 1975, Cabinet Ministers: 2.
Malaysia—Cabinet Ministers: 9.
New Guinea—Cabinet Ministers: 2.
New Zealand—Prime Minister Robert D. Muldoon, IV 1965, Cabinet Ministers: 3.
Philippines—Cabinet Ministers: 5.
Singapore—Cabinet Ministers: 3.
Thailand—Cabinet Ministers: 4.

AREA OF NEAR EAST ASIA

(3 Heads of State, 48 Cabinet Ministers)

Bahrain—Cabinet Ministers: 4.
Bangladesh—Cabinet Ministers: 2.
Egypt—Cabinet Minister: 1.
India—Prime Minister Indira Ghandi, IV 1960, Cabinet Ministers: 2.
Israel—Cabinet Ministers: 2.
Jordan—Cabinet Ministers: 3.
Lebanon—President Elias Sarkis, IV 1970, Cabinet Ministers: 6.
Morocco—Prime Minister H. E. Maati Bouabid, IV 1961, Cabinet Ministers: 12.
Nepal—Cabinet Minister: 1.
Oman—Cabinet Ministers: 2.
Sri Lanka—Cabinet Ministers: 6.
Sudan—Cabinet Ministers: 6.
United Arab Emirates—Cabinet Minister: 1.

AREA, WESTERN EUROPE

(13 Heads of State, 130 Cabinet Ministers)

Austria—Chancellor Dr. Bruno Kreisky, IV 1958 Cabinet Ministers: 6.
Belgium—Prime Minister Wilfried Martens, IV 1971 Cabinet Ministers: 10.
Canada—Head of State Governor General Edward R. Schreyer, IV 1978 Cabinet Ministers: 5.
Cyprus—Acting President Alecos Michaelides, Academic 1963–1964 Cabinet Ministers: 16.
Denmark—Cabinet Ministers: 4.
Federal Republic of Germany—President Karl Carstens, IV 1950; Chancellor Helmut Schmidt, IV 1956 Cabinet Ministers: 4.
France—Cabinet Ministers: 5.
Greece—President Constantinos Caramanlis, IV 1951; Prime Minister Andreas Popandreau, Academic 1959–1960.

Iceland—Cabinet Ministers: 3.
Italy—Prime Minister Arnaldo Forlani, IV 1960, Cabinet Ministers: 5.
Malta—Prime Minister Dom Mintoff, IV 1965.
Netherlands—Cabinet Ministers: 10.
Norway—Cabinet Members: 8.
Portugal—Head of Government Francisco, IV 1976; Cabinet Members: 10.
Spain—Cabinet Minister: 1.
Sweden—Cabinet Ministers: 32.
Turkey—Cabinet Ministers: 11.
United Kingdom—Prime Minister Margaret Thatcher, IV 1963.
Norway—Prime Minister Kare Willoch, IV 1979.

AREA OF EASTERN EUROPE

(10 Cabinet Ministers)

Bulgaria—Cabinet Minister: 1.
Hungary—Cabinet Minister: 1.
Poland—Cabinet Ministers: 2.
USSR—Cabinet Minister: 1.
Yugoslavia—Cabinet Ministers: 5.
January 1981.—Heads of State updated: November 1980.

NOTE: IV denotes participation in International Visitors program.

CAIRO, ILL. WEATHER STATION

● Mr. PERCY. Mr. President, under the account for the National Oceanic and Atmospheric Administration, the Appropriations Committee has provided $1,231,000 to maintain 20 fully operational National Weather Service stations. The Cairo, Ill. weather station, however, was not included among those the committee recommended to be maintained.

Cairo, Ill. is the southern most point in Illinois. Lying at the confluence of the Mississippi and Ohio Rivers, the city is fully levied because of the threat of floods. Floods can occur swiftly in this low-lying area and prompt and accurate local forecasts are depended on by the community, particularly by barge lines, farmers, and other local interests concerned with the level of the river. While the Weather Service contends that forecasts from St. Louis or Louisville and Memphis would substitute for local forecasts initiated at Cairo, the unique topography of the area suggests a need for locally generated forecasts. Cairo is in "tornado country" and the spring rains endanger Cairo to weather hazards.

I wish to ask the distinguished Senator from Connecticut, Mr. WEICKER, whether he could respond to the special case of Cairo and direct the National Weather Service to reevaluate the Cairo case before making any judgment to close the local weather station? Such a study seems appropriate given the precarious position of Cairo and we want to make certain it is justified before acting.

Mr. WEICKER. Yes. I understand the special needs of Cairo at the confluence of these great rivers, the Mississippi and Ohio; and would agree to direct the National Weather Service to conduct a suitable review before making any decision to close down the local station in Cairo.

Mr. PERCY. I appreciate this accommodation by the Senator from Connecticut and thank him very much indeed.●

● Mr. DOMENICI. Mr. President, H.R. 4169 as reported by the Appropriations Committee provides new budget authority of $8.6 billion for fiscal year 1982.

With possible later requirements for October 1981 pay raise and the administration's requested increase for the Immigration and Naturalization Service (INS), the reported bill is exactly at the Commerce-State-Justice Subcommittee's budget authority allocation under the first budget resolution and above the subcommittee's outlay allocation by $0.3 billion. I would like to commend the subcommittee for restraining the credit side of the budget.

The credit limitations in the reported bill are $1.8 billion, 21 percent below the credit budget assumptions of the first budget resolution. This reduction will result in lower budget outlays in the current and future years. I would also like to commend the subcommittee for keeping the funding levels provided in this bill consistent with the authorization levels of the Omnibus Reconciliation Act.

The Senate bill is $0.1 billion in budget authority below and $0.2 billion in outlays above the House-passed bill, with possible later requirements taken into account.

It exceeds the President's September budget request by $0.9 billion in budget authority and $0.7 billion in outlays.

The President's September budget request for programs and activities funded in this bill, with later requirements, represents roughly an 11-percent reduction in budget authority and an 8-percent reduction in outlays from his March budget request. The Senate-reported bill is about 1 percent in budget authority and outlays below the levels requested by the administration in March.

The bill provides increases of $0.1 billion for international programs, $0.1 billion for NOAA, $0.2 billion for EDA, $0.2 billion for the Legal Services Corporation, and $0.1 billion for juvenile justice grants over the levels requested by the President in September.

Mr. President, I ask that a table showing the relationship of the reported bill, together with possible later requirements, to the congressional budget and the President's budget requests be printed in the RECORD.

The table follows:

Commerce, Justice, State and the Judiciary Subcommittee

[In billions of dollars]

	Fiscal year 1982	
	BA	O
Outlays from prior-year budget authority and other actions completed	---	3.2
H.R. 4169, as reported in Senate	8.6	6.8
Possible later requirements:		
October 1981 pay raise	0.1	0.1
Immigration and Naturalization Service	0.1	0.05
Total for Commerce, Justice, State and the Judiciary Subcommittee	8.8	10.2
First Budget Resolution level	8.8	9.9
House level	8.9	10.0
President's March request	8.9	10.3
President's September request[1]	7.9	9.5
Commerce, Justice, State and the Judiciary Subcommittee compared to:		
First Budget Resolution level	---	+0.3
House level	−0.1	+0.2
President's March request	−0.1	−0.1
President's September request	+0.9	+0.7

[1] Adjusted to reflect President's September request for the Legal Services Corporation rather than the Corporation's budget request.●

SECOND CONTINUING APPROPRIATIONS, 1982

The PRESIDING OFFICER. Under the previous order, the hour of 1 p.m. having arrived, the Senate will now proceed to the consideration of House Joint Resolution 357, which the clerk will state by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 357) making further continuing appropriations for the fiscal year 1982, and for other purposes.

The Senate proceeded to consider the joint resolution which had been reported from the Committee on Appropriations with amendments.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The continuing resolution, House Joint Resolution 357.

Mr. HATFIELD. Mr. President, I bring before the Senate today a further continuing resolution for fiscal year 1982. Before we get into the details of the proposal before the Senate, I would like to insure that all Members understand the conditions which have brought us to this point.

The appropriations process this year has been forced to endure an unprecedented number of delays and major budget revisions. The process was set back 2 months at the beginning of the year while the committee awaited President Reagan's revisions to President Carter's budget requests. Then, just as appropriations bills began moving in the Senate, President Reagan, responding to worsening economic conditions, asked the committee to halt action on these bills in order that we might consider a new round of budget reduction proposals. These new proposals were received by the Appropriations Committee on

September 30, the day before the beginning of fiscal year 1982.

When action on 1982 bills was suspended, the Senate Committee on Appropriations had reported three bills for Senate action. The President's recommendations were carefully considered, regardless of the status of a particular appropriation bill in the legislative process.

We have even reexamined the conference report on HUD-Independent agencies, which was approved by the House of Representatives, and in this resolution are proposing an additional $2 billion in savings for these programs.

With the committee's action yesterday in reporting the Defense appropriation bill, all regular appropriation bills have been reported for Senate action. Eight of the thirteen bills have passed the Senate, leaving five awaiting floor action. Conference reports on five bills have been filed.

Mr. President, let me now quickly identify how each remaining appropriation bill is treated in House Joint Resolution 357. The continuing resolution as recommended by the committee provides funding for each of the 12 regular appropriations bills not yet enacted into law.

As everyone knows, the appropriations bill on legislative matters was enacted into law, passing both the Houses, the conference, and then the President signed the bill. So we have 12 remaining bills now.

The formula adopted by the committee is based on the position of each of these bills relative to final congressional consideration. For instance—those bills which have completed conference committee consideration are referenced into the resolution at that level. These measures are Agriculture, Transportation, District of Columbia, Interior, and the Housing and Urban Development appropriations bills.

Each one of these bills has moved through the House, through the Senate, and have completed the conference work in each instance and those conference reports are on file.

Levels for those bills which have either been passed or reported in the House but which have not been acted upon by the full Senate have been set at the lower of the House or Senate reported or passed level. These measures are: Department of Defense, military construction, Labor-HHS-Education, and the Treasury-Postal Service appropriations bills.

Finally, Mr. President, the committee recommends that in the case of bills which have been acted upon by the Senate but which have not yet completed conference action, that these measures be incorporated into the continuing resolution at the Senate-passed rate. It is the committee's view that this formulation preserves to the maximum extent possible, not only the prerogatives of the Senate, but perhaps more importantly, the need to hold down spending for activities where congressional action is not near completion. These bills are energy-water, foreign operations, Commerce-State-Justice, and the Judiciary.

The continuing resolution as reported would set spending at a level very close to the President's September request. Newly created budget authority amounts to $432.5 billion, only $0.8 billion above the President. Estimated outlays are $417.4 billion, $2.2 billion above the President.

Let me repeat, Mr. President, that as far as budget authority is concerned, the continuing resolution as presented here on the floor by the Senate Appropriations Committee is $800 million above the President, whereas in the outlays, the estimated outlays, which is a floating situation as it goes through the annual budget year, are $2.2 billion above the President.

House Joint Resolution 357 should be viewed as a stopgap funding measure despite its September 30 expiration date. It remains the firm intention of the committee to press ahead with Senate action on regular appropriation bills.

Mr. President, I received full assurance from the majority leader and I understand, through the majority leader, from the minority leader as well that they will continue to give special priority to appropriations bills or conference reports once we get this continuing resolution.

I hope that Senate action on the remaining five bills could be completed in the next 2 or 3 weeks. Upon enactment of a regular appropriation bill, the continuing resolution provisions pertaining to that bill are superseded.

In other words, Mr. President, once we have passed an appropriations measure that has moved its way through the House and the Senate and receives the signature of the President, that drops out of the continuing resolution. That supersedes whatever the continuing resolution may have indicated.

Thus, although programs are protected under this resolution for a full year, the Senate will have the opportunity to seek further savings in appropriated programs through the normal legislative process.

I have to underscore this, Mr. President, because in no way does it infringe upon the normal procedures of the Senate to modify any appropriation bill that comes to the floor from the committee. Amendments subtracting, amendments adding, or whatever, the will of the Senate will be worked on each of these appropriations bills. No one's rights are being foreclosed by this continuing resolution.

Mr. President, before I yield to Senator PROXMIRE, who is the very distinguished ranking member of the committee and, I must say, has been so cooperative, as have all members of the committee—I do not think we could have moved to this point without the guidance and support of members on both sides. I would not make any comparisons in any way except to say that I do not believe, in the modern history of the Appropriations Committee, has so much been accomplished in so brief a period of time under very adverse circumstances. I think that is a record we can be immensely proud of. Over the past decade, appropriations, largely driven by the uncontrollable items within them, have risen an average of 17 percent per year. Although action this year is not complete, based on Senate action on these bills for fiscal year 1982, appropriations will rise only 2 percent as against the normal decade average of 17 percent a year. And this 2 percent figure takes into account the huge defense increase reported to the Senate yesterday.

Let me say, Mr. President, that defense committee bill is $8 billion over the President's request and $11.4 billion over the House bill. But in spite of that huge defense bill, we have still, overall, only a 2-percent increase, which is a remarkable record. I hope the Members will keep these figures in mind as we proceed to the consideration of this resolution.

Mr. President, what I have said about the Members, I should also have to apply to the very extraordinary work done by the staff. I suggest that probably there is no committee staff that has had to function so many hours out of the 24-hour period as the staff on the Committee on Appropriations. That is not only in terms of the long sessions that we have held and the markups and all of the things that go into that kind of external procedure, but then the many hours that go into the paperwork that must be compiled and put together in great detail. The staff on both sides have been, really, extraordinary in their commitment and their dedication.

Of course, I cannot pay too high tribute to my good friend from Wisconsin (Mr. PROXMIRE) for his very noble efforts and constant and tenacious cooperation that he has displayed from the very beginning in this very difficult task.

Mr. PROXMIRE. Mr. President, it is a real pleasure to work with the distinguished Senator from Oregon. He is an outstanding Senator and knows how much I respect him. We do disagree, I think, on one or two important issues in this continuing resolution, to my deep regret, but that does not in any way diminish my great admiration for his ability and the remarkably fine way he has handled that committee. It is by far the biggest committee in the Senate, 29 members. It is a very difficult committee to handle under any circumstances, but this year has been as bad as any year one can imagine, because we have had a change in administrations and their views on cutting spending. This administration cut it very dramatically and want to cut it further, and that has interrupted the committee work very seriously.

Mr. President, I must add that I agree wholeheartedly with the chairman's remarks on the staff. I am very proud of the minority staff, and he has a first-class operation in the staff of the majority of the committee.

Mr. President, we have before us today in the continuing resolution a measure of historic proportions which, in my estimation, would bring about a radical shift in power from the legislative to the executive branch, House Joint Resolution 357, which is intended to continue the operations of the Federal Government until we complete action on regular appropriations bills, would be effective through the end of the current fis-

cal year—September 30, 1982—and would incorporate all but 1 of the 13 regular appropriations bills with which we normally deal.

Mr. President, we have never done that before, never come close to doing anything like that, deliberately planning that we will have a continuing resolution not lasting 30 days, not lasting 45 days, but lasting 10½ months, for the entire year.

What this basically means is that we are attempting to handle funding for the entire Federal Government for the remainder of the fiscal year in a 26-page resolution covering hundreds of departments, bureaus, and agencies and thousands of individual programs. And we are working under an almost unendurable time pressure—we have to complete action on the resolution by midnight on Friday or the entire Government comes to a screeching halt.

There is no way that this body, which many have called the greatest deliberative body in the world—some rather jokingly. Some people still think that we can aspire to that, but I wonder, particularly when we have this kind of situation.

How can we deliberatively and thoughtfully and responsibly process a resolution of this magnitude with any hope of dealing rationally and reasonably with the hundreds of issues that normally rise as we handle individual appropriations bills?

Mr. President, it is often said that the President's authority and power is the power of the sword. He is Commander in Chief of the Army, Navy, and Air Force. The Congress power is the power of the purse. It is embodied in our appropriations actions and we embody all of it in one bill, bring it forward, and say have done with it by midnight Friday. Mr. President, I think we cannot possibly do justice to this process under these circumstances.

In fact, Mr. President, it is almost impossible to determine where this resolution stands in relationship to the President's budget. We are told by the staff that the resolution exceeds the President's September requests by a mere $800 million in budget authority and $2.2 billion in outlays. The Office of Management and Budget claims that the outlay increase is closer to $10 billion. I am inclined to agree with the Office of Management and Budget.

For example, the resolution references the House or Senate passed versions of the Labor-HHS-Education bill, whichever is lower. By doing so, the resolution seriously understates the true cost of the programs covered by this legislation. In point of fact, although the House is $2.1 billion below the Senate for the medicaid, aid to families with dependent children, and guaranteed student loan programs, all of this $2.1 billion and probably more will be required unless the basic law is changed. Thus in this one area the resolution understates costs by $2.1 billion. That is only one of the areas where it understates cost.

Mr. President, the difficulty of determining whether or not this resolution goes most of the way toward meeting the President's September budget reductions or, in fact, is a budget-busting engine of inflation, would be reason enough to be skeptical about the prospect of making the resolution effective for the entire fiscal year. But even more important, by sending the resolution to the President with a September 30 expiration date attached, we are abdicating our responsibility to deal carefully and thoughtfully with the President's budget.

It is true that the resolution incorporates by reference conference reports on many if not most of the regular appropriations bills. To the extent that this is the case, the resolution does preserve congressional prerogatives. However, there are two notable exceptions that account for almost two-thirds of all the spending covered by this continuing resolution. These exceptions are the Labor-HHS-Education and Defense appropriations bills. This covers all spending, and we have not had a chance on the floor to discuss this at all—not 1 day, not 1 hour, not 1 minute.

The resolution incorporates these pieces of legislation at the lower of the House or Senate levels. Furthermore, the resolution states that if either bill has been reported by November 20, it shall be deemed as having passed the Senate.

What does this language mean? It means that we are incorporating in the resolution the Defense and Labor-HHS bills before this body has even had a chance to deal with these pieces of legislation individually. The Defense bill, I point out, is by far the biggest appropriation bill in the history of this Republic—$208 billion in that one appropriation bill.

We are wrapping up all the days and weeks of debate that normally occur when these bills come to the floor, all the dozens of amendments, all the colloquies and criticisms, all the close questioning and careful examination, in 12 to 18 hours of debate at the very most. It means we are helter-skelter pushing these extraordinarily complex pieces of legislation through the Congress from committee through conference in about 3 working days.

Mr. President, I have a great deal of faith in the deliberations of the Appropriations Committee. But I have been on that committee for 20 years, and I have been in this body too long to presume that 29 Senators should or could make the final decisions on all of the vital programs funded through the Defense and Labor-HHS bills. Full and fair debate on the floor of this body is essential if we are to arrive at a balanced judgment regarding issues as diverse as the B–1 bomber and the basic education opportunity grant program. Yet, this is exactly what we will not be doing by passing a resolution that puts into place for a full year the Defense and Labor-HHS bills before these individual pieces of legislation have been considered on the Senate floor.

It may be argued that although the continuing resolution is effective through September 30, 1982, we can pass the Labor-HHS and Defense bills in the interim and they will then no longer be covered by the legislation we enact today. But let us look at what immense power this resolution gives to the President. It means that even if we have the will and ability to pass separate bills, the President has only to veto the bills to continue in place the levels provided for in the continuing resolution. This veto would then have to be overridden by two-thirds of the House and Senate—a difficult task under any circumstances, but a near impossibility as long as the programs are maintained in place through the continuing resolution. Furthermore, I frankly doubt that Congress will be able to resist the temptation to forget these bills once they are incorporated in a full year continuing resolution.

Finally, by wrapping 12 regular appropriations bills into the continuing resolution, we are giving the President a golden opportunity to veto just one piece of legislation and press for an across-the-board cut touching virtually every Federal discretionary program as an amendment to the resolution. This would be an attractive alternative to many.

In fact, I would like to hold down spending any way I possibly can. If it is the only way we can exercise restraint, I might be compelled to support such a proposal. But this approach would do a great injustice to the appropriations process. It would take a meat ax approach to the workings of the entire Government, it would ride roughshod over the prerogatives of the Congress, and it would send a signal to the American people that Congress was incapable of making the tough, hard, individual choices that are the hallmark of a responsible legislative process.

Mr. President, there is one way out of this legislative morass. It is a very simple one. We should extend the continuing resolution only through mid-December and get on with the task of dealing with appropriations bills through the normal legislative process. Six appropriations bills have been approved by conference thus far. A seventh—the legislative bill—is in place for the remainder of the year.

It is ironic that the one measure that affects our operations we have taken care of. We have passed it. But all the other appropriation bills will be dealt with in what I think is, unfortunately, a cavalier manner.

Most of the other bills have passed at least one House of the Congress. We can complete the normal appropriations process by mid-December. We should complete the normal appropriations process by mid-December. And we abdicate a great deal of our power and authority if we do not recognize the facts by terminating this continuing resolution in mid-December and getting on with our business. I will vigorously support all efforts made to change the effective date of the resolution and restore our sense of duty and responsibility.

EXTRAORDINARILY BAD PRECEDENT IN THIS BILL

Mr. President, this is important, and I wish to spell out why I think the date of September 30, 1982, which takes us through the entire fiscal year on a continuing resolution, is such a mistake.

The provisions in the continuing resolution setting September 30, 1982,

as the expiration date sets a very bad precedent and should be both noted and objected to.

President Carter sent his fiscal year 1982 budget to us last January 15. Two months later, in March, understandably, President Reagan sent us his revisions, which he should have.

But only a few weeks ago, in September, just as the appropriations bills were moving at an expedited pace, the President asked us to hold our actions because of changing economic conditions and new proposals which he wished to make.

These proposals were not received until September 30, the day before the new fiscal year began.

Now we are being asked to continue funding the Government under a continuing resolution which would extend for the entire fiscal year.

That is indeed a radical departure from responsible action. It is fraught with danger.

First, and foremost, it reduces the incentive for Congress to actually get down to work and pass specific appropriations for specific line items, programs, and agencies.

Second, it puts a powerful weapon in the hands of the President. He is in a position to veto and, under the existing party divisions in Congress, especially the Senate, to have the veto of any new appropriations bill upheld. The provisions of the continuing resolution in area after area, could thus become the law for the entire year.

Third, in view of the control of the Senate by his own party and the discipline they have shown so far this year, a decision by the Senate leadership not to come forward with additional appropriations bills could also insure that the provisions of the continuing resolution would last all year.

A RADICAL CHANGE IN THE DIVISION OF POWERS

What is being proposed could turn out to be Government by continuing resolution, and that is very bad indeed.

First of all, it is a weak-kneed, cowardly, pusillanimous abdication by Congress of its Constitutional prerogatives.

Under the Constitution, "All legislative powers * * * shall be vested in the Congress."

Under the Constitution, "No money shall be drawn from the Treasury but in consequence of Appropriations made by Law."

Under the Constitution, "Congress shall have power to pay the debts and provide for the common Defense and general Welfare of the United States."

Every single issue affecting the Budget—the power of the purse strings, the power over the debt, the power over taxes, and the power over monetary policy—lies with Congress.

So we are not only abdicating our responsibilities by giving the President and the executive branch massive authority over the details of the budget until September 30, 1982, but also, we affect by a terrible precedent and practice the basic document of our country.

We are changing the balance and division of power and authority given by the Constitution to the Congress and the Executive.

We affect in a drastic way the relationships set out by the Constitution of two of the three independent branches of the Government.

It is one thing for us to pass a stop-gap measure of a week or so. It is quite another for Congress to essentially delegate massive control over spending, the budget, and the purse strings of the Government to the executive branch for an entire fiscal year.

And by using the power of the veto over future appropriations bills or by party decisions to block further appropriations bills in the Senate, congressional power over the purse strings could wither, atrophy, and even die.

What is being proposed in this continuing resolution has far reaching, radical, and dramatic potential effects and consequences.

The Senate and the House of Representatives should stop and consider before making such a massive grant of power to the Executive in the area of the budget and the Government's purse strings which is a constitutional prerogative of the legislative branch.

It is one thing for an Executive to usurp power. But it is even worse for the legislative branch to give up or delegate its authority mindlessly and without a struggle.

The President has not asked for this. As far as we know he does not want it. There is no indication the President wants us to give this for an entire year. We are handing it to him.

We should consider the unprecedented consequences of our actions before putting the stamp of approval on this resolution and its radical provisions.

Mr. President, I thank my friend from Oregon and yield the floor.

Mr. HATFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an explanatory statement of the Committee on Appropriations on House Joint Resolution 357 as reported, with amendments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATORY STATEMENT OF THE COMMITTEE ON APPROPRIATIONS ON H.J. RES. 357 AS REPORTED, WITH AMENDMENTS

The appropriations process this year has been forced to endure an unprecedented number of delays and major budget revisions. The process was set back 2 months at the beginning of the year while the Committee awaited President Reagan's revisions to President Carter's budget requests.

Then, just as appropriations bills began moving in the Senate, President Reagan, responding to worsening economic conditions, asked the Committee to halt action on these bills in order that we might consider a new round of budget reduction proposals.

These new proposals were received by the Appropriations Committee on September 30, the day before the beginning of fiscal year 1982.

When action on 1982 bills was suspended, the Senate Committee on Appropriations had reported three bills for Senate action.

The President's recommendations were carefully considered, regardless of the status of a particular appropriation bill in the legislative process.

For example, a conference report on the bill to provide appropriations for the Department of Housing and Urban Development and Independent Agencies had been adopted in the House.

Yet the Senate Appropriations Committee has, in H.J. Res. 357, made further reductions in programs covered in that bill amounting to almost $2 billion.

Total Committee reductions since receipt of the President's September message amount to over $5 billion in budget authority and over $2 billion in outlays.

The continuing resolution as reported would set spending at a level very close to the President's September request. Newly created budget authority amounts to $432.5 billion, only $.8 billion above the President's. Estimated outlays are $417.4 billion, $2.2 billion above the President's.

With the Committee's action on November 17 ordering the defense appropriations bill reported, Committee action on all regular 1982 appropriations bills has been completed. Eight of the thirteen bills have passed the Senate, leaving five awaiting floor action. Conference reports on five bills have been filed.

H.J. Res. 357 should be viewed as a stop-gap funding measure despite its September 30, 1982 expiration date. It remains the firm intention of the Committee to press ahead with Senate action on regular appropriation bills. Upon enactment of a regular appropriation bill, the continuing resolution provisions pertaining to that bill are superseded. Thus, although programs are protected under this resolution for a full year, the Senate will have the opportunity to seek further savings in appropriated programs through the normal legislative process.

SECTION-BY-SECTION ANALYSIS

Section 101(a) provides continuing authority for four appropriations bills—Defense, Military Construction, Labor, Health and Human Services, and Education, and Related Agencies, Treasury, Postal Service, and General Government. Under this section, where an amount which would be made available or authority which would be granted under appropriation bills passed by the two Houses are different, the lesser amount and the more restrictive authority applies.

However, where an item is included in only one version of an act, the project or activity shall be continued under the authority granted by the one House, but at a rate for operations equal to the equivalent to the lower of the current rate or the rate as adopted by the one House. For the purposes of this joint resolution, an act reported to a House but not yet passed shall be deemed passed.

Section 101(b) provides continuing authority for Foreign Assistance programs under the authority and at the rate as adopted by the Senate on November 17. Programs for foreign assistance are in the third year of being funded by continuing resolutions. The Committee is deeply concerned with this situation, especially given the fact that the base for the current continuing resolution is based on essentially fisal year 1979 budget levels, directives, and policy.

It is, therefore, recommending a level of funding and policy based on S. 1802, the Foreign Assistance Appropriations legislation originated by the Senate. The Committee feels this unusual action is required in order to give the administration the tools necessary to carry out an effective foreign assistance program.

The funding levels provided by this action, except for the Export-Import Bank, are well within the President's September revised budget request.

Section 101(c) provides continuing authority for activities funded in the District of Columbia Appropriation Act under the authority and at the rate provided in the conference report and joint explanatory state-

ment of the committee on conference filed in the House on November 12.

Section 101(d) provides continuing authority for activities included in the Energy and Water Development Appropriation Act as provided by passed on the Senate on November 5.

Section 101(e) provides continuing authority for activities provided for in the Department of Transportation Appropriation Act as reflected in House Report 97–331.

Section 101(f). Since the adoption on September 11, 1981, of the HUD-Independent Agencies Appropriations Conference Report (H.R. 4034) by the House, the President announced his second round of budget reductions. The adoption of these recommendations would result in numerous changes in the conference agreement. In fact, most of the administration's proposals have been incorporated in the Senate amendment. At the same time that the Committee recommends these changes, it notes that the terms and conditions, including specific earmarkings, contained in the conference agreement and the Statement of Managers (H. Rept. 97–222), still represent the legislative history and intent. The Committee expects the agencies funded through H.R. 4034 to act accordingly.

The highlights of some of the more significant changes being proposed in the conference agreement follow.

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Annual contributions

The conference agreement provided $17,939,370,000 in budget authority and $916,233,800 in contract authority for assisted housing. The amended conference agreement would reduce budget authority to $17,373,528,040 and reduce contract authority to $885,735,427. However, the new and existing housing mix would be essentially the same as contained in the conference agreement, rather than the September request.

Housing for the Elderly or Handicapped Fund

(Limitation on Direct Loans)

The conference agreement provided a loan limitation of $830,848,000 for the section 202 housing program for the elderly or handicapped program. While the administration's proposal would reduce the loan limitation to $728,746,000, the amended conference agreement would retain funding at $830,848,000.

In March, the request by the administration was $830,848,000 which was the same as that available in fiscal year 1980 and fiscal year 1981. Due to inflation, however, the number of units would decrease from 18,000 in fiscal year 1981 to 17,200 under the March level. The 12-percent reduction proposed by the administration would further reduce the number of units to 15,100.

Data compiled in August 1979, indicated that the potential eligibility for section 202 of individuals 62 years or older is over 9.3 million. In fact, during fiscal year 1981, HUD received over 1,200 applications totaling $33 billion for approximately 75,000 units.

Payments for operation of low-income Housing projects

The conference agreement provided $1,204,600,000 for the operation of low-income housing projects. As proposed by the administration, the amended conference agreement would reduce funding to $1,060,048,000 If this amount proves unsatisfactory, the Committee will consider providing a supplemental appropriations at a later date. In addition, the Committee notes that the $148,000,000 supplemental for fiscal year 1981 operating subsidies has been maintained in the amended conference agreement.

Temporary mortgage assistance program

The conference agreement deleted language proposed by the Senate which would have provided $75,960,000 for the temporary mortgage assistance program. The amended conference agreement would reinstate the language proposed by the Senate, thereby permitting possible savings in the FHA fund during fiscal year 1982.

Community planning and development

The conference agreement provided $3,666,000,000 for community development block grants. The amended conference agreement would reduce funding to $3,450,000,000. The conference agreement also provided $500,000,000 for urban development action grants. the amended conference agreement would reduce funding to $440,000,000.

TITLE II—INDEPENDENT AGENCIES

Environmental Protection Agency

The conference agreement provided $583,747,000 for EPA's salaries and expenses. As proposed by the administration, the amended conference agreement would reduce funding to $512,837,000. The conference agreement also provided $421,840,500 for EPA's abatement, control and compliance. The amended conference agreement would reduce funding to $377,194,200.

Although the administration has proposed reducing the funds available for the hazardous substance response trust fund by $24,000,000, the level recommended by the Committee retains the original conference agreement of $200,000,000.

Currently, EPA estimates that between 10,000 to 15,000 sites will require specialized assessments or investigations to determine if a significant public health problem exists and 1,000 to 2,000 of these sites may prove to be major health or environmental problems.

The 12-percent reduction proposed by the administration could reduce the number of sites where immediate removal action is planned from 125 to 110; reduce site inspections from 1,500 to 1,000; and reduce site investigations from 300 to 200.

National Aeronautics and Space Administration

The conference agreement provided $4,973,100,000 for NASA's research and development. While the administration has proposed reducing funding to $4,591,900,000, the amended conference agreement provides $4,791,900,000.

The proposed 12-percent cut by the administration of $311 million comes on top of the March reduction of $603.5 million. Cuts of this magnitude would fundamentally change the character of NASA through the elimination of the space science and applications programs.

In providing an additional $200,000,000 above the administration's proposal, the amended conference agreement would continue to provide $70,000,000 for programs earmarked in the original conference agreement (House Report 97–222, page 9). The remaining $130,000,000 would go for aeronautics, space sciences, space and terrestrial applications and space technology.

In addition, the conference agreement provided $1,114,300,000 for NASA's research and program management. While the administration has proposed reducing funding to $1,083,300,0000, the amended conference agreement provides $1,099,300,000.

Federal Emergency Management Agency

The conference agreement provided $134,789,000 for State and local assistance. As proposed by the administration, the amended conference agreement would reduce funding to $122,134,320. In addition, the conference agreement also provided $65,456,000 for emergency planning and assistance. As proposed by the administration, the amended conference agreement would reduce funding to $60,087,440.

However, in accepting the administration's recommendation, the Committee did not agree that FEMA's fire research effort at NBS should be terminated and, therefore, directs that FEMA make $4,000,000 available for this effort as envisioned in the March budget revisions.

National Science Foundation

The conference agreement provided $1,040,000,000 for NSF's research and related activities. The administration has proposed reducing funding to $897,688,000, a 12-percent reduction from the March request of $1,020,100,000.

The amended conference agreement would provide $950,000,000. Providing $52,300,000 over the administration's proposal, would result in the awarding of 9,446 grants or an increase of 457 grants over the requested level and a decrease of 879 grants below the March level. This level of funding would maintain NSF's research and related activities at slightly above the fiscal year 1981 level.

In addition, the conference agreement provided $27,450,000 for science education and engineering activities. The administration has proposed reducing funding to $8,712,000, a 12-percent reduction from the March request of $9,900,000.

The amended conference agreement would reduce funding to $20,000,000. Providing $11,288,000 above the administration's proposal, would result in the awarding of 2,222 grants or an increase of 1,206 over the requested level and an increase of 1,106 grants above the March level.

Veterans Administration

The conference agreement provided $12,881,600,000 for compensation and pensions. As proposed by the administration, the amended conference agreement would increase funds to $13,824,000,000. This increase, which usually is transmitted as a supplemental, covers the full year costs of the activities under this account.

The conference agreement also provided $1,638,300,000 for readjustment benefits. As proposed by the administration, the amended conference agreement would increase funds to the expected full year costs of this account.

In addition, the conference agreement provided $6,966,418,000 for medical care. Although the administration has proposed reducing funding to $6,669,491,000, the amended conference agreement would retain funding at $6,966,418,000.

Furthermore, the conference agreement provided $659,512,000 for the VA's general operating expenses. The administration has proposed reducing funding to $603,728,000. The amended conference agreement, however, would retain funding at $659,512,000. If the proposed reduction were taken, the results would be to reduce payments to State approval agencies; consolidate regional offices; and close the St. Paul data processing center.

Finally, the conference agreement provided $434,603,000 for the construction of major projects. As proposed by the administration, the amended conference agreement would reduce funding to $378,338,000.

National Institute of Building Sciences

The conference agreement provided $1,500,000 for the salaries and expenses of the National Institute of Building Sciences, rather than $500,000 as proposed by the administration and the House. While the administration has proposed a 12-percent reduction from the March request of $500,000, the amended conference agreement would retain funding at $1,500,000.

A final $1,500,000 appropriated in fiscal year 1982 will save administrative costs for

the Institute, the executive branch and the Congress. In addition, with a final appropriations of $1,500,000, the Institute will have adequate resources to achieve permanent funding.

General Services Administration

Consumer Information Center

The conference agreement provided $1,344,000 for the Consumer Information Center, as proposed by the Senate, rather than $1,314,000 as proposed by the House and the administration. The additional $30,000 would be used to conduct a study to determine the feasibility of charging customers a handling fee on free publications. While the administration has proposed a 12-percent reduction from the March request level, the amended conference agreement would retain funding at $1,344,000.

Neighborhood Reinvestment Corporation

Payment to the Neighborhood Reinvestment Corporation

The conference agreement provided $14,450,000 for payments to the Neighborhood Reinvestment Corporation, rather than $14,950,000 as proposed by the Senate and the administration. While the administration proposed a 12-percent reduction from the March request of $14,950,000, the amended conference agreement would retain funding at $14,450,000.

A further reduction of $1,294,000 would result in the elimination of 10 new neighborhood programs as well as 4 new NHS program starts with an estimated reduction of $40,000,000 in private investments. In addition, there would be a reduction in training and assistance which help maintain the effectiveness of existing programs.

Consumer Product Safety Commission

The conference agreement provided $32,983,000 for the salaries and expenses of the Consumer Product Safety Commission. While the administration has proposed reducing funding to $29,025,000, the amended conference agreement will retain funding at $32,983,000.

The January budget request was for $44 million and 880 FTE. The March request reduced CPSC's budget to $32,983,000 and 697 FTE. A further 12-percent reduction as proposed in September would leave only 219 FTE.

Section 101(g) provides continuing authority for programs covered by the Department of the Interior and Related Agencies Appropriation Act as specified in House Report 97–315, the conference report and joint explanatory statement of the committee on conference.

Section 101(h) provides continuing authority for programs covered by the Agriculture, Rural Development and Related Agencies Appropriation Act as specified in House Report 97–313, the conference report and joint explanatory statement of the committee on conference.

Section 101(i) provides continuing authority for operation, improvement, transfer, and closure of Public Health Service hospitals and clinics at a rate not in excess and under the conditions specified in the budget estimate transmitted November 9, 1981.

Section 101(j) extends the pay cap provisions of section 305 (a), (b), and (d) of H.R. 4120, the Legislative Branch Appropriation Act, 1982 through September 30, 1982.

Section 101(k) provides continuing authority for programs covered by the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriation Act, at the rate specified in H.R. 4169, as reported by the Senate (S. Rept. No. 97–265), and as amended by the Senate through November 16, 1981. The Committee amendment also provides that these funds shall be available under the authority and conditions in the 1981 Appropriation Act for these agencies. Thus, the restrictions on spending authority that exist under current law will continue to apply.

Section 102 provides that authority granted under this resolution shall be available until September 30, 1982, or enactment into law of the regular appropriation bill for a department or agency, whichever first occurs.

Sections 103 through 106 are standard provisions designed to insure fiscal integrity.

Section 107 of the reported continuing resolution provides $20,790,000 for a health professions teaching facility grant to assist in the establishment of the Institute for Advanced Biomedical Research at the University of Oregon Health Sciences Center, School of Medicine, Portland, Oreg.

The Institute will provide teaching/research laboratories and classrooms to accommodate teaching faculty and students in basic and clinical sciences programs. The facility is required in response to the need for containing the rising costs of health care by learning, and through research, to prevent or cure human diseases. In addition, the facility is intended to support staff members, students, and programs that will serve as models for the next generation of physicians, nurses, and dentists thereby enhancing the quality of clinical practice in the Pacific Northwest.

The project will further enable the Health Sciences Center to engage in programs relating to brain science, immunology, genetica, cancer, and other biomedical disciplines that would afford access to new therapeutic drugs and measures essential for patient care.

The Committee has recommended a new section 108 which provides an aggregate appropriation of $869,240,000 for the Postal Service under this joint resolution, within which $230,000,000 shall go for so-called public service subsidy activities and the balance of $639,240,000 shall be available for so-called revenue foregone subsidy activities, including $20,000,000 specifically earmarked for second- and fourth-class mailers.

This provision will help to offset the significant postal rate increase that would otherwise affect these classes of matters. At the same time, the Committee has proposed an offsetting reduction of $20,000,000 in the public service subsidy to cover this add-on for second- and fourth-class revenue foregone subsidies.

New section 109 preserves the prerogatives of the House and Senate Committees on Appropriations and, indeed the Congress itself, to decide how appropriated funds will be expended. This new section will allow both the House and Senate time to review the proposed reorganization of the Bureau of Alcohol, Tobacco and Firearms and, if necessary, to disapprove such reorganization.

Section 110 provides a 2-percent transfer authority amendment between Treasury appropriations enabling the Department to move up to 2 percent of appropriated funds from one account to another. In view of the rigid fiscal restraints placed on the Department under the revised fiscal year 1982 budget, the Committee felt that this transfer authority was essential to allow the Secretary to sustain his critical Treasury functions.

The Committee has approved language in the bill (sec. 111) which permits the initiation of a number of Federal building fund projects which were approved by the Committee on September 15, the date on which the Treasury, Postal Service appropriation bill was originally marked up.

Without the language, these critical building projects could not get started since they are currently not contained in the House-passed version of H.R. 4121—the Treasury, Postal Service appropriation bill, 1982. These projects include a border station in San Luis, Ariz.; a courthouse project in Ashland, Ky.; a Federal building in Omaha, Nebr.; a courthouse project in Charleston, S.C.; advance design for a Bonneville Power Administration building; and a lease construction project in Tallahassee, Fla.

The Committee has included language in the joint resolution (sec. 112) to prevent the termination of the tax-exempt, small issue industrial development bond (IDB) program by the Internal Revenue Service through administrative action. The Committee believes IRS Revenue Ruling No. 81–216 may have run counter to the long-standing practices by States of pooling multiple lots of small issue IDB's into a single bond offering. Therefore, the language included in the joint resolution would effectively vitiate this ruling.

The Committee has approved language in the resolution (sec. 113) which expresses the sense of the Senate that the President of the United States not propose reducing Federal tax incentives for energy conservation or the development of renewable energy sources. In approving such language, the Committee lends its support for a continued commitment to reducing American dependence on imported petroleum and reducing uncertainty concerning the continuation of the tax incentives for energy conservation and renewable energy sources.

The Committee is aware that any interruption in funding for the supplemental food programs for women, infants, and children (WIC and CSFP) could have serious consequences on these programs and, potentially, on the health of the program participants.

The Committee, therefore, has included language (sec. 114) which directs that funds provided by the joint resolution for these programs be allocated immediately upon enactment in the amounts and manner prescribed in H. Rept. 97–313 for the first quarter of fiscal year 1982. This would include an annual funding level of $31,000,000 for CSFP.

Any delay or interruption in the funding, or any allocation level that is not consistent with the conference agreement on the Agriculture, Rural Development, and Related Services Appropriation Act, 1982, regarding WIC participation levels, would be contrary to the intent of this joint resolution.

Sec. 115. This provision would modify the conference agreement on the Transportation appropriations bill to conform with the language in the Senate-passed appropriations bill. That bill included a general provision limiting railroad branch line abandonments in North Dakota to 350 miles, whereas the conference language was intended to be responsive to numerous requests from Members of Congress to broaden the language to a 3-percent limitation nationwide.

However, since questions have arisen with regard to the applications of that provision to specific rail operations, the Committee recommends the original Senate-passed language. The Committee, however, notes and concurs in the Transportation conference language relating to surcharges, rate increases, and assistance from the ICC section of rail services planning.

Sec. 116. This provision is in response to the refusal of the Urban Mass Transportation Administration to properly interpret the stated intent of the conferees on the Department of Transportation and Related Agencies appropriations bill for 1982. The language would clarify the intent of the conferees, which is clearly set forth in the joint explanatory statement of the managers on that bill.

The Committee has added a new section (sec. 117) which references the Senate provisions regarding impact aid. This will prevent impact aid funds being distributed under the most restrictive provisions of both the House and Senate Labor-HHS-Education bills.

The Committee also added a new section (sec. 118) providing that medicaid reimbursement for Indian Health Services facili-

ties shall continue to be 100 percent federally reimbursed.

The Committee has provided $1 million for 20 positions, to be set aside from the account of the Office of the Assistant Secretary for Health to operate the Office of Adolescent Pregnancy in the Department of Health and Human Services for the duration of this resolution (sec. 119). This authority is needed in order to maintain the option for the Congress to consider funding mechanisms for the adolescent family life program which would be administered by the Office.

The Committee has included bill language (sec. 120) already agreed to on the fiscal 1982 Labor-HHS-Education appropriations bill relating to the classification of potash mines by the Labor Department. The amendment requires the Labor Department to go through formal rulemaking procedures, rather than issuing new national policy statements by executive fiat, with respect to classification of potash mines as "gassy." It in no way limits mine inspections and, therefore, protects the safety and health of miners.

The Committee has provided for a redistribution of $21,800,000 in several salaries and expenses accounts in the Department of Health and Human Services (sec. 121). The Committee has increased funding of three appropriations by $21,800,000, specifically: Assistant Secretary for Health (program direction and support services), Health Care Financing Administration, program management (administrative costs), and general HHS departmental management. These restorations will help assure continuation of certain priority activities. At the same time, the Committee has agreed to a $21,800,000 offsetting reduction in other salaries and expenses areas (sec. 122). This, in effect, reinstates the HHS portion of a salaries and expenses reduction passed by the House in H.R. 4560. In distributing this reduction, the Committee will expect to be consulted by the Secretary of HHS concerning the areas where he proposes to make cutbacks.

It is the intent of the Committee that this joint resolution contains funds for the Health Resources Administration to maintain sufficient staff—693 direct positions and 34 reimbursable positions—to administer ongoing programs.

The resolution provides that funding for assistance to areas impacted by Cuban and Haitian entrants shall be at the levels, and under the terms and conditions of the Senate Labor-HHS-Education Appropriations Act (sec. 123). This provision is particularly necessary to allow the special setaside of education funds for Dade County, Fla., which has had to absorb over 15,000 new students.

Effect of Senate and House committee reports

The Committee directs that the Departments and agencies covered under this joint resolution to follow the guidance provided in all relevant House and Senate Appropriations Committee reports in carrying out their programs. Where only one House has provided specific guidance with regard to a program or issue, the report language of that House should be followed. When the reports of the House and Senate Committees are conflicting, the Department and/or agency shall take expeditious action to notify the Committees of this disagreement and to request a resolution.

Mr. ROBERT C. BYRD. Mr. President, I shall suggest the absence of a quorum. I ask unanimous consent that I be recognized following the quorum to call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the committee amendments have not yet been adopted en bloc. I have discussed this request with the distinguished chairman of the committee.

I ask unanimous consent that I may be permitted to offer an amendment to the bill notwithstanding the fact that the committee amendments have not been adopted en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 651

(Purpose: To change the date until which funds may be available to December 19, 1981)

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment and ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes an unprinted amendment numbered 651:

On page 18, line 18, strike out "September 30, 1982" and insert "December 19, 1981".

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I am attempting here to change the expiration date for this continuing resolution from September 30, 1982, to December 19, 1981, which would be 4 weeks from this coming Friday.

I offer this amendment today not to obstruct in any way the continued operations of the Federal Government but rather to try to insure that the Government does operate under the security of final appropriations bills, and to the extent that such bills are not enacted finally, then, of course, under the security of a final appropriations act such as the continuing resolution.

There will be considerable discussion about the time constraints surrounding this continuing resolution. It is true that a continuation of funding must be in place by this coming Friday midnight, and my amendment does nothing to hinder that necessity.

On Tuesday, November 10, the President during his press conference complained, and rightly so, that Congress had not sent him one of the regular appropriations bills for fiscal year 1982.

My amendment would insure that Congress will address the President's concern.

We are told that the regular appropriations bills will be considered, that the defense bill will come to the floor for consideration, that the Labor-HSS bill will come to the floor for consideration, that the Treasury-Postal Service bill will come to the floor for consideration, and that the various conference reports on those and other appropriations bills will come to the floor for consideration.

But the Senate has had the HUD conference report since September 15 and we have not had that conference report brought to the floor. The appropriations committees have completed conferences on five appropriations bills. The House of Representatives passed and sent two of them to us and the Senate has not considered them.

Appropriating funds is among the major responsibilities of Congress. The people who elect us to represent them expect us to do just that, to represent them, to discharge our responsibilities.

There are major spending bills that have not had consideration other than by the 29 Senators who are privileged to serve on the Appropriations Committee. The entire Senate needs to exercise its responsibilities and to give full deliberation to those bills. Then both the House of Representatives and the Senate should work out the differences and both bodies agree or disagree to the compromise.

Here we have, Mr. President, a huge bill that will operate for a full year, until September 30, with not a single regular appropriations bill having reached the President's desk.

From time to time the Senate and the House of Representatives have adopted continuing resolutions as stopgap measures to provide funding for agencies for which regular appropriations bills have not yet passed Congress and been signed into law by the President.

Those continuing resolutions are precisely what I stated. They are stopgap appropriations measures. They are to fill the interim gap created by the fiscal year's beginning date having passed and until such time as the appropriations bill for that particular fiscal year has been enacted into law.

But now here what we see is a continuing resolution that would extend until next September 30, the end of the 1982 fiscal year, and wrapped up in that continuing resolution would be presumably the funding for all of the departments and agencies of Government that are normally funded through enactment of 13 regular appropriations bills, not counting supplementals and so on.

This, of course, is a subversion of the appropriations process.

It opens the way for an omnibus appropriation bill in the future in the form of a continuing resolution.

It may very well be that at some future time Congress would want to adopt rules and procedures allowing for appropriations to be made through an omnibus bill, and I have always felt or have long felt there are some things that can be said in support of that approach. But as of now we do not have that procedure. We are still operating under the rules and precedents of a good many years, and certainly through this year the House has passed a number of appropriation bills, sent them to the Senate. The Appropriations Committee of the Senate has taken up a goodly number of

those appropriation bills and has acted on them. But they have not been acted on by the full Senate. As I say, some of the conference reports that are ready for action in the Senate have not been taken up in the Senate.

So here we are now up against a deadline of Friday night of this week midnight. Agencies and Departments of Government would be unable to operate thereafter, social security checks, veterans checks, checks to the military, Federal employees, and so on, would not be sent out. Yet now we find ourselves in this kind of a box and faced with that situation, but also faced with the situation of not having finally sent to the President of the United States a single appropriation bill.

So this approach, as I say, perverts the normal committee process, the normal appropriations process, and it is a very serious precedent to have facing us. I think it deprives the Senate of the kind of contemplation that it should give to each of the appropriation bills, and it is for those reasons that I have sent the amendment to the desk.

The appropriating of funds is among the major responsibilities of Congress, as I state, and the entire Senate needs to exercise its responsibility and give full deliberation to all of the appropriation bills.

A full year's continuing resolution would not advance the decisions of the Senate which it has already made.

At this time four major appropriation bills have not been acted upon for inclusion in the continuing resolution, and the full Senate has never had the issue before it.

So in adopting an emergency stopgap measure it seems to me that we are very hard put to explain the providing of funding for, perhaps, a full year as an emergency or as a stopgap measure.

The Senate Appropriations Committee has done a remarkable job. The chairman of that committee, Mr. HATFIELD, has demonstrated the highest degree of fairness and dedication, integrity and purpose, and has done an extraordinary job. The other members of the committee, the ranking member, Mr. PROXMIRE, and all other Members on both sides of the aisle have dutifully approached their task and that committee has reported all of its bills.

As I look at the calendar, the committee has reported all of its bills, that is correct, and I am now looking at the status of appropriation bills, first session, 97th Congress. The Appropriations Committee has reported every regular appropriation bill. Two of them have passed the Senate and gone through conference and conference reports are awaiting action in the Senate—four have proceeded to that status.

What are we going to do about all of these appropriation bills? What is going to happen to these conference reports? Are they all going to be folded into this continuing resolution, which is meant to be a stopgap measure or are we going to take up those four conference reports and the remaining appropriation bills and act on them as we have heretofore?

As I say, heretofore there usually have been one or two bills, especially foreign operations or foreign assistance, that have not made it, and possibly one or two others where there has had to be a stopgap measure.

But never before have we seen this situation in which conference reports on appropriation bills await action here at the bar of the Senate; other appropriation bills have been reported from the Senate Appropriations Committee under the able leadership of Mr. HATFIELD and Mr. PROXMIRE, and yet the Senate does not take them up.

So the President was justified in complaining about the fact that not a single appropriation bill has been sent to him by Congress.

But here we find ourselves, therefore, without taking action on those bills and about to take action on the continuing resolution, which will wrap everything therein, and have a date, September 30 next year, which is the end of the fiscal year. So we might as well just quit and go home, pass continuing resolutions for a year at a time and take some of the burdens off the Appropriations Committees, and the Senate will not have to deliberate on 13 appropriation bills. Just pass one continuing resolution so that we avoid adequate debate on each department's funding request, we avoid the usual debate on the various agency requests, we obviate the opportunity to amend 13 appropriation bills that deal specifically with certain appropriation items.

We simply take up one continuing resolution, have it extend to the end of the fiscal year, September 30, and then begin anew and adopt a continuing resolution for the next year, but wait until the last 2 or 3 days before that expiration date is upon us, and then come with that continuing resolution to the floor.

There is obviously no time left to scrutinize carefully the items on the continuing resolution, and very little time left to debate them.

This continuing resolution was reported out from the Senate Appropriations Committee yesterday. There is no report accompanying it. I am a member of the committee and I find no fault with that under the exigencies that confronted the committee. To have a report accompany the continuing resolution from the committee would have meant the 3-day rule would have prevented taking up the continuing resolution this week probably unless a unanimous consent were given, which means that any one Senator could have objected to proceeding to this continuing resolution.

I find no fault with the committee. The committee was acting under extenuating circumstances. But that is what we are going to be faced with every year, the last 2 or 3 days just before the date of the expiration of the continuing resolution here, we will have the continuing resolution for a year that will extend to the following September.

Every Senator should be zealous not of his rights and prerogatives so much as the responsibilities he has to carry out his duties to his constituency and the right of his constituents to have these matters debated thoroughly and openly.

I shall shortly send to the desk an amendment in the second degree which provides for a December 18 date rather than a December 19 date. My amendment would not obstruct the action on this continuing resolution. It would simply mean that by 4 weeks from this coming Friday this continuing resolution would expire, thus giving the Senate time during that 4 weeks to take up, in an orderly manner, the remaining appropriation bills, the conference reports, carefully study them, debate them, and act upon them and, by virtue of such action as the Senate acted on each appropriations bill, to that degree it would be unnecessary to have a continuing resolution at the time this continuing resolution resolution would expire on December 18.

I think it is a reasonable request. I think it is our duty to demand that those appropriations bills be brought up in this body. I think it is our responsibility to the people to be able to debate each of those bills and the conference reports thereon and avoid adopting a continuing resolution that provides for the funding of various departments for an entire year—an entire year. I think we will be remiss in our duties if we do not follow the normal appropriations process and set a new expiration date here which would require us to again face this matter by December 18.

I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I will be very brief, because I understand the Senator from Mississippi, who is the senior member of the committee on both sides of the aisle, wishes to speak on the amendment of my good friend from West Virginia.

UP AMENDMENT NO. 652

(Purpose: To change the date until which funds may be available to December 18, 1981)

Mr. ROBERT C. BYRD. Madam President, I send my amendment in the second degree to the desk and ask that it be stated by the clerk.

The PRESIDING OFFICER (Mrs. HAWKINS). The clerk will state the amendment.

The bill clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes an unprinted amendment numbered 652 to unprinted amendment numbered 651:

In the matter proposed to be inserted, strike out "December 19" and insert "December 18".

Mr. ROBERT C. BYRD. Madam President, I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Madam President, I congratulate my good friend from West Virginia not only on his amendment but on his excellent statement with which I agree, of course, wholeheartedly.

In the course of his statement, the Senator from West Virginia spoke about the possibility of sometime having an omnibus bill that would embrace all the appropriations at one time. This is an interesting notion. But I think we ought to be very clear of the distinction between having that kind of an appropriation bill and what we have before us.

I recall very well the Senator from Washington, the former chairman of the

Appropriations Committee, Senator Magnuson, suggesting that maybe we should do what some State legislatures do; in other words, have 1 year on authorizing legislation of various kinds and 1 year—1 year—devoted to discussing appropriations.

Now, if we had an omnibus bill, I presume we would take at least a month on it. But, in this case, we have 3 days—3 days—to discuss the 12 appropriations bills. With all fairness, after all, two-thirds of the spending is involved in the Defense appropriation, Labor-HHS appropriation, neither of which we have had 1 minute to discuss on the floor of the Senate. So we are passing—brought before us, as the Senator from West Virginia has said so well, brought before us for a full year—measures that may have the force of law until the end of the fiscal year, without any real opportunity to go into the kind of deliberations, the kind of discussions, and the kind of considerations that we should have.

In addition to that, there will be no chance in conference for any detailed examination of this bill. So that the whole process of debate, discussion, deliberation, conference consideration and recommendation to the Senate is to be abbreviated, as I understand it, under the bill as proposed, to just 3 days.

I might point out the President of the United States, President Reagan, has not asked for this. He has not indicated he wants it. So it seems to me the amendment offered by my good friend from West Virginia is a logical amendment, a sensible amendment. It would keep the Senate on the right track. I am certainly delighted to support it.

Mr. ROBERT C. BYRD. I thank the Senate.

Before I yield the floor, I want to say that the September 30, 1981, date is not in the continuing resolution by virtue of any action that could be assigned to the Senate Appropriations Committee. That language was in the continuing resolution when it came over from the other body. So I do not attempt to assign any blame here or any fault. I am simply trying to correct what I think is a mistake—not a mistake, but correct an action which will prove to be a mistake.

I yield to the Senator from Mississippi.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Madam President, I shall not detain the Senate very long. But I do believe there are some outstanding points about this proposal here and the course it can take that ought to be called to the special attention of the Senate. For that reason, I ask that we might have quiet and ask those who have conferences about other things to subside so we can concentrate on this.

Madam President, in the first place, the Senator from Oregon has done a remarkable job, an extensive piece of work, day and night all year. He has classed himself already with some of the great chairmen that I have known—Bridges of New Hampshire, for one; Russell of Georgia; an outstanding one, who was not chairman, but Saltonstall of Massachusetts; and the great Margaret Chase Smith of Maine, as well as others. It is amazing the way he has gathered all of this together under the pressure of time and the changes that were made in the request and the little time he had compared with the pressure on other fronts this year with reference to Mr. Reagan's plan. I am really proud of him as a fellow Member of this body and commend him highly for what he has done.

I do not believe, though, that this proposal is one of his better days or one of his better scores in connection with subordinating the whole appropriation family to a little continuing resolution concept that is, more or less, not an illegitimate child but kind of spawned in distress or pressure in the last 20, 25, or 30 years, the continuing resolution.

As I said yesterday, you would have been laughed out of town if you had proposed that we put the whole calendar, the whole year, under the provisions of a continuing resolution, unless the world had caught fire all of a sudden or something like a nuclear war was going on. Those things would just not have been tolerated here just a few years ago.

I have not heard anything about the President asking for this procedure here to provide to cover the whole year under a continuing resolution.

Mr. President, the real rub of this thing is it is an invasion of the rights and prerogatives and responsibilities carried on in an ordinary way in the Appropriations Committee of the U.S. Senate. You can say what you will, but there is where the Senate does its effective work. That is where it perfects the language and sentences into sound law. That is where the comparison work is done day and night and month after month. That is where the work is carried on by highly competent staff members—many of them are—with years of experience and knowledge and know-how, who know something about all the branches of Government and a great deal—a great deal, indeed—about the ones that they are working on.

Now, are we just going to have a scare story? I have not even heard a scare story. No other reason has been given for the Senate not to play its normal role to operate through these committees and come back here with reasoning and commonsense and wisdom, if I may use that term, cranked into the terms of these bills according to the membership's work and according to the best that they could do with the problem.

I take this quite seriously. The Senate will regret the day, I think, if they just abandon all these items of procedure, work, and the carrying on of the real matters assigned to them under the Senate rules, which I have outlined.

I cannot find any mention in the rules of the words "continuing resolution." They may be there. As I remember the ancestry of this, it was just devised to cover a few days' time.

Madam President, will you ask staff members to cease their conversations for just a few minutes?

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. The continuing resolution is to continue operations for a few days, taking the best figures available, current law, continuing the operations of the Government during that span of time.

It is really just a kind of authorization resolution and an appropriation resolution all cranked into one, and it serves a good purpose. It will serve a good purpose here. I have no objection to it being used in its normal fashion.

But, Madam President, no reason has yet been given for this idea of covering the whole year. I emphasize that the President has not said that things are in such a turmoil at home, abroad, or anywhere, that he needs all this authority to operate. Just as sure as we set up this precedent, abuses of it will come, repetition of it will come. We will rue the day when we set up here as respected proceedings, respected on this floor and by the American people, rules like this.

That is what a continuing resolution is. It is a rule, to some degree at best, but for some motive that we cannot even explain ourselves. The reason has not been given and was not given yesterday in the committee meeting.

I do not assign any personal blame, in my mind, to any Member, and I do not want to leave that impression.

I warn, however, that we will rue the day, and we will get into more trouble than we are in already with this year's work, if we now throw this continuing resolution out as the best that we can have and put it on the basis of the rest of the fiscal year.

Just read the resolution and you will see it. It says September 30. It is unbelievable that we could take that seriously and go into this thing blind, making it the law of the land.

I will vote for a lesser time, of course, but I hope it will not end here in just a contest as to who has the most votes to make it 30 days or whether we want to make it 11 months. It certainly ought not be decided on that point.

I hope reconsideration would lead to a meeting of the minds for 30 days, if necessary, and then pass the resolution in the regular way. Certainly, as much as we have already faced this year, we are not ready to run from something just because it is a problem, based on all the problems we have had to vote on in the first 6 or 7 months.

I think Senators have proven their mettle, their political mettle, to the extent that they are willing to stand up and be counted on the hard ones as well as the easy ones. I do not think we are faced with anything that is insuperable from here on out. But whatever it may be, let us face it and do it, rather than to resort to this weaselly method, as I see it, and thereby set a precedent.

The committees are already being inveigled in various ways, some of which I think may be necessary, but this resolution is not necessary in any way.

I want to close by saying that I have no personal grievance with anyone, not any. But we have to stand up and fight for some of the ground rules, for some of the principles involved, for some of the machinery in this body which has proven itself over decades and decades and dec-

ades. If there is a real emergency about something, resort to emergency measures, but believe me this joint resolution is not an emergency and it is not needed. We should go back to the more ordinary methods of meeting these problems.

Madam President, I yield the floor.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Madam President, I would like to rise for a few brief remarks. First, I would like to associate myself with those great words of wisdom spoken by a very wise man, the distinguished Senator from the State of Mississippi, Senator STENNIS. He has been in this body long enough to have seen the drift of what is happening throughout this appropriations process. I believe he is warning us of a signal danger if we continue to operate this country by way of a continuing resolution of this sort.

I would like to strongly suggest that all of our colleagues in the Senate pay close heed to this very wise man and what he has stated about what we are about to do, with the committee structure, with the appropriations process, and with the decisionmaking that we are on the eve of abdicating, if we do not shorten the time of this particular continuing resolution that is now before this body.

If I might put it this way, Madam President, what we are really doing is we are admitting today on this black Wednesday that we no longer run this system, but the system is now running us.

We have to get control of that system. We do not get control of it unless we run that system. We do not run that system unless we allow the appropriations committee and the authorizing committees to operate in the manner they were intended to operate.

That abdicating is exactly what I fear we are about to do today if we do not shorten the time for this particular continuing resolution.

Basically, as all of us know, this is a piggy-back resolution. We are piggybacking every good and bad program together into one package. As sure as we are in this Chamber this afternoon, we are going to be here at 11:30 Friday evening. We are going to hear voices.

In no way do I impugn the character, the integrity, the ability of my great friend from Oregon, the distinguished chairman of the Appropriations Committee. There is not a more diligent public servant in this country than Senator HATFIELD.

But on Friday evening, Madam President, what are we going to hear? We are going to hear, "Oh, my, no one is going to get their social security checks. No one at the Farmers Home Administration is going to get paid tomorrow. No one out there who is receiving AFDC payments will get their payments on the day they supposed to because the Government is going to shut down."

That is what we are going to be hearing in just a very few hours during the time we are in this Chamber debating this resolution at this time. We have heard it for years and unless we do something about it now, we are going to continue to hear it for years.

What we are going to be doing is grafting onto appropriations bills every popular and unpopular program and cause that we can imagine. We are going to be limiting debate on the B–1 bomber; we are going to be limiting debate on the MX missile; we are going to be basically giving a blank check, I think, to the Pentagon for then next year of over $200 billion—the first time in history that the appropriation has been that high.

We are abdicating our role, Madam President, and I hope my colleagues will listen to the wise words of the distinguished Senator from Mississippi and will support the amendment offered by the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD).

Mr. HATFIELD. Madam President, first, I express my deep appreciation for the generous, kind remarks made by the minority leader and by my very good compatriot on the Appropriations Committee, Senator STENNIS of Mississippi, and the kind remarks made by the Senator from Arkansas (Mr. PRYOR).

Madam President, I think that the minority leader raised a very significant point when he called attention to the fact that this September 30 date was placed on this resolution in the House of Representatives under the Democratic Party that now controls that House. As of yesterday, I discussed the matter with the staff of the Committee on Appropriations and, through them, the chairman of the committee. I discussed the matter with Speaker TIP O'NEILL of the House of Representatives. The Democratic leadership of the House indicated a very strong commitment to the September 30 date.

I just want to raise that as part of the record so there can be no implication here that there is a partisan issue at stake. There is not.

JAMIE WHITTEN, the longtime, very distinguished chairman of the House Committee on Appropriations, said this was debated in the House Appropriations Committee and came out of that House Appropriations Committee with a unanimous vote.

It was debated on the floor of the House, as I say, yesterday afternoon. When I was discussing matters with the Speaker, I asked him about the date and he said,

I support the position of the House and of the chairman of the House Appropriations Committee, Mr. Whitten.

I want to make sure that there is no implication here in any way that this is somehow evolving into a partisan question.

Mr. CRANSTON. Madam President, will the Senator yield?

Mr. HATFIELD. Yes; I am happy to yield.

Mr. CRANSTON. I should like to comment on the Senator's remarks about the partisan nature of this. It is not a partisan issue. It should not be a partisan issue. There are issues over procedure and over preserving the rights of Members of the Senate and the House to have a full opportunity to know what they are doing when they do it, when voting on matters as momentous as those contained in the continuing resolution.

The statements made by the distinguished Senator from Oregon are quite accurate about what occurred in the House. But I do believe many Democrats there are now having second thoughts and perhaps many Republicans are, too. I know it is true on the Democratic side of the aisle there.

The realization is growing there that decisions are being made without adequate knowledge of all the impact in terms of programs and dollars. I think that had the issue come before the House in a situation other than voting on the previous question, which was the parliamentary twist which it took, and had there been time to consider the matter more carefully, we might have found many Members of the House feeling quite differently than was reflected in the vote actually taken in the House.

Mr. HATFIELD. Madam President, I thank the Senator from California. It is the right of anyone to change a view or position on the matter. I only indicate my information as to the leadership position in the House of Representatives.

As I say, the minority leader himself made it very clear that he did not consider this such a matter. I just want to underscore that point made by the minority leader (Mr. ROBERT C. BYRD) here today.

Madam President, I think there is also an assumption that we are somehow extending this for a whole year, meaning there will be little or no action on the part of the Appropriations Committee or the appropriations process. I remind the body that we are functioning now under a continuing resolution, which has in no way inhibited the appropriations process. We have passed 9 of the 13 bills out of the full committee. We have had 7 appropriations bills on the floor and have 5 in conference or completing conference work. All 13 bills have functioned and actually been handled by the Committee on Appropriations.

Remember, Madam President, this is but a contingency as to the question of the future of these bills. In other words, when these bills are completed by Congress and when they are passed by the President, they drop out of the continuing resolution. There is no guarantee or no assumption that should be made that all the appropriations bills are going to continue under the resolution until September 30. But let me just outline the other side of the coin.

I believe that the amendment offered here poses one of the greatest dangers to the appropriations process, far more than anything I have faced since I have been on the Appropriations Committee. I shall state why.

Remember that if we should adopt December 18 as the date for the expiration of the continuing resolution, and assuming that there are unsigned bills that still exist somewhere in the pipeline, let me remind the Members that those bills then under a third continuing resolution are all vulnerable for any amendments, any changes that have been made

in the committees, or any process in the whole appropriation process.

Let me also remind Senators as to even those appropriations bills that have been signed into law we can, in the continuing resolution, go back into those. I, frankly, have, as the Senator from Mississippi, grown weary about having to fight Tennessee-Tombigbee every few months. Let me say to the Senator from Mississippi in all frankness, that could be an issue again on December 18, because that bill is open and vulnerable if it has not been signed into law; and if it has been signed into law, an amendment can be offered to that new continuing resolution that then deletes the money that has already been signed into law. Or that could be true of the Cardinal, a train in Amtrak, or the second powerhouse at Bonneville, or any other action that has been decided by this body. The appropriations process is open totally to a new continuing resolution on anything that has been done, that is being done, or that is in process of being done.

Madam President, let me also indicate that we are facing second concurrent resolution and we shall be into that situation for mandated levels that usurp, some people feel, the appropriations rights. That will be determined by this body through the concurrent resolution process.

Third, let me remind Senators that we shall be involved in the fiscal 1983 year. So, here we are, asking the Appropriations Committee, after going through this long exercise we have gone through in executing our responsibilities on 13 appropriations bills, to open them all up to vulnerability by December 18 again under a third continuing resolution. We are asking the Appropriations Committee to take that responsibility, then to come up with new appropriations measures.

Madam President, let me also say that in this period that we have been under this continuing resolution, there have been new budget requests, new add-ons, new directions; there has been a constant turnover of figures and economic assumptions and budgetary requests and add-ons and subtractions.

No, let me say, we are endangering the appropriations process, putting it into an impossible task if we extend this to December 18.

Let me then speak to the various agencies. What in the world can you expect of a Federal Government in terms of its commitments and its programs, in relation to its Federal programs or the State programs or the county programs or the city programs, if they do not have any kind of understanding of what the base of this operation is going to be? If we extend this to December 18, we are saying to all these agencies, "You can't make decisions, you can't do things that will commit you to a full year." We are creating an impossible administrative task within the agencies to be able to predict and project their commitments and their programs because they do not know what the figure is going to be, only until December 18, and then that can be changed with a new continuing resolution.

All I can say is that if we are anxious to really make a chowder here that is going to haunt us, by dumping in all these things and then stirring them up again and trying to resolve them again within a few weeks or a couple of months, we should support this resolution.

I believe—and I have made my commitment, and I think the record will stand—that we have aggressively pursued the appropriations process during this continuing resolution and we will continue to do so.

The minority leader indicated that we have five bills here waiting in conference or in some process of conference reports. The Appropriations Committee cannot control the business on the Senate floor. We are to control and act upon the responsibilities assigned to us, which we have done. I assure the Senate of my continued vigorous and aggressive assault on that responsibility, to complete the task and to do it in the proper way and in the least time necessary to accomplish it.

So I plead not to open a Pandora's box. That is exactly what we will be doing. We will be opening a Pandora's box again within a few months, with every one of the 13 bills. They will all be subject to having an amendment or a decision that will supersede the actions taken, wherever they may be, even whether they are signed into law.

So this, to me, is not the right direction to take, to make orderly Government possible and to maintain the orderly process of the Appropriations Committee.

I would prefer not to have any continuing resolution. I agree with the Senator from Mississippi: This, to me, is not the way to do business. But the Appropriations Committee does not have an option. We are forced into this situation at this time.

I can only say that I believe that, in spite of that, we have performed our functions and duties in a remarkable way to get these bills out of committee.

I have no assurance that the President will sign any of these bills. The President may decide to veto them, if he thinks we should go back to revising the bills, and so forth. But let that happen in an orderly process of either sustaining the veto or overriding the veto and then having the committee revise it. But do not force us into revising and opening up every one of the 13 bills because the President may have vetoed one.

That is why I say I think the 30th date maintains the appropriations process in a far better way than the 18th of December.

Mr. PROXMIRE. Madam President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. PROXMIRE. Madam President, I know of no one who is more persuasive or eloquent or knowledgeable, for that matter, in this area than the distinguished Senator from Oregon, but I just do not understand his argument. I do not understand the argument.

As the Senator from West Virginia pointed out and as the Senator from Oregon has just told us, we have acted on every appropriation bill. We have finished our committee work on every appropriation bill, without exception. They have all been acted on, as page 32 of the calendar today reports. They are all out of committee.

As the Senator knows, we have sent eight of these 13 bills to conference. The Senate itself has acted on them. So we have only a relatively few other bills for the Senate to act on.

We have until December 18 to do our job; and if we extend this until September 30, it seems to me to signal that we are not going to do that job in some of these cases throughout the entire year.

For the life of me, I cannot understand why, having done our committee work, having reported the bill, having the bill scheduled to be acted on, we cannot act in the next 30 days.

If the Senator will suggest that we extend it until February, perhaps we can work out a compromise. But to have this go until September 30, so that, throughout the entire year, we are acting on a continuing resolution, is beyond this Senator's understanding, as to why we have to do that. I do not see any merit in it.

Mr. HATFIELD. Will the Senator be willing to engage in a colloquy to try to clarify it?

Mr. PROXMIRE. Yes, indeed.

Mr. HATFIELD. Will the Senator describe what happens to an appropriation bill under a continuing resolution once the President has signed it? Obviously, it has passed Congress and has gone to the White House. What happens to that appropriation bill when the President signs it?

Mr. PROXMIRE. As the Senator has pointed out, and as we all know, it simply becomes law. It replaces the provision in the continuing resolution.

Mr. HATFIELD. It supersedes it.

Mr. PROXMIRE. It does.

Mr. HATFIELD. It drops out.

Mr. PROXMIRE. It drops out; that is right.

Mr. HATFIELD. So that that no longer is a part of the continuing resolution.

Mr. PROXMIRE. Yes. And we lose the discipline of having a continuing resolution—discipline on us, discipline on the President, discipline on the House.

Mr. HATFIELD. But we have in this, I remind the Senator, the language of the bills that have not followed into the conference situation. So we are still at a lower level for those bills to be acted upon in conference.

I ask a second question. Let us take this hypothetical situation: Will the Senator tell us what will happen to a bill once it has completed conference but has not been acted upon in the Senate, as to the conference report, such as the HUD bill today and four others we have completed, but which are still here, and the December 18 date comes and goes? What are we faced with then, so far as those bills are concerned that have not been acted upon and sent down to the President? What happens at that point?

Mr. PROXMIRE. Obviously, under

those circumstances, we would have to pass another continuing resolution.

Mr. HATFIELD. A third one.

Mr. PROXMIRE. That is the reason why it seems to me that then we have pressure, we have discipline, we have force, and we have a reason to pass those bills we have not acted upon.

It seems to me that we are asking for a situation in which we are going to be in this never-never land, a kind of area where we have not had discussion, debate, or determination by the House and the Senate, where we have not decided it, because we have kicked away, thrown away, the discipline that would require us otherwise to act.

Mr. HATFIELD. Will the Senator indicate where in the Appropriations Committee or in the appropriations process there has been any evidence of a lack of discipline?

Mr. PROXMIRE. The President, himself, said, as the distinguished Senator from West Virginia pointed out, that he has yet to get an appropriation bill from Congress. Of course, we were supposed to act on that by September 30 of this year, and we did not do it. There seems to be a breakdown somewhere—not of the Appropriations Committee, because we have reported all our bills.

Mr. HATFIELD. So there has been no evidence of a lack of discipline on the part of the Appropriations Committee in performing its function and getting these bills reported.

Mr. PROXMIRE. We could have done a better job. We did not report some of these until September. I have great admiration for the Senator from Oregon. The reason was that the President of the United States asked us to hold off, which we did.

Mr. HATFIELD. Is that an indication of a lack of discipline on our part?

Mr. PROXMIRE. It is not an indication of a lack of discipline on our part, but it is a lack of discipline on the part of the system. The President made his decision to postpone it, and we went along with it.

Mr. HATFIELD. I want to focus on the question of whether or not there has been evidence of a lack of discipline on the part of the Appropriations Committee and the appropriations process, and the Senator has answered that there has not been.

Mr. PROXMIRE. There has been a lack in the process in view of the fact that we have not acted on these appropriations bills by September 30, which we should have done. That is in the process, and it would take time to explain it. I would not put it at the doorstep of the distinguished chairman.

Mr. HATFIELD. I need not go back and review the history, that by September 30 we were in reconciliation and a few other things over which the Appropriations Committee had no control.

We have acceded to the request made by the President.

I challenge this implication that somehow we have a lack of discipline.

The system may have broken down on occasion. The system may have had some irregularities. I do not believe there has been any evidence of a lack of discipline.

Let me ask one final question. I am sure the Senator from Wisconsin has the highest degree of belief in the integrity of the minority leader and the majority leader of this Senate.

Mr. PROXMIRE. Of course.

Mr. HATFIELD. All right.

The majority leader and minority leader have stated publicly and frequently that they are going to expedite the whole matter of handling these bills and get them acted upon with preference, with priority, and in an expeditious manner.

Does the Senator from Wisconsin have any reason to disbelieve that commitment?

Mr. PROXMIRE. May I point out that my leader, the distinguished Senator from West Virginia, is the author of the amendment, and I think that amendment speaks very clearly for his position, and I think it is the general position taken by our party when we had a caucus and discussed it.

Mr. HATFIELD. That is not the question.

Mr. PROXMIRE. Most Members of our body agree that we should support the amendment because we should act on this by December 18 and by making a continuing resolution expire at that time we will be in a much stronger position to persist and act on it. I think all of us need discipline.

Mr. HATFIELD. If I might just observe, it seems to me the Senator is arguing we have to have this resolution date in order to keep the leadership's feet to the fire. I do not accept that. I believe when the leadership publicly and frequently has stated that it is going to expedite the handling of these bills, then I feel that the leadership's integrity is not to be challenged, and I frankly do not believe we have to have this amendment in order to keep their feet to the fire.

Mr. PROXMIRE. May I say to my friend from Oregon I am not going to be put in a position of saying anything critical of my good friend from Tennessee. He is a wonderful gentleman, he is a brilliant Senator, he is a great majority leader, he is a Republican, but then no one is perfect.

So, Madam President, this is not a criticism of the leadership but the fact is that somehow, someway, we should have acted on all of our appropriations bills, had them enacted and down to the President for his signature by September 30.

This is November 18, and we still have not sent a single appropriations bill down. I do not think we can get up here and say we have discipline when we have not been. We are certainly going to kiss away what discipline we have if we put the continuing resolution date as September 30, 1982, almost a full year away and for the first time in the history of Congress lose the pressure that we should have to report these in an orderly way and as soon as we possibly can.

Mr. HATFIELD. Madam President, I have nothing further to add to the argument. I think that the question is fairly clearly stated. I think really that the leadership is remarkable leadership in the Senate. I have every bit of faith in their statements and commitments. I feel the leadership functions without the necessity of arm-twisting, of having feet put to the fire, of having some kind of an extraordinary amount of discipline imposed from this kind of an amendment that otherwise they might not exercise.

I think really that it is not necessary to move that date and at the same time I argue that the appropriations process will be made even more difficult if not impossible to handle all of those actions that we must handle within that time frame of a second concurrent resolution with the mandated figures that will be given to the Appropriations Committee at that time with moving on fiscal year 1983 and with the probability of having to go to a third continuing resolution at least to handle one or more of those appropriations measures that have not been either signed or wherever they may be in the process.

So, I just wish to avoid the third continuing resolution. I wish to avoid all these matters, and that is why with great reluctance I oppose the amendment proposed by the minority leader as I did oppose it for these reasons and certainly nothing in any way would imply anything personal or any other matter. I just have great respect for him, but I do believe that this does make it impossible to function in an orderly way.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on the perfecting amendment proposed by the Senator from West Virginia.

Mr. HARRY F. BYRD, JR., addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. I thank the Chair.

Madam President, the Senate is indeed faced with an extraordinary situation. This has been emphasized by the able Senator from Oregon, the able Senator from Wisconsin, and the able Senator from Mississippi.

The overriding concern of the Senator from Virginia is which way or which time frame will bring about the smaller increase in Government spending.

I am not totally clear as to which would be the better course.

I wish at this point to address a question to the chairman of the Appropriations Committee, the Senator from Oregon (Mr. HATFIELD). May I ask the Senator from Oregon, the chairman of the Appropriations Committee: As I understand the thrust of his comments in regard to the pending amendment, he feels that by having the continuing resolution expire on September 30, 10 months from now, rather than 1 month from now, that in the appropriations process the amount of spending probably would not be as great as it might be if the continuing resolution lasted for only 30 days and then would undoubtedly need to be renewed bevond that point.

Mr. HATFIELD. I say to the Senator that the possibility is based upon our past experience of amendments offered

to add back or to add to, that every time we have a vehicle that broadens that possibility to include all 13 bills that likelihood is greater than when we let those bills drop out one at a time from under that continuing resolution once the Senate and the House of Representatives have worked their will and the President has signed it.

What I am saying is that we face the probability of a third continuing resolution, but that third continuing resolution does not restrict itself to just one or two of the unenacted-upon bills. It opens up all of the appropriations and there can be always reaching back into the action already completed with new requests or the economic conditions have worsened in certain areas and therefore we need to add back to certain programs that have already been determined at a previous date.

So from that standpoint I say the likelihood is there and the likelihood would be greater.

Mr. HARRY F. BYRD, JR. I am somewhat inclined to that view also, not permanently inclined, but somewhat inclined.

I remember in the spring of 1980 the atmosphere in the Senate was one of holding down spending. As we got into June, July, and August, as the months went by, the atmosphere was to increase spending.

Mr. HATFIELD. As we get closer to election—is that what the Senator is suggesting?

Mr. HARRY F. BYRD, JR. No, I was not equating it to the election because this is not an election year. I just am equating it to the passage of time. As time goes by, more and more reasons seem to develop as to why we need more spending.

That is why I am inclined to support the longer date, but I wanted to be sure that I understood the Senator from Oregon correctly in his analysis.

The proponents of the amendment of the Senator from West Virginia have cited certain dangers in having the continuing resolution run for the entire fiscal year, and they may have a point, but I think a mere 1-month extension is impractical. It would insure reopening all these issues and probably create more spending.

Mr. ROBERT C. BYRD. Mr. President, I hope the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) would also consider the fact that what we may be doing if we accept the longer date, we may be insuring lesser appropriations for defense. Mr. President, I am particularly concerned that the Senate not be denied an opportunity to debate and make decisions on our defense programs for fiscal year 1982. The bill appropriated for defense is the largest in the Nation's history, it incorporates funding for decisions which are of paramount importance, and which will be with us for the rest of this decade and beyond.

The Senate has a deep responsibility to thoroughly consider the import of these decisions. As the continuing resolution is now constructed, the defense funding level will be the lower of the House or Senate. This results in the Senate endorsing the lower House funding level, about $15 billion lower than the Senate bill.

It would be entirely appropriate to expect or at least realize the prospect that the Senate may never see a defense appropriation bill considered before the end of the session if we pass the continuing resolution with the September 30, 1982 expiration date.

There has been a rumor that a Senator will move to substitute not only the Senate appropriation bill level but also the text of that bill itself for the continuing resolution. Whether that rumor is well-founded I do not know, but certainly this can be done. It is an unusual procedure, but that is what we are seeing here, an unusual procedure.

It still does not guarantee that the Senate as a body will have the appropriate opportunity to debate this defense program in the responsible way and the full way that the Nation expects it to.

So the best way for the Senate to insure that a meaningful debate on the Nation's defense occurs is to vote for the amendment I have offered. By supporting that amendment Senators will guarantee they will fulfill their constitutional role. If Senators want the Senate-reported defense program, a program significantly stronger than the program recommended by the House of Representatives, they will vote for my amendment.

A vote against the amendment is a vote for a much weaker questionable program for defense spending, and for a program fashioned by the other Chamber. I do not think that most Senators will find that satisfactory.

One other thing, Mr. President. As the Senate knows, the Senate debated and made a decision at the time the Transportation appropriation bill was before the Senate in support of the retention of the Amtrak train, the Cardinal.

It is my understanding that the distinguished junior Senator from Oregon (Mr. PACKWOOD) plans to offer an amendment to this continuing resolution to knock out the Cardinal. The distinguished Senator from Oregon (Mr. PACKWOOD) offered such an amendment to the Transportation appropriation bill, as I have already indicated, the Senate debated that amendment and rejected it.

The distinguished Senator from Oregon has every right to offer such an amendment to the continuing resolution. But I am obligated to leave the Senate today at 5 o'clock, and I will ask unanimous consent now, in accordince with the rule, that I be excused from the Senate today after 5 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I hope that the distinguished Senator from Oregon will do me the courtesy of coming over and offering his amendment before I leave the Senate.

I called the distinguished Senator several minutes ago, perhaps 20 or 30 minutes ago, and requested that he come over and offer his amendment. He has every right to do that, and I respect him for that. But I hope that in view of the fact that I will have to be gone after 5 p.m. today that he will come over and offer the amendment while I am here to oppose the amendment.

The amendment, if adopted, would certainly affect my State and its citizens. I implore and beseech the distinguished Senator to come to the floor and call up his amendment so that we can debate it and the Senate can act on it before I am obliged to leave the Senate Chamber. I would do the same for him or any other Senator under those circumstances.

Now, Madam President, I yield the floor and I express the hope the Senate will adopt my amendment that is now pending.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

Mr. ROBERT C. BYRD. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Colorado (Mr. ARMSTRONG), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Washington (Mr. GORTON) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) would vote "yea."

The PRESIDING OFFICER (Mr. WARNER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 49, as follows:

[Rollcall Vote No. 394 Leg.]

YEAS—46

Baucus	Ford	Mitchell
Bentsen	Glenn	Moynihan
Biden	Hart	Nunn
Boren	Heflin	Pell
Bradley	Hollings	Proxmire
Bumpers	Huddleston	Pryor
Burdick	Humphrey	Randolph
Byrd, Robert C.	Inouye	Riegle
Cannon	Jackson	Sarbanes
Chiles	Johnston	Sasser
Cranston	Kennedy	Stennis
DeConcini	Levin	Tsongas
Dixon	Long	Williams
Dodd	Matsunaga	Zorinsky
Eagleton	Melcher	
Exon	Metzenbaum	

NAYS—49

Abdnor	Hatch	Percy
Andrews	Hatfield	Pressler
Baker	Hawkins	Quayle
Byrd, Harry F., Jr.	Hayakawa	Roth
	Heinz	Rudman
Chafee	Helms	Schmitt
Cochran	Jepsen	Simpson
Cohen	Kassebaum	Specter
D'Amato	Kasten	Stafford
Danforth	Laxalt	Stevens
Denton	Lugar	Symms
Dole	Mathias	Thurmond
Domenici	Mattingly	Tower
Durenberger	McClure	Wallop
East	Murkowski	Warner
Garn	Nickles	Weicker
Grassley	Packwood	

NOT VOTING—5

Armstrong	Goldwater	Leahy
Boschwitz	Gorton	

So Mr. ROBERT C. BYRD's amendment (UP No. 652) was rejected.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The minority leader is recognized.

UP AMENDMENT NO. 653

(Purpose: To change the date until which funds may be available to March 30, 1982)

Mr. ROBERT C. BYRD. Mr. President, I shall send to the desk an amendment which would change the September 30, 1982, date to March 30, 1982, which is the date, I am advised, that the President requested. The arguments have been made on the amendment as far as I am concerned. I know of no new argument to make on my amendment that I did not offer before, except to say again that it is my understanding that this is the date the President requested on the continuing resolution.

It seems to me, Mr. President, that this would allow the Senate to take up the other appropriations bills, debate them, and act upon them and send them to the President. It would allow the Senate, then, come March 30, 1982, to take a new look at any items that are covered by the continuing resolution which have not been superseded by action on appropriations bills prior to that.

Therefore, I send the amendment to the desk and ask that it be stated by the clerk.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes an unprinted amendment numbered 653:

In the matter proposed to be inserted, strike out "December 19, 1981" and insert "March 30, 1982."

Mr. HATFIELD. Mr. President, I shall yield to the Senator first if he wishes to make any remarks.

Mr. ROBERT C. BYRD. I have nothing more, Mr. President.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendments to House Joint Resolution 357, with the exception of the amendment on page 27, lines 9 through 22, be considered and agreed to en bloc and that the resolution as amended be considered as original text for the purpose of further amendment, with the understanding that no points of order be considered as having been waived by reason thereof and that the excepted amendment may be set aside by agreement with the majority and minority floor managers.

This has been cleared with the minority ranking member, Mr. PROXMIRE.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I certainly want to cooperate in every way I can with the distinguished chairman because he has been exceedingly fair with me and with others on this side of the aisle, I reiterate that I hope that the distinguished Senator from Oregon (Mr. PACKWOOD) will offer his amendment with respect to the Cardinal before I have to leave town.

I therefore hope that the distinguished chairman would exclude from the amendments which he has asked to have agreed to en bloc the amendment on page 7, beginning with line 7 and going through page 14.

Mr. HATFIELD. Mr. President, I withdraw my unanimous-consent request at this time, because we would have to exclude a whole section of the bill in order to get to the point of the Senator, as I understand it.

Mr. President, I withhold my unanimous-consent request for a few moments. Meanwhile, I yield to the Senator from Wisconsin (Mr. KASTEN) to handle a technical amendment.

UP AMENDMENT NO. 654

(Purpose: To amend the Foreign Assistance and Related Programs Appropriations Provision to reflect Senate action November 17, 1981)

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I thank the chairman for yielding. I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. If the Senator will abstain for a moment, the Chair is advised by the Parliamentarian that there is a requirement——

Mr. HATFIELD. Mr. President, I ask unanimous consent that the amendment of the Senator from West Virginia be temporarily laid aside to handle this technical amendment.

The PRESIDING OFFICER. Without objection, all pending amendments are set aside and the Senator from Wisconsin is now recognized.

The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 654.

Mr. KASTEN. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 14, beginning with "(b)" strike out all through "1956." on page 5, line 23, and insert in lieu thereof:

"(b) Such amounts as may be necessary for projects or activities provided for in the Foreign Assistance and Related Programs Appropriations Act, 1982, at a rate for operations and to the extent and in the manner as provided for in such Act as passed the Senate on November 17, 1981, as if such Act had been enacted into law, notwithstanding section 10 of Public Law 91-672, and section 15(a) of the State Department Basic Authorities Act of 1956."

Mr. KASTEN. Mr. President, this amendment is of a technical nature, the provision in the continuing resolution that pertains to foreign assistance and related programs refers to S. 1802, the Senate originated bill, as it was reported to the Senate and as amended by the Senate as of November 20. 1981.

Mr. President, my amendment would change this language to reflect the action this body took yesterday. The new provision for foreign assistance and related programs would, if this amendment is agreed to, read "as passed the Senate on November 17, 1981."

My understanding is that Senator INOUYE, the ranking minority member of the Subcommittee on Foreign Operations, has reviewed and has no problem with this technical amendment.

I hope the chairman of the Committee on Appropriations and the ranking minority member will agree to it also.

Mr. HATFIELD. Mr. President, the amendment speaks for itself and I urge the adoption of the amendment because it puts the Senate foreign operations appropriations bill in a position to deal in the conference with the House. It gives us a reference of our own making.

Mr. KASTEN. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (UP 654) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE AMENDMENTS

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendments to House Joint Resolution 357, with the exception of the portion of the amendment on page 21, lines 9 through 22, section 112, be considered and agreed to en bloc; that the resolution as amended be considered as original text for the purpose of further amendment, with the understanding that no point of order be considered as having been raised by reason thereof; and that the excepted amendment may be set aside by agreement of the majority and minority floor leaders. This has been cleared with the minority side and the minority leader.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, strike line 6, through and including line 12, and insert the following:

Department of Defense Appropriation Act, 1982;

Military Construction Appropriation Act, 1982;

On page 2, line 17, after "1982"; insert "and";

On page 2, strike lines 18 and 19;

On page 3, line 3, strike "October 1", and insert "November 20";

On page 3, line 6, strike "October 1", and insert "November 20";

On page 3, line 10, strike "October 1", and insert "November 20";

On page 3, line 19, strike "October 1", and insert "November 20";

On page 3, line 20, strike "*Provided*", through and including the end of line 25;

On page 4, line 7, after "1981", insert the following: "*; Provided further,* That for the purposes of this joint resolution, the Senate reported level of H.R. 4121, entitled 'the Treasury, Postal Service, and General Government Appropriations Act, 1982,' shall be the level reported by the Senate on September 22, 1981 (S. Rept. No. 97–192) as modified on November 17, 1981.".

On page 4, line 14, strike "October 1", and insert "November 20";

On page 5, strike line 4, through and including line 13, and insert the following:

(b) Such amounts as may be necessary for projects or activities provided for in the Foreign Assistance and Related Programs Appropriations Act, 1982 (S. 1802), at a rate for operations and to the extent and in the manner as provided for in such Act as reported to the Senate on November 3, 1981 (S. Rept. No. 97–266), and as amended by the Senate as of November 20, 1981, as if such Act had been enacted into law, notwithstanding section 10 of Public Law 91–672, and section 15(a) of the State Department Basic Authorities Act of 1956.

On page 5, strike line 24, through and including page 6, line 12, and insert the following:

(c) Such amounts as may be necessary for projects or activities for in the District of Columbia Appropriation Act, 1982, at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (H. Rept. No. 97–327) filed in the House of Representatives on November 12, 1981, as if such Act had been enacted into law.

On page 6, beginning on line 24, strike "House of Representatives on July 24, 1981", and insert "Senate on November 5, 1981";

On page 7, strike line 1, through and including line 6, and insert the following:

(e) Such amounts as may be necessary for projects or activities provided for in the Department of Transportation and Related Agencies Appropriation Act, 1982, at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (H. Rept. No. 97–331) filed in the House of Representatives on November 13, 1981, as if such Act had been enacted into law.

On page 7, line 23, strike "law.", and insert the following: "law, with the following new title:

TITLE V

SEC. 501. Notwithstanding any other provision of this Act—

(1) The amount of the increase in contract authority under the heading "HOUSING PROGRAMS, ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING", shall be $885,357,427, and the amount of the increase in budget authority under such heading shall be $17,373,528,040.

(2) The amount appropriated under the heading "HOUSING PROGRAMS, HOUSING COUNSELING ASSISTANCE", shall be $3,520,000.

(3) The amount appropriated under the heading "SOLAR ENERGY AND ENERGY CONSERVATION BANK, ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS", shall be $22,000,000.

(4) The amount appropriated under the heading "COMMUNITY PLANNING AND DEVELOPMENT, COMMUNITY DEVELOPMENT GRANTS", shall be $3,450,000,000.

(5) The amount appropriated under the heading "COMMUNITY PLANNING AND DEVELOPMENT, URBAN DEVELOPMENT ACTION GRANTS" shall be $440,000,000.

(6) The amount appropriated under the heading "POLICY DEVELOPMENT AND RESEARCH, RESEARCH AND TECHNOLOGY", shall be $20,000,000.

(7) The amount appropriated under the heading "FAIR HOUSING AND EQUAL OPPORTUNITY, FAIR HOUSING ASSISTANCE", shall be $5,016,000.

(8) The amount appropriated under the heading "MANAGEMENT AND ADMINISTRATION, WORKING CAPITAL FUND", shall be $528,000.

(9) The amount appropriated under the heading "DEPARTMENT OF DEFENSE—CIVIL, CEMETERIAL EXPENSES, ARMY, SALARIES AND EXPENSES", shall be $4,476,000.

(10) The amount appropriated under the heading "ENVIRONMENTAL PROTECTION AGENCY, SALARIES AND EXPENSES", shall be $512,837,000.

(11) The amount appropriated under the heading "ENVIRONMENTAL PROTECTION AGENCY, RESEARCH AND DEVELOPMENT", shall be $167,759,000.

(12) The amount appropriated under the heading "ENVIRONMENTAL PROTECTION AGENCY, ABATEMENT, CONTROL AND COMPLIANCE", shall be $377,194,200.

(13) The amount appropriated under the heading "ENVIRONMENTAL PROTECTION AGENCY, BUILDINGS AND FACILITIES", shall be $3,621,000.

(14) The amount appropriated under the heading "EXECUTIVE OFFICE OF THE PRESIDENT, COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY", shall be $919,000.

(15) The amount appropriated under the heading "EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF SCIENCE AND TECHNOLOGY POLICY", shall be $1,578,000.

(16) The amount appropriated under the heading "FEDERAL EMERGENCY MANAGEMENT AGENCY, FUNDS APPROPRIATED TO THE PRESIDENT, DISASTER RELIEF", shall be $324,720,000.

(17) The amount appropriated under the heading "FEDERAL EMERGENCY MANAGEMENT AGENCY, SALARIES AND EXPENSES", shall be $73,364,720.

(18) The amount appropriated under the heading "FEDERAL EMERGENCY MANAGEMENT AGENCY, STATE AND LOCAL ASSISTANCE", shall be $122,134,320.

(19) The amount appropriated under the heading "FEDERAL EMERGENCY MANAGEMENT AGENCY, EMERGENCY PLANNING AND ASSISTANCE", shall be $65,087,440.

(20) There are appropriated, out of any money in the Treasury not otherwise appropriated, for the repayment of notes dated April 17, 1979, and September 28, 1979, issued by the Director of the Federal Emergency Management Agency to the Secretary of the Treasury pursuant to section 15(e) of the Federal Flood Insurance Act of 1956 (24 U.S.C. 2414(e)), $328,240,000.

(21) The amount appropriated under the heading "DEPARTMENT OF HEALTH AND HUMAN SERVICES. OFFICE OF CONSUMER AFFAIRS", shall be $1,760,000.

(22) The amount appropriated under the heading "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, RESEARCH AND DEVELOPMENT", shall be $4,791,900,000, of which not to exceed $3,104,900,000 shall be available for the Space Shuttle including space flight operations: *Provided*, That the limitations subject to the approval of the Committees on Appropriations contained under this heading shall not be affected by this subsection.

(23) The amount appropriated under the heading "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, CONSTRUCTION OF FACILITIES", shall be $80,000,000.

(24) The amount appropriated under the heading "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, RESEARCH AND PROGRAM MANAGEMENT", shall be $1,099,300,000.

(25) The amount appropriated under the heading "NATIONAL SCIENCE FOUNDATION, RESEARCH AND RELATED ACTIVITIES", shall be $950,000,000.

(26) The amount appropriated under the heading "NATIONAL SCIENCE FOUNDATION, SCIENCE EDUCATION ACTIVITIES", shall be $20,000,000.

(27) The amount appropriated under the heading "NATIONAL SCIENCE FOUNDATION, SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)", shall be $3,080,000.

(28) The amount appropriated under the heading "SELECTIVE SERVICE SYSTEM, SALARIES AND EXPENSES", shall be $18,633,000.

(29) The amount appropriated under the heading "DEPARTMENT OF THE TREASURY, OFFICE OF REVENUE SHARING, SALARIES AND EXPENSES", shall be $6,184,000.

(30) The amount appropriated under the heading "DEPARTMENT OF THE TREASURY, NEW YORK CITY LOAN GUARANTEE PROGRAM", shall be $822,000.

(31) The amount appropriated under the heading "VETERANS ADMINISTRATION, COMPENSATION AND PENSIONS", shall be $13,824,000,000.

(32) The amount appropriated under the heading "VETERANS ADMINISTRATION, READJUSTMENT BENEFITS", shall be $1,938,800,000.

(33) The amount appropriated under the heading "VETERANS ADMINISTRATION, MEDICAL AND PROSTHETIC RESEARCH", shall be $128,215,000.

(34) The amount appropriated under the heading "VETERANS ADMINISTRATION, MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES", shall be $51,392,000.

(35) The amount appropriated under the heading "VETERANS ADMINISTRATION, CONSTRUCTION, MAJOR PROJECTS", shall be $378,338,000.

(36) The amount appropriated under the heading "VETERANS ADMINISTRATION, CONSTRUCTION, MINOR PROJECTS", shall be $102,942,000, of which not to exceed $30,018,000 shall be available for the Office of Construction.

(37) The amount appropriated under the heading "VETERANS ADMINISTRATION, GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES", shall be $15,840, 000.

(38) The amount appropriated under the heading "DEPARTMENT OF THE TREASURY, INVESTMENT IN NATIONAL CONSUMER COOPERATIVE BANK", shall be $41,360,000: *Provided*, That the final Government equity redemption date for the National Consumer Cooperative Bank shall occur on December 31, 1981, and the Secretary of the Treasury shall purchase all class A stock for which funds are hereby appropriated no later than ten days following enactment of this Resolution.

(39) The amount appropriated under the heading "MANAGEMENT AND ADMINISTRATION, SALARIES AND EXPENSES", including transfers from the various funds of the Federal Housing Administration, shall not exceed $564,776,000: *Provided*, That $15,640,000 shall be transferred and made available from the unearned fees and charges account for any necessary administrative and nonadministrative expenses under this head, which amount shall be in addition to (1) the amount otherwise appropriated and made available in accordance with this sentence; and (2) any other amount which would be available for operating expenses of the Department, pursuant to section 7(j) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(j)).

(40) During fiscal year 1982, gross obligations of not to exceed $75,960,000 are authorized for payments under section 230(a) of the National Housing Act, as amended, from the insurance fund chargeable for benefits on the mortgage covering the property to which the payments made relate, and payments in connection with such obligations are hereby approved.

(41) The amount appropriated under the

heading "HOUSING PROGRAMS, PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS—FISCAL YEAR 1981", shall remain available until September 30, 1982: *Provided*, That any part of the foregoing amount which has not been obligated before the forty-fifth calendar day following the enactment of this joint resolution, shall be deemed obligated notwithstanding the provisions of 31 U.S.C. 200(a).

(42) The amount appropriated under the heading "HOUSING PROGRAMS, PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS", shall be $1,060,048,000.

(43) The Congress also disapproves the deferral under the heading "VETERANS ADMINISTRATION, (DISAPPROVAL OF DEFERRAL)", of the Washington, D.C., and Long Beach, Calif., projects as contained in deferral notice D82–140.

(44) Notwithstanding any other provision of this Act, including any other provision of this title, any agency may, before December 31, 1981, transfer to salaries and expenses from other sources made available to it by this Act, such amounts as may be required if the aggregate amount available for salaries and expenses, after such transfer, does not exceed the amount contained for such purposes in this Act before the application of the changes contained in title V: Provided, That such transfers shall be subject to the approval of the Committees on Appropriations.

On page 16, line 22, strike "filed in", and insert "as approved by";

On page 16, line 23, strike "5", and insert "12";

On page 17, strike line 9, through and including line 17;

On page 17, line 18, strike "(j)", and insert "(i)";

On page 17, line 18, strike "excess", and insert "excess and under the conditions";

On page 17, line 23, strike "(k)", and insert "(j)";

On page 18, after line 2, insert the following:

(k) Such amounts as may be necessary for projects or activities provided for in the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriation Act, 1982, shall be at the rate provided in H.R. 4169 as reported to the Senate on October 30, 1981, as amended by the Senate through November 16, 1981, and under the authority and conditions provided in the applicable appropriation Act for fiscal year 1981.

On page 19, after line 15, insert the following:

SEC. 107. Notwithstanding any other provisions of this joint resolution and the provisions of sections 720(b) and 722(a)(1) of the Public Health Service Act, $20,790,000 is appropriated and shall remain available until expended for a grant for the construction or expansion of a teaching facility under section 720(a)(1) of such Act.

SEC. 108. Notwithstanding any other provision of this joint resolution, $869,240,000 is appropriated under this joint resolution for payment to the Postal Service Fund, of which $230,000,000 shall be available for public service costs and $639,240,000 shall be available for revenue foregone on free and reduced rate mail, of which $20,000,000 shall be available for revenue foregone under section 3626 of title 39, United States Code, with respect to the rates of postage for any class of mail or kinds of mailer under former sections 4358, 4554(b), and 4554(c) of such title.

SEC. 109. No funds made available pursuant to this joint resolution may be used to accomplish or implement a proposed reorganization of the Bureau of Alcohol, Tobacco and Firearms before March 15, 1982. Such reorganization plan may be implemented after March 15, 1982, unless disapproved by the House and Senate Committees on Appropriations.

SEC. 110. Notwithstanding any other provision of this joint resolution, the Secretary of the Treasury is authorized to transfer up to 2 per centum from any appropriation account provided by this joint resolution for the Department of the Treasury otherwise appropriated in H.R. 4121, entitled the Treasury, Postal Service and General Government Appropriation Act, 1982, to any other such appropriation account: *Provided*, That the recipient appropriation account is not increased by more than 2 per centum of the amount provided by this joint resolution: *Provided further*, That approval for such transfers is obtained in advance from the House and Senate Committees on Appropriations.

SEC. 111. Notwithstanding any other provision of this joint resolution, funds available to the Federal Building Fund within the General Services Administration may be used to initiate new construction, advance design, and repairs and alteration line-item projects and lease construction projects which are included in either H.R. 4121, as passed by the House, or in H.R. 4121, as reported by the Senate on September 22, 1981.

SEC. 113. It is the sense of the Senate that the President of the United States should not include in his recommendations for revenue enhancements any recommendations which would have the effect of reducing Federal tax incentives for energy conservation or the development of renewable energy sources.

SEC. 114. Notwithstanding any other provision of law, funds provided under this joint resolution for the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), and the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)) shall not be withheld from obligation during such time as any special message specifying a deferral or rescission of budget authority for such programs is pending before the Congress, to the extent that such withholding would reduce participation and benefit levels before those in effect as of September 1981: *Provided further*, That all funds appropriated for the first quarter of fiscal year 1982 for these programs shall be allocated to the States immediately upon enactment of this joint resolution.

SEC. 115. Notwithstanding any other provision of law or of this joint resolution, none of the funds provided in this or any other Act shall hereafter be used by the Interstate Commerce Commission to approve railroad branchline abandonments in the State of North Dakota by the entity generally known as the Burlington Northern Railroad, or its agents or assignees, in excess of a total of 350 miles: *Provided*, That this section shall be in lieu of section 311 (amendment numbered 93) as set forth in the conference report and the joint explanatory statement of the committee of conference on the Department of Transportation and Related Agencies Appropriations Act, 1982 (H.R. 4209), filed in the House of Representatives on November 13, 1981 (H. Rept. No. 97–331).

SEC. 116. Notwithstanding any other provision of law or of this joint resolution, the funds provided for section 18 nonurban formula grants and section 5 urban formula grants in this joint resolution shall be apportioned and allocated using data from the 1970 decennial census for one-half of the sums appropriated and the remainder shall be apportioned and allocated on the basis of data from the 1980 decennial census: *Provided*, That this section shall be in lieu of amendments numbered 64 and 66 as set forth in the conference report and the joint explanatory statement of the committee of conference on the Department of Transportation and Related Agencies Appropriations Act, 1982 (H.R. 4209), filed in the House of Representatives on November 13, 1981 (H. Rept. No. 97–331).

SEC. 117. Notwithstanding any provision of this joint resolution, the funds made available by this joint resolution which would be available under H.R. 4560, entitled "Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982", for school assistance in federally affected areas under title III of such Act shall be available under the authority and conditions set forth in H.R. 4560 as reported to the Senate on November 9, 1981.

SEC. 118. Notwithstanding section 1903(a) of the Social Security Act, all medicaid payments to the States for Indian health service facilities as defined by section 1911 of the Social Security Act shall be paid entirely by Federal funds and notwithstanding section 1903(t) of the Social Security Act, all medicaid payments to the States for Indian health service facilities shall not be included in the computation of the target amount of Federal medicaid expenditures.

SEC. 119. Notwithstanding any other provision of this joint resolution, there are appropriated $1,000,000 to continue the operations of the Office of Adolescent Pregnancy Programs of the Department of Health and Human Services.

SEC. 120. Notwithstanding any provision of law, none of the funds appropriated for the Department of Labor, Mine Safety and Health Administration, shall be used to classify a mine in the potash industry as gassy based upon air samples containing concentrations of methane gas, unless such classification standard has been adopted through formal rulemaking on or before November 5, 1981.

SEC. 121. Notwithstanding any other provision of this joint resolution, (1) amounts at the level provided in H.R. 4560 as passed by the House are available for general departmental management, Department of Health and Human Services, and the program direction and support services activity, Assistant Secretary for Health. (2) For carrying out, except as otherwise provided, titles XI, XVIII, and XIX of the Social Security Act, and sections 1526 and 1533(d) of the Public Health Service Act, $80,035,000, together with not to exceed $892,309,000 to be transferred to this appropriation as authorized by section 201(g)(1) of the Social Security Act, from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein: *Provided*, That none of these funds shall be used to pay the expenses of statewide professional standards review councils."

SEC. 122. Notwithstanding any other provision of this joint resolution, appropriations for salaries and expenses in this joint resolution for the Department of Health and Human Services are hereby reduced by $21,800,000."

SEC. 123. Notwithstanding any other provision of this joint resolution, funding for sections 501(a), (b), and (c) of the Refugee Education Assistance Act of 1980 shall be at the levels and under the terms and conditions of the Labor-Health and Human Services Education Act, 1982, as passed by the Senate.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily lay aside Senator ROBERT C. BYRD's amendment for consideration of some technical amendments of the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 655

(Purpose: Technical amendments)

Mr. HATFIELD. Mr. President, I send to the desk a technical amendment and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment numbered 655.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 24, strike out "such Act as passed the".

On page 6, line 25, before the word "Senate" insert "such Act as passed the".

On page 24, line 20, strike out the word "grassy" and insert in lieu thereof "gassy".

On page 18, line 10, before the period insert ", notwithstanding section 15(a) of the State Department Basic Authorities Act of 1956 and section 701 of the United States Information and Educational Exchange Act of 1948, as amended".

Mr. HATFIELD. Mr. President, these are the line-by-line corrections. These are word corrections. These are purely typographical corrections. They have been cleared with the minority, I am told.

Mr. PROXMIRE. Mr. President, I have had an opportunity to see these amendments and they are technical and in order. I support them.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment (UP No. 655) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I have been informed that the proponent of the amendment is ready to go to vote on this question and I am ready to go to a vote.

Mr. BUMPERS. Have the yeas and nays been requested, Mr. President?

The PRESIDING OFFICER. They have been ordered.

Mr. PROXMIRE. Is the amendment the amendment of the Senator from West Virginia?

Mr. HATFIELD. Yes.

UP AMENDMENT NO. 653

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will now call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that if present and voting, the Senator from Connecticut (Mr. DODD) and the Senator from Vermont (Mr. LEAHY) would vote "yea."

The PRESIDING OFFICER (Mr. QUAYLE). Are there other Senators in the Chamber that desire to vote?

The result was announced—yeas 46, nays 51, as follows:

[Rollcall Vote No. 395 Leg.]

YEAS—46

Baucus	Exon	Metzenbaum
Bentsen	Ford	Mitchell
Biden	Glenn	Moynihan
Boren	Hart	Nunn
Bradley	Heflin	Pell
Bumpers	Hollings	Proxmire
Burdick	Huddleston	Pryor
Byrd, Harry F., Jr.	Humphrey	Randolph
Byrd, Robert C.	Inouye	Riegle
Cannon	Jackson	Sarbanes
Chiles	Johnston	Sasser
Cranston	Kennedy	Stennis
DeConcini	Levin	Tsongas
Dixon	Long	Williams
Eagleton	Matsunaga	Zorinsky
	Melcher	

NAYS—51

Abdnor	Grassley	Packwood
Andrews	Hatch	Percy
Armstrong	Hatfield	Pressler
Baker	Hawkins	Quayle
Boschwitz	Hayakawa	Roth
Chafee	Heinz	Rudman
Cochran	Helms	Schmitt
Cohen	Jepsen	Simpson
D'Amato	Kassebaum	Specter
Danforth	Kasten	Stafford
Denton	Laxalt	Stevens
Dole	Lugar	Symms
Domenici	Mathias	Thurmond
Durenberger	Mattingly	Tower
East	McClure	Wallop
Garn	Murkowski	Warner
Gorton	Nickles	Weicker

NOT VOTING—3

Dodd	Goldwater	Leahy

So Mr. ROBERT C. BYRD's amendment (UP No. 653) was rejected.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now recurs on the first degree amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that amendment be temporarily laid aside so Mr. PACKWOOD may present an amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

UP AMENDMENT 656

The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon (Mr. PACKWOOD) proposes an unprinted amendment numbered 656:

On page 7, before the period at the end of line 14, insert the following: ", except that none of the funds made available by this joint resolution shall be used by the National Railroad Passenger Corporation for the operation of rail passenger service between Washington, D.C., and Chicago via Cincinnati."

Mr. PACKWOOD. Mr. President, this amendment is similar to a motion I made when we had the bill under consideration previously, to strike from the bill money for the train known as the Cardinal, which runs from Chicago to Washington through some States in between. Mr. President, I want to lay before the Senate a problem that is a procedural problem that is going to affect every committee, not just mine and the Commerce Committee—every single committee if they are faced with the possibility or the problem of the Appropriations Committee legislating on appropriations bills.

This is the situation that the Senate finds itself in. Under rule XVI, we are not allowed to legislation on appropriations bills. However, if the House of Representatives has legislated on an appropriation bill, if the issue of germaneness is raised as a defense before a ruling from the Chair on the point of order involving legislation on an appropriation bill, the defense of germaneness is considered first and if, indeed, the issue is determined by the Senate to be germane, then the point of order cannot be raised that you are legislating on an appropriation bill.

I emphasize very clearly, Mr. President, those are two different points: One, are you legislating on an appropriations bill; two, is it germane? Let us take this example.

In the appropriation bill is language which will keep the Cardinal going, this train between Chicago and Washington. In my mind, that is clearly legislating on an appropriation bill. I have checked with the Parliamentarian, I have checked with those who are parliamentary experts on the Republican side of

the aisle, and they agree that if that were the only issue raised—not germaneness, but legislating on an appropriation bill—then, indeed, it would be subject to a point of order. However, if, before the point of order is ruled on—and if the point of order were ruled on and ruled in my favor that this is legislative, it obviously takes it out of the bill. At that stage, there is no point in raising the question of germaneness because the issue is taken from the bill.

But if, before the Chair rules, the defense of germaneness is raised and the Chair submits the issue of germaneness to the Senate because there is something in the bill that comes from the House, then the point of order that you are legislating falls if the Senate agrees that the subject language is germane. If the issue of germaneness prevails and it is found to be germane, then there is no quarrel with legislating on an appropriation bill.

Mr. President, let me state what has happened and why it has happened. I am going to read to the Senate a letter that I have from the Parliamentarian, Robert Dove.

I am writing to you in an attempt to explain my interpretation of Rule XVI as it impacts on the right of Senators to have legislative language stricken from an Appropriations Bill on a point of order. Prior to November 9, 1979, this right was severely limited by the defense of germaneness, a question decided exclusively by the Senate itself, and based on the theory that if "the House of Representatives opens the door by incorporating legislation in a general appropriation bill, the Senate has an inherent right to amend . . . notwithstanding its rules." (Senate Procedure, p. 133)

On Nov. 9, 1979, during the consideration of an amendment offered by the Senator from Colorado, Mr. Armstrong, a point of order was made and sustained that where there was "no House language . . . to which the question of germaneness could be raised" the question of germaneness should not be submitted despite the wording of rule XVI to the contrary. (Senate Procedure, p. 130)

Mr. President, I want to emphasize what that ruling was: That where there was no House language to which the question of germaneness could be raised, then the question of germaneness should not be submitted.

This precedent was not used again until September 24, 1981, when, during the consideration of H.J. Res. 325, the Senator from Alaska, Mr. Stevens proposed an amendment to amend the Internal Revenue Code to allow Senators and Congressmen to deduct living expenses from their income for Internal Revenue purposes. When Senator Stevens raised the defense of germaneness to this amendment the Chair invoked the Armstrong Precedent and refused to submit the question. On the question of whether this was legislation on an appropriation bill the Senate overturned the Chair and the amendment was adopted.

As a result of the above mentioned occurrences I feel that if there is any House language to which an amendment could possibly be germane in any future appropriation bill, the Chair should submit the question in accordance with Rule XVI which states "all questions of relevancy . . . shall be submitted to the Senate."

Mr. President, here is the situation we find ourselves in. It is now going to be the ruling of the Parliamentarian that if there is anything in the House bill that in any way relates to legislating on an appropriation bill, then any kind of legislation offered by the Appropriations Committee here will be left to the Senate as to whether or not it is germane. It will no longer be stricken by the Chair on its own motion as being not germane.

There are 29 members of the Appropriations Committee. We all know the tendency, and we all do it, to stick with our committee. That means that any member of the Appropriations Committee that can get anything put in the bill that relates to legislating on something that relates to his district or his State, that is going to be found to be at least, at a minimum, subject to a vote in the Senate as to whether it is germane, whether or not we rationally might think it is germane. I do not need to tell you, Mr. President, the disproportionate influence that this gives to members of a committee that has 29 members on it who are inclined to band together, Republican and Democrat, and support their committee.

You will start out with 29 votes, and it does not matter that you are possibly invading the jurisdiction of the Commerce Committee or the Finance Committee or the Energy Committee or the Banking Committee or any other committee, because the issue is this: Is this germane? If the House has any shred of language in it—it does not even have to be related to the same subject—any shred of language in it involving legislative language, then it will be submitted to us; and the question will not really become "Is it or is it not germane?" It will be whatever we decide, on whatever vote will determine the outcome.

For those of us not on the Appropriations Committee, with the bulk of the Senate not on the Appropriations Committee, in most cases you will start out with 29 votes against you. I do not say that critically. There is simply a natural tendency for us to stick with our committees when it is in defense of something in a committee report or language in a committee bill.

Prior to submitting this amendment, which is strictly to say that no money shall be used for the Cardinal, I offered an amendment to the Senator from West Virginia (Mr. ROBERT C. BYRD), because he had indicated when we debated this earlier that he had been assured by Alan Boyd, the head of Amtrak, that no other train would be affected if the Cardinal were kept going.

So the additional language I was going to add was as follows:

If, due to the operation of such service—

The Cardinal—

the National Railroad Passenger Corporation—

Amtrak—

would be required to discontinue the operation of any train which is being operated on the date of enactment of this joint resolution, or would be required to modify or adjust the frequency or quality of service of any such train.

In short, I was willing to say, "Fine, go ahead and run the Cardinal, so long as the running of it does not impinge on any other train," which is the position the Senator from West Virginia held 2 weeks ago—it will not impinge on the running of any other train. I think it will. But I was willing to offer language, that I would not move to strike, despite the fact that I think the precedent, so far as it involves all other committees, is dangerous.

I offer this language. The Senator from West Virginia respectfully declined to accept it.

I have a letter dated November 18, 1981, from Alan Boyd. All Senators are aware that we will be voting later on moves to cut this bill by 2 percent or 5 percent. I have a letter from Alan Boyd indicating that if those cuts are made, four trains would have to be cut during the remaining 9 months of the fiscal year to obtain savings equivalent to a full year's savings of three trains. He also states:

In addition, Amtrak will be required to add service under the existing transportation appropriation bill between Chicago and Washington, notwithstanding any across-the-board reduction in the appropriation.

Let me make it clear that the Cardinal is not running now. It does not meet any statutory criteria that would allow it to run.

Several years ago, we ceased writing into the law, "Thou shalt keep my train running," by name or designation or route, and we set forth criteria the train had to meet. The Cardinal does not meet it and has not met it, and I do not think it is going to meet it.

We have not designated a single other train in this little bill, not one. If the Cardinal is not going to damage any other train and its service, then the language I offered should have been accepted.

Alan Boyd has made it clear that he is up against a very tight limit with the present appropriation for Amtrak next year in $75 million, and if we adopt a cut, other trains will go; but, mark my words, the Cardinal is going to be kept. This is not going to be kept in preference to two or three other trains. It it going to be kept in preference to every other train in this country, regardless of the merits, and it is going to be kept because we have put ourselves into a parliamentary situation in which the natural tendency of the Appropriations Committee, 29 strong, is to vote 29 "aye" for any provision in an appropriation bill.

Therefore, all you have to do is to appeal to your friends on a bipartisan basis, or on a geographic basis, or on a friendship basis, or on any other basis, to see if you can pick up the additional 22 votes you need, assuming that we have 100 votes here.

If that is the way the Senate wants to go, then, never again, under the rulings of the Parliamentarian, are you going to be able to challenge, under rule XVI, a provision that it is legislation on an appropriation bill. In every case, the issue of germaneness is going to be raised, and you will be starting out with 29 votes against you.

That is bad enough procedurally, from the standpoint of the functioning of the Senate; but if, in addition to that, the Senate is going to go on record to save

this train in preference to every other train in the Nation, when the president of Amtrak says that he can barely keep the train going now—and those of you who are going to vote for the 2 percent or 5 percent cut that is coming along should remember that if that cut comes, if three or four trains are cut out of this Nation and one of them is your train, while the Cardinal is kept, if you vote against me at this time on this motion, you will be doing damage to the procedures of the Senate, and you may be cutting out your own train which is not earmarked and specifically designated in this legislation. Even though it has more merit, you may be cutting out your own train, if my motion to delete this section fails.

Mr. ANDREWS. Mr. President, I oppose the amendment.

My colleague and good friend from Oregon has made some very important points on procedure in the Senate; and there is always a possible question, obviously, on the ruling of the Parliamentarian as to germaneness on issues of this type. But I point out to my good friend that the question on the point of germaneness was decided by a vote of 75 to 12, if I recall correctly.

Later, as the Senate invariably does, the Senate moved on to a separate vote on the merits of this particular issue; and on that recorded vote on the merits of retaining the Cardinal, the vote, as I recall, was 53 to 34.

There are some interesting precedents brought up. The principle, however, is, do the elective representatives of the people, those of us who are privileged to be Members of Congress, reserve the right, indeed the duty, to overrule occasionally the Alan Boyds and the other bureaucrats who make decisions from their nonelected positions?

That, actually, is the tradition under which this decision was made 2 weeks ago; and many Senators on both sides of the aisle voted. The decision was made by a recorded vote to retain the Cardinal, based on the merits of the case.

As to the charge that, somehow or other, the Appropriations Committee is banding together to "do in" the other committees or to "do in" the other Members of the Senate, I happened to leaf through the Committee of Conference Report on another matter that involved earmarking funds, specifically pointing out how these funds should be spent. Let me read from page 29 of the conference report. It says:

Sec. 325. Notwithstanding any other provision of law, the Secretary shall, with regard to the Urban Discretionary Grant Program of the Urban Mass Transportation Administration, promptly issue a letter of intent for the Dade County, Florida, Circulator System for $63,642,666, and, in addition, shall promptly issue a letter of intent for nonrail projects in the Portland, Oregon, Metropolitan region for $76,800,000 and also issue a letter of intent for the Southeast Michigan Central Automated Transit System for 110 million 1981 dollars.

Now, where should they issue letters of intent? The Senate directed that one was for $110,000,000 to southeast Michigan. Neither of Michigan's Senators is on the Appropriations Committee.

I point out to the Senate that the reason for this type of earmarking is undoubtedly that Appropriations Committee bills come up more often in the cycle of handling legislation than the legislative bills; and when the Senate, in its wisdom, perceives that an add-on shall be made or a deletion shall be made, an appropriations bill is the vehicle for that change.

I also point out that, in the same paragraph, we did in fact earmark and direct $76,800,000 to Portland, Oreg.

And we also in that same paragraph directed the issuance of a letter of intent for the Dade County, Fla., circulator system.

The Senate did direct. The Senate did, on an appropriations bill, overrule, in effect, the actions of various appointed officials because the Senate as a representative of the people—and the House of Representatives as a representative of the people, because I am referring to a conference report—felt that it was in the best interest of the Nation that these funds be earmarked and these projects or that train move forward.

It has been done that way not because the Appropriations Committee wants to enjoy some special privilege or special benefit, but because of the Members of the Senate coming to the appropriate subcommittees of the Appropriations Committee pointing out specific needs that can be recommended by being included in the appropriations bills as they move forward. Whether they are members of the committee or not, if their cases have merit, and if by a bipartisan vote of the majority of the members of the subcommittee and later sustained on the floor of the Senate or the House of Representatives, then those specific earmarkings do in fact move ahead.

Mr. President, I hope that the vote of 53 to 34 that decided this issue 2 weeks ago when we debated the bill will be upheld today.

I yield to my colleague from West Virginia, the senior Senator.

Mr. ROBERT C. BYRD. Mr. President, I thank my distinguished friend, the chairman of the Transportation Appropriations Subcommittee.

May I inquire of the distinguished Senator from Oregon what he proposes to do? Does he propose to strike the language in the continuing resolution or does he propose to offer a substitute? What are we facing here?

Mr. PACKWOOD. Mr. President, ask the question again. The only copy I have is at the desk. Ask it again and I will go up and take a look at it.

Mr. ROBERT C. BYRD. I merely want to know what I am up against. Is the Senator going to offer the amendment; is he moving to strike the language in the pending resolution. What does he propose to do?

Mr. PACKWOOD. I will read it to the Senator specifically.

On page 7, before the period at the end of line 14, insert the following: ", except that none of the funds made available by this joint resolution shall be used by the National Railroad Passenger Corporation for the operation of rail passenger service between Washington, D.C., and Chicago via Cincinnati."

Mr. ROBERT C. BYRD. Will the Senator read the language again?

Mr. PACKWOOD. Yes.

On page 7, before the period at the end of line 14, insert the following: ", except that none of the funds made available by this joint resolution shall be used by the National Railroad Passenger Corporation for the operation of rail passenger service between Washington, D.C., and Chicago via Cincinnati."

Mr. ROBERT C. BYRD. So the Senator proposes to prevent any funds from being utilized for the operation of the Cardinal?

Mr. PACKWOOD. That is correct.

Mr. ROBERT C. BYRD. Mr. President, in the first place the Senator assumes a reduction in the overall amount of $735 million. We discussed this at some length during the consideration of the transportation appropriation agencies bill at which time I indicated that Mr. Boyd, the president of Amtrak, had stated to me in my office that if the $735 million were appropriated, if State and local taxes were waived, the operation of the Cardinal would not impinge upon the operation of any other train.

Mr. President, this matter has been argued and decided upon on a number of occasions—in the Senate Appropriations Subcommittee on Transportation, in the full Senate Appropriations Committee, here on the Senate floor, and in conference with the House of Representatives.

The statement of the managers on the 1982 Department of Transportation and related agencies appropriations bill reads as follows:

The managers are encouraged by the improved ridership on this train in the past year and believe that further improvement is clearly possible. Amtrak is directed to improve local advertising and reservations service, along with the route of the Cardinal. Also the managers expect Amtrak to report before April 1, 1982 to the House and Senate Appropriations Committees on the feasibility of increasing ridership on the Cardinal through route changes, fare restructuring, and service improvements. In particular, this report should comment on the practicality of routing the Cardinal through Indianapolis, Indiana.

So the conferees in both houses have given careful study to this matter and they have directed Amtrak to take actions to increase the ridership on the Cardinal through various and sundry means.

And I will repeat what I said during the debate on the transportation appropriations bill.

The Cardinal has met the criteria as far as passenger miles per train mile in the month of June and in the month of July. It exceeded that figure during both months, the figure being 150 PMPT. In June the figure was 150.7, and in July the figure was 164.7.

The other performance criterion for long distance trains is a 10.1 cents avoidable loss per passenger mile. The Cardinal has an avoidable loss per passenger mile of 9.1 cents.

Mr. President, the language in the Transportation appropriations bill reads as follows:

Provided further, that notwithstanding any other provisions of law, the Corporation shall provide through rail passenger serv-

ice between Washington, D.C. and Chicago via Cincinnati.

That does not require that the Cardinal run 7 days a week. It does not require that the Cardinal run 6 days a week. It does not require that the Cardinal run 5 days a week. It just requires that the Corporation shall provide through rail passenger service between Washington, D.C., and Chicago via Cincinnati.

So this gives the Corporation the flexibility that is needed to increase the ridership and to make whatever adjustments are necessary in the operation of the Cardinal, whether it be 3 days a week, 5 days a week, or daily, whichever may appear to be most feasible and appropriate in the light of the circumstances.

So I hope that the Senate will vote down the amendment. The Senate has spoken on this previously.

In closing, I want to thank Mr. PACKWOOD for offering the amendment today so that the Senate may have an opportunity to debate the matter while I am present.

I close by thanking the distinguished chairman of the Appropriations Subcommittee, Mr. ANDREWS, and by urging all Senators to vote down the amendment.

Mr. PACKWOOD. Mr. President, let me thank the distinguished Senator from West Virginia, who has been very courteous on this matter, and I will wrap up in 5 minutes, and we will be able to finish within the time limit we have.

First, let me respond to the Senator from North Dakota when he talked about earmarking funds for Portland, Oreg. He is perfectly correct. But that is earmarking funds that have been authorized, and we all know we do not get everything in an appropriation bill we would like to get, and many more things are authorized than we find money for. It is a normal practice around here. We all go to the Appropriations Committee, and we have 10 projects in Oregon, and we ask "Can you fund them?" And they fund maybe four of them. But they are all authorized and go through this body, and we said that all of them are justifiable if you can get money from the Appropriations Committee.

That is not the situation involved here. We have said, if you want to call the standard we have set down for Amtrak authorization, if trains do not get 150 passengers per train mile, Amtrak shall not run them. So we are not saving we are going to interfere willy-nilly with the arbitrary discretion of Alan Boyd, president of Amtrak. This is not overruling some arbitrary decision of the bureaucrat. The bureaucrat is doing what we told him. We told him that if the trains do not meet the 150 passengers per train mile they are not to run.

The Cardinal in 1980 averaged 87 passengers per train mile during June and July. They averaged, the Senator from West Virginia said that was the best passengers per train mile in the country—Amtrak's projection for the Cardinal if it runs, if it runs daily, it will get 122 passengers, if they are lucky under the most optimistic projections; if they run three times a week it will be 128.

I will conclude by reading from one letter. The letter is not here, but it is from Tim Gillespie. The rest of the letter relates to other things, and Alan Boyd has not seen the letter and they cannot sign off on it, but they will sign off, and this is what this one paragraph says:

In the event that Amtrak experiences significant revenue reductions or significant cost increases or both during fiscal year 1982, it is possible that the operation of the Cardinal would have an impact on other services. As you know, Section 1183 of the Omnibus Budget Reconciliation Action of 1981 requires Amtrak to operate within available resources. If Amtrak were required to reduce services in order to meet that mandate, we may well be faced with the anomaly of reducing service along routes whose performance is better than the Cardinal.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? Apparently there is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Connecticut (Mr. DODD) and the Senator from Montana (Mr. MELCHER) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "nay."

The PRESIDING OFFICER (Mr. JEPSEN). Are there any other Senators wishing to vote?

The result was announced—yeas 47, nays 49, as follows:

[Rollcall Vote No. 396 Leg.]

YEAS—47

Armstrong	Grassley	Percy
Baker	Hatch	Pressler
Boschwitz	Hawkins	Proxmire
Cannon	Hayakawa	Roth
Chafee	Heinz	Rudman
Cochran	Helms	Schmitt
Cohen	Humphrey	Simpson
D'Amato	Jepsen	Specter
Danforth	Kassebaum	Stafford
Denton	Kasten	Stevens
Dole	Lugar	Symms
Domenici	Mattingly	Thurmond
Durenberger	McClure	Tower
East	Murkowski	Wallop
Garn	Nickles	Weicker
Gorton	Packwood	

NAYS—49

Abdnor	Exon	Metzenbaum
Andrews	Ford	Mitchell
Baucus	Glenn	Moynihan
Bentsen	Hart	Nunn
Biden	Hatfield	Pell
Boren	Heflin	Pryor
Bradley	Hollings	Quayle
Bumpers	Huddleston	Randolph
Burdick	Inouye	Riegle
Byrd, Harry F., Jr.	Jackson	Sarbanes
	Johnston	Sasser
Byrd, Robert C.	Kennedy	Stennis
Chiles	Levin	Tsongas
Cranston	Long	Warner
DeConcini	Lugar	Williams
Dixon	Mathias	Zorinsky
Eagleton	Matsunaga	

NOT VOTING—4

Dodd	Leahy	Melcher
Goldwater		

So Mr. PACKWOOD's amendment (UP No. 656) was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was rejected, and, Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I would like to state at this time that as far as the immediate issues that we will take up next, there are two colloquies which are pending, and then we will move to set aside the present bill temporarily and take up the D.C. appropriations bill and act on it.

I am informed by the leadership that there is a target of 6:30 p.m. for recess. I thought Members would like to know that at this time we know of no rollcall vote that will be asked for on the D.C. appropriations bill. There is always that possibility of someone asking for one, though I am not aware of such a request to be made at this time.

At this time, Mr. President, I yield to the chairman of the Senate Environment and Public Works Committee, Senator STAFFORD, for a colloquy with Senator SCHMITT, chairman of the Subcommittee on Labor, HHS, Education and Related Agencies.

Mr. STENNIS. Mr. President, may we have order? Would the Senator use his microphone?

Mr. HATFIELD. I am using the microphone.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATFIELD. Mr. President, I yield to Senator STAFFORD.

UP AMENDMENT NO. 657

(Purpose: To provide additional conditions for Pell Grants)

Mr. STAFFORD. Mr. President, I have an unprinted amendment at the desk which I call up and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair will advise that it will take unanimous consent to temporarily lay aside the pending committee amendment.

Is there objection?

Mr. ROBERT C. BYRD. Mr. President reserving the right to object.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the time agreement on this colloquy be 5 minutes equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. I would have no objection under those conditions.

The PRESIDING OFFICER. Hearing none, it is so ordered.

Mr. HATFIELD. Mr. President, I now ask unanimous consent to lay aside temporarily the pending amendment in order that the amendment on which there is a time agreement can be taken up.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Vermont (Mr. STAFFORD) proposes an unprinted amendment numbered 657.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution, add the following new section:

SEC. . Notwithstanding any other provision of the joint resolution, the funds made available by this joint resolution which would be available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981, for Student Financial Assistance shall be subject to the following additional conditions:

(1) The maximum Pell Grant a student may receive in 1982–1983 academic year is $1,800, notwithstanding section 411(a)(2)(A)(i)(II) of the Higher Education Act of 1965.

(2) The cost of attendance used for calculating eligibility for and amount of Pell Grants shall be established by the Secretary of Education.

(3) The Secretary of Education may establish or approve separate systems of need analysis for academic year 1982–1983, without regard to the provisions of subsections (a), (b), and (c) of section 482 of the Higher Education Act of 1965, for the programs authorized under subpart 2 of part A, part C, and part E of title IV of the Higher Education Act of 1965.

(4) The family contribution schedule for the 1981–1982 academic year shall be the family contribution schedule for the 1982–1983 academic year, modified by the Secretary of Education to exclude payments under the Social Security Act and title 38, United States Code, described in paragraph (5) and to reflect the most recent and relevant data, except that the Secretary of Education shall establish a series of assessment rates applicable to discretionary income in accordance with section 482(b)(4) of the Higher Education Act of 1965. The modified family contribution schedule under this paragraph shall be submitted to the President of the Senate and the Speaker of the House of Representatives not later than 15 days after the date of enactment of this resolution and shall otherwise be subject to the provisions of section 482(a) of the Higher Education Act of 1965.

(5) Notwithstanding the provisions of section 482(b)(3) and the provisions of section 411(a)(2)(B)(ii), no Pell Grant shall exceed the difference between the cost of attendance at the institution at which the student is in attendance, and the sum of the expected family contribution and any amount paid to, or on account of, the student under the Social Security Act and any amount paid the student under chapters 34 and 35 of title 38, United States Code, and if with respect to any student, it is determined that the amount of a Pell Grant plus the amount of the expected family contribution, the amount paid to, or on account of, the student under the Social Security Act, and the amount paid the student under chapters 34 and 35 of title 38, United States Code, exceeds the cost of attendance for that year, the amount of the Pell Grant shall be reduced until the combination of expected family contribution, the amount of the Pell Grant, and the amount paid under the Social Security Act, and chapters 34 and 35 of title 38 of the United States Code does not exceed the cost of attendance at such institution.

Mr. STAFFORD. Mr. President, to be very brief, this amendment corrects some serious inequities in the Pell grant program under present law which will occur because of diminished funding, unless this amendment is adopted. Without the changes which this amendment makes, some 900,000 needy students proposing to go to college will not be able to receive Pell grants.

I am pleased that the committee, during its consideration of the appropriations bill for Labor, HHS, and Education, took the first step in this process—by allowing the historically separate methods of calculating awards for Pell grants and the campus-based student assistance programs to continue, by allowing the Secretary of Education to set an appropriated cost-of-attendance allowance, and by providing for an $1,800 maximum Pell grant.

This amendment, Mr. President, would have the effect of precluding in part the implementation of the admittedly unreasonable family contribution schedule sent to Congress by the administration on October 13, after a delay of more than 6 weeks. This delay has prevented the timely finalization of a schedule for distributing Pell grants at the time when millions of prospective and current students are in the process of determining their plans for the next academic year. Students and their institutions have experienced severe dislocation during the past 2 years due to unreasonable delays in receiving notification of their Pell grant awards from the Department of Education. This should not be allowed to continue.

If this or a comparable amendment is not adopted, the maximum Pell grant will be $2,100, at 60 percent of the cost of attendance, which would drive the cost of this program to an astronomical level—certainly above $3 billion. Using the schedule in law to reduce awards at less than the full funding level, drastic reductions in awards would result, dropping hundreds of thousands of students from the program.

On October 29, the Subcommittee on Education, Arts and Humanities, of which I am the chairman and of which Senator PELL is the ranking minority member, held a hearing to consider the family contribution schedule submitted by the administration for Pell grant awards for the 1982–83 academic year. That schedule, unless disapproved by Congress, will go into effect at the beginning of December. The administration witness at the subcommittee hearing characterized its own schedule as "relatively harsh." I would characterize it as "regressive," as it imposes, at the minimum, a 40-percent assessment, or tax rate, on family discretionary income, virtually four times that imposed in the last schedule submitted.

This assessment is so high as to eliminate students with adjusted gross family incomes above $15,000 from the program—effectively repealing the Middle Income Student Assistance Act of 1978. We will, later this week, be introducing a resolution of disapproval which will complement this amendment, but such a resolution cannot have the force of law to make the changes required.

Basically, Mr. President, the administration has informed us that it does not in fact want the schedule it has proposed to be implemented, but rather would like to see changes which would meet its proposed appropriations level for the Pell grant program, a level which both the Appropriations Committee and the House have rejected. While certain of these changes might be acceptable—such as the series of graduated assessment rates and the counting of part of a family's equity in a home in assessing student need for Pell grants—other changes are less acceptable.

For example, the administration would impose a dollar-for-dollar reduction in Pell grant benefits for every dollar received in social security assistance. As these benefits tend to go to the neediest students, such a proposal would have a "double-whammy" effect.

We had hoped, Mr. President, that the Secretary of Education would have exercised his authority to waive the provisions of the Pell grant program, subject to congressional review and approval, in order to prevent this continued impasse. As one of the authors of this provision, Section 516(d)(1)(B) Reconciliation Act, it was our intent, due to the essential interrelationship between the Pell grant program and the methods of needs analysis embodied in section 482 of the Higher Education Act, that the Secretary be able to recommend to Congress a waiver of provisions either in the Pell grant authorization—title IV, part A, subpart 1—or in section 482.

Specifically, Mr. President, our amendment, in conjunction with the committee amendment on House Joint Resolution 357, would put in place the same schedule as last year, adjusted for inflation and other updated changes. These adjustments should include income in 1981 as the base year for establishing Pell grant eligibility; should include calendar year 1981 and 1982 as the year to establish independent student status; and should establish calendar year 1982 as the appropriate year to calculate the independent student status of a married student.

This amendment would allow the Secretary of Education to establish a series of assessment rates on discretionary income, consistent with changes adopted in the Reconciliation Act earlier this year.

With respect to the Secretary's determination of cost-of-attendance allowances, we intend that the Secretary will follow the allowances designated for the 1981–82 academic year. We further expect that the Secretary would exercise his authority to increase asset exclusions for home, farm and business equity. Under our amendment, social security student assistance or VA student benefits would be considered as student aid rather than as family income for the purpose of Pell grant calculations.

Mr. President, it is imperative that these modifications be made in order to implement an equitable and fair distribution of Pell grants in the most timely

manner, so that students can make informed choices as to the financing of their education. I urge the Senate's adoption of this amendment.

Mr. President, I have discussed this amendment with the chairman of the Committee on Appropriations and with the distinguished chairman of the Subcommittee on Appropriations on educational matters Mr. SCHMITT. I believe that Senator SCHMITT, following our discussion, may be in a position to accept the amendment. I yield to the Senator.

Mr. SCHMITT. Mr. President, I am prepared to accept this language relating to Pell grants, although, as we all should be, I am somewhat reluctant to do so because it is legislation. However, I want to make it very clear that this amendment and these provisions are necessary at this time, urgently necessary, to allow the administrators of this program to begin processing applications for the next school year. I also realize that these provisions help constrain the costs of the Pell grant program.

My reluctance to accept this amendment stems from the fact that this is clearly legislation and really should not be offered as part of an appropriations bill.

I compliment the very able chairman of the Education Subcommittee for his achievements this year on the reconciliation bill, but I hope that in the coming year he will take a further look at the Federal role in student assistance. I particularly hope that he will continue to look further at ways to reduce the soaring costs of the guaranteed student loan program, the only entitlement in the Department of Education, which now takes up 19 percent of the education budget.

Three of the provisions in the Senator's amendment are already included in the Senate-reported Labor-HHS-Education bill: the $1,800 maximum grant, deferring the liberalized cost-of-attendance regulations enacted in 1980, and decoupling the needs analysis system for Pell grants from that used for the other campus-based student aid programs.

There are two additional provisions: One sets in place last year's family contribution schedule with a few minor modifications, and the other defines treatment of social security and VA student benefits under the Pell grant program.

Therefore, Mr. President, because of the urgent need for this, I recommend to the chairman and to our colleagues that we accept this amendment. Again, I compliment the chairman of the Education Subcommittee for his capable leadership of that very important subcommittee.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. RANDOLPH. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. STAFFORD. Mr. President, let me first thank the Senator from New Mexico for his remarks, and for his cooperation in accepting this amendment. The staff of the Senator from New Mexico has been particularly helpful on this very complex issue.

Mr. PROXMIRE. On behalf of the minority, Mr. President, let me say that I am happy to support the amendment. As I understand it, this would not add any money to the bill, it simply would change the manner in which the funds are distributed to some extent to help needier students.

Mr. STAFFORD. The Senator is correct.

Mr. PROXMIRE. That is an excellent purpose.

Mr. STAFFORD. Compared to present law, it saves some costs.

Mr. SCHMITT. Mr. President, I think that is an excellent point, that compared to the present law, this amendment not only helps needier students, but it helps reduce costs.

Mr. RANDOLPH. Mr. President, will my colleague yield?

Mr. STAFFORD. I am glad to yield to the distinguished Senator from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. Mr. President, it is not only a privilege for me but it is a pleasant assignment for me to serve on the subcommittee chaired by the able Senator from Vermont and to support this amendment which, happily, is agreed to by the managers of the pending legislation.

I do feel, without going into detail, that we need, as the Senate, to realize that student assistance programs, within reason, must be kept at funding levels whereby we will not endanger the higher education programs of the United States in literally hundreds and hundreds of independent and private colleges across America.

I am very grateful, as I think all of us are, regardless of the party to which we hold allegiance, that we understand, and I think we do understand, that these assistance programs are of particular importance to students in private and independent colleges of America who must be given the freedom of choice which they often do not have when stacked against the lower cost public institutions, which receive State appropriated aid, or those colleges that have strong church constituencies behind them. The Stafford amendment, assures that the Pell grant family contribution schedule treats all students in an equitable manner and assures access for more needy students at colleges throughout America.

I am graduated from a small college in West Virginia that is independent, that is private. It has no church background from the standpoint of money that can come in from a strong constituency, be it Methodist or Baptist or Presbyterian. We do not have that. So these programs, I must say to the Senator, are vital to the continuation of the financial stability of the institution which has meant so much to me as a graduate and, through the years, I know has accomplished much in the way of education. I am confident that more than half of the Members of the Senate, who are also graduates of private, independent, church-related colleges, will agree with my feelings, and would share my concern for these institutions and the students they serve.

I am very happy that, on the Subcommittee on Education, with the capable leadership of the Senator from Vermont, we are not thinking in terms of crossing or recrossing party lines. If we are to strengthen and continue the programs of education in institutions of this country such as Salem College, that I have spoken of as my alma mater, in face of the reductions which we know will take place in the operation of our Government under this continuing resolution requires a clarification of the family contribution schedule, such as the Senator from Vermont is proposing today in the presentation of this amendment.

Mr. STAFFORD. I thank the Senator for his comments, and for our collaborative efforts on this and other important matters in the Education, Arts, and Humanities Committee and the Committee on Environment and Public Works. Senator RANDOLPH's advocacy for our student assistance programs is well known, and I appreciate his continual support for all education programs.

The PRESIDING OFFICER. The time has expired on the amendment.

Mr. SCHMITT. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP 657) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote.

Mr. SCHMITT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 658

(Purpose: To express the sense of the Senate with respect to information transmitted by the President relating to reductions in budget authority and outlays and increases in revenues)

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) for himself and Mr. LEAHY proposes an unprinted amendment numbered 658 to his amendment numbered 651:

At the end of the amendment of Mr. ROBERT C. BYRD, add the following:

SEC. . It is the sense of the Senate that the President should include with the Budget submitted for fiscal year 1983 pursuant to section 201 of the Budget and Accounting Act, 1921, a full and complete list of all reductions in budget authority and outlays and increases in revenues for fiscal years 1982, 1983, and 1984, which he determines and certifies are necessary to insure that outlays do not exceed revenues by fiscal year 1984. It is further the sense of the Senate that such list—

(1) should only include categories of reductions in budget authority and outlays which explicitly specify the programs and appropriation accounts in which such reductions are to be made, the exact amount of such reductions, the provisions of law with respect to entitlement programs which must be changed in order to carry out such reductions, and the provisions of law with respect to increases in revenues which must be changed in order to achieve such increases; and

(2) should not include categories of reductions in budget authority and outlays such as "unidentified cuts", "future savings", "reductions to be proposed at a later date", or other categories imprecisely describing reductions in budget authority and outlays which are similar to the categories

included in the budget (including amendments and revisions thereto) submitted by the President for fiscal year 1982.

Mr. ROBERT C. BYRD. Mr. President, I understand that the distinguished Senator from Kentucky (Mr. FORD) wishes to engage in a colloquy at this time. I yield the floor.

Mr. FORD. I thank the distinguished minority leader.

Mr. President, on behalf of Senator HUDDLESTON and myself, I should like to pose a question to the distinguished Senator from Idaho, the chairman of the Energy and Natural Resources Committee, if I may.

It is our understanding that the effect of section 101(g) is to incorporate by reference into this act the entire bill language of the Department of Interior and Related Agencies Appropriation Act, 1982 conference report, as passed by the House. Is it correct to assume that the amendments, reported in disagreement by the conferees but passed last Thursday by this body, are incorporated in this act by this section?

Mr. McCLURE. Mr. President, in response to the question of the Senator from Kentucky, let me say he is correct. For instance, amendment No. 97 to the Interior appropriations bill was reported in technical disagreement and approved by the House. Section 101(g), if signed into law, would therefore appropriate the new funding contained in amendment No. 97, disapprove deferral D82–9, and permit expenditure of these funds in the manner described in the statement of managers of the Interior appropriations conference report.

Mr. FORD. Mr. President, I thank the distinguished Senator from Idaho for his response. I thank the distinguished minority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD) for allowing us to have this colloquy.

Mr. McCLURE. Mr. President, may I ask the distinguished Senator from Oregon (Mr. HATFIELD), the manager of the pending legislation, if the answer of the Senator from Idaho in response to the question of the Senator from Kentucky is correct?

Mr. HATFIELD. The Senator is correct.

Mr. McCLURE. I thank the Senator from Oregon.

UP AMENDMENT NO. 658

Mr. ROBERT C. BYRD. Mr. President, this amendment expresses the sense of the Senate that the administration provide a detailed list of budget cuts and tax increases necessary to achieve a balanced budget in fiscal year 1984.

Only 2 months ago, on September 21, President Reagan reaffirmed his belief in a balanced budget, saying:

> This administration is committed to a balanced budget, and we will fight to the last vote to achieve it in 1984.

Two weeks ago, however, the administration abandoned that goal. Speaking then about a balanced budget, Mr. Reagan said:

> If we can't do it in 1984, we'll have to do it later.

Mr. President, in short, this amendment expresses the sense of the Senate that the President, in developing his budget for presentation in January 1983, provide for a balanced budget in fiscal year 1984 and that he at the same time identify the plan by which that balanced budget in fiscal year 1984 will be reached.

In other words, there would be no so-called unidentified cuts. There would be no vague language that would leave Congress in doubt or the American people in doubt as to what cuts would be necessary or what tax increases would be required in order to achieve a balanced budget in fiscal year 1984. It would all be out on the table, for everyone to see and understand, for the Congress and the American people, so that they could clearly appreciate what cuts would be included and what tax increases would be required.

The amendment, I think, is a reasonable one. I believe it is reasonable to ask the administration to spell out in detail the necessary tax cuts, the necessary budget cuts, and the necessary tax increases to balance the budget by 1984.

I hope that the Senate will adopt the amendment.

I believe the goal of balancing the budget by 1984 is to important to relinquish, and I will continue the fight I began earlier this year to encourage this necessary fiscal prudence. This amendment is an important step in that direction.

On October 15, I submitted an amendment instructing OMB Director Stockman to reveal which budget cuts, and which tax increases, would be necessary to reach the administration's deficits targets of $43.1 billion in fiscal year 1982, $22.9 billion in fiscal year 1983, and a balanced budget in fiscal year 1984. This amendment, which asked nothing more than that the full picture be painted for the Congress and the American people, was made into a partisan matter and voted down on a straight party line vote.

On October 28, I introduced a bill which again directed the Office of Management and Budget to spell out the unidentified budget cuts and tax increases necessary to reach the administration's deficit targets. There has been no action on that bill.

My concern about the blue smoke and mirrors, which gave an aura of reality to this administration's budget projections, began on March 10th, when the President transmitted his budget to Congress. Even at that time, there were disturbing signs. Most disturbing were the $74 billion in "unidentified" cuts for fiscal years 1983 and 1984, which were necessary to balance the budget by 1984.

As the administration's budget and tax bills marched successfully through Congress, new obstacles cropped up in the path to a balanced budget, and three Republican Senators joined Senate Budget Committee Democrats in opposing the fiscal year 1982 first budget resolution because it did not provide for a balanced budget in fiscal year 1984.

To answer that, over the Easter recess, the administration developed a new master budget plan which reduced fiscal year 1984 spending by $44.8 billion, exactly the amount necessary to balance the budget in that year. Of this $45 billion reduction, $28 billion came from "unidentified cuts."

Although these unidentified cuts troubled me, and my fellow Democrats, the worst was yet to come, because the administration's July tax cut bill, which slashed $280 billion in revenues between 1982 and 1984, has proved to be a disaster.

Not only is this tax cut an unfair transfer of wealth from the middle to upper-income citizens, but it put a balanced budget out of reach by 1984. President Reagan said the Kemp/Roth tax bill ". . . includes just about everything to help the economy. . . ." But we now find out from Mr. Stockman that it was nothing more than a trickle down wolf in the sheep's clothing of supply side economics.

In September, the budget situation turned ever more grim. The economy was not responding to the plan, and the Congressional Budget Office now estimated that even if the previous $74 billion of unidentified cuts were made in fiscal years 1983 and 1984, the fiscal year 1984 deficit would equal $50 billion.

As the bad news continued to mount, the administration announced another multi-year budget plan to bring the deficit to zero by 1984. This fall budget plan included new spending cuts of $48 billion for fiscal year 1984 on top of the $51 billion that has already been cut by the administration's reconciliation plan passed in July.

After carefully evaluating this new administration plan, it was obvious that the numbers did not add up. This came as no surprise to the Nation's businessmen and financial markets, which had long been worried by the administration's unidentified cuts. It was then that I first offered legislation designed to clear the haze which surrounded the balanced budget plan.

After the surprising vote on my October 15 amendment, I sent a letter to Director Stockman on October 29. The letter asked Mr. Stockman to answer two crucial questions:

> First, what are the amounts of "unidentified" cuts for fiscal years 1982, 1983, and 1984 that are presently included in the President's Fall Budget Program? Second, based on the economic and budget situation as you see it today, what is your best estimate of spending reductions and revenue increases that are necessary to maintain the Fall Budget Programs' projected deficits of $43.1 billion in FY 1982, $22.9 billion in FY 1983, and a balanced budget in FY 1984?

Although this letter was sent nearly 3 weeks ago, I have received no response. Of course, those intervening days have brought some added pressures on Director Stockman, due to his candor in a national magazine. Unfortunately, that article confirmed the fear I had harbored all along, the fear that had caused me to offer legislation seeking clarification of the unidentified cuts and necessary tax increases assumed by the President's package.

The article depicted David Stockman as lightly dismissing this important matter of unidentified cuts. To him, the unidentified cuts, which held his deficit projections together, were just magic

asterisks. Well, I suppose magic asterisks have their place in a program the Vice President once labelled voodoo economics. Unfortunately, they have no place in the world of free market economics.

Government should seek to keep the investment horizon clear, not to fog it up by promising massive programmatic and tax changes without spelling out, in detail, the way such changes will be accomplished.

Without detailed information about which programs are scheduled for cuts, and which taxes are scheduled to be increased, there is no way to judge the likelihood that the administration's deficits will not balloon out of sight. Based on the last decade, and on the reception given to this September's budget proposals, investors, businessmen, and working people have good reason to doubt vague promises of future savings.

Without the detailed information I have called for in previous legislative initiatives, the risk-minimizing investor will not make risky productive capital investments.

Secretary Regan recently lashed out at the business community for not making new capital investments. He said:

We have carried through on our commitments . . . but where is the business response? Where are the new research and development initiatives? Where are the new plants? Where are the expansion plans? It's like dropping a coin down a well—all I'm hearing is a hollow clink.

The problem is not hollow clinks from business, but hollow promises from government. The administration may have decided to abandon its balanced budget goal for 1984, but I have not, and the Senate should not. If we abandon this goal, what point of reference do our business and labor leaders have as they try to plan for the future? If we abandon this goal, I am afraid we are jeopardizing economic recovery.

For that reason, I am proposing this amendment which would express the sense of the Senate that the administration should spell out in detail the necessary cuts and tax increases to balance the budget by 1984. It is time that we give the people of this country reason to believe in the projections and promises of their government.

I ask unanimous consent that my letter to Director Stockman, an article on Mr. Stockman from the Wall Street Journal, and a special report detailing the administration's flip-flops on the balanced budgets, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, D.C., October 29, 1981.

HON. DAVID A. STOCKMAN,
Director, Office of Management and Budget, Executive Office Building, Washington, D.C.

DEAR MR. DIRECTOR: On October 15, 1981, I offered an amendment to H.R. 4331, a bill to amend the Omnibus Reconciliation Act of 1981 to restore minimum benefits payments under the Social Security Act.

My amendment asked that you report to Congress a complete list of budget reductions and revenue increases that are necessary to achieve the FY 1982 and FY 1983 deficits, and the balanced budget for FY 1984 projected in the President's Fall Budget Program.

My amendment sought to identify all budget initiatives necessary to meet the Administration's most recent projections. This would include your latest internal revisions of the budget, as well as the "unidentified" savings assumed in the Fall Budget Program. Based on the information provided in the September 24, 1981, Fact Sheet released by the White House, it appears that there were "unidentified" cuts of $51.7 billion in FY 1983 and $82.0 billion in FY 1984.

Today, for the first time, I learned that the Office of Management and Budget privately disputes that the amounts of "unidentified" cuts in fiscal years 1983 and 1984 are that large.

To help clarify this situation, I would be grateful if you could immediately provide the answers to two questions. First, what are the amounts of "unidentified cuts for fiscal years 1982, 1983, and 1984 that are presently included in the Presidents Fall Budget Program? I believe these amounts should include any proposals that have not been transmitted to Congress.

Second, based on the economic and budget situation as you see it today, what is your best estimate of spending reductions and revenue increases that are necessary to maintain the Fall Budget Program's projected deficits of $43.1 billion in FY 1982, $22.9 billion in FY 1983, and a balanced budget in FY 1984?

I would appreciate your immediate attention to this matter.

Sincerely,

ROBERT C. BYRD.

[From the Wall Street Journal, Nov. 17, 1981]

WHY THERE'S LIFE AFTER DAVID STOCKMAN

(By Lindley H. Clark, Jr.)

David Stockman, the brilliant head of the Office of Management and Budget, clearly has ended his usefulness to the Reagan administration. If the President weren't such a nice guy he would have accepted Mr. Stockman's resignation last week and gotten on with the business of government.

That is not to say that there was anything evil or even wrong in what Mr. Stockman did. The long series of interviews with the Atlantic Monthly showed, if anything, that Mr. Stockman is a much better economist than anyone realized. But he also is a much less adept politician than most of us thought.

Supply-side economics means many things to many people, and the so-called supply-side economists often bicker among themselves. It starts with a fact, not a controversy. The U.S. has been lagging behind several other major industrial nations in the growth of productivity. No one can argue about that; the figures are there for everyone to see.

Large numbers of economists and businessmen go on from that fact to argue that the reason for low productivity gains is that Americans are overtaxed. The money that goes to Uncle Sam in taxes can't be invested in new plants and equipment that would make American business more efficient.

Well, there is controversy about that point. Some analysts point out that more than 20% of the nation's industrial plant stands idle and contend that this shows there is a limited need for new investment. But there is something like majority agreement that a step-up in new investment would be good for what ails us. Some of the idle plant, it's recognized, is simply inefficient. New technology creates a need for new spending on facilities if the U.S. is to keep up with its competition abroad.

But how do we encourage that new investment? Rep. Jack Kemp of New York in an early supply-side bill several years ago proposed to encourage investment directly with special tax concessions to business. But special tax breaks for business are awfully hard to sell unless they're accompanied by substantial tax breaks for individuals, especially low- and middle-income individuals.

What gradually evolved from such thinking was the so-called Kemp-Roth approach: cutting individual tax rates by 10% a year for three years, with the top rate reduced to 50% from 70%. It was to provide something for everybody, so it was easy to couple with it special tax benefits for business investment.

But there were a lot of old fuddy-duddies in Congress and elsewhere who thought that such sweeping tax cuts would mean huge budget deficits for three or four years, or until the increases in investment had a chance to generate new taxable income.

What to do? Well it was a job that required a little sales engineering.

There were supply-siders around who thought that the Kemp-Roth tax cuts would stimulate so much additional work and investment so fast that budget deficits would not be a major worry. A few even argued that deep cuts in federal spending would not be necessary to make satisfactory progress toward getting the budget under control.

The real extremists, however, never had a handle on policy. Supply-siders within the administration, such as Treasury Under Secretary Norman True and Mr. Stockman, from the start were certain that deep budget cuts were absolutely essential.

But what everyone was playing with here were people's expectations. The reason for planning annual tax cuts for three straight years was to encourage the public to do some long-term planning. The hope was that citizens, confronted by a government bound and determined to beat inflation and assured that they could keep more of their income, would indeed work harder and invest more.

The numbers that went with this were never any more solid than the planners' hopes. With hindsight it's easy to wish that the administration had been more candid, less optimistic. Many economists who fully supported the Reagan program from the start were deeply skeptical of the forecasts that accompanied it.

It's easy to suspect that the optimistic forecasts were formulated in part to sell the program to Congress. It would be hard for a lawmaker to vote against a tax cut if he believed that the cut would not mean bigger budget deficits and more inflation just ahead.

Whether or not salesmanship was the aim, the administration's chickens have come home to roost. It is not enough to argue, as Mr. Stockman apparently did in the Atlantic interviews, that Congress Christmas-treed the administration tax bill. Of course it did. But the administration tax cuts were somewhat reduced and somewhat delayed, too. It may be that the size of the eventual tax cut wasn't much different from what the administration asked.

Excessively optimistic forecasts are hardly new in government, but the Reagan administration had seemed to promise us something better. The administration in the past week has made a good start toward clearing the air, toward providing the sort of candor that probably would have been better from the first.

What the country needs now is more of the same. An essential spokesman for such a policy is the head of the Office of Management and Budget. David Stockman, who evidently realized that the official forecasts were wrong months ago but kept quiet in public, has disqualified himself for the job.

There is nothing fundamentally wrong with the Reagan policy. If the administration will level with the country, there will indeed be life after David Stockman.

SPECIAL REPORT—DEMOCRATIC POLICY COMMITTEE

This Administration is committed to a balanced budget, and we will fight to the last blow to achieve it by 1984. . . .

We will not sit on our hands and watch helplessly as the deficit swells and swells—President Ronald Reagan, Sept. 21, 1981.

I did not come here to balance the budget—not at the expense of my taxcutting program and my defense program. If we can't do it in 1984, we'll have to do it later—President Ronald Reagan, Newsweek, Nov. 16, 1981.

THE BALANCED BUDGET: ANOTHER BROKEN PROMISE

After nine months of predictions that a balanced budget in 1984 would be a reality, the Administration finally admitted what non-Administration economists were saying all along. Given the Administration's economic plan, it cannot happen.

Below is a history of select quotes about the balanced budget starting with September, 1980, and ending in November, 1981.

Ronald Reagan: September 9, 1980—We must balance the budget, reduce taxes, and restore our defenses. These are the challenges. . . . I know we can do these things, and I know we will—Source: Address to the International Business Council.

Ronald Reagan: September 21, 1980—I believe the budget can be balanced by 1982 or 1983—Source: Anderson-Reagan debate.

Ronald Reagan: October 28, 1980—I have submitted an economic plan . . . and believe that over a five year projection, this plan can permit the extra spending for needed refurbishing of our defensive posture, that it can provide for a balanced budget in 1983 if not earlier, and that we can afford—along with the cuts that I have proposed in government spending—we can afford the tax cuts I have proposed. . . .—Source: Carter-Reagan debate.

February 3, 1981—And he (President Reagan) told interviewers in the Oval Office that "one of the things I have not retreated from is the 1983 target" of a balanced budget.—Source: The New York Times, Feb. 4, 1981.

February 18, 1981—By fiscal 1984—under the policy recommendations presented in this document—the Federal budget should be in balance—Source: America's New Beginning: A Program for Economic Recovery.

March 2, 1981—Budget director David A. Stockman said yesterday that the Reagan administration will propose further spending cuts if a weakening economy later this year threatens to increase the budget deficit. . . .

Stockman said that if such a trend develops this spring, the Reagan administration would "as a matter of basic policy, look for offsetting economies," rather than accommodate that kind of growth in the deficit. "It may not be a 100 percent offset," he said, "but we would not allow the budget to become hostage to the economy"—Source: The Washington Post, Mar. 3, 1981.

President Ronald Reagan: September 15, 1981—I'm as committed today as on the first day I took office to balancing the budget, freeing the people from punitive taxation, and making America once again strong enough to safeguard our freedom. And I'm surer today than I ever was that we can achieve all three of these things. We'll continue to make budget adjustments as needed, and we'll hold the line.—Source: Remarks at a White House Reception.

President Ronald Reagan: September 21, 1981—This Administration is committed to a balanced budget, and we will fight to the last blow to achieve it by 1984. . . .

We will not sit on our hands and watch helplessly as the deficit swells and swells.—Source: Address to the National Federation of Republican Women.

President Ronald Reagan: September 24, 1981—Maybe you'll remember that we were told in the spring of 1980 that the 1981 budget, the one we have now, would be balanced. Well, that budget, like so many in the past, hemorrhaged badly and wound up in a sea of red ink.

I have pledged that we shall not stand idly by and see that same thing happen again.—Source: Televised Address to the Nation Sept. 24, 1981.

OMB Director David Stockman: October 26, 1981—I don't think anybody's talking about literal accounting balance or making a fetish (of a balanced budget).—Source: The New York Times, Oct. 29, 1981.

White House Communications Director David Gergen: October 29, 1981—The President is sticking firmly to the idea of a balanced budget in 1984.—Source: The New York Times, Oct. 31, 1981.

October 30, 1981—Testifying before the Senate Budget Committee, Mr. Regan said it is 'possible, but not probable' that the goal (of a balanced budget) will be reached.—Source: The Baltimore Sun, Oct. 31, 1981.

Treasury Secretary Donald Regan: November 6, 1981—We will not be able to achieve a balanced budget by 1984, but we will be on a path leading to a balanced budget.—Source: The Baltimore Sun, Nov. 7, 1981.

President Ronald Reagan: November 6, 1981—I've never said anything but that it was a goal. And the eventual goal, whether it comes then (in 1984) or whether it has to be delayed or not, is a balanced budget.—Source: The Washington Post, Nov. 7, 1981.

President Ronald Reagan: November, 1981—I did not come here to balance the budget—not at the expense of my tax-cutting program and my defense program. If we can't do it in 1984, we'll have to do it later.—Source: Newsweek, Nov. 16, 1981.

REAGAN ADMINISTRATION BUDGET PLANS

	Fiscal year—		
	1982	1983	1984
SEPTEMBER 1980			
Receipts:			
"Current Law" estimate	712	828	951
Proposed policy changes:			
Tax reductions	−61	−107	−149
Increased revenues due to additional economic growth	+10	+18	+20
Net receipts	661	739	822
Outlays:			
"Current Law" estimate	710	778	845
Proposed policy changes: Budget reductions:			
Partial cuts	−28	−39	−51
Full cuts	−43	−62	−85
Net outlays:			
With partial cuts	682	739	794
With full cuts	667	716	760
Projected deficit/surplus:			
With partial budget cuts	−21	0	+28
With full budget cuts	−6	+23	+62
MARCH 1981			
Receipts:			
"Current Policy" estimate	701.6	806.2	915.5
Proposed policy changes:			
Tax reductions	−53.9	−100.0	−148.1
User charges	+2.6	+2.9	+3.3
Net receipts	650.3	709.1	770.7
Outlays:			
"Current Policy" estimate	736.5	806.5	866.7
Proposed policy changes:			
Specified current budget reductions	−48.6	−67.2	−81.2
Unspecified future budget reductions	0	−29.8	−44.2
Defense increases	+6.2	+20.7	+27.0
Nondefense increases	+1.2	+1.8	+1.9
Net outlays	695.3	732.0	770.2
Projected deficit/surplus	−45.0	−22.9	+.5
Projected deficit/surplus without future budget cuts (unspecified only)	−45.0	−52.7	−43.7
JULY 1981			
Receipts:			
Revised estimate	699.3	798.2	907.5
Proposed policy changes:			
Tax reductions	−38.2	−94.1	−150.6
Revenue increases	+1.2	+1.7	+2.1
Net receipts	662.4	705.8	759.0
Outlays:			
Revised estimate	704.8	758.5	802.7
Proposed policy changes: Unspecified future budget reductions	0	−29.8	−44.2
Net outlays	704.8	728.7	758.5
Projected deficit/surplus	−42.5	−22.9	+.5
Projected deficit/surplus without future budget cuts (unspecified only)	−42.5	−52.7	−43.7
SEPTEMBER 1981			
Receipts:			
Revised estimate	663.2	706.1	760.0
Proposed policy changes: Revenue increases	+3.0	+8.0	+11.0
Net receipts	666.2	714.1	771.0
Outlays:			
Revised estimate	722.3	769.0	818.8
Proposed policy changes:			
Specified future budget reductions	−13.0	−20.3	−24.8
Unspecified future budget reductions	0	−11.7	−23.0
Net outlays	709.3	737.0	771.0
Projected deficit/surplus	−43.1	−22.9	0
Projected deficit/surplus without future budget cuts (specified and unspecified)	−56.1	−54.9	−47.8

Mr. HATFIELD. Mr. President, it is with great reluctance—unless someone else wishes to speak to this subject—that I observe that this is primarily a matter relating to the Budget Committees of the Senate and the House, and, therefore, I move to table the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, no debate is allowed, but I ask unanimous consent that I may proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Does the distinguished Senator move to table the amendment in the second degree or the amendment in the first degree by which both amendments would fall?

Mr. HATFIELD. My intent was to move to table the underlying amendment, to bring down the entire vehicle.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Mr. President, what the motion would do would be to table my amendment in the first degree, which changes the date on the continuing resolution from September 30, 1982, to December 19, 1981; and, in addition, would table my amendment in the second degree, which is the sense of the Senate amendment calling on the administration to submit a balanced budget for fiscal year 1984 and to identify all the details with respect to budget cuts and tax increases required to achieve such balanced budget.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the underlying amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut (Mr. DODD) and the Senator from Vermont (Mr. LEAHY) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators who desire to vote?

The result was announced—yeas 50, nays 47, as follows:

[Rollcall Vote No. 397 Leg.]

YEAS—50

Abdnor	Garn	McClure
Andrews	Gorton	Murkowski
Armstrong	Grassley	Nickles
Baker	Hatch	Packwood
Boschwitz	Hatfield	Percy
Chafee	Hawkins	Pressler
Cochran	Hayakawa	Quayle
Cohen	Heinz	Roth
D'Amato	Jepsen	Rudman
Danforth	Kassebaum	Schmitt
Denton	Kasten	Simpson
Dole	Laxalt	Specter
Domenici	Lugar	Stafford
Durenberger	Mathias	Stevens
East	Mattingly	Symms
Thurmond	Wallop	Weicker
Tower	Warner	

NAYS—47

Baucus	Exon	Melcher
Bentsen	Ford	Metzenbaum
Biden	Glenn	Mitchell
Boren	Hart	Moynihan
Bradley	Heflin	Nunn
Bumpers	Helms	Pell
Burdick	Hollings	Proxmire
Byrd, Harry F., Jr.	Huddleston	Pryor
	Humphrey	Randolph
Byrd, Robert C.	Inouye	Riegle
Cannon	Jackson	Sarbanes
Chiles	Johnston	Sasser
Cranston	Kennedy	Stennis
DeConcini	Levin	Tsongas
Dixon	Long	Williams
Eagleton	Matsunaga	Zorinsky

NOT VOTING—3

Dodd	Goldwater	Leahy

So the motion to lay on the table Mr. ROBERT C. BYRD's amendment (UP No. 651) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, may I have recognition for a moment?

The PRESIDING OFFICER. The Chair recognizes the Senator from Tennessee.

Mr. BAKER. Mr. President, if we could have order in the Senate for a minute, I wish to make an inquiry and perhaps an announcement.

It is 6 o'clock, Mr. President. It is my intention to ask the Senate to recess over at 6:30 until tomorrow at 10.

RECESS UNTIL 10 A.M. TOMORROW

Mr. President, I now ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, if I could inquire of the distinguished managers of the bill on both sides is there another amendment that we could do before 6:30?

D.C. APPROPRIATIONS BILL

Mr. HATFIELD. Mr. President, it would be our hope to take up, perhaps, one brief one and two colloquies, and then set the bill aside temporarily and take up the D.C. appropriations bill. We have no amendments we are aware of and it could be passed very quickly, and no rollcall is expected.

Mr. PROXMIRE. As I understand, the Senator from Massachusetts has an amendment which, I think, we can handle very quickly.

Mr. BAKER. Could I inquire of the managers then if you do go to the D.C. appropriations bill do you expect a record vote or can you arrive at final passage without one?

Mr. HATFIELD. There is no report of any request for a record vote that we have before us.

Mr. PROXMIRE. The Senator from New York, who is managing the bill indicates there will be no record vote.

Mr. D'AMATO. There will be no record votes.

Mr. BAKER. All right. It would appear that the schedule for the remainder of the evening——

The PRESIDING OFFICER. The Senate will please be in order.

Mr. BAKER. Mr. President, it would appear then that the schedule for the remainder of the day will be to conclude a colloquy on this measure, as described by the distinguished Senator from Oregon, and to temporarily lay aside the pending measure.

I now ask unanimous consent that we may lay aside the pending measure temporarily, following after the colloquy to be conducted by the Senator from Oregan and another Senator, and proceed then to the consideration of the D.C. appropriations bill. Mr. President, I make that request at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, assuming that the estimates I have received all around are correct, and if there is no requirement for a rollcall vote on the D.C. appropriations bill, I believe there will be no further record votes today.

Mr. PROXMIRE. Will the Senator yield? Does the Senator from Massachusetts, Senator KENNEDY, want a record vote?

Mr. KENNEDY. I do want a record vote.

Mr. BAKER. Let me say, then, before anybody misunderstands, apparently there is a request for a record vote on an amendment to be offered by the Senator from Massachusetts. So I withdraw the previous statement. There will be another record vote this evening.

Mr. SARBANES. Will the majority leader yield for a question on tomorrow's schedule?

SCHEDULE FOR THURSDAY

WAIVER—ALASKA NATURAL GAS TRANSPORTATION ACT

Mr. BAKER. Mr. President, at 10:30 a.m. tomorrow, it is the intention of the leadership to ask the Senate to proceed to the consideration of Calendar Order No. 378, Senate Joint Resolution 115, a joint resolution to approve the President's recommendation for a waiver of law pursuant to the Alaska Natural Gas Transportation Act of 1976. There is a statutory time limitation on that resolution of 1 hour, and a rollcall vote would be expected prior to the hour of noon, I would judge.

After that, Mr. President, it is the expectation of the leadership that the Senate will resume consideration of House Joint Resolution 357, Calendar Order No. 382, the continuing resolution and proceed through the day tomorrow, and late into the evening tomorrow evening, in a determined effort to try to finish the continuing resolution before the expiration of our business on tomorrow.

Mr. HATFIELD. Will the Senator yield?

Mr. BAKER. Yes.

Mr. HATFIELD. Is it the statutory time which requires this matter to be taken up tomorrow? Could it be taken up on Friday? Otherwise, we will not get back on the continuing resolution until

at least noon. We still have to go to conference with the House whenever we complete the continuing resolution and get the report back here and wait for the House to act and get it all done before Friday, midnight.

Mr. BAKER. Mr. President, I believe, under the terms of the statute, it would be possible to do this on Friday instead of Thursday. But I would ask the Senator from Oregon to indulge us, if he will, because for some days now we have tried to arrange a time that meets the maximum convenience of Senators who are deeply involved. I would especially ask the Senator from Alaska to speak to this point on the question of whether or not we could do this on Friday instead of Thursday.

Mr. STEVENS. I would say to my good friend that we agreed to put it off from Wednesday to Thursday already, because it would have interferred sometime at noon here today. Under the statute, it has a 1-hour time frame and it is a priority matter, a privileged matter. I do not see anything to gain by putting it off.

Mr. HATFIELD. Mr. President, I will not belabor the point. But I think the continuing resolution, the Government is in jeopardy of being brought to a halt unless we act upon it before midnight on Friday night. I have had complaints of many of my colleagues in the past about being pushed up to the midnight hour and then the House having adjourned and gone home and saying that we have to either bail out the Government or let it fall. I do not see anything that takes a higher priority at this time. But that may be my own bias.

Mr. STEVENS. Let us review it again. It took a long time to get that agreement with regard to who is here and who is not here. We have the agreement for tomorrow. I would not like to put it off unless we get a similar agreement for Friday.

Mr. BENTSEN. I would like to say that a number of us made certain commitments for tomorrow.

Mr. BAKER. Mr. President, I hope the Senator from Oregon would not press that point. I think it is almost a foregone conclusion that we are going to have to be here late tomorrow night. This might mean that we are going to be in another hour later than we would be in. The waivers have to be addressed and taken care of this week. So, Mr. President, I would like very much to go ahead on that basis.

Mr. HATFIELD. Mr. President, I am not going to object. If there is a unanimous-consent request pending, I will not object and just invite everyone to bring their dinner on Friday night.

Mr. President, may we proceed at this point? Is there any request pending?

Mr. BAKER. Mr. President, I would like to make this request. Let me make this request and if there is objection, it can be stated.

ORDERS FOR THURSDAY

Mr. President, I ask unanimous consent that on tomorrow after the recognition of the two leaders under the standing order, that the Senator from Delaware (Mr. BIDEN) be recognized for not to exceed 15 minutes on a special order. Following the special order so provided for, I ask unanimous consent that there be a period for the transaction of routine morning business to extend not past the hour of 10:30 a.m., with statements therein limited to not more than 2 minutes each. Also, Mr. President, I ask unanimous consent that at 10:30 a.m., the Senate turn to the consideration of Calendar Order No. 378, Senate Joint Resolution 115, a joint resolution to approve the President's recommendation for a waiver of law pursuant to the Alaska Natural Gas Transportation Act of 1976. Finally, I ask unanimous consent that following conclusion of the debate and disposition of that measure—and may I say parenthetically there is a 1-hour statutory time limitation on that measure—that the Senate resume consideration of Calendar Order No. 382, House Joint Resolution 357, the continuing resolution.

The PRESIDING OFFICER (Mr. SIMPSON). Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, could I make one further inquiry? The Senator from Massachusetts has indicated to me that he does require a rollcall vote on his amendment. I would like to do that amendment tonight. Is there not already an order to lay aside this measure after a colloquy to be conducted and proceed with the consideration of the D.C. appropriations conference report?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Mr. President, may I say, then, that as soon as the amendment of the Senator from Massachusetts is disposed of by a rollcall vote, there will be no further rollcall votes this evening.

Mr. STEVENS. Is there a time limit on the amendment of the Senator from Massachusetts on the D.C. appropriations bill?

Mr. HATFIELD. There is no time agreement.

Mr. STEVENS. Is the Senator prepared at all to consider a time agreement on his amendment to the D.C. appropriations bill?

Mr. KENNEDY. The amendment which I intend to offer was to the continuing resolution. I have no amendment to the D.C. appropriations bill.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I yield to the Senator from Rhode Island for a brief statement.

Mr. BAKER. Mr. President, will the Senator from Rhode Island permit me to interrupt?

Mr. CHAFEE. Yes.

Mr. BAKER. Mr. President, if that is the case, we have the matter fouled up here a little bit. Do I understand that the amendment of the Senator from Massachusetts is to the continuing resolution?

Mr. KENNEDY. The Senator is correct.

Mr. BAKER. Mr. President, I ask unanimous consent that that portion of my request dealing with temporarily laying aside this measure to proceed to the D.C. appropriations conference report follow on after both the colloquy and the disposition of the amendment of the Senator from Massachusetts.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Having done that, would the majority leader again let me inquire if it is possible to get a time agreement on that amendment to the continuing resolution?

Mr. KENNEDY. I would be delighted to enter into a time limitation of maybe a half an hour, 15 minutes for each side. It is a simple amendment. It is basically to add additional resources for job training, youth training, given the problems that we are facing with increasing unemployment. It is an issue that is well understood by the Members of this body. I do think it is important, given the reports this morning and yesterday about the continuing growth in unemployment. I wish to be able to address that issue before the Senate, but I am not interested in taking time. Those are programs that are well understood by the membership. I think it is important to point out to the Senate what the continuing resolution includes and what will happen unless this particular amendment is accepted for job training for the young people of this country.

Mr. BAKER. Mr. President, in view of the statement by the distinguished Senator, I ask unanimous consent that there be a time limitation on this amendment of 30 minutes equally divided with control of the time to be in usual form.

The PRESIDING OFFICER. Is there objection?

Mr. SCHMITT. Mr. President, reserving the right to object, and I hope I will not object, the amendment of the Senator from Massachusetts deals with what?

Mr. KENNEDY. With training programs.

Mr. SCHMITT. And to what level does the Senator wish to increase it?

Mr. KENNEDY. To increase it up to the House level.

Mr. SCHMITT. That is an increase of $200 million?

Mr. KENNEDY. It would still be significantly below the reconciliation figure.

Mr. SCHMITT. But it is an increase of $200 million?

Mr. KENNEDY. The Senator is correct.

Mr. BAKER. Mr. President, let me make another inquiry. We will have 30 minutes on this amendment to the continuing resolution. I wonder if the Senator from Massachusetts would be agreeable to take up this matter on tomorrow. I think that is the better part of discretion.

I may say that the Senator from Massachusetts suggested that in the first instance. I was the one who insisted that we do it tonight. But now I not uncharacteristically have changed my mind.

Mr. KENNEDY. Mr. President, I indicated earlier today that I had an amendment and would be prepared with 2 or 3 minutes notice to offer it. I think I had about a minute notice. I can take a shorter period of time.

Frankly, I am interested in having more Members here than a longer period of time. If we debate this in the morning, we will be lucky to have three or four Members. I will shorten the period of time. If I can have 2 minutes to get the amendment over here, we can vote at 6:30, with 7 minutes on each side.

I would rather have the Members here listening to the debate than to be talking to an empty Chamber. To call the roll at 6:30 would be fine.

Mr. BAKER. Mr. President, I so amend my request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, is the Senator from Massachusetts ready to proceed with his amendment?

SECOND CONTINUING APPROPRIATIONS, 1982

The Senate continued with the consideration of the joint resolution (H.J. Res. 357).

UP AMENDMENT NO. 659

(Purpose: To increase the appropriations for the Youth Employment Demonstration Program, the Job Corps Program, the Summer Youth Program, and the Private Sector Opportunities for the Economically Disadvantaged Program under the Comprehensive Employment and Training Act)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY), for himself, Mr. EAGLETON, Mr. RIEGLE, Mr. PELL, Mr. RANDOLPH, Mr. WILLIAMS, and Mr. METZENBAUM, proposes an unprinted amendment numbered 659.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, there are appropriated—

(1) $200.000,000 for part A of title IV of the Comprehensive Employment and Training Act relating to the Youth Employment Demonstration Program,

(2) $28,000,000 for part B of title IV of such Act relating to the Job Corps,

(3) $91,932,000 for part C of title IV of such Act relating to the Summer Youth Program, and

(4) $14,700,000 for title VII of such Act relating to the Private Sector Opportunities for the Economically Disadvantaged Program,

which are in addition to the amounts appropriated under this joint resolution which would otherwise be made available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981, for such programs.

Mr. KENNEDY. Mr. President, as I understand, we are to vote on this amendment at 6:30. What I would like to do is to ask that the time be evenly divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

Mr. President, I consider this amendment to be the most important anti-recession amendment that we will have an opportunity to consider during the Senate's debate of the continuing resolution. It is directed toward employment and training assistance for unemployed young people and adults. It would add $334 million to the resolution to restore four programs to the funding levels agreed to by the House.

Any Member of this body who has read the reports in the last 48 hours by the Secretary of the Treasury, the Secretary of Commerce, and the chairman of the Council of Economic Advisors and listened to the Director of the Bureau of Labor Statistics of last week, saw the significant rise in unemployment. The unemployment figures last week were announced at 8 percent, 1 million more men and women unemployed today than in July of this last year. The best estimate is that it will go up to 9 percent before the President's program, even if it works, will begin to have some impact on unemployment.

Last spring, the Senate, in reconciliation, approved a total of $2.2 billion for youth training, Job Corps, summer jobs, and the private sector initiative program.

The House concurrent resolution is at $2,058,000,000. The Senate is at $1,700,000,000.

This amendment adds $334 million, which will put the Senate concurrent resolution at the same level as the House concurrent resolution, $250 million less than what the Senate accepted in reconciliation just a few short months ago.

This amendment will bring the Senate bill in line with the funding levels set by the House for four programs designed to provide work experience and skill training to unemployed youth and adults. More precisely, my amendment would:

Add $200 million for year round youth jobs and training.

Restore $92 million to next year's summer jobs program.

Provide $28 million to Job Corps; and restore $14 million to the title VII private sector initiative program.

Mr. President, this country is in a recession. Last month unemployment rose to 8 percent nationally. Just this week the chairman of the President's Council of Economic Advisors and the Secretary of Commerce have raised the specter of 9 percent unemployment and many believe it will go higher. There are more Americans out of work now than at the height of the Great Depression.

We all hope the administration's forecast of a spring thaw in this frosty economic picture proves correct. But, these rosy predictions have an all too familiar Republican ring. I am reminded of Herbert Hoover's campaign theme in 1932—"Prosperity is just around the corner."

For most of us the Great Depression is just a memory, a historic interlude. But for too many of our fellow Americans the current recession has become a depression. In States like Michigan and Ohio, unemployment is in double digits. Workers there have been without a pay check for a year or longer with no prospects for early relief. Last month, my own State of Massachusetts, with an economy that had been described as recession-proof, suffered the single largest increase in unemployment of any industrialized State. Since April, unemployment there has jumped more than 2 points, going from 5.6 to 7.9 percent.

And these figures do not begin to tell the story for some workers. Unemployment among blue collar workers is 11 percent. Unemployment in the construction industry is 18 percent. And for the least advantaged in our society the situation is disastrous. Unemployment among minorities is at record levels, almost 15 percent for blacks and Hispanics. Unemployment among teenagers is over 20 percent, 43 percent of minority teens cannot find work and the rate just for Black teens alone is a staggering 46 percent.

Yet, despite these bleak reports, and the administration's admission that it is going to get worse, we are told to hold our course, accept more cuts and be patient—"prosperity is just around the corner."

The amendment I am proposing is a modest one. It is intended to provide a few more opportunities for the truly needy in our society who cannot find work now to get the skills and education and experience they will need to qualify for the millions and millions of new jobs the President has promised when prosperity does return. My proposal would permit a few thousand more unemployed adults to get classroom and on-the-job training in skills centers like the nationally recognized one in Springfield, Mass. There, individuals who have run out of options are training for good-paying jobs with a future. It would insure 90,000 more teenagers part-time jobs and the basic education they need to get their high school degrees. It will mean another 94,000 youngsters will be gainfully employed next summer, and finally it will give 4,000 more young adults a chance at Job Corps. It would also insure that three new Job Corps Centers in Illinois, New York, and Kentucky will open as planned.

I want to emphasize that these funds are not for public service jobs. They are to train the unemployed for private sector jobs. Even with the additional resources I have proposed, these programs would still operate at or below the levels authorized in reconciliation.

Two of these programs—Job Corps and summer jobs—were part of the "safety net" President Reagan announced last March. But by September these programs and those who benefit from them had fallen through. My amendment would put these programs back in the safety net.

President Reagan also promised to give the private sector a greater voice in designing and operating federally funded training programs. Title VII was the only program he held harmless in his September budget yet the Senate bill cuts $38 million below the President's request. My amendment would add just $14.7 million to bring the private sector initiative program back to the higher levels supported by the House.

You may ask what evidence we have that these programs work. Recently released findings by Dr. Robert Toggace writing for the W. E. Upjohn Institute and the General Accounting Office, provide conclusive evidence that training programs are cost effective both for society and for the individuals who are served.

Those in classroom and on-the-job training gain between 10 to 18 percent more in earnings in the first year after the program than similar individuals not enrolled.

Job Corps graduates earned 21 percent more than their peers 2 years out of training.

Evidence is also clear that training programs reduce crime and cut the costs of welfare and other income transfer programs.

In short these training programs work. They are good business. It is the best kind of supply-side economics. It is an investment in human resources that yields a positive return.

Mr. President, I would like to share with my colleagues an article from the November 9 issue of the Boston Globe which tells the story of Timothy Holding who lost his job because of the Reagan budget. Timothy's out, his only option, was a life of crime. The amendment I am offering is intended to insure that there are productive alternatives for the thousands of other Timothys in this country.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Nov. 9, 1981]

TIMOTHY HOLDING'S PATH TO A COURTROOM

(By Todd Balf)

Eighteen-year-old Timothy Holding of Revere is under police guard at Boston City Hospital, where he is recovering from a gunshot wound to the temple. Last week he told a former CETA youth program director who visited him that he'd "messed up."

Florence Cirino said Holding told her, "Flo, I messed up, I'm sorry, Flo. I messed up."

Timothy Holding's past includes years of shuttling between his divorced parents and switching schools. He dropped out of 10th grade and was convicted for robbing an MBTA turnstile when he was 17. His future is uncertain. He is facing court arraignment in connection with a bungled armed robbery attempt in Charlestown.

Holding faces charges of armed robbery, assault with intent to kill and unlawful possession of a firearm when he leaves the hospital. He was shot in the left temple by off-duty Boston police detective Joseph Smith Jr. on Oct. 30 when, police said, he held a .38 caliber revolver on 20 persons in the New England Merchants National Bank in Charlestown.

Holding and a 17-year-old youth carrying a derringer were arrested while a third suspect escaped, police said.

Counselors, friends and acquaintances of Timothy Holding who were interviewed last week say his record, his inability to read and write effectively, his broken home and the fact that he could not find steady employment may have contributed to his frustration and anger. Among young adults like Holding, these people said, such problems more frequently are erupting into violence.

"All we want people to know is that Timmy's not unique," said Cirino, the former director of CETA's Youth Activity Programs in Revere, Chelsea and Winthrop. "There are hundred of kids around just like Timothy," said Cirino.

Born in Charlestown, Timothy Holding is one of five children of Donald and Barbara Holding. After moving to Saugus, the couple were divorced when Timothy was 11 years old and custody of the children was won in court by Mrs. Holding, according to Donald Holding of Revere.

"After we split up," said Holding, "Timmy became mixed up. It hit him the hardest," he said in an interview.

Timothy Holding continued to attend school, according to his father, but gave up trying to learn after he was forced in both elementary and high school to repeat grades. Holding explained that his former wife and his children moved several times to different apartments in Charlestown and East Boston.

"He'd just disappear from everybody and be by himself," said Holding yesterday. He said that on several occasions his teenage son disappeared for long periods and he had to search for him.

CETA counselors said that when Holding quit school after his sophomore year, he had the equivalent of a fourth-grade education.

Six months later, at age 17, Holding and several other youths robbed an MBTA turnstile and received a year's probation according to court records. Timothy moved in with his father soon afterwards. His probation officer handed Holding's case to Cirino in March.

"Timothy had a long way to go," said Frank Nemeth, Holding's chief supervisor and friend in the CETA program. In March, he gave Holding the first job he'd had in two years.

"But Timmy was one of the guys I could trust," he said. "He could hardly construct a sentence," Nemeth said, "and he was so frustrated. But he tried."

"He was so excited and happy because finally he had a job," said his father.

Nemeth said the 18-year-old with short dark hair and a baby face was one of three persons on a CETA crew that weatherized local businesses by installing insulation and weather-stripping. He received the minimum wage.

On September 30, with less than a week's notice, Timothy Holding and 1000 other youths in his CETA program found themselves out of work when CETA's federal subsidy was cut by the Reagan Administration.

Cirino said counselors desperately tried to place Timothy Holding in a job. Cirino, Nemeth and CETA coordinator Eleanor Mahon said Holding was worthy of placement because of his punctuality, effort and initiative.

But, unlike many of his friends, Holding failed several skills tests which could have placed him in a job. On his own, he took the exam to enlist in the National Guard, according to Nemeth. He failed again.

"He tried in several places to find a job," said his father. "But he did not have the training or the education. And he needed money."

"It's in the people's own interest' to pick up on kids like this," said Nemeth. "There are many kids who want to be productive citizens but need help getting there. Who does it pay off in the end if we have to send a kid to Walpole for 20 years?"

Timothy Holding is listed in stable condition at Boston City Hospital. No date has been set yet for his arraignment.

Mr. KENNEDY. Mr. President, I urge my colleagues to keep faith in all those Timothy's and support this modest addition to the Senate resolution to provide the jobs and training the unemployed so desperately need.

Mr. SCHMITT. Mr. President, this is a very large addition to the bill as reported by the Appropriations Committee which is part of this continuing resolution by reference.

The committee is not oblivious to the facts which the Senator from Massachusetts has given us. As a matter of fact, they were considered very carefully in our recommendation to the Senate.

The committee has included $200 million to continue the youth employment and training programs together with, and I emphasize this, Mr. President, an estimated $195 million of unspent prior years funds. A total of $395 million would be available to enroll an estimated 195,000 youths. The House has included $400 million for the youth employment training program, and this is only part of the amendment, plus carryover, for a total of $595 million.

A split in the conference in this area, I say to the Senator from Massachusetts, should that occur, would provide a total level of nearly $500 million.

The President's September request, as he knows, is $213,782,000. In March, he had proposed eliminating the program but revised his proposal after Congress reauthorized it with a funding ceiling of $576 million in the omnibus reconciliation bill.

The Senate Appropriations Committee also included report language to limit unnecessary stipends for enrollees during training. Stipends amount to about 20 percent of the cost of CETA training programs, and are currently given to all enrollees, regardless of need. If stipends were given only to the most needy students, at least 10 percent could be saved and used instead to expand enrollment opportunities.

The total recommended for all CETA programs is $3.2 billion—of which two-thirds is for youth. All of the Job Corps, funded at $600,000,000, is for youth; another $674,168,000 is included for summer youth jobs. Half the remaining $1.7 million in CETA funding serves youth, for an estimated total of $2.3 billion for youth out of the $3.2 billion in overall CETA funding.

Even though the youth unemployment rate is now on the average, over 20 percent and even more for minority youth, thousands of unskilled jobs go begging every month. In September, State Employment Services offices listed 340,000 job openings nationwide. Fast-food restaurants are generally always looking to hire, and openings remain unfilled for janitors, farm workers, service station attendants, and salespeople.

So the Senate Appropriations Committee, particularly the subcommittee that I chaired, tried very hard to target the resources available to us on jobs that were going to create skills that could be used in the marketplace.

I think, Mr. President, that that covers the major provision the Senator from Massachusetts has proposed—that is, an additional $200 million for part A of title IV of the Comprehensive Employment and Training Act. Similar arguments can be made relative to the other somewhat smaller but still significant additions.

Mr. President, the total of the Kennedy amendment would be an addition of $334.7 million.

I say, Mr. President, in conclusion, we are going to take this bill to conference. I am absolutely convinced of it. The leadership has guaranteed that everyone will have a chance to offer amendments such as this on the bill as a whole. We shall get to conference at the earliest possible time. I think there are definite incentives for the House to go to conference and the Senator from Massachusetts will see some significant increases, more than likely, as a result of conference action.

I hope the Senate will disapprove his amendment at this time and delay consideration again until the regular Labor-HHS-Education bill is before the Senate.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, the Senate, in its judgment, passed a reconciliation bill, which authorized $2.2 billion for these programs. That was just last July. Since July, 1 million more people are out of work. Youth unemployment for minority youth has gone up in excess of 10 percent. This body, in July, made the estimate that $2.2 billion was a bare minimum figure to deal with youth unemployment, particularly those who were facing the hardest time acquiring skills.

Mr. President, we have had a dramatic increase in the needs of young people since July of this year, but still, the Committee on Appropriations comes back and says to us, "We are effectively going to reduce that $2.2 billion in the Senate by over $500 million."

Mr. President, that response bears absolutely no relationship whatsoever to the needs and to the changing economic conditions. Those unemployment predictions were not stated by those who have differed with the economic policies of the administration, but by Mr. Regan himself, who is the Secretary of the Treasury, and Mr. Weidenbaum, the chairman of the Council of Economic Advisers, and Mr. Baldrige, the Secretary of Commerce.

They say that unemployment will not stop at 8 percent. It is going up to 9 percent and perhaps higher. If those predictions are accurate, there is going to be an even greater need for these youth training programs.

Mr. President, all that this amendment will do is restore $324 million to make our program comparable to the House. This level is still $200 million less than the Senate voted on in July of last year. What I am suggesting is that we take a look at the needs of young people in this country—some of whom had jobs in July and are out of jobs, others of whom had no opportunity to acquire jobs because of the economic conditions—so that, at least, we are giving them skills so that when there is some revival to our economy, they will have some sense of hope for the future. Mr. President, that is what this amendmnet does.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. SCHMITT. Mr. President, the Senator from Massachusetts expresses, I think, the general sentiments of this body and the general sentiments of the Appropriations Subcommittee that I chair. Unfortunately, we have a limited budget. We have $85 billion in the Senate version of the regular Labor-HHS-Education bill, approximately 70 percent of which is in the entitlement area and that is going up almost exponentially. It is squeezing these programs to death.

I do not like it. As a matter of fact, as the Senator from Wisconsin knows, I tried to find a way to cap these entitlements, cap their growth so we can add money to these very programs. It was part of my proposal. But I do not have the votes in this body to do that, to override the points of order to give us some flexibility so we can fund these kinds of programs.

Given that, the proposals that the subcommittee made to the full committee and that are now before the Senate as a reported bill did take into account overall, looking at the total programs available for training young people, and actually increased the funding for programs like Job Corps that were going to the very problem that the Senator from Massachusetts has addressed.

We have done the very best we can, I say to the Senator, and until we can get some relief on entitlements, so we can go in and work on low-income energy assistance, student aid, higher education, and youth employment and training, which are discretionary programs, we are going to be stuck with these problems. I hope the Senator from Massachusetts will help when it comes time to convince others that we must cap the growth of those entitlements. They are totally out of control.

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. One minute and 14 seconds.

Mr. KENNEDY. The point, Mr. President, is really, we are pitting the same groups, almost the same families, against each other. It is the same family that is going to be squeezed on medicaid, because of the cap on that, whose son is going to lose his job and whose grandson is going to be thrown out of a training program. The fact remains that within the concurrent resolution, it is going to be the same families that are going to be most affected.

I could point out other areas of the growth in terms of Federal expenditures, which I believe has taken place in terms of the tax expenditures over the period of time. We have debated those issues. We have to establish priorities here in this body.

It seems to me that what we have seen is that, with the dramatic reduction in job training programs, we are saying to young people in this country, "With regard to your programs, we can cut those back by some 40 percent, in spite of the significant increase in unemployment, while we are unprepared to cut back in some of the other areas."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EAGLETON. Mr. President. I support Senator KENNEDY's amendment to add $334.8 million to restore youth employment and training programs and the private sector initiative program to the House-passed levels.

This country faces a situation in which 1,800,000 of our young people are literally walking the streets in search of a job. In just the last month. the unemployment rate among minority youth rose from a shocking 37.5 percent to an astounding 42.9 percent. For white youth. the rate rose from 17 to 17.6 percent. Last month's overall unemployment figures represented the largest monthly increase in the number of unemployed in 5 years. The current number of unemployed is the largest number of unemployed since 1939.

And how does this continuing resolution seek to meet the needs of these unemployed, particularly the needs of youth aged 16 to 19 who are without jobs? Why, it reduces the previous level of support for year-round youth employment programs by a whopping 71 percent. It reduces last year's level of support for the summer youth employment program by 20 percent.

How callous can we be to say we are going to eliminate thousands of training slots for these young people? How callous can we be to say that we have already cut these programs substantially under reconciliation, so let us put the knife in a little deeper and twist it a little harder?

I know that the argument will be made that this is a continuing resolution, and that the Senate should not load it up with extraneous amendments, since it is only a stopgap funding measure. To those who are safely secure in their own livelihood, safely secure in their own jobs, the issue of unemployment may be extraneous. But to millions of other people, to 1,800,000 young Americans who are jobless—and for all practical purposes will remain jobless as they face the future without skills—there is no issue more transcendent, more important than the question of employment.

If one looks at the way the employment and training programs are funded under this continuing resolution, one would think that the recession must be over. There must be plenty of jobs out there in the private market. There must be no need to be concerned about people who are unemployed.

Nothing, Mr. President, nothing could be further from the truth.

On the front page of the Washington Post this morning, the administration's chief economic adviser is predicting that unemployment will climb to 9 percent, the highest level of unemployment since World War II, and that the "worst—of the recession—hopefully will be behind us as 1982 unfolds."

The front page of the New York Times carries a similar story, the lead paragraph of which reads as follows:

> President Reagan's chief economic adviser, Murray L. Weidenbaum, in an implicit acknowledgment that the recession will be neither mild nor brief, scaled back his forecast today for economic growth in 1982.

If we pass the continuing resolution today with the appropriations figures for employment and training programs as recommended by the committee, we are saying that the U.S. Senate does not give a damn about people who are not employed. If we allow these cuts to go through, we are taking away the only ray of hope for many Americans who have fallen by the wayside.

I will admit that some of the youth training programs in the past have been ineffective. I will admit that there has been some waste and abuse in these programs in the past. I remind my colleagues that these year-round youth programs were invented just 4 years ago; the private sector initiative program is only

3 years old. But again, I emphasize that they are new programs, programs which have had some growing pains, but programs which are now able to produce their desired results.

To back away from our commitment to job training programs now would be a deep mistake. It would be a move away from the very goals of this administration, which none of us would fail to support, of economic growth, of investments, and of productivity. We simply cannot strengthen our economy without investing in our single most important resource, our human capital.●

● Mr. BRADLEY. Mr. President, I am pleased to support the amendment of the Senator from Massachusetts which will restore needed funds for existing training and employment programs.

We need only look to the financial pages of our Nation's newspapers to see why these funds are needed. Among this week's headlines are the following:

Commerce Secretary Baldrige warns that unemployment could reach 9 percent under the President's economic recovery plan;

The President's chief economic adviser, Murray Weidenbaum, revised his estimate of 1982 economic growth from 3.4 percent to 1 percent; and

The Federal Reserve Board recently reported that our Nation's factories operated at 76.9 percent of capacity last month, only two percentage points above the lowest level of the last recession.

Unfortunately, I could continue with an extensive description of the sad shape of our economy: Bankruptcies are up, unemployment is up, housing starts are down, and real growth is, of course, down. At a time when our economy is in such shape and over 8½ million people are unemployed, the administration proposes with this continuing resolution to reduce the funds available for employment and training assistance.

The amendment which we propose would restore funds for many critical programs, including the Job Corps, the summer youth employment program, various private sector programs, and other youth employment programs. The House of Representatives' spending recommendation for all of the employment and training assistance is over $3 billion less than last year's appropriation. With this amendment we seek to restore $334 million to these particular programs.

It makes no sense whatsoever to reduce our commitment to employment and training assistance at a time when the administration itself concedes that we are in for "tough times ahead," as the Secretary of Commerce has said. I ask the Senate to approve this amendment and restore the necessary funds for these important programs.●

● Mr. CHILES. Mr. President, I want to speak briefly in support of this amendment to increase funding for youth job training. While I have been critical over the years of the CETA public jobs programs, youth training is another matter. We want disadvantaged youth to get the skills they need to work in our rapidly changing economy. When I look at everything happening in our economy, I see the potential of a serious shortage in skilled labor.

Mr. President, we have passed a huge tax incentive for capital investment. So that we can get a higher level of industrial technology. But higher technology requires workers with greater skills. At the same time, we are giving our military the resources they need to attract and retain skilled labor. Since the peak of the "baby boom babies" entering the work force has passed, we are going to have fewer youth going into jobs. That says to me that we have to put a greater emphasis on the quality of job skills, and make them available to all our youth.●

● Mr. PELL. Mr. President, I support the amendment of the distinguished Senator from Massachusetts (Mr. KENNEDY) to increase the funding of the CETA youth programs by $330 million.

Youth training programs authorized under the Comprehensive Employment and Training Act have provided interdisciplinary services necessary to give disadvantaged teenagers a "fair chance" in our society.

This amendment would bring funding for year-round youth training, summer jobs, Job Corps, and the private sector initiative program up to the levels that were approved by the House several months ago.

These are difficult budgetary times, Mr. President. But our young people are our country's greatest resource and deserve a chance for meaningful work experience.

Having served as chairman of the Subcommittee on Education for 12 years, I know that education and training programs take time. The fruits of our investment are often not realized immediately. I hope that my colleagues will consider the tremendous gains that are being made in this area by community-based organizations and local education authorities and vote to approve this amendment.

Mr. President, youth employment is at an alltime high level. There are not enough jobs in our cities for mature, skilled workers, let alone teenagers with little work experience. If the CETA youth programs are funded at the level proposed by the Senate Appropriations Committee, three-quarters of the high school dropouts, inner-city youth, and teenagers with special personal problems who are participating in the program will be dropped and, perhaps, lose whatever opportunity they might have had to break into the job market.

If this amendment is defeated, it sends a message to the American people that Congress does not consider the problem of youth employment serious enough to maintain the only Federal program that exists to solve the complex economic and social problem of youth employment. In my view, every young person, regardless of family income, should receive the necessary job training and experience to compete for permanent, secure jobs. Normally this training would be sponsored by the private sector. However, at a time when our general unemployment rate is approaching double-digit levels, it is unreasonable to expect that this will occur. Our Government, which in many ways has contributed to the current economic crisis, has a responsibility to this generation of teenagers and I hope that my colleagues will approve this amendment.●

Mr. SCHMITT. Mr. President, a parliamentary inquiry.

Is a motion to table the amendment in order, under the unanimous-consent agreement?

The PRESIDING OFFICER. The unanimous-consent agreement was to the effect that a vote would occur on this amendment at 6:30, which would preclude a motion to table.

Mr. SCHMITT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Kansas (Mrs. KASSEBAUM) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Connecticut (Mr. DODD) and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont(Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 36, nays 58, as follows:

[Rollcall Vote No. 398 Leg.]

YEAS—36

Baucus	Hart	Metzenbaum
Biden	Heinz	Mitchell
Bradley	Hollings	Pell
Burdick	Huddleston	Pryor
Byrd, Robert C.	Inouye	Quayle
Cannon	Jackson	Randolph
Chafee	Kennedy	Riegle
Chiles	Levin	Sarbanes
Cranston	Long	Sasser
Dixon	Mathias	Specter
Eagleton	Matsunaga	Tsongas
Ford	Melcher	Williams

NAYS—58

Abdnor	Garn	Nunn
Andrews	Glenn	Packwood
Armstrong	Gorton	Percy
Bentsen	Grassley	Pressler
Boren	Hatch	Proxmire
Boschwitz	Hatfield	Roth
Bumpers	Hawkins	Rudman
Byrd, Harry F., Jr.	Havakawa	Schmitt
Cochran	Heflin	Simpson
Cohen	Helms	Stafford
D'Amato	Humphrey	Stennis
Danforth	Jepsen	Stevens
DeConcini	Johnston	Symms
Denton	Kasten	Thurmond
Dole	Laxalt	Tower
Domenici	Lugar	Wallop
Durenberger	Mattingly	Warner
East	McClure	Weicker
Exon	Murkowski	Zorinsky
	Nickles	

NOT VOTING—6

Baker	Goldwater	Leahy
Dodd	Kassebaum	Moynihan

So Mr. KENNEDY's amendment (UP No. 659) was rejected.

Mr. SCHMITT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REGARDING OIL AND GAS ON THE ARCTIC COASTAL PLAIN

Mr. JACKSON. Mr. President, I should like to clarify one aspect of this measure dealing with the U.S. Fish and Wildlife Service and the U.S. Geological Survey.

Language appears on page 10 of the joint statement of managers with regard to amendment 12 as follows:

Within available funds, the Service is . . . to provide $300,000 for the North Slope study for transfer to the Geological Survey. This will permit the Survey to discharge its duties as the lead agency in assessment of oil and gas exploration development and production on the Arctic Wildlife Refuge pursuant to Sec. 1002 of Public Law 96-487. There is no objection to initial development on new Alaskan refuges while the refuge management plans are being prepared.

From reading this language, one might conclude that section 1002 of the Alaska Lands Act, or the pertinent legislative history, directs that a particular agency within the Department of the Interior be designated as the "lead agency" for the purpose of carrying out the oil and gas exploration program on the coastal plain of the Arctic Wildlife Refuge.

This is not the case. We did not specifically address this issue in section 1002 nor, in my view, is there any clear legislative history directly on this point.

It is my understanding that Secretary Watt has directed that the lead agency for portions of the study be the USGS. It is also my understanding that this decision of the Secretary is currently being challenged in the courts. I would certainly not want any one to construe the action in this conference report as having any effect on that pending litigation. Nor should this language be construed as in anyway amending ANILCA or the Refuge Administration Act.

I am also concerned, Mr. President, that this language in the conference report and the statement of managers might be viewed by some as providing authority for oil and gas development and production in the Arctic Wildlife Range. This language certainly does not provide that authority, and I want to be sure my colleagues understand that.

Section 1003 of ANILCA is very clear on this point. Production, leasing, or other development leading to production of oil and gas from the Arctic Wildlife Refuge is prohibited unless specifically authorized by an act of Congress.

I am sure that the conferees on this measure did not contemplate overturning this statutory provision with this language in the statement of managers relative to the USGS' "assessment of oil and gas exploration, production and development." However, I thought I had better clarify this matter for the record.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. JOHNSTON. I appreciate the remarks of the Senator from Washington. Let me say that as the manager of this bill for the minority, I certainly never intended to include anything in the conference report or the statement of managers designed to make moot any court decision or affect the outcome of any pending litigation. Nor is anything in the report designed to modify or amend anything in the ANILCA or the Wildlife Refuge Administration Act.

Similarly, I agree with the Senator from Washington that this legislation in no way authorizes any oil and gas development or production in the Arctic Wildlife Refuge. That decision, as required by section 1003 of the ANILCA, will have to be made later by Congress. The legislation we are considering today does not constitute any type of congressional authorization in this regard.

I thank the Senator for bringing these matters to the attention of the Senate.

Mr. McCLURE. Mr. President, with regard to section 101(g) concerning activities provided for in the Department of Interior and Related Agencies Appropriation Act, 1982, I understand the phrase "if such act had been enacted into law" means the conference agreement on such act. Therefore funds would be made available to the strategic petroleum reserve off-budget account?

Mr. HATFIELD. Yes.

Mr. McCLURE. In addition, I understand that the funds made available for the acquisition and transportation of petroleum, and for other necessary purposes, would include all those purposes under section 167 of the Energy Policy and Conservation Act of 1975, as amended by the Omnibus Reconciliation Act of 1981. Is this correct?

Mr. HATFIELD. Yes.

ARSON

● Mr. GLENN. I would like to address the provision appearing on page 20 at line 7, which is a prohibition against a premature reorganization of the Bureau of Alcohol, Tobacco and Firearms without congressional oversight. I applaud my colleague from South Dakota, the chairman of the subcommittee, for including this provision in the continuing resolution. I might wish he had gone further, in fact.

I would ask my colleague if the prohibition is intended to encompass a proposal that would curtail or eliminate the arson law enforcement program of the Bureau of Alcohol, Tobacco and Firearms?

Mr. ABDNOR. The Senator from Ohio is correct. The arson law enforcement program is included in the prohibition against reorganization before March 15, 1982, or thereafter if disapproved by the House and Senate Committees on Appropriations.

Mr. GLENN. Is it the committee's intent that the arson law enforcement program be maintained and effectuated under the ultimate reorganization plan that is finally approved?

Mr. ABDNOR. That is correct.

Mr. GLENN. I thank the chairman of the subcommittee.●

THE COMMUNITY SERVICES BLOCK GRANT

● Mr. RUDMAN. Mr. President, some questions have arisen regarding the effect the continuing resolution would have on the community services block grant and the Secretary's discretionary fund which is tied to it. This requires some clarification in order to ensure that the Department of Health and Human Services has the required guidance.

The House version of the Labor-HHS appropriations bill appropriates $362,522,000 for the community services block grant and sets aside $32,630,000 of that amount for the Secretary's discretionary fund as authorized by section 681 of the Reconciliation Act.

The amount set aside is the maximum 9 percent authorized under section 681(b). Although the House did provide the maximum for the discretionary funds, given a $362.5 million appropriation for the block grant, I believe there are some serious problems with how the funds are distributed in the House report language specifically the fact that some important existing programs are not funded.

By contrast, the Senate appropriated $300 million for the block grant. No specific amount was set aside for the discertionary fund in the bill but, through report language, the Senate directed the Secretary of HHS to fund all vital ongoing programs including, by specific reference, the programs the House chose not to fund.

Under the continuing resolution, only $300 million, as appropriated by the Senate, would be available for the block grant. Yet, if the more restrictive House bill language, which designates $32.6 million for the discretionary fund, is followed, HHS would be violating the 9 percent ceiling in the authorizing statute.

It is my contention that HHS should resolve this conflict between the House appropriations bill language and the authorizing statute by spending 9 percent of $300 million, or $27 million, to maintain all ongoing programs under the discretionary fund, and further, that no program should bear a disproportionate cut. Does the Senator from New Mexico agree with this?

Mr. SCHMITT. Mr. President, I think the Senator from New Hampshire is correct. I appreciate his bringing this problem to my attention, and I would expect HHS to spend the money as is indicated here.

Mr. RUDMAN. I should add, at this point, that this matter has been discussed with Senator DENTON, the chairman of the authorizing subcommittee, and he agrees with this interpretation.●

● Mr. CHILES. Mr. President, I wish to take this opportunity to express concern with two growing trends in our congressional budget process that we witnessed in the process of considering this continuing resolution. Both of these trends, I believe, point to the further erosion of our normal committee process; they represent an erosion of our reputation as the greatest deliberative body in the Nation, and they represent an erosion of the power of the purse authorities given to the Congress by the Constitution.

The first matter of concern to me is the fact that this continuing resolution, as proposed by the committee, would be in effect for the entire fiscal year or until September 30, 1982. This eliminates all the normal pressures for the completion of our process of marking up and passing each of our 13 appropriations bills. The rush of amendments that I witnessed yesterday in the full committee markup of this resolution, and the large

number of amendments that have been called up and debated on the floor today are motivated by the fear and growing conviction that we will not pass our regular bills, and this is the last chance to catch the train.

Yesterday in the committee, Senator STENNIS, who has the great prospective of history after 34 years of service in the Congress, gave us a history lesson on the continuing resolution. I believe some of that bears repeating here today. Senator STENNIS reminded us that the continuing resolution is a device that was invented shortly after the Second World War. It was intended to be a short-term stop-gap measure for only a matter of days to bridge the gap between when 1 fiscal year ended and when one of the regular appropriation bills could be passed. The continuing resolutions were in short-term measures. They were for only one or two bills. This process has now changed to the point where this continuing resolution is for the entire year and covers all 13 major appropriations bills.

While I agree that there is no real alternative at this point, it seems to me that a preferable approach would be to make the continuing resolution apply only for 1 month or until December 18, 1981. This would be an adequate time to permit us to complete the regular bills. Without such a deadline confronting us and goading us to action, I believe that many or most of the regular bills will not be completed. If this were to come to pass, I believe it would be an undesirable short cut that erodes the function and expertise of our Appropriation Subcommittees. It also erodes the normal committee process and institution of the Congress by presenting us from working our will on these matters.

Mr. President, the other matter that is of concern to me is the growing trend to offer across-the-board cuts to these spending measures. If our appropriations bills are too high, as I believe many of them are, we need to reduce them in a surgical way that relies on the expertise of the committee. I am relatively sure that because this resolution provides funding levels that are too high as compared to the President's September proposals that it will be vetoed by the President. When that happens the pressures will only mount to provide across-the-board reductions to appropriated funds, as well as to entitlement programs.

My opposition to across-the-board cuts and Presidential impoundment powers is not just a matter of protesting congressional prerogatives. I believe that the people of Florida expect me to be accountable for my votes on policy issues which affect their lives. As the events of this year point up, budget issues are vital to the American people.

Across-the-board cuts let Members avoid standing up and being counted on which programs to cut and which to fund. In a similar way, giving the President impoundment powers lets Members vote for any high level of spending, and count on the President to exert fiscal responsibility. In the long term, letting Members of Congress avoid those tough choices is going to produce higher levels of spending.

I also want to address the issue of letting the President modify or reduce spending for "entitlement" programs. While I believe that we must look for ways to get better control of entitlements, a wide open grant of legislative authority to the Executive is not the way to do it.

No one of us has a monopoly on wisdom. The Constitution lets the President propose legislative changes. But only Congress can enact the changes. The congressional process provides for public hearings, where individual citizens and their representative groups can present their views and offer advice.

Equally important, 535 Members of Congress go home to their States and districts during the process. They get to hear what people say about the issues giving the executive branch power to modify the provisions of law goes far beyond letting the President carry out his economic program. In only a few major areas, like social security or the B–1 bomber does the elected President actually make these decisions. In most of the detailed provisions, the changes will be made by bureaucrats, who are elected by no one, and who do not have to speak to ordinary citizens about the effect of their proposals.

Mr. President, I have taken the time to point these matters out because of their importance to the Senate and the Congress as an institution. We must avoid continuing resolutions of such a massive nature in the future as they represent a shortcut approach which only erodes our responsibilities in the Congress.●

OFFICE OF INSPECTOR GENERAL AT THE DEPARTMENT OF THE TREASURY

● Mr. CHILES. Mr. President, section 110 of the continuing resolution before the Members today gives the Secretary of the Treasury Department 2-percent transfer authority. This will permit the Secretary of the Treasury Department, with the approval of the House and Senate Committees on Appropriations, to transfer up to 2 percent away from any appropriation account provided that no recipient account is enriched by more than 2 percent.

Senator ABDNOR, chairman of the Treasury, Postal Service and General Government Subcommittee was successful yesterday in committee in this amendment, and I rise to compliment him on his foresight in this matter.

Last year when I chaired this subcommittee, I recommended a similar measure, and I believe Senator ABDNOR's proposal has considerable merit. It will give the Department greater flexibility to manage their programs and to meet unexpected contingencies.

Also, in view of the rigid fiscal restraints placed on the Department under the revised fiscal year 1982 budget, the committee felt that this transfer authority was essential to allow the Secretary to sustain his critical Treasury functions. It should also reduce the need for the Department to seek supplemental appropriations with the occurrence of every contingency and unexpected event. It can also be used to enhance activities that will raise additional revenues or help eliminate waste. For example, I believe that this transfer authority can and should be used by the Department to help create a more credible Inspector General operation.

Mr. President, the Department of the Treasury now has a small Inspector General function included within the Office of the Secretary. This small office has fewer than 15 professional investigators and auditors and does not have statutory independence as do other Inspector Generals in the executive branch; it does not have subpena powers and it is also not required to report to the Congress on its activities as are the statutory Inspector General offices.

Currently, the Department relies on the auditors and investigators in each of the independent agencies to investigate allegations of their own wrong doing. While the small Inspector General activity in the Office of the Secretary tries to provide oversight to these activities, it is too small to have any real leverage. It is also not independent from top management in the Department.

Last year, the Appropriations Committee recommended to the full Senate the transfer of 200 positions and $7.5 million from the various Treasury agencies and departments to create a new Office of Inspector General.

Mr. President, I ask unanimous consent to have a table printed at this point in the RECORD which shows the transfers that were recommended last year. These transfers would have been achieved by moving approximately 15 percent of the auditor and inspector resources that now exist in each of the independent agencies to a central office. This would have left each of Treasury bureaus and agencies with adequate resources to also conduct their own internal investigations.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Office/Bureau	Offsets	
	Positions	Amount
Office of the Secretary	22	$882,000
Bureau of Government Financial Operations	3	115,000
Bureau of Alcohol, Tobacco and Firearms	5	193,600
U.S. Customs Service	30	1,163,700
Bureau of the Mint	1	28,000
Bureau of Public Debt	2	71,000
Internal Revenue Service	134	4,976,500
U.S. Secret Service	3	115,000
Total	200	7,544,800

Mr. CHILES. Mr. President, last year we also recommended that this new Inspector General office be included as a separate appropriation account; that it be given subpena powers; and that it be required to comply with the reporting requirements of section 5 of Public Law 95–452, the Inspector General law of 1978. As the Members may recall, the Treasury bill never came to the Senate floor last year and, therefore, the full Senate was never given a chance to vote on those particular recommendations.

This year the House has passed H.R. 2098 to create a statutory Inspector General at Treasury. This legislation is now

pending in the Senate Committee on Governmental Affairs. I am hopeful that this legislation will be passed into law and the Department will move quickly with this transfer activity to create a more credible Inspector General operation.

I ask Senator ABDNOR if he believes that the transfer authority he has recommended could be used by the Department to help provide an expanded Inspector General function at the Department without waiting a full additional year for the fiscal year 1983 appropriations process?

Mr. ABDNOR. Yes. Mr. President, I believe that is an example of the kind of flexibility that this transfer authority will give the Department. I would also add that our traditional prerogatives in the Appropriations Committee, as well as those of the authorizing committees, will be protected as these transfers cannot be made without the approval of the House and Senate Committees on Appropriations.

Mr. CHILES. I appreciate the Senator's response, Mr. President. We have heard considerable discussion by this administration and previous administrations, and in fact from this Senator as well, that we need to aggressively eliminate fraud, waste, and abuse to reduce Government spending. I think it is fair to say that many of us expect the Department to use this authority to recommend improvements in the Inspector General function at the Department.●

(By request of Mr. ROBERT C. BYRD the following statement was ordered to be printed in the RECORD:)

HUD APPROPRIATIONS REVISIONS

● Mr. LEAHY. Mr. President, when the Appropriations Committee considered the continuing resolution, Senator EAGLETON offered an amendment on my behalf to restore the funds for the Environmental Protection Agency (EPA) which the administration proposed to cut in its September round of budget cuts.

These cuts in EPA's budget—$140 million—went far beyond the savings that can be achieved through increased efficiency or elimination of waste and fraud. Combined with the large budget reductions proposed for the Agency in March, the administration's September proposal cut EPA's budget by 30 percent this year and by 50 percent in 1983.

These severe cuts would effectively repeal the public health and environmental legislation enacted over the last decade. The administration's plan would reduce the EPA to roughly half its present size—this despite the fact that Congress has acted to expand the authorities of the Agency in recent years, especially in the area of cancer-causing toxic substances.

We must not permit the administration, through budget cuts, to weaken the EPA and effectively repeal the laws which protect the public health and economic strength of the Nation.

I strongly object to the fact that the committee has accepted these cuts in EPA's budget without receiving any justification for $70 million of the $127 million in cuts.

The justification the Committee has received for the $13.4 million cut in research and development read like a press release, not a budget document. We have received a budget justification for the cuts in abatement, control and compliance element of EPA's budget. The description of the cuts was so damaging that the subcommittee chairman was constrained to reject a quarter of the pollution abatement cuts.

In spite of these additions, the remaining cuts severely damaged EPA's ability to protect the public against cancer-causing toxic chemicals.

Let me quote briefly from the pollution abatement budget justifications. These quotes show the severe impact of these cuts:

AIR POLLUTION

Fewer standards for hazardous air pollutants.

Curtailment of hazardous pollutant screening studies.

Result in an ad hoc approach to the gathering of (pollution) data—with a resultant loss in timeliness—and data verification/quality assurance.

WATER POLLUTION

Delay in identifying toxic pollutants.

Cut by 25 percent contract support for oil spill cleanup activities.

Cut inspections of construction grants for sewage treatment plants which would reduce the emphasis on quality of construction work.

HAZARDOUS WASTE MANAGEMENT

A significant loss of contract funds for Hazardous Waste Management in the Regions; decreased inspection of generators and transporters of hazardous wastes.

TOXIC SUBSTANCES

The $8 million cut in testing and evaluation will eliminate a substantial part of the program—to more accurately and economically predict human health effects—of chemicals.

Mr. President, if the citizens of this country realized that these budget cuts meant more cancer and disease in their families, I am sure they would reject these cuts. But these cuts are justified as a budget-balancing measure. But even if my entire original amendment were adopted—a $140 million add-on—it would affect the Federal deficit next year by only three-tenths of 1 percent.

These cuts have nothing to do with budget savings. They are, instead, an effort to repeal a decade of environmental and public health legislation. In committee. positive steps were taken. But I want to make clear to my colleagues that I will vigorously oppose further attempts to destroy the effectivenes of this agency.

THE B–1 BOMBER

Mr. President, for many years I have been opposed to the building of the B–1 bomber. I have opposed the building of this bomber because I am convinced that this single program will drain away such a large portion of the Federal budget that other essential defense and domestic needs will not be met.

Because of my concern about the B–1's cost, I asked the Congressional Budget Office to prepare an assessment of the real cost of this program.

I submit for the RECORD a copy of Director Rivlin's statement at this point.

The statement follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., November 6, 1981.

Senator PATRICK J. LEAHY,
Senate Appropriations Committee,
Russell Senate Office Building.

DEAR SENATOR LEAHY: In response to your request the Congressional Budget Office (CBO) has reviewed the investment (procurement and research development) costs of the B–1 bomber and assessed the impact of potential inflation on the program. Our estimate includes the total acquisition costs of the baseline bomber; the four major additional items that the Air Force has requested the contractor to examine; and, as you requested, the items GAO has indicated should also be included in the cost of the B–1.

The baseline costs of the 100 bomber program as provided by the Air Force are, $19.7 billion (in constant 1981 dollars). In addition, the Air Force requested the prime contractor to examine four major items that may be included in the final contract. These four items are rear bomb bay enlargement, permissive action link/command disable system, air-launch cruise missile (ALCM) carriage, and ALCM avionics. The Air Force estimates that these additions to the program would cost $1 billion (in constant 1981 dollars).

As you requested, we have also analyzed the major investment items that the General Accounting Office (GAO) has indicated should be included in any cost estimates on the B–1. The GAO identified these items under three broad classifications: (a) questionable reductions, (b) expenses in other program elements, and (c) potential additions. These items are shown in Attachment 1. The identified cost for all GAO items is $5.5 billion (in constant 1981 dollars). For several of these items, including operational and electromagnetic pulse testing, conventional weapons certification, a fuel tank inerting system, low and very low frequency communications, and improvements to offensive and defensive systems—the GAO was unable to obtain basic cost estimates. We have, therefore, not included estimates for these items in this assessment. Also, in estimating contractor support and nuclear weapons certification, the GAO anticipated a range of $1 billion to $2.8 billion; in this assessment we have used the mid-point of the GAO range for these two items.

After applying CBO's inflation rate assumptions to the full range of program costs discussed above, we estimate that B–1 investment costs will be $39.8 billion in then-year, or budget, dollars. With the Administration's inflation rate assumptions, the comparable cost would be $35.4 billion.

Attachments 2 through 5 provide year-by-year estimates of budget authority, using both CBO and Administration economic assumptions, for the baseline bomber (Attachment 2), the four options for which the Air Force requested contractor proposals (Attachment 3), the various items the GAO has indicated as being appropriate for any B–1 cost estimate (Attachment 4), and a summary of the total program costs (Attachment 5). Attachment 6 provides a year-by-year comparison of estimated budget authority and outlays for the total program.

These estimates, it should be noted, are for investment costs only; they are not life-cycle costs. They do not reflect the costs of operating the B–1 once it is in the Air Force inventory. Nor do they reflect the possible costs of other weapon systems to enhance the capability of the B–1 such as a new short range attack missile or a new tanker for aerial refueling.

I am sending an identical letter to Senator Proxmire and a copy to Chairman Hatfield. If your staff should have any questions concerning these estimates or the attachments they can contact Mr. Patrick Renehan of our Defense Cost Unit at 226–2840.

Sincerely,

ALICE M. RIVLIN,
Director.

ATTACHMENT 1: ADDITIONAL ITEMS IDENTIFIED BY GAO (In millions of constant 1981 dollars)

SUBJECT	COST
Questionable Reductions:	
Engineering change order budget	440
Change in avionics learning curve	100
Change in airframe learning curve	500
Reduction in avionics production estimate	86
Consideration for multiyear procurement	800
Transfer of engine component engineering development to component improvement account	40
Deferral of air vehicle depot support development	300
Expenses in other program elements:	
Operational test and evaluation	No Estimate
Engine component improvement program	115
Conventional weapons certification	No Estimate
Interim contractor support	500-2,000
Production facilities improvement	71
Manufacturing technology enhancement	170
Base facility improvement	173
Nuclear weapons certification	500-750
Potential Additions:	
Second inertial navigation system	220
Forward looking infrared sensor	125
Simulator development and procurement	337
Full scale fuselage fatigue testing	140
Fuel tank inerting system	No Estimate
Electro-magnetic pulse testing	No Estimate
Low frequency/very low frequency communications	No Estimate
Hardware, testing, electronics and support for additional weapons	No Estimate
Future improvements to avionics	No Estimate

ATTACHMENT 2. COMPARISON OF ADMINISTRATION AND CBO BASELINE B-1 COSTS (Budget authority by fiscal year, in millions of dollars)

	1981	1982	1983	1984	1985	1986	TOTAL a/
Development							
Constant 1981 dollars	210	670	620	460	430	40	2,430
Administration then-year dollars	218	750	741	583	573	56	2,921
CBO then-year dollars	218	762	761	608	609	61	3,017
Procurement b/							
Constant 1981 dollars	0	1,300	2,580	4,370	4,800	4,240	17,290
Administration then-year dollars	0	1,565	3,290	5,860	6,744	6,229	23,688
CBO then-year dollars	0	1,639	3,544	6,524	7,777	7,454	26,937
Total a/							
Constant 1981 dollars	210	1,970	3,200	4,830	5,230	4,280	19,720
Administration then-year dollars	218	2,316	4,030	6,443	7,317	6,285	26,609
CBO then-year dollars	218	2,401	4,305	7,131	8,386	7,514	29,955

a/ Numbers may not add to totals because of rounding.
b/ These procurement funds support a buy of 2 aircraft in 1982, 7 in 1983, 9 in 1984, 36 in 1985 and 46 in 1986.

ATTACHMENT 3. COMPARISON OF ADMINISTRATION AND CBO B-1 OPTION COSTS (Budget authority by fiscal year, in millions of dollars)

	1981	1982	1983	1984	1985	1986	Total a/
Rear Bay Enlargement							
Constant 1981 dollars	0	53	68	39	11	4	173
Administration then-year dollars	0	60	84	51	15	5	215
CBO then-year dollars	0	61	89	57	17	6	230
Permissive Action Link/Command Disable System							
Constant 1981 dollars	0	39	33	15	46	54	187
Administration then-year dollars	0	45	41	20	65	79	249
CBO then-year dollars	0	46	43	22	75	95	281
ALCM Carriage:							
Constant 1981 dollars	0	130	261	182	51	16	640
Administration then-year dollars	0	149	329	244	72	23	816
CBO then-year dollars	0	153	351	270	82	28	885
ALCM Avionics							
Constant 1981 dollars	0	6	10	8	2	1	26
Administration then-year dollars	0	6	13	10	3	1	32
CBO then-year dollars	0	7	14	11	3	1	35
Total a/							
Constant 1981 dollars	0	228	372	243	110	74	1,026
Administration then-year dollars	0	260	466	325	154	109	1,313
CBO then-year dollars	0	266	497	361	177	130	1,430

a/ Numbers may not add to totals because of rounding.

ATTACHMENT 4. COMPARISON OF GAO IDENTIFIED COSTS (Budget Authority by fiscal year, in millions of dollars)

	1981	1982	1983	1984	1985	1986	Total a/
Questionable Reductions							
Constant 1981 dollars	0	245	395	576	585	465	2,266
Administration then-year dollars	0	287	496	767	817	683	3,050
CBO then-year dollars	0	297	529	846	935	817	3,423
Expenses in Other Program Elements							
Constant 1981 dollars	17	106	101	163	942	1,074	2,403
Administration then-year dollars	19	128	128	219	1,308	1,549	3,351
CBO then-year dollars	19	134	138	244	1,481	1,790	3,806
Potential Additions							
Constant 1981 dollars	0	109	153	198	206	156	822
Administration then-year dollars	0	126	191	263	287	229	1,096
CBO then-year dollars	0	130	203	289	328	274	1,223
Total a/							
Constant 1981 dollars	17	460	649	937	1,733	1,695	5,491
Administration then-year dollars	19	541	816	1,248	2,412	2,461	7,497
CBO then-year dollars	19	560	870	1,379	2,743	2,880	8,452

a/ Numbers may not add to totals because of rounding.

ATTACHMENT 5: COMPARISON OF TOTAL B-1 ACQUISITION COSTS (Budget authority by fiscal year, in millions of dollars)

	1981	1982	1983	1984	1985	1986	TOTAL a/
Baseline B-1							
Constant 1981 dollars	210	1,970	3,200	4,830	5,230	4,280	19,720
Administration then-year dollars	218	2,316	4,030	6,443	7,317	6,285	26,609
CBO then-year dollars	218	2,401	4,305	7,131	8,386	7,514	29,955
Four Options							
Constant 1981 dollars	0	228	372	243	110	74	1,026
Administration then-year dollars	0	260	466	325	154	109	1,313
CBO then-year dollars	0	266	497	361	177	130	1,430
GAO							
Constant 1981 dollars	17	460	649	937	1,733	1,695	5,491
Administration then-year dollars	19	541	816	1,248	2,412	2,461	7,497
CBO then-year dollars	19	560	870	1,379	2,743	2,880	8,452
Total a/							
Constant 1981 dollars	227	2,658	4,220	6,010	7,073	6,049	26,237
Administration then-year dollars	237	3,116	5,312	8,016	9,883	8,854	35,419
CBO then-year dollars	237	3,228	5,672	8,870	11,306	10,524	39,837

a/ Numbers may not add to totals because of rounding.

ATTACHMENT 6. COMPARISON OF TOTAL B-1 ACQUISITION COSTS (Budget authority and Outlays by fiscal year, in millions of dollars)

	1981		1982		1983		1984		1985		1986		TOTAL	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Constant 81 dollars	227	128	2,658	840	4,220	1,925	6,010	3,319	7,073	5,057	6,049	6,141	26,237	17,410
Administration then year dollars	237	133	3,116	950	5,312	2,309	8,016	4,191	9,884	6,699	8,854	8,472	35,419	22,754
CBO then year dollars	237	133	3,228	970	5,672	2,407	8,870	4,485	11,306	7,374	10,524	9,610	39,837	24,979

Mr. LEAHY. Mr. President, these new estimates of the cost of the B–1 bomber show that this weapon system will be twice as expensive as the Air Force estimated just 4 months ago. Our national budget cannot afford this enormous cost, and our national security will not be improved by a penetrating bomber that cannot penetrate.

In the mid-1980s, when our budget problems are most severe, the costs of this aircraft will be at their zenith. These huge costs will force higher budget deficits—and take money away from more effective strategic programs. These very large B–1 expenditures will reduce our military strength because fewer funds will be available for military readiness or for the Stealth bomber which is widely agreed to be a superior aircraft.

Cost estimates of the B–1 have increased so dramatically because original estimates were based on unrealistically optimistic economic assumptions and did not include all the required equipment and design changes. Unfortunately, we cannot pay for the B–1 with last year's dollars or build it without full equipment.

The B–1 bomber will be obsolete before it is deployed. I do not believe we can afford a $40 billion flying Edsel.

MATERNAL AND CHILD HEALTH AMENDMENT

Mr. President, I am pleased to cosponsor Senator BUMPERS' amendment to provide funding for maternal and child health programs, including screening and immunizations, diagnostic testing for genetic disorders and handicapping conditions in young chilren, and adolescent pregnancy services.

A story is told of a couple who went to an orphanage to adopt two children. The matron of the orphanage first brought out the most beautiful children for the couple to meet. And the couple was displeased. Then she brought out the most talented of the children to the future parents. And they were displeased. Finally, she brought out the most intelligent of the children. The couple rose to leave and explained, "you have misunderstood, we want the ones no one else will have."

The children served by these maternal and child health programs are often the ones that no one else will have. They are handicapped, abused, neglected. Their mothers are often poor, but do not qualify for medicaid. They fall between the cracks and crevices of eligibility for many Federal and State programs. The funds provided under these maternal and child health programs are

often their only source of assistance. This Congress, in adopting Senator BUMPERS' amendment, would be exhibiting both compassion and commonsense.

A further reduction in funds for maternal and child health services would be contrary to the administration's goal of protecting the truly needy in our society. A further reduction in funds for these programs would be contrary to our goal of containing health and social welfare costs. The State of Alabama reports that for every $1 spent on maternal and child health services, the State saves from $5 to $10 in costs that would otherwise have occurred from a lack of access to prenatal and primary health care.

The State of Mississippi reports that it costs $1,100 to provide complete prenatal care to a pregnant woman, while it costs the State $20,000 a year to provide institutional services to a child born with handicapping conditions because his mother did not receive the necessary care. These maternal and child health programs have enabled over 1 million children to receive immunizations and other basic health services. Three million children receive services for serious genetic disorders, hemophilia, and sudden infant death syndrome. Over 1 million mothers receive prenatal and delivery services under these programs. Still, many more mothers and children are unable to receive the help they need.

Even at the level of funds Senator BUMPERS is recommending, maternal and child health programs face a dramatic reduction from the fiscal 1981 level of $457 million. The efforts in my own State of Vermont to provide essential health services to mothers and children will suffer dramatically if Senator BUMPERS' amendment is not approved. Many of our public health offices would be closed, there would be a sharp decrease in prenatal classes, immunizations and well child clinics. Our child development clinic, the only facility in the State for the diagnosis of mental retardation in very young children would be closed.

Mr. President, I believe that a society which expects its citizens to do all they can for their country when they are well is a society which should do all it can for its citizens when they are ill. I urge all of my colleagues to support Senator BUMPERS' amendment.

FUNDING FOR VOCATIONAL REHABILITATION AND SPECIAL EDUCATION PROGRAMS

Mr. President, many years ago, lepers were cast aside, kept in a hiding place of secrecy and sorrow. If they left their place, they were forced to wear a bell around their necks to warn others to flee. For them, the bell tolled, "Leper, leper, leper."

Not so many years ago children and adults, disabled, disfigured or disturbed were also isolated, kept away from the public's eye. They did not attend our schools. They did not work in our stores. They did not belong to our society. And when they happened to be seen, it was as though they wore a bell which tolled, "Cripple, cripple, cripple."

In time, we came to learn that the bells which tolled for the Nation's disadvantaged tolled also for us. In time, our attitudes and our laws changed. Strong efforts were made to correct past injustices.

The greatest efforts have been made in the past decade when the Congress enacted landmark legislation to allow handicapped children and adults to participate fully in our society. In 1973, the Congress approved the Vocational Rehabilitation Act which affirmed the rights of handicapped citizens to fair employment. This law has enabled many handicapped Americans to obtain the guidance, training, and services necessary to lead more independent and productive lives.

Congress also approved the Education for All Handicapped Children Act, Public Law 94–142, which required the States to provide a "free appropriate public education" to all handicapped children. In 1980, 4 million children were educated in our public schools or in the least restrictive setting possible.

These laws have helped many handicapped Americans, but there are as many who are still in need of assistance. For every child who has been helped by Public Law 94–142, there is another who has not. For every handicapped adult who has been placed in a productive job, there are still others waiting for employment assistance.

These laws stand as promissory notes to a Nation's handicapped children and adults. The failure of the Congress to approve an adequate level of funding for special education and rehabilitation services will send a clear signal to them that we are prepared to retreat from the extended promise of equal educational and employment opportunity.

There are many reasons to support Senator WEICKER's amendments to restore funds to special education and vocational rehabilitation programs. First, these programs serve the most truly needy in our society, children and adults who are blind, hearing-impaired, developmentally disabled, wheelchair bound. If this administration and this Congress do not consider these citizens truly needy and worthy of special attention, then the "social safety net" is moored in sand. Second, these programs, according to numerous Federal and private studies, are effective in achieving their stated goals. Third, by educating and training handicapped individuals, we are saving Federal, State, and local expenditures for public assistance and institutional care.

For every $1 spent by the Federal Government on vocational rehabilitation, another $8 are saved in costs for medicaid alone. For every dollar spent on the early education of handicapped children, vast amounts are saved in social welfare costs. Finally, the States and local school districts are already paying the largest share of the cost of educating and training disabled Americans. For example, the States spent $5 billion on the education of handicapped children in 1980. The Federal Government contributed only a small fraction of the total cost. In fact, the Congress has never appropriated more than 12 percent of the cost of educating handicapped children.

Senator WEICKER's amendment would allow us to continue special education and vocational rehabilitation services at last year's level. They would allow us to continue to pay about 11 percent of the cost of educating handicapped children. The level of funding sought is that which was approved under the Reconciliation Act of 1981.

Mr. President, there are those who will say that we cannot afford to continue these programs at the current level given the condition of the economy. I believe that we cannot afford not to increase funding for special education and vocational rehabilitation programs. We cannot afford to know the price of everything while considering the value of nothing.

In budget actions taken this past year, we have for our handicapped citizens already deferred too many dreams, rescinded too many hopes, and we cannot reconcile a lessening of the goals we have set forth under the Education for All Handicapped Children and Vocational Rehabilitation Acts. I strongly urge all of my colleagues to support Senator WEICKER's amendments.

LOW-INCOME ENERGY ASSISTANCE PROGRAM

Mr. President, I should like to express my total support for this amendment to provide additional funds for low-income energy assistance. The only opposition I would raise is that this amendment is still far from adequate to meet the proven need. Low-income energy assistance is one of the most basic—and most underfunded—of the so-called safety net.

I have argued for this program for the last 2 years, and each year the statistics become more grim. Over half the Vermonters eligible for fuel assistance have an income of less than $6,000 per year. These people live in the oldest and most poorly insulated housing. They have switched to cheaper forms of energy—although now even wood is expensive—and have turned down their thermostats to a point where their health is often affected.

Mr. President, it seems as if every year we debate the issue of energy assistance well after the time when these funds should be on their way to those in need. Vermont has been hit with the first of many snowfalls, and below-freezing temperatures are already the norm. Yet my State still does not know how much it will finally receive for energy assistance. What promises to be a long, cold winter has already begun, and thousands of Vermonters are living in fear that there may not be enough fuel assistance funds to go around. Relief is not in sight as far as they are concerned.

The funding we are seeking today will partially restore what is really needed. I urge my colleagues to support this amendment.

HUD APPROPRIATIONS REVISIONS

Mr. President, I should like to express my disapproval of the Appropriations Committee's action yesterday to further reduce funding levels for the urban development action grant (UDAG) and community development block grant (CDBG) programs. I did not endorse the committee's decision to reduce UDAG funding by a full 12 percent from $500 million to $440 million for fiscal year 1982. Although I supported the committee's rejection of an earlier proposal by

the administration to slash CDBG funding by 12 percent or $448 million, I did not support the 6-percent or $224 million cut from what the House and Senate committees had approved.

Cities throughout my home State of Vermont have undertaken major projects over the past several years to step up efforts to save once-dying city centers. Almost every community in the State with a population over 3,000 is involved to some extent in upgrading their downtown areas. Federal programs such as UDAG and CDBG, combined with the dedicated efforts of community and business leaders, have played a major role in this successful revitalization.

Due to the cuts endorsed by the Appropriations Committee yesterday, UDAG funds, which have been used in economically beleaguered Vermont communities to stimulate joint public/private development projects, have been reduced so significantly that many promising projects in my State will have to be abandoned. The cuts in the CDBG program will mean that only about $1.6 million will be available to fund new projects in Vermont in fiscal year 1982. Considering that the average CDBG grant in Vermont is approximately $300,000, this means that as few as 5 of Vermont's 251 communities can expect to participate in the CDBG program in fiscal year 1982.

Earlier this year, I expressed my concern that under the guise of "New Federalism" the States would be handed the burden of administering the CDBG small cities program without the support of adequate Federal funds. Unfortunately, this latest round of budget cuts confirms my fears. I am not surprised that many States are now reconsidering their decision to take over the small cities program in fiscal year 1982. In fact, the latest indications are that as many as half of the States will decline to take over the small cities program this year.●

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1982—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the conference report on H.R. 4522, which the clerk will now report.

Mr. SCHMITT. Mr. President, I ask unanimous consent to vitiate that order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The previous order is vitiated.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past the hour of 7:10 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR WILLIAM COHEN

Mr. RUDMAN. Mr. President, in the Bangor Daily News, there appeared a column by John Day about our colleague and my friend, Senator WILLIAM COHEN of the State of Maine. It is a very searching and sensitive column devoted to the agonies that many of us go through on a vote such as the AWACS vote.

I ask unanimous consent that a copy of this column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

FAMILY POLITICS

(By John Day)

WASHINGTON.—Andy Warhol, an artistic figure of little substance, once said, "The day will come when everyone will be famous for 15 minutes."

Reuben Cohen is such a man. Like Ed Muskie's sainted father, "the immigrant Polish tailor," and Joe Brennan's worthy male parent, "the Munjoy Hill dockworker," Reuben Cohen bursts into national prominence each time his son, Sen. William S. Cohen, confronts a major crossroads in his political career, and then fades back into obscurity the following day.

The media, for reasons that have little scientific validity, have always subscribed to the theory that the actions of political sons are unfailingly rooted to their ethnic fathers. Therefore, when Cohen changed his vote Wednesday in favor of the AWACS sale to Saudi Arabia, turning the tide on that because, as the media pointed out, Cohen was the "son of a Jewish baker . . . the son of a Jewish bagel-maker . . . (even) the son of a Jewish bagle-factory owner."

The size of Reuben Cohen's bakery and his daily production of bagels always increases in a direct proportion to the reporter's ignorance of Maine politics. Wednesday afternoon, a few minutes after the speech which announced his change of position on AWACS, Cohen was swarmed around by reporters who asked such questions as "Does your father agree with this . . . did you talk to your father about this . . . (and) are you Jewish?"

Cohen was one of four senators, all of them original cosponsors of the resolution seeking to block AWACS, who switched at the last minute to give President Reagan his first major foreign policy victory. Two were freshman Republicans, Slade Gorton of Washington and Mark Andrews of North Dakota, regarded as likely targets to cave in to pressure from the While House. The other was Democrat Edward Zorinsky. Most of the heat fell on Cohen's shoulders, because he was the "son of a Jewish baker."

Which brings us to one of those gray areas that are rarely discussed in print, the subtle backlash that follows a politician who falls between the cracks of the media's pat, ethnic stereotypes. There was no mention Wednesday that Cohen is also the son of a proud, independent Irish woman. Her name is Clara Hartley Cohen. In Cohen's book, "Roll Call," the senator credited her with having as great an influence on his life as his father, who is rapidly becoming this country's most famous Jewish baker.

There are shades of discrimination in the world. Every politician with a Jewish name in America has run up against anti-Semitism. Cohen still talks about the hate mail he received from right-wing conservatives in 1973 following his vote in favor of Richard Nixon's impeachment while a member of the House Judiciary Committee.

The blatant stuff is easy to deal with. More difficult is the subtle, reverse discrimination which the Maine senator often runs up against in the Washington power circles. It showed up Wednesday during the cross-examination of Cohen on his AWACS vote. Bob Kaiser of the Washington Post, sometimes regarded as Ben Bradlee's successor, positioned himself directly in front of Cohen and announced to other reporters that he was going to tear into the Maine senator. Mary McGrory, the Post's liberal columnist, devoted a substantial portion of her column the next day to chastizing Cohen for "capitulating" to Reagan for reasons he "miserably" explained on the Senate floor. David Rogers, the Boston Globe's Capitol Hill reporter, suggested that Cohen cowardly sneaked out of the Senate chamber to avoid debate questions from Sen. Joseph Biden.

You could argue the intellectual disdain some journalists hold for Cohen stems from the senator's style, or his actions. You also could be cynical, and ascribe some of it to a subtle sort of reverse discrimination. Cohen, to many people down here, is the senator with a Jewish name who goes to a Protestant church. I've heard one of CBS's White House correspondents refer to Cohen, in the company of his peers, as being "the Unitarian Jew" in the same manner that Muskie is alleged to have slurred Franco-Americans by calling them "Canucks."

The relish with which some Washington journalists, many of them Jewish themselves, panned Cohen's two books was a sight to behold. He's not the worlds greatest politician-writer. I doubt he's as bad as the reviews in the Post and Star.

Cohen rarely talks about the complicated personal drives which took him from Bangor's impoverished York-Hancock Street to the U.S. Senate. He complained to me once of the obsession reporters have for "trying to get inside my mind to see what makes me tick." Cohen wants to be judged by his deeds, not his hangups.

In his book, Roll Call, the senator provides the answers to most of the questions people raise about his mixed heritage. He makes a clean breast of it.

Cohen wrote about the conflict between his mother and father over whether he would be brought up Jewish or Protestant. Encouraged by his father, Cohen said, " I decided at a very early age that I would be an athlete," and began skipping Saturday classes at Bangor's Hebrew School for afternoon basketball games at the YMCA.

"My split heritage of having an Irish mother and a Jewish father precluded me from ever being considered or accepted as a Jew, so I rationalized away the need to attend Saturday services. My absence upset some of my classmates, because it spoiled any chance for a perfect class attendance record and the prize that went with it," the senator wrote.

He continued, "Had my mother converted to Judaism perhaps things would have turned out differently for me, but she remained a woman of fierce independence and iron will against all the social pressures for conformity.

"I found it difficult to carry the name of Cohen and the label of Jew during the time when bigotry was rather rampant in rural Maine . . . One of my more vivid recollections is the time I was pitching in a Little League game in a small town . . . an angry, red-faced man hurled a beer can at me, yelling 'Send the Jew boy home!'

"I was only 12 at the time, and I can remember thinking, But you don't understand: I'm not . . ."

The conflict of religions came to a head. "I had no need to resolve the confusion that existed in my mind at the time, but I could not drift forever in a fuzzy world of religious nonalignment. When it came time for me to be Bar Mitzvah'd and celebrate my admission into the ranks of responsibility, I discovered that I first would have to participate in a special religious conversion ceremony. I ran to my father with tears in my eyes. 'Dad, I'm not going to do it.' He responded, 'Billy, you don't have to.'

"I knew that my mother had talked to him. She had always remained indifferent to the social pressure that called for her to change her views or conduct in order to please others. Any measure of independence

that I have today, I attribute to her example of self-esteem and self-confidence," the senator wrote.

Cohen said he was angry and the pressures which were being placed upon him because of different heritages of his parents.

He concluded:

"It was a lesson that has stayed with me for a lifetime. The Jewish community could not carve out an exception to its faith and laws just to accommodate me. I chose exclusion from the Jewish faith rather than accept the terms of confirmation. Snapping the bonds of conformity carried with it a price tag. . . . Exclusion meant freedom from conformity, but it also meant a lack of security and identity. . . . It meant that I could not expect to take refuge behind a common wall of numbers against the inevitable insults and assaults of future years."

I have no way of judging whether Cohen really believed his change of vote is in Israel's best interests, as he says, or he merely "capitulated" to Ronald Reagan, which is McGrory's thesis. I do know his decision was not the easy way out, and it came after some very deep soul searching. Reporters who judge him spend too much time focusing on the senator's Jewish father, and not enough attention to his mother and the other forces that moulded him.

ALASKA NATURAL GAS TRANSPORTATION SYSTEM

Mr. McCLURE. Mr. President, tomorrow the Senate will consider Senate Joint Resolution 115, to approve the President's recommendation for a waiver of law for the Alaska natural gas transportation system.

Today I received a joint letter from Secretary of State Alexander M. Haig, Jr., and Secretary of Energy James B. Edwards reiterating the critical importance of the project to the energy security of this country and strongly urging support for this important national energy project.

I ask unanimous consent that their letter be printed in the RECORD for the information of my fellow Members.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, D.C., November 17, 1981.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLURE: On October 15, President Reagan transmitted a proposed waiver of law to the Congress pursuant to Section 8(g) of the Alaska Natural Gas Transportation Act. In his accompanying message, the President reiterated the "critical importance of the project to the energy security of this country" and as a demonstration of cooperation between the United States and Canada.

As you know the Senate Energy Committee has conducted extensive hearings on the proposed waiver of law and received testimony from a broad spectrum of witnesses, including financial experts, and consumers, as well as the project sponsors themselves.

As the Senate now moves toward final consideration on the proposed waiver, we would like to take this opportunity to reiterate several points which we believe are crucial in your analysis of the President's proposal.

1. Access to Alaska natural gas reserves is vital to the Nation's long-term energy security. The 26 trillion cubic feet of proven reserves at Prudhoe Bay comprise about 13 percent of domestic proven gas reserves. Completion of the project also will facilitate exploration and development of an estimated additional 100-200 trillion cubic feet of undiscovered gas in Alaska. It is our conclusion that the ANGTS represents the most realistic option to bring this gas to the lower 48 states.

2. Approval of the waiver will fulfill important U.S. commitments to the Canadian Government. Prior to the decision of the Canadian Government in the summer of 1980 authorizing the export of Canadian gas in support of the early construction of portions of the pipeline system, President Carter sent a letter to Canadian Prime Minister Trudeau underscoring the U.S. commitment to the project and pledging to initiate appropriate action before the Congress to remove legal impediments to the ability of the Canadian sponsors to recover their costs upon completion of the Canadian portion of the system. This commitment was endorsed by the Congress through the passage of a concurrent resolution in July 1980 stating that the project "enjoys the highest level of congressional support for its expeditious construction and completion." Given these commitments, failure to approve the proposed waiver could have serious repercussions for United States-Canadian relations.

3. The proposed waiver will ensure an equitable balance of the economic risks associated with the project. Given the extensive design and engineering work already completed by the project sponsors, the risk of precompletion billing due to significant construction delays or abandonment is remote. A more substantial risk to consumers is that, in the event of delay or abandonment of the project as a result of congressional inaction on the President's waiver proposal, they will be forced to rely on more costly and unstable supplies of imported oil. This project represents an important investment in the energy future of this country from which energy consumers will receive substantial long-term benefits. Significant procedural and other safeguards included in the terms of the proposed waiver, as well as in the underlying authority of the Federal Energy Regulatory Commission to review and ultimately to approve the project including the final tariff, will ensure that the interests of consumers remain protected.

4. The President's decision to propose the waiver of law was reached independently of the Administration's ongoing review of natural gas price decontrol. Whatever decision is reached by the President and the Congress on decontrol, the project sponsors will have a range of options to ensure the marketability of Alaska natural gas. The analyses of the various economic studies prepared for the project sponsors and made available to your Committees during the course of the hearings demonstrate that over the life of the project, the cost of Alaskan natural gas will be significantly below the price of alternative fuel supplies under any decontrol plan.

The proposed system will be the largest privately financed project in history. However, for the sponsors to attract significant private capital, they must demonstrate that the gas will be marketable when delivered to the lower 48 States. The proposed waiver is designed to clear away Governmental obstacles which now prevent a true market test of the project.

In his letter transmitting the proposed waiver to the Congress, President Reagan stated that it is critical to the energy security of this country that the Federal Government not obstruct development of energy resources on the North Slope of Alaska. We strongly urge your support for this important national energy project.

With best wishes,

Sincerely,

ALEXANDER M. HAIG, Jr.,
Secretary of State.
JAMES B. EDWARDS,
Secretary of Energy.

A MESSAGE FROM A FRIEND

Mr. MATHIAS. Mr. President, Alois Mertes is a respected figure in German political life. He is a pragmatic conservative who deals with life as he finds it and does not indulge in wishful thinking.

Although he speaks for the opposition in the Federal Republic of Germany, he speaks with the prudence and restraint usually characteristic of those bearing the responsibility of political office. Therefore, when he speaks, his words merit attention.

For many months, he has been worried by the drift in affairs that could cause a deterioration in the relationship between the United States and Europe. He recalls that he was originally an opponent of the "opening to the East" and the Soviet-German treaty.

But he is a realist and recognizes that those decisions were, in fact, accepted and have been the guidelines for international conduct for more than a decade.

Now, as a conservative as well as a realist, Mr. Mertes is speaking out of concern that history will be ignored and that a price will have to be paid, as is always the case when the lessons of history are forgotten.

In a recent interview published in the Washington Post, Mr. Mertes speaks to his long-time American friends, and I suspect particularly to the Members of the U.S. Congress.

I ask unanimous consent that the article from the Washington Post reporting his views be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REAGAN STYLE IS CRITICIZED: BONN CONSERVATIVE LEADER NOTES DISQUIET IN WESTERN EUROPE

(By Bradley Graham)

BONN, Nov. 7.—Talk by senior U.S. officials about fighting a limited nuclear war, on top of continued squabbling within Washington's foreign policy team, has begun to trouble even leading conservative politicians here, one of whom has warned that the Reagan administration is adding to "uncertainty and disquiet in Europe, above all in Germany."

In a statement, Alois Mertes, in his capacity as foreign policy spokesman for West Germany's opposition Christian Democratic Union, advised Washington to play down public references to military-strategic options and instead focus more on the political character of the East-West conflict. He also urged a stop to the sniping within the administration at Secretary of State Alexander M. Haig Jr., who is seen here as an official who understands Europe.

With crucial U.S.-Soviet negotiations approaching on arms limitations, Mertes said last night that it is important that the United States and Europe follow "a clear and constant course with respect to the Soviet Union."

Implicit in the appeal, which Mertes said represents "a mood that is widely spread" in his traditionally pro-American party, is the feeling that the Reagan administration is not sufficiently attuned to European political sensitivities and may be undercutting its own recent efforts to shore up alliance backing for plans to deploy new medium-range nuclear missiles in Western Europe. The criticism addresses the administration's style, not its policy. The Christian Democrats have not issued a formal statement.

Meanwhile, according to informed sources in London, U.S. Ambassador to Britain John J. Louis Jr. plans to tell the administration during consultations in Washington that there is more to the European peace movement than officials in Washington like to think there is.

Louis is expected to report that conflicting U.S. statements on nuclear strategy fan the movement and add to the concerns of the government of Prime Minister Margaret Thatcher.

Bonn has sought publicly to distance itself from this week's controversy in Washington over nuclear strategy. But Mertes, a leading party figure who was speaking out critically for the first time this year, highlight the seriousness of current U.S.-West German differences and would appear to signal a sort of storm watch in transatlantic relations.

Mertes, who volunteered his comments in a telephone call to The Washington Post here last night, said he was speaking as a friend of the United States and hoped his message would be interpreted in Washington as an attempt "to strengthen the bridge" between West Germany and Washington.

His criticism comes shortly after the Christian Democratic Union's national congress in Hamburg, which had stressed more dialogue with West Germany's youth, many of whom are active in the country's peace movement. There has been controversy in the CDU about how to reconcile the party with the peace campaign and West Germany's now established détente with the Soviet Union.

Mertes said West Germany's young people "are committed to the values of the West," but are put off by U.S. arguments "framed in military terms." The contrast this week between the military debate in Washington and the youth debate in Hamburg is what Mertes said prompted him to issue his warning.

"The fact that some representatives of the American government overemphasize military-strategic options instead of using more political argumentation, along with the criticism of Secretary of State Haig within the administration, favors the Soviet strategy of raising uncertainty and disquiet in Europe, above all in Germany," Mertes said in a brief formal statement.

"From a European point of view," he continued, "it is important in the current phase for the whole alliance to follow a clear and constant course with respect to the Soviet Union in order to achieve success in the coming [arms limitation] negotiations, which should lead to a balanced and verifiable reduction in the [military] potential on both sides without causing a reduction in security."

The U.S. discussion of nuclear plans and options, sparked by President Reagan last month and heated up again this week in congressional testimony by Haig and Defense Secretary Caspar Weinberger, has generally disturbed Europe more than America.

The reason for this has partly to do with Americans being more accustomed to public debate about nuclear weaponry than are West Europeans.

Europeans have been all the more disturbed by what looks to them as the matter-of-fact, almost casual way in which nuclear war is talked about in the United States when it would involve a European battlefield.

Further, there is a suspicious attitude to start with among some segments of the European public toward the security and defense intentions of the Reagan administration.

Mertes, asked what the administration should be saying to win European support for its policies, suggested the following:

The United States should say that the Soviet Union, like the United States, does not want war and the destruction of Europe. Rather, the Soviet strategy should be described as an attempt to undermine Europe psychologically to get it to follow Moscow's line. In order to do this, the Soviets can be said to be developing a wide range of military options that are intended less for military use than for use as political threats.

This line of argument, Mertes said, is preferable because it frames the East-West conflict more in political than military-strategic terms.

In fact, this line has been reflected in many of the comments made by members of the Reagan administration during the recent stepped-up U.S. campaign—involving European visits and interviews with European media—to convey U.S. policy more clearly and convincingly. But much of the American message has tended to be overshadowed here by the references to and controversy over nuclear weapons doctrine.

Haig's comments this week about an allied plan to fire a nuclear "warning shot" and Weinberger's denial of any such concrete plans received prominent play in the West German press. They have not, however, drawn as many sharp political and editorial outbursts as followed the remarks by President Reagan two weeks ago about the possibility of an East-West nuclear exchange limited to Europe.

One of those who joined in the earlier barrage of criticism—Karsten Voigt, foreign policy spokesman for the parliamentary group of Chancellor Helmut Schmidt's Social Democratic Party—told the Reuter news service he now felt resigned rather than indignant.

"I think the people who make these remarks must be doing it in the secret hope of strengthening the peace movement," Voigt said sarcastically. "They're certainly succeeding."

MOBIL CORP.: EXPLORATION BY ACQUISITION

Mr. CANNON. Mr. President, I take issue with a hostile attempt by the giant Mobil Oil Corp. to gain approval for their proposed acquisition of Marathon Oil Co.

This body gave long and careful consideration to this far-reaching issue at the time domestic oil prices were decontrolled and windfall profits for the industry approved. We were assured that these actions were needed to find more oil. Under the banner of "free enterprise" these special concessions were granted over the expressed skepticism and opposition of some of us concerned about the effects upon consumers and the validity of promises that new sources could now be found.

The message went like this: If we allowed them to enjoy the benefits of free enterprise, they said, expenditures for new-reserve exploration would increase tremendously. We could begin to break the grasp of OPEC, and aim for the day when we could stand free as self-sufficient, energy-producing Americans.

Yes; it was a wonderfully compelling story, and we bought it. It almost seemed like there was a muted chorus of "God Bless America" in the background whenever the oil giants gave us their promises.

But, Mr. President, it was a beguiling approach at best, and a blatant deception at worst. The Mobil Corp., in its bold attempt to take over the unwilling Marathon Oil Co., has given us their definition of new-reserve exploration—take your windfall profits and buy up the smaller guy's reserves.

It certainly is a very clean method of exploration, and with virtually no risk to Mobil. No messy and time-consuming test drillings, no discouraging dry holes, no exotic research into alternative sources. Just pull out your wallet and buy somebody else's tank—whether he wants to sell or not.

What does the consumer get out of this clever scheme? If he lives in one of several Midwest States where Mobil and Marathon currently compete, he may see the end of that competition and the price and service benefits derived from it. If he pins our country's exploration hopes on the entrepreneurial efforts of the smaller oil companies, he may watch his hopes come unpinned with the absorption of the lessers by the greaters. And if he expects this plot will lessen our dependence on OPEC oil, he is in for a lesson in big business.

As Prof. Morris Adelman of the Massachusetts Institute of Technology, an authority on world oil markets, explained in a Wall Street Journal story of November 12, Mobil has a critical relationship with the most powerful OPEC member, Saudi Arabia. It is one of the four U.S. companies with a significant role in marketing Saudi Arabia's crude oil. Professor Adelman asked:

> Is it a good thing to let a selling agent (Mobil) of the chief cartel member (Saudi Arabia) absorb a company that would otherwise be an independent buyer?

So those are all the wonderful things the consumer can expect from this innovative exploration scheme planned by the Mobil Corp. But surely, we ask with unflagging hope, the cost of this unfriendly acquisition must be minimal when compared to Mobil's budget for our hopelessly old-fashioned concept of real exploration, where undiscovered energy frontiers are entered—instead of the cash register. After all, that is the general picture painted for us by the big oil industry.

Again, Mr. President, we are wrong in making any hopeful assumptions concerning the giant oil companies. Mobil's $5.1 billion offer for Marathon is over 45 percent more than its entire 1980 budget for capital and exploration.

I am certainly not suggesting that I am any critic of the free enterprise system. But I am doing more than just suggesting that Mobil has hidden its exploration intentions behind the benign cloak of that concept, only to dash out and consume the competition in the name of free enterprise.

Mobil may rest assured that I am not alone among this body in remembering the soft promises given us months ago, and shuddering at the cold, hard actions of today.

As a retired oil company economist was quoted in the Wall Street Journal,

> This, the attempted acquisition, is bad for the industry. It is not going to promote competition; it is going to hurt it. And you want to maximize competition if you want to minimize Government regulation.

For once, there is an economist who makes sense. It is just unfortunate for Mobil that it has made a mistake in estimating the length of our memory.

What we now are witnessing is a race to merge on the part of the oil giants. Windfall profits are being used to increase monopoly power over energy production and to buy control of nonenergy companies as well.

The sheer economic power proposed here threatens the well-being of virtually every sector of the economy and encourages other oil companies to initiate still new mergers, eliminating competition and doing nothing to make America energy independent. This merger will produce not a single additional drop of oil. Since the independents traditionally plow back a higher percentage of their profits into exploration, it is likely to reduce supplies.

What the merger would do would be to place enormous pressure on already tight capital markets, fuel inflation still further, and boost high interest rates which respond in upward fashion as the credit crunch tightens. Certainly it will result in higher prices for gasoline and home heating oil.

The merger threatens to nullify the antitrust safeguards that the Congress has provided since the only foreseeable result would be to appreciably lessen competition and open up a long list of other companies to takeover attempts which would dismantle the competitive pricing of gasoline and petroleum products in retail markets.

Mr. President, I ask unanimous consent that the full text of the Wall Street Journal article, "Mobil and Marathon: Antitrust Considerations," by Paul Blustein, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 12, 1981]

MOBIL AND MARATHON: ANTITRUST CONSIDERATIONS

(By Paul Blustein)

NEW YORK.—"The Energy Crisis Is Over!" the cover of this month's Harper's magazine announced in bold black letters. Whether permanently extinct or not, world oil shortages and gasoline-station lines are indeed faded memories.

That's one reason that Mobil Corp.'s $5.1 billion offer for Marathon Oil Co., announced Oct. 30 hasn't generated much political fireworks. Another reason is that Marathon, the country's 16th largest oil company, is less than half the size of ninth-ranked Conoco Inc., which Mobil tried to acquire last summer after bids had been made by Seagram Co. and Du Pont Co.

But Mobil's sudden, unwelcome offer for Marathon does raise important public policy issues, according to a wide array of analysis and observers—including many friends of Big Oil. "This is bad for the industry," fumes an economist who recently retired from one of the top five U.S. oil companies. "It's not going to promote competition: it's going to hurt it. And you want to maximize competition if you're going to minimize government regulation."

Adds Leonard Weiss, an economics professor at the University of Wisconsin: "I thoroughly agree that (oil price) controls were very unfortunate, and I'm glad they're gone. But the assumption when we removed those controls was that the industry would behave competitively. If Mobile can acquire another major oil company, it would be difficult to prevent many mergers by firms only slightly smaller than Mobil. And I would much prefer that they put their money into exploration rather than acquiring competitors."

Mobil officials declined to be interviewed, citing various regulations surrounding the offer for Marathon (which is currently tied up in court proceedings). But Mobil has plenty of defenders as well as critics. A Mobil takeover of Marathon wouldn't by itself be injurious, says Prof. Robert Stobaugh of the Harvard Business School, co-author of "Energy Future," a study of energy policy. "The industry is fragmented and highly competitive," he says, noting the losses many companies have had in refining and marketing over the past year.

API FIGURES

Public perceptions aside, the oil industry is unconcentrated by most standards. Exxon Corp., the biggest company, controls just 7.7% of U.S. crude oil production and 8.8% of U.S. petroleum products sales. Mobil, the second largest in terms of revenue, controls 3.1% and 4.7% respectively; the eight largest firms control 40.8% and 46.1% respectively, according to American Petroleum Institute figures.

Oil industry experts say, however, that such figures sometimes mask important underlying factors.

As one of the four U.S. companies with a dominant role in marketing Saudi Arabian crude oil, Mobil has an unusually sensitive industry position, says Prof. Morris Adelman of the Massachusetts Institute of Technology, an authority on world oil markets. That's because Saudi Arabia is by far the most powerful member of the Organization of Petroleum Exporting Countries. "Is it a good thing to let a selling agent (Mobil) of the chief cartel member (Saudi Arabia) absorb a company that would otherwise be an independent buyer?" Mr. Adelman asks.

"Mind you," he continues, "as an independent buyer, Marathon is a small part of the picture. But I think every participant is valuable in policing the market a little bit."

Other analysts, however, say that the real worry isn't in the "upstream," crude oil producing end of the business—where there are literally thousands of competitors—but rather in the "downstream" refining and marketing end, where concentration ratios are somewhat higher in certain markets. Even downstream, the industry is far more fragmented than, say, automobile manufacturing. But that misses the point, according to Walter Mead, professor of economics at the University of California at Santa Barbara. "The question is," says Mr. Mead, "What is the relevant market?"

An economist with one of the "Seven Sisters" top oil companies maintains that the greatest threat to competition from a merger probably exists in gasoline retailing. While national figures may show high levels of competition, "you have to look at individual regions, cities and towns," the oilman says. "If the consumer has to drive 20 miles to a place where prices might be lower, it doesn't do him much good, because he uses up more gas than he saves. It's very different in the auto industry. If there's only one dealer in a town, it pays to try the next town."

Explains F. M. Scherer, a Northwestern University economist: "You have to be more worried about maintaining a large number of competitors for repetitively purchased, low-value consumer goods, than in markets for big-ticket items for which buyers do a lot of shopping around!"

Mobil and Marathon gasoline stations compete in several Midwest states: the question of whether the companies overlap significantly will presumably require close study. Mobil did, however, indicate during the Conoco battle that it would be willing to shed Conoco's marketing facilities. And it is no secret that Mobil is seeking Marathon, too, not for its downstream facilities but for its crude reserves.

That motive raises a different issue: how the companies are spending their OPEC-bloated profits. Some observers have long contended that acquisitions by the majors provide evidence that the industry isn't serious about finding new energy supplies, and the oil companies have always countered that the dollars spent on acquisitions are small compared with their overall capital budgets. (One of the most controversial acquisitions, for example, was Exxon's merger with Reliance Electric Co. in 1979. The $1.17 billion price tag contrasted with $6.3 billion that Exxon spent in capital and exploratory outlays that year.)

Exploration and development have been proceeding as rapidly as possible, oilmen say, with American Petroleum Institute figures showing domestic outlays by the two dozen largest companies at $17.8 billion for 1960, up from $13.2 billion in 1979. The first six months of 1981 showed a further 75% rise from the like 1980 period, according to the API.

Mobil's $5.1 billion offer for Marathon, however, dwarfs its $3.5 billion 1980 capital and exploratory budget. There have been other huge oil acquisitions in the past, most notably Shell Oil Co.'s $3.6 billion takeover of Belridge Oil Co. in 1979. But Shell brought technological expertise to Belridge, providing hope that Belridge's massive, hard-to-get "heavy" oil reserves in California could be more effectively exploited. While it's possible that Mobil may be able to get more oil out of Marathon's fields than Marathon can, there is no obvious reason to think so, analysts say.

A combined Mobil-Marathon would probably spend less on capital outlays than the two companies would separately, says Harvard's Prof. Stobaugh. Paying $5 billion to acquire Marathon "would give Mobil less financial flexibility: it's a big number even compared to the amount going into the oilfields," he says. "But it's not clear that if Mobil didn't buy Marathon, it would spend all that money for exploration. Mobil might just buy some small companies in deals that wouldn't be contested from an antitrust standpoint."

SELLING RESERVES TO MAJORS

Small oil producers, Prof. Stobaugh notes, often explore for petroleum in hopes of being able to sell their reserves to the majors. "That's why a lot of those independent oil operators are out there in the first place," he says.

But the larger independents, such as Marathon, ought to remain just that—independent, argues Samuel Schwartz, senior vice president-administration at Conoco (now a Du Pont unit). These "second-tier" integrated firms such as Phillips Petroleum Co., Cities Service Co., and Getty Oil Co. "have by and large plowed back their cash flow (into exploration) more fully" than the big internationals, Mr. Schwartz contends. "The nation benefits from having a broader range of companies."

It is the prospect of a wholesale raid on the second-tier companies, or a slew of defensive mergers among them, that most disturbs critics of the Mobil bid for Marathon. With crude reserves selling in the stock market at levels far below their replacement value, takeovers of companies similar to Marathon—if permitted by the government and the courts—might prove financially irresistible to other oil giants besides Mobil.

"Some people think you ought to ask: If Mobil is permitted to acquire Marathon, what will come next?" says Phillip Areeda, professor of antitrust law at Harvard Law School. One approach, he says, is for the government to decide, "If we would prevent other mergers of similar size, we should prevent this one."

It might seem unfair to judge a takeover on any but its own merits, so another approach is for the government to permit mergers up to the point where they become anticompetitive, and then intervene. Such a policy, notes Donald Turner, a former colleague of Prof. Areeda's, does present one obvious problem. "It's like an invitation," says Mr. Turner, a Washington attorney, "to race to merge."

THE DEPARTURE OF AMBASSADOR HEDDA

Mr. PERCY. Mr. President, I would like to commend Ali Hedda who has recently completed 8 years as Ambassador of Tunisia in Washington. Ambassador Hedda and his wife, Nedra, during their service here, have contributed immensely to the continuing warm and close relations between our two nations.

Ambassador Hedda's skill and charm have been a big factor in the growing support for Tunisia. Tunisian-American relations have been excellent for nearly three decades, but they have never been better than they are today. Ambassador Hedda tirelessly pursued Tunsia's interests with the administration and with Congress. When an issue arose in North Africa which directly affected Tunisia's or America's interest, Ali Hedda promptly and succinctly explained Tunisia's position.

There is no really right time for a good Ambassador to leave, but if Washington must give up Ali Hedda so that he may return to Tunisia to assume responsibilities there, now may well be the opportune moment. Tunisia is a success story in terms of both economic development and political liberalism.

During the past year, Tunisia had crossed the threshold from a lesser developed to moderately developed nation.

Last Sunday, Tunisia took a significant step toward greater democracy. The first multiparty elections were held in more than a quarter century. I would hope that the excellent relations between our two nations encouraged and assisted the Tunisians in achieving these successes.

The Ambassador has been more than the representative of Tunisia. As dean of the Arab diplomatic corps in Washington, Ali Hedda ably represented the Arab and Islamic world. Deputy Assistant Secretary of State Peter Constable called him "a bridge between Western culture and the Islamic world." This task has not always been easy considering growing regional tensions.

On a personal note, I would like to express my own warm feeling for Ali and Nedra Hedda. During the past 8 years, we have developed a strong friendship. As they return to Tunisia this week, I wish them well. Their country has every cause to be very proud of them.

CHURCHILL MEMORIAL LECTURE DELIVERED BY LORD CARRINGTON

Mr. PERCY. Mr. President, I would like to insert in the RECORD today the text of the Churchill Memorial Lecture delivered by the distinguished Foreign Minister of Great Britain, Lord Carrington, on October 27, 1981, before a meeting of European Foreign Ministers in Luxembourg.

Lord Carrington's speech is a significant contribution to the debate at present being conducted in Europe on the role of nuclear deterrence and of arms control in the maintenance of peace and stability.

I would strongly recommend that my colleagues in the Senate, if they have not done so, read Lord Carrington's excellent address. Lord Carrington's speech is a most positive step toward clarifying perceptions among the European public and restoring a sense of purpose and increased value to the North Atlantic Alliance.

I ask unanimous consent that the text of the Churchill Memorial Lecture, delivered by Lord Carrington, be printed in the RECORD.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

TEXT OF CHURCHILL MEMORIAL LECTURE DELIVERED BY LORD CARRINGTON IN LUXEMBOURG ON OCTOBER 27, 1981

FOUNDATIONS OF PEACE IN EUROPE

Introduction

I am particularly glad to be speaking in this European Capital as British Foreign Secretary at a time when my country holds the Presidency of the Council of Ministers of the Community. I am very honoured by the presence of His Royal Highness the Grand Duke. We in Britain take pride in the links between our two Royal Houses. And I personally am proud to have been, your Royal Highness, a fellow officer in the Brigade of Guards in the last war. The British admire courage and the staunchness of friends. We salute the proud determination with which, forty years ago, Her Royal Highness the Grand Duchess Charlotte and the people of Luxembourg upheld the honour and the spirit of your country.

Winston Churchill spoke in this city 35 years ago of the vitality and personality, and of the courage guided by wisdom, which have preserved the independent and sovereign life of the Grand Duchy across centuries of shock and change. It is about the preservation of freedom in Europe that I shall speak tonight. It is a supreme important subject. It calls for clarity above all things. I shall try to be guided by one of Churchill's admonitions: men will forgive a man anything except bad prose.

Europe since 1945

Europe has changed very much since the last war. There have been tragedies and failures, but there have also been major successes.

Democracy and political stability, the ultimate foundations of peace, have taken root again and flourished in Western Europe as never before.

Our economies, despite their current problems, have grown greatly. Our living standards have risen beyond recognition. This too is a foundation of peace.

The overseas empires of the European powers have ended. This was a major change, which tripled the number of States in the world. It was accomplished in nearly all cases without major crisis—peacefully and with honour.

The rivalries, which had bedevilled Western Europe since the dawn of the nation state and had caused two world wars, have been buried forever. Instead we have forged a new unity and joined in an unprecedented effort to co-operate. In doing so we have enriched our partnership with America. These achievements are expressed in two unique institutions: the North Atlantic Alliance and the European Community.

In central and eastern Europe, the years since 1945 have been blighted by the tragic divide of the iron curtain. For nearly two decades it largely cut us off from our fellow Europeans beyond the Elbe. More recently the contacts which are natural among neighbours have again developed. We welcome this, and we know that the independent spirit lives on in every part of Europe.

I have mentioned good things and bad. But I have still to mention the most important and the best feature of our post-war Europe. It is contained in that ordinary word —post-war. We have had peace for 36 years. Our post-war period of half a lifetime is already approaching double the period between the two world wars. Half the people of Western Europe today were born since the guns fell silent.

Many in this audience, like me, have vivid memories of the pitiless suffering of conflict and occupation. Those memories make us all the more glad that our children have been spared similar experiences. Those memories also lay upon us a double obligation: to devise effective policies to maintain peace, and to make sure that those policies are understood by all generations and all sections of society.

There is no subject more important than the prospects for peace. I welcome the renewed public discussion about it in recent months. I respect the concern of those who think that the prospects are less reliable than before. I can understand why this feeling is reflected in a new questioning of our security policies, and especially of nuclear weapons. I agree that we must never be complacent and must never relax in our efforts for peace. That is why I am devoting this lecture, dedicated to Britains great war leader, to the crucial subject of peace in Europe.

The military balance

Military matters are too often discussed in impersonal, even inhumane, terms. I shall not speak in the grim jargon of megatons and overkill. But we must start by recalling the facts about the military balance.

In the early years after the war, the Soviet Union and its allies already had far larger conventional forces than the west in Europe. But the United States had nuclear weapons and the Soviet Union did not. The Soviet forces were able to promote the establishment of communist regimes across Europe and Central Europe. They also tried to frighten the western powers into abandoning Berlin. But the West stood firm. The lesson was already there: the Soviet Union would use its military strength to apply political pressure, but could be resisted successfully if the West was strong and determined.

Since then the military balance has changed radically. The Soviet Union has actually increased its advantage in conventional forces in Europe. It has laid greatest stress on attack weapons such as tanks, where the Warsaw pact now has an advantage of nearly three to one over NATO. But the biggest change, of course, has been in nuclear weapons. In intercontinental strategic nuclear forces, the Soviet Union has now caught up with the United States. And in long range theatre nuclear forces—those which are capable of reaching Western Europe from the Soviet Union and vice versa—the Soviet Union has built up clear superiority. A similar imbalance is now developing in shorter range nuclear forces. At the same time the Soviet Union has caught up with the West in the technical sophistication of its weapons. And it has acquired a worldwide Navy.

To achieve all these things the Soviet Union has recently been devoting some 13% of its gross national product to defence. This is an enormous burden, especially for a

country where the people have a far lower living standard than is enjoyed here in the West. Why have those sacrifices been made?

Soviet foreign policy

History may have given Russia a feeling of insecurity. That might help to explain the early stages of the Soviet military build-up. But it is difficult even then to justify on this basis the development of a heavy superiority in tanks and other offensive conventional weapons. And a vast superiority in theatre nuclear forces in Europe, in addition to greater conventional strength, cannot possibly be seen as defensive. Moreover, the Soviet Union can see very well that NATO is deployed, organized, equipped and trained only for defence. Our Alliance, I am glad to say, could not contemplate aggression even if it wanted to.

The record shows that the Soviet Union is willing to use force. We have seen it in Hungary and Czechoslovakia. We are seeing it now in Afghanistan. But we have not seen it so far in Western Europe. Why this difference? Because the risks have been too great. The creation of NATO and the American commitment to Western Europe have made aggression too dangerous.

Deterrence

That brings me to the concept of deterrence—of possessing weapons to prevent war. How is this basic argument to be re-stated with an immediacy that the young man or woman in the street will feel and comprehend?

He who will not learn the lessons of history is condemned to relieve them. That is certainly a principle that Churchill understood. Political debate today too often lacks historical perspective. For 2,000 years the experience of the peoples of Europe has been to live and relive the lesson that the price of freedom is untiring vigilance. A first duty of the State is to ensure protection from external assault.

Why should it be any different today? Observing the behaviour of the most powerful state on the Eurasian landmass since 1945. Do we have any reason to suppose that western security can be left to look after itself? I think the answer is self-evident. I am reminded of that wry East European joke which says, by way of excuse for the hardships of everyday life, we are going through a bad five hundred years just now. I never wish to see Western Europe obliged to fall back on such dark humour.

Nuclear weapons have transformed our view of war. But abhorrence of war is no substitute for realistic plans to prevent it. Our task is to devise a system for living in peace and freedom while ensuring that nuclear weapons are never used, either for destruction or for blackmail.

Nuclear weapons dominate the discussion today. But we tend conveniently to forget that some 50 million people died in World War II, killed by what are comfortably called conventional weapons. A nuclear war which does not happen is better than a conventional one which does.

That is a harsh saying but surely a true one. Since 1945 conventional war has killed up to 10 million more—but not in Europe. We in Europe, to ensure our security, must prevent any East-West war.

The combination of geography and totalitarian control of resources gives the Soviet Union a massive conventional strength which the western democracies have chosen not to match. And even if they were to, no western non-nuclear effort could keep us safe against one-sided Soviet nuclear power.

The purpose of deterrence is to influence the calculations of anyone who might consider an attack, or the threat of an attack, against us, to influence them before any such attack is ever launched, and to influence them decisively. Planning for this means thinking through the possible reasoning of an opponent. It means trying to ensure that he could never see a possibility of depriving the West of all alternatives but surrender. Failure to recognise this complicated but crucial fact about deterrence—that it rests on blocking off in advance a variety of possible moves in the mind of any possible opponent—underlines many of the criticisms made of Western security policy. To do this is not in the least to have a war-fighting strategy or to plan for nuclear war as something expected or probable. It is on the contrary to ensure that, even if an adversary believed in limited nuclear war, as Soviet writings sometimes seem to do, he could not expect actually to engage in one without losses out of all proportion to the desired gains.

NATO, then, is there to deter a possible adversary from starting a war, by making sure that the risk will always be too high. The East-West peace has held for 36 years now, a peace between political systems that are sharply opposed, between powers whose interests directly conflict. In the European historical perspective that is a striking achievement. No one can prove that deterrence centered on nuclear weapons has played a key part, but commonsense suggests that it must have done and it would be lunacy to assert that it had not.

Our purpose today is to maintain peace. That brings me back to the Soviet military build-up. Chancellor Schmidt is right when he stresses the importance of military balance. The danger today is that the imbalances that have developed will undermine deterrence. The erosion of deterrence would reduce the risks facing a potential aggressor. He might begin to consider more aggressive policies in Europe. He might consider starting a war. More likely he would calculate that he need not go so far. He might use his military superiority for military threats, hoping to win decisive influence over all of Europe without a war. That would create the biggest crisis in Europe since 1945. It would take us straight to the brink of catastrophe.

The many honest people in Europe who oppose nuclear weapons, and those in my country who advocate unilateral disarmament, are mistaken because of one fundamental fact: what they are suggesting would make war more likely.

Long range theatre nuclear forces

The task of maintaining deterrence involves a wide range of forces, including conventional forces in Europe and the intercontinental missiles of the United States. But the particular danger in Europe at present is the imbalance in long range theatre nuclear forces. NATO's capability in this field is small and aging. The decision to modernise it was taken in order to maintain deterrence. When NATO took that decision in December 1979, the Soviet Union had already deployed about 100 SS20 missiles with three warheads each.

Each warhead had a destructive force at least ten times that of the Hiroshima bomb. That was two years ago. Those numbers have now reached about 250 missiles with 750 warheads, of which two-thirds are targetted on Western Europe along with other long range theatre missiles and aircraft. And deployment is continuing unabated.

We do not need to match these numbers warhead-for-warhead, and we do not plan to. But in face of this threat we do need to sustain NATO's shield of deterrence. As Churchill said, you cannot ask us to take sides against arithmetic.

If nothing was done about this enormous imbalance, what would be the consequences. The Soviet Union, now or at sometime in the future, under tomorrow's leaders if not today's might reckon that it could afford to threaten nuclear attack on Western Europe without risking retaliation against Soviet territory.

The Soviet calculation would be that the West's only defence against Soviet long range theatre nuclear weapons would be the intercontinental missiles in the United States: and that America might not use these to defend Europe because of the prospect of Soviet nuclear retaliation against the United States itself. We have confidence in our American allies: but it is what the potential adversary may think that determines his behaviour.

The modernisation of American long range theatre nuclear forces in Western Europe, which have been stationed here since the early 1950's, makes impossible a Soviet calculation of the kind I have described.

It makes clear to the Soviet Union that the risks in an attack or a threat of attack in Europe far outweigh any possible benefits, the Soviet planner, seeing the modernised American theatre forces in continental Europe, cannot calculate that conflict can be confined to the central area, leaving the Soviet Union in sanctuary. America's commitment, which is the cornerstone of Europe's security, is reaffirmed. Deterrence is reinforced, and that reduces the risk of war.

Multilateral arms control

I am not suggesting that deterrence itself is an adequate policy in East-West relations. We must work unremittingly for better ways of ordering the world. I want East-West communication and contact at all levels, from tourism to summit meetings.

I want discussions with the Soviet Union on all the problems facing the world. I am glad that last month the Foreign Ministers of the United States and the Soviet Union spent no less than nine hours discussing the main issues together in New York.

I met Mr. Gromyko there too and I was in Moscow in the summer for discussions with him about the initiative of the Ten on Afghanistan. I want East-West negotiations. These have produced some successes over the years. More should be possible if the Soviet Union is ready as the West is, to show restraint in its international activities.

Negotiations about arms control are especially important, I am very glad to speak of this today, during United Nations Disarmament Week. It is a field where we must be vigorous and imaginative, for nothing is more important than to reduce the vast resources devoted to arms.

As Mr. Haig has said, the search for sound arms control agreements should be an essential element in our programme for achieving and maintaining peace. What are the principles that should guide us? The fundamental one is that arms control must enhance security. That means that it must limit the forces of both East and West.

It must be balanced. As Herr Genscher said in the General Assembly last month "Anyone who sets out in disarmament talks to seize or perpetuate unilateral advantages is heading up a blind alley".

Arms control must also be properly verified, so that confidence is created by each party knowing that the others are complying. To quote Herr Genscher again: "Anyone who rejects the necessary on-site inspection or other forms of verification, is liable to be suspected of wanting to conceal and deceive." He is destroying confidence instead of creating it.

The process of arms control needs to advance step by step. As one measure is achieved, and seen to work, so trust is created and more ambitious measures become possible. Grandiose declarations based on wishes rather than thoughts are, sadly, unlikely to achieve anything. We in Britain have been active in working for arms control. We played a prominent part in the negotiations of the Partial Test Ban Treaty and the Non Proliferation Treaty.

We introduced the Convention on particularly inhumane weapons which was adopted by a United Nations conference in 1980. We

are participating in other negotiations, including those in Vienna on mutual and balanced force reductions.

We welcome the announcement that negotiations on long range theatre nuclear forces are to begin between the United States and the Soviet Union next month. These negotiations were proposed by NATO at the same time as it took the decision to modernize its capability. Intensive consultation is taking place in the Alliance to prepare for the negotiations. We are ready to accept equal limits as low as the Soviet Union will accept. We have always said that we would be ready to look again at our deployment plans in the light of progress in negotiating Soviet reductions. The ideal would of course be the complete dismantling of all the Soviet missiles.

In their two meetings last month, Mr. Haig and Mr. Gromyko discussed SALT as well as theatre nuclear forces. The United Kingdom has always supported the SALT process. I hope that negotiations will resume early next year so that we may see the two sets of negotiations taking place at once about limitations on theatre nuclear forces and about reductions in strategic missiles.

The CSCE Review Conference resumes in Madrid today. We shall make every effort to reach agreement on the imaginative French proposal for a Conference about new measures to build confidence and security in Europe. We want such measures to satisfy four basic criteria: they must be mandatory, verifiable, militarily significant and applicable to the whole of Europe up to the Urals. If these criteria are met, the new measures can significantly enhance confidence in Europe. They can reduce the risk of miscalculation and surprise, by increasing the knowledge on each side of military activities on the other.

Unilateralism

I should like briefly to discuss some of the arguments advanced by the opponents of nuclear weapons in Europe. They say that Western planning is now based on fighting and winning a nuclear war. This is mistaken. In any nuclear war there would only be losers. NATO's nuclear weapons, as I have said, are designed to prevent war. They also claim that the cruise missiles destined for deployment in Europe are a first strike weapon. This is nonsense. The planned cruise missiles are of too short a range: they are also too slow and too few to knock out the Soviet missiles targeted on Western Europe.

The unilateral disarmers in my country say that other States would follow suit if Britain disarmed. But a British Prime Minister from the Labour Party, Ramsay MacDonald, was right when he said 50 years ago that disarmament by example does not work. The Soviet Union has explicitly rejected unilateral steps. Unilateral reductions on our side would remove the Soviet incentive to negotiate seriously about multilateral arms control. Remember that Soviet military expenditure went on increasing rapidly in the past 12 years, despite the fall in real terms on the Western side.

The movement for European nuclear disarmament has called for a nuclear weapon free zone from Poland to Portugal. This is unfortunately a delusion. I have pointed out that the Soviet Union has far stronger conventional forces. Their use would more readily be contemplated if there were no nuclear deterrent. Moreover, Soviet nuclear weapons can reach Western Europe from beyond Poland—indeed from beyond the Urals. What would there be to stop the Soviet Union threatening nuclear war?

The same movement says it hopes to extend its activity to the Soviet Union. How do they propose to set about that? There is surely a certain naivete in such suggestions, when confronted with the closed Soviet system.

Look at the persecution of the people who tried not to urge disarmament, but merely to monitor their country's compliance with the Helsinki final act. Remember the tragic example of Anatoly Shcharansky and the appalling treatment he has received for supporting the rights and freedom which all of us take for granted in the West.

My last example is the claim that we face the choice between being red or dead. This too is highly misleading, because there is in fact a third alternative. It is the one which Western Europe has pursued successfully for half a lifetime: to prevent war and remain free.

So let me say to the opponents of nuclear weapons, in Voltaire's words: I disapprove of what you say but I will defend to the death your right to say it. And let me add this. Please be careful that your agitation does not unintentionally serve the purposes of the Soviet Union, for under that system it is quite certain that you would never be allowed to speak and act as you do today.

Western European unity and the alliance with America

Let me quote Winston Churchill again. In Luxembourg in 1946 he said: "The future of the world lies not with the marauding empires of the past but with free countries dedicated to the simple human virtues, whose security is preserved by their collective strength upholding the rule of law." How prescient he was. I think we have done well in the way we have developed healthy political and economic institutions in Western Europe. The European Community is a demonstration that man can learn the lessons of history.

Instead of the carnage of Waterloo or Ypres, we nowadays solve our differences at the conference table. The differences can be wide and the issues can affect vital national interests. But we succeed because we all recognise the overriding need to find solutions which are fair and acceptable to all. This is why I am confident that we shall achieve success in the current, very business-like discussions about the future development of the internal policies of the Community and their financing. And we must work for the day when Spain and Portugal shall join in our growing co-operation.

At the same time we must strengthen our efforts to ensure that the members of the European Community speak with a joint voice on the main issues of world affairs. Our political co-operation has greatly advanced and this month in London the Foreign Ministers of the Ten adopted a report which consolidates past progress and opens up new possibilities.

I pay tribute to the work of past presidencies, not least that of Luxembourg this time last year in achieving this. Together we are working for peace in areas outside Europe too—such as Afghanistan and the Middle East. We are developing a dialogue with other countries and groups of states—for example with the Arab Nations and the Association of South-East Asian Nations, whose five Foreign Ministers met their 10 European colleagues in London a fortnight ago.

But the most important relationship for the security of Europe, of course, is the one with the United States. Europe and America still represent the prime example of that fashionable word interdependence. America has twice intervened to save freedom in Europe. Everything I have said this evening shows that without America we in Europe could never be secure. Moreover, the interest is mutual.

Without Europe, America would be isolated and at a grave disadvantage in dealing with Soviet ambitions. These ties of mutual interest, expressed in the North Atlantic Alliance, reinforce those of cousinhood and culture which underlie the transatlantic relationship. America itself is in the fullest sense a pillar of peace in our continent.

Conclusion

Peace in Europe rests four square on these foundations:

Effective deterrent, prevent war.

A Search for agreements to control arms on a balanced basis.

A renewed effort to develop our own West European Unity and to knit together the work we do in the European Community and in political co-operation.

A confident alliance with the United States based on co-operation and consultation.

If we build firmly on these foundations, we shall not find ourselves at the brink. They are the best hope for ensuring that not only our children but also our children's children shall not know the suffering of war. To those in Europe who would allow them to be eroded, let me quote Winston Churchill just once more: "Facts", he said, "are better than dreams. So let us espouse realism and, in Abraham Lincoln's words, cherish a just and lasting peace among ourselves, and with all nations."

S. 1802, FOREIGN ASSISTANCE APPROPRIATIONS

Mr. DOLE. Mr. President, I would like at this time to give recognition to the important work of a large group of private, voluntary organizations (PVO's) who for years have been serving this country as ambassadors of more than just goodwill—these organizations have brought technical assistance and know-how to developing nations in fields ranging from agriculture to health care to community planning.

Organizations, such as the Cooperative Agency for Relief Everywhere (CARE), the National Rural Electric Cooperative Association (NRECA), the Cooperative League of the United States of America (CLUSA), and the Church World Service/Lutheran World Relief of the National Council of Churches to only name a few, have provided a unique and constructive element to this Nation's overall foreign assistance efforts. They embody a direct and personal representation of American public concern for the welfare of the poor in developing countries. Many of these organizations are the conduits of private and public American contributions, and as independent, private and nonprofit agencies, they provide a significant measure of flexibility and efficiency to our foreign assistance programs.

The individuals working out of these organizations serving in the field, living and working among the poor populations of the world, are dedicated individuals who demonstrate the finest qualities of American public life and the principles of self-help and community cooperation which are the trademarks of the American way of life.

Mr. President, the Senate Appropriations Committee report on S. 1802 states that "in carrying out the mandates of this function, the committee believes that experienced outside organizations such as the National Rural Electric Cooperative Association and the Credit Union National Association should be utilized as much as posible. In recommending this, however, the committee is not suggesting that unrestricted funds be given to such organizations or that such funds be given without recourse to future evaluation or audit. However, the

committee does believe that organizations such as these can help to increase the effectiveness of the Agency—Agency for International Development—and therefore encourages their participation."

Mr. President, I strongly endorse the recommendation made by the Senate committee and urge my colleagues to join in supporting funding through S. 1802 that would allow these organizations to continue their outstanding work and relationship with the Agency for International Development (AID).

This bill contains provisions that directly impact on the future of these PVOS's and the work that they are currently involved with worldwide. Unless adequate funding is adopted this year by the Congress, practically all will be subject to cutting back their efforts in relief and technical assistance and development. For the past 3 years, Mr. President, these organizations have operated their AID-assisted programs on continuing resolutions. Because of this, activities have been limited, many have been ended.

At this time, Mr. President, I would like to give you just one example from the four previously mentioned PVO's in project involvement abroad and how that involvement is benefiting not only the people in the developing nation, but also the U.S. citizen and our economy.

NRECA

The National Rural Electric Cooperative Association (NRECA) represents the 1,033 rural electric cooperatives in the United States, which serve more than 25 million rural consumers. The International Programs Division of NRECA has been working since 1962 in over 40 developing countries by sharing U.S. know-how in creating reliable and cost-effective rural energy systems. Using 50 years of American experience and technological development in this field, NRECA has successfully shown how lower developed countries (LDC's) can help themselves to develop rural generation and transmission facilities and the managerial institutions to run them effectively.

Energy supply, particularly in the poor rural regions of the world, is key to economic and social development. Yet less than 5 percent of the rural populations in LDC's are currently supplied with power. When a rural community receives its own power, there is a resurgence in economic activity, bringing life to rural industries, irrigation for crops, and light to homes, schools, and hospitals. People are more willing to stay and work in an area where an energy source gives promise for future prosperity and a better standard of living.

U.S. assistance, both public and private, is helping to meet this need today. NRECA has carried out more than 300 assignments to assist in the planning and implementation of rural electrification and renewable energy development, and has assisted in making 1.8 million electric connections reaching 12 million of the developing world's rural poor. An additional 10 million people have benefited indirectly in terms of improved public health and services, employment opportunities and other day-to-day benefits which come with the introduction of energy.

In the Philippines, there are presently 120 energized cooperatives which have made 1.3 million electric meter connections directly benefiting some 8.5 million rural Filipinos. Twenty years ago, before NRECA and the Agency for International Development (AID) went in to help, there was virtually nothing. Today, these co-ops represent the strongest rural institutions in that country. Between 1965 and 1969, AID loaned $3.3 million to Banco Nacional De Costa Rica to develop three electric co-ops with NRECA assistance. So far, the project has reached 19,800 consumers with the co-ops holding $8 million in assets.

In these cases, and many others, AID provided funding for the technical assistance, engineering services and materials to build initial systems. Once the projects were well established and successful, the international lending community quickly came forward with funds to expand the program. In this role, funding through AID proves the value of a project at minimum costs, leading others to follow with the main sources of funding. In many projects, such as Costa Rica, significant local funding has been raised to move the project forward.

In virtually every case where NRECA has worked abroad, it resulted in demand for U.S. goods and services. Since U.S. rural electrification standards were used in setting up the distribution systems in these countries, the equipment used was American. Moreover, NRECA activities in the field of small hydrodevelopment markets for U.S. suppliers of turbine and generating equipment now exist. The goal of opening up new markets for U.S. exports continues to be a high priority of the National Rural Electric Cooperative Association (NRECA).

CWS/LWR

Church World Service (CWS) of the National Council of Churches and Lutheran World Relief (LWR) are two of the major international development and relief agencies of Protestant churches in the United States. Each has been active in basic human needs programs for over 30 years and each is part of an international network through which people around the world express their common concern in addressing chronic hunger, malnutrition, and improving the quality of life among the poor.

In 1980, CWS supported activities in 74 countries and the United States. Most of this funding came from church denominations, congregations, and individuals. About 43 percent originated with the U.S. Government due to U.S. interest in supporting CWS activities in Kampuchea and resettlement of refugees in the United States. About 30 percent of its funds came from the U.S. Government, in 1978 LWR was awarded an aid-matching grant of $3 million for a 3-year period, to be matched by privately generated resources. The AID–LWR matching grant resources to date have supported 57 projects in 12 countries in the areas of agriculture and community development, institution building, health and welfare and human resources development.

An example of one project involves an effort in Niger, West Africa, to increase food production through dry season gardening based on small-scale irrigation. Shallow-well construction has been encouraged using cement cylinder linings which help to preserve hand-dug wells from early collapse. To protect the wells and gardening plots from wandering animals and uninvited people, fencing is provided through appropriate varieties of thorn trees and bushes.

Other agricultural inputs are provided through the Government of Niger's agricultural Services Department. A total of 577 shallow wells, each capable of irrigating at least 0.25 hectares, are being constructed in six projects. The projects also incorporate literacy training, health education, and nutritional and dietary instruction.

Like the projects of other PVO's, the activities of CWS/LWR are carefully planned, monitored, and evaluated by counterpart agencies such as AID.

CARE

Almost everyone in the United States is familiar with the CARE relief package. But contrary to that popular belief, today CARE is more than just the package—although CARE was the first to carry food relief to Poland through the package, CARE has been working in overseas development for over 35 years in over 60 countries.

CARE holds a dual emphasis on immediate relief—such as starvation and disaster relief—and self-help development. CARE receives private contributions of approximately $30 million per year. In addition to this, it helps to administer and distribute $170 million worth of U.S. Government food commodities under Food for Peace and also receives grant moneys from the Agency for International Development in the establishment of projects, such as irrigation and food production.

CARE development projects work in many ways, such as food for work. In the country of Haiti, a community water system and small farm irrigation project was funded 1979–82 through $115,000 in donated funds and $167,000 in a U.S./AID grant. Approximately 75,000 people in Haiti will benefit from this project once completed with 16 villagers trained as maintenance and repair technicians.

During this project, a great deal of unskilled labor among the citizens is utilized, thereby utilizing an integration of resources and technology transfer from the United States. Food-for-peace commodities are used as compensation for the several thousand worker-days of unskilled labor needed to complete the project.

In Sri Lanka, a thriposh—high-protein, cereal-based food—production project is going on, producing 10,000 metric tons of foodstuffs, to be distributed to 600,000 mothers, preschool, and primary schoolchildren suffering from malnutrition. Funding for the food production project is provided by a U.S./AID grant of $55,000, $802,000 from CARE donated funds, and over $3 million from the Sri Lanka Ministry of Health.

This is an ongoing project promoting the use of soy foods and also marketing with the same funding involved. This project is well on the way to developing

self-reliance among the people of the community and promise to the Ministry of Agriculture in operating similar production and marketing projects.

CLUSA

The Cooperative League of the U.S.A. (CLUSA) activities in countries abroad have resulted from collaborative efforts between the league, the U.S. Government, and many foreign governments for the past 27 years. Throughout this period, the league has witnessed healthy collaborative efforts in establishment of cooperative systems in over 40 countries.

At present, the Cooperative League is carrying out development efforts in eight countries abroad ranging from marketing of fruits and vegetables, to construction of grain silos to numeracy training.

Since 1953, the league has maintained an office in India, when the Indian Cooperative Union requested assistance from U.S. co-ops in developing programs. In 1966, the Agency for International Development (AID) mission began assistance through financing for a permanent league office. The current operation program grant (OPG) provides financing for the office through 1981.

Since 1953, the league has helped to develop and provide technical assistance to major projects of Indian cooperatives in the areas of fertilizer production and distribution, oilseeds processing, dairy cooperatives, cooperative education and training, agricultural credit, farm machinery cooperatives, hybrid seeds cooperatives, consumer cooperatives, as well as many other types.

All of the league projects in India have resulted in major impacts on increased food production and enhancement of economic situations in the areas where the co-ops are located.

In almost all the international development projects of the league, initial input of between 1 and 10 percent is followed by a greater increase of other financial resources. In the projects of India, for 1978–83, CLUSA/AID assistance totaled $1.1 million—7 percent, with the Canadian Government providing $45 million—28.8 percent. Under this project, containing U.S. Public Law 480, donated vegoil, approximately 300 oilseed grower cooperatives encompassing 500 villages of 18,000 small farmer members will be established. The oil is important not only for generating funds for financing the various activities of co-ops, but will create a marketing system in anticipation of increased national production.

In Rwanda, the league has assisted in the construction of seven grain storage centers for local cooperative societies, the training of management of the storage units and local committee and staff of the Government Ministry of Social Affairs and the cooperative movement. With successful completion of the seven initial units, the Government of Rwanda asked the league to expand this operation to 40 cooperatives. The league is also conducting a feasibility study to develop a national level cooperative training and research center to serve Rwanda's growing cooperative movement. This approved project is funded not only by the Government of Switzerland, but a grant from the Agency for International Development (AID) will cover additional costs of the project.

Mr. President, these are just a few examples of the work of the private, voluntary and cooperative organizations of the United States. I believe that the work which they have done, and will continue to do, should receive not only high recognition by this body, but also our support for the efforts that they wish to continue in this fiscal year. These are not welfare projects, we are not throwing money out at will—these efforts are based on a minute amount of U.S. taxpayer money, leading to an opening up of markets for U.S. businesses abroad and the development of a solid, secure international relationship with these poorer nations through the transfer of this technology and know-how, and then leaving the country when self-help and development has taken solid root.

Mr. President, I believe that development assistance and those organizations which further that cause should receive more recognition than we have given it in the past, as well as adequate funding and needed support of all of us.

END THE VIOLENCE IN NORTHERN IRELAND

Mr. KENNEDY. Mr. President, the recent escalation of violence in Northern Ireland and in Great Britain is a cause of deep concern to all Americans who care about peace in Northern Ireland.

This new round of violence culminated last Saturday in the assassination by the provisional IRA of a member of the British Parliament from Northern Ireland, the Reverend Robert Bradford, who was shot down while meeting with his constituents in a community center in Belfast. A worker at the center also died in the assault.

Throughout the past decade, I have condemned the brutality and the killing on both sides in Northern Ireland. I condemn the murder of Mr. Bradford, just as I condemn the cruel sectarian murders of innocent Catholics by Protestant terrorists in Northern Ireland in recent weeks.

In this troubled period, I urge all the parties to refrain from any further escalation of the violence. I renew my appeal to all Americans who share the cause of peace in Northern Ireland to avoid any action or association that contributes in any way to the continuing violence. There are hopeful signs of progress toward a peaceful settlement of the conflict, and we must not permit them to be destroyed by those who seek to provoke greater violence.

Mr. President, I extend my sympathy to Mr. Bradford's family and to the families of the others who have died in this recent tragic violence. I ask unanimous consent that a statement in the Irish Parliament by Prime Minister FitzGerald on these deaths be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT IN THE IRISH PARLIAMENT BY PRIME MINISTER FITZGERALD

Before we begin our normal business I would like to refer to the brutal murder, by the Provisional I.R.A., of the Reverend Robert Bradford, M.P. in Belfast on Saturday last. His death and that of Mr. Ken Campbell, caretaker at the Finaghy Community Centre, are part of a calculated series of atrocities committed in recent days. I know all the people we represent share the sense of sorrow, anger and outrage felt by the people of Northern Ireland in recent days.

The killing of an elected representative of the people calls for particular condemnation in the strongest possible terms and serves to remind us of the real objectives of the organisation responsible. The I.R.A. has once again shown its utter contempt for human life and for the democratic process which it has recently sought to distort for its own ends. Its true attitude to democracy and freedom was summed up by a recent statement of an I.R.A. spokesman who, when asked by an interviewer for a foreign newspaper about the wishes of the people in this part of the country concerning an aspect of reunification, replied—"We call the shots. We don't really give a damn what they want."

The first clear objective of the killers of Mr. Bradford was to incite vengeance among Loyalist extremists and thus to expose once again to murderous retaliation the innocent among the most vulnerable community in this island, the Catholics of Northern Ireland. This has already begun to happen. The sectarian killings of Belfast and Lurgan are a direct and intended result of the Provisionals campaign of recent weeks, a campaign itself trenchantly described last Saturday by John Hume as one of "sectarian genocide" directed against Protestants.

I join with those brave and responsible leaders, clerical and lay, in Northern Ireland who have said to the Unionists and Loyalists: do not become the prisoners of the Provisional I.R.A.'s strategy, do not respond as they have intended and planned that you should do—in anger and in a manner that could escalate violence to new levels of horror and ultimately undermine your rights and liberties.

The Reverend Mr. Bradford had, for some time, considered an attempt on his life to be a strong possibility. It is a tribute to his courage that he did not flinch from that danger.

On behalf of the House, I would ask you, Ceann Comhairle (Speaker of the House) to extend our deepest sympathy to Mrs. Bradford and her family.

INTERIM REPORT ON EXPERIMENTAL PROGRAM OF ALTERNATIVE WORK SCHEDULES FOR FEDERAL EMPLOYEES

Mr. THURMOND. Mr. President, as the President pro tempore of the Senate, I have received the Office of Personnel Management's interim report on the Government's experimental program of alternative work schedules for Federal employees. This report is available for review by my colleagues in my President pro tempore office.

EXTRADITION ARTICLE NO BAN TO APPROVING GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, today I would like to discuss a facet of the Genocide Convention which continues to be misunderstood by those who oppose its ratification. That issue, Mr. President, is extradition.

Although this aspect of the treaty has been addressed many times, opponents cling to the notion that an accusation of

genocide automatically deprives an American of his rights to a fair trial.

Mr. President, nothing could be further from the truth.

First, the treaty is not self-implementing. Nothing in the treaty could be construed as an automatic instrument of extradition.

Second, the committee which drafted the convention makes clear that nothing precludes the right of any nation to bring to trial before its own courts any of its nationals for acts committed outside the nation. Not content to rely on the assurances from others, the draft of implementing legislation for the convention, section 3, specifically directs the Secretary of State in negotiating future extradition treaties which include genocide to always reserve the right to try Americans here at home.

Third, a U.S. citizen in a foreign country is normally subject to the laws of that country. If that country includes genocide among the crimes it condemns, a person could be detained whether or not the United States or the accusing country were parties to the convention.

Finally, Mr. President, any extradition treaty that the United States may negotiate in the future and which would include genocide, would be voted on by this body. There would be opportunity for full debate, opportunity for each and every Senator to fully express his concerns. I think it is safe to say that my colleagues would consider carefully the fairness of the judicial system in a given country before ratifying an extradition treaty with it.

Mr. President, again there is no self-implementing aspect to the convention. Congress is charged with the responsibility of approving any and all implementing legislation. It is to our credit as a Nation that we have proceeded carefully in entering into treaties where U.S. judicial guarantees are concerned.

It is not to our credit, however, to delay ratification of the Genocide Convention on these grounds. It is precisely because we value our constitutional guarantees that we are the international proponent of human rights and civil liberties.

Ratification of the convention would focus international attention on the real issue at hand: that of the prevention of genocide. As we have seen, the extradition provision should not deter our passage of the Genocide Convention. I urge its immediate ratification.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting a withdrawal and a nomination which were referred to the appropriate committees.

(The withdrawal and nomination received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:46 a.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 815) to authorize appropriations for fiscal year 1982 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development, test, and evaluation for the Armed Forces, to authorize appropriations for fiscal year 1982 for operations and maintenance expenses of the Armed Forces, to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for fiscal year 1982 for civil defense, and for other purposes.

The message also announced that the House has passed the following bill, without amendment:

S. 1133. An act to amend the National Advisory Committee on Oceans and Atmosphere Act of 1977 to authorize appropriations to carry out the provisions of such act for fiscal year 1982, and for other purposes.

At 3:17 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3454) to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, and for the Central Intelligence Agency retirement and disability system, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 4, 5, 30, and 41 to the bill, and concur therein; that the House recedes from its disagreement to the amendments of the Senate numbered 7, 11, 12, and 22 to the bill, and concurs therein, each with an amendment; and that the House insists upon its disagreement to the amendment of the Senate numbered 42 to the bill.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1797. An act directing the Secretary of the Department in which the U.S. Coast Guard is operating to cause the vessel *Capt Tom* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade; and

H.R. 4500. An act extending through fiscal year 1983 SBA pilot programs under section 8 of the Small Business Act.

HOUSE BILL REFERRED

The following bill was read twice by unanimous consent, and referred to the Committee on Commerce, Science, and Transportation:

H.R. 1797. An act directing the Secretary of the Department in which the U.S. Coast Guard is operating to cause the vessel *Capt Tom* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade.

HOUSE BILL PLACED ON THE CALENDAR

The following bill was read twice by unanimous consent, and placed on the calendar:

H.R. 4500. An act extending through fiscal year 1983 SBA pilot programs under section 8 of the Small Business Act.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2240. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report and status of fiscal year 1982 rescissions and deferrals as of November 1, 1981; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-2241. A communication from the Assistant Secretary for Research, Development, and Logistics of the Department of the Air Force transmitting, pursuant to law, a report on the decision to convert the refuse collection and disposal function at Pope Air Force Base, N.C., to performance under contract; to the Committee on Armed Services.

EC-2242. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a proposed foreign military sale by the Air Force to Turkey; to the Committee on Armed Services.

EC-2243. A communication from the Maritime Administrator, Department of Transportation, transmitting pursuant to law, a cost comparison study relative to repairing and outfitting the training vessel *Bay State* or reactivating and converting the *SS Tulare* to serve as the training ship of the Massachusetts Maritime Academy; to the Committee on Commerce, Science, and Transportation.

EC-2244. A communication from the Secretary of Transportation transmitting, pursuant to law, findings of an investigation into allegations of impropriety and wrongdoing and an allegation of negligence made

against certain senior officials of the Federal Highway Administration; to the Committee on Governmental Affairs.

EC–2245. A communication from the Assistant Attorney General of the United States for Legislative Affairs transmitting, pursuant to law, a report on the Department of Justice review of the annual report of the Inspector General of the Department of Health and Human Services relative to health care cases referred for prosecutive consideration to the Department of Justice; to the Committee on Governmental Affairs.

EC–2246. A communication from the Deputy Assistant Secretary of Defense for Administration transmitting, pursuant to law, a report on a new system of records under the Privacy Act; to the Committee on Governmental Affairs.

EC–2247. A communication from the Deputy Assistant Secretary of Defense for Administration transmitting, pursuant to law, a report on a new system of records under the Privacy Act; to the Committee on Governmental Affairs.

EC–2248. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Stronger Crackdown Needed on Clandestine Laboratories Manufacturing Dangerous Drugs"; to the Committee on the Judiciary.

EC–2249. A communication from the Administrator of the Veterans Administration transmitting, pursuant to law, a report on a new system of records under the Privacy Act; to the Committee on Veterans Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 691. A bill to amend titles 18 and 17 of the United States Code to strengthen the laws against record, tape, and film piracy and counterfeiting, and for other purposes (Rept. No. 97–274).

By Mr. DOLE, from the Committee on the Judiciary, with amendments:

S. 1700. A bill to establish a U.S. Court of Appeals for the Federal Circuit, to establish a U.S. Claims Court, and for other purposes (with additional views) (Rept. No. 97–275).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Milan D. Bish, of Nebraska, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Lucia, and Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Vincent and the Grenadines;

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Milan D. Bish.

Post: Ambassador to Barbados.

Contributions, amount, date, donee.

1. Self, $500 (each), 1979 and 1980, Nebraska Governor Club (Nebraska Republican Party).

2. Spouse, none.

3. Children and spouses names, none.

4. Parents names, none.

5. Grandparents names, none.

6. Brothers and spouses names: none.

7. Sisters and spouses names: none.

Elliott Abrams, of the District of Columbia, to be Assistant Secretary of State for Human Rights and Humanitarian Affairs;

Edwin Gharst Corr, of Oklahoma, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia;

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Edwin Gharst Corr.

Post: Ambassador to Bolivia.

Contributions, amount, date, donee.

1. Self and Spouse, $100, November 1979 to August 1980, President's Club of the Democratic National Committee.

2. Children and Spouses: Michelle Ruth (single), none; Jennifer Jean (single), none; Phoebe Rowena (single), none.

3. Parents: E. L. (Bert) and Rowena Corr, $12, 1976 to 1980, Washington County Women's Democratic Club, Oklahoma (annual dues of $3). $15, July 29, 1980, Washington County Democrats. $37, 1979, Washington County Democrats. $20, 1978, Washington County Democrats.

4. Grandparents (deceased).

5. Brothers and Spouses: E. L. (Bert) Corr, Jr., and wife Jeri, $50, 1980, Jim Hamilton, Democratic candidate for U.S. Senate. $50, 1978, Mike Sullivan, Democratic candidate for Oklahoma State Senate. $80, 1976–80, Political Action Group for Educators, Oklahoma (annual dues).

William R. Corr (single), none.

6. Sister and spouse: Ted and Jean Cochrane, $20, August 1, 1978, Common Cause. $25, November 6, 1978, Democratic National Committee. $20, November 6, 1978, American Civil Liberties Union. $50, November 15, 1978, Oklahoma County Democratic Party. $20, May 2, 1980, American Civil Liberties Union.

Note: I have made no contribution to political groups aside from those listed above I do not believe any of my relatives have either, but I am asking them to see if any have made donations during 1981 and will amend this statement if they have.

Melvin Herbert Evans, of the Virgin Islands, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago;

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Melvin H. Evans, M.D.

Post: Ambassador to Trinidad-Tobago.

Contributions, amount, date, and donee.

1. Self, none.

2. Spouse, Mary Phyllis, none.

3. Children and spouses name: Melvin, Jr., and Kay Evans; Robert and Maresa Evans; William and Pat Evans; Cornelius Evans, none.

4. Parents names: Deceased more than 4 years, none.

5. Grandparent names: Deceased more than 4 years, none.

6. Brothers and spouses names: No brothers, none.

7. Sisters and spouses names: Myrtle Farrelly (husband deceased); Beverly Batroni (husband deceased); Jeanne Cruz (divorced), none.

By Mr. JEPSEN, from the Committee on Armed Services:

Melvyn R. Paisley, of Washington, to be an Assistant Secretary of the Navy.

Mr. JEPSEN. Mr. President, I report favorably the following nomination: Lt. Gen. Richard H. Groves, U.S. Army (age 58), for appointment to the grade of lieutenant general on the retired list. I ask that his name be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEPSEN. In addition, Mr. President, in the Air Force Reserve there are 62 promotions to the grade of colonel (list begins with Ernest Z. Adelman), in the Naval Reserve there are 10 permanent promotions to the grade of commander and below (list begins with Hugh Highland), in the Navy and Naval Reserve there are 3,734 permanent promotions to the grade of commander (list begins with Charles E. Aaker), and in the Navy there are 67 permanent promotions/appointments to the grade of lieutenant commander and below (list begins with Michael A. Harwell). Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of November 4, November 9, and November 10, 1981, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. KASSEBAUM:

S. 1859. A bill to amend the Federal Reserve Act to shorten the terms of office of the Board of Governors of the Federal Reserve System, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MOYNIHAN:

S. 1860. A bill to protect communications among Americans from interception by foreign governments, and for other purposes; to the Committee on Foreign Relations.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 1861. A bill to amend the Internal Revenue Code of 1954 to simplify certain requirements regarding withholding and reporting at the source and to correct inequities regarding carryover of losses; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 1862. A bill to modify the navigation project for Moriches and Shinnecock Inlets, N.Y.; to the Committee on Environment and Public Works.

S. 1863. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project to control beach erosion and provide storm protection along the Atlantic Coast of New York City from Rockaway Inlet to Norton Point; to the Committee on Environment and Public Works.

S. 1864. A bill to authorize the Secretary of the Army, acting through the Chief or Engineers, to construct the project for flood control, Cazenovia Creek, Buffalo metropolitan area, New York; to the Committee on Environment and Public Works.

By Mr. DANFORTH (for himself, Mr. MOYNIHAN, Mr. ROTH, Mr. HEINZ, and Mr. MITCHELL):

S. 1865. A bill to delay the effective date of amendments relating to group eligibility requirements for trade adjustment assistance; to the Committee on Finance.

By Mr. GORTON (for himself, Mr. GRASSLEY, Mr. BENTSEN, and Mr. ABDNOR):

S. 1866. A bill to assure safe drinking water; to the Committee on Environment and Public Works.

By Mr. McCLURE (for himself, Mr. JACKSON, Mr. ABDNOR, Mr. DOMENICI, Mr. GOLDWATER, Mr. HATCH, Mr. HAYAKAWA, Mr. LAXALT, Mr. SIMPSON, Mr. SYMMS, and Mr. WALLOP):

S. 1867. A bill to amend and supplement the acreage limitation and residency provisions of the Federal reclamation law, as amended and supplemented, and for other purposes; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM:

S. 1859. A bill to amend the Federal Reserve Act to shorten the terms of office of the Board of Governors of the Federal Reserve System, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL RESERVE ACT AMENDMENTS OF 1981

Mrs. KASSEBAUM. Mr. President, in recent weeks we have been discussing the budget and its various facets. Certainly we have all become acutely aware of the potentially devastating impact high interest rates on our economy. As we continue to seek ways of obtaining reduced and stable interest rates, we have had the opportunity to closely observe the institutional and structural aspects of our monetary control system.

I have been and continue to be in favor of an independent, depoliticized Federal Reserve System. The worst thing we could do for our long-term economic stability is vest control of the money supply with Congress.

Nevertheless, I believe there are some structural modifications that would make the Fed more responsive and more open. Today, I am introducing legislation to begin this process.

First of all, my bill would limit tenure on the Board of Governors to 8 years instead of the existing 14 years. Current members would be allowed to finish their terms, with the 8-year limit applying to all succeeding members. I believe this accelerated turnover on the Board would create an infusion of new thoughts without jeopardizing its political independence.

Second, the bill would permit all 12 District Reserve Banks to have voting representation on the Federal Open Market Committee. Currently, only 5 of the 12 sit on the committee at a given time with the seven Governors of the Federal Reserve Board comprising the remainder of the committee. By making the District representatives a majority on the committee, the powers of the Fed would be decentralized.

Since the Federal Open Market Committee determines the extent to which the Federal Reserve System buys and sells Government securities, it is the most important policymaking body and this modest diffusion of control would conform with our system of federalism.

Finally, the bill would give the District Reserve Banks greater discretion in responding to economic conditions in their area by allowing them to make changes of up to 1 percent in the discount rates they charge on loans to member banks.

Currently changes in the discount rate are subject to the approval of the Board of Governors. My bill would permit this additional freedom only if the total amount of increases or decreases during the preceding 12-month period does not exceed 2 percent.

Further, the maximum differential between the highest and lowest rates in the Nation cannot exceed 3 percent. It also instructs the Board of Governors to establish procedures to confine the benefits of a lower rate to the District that has established that low rate.

Mr. President, I recognize that this bill will not lower interest rates, nor is it designed to do so. However, I believe that it would foster a structure more conducive to addressing monetary policy in the country. I encourage the Banking Committee to consider this and other proposals as soon as possible.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Reserve Act Amendments of 1981".

SEC. 2. (a) The second sentence of the second paragraph of section 10 of the Federal Reserve Act is amended to read as follows: "Upon the expiration of the term of any member of the Board in office on the date of enactment of the Federal Reserve Act Amendments of 1981, the President shall fix the term of the successor to such member at eight years, and thereafter each member shall hold office for a term of eight years from the expiration of the term of his predecessor unless sooner removed for cause by the President.".

(b) The last sentence of the second paragraph of section 10 of the Federal Reserve Act is amended to read as follows: "Any person appointed to be a member of the Board after the date of enactment of the Federal Reserve Act Amendments of 1981, shall not be eligible for reappointment after he or she has served a full term of eight years.".

SEC. 3. Section 12A(a) of the Federal Reserve Act is amended—

(1) by striking out "five representatives" in the first sentence thereof and inserting in lieu thereof "a representative of each"; and

(2) by striking out all after "Federal Reserve banks" in the second sentence and inserting in lieu thereof a period.

SEC. 4. Section 13 of the Federal Reserve Act is amended by adding at the end thereof the following:

"Notwithstanding any other provision of this section, a Federal Reserve bank may increase or reduce the rate or rates applicable to advances and discounts under this section by not to exceed one percentage point without review or determination by the Board of Governors if—

"(1) the sum of the amount of the proposed increase or reduction and the total amount of increases or reductions of the same rate or rates during the preceding twelve-month period by that bank does not exceed two percentage points; and

"(2) the differential between the rate or rates established by that Federal Reserve bank and the rate or rates established by any other Federal Reserve bank would not, after the increase or reduction, exceed three percentage points.

The Board of Governors shall establish procedures to limit access to any rate which may be established pursuant to this paragraph for a district and which is lower than a rate established by another Federal Reserve bank to borrowers located in the district in which the Federal Reserve bank establishing the lower rate is located.".

By Mr. MOYNIHAN:

S. 1860. A bill to protect communications among Americans from interception by foreign governments, and for other purposes; to the Committee on Foreign Relations.

FOREIGN SURVEILLANCE PREVENTION ACT OF 1981

● Mr. MOYNIHAN. Mr. President, in July 1977, I introduced the Foreign Intelligence Surveillance Act which addressed what must properly be regarded as the gravest threat to Americans' right to privacy which has yet arisen. I refer to the well-known Soviet practice of making use of its diplomatic establishments in this country to monitor the telephone conversations of Americans on a truly enormous scale.

Through the use of sophisticated electronic technology, the Soviets have been able to eavesdrop on the private telephone conversations of thousands upon thousands of Americans. Whatever the intelligence value of such activity—and perforce it must be substantial—there would exist here a profound problem even if the Soviets had never been able to make use of the information gained in this ongoing effort. For the Constitution of the United States obligates the Government of the United States to insure that the guarantees of the Constitution are not violated. It is not for nothing that we are enjoined to protect the Constitution of the United States against all enemies, foreign and domestic.

I return to this subject today, for the failure of the disclosures of this Soviet activity to stir a proper response in this country is more striking than it has ever been. Let us remember that the information regarding Soviet eavesdropping has been in the public domain since 1975. Indeed, the first reports of it were neither obscure, nor unofficial. The report of the Commission of CIA Activities within the United States, chaired by the late Nelson Rockefeller, said the following on June 6, 1975:

While making large-scale use of human intelligence sources, the communist countries also appear to have developed electronic

collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world, and we believe that these countries can monitor and record thousands of private telephone conversations. Americans have a right to be uneasy if not seriously disturbed at the real possibility that their personal and business activities which they discuss freely over the telephone could be recorded and analyzed by agents of foreign powers.

The bill I introduced on July 21, 1977, called on the President to take forceful action, including the expulsion of foreign diplomatic personnel, to put a stop to widespread electronic eavesdropping being perpetrated by the Soviet Union against the citizens of the United States. At that time, I said:

The violation of privacy by electronic means, the use of sophisticated electronics equipment to intercept telephone calls, data transmissions, and the like has become a major enterprise of the principal totalitarian government in the world, that of the Soviet Union. Through the use of machinery installed at its diplomatic missions around the United States—in New York, in Washington, D.C. in San Francisco—Soviet espionage services have eavesdropped on "hundreds of thousands, even millions" of Americans (so the Chicago Tribune reported in June of 1975) and have presumably used the information gained thereby to advance the national interests of the Soviet Union. Private communications of all sorts have been violated—and on a scale that dwarfs any previous surveillance effort by friend or foe alike.

Yet a curious—even eerie—unwillingness exists to confront not merely the dimensions of the problem, but also to imagine that we in the United States can do anything about this! I have stated that I regard it as the responsibility of the government of the United States to protect the right of privacy of all citizens, regardless of whether the threat comes from our own government or foreign governments. I believe that the Fourth Amendment to the Constitution, which protects the right to privacy, is under assault by foreign powers, and that it is time for the U.S. Government to do something about it.

I cannot stress too strongly that modern technology has given to foreign espionage a new dimension which needs to be understood in this country. The targets of Soviet interception of telephone communications now include our businesses, our banks, our brokerage houses, as frequently as our government agencies. Soviet espionage seeks to penetrate into other aspects of American life—commercial, intellectual, political—as much as it seeks illegal entry into the councils of governments. This is precisely why the problem is now one of interest to all Americans in their daily lives—not an abstract problem for intelligence operatives in trench coats.

The principle here is simple: so far as electronic surveillance is concerned our law defines what Americans cannot do to each other; it is time for a law which says what foreign governments cannot do to us.

Since then the administration has taken some actions in this area. On November 20, 1977, the New York Times reported that:

President Carter has approved a broad Government program to make it more difficult for the Soviet Union, other nations or businesses to eavesdrop on telephone communications in the United States.

Under the program, Federal research on how to improve telephone security will be increased. Nearly all Government telephone messages in Washington, New York and San Francisco are in the process of being routed through underground cables, rather than over the more frequently used but less secure microwave radio towers, and private industry is being actively encouraged to develop and use more secure telephone equipment.

The officials also said that the United States had made a direct diplomatic approach to the Soviet Union about its eavesdropping here, in connection with the discussions of the high levels of microwave radiation discovered in the vicinity of the American Embassy in Moscow.

More recently, the New York Times revealed some detail about a special unit set up as a result of the 1977 decision to combat such eavesdropping. In a March 26, 1979 article David Burnham reported that:

The Special Project Office was created to encourage businesses and Federal agencies to protect "sensitive information" that, experts in the National Security Council say, could be useful to a potential enemy even though it cannot be classified or otherwise controlled by the Government.

The office is the result of several years of secret debate among the top security advisers of President Carter and former President Gerald R. Ford about ways to secure public and private telephone messages, transmitted throughout the United States by microwave towers or satellites, against interception efforts by the Soviet Union and perhaps other countries.

Charles K. Wilk, a staff member of the Special Project Office, told a group of communication officials at a convention in Dallas recently that there was no question that "some sensitive Government information is vulnerable to interception and exploitation and should be better protected."

In discussing the vulnerability of some private companies, Mr. Wilk said that "the Federal Government plans to raise awareness and encourage the use of improved protections."

Both Mr. Bortz and Mr. Wilk cautioned against overreaction by the public. "The Federal Government is not suggesting that everyone's telephone calls are being monitored," Mr. Wilk said.

Creation of an agency to curb Soviet surveillance activities in the United States began with a special study conducted by the National Security Council under President Ford.

During the study, such far-reaching remedies as the abandonment of the widespread use of microwave telecommunication towers and the encouragement of the use of underground cables were considered. But the Council decided at the end of the Ford Administration that the decision should be left to the incoming President.

Shortly after Mr. Carter took office, the Council resumed its consideration of methods to stop Soviet eavesdropping, and decided about a year ago to adopt a far more modest approach than had been considered by the previous Administration.

And, Mr. President, last Saturday, November 14, 1981, the Times again reported on Soviet espionage activity in New York City where, according to FBI officials, the Bureau's own phones are stamped "not secure" because of Soviet eavesdropping. I ask that it be reprinted in the RECORD.

The actions which our Government has taken to date have been essentially defensive in nature and have been slow to take effect. At best, they can solve only part of the problem and only until such time as the Soviets develop new methods of counteracting our efforts to block their eavesdropping.

For these reasons, I am obliged to reintroduce my legislation today to stiffen our Nation's opposition to these electronic assaults on the privacy of our people. A democratic society has much of which it can be proud and among these things are openness and respect for the rights of individuals. These characteristics, which we cherish, should not become the playthings of the intelligence apparatus of a totalitarian state.

By reintroducing this legislation, I do more than call attention to our inadequate response to date. I also suggest that the pattern of avoidance which so far has characterized our response can and must be broken. For it is a matter of self-defense, plain and simple, and yet our passivity suggests that we are losing that basic instinct. It is more than time for this subject to be removed from the realm of technological exotica and placed squarely in its proper place—that is, an urgent subject for both our foreign and domestic policies.

There being no obligation, the article was ordered to be printed in the RECORD, as follows:

NEW YORK TERMED "HUB" OF FOREIGN SPIES IN U.S.

(By Leslie Maitland)

From the Soviet residence in the Riverdale section of the Bronx, where rooftop equipment permits surveillance of telephones throughout the Northeast, to Russian émigré communities in Brooklyn, where the Federal Bureau of Investigation fears that "sleeper" Soviet agents live in disguise, American and Russian agents are fighting each other for information.

Largely because New York City is the home of the United Nations and its many delegates, but also because of its pre-eminence as a business capital in an age when manufacturing advance represent the secrets many foreign governments are most eager to share in, the city is the focus of international espionage efforts.

According to the FBI, for example, even its own telephones are subject to eavesdropping by Soviet agents. Its own intelligence activities have made the bureau aware of that danger. Every telephone in the bureau's foreign-counterintelligence section is therefore marked with a sticker warning that it is "not secure." And for sensitive communication, agents use a separate, special scrambler phone that requires a different code each day from the National Security Agency in Maryland.

Understandably, perhaps, espionage is a subject that bureau officials have not discussed often in public. In addition to security reasons for keeping silent, they are subject to criticism both for laxity and for overzealousness. But in a recent series of interviews, the F.B.I.'s foreign counterintelligence experts in New York described some of their methods of operation, their efforts to stymie espionage by other countries and the importance of New York City as a spying center.

While F.B.I. accounts of intelligence activities cannot be substantiated in most respects because of their secret nature, the agency's descriptions offer a revealing look at what it says are its activities in intelligence gathering.

According to Donald J. McGorty, the special agent in charge of the bureau's Sino-Satellite foreign counterintelligence section—which focuses on every country but the Soviet Union—New York is actually "the largest base for foreign intelligence-gathering."

"New York is the hub," he said. "There are many more diplomats here than anywhere

else—even Washington. Even countries with whom we do not have diplomatic relations and who have no embassies have missions at the United Nations. And anyplace these people have establishments, there's an opportunity for espionage."

Not all the spying in the city, however, is actually directed at the United States, Mr. McGorty said. Some of it constitutes "third-country recruitment"—the development of a Libyan spy, for example, by Soviet agents here. The United Nations makes the city a prime location for such enlistment.

TARGETS OF U.S. AGENTS

Agents in the Sino-Satellite section devote most of their attention to representatives of 20 so-called "criteria countries," designated as top priorities. Under guidelines from the Attorney General, Mr. McGorty said, the bureau needs no specific information or suspicious move to touch off an investigation of a criteria country's actions, but it must be able to present "specific and articulable facts" to support arguments for inquiries into noncriteria countries.

He declined to name all of the target countries, but said they included Libya, Communist-bloc countries and the Palestine Liberation Organization. He added that more than 2,000 officials of criteria countries either worked or lived in New York City.

R. Jean Gray, the special agent in charge of Soviet counterintelligence, said that among more than 600 people the Russians have working in New York, 110 have diplomatic immunity, which extends to their spouses.

"About 35 percent of the people with immunity are suspected to be officers of Soviet intelligence services," Mr. Gray said. "Experience has indicated that among the remainder, a significant percentage are also members of Soviet intelligence services or are co-opted to carry out tasks for those services from time to time."

F.B.I. HAS 300 ON THE CASE

By contrast, the bureau has more than 300 agents assigned to foreign counterintelligence in New York, many less than it had at the height of the Cold War. With détente, the ranks were reduced, but in the past five or six years, chilling trends led to the adding of personnel.

Mr. McGorty and Mr. Gray say the bureau's espionage mandate is not primarily to gather information, but to detect and prevent spying by foreign agents. This obviously requires identifying spies in the city's foreign population, which calls for delicate judgments as to whether someone is acting outside the scope of his stated diplomatic functions.

"We have to find out who the players are before they play ball," Mr. McGorty said. The easiest way to accomplish that, he added, is to "get one of them to work for us so we'll know what they're up to." The prime recruits are intelligence agents from target countries, but the job of enlisting them is not easy.

An initial approach, Mr. McGorty said, is generally disguised as simple friendliness. Bureau agents (who are not allowed to operate outside the United States and cannot enter the gates of the United Nations) pose as lawyers or accountants while hobnobbing in the bars and restaurants frequented by representatives of other countries. Overtures are gradual, while agents work at cultivating confidence.

SHOPPING IN SUPERMARKETS

In some cases, he said, female F.B.I. agents are dispatched to supermarkets or beauty parlors used by a target's wife to enlist the woman's help in influencing her husband to shift his sympathies.

Making contact with Soviet targets has become particularly difficult since the opening of their residential complex in the Riverdale section of the Bronx, Mr. Gray said.

"They travel in by special bus from Riverdale together every morning and go back there together every night," he said. "At lunch, they eat in the cafeteria at the Soviet Mission. They don't have a lot of pocket money. You don't find them carousing around town."

Besides having to evaluate whether Soviet employees are really serving a legal function in New York, the bureau has also faced a problem in discerning whether spies are being slipped in among the 400 Soviet émigrés who arrive in the country each month.

MAY BECOME TAXI DRIVERS

"It used to be they would take a name from a tombstone in Michigan or someplace of someone who died at the age of 2 and write for a birth certificate and spend years creating a false identity," Mr. Gray said. "Now all they have to do is send him in as a Soviet émigré. An illegal may come in and spend five years driving a taxi, but then be called into action."

"By then," the agent continued, "he may even be a citizen, and he's learned the language. Maybe then he seeks a job with Grumman Aerospace, saying that in Russia he was an engineer." At that point he gains access to potentially important information.

The bureau has been attempting to develop a profile of the sort of person who may be only masquerading as a refugee. When suspicion arises, Mr. Gray said, "we try to interview them, or we try to neutralize their activities by interviewing everyone they're talking to—or else we notify the Immigration Service that the person should be returned."

In some cases, he said, the spy may not be posing as a refugee, but actually be an émigré unwillingly pressed into service as a Soviet agent—threatened, for example, with reprisals against family members still in the Soviet Union.

CONCERN ABOUT TECHNOLOGY

Ideally, bureau officials said, reluctant Soviet spies can be utilized as double agents to funnel misinformation. But this can be tricky, for the bureau may be deceived into believing it has a double agent working for the United States, when the spy is really a triple agent—a Soviet agent really working for the Soviets while pretending to the F.B.I. to have switched his loyalty.

"You can be reeled in for a year before you realize you've been hooked," Mr. Gray said.

The transfer of American technology to criteria countries—of growing concern, not just to the bureau, but to such agencies as the Customs Service and the Commerce Department—is regarded as a major focus of current spying efforts.

"Our only salvation is that they can't possibly assimilate all they're getting," Mr. McGorty said. He added that his agents regularly instructed companies with top-secret government contracts about how to guarantee security.●

By Mr. CANNON (for himself and Mr. LAXALT):

S. 1861. A bill to amend the Internal Revenue Code of 1954 to simplify certain requirements regarding withholding and reporting at the source and to correct inequities regarding carryover of losses; to the Committee on Finance.

LEGAL GAMING INDUSTRY TAX

● Mr. CANNON. Mr. President, on behalf of my distinguished colleague, Senator LAXALT, and myself, I introduce a bill to amend the Internal Revenue Code to simplify certain requirements that apply to the legal gaming industry and its patrons.

There are three features of this measure that I intend to address. The first provision of the bill repeals the present withholding requirements. The second provision of my bill would raise the level for informational reporting on payouts from $600 to $10,000. Last, the third provision would provide for a 3-year carryback and carryover of net gambling losses.

Mr. President, before I undertake an explanation of each of these three provisions, let me assure my colleagues from the outset that this legislation does not benefit only a narrowly defined set of gaming interests. On the contrary, the scope of this measure is much broader. I am not just talking about legal casino gambling in my State—rather, my bill is aimed at achieving equity in the tax treatment of patrons of several legal gaming industries.

For example, many people are not aware that over 30 States in our Nation have established parimutuel racing industries which provide those States with a significant revenue base that now, more than ever, is urgently needed. Furthermore, Mr. President, 15 States, the Virgin Islands, and Puerto Rico have authorized State lotteries and those States similarly derive economic benefits. I think it is easy to see that this legislation intends to alleviate the burdens of numerous States which must comply with these requirements.

Let me now review and discuss the first feature of this bill which would repeal present withholding. Currently, 20 percent withholding requirements exist for winnings of more than $1,000 involving bettor odds of 300 to 1 or higher from horseracing, dogracing, and jai alai. The 20 percent also applies to winnings of more than $5,000 from State-conducted lotteries. When one examines the issue of withholding, it is interesting to review some of the findings of the 1976 report to Congress of the Commission on the Review of the National Policy Toward Gambling, on which I served. Not only did the Commission find that withholding generates nominal revenues to the Federal Government, but it also pointed out that withholding only stimulates illegal gambling.

Now, Mr. President, I have consistently supported those policies which have proven to be effective in the deterrence of illegal gambling. I firmly believe we must do everything that we can to insure that illegal operators are halted in their tax-free ride at the expense of those law-abiding taxpayers. No one more than I wants to see the illegals pay their share. However, Mr. President, when a policy proves to be ineffective, and once more, even harmful to those States responsible for its compliance, then I must question its validity.

For example, the current emphasis on individual States assuming a greater share of the responsibility for providing services to its citizens is a point worth discussing as it relates to this issue. As Congress continues to make the necessary cuts in the Federal budget, and as individual States increasingly begin to feel the pressures to fill the gap, it becomes more and more important to use each and every viable alternative to raise revenue. As withholding has stimulated illegal gambling, reduced revenues have

directly affected the more than 30 States who rely on this industry as one of those viable alternatives.

To me, Mr. President, two Federal policies exist which appear to contradict each other. Instead of impeding the States diligence to realize its revenue goals, the Federal Government should be facilitating those endeavors in every way possible.

It is equally important to review the revenue aspects of withholding. The IRS, in its "Study of Compliance in Reporting Gambling Winnings—Tax Year 1977," estimated that gross tax collections from withholding in 1977 was $100 million. The Service's statistics admit that a portion of that $100 million is returned to those persons not required to file and from those that withholding exceeded the amount due. When those are deducted, the dollar amount is reduced to $68 million. Furthermore, it is estimated that $59 million is withheld from those taxpayers who comply voluntarily. Thus, one has to conclude that only about $9 million is generated by withholding.

In addition, Mr. President, it is significant to note that these computations do not even take into account the portion of sums now wagered illegally that would flow into legal channels as a result of change in this tax situation. IRS estimates that $12 to $15 billion is wagered illegally each year. Even if a small amount of this figure were brought into the legal system, substantial revenues to the Federal, State, and local, and industry sectors would be realized.

As I indicated earlier, the second feature of this bill raises the level of money an individual can win before reporting it to the IRS from $600 to $10,000. I know that my colleagues are aware of the ever-increasing costs for administering various and numerous Federal regulations. If one reviews recent studies in terms of a cost-benefit relationship, it is interesting to note that the administrative costs involved are greater than the benefits of procuring the names of each and every individual who won as much as $600.

Furthermore, these studies show that, while a higher reporting level would result in fewer transactions, those transactions reported would be those of real tax liability. It is also worth mentioning that most players are, in fact, net losers. As such, their winnings at the current level net out to an actual loss for that tax year. Therefore, the $10,000 reporting level would cover those transactions that do net out to a win, thus substantially reducing both industry and Government administrative costs.

The last provision of this measure would allow taxpayers a 3-year carryforward or carryback of net gaming losses. Current law permits taxpayers to deduct wagering transactions only to the extent of gains from such transactions. The Commission on the Review of the National Policy Toward Gambling, in its report, determined that very few bettors actually realize net wagering gains during their gambling careers. What this means, then, Mr. President, is that taxpayers who incur losses in a given tax year are unable to offset those losses if there are no winnings in that same tax year. Mr. President, this practice discriminates against the legal patron and just encourages individuals to patronize illegal operations in order to avoid the taxes in their entirety.

In conclusion, Mr. President, I think we can all agree that every effort should be made to insure that our tax laws are as equitable as possible. This measure, if enacted, will, I believe, bring a certain amount of that equity to the tax treatment of law-abiding citizens who patronize legal gaming operations.

In addition, this legislation is important because it will remove some of the barriers that prevent individual States, who by approval of their citizenry have adopted legal gaming as a legitimate form of revenue, from realizing their revenue goals. Notwithstanding these considerations, one very important factor stands out—one that we, as Members of Congress, should not ignore. By eliminating those policies that provide for a competitive illegal gaming alternative, this measure will substantially meet the goal of inhibiting the activities of the illegal gaming industry.●

By Mr. MOYNIHAN:

S. 1862. A bill to modify the navigation project for Moriches and Shinnecock Inlets, N.Y.; to the Committee on Environment and Public Works.

S. 1863. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project to control beach erosion and provide storm protection along the Atlantic Coast of New York City from Rockaway Inlet to Norton Point; to the Committee on Environment and Public Works.

S. 1864. A bill to authorize the Secretary of the Army, acting through tht Chief of Engineers, to construct the project for flood control, Cazenovia Creek, Buffalo metropolitan area, N.Y.; to the Committee on Environment and Public Works.

NEW YORK WATER RESOURCES PROJECTS

● Mr. MOYNIHAN. Mr. President, I now introduce three bills that would authorize the Corps of Engineers to construct water resources projects in the State of New York.

Each of these projects was included in the Water Resources Development Act of 1980, S. 3170, which I introduced last September 1980 in my capacity as chairman of the Water Resources Subcommittee. S. 3170 was reported by our subcommittee on September 16, 1980, but was never acted upon by the full Environment and Public Works Committee.

The prospect for passage of an omnibus water projects authorization bill in this Congress, I regret to say, is only marginally better than in the last two Congresses. Save for relatively minor rivers and harbors acts in 1974 and 1976, there has not been a water bill for over a decade.

Nonetheless, the possibility does exist for some action to occur in the near future on a small authorization bill. To this end, I introduce the Moriches Inlet stabilization project, the Coney Island Beach erosion project, and the Cazenovia Creek flood control project as separate pieces of legislation.

There are other important projects in New York which I will introduce at a later date.

Mr. President, I ask unanimous consent that each bill be printed in the RECORD followed by a brief description of each project.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the project for navigation at Moriches and Shinnecock Inlets, New York, authorized in section 101 of the River and Harbor Act of 1960 (Public Law 86–646) is hereby modified to require the Secretary of the Army, acting through the Chief of Engineers, to take such action as may be necessary to stabilize Moriches Inlet at ten feet mean low water for the purpose of insuring safe navigation, at an estimated cost of $5,000,000 (October 1979). Such project is further modified to provide that the operation and maintenance of the project shall be the responsibility of the Secretary of the Army, acting through the Chief of Engineers. Local interests shall pay the first $25,000 in cash or materials for any such costs expended in any one year.

MORICHES INLET

Mr. MOYNIHAN. Mr. President, the bill directs the corps to alleviate hazardous navigation conditions at the inlet. The State of New York and the Long Island Regional Planning Board have endorsed the Corps of Engineers' plan to stabilize the inlet against further tidal erosion. Although water quality and beach stabilization will also be enhanced by the project, the corps has justified this project essentially on its navigation benefits. The estimated cost of the project is $5 million. Local interests will cover the first $25,000 of any annual operation and maintenance costs incurred by the corps at the project.

The Corps of Engineers has been maintaining Moriches Inlet, formed during a storm on March 4, 1931, since the passage of the 1960 Rivers and Harbors Act. The corps is presently carrying out emergency repair work at the inlet as a result of a breach which occurred during January of 1980. The breach greatly increased the exposure of thousands of Suffolk County residents to significant flooding.

Moriches Inlet, one of six openings through the barrier beach on the south shore of Long Island, is now officially closed to navigation. The inlet is in the town of Brookhaven, Suffolk County. Over the last 20 years, the inlet had become increasingly dangerous to navigate as a result of progressive shoaling problems. Local commerce has suffered and a number of boating fatalities have occurred.

The inlet, now a recreational center and haven of refuge for coastal craft, once supported a receiving center for commercial fish catches. Commercial fishermen now regard Moriches Inlet as too hazardous for routine navigation and consequently have sought out neighboring inlets. Only four commercial fishing boats now operate out of the inlet.

The hazardous navigation conditions, mainly shallow water depths over a sandbar, have produced an alarmingly high rate of capsizing over the last decade. Between 1974 and 1978, six deaths occurred. As a percentage of overall boat use in the inlet (approximately 4,000 boats), the fatality rate is roughly three times the national average.

In addition to the navigational hazards, closure of Moriches Inlet has created serious water pollution problems. Moriches bay drains about 60 square miles of land. An abnormally high loading of nitrogen enters the bay through underground flow and stream flow. The nitrogen contributes to unacceptably high concentrations of coliform bacteria and has led to a ban on shellfishing.

S. 1863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct a project to control beach erosion and provide storm protection along the Atlantic Coast of New York City from Rockaway Inlet to Norton Point, in accordance with House Document 96-23, at a cost of $2,240,000 (October 1979). In conducting this project the Secretary shall protect the shores situated to the west of the terminal groin to be built at West 37th Street from possible adverse effects of this project. These protective measures shall not include the use of hard structures, but shall be limited to sand fill encompassing a protected zone beginning at the groin at West 37th Street and extending not less than two thousand feet toward Norton Point. The sand thus placed shall be replenished in the same manner and according to the same schedule as the beaches lying to the east of the above mentioned groin.

CONEY ISLAND

Mr. President, the purpose of the Coney Island Beach erosion control project is to restore the beach by hauling in additional sand, a process known as beach nourishment. The project will protect the beach from further erosion by the construction of groins. Groins are stone barriers extending from the beach several hundred feet into the ocean.

The Corps of Engineers project is strongly supported by the city of New York and the community residents. In 1979 dollars, the project is estimated to cost $2.2 million.

Erosion has taken its toll on the Brooklyn beaches. Beach widths are as narrow as 40 feet in some locations. In 1973, when initial engineering studies were conducted, the beach was about 300 feet wide.

Coney Island has as many as 10 million visitors annually. During the summer peak periods, over 400,000 people crowd the beach each day. The sand replenishment program, proposed by the Corps of Engineers, will reinforce current efforts by the Department of Parks and Recreation of the city of New York to improve the Coney Island Beach frontage.

Several details of the bill's language require explanation. The corps is directed to protect the sea gate coast from water pollution or erosion which may be exacerbated by the construction of the groin at Norton Point. The bill further stipulates that such protective measures shall be limited to "soft structures" such as sand fill. The New York State coastal zone management plan has adopted a policy which favors soft over hard structures because of their lower cost, reduced environmental harm, and greater esthetic value.

S. 1864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers, shall construct the project for flood control, Cazenovia Creek, Buffalo metropolitan area, New York: House Document 96-126, at a cost of $1,830,000 (October 1979).

CAZENOVIA CREEK

Mr. President, in 1977, the Corps of Engineers submitted to Congress a plan for flood protection in the Cazenovia Creek Watershed. The corps recommended the construction of an ice retention structure on Cazenovia Creek in the town of West Seneca. Such a structure would provide flood protection as would exist along the creek under ice-free conditions.

Cazenovia Creek is the largest tributary of the Buffalo River. Over the last several years the Soil Conservation Service has placed riprap along the streambanks to retard further erosion. The Corps of Engineers completed two small snagging and clearing projects on Cazenovia Creek in 1949 and 1971.

Flooding remains the most serious problem in the Cazenovia Creek basin. Snowmelt and rainfall during the late winter and early spring, combined with ice jams, have caused considerable flood damage in the past. Failure to control the ice formation along the creek will cause the repetition of excessive flooding and property damage.●

By Mr. DANFORTH (for himself, Mr. MOYNIHAN, Mr. ROTH, Mr. HEINZ, and Mr. MITCHELL):

S. 1865. A bill to delay the effective date of amendments relating to group eligibility requirements for trade adjustment assistance; to the Committee on Finance.

TRADE ADJUSTMENT ASSISTANCE

Mr. DANFORTH. Mr. President, I rise today on behalf of myself and Senators MOYNIHAN, ROTH, HEINZ, and MITCHELL, to offer legislation that could well have an impact on the livelihood of many thousands of deserving working men and women in America. This legislation, if enacted, would prevent an unnecessarily harsh eligibility standard under the trade adjustment assistance program from going into effect next February. It would not increase the program's budget allocation for fiscal year 1982, but rather would help assure the program's viability.

As part of the Omnibus Budget Reconciliation Act of 1981, the Congress agreed to extensive changes in the trade adjustment assistance program. This program has been in existence for over 18 years and is an integral part of our international trade policy. By compensating workers who lose their jobs as a result of imports, we are making a long-term investment in American labor. This investment is designed to insure that we maintain an experienced work force, ready to take on jobs in growth industries and in mature industries that need to retool to bolster their international competiveness.

The changes made in the TAA program in June cut substantially its costs and gave it a new direction. By equalizing the benefits received by workers who receive TAA with benefits received by workers under unemployment insurance (UI), we were able to reduce Federal spending for the program to the administration's targeted amount of no more than $205 million for the entitlement in fiscal year 1982. This represents a substantial reduction from the $1.5 billion originally estimated for the program. At the same time, we sought to move the program away from the traditional emphasis on cash benefits toward a much stronger emphasis on retraining and relocation.

In this regard, the administration pledged to spend an additional $112 million on retraining the smaller number of workers who would now be eligible for the TAA program.

Mr. President, this revised TAA program went into effect in September, although I note that money for training has yet to be appropriated. One additional change in the eligibility criteria, however, is not scheduled to go into effect until February 1982. This change would require imports to be a "substantial cause" of the unemployment, rather than the more reasonable "contribute importantly" eligibility standard currently in the law.

In June, I offered an amendment which was incorporated in the reconciliation bill that postponed enactment of this final change in the program by 6 months. At the time, many of us feared the new restriction would prevent thousands of deserving workers from qualifying for the small amount of money allocated for the program. It had never been the subject of hearings in the Senate Finance Committee.

Furthermore, the CBO estimated that the changes already enacted in the TAA program would in and of themselves result in a program that met the administration's budget objectives. CBO had no estimates for the savings from the measure in question, but in June reported that "due to the proposed requirement that individuals exhaust their UI benefits before being eligible for TAA, the proposal's impact would be miniscule." Therefore, it seems to me unnecessary, if not counterproductive, to retain this additional cumbersome criterion.

The CBO report to the Finance Committee cited another serious problem created by the "substantial cause" language:

> It might also be difficult to implement the Administration's proposal that the criteria for determining the eligibility of groups of workers be restricted substantially. The shift from a "contributed importantly" test to a "substantial cause" test, of the impact of imports on job separations would require substantial changes in the type of analysis performed by the Department of Labor (DOL) in its eligibility determinations.

The Secretary would be required to examine all possible causes of job separations and compare their relative contribution to layoffs in order to decide whether or not imports were less important than any other cause. This change presumes a level of sophisticated economic analysis that may not have been developed yet. Currently the Secretary only must determine if imports are an important cause of layoffs without examining other causes.

On December 7, I intend to hold hearings on this bill and will gladly hear any cost estimates the administration or anyone else cares to offer. In the meantime, however, one look at how the TAA program functioned as established by the Congress in the Trade Act of 1974, compared to how it is operating today, provides clear evidence that this final change in criteria is unnecessary and redundant. Between April 1975 and September 1981 some 1,241,636 workers were certified for adjustment assistance. Yet this year, for the period January 1 through the end of September, only 17,714 have been certified.

If this dramatic decline can be even partially attributed to changes already enacted in the TAA program, certainly the addition of one more severely restrictive eligibility criterion will cut away more of the program than the administration or the Congress ever intended. We should not let this happen.

By Mr. GORTON (for himself, Mr. GRASSLEY, Mr. BENTSEN, and Mr. ABDNOR):

S. 1866. A bill to assure safe drinking water; to the Committee on Environment and Public Works.

SAFE DRINKING WATER REGULATORY REFORM ACT

● Mr. GORTON. Mr. President, today I am introducing a bill, the Safe Drinking Water Regulatory Reform Act, which would, if enacted make several changes in the substance of the Safe Drinking Water Act. The bill raises what I think are some of the key issues involving that act, the goal of which is to assure that water supply systems serving the public meet minimum national standards for protection of public health.

Maintaining safe drinking water for America's cities and communities is an important and appropriate purpose for Federal regulatory activity. Yet this year, drinking water quality has been obscured by important congressional consideration of the issues of clean air and hazardous wastes. In my view, safe drinking water is at least as important. Many people with whom I speak do not know that there is a Safe Drinking Water Act. Others confuse it with the Clean Water Act. Before we can have an intelligent discussion of the issues, we must become aware of what the issues are. The bill I introduce today raises some of those issues. Hopefully, others will be raised and amendatory suggestions made as we consider the issues raised by this bill.

I would like to briefly synopsize the provisions of this bill. First, this bill would retain the Administrative Procedures Act as the primary mechanism for reviewing agency regulations promulgated under the Safe Drinking Water Act. The venue for judicial review, would, however, be expanded to be national in scope rather than limited to the District of Columbia Circuit Court of Appeals.

Second, this bill requires the Administrator to consider relevant recommendations or advice provided by the National Drinking Water Advisory Council. The act currently requires only that the Administrator consult with the Council. One section of this bill changes the composition and size of the National Drinking Water Advisory Council. The new composition would be four membership groups of four members each:

The general public, persons in the scientific community expert in the field of public health and water hygiene, representatives from State and local agencies concerned with water hygiene and public water supply, and representatives of both the publicly owned and private, investor owned segments of the water supply industry.

Third, this bill would add a new series of requirements to the proposal and promulgation of a national primary drinking water regulation or a State underground injection control program regulation. These include a determination that the costs of compliance with the rule are justified by the benefits resulting from application of the rule.

The relevant provision does not attempt to define "cost" or "benefit." It does not require that benefits be equal to or greater than costs. What the bill requires is a disclosure of the facts used by the Administrator, a general statement of the weight given them, and the extent to which these factors favored the rule.

The act, which came into existence in 1974, establishes two types of national primary drinking water regulation—interim and revised. The Environmental Protection Agency promulgated interim regulations in 1975, which became effective in 1977. Those interim regulations ware based upon a review and updating of the 1962 Public Health Service standards. As of this date, the Environmental Protection Agency has not proposed or promulgated a revised regulation under the act. Revised regulations were to have been based on reports of the National Academy of Sciences or other suitable scientific body.

This bill would eliminate the Administrator's authority to continue to amend interim regulations but would continue his or her authority to propose and promulgate revised regulations. Consequently, the bill would not retroactively modify or eliminate any existing maximum contaminant level. Only were the Administrator to promulgate a revised national primary drinking water regulation which expressly or impliedly amended an existing standard would the existing maximum contaminant levels be changed.

This bill would eliminate the Administrator's authority to prescribe particular treatment techniques which a water provider must utilize to realize the maximum contaminant levels established by the Administrator.

This bill would change the premise upon which the Administrator's regulation of contaminants would be based. The current law provides that the Administrator should "establish maximum contaminant levels for each contaminant which in his (or her) judgment * * * may have an adverse effect on the health of persons." This bill would substitute an Administrator's determination that a contaminant presents an unreasonable risk to the health of persons. This change presents a major issue which I hope can be openly and forthrightly discussed by the Toxic Substances and Environmental Oversight Subcommittee, which I chair, and the Environment and Public Works Committee, of which I am a member.

This bill will not affect what is known under the act as State primacy. Each State will remain free to enact and enforce drinking water standards that are more stringent than those provided by Federal law.

The current authorization for the Safe Drinking Water Act expires at the end of this fiscal year. Though the bill as introduced does not include the required reauthorization language, it is my intention that a reauthorization be added when President Reagan's budgetary proposals for fiscal year 1983 have been made available.

I want to stress at the outset, and I will continue to do so throughout the consideration of this bill, that I am not wedded to every change which is proposed. I regard this bill as a vehicle that raises some key issues. If this bill receives close scrutiny and generates thoughtful discussion from which we can devine improvements to the procedures called for in the Safe Drinking Water Act, the bill will have served its purpose.

I am pleased to observe that several of my colleagues have elected to join with me by cosponsoring this bill. They are Senator GRASSLEY and Senator BENTSEN. I appreciate their support. Also Senator ABDNOR.●

By Mr. McCLURE (for himself, Mr. JACKSON, Mr. ABDNOR, Mr. DOMENICI, Mr. GOLDWATER, Mr. HATCH, Mr. HAYAKAWA, Mr. LAXALT, Mr. SIMPSON, Mr. SYMMS, and Mr. WALLOP):

S. 1867. A bill to amend and supplement the acreage limitation and residency provisions of the Federal reclamation law, as amended and supplemented, and for other purposes; to the Committee on Energy and Natural Resources.

RECLAMATION REFORM ACT OF 1981

Mr. McCLURE. Mr. President, today I am joined by Senators JACKSON, ABDNOR, DOMENICI, HATCH, HAYAKAWA, LAXALT, SIMPSON, SYMMS, WALLOP, and GOLDWATER in introducing legislation to amend and revitalize the outdated Reclamation Act of 1902. The bill we introduce is a product resulting from consultation with Members of the House, the administration, and other interested groups and individuals. It incorporates many of the same ideas included in the bill passed by the Senate during the 96h Congress, and adds to them new concepts which will serve to increase the flexibility farmers may have in deciding how to manage their operations.

It provides, I believe, a good basis for the eventual resolution of the reclamation issues during this Congress. I intend to proceed to hold hearings on the bill in the Committee on Energy and Natural Resources before this session adjourns. I am assured that hearings on the subject will be held in the House as well, and it is my hope and intention to coordinate these hearings with the House so that those who wish to testify on the subject will not have to make more than one trip to Washington.

Mr. President, those of my colleagues who were Members of this body during the 96th Congress will remember the highly charged and sometimes emotional debate during Senate consideration of S. 14 in September 1979. Few other issues I have seen generated so much conflicting information, misinformation, and misunderstanding, and I hope we can avoid that situation's recurrence; but reclamation reform is indeed a very complex subject because of the variety of circumstances which exist. We have tried very hard to address these varied circumstances in a fair and equitable manner, but I do not doubt that there may be things we have failed to think of and that there may be room for improvement.

Mr. President, I have been interested and actively involved in the area of water resource development all of my professional life, both as an elected public official and as a private citizen practicing law in Payette, Idaho. I speak from direct experience about my own State of Idaho, but I also know that what applies to Idaho is true as well for all the 17 Western States. Much of our economy and quality of life can be attributed to the 1902 Reclamation Act, and its success. Idahoans know the benefits of the Federal reclamation program; 44 percent of Idaho's irrigated farmland is on reclamation projects, and 85 percent of its agricultural returns are from irrigated land. One-third or more of Idaho's people receive benefits from these projects.

It has been estimated that over $54 billion in economic benefits have been gained nationwide as a result of our investment in reclamation projects which has amounted to less than $7 billion since the program began. Rather than merely consuming resources like so many other of our Federal welfare and social programs, these projects produce wealth for our Nation. I believe in and will continue to support the Bureau of Reclamation program which has helped to build my State and the West.

There is, though, no question that the 1902 Reclamation Act, based as it is on an ownership limitation of 160 acres, is in need of updating. It should not be necessary to point out that farming has changed so dramatically since 1902 that applying terms and contexts from that era to the present is somewhat of an exercise in sentimentality. Through a process of evolution, the old law has become in many respects unworkable, unrealistic, and arbitrary.

We are all aware that the issue came to a head when the Carter administration, influenced by notions of agrarian land reform and redistribution and threatening a reversal of nearly 100 years of work in water development, issued regulations that went far beyond what was required by the courts to enforce the 1902 act. While the Carter administration is, of course, no longer in office, uncertainty over the status of the Federal reclamation program and the onus of the Andrus regulations still hangs over the heads of thousands of Western farm families. Like us, the Reagan administration is anxious to have the question of acreage limitation and the several other related issues settled as well, and the sooner the better.

Unfortunately, our old enemy, time, is catching up with us again. There is, at best, little more than a month left in this session of the 97th Congress, but I still think there is something to be gained in taking some action on the subject now as proof that we are indeed serious about answering the questions and solving the problems which exist in the area of reclamation law as it applies to so many people and places throughout the West.

I cannot keep from mentioning again, though, that the Senate did pass a bill on the subject, and while I was disappointed in some aspects of the bill as it was passed in final form, it was nevertheless a basically sound product of diligent work and hard compromise. We can pass a better bill during this Congress, and I very much hope the House will be able to solve its special problems this time around as only it can, so the people who are depending upon Congress as the policymaking branch of Government to settle this situation will not be disappointed.

I certainly wish to congratulate Congressman LUJAN of New Mexico for the leadership he has shown by writing and introducing his legislation on the subject, and I am quick to acknowledge that I have followed his format and language to a large extent in preparing my own bill for introduction. I believe it is fair to say that the House and Senate are headed in the same direction.

My bill, Mr. President, addresses the reclamation issues in three titles. Title I gives reclamation districts the option to remain under existing law, which provides an ownership limitation of 160 acres per individual or legal entity, in other words partnership, corporation, et cetera.

For example, a husband, wife, and two children could own a total of 640 acres. Existing law does not explicity address the question of leasing, and therefore under title I of my bill, farmers can lease an unlimited number of acres as long as the leases meet the arms length provisions in title III, which are designed to insure the benefits of the project accrue to the landowners.

Title I also contains several amendments to existing law which were agreed to in some form by the Senate in S. 14:

A landowner would no longer be required to live on or near his landholding.

An individual or legal entity which farms land within a district which has lesser productive potential than class I farmlands can request and receive water for a larger acreage which provides an equivalent productive potential.

The Secretary of the Interior is provided the authority to dispose of lands held in excess of the acreage limitations by an impartial process if the landowners have failed to dispose of the land themselves under their contract provisions.

The time for landowners to dispose of their excess lands is extended if they have been delayed in that process by a court order or secretarial action.

Exemptions from the acreage limitations are provided in the following circumstances:

First. After a district has paid its portion of the cost of the Federal project;

Second. If the landowner is a bona fide charitable or religious organization;

Third. If the landowner holds the property as a fiduciary—for example, trusts and banks;

Fourth. If water is supplied to lands only in unusually wet years or as a result of flooding;

Fifth. If the land is acquired through involuntary process of law, for example by foreclosure;

Sixth. If the tracts supplied with water are isolated and otherwise not economically usable;

Seventh. For municipal and industrial users pursuant to a contract;

Eighth. For projects constructed by the Corps of Engineers; and

Ninth. If the lands are owned by a State or a State subdivision.

Mr. President, there is general consensus in both the House and Senate about these exemptions. They have been considered in the past, and should not be controversial. In addition to these exemptions, title I provides that provisions of contracts and the legal effect of certain written instruments from the Secretary may be validated by the Congress. This item is of particular importance in my own State.

A court decision in the State of California, which held that advance payout of financial obligations would not permit exemption or release from the acreage limitations of the reclamation law, was interpreted by the Secretary of the Interior as invalidating the payout provisions of specific contracts. Idaho has over 50 contracts with payout provisions that may not be honored without this validation language.

Furthermore, the Federal Government is required to give its consent to be sued over other representations it may have made with regard to the applicability of reclamation law to water users.

Title II provides an option to the water district to have an opportunity for its farmers to own an additional amount of acreage eligible to receive project water which is not currently available under existing law. This option is only available to qualified recipients as previously defined by the Senate in S. 14, that is qualified individuals, families, or small legal entities which benefit 25 persons or less.

Marriages, deaths, inheritance, illness and retirement would therefore not affect the operational status of the farm, as is the case under existing law. Furthermore, the options for expanded ownership in

title II are not available to large corporations, which continue to be covered under title I. By this approach, we are able to recognize present realities and accommodate them while continuing to support the purpose of the Reclamation Act in promoting the family farm. What we have said is that a qualified recipient can elect to own up to 1,600 acres, and can lease up to an additional 1,600 acres.

An additional feature of title II is that a qualified recipient may elect to lease lands which push the landholding over the 3,200-acre mark, but only if the recipient pays full cost for the water supplied for lands leased in excess of the 1,600-acre base. To further remove the presence of what could be viewed as a Federal subsidy on this water, full cost is defined as the share of the project construction cost allocable to irrigation, plus operation and maintenance deficits, plus interest applied at the current rate applicable to 15-year U.S. Treasury obligations. Thus there can be no argument about a continuing subsidy as under other suggested full-cost formulas, because of the Federal Government's refinancing of its debt at current rates.

Title III requires that all leases under both existing law as provided in title I and under the expanded ownership provisions of title II, must be in writing, cannot be for a term of more than 10 years, and must contain certification that they are "arms length" transactions. Thus we prevent a situation in which a sham ownership is created wherein lands are leased on terms well below the true market value, in an effort to circumvent the intent of the reclamation laws.

That is, Mr. President, the thrust of my bill in a nutshell. I believe it encompasses a reasonable, workable, and constructive approach to a very complex problem—one which all the various parties should be willing to support. It provides reasonable limitations and conditions without cutting a farmer's ability to do just a little bit better because he has the ability and the initiative to do so.

I ask unanimous consent the text of the bill and a brief outline of it be printed in the RECORD.

There being no objection, the bill and outline were ordered to be printed in the RECORD, as follows:

S. 1867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall amend and supplement the Act of June 17, 1902, and Act supplementary thereto and amendatory thereof (43 U.S.C. 371), hereinafter referred to as the "Federal reclamation law."

DEFINITIONS

SEC. 2. As used in this Act—

(a) The term "Secretary" means the Secretary of the Interior.

(b) The term "irrigation water" means water made available for agricultural purposes from the operation of reclamation project facilities pursuant to a contract with the Secretary.

(c) The term "district" means any individual, or any legal entity established under State law, which has entered into a contract with the Secretary for irrigation water.

SEC. 3. The provisions of the Federal reclamation law shall remain in full force and effect, except as amended in title I of this Act, or as may be inconsistent with title II of this Act as it applies to those electing to qualify under title II provisions.

TITLE I—RECLAMATION REFORM

RESIDENCY REPEALED

SEC. 101. Notwithstanding any other provision of law, hereafter irrigation water made available from the operation of reclamation project facilities shall not be withheld from delivery to any project lands for the reason that the owners, lessees or operators thereof may not live on or near them.

EQUIVALENCY

SEC. 102. Wherever an acreage limitation is imposed by the Federal reclamation law, including this Act, the Secretary upon the request of a contracting entity shall designate by rule lands under the applicable acreage limitation within a district classified as having Class I productive potential or the equivalent thereof in other lands of lesser productive potential. Standards and criteria for determination of land classes pursuant to this authority shall take into account all factors which significantly affect the economic feasibility of irrigated agriculture, including but not limited to, soil characteristics, crop adaptability, costs of crop production, and length of growing season.

RECORDABLE CONTRACTS

SEC. 105. (a) Irrigation water made available in the operation of reclamation project facilities constructed after the enactment of this Act may not be delivered for use in the irrigation of lands held in excess of the acreage limitations imposed by the Federal reclamation law, including this Act, unless and until the owners thereof shall have executed a recordable contract with the Secretary requiring the disposal of their interest in such excess lands within a reasonable time. Such reasonable time shall be established by the Secretary, but shall not exceed ten years after the initial delivery of such water to those lands under terms and conditions required by reclamation laws generally.

(b) Lands held in excess of the acreage limitations imposed by the Federal reclamation law, including this Act, which, on the date of enactment of this Act, are receiving delivery of irrigation water made available by the operation of existing reclamation project facilities may continue to receive such deliveries only: (1) if the disposal of the owner's interest in such lands is required by an existing recordable contract with the Secretary, or (2) if the owners of such lands are actively engaged in good faith negotiations with the Secretary for such contracts: *Provided,* That such deliveries shall continue for a period of not more than one year after the enactment of this Act if such a contract shall not by then have been executed.

(c) All recordable contracts covering excess land sales shall provide that a power of attorney shall vest in the Secretary to sell any excess lands not disposed of by the owners thereof within the period of time specified in the contracts. In the exercise of that power, the Secretary shall sell such lands through an impartial selection process according to such reasonable rules and regulations as he may establish: *Provided,* That the Secretary shall recover for the owner the fair market value for the land and improvements thereon unrelated to irrigation water deliveries.

(d) The periods of time for which the disposal of excess lands may have been required under recordable contracts executed under the Federal reclamation law, including this Act, are hereby, and in the future shall be, extended for the period of time in which the Secretary shall have withheld the processing or approval of the disposition of such lands, whether he may have been compelled to do so by court order or whether he may have declined to do so for other reasons, and shall be added to the period provided by such contracts.

(e) Excess lands which shall have been disposed of to comply with the terms of recordable contracts executed pursuant to this Act may continue to receive irrigation water only:

(1) if they are held by nonexcess owners under this title, or qualified recipients under title II; and

(2) if their title is burdened by a covenant prohibiting their sale, for a period of ten years after their original disposal to comply with the Federal reclamation law or title II of this Act, for values exceeding the sum of the value of newly added improvements and the value of the land as increased by market appreciation unrelated to the delivery of irrigation water. Upon expiration of the terms of such covenant, the title to such lands shall be freed of the burden of any limitation on subsequent sale values which might otherwise be imposed by the operation of section 432e of title 43, United States Code.

CORPS OF ENGINEERS PROJECTS

SEC. 104. Notwithstanding any other provisions of law to the contrary, neither the acreage limitation requirements nor other provisions of the Federal reclamation law, including this Act, shall be applicable to lands receiving benefits from Federal water resources projects constructed by the United States Army Corps of Engineers unless:

(a) the project has, by Federal statute, explicitly been designated, made a part of, or integrated with a Federal reclamation project; or

(b) the Secretary of the Interior, pursuant to his authority under the Federal reclamation law has provided project works for the control or conveyance of an agricultural water supply for the lands involved; or

(c) the provisions of the Federal reclamation law are, by Federal statutes, explicitly made applicable to the lands involved.

LEASING

SEC. 105. Except as provided in title II of this Act, lands which are leased, or subject to an option to lease by any lessee shall not be considered in the application of the acreage limitations provisions of the Federal reclamation law to the landholding of the lessee.

APPLICABILITY

SEC. 106. Neither the limitations and restrictions imposed by this Act nor any other provision of the Federal reclamation law shall prohibit the delivery of irrigation water for the irrigation of any lands:

(a) after the obligation of a district for the repayment of the construction costs of the project facilities used to make water available for delivery to such lands shall have been discharged, whether by payment of a single lump sum, by payment of periodic installments throughout a specified contract term or by such payments made on an accelerated schedule chosen by the obligor: *Provided,* That where any contract has been or may be entered into pursuant to the authority of the Rehabilitation and Betterment Act (Act of October 7, 1949, 63 Stat. 724, as amended), the contracting entity shall have the additional option of adopting a form of repayment consistent with section 5(c)(2) of the Small Reclamation Projects Act of 1956 (Act of August 6, 1956, 70 Stat. 1044, as amended) and if such form of repayment is adopted, the acreage limitation provisions of the Federal reclamation law shall not apply solely as a result of the indebtedness under such contract: *Provided further,* That the appropriate contracting entity or owner or owners of land with respect to which the contractual repayment obligation shall have been dis-

charged may request, and the Secretary shall provide, a recordable certificate acknowledging that the acreage limitation provisions of the Federal reclamation law no longer apply to such lands;

(b) so long as the lands thus supplied are held by a bona fide religious or charitable organization using the agricultural produce from the land or the proceeds of the sales thereof for charitable purposes;

(c) so long as the lands are held by a trustee, individual or corporate, in a fiduciary capacity for a beneficiary or beneficiaries whose interest in the lands served do not exceed the limits imposed by the Federal reclamation law or title II of this Act;

(d) when the lands served receive only a temporary, not to exceed one year, supply made possible as a result of—

(1) an unusually large water supply not otherwise storable for project purposes; or

(2) infrequent and otherwise unmanaged flood flows of short duration;

(e) acquired by involuntary foreclosure, or similar involuntary process of law, by bona fide conveyance in satisfaction of mortgage, by inheritance, by devise: *Provided*, That if, after acquisition, such lands are not qualified under the Federal reclamation law, including this Act, they shall be furnished temporarily with a water supply for a period not exceeding ten years from the effective date of such acquisition;

(f) which are isolated tracts found by the Secretary to be economically farmable only if they are included in a larger farming operation but which may, as a result of their inclusion in that operation, cause it to exceed the acreage limitations of the Federal reclamation law, including this Act;

(g) serve with a temporary supply of irrigation water under contract conditions permitting the withdrawal of such water from such lands for later use for municipal and industrial purposes;

CONTRACT REQUIRED

SEC. 107. Irrigation water temporarily made available from reclamation facilities in excess of ordinary quantities not otherwise storage for project purposes or at times when such water would not have been available without the operations of those facilities, may be used for water quality, irrigation, municipal, or industrial purposes only to the extent covered by a contract requiring payment for the use of such water, executed in accordance with the Reclamation Project Act of 1939, or other applicable provisions of the Federal reclamation laws.

VALIDATION

SEC. 108. (a) Any provision of any contract between the Secretary and any party to a contract dealing with matters arising under the Federal Reclamation laws generally may be validated at the request of any non-Federal party to such contract made to the Secretary within three years after the enactment of this Act.

(b) Written representations relating to the acreage limitation provisions of Federal reclamation law which were in effect or made prior to the effective date of this Act by the Secretary of the Interior or his authorized agents on behalf of the United States, with or for the benefit of a contracting entity may be validated at the request of any non-Federal party to whom such written representation was made within three years after the enactment of this Act.

(c) The Secretary shall, within 90 days after the receipt of such request under subsection (a) or (b), transmit it with his comments and recommendations to the Congress. Unless the Congress, by joint resolution disapproves the application within 90 days from the date on which it receives the Secretary's transmittal, the contractual provision or written representation, which is the subject of the request shall be deemed to have been validated.

CONSENT TO SUE

SEC. 109. In addition to any other remedy available in law or equity, any party to a contract with the Secretary providing for water service or for the repayment of the construction costs of Federal reclamation project facilities used to produce irrigation water may bring an action in the United States district court for the district in which the project facilities are located, and only in such district, for mandatory injunctive or other appropriate relief to adjudicate, confirm, validate, or decree the contractual right of any person or entity, including but not limited to any contracting entity, who is the beneficiary of any such contract and to reform such contract in accordance with the terms of any written representation concerning the application or interpretation of the Federal reclamation law including this Act, or contracts made by the Secretary or his representative to such party or his predecessor in interest. Exclusive jurisdiction for such suit is hereby vested in the United States district court. In the case of written representation, if the court finds, on the basis of the evidence submitted, that the party would not have entered into the contract or accepted the interpretation of the contract but for the written representations made by the Secretary or his representative, which were relied on by those using such irrigation water, then the court shall order the Secretary to reform the contract to conform with the representations, and the contract, as reformed, shall be considered valid as of the date of the written representation.

ADMINISTRATIVE PROVISIONS

SEC. 110. (a) Nothing in this Act shall repeal or amend any existing statutory exemptions from the acreage limitation provisions of the Federal reclamation law.

(b) The Secretary may prescribe regulations and shall collect all data necessary to carry out the provisions of this Act and other provisions of Federal reclamation law.

(c) Section 3 of the Act of July 7, 1970 (43 U.S.C. 4256), is amended by striking the phrase "for a period not to exceed twenty-five years" following the term "project water".

(d) Any nonexcess land which is acquired into excess status pursuant to foreclosure or other process of law, conveyance in satisfaction of mortgage, inheritance, or devise, may be sold at its fair market value without regard to any other provision of this Act or to section 46 of the Act entitled "An Act to adjust water rights charges, to grant certain relief on the Federal irrigation projects, and for other purposes," approved May 25, 1926 (43 U.S.C. 423e): *Provided*, That if the status of mortgaged land changes from nonexcess into excess after the mortgage is recorded and is subsequently acquired by the lender by involuntary foreclosure or similar involuntary process by law, by bona fide conveyance in satisfaction of the mortgage, such land may be sold at its fair market value.

(e) Beginning October 1, 1982, there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

TITLE II—OPTIONAL EXPANDED OWNERSHIP

DEFINITIONS

SEC. 201. As used in this title:

(a) The term "individual" means any natural person, including his or her spouse, and including other dependents thereof within the meaning of the Internal Revenue Code (26 U.S.C. 152).

(b) The term "qualified recipient" means an individual who is a citizen of the United States or a resident alien thereof or any legal entity established under State or Federal law, which benefits twenty-five such individuals or less.

(c) The term "landholding" means total irrigable acreage of one or more tracts of land owned or operated under a lease which is served with irrigation water pursuant to a contract with the Secretary.

(d) The term "full cost" means all construction costs of facilities in service which are properly allocable to irrigation, plus all operation and maintenance deficits funded, less credit for payments, with interest on both accruing from the date of a new or amended contract pursuant to this title on costs outstanding at that date, or from the date incurred in the case of costs arising subsequent to the new or amended contract, and shall be calculated on the basis of the computed average interest rate payable by the Treasury upon its marketable public obligations which are neither due nor callable for redemption for fifteen years from the date of issuance.

AMENDMENTS OF CONTRACTS

SEC. 202. Any provision of any contract existing between the Secretary and any party pursuant to Federal reclamation laws as of the date of enactment of this Act may be amended to conform with the provisions of this title, and the Secretary shall so amend such contractual provisions at the request of the non-Federal party to such a contract. The provisions of this title shall become applicable to any such contract and to such party only upon amendment of the contract.

DELIVERY OF WATER

SEC. 203. (a) Upon the amendment of a district's contract to conform to the provisions of this title, and notwithstanding any other provisions of the law to the contrary, irrigation water may be delivered to a qualified recipient for use in the irrigation of a landholding of not more than three thousand two hundred acres of Class I lands, or the equivalent thereof: *Provided*, That not more than sixteen hundred acres of such landholding may be owned by the qualified recipient: *Provided further*, That lands leased for a term of one year or less for the purpose of water management and conservation in years of inadequate project water supply shall not be considered as part of a landholding solely because of having been so leased.

(b) Irrigation water may be delivered to lands leased in excess of a landholding of three thousand two hundred acres or the equivalent thereof as described in subsection (a), only if "full cost" as defined in subsection 201(d) of this Act is paid for such water as is assignable to those lands leased in excess of a landholding of sixteen hundred acres.

(c) In determining whether a landholding exceeds three thousand two hundred acres, the Secretary shall add to any landholding held directly by an individual, whether by ownership or lease, that portion of any landholding held by a legal entity or entities operating as a qualified recipient from which that individual benefits as an owner in proportion to that ownership.

(d) For the purpose of applying the full cost provisions of this section, the Secretary shall apply a duty of water to lands within a given district based upon the average duty of project water delivered to lands within the district each year for a period of five years preceding the year in which water is currently being delivered. Absent such a history, the Secretary shall consider the average duty of water for such periods of time as may be available, and such other pertinent data as he may determine.

TITLE III—LEASING REQUIREMENTS

SEC. 301. Notwithstanding any other provision of the Federal reclamation law including this Act, lands which receive irrigation water may be leased only if the lease instrument is:

(1) written; and

(2) for a term not to exceed ten years, including any options exercisable by the lessor.

In addition, the Secretary shall be provided with a certificate signed by the lessee which includes a legal description of the leased land, the term of the lease, and a certification that the rent paid reflects the reasonable value of the irrigation water to the productivity of the land.

SEC. 302. Any lease in effect as of the date of this Act shall be required to comply with the provisions of this Act within ten years of enactment of this Act.

THE RECLAMATION REFORM ACT OF 1981

SUMMARY

The bill provides options for treatment under Federal reclamation laws. Title I leaves existing law in place as to acreage limitations and leasing, but makes necessary amendments regarding residency, equivalency, exemptions, validation, consent to sue, etc. Title II provides a mechanism for individuals and legal entities benefiting 25 individuals or less to operate landholdings of up to 3,200 acres so long as not more than 1,600 acres is owned. In addition, lands in excess of 3,200 acres may be operated under lease if full cost for the project water is paid for all lands leased in excess of 1,600 acres. Title III provides that all leases under reclamation law must be (1) written; (2) at arm's length; and (3) for a period not to exceed ten years.

I. Title I—Reclamation reform

A. Residency requirement repealed.

B. Equivalency applied at the request of a contracting entity.

C. Disposal of excess lands by impartial process determined by the Secretary.

D. Extends time for disposal of excess lands which have been delayed by Secretarial action or Court order.

E. Exemptions: After payout (accelerated or lump sum); Bona fide charitable organizations; Fiduciaries; Unusually wet years or flood flows; Involuntary process of law; Isolated tracts; Municipal and industrial uses per contract; Corps of Engineers projects; and

F. Provides for validation of existing contracts, and certain written instruments.

G. Provides consent of the U.S. Government to be sued on contract provisions.

II. Title II—Optional expanded ownership

A. Provides that any individual may receive project water for a landholding of up to 3,200 acres, provided that not more than 1,600 acres may be owned.

B. Project water may be supplied to lands leased in excess of 3,200 acres, if full cost is paid, for project water used on lands leased in excess of 1,600 acres.

C. Full cost is defined as construction costs allocable to irrigation plus all operation and maintenance deficits funded. Interest shall be applied at the rate applicable to 15-year U.S. Treasury obligations.

III. Title III

Provides that all leases under both existing law and this Act must be: written, for a period not to exceed ten years; and at arm's length. Existing lessees are given ten years to comply with these provisions.

ADDITIONAL COSPONSORS

S. 569

At the request of Mr. JEPSEN, the Senator from South Dakota (Mr. PRESSLER) was added as a cosponsor of S. 569, a bill to amend the Internal Revenue Code of 1954 to provide an investment tax credit for certain soil and water conservation expenditures.

S. 895

At the request of Mr. MATHIAS, the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of S. 895, a bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to extend certain other provisions for an additional 7 years, and for other purposes.

S. 1131

At the request of Mr. DANFORTH, the Senator from Indiana (Mr. QUAYLE), and the Senator from Michigan (Mr. RIEGLE) were added as cosponsors of S. 1131, a bill to require the Federal Government to pay interest on overdue payments and to take early payment discounts only when payment is timely made, and for other purposes.

S. 1645

At the request of Mr. MOYNIHAN, the Senator from Idaho (Mr. SYMMS) was added as a cosponsor of S. 1645, a bill to let funds in individual retirement accounts be used to purchase collectibles.

SENATE JOINT RESOLUTION 93

At the request of Mr. HAYAKAWA, the Senator from Idaho (Mr. SYMMS), the Senator from South Carolina (Mr. THURMOND), the Senator from North Carolina (Mr. HELMS), the Senator from Nevada (Mr. LAXALT), and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of Senate Joint Resolution 93, a joint resolution to clarify that it is the basic policy of the Government of the United States to rely on the competitive private enterprise system to provide needed goods and services.

SENATE JOINT RESOLUTION 123

At the request of Mr. HAYAKAWA, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of Senate Joint Resolution 123, a joint resolution authorizing the President to proclaim "National Disabled Veterans Week."

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. MATHIAS, the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution authorizing a bust or statue of Dr. Martin Luther King., Jr., to be placed in the Capitol.

SENATE RESOLUTION 98

At the request of Mr. CRANSTON, the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of Senate Resolution 98, a resolution to designate February of each year as "American History Month."

SENATE RESOLUTION 209

At the request of Mr. JEPSEN, the Senator from Wyoming (Mr. WALLOP), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Alabama (Mr. HEFLIN), the Senator from Alabama (Mr. DENTON), the Senator from Wyoming (Mr. SIMPSON), the Senator from Oregon (Mr. PACKWOOD), the Senator from Connecticut (Mr. WEICKER), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Kansas (Mr. DOLE), the Senator from Nevada (Mr. LAXALT), and the Senator from South Dakota (Mr. ABDNOR) were added as cosponsors of Senate Resolution 209, a resolution expressing the sense of the Senate that the President of the United States, the U.S. Senate, and the Senate Committee on Banking, Housing, and Urban Affairs should pay careful deference to the specific provisions of the Federal Reserve Act, requiring broad regional and economic representation on the Board of Governors of the Federal Reserve System, in their consideration of nominees to the Board.

SENATE RESOLUTION 242

At the request of Mr. HART, the Senator from Nebraska (Mr. EXON) was added as a cosponsor of Senate Resolution 242, a resolution regarding SALT II.

AMENDMENT NO. 630

At the request of Mr. WEICKER, the Senator from Connecticut (Mr. DODD), the Senator from Maine (Mr. MITCHELL), the Senator from Maine (Mr. COHEN), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Rhode Island (Mr. CHAFEE) were added as cosponsors of amendment No. 630 intended to be proposed to H.R. 4560, a bill making appropriations for the Departments of Labor, Health, and Human Services, and Education, and related agencies for the fiscal year ending Sepember 30, 1982, and for other purposes.

AMENDMENT NO. 631

At the request of Mr. WEICKER, the Senator from Rhode Island (Mr. PELL), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Arkansas (Mr. BUMPERS) were added as cosponsors of amendment No. 631 intended to be proposed to H.R. 4560, a bill making appropriations for the Departments of Labor, Health, and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENT NO. 632

At the request of Mr. WEICKER, the Senator from Rhode Island (Mr. PELL), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Arkansas (Mr. BUMPERS) were added as cosponsors of amendment No. 632 intended to be proposed to H.R. 4560, a bill making appropriations for the Departments of Labor, Health, and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

AMENDMENTS SUBMITTED FOR PRINTING

COMMERCE, JUSTICE, STATE, AND THE JUDICIARY APPROPRIATIONS—H.R. 4169

AMENDMENT NO. 634

(Ordered to be printed.)

Mr. WEICKER proposed an amendment to the bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

SECOND CONTINUING APPROPRIATIONS, 1982

AMENDMENT NO. 635

(Ordered to be printed and to lie on the table.)

Mrs. HAWKINS (for herself and Mr. CHILES) submitted an amendment intended to be proposed by them to the joint resolution (H.J. Res. 357) making further continuing appropriations for the fiscal year 1982, and for other purposes.

NOTICE OF HEARINGS

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the Senate Budget Committee will hear testimony relating to S. 193, the Tax Expenditure Limitation and Control Act, on Tuesday, November 24 at 2 p.m. in room 6202 of the Dirksen Senate Office Building.

Witnesses scheduled to appear are Senator EDWARD M. KENNEDY; Norman Ture, Under Secretary, Department of the Treasury; Alice Rivlin, Director, Congressional Budget Office; Paul R. McDaniel, professor of law, Boston College; and Fred Wertheimer, president, Common Cause.

For more information, contact Lynn Pearson of the Senate Budget Committee staff at 224–0544.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Judiciary Committee be permitted to meet during the session of the Senate at 1:30 p.m. on Thursday, November 19, to discuss Government merger policies.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, November 19, at 10 a.m., to hold a full committee meeting to receive a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION, AND GOVERNMENT PROCESSES

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Energy, Nuclear Proliferation, and Government Processes of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, November 19, at 10 a.m., to hold a hearing on nuclear proliferation policy and the implication of new technology.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SUPPORT FOR DIXON-PERCY EMBARGO AMENDMENTS

● Mr. SASSER. Mr. President, I rise to speak in favor of the Dixon-Percy amendment that the Senate passed on November 12. This amendment would prohibit embargoes of American agricultural products unless such a restriction is part of an across-the-board ban on all products.

I voted for the amendment because such an assurance is greatly needed to insure that the American farmer, and the agriculture industry in general, is not singled out to bear the brunt of foreign policy actions intended to benefit the entire Nation.

I do have one problem with the amendment, Mr. President, and that is its 1985 effective date. As originally proposed the amendment would have taken effect immediately. I favored this original date because I believed that the protections afforded farmers by this amendment were needed right away and should not be postponed for 4 years.

The sponsors of the amendment, however, accepted the change in the effective date. The amendment, even in its altered form, is of great importance to agriculture. I therefore supported it with this one reservation.

Agriculture is of supreme importance to this country and its trade position. Exports of agricultural products totaled some $42 billion in 1980 and are estimated to top $45 billion in 1981. Approximately 22 percent of the American labor force is involved in agriculture.

The profound impact of disruptions on this vital sector of our economy, Mr. President, cannot be treated lightly. This amendment recognizes the importance of agriculture by insuring that Congress will have a voice in future embargoes. The pending amendment permits the President to impose an embargo of agriculture products for a maximum of 60 days.

During this time Congress can decide whether or not to extend it for a longer period. If the Congress determines that the embargo should not be extended, then the matter ends there and the embargo expires.

In January of 1980, when the Soviet grain embargo was imposed in response to the Soviet invasion of Afghanistan, the American farmer was generally in support of the action. The patriotism of the farming community has been amply demonstrated in the past and this time was no exception.

As the embargo stretched on and on, however, and as it became apparent that the Soviets were able to obtain the grain they needed elsewhere, patience wore thin. Farmers had been willing to accept a fair embargo, but this one was not fair and, worse still, it was ineffectual.

The agricultural sector was left hanging for month after month. Under this amendment, this could not happen again.

It is essential, Mr. President, that a sector of the economy that is so vital to our balance of trade not be hampered by a selective embargo of indefinite duration; 20 percent of all U.S. exports are agricultural products. This represents our single largest category of exports.

We cannot jeopardize all the time, effort, and money that have gone into the developing of foreign markets for our agricultural products by the continuation of an uncertain embargo policy.

Mr. President, I endorse the Dixon-Percy amendment and urge my House colleagues to do the same.●

THE CRIMINAL CODE REFORM ACT

● Mr. HELMS. Mr. President, the Judiciary Committee is presently considering the reform of the Federal criminal code, and is working on a bill known as S. 1630. There has been considerable controversy surrounding this legislation, and it deserves careful study.

Recently, the Heritage Foundation published an analysis of various components of the Criminal Code Reform, prepared by Mr. Nicholas E. Calio, of the Washington Legal Foundation. Mr. Calio's observations go into great detail on some of the problems associated with so monumental an effort. He concludes:

Whether the act will accomplish its goal of streamlining criminal law to effect better and fairer criminal justice remains to be seen. What is certain, however, is that a measure as monumental as criminal code reform absolutely needs deliberate and careful consideration.

Haste, in this case, will be the enemy of responsible legislation. This is particularly true because all Federal legislation of the type and magnitude of S. 1630 has a "teaching" effect on the States. Many states can be expected to use S. 1630, if adopted, as model legislation and the bill's defects will ripple across the Nation.

Mr. President, I ask that Mr. Calio's study be printed in the RECORD at the conclusion of my remarks.

The study follows:

[From the Heritage Foundation, Nov. 10, 1981]

THE CRIMINAL CODE REFORM ACT OF 1981 (S. 1630)

INTRODUCTION

Congress has been working on a massive recodification of federal criminal laws for well over a decade. The most recent incarnation of this legislative effort is S. 1630, the Criminal Code Reform Act of 1981. Its stated purpose is the consolidation and simplification of all federal criminal laws in order "to establish justice" by "defining and providing notice of conduct that indefensibly threatens harm to those individual or public interests for which federal protection . . . is appropriate"; "prescribing appropriate sanctions for engaging in such conduct . . ."; and "establishing a system of expeditious procedures" to enforce the sanctions.

The Act was introduced by Senator Strom Thurmond (R-S.C.), Chairman of the Senate Committee on the Judiciary on September 17, 1981, and is co-sponsored by Senators Biden (D-Del.), Hatch (R-Utah), Kennedy (D-Mass.), Denton (R-Ala), DeConcini (D-Ariz.), Simpson (R-Wy.), and Specter (R-Pa)

S. 1630 is 425 pages long and goes far beyond a "recodification" of federal criminal law. A Heritage Foundation Issue Bulletin of July 1980 called S. 1630's predecessor in the 96th Congress, S. 1722, "[o]ne of the most potentially far-reaching—and, ironically, perhaps one of the least generally understood—legislative proposals of the past decade. . . ."

The same statement is true of S. 1630. Despite its lengthy history and quantity of co-sponsors, the present reform bill contains all or most of the defects which infected its predecessors. It seeks not only to recodify, but to revise and extend all existing federal criminal law. As such, the Act attempts too much and suffers from major theoretical,

practical and philosophical defects. No one, not even the drafters, seems to understand fully the impact of this proposed revision.

To evaluate this legislation is to begin with the question: does it accomplish its purpose? The answer is in part found by examining statements in last year's Judiciary Committee Report on the substantially similar bill from the last Congress, S. 1722.[1]

The report of January 17, 1980, states that the purpose of criminal code reform is "to restructure Federal criminal law so as to better serve the ends of justice in their broadest sense—justice to the individual and justice to society as a whole." The report also quotes remarks by Senator Kennedy published in the May 2, 1977, CONGRESSIONAL RECORD:

"The Criminal Code Reform Act . . . constitutes the most important attempt in 200 years to reorganize and streamline the administration of Federal criminal justice. It is a major undertaking, of critical importance to our people. As I have repeatedly stated in recent months, I view this legislation as the cornerstone of the Federal Government's commitment to the critical problem of crime in America."

The need to "streamline" federal criminal laws by virtue of a wholesale overhaul is based upon the belief expressed in the Judiciary Committee report that present "statutory criminal law on the Federal level is often a hodgepodge of conflicting, contradictory, and imprecise laws with little relevance to each other or to the state of the criminal law as a whole." If the goal of the criminal law reform is to streamline the administration of criminal justice in order to better address the problem of crime in America, then the answer to whether S. 1630 will achieve these goals is open to serious question.

To the extent that the bill would eliminate genuinely archaic provisions of the present code or do away with needless duplication and conflicting or vague language, the legislation is laudable and little ground for substantive controversy exists. However, the bill in fact fails to clarify the vagaries of criminal law and, as previously noted, goes far beyond recodification and clarification. In addition, despite the widespread belief that violent crime is America's most critical law enforcement problem, the bill appears to ease standards and penalties for such offenses while simultaneously adopting a strong anti-business posture by significantly expanding the potential criminal liability of businesses.

The Act also would repeal provisions which make it illegal to conspire to overthrow the United States government and to teach or advocate overthrow. Meanwhile, penalties for crimes such as rape, importing pornographic materials, and drug trafficking would be reduced. Yet S. 1630 is much tougher on "white collar crime." It would allow corporations to be prosecuted for the acts of agents acting without the authority of the company as well as for offenses like "racketeering" based upon two or more technical violations of the securities laws. Business fines would be increased radically and a new civil action would require companies to notify customer/victims of alleged company offenses.

These are only a few of the many provisions which have been inadequately examined.

HISTORY OF CRIMINAL CODE REFORM

S. 1630's long history dates from 1952 when the American Law Institute began drafting a "Model Penal Code." Ten years later, the Council of the American Law Institute published the "Proposed Official Draft" of the Model Penal Code.

In 1966, Congress created the National Commission on Reform of Federal Criminal Laws. The Commission, whose chairman was former California Governor Edmund B. Brown, submitted its recommendations to Congress and the President in a Final Report on January 7, 1971. The Report was intended as a "work basis" for congressional choices. Extensive hearings by the Subcommittee on Criminal Laws and Procedures of the Senate Judiciary Committee followed during 1971 and 1972.

On January 4, 1973, Senators John McClellan, Roman Hruska, and Sam Ervin, all of whom served on the Brown Commission, introduced S. 1, the first in a series of omnibus bills to reform, revise, and recodify the Federal Criminal Code. Similar bills have been considered—without passage—in each succeeding Congress.

During the 95th Congress, the Criminal Code reform bill was known as S. 1437. It was reported favorably by the full Judiciary Committee on November 15, 1977, and was passed by the Senate on January 30, 1978. None of the various bills, however, has ever reached a vote on the floor of the House of Representatives.

The history of this legislation and the many changes that have been worked on successive versions are evident in the hearings and reports of the Senate Judiciary Committee and its Subcommittee on Criminal Laws and Procedures, a record that encompasses some 11,750 pages of testimony, statements, and exhibits in 18 volumes of hearings conducted during 1971, 1972, 1973, 1974, 1975, 1977, and 1979 under the overall title "Reform of the Federal Criminal Laws."

During the 93rd, 94th, 95th, and 96th Congresses, these hearings have been supplemented by detailed Committee reports of great length and comprehensiveness; the most recent report (Senate Report No. 96–553, "Criminal Code Reform Act of 1979," January 17, 1980) runs 1,517 pages. (The hearings recently held on S. 1630 have not been transcribed.)

The hearings contain detailed pro and con analyses by some of the nation's most eminent legal authorities, representatives of concerned special interest groups, and officials of the Department of Justice.

An examination of selected provisions of the bill underscores the deficiencies characteristic of the entire bill, the changes it will effect in existing law, and its anti-business bias.

WORDS AND DEFINITIONS

Perhaps the most fundamental deficiency in S. 1630 is that it replaces statutory language enhanced and illuminated by hundreds of years of common law development with new words and definitions subject to de novo interpretation by a modern federal judiciary which already is unable to keep pace with its caseload.

Furthermore, the definitions in different sections relate to one another in such a way that cross reference is necessary to fully understand the bill.

Chapter 3 of the bill, for instance, defines the culpable states of mind and the proof necessary for each. It identifies four states of mind: intentional, knowing, reckless, and negligent.

It then applies these states of mind to three possible situations: conduct, an existing circumstance, and a result. The state of mind necessary to convict varies with each situation.

Not only is this type of codification confusing, it eliminates the traditional concepts of mens rea (guilty mind or criminal intent) and culpability developed over the last 400 years of Anglo-American jurisprudence.

Chapter 3 alone could alter federal criminal law fundamentally as each federal district judge struggles to define the new terms in his own fashion.

Numerous states of mind now exist which apply to particular offenses and which have been developed through case law as needed. Eliminating this body of law through "codification" may simplify the process, but it certainly will not improve criminal justice and may well be a step backward.

Under the bill, each federal criminal law has been codified and defined to be comprehensive and inclusive. These definitions have extended the reach of each federal violation; just how far and what conduct the new interpretation will reach will depend on innovative and aggressive prosecutors who may attempt to expand their authority. At this time, however, it is impossible to foresee all the areas of potential abuse.

Reviewing a few offenses covered by the bill exposes some of the difficulties which should be examined carefully by Congress.

INCHOATE OFFENSES: EXPANSIONS

S. 1630 contains three inchoate offenses: attempt, conspiracy, and solicitation. The proposed code expands federal jurisdiction in defining these crimes and in its procedural approach to these inchoate offenses.

Attempt

S. 1630 creates a federal "attempt" statute. Currently, no such federal statute exists; only specific attempts in relation to particular crimes are punishable. The most important conceptual problem with the "attempt" provision is that it mixes contradictory concepts.

While requiring as a culpable state of mind that an individual "intentionally engages in conduct," it also provides that such conduct need only "in fact, constitute a substantial step toward the commission of the crime."[2]

Section 302(a)(1) provides that conduct is "intentional" if it is a "conscious objective or desire to engage in the conduct."

Section 303(a)(1), on the other hand, provides that "no state of mind must be proved with respect to a particular element of an offense or . . . specified . . . as existing or occurring 'in fact.'"

These two sections contradict each other, thus badly confusing the definition of "attempt" as embodied in S. 1630.

This section also eliminates the common law defenses of legal impossibility and merger. Under common law, legal impossibility has constituted a defense to an attempt charge. Legal impossibility exists if the defendant did—or could do—all of the things he intended to do but nonetheless actually did not violate the law. Now, Section 1001(c)(1) provides that even if completion of the act would not violate the law, "if the crime could have been committed had the circumstances been as the actor believed them to be" then the actor is guilty of breaking the law. Thus, individuals can now be convicted of what might be termed "thought crime."

Similarly, Section 1001(c)(2) eliminates the merger defense by which an individual cannot be held legally accountable under common law for both attempting and completing a crime; the attempt was logically held to be merged into the greater offense. All of the above points raise the question of whether the attempt statute will streamline the administration of justice.[3]

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[1] A Judiciary Committee Report has not yet been issued on S. 1630.

[2] "Substantial step" is not defined.

[3] It bears noting that Section 1001(b), which provides an "affirmative defense" to attempt, contains a trap in connection with Section 1325 of the Act which makes it a crime to tamper with physical evidence. For instance, under the code, a manufacturer of a product could manufacture an item that turns out to violate some statute. While he lacked intent to violate the law, it has "in fact" occurred and he could be guilty of "attempt." Assuming he discovers the problem prior to shipping the product and proceeds to destroy it, he could be charged and convicted for tampering with physical evidence as that offense is described in the proposed Section 1325.

Conspiracy

The language of the proposed conspiracy provision, Section 1002, could be interpreted in ways which greatly expand the concept of conspiracy beyond its current meaning in common law. As written, this section could cover unilateral activity by a single co-conspirator.

Solicitation

Criminal solicitation is an entirely new concept. The definition of solicitation embodied in Section 1003 is extremely broad and subject to abuse. For example, under the common law, conduct preparatory to an inchoate offense is not criminal—one cannot be guilty of attempted conspiracy. Now, it seems, two inchoate offenses, taken together, could constitute criminal conduct.

INCHOATE OFFENSES: LIMITATIONS—NATIONAL SECURITY IMPLICATIONS

Unlike the provisions which expand federal jurisdiction, Section 1004 of S. 1630 dramatically changes the common law in a way that has grave implications for national security. The Act provides that there can be no attempt, conspiracy, or solicitation for a number of specified offenses.

Almost all of these offenses relate to the national security interests of the government or to matters affecting public order and the administration of justice. For example, attempting, conspiring, or soliciting to obstruct military recruitment, to incite mutiny or desertion, or to fail to register for the draft, among other things, would not constitute criminal activity.

Soliciting to defraud the government would also be legal. In short, unless a person participates directly in anti-government activities, he cannot be held responsible. Thus, these limitations invite pressure groups to provoke unlawful anti-government conduct without being held acccuntable for their actions.

ANTI-RACKETEERING AND RELATED PROVISIONS

A number of provisions in the bill related to anti-racketeering efforts constitute, when read together, a threat to business interests. Under Section 1802, a company could be convicted of racketeering based upon two technical securities violations simply because the definition of racketeering activity is so exhaustive.

Moreover, a new civil damage action is created by Section 4101 for anyone injured in his personal business or property by "racketeering" activity. Relief includes treble damages as well as attorney and investigative fees.

Section 4011 authorizes the Attorney General to initiate a civil injunctive proceeding to restrain "racketeering" activities. Section 4013 provides the Attorney General the additional authority to serve a Civil Investigative Demand requiring any person to produce any material relevant to the civil proceeding under Section 4011. The Attorney General may therefore obtain discovery in a civil action which can be used in a subsequent criminal action. The potential for abuse of such a powerful tool is awesome.

LIABILITY OF ORGANIZATION FOR CONDUCT OF AGENT

Section 402 of the proposed Act, which provides for criminal liability of an organization for the conduct of an agent, lacks a statutory predecessor and appears to expand the law of agency. The entire section is riddled with vague language subject to broad interpretation. It provides criminal liability for an offense if the agent's conduct: "occurs in the performance of matters within the scope of the agent's employment or authority and is intended by the agent to benefit the organization."

Three separate determinations, all subject to a broad reading, are required: is the act within the scope of employment; is it within the agent's authority; is it intended to benefit the corporation?

The latter two points are most troublesome. Under present law, a corporation may not be held criminally liable for the conduct of an agent acting with only "apparent" authority; for liability, the authority must be "actual" or "implied." This distinction is not made in Section 402. Hence, a company could specifically forbid certain conduct and, though not criminally culpable in any meaningful sense, still be branded and punished as a criminal.

Moreover, experience with the "intended to benefit the corporation" language teaches that it is subject to abuse. The conduct of an employee wholly motivated by self-aggrandizement may always be interpreted as benefiting the company in some way, even if the company is being cheated by the agent. While senior management may not have desired the dubious benefits which flow from illegal conduct, the agent will likely maintain during investigation and trial that his actions were intended to benefit the organization.

Finally, Section 402(b) holds a corporation criminally liable for the failure of its agent to perform a duty specifically imposed on an organization by law. Taking the broad range of regulatory and other duties imposed by law, together with other sections of S. 1630 which provide that reckless ignorance of circumstances is no bar to prosecution, the impact of this provision could be enormous.

In short, Section 402 is a boon to prosecutors who are politically ambitious, hostile to "big business," or hungry for the publicity emanating from indicting a corporation. The Department of Justice, moreover, has always favored expanding corporate criminal liability for the acts of agents and employees.

MURDER

The murder statute, Section 1601, significantly expands federal jurisdiction. The traditional common law terms "kill" or "killing" are replaced by the phrase "intentionally causes the death of."

In addition, under the Act murder is committed if one "engages in conduct by which he causes the death of another person under circumstances manifesting an extreme indifference to human life."

Any experienced lawyer passably aware of both criminal and product liability law must shudder at the invitation for abuse provided by the language in this section. For example, the "extreme indifference" language, as interpreted by product liability case juries, is an extremely low standard; that is, almost any corporate conduct is found to manifest an "extreme indifference."

To extend this interpretation to criminal law hardly seems to serve the public interest.

SENTENCE OF FINE

The proposed Section 2201 dramatically increases criminal fines for corporations and organizations from their current level of between $1,000 and $10,000 to $1,000,000 for a felony and $100,000 for a misdemeanor. With the myriad of federal regulations, technical violations are increasingly likely. The new high fines would impose an enormous burden on the nation's business community.

Under present law, the number of times a particular statute has been violated is often at issue in cases of alleged regulatory violations. For instance, if a company mails 100,000 copies of an allegedly deceptive advertisement on a single day, is it guilty of one violation or 100,000 violations?

Prosecutors usually claim the latter in order to increase their leverage and force a company to settlement. That power, together with the increased fine, makes it likely that companies will be forced to settle, rather than fight for their rights against the government.

ORDER OF NOTICE TO VICTIM

Section 2005 proposes to vest authority in the courts to require corporations to notify victims of corporate offenses of the company's conviction.

This section has no counterpart in current law and will constitute an open invitation to civil damage lawsuits even though the company will likely have paid a large criminal fine.

CONCLUSION

The above points are only a glimpse at the problems in S. 1630, a legislative package of monumental scope. The provisions examined, however, represent the types of changes made to existing law as well as the types of interpretive problems likely to be caused by S. 1630.

Whether the Act will accomplish its goal of streamlining criminal law to effect better and fairer criminal justice remains to be seen. What is certain, however, is that a measure as monumental as criminal code reform absolutely needs deliberate and careful consideration.

Haste, in this case, will be the enemy of responsible legislation. This is particularly true because all federal legislation of the type and magnitude of S. 1630 has a "teaching" effect on the states. Many states can be expected to use S. 1630, if adopted, as model legislation and the bill's defects will ripple across the nation.

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REFRAMING OUR RELATIONS WITH OUR FRIENDS AND AMONG OUR ALLIES

● Mr. HART. There are few people as well qualified as McGeorge Bundy to discuss American relations with Western Europe in the field of nuclear weapons, the topic of a recent speech at the New York University Sesquicentennial Conference. By dint of his many years of experience in this area, his views are well worth reading.

At a time when the Western Alliance is in disarray, his reminder that it is "political folly" to forget our allies viewpoint or ignore their wants and needs is good advice indeed. One of his important assertions in this thoughtful exposition of the technical and political problems involved in deployment of nuclear weapons in Europe should be heeded:

The alliance today needs economic progress and political self-confidence more than it needs weapons, and among weapons, it needs conventional more than nuclear reinforcement.

I commend the full text of his address to my colleagues' attention.

The address follows:

REMARKS OF MCGEORGE BUNDY

My central proposition this evening is that in making our foreign policy choices we should think more about the interests and concerns of our friends and allies, and less about the Soviet menace, than seems to be the habit of the present Administration in Washington. My second proposition, which I shall argue much more briefly, is that getting these priorities right will also help us come to terms with ourselves in the reestablishment of some measure of natinal consensus on these hard questions. I do not mean that there is no Soviet threat, or that our allies are always right, or that there is a golden age of bipartisan virtue and wisdom just waiting for the President to flip the switch and turn up the lights. I do mean that if we can get a better understanding of our relations to those whom we see as friends and allies we shall also do better in our

relations with the Soviet Union and with ourselves.

Since I cannot hope to examine all of the relevant relationships, I propose to concentrate on one: the problem of our dealings with Western Europe in the field of nuclear weapons. The subject has the advantage for me that I have been concerned with it in one way or another for more than thirty years, so that if I get it wrong, it will not be for lack of experience. It has the advantage for you that it is now, as it has been recurrently, an issue of considerable immediate urgency. It has the advantage for all of us that it is critically important to the coherence and self-confidence of the strongest and most central of all the associations in which we have engaged ourselves since the end of the Second World War—the North Atlantic Alliance.

Last Saturday, October 11, there was a large political meeting in Bonn, perhaps the largest gathering of free Germans since John F. Kennedy went to Berlin in 1963. But whereas the people of West Berlin turned out to cheer an American leader who won their hearts by telling them he was proud to say "Ich bin ein Berliner," the 240,000 West Germans who gathered in Bonn were there to protest a plan to place new American nuclear missiles in Germany. Although the organizers of the meeting said it was aimed at both the Eastern and the Western sides of the nuclear arms competition, the major targets of crowd and speakers alike were the governments of the United States and West Germany. One does not have to agree with all that was said, or to sympathize excessively with a movement which does indeed exhibit some of the failures of political understanding that are commonly associated with the words pacifism and neutralism, to find this meeting deeply significant. Leadership in responding to the challenge this German movement presents must necessarily belong to Germans, including those in the movement itself, but this event, with the prospect of more like it in the future, gives us good reason to examine our own view of nuclear policy in relation to Western Europe.

The immediate cause and target of this powerful new tide of sentiment in Germany is the plan adopted by the NATO Council two years ago for the placement of 572 land-based mid-range thermonuclear missiles in Western Europe, some 200 of them in West Germany. These missiles are intended by their backers as a counter to Soviet deployment of new theater weapons, in particular what the West calls the SS-20, a modern, sophiscated mobile missile which can reach all of Western Europe, the Middle East, and much of Asia. According to Secretary of State Haig, speaking on arms control here in New York in July, there are already 750 warheads deployed on SS-20 launchers, and in his view—which deserves attention if not agreement not only because of his present assignment but also and perhaps still more because he was formerly Allied Commander of NATO—the SS-20 and other new theater systems have "presented the alliance with a threat of a new order of magnitude."

The missile systems designed for the new NATO force are now being built in the United States, but the plan has been the target of rising criticism in Europe. Moreover, still larger difficulties lie just ahead. At the end of next month American and Soviet negotiators will sit down in Geneva to negotiate on the question of the limitation or reduction of those systems and perhaps others that can reach Western Europe or the Soviet Union. This effort is the necessary twin to the plan for missile deployment. For the West German government and its public in particular, it is essential that both tracks be pursued with energy. In the words of Chancellor Schmidt, "Only a policy which aims at the necesary military balance at the lowest possible level—to be agreed upon jointly—can count on the public's full approval . . . Our people expect preparation for the stationing of American medium-range weapons to be accompanied by the active implementation of the second part of the dual decision" [1]—namely the arms control part.

Chancellor Schmidt does not overstate the desires and expectations of Europeans, and not only of those who openly oppose the proposed deployment. Given the strong European desire to see this question negotiated away, and the widespread belief that the new American Administration is unenthusiastic about arms control, there would be considerable danger of a split between Europeans and Americans even if the issues that will be put on the table were simple and even if the Soviet Government were full of eagerness to ensure the unity of NATO. Neither conditions holds. The Soviet desire to split the alliance is one of the most obvious and durable constants on the international political scene—not a cause for resentment, merely a fact of life—but what is more interesting is that as presently framed the Geneva negotiations will be extremely hard for our side, simply in terms what we and our allies can agree on.

Because there is indeed a substantial Soviet advantage in the special field of theater-range missiles, and because there is growing division among Europeans over the urgency and desirability of the new American weapons of this class, it will be very easy indeed for Moscow to make proposals that will be unacceptable to the American government and those who agree with it in Europe, but highly appealing to others.

Secretary Brezhnev has already offered a freeze on both sides; he could go further and propose some unilateral Soviet reduction in return for cancellation of the NATO plan. So great are his current numerical advantages within this particular field that he can easily design an offer bound to look generous to many in Europe and still retain such advantages that on its present premises Washington would feel bound to reject his proposal. It is not often that the alliance has offered so obvious an invitation for Soviet trouble-making. Only the considerable likelihood of Soviet rigidity and clumsiness currently stands between NATO and a substantial self-inflicted wound.

Paul Nitze, who will sit for the United States at Geneva, is a practiced and expert negotiator who can be relied on to point out the more obvious flaws in Soviet proposals, but as long as the negotiation remains framed as the NATO decision itself has framed it—limited to Soviet and American theater-range missiles—the prospect for an American position that is persuasive to European doubters will be poor. The very best we can look for, as matters stand, is a negotiation which will only slowly erode the NATO decision. If he is both lucky and skillful Mr. Nitze may be able to buy time. But unless the time is used to find a better posture, the prospects for maintaining NATO's unity on this issue are dim.

But if we are to do better, we must understand things better. We must go back and see what it is that the proposed new American missiles are supposed to do, how the original intent of the proposal has been lost sight of, and why it is that when carefully considered the proposal is neither necessary nor desirable for the safety of the alliance, unless the nations of Western Europe themselves clearly support it.

The basic premise for the proposed new force was that without it, primarily because of the new effectiveness of the SS-20, the Soviet Union would have a new capability for nuclear attack on Europe against which the West required a new and balancing counter. Without such a new counter, it was argued, and in particular without new American weapons clearly dedicated to this task and deployed on European soil, the Soviet Union would be able to threaten Europe, at a moment of intense crisis or of calculated Soviet aggression, in a way that would be politically effective because the Europeans would feel disconnected from the American nuclear protection which has been an essential element of the alliance for thirty years.

But this basic premise was quite simply wrong. The SS-20 did not and does not give the Soviet Union any nuclear capability against Europe alone that she did not have in overflowing measure before a single SS-20 was deployed. Not only were the existing SS-4s and 5s, though old and cumbersome, entirely adequate in themselves for threatening a nuclear attack on Europe, but what is much more important, every long-range Soviet strategic missile that can reach the United States can also hit Europe. There are so many of these missiles—some 2500—and they have so many large warheads—some 7000—that less than 10 percent of the force could produce all the results in Europe that could ever be feared from the SS-20. And this calculation, like the usual NATO discussion of the threat from the SS-20, leaves out of account three other new and mid-range systems now entering the Soviet inventory.

It is not clear to me why this obvious and wholly undeniable capability has been generally ignored by Western analysts. Possibly Americans have been blinded by their own natural preoccupation with what the Soviet long-range missiles mean as a threat to the United States, and still more possibly they may have supposed—and here they may even be right—that Soviet military planners would be bureaucratically disinclined to assign long-range weapons to short-range targets. And European analysts may have found it comfortable to assume that long-range missiles are simply not intended for them.

But whatever the cause of the omission, it is flagrant, and it has led to a gross exaggeration of the meaning of the SS-20. Quite without that weapon the nuclear armory of the Soviet Union is more than adequate for the execution of a separate nuclear attack on Western Europe, or any part thereof, while maintaining in reserve strategic forces fully adequate to balance those of the United States. If the Soviet Union should ever reach a political determination to strike Europe without striking the United States, it would have all the weapons it needed without the SS-20. Any danger there may be of any such action is quite literally independent of the existence of the weapon that the West has spent so much time advertising. Indeed the case is, if only marginally, stronger still. If the Soviet Union were ever really prepared to run the risk of general war that would accompany any major attack on Western Europe, might her leaders not suppose that conceivably their ability to persuade the Americans to hold back their own forces would be increased, not lessened, by diverting to Europe some of the long-range strategic missiles that have worried some of our own planners so much?

That is probably not the way the Soviet leaders think, you may reply, and I would agree with you; but all I am saying is that in terms of real forces and real risks the idea of a separate nuclear war with Western Europe must be just as attractive or unattractive to the Soviet leaders (and I believe it is most unattractive to them) without the SS-20 as with it. The SS-20 simply does not change the balance of danger in Europe.

The underlying reality is that the location, the range, and even the vulnerability of particular weapons systems do not define either

[1] Helmut Schmidt, "A Policy of Reliable Partnership," *Foreign Affairs*, Spring 1981, p. 748.

the capabilities or the intentions of any nation which, like the Soviet Union and the United States, has built multiple long-range nuclear systems with an enormous redundance of survivable warheads. For such nations, capabilities remain varied and overwhelming even when whole systems are subtracted (which is why the notion of any early "window of vulnerability" related to the U.S. Minuteman is quite simply inane). Moreover, the capabilities of strategic systems are defined not by the mindsets of their designers or advocates, nor by the planning processes at staff levels in Omaha or Brussels or Moscow or Washington. Capabilities are defined by what these systems, or parts of them, can actually do if they are so commanded. The ineluctable reality is that long-range systems can hit middle-range targets; they have that capability. Thus when you have vastly more than "enough" for intercontinental strategic deterrence, as both sides do today, you have more than enough for smaller assignments too. On this quite basic point the simplistic analyses of some nuclear planners, both in NATO and elsewhere, have been deeply misleading to their political superiors.

As with capability so with intent. In a world of strategic nuclear redundancy political intention is constrained not by the capabilities of particular opposing systems but by the absolutely inescapable risks attendant upon any use of nuclear weapons that might trigger a reply. No one can be absolutely sure that a major Soviet attack on Western Europe would provoke an American strategic reply—but no one, given the existing levels of American commitment and American troops in place, can possibly be certain that it would not. This uncertainty is absolutely inescapable, and in Europe it applies to a large-scale conventional encounter as well as to a Soviet nuclear attack. The certainty of this uncertainty is what deters the men of sanity on both sides, and if it needs some marginal reinforcement in NATO today, that need is mainly in the field of conventional troops and weapons.

But even if the SS–20 has changed nothing except perceptions that can themselves be changed by a more careful look, you may suggest to me that there can still be advantage in thickening the American nuclear presence in Europe. You may be right; even divorced from the SS–20, the argument can be made that the very presence of such weapons makes their possible use an additional deterrent—or that their presence would show to Europeans some new and comforting evidence of American determination—or that the emplacement of these weapons would confer some needed capability not otherwise available.

Let me begin with capabilities. Is there anything we want to be able to do that only these 572 warheads can do? The answer to this question is suggested in what I have already said about the extent of present Soviet and American capabilities. With a single important exception there is nothing the new warheads can do that cannot be done as well by other systems that we already have or plan to have. Like the Soviet Union, we have long-range weapons in numbers grossly beyond and basic deterrent need; we can assign a few of them to NATO missions just as readily as we might assign the new NATO missiles. Nor does the location of the weapons make any difference from the American standpoint. Whether they are based in Germany, or at sea, or in Nebraska, there will always be the same awful magnitude in any Presidential decision to use these weapons against anyone, and in particular against the Soviet Union, whose leaders know as well as we do whose command would send them, and where to direct the reply. Thus there can be no American interest in letting it be thought by anyone that we would ever find it easier to fire at the Soviet Union from Europe than from the United States. The misperception that we may think this way is fueling much of the current opposition in Europe.

There is indeed one thing some of the new missiles can do that no other weapon can do, but it is something we should not want to be able to do. The Pershing II missiles—there are 108 in the plan—can reach Russia from Germany in five minutes, thus producing a new possibility of a supersudden first strike—even on Moscow itself. That is too fast. We would not like it if a Soviet forward deployment of submarines should create a similar standing threat to Washington. It is not for us to be the ones who first put the decapitation of the great rival government on a hair trigger. It is deeply in the general interest of all that neither side should pose such threats to the other. The 1979 decision to place the Pershing II in Germany was a serious mistake. Either its range should be so reduced that it does not threaten Moscow, or it should be cancelled.

Leaving the new Pershing to one side because of this grave defect, there remains one important argument for the remainder of the new force, the ground-launched cruise missiles: our allies may in fact want them. These at least are not plausible first-strike weapons because they move at less than the speed of sound, and they can reasonably be seen as replacements for theater-based aircraft less able to reach their NATO targets than they once were. We have other systems that could do those jobs. Long-range missiles and aircraft could be assigned to NATO in wholly adequate numbers—as indeed five Poseidon submarines now are—with no harm to the basic deterrent strength of our enormous and still growing strategic triad. Still there is no decisive argument against the cruise missiles if in fact our European friends are sure they want them. We should not hold back on this part of the agreed deployment if that is indeed the settled will of our European allies.

But neither should we make the acceptance of these weapons a test of loyalty to the alliance. Because they are American weapons, there has been a natural requirement for American leadership in planning for their deployment, but it is quite another matter for Americans to presume to decide which systems and which locations are most needed to provide confidence to Europeans. Yet that is the way too many Americans, in and out of government, have been talking. One need not admire all the arguments of European opponents of this deployment to understand the resistance to any plan which comes to look like an American device for fighting a nuclear war in Europe alone. We cannot possibly adopt any such policy, of course—if only because of the certainty of uncertainty. But it is folly—political folly, the folly of forgetting how friends and allies may think and feel—to let it look as if we had any such idea.

If we must not presume to decide this question for our friends, neither should we presume that it is decided by a single rally in Bonn, however large and well organized. The Europeans who have supported the new deployment are neither few nor feeble, and the agreement of 1979 is not to be abandoned if indeed this new force, with the Pershing II modified or omitted, is still wanted by Europeans. But it would be all wrong for Americans to use the advantage of ownership to press for a single solution when there are many to choose from. We must think in terms of what Europe wants and needs, and not in those of a mechanical matching of every Soviet move. Soviet nuclear procurement policy is not so sensible that we should imitate it blindly, nor so threatening that we need to believe our own enormous forces are weak. A strategic modernization much more modest than President Reagan's recent proposals can meet the needs of both ourselves and our allies, with or without new land-based missiles in Europe.

There are, of course, other needs in the alliance, and other friends to be considered in our foreign affairs. The alliance today needs economic progress and political self-confidence more than it needs weapons, and among weapons it needs conventional more than nuclear reinforcement. The problem of making and keeping friends in the Middle East is even harder, and I doubt if we make progress by suggesting that we intend to control the internal choices of the peoples and leaders on the spot. There is also obvious peril in supposing that what should be decisive in every Central American policy choice is the presence or absence of Russians or Cubans. We have an interest in respecting what is though on such matters by friends in Mexico and France, and we should have learned long ago that merely to be anti-communist is not necessarily to be a good partner for this democracy. But these are topics for another time, and I will claim only that in varied ways the general moral I have drawn from the case of the nuclear defense of Europe applies more broadly: the real interests and concerns of our friends are a better guide to policy than the natural but childish desire to make a tit-for-tat response to everything the Russians do.

Such respect for friends and allies can also help us with ourselves. The challenge of foreign policy is not simply, as men and women have thought too often in the last four Administrations, to reverse the softness or hardness, or even the indecision, of predecessors. The challenge is rather to choose courses that can unite us by their visible combination of strength and restraint. There is no durable majority for any foreign policy based on simple single-minded hostility to, or accommodation with, the Soviet Union. We learned that lesson first when we wisely shifted our emphasis in moving from the Truman Doctrine to the Marshall Plan. The same imperative—and the same opportunity—lies open today.

There is one further point that may be appropriate to this anniversary celebration, with its combination of respect for the past and concern for the future. When we think about nuclear weapons, we must always remember that the object of the thought, for all of us of whatever opinion, must be to help to see to it that these weapons are not used. I entirely agree with my friend Dean Rusk who has recently remarked that the most important single fact in the history of the last thirty-six years is that these weapons have not been used since Nagasaki. The ugly paradox of making weapons so as not to have to use them—of strength for deterrence—I believe we must accept, but we do not for that reason have to think that more is always better. And beyond that, there is no safety in leaving the matter to specialists. The danger is a common danger, and there can be no escape in the end from the requirement of common understanding. I believe myself that when such understanding is achieved we shall find that this is not a time for panic, but rather for confidence, and that we are not about to enter a time of special danger—unless we lose our own nerve. What we need most is simply to understand these matters better, and so I do not apologize for having troubled you with them this evening.

Let me end with some words spoken by Robert Oppenheimer more than thirty years ago, at an earlier time of asserted crisis:

". . . wisdom itself cannot flourish, nor even truth be determined, without the give and take of debate or criticism. The relevant facts could be of little help to an enemy; yet they are indispensable for an understanding of questions of policy. If we are wholly guided by fear, we shall fail in this time of crisis. The answer to fear

cannot always lie in the dissipation of the causes of fear; sometimes it lies in courage." [2]●

SENATOR JOHN GLENN AND ARMS CONTROL

● Mr. TSONGAS. Mr. President, late last month, Senator JOHN GLENN visited my home State of Massachusetts as the Martin Weiner Distinguished Visiting Lecturer at Brandeis University. The subject of Senator GLENN's address was controlling the growth and spread of nuclear weapons.

His address is both thoughtful and timely. When our allies in Europe are growing restive with the administration's anemic arms control policy and confused NATO strategy, the Senator from Ohio speaks clearly and decisively on the urgent necessity of strategic and theater arms control agreements. On the perils of linking arms control with Soviet behavior, he is eloquent:

We cannot afford to wait for peace before seeking to control the weapons of war.

On nuclear proliferation, a subject he knows very well, Senator GLENN warns that:

Unless we act quickly to keep this deadly future from unfolding, our children will inherit a world where there is no rest, no stability and no real security.

This is an important speech. Mr. President. It sets out a compelling and convincing vision for U.S. policy on nuclear arms issues. I recommend it highly to my colleagues and request that it be reprinted in the RECORD at the conclusion of my remarks.

The address follows:

REMARKS OF SENATOR JOHN GLEEN

Tonight marks my first visit to the campus of Brandeis University. And I've truly been looking forward to it—not only because of your uniqueness in being America's only Jewish-supported nonsectarian university—but also because Brandeis has long been regarded as one of this Nation's most prestigious centers of higher education. Much of the credit for that reputation, of course, must go to men like Chairman Foster, Chancellor Sachar and President Bernstein, for they have tirelessly worked to perpetuate the lofty ideals upon which this school was founded. But tonight, let us also recognize the equally important contribution made by people like the late Martin Weiner, whose name is memorialized in the title of this lectureship series. For without their generous financial gifts, it would be extremely difficut to sustain the academic excellence that has been a Brandeis trademark since 1948.

So it's a very special honor to be here tonight, and I look forward to hearing—and learning—from you as we exchange ideas in the question and answer period that will follow my formal remarks.

Exactly one month ago today—on September 29th—a ram's horn was blown to signal the start of Rosh Hashana. In modern times, the blowing of the shofar reminds Jewish worshippers that the Day of Atonement is fast approaching. But in ancient times, the shofar also signalled an alarm to the Biblical tribes of Israel—warning them of the approach of an enemy. Tonight, I too wish to sound a warning—a warning not about the approach of an enemy, but about the growth and spread of nuclear weapons. Now I know that many people believe the subject of arms control to be complex, esoteric and what I sometimes describe as a "MEGO" issue—one on which "my eyes glaze over." But that is an intellectual luxury we cannot afford. Because in my opinion, the world today is literally sitting on a nuclear time bomb. And unless we act to defuse it, it may well explode, taking us and all of civilization with it.

Obviously, all sane men want to avoid such a catastrophe. But if we are to avoid stumbling into a nuclear nightmare, it will be necessary to come to grips with some very fundamental facts. Perhaps the most fundamental fact of all is that meaningful arms control negotiations will not result from luck or wishful thinking. Good intentions are not enough; they must be supplemented with a clear-eyed understanding of how arms control fits within a wider foreign policy agenda. So our first task is to construct something we have lacked for far too long in this country—a well-defined and coherent foreign policy—one that recognizes arms control as one of its most vital components.

What are some of the other elements of a comprehensive foreign policy? Well, in a frequently hostile and dangerous world, a strong military and a sound defense strategy must surely comprise one element. But military strength—important as it is—cannot be the only one. In today's world, effective and compassionate international economic programs must also be an integral part of U.S. foreign policy. So must consistent diplomatic efforts—and so must a reasonable plan for combatting the systematic violation of human rights—irrespective, I might add, of whether those violations are the work of "authoritarian" of "totalitarian" governments. And underlying all of these diverse considerations should be a realistic vision of what goals and objectives are desirable—and possible—in both the short and longer terms.

Peace, for example, is clearly a worthy foreign policy objective in and of itself. But is peace to become our sole international objective? Can it be our sole objective? Or does a single-minded effort to preserve the peace often generate the kinds of conditions that lead to war? Should we try to influence developing nations in the direction of democracy and market economies? Or has that become impossible in the modern world—and should we therefore merely sit as silent spectators to global change? These are difficult questions. In fact, many experts say that we can't possibly answer them. But if so, I believe that in itself is a crucial decision that must be made. And until our policy-makers begin grappling with issues like these, we will be condemned to a foreign policy future that remains confused, vacillating and unpredictable.

Nowhere would that be more dangerous than in the foreign policy area I want to explore tonight—controlling the growth and spread of nuclear weapons. For as long as these arsenals continue to multiply and become ever more available, each crisis of the moment could well become the last crisis for all mankind.

PAST ARMS CONTROL EFFORT

Now, I need not dwell this evening on the awesome destructive power of nuclear weaponry. Today's generation of college students has literally grown up in the shadow of the nuclear threat. You are familiar with the terminology—ICBMs, megatons, MIRVS and overkill. You have heard the casualty estimates: more than 100 million Americans—and at least that many Soviets—would die within the first 24 hours of a full-scale nuclear exchange. And you know that after a nuclear war, as former Soviet Chairman Khrushchev once put it, "The survivors would envy the dead." In short, the advent of atomic weaponry has fundamentally altered the parameters of warfare—and has raised the question of whether our politics can grow up to our technology.

Past efforts to control the weapons of war were generally unsuccessful. Disarmament and arms control were the stuff of which dreamers fantasized and fanatics dreamed. But as we move deeper into the nuclear age, arms control has become a necessity. And the fanatics are those who now talk of "winning" a nuclear war—as if the poisoned winds from an incinerated earth could somehow reveal a winner.

In the late 1940s, America moved—through the Baruch and Lilienthal proposals—to meet the nuclear challenge by proposing to place all atomic materials and technology under permanent international control. Unfortunately, the Soviet Union rejected that proposal, and soon detonated their own atomic device, thus ending America's short-lived nuclear monopoly. Within a few short years, Britain, France and China had also established their memberships in the nuclear club.

In short, the genie was now out of the bottle. And with the development of peaceful uses for atomic power, a growing number of other nations came to covet a nuclear capability. The problem, however, was quickly apparent: the only difference between atoms for peace and atoms for war is the intent of the user.

The danger of burgeoning nuclear stockpiles among the superpowers was now compounded by the danger of worldwide proliferation among smaller and smaller nations whose sense of restraint was highly suspect. This alarming prospect led, in the 1960s, to a second American initiative for international control—the Nonproliferation Treaty. 115 countries—including 112 nations that have not yet developed nuclear weapons—eventually signed the agreement. Nonweapons states which signed the Treaty agreed not to acquire them. In return for assistance in establishing peaceful atomic programs, they also agreed to open their facilities to inspection by the International Atomic Energy Agency. These inspections are designed to ensure that there is no diversion of nuclear materials to weapons production.

For their part, the United States and the Soviet Union agreed to begin negotiations to reduce their own nuclear arsenals. In other words, arms control is now proceeding along a dual track: Smaller states agree to forego the weapons option while the superpowers try to reduce their own nucelar stockpiles.

THE SALT PROCESS

It was that promise that led Washington and Moscow to begin the discussions that came to be known as SALT—the Strategic Arms Limitation Talks. By 1972, SALT had yielded its first major success; a treaty that sharply limited both the number of delivery vehicles each side could process, as well as the deployment of antiballistic missile systems. The SALT I Treaty was universally acclaimed not only for its specific benefits—important as they were—but also because it had finally demonstrated that meaningful arms control was both possible and practical.

The success of SALT I paved the way for SALT II—negotiations that optimistically aimed not just a capping—but at truly reversing—the nuclear arms race. That optimism, however, proved sadly premature, for technology again had set a blistering pace. Tremendous advances in missile modernization—such as the ability to equip single missiles with multiple warheads—outstripped the gains of further limits on strategic launchers.

[2] This statement was made on Mrs. Franklin Roosevelt's program "Round Table" on February 12, 1951, and reprinted in *The Bulletin of the Atomic Scientists*, Vol. 6, No. 3, March 1950, p. 75. I owe the quotation and the reference to Robert Gilpin, *American Scientists & Nuclear Weapons Policy*, 1962, p. 342.

But even more devastating for SALT II was the fact that we found ourselves unable to adequately verify or monitor Soviet compliance with the terms of the Treaty. For Senators like me, such a situation was simply unacceptable.

Unlike the United States—where foreign governments need only subscribe to the Congressional Record and Aviation Week Magazine to find out what we're up to, Soviet society is closed and their decision-making is secretive. That makes U.S. intelligence-gathering extremely difficult. And where America's existence may be at stake, I don't think we can afford to accept on faith that the Soviets won't cheat. As we seek to lower the nuclear danger, we must never lower our guard.

It was the issue of verification—combined with the discovery of Soviet combat troops in Cuba and the invasion of Afghanistan—that finally prompted President Carter to urge a delay in the Senate's consideration of the SALT II Treaty.

Today, SALT II remains in limbo—and the SALT process itself is being called into question. Former Senator Jacob Javits, for instance, expressed deep disappointment that SALT II accomplished so little. And he publicly warned that another protracted round of negotiations that did not result in significant arms reductions would meet certain defeat in the halls of Congress. I share Senator Javits' concern, for confidence is quickly eroded when herculean efforts give birth to marginal results.

ARMS CONTROL AND THE REAGAN ADMINISTRATION

But I am equally troubled by the present Administration's approach to arms control. Many of the President's advisors seem to believe that where strategic weapons are concerned, the only good negotiations are no negotiations. Other Administration officials claim to support negotiations, but at some point in the future and certainly not now. Still other Presidential advisors have advocated reductions so massive that the Soviets are sure to refuse. History has shown that true arms control progress requires time, patience and steadfastness of purpose. Grandstand plays to achieve overnight breakthroughs simply won't work. Indeed, they are usually counter-productive. Recently, the President himself has spoken of changing the name of the process from "SALT" to "START"—signifying Strategic Arms Reduction Talks. Obviously, only the President knows what he has in mind. But if by START he really means STOP, the outlook for progress is extremely grim.

I am also bothered by insistence on a strict linkage between arms control and Soviet international behavior. Please do not misunderstand me. I, too, am greatly concerned about growing Soviet adventurism. Indeed, it is difficult not to be concerned when you look at what the Soviets have recently been up to. First, there was Angola and the additional use of Soviet surrogates in Africa, Asia and the Middle East. Then came the Soviet takeover of the so-called "Northern Territories" just north of Japan. Finally, there was the full-scale invasion of Afghanistan—an act of aggression so naked that even socialists were outraged. And let us remember that most of these activities occurred before the Soviets achieved nuclear parity with us. We can only speculate on what new Soviet adventures are in the offing.

But while I am disturbed by Soviet aggression, I reject the notion that we must not negotiate until they learn to behave. Failing to discuss arms control with Moscow will not deter it from future transgressions. Only the military strength and the political resolve of potential victims can do that. But even more important, we cannot afford to wait for peace before seeking to control the weapons of war. And neither can we wait for good Soviet behavior, because bad behavior armed with increasing numbers of nuclear weapons is more dangerous still.

I am also unimpressed with Administration arguments that we must delay arms control until we have closed the so-called "window of vulnerability." In the first place, I seriously question whether our land-based strategic weapons are, in fact, vulnerable. But vulnerable or not, why must arms control and a strong military posture be regarded as mutually exclusive? In my view, they are mutually necessary. That is particularly true with regard to America's conventional forces, because years of neglect have reduced our preparedness to dangerous levels.

In that connection, let me say that I am greatly disappointed with this Administration's apparent willingness to continue playing budget games with national defense. Despite all campaign rhetoric to the contrary, the President seems intent on repeating the same kind of short-sighted mistakes committed by his predecessor. In fact, the 1982 Reagan defense budget is now perilously close to being even lower than that proposed by President Carter. Fiscal responsibility is surely important. But where America's national security is concerned, a balanced Federal budget is simply no substitute for an adequate defense.

So I am far from unmindful of our conventional and strategic requirements. But just as we cannot allow our defense needs to be determined by the size of the Federal deficit, neither should we allow arms control to languish until those needs have been met. Let us resolve to spend what we must—and negotiate what we can.

POLICY PRESCRIPTIONS

Let me illustrate what I have in mind by briefly outlining five recommendations on arms control policy.

SALT II

The first thing we must do is tell the Soviet Union that we want the SALT process to proceed—and that we want it to proceed now. This would doubtlessly require new negotiations to update the SALT II Treaty, but whatever modifications are necessary should be completed quickly. President Reagan should then move expeditiously to secure Senate ratification—something that should not be difficult if he energetically dedicates himself to the task. Without committing myself to support Treaty changes sight unseen, let me say that I am now inclined to support the SALT II agreement as previously negotiated. My earlier concerns regarding verification have largely been met through subsequent improvements in our monitoring capability. And so long as we can verify Soviet compliance, the strategic constraints imposed by SALT II comprise a necessary first step in our journey towards SALT III.

TNF

In addition to ratifying the SALT II Treaty regarding intercontinental missiles, we must move ahead next month with talks concerning intermediate range weapons—the so-called Theatre Nuclear Forces. Because these shorter-range missiles are located on European soil, it is imperative that we carefully coordinate our position with our NATO allies. Unfortunately, it appears that that coordination has so far been less than complete—and I strongly urge the Administration to take whatever steps necessary to resolve this problem before negotiations begin a month from tomorrow. For as the recent marches in Bonn, London, Rome and elsewhere have vividly demonstrated, the stability of the NATO alliance may hang in the balance.

CONVENTIONAL DEFENSES

Third, I believe it is vital that we and our allies work to build up our conventional defenses, for they are an important consideration in our strategy for nuclear weapons control. Halting the erosion in our non-nuclear military strength is crucial for a variety of reasons. But among the most important is that conventional weakness invites undue reliance on nuclear deterrence. Should conflict come—despite our best efforts to prevent it—we must not be forced to choose between surrender and annihilation. And neither should we forget that our success in persuading other nations not to acquire nuclear weapons largely rests on our willingness and ability to limit the possible use of our own.

NONPROLIFERATION

And that brings me to my fourth recommendation: A redoubled effort to halt the proliferation of nuclear weapons. The urgency of this effort cannot be overstated, for upon our success depends the only future our children will have.

Although international accords like the Nuclear Nonproliferation Treaty and U.S. laws like the Nonproliferation Act of 1978 were steps in the right direction, it is clear they have not solved the problem. Someone once said that the difference between idealists and pessimists is that idealists say all nations should share the atomic bomb, while pessimists fear that they will.

Well, these days there is surely ample reason for pessimism. Because in addition to the five "charter" members of the nuclear club, India has already exploded a nuclear device, Israel can, and Iraq, Libya and Pakistan are also apparently committed to bomb-building programs. Other countries with adequate technical know-how to pursue the nuclear option include South Africa, Taiwan, South Korea and Brazil.

Think what it would mean to have so many fingers grasping the nuclear trigger. Think of the unparalleled opportunities for irresponsibility; for terrorism; for accident; and for miscalculation. Unless we act quickly to keep this deadly future from unfolding, our children will inherit a world where there is no rest, no stability and no real security.

That's why I've made nonproliferation one of my top priorities since I came to the Senate almost seven years ago. I coauthored the Nuclear Nonproliferation Act of 1978. Last year, in the wake of India's refusal to abide by the provisions of that Act, I waged an unsuccessful fight on the Senate floor to stop President Carter from sending nuclear fuel to India's Tarapur atomic power plant. And this year, I am outraged that the Reagan Administration wants to weaken even further the nonproliferation laws we've fought so hard to achieve. So last week—over strenuous Administration opposition—I managed to push through an amendment to the Foreign Assistance bill that requires the termination of all foreign aid to India and Pakistan if they conduct any future nuclear explosions. In my view, the next five years are absolutely crucial. So rather than slacken our resolve, I believe that this is the time to stiffen it.

First, I propose that we immediately press for consultations among nuclear-exporting nations to establish truly meaningful restrictions on nuclear trade with potentially dangerous countries. Second, we must plan and call for a World Conference on Nuclear Energy Policy—and use this conference to find new agreements that could be incorporated into the existing Nonproliferation Treaty. Third, the United States must determine what restrictions on nuclear trade are minimally acceptable—and then use whatever leverage we have with other suppliers to obtain their adherence to those standards. And fourth, we must be prepared to use whatever measures necessary—including the possible termination of all foreign aid and economic assistance—against any nonweapons state that persists in developing a nuclear weapons program.

SALT III

But even if we prevent further scattering of nuclear weapons, ratify the SALT II Treaty, reduce Theatre Nuclear Forces and enhance our conventional military strength —even if we do all these things, our task still will not be complete. We must also devise a strategy that promises real long-term reductions in the nuclear stockpiles of the two superpowers. Without this, there will be steadily diminishing public support for arms control negotiations.

So my fifth and final recommendation is that we begin to think seriously about where the SALT process is going.

The SALT I and SALT II negotiations were conducted within a narrow conceptual framework—a framework that has now become outmoded by technological advancement. In the past, we have contended ourselves with counting reducing each side's missile launchers, while largely ignoring the qualitative improvements that have increased our collective capacity for destruction. Specifically, I am referring to the tremendous advancements in MIRV technology that have geometrically increased the number of warheads that each side can deliver. To paraphrase a popular bumper sticker, launchers don't kill people, warheads kill people. And if we can't find a way to significantly reduce them, future arms control efforts will bring forth little of consequence. So let us expand our vision, renew our approach and explore new directions. And then let us move boldly toward a SALT III agreement.

CONCLUSION

Let me conclude my remarks with one final thought. Tonight I have addressed a few of the challenges that confront us in the area of nuclear weaponry. That they are formidable goes without saying. Meeting them in a diverse and frequently hostile world will be far from easy. But we are not helpless before our task and need not be hopeless of our success. Because on the subject of nuclear war, there are common interests that bind friend and foe together. In the final analysis, as a young American President reminded us almost 20 years ago, we all inhabit the same small planet. We all breathe the same air. We all cherish our children's future. And we are all mortal.

So let us not despair. Peace need not be impractical and nuclear war need not be inevitable. Though mankind's future may lie beyond our vision, it is not completely beyond our control. Our fate—and that of other nations as well—is the work of our own hands, matched to reason and principle. So to paraphrase President Kennedy, let us go forward in the work of peace, asking His blessing and His help, but knowing that here on earth, God's work must truly be our own.

Shalom, my friends, and thank you.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. WALLOP. Mr. President, it is required by paragraph 4 of rule 35 that I place in the RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Mr. Thomas Melia of the staff of Senator MOYNIHAN to participate in a program sponsored by the Graduate School of American Studies of Tamkang University in the Republic of China from November 22 to December 2, 1981, to discuss matters of mutual interest and international relations.

The committee has determined that participation by Mr. Melia in the program in the Republic of China, at the expense of Tamkang University, is in the interests of the Senate and the United States.●

DR. THOMAS SOWELL

● Mr. EAST. Mr. President, there are few commentators on the American scene today who endow their remarks with as much logic and wit as Dr. Thomas Sowell. A senior fellow at the Hoover Institution, a nationally known scholar, and the author of brilliant books, Dr. Sowell is to be commended for his outspoken candor and his contributions to human knowledge.

Proponents of the free enterprise system are particularly indebted to him. More than any other living writer, Dr. Sowell has established that far from being an instrument of oppression, free enterprise has been an avenue of opportunity for all people—even for members of minority groups commonly regarded as its chief victims.

In one of his earlier works, "Classical Economics Reconsidered," Dr. Sowell emphasizes that "one of the curious facts about the classical economists is that most of them were members of minority groups." Adam Smith, Malthus, the two Mills, and J. R. McCulloch were Scotsmen who lived in England at a time when most Englishmen agreed with Samuel Johnson: "There is much that can be done with a Scotsman—if he be catched young." Similarly, David Ricardo was of Jewish ancestry, and Jean-Baptiste Say was descended from Huguenots who had fled France during religious persecutions.

In a recent "My Turn" column for Newsweek magazine, Dr. Sowell further elaborates on this point. I ask that this column be printed in the RECORD, and I would like to note at this time that Dr. Sowell is a native of Gastonia, N.C.—a fact of which the people of our State are proud.

The column follows:

WE'RE NOT REALLY "EQUAL"

(By Thomas Sowell)

As a teacher I have learned from sad experience that nothing so bores students as being asked to define their terms systematically before discussing some exciting issue. They want to get on with it, without wasting time on petty verbal distinctions.

Much of our politics is conducted in the same spirit. We are for "equality" or "the environment," or against an "arms race," and there is no time to waste on definitions and other Mickey Mouse stuff. This attitude may be all right for those for whom political crusades are a matter of personal excitement, like rooting for your favorite team and jeering the opposition. But for those who are serious about the consequences of public policy, nothing can be built without a solid foundation.

"Equality" is one of the great undefined terms underlying much current controversy and antagonism. This one confused word might even become the rock on which our civilization is wrecked. It should be worth defining.

Equality is such an easily understood concept in mathematics that we may not realize it is a bottomless pit of complexities anywhere else. That is because in mathematics we have eliminated the concreteness and complexities of real things. When we say that two plus two equals four, we either don't say two what or we say the same what after each number. But if we said that two apples plus two apples equals four oranges, we would be in trouble.

SENSE

Yet that is what we are saying in our political reasoning. And we are in trouble. Nothing is more concrete or complex than a human being. Beethoven could not play center field like Willie Mays, and Willie never tried to write a symphony. In what sense are they equal—or unequal? The common mathematical symbol for inequality points to the smaller quantity. But which is the smaller quantity—and in whose eyes—when such completely different things are involved?

When women have children and men don't how can they be either equal or unequal? Our passionate desire to reduce things to the simplicity of abstract concepts does not mean that it can be done. Those who want to cheer their team and boo the visitors may like to think that the issue is equality versus inequality. But the real issue is whether or not we are going to talk sense. Those who believe in inequality have the same confusion as those who believe in equality. The French make better champagne than the Japanese, but the Japanese make better cameras than the French. What sense does it make to add champagne to cameras to a thousand other things and come up with a grand total showing who is "superior"?

When we speak of "equal justice under law," we simply mean applying the same rules to everybody. That has nothing whatsoever to do with whether everyone performs equally. A good umpire calls balls and strikes by the same rules for everyone, but one batter may get twice as many hits as another.

In recent years we have increasingly heard it argued that if outcomes are unequal, then the rules must have been applied unequally. It would destroy my last illusion to discover that Willie Mays didn't really play baseball any better than anybody else, but that the umpires and sportswriters just conspired to make it look that way. Pending the uncovering of intricate plots of this magnitude, we must accept the fact that performances are very unequal in different aspects of life. And there is no way to add up these apples, oranges and grapes to get one sum total of fruit.

Anyone with the slightest familiarity with history knows that rules have often been applied very unequally to different groups. (A few are ignorant or misguided enough to think that this is a peculiarity of American society.) The problem is not in seeing that unequal rules can lead to unequal outcomes. The problem is in trying to reason backward from unequal outcomes to unequal rules as the sole or main cause.

There are innumerable places around the world where those who have been the victims of unequal rules have nevertheless vastly outperformed those who were favored. Almost nowhere in Southeast Asia have the Chinese minority had equal rights with the native peoples, but the average Chinese income in these countries has almost invariably been much higher than that of the general population. A very similar story could be told from the history of the Jews in many countries of Europe, North Africa and the Middle East. To a greater or lesser extent, this has also been the history of the Ibos in Nigeria, the Italians in Argentina, the Armenians in Turkey, the Japanese in the United States—and on and on.

CONFUSED TERMS

It would be very convenient if we could infer discriminatory rules whenever we found unequal outcomes. But life does not always accommodate itself to our convenience.

Those who are determined to find villains but cannot find evidence often resort to "society" as the cause of all our troubles. What do they mean by "society" or "environment"? They act as if these terms were self-evident. But environment and society are just new confused terms introduced to save the old confused term, equality.

The American environment or society cannot explain historical behavior patterns found among German-Americans if these same patterns can be found among Germans in Brazil, Australia, Ireland and elsewhere around the world. These patterns may be explained by the history of German society. But if the words "environment" or "society" refer to things that may go back a thousand years, we are no longer talking about either the causal or the moral responsibility of American society. If historic causes include such things as the peculiar geography of Africa or of southern Italy, then we are no longer talking about human responsibility at all.

This does not mean that there are no problems. There are very serious social problems. But that means that serious attention will be required to solve them—beginning with defining our terms.●

LAND AND WATER CONSERVATION FUND

● Mr. MOYNIHAN. Mr. President, I am extremely disappointed that the conferees on the Interior and related agencies appropriations bill agreed to eliminate all Land and Water Conservation Fund assistance for State and local governments in fiscal year 1982. Not reduce funding, mind you, from its 1981 level of $175 million, but eliminate it.

Funding for this vitally important component of the Land and Water Conservation Fund is being eliminated despite the fact that the Senate Appropriations Committee restored $102.3 million for State grants during its consideration of this bill. We are told that this is only a 1-year moratorium, but even a 1-year moratorium will disrupt the operations of State and local parks throughout the Nation.

New York has received $172 million from this program since 1965, and that money has been used to enhance recreational facilities from the Broadway malls in Manhattan to an ice skating rink in Fulton. The Land and Water Conservation Fund State assistance program is a partnership between the Federal Government and State and local governments, and the Federal Government's withdrawal from this partnership will have a profound effect on the quality of our Nation's parks. The impact of this cut, unfortunately, does not stop there. Over 1,000 New Yorkers are in danger of losing their jobs at various park sites around the State as a result of the action taken by the Interior conferees.

Although we have received assurances that this will only be a 1-year moratorium, the suspicion exists that the administration may not request funding for State and local participation in the Land and Water Conservation Fund for fiscal year 1983. This would be a tragic mistake, for the successes of this program are well documented. I fully expect, however, that this 1-year moratorium is just that; a 1-year suspension of State and local assistance and not a termination.

Mr. President, I ask that an article from the November 16 New York Times detailing the effect the elimination of these funds will have on the State of New York be printed in the RECORD.

The article follows:

FEDERAL FINANCING FOR STATE'S PARKS CUT FROM BUDGET

(By Deirdre Carmody)

All $15.4 million in Federal funds for New York State parks has been eliminated as part of the Reagan Administration's budget cuts, according to the State Parks and Recreation Commissioner.

"What is the degree of the cut?" said the Commissioner, Orin Lehman. "It isn't 30 percent, it isn't 50 percent. It's 100 percent."

The cuts, which Mr. Lehman described for the first time in an interview, have eliminated all four programs through which the state received Federal assistance for its parks in the past. Besides the $15.4 million received last year, the cuts will cost the state more than 1,000 federally financed park jobs, some of which have already been phased out.

JONES BEACH PROGRAM HARD HIT

One of the hardest-hit programs is the six-year, $26 million rehabilitation of Jones Beach that was announced by Governor Carey last year. The Federal Government had been scheduled to provide half the money. The Jones Beach project is considered important because facilities are deteriorating and badly in need of repair while attendance keeps growing.

Many other projects throughout the state will have to be abandoned or seek funds elsewhere. These include pocket parks, tennis courts, rehabilitation projects, sewer lines, swimming pools, dams and athletic fields.

Money provided by the Federal Land and Water Conservation Fund in the past ranged from $860,000 for rehabilitation of the Broadway malls in Manhattan to $360,000 for an ice skating rink for the town of Fulton in Oswego County.

The elimination of Land and Water Conservation Fund grants, which have provided New York State with $172 million since 1965, is the most drastic cut. Over the years, these funds have gone to more than 1,000 state and local parks and recreation projects. The money for these grants came from offshore oil leases.

"The fund was originally set up because Congress realized that most Americans use their own local parks or state parks more than they use the national parks; it was set up to help the states and communities and enhance outdoor recreation," Commissioner Lehman said in an interview. "It was considered a partnership between the Federal Government and the states."

Some of the programs, such as the Young Adult Conservation Corps, began being phased out several months ago. Other cuts went into effect on Oct. 1, with the start of the 1982 Federal fiscal year. The combination of budget cuts was completed Nov. 5, when a Senate-House conference committee eliminated the Land and Water Conservation Fund.

SEEKING A BOND ISSUE

Commissioner Lehman said that the cuts would be so detrimental to maintenance of the state parks system that he was "hopeful" the Governor and the Legislature could be persuaded to put a parks preservation bond issue on the ballot next year.

"We are hopeful that the Governor and the Legislature might see fit to have a park preservation bond act in 1982," Mr. Lehman said. "We've checked it with some of the people in the Governor's office. They've encouraged us to go ahead. They've said, 'Bring us your plan and we'll see.' "

He said that the proposed bond issue would be "in the $400 million area." Recreation bond issues have been approved by the voters of New York State since the first one was proposed by Gov. Alfred E. Smith in 1924.

In addition to the Land and Water Conservation Fund, the other programs that have been eliminated are:

The Urban Park and Recreation Recovery Program, which had awarded a total of $11.7 million in grants to New York State since 1978. Nineteen cities and five counties were eligible for these funds.

The Comprehensive Employment and Training Act, known as CETA, under which the State Parks Department was able to employ 650 workers, who were paid with Federal funds. These unskilled workers did painting, cleanup, conservation and restoration jobs.

The Young Adult Conservation Corps, a federally financed employment program that provided the state last year with 360 workers aged 16 to 33. These workers repaired structures, built camps, fixed picnic areas and did other similar jobs.

ASKING FOUNDATIONS TO HELP

To mitigate the effect of the cuts, Commissioner Lehman said, the state is now "going heavily after foundations, corporations, and friends' groups" to take over some of the projects.

He pointed out that the Reagan Administration had said from the beginning that little money would be available to build new parks. He said, however, that New York State had been way ahead of the Administration, having decided seven years ago not to spend money on acquiring new land, but to use funds to take care of the existing parks.

Parks officials point out that the parks have never been as popular as they are now, because people have more leisure time and are preoccupied with health.

BUILT DURING DEPRESSION

Many of the facilities in the state were built during the Depression and are in serious need of maintenance and repair, the officials said.

In addition, as the economy bites more and more into people's purses and it becomes more expensive to travel, people are staying home and using their local parks. Recreation has also become a year-round pastime. As a result, golf courses that were once deserted when they were covered with snow have now become cross-country skiing areas, and parks that were empty during the winter are now used year-around by joggers.

"We do understand the frustration of the American public with taxes, waste and inefficiency," Commissioner Lehman said. "I don't think anyone objects to eliminating that and we know that budgets have to be cut. What we object to is being shut out."●

A SALUTE TO HARBEL'S JODY LANDERS

● Mr. SARBANES. Mr. President, for the last decade one of Baltimore City's most successful community organizations has greatly benefited from the committed hard work and skill of a young man who has seen Harbel grow from what one writer called "a com-

munity's impossible dream to an organization composed of 81 neighborhoods, an areawide reputation and an $840,000 budget."

Joseph T. Landers, better known as Jody, has served Harbel in various capacities from volunteer to executive director. Many years ago, he was appointed to this important post in an organization uniting northeast Baltimore communities when he was only 24 years of age. Under his leadership, the revitalization of these communities has continued to grow and today Greater Northeast Baltimore is one of the finest places to live in the Nation.

To all who would understand how Baltimore has gained a national reputation for revitalization and community involvement I commend Jody Landers' comments when asked to what did he attribute his success:

If Harbel is successful, it's because this is a stable hardworking community.

The folks who live here care; they get involved with their neighborhood improvement associations and church groups. That's why it works: dedicated leaders, folks who come out of the woodwork with a commitment.

And if I'm successful, maybe it's because I'm never defensive; I'm willing and ready to accept anybody without preordained notions. There's no chip on my shoulder, I don't take criticism personally.

And I am really committed to this community. The northeast area is one of the finest places in which to live.

Mr. President, when asked in the same interview how he would like to be remembered Jody Landers replied "as a sincere person who was able to get things done." Fortunately for Baltimore Jody Landers has gotten things done and I am pleased to note that he will continue to get things done. While he is leaving Harbel, he will remain active in our community on the staff of the United Way, working for all of central Maryland on behalf of a number of worthwhile agencies and organizations.

Jody Landers is one of those especially committed and dedicated people who help to build strong communities. I join his many friends in thanking him for his extraordinary contribution.●

THE DISTRICT OF COLUMBIA APPROPRIATION BILL CONFERENCE AGREEMENT, 1982

● Mr. DOMENICI. Mr. President, the conference agreement on H.R. 4522, the District of Columbia Appropriation bill for fiscal year 1982, provides new budget authority of $0.6 billion. This level is identical to the Senate-passed bill level and $37 million above the House-passed level. It is consistent with both the District of Columbia Appropriation Subcommittee's allocation under the first budget resolution and the President's September request.

Mr. President, I ask that a table showing the relationship of the conference agreement to the congressional budget and President's budget request be printed in the RECORD at the conclusion of my remarks.

The table follows.

H.R. 4522, District of Columbia Appropriation Bill Conference Agreement, 1982

[In billions of dollars]

	Fiscal year 1982	
	BA	O
Outlays from prior-year budget authority and other actions completed	---	0.03
H.R. 4522, Conference Agreement	0.6	0.5
Possible later requirements:		
None	---	---
Total for District of Columbia Subcommittee	0.6	0.5
First Budget Resolution level	0.6	0.6
Senate-passed level	0.6	0.5
House-passed level	0.5	0.5
President's March request	0.6	0.6
President's September request	0.6	0.5
District of Columbia Subcommittee compared to:		
First Budget Resolution level	---	−0.1
Senate-passed level	---	---
House-passed level	+0.1	---
President's March request	---	−0.1
President's September request	---	---

THE SOCIAL SECURITY NOTCH

● Mr. BAUCUS. Mr. President, recently one of the major newspapers in my home State of Montana printed an editorial on the social security notch and criticized Congress for creating an inequitable benefits formula in the social security program. This notch refers to the difference in benefits payable to retirees who were born before December 31, 1916, and those born after that date.

Because I share the concern of those editors that all Americans should be treated equally by Government programs, I asked the Congressional Research Service to analyze the situation. It is clear to me from that analysis that the discrepancy between benefits payable to retirees of different ages results from an effort by Congress to avoid punishing current recipients for the inadequacies of the pre-1977 benefit formula in the face of changing economic conditions.

Mr. President, I ask that the editorial, from the Billings Gazette, September 22, 1981, and the report by CRS be printed in the RECORD.

The material follows:

AN EQUAL TREATMENT FARCE

If Congress makes any pretense at equal treatment under the law it will do something immediately to correct a gross injustice it committed in 1977.

That injustice was done in one of its Social Security revisions which put the royal shaft to those persons who were born after Dec. 31, 1916.

With equal earnings, the worker born Jan. 1, 1917 and thereafter will be drawing about $1,300 a year less in Social Security than the one who was born Dec. 31, 1916.

It wasn't budget hatchet man David Stockman or President Ronald Reagan who performed this highly discriminatory deed. It was the Congress of the U.S. which allowed such a one-sided bill to become law.

Who are these discriminated against American wage earners? They are the kids who grew up in the depression only to be the first to be drawn into World War II. They are the ones who were called back on active duty to serve in the Korean War.

They have paid Social Security all of their working lives only to find when retirement faces them the Congress kicked dirt in their faces.

The Congress allows pay bills to pass which increase those of the military on active duty—a move which automatically gives monthly pension and retirement check increases to the career soldier and the reservist who has reached 60.

President Reagan wants an increase for civilian federal employees, a move which will correspondingly boost the pay of retired government workers.

None of this sits too well with the private sector worker who now is told he or she will get only 86 percent of the Social Security retirement pay of somebody born a year or two before. And it gets more unfair in subsequent years as more and more is taken out of the paycheck.

If cuts must be made in the Social Security system to keep it solvent then at least let them be shared equally by all recipients.

As stated earlier, Congress enacted the laws creating this monstrous inequity. We call upon Montana's Congressional delegation to take a lead in correcting this injustice.

THE SOCIAL SECURITY NOTCH

As a result of changes made to the social security benefit formula in the 1977 Social Security Amendments, the initial benefit amount for some persons who reach age 62 after 1978 might be somewhat lower than for workers with similar earnings histories who reached age 62 in 1978 or earlier. The term "social security notch" refers to a substantial difference in initial benefit levels that sometimes occurs because of a small difference in age, i.e., between workers who become eligible before and after the new changes went into effect.

In the Social Security Amendments of 1977, Congress took steps to prevent social security benefits from rising to excessive levels in the future. If the old benefit computation rules had been left unchanged, benefit levels eventually would have exceeded pre-retirement earnings levels for many individuals retiring in the future. This rise in the level of newly awarded benefits that began after the automatic benefit increase provision was enacted in the early 1970's and which was projected to continue in the future, was largely unintended. In 1977, Congress made substantial changes in the way social security benefits would be computed in the future to prevent this situation from continuing.

In recognition of the fact that some individuals would be disadvantaged by the remedial provisions, Congress did not change the computation rules for persons who had already become eligible. Further, Congress allowed for a transitional period during which individuals becoming eligible for retirement benefits in the near future would receive benefits computed under the old rules (with some limitations) if they would be higher than benefits arrived at under the new rules. This transition guarantee applies to all individuals who became age 62 during the period 1979 to 1983.

One of the transition limitations was a

provision that for people entitled to the guarantee, any earnings after age 61 would not be considered in determining benefit amounts under the old method. Those earnings would be considered if the new method were used.

The so-called "notch" usually refers to the difference between benefits for (1) individuals who turned 62 before 1979 and continued to work beyond their 62nd birthday, and (2) those who turn 62 after 1978 and also continue to work beyond their 62nd birthday. The former individual has his benefits computed under the old rules and his earnings after age 61 factored into the benefit formla (which results in higher benefit amounts). The latter individual has his benefits computed under the new rules, or under the old rules if higher, but without having his earnings after age 61 taken into account (resulting in lower benefit amounts). Thus, to take an extreme case, an individual who retires on December 31, 1981, on his 65th birthday, would get higher benefits than an individual who retires on January 2, 1982, on his 65th birthday, even if the two had the same earnings throughout their working lives. The difference between benefits computed under the old rules and the new rules will be greatest for workers who delay their retirement until well after age 62 (see chart).

The fact that these people are entitled to noticeably different benefit levels simply because of their small difference in age, is often referred to as a "notch" effect. In other words, because the affected worker happens to be one month or maybe one year younger than another similarly situated worker, his benefits might be lower, and he usually argues that this is unfair. However, it should be noted that the "notch" has resulted from a conscious decision on the part of Congress to reduce benefit levels below those which would otherwise have been payable, and the lower benefit levels that now prevail were not unexpected. What was unexpected is that benefit levels for individuals whose benefits are computed under the old rules would have risen as much as they did in the last few years, making the "notch" somewhat greater than had been anticipated when the benefit computation changes were enacted in 1977. This is primarily the result of the recent adverse economic conditions under which inflation has been driving up benefits for people covered by the old rules by much higher amounts than anticipated. In effect, people whose benefits are computed under the old rules have a greater than intended advantage over those who have to use the "transitional" or new computation rules.

COMPARISON OF INITIAL SOCIAL SECURITY BENEFIT AMOUNTS FOR VARIOUS RETIRED WORKERS IN IDENTICAL CIRCUMSTANCES EXCEPT DATE OF BIRTH[1]

	Born in December 1916 (subject to old rules)	Born in January 1917 (subject to new rules)	Difference
Workers retiring at age 62 in January 1979:			
Minimum wage	$206.70	$203.50	−$3.20
Average wage	312.80	306.50	−6.30
Maximum wage	395.70	388.90	−6.80
Workers retiring at age 63 in January 1980:			
Minimum wage	254.00	242.30	−11.70
Average wage	388.90	365.00	−23.90
Maximum wage	493.50	463.10	−30.40
Workers retiring at age 64 in January 1981:			
Minimum wage	324.00	298.20	−25.80
Average wage	500.30	449.40	−50.90
Maximum wage	635.70	570.10	−65.60
Workers retiring at age 65 in January 1982:			
Minimum wage	400.10	355.30	−44.80
Average wage	623.70	535.40	−88.30
Maximum wage	789.90	679.30	−110.60
Workers retiring at age 66 in January 1983:			
Minimum wage	459.10	401.90	−57.20
Average wage	731.60	605.10	−126.50
Maximum wage	920.00	771.60	−148.40
Workers retiring at age 67 in January 1984:			
Minimum wage	534.00	458.70	−75.30
Average wage	836.80	691.50	−145.30
Maximum wage	1,065.70	890.00	−175.70

[1] Future benefit amounts shown have been calculated under Intermediate II-B assumptions from the 1981 report of the Board of Trustees of the social security system. All benefit amounts have been rounded according to rounding rules in effect before the Omnibus Budget Reconciliation Act of 1981. Under new rounding rules all benefit amounts will be somewhat smaller; however, differences between benefits to workers born before and after Jan. 1, 1917, will not change significantly.

Source: Social Security Administration, September 1981. ●

OPPOSING ELIMINATION OF HOME MORTGAGE DEDUCTIBILITY

● Mr. HEFLIN. Mr. President, I today speak out in favor of Senate Resolution 238, the sense of the Senate resolution sponsored by Senator LLOYD BENTSEN that urges the Senate Finance Committee to reject any attempt to eliminate or limit the deductibility of home mortgage interest payments.

I commend my friend and colleague from Texas for his foresight and leadership in this matter and I am pleased to be a prime cosponsor of this important measure.

Mr. President, I am strongly and unalterably opposed to any change in the current tax laws on interest deductibility for home mortgages. Any such proposal would have a devastating effect on the housing industry and on millions of Americans who dream of one day owning their own homes.

This ill conceived and dangerous proposal is making its presence known by rather ominous rumblings within the walls of this Chamber and from within the White House.

With mortgage interest rates at 17 percent and rising, fewer than 5 percent of the potential home-buying market in this country can afford to purchase a home today. This is threatening the average citizen's chances of ever fulfilling the American dream—especially those millions of young people who are just entering the work force and are beginning their families.

Throughout our history owning one's own home—a decent place to live and raise a family—has been a cherished part of the American dream. Tragically, for millions of young people in this country today, that dream of homeownership has turned into a nightmare.

Mr. President, the extremely wealthy will always be able to purchase their own homes. Any proposal to eliminate the tax deductibility of home mortgage interest payments will severly punish the average middle-income American who needs the tax break owning a home offers to be able to afford to purchase his or her own house.

Mortgage interest deductibility is the only real tax break available to the average middle-income American. This proposal would have a devastating effect on the average American citizen who has scrimped and saved to come up with a downpayment and who is now struggling to meet monthly payments swollen by inflation and high interest rates.

If the tax break for homeownership was eliminated, million of Americans now purchasing homes would not be able to survive financially and those who want to buy a home would never be able to fulfill their dreams.

Mr. President, we are in the midst of the deepest and most prolonged housing slump since the 1940's. Unemployment among construction workers and others involved in homebuilding is now at 17 percent—twice the national unemployment average. Any proposal that would eliminate this crucial tax deduction would deal a death blow to the important housing industry.

The tax break for homeownership is an integral part of our Federal tax policy—and represents a longstanding national commitment to homeownership for nearly 70 years. This is a commitment to the average middle-income American that we simply cannot afford to risk.

Mr. President, I strongly support Senate Resolution 238 which instructs the Senate Finance Committee to refuse to even consider any proposal which would eliminate or limit the tax deductibility of home mortgage interest payments.

Again, I commend and thank my friend and colleague from Texas for his leadership in this important matter and I urge the immediate consideration and passage of Senate Resolution 238.

Thank you, Mr. President.●

JUDICIAL INDEPENDENCE: PART I

● Mr. BAUCUS. Mr. President, the genius of America's form of government is its complex system of checks and balances. By creating three independent branches in their new government—Congress, the courts, and the executive—the Founding Fathers tried to make sure no single person or group could ever gain absolute control over the entire government.

This principle has survived two turbulent centuries in a growing nation. Now, however, a disturbing threat has appeared. The separation of powers between the three branches is being challenged by some who disagree with recent Supreme Court decisions on the

so-called social issues: abortion, school prayer, and school busing.

Opponents of these decisions, chiefly the new right, thus far have failed to gain passage of constitutional amendments overruling the Court. So, they are trying to remove these issues from the jurisdiction of the Supreme Court and lower Federal courts.

More than 20 such bills are before Congress this year. One would prohibit Federal courts from deciding abortion cases. Another would take away the Supreme Court's jurisdiction over cases involving school prayer. A third would prevent court action on school busing disputes.

Contrary to the claims of their proponents, these measures would not outlaw abortion and school busing or legalize school prayer. The only result would be the Supreme Court would no longer provide a uniform, national interpretation of the Constitution. Instead, State courts would be given the last word on these matters.

Supporters of these bills argue that the Supreme Court acted unconstitutionally in deciding these cases by usurping congressional authority. However, I believe these bills are an unconstitutional attempt to address that concern. Even if the Supreme Court acted unconstitutionally, Congress should not prescribe an unconstitutional cure. After all, two wrongs do not make a right.

The critical question is not whether a Supreme Court decision is constitutional, but who decides whether it is. Since 1803, the Court has fulfilled that function.

The court jurisdiction bills are a radical departure from that basic American tradition. They are based on the theory that simple majorities of Congress should be able to determine which constitutional rights are to be protected. That is not what our Founding Fathers had in mind.

Mr. President, these court jurisdiction bills raise very serious constitutional and public policy concerns. Many of these concerns have not been adequately considered by the Congress. Over the next few weeks, I hope to raise some of these concerns and share with my colleagues materials that I believe should be reviewed before they take further action in this area.

Today I wanted to share the official views of the American Bar Association. Earlier this year, the ABA resoundingly endorsed a resolution opposing these court jurisdiction proposals. The statement in support of their position is an excellent analysis of the impact of these bills on our system of government. I ask that the report be made a part of the RECORD at this point.

The report follows:

REPORT WITH RECOMMENDATION

RECOMMENDATION

Be it resolved, that the American Bar Association opposes the legislative curtailment of the jurisdiction of the Supreme Court of the United States or the inferior federal courts for the purpose of effecting changes in constitutional law.

Report

Before the 97th Congress are more than a score of bills which would strip from the original jurisdiction of the lower federal courts certain subject areas involving controversial decisions of the Supreme Court of the United States, notably abortion, school prayers, and busing. Enactment of such legislation would require persons claiming rights under one or another of these decisions to bring suit in state courts. Moreover, several of these bills would deny the Supreme Court appellate jurisdiction to review the decisions of the state courts with respect to those issues that could be brought only in the state courts.

Sponsors of these bills clearly avow that their purpose is to bring about an altering of the constitutional interpretations that now prevail. The belief is apparently that state courts, if given exclusive power to decide such suits without fear of Supreme Court review, will not follow the precedents established in these areas by the Nation's highest Court.

The Committee recommends to the Association the adoption of this resolution because of one overriding conviction: the necessity to protect the integrity of the courts of this Nation, federal and state, from misdirected legislative efforts to achieve something that can be done only through constitutional amendment. The issue is not abortion; it is not busing; it is not prayer in the public schools; it is not any of a number of things that may occasion dissatisfaction with particular decisions. We are sure that the Members of the Association have many various positions on these substantive questions, as we do. But the real issue, the only issue, is whether, as a matter of policy and of constitutional permissibility, this Nation is going to adopt a device whereby each time a decision of the Supreme Court or a lower federal court offends a majority of both Houses of Congress the jurisdiction of the Federal Courts to hear that issue will be stripped away. We do not believe that is a system the Framers intended nor one that we should strive to institute.

Supreme Court decisions interpreting the Constitution establish binding precedents which are subject to alteration by the people through the process of constitutional amendment. The Framers provided in Article V a means of changing the Constitution and deliberately made it difficult to achieve. The "leaden-footed process of constitutional amendment," as Justice Frankfurter called it, with the requirement of extraordinary majorities in Congress and among the States, was designed to make sure that transient majorities could not easily change our fundamental law. Are we to believe that after constructing this formidable barrier to easy change, the Framers intentionally or inadvertently also put in place a system in which simple majorities could bring about a rewriting of constitutional law?

The American Bar Association has long opposed efforts, from whatever spectrum of the political scene, to alter constitutional interpretation through means other than constitutional amendment. We stood in opposition to the "Court-packing" plan of the later 1930's, which would have altered prevailing law by stacking the Court's membership. More than thirty years ago we called for the adoption of assurance that jurisdictional manipulation would not and could not be used to work substantive changes in the Constitution. In 1958, the Association opposed bills pending in Congress that would have denied the Supreme Court of decisions involving alleged subversives in various fields. That policy is Association policy today and the Committee calls on the House to reaffirm it and extend it.

Central to this position is recognition of the great power which Congress possesses under the Constitution to structure and to allocate the jurisdiction of the Supreme Court to hear appeals and the jurisdiction of the lower federal courts—and of the limits on that power. Article III stipulates that the High Court has appellate jurisdiction over practically the entire range of federal judicial matters, subject to such "exceptions and regulations" as Congress provides. Clearly, then, Congress may regulate how cases come to the Court and could deny the Court appellate jurisdiction over some classes of cases altogether, as in fact it has historically done. It could, for example, make a lower federal court's decisions with respect to interpretation of the tax laws or admiralty issues final.

Even greater is Congress' power with respect to the lower federal courts. The compromise at the Constitutional Convention was to create "one Supreme Court" and to leave in legislative discretion whether and when to create and to do away with any "inferior" federal courts. Some of the Framers wanted constitutional assurance of lower courts, but the prevailing number thought that Congress should be able to leave to state court adjudication matters of national interest, subject to Supreme Court review. And to safeguard the national interest and the integrity of constitutional rights, the Framers wrote in Article VI, the "Supremacy Clause," the guarantee that the Constitution, federal laws, and treaties would be the "supreme law of the land" and that "the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding." Moreover, the same Article requires state judges, as well as all other state officers, to be bound by oath or affirmation to support the Constitution of the United States.

Necessarily, it follows that if the Constitution empowers Congress to provide or not to provide for lower federal courts, it empowers Congress to vest in such lower federal courts that it creates all or only some of the jurisdiction it could give and thus to allocate between state and federal courts the judicial power of the Nation in such ways as it deems to serve the best interests of the States and the Nation. That has been the understanding from the beginning on which Congress has acted and the decisions of the United States Supreme Court are consistent in affirming the correctness of that understanding.

It is thus not with any reservations with respect to congressional power generally that the Committee recommends this resolution. Rather, we are actuated by specific constitutional reservations, more substantial as to Supreme Court appellate jurisdiction than as to lower federal court jurisdiction, and by what we believe to be compelling policy considerations against the propriety and desirability of the bills now pending before Congress.

Even were the constitutional considerations compellingly clear in favor of the validity of these bills, as they are not, we would urge opposition.

First, if it is likely, as we by no means concede it is, that the meaning ascribed to a constitutional provision can be changed by the simple device of divesting jurisdiction from one set of courts and giving it to another, then indeed we have a Constitution writ on sand and the integrity of our amending process is eroded. It is central to our fundamental Charter that ordinary legislation can be changed through ordinary legislation and the Constitution only through amendment. We should resoundingly reject the counsel of those who tell us there is another way. Down that route lie barely-hidden hazards to constitutional governance.

Second, to accept the explicit judgment of the sponsors of these bills that shifting jurisdiction will result in substantive change requires us to dishonor the thousands of state judges who by oath and conscience are bound to adhere to established precedent enunciated by the Supreme Court. We do not doubt that the great majority of state judges

will do their duty. Nonetheless, this legislation is pernicious in concept even if it does not achieve its purpose.

It is bad because it suggests state judges will depart from their oaths. It is bad because it constitutes a congressional invitation to them to depart from their oaths; it says to state judges that Congress believes some decisions are so wrong they ought to be changed and those judges should do it. It is wrong because hundreds or thousands of state judges who are subject to periodic elections will be put in peril. The same interest groups that extract from an elected Congress jurisdictional alterations will demand from elected state judiciaries that they accept the congressional invitation to change. Federal judges are insulated from this and other pressures; the Framers deliberately provided for independence to prevent just these pressures. Congress should not subject state judges to often hard choices between oath and career.

Finally, if most state judges honor their oaths, the status of the objected-to constitutional decisions will be frozen in place. The Supreme Court cannot hear such cases and perhaps overrule them or alter them in any way. And as new fact situations arise, state court interpretations will begin to create somewhat different rules which will vary from State to State.

Third, either because of disagreement with the substance of these decisions or because of electoral pressures, some state judges may indeed accept the invitation of Congress and refuse to follow Supreme Court precedent. Because there would be no Supreme Court review, in those States federal constitutional law would change and the Constitution would mean something different from State to State.

This result would be pernicious because fundamental liberties—whether the ones which are the subjects of these bills or others in the future if these succeed—will have been altered in some States and depreciated in all because of the demonstration that, contrary to what we have always believed, constitutional rights are subject to evanescent majority opinion. While the constitutional rights at peril today may not be valued by some, those at peril tomorrow may be freedom of speech, or just compensation for property taken for public use, or the guarantee against impairment of the obligation of contracts.

Even were Congress to adopt an approach, which is found in a few of the pending bills, of depriving the lower federal courts of jurisdiction and continuing Supreme Court review of state court decisions in those areas, we believe that should be opposed as well. Basic to that effect would be a conclusion that alteration of substantive law could still be achieved which contains the same insult to state judges and the same possible injury to them. Supreme Court review could always alleviate some of the problem should some state judges depart from precedent, but the High Court's caseload is such that it could insure adherence to precedent only by taking an inordinate number of state cases in these areas to the neglect of its many other functions in interpreting national law.

Certainly, in the absence of Supreme Court review, the command of the Supremacy Clause that the Constitution be the "supreme law of the land" could become a nullity. Since the adoption of the Judiciary Act of 1789, a constant feature of the history of federal court jurisdiction in this country, upon which the Nation continues to depend, has been the review by the United States Supreme Court of state court interpretations on questions of federal constitutional law. If, as Justice Holmes reminded us, a page of history is worth a volume of logic, that singular fact stands as a practically unanswerable argument against jurisdictional legislation that would remove Supreme Court review of state court interpretation of the Constitution.

With regard to the constitutional validity of these bills, the Committee doubts that, with respect to the Supreme Court's appellate jurisdiction, they can be sustained as proper "exceptions and regulations" and we have reservations about the bills' divestitures of lower federal court jurisdiction as well.

Numerous arguments have been addressed to the question, some based on theories of the "essential functions" of the federal courts, some on equal protection concepts governing the decision to restrict jurisdiction over certain disfavored issues, but we believe the correct analysis to be grounded upon what limits the Constitution itself places upon congressional exercise of any of its granted powers. The Constitution explicitly authorizes Congress to make exceptions to the Supreme Court's appellate jurisdiction and implicitly to determine what, if any, jurisdiction the lower federal courts are to have. Proponents of these bills read these authorizations not only as if they are plenary powers but as if they are completely unrestrained. But this cannot be so. The Constitution authorizes Congress to regulate interstate commerce, to tax, to spend money, to create a postal system. None of these powers is conferred in language that then says, "but you cannot regulate commerce to deny the right to transport political literature across state lines," or "but you cannot bar from the mails newspapers that oppose the position of the majority in Congress." Rather, these powers are conferred in the manner in which Chief Justice Marshall described the commerce power in *Gibbons* v. *Ogden*. "This power, like all others vested in Congress, is complete in itself, may be exercised to its utmost extent, and acknowledges no limitations, other than are prescribed in the constitution."

Just so is the power to structure jurisdiction. It is complete in itself, may be exercised to its utmost extent, and acknowledges no limitations, *other than are prescribed in the Constitution*. And what is prescribed in the Constitution? The First Amendment, the Fourth Amendment, and the Fifth Amendment, and all the other limitations upon the powers conferred on Congress in other parts of the Constitution obviously are those limitations. They restrain the power of Congress to legislate with respect to other constitutional provisions under granting clauses which would appear on their face to be unlimited. To construe the congressional power to structure jurisdiction the way the proponents would construe it would be to make it the only power conferred on Congress that is beyond the constraints of other provisions of the Constitution. Obviously, this cannot be so.

Important to this issue is the fact that while the authorization to Congress to structure the jurisdiction of the courts is contained in the body of the Constitution adopted in 1789, the relevant limitations are in the Bill of Rights, proposed and adopted in 1791, which are operative as to all of Congress' powers conferred in the Constitution itself. Thus, even if the Framers in the Convention did not conceive of the jurisdictional powers being limited, although it is likely they did, adoption of the Bill of Rights did so limit them. Madison, we must remember, stated in the House of Representatives on June 8, 1789, that the amendments he proposed would not be "parchment barriers" to federal action, because "independent tribunals of justice will consider themselves in a peculiar manner the guardians of those rights."

No Supreme Court precedent stands in the way of this reading. The *McCardle* case (1869) is of limited value, not only because it arose in the context of post-Civil War radicalism, but because, as the Court plainly stated, it did not bar all access to the Supreme Court but only one avenue of appellate review. Within three years of *McCardle* the Court in the *Klein* case (1872) held unconstitutional an attempted exercise of congressional power over its jurisdiction for the purpose of nullifying the President's pardoning power. Certainly, *McCardle* lends support to the proponents of these bills but far less support than they pretend.

The only complexity that enters into the argument is that when Congress removes from the jurisdiction of the federal courts an issue it does not by that act alone violate one of the constitutional constraints. That is to say, when it denies to the lower federal courts and to the Supreme Court authority to hear a suit arising out of the institution of a prayer in the public schools, it does not establish a religion. The establishment clause is violated when some state or local authority imposes a prayer requirement and a state court refuses to follow Supreme Court precedent and to strike down the imposition. But just as Congress could not itself violate the establishment clause it cannot authorize the States to violate the establishment clause. The authorization when acted on in the jurisdictional context would violate the establishment clause and could not validly prevent exercise of the Supreme Court's appellate jurisdiction to give a remedy for the violation. The congressional jurisdiction provision would be void.

We think it plain that the Constitution thus bars a manipulation of the Supreme Court's appellate jurisdiction for the purpose of effecting substantive changes in constitutional law. More difficult is resolution of the issue when what Congress enacts takes from the federal and gives to the state courts jurisdiction to entertain such suits subject to Supreme Court review. Theoretically, High Court review should prevent effectuation of the forbidden constitutional change and save the statute. But it may be that the practical difficulties of Supreme Court review do not allow for adequate protection of constitutional rights under the circumstances. It may be that state legislatures would restrict state court jurisdiction and powers to afford adequate relief or to process cases that can be taken to the Supreme Court with sufficient promptness to protect rights. It may be that other unforeseen situations arise. In that eventuality, can it be doubted that serious constitutional questions would arise?

Because the policy considerations are so substantial and because the constitutional propriety of these bills is open to such serious reservations, we urge the House to adopt as the position of the Association a simple, forthright policy: to oppose the curtailment of the jurisdiction of the federal courts for the purpose of effecting constitutional change that is properly the province only of the amending process. Irrespective of the subject involved and regardless of our individual beliefs with respect to any of them, the overriding consideration is that we support the integrity and independence of federal courts, whether we agree with particular decisions or not, and that we support the integrity and inviolability of the amending process.

We ask reaffirmation of the principle that Elihu Root, leader of the American bar, enunciated in 1912. "If the people of our country yield to the impatience which would destroy the system that alone makes effective these great impersonal rules and preserves our constitutional government, rather than endure the temporary inconvenience of pursuing regulated methods of changing the law, we shall not be reforming, we shall not be making progress, but shall be exhibiting . . . the lack of that self-control which enables great bodies of men to abide the slow process of orderly government rather than to break down the

barriers of order when they have struck the impulse of the moment."

In Number 78 of *The Federalist*, Alexander Hamilton explained that federal judges had been given the maximum degree of independence and protection possible because they had a critical function to perform. They must assure, he said, that the limitations on legislative authority are enforced. "Limitations of this kind can be preserved in practice no other way than through the medium of the courts of justice, whose duty it must be to declare all acts contrary to the manifest tenor of the Constitution void. Without this, all the reservations of particular rights or privileges would amount to nothing."

We do not believe the great rights set out in the First, Fourth, Fifth, and other provisions of the Constitution "amount to nothing." We deem it critical to their continued meaningfulness that these bills under consideration and others like them be defeated.

Respectfully submitted

Richard R. Bostwick, W. Gibson Harris, Elaine R. Jones, Johnny H. Killian, Hon. Harry Phillips, Hon. H. Barefoot Sanders, Irving R. Segal, Benjamin L. Zelenko, Edward I. Cutler, Chairman.●

GANNETT CANADIAN OPERATIONS

● Mr. SYMMS. Mr. President, on November 7 the Wall Street Journal published an article detailing some information about the Gannett Co.'s acquisition of certain Canadian firms. The New York-based Gannett Co. owns and operates the Idaho Statesman in Boise, Idaho. Since the details of the agreements reached with the Canadian Government by Gannett, the largest newspaper publisher in the United States, have not received wide coverage in the Idaho media, it is likely that many Idahoans would find the Wall Street Journal article of some interest.

I ask that the article be inserted in the RECORD.

The article follows:

[From the Wall Street Journal, Nov. 2, 1981]

GANNETT MAKES CANADIAN COMMITMENTS IN RETURN FOR ACQUIRING TORONTO FIRMS

OTTAWA.—Canada's government authorized Gannett Co. to acquire a large Canadian outdoor billboard enterprise after the U.S. company made some potentially far-reaching Canadian business commitments.

The transaction is expected to rankle Washington, which has protested that the Canadian government is unfairly extracting undertakings from non-Canadian companies as the condition for allowing them to make investments in Canada.

The Gannet transaction involves three Toronto-based companies, Mediacom Industries Inc., Mediacom Inc. and C. D. Maintenance Services Ltd. The companies were owned by Combined Communications Corp., a Phoenix-based company that was acquired by Gannett in 1979.

The takeover of the three Toronto companies was subject to review under Canada's Foreign Investment Review Act even though Gannet had acquired their parent company.

The government rejected two earlier applications by Gannett to take over the companies, which are known as the Mediacom Group and which the U.S. concern said form the largest outdoor billboard advertising enterprise in Canada.

The government said it approved Gannett's third application after the company improved previously proposed undertakings. The company's commitments include a pledge to buy from Canadian suppliers for three years the bulk of the newsprint required for a new U.S. national newspaper.

Gannett, a communications company, ranks itself as the largest newspaper publisher in the U.S. in both circulation and in total number of newspapers. It currently has 84 daily newspapers and is in the process of acquiring the 85th.

A Gannett spokesman in Washington said a final decision on whether to produce the new national general-interest paper won't be made for two or three months. It would be launched in 1982 and would be printed at several locations by satellite-linked plants.

The company also pledged to work with the federal government's Department of Industry, Trade and Commerce to identify Canadian companies able to supply Gannett's needs for other goods and services on a competitive basis.

The government said Gannett will study the feasibility of a "major investment" in a Canadian newsprint mill. The Gannett spokesman declined to elaborate on the project.

Another commitment requires the company to study for possible use the Telidon communications system which was developed by the federal government. Such systems allow subscribers to summon a wide variety of information stored in computer data bases for display on slightly modified television screens. Gannett has promised not to purchase any competing system until it has completed its study of Telidon.

In yet another commitment, Gannett will transfer to General Systems Research Ltd., Edmonton, Alberta, all of its patents, drawings and equipment relating to laser technology developed by a Gannett subsidiary. Gannett will receive about $14 million in return.

The government said the transaction will advance GSR's laser research programs by at least two years, permitting earlier development of sophisticated laser equipment for industrial use.

The government said Gannett also has promised to maintain its extensive relationship with Canadian financial institutions.

A U.S. government official noted that the Gannett transaction was the latest in a succession of announcements involving heavy obligations by non-Canadian companies as the price for their access to Canada. Apple Computer Inc. was allowed to establish operations in Canada last month only after it promised to look for competitive Canadian-made parts for use in Apple's world-wide production.●

THANKSGIVING TURKEY FOR THE FIRST FAMILY

● Mr. PRYOR. Mr. President, I wish to take this opportunity to call attention to a presentation made today at the White House. The National Turkey Federation, whose national president this year is Hugh McClain from Mountain Home, Ark., presented President Reagan with a Thanksgiving turkey for the first family.

I think it fitting that this component of the agricultural sector of our economy should be recognized during this holiday season. It is a component, I might add, that does not participate in any kind of legislated Government set-asides, diversion payments, or subsidies.

And it is fitting at this time to call attention to the fact that—like other agricultural commodities—while enjoying a record production year, the turkey industry is also suffering financially. Uncertain markets and ever-increasing production costs have plagued this sector of our agricultural economy to as great a degree as these factors have impacted the entire agricultural community.

I hope while Americans are enjoying their Thanksgiving bird this year that they will not forget from whence that meal came. It came from the American farmer. And the American farmer, Mr. President, needs and rightfully deserves the support of the Federal Government in insuring an atmosphere whereby those who choose to till the soil to meet the food and fiber needs of the Nation can do so at a reasonable profit.●

AGING IN THE EIGHTIES: AMERICA IN TRANSITION

● Mr. CHILES. Mr. President, today the preliminary results of "Aging in the Eighties: America in Transition," a survey conducted by Louis Harris and Associates for the National Council on Aging were released.

This is the most extensive study of the conditions and concerns of older people, as well as of the perceptions of the aged by adult Americans, undertaken in recent times. This study will have particular value for the Congress and for the delegates preparing for the 1981 White House Conference on Aging.

The study underscores considerable progress which is being made by great segments of the aged. But it also underscores the remaining numbers of the aged which are in continuing need, in ill health and economic straits. This study is significant in that it documents the great concern of younger Americans for those which are already old and the willingness of younger Americans to contribute to the economic and health security of the aged.

While this is not the final and complete report, I feel that it is of sufficient importance to bring it to the attention of my colleagues at this time and I request that it be printed in the RECORD for that purpose.

The remarks follow:

REMARKS BY LOUIS HARRIS, CHIEF EXECUTIVE LOUIS HARRIS AND ASSOCIATES AT A CONGRESSIONAL BRIEFING IN WASHINGTON, D.C. ON NOVEMBER 18, 1981

Let me say at the outset that the ground rules for the conduct of this second major study our firm has had the privilege of carrying out are almost as important as the findings themselves. Our sponsors—primarily the Atlantic Richfield Foundation, but also the funding arms of Exxon, Equitable and Colonial Penn—our sponsoring organization, the National Council on Aging, and our distinguished panel of advisors all were agreed that the research effort should not be out to prove anyone's pet nostrums, nor was anything to deter us from generating the facts to let the chips fall where they may. Those were the only ground rules which could apply to a study of where the aging are today, where they are headed, and what should be the role of government, the private sector, and the aging themselves in enhancing the lot and contribution to society of those 65 and over.

I would also like to pay tribute here today to the positive contributions of William Kieschnick and Phyllis Quan of the ARCO Foundation, Jack Ossofsky and Hal Sheppard of the NCOA, and Liz Montgomery and Garry Nelson of our own organization. Without them, there would have been no study at all.

AGING

Now let me report some of the fascinating results of this study. First, its scope. In all, we interviewed, in person, a cross-section of 2,429 adults between 18 and 54 years of age, 468 between the ages of 55 and 64, and 540 65 years and older. Including in the sample are 359 blacks and 190 Hispanics in the aging category. Those 55 and over, blacks and Hispanics were oversampled in order to have adequate bases to break out key groups of older people, including those in the 70–79 and 80 and over categories. However, in reporting nationwide totals, all oversampled groups are weighted back to their proper and correct proportions.

It comes as no surprise that for the country as a whole, the dominant issues of concern are economic. Our people are living in singularly hard times. We asked people about the major issues facing the elderly. At the top of the list is inflation, volunteered by 22 percent as the greatest problem, with 13 percent who said lack of money, 10 percent financial problems, 9 percent not being able to make ends meet, 10 percent inadequacy of retirement income, 9 percent worry over Social Security, 8 percent how to live on fixed incomes, 7 percent indebtedness, 5 percent not enough jobs. Two out of three problems facing older people, cited by those under 65 and those 65 and over, center on these economic issues.

Myth and reality about the aging

However, even though there is remarkable agreement on the types of problems believed to be plaguing the elderly, the same pattern we found between the myth and reality about the aging 7 years ago has hardly changed at all. Let me call a roll on some of the key items tested:

Sixty-eight percent of those under 65 say a "very serious problem" for the elderly is "not having enough money to live on." Fifty percent of the elderly say the same about their peer group. Yet, when we asked both those over and under 65 how serious a problem "not having enough money to live on" was for them personally, no more than 17 percent of the elderly reported this a "very serious" problem. Thus, 68 percent of the 18–64 age group say not having enough money to live on is a "very serious" problem for most older people, but only 17 percent of the elderly themselves say that this is the case with them. Ironically, a higher 22 percent of the under 65 age group report this as a serious problem for them personally.

Sixty-five percent of those under 65 feel "loneliness" is a very serious problem for most of the aging and 45 percent of those 65 and over agree with them. But only 13 percent of the elderly feel "loneliness" is a very serious problem for them personally. This is only 6 points higher than the 7 percent of those under 65 who report "loneliness" a very serious problem for them personally.

Or take the issue of "fear of crime"; 74 percent of those under 65 say it is a "very serious" problem for most elderly. However, a much smaller 25 percent of those 65 and over report that they are personally very seriously beset by this problem. Only a slightly lower 20 percent of those under 65 report feeling that way themselves.

What in the world is going on here? Basically, on every single issue tested, the elderly are perceived as being in much more desperate shape than they actually are. On the impact of inflation, coping with energy, loneliness, poor health, fear of crime, poor housing, not enough job opportunities, not enough medical care, getting transportation to stores, to doctors, to recreation, on all of these, much larger numbers of the nonelderly are convinced older people are in more desperate shape than the elderly themselves report they are. Indeed, the under 65 group, in many cases, report themselves to be just as beset by these problems as those 65 and over. Sadly, large numbers of the elderly themselves buy the libel about their fellow senior citizens.

These results, which first surfaced in our 1974 study, should explode the myth that most elderly people in this country are a hopeless, inert mass teetering on the edge of senility, simply waiting out their time to die. Mark it well, the elderly in our society are survivors, resilient and very much alive, who want to make a major contribution to the mainstream of life in the work they do and are capable of doing. This study sheds special light on this singular mark of the elderly.

By the same token, however, these results cannot and should not be taken as a signal that governmental help for the elderly can be allowed to wither away, and that they will not suffer from the cutbacks. Between 20 and 25 percent of the elderly in this country are in deep trouble.

To those who might view these results as a sign that the bulk of the elderly really are fair game for major cutbacks in federal programs, this survey documents fully just why the reaction to proposed cuts and changes in Social Security have been so fierce.

Satisfaction and optimism

Underneath it all, the elderly want to be in the process, not cut out of it. Two real signs: By 83–12 percent, an overwhelming majority of the public feels "older people today are better educated than 10 or 20 years ago." An even high 87–8 percent of those 65 and over share this view. By 64–28 percent, a majority of the total public also believe "older people today are healthier than 10 to 20 years ago." By a higher 71–19 percent, those 65 and over agree. However, there is one serious demur: By 54–38 percent, a majority of the total public is convinced "older people today are worse off financially than they were 10–20 years ago," a turnaround from a 52–40 percent majority who denied this back in 1974.

But, those 65 and over do not think they are worse off financially by a narrow 47–43 percent. Seven years ago, a much more substantial 58–31 percent majority of the elderly felt they were not worse off financially. So some visible erosion has taken place.

Much the same pattern emerges in the case of a battery of 18 life satisfaction statements that Professor Robert Havighurst came up with in 1974:

By 8–1 today and 7 years ago a big majority agree "as I look back on my life, I am fairly well satisfied." Comparatively, by 12–1, unchanged, they feel "compared to other people my age, I make a good appearance." And, by 6–1, unchanged, they say "I've gotten pretty much what I expected out of life." By close to 3–1, not much changed in 7 years, they feel "the things I do are as interesting to me as they ever were." By 2–1, also unchanged, most agree, "I've gotten more of the breaks in life than most people I know."

Again, by an unchanged 2–1, a majority still say, "I would not change my past life even if I could." And, by an unchanged 2–1, a majority of the elderly agree, "I expect some interesting and pleasant things to happen to me in the future." Clearly, hope and optimism spring eternal. Indeed, this is evident in an unchanged 51–45 percent majority who continue to deny that "I feel old and somewhat tired."

Despite this seemingly unquenchable optimism, there is also solid evidence of the troubles the elderly carry with them:

While it is true that a 53–38 percent majority feels, "As I grow older, things seem better than I thought they would be," an 11 point higher 64–26 percent majority felt that way 7 years ago. And by 2–1, most deny "these are the best years of my life" as was the case in 1974. Added to this, a 55–40 percent majority feels "my life could be happier than it is now," a turn-around from 7 years ago. And by 4–3, most feel that "in spite of what some people say, the lot of the average person is getting worse," a reversal of a 4–3 plurality who did not feel that way 7 years ago. So some of the edge is off. Nonetheless, a resilient almost 2–1 deny "when I think back over my life, I didn't get most of the important things I wanted." By almost 3–1 or better, 70 percent or more deny "this is the dreariest time of my life," "most of the things I do are boring or monotonous," and "compared to other people, I get down in the dumps too often." Clearly, these elderly are not about to give up—by a long shot.

Groups with problems

However, there are four critical groups of older people who consistently are not nearly as optimistic about their old age status and who in the aggregate report living a miserable, dismal existence: blacks, Hispanics, those with incomes under $10,000 and women.

This study poignantly spells out their plight and underscores the bad times they are living through. Life for them is by and large a never-ending succession of miseries.

This is especially evident in the health care area, where by 56–43 percent, a majority of the elderly are positive about the status of their health. However, by 63–37 percent elderly blacks say their health is in bad shape, as does an almost identical 62–38 percent majority of older Hispanics. They belong to the "living sick" by their account. The elderly complain less about the quality of their medical treatment, but more about the cost of doctors' visits, the high cost of prescriptions, the rocketing expense of hospitalization, the lack of home care, and the short falls of Medicare coverage. While 46 percent of all those 65 and over say poor health is a serious problem, a much higher 67 percent of elderly blacks and 72 percent of older Hispanics feel that way as do 62 percent of those in the under $5,000 income group. While only 21 percent of all people 65 and over say not enough medical care is a serious problem, a much higher 54 percent of Hispanics feel this way; and, compared to 25 percent of all elderly who feel lack of transportation is a serious problem for them, 59 percent of elderly Hispanics feel this way.

Health care

Two ideas in the health delivery area emerge as steps whose time has come:

First, by 87–8 percent, the public nationwide favors having Medicare cover more health care services provided at home. At a time when medicine generally has been turning to outpatient care as a sound direction for cost containment measures, the specific application to elderly health is widely supported. Indeed, by 85–8 percent, the elderly who want to keep their health bills down and have little appetite for hospital confinement strongly support such at-home services.

Then, by 90–7 percent among the public and 86–7 percent among those 65 and over, big majorities back giving a tax break to families that provide health care at home to the elderly. The outpatient and in-home thrust to health services comes through loud and clear as a major mandate for health care for the elderly.

Of course, the role of Medicare, Medicaid, VA benefits or HMO membership can be seen graphically as it impacts on health care for the elderly. For example, among those aged 18–54, 81 percent have Blue Cross or another private plan, while only 6 percent are covered by a government plan and 4 percent by an HMO. By contrast, among those 65 and over, 75 percent are covered by a private plan, but almost as many, fully 78 percent, are also covered by a government plan. Among the under $10,000 income group, 61 percent are in some private plan, but a much higher 83 percent are covered by a government program.

Among the elderly black, only 45 percent have private health coverage, compared with 79 percent covered by a governmental program. Among older Hispanics, only 18 percent have private health coverage, with 63 percent in a government plan, but 19 percent of this group have no health coverage at all. Among all the elderly, only 5 percent are not covered by either a public or private plan.

Income

Now let me deal with basic facts about income. The mean income for all households in our sample was $22,000 annually. Among those 65 and over, it is a much lower $12,000, dipping to $9,500 for those over 80, $9,800 for older women, $11,700 for the elderly retired, $7,200 for older Hispanics and $6,900 for the elderly blacks.

When asked to describe the adequacy of their income, by only a bare 50–49 percent of all people say they are making it: 13 percent say they just cannot make ends meet, 36 percent that they can just scrape by, 37 percent say they have enough to get along and even a little extra, while 13 percent report they can buy pretty much anything they want. Among the elderly, the division is 50–48 percent that they cannot make it. However, only 10 percent say they are below water, 40 percent are barely scraping by, 30 percent have a few extras, while 18 percent say they can buy just about anything.

Those elderly really hurting are women, those with incomes under $10,000, those without pensions, those in poor health, blacks and Hispanics. They are the elderly poor, who literally are flattened out at the bottom of the economic heap.

In many ways, however, it is striking that the elderly with incomes that are literally only 50 percent as great as those between 18 and 54 report they are coping almost as well. How come? First, 66 percent of those 65 and over own their houses free and clear, while this is the case with only 12 percent of those between 18 and 54. Second, by any measure, the elderly are far more frugal and experienced in the handling of their money. For example, in the last year, only 39 percent of elderly had to draw down on their savings to pay bills, while a much higher 52 percent of those under 65 had to do the same, even though both groups have the same number, 88 percent, who have a savings account.

Social security

The central role of Social Security benefits as a source of income for the elderly emerged stark and clear from this survey. Fully 93 percent of those 65 and over receive Social Security checks, compared to 32 percent who have income from a private or public pension fund, 33 percent with income from savings, 22 percent with income from investments, 13 percent from earnings on a job, 7 percent income from renters or boarders, 7 percent who receive SSI benefits and 5 percent who are helped financially by their children.

When older people are asked which one source of income provides the largest part of their income, Social Security won hands down, cited by 61 percent. Without doubt, Social Security is the vital financial link to survival for a sizable majority of older Americans.

So, the American people want desperately to not only continue Social Security, but to put it on a sound footing. By 68–29 percent a big majority of people between 18 and 54 say they have "hardly any confidence" that the Social Security system will have the money to pay them when they retire. Thus, we can understand why a substantial majority of the American people, 63–31 percent, are opposed to cutting the current Social Security taxes. Indeed, by 51–39 percent, a majority would favor even higher Social Security taxes if necessary to provide adequate income for older people.

However, there is an extensive litany of caveats the people raise about how to save Social Security:

By 92–6 percent, they would disapprove "reducing benefits for people already retired."

By 85–11 percent, they would disapprove "reducing benefits only for people who retire in the future."

By 59–35 percent, they oppose "gradually raising the retirement age for full Social Security benefits fom 65 to 68 years of age."

By 62–29 percent, they disapprove eliminating "benefits for minor children of retired workers."

By 64–32 percent, they also disapprove "giving Social Security benefits only to elderly people who can prove they have little or no other income."

And by 73–21 percent, they do not want to cut "the cost-of-living adjustments in retirement benefits."

However, by 56–26 percent, a better than 2–1 majority would approve of "basing cost-of-living adjustments on increases in either wages or prices, whichever is lower." All groups under and over 65 feel that way.

By 62–30 percent, another 2–1 majority also say they would look with favor on "using federal monies such as income taxes to pay for part of Social Security."

And by a big 76–18 percent, a majority would back "requiring workers who do not pay Social Security taxes now—for example, employees of the federal government—to pay these taxes."

Both in this study and in numerous other studies we have conducted over the past several years, two inescapable facts emerge. First, that the Social Security system is inviolate and is viewed as a bedrock financial institution that must be preserved at all costs. Second, that people will not tolerate many cuts on the benefit side, but are willing to pay more on the revenue side to make the system sound and whole. The only exception to an unbroken pattern of support for this dominant position are those in the highest income brackets, $35,000 and over, who oppose paying more for Social Security by 49–43 percent.

This study also probed to find out which types of institutions should assume more responsibility than they now have for the elderly. For the public as a whole, at the top of the list came government, cited by 54 percent, followed by children of the elderly (46 percent), the elderly themselves (23 percent), employers (19 percent), and religious and charitable organizations (14 percent). However, a lower percentage of the elderly opted for government, children, employer, and charitable help—and a higher percentage would like the elderly themselves to move into the breach.

Jobs for the elderly

Part of the way the elderly hope to fend better in the future is to keep on working. Among all those now working in the key pre-retirement age between 55 and 64, a majority of 79–18 percent are opposed to stop working completely when they retire. Indeed, by 49–45 percent, most Americans don't look forward to retirement at all. Instead, they want at least part-time paid work. Of real help to the 55 to 64 age group would be the following: By 73–21 percent to have "greater availability of part-time work," by 66–30 percent, a "job shared with someone else so that each person can take more time away from work but the job still gets done," and by 68–27 percent, "a job that allows a day or two a week to work at home." Obviously, big majorities of those who will next retire from their present work do not want to just drop out of the job market.

Aging

In a time when labor supply shortages will loom in the next decade, the challenge to the American economy is to find a way to tap the elderly pool of workers, to find ways to utilize them part-time, and to apply new flex-time working conditions. Ironically, such continued working by the elderly in one fell swoop could help them survive through tough economic times, satisfy their psychological needs to contribute to the mainstream of society and even help relieve the financial strain on the Social Security system.

Mark it well, by a nearly unanimous 90–9 percent, a majority of all ages feel that "nobody should be forced to retire because of age, if he or she wants to continue working and is still able to do a good job." Clearly, the days of mandatory retirement, other than that based on health or inability to do the job, are numbered. The elderly want to work and must be given that chance.

By the same token, by another lopsided margin, 79–15 percent among the entire population and by 73–16 percent among those 65 and over, people are convinced that "most employers discriminate against older people and make it difficult for them to find work." High up on this list of priorities for older people must be a vigorous campaign by both the public and private sector that discrimination against the elderly be ended.

Now whenever the subject of the elderly working bevond 65 is raised, invariably some feel compelled to point out the consequent injustices to the younger generation. A whole host of articles have painted a picture of octogenarians holding onto their jobs long after they should have relinquished them. In turn, it is claimed, younger people will have to wait endless years for the better jobs to open up. This supposed conflict has been portrayed as a long generational war between selfish elderly clinging to their jobs on the one hand, and frustrated younger people blocked off from promotion on the other.

Back in 1974, by a narrow 49–46 percent, a plurality of the entire public agreed with the view that "older people should retire when they can to give younger people more of a chance on the job." Well, now attitudes have changed dramatically. By a decisive 59–37 percent, a majority of the entire adult population disagrees with that claim. Indeed, among the group 18–64, a decisive 62–34 percent do not buy that proposition at all.

Among those young people 18–24 years of age, an even higher 68–30 percent majority rejects the view that the elderly have an obligation to the younger to get out of the work force as fast as possible. Ironically, among those 65 and over, undoubtedly reflecting some of the spate of articles on the subject, a 50–44 percent plurality expresses guilt about older people holding down jobs too long. As happens so often, prevailing wisdom on this score is just plain dead wrong. Older people want to work, and younger people think it is a great idea.

A growing political force

In analyzing and reporting these results, it surely must be evident that this is not an inert, hopeless group of older people, simply waiting out their time to die. To the contrary, these elderly are vibrant, alive, and want most of all to make their contribution to society for a long time to come. They are growing in number and in vitality. But they can feel the pressures from the rest of society.

Note well that by a clear 55–35 percent, a majority feel that retired older Americans "have too little influence in this country today," as though they can sense a new force growing in the U.S., an even bigger 58–27 percent of those under 65 feel the same way as the elderly. The 65 and over group today is 16 percent of the population. But let it be noted well that the elderly are a larger 18 percent of the vote. For example, while 80 percent of those 65 and over vote, only 45 percent of those 18–25 years of age vote.

It is not overstating the case to say that the elderly from now on will be a major component in our politics and in our economy. They do not want to be pitied. They do not want to be neatly tucked away and forgotten. Above all else, they want into the process, not because they are special, but because they share the universal desire to be active and respected members of the human race.

Thank you.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, if I could inquire of the distinguished assistant minority leader, I have a number of items to take care of that I believe have been cleared on his side as well as our own. Let me first put three unanimous-consent requests that I hope he is in a position to agree to.

Mr. CRANSTON. Mr. President, I understand those have all been cleared on this side of the aisle.

Mr. BAKER. I thank the distinguished acting minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there are certain other items that are cleared on our calendar. I would especially invite the attention of the acting minority leader to calendar order No. 376, S. 1493. I inquire of the minority leader if he is in a position to proceed to the consideration of that item at this time.

Mr. CRANSTON. Yes.

DEAUTHORIZATION OF SEVERAL CORPS OF ENGINEERS PROJECTS

Mr. BAKER. Mr. President, in view of that, I ask that the Chair lay before the Senate Calendar Order No. 376, S. 1493.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1493) to deauthorize several projects within the jurisdiction of the Army Corps of Engineers.

The Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works with amendments as follows:

On page 2, line 7, strike "five", and insert "two";

On page 2, line 17, strike "(80 Stat. 1421),", and insert "(Public Law 89-789),";

On page 2, line 24, strike "Act.", and insert "this section.";

On page 4, beginning on line 22, strike "at the price paid to them by the Government or";

On page 4, line 23, after "at", insert "the";

On page 4, line 24, strike "whichever is less";

On page 6, line 4, after "section,", insert "at";

On page 6, line 9, strike "(82 Stat. 739)", and insert "(Public Law 90-483)";

On page 6, line 17, after "of" insert "the Flood Control Act of 1968";

On page 7, beginning on line 1, strike "795 Stat. 1081)";

On page 7, line 18, strike "201", and insert "204";

On page 7, after line 19, insert the following:

(h) DELAWARE-MARYLAND-VIRGINIA INTRACOASTAL WATERWAY.—The project for the Delaware Bay, Delaware, to Cape Charles, Chesapeake Bay, Virginia, Intracoastal Waterway, authorized under the terms of section 201 of the Flood Control Act of 1965 (Public Law 89-298).

(i) MARYLAND: SIXES BRIDGE.—The project for Sixes Bridge Dam and Lake, Maryland, authorized by section 85 of the Water Resources Development Act of 1974 (Public Law 93-251).

SEC. 4. (a) The consent of Congress is hereby given to the City of Boston to construct, maintain, and operate a fixed-span bridge in and over the water of the Fort Point Channel, Boston, Massachusetts, lying between the northeasterly side of the existing Summer Street Bridge and the northeasterly side of the existing Northern Avenue Bridge.

(b) Work shall not be commenced on such bridge until the location and plans therefor are submitted to and approved by the Secretary of Transportation.

(c) Any project heretofore authorized by an Act of Congress, insofar as such project relates to the above described portions of Fort Point Channel, is hereby abandoned.

(d) In approving the location and plans of any bridge, the Secretary of Transportation may impose any specific conditions relating to the maintenance and operation of the structure which may be deemed necessary in the interest of public navigation.

SEC. 5. The plan for the project for Ellicott Creek, New York, authorized in section 201 of the Flood Control Act of 1970 (Public Law 91-611) is hereby modified in accordance with the recommendations of the Chief of Engineers in a report dated April 2, 1979: *Provided*, That local interests agree to meet local assurance requirements set forth in section 3 of Public Law 738 of the Seventy-fourth Congress (33 U.S.C. 701c).

SEC. 6. (a) The lock authorized by section 114 of the Water Resources Development Act of 1976 (Public Law 94-587), as a replacement for Vermilion Lock, Louisiana, shall hereafter be known as Leland Bowman Lock. Any law, regulation, map, document, or record of the United States which refers to such lock shall hereafter be held and considered to refer to such lock as "Leland Bowman Lock".

(b) The dam and reservior on the Salt River, Missouri, known as the Clarence Cannon Dam and Reservoir, authorized by section 203 of the Flood Control Act of 1962 (Public Law 87-874) as the Joanna Reservoir, shall hereafter be known as the Clarence Cannon Dam and Mark Twain Lake. Any law, regulation, map, document, or record of the United States in which such dam and reservoir are referred to shall be held and considered to refer to such dam as the Clarence Cannon Dam and to such reservoir as the Mark Twain Lake, respectively.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 204 of the Flood Control Act of 1965 (Public Law 89-298) is amended as follows: "The Dickey-Lincoln School Lakes project, Saint John River, Maine, is hereby modified to deauthorize that component of the project known and referred to as the Dickey Dam and its associated transmission facilities.".

(b) No Federal agency or department shall consider any license application relating to hydropower projects above the site of the Lincoln School Dam on the Saint John River and its tributaries, Maine, for a period of two years after the enactment of this Act.

SEC. 2. (a) The authorization for the Meramec Park Lake (hereinafter in this section refered to as the "project") contained in that portion of the general comprehensive plan for flood control and other purposes in the Upper Mississippi River Basin, which plan was authorized by section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1218), as modified by section 203 of the Flood Control Act of 1966 (Public Law 89-789), is hereby terminated.

(b) The Secretary of the Army, acting through the Chief of Engineers (hereinafter in this section referred to as the "Secretary"), shall immediately undertake interim management and maintenance of works, structures, and interests in lands related to the project pending the implementation of the subsequent provisions of this section.

(c) The Secretary shall dispose of works, structures, and interests in lands related to the project as follows:

(1) To the State of Missouri, all right, title, and interest in and to—

(A) Meramec State Park extension, consisting of three thousand eight hundred and twenty-three acres.

(B) Onondaga Cave State Park extension, consisting of one hundred and twenty-four acres.

(C) Huzzah State Wildlife Management Area extension, consisting of nine hundred and forty-five acres.

(D) Endangered species sites, consisting of not more than two hundred acres.

(E) Campbell Bridge access, consisting of not more than ten acres.

(F) Sappington Bridge access, consisting of not more than ten acres.

(G) Liberty Road access, consisting of not more than ten acres.

(2) A perpetual easement sufficient to safeguard for the river user the natural, cultural, and visual resources of the Meramec River and Huzzah and Courtois Creeks shall be conveyed to the State of Missouri within nine months from the date of this Act. The Secretary is hereby directed to establish such easements in conjunction with the State of Missouri. Said easements shall be not less than one hundred feet nor more than one-quarter mile as measured from the normal high-water mark of said river and creeks, taking into consideration the varying terrain of such lands and the best public interest.

(3) A perpetual easement sufficient to provide for and allow pedestrian use of a corridor of land connecting Meramec State Park with the Huzzah State Forest shall be conveyed to the State of Missouri within nine months from the date of this Act. The Secretary is hereby directed to establish such easement in conjunction with the State of Missouri. Said easement shall be not less than one hundred feet in width and shall be used for the development of the Ozark Trail, which will be constructed and maintained by the State of Missouri.

(4) The remainder of the works, structures, and interests in lands related to the project shall be offered, within a period of one year from the date of enactment of this Act, for sale to the previous owners at the current appraised value. Such former owners shall have a period of one year in which to enter a contract for the repurchase of such properties, after which any remaining works, structures, and interests in lands shall be sold at a public auction, or a series of public auctions, to be conducted following reasonable public notice and advertising of the time and place of such auction or auctions, until such time as all remaining works, structures, and interests in lands have been disposed of.

(d) The Secretary is authorized either to comply with or to enter into a mutual agreement to cancel any executory contract the United States has entered for the purchase of lands for the project at the request of any landowner who is a party to such a contract, within six months after the date of enactment of this Act.

(e) Nothing in this section shall terminate the authority or responsibility of the United States to satisfy, pursuant to the provisions of the Uniform Relocation Assist-

ance and Real Property Acquisition Policies Act of 1970 (49 U.S.C. 4601 et seq.) and any other applicable provision of law, all relocation assistance, and other obligations arising out of the acquisition, prior to the date of enactment of this Act, of any interest in real estate for the project.

(f) There are authorized to be appropriated such amounts as may be necessary to carry out this section. Funds available for the project deauthorized by this section may be used to carry out the provisions of this section.

SEC. 3. The authorizations for the projects described in this section, at the locations described, are terminated upon the date of enactment of this Act:

(a) ILLINOIS: HELM RESERVOIR.—The project for Helm Reservoir, Skillet Fork of the Wabash River, Illinois, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90–483), as part of the Wabash River Basin comprehensive plan.

(b) ILLINOIS: LINCOLN DAM.—The project for Lincoln Dam and Reservoir, Wabash River, Illinois and Indiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89–298).

(c) INDIANA: BIG BLUE DAM.—The project for Big Blue Dam, Big Blue River, Indiana, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90–483).

(d) ILLINOIS: ILLINOIS RIVER DUPLICATE LOCKS.—The project for the Illinois Waterway, Illinois and Indiana, authorized by section 101 of the River and Harbor Act of 1962 (Public Law 87–874).

(e) INDIANA: LAFAYETTE DAMS.—The project for the Lafayette Dam and Reservoir, Wild Cat Creek of the Wabash River, Indiana, as authorized in section 204 of the Flood Control Act of 1965 (Public Law 89–298).

(f) VIRGINIA: NANSEMOND RIVER.—The portion of the project for the Nansemond River, Virginia, from the United States Highway 640 Bridge at Suffolk, Virginia, to the upstream project limits at river mile 18.66, a distance of approximately two thousand five hundred feet, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and other purposes", approved August 11, 1888 (25 Stat. 410), and modified by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved July 3, 1930 (46 Stat. 922).

(g) INDIANA: CLIFTY CREEK DAM.—The project for the Clifty Creek Dam, Clifty Creek, Indiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89–298).

(h) DELAWARE-MARYLAND-VIRGINIA: INTRACOASTAL WATERWAY.—The project for the Delaware Bay, Delaware, to Cape Charles, Chesapeake Bay, Virginia, Intracoastal Waterway, authorized under the terms of section 201 of the Flood Control Act of 1965 (Public Law 89–298).

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(b) Work shall not be commenced on such bridge until the location and plans therefor are submitted to and approved by the Secretary of Transportation.

(c) Any project heretofore authorized by an Act of Congress, insofar as such project relates to the above described portions of Fort Point Channel, is hereby abandoned.

(d) In approving the location and plans of any bridge, the Secretary of Transportation may impose any specific conditions relating to the maintenance and operation of the structure which may be deemed necessary in the interest of public navigation.

SEC. 5. The plan for the project for Ellicott Creek, New York, authorized in section 201 of the Flood Control Act of 1970 (Public Law 91–611) is hereby modified in accordance with the recommendations of the Chief of Engineers in a report dated April 2, 1979: *Provided*, That local interests agree to meet local assurance requirements set forth in section 3 of Public Law 723 of the Seventy-fourth Congress (33 U.S.C. 701c).

SEC. 6. (a) The lock authorized by section 114 of the Water Resources Development Act of 1976 (Public Law 94–587), as a replacement for Vermilion Lock, Louisiana, shall hereafter be known as Leland Bowman Lock. Any law, regulation, map, document, or record of the United States which refers to such lock shall hereafter be held and considered to refer to such lock as "Leland Bowman Lock".

(b) The dam and reservoir on the Salt River, Missouri, known as the Clarence Cannon Dam and Reservoir, authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874) as the Joanna Reservoir, shall hereafter be known as the Clarence Cannon Dam and Mark Twain Lake. Any law, regulation, map, document, or record of the United States in which such dam and reservoir are referred to shall be held and considered to refer to such dam as the Clarence Cannon Dam and to such reservoir as the Mark Twain Lake, respectively.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

UP AMENDMENT NO. 660

(Purpose: To clarify the budget implications of a provision in the bill)

Mr. BAKER. Mr. President, on behalf of Mr. ABDNOR, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), for the Senator from South Dakota (Mr. ABDNOR), proposes an unprinted amendment numbered 660.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 5, line 23, strike all through line 2 on page 6, and insert in lieu thereof the following:

"(f) Funds authorized prior to enactment of this Act for the project specified in this section may be utilized by the Secretary, as necessary, to carry out the provisions of this section to deauthorize the project."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee (Mr. BAKER).

The amendment (UP No. 660) was agreed to.

Mr. ABDNOR. Mr. President, I wish to state my support for this bill. Each provision in this bill is supported by both Senators from the affected State. For most of these projects, State and local support has been officially withdrawn. And in every case but one, construction has not proceeded beyond the land acquisition phase.

The project deauthorizations included in S. 1493 will reduce the backlog of unconstructed projects by over $2 billion. In some cases, deauthorization will eliminate continued Federal land maintenance expenditures; in others, it will also allow other proposed activities to occur on the site of the proposed project.

I introduced this bill, along with my good friend, the ranking minority member on the Subcommittee on Water Resources (Mr. MOYNIHAN), because I believe we must begin to address the need to define project priorities. We established some very basic criteria for inclusion in this bill—endorsement by both Senators in the affected State—and I hope we will be able to establish criteria for other deauthorizations, as well as new authorizations. Only when we begin to develop criteria to assign priorities will we be able to authorize the most needed projects.

Mr. President, there are 11 projects which would be deauthorized under this bill: the Dickey Dam in Maine; Meramec Park Lake in Missouri; Helm Reservoir, Lincoln Dam, and the Illinois River duplicate locks in Illinois; Big Blue, Lafayette, and Clifty Creek Dams in Indiana; the Delmarva Intracoastal Waterway in Delaware, Maryland, and Virginia; Sixes Bridge Dam in Maryland; and Sandridge Dam in New York. In addition, the bill allows the corps to abandon navigation authority for sections of the Nansemond River in Virginia and Fort Point Channel in Massachusetts. Finally, it includes two name changes.

I would ask that my colleagues give it their unanimous support.

Mr. DANFORTH. Mr. President, the consideration of this legislation is a happy occasion for me. When I ran for the Senate in 1976, I compaigned against the Meramec Dam. I saw it then and still see it today as a prime example of wasteful Federal spending—of a pork-barrel government out of control—of a boondoggle that simply refuses to die. Now we have an opportunity to drive a stake through the heart of this vampire and kill this unneeded project once and for all.

The cost of the Meramec Park Lake project is put at $220 million. That is $20 million more than the critically needed second lock at locks and dam 26 will cost. And what would be the benefits of this hemorrhage of taxpayer dollars?

Flood control was considered a major benefit. But the dam would have flooded 12,600 acres upstream in order to provide a high degree of flood protection for just 11,800 acres downstream.

Recreation was considered a major benefit. But the dam would have inundated one of Missouri's most prized recreational areas—an area of free-flowing streams and creeks that canoeists cherish, dotted with a labyrinthine network of remarkable caves.

Water supply was considered a bene-

fit. But there is no foreseeable need for additional water supply in the vicinity of the reservoir. The only area with such a need lies downstream, near the confluence of the Missouri and the Mississippi Rivers, and surely a dam on the Meramec is not the answer to its concerns.

When I ran for the Senate in 1976, I told the people of Missouri that the benefits of this project just did not add up. When I arrived in the Senate in 1977, I succeeded in having the funding for this project removed from the Corps of Engineers' budget. And in 1978 the voters of Missouri made their sentiments known in no uncertain terms: In a special 13-county referendum, the project was rejected almost 2 to 1.

Three years have passed since that date—3 years in which the people of Missouri have patiently waited for a response to their vote. Today we have a chance to provide that response.

The provisions of S. 1493 relating to the Meramec Dam were developed by both Senators from Missouri, working closely with the Governor. Approximately 19 percent of the land now held by the corps will be conveyed to the State in order to preserve the recreational, environmental, and historical values of the river. The rest of the land will be sold back into private hands and put back onto the local tax rolls, and millions of dollars will be returned to the Federal Treasury.

We have before us today a proposal that, in my judgment, sensitively balances the interests of all the parties involved. I commend the Senator from South Dakota for his prompt and attentive action on this legislation, and I urge its passage. Let us put this boondoggle behind us.

Mr. STAFFORD. Mr. President, this legislation reported by the Committee on Environment and Public Works deserves the full support of the Senate.

I particularly wish to recognize the leadership of Senator ABDNOR, as well as the ranking minority member on the Subcommittee on Water Resources (Mr. MOYNIHAN), in developing this bill. Senator ABDNOR has been an excellent and responsible chairman, addressing policy needs as they arise. He is charged with a difficult task; steering the development of water resources development during a time of severe fiscal constraint. I commend the Senator in realizing that we must not only be concerned with new development, but that we must also begin to reduce the number of projects which were authorized in the past, but which are no longer viable.

Senator ABDNOR's introduction of this bill reminds all of us that before we address new project needs, we must define priorities among existing authorizations. In the case of these projects, deauthorization was required. In others, we will have to establish criteria that will define those priorities. His task in leading us to define these priorities is not an easy one. But I am confident that he will be able to meet this serious challenge.

I urge the Senate's approval of this legislation.

Mr. TSONGAS. Mr. President, I rise in strong support of section 4 of S. 1493, which grants the consent of Congress to the city of Boston to construct, maintain, and operate a causeway and fixed-span bridge over the Fort Point Channel. This would replace the present movable span bridge, which was built in 1907.

The bridge is now deteriorating rapidly. It costs Boston several hundred thousand dollars to maintain and operate it.

This legislation is essential to deal with local problems related to growth and transportation. The problems have gone unmet for the past decade. This session of Congress must take the first, important step toward their solution.

Mr. President, I want to thank the distinguished Senator from South Dakota (Mr. ABDNOR) and the distinguished Senator from New York (Mr. MOYNIHAN) for their assistance on this issue. I also thank my distinguished colleague from the Ninth Congressional District of Massachusetts (Mr. MOAKLEY) who authored the Fort Point Channel legislation and has worked so hard and long for its enactment.

Mr. President, I urge my colleagues to support this legislation, so that the economic development of this part of Boston may continue without further delay.

Mr. EAGLETON. Mr. President, I commend the Senate for its swift action in approving the deauthorization of Meramec Park Lake. I also applaud the Senator from South Dakota (Mr. ABDNOR) for his resolute action as chairman of the Water Resources Subcommittee which separated projects like the Meramec Dam, on which there is a consensus that they should be taken off the books, from all other water policy issues. Finally, I wish to commend the Senator from Vermont (Mr. STAFFORD) for his efforts on behalf of this deauthorization as chairman of the Senate Committee on Environment and Public Works.

As a cosponsor of the deauthorization of Meramec Dam along with my colleague from Missouri, this action brings me a sense of great relief that the long and controversial history of this project is drawing to a close. It has been almost 3 years since 64 percent of the people in Missouri voted in an advisory referendum not to proceed with this multimillion dollar project. In the 96th Congress, legislation I offered with Senator DANFORTH failed to win final approval because it was attached to an omnibus bill that became ensnarled in controversy.

I am deeply gratified to see this deauthorization bill win passage in the Senate because it is essential that the lands at the project site, which amount to 28,000 acres, be put back on the tax rolls. As part of this process, the State of Missouri would receive a portion of the land for recreation and conservation purposes and the former landowners would have the opportunity to purchase back the lion's share of the land, among other provisions.

The people of Missouri have made their wishes known in a loud and clear manner concerning the deauthorization of Meramec Dam. In the years since Missourians rejected the Meramec Dam, six studies were performed by various independent groups and the Missouri Department of Natural Resources. These studies were consulted in developing the plan for disposing of the lands. They were consulted by State officials in charge of administering recreation and conservation resources and the plan was endorsed by Governor Bond. I believe that the plan we have put forth addresses the concerns of hundreds of Missourians who have written to me on the complex issues involved in this deauthorization. And, I believe it is in the best interests of the taxpayers.

Again, let me commend the Senate for bringing the long story of the Meramec Dam to a close.

Mr. MOYNIHAN. Mr. President, I rise to support the passage of S. 1493, a bill to deauthorize several Corps of Engineers water projects. Senator ABNOR and I sponsored this bill with the full knowledge that we were doing something not often done in this body, and that was to cease the Federal Government's obligation to construct projects that no longer serve any useful purpose. The projects deauthorized in this bill would have cost the Federal Government over $2 billion.

There is one item in S. 1493 that is of particular interest to me—the Ellicott Creek flood control project in Amherst, N.Y. The project was originally authorized in 1970. One of the features of the authorized project was the Sandridge Dam. Since the time of authorization, the local sponsors of the project, with the concurrence of the Corps of Engineers, have concluded that construction of the Sandridge Dam would create more problems than it would solve. However, the local sponsors strongly support the remainder of the authorized project. According to the Corps of Engineers, the project would not be compromised in the absence of the dam.

The language included in S. 1493 will clear the way for construction of the remaining portion of the flood control project. Some construction funds have already been appropriated but progress on the project could not proceed in the absence of this modification to the original authorization. The modified project will cost $16 million instead of the original estimate of $23 million.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 204 of the Flood Control Act of 1965 (Public Law 89–298) is amended as follows: "The Dickey-Lincoln School Lakes project, Saint John River, Maine, is hereby modified to deauthorize that component of the project known and referred to as the Dickey Dam and its associated transmission facilities.".

(b) No Federal agency or department shall consider any license application relating to hydropower projects above the site of the Lincoln School Dam on the Saint John River and its tributaries, Maine, for a period of two years after the enactment of this Act.

SEC. 2. (a) The authorization for the Meramec Park Lake (hereinafter in this section re-

ferred to as the "project") contained in that portion of the general comprehensive plan for flood control and other purposes in the Upper Mississippi River Basin, which plan was authorized by section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1218), as modified by section 203 of the Flood Control Act of 1966 (Public Law 89-789), is hereby terminated.

(b) The Secretary of the Army, acting through the Chief of Engineers (hereinafter in this section referred to as the "Secretary"), shall immediately undertake interim management and maintenance of works, structures, and interests in lands related to the project pending the implementation of the subsequent provisions of this section.

(c) The Secretary shall dispose of works, structures, and interests in lands related to the project as follows:

(1) To the State of Missouri, all right, title, and interest in and to—

(A) Meramec State Park extension, consisting of three thousand eight hundred and twenty-three acres.

(B) Onondaga Cave State Park extension, consisting of one hundred and twenty-four acres.

(C) Huzzah State Wildlife Management Area extension, consisting of nine hundred and forty-five acres.

(D) Endangered species sites, consisting of not more than two hundred acres.

(E) Campbell Bridge access, consisting of not more than ten acres.

(F) Sappington Bridge access, consisting of not more than ten acres.

(G) Liberty Road access, consisting of not more than ten acres.

(2) A perpetual easement sufficient to safeguard for the river user the natural, cultural, and visual resources of the Meramec River and Huzzah and Courtois Creeks shall be conveyed to the State of Missouri within nine months from the date of this Act. The Secretary is hereby directed to establish such easements in conjunction with the State of Missouri. Said easements shall be not less than one hundred feet nor more than one-quarter mile as measured from the normal high-water mark of said river and creeks, taking into consideration the varying terrain of such lands and the best public interest.

(3) A perpetual easement sufficient to provide for and allow pedestrian use of a corridor of land connecting Meramec State Park with the Huzzah State Forest shall be conveyed to the State of Missouri within nine months from the date of this Act. The Secretary is hereby directed to establish such easement in conjunction with the State of Missouri. Said easement shall be not less than one hundred feet in width and shall be used for the development of the Ozark Trail, which will be constructed and maintained by the State of Missouri.

(4) The remainder of the works, structures, and interests in lands related to the project shall be offered, within a period of one year from the date of enactment of this Act, for sale to the previous owners at the current appraised value. Such former owners shall have a period of one year in which to enter a contract for the repurchase of such properties, after which any remaining works, structures, and interests in lands shall be sold at a public auction, or a series of public auctions, to be conducted following reasonable public notice and advertising of the time and place of such auction or auctions, until such time as all remaining works, structures, and interests in lands have been disposed of.

(d) The Secretary is authorized either to comply with or to enter into a mutual agreement to cancel any executory contract the United States has entered for the purchase of lands for the project at the request of any landowner who is a party to such a contract, within six months after the date of enactment of this Act.

(e) Nothing in this section shall terminate the authority or responsibility of the United States to satisfy, pursuant to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (49 U.S.C. 4601 et seq.) and any other applicable provision of law, all relocation assistance, and other obligations arising out of the acquisition, prior to the date of enactment of this Act, of any interest in real estate for the project.

(f) Funds authorized prior to enactment of this Act for the project specified in this section may be utilized by the Secretary, as necessary, to carry out the provisions of this section to deauthorize the project.

SEC. 3. The authorizations for the projects described in this section, at the locations described, are terminated upon the date of enactment of this Act:

(a) ILLINOIS: HELM RESERVOIR.—The project for Helm Reservoir, Skillet Fork of the Wabash River, Illinois, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90-483), as part of the Wabash River Basin comprehensive plan.

(b) ILLINOIS: LINCOLN DAM.—The project for Lincoln Dam and Reservoir, Wabash River, Illinois and Indiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89-298).

(c) INDIANA: BIG BLUE DAM.—The project for Big Blue Dam, Big Blue River, Indiana, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90-483).

(d) ILLINOIS: ILLINOIS RIVER DUPLICATE LOCKS.—The project for the Illinois Waterway, Illinois and Indiana, authorized by section 101 of the River and Harbor Act of 1962 (Public Law 87-874).

(e) INDIANA: LAFAYETTE DAMS.—The project for the Lafayette Dam and Reservoir, Wild Cat Creek of the Wabash River, Indiana, as authorized in section 204 of the Flood Control Act of 1965 (Public Law 89-298).

(f) VIRGINIA: NANSEMOND RIVER.—The portion of the project for the Nansemond River, Virginia, from the United States Highway 640 Bridge at Suffolk, Virginia, to the upstream project limits at river mile 18.66, a distance of approximately two thousand five hundred feet, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and other purposes", approved August 11, 1888 (25 Stat. 410), and modified by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved July 3, 1930 (46 Stat. 922).

(g) INDIANA: CLIFTY CREEK DAM.—The project for the Clifty Creek Dam, Clifty Creek, Indiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89-298).

(h) DELAWARE-MARYLAND-VIRGINIA: INTRACOASTAL WATERWAY.—The project for the Delaware Bay, Delaware, to Cape Charles, Chesapeake Bay, Virginia, Intracoastal Waterway, authorized under the terms of section 201 of the Flood Control Act of 1965 (Public Law 89-298).

(i) MARYLAND: SIXES BRIDGE.—The project for Sixes Bridge Dam and Lake, Maryland, authorized by section 85 of the Water Resources Development Act of 1974 (Public Law 93-251).

SEC. 4. (a) The consent of Congress is hereby given to the City of Boston to construct, maintain, and operate a fixed-span bridge in and over the water of the Fort Point Channel, Boston, Massachusetts, lying between the northeasterly side of the existing Summer Street Bridge and the northeasterly side of the existing Northern Avenue Bridge.

(b) Work shall not be commenced on such bridge until the location and plans therefor are submitted to and approved by the Secretary of Transportation.

(c) Any project heretofore authorized by an Act of Congress, insofar as such project relates to the above described portions of Fort Point Channel, is hereby abandoned.

(d) In approving the location and plans of any bridge, the Secretary of Transportation may impose any specific conditions relating to the maintenance and operation of the structure which may be deemed necessary in the interest of public navigation.

SEC. 5. The plan for the project for Ellicott Creek, New York, authorized in section 201 of the Flood Control Act of 1970 (Public Law 91-611) is hereby modified in accordance with the recommendations of the Chief of Engineers in a report dated April 2, 1979: *Provided*, That local interests agree to meet local assurance requirements set forth in section 3 of Public Law 738 of the Seventy-fourth Congress (33 U.S.C. 701c).

SEC. 6. (a) The lock authorized by section 114 of the Water Resources Development Act of 1976 (Public Law 94-587), as a replacement for Vermilion Lock, Louisiana, shall hereafter be known as Leland Bowman Lock. Any law, regulation, map, document, or record of the United States which refers to such lock shall hereafter be held and considered to refer to such lock as "Leland Bowman Lock".

(b) The dam and reservoir on the Salt River, Missouri, known as the Clarence Cannon Dam and Reservoir authorized by section 203 of the Flood Control Act of 1962 (Public Law 87-874) as the Joanna Reservoir, shall hereafter be known as the Clarence Cannon Dam and Mark Twain Lake. Any law, regulation, map, document, or record of the United States in which such dam and reservoir are referred to shall be held and considered to refer to such dam as the Clarence Cannon Dam and to such reservoir as the Mark Twain Lake, respectively.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I inquire of the acting minority leader about the status of calendar order No. 379, Senate Joint Resolution 57, on his calendar. It is cleared on ours.

Mr. CRANSTON. That has been cleared on our side, also.

Mr. BAKER. I thank the acting minority leader.

NATIONAL SCLERODERMA WEEK

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate calendar order No. 379, Senate Joint Resolution 57.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 57) to provide for the designation of February 7 through 13, 1982, as "National Scleroderma Week."

Mr. SYMMS. Mr. President, the joint resolution authorizes the President to designate the week of February 7–13, 1982, as "National Scleroderma Week."

Scleroderma is a painful and debilitating disease which affects the skin and multiple organs of the body, and can in its most serious form result in the death of the scleroderma patient.

Approximately 300,000 people are affected by scleroderma, and yet it remains a little-known and often misdiagnosed illness. There is not any known cure for the disease, and due to the lack of public awareness there has been a severe shortage of funding for research into possible cures and treatments.

Since public funding at this time is being reduced for the research of various illnesses, it is vitally important to encourage private funding, and that is specifically why it is necessary to raise the awareness level of the public in recognizing the existence of scleroderma.

I believe that National Scleroderma Week will focus the necessary attention on this disease.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 57

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall issue a proclamation designating February 7 through 13, 1982, as "National Scleroderma Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, could I inquire of the acting minority leader if he is in a position to clear Senate Resolution 98 for passage at this time?

Mr. CRANSTON. Yes.

AMERICAN HISTORY MONTH

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate, Senate Resolution 98.

The PRESIDING OFFICER. The clerk will report.

The assistant legislation clerk read as follows:

A resolution (S. Res. 98) to designate February of each year as "American History Month."

Without objection, the Senate proceeded to consider the resolution which had been reported from the Committee on the Judiciary, with amendments, as follows:

On page 2, line 1, strike "each year", and insert "1982"; and

On page 2, line 3, strike "annually".

Mr. CRANSTON. Mr. President, on behalf of Senator BENTSEN, I ask unanimous consent that Senators THURMOND and GOLDWATER be added as additional cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered en bloc and agreed to en bloc.

The resolution, as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble reads as follows:

S. RES. 98

Whereas the study of history not only enlivens appreciation of the past but also illuminates the present and gives perspective to our hopes for the future;

Whereas the study of American history leads to a greater understanding of our national heritage; and

Whereas it is appropriate to encourage a deeper awareness of the great events which have shaped America, and a renewed dedication to the ideals and principles we hold in trust: Now, therefore, be it

Resolved, That February 1982 is designated as "American History Month", and the President is authorized and requested to issue a proclamation to call upon Federal, State, and local government agencies, and the people of the United States to observe with appropriate programs, ceremonies, and activities.

The title was amended so as to read "Resolution to designate February 1982, as 'American History Month'.".

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I have two other matters. First, Mr. President, a House message on S. 1211.

EXTENSION OF TOXIC SUBSTANCES CONTROL ACT

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1211.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1211) entitled "An Act to extend the Toxic Substances Control Act for one year", do pass with the following amendments:

Strike out all after the enacting clause, and insert: That (a) the first sentence of section 28(d) of the Toxic Substances Control Act is amended to read as follows: "For the purpose of making grants under subsection (a), there are authorized to be appropriated $1,500,000 for each of the fiscal years 1982 and 1983.".

(b) Section 29 of the Toxic Substances Control Act is amended by striking out "$10,100,000" and all that follows through "1979" and inserting in lieu thereof the following: "$62,000,000 for each of the fiscal years 1982 and 1983".

Amend the title so as to read: "An Act to amend the Toxic Substances Control Act to authorize appropriations for fiscal years 1982 and 1983.".

Mr. GORTON. Mr. President, S. 1211, now before the Senate reauthorizes the Toxic Substances Control Act. As it was amended by the House of Representatives, it authorizes $63.5 million for each of the fiscal years 1982 and 1983. The bill makes no substantive amendment to the act.

This is the second time that the Senate has acted on S. 1211. The bill was passed by the Senate on June 2, 1981. Then, it authorized $59,646 for fiscal year 1982 only. The bill was amended by the House of Representatives and returned to the Senate on September 29, 1981 with the longer and higher authorization.

President Reagan's request for authorization to the Environmental Protection Agency for administration of the Toxic Substances Control Act was $60,146,000. That amount represents a decrease of $8.3 million from the 1981 resource level. The proposed authorization level would support TSCA abatement and control activities in the Office of Pesticides and Toxic Substances, sustain the TSCA information integration program, while eliminating the intervenor and public participation grants portions of that latter program.

Mr. BAKER. Mr. President, I move that the Senate disagree to the House amendments and request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. SIMPSON) appointed Mr. GORTON and Mr. BAUCUS conferees on the part of the Senate.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1982—CONFERENCE REPORT

Mr. BAKER. Mr. President, I submit a report of the committee of conference on H.R. 3454 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3454) to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, and for the Central Intelligence Agency Retirement and Disability System, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the United States Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

Mr. WALLOP. Mr. President, it is a privilege to submit the intelligence authorization conference report authorizing appropriations for U.S. intelligence activities for fiscal year 1982.

The Senate Select Committee on Intelligence views the annual budget authorization process as one of the principal means of strengthening and improving the U.S. intelligence system. The

committee has devoted a great deal of time and effort over the past 5 years examining how well the intelligence community is able to meet its responsibilities, and identifying areas where improvement is needed. We have made important progress through the budget authorization process in preparing the intelligence system to cope with the diversity of policy concerns our Nation is likely to face in the years ahead.

The fiscal year 1982 intelligence authorization bill continues the committee's goal of revitalizing our intelligence capabilities. We have provided for improvements in a number of key areas, and have taken the initiative to insure new capabilities are available to deal with emerging problems that will confront policymakers in the future. Unfortunately, two important legislative proposals contained in the Senate bill were not sustained in conference. These proposals would have further strengthened civilian personnel management within the Defense Intelligence Agency, and established criminal penalties for assaults on intelligence personnel. The House has agreed, however, to consider these proposals in separate legislation, and I intend to introduce such legislation shortly.

Our work is by no means complete; further improvement and investment are necessary in a number of areas, such as analysis and counterintelligence. We must also insure sufficient flexibility in the intelligence system to respond to multiple crisis without diverting resources from other high-priority missions, and to be able to recoup from unexpected compromise or loss of important capabilities.

I would like to take this opportunity to commend the members of the Senate Select Committee on Intelligence, and our colleagues on the House committee, for their diligence and strong support for the goals we have set. There is unanimous agreement between the two committees that we must have a first-rate intelligence service to compete effectively in world affairs in the years ahead. After all, intelligence is the Nation's first line of defense.

Mr. President, I strongly urge my colleagues in the Senate to support this important legislation.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

(The conference report is printed in the House proceedings of the RECORD of November 16, 1981.)

Mr. BAKER. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I have no further items of business to transact. I inquire of the acting minority leader if he has any other business to transact.

Mr. CRANSTON. I have none.

Mr. BAKER. I thank the acting minority leader.

PROGRAM

Mr. BAKER. Mr. President, tomorrow the Senate will convene at 10 o'clock. After the recognition of the two leaders under the standing order and the recognition of Senator BIDEN on a special order, there will be a brief period for the transaction of routine morning business. At the hour of 10:30 a.m., the Senate will turn to the consideration of the Alaska Natural Gas Transportation Act of 1976, on which there is a statutory time limitation. After disposition of that matter, Mr. President, the Senate will resume consideration of the continuing resolution making appropriations for the several agencies and departments of the Government.

It is expected, Mr. President, that tomorrow will be a late day, running well into the evening. It is the hope of the leadership that the Senate will be in a position to finish the continuing resolution tomorrow night. It appears almost imperative that we do so in order to permit the House and Senate to meet in conference, if need be, to agree to a report to be considered by the two bodies and transmitted to the President in advance of the time of the expiration of the present continuing resolution, which is midnight on Friday night.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I see no other Senator seeking recognition. If there is no further business to be transacted by the Senate, I move, in accordance with the order previously entered, that the Senate now stand in recess until the hour of 10 o'clock a.m. on tomorrow.

The motion was agreed to, and, at 7:08 p.m., the Senate recessed until Thursday, November 19, 1981, at 10 a.m.

NOMINATIONS

Executive nomination received by the Senate November 18, 1981:

THE JUDICIARY

Ralph K. Winter, Jr., of Connecticut, to be U.S. circuit judge for the second circuit, vice Walter R. Mansfield, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 18, 1981:

THE JUDICIARY

Lawrence W. Pierce, of New York, to be U.S. circuit judge for the second circuit.

Emmett Ripley Cox, of Alabama, to be U.S. district judge for the southern district of Alabama.

Cynthia Holcomb Hall, of California, to be U.S. district judge for the central district of California.

Clarence A. Beam, of Nebraska, to be U.S. district judge for the district of Nebraska.

John Bailey Jones, of South Dakota, to be U.S. district judge for the district of South Dakota.

DEPARTMENT OF JUSTICE

Robert J. Wortham, of Texas, to be U.S. attorney for the eastern district of Texas for the term of 4 years.

Alan H. Nevas, of Connecticut, to be U.S. attorney for the district of Connecticut for the term of 4 years.

John W. Gill, Jr., of Tennessee, to be U.S. attorney for the eastern district of Tennessee for the term of 4 years.

Joseph P. Russoniello, of California, to be U.S. attorney for the northern district of California for the term of 4 years.

Philip N. Hogen, of South Dakota, to be U.S. attorney for the district of South Dakota for the term of 4 years.

J. Jerome Perkins, of Indiana, to be U.S. Marshall for the northern district of Indiana for the term of 4 years.

Denny L. Sampson, of Nevada, to be U.S. Marshal for the district of Nevada for the term of 4 years.

WITHDRAWAL

Executive nomination withdrawn from the Senate November 18, 1981:

Norman Braman, of Florida, to be Commissioner of Immigration and Naturalization, vice Leonel J. Castillo, resigned, which was sent to the Senate on September 29, 1981.

HOUSE OF REPRESENTATIVES—*Wednesday, November 18, 1981*

The House met at 10 a.m.

The Reverend Vilis Varsbergs, pastor, Chicago Latvian Zion Evangelical Lutheran Church, Chicago, Ill., offered the following prayer:

Almighty God, Father of peoples and Lord of nations: constantly remind us, we pray, that history is Your story which tells us that You desire freedom and justice even for the small and weak. Help us, therefore, to hasten the day when no man and no people will be oppressed and exploited. This day we especially ask Your favor upon Latvia and her neighbors Estonia and Lithuania. As You had given them a brief day of freedom, so do not now disappoint their hope that the good will prevail, that justice will soon triumph, that freedom will return on the wings of peace to them and to all Your children—through Jesus Christ, our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3210. An act to amend the Surface Transportation Assistance Act of 1978, to establish obligation limitations for fiscal year 1982, and for related purposes.

PASTOR VILIS VARSBERGS

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute.)

Mr. ANNUNZIO. Mr. Speaker, it is a genuine pleasure to welcome to our Nation's Capitol, Pastor Vilis Varsbergs, who offered the opening prayer today. It is fitting that he joins us here today, for November 18 marks the 63d anniversary of Latvian Independence Day.

Pastor Varsbergs is the pastor of the Chicago Latvian Zion Evangelical Lutheran Church located in the 11th District I am honored to represent. He was born in Latvia, and at the end of World War II, was sent with his family to a displaced persons camp in West Germany, where he received his high school diploma.

In 1949, the family emigrated to the United States, where they became sharecroppers in Mississippi. In 1950, Pastor Varsbergs entered Midland College in Nebraska on a $500 scholarship, and after graduation, he attended the Lutheran School of Theology in Chicago where he graduated in 1957.

Pastor Varsbergs founded a summer camp for children and families, and pioneered its summer high school program devoted to Latvian language, cultural heritage, history, and religion. He has been pastor of the Chicago Latvian Zion Evangelical Lutheran Church since 1973.

I want to thank Pastor Varsbergs for being with us today and to wish him continuing success in his dedicated work in the church.

PRESIDENT PROPOSES NEW PEACE INITIATIVE

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, at this very moment the President of the United States is making an address at the National Press Club in which he is releasing a portion of a communication that he has sent to President Brezhnev of the Soviet Union. In a dramatic peace gesture, President Reagan is proposing that the United States will be prepared to cancel the deployment of the Pershing II and ground launched cruise missiles in Western Europe if the Soviets will dismantle their SS-20's, SS-4's, and SS-5 missiles.

This is a useful and bold initiative which I think all of us in the House, Democrats and Republicans alike, do and should support. Together we implore the Soviet Union to act with favor upon this peace initiative which could reduce to zero in Europe the number of warheads and missiles that may be aimed from one side of the Iron Curtain to the other. The President's initiative could remove the dark cloud that hangs over Europe and restore some semblance of renewed hopes for progress toward a lasting peace to that continent.

PRODUCTION OF B-1B BOMBER URGED

(Mr. SHAMANSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAMANSKY. Mr. Speaker, I have been a consistent supporter of the modernized manned penetration bomber called the B-1B by the Air Force. I wrote the President twice urging him to consider the B-1B as replacement for our aging B-52 fleet. I cited the endorsement of the plane made by JOHN GLENN, Ohio's senior Senator, whose aviation expertise is well known.

Opponents claim the new plane would be nearly as vulnerable to Soviet radar as the B-52's. In fact, the CIA information they cite was based on the original B-1 design. The modernized B-1B will have a radar profile 10 times smaller than the prototype.

Critics also insist the cost of the 100-plane fleet would be $39 billion. Yet Defense Secretary Weinberger has placed the bill at $28 billion, including inflation. Critics do not mention the billions required to maintain and modify B-52's for additional service. No one can say when Stealth technology bombers will be available and such uncertainty reinforces the need to construct the B-1B.

Although this project could mean much for my district, the question is national, one of assuring America's strategic nuclear deterrence in this decade and the next.

YESTERDAY'S ROLLCALL VOTES UNCALLED FOR

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, I take this time merely to express my disappointment that one of our colleagues saw fit yesterday to force four or five rollcall votes when most Members on both sides of the aisle had been assured previously that there would not be any votes before 4 p.m. As a result, a number of Members missed votes, and that is a shame. That will certainly be reflected in their records.

It is a pity that the gentleman who requested those votes could not have been with the Ways and Means Committee in Baltimore to listen to witness after witness testify as to the problems caused by the budget cuts forced earlier this year. I think it would have been a more productive use of his time.

WAYS AND MEANS COMMITTEE GOES TO BALTIMORE

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSTENKOWSKI. Mr. Speaker, yesterday the Committee on Ways and Means went to Baltimore to assess the impact on a major urban center, a State and its people of the budget cuts this Congress enacted last summer. Because it is within our jurisdiction, we were especially interested in the effect of major reductions in title XX funding on the human services and programs involved.

We heard from the Governor, the mayor, a county executive, persons involved in volunteer efforts within the business community, and some—for want of a better term—"real people" who are feeling the effects of Federal funding reductions. We took the committee to a major, and largely federally funded, center for the specialized treatment of children with severe handicaps. We learned from this visit two important points: First, there is a general willingness on the part of people to recognize that the Federal Government must rein itself in and get control of its expenditures; and second, there is disbelief, disappointment and, not just a little bitterness at the results of taking a meat-ax approach to budget cutting.

Time and again we were told that in no way were people at the local level—those who are fighting the trench warfare against the effects of being poor, sick, or elderly—given enough time, or enough resources to cope with the immense problems which the Federal Government has basically walked away from. Some of our witnesses questioned the sense of priorities which would allow a facility to possibly close its doors—a facility which trains handicapped children to go out into the community as participants. And we were asked where is the commonsense in forcing those same children into State-run institutions for warehousing at much greater cost in the long run to taxpayers.

I regret our Republican colleagues chose to boycott our hearing. They would have heard, among other things, support for the President's overall budget goals. They would have heard a real willingness to work together to reform budget cuts so as to make more sense in fiscal and humane terms. Instead, I understand the hearing itself was subjected to mischief on the floor.

Perhaps, if we concentrated less on political gain or loss, the suffering going on out there right now would not be so intense. That is what the Committee on Ways and Means tried to prevent last summer when it humanely cut its jurisdictional programs. It is truly unfortunate we did not prevail.

BILL INTRODUCED TO EXTEND LOANS AND MORTGAGE INSURANCE PROGRAMS TO TERRITORY OF AMERICAN SAMOA

(Mr. SUNIA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SUNIA. Mr. Speaker, I am today introducing a bill, together with some of our colleagues, to amend the National Housing Act to extend certain loan and mortgage insurance programs to the territory of American Samoa.

The bill seeks to amend sections 9, 201(d), and 207(a)(7) of the National Housing Act to make the territory of American Samoa eligible under these three particular programs. All other U.S. territories are eligible.

When the National Housing Act was considered by Congress, there was very little information available as to the landownership system in the territory, and Congress very wisely left American Samoa out from participating under these programs of the act. Through actions of our local legislature and the court in recent years, many of the heretofore unique aspects of the communal landownership has been clarified, and made compatible with the programs to which we now seek participation.

If these programs are to be extended to American Samoa, the residents will be provided with a new resource in the area of home financing—the second most serious problem in the territory today. I respectfully urge my colleagues to support this legislation. Thank you.

IN PRAISE OF DAVID STOCKMAN

(Mr. MITCHELL of Maryland asked and was given permission to address the House for 1 minute.)

Mr. MITCHELL of Maryland. Mr. Speaker, I read with some concern in the morning press that Mr. Stockman's job is not necessarily secure in the administration. I think we have gone a bit too far in the criticisms of David Stockman. I want to point a finger at my Democratic colleagues for their harsh criticisms of Mr. Stockman.

I stand in this well today to praise David Stockman. I stand to praise a man who displayed a rare kind of intellectual honesty that is so often missing at the highest levels of government. I stand to praise a man whose own intellectual integrity in his given profession of economics forced him to speak the truth.

To my Democratic friends, I say you ought to be praising this man. I come not to bury David Stockman but to praise him. I urge him to continue to speak out through his own intellectual honesty, to speak out against deception, duplicity, and deviousness.

□ 1015

THE PRESIDENT'S BOLD AND SERIOUS STRATEGY

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, early this morning, I was privileged to participate with the leadership in a briefing on the President's bold and serious strategy with regard to limited- and medium-range nuclear missiles.

I want to warmly commend President Reagan for seizing the initiative in advance of the upcoming Geneva negotiations.

His decision to push for the zero option, or at least the minimal possible number of missiles in Europe, is the right thing to do. This strategy clearly establishes that it is the United States that wants peace in Europe, and it is the United States that seeks to avoid escalation of the world's nuclear arsenals.

As the President said:

> Today I have outlined the kinds of bold, equitable proposals which the world expects of us. But we cannot reduce arms unilaterally. Success can only come if the Soviet Union will share our commitment; if it will demonstrate that its often-repeated professions of concern for peace will be matched by positive action.

The onus has been squarely placed on the Soviet Union to justify why it needs to retain its existing nuclear missiles in Europe.

We have again reached a vital crossroad in our relationship with the Soviet Union. We have an opportunity between us to reduce the level of tension in the world or to escalate the armaments race.

The President pointed out that the benefits of progress in arms control extend far beyond a reduction in military hardware. The President said:

> The American concept of peace goes well beyond the absence of war. We foresee a flowering of economic growth and individual liberty in a world at peace.

Peace is what we seek. Not a peace at any price that leads to war, but a stable peace that protects the interests of all parties. The President said:

> Deterring war depends on the perceived ability of our forces to perform effectively. The more effective our forces are, the less likely it is that we will have to use them. So, we and our allies are proceeding to modernize NATO's nuclear forces of intermediate range—to meet the increased Soviet deployments of nuclear systems threatening Western Europe.

President Kennedy once said that we should never negotiate out of fear,

but we should never fear to negotiate. That was a wise policy then, and it is a wise policy today. President Reagan is following in this tradition. I know that the Nation is with him in this endeavor.

DEFENSE APPROPRIATIONS

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, today the Appropriations Committee will submit a defense bill which is approximately $4.4 billion below the President's request. I understand the combination of forgetfulness and shortsightedness that the committee appears to have displayed in cutting this crucial area. We forget a Soviet machine which has outspent the United States by $240 billion in the last decade. We forget the Soviet missile development of the 1970's which produced four new ICBM's since our minuteman three. We forget a Soviet production base which outproduces us 18 to 1 in surface-to-air missiles, 11 to 1 in armor, 3 to 1 in helicopters, and 2 to 1 in tac aircraft, surface ships, and submarines. And, Mr. Speaker, our shortsightedness prevents us from looking into the decade of the 1990's, which under our present course will find us with a minuscule production base, and a giant quantitative, as well as qualitative gap between us and the Soviet Union.

Mr. Speaker, the American people want a strong national defense. If this Congress will not give them one, they will elect a Congress that will.

AGAINST REDUCTIONS IN DEFENSE SPENDING

(Mr. HARTNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARTNETT. Mr. Speaker, I am concerned that we have forgotten so quickly some of the events of the recent past.

The appropriations bill before us would cut the President's budget request for defense by $4.4 billion—a reduction over and above the reductions made by the President only last month.

Let me remind my colleagues that it was less than a year ago, in January 1981, that the hostages came home from Iran and the frustration we all felt at the inability of the United States to deter such an act by Iran or to effectively act after the event.

Let me remind my colleagues that Soviet troops are still in Afghanistan and still fighting there.

Let me remind my colleagues that the United States, 7 years after the oil crisis of 1974, is still dependent upon foreign sources of oil, and the safe transport of that oil to the United States across oceans that are increasingly patrolled by ships of the Soviet Navy.

I urge my colleagues to not forget the painful lessons of the recent past and to vote for an adequate defense budget today.

CARPING, CRITICISM, AND COMPLAINING

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, we are told by our friends on the other side of the aisle that the Reagan economic plan is untested and novel. They refer to it as an experiment.

Looking at it from their point of view, they have good reason to look upon this program as a novelty.

Cutting taxes probably does seem novel to those responsible for raising taxes higher than they have ever been.

Making each department and agency of Government live within its means probably does seem like an experiment to those who have been eager to let the bureaucracy expand.

The last time they had power, under the leadership of their hero, Jimmy Carter, they gave us double-digit inflation, 20 percent interest rates, and low productivity.

Now that President Reagan is trying to clean up the mess they made, all they have to offer is carping, criticism, and complaining.

When is the Democratic leadership going to stop criticizing and start saying what they want to do? Or do they really know what they want to do?

MACHO MAN

(Mr. DUNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNN. Mr. Speaker, United Press International has quoted the distinguished majority leader, the gentleman from Texas, as saying President Reagan is likely to exercise his veto power in the near future.

The majority leader then stated:

> The theatrics are almost irresistible. To go on TV and thrash the Congress about the cheek and jowl. It makes him look like a macho man.

After the kind of weak, spineless, drifting leadership this country endured under a Democratic President from January 1977 to January 1981, just about any real leader would look like a macho man without trying.

The distinguished majority leader supported the alleged leadership of Mr. Jimmy Carter. That is his privilege.

But let us not criticize a great President like President Reagan by making disparaging remarks.

Instead of making these slighting remarks on this great President, the majority leader should cut out the one liners and start cooperating with the President.

Mr. Reagan cannot help it if he does not live down to the low standards set by his predecessor.

A DIFFERENCE IN ECONOMIC PHILOSOPHIES

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, yesterday, Americans were given a preview of the differing economic philosophies of Democratic and Republican parties. As the Speaker of the House addressed the AFL-CIO convention at what has been described as a lovefeast, that convention proposed dealing with the recession by raising taxes and increasing Federal spending. No one since Herbert Hoover has raised taxes in the midst of a recession; yet that is what the labor unions are proposing and I think we can expect the Democratic party to fall in lockstep behind that suggestion.

At the same time that Speaker was addressing the labor convention, a group of House Republicans held a press conference and suggested accelerating next year's tax cuts. We said the way to economic recovery is through economic growth. We believe that what is best for labor is jobs. And we believe that cutting taxes and spending will produce new jobs.

That is the difference. The Democratic leadership continues to want more taxes and more spending. Republicans want lower taxes and less spending. That is a difference that should allow Americans to decide what they want.

YESTERDAY'S BREAK FOR A COMMERCIAL

(Mr. MORRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON. Mr. Speaker, yesterday we paused in the midst of congressional action for a commercial. Our Democrat colleagues on the Ways and Means Committee wanted to let the folks in Baltimore hear how it is—an admission that they would rather talk about the economy than stay here and solve the mess they themselves have created over the past quarter century.

This commercial break lasted until 4 o'clock yesterday afternoon and precious hours were lost. I consider the re-

covery of America much more important than a political road show.

This Congress should have been at work yesterday, so that our constituents can get back to work tomorrow.

NUCLEAR WASTE

(Mrs. BOUQUARD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOUQUARD. Mr. Speaker, today I will be introducing a comprehensive nuclear waste bill which our Science and Technology Committee will soon act upon. This bill has overwhelming support on the committee and will be consponsored by roughly half of the Members. It authorizes a constructive program with the Department of Energy research and development activity fully integrated. When implemented, this bill will assure the operation of a permanent repository before the end of the century building on technical and public confidence obtained in the research and development phase. Both I, Chairman FUQUA, Mr. LUJAN, and much of the bipartisan leadership of the committee look forward to working with the Commerce and Interior Committees in arriving at a compromise vehicle which should be taken to the floor of the House early in the next session of this Congress which I believe will have overwhelming approval.

U.S. CIVIL RIGHTS COMMISSION THREATENED BY NEW WHITE HOUSE ACTION

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, when I turned on my TV this morning and learned that the President has called for the resignation of Arthur Flemming, Chairman of the U.S. Civil Rights Commission, I felt a real sense of outrage.

This action on the part of the President serves to further reveal the insensitivity of this administration's attitude toward civil rights. It is clearly an attempt to wrest control of one of the strongest reporting arms of the Congress. Not only is such action unwise, it threatens the independence of a highly competent nonpartisan unit.

The Commission, as it is currently constituted, had done its job well. It has released positive and progressive recommendations on such topics as day care, voting rights, police brutality, and infinitum.

Obviously this administration is attempting to turn the Commission's focus from serving the just cause of equal rights to serving their political philosophy of turning the wheels of progress back.

It is not enough that the administration is trying to dispose of regulations and weaken laws that will enforce the fair treatment of all American citizens.

It is not enough that the administration has already budget cut agencies to death—thereby rendering their enforcement of antidiscriminatory laws impotent.

It is not enough that if the Congress passes the second round of budget cuts, the U.S. Civil Rights Commission will have to RIF 20 or 30 staffers, which essentially means that they will no longer have the manpower to conduct investigations and report their findings to the Congress.

This administration keeps adding insult to injury. It has set out to maim and to eventually destroy a Commission whose work does not fit their ideology. In this instance, the Nation would be better served if President Reagan would just hop on his Trojan horse and ride off into the sunset.

REDRESSING OUR INADEQUACY IN MANNED BOMBER CAPABILITY

(Mr. LUNGREN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, after reading the newspaper today, I thought I might discuss this morning the subject of Tiponomics, but because we have the extremely important subject of defense on our schedule, I will leave that for another time.

Today this body will have the opportunity to redress the folly of the past few years that will leave open a window of vulnerability in our defense throughout the 1980's.

The best way to address this problem is to initiate production of the new B-1 manned strategic bomber. Between today and the eventual deployment of the MX missile in the late 1980's, we must be protected.

The Soviets have deployed three new generations of intercontinental and submarine-launched ballistic missiles during the last decade. They have introduced the Backfire bomber as part of their air and naval forces, and have thus far produced about 200 of these intercontinental aircraft.

In comparison, we have spent $7 billion since 1962 on development of a manned bomber to penetrate Soviet defenses, and all we have to show for this investment are four B-1 research and development craft and a B-70 museum piece.

Mr. Speaker, we need the B-1, and we need it as soon as possible. I ask my colleagues to remember this today as we debate the defense appropriations bill for fiscal year 1982.

COURT OF APPEALS FOR THE FEDERAL CIRCUIT ACT OF 1981

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the unfinished business is the question of suspending the rules and passing the bill, H.R. 4482, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. KASTENMEIER) that the House suspend the rules and pass the bill, H.R. 4482, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 321, nays 76, not voting 36, as follows:

[Roll No. 310]

YEAS—321

Addabbo	Derrick	Holland
Akaka	Derwinski	Hollenbeck
Albosta	Dickinson	Horton
Alexander	Dicks	Howard
Andrews	Dingell	Hoyer
Annunzio	Dixon	Hubbard
Anthony	Donnelly	Huckaby
Applegate	Dorgan	Hughes
Ashbrook	Downey	Hunter
Aspin	Dreier	Hutto
Atkinson	Dunn	Hyde
AuCoin	Dwyer	Ireland
Bafalis	Dymally	Jeffords
Bailey (PA)	Dyson	Jenkins
Barnard	Early	Jones (NC)
Barnes	Eckart	Jones (TN)
Beilenson	Edgar	Kastenmeier
Benedict	Edwards (AL)	Kazen
Benjamin	Edwards (CA)	Kemp
Bereuter	Emery	Kildee
Bethune	Erdahl	Kindness
Biaggi	Erlenborn	Kogovsek
Bingham	Ertel	Kramer
Blanchard	Evans (DE)	LaFalce
Bliley	Evans (IA)	Lagomarsino
Boggs	Evans (IN)	Lantos
Boland	Fary	Leach
Boner	Fascell	Leath
Bonior	Fazio	LeBoutillier
Bonker	Fenwick	Lehman
Bouquard	Ferraro	Lent
Bowen	Fiedler	Levitas
Brinkley	Findley	Livingston
Brodhead	Fish	Loeffler
Brown (CA)	Fithian	Long (LA)
Brown (OH)	Flippo	Long (MD)
Broyhill	Florio	Lott
Burgener	Foglietta	Lowry (WA)
Burton, John	Foley	Luken
Burton, Phillip	Fowler	Lundine
Butler	Frank	Lungren
Byron	Frenzel	Markey
Campbell	Frost	Marlenee
Carman	Fuqua	Marriott
Chappie	Garcia	Martin (IL)
Cheney	Gaydos	Martin (NC)
Clausen	Gejdenson	Matsui
Clay	Gibbons	Mavroules
Clinger	Gilman	Mazzoli
Coats	Ginn	McClory
Coelho	Glickman	McCollum
Coleman	Gonzalez	McCurdy
Collins (IL)	Gore	McDade
Conte	Gradison	McEwen
Conyers	Grisham	McGrath
Corcoran	Guarini	McHugh
Coughlin	Gunderson	McKinney
Courter	Hall (OH)	Mikulski
Coyne, William	Hall, Ralph	Miller (CA)
Crockett	Hall, Sam	Mineta
D'Amours	Hamilton	Minish
Daniel, Dan	Harkin	Mitchell (MD)
Daniel, R. W.	Hatcher	Moakley
Dannemeyer	Hawkins	Moffett
Daub	Heckler	Molinari
Davis	Hefner	Mollohan
de la Garza	Heftel	Moore
Deckard	Hertel	Moorhead
DeNardis	Hillis	Morrison

Murphy	Rose	Stratton
Murtha	Rosenthal	Studds
Napier	Rostenkowski	Swift
Natcher	Roukema	Synar
Nelligan	Rousselot	Tauzin
Nelson	Roybal	Taylor
Nichols	Rudd	Trible
Nowak	Russo	Udall
O'Brien	Sabo	Vento
Oakar	Savage	Volkmer
Oberstar	Sawyer	Walgren
Obey	Scheuer	Washington
Ottinger	Schneider	Watkins
Panetta	Schroeder	Waxman
Parris	Schulze	Weaver
Patterson	Schumer	Weber (OH)
Pease	Seiberling	Weiss
Pepper	Shamansky	White
Perkins	Shannon	Whitehurst
Peyser	Sharp	Whitley
Pickle	Shaw	Whittaker
Porter	Shelby	Whitten
Price	Shumway	Williams (MT)
Pursell	Siljander	Williams (OH)
Quillen	Simon	Wilson
Rahall	Skeen	Winn
Railsback	Skelton	Wirth
Ratchford	Smith (IA)	Wolf
Regula	Smith (NE)	Wolpe
Reuss	Smith (NJ)	Wortley
Richmond	Smith (PA)	Wyden
Rinaldo	Snowe	Yates
Ritter	Solarz	Yatron
Roberts (KS)	Spence	Young (AK)
Robinson	St Germain	Young (FL)
Rodino	Stanton	Young (MO)
Roe	Stark	Zablocki
Rogers	Stokes	Zeferetti

NAYS—76

Anderson	Goodling	Myers
Archer	Green	Oxley
Badham	Gregg	Patman
Bailey (MO)	Hammerschmidt	Paul
Bennett	Hance	Petri
Bevill	Hansen (ID)	Roberts (SD)
Brooks	Hansen (UT)	Roemer
Broomfield	Hartnett	Roth
Brown (CO)	Hendon	Sensenbrenner
Carney	Hightower	Shuster
Chappell	Hiler	Smith (AL)
Collins (TX)	Holt	Smith (OR)
Conable	Hopkins	Snyder
Coyne, James	Jacobs	Solomon
Craig	Jeffries	Stangeland
Crane, Daniel	Jones (OK)	Staton
Crane, Philip	Latta	Stenholm
Dowdy	Lee	Stump
Edwards (OK)	Lewis	Tauke
Emerson	Lujan	Thomas
English	Marks	Walker
Evans (GA)	Mica	Wampler
Fields	Miller (OH)	Weber (MN)
Fountain	Mitchell (NY)	Wylie
Gephardt	Montgomery	
Gingrich	Mottl	

NOT VOTING—36

Beard	Ford (TN)	McCloskey
Bedell	Forsythe	McDonald
Bolling	Goldwater	Michel
Breaux	Gramm	Neal
Chisholm	Gray	Pashayan
Danielson	Hagedorn	Pritchard
Daschle	Johnston	Rangel
Dellums	Leland	Rhodes
Dornan	Lowery (CA)	Santini
Dougherty	Madigan	Traxler
Duncan	Martin (NY)	Vander Jagt
Ford (MI)	Mattox	Wright

□ 1045

The Clerk announced the following pairs:

On this vote:

Mr. Breaux and Mr. Mattox for, with Mr. McDonald against.

Until further notice:

Mr. Danielson with Mr. Duncan.

Mr. Ford of Michigan with Mr. Vander Jagt.

Mr. Leland with Mr. Rhodes.

Mr. Wright with Mr. Forsythe.

Mr. Dellums with Mr. Martin of New York.

Mr. Ford of Tennessee with Mr. Dougherty.

Mrs. Chisholm with Mr. Hagedorn.

Mr. Gray with Mr. Dornan of California.

Mr. Neal with Mr. McCloskey.

Mr. Traxler with Mr. Goldwater.

Mr. Rangel with Mr. Pritchard.

Mr. Santini with Mr. Michel.

Mr. Bedell with Mr. Madigan.

Mr. Gramm with Mr. Pashayan.

Mr. Beard with Mr. Lowery of California.

Mr. Daschle with Mr. Johnston.

Messrs. LEWIS, FOUNTAIN, and EVANS of Georgia changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 3454, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1982

Mr. BOLAND. Mr. Speaker, I call up the conference report on the bill (H.R. 3454) to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, and for the Central Intelligence Agency retirement and disability system, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 16, 1981.)

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes, and the gentleman from Virginia (Mr. ROBINSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report which the House conferees bring back on the intelligence authorization bill resolves the differences between the two Houses on all those budgetary authorization issues concerning the intelligence and intelligence-related activities of the Government. Agreements on budgetary figures are fully incorporated into the Defense Authorization Act for fiscal year 1982 as well as this bill. The House conferees, from both the Intelligence and Armed Services Committees, worked closely to insure complete congruence between the two bills.

Mr. Speaker, I would like to summarize briefly the organization of the conference report.

Title I provides for the bulk of our intelligence and intelligence-related activities. Funds and program details are in the classified schedule of authorizations and the annex to the report. One exception is the authorization for the counterterrorism program of the FBI which is unclassified. The conference report provides $11.9 million for this function.

Title I also contains a provision insuring that funds may not be spent for any intelligence activity unless it is authorized or unless both the authorizing and appropriations committees have been notified in advance of intent to provide funds by transfer.

Title II provides for the intelligence community staff, whose function is to assist the Director of Central Intelligence with his responsibilities for overall coordination of intelligence and preparation of the budget. An authorization of 220 personnel and of $13.6 million is recommended which is 25 fewer personnel and $1.8 million less than requested. The reduction is in the area of external contracts and in consequence of an ongoing reorganization and consolidation of the staff.

Title III provides authorization of $84.6 million for the Central Intelligence Agency retirement and disability system. This is a program established by Congress in 1964 to provide for those CIA personnel who perform hazardous duties or are in special situations, usually abroad, which may limit the length of their careers.

Title IV authorizes additional intelligence and intelligence-related expenditures in fiscal year 1981. The details of this supplemental authorization are found in the classified schedule of authorizations and in the accompanying classified annex to the committee's report.

Title V contains legislative provisions relating to the CIA. Section 501 authorizes payment of allowances and benefits comparable to those provided the Foreign Service and for special intelligence purposes and provides for special travel costs. Section 502 grants authority for designated personnel to

carry firearms in performing specified duties. Section 503 prohibits misuse of the Agency name, initials, or seal. Section 504 authorizes payments to members of intelligence advisory committees at the daily rate of a GS–18.

Title VI contains legislative provisions related to the National Security Agency. Section 601 provides for comparability of benefits and allowances with the Foreign Service and CIA. Section 602 provides for language training and linguist reserve programs. Section 603 establishes a Senior Cryptologic Executive Service similar to the Senior Executive Service, makes special provision for research grants and procurement and prohibits misuse of the Agency name, initials, and seal.

Title VII provides for a senior executive service and merit pay system for the Defense Intelligence Agency.

Title VIII provides additional conforming personnel authorities applicable to several intelligence agencies regarding veterans preferences, annual leave, early retirement, and increases in employee benefits. It also provides that the conference report's authorization of appropriation does not constitute authority to engage in intelligence activities not otherwise authorized by the Constitution or law.

Mr. Speaker, I wish to note that this conference report represents the combined input on the House side, not only of the Permanent Select Committee on Intelligence and the Committee on Armed Services, but also of the Committee on Post Office and Civil Service and the Committee on the Judiciary. Both of these latter committees had concerns about Senate amendments affecting matters within their jurisdiction. By dint of close consultation and accommodation, the House conferees were able to resolve these concerns and reaffirm the jurisdictional perogatives of these committees. As long as I remain chairman of the Permanent Select Committee on Intelligence, the committee will attempt to work closely with the other committees of the House with which it shares jurisdiction. I believe that such was the clear intent of the House in establishing the Intelligence Committee and it is the only way to achieve sensible and coherent legislative results.

Mr. Speaker, I believe that this conference report is a good one. It provides the administration with almost everything that it asked for. It contains important legislative provisions to reduce inequities in benefits and other matters.

Mr. Speaker, I urge adoption of the conference report on H.R. 3454.

Mr. ROBINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. ROBINSON. Mr. Speaker, I rise in support of the conference report on H.R. 3454.

This bill would authorize appropriations for intelligence activities of the United States and is the result of many months of exhaustive examination of the intelligence needs of our Government.

The chairman has summarized the eight titles of the bill and I will not repeat that summary. I have participated in consideration of every item in the conference report and I fully support it. I believe it is a good conference report and urge its adoption.

The conference recommendation is a compromise which I believe represents a nearly optimum reconciliation of the two authorization bills. Moreover, it provides for real growth in intelligence programs over last year's levels and supports those intelligence programs and activities essential to our national security and foreign policy. I want to emphasize that the programs authorized by the bill are very close to the requests of the President.

Intelligence continues to receive the strong bipartisan support it needs and deserves. I am particularly pleased that this bill provides for acquisition of a new classified technical collection capability which I believe will be of great benefit to our country.

Details of all of these matters are contained in the classified Schedule of Authorization and a classified annex to the joint explanatory statement. These documents are available for review by Members in the committee offices in the Capitol.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I rise in support of the conference report on H.R. 3454, the Intelligence Authorization Act for fiscal year 1982.

The conferees have reached a strong consensus as embodied in the report now before the House. And, it was no small effort to do so. After all, due to the nature of the legislation, the committee members have an increased responsibility in scrutinizing the programs which are being authorized. With almost all matters under consideration being of a classified nature, the extensive meetings which took place during the legislative process on H.R. 3454 must necessarily have been conducted in secret—without the public scrutiny which normally is present, and helpful. With this in mind, I believe that the committee has carried out its responsibilities to the fullest.

Some aspects of H.R. 3454 can be discussed in this open forum, and I would like to draw attention to one for which I was named as a conferee as ranking minority member of the Judiciary Committee:

The Senate amendment contained a provision which would have established new substantive criminal proscriptions in title 18 of the United States Code. The provision would have made it a crime to kill or attempt to kill CIA personnel acting in the line of duty, intelligence defectors, or certain foreign visitors. The conferees, while agreeing that this provision has clear merit, decided to defer action until hearings could be conducted in the House on the provision embodied in a separate piece of legislation. Indeed, the gentleman from Massachusetts (Mr. BOLAND) just last Thursday introduced H.R. 4940 addressing this very matter, and the bill has been referred to the Judiciary Committee. It is my sincere hope, that the gentleman from New Jersey (Mr. RODINO) and the gentleman from California (Mr. EDWARDS) will share my views on this, so that this legislation will be scheduled for early consideration by the Judiciary Committee.

Mr. Speaker, I ask my colleagues to support this very vital piece of legislation.

Mr. ROBINSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Speaker, as a member of the permanent Select Committee on Intelligence and one of the conferees on this bill, I would just like to rise in strong support of the conference report and associate myself with the words of the chairman, the gentleman from Massachusetts (Mr. BOLAND), and the words of our ranking minority member, the gentleman from Virginia (Mr. ROBINSON).

Mrs. SCHROEDER. Mr. Speaker, the conference report on the intelligence authorization bill provides for the establishment of personnel systems comparable to the Senior Executive Service at the Defense Intelligence Agency (DIA) and at the National Security Agency (NSA). For DIA, merit pay is also provided.

Merit pay and the Senior Executive Service were both products of the Civil Service Reform Act of 1978. For the most part, the intelligence agencies of Government were excluded from coverage under the Civil Service Reform Act because they objected to oversight of the Office of Personnel Management. The provisions in this conference report allow these agencies to set up their own independent systems, subject to the same statutory limitations as apply to the rest of the Government, but without the danger of interference from OPM. Two years ago, we did the same thing for the General Accounting Office.

Both merit pay and the Senior Executive Service have faced enormous problems in their short lives. Some of the problems stem from the basic concept, but most are caused by external factors, such as pay caps, limitations on bonuses, and poor implementation

by OPM. I sincerely hope that DIA and NSA can do better with the performance-based personnel systems established by the Civil Service Reform Act.

Mr. BOLAND. Mr. Speaker, I have no further requests for time.

Mr. ROBINSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BOLAND. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WEISS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 379, nays 22, not voting 32, as follows:

[Roll No. 311]

YEAS—379

Addabbo	Clinger	Evans (IN)
Akaka	Coats	Fary
Albosta	Coelho	Fascell
Alexander	Coleman	Fazio
Anderson	Collins (TX)	Fenwick
Andrews	Conable	Ferraro
Annunzio	Conte	Fiedler
Anthony	Corcoran	Fields
Applegate	Coughlin	Findley
Archer	Courter	Fish
Ashbrook	Coyne, James	Fithian
Atkinson	Coyne, William	Flippo
Badham	Craig	Florio
Bafalis	Crane, Daniel	Foglietta
Bailey (MO)	Crane, Philip	Foley
Bailey (PA)	D'Amours	Fountain
Barnard	Daniel, R. W.	Fowler
Barnes	Dannemeyer	Frank
Beilenson	Daschle	Frenzel
Benedict	Daub	Frost
Benjamin	Davis	Fuqua
Bennett	de la Garza	Gaydos
Bereuter	Deckard	Gejdenson
Bethune	DeNardis	Gephardt
Bevill	Derrick	Gibbons
Biaggi	Derwinski	Gilman
Bingham	Dickinson	Gingrich
Blanchard	Dicks	Ginn
Bliley	Dingell	Glickman
Boggs	Dixon	Gonzalez
Boland	Donnelly	Goodling
Boner	Dorgan	Gore
Bonior	Dowdy	Gradison
Bonker	Downey	Gramm
Bouquard	Dreier	Green
Bowen	Dunn	Gregg
Brinkley	Dwyer	Grisham
Brodhead	Dymally	Guarini
Brooks	Dyson	Gunderson
Broomfield	Early	Hall (OH)
Brown (CA)	Eckart	Hall, Ralph
Brown (CO)	Edgar	Hall, Sam
Brown (OH)	Edwards (AL)	Hamilton
Broyhill	Edwards (CA)	Hammerschmidt
Burgener	Edwards (OK)	Hance
Butler	Emerson	Hansen (ID)
Byron	Emery	Hansen (UT)
Campbell	English	Harkin
Carman	Erdahl	Hartnett
Carney	Erlenborn	Hatcher
Chappell	Ertel	Hawkins
Chappie	Evans (DE)	Heckler
Cheney	Evans (GA)	Hefner
Clausen	Evans (IA)	Heftel
Hendon	Mikulski	Shamansky
Hertel	Miller (CA)	Shannon
Hightower	Miller (OH)	Sharp
Hiler	Mineta	Shaw
Hillis	Minish	Shelby
Holland	Mitchell (NY)	Shumway
Hollenbeck	Moakley	Shuster
Holt	Moffett	Siljander
Hopkins	Molinari	Simon
Horton	Mollohan	Skeen
Howard	Montgomery	Skelton
Hoyer	Moore	Smith (AL)
Hubbard	Moorhead	Smith (IA)
Huckaby	Morrison	Smith (NE)
Hughes	Mottl	Smith (NJ)
Hunter	Murphy	Smith (OR)
Hutto	Murtha	Smith (PA)
Hyde	Myers	Snowe
Ireland	Napier	Snyder
Jacobs	Natcher	Solarz
Jeffords	Nelligan	Solomon
Jeffries	Nelson	Spence
Jenkins	Nichols	St Germain
Jones (NC)	Nowak	Stangeland
Jones (OK)	O'Brien	Stanton
Jones (TN)	Oakar	Staton
Kazen	Oberstar	Stenholm
Kemp	Obey	Stratton
Kildee	Ottinger	Studds
Kindness	Oxley	Stump
Kogovsek	Panetta	Swift
Kramer	Parris	Synar
LaFalce	Pashayan	Tauke
Lagomarsino	Patman	Tauzin
Lantos	Patterson	Taylor
Latta	Pease	Thomas
Leach	Pepper	Traxler
Leath	Perkins	Trible
LeBoutillier	Petri	Udall
Lee	Peyser	Vento
Lehman	Pickle	Volkmer
Lent	Porter	Walgren
Levitas	Price	Walker
Lewis	Pursell	Wampler
Livingston	Quillen	Washington
Loeffler	Rahall	Watkins
Long (LA)	Railsback	Waxman
Long (MD)	Ratchford	Weber (MN)
Lott	Regula	Weber (OH)
Lowery (CA)	Reuss	White
Lowry (WA)	Rinaldo	Whitehurst
Lujan	Roberts (KS)	Whitley
Luken	Roberts (SD)	Whittaker
Lundine	Robinson	Whitten
Lungren	Roe	Williams (MT)
Markey	Roemer	Williams (OH)
Marks	Rogers	Wilson
Marlenee	Rose	Winn
Marriott	Rosenthal	Wirth
Martin (IL)	Rostenkowski	Wolf
Martin (NC)	Roth	Wolpe
Matsui	Roukema	Wortley
Mavroules	Rousselot	Wright
McClory	Roybal	Wyden
McCollum	Rudd	Wylie
McCurdy	Russo	Yates
McDade	Sabo	Yatron
McEwen	Sawyer	Young (AK)
McGrath	Schneider	Young (FL)
McHugh	Schroeder	Zablocki
McKinney	Schulze	Zeferetti
Mica	Schumer	
Michel	Sensenbrenner	

NAYS—22

Burton, John	Garcia	Scheuer
Burton, Phillip	Kastenmeier	Seiberling
Clay	Mitchell (MD)	Stark
Collins (IL)	Paul	Stokes
Conyers	Rangel	Weaver
Crockett	Richmond	Weiss
Dellums	Rodino	
Ford (TN)	Savage	

NOT VOTING—32

Aspin	Duncan	Mazzoli
AuCoin	Ford (MI)	McCloskey
Beard	Forsythe	McDonald
Bedell	Goldwater	Neal
Bolling	Gray	Pritchard
Breaux	Hagedorn	Rhodes
Chisholm	Johnston	Ritter
Daniel, Dan	Leland	Santini
Danielson	Madigan	Vander Jagt
Dornan	Martin (NY)	Young (MO)
Dougherty	Mattox	

□ 1100

The Clerk announced the following pairs:

On this vote:

Mr. Young of Missouri for, with Mr. Leland against.

Mr. Dan Daniel for, with Mrs. Chisholm against.

Until further notice:

Mr. AuCoin with Mr. Vander Jagt.

Mr. McDonald with Mr. Rhodes.

Mr. Ford of Michigan with Mr. Dornan of California.

Mr. Santini with Mr. Beard.

Mr. Neal with Mr. Ritter.

Mr. Breaux with Mr. Pritchard.

Mr. Mazzoli with Mr. Dougherty.

Mr. Mattox with Mr. McCloskey.

Mr. Danielson with Mr. Martin of New York.

Mr. Aspin with Mr. Duncan.

Mr. Gray with Mr. Forsythe.

Mr. Bedell with Mr. Goldwater.

Mr. Madigan with Mr. Hagedorn.

Mr. RODINO changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1115

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO SIT THIS AFTERNOON AT 2 O'CLOCK P.M. AND TOMORROW AT 2 O'CLOCK P.M. UNDER 5-MINUTE RULE

Mr. SHARP. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be allowed to sit this afternoon at 2 o'clock and tomorrow afternoon at 2 o'clock if the House should be under the 5-minute rule.

The SPEAKER pro tempore (Mr. FUQUA). Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONFERENCE REPORT ON H.R. 4522, DISTRICT OF COLUMBIA APPROPRIATIONS, 1982

Mr. DIXON. Mr. Speaker, I call up the conference report on the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of November 12, 1981.)

The SPEAKER pro tempore. The gentleman from California (Mr.

DIXON) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. COUGHLIN) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from California (Mr. DIXON).

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we bring to the House the conference agreement on the District of Columbia appropriation bill for fiscal year 1982. This bill was passed by the House on September 22 and by the Senate on October 30. The joint conference committee met last Thursday, November 12, and completed action on the 42 Senate amendments to the bill and filed the conference report that evening.

COMPARISON WITH PRESIDENT'S BUDGET AND BUDGET RESOLUTION

Let me point out at the very beginning that this conference agreement is $13 million below the President's amended budget for fiscal year 1982, and $13 million below the allocations for budget authority and outlays established under section 302 of the Budget Act. The House-passed bill was $50 million under the budget and the section 302 allocations.

FEDERAL FUNDS

The Federal payment agreed upon by the conferees totals $336.6 million, the same as the budget request and the Senate proposal, but $36.6 million in the Federal payment was enacted too late for consideration of the appropriation request by the House, resulting in the conference agreement being above the House level. The House agreed to the additional $36.6 million Federal payment in conference to meet mandatory costs of the District government—$21.1 million for cost-of-living salary increases for District employees, and $15.5 million to fund costs associated with the Retirement Reform Act of 1979.

Aside from the Federal payment, there were no differences in the House and Senate levels in the other categories of Federal funds for the District government. These Federal funds total $557,170,000 and reflect a reduction of $13 million below the budget estimates and, as I mentioned a moment ago, $36.6 million above the House allowance.

DISTRICT FUNDS

Appropriations from District funds total $1.9 billion, the same as the budget request and the Senate allowance, but $36.6 million above the House allowance. This increase above the House allowance covers the cost-of-living salary increase and funding for the retirement system. Of the $1.9 billion total, $1.6 billion is for operating expenses, $212 million is for the city's construction program, and $107 million is for the enterprise funds.

SIZE OF POLICE FORCE

Mr. Speaker, as many of our colleagues will recall the House bill included funding for 3,800 police officers. The Senate provided funding for 3,800. The conferees agreed to accept the House figure of 3,800 uniformed officers and have provided the increased funding to keep the strength of the police force at that level for the balance of fiscal year 1982. The Mayor has made a commitment to hire at least 200 police officers and bring the police force up to 3,800 by February 1, 1982. Language is included in the conference report directing the Mayor to bring the police strength up to 3,800 officers by March 31, 1982, and to maintain the force at that level for the balance of fiscal year 1982.

LOTTERY BOARD

Another important issue in conference was the lottery and Charitable Games Control Board. The conferees were very cautious in their approach to the District's $628,000 request for this Board, which was established as a result of a local initiative approved by the voters of the city. The conferees were sensitive to the need for restrictions in carrying out this program, and language is included in the bill, and will be considered in the motion for amendment No. 11, prohibiting advertising on public transportation, at stations, and at stops. Bill language is also included prohibiting these activities on the Federal enclave and in certain other areas of the city. In addition to requiring the District of Columbia auditor to conduct a comprehensive audit annually, we have also directed the Board to submit an annual report on its activities. I firmly believe that in funding this Board and placing this language in the bill, the Congress is moving in the proper direction in its efforts to balance the rights of local residents granted under the home rule legislation passed by this body in 1973, and at the same time address the concerns which are inherent in the District being the Nation's Capital.

I want to take this opportunity to thank the two members of our subcommittee who are most responsible for having this language placed in the bill; the gentleman from Pennsylvania (Mr. COUGHLIN), and the gentleman from Illinois (Mr. PORTER). Although all of the subcommittee members were very much interested in this program, these two gentlemen made a special effort to insure that this language would be carried in the bill.

HOUSING

For the Department of Housing and Community Development, the conferees have approved $2 million to cover the expenses of issuing $100 million in single-family mortgage revenue bonds to assist in making financing available to low- and moderate-income residents of the District. Proceeds from the sale of these tax-exempt bonds will provide mortgage funding for owner-occupied housing, including single-family dwellings, condominiums, and tenant-sponsored cooperatives. These funds are vital to the city's housing program.

EDUCATION AND HUMAN SUPPORT SERVICES

For the public education system, the conference action provides $378 million, including $253.8 million for the public school system and $784,100 for the Commission on the Arts and Humanities.

In the area of human support services a total of $397.3 million will be available. This includes $286.3 million for the Department of Human Services which provides funding for the District's medicaid program as well as many other programs that benefit local residents.

PAY COSTS

Mr. Speaker, a total of $36.3 million is included to cover increased pay costs for District employees. Let me mention at this point that the pay rates for 80 percent of all District employees will be determined by collective bargaining which is now underway.

GENERAL PROVISIONS

The conferees have also agreed to authorize the Mayor, under amendment No. 42, to set the salary of the city administrator at a rate not to exceed the maximum statutory rate established for level IV of the Federal Executive Schedule under 5 U.S.C. 5315, and language in the bill provides that this salary may be payable to the city administrator during fiscal year 1982. We have also included language authorizing the Mayor to set the per diem rate for board members of the Redevelopment Land Agency consistent with his authority to set these rates for members of other boards and commissions of the District government.

Language is included in the bill establishing the ceiling for full-time employment at 32,950 personnel. This reflects a reduction of 4,936 or 13-percent below the level 2 years ago, and very clearly demonstrates the commitment District officials have made to streamline their operations and improve their financial situation.

At this point in the RECORD, Mr. Speaker, I will insert a tabulation summarizing the conference action.

The table referred to follows:

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1982 (H.R. 4522)—CONFERENCE SUMMARY

Item	New budget (obligational) authority, fiscal year 1981	Budget estimates of new (obligational) authority, fiscal year 1982	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with—			
						Fiscal year 1981	Budget estimates, 1982	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
DISTRICT OF COLUMBIA									
FEDERAL FUNDS									
Federal payment to the District of Columbia	300,000,000	336,600,000	300,000,000	336,600,000	336,600,000	+36,600,000		+36,600,000	
Payment in lieu of reimbursement for water and sewer services to Federal facilities	8,100,000	13,500,000	13,500,000	13,500,000	13,500,000	+5,400,000			
Federal contribution to the police officers and fire fighters', teachers', and judges' retirement funds	52,070,000	52,070,000	52,070,000	52,070,000	52,070,000				
Transitional expenses related to the transfer of local prosecutorial and marshals functions		13,000,000					−13,000,000		
Inaugural expenses	1,330,100					−1,330,100			
Demonstration expenses	3,315,000					−3,315,000			
Loans to the District of Columbia for capital outlay	130,567,600	155,000,000	155,000,000	155,000,000	155,000,000	+24,4320,400			
(Limitation on direct loans)	(200,000,000)	(145,000,000)	(145,000,000)	(145,000,000)	(145,000,000)	(−55,000,000)			
Total, Federal funds to District of Columbia	495,382,700	570,170,000	520,570,000	557,170,000	557,170,000	+61,787,300	−13,000,000	+36,600,000	
DISTRICT OF COLUMBIA FUNDS									
Operating Expenses									
Governmental direction and support	(81,063,400)	(86,747,400)	(84,742,900)	(86,747,400)	(85,234,300)	(+4,170,900)	(−1,513,100)	(+491,400)	(−1,513,100)
Economic development and regulation	(29,071,300)	(29,120,900)	(28,096,100)	(29,120,900)	(29,069,100)	(+24,800)	(−24,800)	(+1,000,000)	(−24,800)
Lottery and charitable games enterprise fund		(628,000)		(628,000)	(628,000)	(628,000)		(+628,000)	
Public safety and justice	(356,099,600)	(362,130,000)	(363,811,900)	(365,258,900)	(366,396,200)	(+10,296,600)	(+4,266,200)	(+2,584,300)	(+1,137,300)
Public education system	(396,619,200)	(378,301,700)	(365,732,100)	(378,301,700)	(377,921,300)	(−18,697,900)	(−380,400)	(+12,189,200)	(−380,400)
Human support services	(402,496,100)	(398,010,100)	(394,259,300)	(398,010,100)	(397,313,100)	(−5,183,000)	(−697,000)	(+3,053,800)	(−697,000)
Transportation services and assistance	(144,887,400)	(123,681,600)	(123,681,600)	(123,681,600)	(123,681,600)	(−21,205,800)			
Environmental services and supply	(43,004,400)	(31,287,300)	(31,287,300)	(31,287,300)	(31,287,300)	(−11,717,100)			
Personal services		(37,930,000)	(19,625,800)	(34,801,100)	(36,279,100)	(+36,279,100)	(−1,650,900)	(+16,653,300)	(+1,478,000)
Repayment of loans and interest		(126,060,600)	(126,060,600)	(126,060,600)	(126,060,600)	(+126,060,600)			
Inaugural expenses	(1,330,100)					(−1,330,100)			
Demonstration expenses	(3,315,000)					(−3,315,000)			
Repayment of general fund deficit		(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(+10,000,000)			
Contingent services fund		(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)	(+2,400,000)			
Total, operating expenses	(1,457,886,500)	(1,586,297,600)	(1,549,697,600)	(1,586,297,600)	(1,586,297,600)	(+128,411,100)		(+36,600,000)	
Capital Outlay									
Capital outlay	(221,604,400)	(211,521,100)	(211,521,100)	(211,521,100)	(211,521,100)	(−10,083,300)			
Enterprise Funds									
Water and sewer enterprise fund	(85,208,000)	(106,208,200)	(106,208,200)	(106,208,200)	(106,208,200)	(+21,000,200)			
Washinghton Convention Center enterprise fund	(382,600)	(1,231,300)	(1,231,300)	(1,231,300)	(1,231,300)	(+848,700)			
Total, enterprise funds	(85,590,600)	(107,439,500)	(107,439,500)	(107,439,500)	(107,439,500)				
Total, District of Columbia funds	(1,765,081,500)	(1,905,258,200)	(1,868,658,200)	(1,905,258,200)	(1,905,258,200)	(140,176,700)		(+36,600,000)	
RECAPITULATION									
Grand total, new budget (obligational) authority	495,382,700	570,170,000	520,570,000	557,170,000	557,170,000	+61,787,300	−13,000,000	+36,000,000	
Consisting of:									
Federal funds to the District of Columbia	495,382,700	570,170,000	520,570,000	557,170,000	557,170,000	+61,787,300	−13,000,000	+36,600,000	
(Limitation on direct loans)	(200,000,000)	(145,000,000)	(145,000,000)	(145,000,000)	(145,000,000)	(−55,000,000)			
District of Columbia funds	(1,765,081,500)	(1,905,258,200)	(1,868,658,200)	(1,905,258,200)	(1,905,258,200)	(+140,176,700)		(+36,600,000)	
Total mandatory and discretionary	495,382,700	570,170,000	520,570,000	557,170,000	557,170,000	+61,787,300	−13,000,000	+36,600,000	
Mandatory									
Discretionary	(495,382,700)	(570,170,000)	(520,570,000)	(557,170,000)	(557,170,000)	(+61,787,300)	(−13,000,000)	(+36,600,000)	

Mr. Speaker, this is a good conference report. There was give and take by both sides—by the House conferees and by the Senate conferees—and the conference agreement we bring to the House today is one that we believe should meet the many demands placed on the District of Columbia government by its residents and by others.

Mr. Speaker, I reserve the balance of my time.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DIXON. Yes; I will be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I have a question on the pay cap issue for the city administrator.

As I understand it, the effect of what is in the technical amendment in disagreement is that we would lift the pay cap for the city administrator and this would enable the Mayor to raise his salary from the current $52,750 to $64,300 and that this would be the only one of 49,000 employees to be exempted and that his salary would, therefore, exceed that of Members of Congress and it would be my understanding that that would also exceed the level that we are paying top administrators throughout the Federal Government.

Mr. DIXON. Mr. Speaker, the gentleman from Pennsylvania (Mr. WALKER) is absolutely correct, but there is a good rationale for our action. There are several chief administrative officers of municipalities in the immediate jurisdiction whose pay exceeds that of Members of Congress as well as the top pay of senior Federal employees.

The issue is whether a good city administrator can be attracted and retained in this community at the low level of compensation established for the position when compared to the salary other top city administrators are getting around this country.

I do not think it is any secret that in order to attract competent and capable people in the city of Washington, D.C., or in any other city, you have to pay a competitive salary. If you look at the salary for chief administrative officers in adjacent communities you will find that the average is around $65,000. In fact in two of those jurisdictions the salary is $70,000 and in a third one the pay is $68,750. It is no secret that this city administrator, and let me say that I believe he is a very competent city administrator, has had three other job offers.

It seems to me that in order to have a good city administrator here in the Nation's Capital and to maintain the high level of efficiency expected by this body and by others, the District government must be competitive as far as salary is concerned.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. DIXON. Yes; I will be happy to yield to the gentleman.

Mr. WALKER. I thank the gentleman for yielding.

The problem that I have with this is that just the other day we approved a continuing resolution in this House that contained a pay cap in it for members of the Federal bureaucracy, some of them highly talented, some of them who received job offers that far exceed what they can get in the Federal Government; but we have made a specific determination in this Congress that for a variety of reasons we are going to maintain that kind of a pay cap in the Federal Government and suffer whatever consequences may flow from keeping people at salary levels somewhere under $60,000 a year.

It seems to me that we refute what we have done in that continuing resolution over the last couple years if we, indeed, in this appropriations bill lift that pay cap for this particular employee.

I highly question whether or not that is an appropriate action to be taking when we are sending precisely opposite signals to other highly talented people within the Federal Government.

Mr. DIXON. I think the gentleman from Pennsylvania makes my point exactly.

First of all, I have some real serious questions as to whether the Congress should continue to keep District employees under the pay cap, especially since the city now has its own merit personnel system. At the time District employees were placed under the pay cap back in fiscal year 1977, they were part of the Federal personnel system according to the definition of a Federal employee carried in title V of the United States Code. At the present time they are not included in that definition. And yes, it is true that a lot of people are leaving the Federal Government for higher paying jobs outside; but the point is that if we, in fact, are to maintain a high level of efficiency in the District government, we have to pay a wage comparable to that of other jurisdictions.

And while the gentleman is absolutely correct when he says that many people are contemplating leaving the Federal Government, the District of Columbia government does not happen to be the Federal Government. I believe we should provide as much assistance as necessary to the District government to insure that it will have competent administration, and in order to do that, we have to pay a wage that is fair and competitive.

□ 1130

Mr. WALKER. If the gentleman will yield further, my point, though, is that Congress ends up sending very mixed signals out of this. Within the same week, we are going to send two different signals.

Now, the gentleman may be perfectly right that the District of Columbia government should have the ability to make these decisions without coming to Congress for them. I think we could have a discussion of that particular proposal. However, the fact is that they do now have to come to Congress for it, and Congress in this instance is going to say that we are going to be willing to violate the pay cap in order to pay this one employee a level even higher than Members of Congress.

I just suggest that that is not something that we want to do within the same week in which we have put a pay cap on all the rest of the Federal employees and decided that that was a proper and appropriate action to take.

Mr. DIXON. Let me say that I understand how the pay of Members of Congress may tend to excite some people here, but I suggest to you that the salary we pay the chief administrative officer of the District of Columbia has nothing to do with the salaries of Members of Congress. That is an independent issue entirely. As I indicated earlier, I think there are serious reservations as to whether the District, which now has its own merit personnel system, should be included in the pay cap. But certainly as it relates to our demand that the city be run properly, we have to be able to attract somebody who is capable, and the somebody who can do that in this particular case now has three other job offers. I think that when you look at all the other people in this area who receive a higher salary than Members of Congress, that argument is not logical.

Mr. WALKER. I thank the gentleman for yielding.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this may be the only appropriations bill that the President will sign; it is at the September budget request level.

The conference report approves a $1.9 billion budget for the District of Columbia. Included in that amount is a $336 million Federal payment. This is the full authorized amount and the highest amount ever provided.

The House originally approved a Federal payment of $300 million. This was the full authorized amount when the committee marked up. A subsequent $36 million increase in authorization was included by the other body and agreed to by House conferees.

Although the District enjoys limited home rule, article I, section 8 of the U.S. Constitution still provides Congress some control over such District as may become the seat of the Government of the United States. Subcommittee Chairmen JULIAN DIXON and ALFONSE D'AMATO have done an excellent job of balancing competing interests and producing a conference report all may support.

I note that the conference report directs the hiring of enough uniformed police officers to bring the force up to the level of 3,880 by March 31, 1982. This will not be done by lottery.

Contained in the conference report are funds for a lottery and charitable games control board. This will allow gambling to go forward in D.C. The conferees have, however, placed restrictions on where gambling may take place and where it may be advertised. This answers my principal objection that the Federal City not be degraded with offensive lottery signs.

The conference report contains the full budget request for contributions to police and fire and teachers retirement funds.

Approval is given to changing the submission date for the District of Columbia budget from February 1, 1982, to April 15, 1982. This is a one-time experiment to see if the Mayor/City Council/Congress budget cycle may be improved with more accurate data.

Mr. Speaker, I urge adoption of the conference report.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Can the gentleman tell us what the $36 million added by the Senate is? Is it a specific item or is it a variety of items?

Mr. COUGHLIN. It is a variety of items that were included by the House authorizing committee subsequent to the passage of the bill by the House in March.

Mr. FRENZEL. And did the House accept the total amount of the Senate bill?

Mr. COUGHLIN. The House accepted the total amount of the Senate bill, which was the amount authorized and the amount requested by the administration.

Mr. FRENZEL. I thank the gentleman.

Mr. DIXON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. PORTER).

Mr. PORTER. Mr. Speaker, I rise in support of the conference report on appropriations for the District of Columbia.

One matter of particular interest in the report is funding for the District's Lottery and Charitable Games Control Board. The conferees agreed on full funding of $628,000 for this activitity for fiscal year 1982, accepting the Senate's position and relinquishing that of the House which had provided no funds for the Board.

Agreement was predicated upon protection of the Federal enclave, adjacent public buildings, and District historic areas—places visited by millions of Americans and hundred of thousands of foreign visitors each year—from the selling or advertising of D.C. lottery or number games tickets. Conferees agreed that as a matter of home rule the District might pursue these methods of raising revenue if they deemed it wise policy to do so, but that there existed a Federal interest deserving protection from such activities.

I, personally, Mr. Speaker, continue to feel that this is a unworthy activity for Government to sponsor, an invitation to fraud and organized crime infiltration, and a regressive tax on those least able to afford it. Nevertheless, I agree that these policy questions are ones for the District's elected representatives and not for the Congress, provided they do not impinge on the federal interest.

Language has been included in the Report to insure this, and I and the committee will carefully monitor the District's observance of it.

Also addressed by Report language is the long-overdue comprehensive plan for the District and, again, the committee will carefully monitor progress in this important area.

Finally, the report, as agreed to, fully approves the substance of the District's budget and fully funds the Federal payment. As such, it provides the District administration with a firm foundation from which to address its serious financial problems that I have detailed to the House on numerous occasions. We will watch progress in this area carefully as well. The Federal interest in sound and well-managed District finances is an obvious and abiding one.

Mr. Speaker, I commend the fine work of my chairman, the gentleman from California, and my ranking member, the gentleman from Pennsylvania, the other members of the committee, and the staff.

Mr. COUGHLIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIXON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 228, nays 174, not voting 31, as follows:

[Roll No. 312]

YEAS—228

Addabbo	Garcia	Oakar
Akaka	Gaydos	Oberstar
Alexander	Gejdenson	Ottinger
Anderson	Gephardt	Panetta
Annunzio	Gingrich	Parris
Anthony	Gonzalez	Patterson
Aspin	Gore	Pease
Atkinson	Gradison	Pepper
Bailey (PA)	Gray	Perkins
Barnes	Guarini	Peyser
Beilenson	Gunderson	Pickle
Benjamin	Hamilton	Porter
Bevill	Harkin	Price
Biaggi	Hartnett	Pursell
Bingham	Hatcher	Rahall
Blanchard	Hefner	Railsback
Bliley	Heftel	Rangel
Boggs	Hertel	Ratchford
Boland	Holland	Regula
Bonior	Hollenbeck	Reuss
Bonker	Hopkins	Rodino
Brinkley	Horton	Roe
Brodhead	Howard	Rose
Brooks	Hoyer	Rosenthal
Brown (CA)	Hubbard	Rostenkowski
Burgener	Hutto	Roybal
Burton, John	Hyde	Sabo
Burton, Phillip	Jacobs	Savage
Carman	Jeffords	Scheuer
Carney	Jones (NC)	Schneider
Clay	Jones (OK)	Schumer
Clinger	Kastenmeier	Seiberling
Coelho	Kildee	Shamansky
Collins (IL)	Kindness	Shannon
Conte	Kogovsek	Sharp
Conyers	LaFalce	Simon
Coughlin	Lantos	Skeen
Coyne, James	LeBoutillier	Smith (IA)
Coyne, William	Lee	Smith (PA)
Crockett	Lehman	Snowe
D'Amours	Lent	Solarz
Danielson	Levitas	St Germain
Daschle	Long (LA)	Stanton
Davis	Long (MD)	Stark
de la Garza	Lowry (WA)	Stokes
Dellums	Lundine	Stratton
DeNardis	Markey	Studds
Derrick	Marks	Swift
Dingell	Marriott	Synar
Dixon	Martin (IL)	Thomas
Donnelly	Matsui	Traxler
Dorgan	Mavroules	Trible
Downey	McClory	Udall
Dunn	McDade	Vander Jagt
Dwyer	McGrath	Vento
Dymally	McHugh	Walgren
Eckart	McKinney	Washington
Edgar	Mica	Waxman
Edwards (AL)	Michel	Weber (OH)
Edwards (CA)	Mikulski	Weiss
Erdahl	Miller (CA)	White
Erlenborn	Mineta	Williams (MT)
Evans (DE)	Minish	Williams (OH)
Evans (GA)	Mitchell (MD)	Wilson
Evans (IN)	Mitchell (NY)	Wirth
Fary	Moakley	Wolf
Fascell	Moffett	Wolpe
Fazio	Molinari	Wortley
Ferraro	Mollohan	Wright
Fithian	Murphy	Wyden
Florio	Murtha	Wylie
Foglietta	Myers	Yates
Ford (TN)	Natcher	Yatron
Frank	Neal	Young (MO)
Frost	Nowak	Zablocki
Fuqua	O'Brien	Zeferetti

NAYS—174

Albosta	Benedict	Broyhill
Andrews	Bennett	Butler
Applegate	Bereuter	Byron
Archer	Bethune	Campbell
Ashbrook	Boner	Chappell
AuCoin	Bouquard	Chappie
Badham	Bowen	Cheney
Bafalis	Broomfield	Clausen
Bailey (MO)	Brown (CO)	Coats
Barnard	Brown (OH)	Coleman
Collins (TX)	Heckler	Petri
Conable	Hendon	Quillen
Corcoran	Hightower	Rinaldo
Courter	Hiler	Roberts (KS)
Craig	Hillis	Roberts (SD)
Crane, Daniel	Holt	Robinson
Crane, Philip	Huckaby	Roemer
Daniel, Dan	Hughes	Rogers
Daniel, R. W.	Hunter	Roth
Dannemeyer	Ireland	Roukema
Daub	Jeffries	Rousselot
Derwinski	Jenkins	Rudd
Dickinson	Jones (TN)	Russo
Dicks	Kazen	Santini
Dowdy	Kemp	Sawyer
Dreier	Kramer	Schroeder
Dyson	Lagomarsino	Schulze
Early	Latta	Sensenbrenner
Edwards (OK)	Leach	Shaw
Emerson	Leath	Shumway
Emery	Lewis	Shuster
English	Livingston	Siljander
Ertel	Loeffler	Skelton
Evans (IA)	Lott	Smith (AL)
Fenwick	Lowery (CA)	Smith (NE)
Fiedler	Lujan	Smith (NJ)
Fields	Luken	Smith (OR)
Findley	Lungren	Snyder
Fish	Marlenee	Solomon
Flippo	Martin (NC)	Spence
Fountain	McCollum	Stangeland
Fowler	McCurdy	Staton
Frenzel	McEwen	Stenholm
Gibbons	Miller (OH)	Stump
Gilman	Montgomery	Tauke
Ginn	Moore	Tauzin
Glickman	Moorhead	Taylor
Goodling	Morrison	Volkmer
Gramm	Mottl	Walker
Gregg	Napier	Watkins
Grisham	Nelligan	Weber (MN)
Hall (OH)	Nelson	Whitehurst
Hall, Ralph	Nichols	Whitley
Hall, Sam	Obey	Whittaker
Hammerschmidt	Oxley	Whitten
Hance	Pashayan	Winn
Hansen (ID)	Patman	Young (AK)
Hansen (UT)	Paul	Young (FL)

NOT VOTING—31

Beard	Forsythe	McCloskey
Bedell	Goldwater	McDonald
Bolling	Green	Pritchard
Breaux	Hagedorn	Rhodes
Chisholm	Hawkins	Richmond
Deckard	Johnston	Ritter
Dornan	Leland	Shelby
Dougherty	Madigan	Wampler
Duncan	Martin (NY)	Weaver
Foley	Mattox	
Ford (MI)	Mazzoli	

□ 1145

The Clerk announced the following pairs:

On this vote:

Mr. Richmond for, with Mr. McDonald against.

Mr. Hawkins for, with Mr. Breaux against.

Mrs. Chisholm for, with Mr. Dornan of California against.

Mr. Leland for, with Mr. Forsythe against.

Mr. Green for, with Mr. Wampler against.

Mr. Pritchard for, with Mr. Duncan against.

Until further notice:

Mr. Ford of Michigan with Mr. Dougherty.

Mr. Shelby with Mr. Ritter.

Mr. Weaver with Mr. Rhodes.

Mr. Foley with Mr. Madigan.

Mr. Mattox with Mr. Johnston.

Mr. Bedell with Mr. Martin of New York.

Mr. Mazzoli with Mr. McCloskey.

Mr. Deckard with Mr. Goldwater.

Mr. Beard with Mr. Hagedorn.

Mr. WHITLEY, Mr. ROTH, Mrs. ROUKEMA, Mr. MOORE and Mr.

BROWN of Ohio changed their votes from "yea" to "nay."

Mr. GINGRICH and Mr. GONZALEZ changed their votes from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

Mr. DIXON. Mr. Speaker, the House conferees plan to recede and concur in Senate amendments numbered 4, 5, 30, and 41. I know of no controversy over these amendments.

Mr. Speaker, I ask unanimous consent that Senate amendments 4, 5, 30, and 41 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The Clerk will designate the amendments in disagreement.

Senate amendment No. 4 reads as follows:

Senate amendment No. 4: Page 3, line 11, strike out "Columbia" and insert "Columbia, and $2,500 for the City Administrator".

Senate amendment No. 5 reads as follows:

Senate amendment No. 5: Page 4, line 2, after "That" insert "notwithstanding any other provision of law,".

Senate amendment No. 30 reads as follows:

Senate amendment No. 30: Page 19, line 5, strike out "February 1" and insert "April 15".

Senate amendment No. 41 reads as follows:

Senate amendment No. 41: Page 21, line 9, strike out "Virginia." and insert "Virginia, until the appropriate State agency has issued the required permits.".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 30 and 41 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 7: Page 4, line 6, strike out "$1,035,600" and insert "not to exceed $674,300".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "not to exceed $1,035,600".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 11: Page 5, line 11, after "payments" insert ": *Provided further*, That the District of Columbia will establish a special fund to assure that any moneys available to the Lottery and Charitable Games Control Board shall be derived from District of Columbia revenues".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further*, That the District of Columbia will establish a special fund to assure that any moneys available to the Lottery and Charitable Games Control Board shall be derived from non-Federal District of Columbia revenues.

"LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

"For establishment of the Lottery and Charitable Games Enterprise Fund for the purpose of implementing D.C. Law 3-172 and for the budgeting and accounting of all revenues and expenses of the Lottery and Charitable Games Control Board, $628,000, to be derived from non-Federal District of Columbia revenues: *Provided*, That the District of Columbia will identify the source of funding for this appropriation from its own locally generated revenues when the Enterprise Fund is established and that no revenues from Federal sources shall be used to support the operations of the Lottery and Charitable Games Control Board: *Provided further*, That the level of administrative expenses to be incurred by the Board shall be appropriated in the District's General Fund budget as a transfer from locally generated revenues; administrative expenses being defined as all anticipated expenses of the Board for the coming fiscal year excluding moneys necessary for the payment of prizes to the winners of the games specified in D.C. Law 3-172: *Provided further*, That the Board shall have the authority to expend, from revenues generated by its operations, funds necessary for the payments of prizes: *Provided further*, That the annual expenses for prizes and administration of the Board shall not exceed resources available to the Board from appropriated authority or revenues generated by the operations of the Board: *Provided further*, That all revenues received by the Board in excess of the funds used by the Board for prize money in a given month shall be transferred to the General Fund from the Lottery and Charitable Games Enterprise Fund through a general operating transfer, promptly after the first of the month for the preceding month: *Provided further*, That the Board may establish a reserve not to exceed 2 percent of projected annual prize payments to provide for prizes awarded in any month which may exceed the revenue generated during that month: *Provided further*, That the Mayor may approve a change in the reserve limit, as necessary, upon the request of the Board: *Provided further*, That the financial operations of the Board with respect to the amount appropriated for administrative expenses shall be in accordance with all laws, regulations and policies of the District of Columbia government regarding appropriated funds: *Provided further*, That for the fiscal year ending September 30, 1982 and for each fiscal year thereafter, the District of Columbia Auditor shall conduct a comprehensive audit on the financial status of the Fund, including but not limited to all appropriations, revenues and transfers to the Fund, and provide such report to the Mayor, Chairman of the District of Columbia Council, and to the Subcommittees on District of Columbia Appropriations of the House of Representatives and the Senate: *Provided further*, That in addition to current restrictions, advertising on public transportation and at stations and stops is prohibited: *Provided further*, That the advertising, sale, operation, or playing of the lotteries, raffles, bingos, or other games authorized by D.C. Law 3-172 is prohibited on the Federal enclave, and in adjacent public buildings and land controlled by the Shipstead-Luce Act as amended by 53 Stat. 1144, as well as in the Old Georgetown Historic District: *Provided further*, That the Board shall make an annual report to the Subcommittees on District of Columbia Appropriations of the House of Representatives and the Senate at the end of each year detailing the receipts and disbursements of the Board and summarizing measures of regulation and enforcement enacted as well as other information and recommendations deemed of value or which may be requested".

Mr. DIXON (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 12: Page 5, line 17, strike out "$363,811,900" and insert "$365,258,900".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$366,396,200".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 22: Page 10, line 7, strike out "$19,625,800" and insert "$34,801,100".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$36,279,100".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 42: Page 21, after line 9, insert:

SEC. 123. Notwithstanding section 422(7) (D.C. Code, sec. 1-67(7)) and (D.C. Code, sec. 5-703(a)) the City Administrator and the board members of the Redevelopment Land Agency shall be paid at a rate established by the Mayor.

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 123A. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Govermental Reorganization Act (D.C. Code 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1981 shall be deemed to be the rate of pay payable for that position for September 30, 1981.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945 (D.C. Code 5-803(a)), the board members of the Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

□ 1200

PREFERENTIAL MOTION OFFERED BY MR. WALKER

Mr. WALKER. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. WALKER moves that the House recede from its disagreement with the Senate on Senate amendment numbered 42 and concur therein.

Mr. DIXON. Mr. Speaker, I demand a division of the question.

The SPEAKER pro tempore. The question will be divided.

The gentleman from California (Mr. DIXON) is recognized for 30 minutes.

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this issue relates to a provision that would allow the Mayor of the District of Columbia to establish the rate of pay for the city administrator who is the chief administrative officer of the city, at a rate not to exceed level IV of the Federal Executive Service salary scale.

The reason we have included this provision in the bill is that in order to maintain a quality city administrator here in the District, the District has to be competitive in setting the salary for that person. I would point out that the average salary in surrounding jurisdictions exceeds $65,000, and at a time when we need highly skilled and qualified people here in the District, to arbitrarily establish a ceiling approximately $50,000 will not allow the District government to retain a person who can provide the high level of competency that is required for the job.

It is no secret, as I indicated before, that the person involved, the current city administrator, has received three higher salary offers to be a city administrator in other parts of the country.

And while we do have a cap on Federal employees, I would point out that the city administrator of the District of Columbia is not a Federal employee, and the salary range we are authorizing and which the mayor cannot exceed when he sets the city administrator's salary level, is not out of line with the average salary that city administrators around this country are receiving.

Mr. Speaker, I ask for an aye vote on the motion to recede, and if the motion carries, I will then offer a preferential motion to concur with an amendment as set forth in the joint explanatory statement of the committee of conference.

The SPEAKER pro tempore. The gentleman from Pennsylvania (Mr. COUGHLIN) is recognized for 30 minutes.

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

The reason why I have put forth this motion speaks to an issue that I raised during the general debate on the bill, and that issue is the pay cap for the city administrator that would be lifted if we proceeded to adopt this amendment in disagreement.

My problem is that this House has decided on several occasions in recent months to maintain a pay cap on Federal employees. We have made that decision despite the fact that we know there are consequences to be incurred when we cap pay in that manner, and that in some cases we do end up losing talented people who go elsewhere to find higher pay.

However, in this particular case it seems to me that even though that argument can be made about someone who evidently is a talented gentleman in the District of Columbia government, we have to look at the precedents that we have been setting in this House, the precedents are that we are willing to take the consequences of our action to maintain pay caps in order to send a signal to the American people that we are not going to increase salary levels over the next several months as we ask the rest of the American society to make sacrifices.

So, therefore, what we would be doing, if we would allow this amendment to go into place, is that we would be reversing the kinds of things we have previously been saying on other appropriation bills. I think that would be the wrong signal to send. I do not think the merits of the case are as important as what we will be viewed as doing in this House if we vote to lift the pay cap in this one individual instance.

Mr. Speaker, I would hope that the House would agree with me that we should maintain the pay cap and thereby assure that the House position as expressed over the last several months would be maintained.

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. MCKINNEY. Mr. Speaker, I guess we now move into what is known as the MCKINNEY once-more-into-the-breach speech about the District of Columbia.

I agree with my good friend, the gentleman from Pennsylvania (Mr. WALKER), that this House, either with knowledge and political courage or with no knowledge and a lack of political courage, decided to make the decision to lose most of the upper mid-level Federal employees in this Government, the cost of which, with retraining and with the foulups as we go on to losing these senior executives, is going to be monstrous. That is a decision we made because we run the country, wisely or not.

Most of the Members in this room that in the past 11 years have come to me about the District of Columbia, particularly since home rule, have asked, "Stewart, what is wrong with it?" I have tried to suggest to them that we gave a local government with no experience, a local government whose politicians had come up from the streets, a governmental system that had been so botched by the Congress of the United States over 114 years that it is going to take time to straighten out, just as it took time for Ed Koch to straighten out the problems of New York.

Mr. Speaker, for the first time—and it never happened when we ran the city—the city claims to have a surplus in its operating budget. It is not our city any longer, and the Mayor cannot run the city without qualified help.

I am not even going to talk about the individual involved; what I am going to talk about is the issue. Do we or do we not want to let the Mayor keep in the city the kind of persons that can overcome the impact of hundreds of years of budget deficits which

we in Congress covered over by simply appropriating more money when we ran this city?

Do we want to take the team and break it up? The gentleman involved has interviewed for two other jobs. Do we want to make the District of Columbia start all over again with inexperienced personnel working with one of the most complicated governmental systems in the country, one which we designed? Is that what we really want to do?

Do we have to, in ignorance and in every other way, continually wander into the District of Columbia's governmental affairs and say, "We are going to get you here; we are going to get you there; we are going to get you again and again and again"?

Would it not be nice if somebody in this body turned around and congratulated the District of Columbia for the progress achieved toward balancing its budget? I have been looking at some other budgets, those in Detroit, Atlanta, and others. Would it not be a good idea if we just let the city try to get itself straightened out? Would it not be a better idea if we got out of the city's hair?

I should add that 155 Members of this body were asked by the City Council to go to the Marine barracks last night to meet the people who run the District of Columbia. There was no charge. It was a beautiful Federal building. Those 155 people live within the 6th and 8th wards of the District of Columbia. To my knowledge, very few Members of this body went; yet the entire District government took the time to do that for us. And now today we are going to walk in and say, "Sorry, fellows, we are going to tell you how to run your government." Yet we do not have the courtesy nor the time to even meet with them. The gentleman under discussion, the city administrator, was right there in the receiving line.

Mr. Speaker, I yield back the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is with some reluctance that I rise in opposition to the motion offered by my friend and colleague, the gentleman from Pennsylvania (Mr. WALKER).

I think there are at least three things that are very important here. The first is that this is not a Federal employee we are talking about; he is an employee of the District of Columbia government and not of the U.S. Government.

The second is that in many cities in the country the city managers, who are called upon to do the very difficult job of administering a large city, are paid salaries considerably in excess of the salary paid to the manager for the District of Columbia.

Finally, as the distinguished ranking minority member of the authorizing committee has just pointed out, it is absolutely vital, if we are going to have a city that is run properly in our Nation's Capital, that we have the ability to hire and retain the kind of people who can make a success of operating this city. As has also been pointed out, the current manager has two other job offers. The chances are very good that if this motion is approved, we will lose the services of someone whom the city needs at this time.

Mr. Speaker, I yield back the balance of my time.

Mr. DIXON. Mr. Speaker, I urge an aye vote of the motion to recede, and I yield back the balance of my time.

Mr. Speaker, I move the previous question on the motion to recede.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is, will the House recede from its disagreement to Senate amendment No. 42?

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DIXON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 186, nays 210, answered "present" 1, not voting 36, as follows:

[Roll No. 313]

YEAS—186

Addabbo	Coyne, James	Gejdenson
Akaka	Coyne, William	Gilman
Alexander	Crockett	Gingrich
Anderson	Daschle	Gonzalez
Andrews	Dellums	Gradison
Annunzio	DeNardis	Gray
Aspin	Derwinski	Green
AuCoin	Dickinson	Gregg
Barnes	Dixon	Guarini
Beilenson	Donnelly	Gunderson
Benjamin	Dorgan	Hall (OH)
Bereuter	Downey	Hance
Bingham	Dunn	Harkin
Blanchard	Dwyer	Hawkins
Bliley	Dymally	Heckler
Boggs	Early	Heftel
Boland	Edgar	Hertel
Bonior	Edwards (CA)	Hillis
Brinkley	Evans (GA)	Holland
Brodhead	Evans (IA)	Hollenbeck
Brown (CA)	Evans (IN)	Holt
Burgener	Fary	Horton
Burton, John	Fascell	Howard
Burton, Phillip	Fazio	Hoyer
Butler	Ferraro	Hyde
Carney	Fish	Jeffords
Clay	Florio	Kastenmeier
Clinger	Foglietta	Kemp
Coelho	Ford (TN)	Kildee
Collins (IL)	Frank	Kogovsek
Conable	Frenzel	LaFalce
Conte	Fuqua	Leach
Conyers	Garcia	Lehman
Coughlin	Gaydos	Lent
Levitas	Natcher	Scheuer
Lewis	Nowak	Schumer
Long (MD)	O'Brien	Shannon
Lowery (CA)	Oakar	Simon
Lowry (WA)	Ottinger	Smith (PA)
Luken	Parris	Solarz
Lundine	Pashayan	Stanton
Markey	Patman	Stark
Marks	Patterson	Stokes
Martin (IL)	Pease	Studds
Martin (NC)	Pepper	Swift
Matsui	Perkins	Tauke
Mavroules	Peyser	Trible
McCIory	Porter	Vento
McDade	Price	Washington
McGrath	Pursell	Weber (OH)
McHugh	Railsback	Weiss
McKinney	Rangel	White
Miller (CA)	Ratchford	Whitehurst
Mineta	Reuss	Whittaker
Mitchell (MD)	Richmond	Wilson
Mitchell (NY)	Rodino	Wirth
Moakley	Rose	Wolf
Moffett	Rosenthal	Wolpe
Molinari	Rostenkowski	Wortley
Murphy	Roybal	Wyden
Murtha	Sabo	Yates
Myers	Savage	Zablocki

NAYS—210

Albosta	Flippo	Moorhead
Anthony	Foley	Morrison
Applegate	Fountain	Mottl
Archer	Fowler	Napier
Ashbrook	Frost	Neal
Atkinson	Gephardt	Nelligan
Badham	Gibbons	Nelson
Bafalis	Ginn	Nichols
Bailey (MO)	Glickman	Oberstar
Barnard	Goodling	Oxley
Beard	Gore	Panetta
Benedict	Gramm	Paul
Bennett	Grisham	Petri
Bethune	Hall, Ralph	Pickle
Bevill	Hall, Sam	Quillen
Biaggi	Hamilton	Rahall
Boner	Hammerschmidt	Regula
Bonker	Hansen (ID)	Rinaldo
Bouquard	Hansen (UT)	Ritter
Bowen	Hartnett	Roberts (KS)
Brooks	Hatcher	Roberts (SD)
Broomfield	Hefner	Robinson
Brown (CO)	Hendon	Roemer
Brown (OH)	Hightower	Rogers
Broyhill	Hiler	Roth
Byron	Hopkins	Roukema
Campbell	Hubbard	Rousselot
Carman	Huckaby	Rudd
Chappell	Hughes	Russo
Chappie	Hunter	Sawyer
Cheney	Hutto	Schneider
Clausen	Ireland	Schroeder
Coats	Jacobs	Schulze
Coleman	Jeffries	Sensenbrenner
Collins (TX)	Jenkins	Shamansky
Corcoran	Jones (OK)	Sharp
Courter	Jones (TN)	Shaw
Craig	Kazen	Shelby
Crane, Daniel	Kindness	Shumway
Crane, Philip	Kramer	Shuster
D'Amours	Lagomarsino	Siljander
Daniel, Dan	Lantos	Skeen
Daniel, R. W.	Latta	Skelton
Dannemeyer	Leath	Smith (AL)
Daub	LeBoutillier	Smith (IA)
Davis	Lee	Smith (NE)
de la Garza	Livingston	Smith (NJ)
Derrick	Loeffler	Smith (OR)
Dicks	Long (LA)	Snowe
Dowdy	Lott	Snyder
Dreier	Lujan	Solomon
Dyson	Lungren	Spence
Eckart	Marlenee	St Germain
Edwards (AL)	Marriott	Stangeland
Edwards (OK)	McCollum	Staton
Emerson	McCurdy	Stenholm
Emery	McEwen	Stratton
English	Mica	Stump
Erdahl	Michel	Synar
Erlenborn	Mikulski	Tauzin
Ertel	Miller (OH)	Taylor
Fenwick	Minish	Thomas
Fiedler	Mollohan	Udall
Fields	Montgomery	Vander Jagt
Fithian	Moore	Volkmer

Walgren	Whitley	Yatron
Walker	Williams (OH)	Young (AK)
Watkins	Winn	Young (FL)
Weaver	Wright	Young (MO)
Weber (MN)	Wylie	Zeferetti

ANSWERED "PRESENT"—1

Obey

NOT VOTING—36

Bailey (PA)	Findley	McCloskey
Bedell	Ford (MI)	McDonald
Bolling	Forsythe	Pritchard
Breaux	Goldwater	Rhodes
Chisholm	Hagedorn	Roe
Danielson	Johnston	Santini
Deckard	Jones (NC)	Seiberling
Dingell	Leland	Traxler
Dornan	Madigan	Wampler
Dougherty	Martin (NY)	Waxman
Duncan	Mattox	Whitten
Evans (DE)	Mazzoli	Williams (MT)

□ 1215

The Clerk announced the following pairs:

On this vote:

Mrs. Chisholm for, with Mr. Breaux against.

Mr. Leland for, with Mr. McDonald against.

Until further notice:

Mr. Mazzoli with Mr. Rhodes.

Mr. Seiberling with Mr. Madigan.

Mr. Ford of Michigan with Mr. Wampler.

Mr. Dingell with Mr. McCloskey.

Mr. Findley with Mr. Dougherty.

Mr. Danielson with Mr. Evans of Delaware.

Mr. Traxler with Mr. Hagedorn.

Mr. Williams of Montana with Mr. Deckard.

Mr. Waxman with Mr. Duncan.

Mr. Santini with Mr. Goldwater.

Mr. Whitten with Mr. Forsythe.

Mr. Roe with Mr. Pritchard.

Mr. Jones of North Carolina with Mr. Martin of New York.

Mr. Mattox with Mr. Dornan of California.

Mr. Bedell with Mr. Johnston.

Mr. DICKINSON and Mr. LENT changed their votes from "nay" to "yea."

So the motion to recede was rejected.

The result of the vote was announced as above recorded.

MOTION OFFERED BY MR. WALKER

Mr. WALKER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WALKER moves that the House insist on its disagreement to the amendment of the Senate numbered 24.

The motion was agreed to.

The SPEAKER pro tempore. Without objection, a motion to reconsider the votes by which action was taken on the several motions was laid on the table.

There was no objection.

□ 1230

WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 4995, DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1982

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 275 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 275

Resolved, That during the consideration of the bill (H.R. 4995) making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clauses 2 and 6 of rule XXI are hereby waived: beginning on page 7, line 3 through page 16, line 21; beginning on page 18, line 12 through page 21, line 14; beginning on page 22, line 6 through page 25, line 10; beginning on page 26, line 3 through page 28, line 20; beginning on page 40, line 23 through page 43, line 9; beginning on page 46, line 21 through page 47, line 12; beginning on page 67, lines 9 through 24; beginning on page 68, lines 1 through 8; and beginning on page 68, line 16 through page 69, line 4.

The SPEAKER pro tempore (Mr. HOWARD). The gentleman from South Carolina (Mr. DERRICK) is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 275 is a rule waiving certain points of order against the bill, H.R. 4995, making appropriations for the Department of Defense for fiscal year 1982, and for other purposes.

The first waiver of points of order in this rule, Mr. Speaker, is a waiver of clause 2 of rule 21. Clause 2 of rule 21 prohibits both unauthorized appropriations and legislation in appropriations. The waiver applies only to sections of the bill that are specified in the rule and are necessary due to the fact that the defense authorization bill, S. 815, has not yet been enacted into law even though the House adopted the conference report yesterday. In addition, there are a few provisions of the bill, principally found in the general provisions of title 7, that technically constitute legislation and thus require a waiver, such as the provision in section 787 which permits the Department of Defense to lease no more than six aircraft as suitable replacements for C-140 aircraft.

The second waiver of points of order is a waiver of clause 6 of rule 21 which prohibits reappropriations of unexpended balances of appropriations. There are provisions in the bill, for example in title 4 procurement, where unobligated balances are, by transfer, to be reappropriated for Navy shipbuilding and conversion and for Air Force procurement.

The waivers of points of order contained in the rule will simply allow the House to proceed in an orderly fashion to consider this important appropriations bill for fiscal year 1982 into which we are already in the second month.

Mr. Speaker, H.R. 4995 appropriates $196.7 billion in new obligational authority and provides $73.9 million through transfer for the Department of Defense and for other purposes, for fiscal year 1982. This figure represents the largest sum ever included in one bill for military purposes in the history of our country. The committee's recommendation is $4 billion below the administration's revised defense budget of October 2 but represents a $37 billion increase over the fiscal year 1981 defense appropriation bill.

Mr. Speaker, the defense spending recommendations in this bill reflect our Nation's commitment to a greater national security. I urge my colleagues to adopt the rule in order that we may directly proceed to the consideration of H.R. 4995, the defense appropriations bill for fiscal year 1982.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this rule which will permit the consideration of the defense appropriation bill for fiscal year 1982. This is, or course, a tremendously important piece of legislation, funding our Nation's defenses at a level of over $196 billion. I only wish this House had been able to complete consideration of the bill at a much earlier date.

Although appropriation bills do not ordinarily require special rules, this bill was brought before the Committee on Rules because of the necessity for waivers of points of order against numerous portions of the bill. Specifically, the rule before us would waive clause 2 of rule 21, dealing with the absence of authorizing legislation and with legislation in appropriation bills. It also would waive clause 6 of rule 21, which prohibits the reappropriation of unspent balances from previous appropriations. I particularly regret that we are put in a position of having to waive points of order based upon the lack of an authorization bill. However, at this time, that is the situation in which we find ourselves, and the point of order must be waived if the bill is to be considered.

Except for the fact that points of order will be waived, the bill will otherwise be considered in the Committee of the Whole under normal procedures for general appropriation bills. The rule before you does nothing to preclude amendments which would ordinarily be in order.

Mr. Speaker, I am aware of no controversy surrounding this rule, and I urge its adoption without lengthy debate.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Speaker, would the gentleman explain about the

waiver about legislating in an appropriations bill?

Would that also apply to amendments which might be offered to the bill that may contain legislative language?

Mr. LOTT. A waiver would not be applicable to an amendment that needed the waiver, even though a waiver is applicable to the bill itself.

So the answer is "No" to the gentleman's question.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. COLEMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 398, nays 4, not voting 31, as follows:

[Roll No. 314]

YEAS—398

Addabbo	Brown (CA)	Dickinson
Akaka	Brown (OH)	Dicks
Albosta	Broyhill	Dingell
Alexander	Burgener	Dixon
Anderson	Burton, John	Donnelly
Andrews	Burton, Phillip	Dorgan
Annunzio	Butler	Dowdy
Anthony	Byron	Downey
Applegate	Campbell	Dreier
Archer	Carman	Dunn
Ashbrook	Carney	Dwyer
Aspin	Chappell	Dymally
Atkinson	Chappie	Dyson
AuCoin	Cheney	Early
Badham	Clausen	Eckart
Bafalis	Clay	Edgar
Bailey (MO)	Clinger	Edwards (AL)
Bailey (PA)	Coats	Edwards (OK)
Barnard	Coleman	Emerson
Barnes	Collins (TX)	Emery
Beard	Conable	English
Bellenson	Conte	Erdahl
Benedict	Conyers	Erlenborn
Benjamin	Corcoran	Ertel
Bennett	Coughlin	Evans (GA)
Bereuter	Courter	Evans (IA)
Bethune	Coyne, James	Evans (IN)
Bevill	Coyne, William	Fary
Biaggi	Craig	Fascell
Bingham	Crane, Daniel	Fazio
Blanchard	Crockett	Fenwick
Bliley	D'Amours	Ferraro
Boggs	Daniel, Dan	Fiedler
Boland	Daniel, R. W.	Fields
Boner	Danielson	Findley
Bonior	Daschle	Fish
Bonker	Daub	Fithian
Bouquard	Davis	Flippo
Bowen	Deckard	Florio
Brinkley	Dellums	Foglietta
Brodhead	DeNardis	Foley
Brooks	Derrick	Ford (TN)
Broomfield	Derwinski	Fountain
Fowler	Luken	Rousselot
Frank	Lundine	Roybal
Frenzel	Lungren	Rudd
Frost	Markey	Russo
Fuqua	Marks	Sabo
Garcia	Marlenee	Santini
Gaydos	Marriott	Sawyer
Gejdenson	Martin (IL)	Scheuer
Gephardt	Martin (NC)	Schneider
Gibbons	Matsui	Schroeder
Gilman	Mavroules	Schulze
Gingrich	McClory	Schumer
Ginn	McCollum	Sensenbrenner
Glickman	McCurdy	Shamansky
Gonzalez	McDade	Shannon
Gore	McEwen	Sharp
Gradison	McGrath	Shaw
Gramm	McHugh	Shelby
Gray	McKinney	Shumway
Green	Mica	Shuster
Gregg	Michel	Siljander
Grisham	Mikulski	Simon
Guarini	Miller (CA)	Skeen
Gunderson	Miller (OH)	Skelton
Hall (OH)	Mineta	Smith (AL)
Hall, Ralph	Minish	Smith (IA)
Hall, Sam	Mitchell (MD)	Smith (NE)
Hamilton	Mitchell (NY)	Smith (NJ)
Hammerschmidt	Moakley	Smith (OR)
Hance	Moffett	Smith (PA)
Hansen (ID)	Molinari	Snowe
Hansen (UT)	Mollohan	Snyder
Harkin	Montgomery	Solarz
Hartnett	Moore	Solomon
Hatcher	Moorhead	Spence
Hawkins	Morrison	St Germain
Heckler	Mottl	Stangeland
Hefner	Murphy	Stanton
Hendon	Murtha	Stark
Hertel	Myers	Staton
Hightower	Napier	Stenholm
Hiler	Natcher	Stokes
Hillis	Neal	Stratton
Holland	Nelligan	Studds
Hollenbeck	Nelson	Stump
Holt	Nichols	Swift
Hopkins	Nowak	Synar
Horton	O'Brien	Tauke
Howard	Oakar	Tauzin
Hoyer	Oberstar	Taylor
Hubbard	Obey	Thomas
Huckaby	Ottinger	Traxler
Hughes	Oxley	Trible
Hunter	Panetta	Udall
Hutto	Parris	Vander Jagt
Hyde	Pashayan	Vento
Ireland	Patman	Volkmer
Jacobs	Patterson	Walgren
Jeffords	Paul	Walker
Jeffries	Pease	Washington
Jenkins	Pepper	Watkins
Jones (OK)	Perkins	Waxman
Jones (TN)	Petri	Weaver
Kastenmeier	Peyser	Weber (MN)
Kazen	Pickle	Weber (OH)
Kemp	Porter	Weiss
Kildee	Price	White
Kindness	Pursell	Whitehurst
Kogovsek	Quillen	Whitley
Kramer	Rahall	Whittaker
LaFalce	Railsback	Whitten
Lagomarsino	Rangel	Williams (MT)
Lantos	Ratchford	Williams (OH)
Latta	Regula	Wilson
Leach	Reuss	Winn
Leath	Richmond	Wirth
LeBoutillier	Rinaldo	Wolf
Lee	Ritter	Wolpe
Lehman	Roberts (KS)	Wortley
Lent	Roberts (SD)	Wright
Levitas	Robinson	Wyden
Lewis	Rodino	Wylie
Livingston	Roe	Yates
Loeffler	Roemer	Yatron
Long (LA)	Rogers	Young (AK)
Long (MD)	Rose	Young (FL)
Lott	Rosenthal	Young (MO)
Lowery (CA)	Rostenkowski	Zablocki
Lowry (WA)	Roth	Zeferetti
Lujan	Roukema	

NAYS—4

Brown (CO)	Dannemeyer	Ford (MI)
Crane, Philip		

NOT VOTING—31

Bedell	Evans (DE)	Mattox
Bolling	Forsythe	Mazzoli
Breaux	Goldwater	McCloskey
Chisholm	Goodling	McDonald
Coelho	Hagedorn	Pritchard
Collins (IL)	Heftel	Rhodes
de la Garza	Johnston	Savage
Dornan	Jones (NC)	Seiberling
Dougherty	Leland	Wampler
Duncan	Madigan	
Edwards (CA)	Martin (NY)	

□ 1245

The Clerk announced the following pairs:

Mr. de la Garza with Mr. Rhodes.
Mr. Breaux with Mr. McCloskey.
Mr. Edwards of California with Mr. Wampler.
Mr. Bedell with Mr. Dougherty.
Mr. Mattox with Mr. Johnston.
Mr. Seiberling with Mr. Duncan.
Mr. McDonald with Mr. Dornan of California.
Mr. Mazzoli with Mr. Pritchard.
Mrs. Chisholm with Mr. Goldwater.
Mr. Coelho with Mr. Forsythe.
Mr. Leland with Mr. Evans of Delaware.
Mr. Jones of North Carolina with Mr. Martin of New York.
Mrs. Collins of Illinois with Mr. Madigan.
Mr. Heftel with Mr. Hagedorn.
Mr. Savage with Mr. Goodling.

Mr. EVANS of Georgia changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3413, DEPARTMENT OF ENERGY NATIONAL SECURITY AND MILITARY APPLICATIONS OF NUCLEAR ENERGY AUTHORIZATION ACT OF 1982

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight, tonight, November 18, 1981, to file a conference report on H.R. 3413, the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1982, and that the conference report be printed in today's RECORD under the rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 97-342)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3413) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as

follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1982".

TITLE I—NATIONAL SECURITY PROGRAMS

Operating expenses

Sec. 101. Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1982 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the armed services, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For the naval reactors development program, $279,500,000, including $9,500,000 for program management.

(2) For weapons activities, $2,494,600,000, to be allocated as follows:

(A) For research and development, $732,400,000, to be allocated as follows:

(i) For the defense inertial confinement fusion program, $142,300,000, of which—

(I) $75,500,000 shall be used for glass laser experiments;

(II) $40,000,000 shall be used for gas laser experiments;

(III) $18,000,000 shall be used for pulsed power experiments;

(IV) $7,500,000 shall be used for supporting research and experiments, except that none of such funds may be used for the research, development, or demonstration of the use of heavy ion devices as drivers for defense inertial confinement fusion experiments and defense inertial confinement fusion systems; and

(V) $1,300,000 shall be used for inertial confinement fusion program management.

(ii) For all other research and development, $590,100,000.

(B) For weapons testing, $369,000,000.

(C) For production and surveillance, $1,351,800,000.

(D) For weapons program management other than inertial confinement fusion, $41,400,000.

(3) For verification and control technology, $50,400,000, including $1,800,000 for program management.

(4) For defense nuclear materials production, $632,400,000, to be allocated as follows:

(A) For production reactor operations, $280,630,000.

(B) For processing of defense nuclear materials, $148,650,000.

(C) For special isotope separation research, $30,000,000.

(D) For supporting services, $171,320,000.

(E) For program management, $1,800,000.

(5) For defense nuclear materials byproducts management, $262,128,000, to be allocated as follows:

(A) For interim waste management, $181,084,000.

(B) For long-term waste management technology, $59,400,000.

(C) For byproducts beneficial uses, $5,000,000.

(D) For terminal waste storage, $5,000,000.

(E) For decontamination and decomissioning, $4,000,000.

(F) For transportation research and development, $6,067,000.

(G) For program management, $1,577,000.

(6) For nuclear materials security and safeguards technology development program (defense programs), $41,800,000, including $3,985,000 for program management.

(7) For security investigations, $23,600,000.

Plant and capital equipment

Sec. 102. Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1982 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs, as follows:

(1) For naval reactors development:

Project 82-N-100, general plant projects, various locations, $4,000,000.

Project 82-N-111, naval fuels processing facility, Savannah River Plant, South Carolina, $15,000,000.

(2) For weapons activities:

Project 82-D-100, general plant projects, various locations (research and development), $15,800,000.

Project 82-D-103, general plant projects, various locations (production and surveillance), $16,300,000.

Project 82-D-104, new weapons production installations, various locations, $5,000,000.

Project 82-D-106, weapon assembly facilities, Pantex Plant, Texas, $23,500,000.

Project 82-D-107, utilities and equipment restoration, replacement and upgrade, Phase III, various locations, $87,500,000.

Project 82-D-108, nuclear weapons stockpile improvements, various locations, $15,000,000.

Project 82-D-109, 155-millimeter artillery-fired atomic projectile, various locations, $35,000,000.

Project 82-D-110, exhaust plenum modifications, Rocky Flats Plant, Colorado, $12,000,000.

Project 82-D-111, interactive graphics system, various locations, $9,000,000.

Project 82-D-142, North Las Vegas ATLAS Facility, Nevada, $3,600,000.

Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, New Mexico, $1,200,000.

Project 82-D-146, weapons production and support facilities, various locations, $8,000,000.

Project 82-D-147, pressure test facility, Savannah River Plant, South Carolina, $3,500,000.

Project 82-D-150, weapons material research and development facility, Lawrence Livermore National Laboratory, California, $2,500,000.

Project 82-D-151, high explosives applications facility, Lawrence Livermore National Laboratory, California, $10,000,000.

Project 82-D-152, new detonator facility, Los Alamos National Laboratory, New Mexico, $8,000,000.

Project 82-D-153, tritium facility, Los Alamos National Laboratory, New Mexico, $5,000,000.

Project 82-D-154, weapons laboratory building, Sandia National Laboratories, New Mexico, $7,000,000.

Project 81-D-106, weaponization facilities, Lawrence Livermore National Laboratory, California, $1,000,000, for a total project authorization of $7,600,000.

Project 81-D-108, reactor support facilities, Sandia National Laboratories, New Mexico, $1,000,000, for a total project authorization of $10,000,000.

Project 81-D-115, MX warhead production facilities, various locations, $30,000,000, for a total project authorization of $40,000,000.

Project 81-D-116, utilities and equipment restoration, replacement, and upgrade, Phase II, various locations, $10,000,000, for a total project authorization of $85,000,000.

Project 81-D-120, control of effluents and pollutants, Y-12 Plant, Tennessee, $3,400,000, for a total project authorization of $6,400,000.

Project 81-D-133, earthquake damage restoration, Lawrence Livermore National Laboratory, California, $1,000,000, for a total project authorization of $4,000,000.

Project 79-7-o, universal pilot plant, Pantex Plant, Texas, $5,200,000, for a total project authorization of $12,600,000.

Project 78-16-a, cruise missile production facilities, various locations, $80,700,000, for a total project authorization of $98,800,000.

Project 78-17-e, high explosives machining facility, Pantex Plant, Texas, $5,600,000, for a total project authorization of $10,600,000.

Project 77-11-c, 8-inch artillery-fired atomic projectile production facilities, various locations, $3,600,000, for a total project authorization of $30,800,000.

(3) For defense nuclear materials production:

Project 82-D-116, general plant projects, various locations, $23,000,000.

Project 82-D-117, plant engineering and design, various locations, $3,000,000.

Project 82-D-118, N-reactor plant security and surveillance, Richland, Washington, $4,000,000.

Project 82-D-124, restoration of production capabilities, Phase III, various locations, $126,000,000.

Project 82-D-126, reactor safety and reliability, various locations, $42,900,000.

Project 82-D-127, safeguards improvements, Savannah River Plant, South Carolina, $34,600,000.

Project 82-D-128, plant perimeter security systems upgrade, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $4,400,000.

Project 82-D-136, fuel processing facilities upgrade, Idaho Fuel Processing Facility, Idaho National Engineering Laboratory, Idaho, $40,000,000.

Project 82-D-200, new production reactor, location unspecified, (A-E only) $10,000,000.

Project 82-D-201, special plutonium recovery facility, JB line, Savannah River Plant, South Carolina, (A-E only) $2,000,000.

Project 82-D-202, advanced isotope separation laboratory, Lawrence Livermore National Laboratory, California, $21,200,000.

Project 81-D-126, pollution abatement facilities—chemical processing plants, Richland, Washington, $4,300,000, for a total project authorization of $5,300,000.

Project 81-D-128, restoration of production capabilities, Phase I, various locations, $14,400,000, for a total project authorization of $49,400,000.

Project 81-D-142, steam transfer header, Savannah River Plant, South Carolina, $1,000,000, for a total project authorization of $8,000,000.

Project 81-D-143, L-reactor upgrade, Savannah River Plant, South Carolina, $66,000,000, for a total project authorization of $115,000,000.

Project 80-AE-3, steam generation facilities, Idaho Fuels Processing Facility, Idaho, $5,000,000, for a total project authorization of $28,500,000.

Project 77-13-a, fluorinel dissolution process and fuel receiving improvements, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $50,000,000, for a total project authorization of $199,400,000.

(4) For defense nuclear materials byproducts management:

Project 82-N-101, general plant projects, various locations, $11,400,000.

Project 82-N-103, waste handling and isolation facilities, Richland, Washington, $34,450,000.

Project 82-N-104, waste transfer facilities, Richland, Washington, $6,750,000.

Project 82-N-107, rail replacement, Hanford Railroad, Richland, Washington, $12,000,000.

Project 82-BU-1, byproducts beneficial uses demonstration plants, various locations, $5,000,000.

Project 81-T-105, defense waste processing facility (DWPF), Savannah River Plant, South Carolina, $20,000,000.

Project 77-13-f, waste isolation pilot plant, New Mexico, $38,600,000, for a total project authorization of $157,600,000.

(5) For capital equipment not related to construction:

(A) For naval reactors development, $28,000,000.

(B) For defense inertial confinement fusion, $11,000,000.

(C) For weapons activities, $185,500,000.

(D) For verification and control technology, $1,100,000.

(E) For defense nuclear materials production, $73,600,000.

(F) For defense nuclear materials byproducts management, $24,472,000.

(G) For nuclear materials safeguards and security, $3,700,000.

TITLE II—GENERAL PROVISIONS

Reprograming

Sec. 201. (a) Except as otherwise provided in this Act—

(1) no amount appropriated pursuant to this Act may be used for any program in excess of 105 percent of the amount authorized for that program by this Act or $10,000,000 more than the amount authorized for that program by this Act, whichever is the lesser, and

(2) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress,

unless a period of thirty calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the appropriate committees of Congress of notice from the Secretary of Energy (hereinafter in this title referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or unless each such committee before the expiration of such period has transmitted to the Secretary written notice to the effect that such committee has no objection to the proposed action.

(b) In no event may the total amount of funds obligated pursuant to this Act exceed the total amount authorized to be appropriated by this Act.

Limits on general plant projects

Sec. 202. (a) The Secretary may carry out any construction project under the general plant projects provisions authorized by this Act if the total estimated cost of the construction project does not exceed $1,000,000.

(b) If at any time during the construction of any general plant project authorized by this Act, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,000,000, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

(c) In no event may the total amount of funds obligated to carry out all general plant projects authorized by this Act exceed the total amount authorized to be appropriated for such projects by this Act.

Limits on construction projects

Sec. 203. (a) Whenever the current estimated cost of a construction project which is authorized by section 102 of this Act, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of (1) the amount authorized for the project, or (2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the Congress, construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of thirty calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of the Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action, or unless each committee before the expiration of such period has notified the Secretary it has no objection to the proposed action.

(b) Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

Fund transfer authority

Sec. 204. To the extent specified in appropriation Acts, funds appropriated pursuant to this Act may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

Authority for construction design

Sec. 205. (a)(1) Within the amounts authorized by this Act for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the appropriate committees of Congress in writing of the details of such project at least thirty days before any funds are obligated for design services for such project.

(b) In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

Authority for emergency construction design

Sec. 206. In addition to the advance planning and construction design authorized by section 102, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

Funds available for all national security programs of the Department of Energy.

Sec. 207. Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this Act for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

Adjustments for pay increases

Sec. 208. Appropriations authorized by this Act for salary, pay, retirement, or other benefits for Federal employees may be increased by such amounts as may be necessary for increases in such benefits authorized by law.

Availability of funds

Sec. 209. When so specified in an appropriation Act, amounts appropriated for "Operating Expenses" or for "Plant and Capital Equipment" may remain available until expended.

Safeguarding certain unclassified information

Sec. 210. (a)(1) The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) is amended by inserting after section 147 the following new section:

"Sec. 148. Prohibition Against the Dissemination of Certain Unclassified Information—

"a. (1) In addition to any other authority or requirement regarding protection from dissemination of information, and subject to section 552(b)(3) of title 5, United States Code, the Secretary of Energy (hereinafter in this section referred to as the 'Secretary') shall prescribe such regulations, after notice and opportunity for public comment thereon, or issue such orders as may be necessary to prohibit the unauthorized dissemination of unclassified information pertaining to—

"(A) the design of production facilities or utilization facilities;

"(B) security measures (including security plans, procedures, and equipment) for the physical protection of (i) production or utilization facilities, (ii) nuclear material contained in such facilities, or (iii) nuclear material in transit; or

"(C) the design, manufacture, or utilization of any atomic weapon or component if the design, manufacture, or utilization of such weapon or component was contained in any information declassified or removed from the Restricted Data category by the Secretary (or the head of the predecessor agency of the Department of Energy) pursuant to section 142.

"(2) The Secretary may prescribe regulations or issue orders under paragraph (1) to prohibit the dissemination of any information described in such paragraph only if and to the extent that the Secretary determines that the unauthorized dissemination of such information could reasonably be expected to have a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of (A) illegal production of nuclear weapons, or (B) theft, diversion, or sabotage of nuclear materials, equipment, or facilities.

"(3) In making a determination under paragraph (2), the Secretary may consider what the likelihood of an illegal production, theft, diversion, or sabotage referred to in such paragraph would be if the information proposed to be prohibited from dissemina-

tion under this section were at no time available for dissemination.

"(4) The Secretary shall exercise his authority under this subsection to prohibit the dissemination of any information described in subsection a. (1)—

"(A) so as to apply the minimum restrictions needed to protect the health and safety of the public or the common defense and security; and

"(B) upon a determination that the unauthorized dissemination of such information could reasonably be expected to result in a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of (i) illegal production of nuclear weapons, or (ii) theft, diversion, or sabotage of nuclear materials, equipment, or facilities.

"(5) Nothing in this section shall be construed to authorize the Secretary to authorize the withholding of information from the appropriate committees of the Congress.

"b. (1) Any person who violates any regulation or order of the Secretary issued under this section with respect to the unauthorized dissenmination of information shall be subject to a civil penalty, to be imposed by the Secretary, of not to exceed $100,000 for each such violation. The Secretary may compromise, mitigate, or remit any penalty imposed under this subsection.

"(2) The provisions of subsections b. and c. of section 234 of this Act shall be applicable with respect to the imposition of civil penalties by the Secretary under this section in the same manner that such provisions are applicable to the imposition of civil penalties by the Commission under subsection a. of such section.

"c. For the purposes of section 223 of this Act, any regulation prescribed or order issued by the Secretary under this section shall also be deemed to be prescribed or issued under section 161 b. of this Act.".

(2) The table of contents at the beginning of such Act is amended by inserting after the item relating to section 147 the following new item:

"Sec. 148. Prohibition Against the Disclosure of Certain Unclassified Information.".

(b) Section 181 of such Act (42 U.S.C. 2231) is amended—

(1) by striking out "or" before "safeguards information protected";

(2) by inserting "or information protected from dissemination under the authority of section 148" after "section 147"; and

(3) by striking out ", defense information, or such safeguards information," each place it appears and inserting in lieu thereof ", defense information, such safeguards information, or information protected from dissemination under the authority of section 148".

Arrest authority for persons authorized to carry firearms under the Atomic Energy Act of 1954

Sec. 211. Section 161 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(k)) is amended by striking out the semicolon and inserting in lieu thereof a period and the following: "A person authorized to carry firearms under this subsection may, while in the performance of, and in connection with, official duties, make arrests without warrant for any offense against the United States committed in that person's presence or for any felony cognizable under the laws of the United States if that person has reasonable grounds to believe that the individual to be arrested has committed or is committing such felony. A person granted authority to make arrests by this subsection may exercise that authority only in the enforcement of (1) laws regarding the property of the United States in the custody of the Department of Energy, the Nuclear Regulatory Commission, or a contractor of the Department of Energy or Nuclear Regulatory Commission, or (2) any provision of this Act that may subject an offender to a fine, imprisonment, or both. The arrest authority conferred by this subsection is in addition to any arrest authority under other laws;".

Environmental studies and the nuclear weapons complex

Sec. 212. (a) None of the funds appropriated pursuant to an authorization of appropriations contained in this Act may be obligated or expended for the purpose of preparing any environmental impact statement not already in the process of preparation with respect to the operation of any defense facility of the Department of Energy unless the preparation of such statement is required by statute.

(b)(1) The Secretary may not proceed with the preparation of an environmental impact statement relating to the construction or operation of a defense facility of the Department of Energy if the estimated cost of preparing such statement exceeds $250,000 unless—

(A) the Secretary has notified the Committees on Armed Services of the Senate and the House of Representatives of his intent to prepare such statement and a period of thirty days has expired after the date on which such notice was received by such committees; or

(B) the Secretary has received from each such committee, before the expiration of such thirty-day period, a written notice that the committee agrees with the decision of the Secretary regarding the preparation of such statement.

(2) The provisions of paragraph (1) shall not apply in the case of any environmental impact statement on which the Secretary began preparation before the date of the enactment of this Act.

Plan for the permanent disposal of waste from atomic energy defense activities

Sec. 213. (a) The President shall submit to the Committees on Armed Services of the Senate and of the House of Representatives not later than June 30, 1983, a report which sets forth his plans for the permanent disposal of high-level and transuranic wastes resulting from atomic energy defense activities.

(b) Such report shall include, but not be limited to, for each State in which such wastes are stored in interim storage facilities on the date of enactment of this Act—

(1) specific estimates of amounts planned for expenditure in each of the next five fiscal years to achieve the permanent disposal of such wastes and general estimates of amounts planned for expenditure in fiscal years thereafter to achieve such purpose; and

(2) a thorough and detailed program management plan for the disposal of such wastes, including but not limited to—

(A) an explicit schedule for decisions regarding the further processing and permanent disposal of such wastes;

(B) a general description of new facilities likely to be required to achieve such permanent disposal; and

(C) identification of all major program objectives, milestones, key events, and critical path items.

And the Senate agree to the same.

MELVIN PRICE,
SAMUEL S. STRATTON,
BEVERLY BYRON,
NICHOLAS MAVROULES,
WM. L. DICKINSON,
MARJORIE HOLT,
ELWOOD HILLIS,
Managers on the Part of the House.

JOHN TOWER,
JOHN WARNER,
STROM THURMOND,
BARRY GOLDWATER,
WILLIAM S. COHEN,
DAN QUAYLE,
JOHN C. STENNIS,
HENRY M. JACKSON,
HOWARD W. CANNON,
SAM NUNN,
GARY HART,
J. J. EXON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3413) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SUMMARY STATEMENT OF CONFERENCE ACTION

The House passed its version of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act for fiscal year 1982 on June 11, 1981. The Senate passed an amendment to such bill on November 3, 1981.

The conferees emphasize their conviction that the authorization amounts agreed to in conference represent the minimum amounts required to sustain national commitments to an improved national defense posture, modernization of strategic and theater nuclear forces, sustaining a nuclear powered Navy and restoring deteriorated facilities.

The conferees have agreed to authorizations that, in the aggregate, total $5,120,200,000, which is $123,800,000 above the Administration's request, $44,900,000 below the authorization recommended in the Senate amendment, and $55,650,000 above the authorization recommended in the House bill.

DEPARTMENT OF ENERGY, NATIONAL SECURITY PROGRAMS RECONCILIATION OF REQUEST TO CONFERENCE ACTION

OPERATING EXPENSES

[Amounts in millions of dollars]

Item	President's fiscal year 1982 request	Conference action
Naval reactors development:		
Development	270.000	270.000
Program management	9.500	9.500
Total, naval reactors development	279.500	279.500
Weapons activities:		
Research and Development—Defense inertial confinement fusion:		
Glass laser experiments	58.000	75.500
Gas laser experiments	33.300	40.000
Pulsed power experiments	13.400	18.000
Supporting research	0	7.500
ICF program management	1.300	1.300
Total, inertial confinement fusion	106.000	142.300
Other research and development	586.100	590.100
Total, research and development	692.100	732.400
Weapons testing	369.000	369.000
Production and surveillance	1,351.800	1,351.800
Program management. (less ICF)	41.400	41.400
Total, weapons activities	2,454.300	2,494.600
Verification and control technology:		
Operations	47.100	48.600
Program management	1.800	1.800
Total, verification and control technology	48.900	50.400
Defense nuclear materials production:		
Production reactor operations	280.630	280.630
Processing of nuclear materials	148.650	148.650
Special isotope separation research	21.800	30.000
Supporting services	163.320	171.320
Program management	1.800	1.800
Total, defense nuclear materials production	616.200	632.400
Defense nuclear materials byproducts management:		
Interim waste management	181.084	181.084
Long term waste management technology	59.400	59.400
Byproducts beneficial uses	0	5.000
Terminal waste storage	3.700	5.000
Decontamination and decommissioning	10.200	4.000
Transportation	6.067	6.067
Program management	1.577	1.577
Total, nuclear materials byproducts management	262.028	262.128
Nuclear materials safeguards and security:		
Operations	40.315	37.815
Program management	3.985	3.985
Total, safeguards and security	44.300	41.800
Security investigations	23.600	23.600
Total operating expenses	3,728.828	3,784.428

PLANT AND CAPITAL EQUIPMENT

[Amount in millions of dollars]

Project	President's fiscal year 1982 request	Conference action
Naval reactors development:		
Project 82-N-100, general plant projects, various locations	4.000	4.000
Project 82-N-111, naval fuel processing facility, Savannah River Plant, S.C	15.000	15.000
Total, naval reactors development	19.000	19.000
Weapons activities:		
Project 82-D-100, general plant projects (R & D) various locations	15.800	15.800
Project 82-D-103, general plant projects (production & surveillance) various locations	16.300	16.300
Project 82-D-104, new weapons production installations, various locations	5.000	5.000
Project 82-D-106, weapon assembly facilities, Pantex Plant, Texas	23.500	23.500
Project 82-D-107, utilities and equipment restoration, replacement and upgrade, various locations, Phase III	87.500	87.500
Project 82-D-108, nuclear weapons stockpile improvements, various locations	32.200	15.000
Project 82-D-109, 155 mm artillery-fired atomic projectile, various locations	35.000	35.000

PLANT AND CAPITAL EQUIPMENT—Continued

[Amount in millions of dollars]

Project	President's fiscal year 1982 request	Conference action
Project 82-D-110, exhaust plenum modifications, Rocky Flats Plant, CO	0	12.000
Project 82-D-111, interactive graphics system, various locations	9.000	9.000
Project 82-D-142, North Las Vegas ATLAS facility, NV	3.600	3.600
Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, N.M	0	1.200
Project 82-D-146, weapons production and support facilities, various locations	8.000	8.000
Project 82-D-147, pressure test facility, Savannah River Plant, S.C	3.500	3.500
Project 82-D-150, weapons material R & D facility, Lawrence Livermore National Laboratory, CA	0	2.500
Project 82-D-151 high explosives applications facility, Lawrence Livermore National Laboratory, CA	0	10.000
Project 82-D-152, new detonator facility, Los Alamos National Laboratory, NM	0	8.000
Project 82-D-153, tritium facility, Los Alamos National Laboratory, NM	0	5.000
Project 82-D-154, weapons laboratory building, Sandia National Laboratories, CA	0	7.000
Project 81-D-106, weaponization facilities, Lawrence Livermore National Laboratory, CA	1.000	1.000
Project 81-D-108, reactor support facilities, Sandia National Laboratory, N.M	1.000	1.000
Project 81-D-115, MX warhead production facilities, various locations	60.000	30.000
Project 81-D-116, utilities and equipment restoration, replacement and upgrade, various locations, Phase II	10.000	10.000
Project 81-D-120, control of effluents and pollutants, Y-12 Plant, TN	3.400	3.400
Project 81-D-133, earthquake damage restoration, Lawrence Livermore National Laboratory, CA	6.300	1.000
Project 81-D-134, earthquake damage restoration, Sandia National Laboratories, CA	1.700	0
Project 79-7-o, universal pilot plant, Pantex Plant, TX	5.200	5.200
Project 78-16-a, cruise missile production facilities, various locations	80.700	80.700
Project 78-17-d, steam plant improvements, Y-12 Plant, TN	1.500	0
Project 78-17-e, high explosives machining, Pantex Plant, TX	5.600	5.600
Project 77-11-c, 8" artillery-fired atomic projectile production, various locations	3.600	3.600
Total, weapons activities	419.400	409.400
Defense nuclear materials production:		
Project 82-D-116, general plant projects, various locations	23.000	23.000
Project 82-D-117, plant engineering and design, various locations	3.000	3.000
Project 82-D-118, N-reactor plant security and surveillance, Richland, WA	4.000	4.000
Project 82-D-124, restoration of production capabilities, various locations. (Phase III)	126.000	126.000
Project 82-D-126, reactor safety and reliability, various locations, Phase III	42.900	42.900
Project 82-D-127, safeguards improvements, Savannah River Plant, S.C	34.600	34.600
Project 82-D-128, plant perimeter security systems upgrade, Idaho	4.400	4.400
Project 82-D-136, fuel processing facilities, upgrade and replacement, Idaho	40.000	40.000
Project 82-D-200, new production reactor, location not specified. (AE only)	0	10.000
Project 82-D-201, special plutonium recovery facility, JB line, Savannah River Plant, S.C. (AE only)	0	2.000
Project 82-D-202, advanced isotope separation laboratory, Lawrence Livermore National Lab., CA	0	21.200
Project 81-D-126, pollution abatement facilities, Richland, WA	4.300	4.300
Project 81-D-128, restoration of production capabilities, various locations	14.400	14.400
Project 81-D-142, steam transfer headers, Savannah River Plant, S.C	1.000	1.000
Project 81-D-143, L-reactor upgrade, Savannah River Plant, S.C	66.000	66.000
Project 80-AE-3, steam generation facilities, Idaho	5.000	5.000
Project 77-13-a, fluorinel dissolution process and fuel receiving improvements, Idaho	50.000	50.000
Total, defense nuclear materials production	418.600	451.800
Defense nuclear materials byproducts management:		
Project 82-N-101, general plant projects, various locations	11.400	11.400
Project 82-N-103, waste handling and isolation facilities, Richland, WA	34.450	34.450
Project 82-N-104, waste transfer facilities, Richland, WA	6.750	6.750

PLANT AND CAPITAL EQUIPMENT—Continued

[Amount in millions of dollars]

Project	President's fiscal year 1982 request	Conference action
Project 82-N-107, rail replacement, Hanford railroad, Richland, WA	12.000	12.000
Project 82-N-110, defense waste processing facility, Savannah River, S.C. (PE&D)	10.000	0
Project 82-BU-1, byproducts beneficial uses demonstration plants, various locations	0	5.000
Project 81-T-105, defense waste processing facility (DWPF), Savannah River Plant, S.C	0	20.000
Project 77-13-f, waste isolation pilot plant, New Mexico	8.600	38.600
Total, nuclear materials byproducts management	83.200	128.200
Total, plant construction	940.200	1,008.400
Capital equipment not related to construction:		
Naval reactors development	28.000	28.000
Defense inertial confinement fusion	11.000	11.000
Weapons activities	185.500	185.500
Verification and control technology	1.100	1.100
Defense nuclear materials production	73.600	73.600
Defense nuclear materials byproducts management	24.472	24.472
Nuclear materials safeguards and security	3.700	3.700
Total, capital equipment	327.372	327.372
Total plant and capital equipment	1,267.572	1,335.772
Total, DOE fiscal year 1982 national security programs	4,996.400	5,120.200

TITLE I (SEC. 101)

OPERATING EXPENSES

Weapons activities

The budget request contained $2,454.3 million for operating expenses for the category "Weapons Activities" which supports defense inertial confinement fusion (ICF) research, other weapons research and development, weapons testing, production and surveillance and program management.

The House bill authorized $2,352.3 million for weapons activities operating expenses and specifically allocated this amount to functional areas. The House bill authorized operating expenses for ICF as a separate program.

The Senate amendment authorized $2,490.6 million for weapons activities operating expenses, including the ICF program, and did not allocate that amount to specific functions.

The conferees recommend an authorization in the amount of $2,494.6 million for operating expenses for weapons activities to be specifically allocated to functional areas, as follows:

(A) for research and development, $732,400,000;

(B) for weapons testing, $369,000,000;

(C) for production and surveillance, $1,351,800,000;

(D) for weapons program management other than ICF, $41,400,000.

The following paragraphs explain specific changes recommended by the conferees.

Defense Inertial Confinement Fusion Program.—The budget request contained $106.0 million within the "Weapons Activities" amount for operating expenses for the Inertial Confinement Fusion (ICF) research and development program. The House bill specifically authorized $156.6 million for this purpose and directed the allocation of the amount authorized, as follows:

	Millions
Glass laser experiments	$82.1
Gas laser experiments	42.8
Pulsed power experiments	18.4

Supporting research and experiments	12.0
Program direction	1.3

The House bill also provided that none of the $12.0 million authorized for supporting research and experiments could be used for the research, development, or demonstration of the use of heavy ion devices as drivers for defense inertial confinement fusion experiments and defense inertial confinement fusion systems.

The Senate amendment included $142.3 million within the total amount authorized for "Weapons Activities" for ICF operating expenses.

The conferees recommend an authorization of $142.3 million for ICF operating expenses which amount is included within the $732.4 million recommended authorization for weapons research and development. The conferees also recommend that the $142.3 million be specifically allocated, as follows:

	Millions
Glass laser experiments	$75.5
Gas laser experiments	40.0
Pulsed power experiments	18.0
Supporting research and experiments	7.5
Program direction	1.3

The The conferees have elected to fund the ICF program at essentially the same level as last year. This will force the Department to absorb the impact of inflation but the conferees feel that this will permit all essential research to continue. In particular, the programs at KMS Fusion and the University of Rochester should continue at essentially current funding levels.

The conferees also recommend adoption of the provision of the House bill restricting the use of funds authorized to be appropriated for supporting research and experiments.

The House recedes with an amendment.

Other Research and Development.—The budget request contained $586.1 million for operating expenses for weapons research and development other than the defense inertial confinement fusion (ICF) program. The House bill authorized $590.1 million for this purpose—$4.0 million above the requested amount. The additional $4.0 million authorized by the House bill included $1.0 million to conduct a study of the feasibility of locating a dual purpose (electric power generation and material production) reactor at the Los Alamos National Laboratory in New Mexico. The additional $3.0 million increase was included to provide several weeks of additional operating capability in fiscal year 1982 for the Los Alamos Neutron Weapons Research facility. The Senate amendment provided for an authorization of $586.100 million for other research and development.

The conferees recommend an authorization in the amount of $590.1 million for weapons research and development other than the ICF program, as provided in the House bill.

The Senate recedes.

Verification and control technology

The budget request contained $48.9 million for operating expenses for the verification and control technology program which supports verification efforts related to certain arms control agreements. The House bill authorized the amount requested. The Senate amendment authorized of $50.4 million for this program. The conferees recommend the authorization of $50.4 million for operating expenses for the verification and control technology program, including $1.8 million for program management.

The House recedes.

Defense nuclear materials production

The budget request contained $616.2 million for operating expense for the Defense Nuclear Materials Production program, including $21.8 million for the special isotope separation program and $163.32 million for supporting services.

The House bill authorized $624.4 million for this purpose, including $30.0 million for the special isotope separation program and $163.32 million for supporting services. The House bill also allocated the total amount authorized to specific functional areas. The Senate amendment authorized $632.4 million for operating expenses for the Defense Nuclear Materials Production program, including $30.0 million for the special isotope separation program and $171.32 million for supporting services, adding $8.0 million above the House allowance to provide for increased requirements associated with the upgrade of the "L" production reactor at the Savannah River Plant in South Carolina.

The conferees recommend the authorization of $632.4 million for Defense Nuclear Materials Production operating expenses and the specific allocation of that amount to functional areas, as follows:

(A) for production reactor operations, $280,630,000;

(B) for processing of defense nuclear materials, $148,650,000;

(C) for special isotope separation research, $30,000,000;

(D) for supporting services, $171,320,000;

(E) for program management, $1,800,000.

The House recedes with an amendment.

Defense Nuclear Materials Byproducts Management.—The budget request contained $262.028 million for the defense waste management program, including $3.7 million for the terminal waste storage subprogram and $10.2 million for decontamination and decommissioning operations. No authorization was requested for a program to promote the beneficial use of certain compounds found within the radioactive "wastes" resulting from the production of defense nuclear materials.

The House bill authorized $262.128 million for the Defense Nuclear Materials Byproducts Management Program established by the fiscal year 1981 Authorization Act for Department of Energy Defense Programs. The House bill included $5.0 million for a subprogram to promote the beneficial uses of compounds found in defense "wastes", $5.0 million for the terminal waste storage subprogram, and $4.0 million for decontamination and decommissioning efforts. The House bill also allocated the total amount authorized to specific functional areas.

The Senate amendment authorized $263.328 million for defense waste management, including $5.0 million for terminal waste storage and $10.2 million for decontamination and decommissioning efforts. No authorization was provided for a beneficial uses of defense "waste" subprogram. The Senate amendment did not allocate the total amount authorized to specific functional areas.

The conferees recommend an authorization in the amount of $262.128 million for the defense nuclear materials byproducts management program, to be allocated as follows:

(A) for interim waste management, $181,084,000;

(B) for long-term waste management technology, $59,400,000;

(C) for byproducts beneficial uses, $5,000,000;

(D) for terminal waste storage, $5,000,000;

(E) for decontamination and decommissioning, $4,000,000;

(F) for transportation research and development, $6,067,000;

(G) for program management, $1,577,000.

The Senate recedes.

Nuclear materials safeguards and security.—The budget request contained $44.3 million for operating expenses for the nuclear materials safeguards and security program, including $3.985 million for program management. The House bill authorized $37.3 million for this program, including $1.985 million for program management. The Senate amendment authorized the amounts requested.

The conferees recommend an authorization of $41.8 million for operating expenses for the nuclear materials safeguards and security program, including $3.985 million for program management.

The House recedes with an amendment.

PLANT AND CAPITAL EQUIPMENT

NAVAL REACTORS DEVELOPMENT

Project No. 82-N-111, naval fuel processing facility, Savannah River Plant, South Carolina.—The budget request contained $15.0 million to initiate construction of a naval fuel processing facility at the Savannah River Plant in South Carolina. This facility was requested to provide a second source of nuclear fuel for naval vessels. The House bill authorized $3.0 million for this purpose. The Senate amendment authorized the $15.0 million requested. Additional information provided to the Congress subsequent to the passage of the House bill in June 1981 supports the requirement for this project. Accordingly, the conferees recommend the authorization of $15.0 million to initiate construction of the new naval fuel processing facility.

The House recedes.

WEAPONS ACTIVITIES

Project No. 82-D-100, general plant projects, various locations.—The budget request contained $15.8 million for general plant projects in support of weapons activities at various locations. The House bill authorized $25.8 million for this project. The Senate amendment authorized $15.8 million. The conferees believe that funds recommended to be appropriated elsewhere in the conference report for upgrading and replacing various facilities are sufficient for fiscal year 1982. The conferees recommend the authorization of $15.8 million for general plant projects for weapons activities.

The House recedes.

Project No. 82-D-107, utilities and equipment restoration, replacement and upgrade, various locations, Phase III.—The budget request contained $87.5 million for utilities and equipment restoration, replacement and upgrade in various locations which support weapons activities. The House bill authorized $87.5 million for this purpose. The Senate amendment authorized $100.0 million. The conferees recommend the authorization of $87.5 million for this project.

The Senate recedes.

Project No. 82-D-108, nuclear weapons stockpile improvements, various locations.—The budget request contained $32.2 million for nuclear weapons stockpile improvements at various locations. The House bill authorized $15.0 million. The Senate amendment authorized $32.2 million. The conferees believe an authorization of $15.0 million,

which is the amount of the appropriation request, would allow the program to get underway and that additional funds will be authorized in succeeding years. The conferees recommend an authorization of $15.0 million.

The Senate recedes.

Project No. 82-D-150, weapons material research and development facility, Lawrence Livermore National Laboratory, California.—No authorization was requested for project 82-D-150, construction of a weapons material research and development facility at the Lawrence Livermore National Laboratory in California. The House bill authorized $5.0 million for this project. The Senate amendment contained no authorization for this project. The conferees believe that the construction of a new weapons material research and development facility at the Lawrence Livermore National Laboratory would be more economic and cost effective than the expenditure of large sums to rehabilitate the existing obsolete structure. The conferees recommend an authorization of the $2.5 million to initiate the construction of this project.

The Senate recedes with an amendment.

Project No. 82-D-153, tritium facility, Los Alamos National Laboratory, New Mexico.—No authorization was requested for project 82-D-153, a tritium facility at the Los Alamos National Laboratory in New Mexico. The House bill authorized $5.0 million for this purpose. The Senate amendment contained no authorization for this project. The conferees believe that a new tritium handling facility is needed at the Los Alamos National Laboratory to handle projected requirements under more stringent health and safety standards. The conferees recommend an authorization of $5.0 million for this project.

The Senate recedes.

Project No. 81-D-133, earthquake damage restoration, Lawrence Livermore National Laboratory, California.—The budget request contained $6.3 million for project 81-D-133 for earthquake damage restoration at the Lawrence Livermore National Laboratory in California. The House bill authorized the amount requested. The Senate amendment authorized $1.0 million for this purpose on the basis that the majority of the amount requested would be used for upgrading buildings in addition to earthquake damage restoration. The conferees recommend an authorization of $1.0 million for damage restoration and agree that the Department of Energy should budget building upgrading projects as separate projects.

The House recedes.

Project No. 81-D-134, earthquake damage restoration, Sandia National Laboratories, California.—The budget request contained $1.7 million for earthquake damage restoration at the Sandia National Laboratories in California. The House bill authorized $1.7 million for the project. The Senate amendment contained no authorization. The conferees recommend no authorization for this project since it appears that existing authorization is sufficient to complete the originally defined scope of earthquake damage restoration.

The House recedes.

Project No. 78-16-a, cruise missile production facilities, various locations.—The budget request contained $80.7 million for cruise missile production facilities at various locations. The House bill authorized $44.0 million for this project. The Senate amendment authorized the amount requested. Developments relating to the nuclear weapons stockpile since the House bill was passed in June 1981 indicated the need for the full amount requested. The conferees recommend an authorization of $80.7 million for this project.

The House recedes.

Project No. 78-17-d, steam plant improvements, Y-12 plant, Tennessee.—The budget request contained $1.5 million for improvements to a steam plant at the Y-12 plant in Oak Ridge, Tennessee. The House bill authorized the amount requested. The Senate amendment contained no authorization science and adequate authorization had been provided for this project in prior years.

The House recedes.

Weapons activities capital equipment.—The budget request contained $185.5 million for capital equipment not related to construction for the weapons activities program. The House bill authorized $199.25 million for this purpose, adding $13.75 million for capital equipment for weapons testing. The Senate amendment authorized the amount requested. The conferees believe that the additional $13.75 million increase for weapons testing capital equipment is not required in fiscal year 1982 and recommend the authorization of $185.5 million for weapons activities capital equipment.

The House recedes.

DEFENSE NUCLEAR MATERIALS PRODUCTION

Project 82-D-117, plant engineering and design, various locations.—The budget request contained $30 million for plant engineering and design for the defense nuclear material production program. The House bill authorized the amount requested. The Senate amendment authorized $1.0 million for this project based on the belief that $2.0 million of the amount requested was included for another project (82-D-201). The conferees believe that the $3.0 million requested is required to accomplish other plant engineering and design project that are necessary to enhance defence nuclear materials production and recommend the authorization of that amount.

The Senate recedes.

Project No. 82-D-200, new production reactor, location not specified.—No authorization was requested for project 82-D-200 to initiate the design of a new reactor for the production of special nuclear materials. The House bill did not authorize such a project. The Senate amendment contained an authorization of $40.0 million for this project to begin concept studies, design and site selection activities for a new production reactor.

After lengthy discussion, recognizing that both houses has approved $5.0 million in operating funds for concept studies and preliminary cost analyses, the conferees agreed to authorize $10.0 million for further studies related to the new production reactor. However, before any of this $10.0 million may be expended, the Department of Energy must furnish to the Committees on Armed Services of the Senate and House of Representatives a complete report as to how these funds will be utilized. No expenditures may be made until both committees have had the report for 30 days.

The house recedes with an amendment.

Project No. 82-D-201, special plutonium recovery system, JB line, Savannah River Plant, South Carolina (AE only).—No authorization was requested for project 82-D-201, a special plutonium recovery system for the JB line at the Savannah River Plant in South Carolina. The House bill contained no authorization for this project. The Senate amendment authorized $2.0 million for the project for the purpose of "design only." The conferees found that this project was proposed to be initiated with funds requested for plant engineering and design and that the total estimated cost for advance planning and construction design would exceed $2.0 million. In view of existing policy that plant engineering and design funds for such projects which exceed $2.0 million must be specifically authorized by law, this project has been included as a separate line item. The conferees recommend an authorization of $2.0 million for this project.

The House recedes.

DEFENSE NUCLEAR MATERIALS BYPRODUCTS MANAGEMENT

Project No. 82-BU-1, byproducts beneficial uses demonstration plants, various locations.—No authorization was requested for project 82-BU-1, byproducts beneficial uses demonstration plants. The House bill authorized $5.0 million for this project. The Senate amendment contained no authorization for this project. The conferees believe that a modest sum should be allocated for a cooperative program to demonstrate the use of radioactive byproducts that can be extracted from defense nuclear waste. The conferees recommend the authorization of $5.0 million for this project.

The Senate recedes.

Project No. 77-13-f, waste isolation pilot plant, New Mexico.—The budget request contained $8.6 million to continue project 77-13-f, the Waste Isolation Pilot Plant in New Mexico. The House bill authorized the amount requested. The Senate amendment authorized $38.6 million for this purpose. The conferees recommend the authorization of $38.6 million for this project to assure that construction will proceed at a more satisfactory rate.

The House recedes.

ITEMS FOR SPECIAL COMMENT

DEVELOPING THE DEPARTMENT OF ENERGY DEFENSE PROGRAMS BUDGET

The Conferees believe that the present method used to develop the Department of Energy (DOE) defense programs budget is unsatisfactory. Under current practices, defense programs must compete for funding directly with all other activities of the Department of Energy. At the Office of Management and Budget (OMB) the same competition prevails, since budget oversight for DOE defense programs is controlled by the Associate Director of OMB for Energy. There appears to be little, if any, effort to match DOE defense requirements with other defense requirements. As a result, DOE defense programs are annually underfunded.

Although these concerns were noted last year (in Senate Report No. 96-920), no action has been taken or an explanation given why the OMB Associate Director for National Security Programs does not also have oversight of the DOE defense programs budget, or why the control remains misplaced with the Associate Director for Energy.

The Director of the Office of Management and Budget is requested to provide the Committees on Armed Services of the Senate and House of Representatives within 90 days after the date of enactment of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act, 1982 his findings relative to this important issue, together

with plans for any changes to the current programming and budget review processes.

INERTIAL CONFINEMENT FUSION

The conferees do not believe that the $104.7 million requested for operating expenses for the inertial confinement fusion (ICF) program will permit orderly progression of this important research and development effort. The Congress has authorized and appropriated well over a billion dollars and made large investments in facilities and equipment for this program. Three large facilities are nearing completion. The proposed 25% decrease from the fiscal year 1981 funding level would force severe reductions in the scientific and engineering teams involved in the design and operation of these important facilities.

No reasons have been offered to the Congress for this precipitious decision to curtail the development of ICF as a laboratory method for simulating the effects of nuclear weapons. It should be noted that a severe curtailment of the weapons-related ICF program, as proposed, will eliminate any chance that ICF could be developed as a future energy source.

The conferees believe that a minimum of $142.3 million for ICF operating expenses is necessary for fiscal year 1982. Furthermore, the conferees believe that $50 million should be appropriated to permit completion on schedule of the NOVA facility at the Lawrence Livermore National Laboratory. The NOVA facility will be the most powerful ICF system in operation for many years and should provide the data which substantiates the efficacy of ICF as a laboratory simulation system and as a potential energy system.

SPECIAL NUCLEAR MATERIALS PRODUCTION AND SPECIAL ISOTOPE SEPARATION

A shortage of special nuclear materials may occur between 1985 and 1990 unless additional measures are taken to remedy the problem of declining productivity of the aging reactors at the Richland, Washington and Savannah River, South Carolina plants. At these production facilities, serious efforts are underway to replace and upgrade obsolete equipment and facilities, to convert the N-reactor at Richland to the production of weapons grade material, to upgrade and restart the Purex processing plant at Richland and the L-reactor at Savannah River, and to train the required operating personnel.

Even if these efforts are completely successful, additional sources of plutonium may be required. One candidate source is the construction of one or more replacement production reactors. A second possible source is a special isotope separation process to "enrich" materials for weapons use.

The conferees believe that because of potential economies, the special isotope separation program should be accelerated. The recommended funding for operating expenses for special isotope separation was increased from $21.8 million to $30.0 million to accelerate the programs at both the Los Alamos and Lawrence Livermore National Laboratories toward the demonstration phase. Under the conferees' recommendation, the atomic vapor isotope separation program at the Livermore Laboratory would receive $17.0 million and the molecular isotope separation program at the Los Alamos Laboratory would receive $13.0 million. The Los Alamos Laboratory would be expected to proceed with the design and installation of a pilot plant which could utilize existing facilities at the Savannah River Plant.

The conferees agreed to authorize additional funds for an advanced isotope separation laboratory to be built at the Livermore Laboratory. This laboratory was initially authorized, and funds appropriated, in fiscal year 1981. No funding was requested for fiscal year 1982. This facility, which could be in operation by 1983, is absolutely essential if the atomic vapor process is to reach the demonstration stage.

DECONTAMINATION AND DECOMMISSIONING

The Department of Energy (DOE) has identified approximately 500 sites that were formerly involved in defense activities which are contaminated by radioactivity to some degree. In addition, there are several uranium mill tailings piles which contain "commingled" tailings from both defense and civilian activities of the federal government. The DOE, in concert with the Environmental Protection Agency (EPA) and the Nuclear Regulatory Commission (NRC), is establishing plans for the cleanup of many of these sites. These plans, in many instances, are based upon the concept that residual radioactivity must be reduced to natural background levels or, in some cases, to below natural background levels. Congressional hearings have shown that the health risks, cost and benefits of decontaminating numerous sites by removing and transporting buried low-level radioactive materials commonly found at certain sites have not been thoroughly analyzed by the DOE, the EPA or the NRC. As a result, it is not clear whether the many hundreds of million of dollars planned to be expended for cleanup of those sites provide any actual health benefits to the public and whether the expense involved in cleanup is justified. The conferees believe that the DOE approach places its major emphasis on the technological limits of radiological detection equipment and does not fully consider factors such as actual health risks and costs. The impact of continuing to overlook costs/benefits will result in an ineffectual use of program funds with no probable public benefit.

The conferees found no indications that a health risk assessment and attendant cost/benefit analyses were developed before proceeding with plans for remedial action.

The conferees noted that the decontamination and decommissioning programs proposed by DOE could cost billions of dollars. Until DOE, EPA and NRC have conducted epidemiological and health studies which definitely establish risks and costs, as well as scientifically supported standards, the conferees cannot recommend increases in the decontamination and decommissioning program authorization.

SECURITY INVESTIGATIONS

Security investigations required for granting security clearances to Department of Energy and Government contractor personnel are now taking six months or longer. This delay in putting salaried, qualified persons to work in those classified areas for which they have been hired is resulting in the waste of authorized funds and the loss of efficiency. The conferees note that a similar and more expensive problem exists in the Department of Defense. The causes of the delay are manifold, but the fact that this problem has grown worse over the past several years indicates a lack of coordination among the requesting and investigating agencies.

Accordingly, the Secretary of Energy is requested to provide a report to the Committees on Armed Services of the Senate and House of Representatives, by June 30, 1982, on the actions that have been taken to significantly shorten the clearance delay.

BENEFICIAL USES OF DEFENSE NUCLEAR MATERIALS BYPRODUCTS

Many of the byproducts resulting from the processing of special nuclear materials have high potential economic value. These byproducts can be readily extracted from the waste stream. With some additional effort these same elements can be extracted from materials now stored in tanks at Richland, Washington and Savannah River, South Carolina facilities. The major elements involved are cesium, strontium, the platinum family metals, and krypton. Cesium is now being used in a DOE developed irradiator for the disinfestation of foodstuffs and sterilization of sewage sludge. Cesium can also be used to eradicate an algae which affects the pumping of oil on the North Slopes in Alaska.

Strontium is used as a heat source for electrical generation, for heating thick underground oil in situ, and for melting frozen water sources in frigid regions.

The platinum family metals—rhodium, palladium, and ruthenium—can be used separately or alloyed with platinum in electronic systems and catalytic processes.

If 85 to 95 percent of the strontium and cesium is removed from the defense waste stream, the resulting residues are equivalent to wastes which have been aged approximately 1,000 years. Such artificially aged wastes can then be much more readily and cheaply prepared for ultimate disposal.

Krypton, a gas, can be readily contained and used in self-illuminating signs or airfield lights, for examining jet engine turbine blades for cracks, or for checking complicated electronic integrated circuit chips.

The conferees believe that the economic value of the byproducts and the significantly reduced handling concerns with the residues should make the beneficial uses program one of special interest to the DOE.

TITLE II—GENERAL PROVISIONS

REPROGRAMING

Section 201 of the House bill and Section 201 of the Senate amendment contained similar provisions pertaining to the reprograming of funds authorized to be appropriated by the bill. Amounts authorized for a particular program could be increased by five percent or $10,000,000 whichever is less. No new program which has not been presented to Congress could be started unless that new program is specifically presented to the appropriate committees of Congress in writing and a period of 30 days expires, or unless prior to the expiration of the 30 day period each such committee states in writing that it has no objection. The Senate provision, which the conferees accepted, also places a ceiling on obligations pursuant to the act which is equal to the sum of all authorizations; that is to say, any increase in the amounts obligated, as provided by Section 201 of the conference report, must be offset by a corresponding decrease in one or more of the other amounts authorized.

The House recedes.

LIMITS ON GENERAL PLANT PROJECTS

The House bill and Senate amendment contained similar provisions (Sec. 202) which would authorize the Secretary of Energy to carry out any construction project, under the general plant projects provisions authorized by the Act, if the total estimated cost of such construction does not exceed $1.0 million. If at any time during

construction of any general plant project the estimated cost of such project is revised to exceed $1.0 million due to unforeseen cost variations, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variations.

The Senate amendment also provided that the total amount of funds obligated to carry out all general plant projects authorized by the Act may in no event exceed the total amount authorized to be appropriated for such projects for fiscal year 1982.

The House recedes.

LIMITS ON CONSTRUCTION PROJECTS

The House bill and the Senate amendment (Sec. 203) contained similar provisions placing limitations on construction projects. There were minor drafting differences.

The House recedes.

AUTHORITY FOR CONSTRUCTION DESIGN

The House bill and the Senate amendment contained provisions (Section 205) placing limitations on the use of funds authorized to be appropriated for plant engineering and design. The provision in the House bill was identical to the provision requested by the administration. The Senate amendment contained more restrictive reporting requirements and required that where the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2.0 million, funds for such design must be specifically authorized by law.

The House recedes.

ADJUSTMENTS FOR PAY INCREASES

The House bill and the Senate amendment contained similar provisions concerning the authorization for federal increases in pay and benefits. There were minor drafting differences.

The Senate recedes.

SAFEGUARDING CERTAIN UNCLASSIFIED INFORMATION

The Senate amendment contained a provision (Section 210) which would amend the Atomic Energy Act of 1954 by inserting a new Section 148 and by amending Section 181 of such Act. The new Section 148 would prohibit the dissemination of certain unclassified information if such information could reasonably be expected to result in significant adverse affects on public health and safety or the common defense by increasing the likelihood of theft, diversion, or sabotage of nuclear material or Department of Energy defense facilities. The amendment to Section 181 which the Senate provision contained would conform Section 181 with the new Section 148 of the Atomic Energy Act. The House bill contained no similar provision.

The House recedes with an amendment.

ENVIRONMENTAL STUDIES AND THE NUCLEAR WEAPONS COMPLEX

The House bill and the Senate amendment contained similar provisions (Section 211) restricting the use of funds authorized to be appropriated by the Act for the purpose of preparing environmental impact statements not already in the process of preparation with respect to the operation of any defense facility of the Department of Energy unless the preparation of such statements is required by statute. The Senate amendment contained an additional provision that requires the Secretary of Energy to notify the Committees on Armed Services of the Senate and the House of Representatives of his intention to proceed with an environmental impact statement relating to the operation of any defense facility of the Department of Energy where the cost of preparing such statement would exceed $500,000. Under the Senate provision, the Secretary could proceed with the environmental impact statement after the expiration of 30 days unless before the expiration of that time a written notification is received from the Committees on Armed Services concurring in the decision to proceed with such statement.

The House recedes with an amendment which would require that all environmental impact statements estimated to cost in excess of $250,000 would be the subject of prior notification to Committee on Armed Services of the Senate and House of Representatives.

PLAN FOR THE PERMANENT DISPOSAL OF WASTE FROM ATOMIC ENERGY DEFENSE ACTIVITIES

The Senate amendment contained a provision (Section 212) that would require the President to submit to the Committees of Armed Services of the Senate and the House of Representatives not later than January 31, 1983 a report which sets forth his plans for the permanent disposal of high-level and transuranic wastes resulting from atomic energy defense activities. The House bill contained no similar provision. The House conferees felt that the date of January 31, 1983, would not permit an adequate period to accomplish the study that would be necessary to produce the report. After some discussion the conferees agreed to revise the date for the submission of the report to June 30, 1983.

The House recedes with an amendment.

ARREST AUTHORITY FOR PERSONS AUTHORIZED TO CARRY FIREARMS UNDER THE ATOMIC ENERGY ACT OF 1954

The House bill contained a provision (Section 210) that would amend Section 161k of the Atomic Energy Act of 1954 to provide authority for persons authorized to carry firearms under the Atomic Energy Act of 1954 to make arrests without warrant for any offense against the United States committed in that person's presence or for any felony cognizable under the laws of the United States if that person has reasonable grounds to believe that the individual to be arrested has committed or is committing such felony. The arrest authority would apply only to persons during the performance of, and in connection with, official duties. The Senate amendment contained no similar provision.

The House bill also contained a provision (Section 210(b)) that would prohibit the use of funds authorized to be appropriated by the Act for the purpose of contracting for, or fulfilling obligations under any previously existing contract for, the performance of security and protective functions at the Los Alamos National Laboratory. The Senate amendment contained no similar provision.

The conferees agreed to adopt the provision of the House bill that would confer arrest authority on persons authorized to carry firearms under Section 161k of the Atomic Energy Act of 1954. The conferees did not adopt Section 210(b) as provided in the House bill relating to contracting for the performance of security and protective functions at the Los Alamos National Laboratory.

The Senate recedes with an amendment.

AMENDMENT OF THE TITLE OF THE BILL

The Senate amendment amended the title of the Act.

The Senate recedes.

MELVIN PRICE,
SAMUEL S. STRATTON,
BEVERLY BYRON,
NICHOLAS MAVROULES,
WM. L. DICKINSON,
MARJORIE HOLT,
ELWOOD HILLIS,
Managers on the Part of the House.

JOHN TOWER,
JOHN WARNER,
STROM THURMOND,
BARRY GOLDWATER,
WILLIAM S. COHEN,
DAN QUAYLE,
JOHN C. STENNIS,
HENRY M. JACKSON,
HOWARD W. CANNON,
SAM NUNN,
GARY HART,
J. J. EXON,
Managers on the Part of the Senate.

MAKING IN ORDER ON OR AFTER THURSDAY, NOVEMBER 19, 1981, CONSIDERATION OF CONFERENCE REPORT ON H.R. 3413

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that it may be in order to consider the conference report on H.R. 3413, the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1982, on November 19, 1981, or any day thereafter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 4995, making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes, and that I may be permitted to include tables and extraneous material in connection with the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1982

Mr. ADDABBO. Mr. Speaker, pursuant to a unanimous-consent request granted on November 12, 1981, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4995) making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be divided equally and controlled by the gentle-

man from Alabama (Mr. EDWARDS) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. ADDABBO).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4995, with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the unanimous-consent agreement, the gentleman from New York (Mr. ADDABBO) will be recognized for 1 hour, and the gentleman from Alabama (Mr. EDWARDS) will be recognized for 1 hour.

The Chair recognizes the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, it is with a deep sense of mixed emotions that I bring to the committee today the largest defense appropriations bill ever presented to any legislative body.

Though the bill has my name on it, it is not actually my bill. It is the Defense Subcommittee's bill, a bill that comes after 8 months of hearings, filling nine volumes of hearing record. It is a bill that comes before the committee after 2 weeks of deliberations and markup. I had made recommendations at the markup recommending close to $11.2 billion in reductions.

Just to place everything in context, Mr. Chairman, when we speak of reductions, we are speaking of reductions in a massive increase. What we have before us is a total increase of almost $50 billion over 1981—an increase of over $30 billion by this administration over the presentation by the last administration in January of this year.

So we have a total increase of $50 billion which is more than almost every other appropriation for every other agency.

It would take care of schools, it would take care of veterans, it would take care of the handicapped, et cetera. But this is a $50 billion package we are speaking of. So within that $50 billion and within that $30 billion increase, I, working with the committee and looking through the various hearings we had and studies we had, saw justification for making this tremendous increase about $11.2 billion smaller.

Mr. Chairman, no one loves this country more than I do and no one is better aware that the job of keeping the Nation strong is not an easy one. I differ with some of my colleagues in that I do not feel that everything every general and admiral and defense contractor thinks is needed is really needed. And I think that in the long run a strong economy is of greater value in the competition with the Soviet Union in which we find ourselves than is every military toy that is requested of us.

Any Member who sat for a length of time on the Defense Subcommittee could see the great wisdom in the words of our late and great President, Dwight Eisenhower, when in his farewell address he warned us to beware of the influence of the military industrial complex in this country.

□ 1300

Now, in that increase I saw a waste of money for the B-1, and we will go into that question later.

I saw a waste of $2 billion for the MX.

I saw a waste of almost half a billion dollars for a Pershing GLCM missile for production, where we have not even finished any part of the R. & D.

We saw a $490 million overcharge for the military for fuel. Where we are paying now about $46 a barrel, they wanted $56, so we settled at about $52, which gave us a reduction of about $490 million.

You received much mail on this matter of the retired pay. I have been deluged, and I know you have, with phone calls and mail about what the committee is doing to our poor retirees, how we are hurting our poor retirees.

Well, let me give you a short explanation of what we did. The Congress passed and I supported a 14.3-percent increase for our military, but it was a two-part increase. It was 9.1-percent straight out and a 5.2-percent catch-up. We said the military needed that increase because we had problems with retention and we gave them that increase.

Now, what that increase did to our military in just a little more than 1 year has given them over a 26-percent increase, actual dollar increase.

Now, we were looking at retention, so we targeted that increase to those middle ranks which we need, which we are losing; but we said that if we really are going to have retention then let us take this last 5 percent and spread that over a period of 3 years.

The military does not contribute to that pension fund. Every other Federal employee does. Every other Federal employee receives his pension based on the high three. The military receives it on their last day of service pay. So if they receive that 5 percent immediately and retire immediately, they would get the windfall.

We are looking for retention and that was the reason for that increase; so what the committee said was we take that 5 percent and spread that over a period of 3 years, so if a man or woman does stay in the service for the full period of 3 years, he or she will not in any way lose any part of that retirement; but if he should retire now, then he gets the windfall benefit of the 9-percent increase and he does not get the 5 percent, because that should be geared to what we are interested in and that is retention. That was one of the major cuts we made and that is what the mail is about that you have been receiving.

It is for those officers who are seeking to immediately put in their papers and get the windfall benefits of this 5 percent which would take away from our national security dollars, dollars that we so much need for weapons and other purposes. That was part of the reduction this committee sought.

Now, in the final workings of the subcommittee in its markup, we finally came to a figure of about $6.4 billion, which included the deletion of funds for the MX. In the committee it was a vote of about 7 to 5. Those funds were subsequently restored by the full committee by a vote of 25 to 23. It will be my intention when we reach the point of amendments to offer an amendment to take out the funds for the MX. Again I will not debate that issue now because we must go into greater detail when the amendment is offered. That was $2.8 billion.

When we looked at these reductions, we were not looking to destroy our national defense or do away with it. What we were looking for was reductions in waste, overbudgeting, overcharging by the military. We made these reductions, as I said before, in this massive increase; not $1, not $1 affected our real defense.

We looked at it very carefully and what we did was make reductions of $10 million here, $50 million here, $100 million here and soon you had $600 million, because military spending of dollars add up very fast. That is why $6 billion looks like such a tremendous amount but it is not, because again we had thousands and thousands of items. We have the three services. We have the National Guard and the Guards and Reserves were very well taken care of by us in our markup. We put in additional funds to make sure that our Guard and Reserve are brought right up equal to our regular standing forces, because if there should ever be a war they will be there right alongside the regular services and they must be brought up to snuff as far as equipment is concerned; so we increased it. This bill includes over $450 million of increases above the budget for the Reserve components programs, as follows: $250 million for Army Guard and Reserve equipment; $18.4 million for Army Re-

serve personnel strength; $3 million for key personnel upgrade program; $2 million for Air Guard skill retraining; $3.6 million for Air Guard personnel strength; $14 million for Navy Reserve aviation spares; $22 million for Navy Reserve personnel strength; $20 million for Navy Reserve electronic warfare equipment; $9.2 million for Navy Reserve ship operations and support; $6 million for Navy Reserve engine repair; $10 million for Air Guard aviation spares; $7.6 million for Air Guard J-70 engine modifications; $30.4 million for Air Guard communications equipment; and $56 million for Marine Corps Reserve, four KC-130's.

We also increased the Navy. We put two additional ships in the Navy.

We increased flying time, where the administration, where the military had reduced flying time and steaming time. We know the importance of training and we increased that to increase our readiness.

So when I come before you today with this small minor cut of 4 percent, $4 billion, we still give the military an actual increase of about 16 percent over the cost of inflation.

So, my colleagues, I would ask you to please as we go through the debate, as the amendments are offered, to listen to the issues.

We have sat through these hearings, as I said before, for 8 months, fully substantiated in our hearing records.

Let me say this to you. The defense budget that we are looking at is no real fine-tuned item. It is not any great work of art. It is a mish-mash. It is a mess, because we have received no less than four and five amendments by the Pentagon.

Why did we have just yesterday the conference report on the authorization? Because they could not act until they knew what the administration, what the Pentagon wanted. We could not act until we got an authorization. That is why we are so late.

The President has charged the Congress with not passing appropriation bills. How could we pass a defense appropriation bill when all during the year, starting with the amendment in March, we received no less than four different amendments. They could not even number them any more. They gave us colored books, a blue, a green, a yellow or a salmon book.

Then finally when we were already into the fiscal year, we get the final administration request or amendment October 9. The fiscal year started October 1. On October 9 we finally got the final version of the budget. What does this mean? It means that no one really carefully scrutinized this defense budget—but our committee did. We held the hearings and carefully scrutinized every line when we went through the markup and we come before you with this bill. I ask your support for it.

Under permission granted, I will insert certain summary tables from the committee report in the RECORD at this point.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1981 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1982

Agency and item	New budget (obligational) authority fiscal year 1981 [1]	Budget estimates of new (obligational) authority fiscal year 1982 [2]	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational authority, fiscal year 1981	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1982
RECAPITULATION					
Title I—Military personnel	36,872,200,000	38,659,760,000	37,447,290,000	+575,090,000	−1,212,470,000
(Transfer from other accounts)	(47,800,000)			(44,800,000)	
Title II—Retired military personnel	13,887,800,000	14,981,815,000	14,931,815,000	+1,044,015,000	−50,000,000
Title III—Operation and maintenance	55,980,234,000	62,590,121,000	61,208,685,000	+5,228,451,000	−1,381,436,000
(Liquidation of contract authority)	(620,053,000)			(−620,053,000)	
(Transfer from other accounts)	(226,200,000)			(−226,200,000)	
Title IV—Procurement	48,003,670,000	64,225,904,000	63,657,569,000	+15,653,899,000	−568,335,000
(Transfer from other accounts)	(27,900,000)		(73,900,000)	(+46,000,000)	(+73,900,000)
Title V—Research, development, test, and evaluation	16,530,664,000	20,319,388,000	19,262,204,000	+2,731,540,000	−1,057,184,000
(Transfer from other accounts)	(1,966,000)			(−1,966,000)	
Title VI—Special foreign currency program	2,760,000	3,083,000	3,083,000	+323,000	
Title VII—General provisions (additional transfer authority, sec. 733)	(750,000,000)	(1,000,000,000)	(750,000,000)		(−250,000,000)
Title VIII—Related agencies	73,571,000	98,163,000	97,163,000	+23,592,000	−1,000,000
Total, Department of Defense (NOA)	171,350,899,000	200,878,234,000	196,607,809,000	+25,256,910,000	−4,270,425,000
(Transfer from other accounts)	(303,866,000)		(73,900,000)	(−229,966,000)	(+73,900,000)
Total funding available	171,654,765,000	200,878,234,000	196,681,709,000	+25,026,944,000	−4,196,525,000
(Transfer authority)	(750,000,000)	(1,000,000,000)	(750,000,000)		(−250,000,000)
Distribution by organizational component:					
Army	42,487,823,000	49,660,344,000	48,803,361,000	+6,315,538,000	−856,983,000
(Transfer from other accounts)	(5,000,000)			(−5,000,000)	
Navy	56,593,919,000	66,499,722,000	63,853,052,000	+7,259,133,000	−2,646,670,000
(Transfer from other accounts)	(242,866,000)		(73,100,000)	(−169,766,000)	(+73,100,000)
Air Force	51,659,470,000	62,368,300,000	61,582,854,000	+9,923,384,000	−785,446,000
(Transfer from other accounts)	(56,000,000)		(800,000)	(−55,200,000)	(+800,000)
Defense agencies/OSD	6,648,316,000	7,269,890,000	7,339,564,000	+691,248,000	+69,674,000
Retired military personnel	13,887,800,000	14,981,815,000	14,931,815,000	+1,044,015,000	−50,000,000
Related agencies	73,571,000	98,163,000	97,163,000	+23,592,000	−1,000,000
Total Department of Defense (NOA)	171,350,899,000	200,878,234,000	196,607,809,000	+25,256,910,000	−4,270,425,000
(Transfer from other accounts)	(303,866,000)		(73,900,000)	(−229,966,000)	(+73,900,000)
Total funding available	171,654,765,000	200,878,234,000	196,681,709,000	+25,026,944,000	−4,196,525,000
(Transfer authority)	(750,000,000)	(1,000,000,000)	(750,000,000)		(−250,000,000)

[1] Includes amounts in Supplemental Appropriations and Rescission Act, 1981.
[2] Includes changes proposed in H. Docs. 97-29, 97-61, 97-94, 97-101, and S. Doc. 97-8.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I rise in strong support of the bill and commend the gentleman in the well and also the gentleman from Alabama (Mr. EDWARDS) and the subcommittee and the full Appropriations Committee plus the fine staff and especially for putting in funds for equipment for the National Guard and the Reserve.

There is one item that needs clearing up pertaining to the technician conversion program that is in the report. I will not read the whole report, but it includes this statement:

As a policy, similar skills within a Reserve component will be standardized as either military technician or full-time military.

This statement seems to indicate that all individuals with similar skills within a particular reserve component would be converted at exactly the same time. If this is the intent of this statement, we would have deep concern, because it should be left up to the reserve component to develop a plan for conversion that would cause the least administrative burden and

result in the least disruption in the training and readiness of the units.

Would the gentleman agree with the concept that I have outlined?

Mr. ADDABBO. I fully agree, and that should be the legislative history, that it is our idea that any conversion of a skill area should be done with the least disruption possible and consistent with the personnel and funding limitations imposed.

Mr. MONTGOMERY. I thank the gentleman very much.

Mr. ADDABBO. Mr. Chairman, again I ask the House for support and I take this opportunity to commend my colleague, the gentleman from Alabama, the ranking minority member, and all the minority members of the committee and members of my committee on the majority for the time they spend listening to all the witnesses and bringing forth this bill. I especially commend my committee staff, headed by Ralph Preston.

Mr. Chairman, my staff, our staff, the House staff on defense appropriations I consider is one of the best. If you ever sit in on a defense appropriation hearing you get 1 witness or 2 witnesses at the table and then he has 30 generals and majors and assistants sitting behind him. One of our guys has to equal their 30. They need 60 to match ours.

Mr. EDWARDS of Alabama. Mr Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to start by echoing what the Chairman has said about the committee members and about the staff. If there is any one letter that it seems we have to write back to our constituents more than any other it is a response to the charge that somehow we are ripping off the taxpayers by having staff people to work on our committees and in our offices.

I think we probably have about 13 staff people on the defense subcommittee. When you figure that they are dealing with a quarter of the whole Federal budget, I would suggest that we are probably greatly undermanned when we deal with the computers and the array of talent that they have over in the Pentagon, and everything considered I think those members of the committee and the staff people on the committee do a magnificent job. If it were not for all of them, we would not be standing here today. So I want to add my thanks to them and to my colleagues on the committee who do yeoman service all year.

The chairman has expressed very fairly, I think, the fact that we have put in many hours, many days, many weeks, and months on this bill. It is about a quarter of the whole Federal budget and it does warrant, I think, our mature judgment and consideration. It is not something that we should take lightly and it is not something that we do take lightly. Every member of our subcommittee works hard at it.

I must say that when we go to the full committee that we receive rather close scrutiny there, so we come to you with a bill, I think, that on balance makes good sense. On balance, it is a bill that I can support. It is like any other piece of legislation that has ever been before this House. Sure, we can all find something in it that we do not like, something we would rather have written in a different way, some number that we would rather have increased or decreased; but when taken on balance, I think we bring to you a good bill.

Well, this has been an interesting year. I can understand the chairman's frustration, the committee's frustration, with the fact that we have been through about four different colored justification books and budget books and changes from Carter-82 to Reagan-March, to something in between, to Reagan-September, and finally coming to our markup with a number which is pegged at $200.8 billion, which is the latest Reagan budget for defense that we are responsible for in this bill.

I should make it clear that from that $200.8 billion we have cut about $4.2 billion and so we come to you in round numbers with a bill for about $196.6 billion, with hard to come by cuts. Everybody wants to do the most they can for defense. The biggest problem we have on our committee is trying to do the most for defense without falling all over ourselves to do everything for defense.

We wish to make reasoned judgments on where we put our money. Just because somebody says it is for defense does not mean in my view that we should automatically cave in and vote for it because it is called defense.

There is waste there. There is abuse there, just like there is in any other department of Government.

We have, in fact, in three different instances in this bill taken substantial amounts of cuts for fraud, waste, and abuse in various parts of the Defense Establishment.

I know that we will probably get an amendment later in the day or tomorrow that will address the question of fraud, waste, and abuse. I would suggest to you that we have done a good day's work in that regard. I would hope that Members would not get too carried away with that, but that they will listen to the debate on the subject.

□ 1315

Well, the chairman mentioned the fact that we are $50 billion over last year. I guess what he is talking about is that President Carter's fiscal year 1981 budget was $154 billion. And we started working on a budget number finally which was $200 billion. So in that context we are some $50 billion over Carter's original budget.

But I should remind the Members that the Congress last year increased the Carter budget to $159.7 billion, and then later in the year the Reagan supplemental came along, and we increased those 1981 numbers by $11.6 billion. So in that context, then, the bill we bring to the Members today is some $25 billion more than was passed for 1981.

Members should also know that later in the year there will be another supplemental, or there will be a 1982 supplemental that will have to do with financing the pay increases, and no doubt other things that will be proposed by the administration. So it is very difficult, year in and year out, to compare apples and apples, oranges and oranges, when you are talking about the Defense budget this year vis-a-vis last year or any other year, because we do not bring our whole bill to the floor at one time.

Historically that has been the case. I am not sure I understand why, but nevertheless, we do come later in the year with a supplemental.

So we have been through this process, a process generated, I think, by the election of last November that was a clear mandate to the Congress and to the President to start doing something about defense, to start beefing up the Defense Establishment of this country. Granted the President moved in with immediate dispatch, started moving in the Pentagon, looking at programs that could be developed early, looking at programs that could be beefed up, places where legitimate defense money could be spent. I would be the first to stand here and tell you that in that rush to try to get on with the mandate of the people, surely some things were put in that budget that never belonged in there. Surely some things had been put in there that had been kicking around in the Pentagon for years and finally somebody found their chance and put them into the Defense budget. Some of those things were taken care of later by the President's decreases in his increases.

I would argue that by the time we came to the September Reagan budget, trying to build this defense in the proper way, that much of the problem that existed in the early stages had been remedied by the administration's own work, so it was on that budget of some $200 billion that we then proceeded to go to work.

So it is complicated. It was doubly complicated by the fact that while we were going through all these tortures of trying to figure out which briefing book and which budget book to work from, the Armed Services Committee was going through the exact same

problem. They were in conference when the September budget came along, and thay had to go back to conference and had to work out their own problems. So we have had to wait, in part, while they were working. We have had to wait, in part, while the administration completed its work. That is why, unfortunately, we stand here in November with a bill that should have taken effect this past October 1.

Mr. Chairman, today the President made what I thought was a magnificent speech to this country and to our NATO allies and to the Soviet Union and to all of those who are concerned about peace in this world. He spoke about the need to go to Geneva on November 30 to start the debates with the Soviet Union on the theater nuclear forces agreements, trying to find some way to not have to deploy our Pershing II's and our GLCM's in exchange for the Soviets pulling out and dismantling their SS-20's and their SS-5's and their SS-4's. I thought he made a remarkable effort to try to take the lead to bring peace in this world.

We know that also—and he spoke to some extent about this—also in 1982 it is expected that some effort will be started at what he now calls the START talks, instead of SALT talks, trying to find ways to do away with the need for intercontinental ballistic missiles and all the rest.

The key point in all of it is that he must go to the bargaining table with chips in his pocket to deal with. We simply cannot at this time consider cutting back or terminating or doing away with or slowing down the MX. We cannot at this time talk about terminating or doing away with or slowing down the B-1, and we cannot talk about not going forward with the Pershing II's and the ground launched cruise missile. They will be the centerpiece of his effort to get some negotiation.

I would remind my colleagues that it was not too many years ago when we were in SALT talks trying to find some room to bargain with the Soviet Union that President Carter terminated the B-1 bomber. All of a sudden we had one less chip on the table to deal with, with the other side.

So I would hope that when this bill is finished on the floor this week that we will have done the job necessary to give the President those tools to go to the bargaining table with, to try to find some compromise to bring peace to this world. That is what it is all about.

I want to tell my colleagues the truth. It pains me more than can be imagined to sit there day after day after day on this committee and talk about spending billions of dollars that could go to every other thing in this world for the good of mankind, besides weapons, and yet I am convinced that until we can find that magic called peace that we simply have got to do it. So we find ourselves biting the bullet in way that I believe is for the good of this country.

Mr. Chairman, our subcommittee, or part of our subcommittee, took a trip this year to the northern flank of NATO. Some of the Members will recall that I have spent a few hours in the well of this House talking about the problems of the lack of spare parts, the problems of aircraft in hangars so long they become known as hangar queens. I must tell you, Mr. Chairman, we went to our F-15 base in New Amsterdam, and we met with the people who run that base, the pilots, and in particular we met with the major who is in charge of all of the maintenance of the F-15's in New Amsterdam in Holland. I asked him the question, "How is your spare parts situation today? How many planes have you got sidelined?"

He said, "Well, we are in much better shape today."

I said, "If you had to talk about a scale of 1 to 10, where would you put your spare parts and maintenance situation?"

He said, "About a seven." He said, "It can be improved, but it is improving greatly."

I said, "What would you say it was last year?"

He said, "About a five. And the year before a three. And the year before that a one."

So, Mr. Chairman, I think we have made some progress. We have a bill here today that has some $5.6 billion in here for spare parts across the length and breadth of the services of this country. I sat there in that little meeting room in New Amsterdam, and I have got to say, Mr. Chairman, I thought about one Charlie Murphy who used to be on my staff and who went out and found out all about the problems of the spare parts and came back and made me kind of a local hero, for 1 day anyway, in the Washington Post. Charlie is over there in the Pentagon now somewhere, buried, I am afraid—I have not heard from him lately—but I hope they are making good use of him, because this is a credit to Charlie Murphy. He brought it forcefully to us. We brought it forcefully to the House. And as a result of all that, that major in New Amsterdam could say to us that his readiness rate on those F-15's is at a very high level today. I could not stand here and make these remarks if I did not pay tribute to my buddy, Charlie Murphy.

Mr. Chairman, I will wind down now. There is a lot more we could say about this bill, but we will have amendments. I think that they will all be considered important. We will all treat them that way. I have the feeling that we have done a pretty fair job with this bill because we expect to have amendments from those who want to add money and those who want to take out money. Somehow maybe we have come down in that area where we should be.

I urge Members to support this bill. I urge Members on each and every amendment to listen carefully to what is proposed and try not to make just a pro- or anti-defense vote. Look at the amendment itself; see whether, in fact, it makes sense. See whether, in fact, it is something that this country needs to spend money on. Because I guarantee you, every dollar we spend unnecessarily for defense is a dollar that we are not going to have to spend on things we seriously need in defense. So we must make these rational judgments. Pay attention to the amendments that are offered and vote your best judgment. I believe that our committee has done a good day's work, and I am going to support the bill.

I yield back the balance of my time.

The CHAIRMAN. The gentleman from Alabama has consumed 15 minutes.

Mr. ADDABBO. Mr. Chairman, I yield 10 minutes to the gentleman from Florida (Mr. CHAPPELL).

Mr. CHAPPELL. Mr. Chairman, I want to add to what my colleagues have already said in support of this bill.

To the extent we are comfortable with a minimally acceptable package this is a good bill. The threat in the world, is such that we dare not do less than—than the effort made in this bill. I hope our colleagues in the House will sustain the bill.

You are going to have a couple of amendments, very critical amendments, that will seriously impact upon the ability of this Nation to meet the threat which it faces.

I would like to touch upon a few facts which I think are pertinent as we consider this defense bill.

First of all, I call your attention to the comment of Leonid Brezhnev when he was addressing the Warsaw Pact heads of government back in 1973. The heads of those Warsaw Pact nations who were meeting with him were concerned about his feelings about détente, and so they were putting him on the spot, so to speak, about his support of détente.

His answer to them was this: "Trust us, comrades, for by 1985, as a consequence of what we are now achieving with détente, we will have achieved most of our objectives in Western Europe, and the shift in the correlation of forces will be such that come 1985, we will be able to exert our will wherever we need to."

That was back in 1973.

I would like to call your attention now to some statistics that back up exactly what Mr. Brezhnev was saying.

The Soviets have set their goals. They have achieved their schedules to their stated end thus far. Let us look at some of the statistics pertinent to the point.

Turning first to the ICBM and SLBM's, strategic launchers. In 1965 the Soviets had 331 strategic launchers against our 1,100. Today they have 2,426 and we have 1,710 strategic launchers.

Let us look at the Soviet ballistic missiles, and on the same pattern, in 1965 they had 107 while the United States had 496. Today we have 656 and they have 1,028.

Let us look at the statistics with reference to the intercontinental ballistic missiles. In 1965 the Soviets had 224 while the United States had 654. Today we have 1,028 while the Soviets have 1,398.

What I am saying to you is that we have not put a new ballistic missile on line since 1965. We have not put a new launcher on line since 1965, while the Soviets have continued to increase their strength.

Look at the Soviet Armed Forces manpower with reference to ours.

□ 1330

Today we have roughly 2.1 million men in our military. The Soviets have a military manpower of 3.6-plus million.

What about total strategic warheads? In 1965 the Soviets had 530 while we had 2,716. But, look how the imbalance has changed. Now, we have a total of 6,282, while the Soviets have 9,139. Look at the trends. See what has been happening over this period of time.

Let us turn to Soviet tanks. In 1970 the Soviets had 20,450 tanks. Today, they have 26,768. We would be hard put to put 7,000 total in the field anywhere, everywhere in the world.

What about the expenditures on defense as compared to social services? We hear a lot of conversation about the fact that we are spending so much more on defense in comparison to our expenditures on social services. Let me review the statistics. In 1960, we were spending roughly 30 percent on defense and roughly 31 percent on social services. I am talking about all levels of government, State and Federal. We are now spending 14.8 percent on defense and 49.1 on social services. I just wanted to bring some of those statistics to bear because it shows that we are not spending for defense at the cost of social services.

Now, if we are not to invite disaster, we dare do nothing less than what has been provided in this bill. I hope the Members of this House will sustain the bill at least to the maximum it provides. I hope this spending level will prove in years to come to be a reasonable effort.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. ROBINSON), one of the great members of this committee.

Mr. ROBINSON. Mr. Chairman, initially I want to express my high regard for the completely courteous and always totally cooperative attitude that has been shown me by our chairman and by our ranking member, and by the treatment which I invariably receive at the hands of our staff in terms of being able to call on any one of them at any time for any information, any assistance, and being sure that I will get their full attention.

Mr. Chairman, I am not going to take a great deal of time today going into details of what or what is not in this bill that is now before us. I am just not inclined to take valuable time to impose on this House my personal views as to which of the thousands of items are important and which are not. But as we begin debate on this year's Defense appropriation bill, I do want to take a few minutes to try and place in context some of the comments that we have already heard or will hear about this legislation.

It has been said, and it is true, that this is the largest defense bill ever considered by a legislative body in the history of the world, the largest bill of any kind. The same was said last year and the year before that. It will probably be said next year. One hundred and ninety-six billion dollars is a simply staggering sum, but I suggest to the Members that size alone should not make the bill suspect. The increase over last year is upward of $20 billion, and that is larger in increase, as has been said, than the total of many other appropriation bills. It is a simply shocking reflection that the cost of our defense of our Nation is a massive and expensive requirement in today's world.

This bill had its beginnings 5 years ago, as do all defense bills. During the close of the Ford administration and in the early days of the Carter years, change after change was made as we came down the road to the present time. Just about a year ago President Carter ordered it printed and sent to the Congress, and thus the budget that we received last January represented one administration's view—the Carter administration's—view of the world and how to keep America safe in that world.

That administration, however, was replaced by a new one with differing views and differing perceptions as to how to address our defense needs, and so the changes continued into the spring and the summer and into this fall. These changes, the last of which came to us as we were marking up the bill in subcommittee, made our job a lot more difficult. The figures did not add. The programs changed. The priorities changed, and times changed. This budget was not perfect when we received it in January, and it is not perfect now. It will not be perfect when the President signs it into law. The programs and policies we considered in committee represented the best judgment of two Presidents, and before us today is the best judgment of our committee and staff, and the bill which becomes law will be the best collective judgment of the whole Congress. After that, it is up to the management expertise of the various departments and the agencies of the Department of Defense to do their job with what they have been given.

President changed this budget; the Congress is going to change it. We should not, I suggest, be too critical of those who made changes before us, for I doubt if any of us are certain that our changes and ours alone have produced perfection in terms of this appropriation bill. I submit that we each can only do our best, and that, I assure the Members, we have attempted to do.

This Member can support this bill, although in my view changes were made at every stage which gave me concern in that we became involved as legislators in what is described by some as micromanagement.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 2 additional minutes to the gentleman from Virginia.

Mr. ROBINSON. I feel, for example, we in committee may have cut specific items in personnel and operations and maintenance which will impact in ways that we did not anticipate.

In the main, this bill gives the President those programs that he requested. Amendments will be offered to take away his strategic program and I shall oppose them. Other amendments will be offered to tinker with various of the minutiae in this bill. I shall judge each on its merit, as will all the Members.

But, this bill is only a start toward where we should be as we play catchup with the Soviets, as the gentleman from Florida (Mr. CHAPPELL) has suggested. Directions will continue to change, but I hope they will be fewer in the future than they have been in the past, because I say to the Members, the process cries for a dedicated sense of direction. No longer can we afford to have an on-again off-again defense program. We have had enough changes. It is time we get on with it, and the bill before us is our current opportunity to do just that. I commend it to the Members.

Mr. ADDABBO. Mr. Chairman, I yield 7 minutes to the gentleman from Washington (Mr. DICKS), a member of the subcommittee.

Mr. DICKS. Mr. Chairman, the bill brought to the House today by the Defense Subcommittee is a product of an

intense review of details of over $200 billion in budget request submitted by the Department of Defense. I would like to join with my colleagues who have already mentioned the fine work and leadership of our chairman, the distinguished gentleman from New York (Mr. ADDABBO). Who has spent an incredible amount of his own time working on the development of this bill; to the ranking Republican Member, the gentleman from Alabama (Mr. EDWARDS), who also has spent an incredible amount of time; and particularly to the very professional and competent staff. I do not always agree with what the staff recommends, but I have a great respect for their ability and their talent and their competence. I think it is a tribute to this House that we have people of that ability and skill serving us.

I am here today to tell the Members that I think we have a good bill. I think that this bill has received incredible scrutiny. I can tell the Members, as one Member, that this committee of the House has not gone along with every request that has been made by the Department of Defense. We have challenged them on a range of issues, and most importantly, in my judgment, we made some real steps in fighting waste, fraud, and abuse at the Pentagon.

I think there was a message in the 1980 election. The American people want scrutiny on how we are spending their tax dollars not only on social spending, but on defense spending as well. We have made a number of cuts, particularly in the area of consultants, that will in my judgment result in less money really being wasted or spent on frivolous items, money that we can take and use for ammunition, for spare parts, for war reserves, and the things that are vitally essential. A lot of these reductions, of course, are based on work done by a very professional survey and investigation staff, on reports from the General Accounting Office, on reports that we received by the audit services of the various departments, and they deserve some commendation for the work that they have done.

This committee has made an effort to address those issues, and I think it deserves some recognition. Last year, we made a major commitment on the issue of military pay, and I can tell the Members today that the All-Volunteer Force is stronger today. We are getting better people. We are getting better retention rates because of the commitment we made last year and this year to a better level of compensation for the people who serve us. I am one who believes that no matter how much equipment we buy, no matter how many tanks and ships and airplanes we have, if we do not have good people in the military we are bound to fail when we come to that critical moment when those people have to be utilized.

So, I think this House and this committee deserves some credit for the leadership we provided last year in dealing, along with our fellows in the Armed Services Committee, in putting forward a bill that produces additional compensation for the military.

I am concerned about a great issue that I think this Congress and this administration has not come to grips with; that is, what I call the affordability crisis that faces the Pentagon. All of us want to help the Pentagon get the weapon systems that they really need, but unfortunately there are too many weapon systems on the menu and, frankly, we cannot afford them all. The Armed Services Committee, and frankly, our committee have not faced up to that hard task, and neither has this administration. I predict that weapon systems, major weapon systems, will have to be canceled in the next 2 years because inflation and cost growth and gold plating simply will make it impossible for us to buy all the things the Pentagon is trying to sell to this Congress.

□ 1345

Mr. Chairman, I urge this administration and I urge this Pentagon leadership to take a better look at those issues. And yet I see some breath of reform in the air. I see the Army now willing to talk about maneuver doctrine, to talk about mobility, and to talk about lightening up its artillery and increasing its mobility.

I think there is a group in this Congress which deserves some credit beyond our committee, and that is the group known as the Military Reform Caucus, which has basically challenged the strategy, tactics, and procurement policies of any administration, any Pentagon, particularly this one. It seems to me that kind of reform is necessary. It is important that our leadership in the Pentagon look at its strategy and look at its tactics in light of the realities of the 1980's and the 1990's and then make decisions on procurement.

I for one have been one of the Members who have asked specific questions. My colleague, the gentleman from Alabama, and Senator HART, and I have asked for a study to be done on U.S. strategy by the Library of Congress. I think it is absolutely essential that we go back and review strategy, tactics, and procurement policies. I hope that we can, through this process, develop a military that is capable and competent of dealing with the realities of the 1980's and the 1990's.

I think this committee has done a good job. I think we have made some important revisions in this budget. A lot of work must be done yet in conference and in the other body.

Particularly, I would like to pay a compliment to our subcommittee chairman. Sometimes he has been a voice by himself challenging some of the pronouncements coming out of the Pentagon, and I for one, after serving now on the committee for 3 years, have a growing skepticism of some of the information we get from the Pentagon. I think these people try to do a good job, but sometimes I think they get too caught up in trying to sell something up on the Hill, and I think that sometimes on very major issues they do not give us totally accurate information when they know better. Sometimes, in my view, even as recently as yesterday, I am embarrassed to say, we have found a great distortion in the testimony we get from high officials in the Air Force, and then we find out from other people who are equally informed that what we were told by the Air Force a few minutes ago was totally inaccurate.

We have to end that, and I think, with the kind of leadership we have had on this subcommittee, that we have taken the right approach. That kind of adversarial approach will bring truth, and I think that is what we have got to search for.

We need a strong military, but we do not need to throw money at the problem. We need to do it in a thoughtful, constructive way, and I think this committee is providing that kind of leadership.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield such time as he may consume to the very able gentleman from Pennsylvania (Mr. MCDADE).

Mr. MCDADE. Mr. Chairman, I rise in support of H.R. 4995 making appropriations for the Department of Defense and I urge its approval by the House.

Mr. Chairman, while I have served on the Appropriations Committee for the past 17 years, this year was my first opportunity to serve on the Defense Subcommittee. It has been a tremedous experience, one which has greatly enhanced my already substantial respect for the two gentleman whose leadership points the way for all of us, the gentleman from New York (Mr. ADDABBO) and the gentleman from Alabama (Mr. EDWARDS). They bring not only great expertise but great patience to our deliberations. They set the agenda and bring some sense to what is surely the most complicated and complex bill the Members will see this or any other year. I might add that we could not possibly bring this bill to you were it not for the incredibly gifted professional staff of which there is no finer.

This bill comes before the House today after 10 months of hearings during which it seems that the budget numbers we received were under constant revision. Yet I believe that we

have brought a bill that meets a number of goals that we set out to achieve this year.

It adopts intact the administration's strategic weapons package. It meets the national mandate that our Nation revitalize and improve our Nation's defense. It targets specific areas where waste, fraud, and abuse have hampered our national defense effort. It continues the bipartisan attempt to improve the living, working, and pay conditions that were begun last year for our service men and women. And perhaps most significantly, we bring you a bill that does these things yet insures that the Defense Department makes some of the financial sacrifices that all other agencies of Government are being asked to make in the interests of fighting inflationary deficits.

This bill is $4.2 billion below the President's revised September budget request. Despite the committee reductions, it is still the largest defense appropriations bill ever considered by Congress. It is some $25 billion more in new total budget authority than was available to the Pentagon in fiscal year 1981.

Mr. Chairman, later during amendments all of the Members will have the opportunity to debate and vote on the contents and the merits of the administration's strategic weapons package, including both the B-1B manned bomber and the future of the MX missile. The committee has spent countless hours in public and executive sessions debating these issues. In subcommittee and in full committee, the votes to include both programs were nearly even, reflecting the committee's concern about cost, penetrability, deployment, and whether or not we are closing the famous "window of vulnerability" we face from the threat of the Soviet Union.

I supported both actions in committee and in subcommittee. The B-1B proved to be a most difficult decision in that we are being asked to go forward with a weapon that has been delayed for too long to replace a 25-year-old bomber that is clearly inadequate for our needs. Many of us would be quite happy to leapfrog the B-1B technology in the hope that the new Stealth bomber could be brought onstream by the close of the decade. But Stealth is still a paper concept and the B-1B can be brought into our fleet as early as 1984 and give us a penetration capability over Soviet defenses well into the 1990's. I don't believe we should delay this decision any longer.

I would also say to my colleagues that as they consider the debate on whether or not to go forward with the MX missile, there was considerable and justifiable concern on the part of our subcommittee on whether we would be improving our vulnerability to Soviet attack by going forward with the MX research while a final decision is still pending on a basing mode. But remember, the $1.9 billion contained in the bill for the MX is research and development money only. We need to go forward with the design and development of the MX to phase down our existing vulnerable Titan and Minuteman missiles. I would hope we could retain this provision in the final version of the bill.

The committee took a number of steps to reverse what has become an alarming trend of giving a low priority to our ammunition needs. For too long, ammunition has been the savings account of the services—reprogramings have drawn down funds earmarked for ammunition whenever there is a perceived need elsewhere. I commend my chairman for two actions he has taken this year. First, in telling the Pentagon that our committee would not look favorably on reprogramings out of the ammunition account, and second, in restoring funds for ammunition procurement deleted by the administration in their September budget request. The committee restored $112 million in ammunition procurement and $68 million in production support to increase the Nation's readiness by increasing the availability of ammunition. But procurement of new stocks is only part of the problem.

Since 1975 the committee has been trying to get the Defense Department to tighten up on its management and coordination of the ammunition program. To do this, the Army was designated as the so-called single manager for conventional ammunition for the three services. This single-manager program was to be a two-phased approach aimed at obtaining efficiencies and economies in the ammunition program. Years later, despite testimony from the Army that all SMCA problems have been worked out, we still have no phase 2 directive to finalize the system.

Problems at transfer depots, disputes between OSD and the services have led to the development of two phase 2 plans. The committee would like to see one strong plan, as proposed by the committee and the General Accounting Office, both of whom have found tremendous shortcomings in our ammunition program.

To prod the Pentagon one last time, the committee has included language that allows the single-manager program to continue only under a completed phase 2 directive after January 30, 1982.

Mr. Chairman, according to testimony before our committee along with studies by the GAO, we are wasting millions of dollars yearly in this critical program. This budget contains major increases for ammunition increases that bring the ammo budget to $3.7 billion. Yet presently, we have 25 percent of our inventory that is unserviceable. Long delays in disposal are wasting millions of cubic feet of storage space. Storage facilities are in terrible shape. The inventory of ammunition is seriously miscoded so we are unsure of the true condition of our stock.

These programs could be improved with more stringent managements and the committee believes that we need to get going with the completed single-manager program now. I am advised that the Secretary of Defense has given final approval to the phase 2 directive last evening.

Mr. Chairman, H.R. 4995 also contained an amendment in an attempt to assist our domestic automotive industry in competing for procurement work on certain administrative vehicles that will be purchased by the Department of Defense to replenish the existing NATO fleet of administrative vehicles. Included in that fleet are various jeeps, cars, trucks, and vans numbering some 20,000 at a total cost of $240 million over the next several years.

Our bill says that all procurements in excess of $50,000 must be bid competitively without regard to any price differentials favoring foreign sellers.

This amendment is designed to give the domestic auto industry the chance to bid competitively—nothing more, nothing less. If it is cheaper and more efficient to buy foreign, so be it. All this amendment does is to open bidding to domestic vehicle makers. It does not violate the GATT. It does not stack the deck for or against anyone. It does not even discourage efficiency. It simply opens the Pentagon's "buy foreign" policy to American industry.

Mr. Chairman, this is a comprehensive bill that will, in my judgment, meet our Nation's defense needs. I urge its approval.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 5 minutes to the very able gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I want to briefly join in the tributes that have been paid to the chairman of our subcommittee and to the ranking Republican member of our subcommittee for the manner in which they have conducted the affairs of the subcommittee in hearings and markup sessions. Sometimes those sessions have become rather heated and quite controversial, and I understand why they might have pulled their hair a little from time to time because of the way some of the business was conducted.

Also as to the staff, I echo the comments of our chairman, the gentleman from New York (Mr. ADDABBO), and of the gentleman from Alabama (Mr. EDWARDS), as to the professional standards of the staff that we enjoy working with on this subcommittee.

I rise as a member of the subcommittee in strong support of the bill before us, and I want to be a little more specific in what I believe will add more credibility to this bill than has already been offered. One of the important parts of our defense doctrine is the ability to respond rapidly to any kind of a situation that requires military intervention.

At this time last year we had a concept, a concept of a rapid deployment joint task force that would be able to respond rapidly to any part of the world, more specifically Southwest Asia, to protect and preserve the interests of the United States.

Today, thanks to a lot of the inclusions in this appropriation bill before us, that concept begins to become a very viable part of our national defense doctrine, for in this bill we provide additional funding, additional equipment, and additional preparation for the rapid deployment force. We provide for additional communications equipment, which obviously is necessary if we are going to deploy troops anywhere. We provide for such things as water purification so when they get where they are going, they are going to have water to drink and so they are going to have utilities to take care of the facilities they do have there.

We are providing more training money. We are providing training for a new high technology Army division. We are providing more money for exercises like the Bright Star exercise that is taking place in Egypt today, and that is an exercise that appears to be a very successful one from all reports.

One of the real problems with the rapid deployment force concept or doctrine is, if in fact a decision is made to deploy the RDF, how do we get it there? Even if our force is fully trained, fully equipped, and has everything it needs to perform its mission, we still have to get it there if it is to accomplish its mission.

This bill provides for some of the needed sea lift. We provide money for roll-on, roll-off types of cargo ships, the SL-7's, the fast cargo ships. We are providing for the pre-positioning of 13 to contain ammunition, medical supplies, and other equipment that the rapid deployment force would need.

In addition, we are providing funding to re-engine the KC-135's so those air refueling aircraft will have greater payloads and greater range capability and so they can refuel those aircraft that are part of or are in support of the rapid deployment force. This bill provides for KC-135 re-engining and for four KC-10's, which have a much greater capability to carry fuel and to refuel in flight those bombers or transport planes or fighters or whatever other types of airplanes might be deployed.

We provide full funding for the readiness command. Readiness is obviously an important part of any military force. For rapid deployment or otherwise, readiness is obviously essential.

I want to refer to words that President Reagan used in his historic speech this morning before the Press Club. He said:

> Deterring war depends on the perceived ability of our forces to perform effectively. The more effective our forces, the less likely it is that we will have to use them.

I agree with that, and I think the people of America basically agree with that. The moneys we are providing in this bill for our national defense establishment and, more specifically, for this rapid deployment force I have been talking about for these few minutes, I believe, helps to establish that "perceived ability of our forces to perform effectively."

Let me make one comment here that might seem to be a little negative. There is something that we have not done in this bill that I think does have to be addressed and should be addressed as soon as we possibly can. Despite what we are doing and the ability that we are creating to rapidly deploy, we have this problem: If we rapidly deploy our forces today, we do not have sufficient medical care facilities to take care of those people who are going to be injured in that deployment and in the performance of their mission. We have to do a little better than that.

Let me say that I do not think anyone is completely innocent or completely guilty in this regard. I believe that the Defense Department has been remiss in not getting a better organized plan to provide for this medical care. I think perhaps the Congress could have been a little more pushy or a little more aggressive in putting the pressure on the Defense Department to come up with a program where we could in fact have some relocatable hospitals, some MASH units, if you will, or whatever they call them today.

The CHAIRMAN pro tempore. (Mr. DOWNEY). The time of the gentleman from Florida (Mr. YOUNG) has expired.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 2 additional minutes to the gentleman from Florida (Mr. YOUNG).

Mr. Chairman, will the gentleman yield to me?

Mr. YOUNG of Florida. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, the gentleman from Florida (Mr. YOUNG) is discussing a very important subject, that is to say the field hospital problem. This committee has been pushy, but perhaps not pushy enough to get the Department of Defense to centrally manage these efforts. We have, I think, in the work of the committee convinced the Army that they should get on with doing a better job with their field hospitals and in fact it appears that they have.

I certainly would hope that the Navy will do the same thing. The gentleman spoke eloquently about this problem in the full committee, as he is doing now, and I am sure our whole subcommittee joins with him in trying to find a way to resolve this problem so we can have a good central effort for field hospitals, whether on shipboard or on land. I certainly join the gentleman in his concern, as I am sure the other Members do.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman from Alabama (Mr. EDWARDS) very much for his remarks.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the distinguished subcommittee chairman.

Mr. ADDABBO. Mr. Chairman, I thank the gentleman for yielding.

First, I want to commend the gentleman from Florida (Mr. YOUNG) for his activity on the subcommittee and for his great diligence and interest in the rapid deployment force and its capabilities. The committee and I appreciate his expertise in this area.

The fleet hospitals and the other military hospitals have been a very deep concern of the subcommittee, especially as the problem relates to the unmanagement or nonmanagement by the military of all of the hospitals.

I appreciate the gentleman's bringing this issue to our attention. I know that he has looked into the question very seriously, and much of the information we have received shows that spending money as proposed by the Navy may not help to resolve the hospital problem, as we have pointed out in the committee on previous occasions. They just again went far afield by themselves and budgeted for all types of equipment which the Navy already has.

Mr. Chairman, I agree with the gentleman from Alabama (Mr. EDWARDS) that with our urging and with the dedication of the gentleman in the well, and we hope the Defense Department will put its act together so that there will be a concerted joint project by all the services for a good program which we can fund and which will be properly funded.

Mr. YOUNG of Florida. Mr. Chairman, I thank the subcommittee chairman for his comments, and I appreciate his understanding of the concern he and I share in this regard.

Let me say, Mr. Chairman, that I believe this is a good bill and we ought to pass it today.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to

the gentleman from Virginia (Mr. DAN DANIEL).

Mr. DAN DANIEL. Mr. Chairman, I thank the able gentleman for yielding time to me, and I rise in strong support of this bill, especially those portions dealing with operation and maintenance.

Mr. Chairman, our brief history as a nation, and our shorter span as a major power, have been characterized by large shifts in citizen perception of the need for a strong national defense. We are in the midst of the need for a stronger national defense. We are in the midst of such a shift now. As we leave behind the bitterness and divisiveness which marred the Vietnam era, and act on our collective judgment that the Soviets are beginning to outstrip us militarily, it would be well for us to keep one factor in mind.

Modernization of our Armed Services is critically necessary, and will proceed as quickly as the Congress and the President can effect. Although modernization is easily the most gratifying, and easily explained, effort in support of our defense, it is by no means all that is necessary. Nor is it the most rapid contributor to our military capability.

As we face the critical decisions of how to reequip our strategic and conventional forces, and how to insure a steady flow of high-quality young people to man them, we must also concentrate on another equally vital activity. And that is "to make ready that which we have."

We have yet to be prepared for any war in which we have fought. With the multiple demands on our national economy, there is little likelihood that we could ever be totally prepared. But we can, at a very good return on our investment, maximize that which we have, and in so doing, maximize our realistic deterrent capability.

In materiel terms, this means to address our industrial preparedness, our declining defense industrial base, such that our capability to be the "Arsenal of Democracy" is no longer a quaint, half-forgotten phrase. It means that the readiness of weapons and facilities now on hand, must be improved, so that a "come-as-you-are" war situation won't find us effectively denuded. Just as important, sustainability of our current force structure must be enhanced. We must be able to go to war, if necessary, and stay until we win. We must have, in stock, the beans, bullets, fuel, and spare parts for, and the means to effectively get them to, deployed forces.

Materiel preparedness and sustainability are only part of the answer, however. A much harder aspect to measure is the readiness of our forces to fight. Simply stated, our combined arms team must be superbly trained and led. Training is extremely dependent on resources allotted, as is leadership development. In order to retain the good, young noncommissioned officers and junior officers, and in order to steadily build priceless experience, we must address those factors which rob us of our single most vital resource: trained, experienced, able leaders capable of taking a mobilized force into combat.

Our relative military imbalance with the Soviets was not created, nor will it be fixed, overnight. Modernization will be a long time coming, and will be painfully expensive. As a result, the unsung and unglamorous, daily operations and maintenance of our Armed Services becomes even more critical than ever.

As we look to our allies' readiness in NATO, and jointly plan for our defense; as we look outward to the Pacific Basin, and Southwest Asia to troubled, but indispensable, friendly nations; as we look toward having to deter actual Soviet expansionism occurring today, rather than merely plan for tomorrow—let us look to our own readiness.

Let us make ready that which we have.

Mr. ADDABBO. Mr. Chairman, I yield 10 minutes to the chairman of the full committee, the gentleman from Mississippi (Mr. WHITTEN), who is a great, dedicated man on defense spending and not military waste.

Mr. WHITTEN. Mr. Chairman, I am going to vote for this bill, as I have voted for other defense bills throughout the years. I always support defense.

But through the years I have also made an effort, since I went on this subcommittee in 1943, to control spending, and here I have joined with the committee in asking for an investigation of defense spending and actual practices in an effort to get real defense for the money we spend.

BUILD THE B–1 NOW

I want to say that I have always supported the B–1 bomber and the nuclear submarine because I believe that what we ought to be doing is preventing war. I believe that a bomber that we can send and bring back is a whole lot better than a missile that has to explode and the war is on. We should get on with building the B–1.

I have had reasons to investigate, as I said, in the past, and I believe in 1956 the findings of wasting of funds in the military disclosed for our investigation were so terrible that when I got to the then Secretary of Defense, Mr. Wilson, to read the report, he came back to the committee and said that it made him mad to think that he was operating in such a Department.

COMMITTEE INVESTIGATION

In February of this year we conducted an investigation of military practices, and may I say that it is an eye opener. The findings raise doubts not only as to whether we are ready but raise the question of whether we will ever get ready. We do not hear anybody talking about strengthening defense. The Office of Management and Budget, the President, and everybody else have been talking about increasing military spending. Let me say to my friends that there is a difference. I shall put in the RECORD, under permission to revise and extend my remarks, excerpts from what I have found and wish to share with the Members.

First, I want to say that the Defense Department today has approximately $40 billion that is unobligated and it has approximately $125 billion unspent. Now, I mention that because I have reasons for wanting it in there—because I think that until we get some action taken to prevent the waste that is evident in this report we might tell them to use the money that they have got to carry these things on until they get their affairs straightened out.

I list here some of the funding of our investigation:

SUMMARY OF MAJOR FAILINGS

An important missile in our inventory is unsafe for use aboard a ship due to radiation hazards. Because of sensitivity to radar, the missile cannot be removed from the ship's magazine and loaded aboard an aircraft lest the missile be inadvertently detonated. This situation has existed for several years, and although the missile's firing circuit could be changed for $2.00 per missile, no corrective action has been taken.

A very similar situation exists which precludes the loading of a gun on one of our aircraft. The ammunition for the gun was found to be unsafe for use aboard Navy ships since the ships' radar—and even static electricity—could accidently detonate the rounds. Several thousands of costly handmade rounds were purchased, but they too were found to be unsafe. During a recent important deployment, this particular aircraft operated with empty magazines.

Although the MX missile's MARK–12A reentry vehicle already has four different fuse systems available, which provide for a total of 24 fusing options, the Air Force was directed by the Secretary of Defense to develop another, known as the path length fuse. The development and incorporation of this capability into the MARK–12A is estimated to cost the MX program more than $400 million. However, the Strategic Air Command believes the current MARK–12A fusing options are more than adequate for the MX.

The study shows that the U.S. Navy is regularly using tactical S–3A antisubmarine warfare (Viking) aircraft to perform cargo-carrying missions for deployed naval battle groups.

To date, the study shows that the Army has lost at least $8.3 million because of the procurement of defective Medical Unit Self-Contained Transportable (MUST) equipment. 207 defective shelters had to be disposed of by the Army, over 300 corridor connectors and passageways were unuseable because of faulty materials but were accepted by the U.S. Government and over 400 inflatable shelters will have to be refitted with proper connectors.

The General Services Administration (GSA) is charged to manage public utility services, including prescription of policy and

methods of procurement. The GSA provides local and long distance telephone service to all Government users. The DOD provides long distance service on its Autovon telephone system. In addition, DOD is in the process of instituting consolidated local service in metropolitan areas. In effect, the Government is operating two long distance systems, and two agencies, DOD and GSA are providing local telephone service in metropolitan areas. Consolidation of these systems would make reductions in telephone costs in the order of tens of millions of dollars by use of centralized attendant switchboards, thus eliminating operators, and common use of long haul circuits. The elimination of duplicating staffs engaged in analyzing requirements, procuring circuits, billing for service, etc., would result in savings of at least 200 people.

In fiscal year 1979, it is estimated that the Department of Defense spent about $1.6 billion on all types of professional service contracts. A preliminary survey of DOD use of Contractor Engineering and Technical Services (CETS) contracts disclosed operational reliance of CETS personnel (contractors) has reached the point that Navy air wings, and to some extent the Tactical Air Command (TAC) do not have the capability to operate at full combat mission readiness without civilian contractual support. The number of CETS personnel currently aboard and at sea with the four aircraft carriers operating with the Atlantic Fleet in the Indian Ocean—the JOHN F. KENNEDY, the AMERICA, the FORRESTAL, and the INDEPENDENCE—total 131, at a cost of approximately $80,000 per man-year or $10.5 million annually. The Commander of a Navy F-14 Fighter Wing advised that his unit would experience at least a 50 percent reduction in operational capability without the present level of CETS support. The study noted that the E-3A (AWACS) aircraft, including those in Saudi Arabia, could not function as a viable airborne warning system without the use of CETS support aboard the airplane to maintain and operate the essential radar function. The Navy's dependency has increased to such a degree that CETS personnel are employed as Logistic Support Representatives (LSR) to locate, and facilitate the delivery of spare parts within and through the Navy's own supply system. It was found that a large number of CETS personnel aboard deployed aircraft carriers are former Navy technicians who found that pay and career opportunities were greater in the private sector.

Improvement of inventory, supply systems and spare parts management could save millions of dollars, according to the study.

□ 1400

SECRETARY HAS NOT RESPONDED

We called attention personally by letter to the Secretary of Defense on October 19 and asked for a report. He was in my office 2 weeks ago and he had not looked at it yet, and he has not looked at it today, and not a word has been said about it.

I am not going to move that we delay this appropriation bill. I am going to vote for it. But I am going to say that they do not need it now. I am going to say we ought to hold it up until we get this matter cleared up so that we will get some defense for the money we spend.

Increased wasteful defense spending is certainly no answer, and that is largely what we are doing. In the Congress, at the White House and in the press we do not hear or read of better defense; what we hear of is "increased military spending" on weapons systems, never quite completed because we are always waiting to add the new gadget, including some still on the drawing board.

Largely for this reason, it took 5 years to build Polaris 1, 6 years for the Polaris A3, 9 years for the Poseidon C-3, and 11 years for the Trident C-4.

We promote low bids, with the knowledge that the real money will be paid for changes; as many as 35,000 changes on ships, with 6,000 change orders and large numbers on others.

We build submarines with large quantities of defective welding, some caused by mismanagement for which they take out an insurance policy and bill the Government for the premium. Military spending has become far too much of which service gets it, and where will it be spent.

Of course, we needed to cut out wasteful spending. We did that last year, $14.1 billion worth, with hardly a ripple. Now they want to cut muscle and bone.

This would be detrimental to our economic recovery for investment and productive expenditures are just as essential as to eliminate waste—and our country, built around credit, must, above all, get back to reasonable interest rates and get back to putting a premium on productive work.

Most of the weapons systems and other purchases will be ready by 1985. This sounds as if they believe we can get an agreement with Russia before we have any conflict. If we do not, 1985 may be too late.

I hope my colleagues will read the RECORD tomorrow because I do not have time to go into them. But may I say again, that when you get our intelligence people to say what Russia has, it appears that they are prone to accept the claims of Russia verbatim because it supports their efforts to get more money, even though they have $40 billion unobligated, and $125 million not spent. It serves their purpose. When you ask for information about Russia helpful to us the statements get fuzzy and uncertain.

So I say to you, while I am for defense, and I am going to vote for defense, I honestly think I can do more good for defense to point out these defects. We have all of these exotic weapons. We did not use them in Vietnam. We did not use them in Korea, probably wisely, because I think for anybody to turn them loose this day and time, whether it be a test or not, is inviting war. I think it would take a crazy person to set off a nuclear weapon under present conditions.

So I say again, I am for this bill and I am for defense. But, for goodness sake, help us to get defense for the dollars spent and not merely get a whole lot more money spent, because it is, after all, inflationary.

I say again: Will my colleagues please read the RECORD and see the detail that is in these hearings. I hope my chairman—and he and I have been close friends now through the years, and this is an area where he has worked through the years—I hope he will agree with me to get the Secretary of Defense before our committee and go after him and try to get action to correct these conditions which the investigation discloses.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding. I fully commend him and agree with everything he has said. That report definitely confirms all of the items the gentleman has learned over the many years he has been on this subcommittee and dealt with defense. I fully support and will do everything possible to see that the Defense Department and the Secretary comply and correct many of these wastes.

Mr. WHITTEN. My I congratulate the chairman for the way that he has handled this committee. I appreciate his dedication and friendship.

I want to say to the Congress that we have no more able men in the Congress than the members of this subcommittee. But they, like I and like you, should be awfully sure that what we get is defense and not merely military spending increases.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield to me briefly?

Mr. WHITTEN. I yield to the gentleman from Connecticut.

Mr. MOFFETT. I want to congratulate the distinguished chairman on his statement. I think some of us have not always agreed with the chairman on what our defense should be. But I think the chairman is making great sense and has given us an inspirational statement here today about the need to scrutinize the budget.

Mr. WHITTEN. I appreciate the gentleman's statement. Let me say that other statements made about Russia back my own judgment. Did you know that in 1856 in Harpers magazine they were worried about the Russian bear. Disraeli in 1875 was worried about Russia. We have worried about Russia. You can go back 15 years ago and the same debates were being made here. But I assure the gentlemen that 25 years ago when I went to Russia, the major reason they did not let you go into much of Russia is that they did not have any roads, and

they did not have any indoor toilet facilities. They were embarrassed.

I do not mean to say that they are not a threat today. They can throw their weight in the contest and they can put their best forces in and go here and there, and they are a threat. But I do think our folks are prone to believe their claims because it justifies what many of our people would like to have any way that increased military spending.

Mr. Chairman, the answer is not how many dollars you spend in the name of defense, but how much defense you get for the dollars we spend.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield such time as he may consume to the Republican leader, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, in his eloquent and historic speech this morning, President Reagan quoted a letter he had written to Soviet leader Leonid Brezhnev.

In that letter, the President reminded President Brezhnev that at the heart of the relationship between our two nations must be the concerns of ordinary human beings.

"Government exists for their convenience, not the other way around," said the President.

He could not have chosen a day more fitting to make such remarks. Today we are debating what is perhaps Government's most important function—to protect the freedom and security of American families.

Some say the defense appropriations bill should be cut because it takes money for programs for human needs.

The need to be alive and free and the need to be protected against tyranny are the biggest human needs we have. And this bill is the only way we have of meeting those needs.

You can talk all you want about programs for human needs. But the biggest human need we have is to keep the Soviet Union from destroying us, quickly or slowly.

Mr. Chairman, during my years as a member of the Appropriation Committee no votes were as important to me as those I made on defense issues.

On all other issues you have a margin for error. But if you give our country inadequate spending for defense, you have made the one error that can be fatal.

As I look back over 25 years, it is evident that there were times when we should have been a little more prudent here or a little more expansive there.

But in the final analysis, you always try to do what you think is best for the country.

I think the committee has done that in this bill.

This bill contains adequate provisions for the research and development on the MX system, the B-1 bomber, for the land-based theater missile, and for cruise missiles.

They are the big four. They are not merely weapons systems. They are instruments of peace.

They are instruments of negotiation. I do not know of anyone who really believes that we can negotiate with the Soviet Union from a position of vulnerability and weakness.

That is what this bill is all about: Keeping the peace.

Our strength is absolutely vital, not for the sake of provocation, but for the sake of prevention.

There is no greater contribution we can make to the peace and safety and freedom of the American people and the hope of lasting peace throughout the world than a national defense that commands the attention and respect of our adversaries.

If you dispute the need for one weapons system or another, then be sure when you do, that you weigh all of the implications involved. We have a grave responsiblity to insure the success of our efforts toward arms reduction. No error in judgment will be slight.

In debates on nondefense issues, we hear cries for compassion and concern.

I say the best way to demonstrate compassion and concern for all Americans is to give them the defense they need.

The CHAIRMAN. The gentleman has consumed 4 minutes.

Mr. ADDABBO. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. PRICE), the great chairman of the Armed Services Committee.

Mr. PRICE. I thank the gentleman very much for yielding this time.

Mr. Chairman, yesterday the House approved the conference report on S. 815, the fiscal year 1982 defense authorization bill. However, since this bill has not yet been signed into law, it was necessary for the Appropriations Committee to get a rule waiving points of order against the bill because of a lack of authorization.

I appreciate the technical need for a waiver and I recognize that the late reporting of the authorization conference report has created an unusual problem for the Committee on Appropriations in dealing with appropriations accounts subject to prior authorization. I would also note that the Appropriations Committee has been diligent in the past in respecting the authorization process by deleting items for which there is no authorization.

The present chairman of the Defense Appropriations Subcommittee, in particular, made it clear repeatedly that he did not wish to report an appropriations bill until there was an authorization. This year, however, because of the late decisions of the President on strategic programs and the revised budget submission of the administration in October, the authorization bill was delayed to the latest point in my memory. Because of the actions of the administration, the conferees on the authorization bill could not prevent this delay. I know the distinguished gentleman from New York appreciates the unique situation we are in this year.

Mr. ADDABBO. Will the gentleman yield?

Mr. PRICE. I yield to the gentleman from New York.

Mr. ADDABBO. I recognize the situation that the able chairman of the Armed Services Committee has outlined and appreciate his concerns. As I have said before, I do not like reporting the appropriations bill in the absence of authorization, and it was because of the urgency of the situation that we were forced to ask for a waiver. It was not my intention that unauthorized programs be funded.

Mr. PRICE. I appreciate the gentleman's comments. I raise the point because a preliminary review indicates there are some items in the appropriations bill before us that do not have prior authorization. Under normal procedures I would have opposed a waiver or would move to strike unauthorized items. Because the authorization has not been enacted and because I do not wish to delay action further, I will not make such motions here today. I would trust the distinguished chairman of the subcommittee would endeavor to work the matter out in conference and remove nonauthorized provisions to the extent conference procedure permits.

Mr. ADDABBO. I appreciate the indulgence of the gentleman from Illinois in avoiding further delay on the bill. While I must state that we in the Appropriations Committee have firm positions on some matters in the bill, I certainly will make every effort to arrive at an agreement which meets the gentleman's concerns.

Mr. PRICE. I thank the gentleman very much, and I want to assure him that I appreciate his cooperation, not only in this instance, but in many other instances.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GREEN).

Mr. GREEN. Mr. Chairman, for sometime I have been concerned that we have not been spending enough on the basic readiness element of our defense—the ability to project conventional force in strategic spots around the world. We have underspent on training, spare parts, ammunition, operations, and maintenance. I am pleased that this bill deals effectively with those issues and support those aspects of the bill.

However, many of the programs funded in this bill are testimony to the pork-barrel politics of the defense budget. Too many procurement pro-

grams—the F-18, the MX, B-1, and others—are more reflections of their powerful and entrenched constituencies than they are well thought-out responses to our defense needs. The pork-barrel approach to the defense budget—"if you vote for my contract or to keep my base open I'll vote for yours"—works only to the detriment of our genuine defense needs, and has led to the underfunding of readiness that I have already described.

These practices have led not only to overspending, but to putting money in the wrong places. The unglamorous side of defense—readiness—gives way to the glamorous state of the art procurement project, while readiness—training, spare parts, ammunition, supplies, operations, and maintenance take a back seat. Everyone loves to take the well of the House to display a model of a new plane or missile, when what we really need are more bullets and more hours of training.

We must also understand that defense spending cannot be infinite, and that cost issues simply must be addressed. Our GNP is only so great, and if we are going to make the investments necessary to expand it—whether they be in physical plants, education, scientific research, job training, energy development, or the assurance to our citizenry at large that their participation in this effort will not result in destitution and want—then we cannot in the short run expand our defense effort to the point where these other needs, which are also necessary to our ultimate national security, are neglected. Ultimately, a healthy economy is more critical to our national security than the level of defense spending.

I had planned to offer an amendment today that reduced the totals appropriated in this bill for procurement—except spare parts, repair parts, and ammunition—and R. & D. by 3 percent. I understand the gentleman from Georgia (Mr. GINGRICH) will be offering a similar amendment at the 2 percent level, and I have decided to support his effort. I proposed my amendment because I feel the emphasis by the administration on procurement will beggar the U.S. Treasury, bankroll costly, unnecessary procurement programs, and ultimately starve the most crucial areas of defense spending: those relating to military readiness. Without making choices in determining our mix of strategic gadgetry, the Pentagon will ultimately be forced into the time-honored means of cutting defense costs: chipping away at O. & M. Already we have seen the beginnings of this: The centerpieces of the Reagan defense package are the very costly B-1 and MX, and the slight cutbacks in defense spending have come in O. & M.

I would like to focus on one area of defense—strategic nuclear forces—where we as a nation must make some choices. Until recently, our defense system has been based on the simple theory that a triad of nuclear retaliatory forces—sea-based, air-based, and land-based—would stretch the Soviets' weapon systems thin.

But the U.S. strategic forces is now working on a pentad, not a triad. We have five nuclear responses going: Land-based ICBM's, submarine-launched ballistic missiles (SLBM's), manned penetrating bombers, air-launched cruise missiles, and sea-launched cruise missiles.

I particularly question the MX missile. First, a fixed-site missile makes no sense as a second strike weapon: As former Secretary of Defense Harold Brown said recently, all fixed-site targets will be vulnerable by the end of this decade. Second, hardening existing silos to 5,000 psi will not make the MX invulnerable, because slight increases in Soviet missile accuracy or payload greatly offset increased hardness, as does an increase in the number of warheads deployed against a site. As was the case with the race-track basing mode proposed by President Carter, absent the ratification of SALT II, the hardened silo basing mode is simply not survivable. Consequently, we still lack a credible MX basing mode, and it is hard to see how one can design the missile itself without knowing its basing mode. Do we really want to spend $1.9 billion on a missile—whose predecessor was justified only under the terms of SALT II—but whose current incarnation is supposedly justified only by the abandonment of SALT II.

Though I think there is a much better case for the B-1 than for the MX, on balance—and with some hesitation—I have decided that I cannot support the B-1. The basic case for a manned penetrating bomber is that after the Soviets have fired a first round at our missile sites and we have responded, the Soviets will have mobile targets against which only manned penetrating bombers will be effective.

Plainly, the B-1 would be better for this mission than the B-52, to some degree because of its smaller radar profile, to a larger extent because it requires shorter runways than does the B-52 and so theoretically could be dispersed over many more airports than could the B-52's, thus presenting more targets than Soviet first strike capability could handle. Yet as a practical matter it is hard to conceive a nuclear war scenario under which the B-1 with nuclear weapons would actually get to all those small town airports to fly again in any organized response against the Soviets. I am also troubled by the Secretary of Defense's own admission that the first B-1 squadron will not be ready to fly until 1987, but will not be able to penetrate Soviet air defenses past 1989 or 1990.

I strongly believe we should be focusing on cruise missiles and improving the accuracy and command control of SLBM's. While the Soviets can probably ultimately defend hardened small sites against cruise missiles, the expense ratio is probably in our favor and they seem the best way of closing whatever short run window of vulnerability may exist. In the long run, it appears that the Soviets have more of window of vulnerability than we because of the vulnerability of any fixed-based missiles, on which the Soviets have relied heavily, and our lead in SLBM's and submarine hiding and detection. In fact, U.S. superiority in this area should make us invulnerable for many years to come.

To close, Mr. Chairman, let me repeat that we must make choices in our procurement of strategic weaponry. Failure to do so will harm our actual defense posture by starving O. & M., not to mention as well as the U.S. Treasury. I believe the best choices for elimination are the MX missile and the B-1 bomber. I urge my colleagues to join me in supporting improved defense readiness while making some effort to eliminate the pork barrel approach to weapons procurement.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, I would like to thank the distinguished chairman for yielding me this time. I have listened to the debate quite carefully, and I want to say to both the gentleman from New York, the distinguished chairman of the subcommittee, and to the gentleman from Alabama (Mr. EDWARDS) that I have a great deal of admiration and respect and fondness for them, and I think they know that. I think their statements, their opening statements on this legislation, the largest defense bill ever considered by a legislative body, show what kind of people they are and what kinds of conscientious legislators they are.

As I indicated a few minutes ago, I thought that the statement by the distinguished chairman of the Appropriations Committee, the gentleman from Mississippi (Mr. WHITTEN), was an inspirational statement.

The fact of the matter is, however, that we are still considering this bill at a time when the statements would indicate there is a growing need to do more scrutiny of the defense budget; and, second, I think there is a recognition, a growing recognition in this body, of the burgeoning movement that is sweeping not only Europe, but is beginning to sweep the United States, crying out for some leadership in arms negotiations. On that score, I

salute the President for his statement today, and I think we all should. I think that there should be a consensus that we have to move in this direction. But what this bill reflects is that for the moment we must be boxed in, or something, because it does not seem to square with a march toward arms control or even a crawl toward arms control.

Now, I know that the gentleman from Alabama has said that we ought to have all of our chips on the table, and there is an implication that now is not the time, when we might be going to the negotiating table, to be cutting back on defense. But we are always told that. Ever since I have been here we have been told now is not the time, now is never the time to cut back on defense.

But I submit to you that now is indeed the time. In the churches across the country, not only in the Northeast part of the United States, but in all of the districts represented here, there is a growing concern about the arms race. In the schools you hear more and more talk about it. And the question is: How can we get to the point where we as Members of Congress can play a more substantive role in the push toward arms negotiations? This bill, I do not believe, despite the various rationalizations that can be given for it, is not helpful in getting us closer to the arms race.

I listened very closely to Mr. CHAPPELL's statistics, and what they say to me is: Where are we going to be 20 years from now, in terms of all of those warheads and all of those missiles? We will be in much worse shape if we do not have arms negotiations in a very, very serious manner.

So I think that sooner or later this body is going to have to confront that, rather than just feeling boxed in and voting out the largest defense increases and the largest defense bills in history.

Mr. Chairman, the fact is, we are not doing the job the American people expect of us. We are merely reacting to the momentum of the arms race. This body is just climbing on the bandwagon, throwing huge sums of money at something called defense. But in reality we are making a major contribution to world instability. Let's get to the negotiating table. This bloated bill is not the way to do it.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia (Mr. GINGRICH).

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Chairman, I have to start by commenting on the remarks of my distinguished colleague, the gentleman from Connecticut, who just spoke. It is true that there is growing concern in the churches of America. There is marching in the streets of West Germany. But there is not nearly such obvious concern in the churches of Russia, and there is no marching in Moscow. You cannot simply negotiate an arms race with yourself. We are, in fact, dealing with the Russian Empire from precisely the same position that the British dealt with Nazi Germany. If they insist on arming, if they go into Afghanistan, if their puppets are in Africa, it does little good for our preachers to tell us not to be warmongers.

As George Washington said, "If you want to preserve peace, you must prepare for war."

Douglas MacArthur, in the 1930's, faced with the rise of Nazi Germany, faced with increasing aggression by Italy and Japan, said that all too many passivists are in the position of people who, because they hate fires, want to abolish fire departments. Abolishing the fire department, in fact, increases the likelihood of fires being dangerous.

President Reagan today gave us a historic speech. He gave the Nation and the world an opportunity to measure two systems. He pointed out correctly that when we dominated the planet, when we had built weapons that could literally wipe out cities with no response, for 4 long years we had the only atomic bombs on the planet, our response to that opportunity was to dismantle our army, to demobilize our forces, to come home, to seek freedom in America. We did not seek empire then; we do not seek empire now. He has given the Russian Empire a chance to prove that it cares about peace beyond propaganda, to dismantle some 900 warheads, to free Europe from the danger of a theater-level nuclear war. We will see in the next few weeks whether the Soviet propaganda machine is willing, in fact, to act as well as talk.

But in order for the President to negotiate, he must negotiate from strength, and that strength has to be based on weapon systems such as the B-1 bomber, the MX missile, the Trident submarine; and at the theater level, his offer has to be predicated on the Pershing II missile and on the ground launch cruise missiles. Only by voting for a strong poker hand at the negotiating table do we genuinely move for real negotiations. And any American who really wants to see a peaceful Europe, any American who wants to see bilateral disarmament, with the Russian Empire disarming as well as the Americans, the only way to vote is for those strategic systems. However, there is a danger growing in the midst of talk about disarmament. We have to recognize that we have for 36 years been able to rely on strategic strengths to offset our conventional and theater weaknesses. We knew we could build up our conventional forces for a small war in enough time to fight a secondary power, and we felt confident that our major opponent, the Russian Empire, would not risk a major conflict which might lead to escalation. That world is changing. It is vital that we fundamentally reform the military structure and the Pentagon to provide a conventional force capable of winning on short notice, capable of fighting at whatever level is necessary, and capable of delivering a dollar's worth of defense for a dollar's worth of taxes. That system does not currently exist, and the great challenge to the Appropriations Committee and the Armed Services Committee and the great challenge to the Secretary of Defense is in the next year to offer us the reforms that will allow us to develop a conventional force structure with some belief that it will in fact work in wartime.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Chairman, I take this time to call to the attention of the House a provision in this bill that is designed to correct serious problems in the management and maintenance of our supplies of conventional, or nonnuclear, ammunition.

This is a subject that the Government Operations Committee, as well as the Appropriations Committee, has long been interested in. Because of poor management of these supplies the three military services are wasting millions of dollars and, even worse, letting vast stores of ammunition become useless through poor maintenance.

Just this morning our Legislation and National Security Subcommittee had a hearing on the problem. We learned that almost one-third of the Navy's $6.7 billion inventory of conventional ammunition was in an unserviceable condition in June of last year. We also learned that the Army has a backlog of 111,000 tons of ammunition needing renovation to make it usable, and it is the Army's contention that a backlog of 33,000 tons is unmanageable.

Congress thought it had solved these problems back in 1975, when, at its direction, the Defense Department established a single manager for conventional ammunition under the Secretary of the Army. The actual transition from multiservice management to single management was supposed to take place in two steps. Phase I was completed in 1977 with a few facilities being transferred to the army, but little progress has been made toward implementing phase II.

Section 789 of this bill is designed to prod the Defense Department into completing phase II. It says that the funds for the single manager for conventional ammunition can only be used for implementing phase II.

I want to commend the Appropriations Committee for including this provision in the bill. Since establishing the single manager concept and making a few token transfers in 1977, the Defense Department has done little to bring about this much-needed consolidation of the procurement, maintenance, and delivery of conventional ammunition. It has let interservice bickering and rivalry block the actions that need to be taken.

At our hearing this morning the Defense Department witness acknowledged that there has been little progress toward implementing phase II. He said agreement had been reached to transfer principal staff responsibility for the single manager to a new office and he promised to take action to strengthen the single manager.

I hope this provision in the appropriation bill will help him see the wisdom of carrying through on that promise.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Chairman, I would like to express my great appreciation to the chairman of the committee as well as the subcommittee chairman, the gentleman from New York, for their fine work on this legislation.

Mr. Chairman, included in the report language accompanying this bill is a statement of congressional intent which I feel to be of immense importance. That statement concerns a proposal by the Department of Defense to implement a change in status of the 7th Infantry Division at Fort Ord, Calif., for a temporary period. As described by Secretary Weinberger, the Department's proposal would involve reducing the strength of the 7th by some two-thirds and placing the division on an "active cadre" status for a 3-year period between 1983 and 1985. I am pleased that the committee has directed the Defense Department to abandon this ill-conceived scheme, and would urge my colleagues to support the committee's action.

Secretary Weinberger presented this plan as a means of accomplishing savings in defense expenditures. However, it is apparent to all who would give this proposal even the most cursory examination that it will fail to achieve this goal. Moreover, not only would this temporary reduction in the 7th Division fail to accomplish any real savings, it would also have the effect of severely impairing the readiness and morale of one of our finest fighting units.

Since reactivation of the 7th Division several years ago, a great deal of energy and resources have been invested in this unit by Congress and the Pentagon. New construction at the Fort Ord base, extensive training exercises in the United States and abroad, and close interaction with Reserve units have served to render the 7th Division one of our most highly trained and disciplined units. Recent participation by a division battalion in the Reforger maneuvers in Germany elicited glowing reports of the division's conduct and performance. One Army officer serving as liaison to a local German infantry school said that the 7th had "set new standards in appearance, conduct, esprit de corps and training by which future U.S. units will be judged * * *."

The effect of the proposed change in status of the 7th Division would be to reduce an already undermanned division by an entire brigade. I think it is important to note that the division in question is one of only two light infantry divisions in the continental United States—divisions which will undoubtedly play a significant role in the event that rapid deployment of U.S. military personnel overseas becomes necessary.

I am sure that I do not need to emphasize the effect this proposal could have on our defense readiness—those impacts are only too obvious. However, I would like to bring to the Members' attention the implications of the plan for Federal expenditures. Although the Defense Department touts this as a cost-saving measure, I think that in truth this is not likely to be the case at all. The following are just a few examples of the likely costs involved:

It could take up to 2 to 3 years to relocate the recommended number of Fort Ord personnel; many would have to be reassigned ahead of normal schedule;

The dislocation and turbulence involved in the reassignment of some 10,000 soldiers would be enormous and exceedingly costly;

Since Fort Ord would have to be kept in functional condition, many of the same fixed costs now being incurred would continue to exist throughout the period of "active cadre" status; and

It would take several years' leadtime to bring the division back up to speed—thus, if the 7th Division were to be reactivated by 1986, reactivation would have to take place shortly after deactivation was completed.

These costs, together with the incalculable damage that would be done to the moral and readiness of the troops of the 7th Division, undermine any possible budgetary sense this proposal might make.

I would again express my appreciation to the members and staff of the Defense Subcommittee for their excellent work on this matter, and ask my colleagues again to join me in rejecting the proposed reductions in the 7th Division.

● Mrs. SCHROEDER. Mr. Chairman, I rise in praise of Committee Chairman Joseph P. Addabbo. His additional views on the Defense appropriations bill is must reading for anyone who cares about our Nation's defense. The influence of his sound, responsible thinking on the defense budget is evident throughout the committee report accompanying the bill under consideration. It is too bad he did not have more support on his own committee.

For the benefit of those who have not had an opportunity to read Chairman ADDABBO'S views, I would like to read a few excerpts:

The action of the Defense Subcommittee in reducing the Defense budget by $6.3 billion is certainly a step in the right direction but it represents only a portion of wasteful spending found within the budget request that should have been eliminated. After extensive debate the Subcommittee declined to make further cuts in marginal programs at this time. My belief is that we could have prudently cut $11.2 billion without harming necessary military programs or hindering national security in any way.

There is absolutely no doubt of the adverse impact of defense spending on the economy. Money which goes for national defense and which does not produce any marketable goods or services is by definition inflationary. Every year the American people pay a terrible toll because of economic inflation. It appears that they will be required to continue to do so at least for as long as the present administration is in office.

One of the saddest aspects of the much touted increase in defense spending is that many Americans have been led to believe that an increase in defense spending automatically provides for greater national security; but it does not. When the additional funds are spent for consultants, cost overruns, obsolete weapons, and wasteful procurement policies, and procedures, it is very easy to spend more money but very difficult to obtain any additional real defense capability. As I have tried to point out all year, the huge increase in defense spending we are asked to agree to does not provide for any major increases in military forces. The increase, and it is a large one, is primarily for the purpose of maintaining the status quo. We are agreeing to pay more for the people we have and to pay more for the equipment we purchase and the supplies we purchase, but we do not get significant additional combat units for the additional money we are spending.

The waste committed against the American taxpayer in the name of national defense are many. Only constant vigilance on the part of the Department of Defense, the military services and the Congress can hope to cope with this situation. Unfortunately, when an atmosphere is created in which there are constant outcries for more and more defense spending, the atmosphere is created under which the military services are given no incentive to become more efficient.

When more money is requested by the Department of Defense than the Department can adequately cope with, we can expect nothing but bad management and waste.

Looking at the huge influence Defense spending has on our nation's economy and the huge influence Defense spending has on our law-making bodies, brings to mind the admonition of former President Eisenhower in his farewell address to beware of the undue influence of the military-industrial complex. This action is much closer to a

failure of civilian control of the military than most citizens are aware. The present Administration has almost given up trying to manager the military services and has turned over that management almost exclusively to the military themselves.●

Let me add one comment of my own. The uncontrolled spending binge ongoing at the Pentagon ridicules White House calls for eliminating waste throughout the Government. How can we ask social security recipients to tighten their belts when we are allowing defense contractors to soak the taxpayer for record amounts? It is time to attack waste at the Pentagon. For those of you who think that my comments are just the complaints of someone who thinks our budget priorities are all wrong, I urge you to read David Stockman's comments on the same subject in this month's Atlantic magazine. As Stockman said:

The whole question is blatant inefficiency, poor deployment or manpower, contracting idiocy . . . Hell, I think there's a kind of swamp of $10 or $20 to $30 billion worth of waste that can be ferreted out if you really push hard.

I opposed the Michel recommittal motion on the continuing resolution because it did not include a 5-percent cut in the Defense budget, a cut which could come entirely from waste, fraud, abuse, and mismanagement. I intend to offer a Michel-type amendment to this bill to see who really wants to cut the budget.●

● Mr. WHITE. Mr. Chairman, I had originally intended to offer an amendment which would delete the $1.9 million contained in the defense appropriations bill for funding the testing of 9 millimeter handguns. It is the announced intention of the Department of Defense to replace the current military handguns—some half million weapons—with new 9 millimeter pistols at a cost variously estimated between $118 million and $236 million.

Earlier this year the Investigations Subcommittee of the Armed Services Committee held a hearing on the DOD handgun proposal. The hearing convinced members that converting to 9 millimeter handguns at this time, and according to the DOD procurement plan, would not be prudent. Our report recommended that "the Secretary of Defense either cancel the proposed procurement or at least defer it indefinitely."

The subcommittee arrived at the recommendation for a number of reasons. First, it found that the need for new handguns uniformly, and properly, receives a very low priority from Army, Navy, Air Force, and Office of the Secretary of Defense officials as compared with the urgent requirements for other weapons such as tanks, ships, and aircraft. Second, the subcommittee questioned the assumption that the handgun proposal will achieve the purposes of standardization. It is unlikely that combat capability will be increased significantly, if at all. And we are certain the present cost of providing military sidearms will increase rather than decrease. Finally, the procurement plan is flawed. The period allowed for industry proposals was so brief that only four manufacturers were able to submit handguns for testing. A number of others were interested. Also, the Office of the Secretary of Defense shortened the testing period to far less the minimum time deemed adequate by the Army.

These objections suggest Congress should foreclose any further action by the Department of Defense in acquiring 9 millimeter handguns. In face, however, the initial tests of the four weapons submitted by manufacturers are nearing completion. Little can be done to avoid the expense. Also, the Investigations Subcommittee agrees with the Defense Appropriations Subcommittee that something needs to be done to reduce the proliferation of handguns in DOD.

Consequently, I will not challenge the funds for testing the 9 millimeter handgun in the bill. Instead, the distinguished chairman of the Defense Appropriations Subcommittee and I have agreed to request jointly that the Department of Defense to prepare a full report to Congress on the test results and the issues surrounding the proposed handgun acquistion, including an analysis of alternatives, before taking further action. This agreement will afford the opportunity for full deliberation by the committees before proceeding on the handgun question.●

● Mr. FRENZEL. Mr. Chairman, congressional service is full of frustrations. One of the worst is trying to make sense of, and ultimately a responsible decision on, the defense appropriation.

It is obvious that we have to spend more to improve our defense. The rapid Soviet buildup makes that policy necessary. It is less clear how much we have to spend, or whether we will spend it wisely.

It is reasonable to assume there is about as much waste, fraud, abuse, duplication, overlap, et cetera, in military spending as there is in other functions, but we have found nonessential spending is awfully hard to find in any function.

Since the effects of the recession on our deficits over the next few years have become better known, the Congress wisely has begun to scrutinize the defense budget more closely. If the coalition to strengthen our defense is to be held together, the people will have to be assured that its budget receives the same scrutiny we give to every other function.

By the tape measure this bill is huge. It is up $25 billion over last year, or about 15 percent. The committee alledges it is $4.2 billion under the budget, but since every agency and most Members are their own scorekeepers at least this Member is not at all certain how this appropriation budget authority compares with the outlay total of the first budget resolution.

I think it is between $11 billion and $12 billion under the first budget resolution in budget authority. What that means in actual outlays for fiscal 1982 will not be known until next September, but it does mean that the committee cut the budget authority by about $4 billion more than the President proposed. That will probably translate into an outlay cut of $1½ billion more than the President requested.

In general, I believe the committee has done a good job in trying to make spending reductions without canceling systems or wrecking havoc. Actually, I favor still deeper cuts and will support additional modest, 2 to 3 percent, across-the-board cuts. And I shall vote against efforts to increase spending.

Nevertheless, I will not support amendments to kill either the B–1 bomber or the MX. In the case of MX, these appropriations cover only developmental expenses, not actual deployment. I am not wholly convinced on deployment, but I do think we must go forward with development.

I am even less certain on the B–1, but the B–52's have aged about 5 years since I last voted to suspend that program. By the time we can make a reasonable number of B–1B's operational, the B–52's will have reached an age of about 35 years and will then require modification expense nearly equal to the cost of the new B–1B's.

Finally, I regard the President's proposal today for mutual elimination of theater nuclear weapons in Europe and reduction of strategic weapons and forces as a very important part of our defense policy. Limitations and reductions should be, in my judgment, one of the keystones of our overall foreign policy. I was very pleased to hear the President reemphasize that aspect of his policy in his speech today. That statement, that challenge to the Soviets, gives me more confidence in my vote in favor of this bill.

I wish we could buy a strong defense more cheaply. Until we can be assured of adequate defenseve strength, we will have to support expensive bills like this one.●

● Mr. HOLLENBECK. Mr. Chairman, I rise to commend my colleagues on the Appropriations Committee for their efforts to make specific reductions designed to eliminate waste and abuse in the Defense Department.

Mr. Chairman, in the past, I have shared with this body some of the many opportunities that are available to reduce unnecessary defense costs. I know that many of my colleagues have

also pointed out other ways to combat waste in Pentagon spending. Unfortunately, the crusade against squandered funds and mismanagement has met with little success nor official sanction, the excuse often being that Pentagon waste is easier to identify than eliminate.

In light of this fact, I am particularly heartened by the actions taken by this committee to foster more efficient defense policies and to eliminate wasteful defense expenditures. Among the recommendations made by the committee which address the problems of massive waste, fraud, and mismanagement in the Defense Department are an increased emphasis on competition for defense contracts, a streamlining of supply systems and the elimination of cost overruns in weapon programs.

Complementing these efforts are provisions in H.R. 4995, which require more efficient personnel policies that will save an estimated $60 million a year in fiscal year 1982. The bill also addresses problems resulting from a lack of consolidation among military base support activities and a general absence of control over Government-furnish materials. Upon reviewing the committee's report, it was also pleasing to note that the Appropriations Committee is now studying the procurement policies and practices of the Department of Defense and that Chairman ADDABBO has contacted the Secretary of Defense to report committee findings regarding the excessive time required for developing weapon systems, the lack of an effective procedure for the requisition of nonstandard and nonstocked items and the fact that defense contractors continue to pass unallowable overhead costs on to the Department of Defense. Added to these efforts to trim wasteful defense dollars is the President's intention to appoint for the first time an inspector general for the Department of Defense and to develop improved auditing procedures.

All of these actions are important steps in the right direction and are ones which I endorse wholeheartedly. Unfortunately, however, even these gains represent only a small portion of the potential savings that are possible. For instance, the Northeast-Midwest Coalition recently reported that important savings could be realized by eliminating payments to reservists and guardsmen for drills they did not attend. Millions of dollars could be saved by lowering the subsidy given the three services to operate the Pentagon dining rooms. And, by prohibiting telegrams for routine defense related messages, $20 million could be achieved in fiscal year 1982 alone.

Most recently, the General Accounting Office has reported that there are less costly ways to budget and provision spare parts for new weapon systems and that faster processing of Department of Defense personnel security clearances could save millions. In addition, the Government Accounting Office has consistently demonstrated that minor improvements in the way final separation payments for service members are processed could result in significant savings.

Supplementing these reports, Mr. Chairman, are dozens of other documented instances of wasteful or excessive military spending. In view of the fact that wastes committed against the American taxpayer in the name of national defense are many, and because only constant vigilance on the part of the Congress can hope to deal with this situation, I again call on the Members of this body to continue in their surveillance, to examine closely the suggestions being made to rectify these abuses and to continue to demonstrate our commitment to across-the-board scrutiny and fiscal prudence.

In closing, permit me to once again emphasize that I am not advocating that the Nation's defense is an area in which to take chances. Our Armed Forces must be able to meet our security needs and I, for one, am not willing to begrudge the funds required to maintain our defenses at a demonstratively safe level. However, as I have stressed many times, it is not enough to simply throw money at the Defense Department and expect our military capabilities to improve. It is not how much money is appropriated but how effectively it is spent. Therefore, bearing in mind that the time has not yet arrived when the Defense Department can demonstrate that it can manage its funds efficiently, and that we are being asked to approve major reductions in all other areas of Government, I feel further reductions in the Department of Defense appropriations bill are appropriate.●

Mr. EDWARDS of Alabama. Mr. Chairman, I have no further requests for time.

Mr. ADDABBO. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; $12,278,300,000.

□ 1430

AMENDMENT OFFERED BY MR. NICHOLS

Mr. NICHOLS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: On page 2, line 12, in Military Personnel, Army, strike "$12,278,300,000", and insert in lieu thereof "$12,288,300,000".

Mr. NICHOLS. Mr. Chairman, my amendment would restore $10 million for the Army at this point for recruiting and another amendment will be offered by the gentleman from Virginia (Mr. DAN DANIEL) to restore an additional $50 million in Army operations and maintenance for a total of $60 million to provide the Army with the amount of recruiting resources it requested.

Mr. Chairman, I know that the Appropriations Committee has worked long and hard on this legislation and it contains some excellent steps to assist our national defense program. However, I am concerned about the impact on Army recruiting, which has been a very difficult area. My amendment would restore all the funds for Army recruiting pay.

Mr. Chairman, I am very worried about the reduction of the whole $110 million in Department of Defense recruiting funds. As I am sure the Members realize, the Department of Defense conference report which was passed yesterday continues strict quality standards on enlistment in the military. These standards require the Army to enlist at least 65-percent high school graduates and no more than 25-percent category IV personnel—those scoring in the lowest mental category eligible for enlistment. Further, Mr. Chairman, the Congress has imposed an additional standard this year that bars the services from taking any personnel who are non-high school graduates and also score in category IV on the enlistment test.

These are strict standards but they are also minimally acceptable standards. The services need more bright enlistees to man the increasingly sophisticated equipment in the military today.

It is true that for the fiscal year just completed only a month and a half ago—fiscal year 1981—the Army did well in recruiting. They obtained 75-percent male high school graduates, although still enlisting 30 percent of their personnel from those scoring in category IV. However, this was the first year in the past three the Army has done well.

In fiscal year 1979, all of the services experienced shortfalls in recruiting. The shortfalls were 24,000 overall, with 16,000 attributed to the Army alone. By cutting this substantial amount of recruiting funds, we are essentially slapping the Army after they have finally done well.

I must say that I share the Appropriations Committee members' concern that recuiting is expensive. The administration has requested to spend almost $1.3 billion in fiscal year 1982 in recruiting and advertising. I don't like to spend that amount but, Mr. Chairman, it is the only game in town unless the Members are prepared to reinstitute the draft.

As the Members will recall, the Appropriations Committee proposed a reduction of $100 million in Department of Defense recruting funds last year. My predecessor as subcommittee chairman of the Military Personnel and Compensation Subcommittee, Mr. White from Texas, proposed an amendment to restore these funds. The vote in favor of his amendment was 390 to 13. The facts indicate that the Congress was correct in deciding to provide the funds last year. Recruiting was good in fiscal year 1981.

The Appropriations Committee is basing its action on essentially the same rational as last year. They argue it is all right to cut money this year because unemployment is high. I would say to them that while the condition of the economy is relevant, it really only affects the number of non-high school graduates with limited opportunities who are available. Quality individuals will have other options.

If the Appropriations Committee reduction is allowed to stand, the services—the Army in particular—will be forced to either have to recruit more low quality personnel or experience recruiting shortfalls. The Army indicates the proposed reduction will result in an estimated loss of 5,000 to 7,000 high-quality enlistees and an overall recruiting shortfall exceeding 12,000. The Navy indicates it will have difficulties also. I have received letters from the Assistant Secretary of Defense for Manpower, the Assistant Secretary of the Army for Manpower, and each of the chiefs of the uniformed services strongly opposing these proposed cuts.

I recognize these services' estimates of losses at this time are only guesses. However, the Congress would be playing a high-risk game if it approves the proposed reduction. The stakes are the continued viability of the All-Volunteer Force. Recruiting in the 1980's, everyone agrees, will only get more difficult as the population declines.

I urge the Members of the Committee to support this amendment restoring $60 million of the amount from Department of Defense recruiting activities.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, the committee had looked at an increase of over $300 million in recruiting and advertising and had made a slight reduction of $100 million, but in carefully reviewing the gentleman's amendment, we do acknowledge the Army may have a special problem and accordingly we agree to the amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. NICHOLS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $5,400,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $14,788,712,000, of which not less than $898,600,000 shall be available only for the maintenance of real property facilities.

AMENDMENT OFFERED BY MR. DAN DANIEL

Mr. DAN DANIEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAN DANIEL: On page 7, line 12, strike "14,788,712,000" and insert in lieu thereof "$15,019,062,000".

Mr. DAN DANIEL. Mr. Chairman, this amendment would add $230,350,000 to the Army operation and maintenance appropriation through program increases of $238 million with offsetting reductions $7.7 million for items not authorized.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, when the committee had the matter before it we did not have the authorization bill. We have fully studied it and we fully agree with the amendment at this point. It is my understanding that the amendment will provide the following:

	Thousands
Real property maintenance	+108,000
Training support (SQT+)	+22,000
National Guard Army Reserve equipment offset	+23,000
Foreign national indirect hire	+30,000
Commissaries	+5,000
Recruiting	+50,000
Intelligence and communications	−2,300
Veterinary positions conversion	−350
Korean Won	−5,000

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, the chairman speaks the position for our side as well. We will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. DAN DANIEL).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ARMY STOCK FUND

For the Army stock fund, $163,300,000.

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $1,899,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; $19,258,970,000, of which not less than $646,500,000 shall be available only for the maintenance of real property facilities: *Provided*, That of the total amount of this appropriation made available for the alteration, overhaul, and repair of naval vessels, not more than $2,800,000,000 shall be available for the performance of such work in Navy shipyards: *Provided further*, That not less than $3,699,700,000 of this appropriation shall be available only for regularly scheduled ship overhauls, restricted availabilities and expenses associated with the installation of equipment, improvements, and modifications scheduled to be accomplished concurrently during an overhaul or restricted availability of which not less than $24,000,000 shall be available for such work at the Ship Repair Facilities, Guam: *Provided further*, That such amounts of the funds available for work only at the Ship Repair Facilities, Guam, may be used for work in other Navy shipyards in amounts equal to the amount of work placed at the Ship Repair Facilities, Guam, funded from other sources: *Provided further*, That not less than $59,000,000 shall be available only for payments in support of the LEASAT program in accordance with the terms of the *Aide Memoire*, dated January 5, 1981.

AMENDMENT OFFERED BY MR. DAN DANIEL

Mr. DAN DANIEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAN DANIEL: On page 7, line 25, strike "19,258,970,000" and insert in lieu thereof "$19,345,000,000".

Mr. DAN DANIEL. Mr. Chairman, this amendment is similar to the other one except it applies to the Navy and it would add $86 million to the Navy operations and maintenance appropriation through program increases of $90 million and offsetting reductions of $4 million in items not authorized.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

I would mention again that the committee did not have the authorization before us when we marked up our bill. We have since looked at it and we have looked at the authorizing

amounts and fully agree with the amendment. It is my understanding that the amendment will provide the following changes:

	Thousands
Real property maintenance	+$40,800
Berthing barges	+7,700
Strategic weapon system support	+9,000
Army/Reserve/National Guard offset	+27,500
CITA administration	−4,000
Commissary	+5,000
Total	$86,000

Mr. DAN DANIEL. I thank the gentleman.

I further understand that this action will not preclude the Navy from converting its commissary systems employees to a nonappropriated fund status.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we agree on this side the amendment should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. DAN DANIEL).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; $1,169,240,000, of which not less than $176,800,000 shall be available only for the maintenance of real property facilities.

AMENDMENT OFFERED BY MR. DAN DANIEL

Mr. DAN DANIEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAN DANIEL: On page 9, line 4, strike "1,169,240,000" and insert in lieu thereof "$1,184,540,000".

Mr. DAN DANIEL. Mr. Chairman, this amendment would add $15.3 million to Marine Corps operation and maintenance appropriation.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. ADDABBO. Again, Mr. Chairman, the committee did not have the authorizing legislation before it. We have studied the question and agree with the amendment. It is my understanding that the amendment would add funds for: Real property maintenance, $13.7 million; Army Reserve and National Guard offset, $1.6 million.

Mr. DAN DANIEL. I thank the gentleman.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we agree on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. DAN DANIEL).

The amendment was agreed to.

Mr. DAN DANIEL (during the reading). Mr. Chairman, I ask unanimous consent to return to the Air Force section. I did not hear the Clerk read and I have an amendment on page 10, line 2.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The Clerk will reread the section.

The Clerk reread the section.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; $4,941,470,000: *Provided*, That not to exceed $5,812,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: *Provided further*, That not less than $72,400,000 of the total amount of this appropriation shall be available only for the maintenance of real property facilities.

AMENDMENT OFFERED BY MR. DAN DANIEL

Mr. DAN DANIEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAN DANIEL: On page 10, line 2, strike "4,941,470,000" and insert in lieu thereof "4,949,470,000".

Mr. DAN DANIEL. Mr. Chairman, this amendment would add $8 million to the Defense agencies operations and maintenance appropriation.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, again the committee did not have the authorizing level before us. We agree with the amendment which will restore the $8 million reduction to offset Army Reserve and Guard equipment add-ons.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. We accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. DAN DANIEL).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $4,091,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; $15,895,276,000, of which not less than $46,800,000 shall be available only for the installation of modification kits into KC-135 aircraft, and not less than $1,000,300,000 shall be available only for the maintenance of real property facilities.

AMENDMENT OFFERED BY MR. DAN DANIEL

Mr. DAN DANIEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAN DANIEL: On page 9, line 16, strike "15,895,276,000" and insert in lieu thereof "15,978,376,000".

Mr. DAN DANIEL. Mr. Chairman, this amendment would add $83.1 million to the Air Force operations and maintenance appropriation through program increases of $92.8 million and offsetting reductions of $9.7 million for items not authorized.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, again we did not have the authorizing figures before us and we agree with the amendment with the understanding that the funds will be provided for following items:

[In thousands of dollars]

Chemical warfare equipment	+4,500
Real property maintenance	+47,000
Army/National Guard equipment offset	+23,400
Commissaries	+5,000
Korean Won	+12,900
HARM depot maintenance	−600
Combat rescue	−5,000
SAC projection force	−3,900
Veterinary position conversions	−200
Total	$83,000

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we accept the amendment on this side.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, since we are on this amendment, I would like to ask a question of any member of the committee or a sponsor.

Up to this point these amendments are moving so fast without debate. How many millions of dollars have we added to this appropriation bill up to this point if this amendment is also adopted?

Mr. ADDABBO. Mr. Chairman, if the gentleman will yield, with these total amendments, agreeing with the gentleman from Virginia, they would amount to around $390 million.

Mr. PURSELL. $400 million without any debate at all?

I think we ought to slow down and I think attempt to discuss these amend-

ments a little more accurately so people on the floor understand these amendments.

We were asked to participate and I do not want to be negative or counterproductive. There are some bigger amendments yet to come that will probably have protracted debate, but I think we are just moving too fast and we ought to be more cautious.

Mr. ADDABBO. If the gentleman will yield further, I fully agree. There normally would be general debate on them, but the matters under the titles have been discussed and these are adjustments which will cause the bill to more closely conform with the authorizing bill. When we had this bill before us, we did not have the authorization details figures before us and so many of those matters have now been corrected to meet those.

Mr. DAN DANIEL. Mr. Chairman, I want to apologize for the manner in which these amendments have been presented, but they were just handed to me 30 seconds before I came to the well. We have been trying to reconcile the figures since early this morning. We have just gotten them perfected. Mr. ADDABBO expressed the problems earlier. This is the third bill we have worked with this year. It has been terribly frustrating. Again, I apologize to the House for the manner in which they have been presented.

Mr. Chairman, I ask unanimous consent to correct the RECORD.

On page 7, line 25, strike "19,258,970,000" and insert in lieu thereof, "19,345,000,000".

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. EDWARDS of Alabama. Mr. Chairman, reserving the right to object, I will object until I understand what the gentleman is doing.

Mr. DAN DANIEL. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Virginia.

Mr. DAN DANIEL. Mr. Chairman, We have an error in the figures.

Mr. EDWARDS of Alabama. Mr. Chairman, I am reserving the right to object because I do not understand it.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, what has happened was the amendment that was sent up to the desk I would have loved because it provided $19 million instead of $19 plus billion.

It is adding three zeros which the gentleman left off the original amendment. That is how the Defense Department works.

Mr. DAN DANIEL. Just another case of inefficiency.

Mr. EDWARDS of Alabama. I would ask the Chair, do we have these numbers recorded right?

Mr. DAN DANIEL. I think we do now, if not I will reread.

The CHAIRMAN. The gentleman from Virginia (Mr. DAN DANIEL) will restate his request.

Mr. DAN DANIEL. Mr. Chairman, I ask unanimous consent to correct the RECORD.

Mr. Chairman, on page 7, line 25, strike "19,258,970,000" and insert in lieu thereof "19,345,000,000".

Mr. EDWARDS of Alabama. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia (Mr. DAN DANIEL).

There was no objection.

□ 1445

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $2,131,200,000, to remain available for obligation until September 30, 1984.

AMENDMENT OFFERED BY MR. ADDABBO

Mr. ADDABBO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADDABBO: Page 16, line 1, strike out "$2,131,200,000" and insert in lieu thereof "$1,912,300,000".

Mr. ADDABBO. Mr. Chairman, I am always astonished that whenever an appropriation bill comes up something dramatic happens. Today we heard a very dramatic and a very forceful speech by President Reagan which I fully agree with and support. He discussed the Pershing II missile and my amendment deletes procurement funds for the Pershing II missile. So, it would appear that I am trying to undercut the President's effort, but actually we are not. What I am trying to do is bring some semblance or reason to procurements by the military.

We are being asked to procure a missile for which development is far from complete. I must point out that the Army intends to make a production decision based on only two test flights. And both of those flights will be over water. I must also point out that the production decision will be made 15 months before development is completed. What happens when procurement is made before completion of development? We, the Defense Department, the military, our national security, have to pay, because if there are any changes, if there are any questions, they become amendments to the contract which cost extra. That is where you get overruns and delays.

So what I am urging my colleagues to do today is to cut out this procurement money. It is premature. We have money in the bill for the research and development. We continue that. We give the administration, DOD, every bargaining chip it needs, because if the Russians agree to take out their missiles and we do not put the Pershing II into Europe, the R. & D. can be stopped. The R. & D. is important, but the procurement of a missile which has not been tested is just a waste of funds.

We heard our good chairman, the gentleman from Mississippi (Mr. WHITTEN) say that this is the step in the process we have been investigating. This is the waste. This is the money that goes into unobligated balances and is available for the Defense Department to use as it sees fit.

Mr. Chairman, this in no way undercuts the President's program for discussions on arms limitation. This just imposes a semblance of proper management, proper procurement practices, into the military. They should not be buying a missile until they are certain it will work.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentlewoman.

Mrs. HOLT. I do not understand what the gentleman is trying to do. The gentleman said that he felt that he might be perceived as undercutting the President's efforts. I certainly perceive it that way.

I think that this is a real slap in the face if we are to have bargaining chips, if we indicate to the Soviet Union that if we do not get some negotiations, of we do not have some progress in trying to reduce this, that we will continue to procure this kind of thing.

Mr. ADDABBO. Well, I would be happy to answer the gentlewoman.

What I am saying is this: We do not fool the Russians. They know our capabilities and when we are procuring a weapon we are not sure it works, they know that; but what they are concerned with is if we are going forward with R. & D., putting all the needed funds into R. & D. to insure that when this missile does finally reach procurement stage, it will be ready for production.

Therefore, I do not propose to stop the Pershing II program. That can be stopped in the strategic armaments talks. What we are stopping are the

waste and the overruns by procuring before development is completed. That is all my amendment does. It cuts out the procurement money. The research and development money remains in the bill.

Mrs. HOLT. Mr. Chairman, will the gentleman yield further?

Mr. ADDABBO. I yield to the gentlewoman.

Mrs. HOLT. Well, why was the money put in there initially in the committee markup?

Mr. ADDABBO. I offered an amendment in the subcommittee to strike it. I was outvoted by the committee and that is why it is in the bill.

Mrs. HOLT. So the majority of the committee at the hearings felt that it was important.

Mr. ADDABBO. On the basis of its being a bargaining chip. I do not believe it is a bargaining chip.

Mr. EDWARDS of Alabama. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, of course, much of what the chairman says is true. We deal with concurrency problems constantly on our committee; that is, spending money for procurement at the same time we spend money for R. & D. Obviously, that is a continuing ongoing problem. That is not to say, however, that in procurement we never have concurrency. We have a lot of it.

We talked earlier during general debate about the fact that the Carter budget had come in at one level and President Reagan had changed that in March and again later in the year and finally in September we had another budget that we had to deal with for the defense of this country.

One thing that has been certain and tried and true throughout this whole process is that on the Pershing II, the Carter budget for the Pershing II for R.D.T. & E. and for missile procurement and spares has been kept intact by President Reagan all though his proposals; so we came to our markup with a unified Carter-Reagan approach to the need for the Pershing II.

Now, I would argue as I did earlier during general debate that if there ever was a time to move forward, to be perceived as moving forward, to do the thing that is necessary to put the chips on the table, this is that time with the President's approach on nuclear weapons, going to conference with the Soviet Union on November 30.

We simply cannot let him go to that first session, or his representative go to that first session appearing in any way to be weakened in his position.

I would have to argue to support this amendment would, in fact, weaken that position.

This missile is on schedule. It is on budget. The IOC for it, that is to say the time we will first have some of the missiles available for use is December 1983. There is nothing to suggest that it will not meet the dates and schedules and dollar figures called for.

I would certainly hope that the Members will not support this amendment.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from New York.

Mr. STRATTON. I want to support the gentleman's position, because the House conference on the authorization bill, which was approved here yesterday, overwhelmingly supported the production of the Pershing II missile.

I think the gentleman is absolutely right that if we were to knock it out now, the Soviet Union would say that we were not really sincere in our efforts at going into disarmament discussions in Geneva to withdraw the Pershing II in the event the Russians were to withdraw their SS-20's.

Mr. EDWARDS of Alabama. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ADDABBO).

The amendment was rejected.

Mr. BADHAM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had contemplated introducing an amendment to the procurement title of this bill but I felt that it was not a propitious time. However, I think it is necessary to take some time discussing procurement for air lift requirements for the U.S. Air Force.

The report language that accompanies the bill under consideration at the present time on page 229 states in part that the committee included no funds in the R.D.T. & E. account for the CX aircraft, which the Air Force had planned on being a future strategic wide-bodied air lift aircraft.

In this section, the procurement title, $50 million is included for procurement of wide-bodied aircraft. It is timely that I speak on this subject at this point, because the chairman has just suggested that it is foolhardy to procure something that does exist and has not made it through Research and Development.

The report language from the gentleman's committee would have us believe that examples of existing wide-bodied aircraft for air lift are C-5's, KC-10's, and the 747. Now, I have no argument with the KC-10's and 747's. In fact, they are existing, flying, commercial aircraft, but they do share one drawback and that is that they cannot carry the size cargo needed to be carried for military airlift and they are, therefore out of the competition before they even get in.

That brings us to the C-5. I would submit to the house and I would hope that the Senate takes it more seriously. The simple fact is that no resuscitation of the C-5 aircraft can make it an existing aircraft for airlift. That is totally without commonsense and truth and fact.

The fact is that the C-5 aircraft has to have its wings taken off and rebuilt now.

The fact is that no C-5's have been built for 9 years and that there is no line open.

The fact is that the C-5 aircraft requires twice the man-hours for maintenance.

The fact is that this language in the report should be removed by the Senate and I indeed hope it is. It should be brought to the attention of the House that life cycle costs under warranty and guarantee by the CX competition winners are about half the cost in man-hours and half the time for maintenance; and for cost over the life of the program the cost of CX would be substantially less.

Again, I state—the CX (C17) technology has been flying in test and development in the form of YC14 and YC15 and is, therefore ready to go forward.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I would be happy to yield to the gentleman.

Mr. RUDD. I thank the gentleman for yielding.

I want to concur in what the gentleman from California has said and to commend the gentleman in providing this House with these compelling facts in favor of the CX (C17).

I wonder if there is not some way to do what the gentleman wants done. If the gentleman proposes an amendment, I for one would certainly support it, because it is the only commonsense approach.

Mr. BADHAM. I thank the gentleman for his contribution.

I think and I hope that it will be taken care of on the Senate side, but I think this is preliminary to the argument that will take place at the conference and post-conference debate.

I certainly thank the gentleman, because it is important, it is vital that we do have air lift and that to try to revive a dead bird "just ain't good sense."

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interests therein may be acquired, and construction prosecut-

ed thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $3,806,200,000, of which $1,900,000 shall be available only for the continued testing and evaluation of 9 mm handguns without delay, to remain available for obligation until September 30, 1984.

AMENDMENT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON: On page 16, line 18, strike "$3,806,200,000" and insert in lieu thereof "$3,818,200,000".

Mr. STRATTON. Mr. Chairman, this is another one of these amendments that is being offered to bring the appropriation bill into line with the authorization legislation which was approved on yesterday. It would simply add $12 million to the Army weapon and track combat vehicle appropriation to complete the expansion of production facilities for infrared detectors.

At the present time there is a critical shortfall in the production capacity for these detectors which are used in virtually all thermal imaging sensors.

In other words, it is important to supply a night vision capability to these tracked combat vehicles.

I urge adoption of the amendment.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, we have no objection to the amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we have no objection to the amendment.

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Mr. WEISS. Mr. Chairman, I move to strike the last word.

POINT OF ORDER

Mr. STRATTON. Point of order, Mr. Chairman.

Did I understand that the amendment had been accepted?

The CHAIRMAN. The Chair did not put the question.

Mr. STRATTON. Is a motion to strike the last word in order at this time?

The CHAIRMAN. Even while an amendment is pending, the gentleman may be recognized for 5 minutes.

Mr. WEISS. I thank the Chairman.

Mr. Chairman, as we discuss these various appropriation matters relating to procurement of weapons and weapons systems, I think it is worthwhile pausing for a moment to examine the logic of what we are doing. There is a tendency in this body to behave as if there were something different when we are expending billions upon billions of dollars for military purposes than when we are expending or cutting back the expenditure of billions upon billions of dollars for domestic purposes.

It is as if we were subjected to an extreme case of schizophrenia, that budget deficits, for example, counted only when the moneys were spent for domestic purposes, for the well being of children and older people and generally to improve life for people, but that budget deficits did not matter, when we are making military expenditures.

Now, a case in point, Mr. Chairman, is the debate that we just had when the chairman of the subcommittee attempted to delete procurement funds for the ground launched cruise missile and the Pershing II missile.

It may have escaped the attention of some of the Members of this body that what the gentleman from New York (Mr. ADDABBO) was saying was that we are appropriating billions of dollars to procure weapons systems, theater nuclear missiles, on which the research had not yet been completed. At the same time that we are telling elderly and indigent people who needed medical attention in this country that we cannot afford to pay for their medical costs, we are willing to expand over $4 billion to purchase ground-launched cruise missiles and Pershing II missiles, even though the research on them has not yet been completed.

We are talking in the context of a situation where the President of the United States, to his great credit, took to the air waves today to let the world know that we, the United States of America, were offering to negotiate with the Soviet Union on the basis of their removing theater nuclear weapons which currently are aimed by the Soviet Union on European capitals and land masses and people, in return for our not deploying our own theater nuclear weapons in Europe. At the same time that he goes on the air to do that, what are we doing in this body? We are undercutting the very premise on which he makes that proposal, because as far as the Russians are concerned, as far as the Europeans are concerned, indeed as far as a great many of the American people themselves are concerned, you cannot on the one hand talk about negotiating down to the zero option of not having any theater nuclear weapons at all in Europe, or aimed at or from Europe, at the same time that we eagerly move forward to expend billions of dollars for those very theater nuclear weapons upon which the research has not yet been completed.

It seems to me that we should want to be credible to the American people, to the Soviet Union, to the Europeans who are marching through their capitals and their countrysides, concerned that on the basis of what the President and some others high in the administration have been saying, we seem to be ready and willing perhaps to fight a nuclear war down to the last European. Our prime concern must be to bring this mad nuclear arms race to a halt.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WEISS was allowed to proceed for 1 additional minute.)

Mr. WEISS. Mr. Chairman, we would be giving up precious little if we were to decide not to expend the moneys for weapons systems such as the Pershing and the ground-launched cruise missiles on which the research has not even been completed. In essence we would be giving away nothing.

It is, in my opinion the way that we can genuinely demonstrate good faith, not be pretending that by throwing all our chips on the table, by having one grand, massive poker game, that we will constructively decide the fate of civilization. I am afraid if that is what we are planning we are sooner, rather than later, going to be playing for the pot, and the pot is humanity. My colleagues, there will be no winners in that poker game.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. STRATTON).

The amendment was agreed to.

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the comments that our colleague from New York (Mr. WEISS) has just made, and his comments about President Reagan's speech today. But I would like to read a paragraph from President Reagan's speech today that he might find very interesting. As Members know, the Soviets need a little bit of incentive to go to the bargaining table to undo something that they have already done. The gentleman should not overlook the fact, as President Reagan spelled out very dramatically today.

During the past 6 years, while the United States deployed no new intermediate range missiles and withdrew 1,000 nuclear warheads from Europe, the Soviet Union deployed 750 warheads on mobile, accurate ballistic missiles.

The point that the President has made very well is, that without some incentives, the Soviets are not going to stop their buildup. We have to give them some incentive. Now here, in that period of the past 6 years, we did what the gentleman is suggesting. Unilaterally we withdrew, we stood down certain forces, but the Soviets did not respond in kind. To the contrary, the Soviets responded with a dramatic buildup. I think the gentleman ought

to pay close attention to the facts of history.

Mr. Chairman, I yield back the balance of my time.

Mr. BOLAND. Mr. Chairman, since 1974 the Department of Defense has been concerned with the great profusion of handgun types in the inventory of U.S. Military Forces and the Coast Guard. Currently, there are 25 different handguns being used and maintained by the Department of Defense. Because of the several types of ammunition which are required for various purposes, the Appropriations Committee was asked in 1978 to provide funds for 125 different kinds of sidearm ammunition. The problems with providing spare parts for an aging and fragmented inventory of handguns are considerable as well. In addition, the current .45 caliber semiautomatic pistol is unsuitable for use by left-handed personnel, and because of its weight and recoil characteristics, by female personnel of the Armed Forces.

In addition to the need to standardize weapons among the U.S. military branches and the Coast Guard, the Department of Defense is concerned about the lack of standardization among the NATO nations in terms of ammunition.

For all of these reasons, the Defense Department has for years been planning to procure a new 9 millimeter handgun. In fact, in June 1981 the Army, acting as the lead agency for the military departments and the Coast Guard, solicited proposals for a weapon which would achieve standardization within U.S. forces and compatibility with our NATO allies. A number of manufacturers have submitted test weapons, and the period for submission has been extended three times at the urging of various interested manufacturers.

At present, the Army is engaged in testing and evaluating the weapons which have been submitted. It is hoped that a selection of the most suitable weapon will be made in January 1982. To insure that the testing and evaluation are sufficient to provide the Government with the most cost-effective solution, to the current handgun problem, the committee has provided $1.9 million for the continued testing and evaluation of the 9 millimeter handgun. The bill provides no funds for procurement.

The question of handgun standardization and NATO compatibility has been studied extensively by the Department of Defense over a long period of time. Among the solutions considered by the Department was the retrofitting of existing .45 caliber arms with 9 millimeter barrels, new slides, magazines, extractors, ejectors, and slide stops. Each of these high tolerance parts would be fitted to an old, worn handgun frame. The newest of our .45 caliber handguns is 36 years old. The problems of hand assembling new parts mixed with old frames are considerable. Retrofitting would not provide military personnel with a modern, safe, reliable weapon capable of ambidextrous operation. The modification of existing handguns to meet the need for a 9 millimeter standard handgun has been considered carefully and wisely rejected.

The Appropriations Committee has been concerned about the problems associated with our handgun inventory for years. For these reasons, the committee recommends that the Defense Department be allowed to continue the testing and evaluation of the XM-9, 9 millimeter handgun. We should bear in mind that this bill contains no funds for procurement of the weapon, and that the decision to acquire a 9 millimeter handgun will be subject to specific authorization and appropriations in future years.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SHIPBUILDING AND CONVERSION, NAVY

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended, as follows: for the Trident submarine program, $230,700,000; for the CVN aircraft carrier program, $475,000,000; for the SSN-688 nuclear attack submarine program, $1,167,000,000; for the reactivation of the U.S.S. New Jersey, $237,000,000; for the reactivation of the U.S.S. Iowa, $88,000,000; for the aircraft carrier service life extension program, $81,000,000; for the CG-47 AEGIS cruiser program, $2,929,300,000; for the LSD-41 landing ship dock program, $301,000,000; for the FFG guided missile frigate program, $926,100,000; for the MCM mine countermeasures ship program, $99,700,000; for the T-AO fleet oiler ship program, $200,000,000; for the T-AGOS SURTASS ship program, $156,500,000; for the ARS salvage ship program, $135,500,000; for the T-AKRX fast logistics ship program, $184,000,000; for the T-AFS Lyness conversion program, $37,000,000; for craft, outfitting, post delivery, cost growth, and escalation on prior year programs, $538,700,000; and in addition, $73,100,000 of which $15,100,000 shall be derived by transfer from the "Trident submarine program" of "Shipbuilding and Conversion, Navy 1979/1983", and $58,000,000 shall be derived by transfer from the "maritime prepositioning ship programs" of "Shipbuilding and Conversion, Navy, 1981/1985"; and reductions in the amounts, as follows: $12,000,000 for inflation offsets; $13,700,000 for consultant, studies and analyses; and $11,900,000 for Army Guard and Reserve equipment transfer; in all: $7,748,900,000, and in addition, $73,100,000 to be derived by transfer, to remain available for obligation until September 30, 1986: *Provided*, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign shipyards for the construction of major components of the hull or superstructure of such vessel: *Provided further*, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: On page 20, line 7, strike "$1,167,000,000" and insert in lieu thereof "$1,351,000,000".

On page 20, line 21, strike "$538,700,000" and insert in lieu thereof "$754,700,000".

On page 21, line 5, strike "$7,748,900,000" and insert in lieu thereof "$8,148,900,000".

Mr. BENNETT. Mr. Chairman, my amendment would increase the appropriation for shipbuilding by $400 million, to a new total of $8,148.9 million. Even with the adoption of this amendment, the appropriation for ships would be below the President's revised budget figures and below the authorized level.

The Appropriations Committee has made reductions in 16 different line items in the shipbuilding account. The amendment I am offering would add funds for only two items and would leave unchanged most of the adjustments made by the Appropriations Committee.

The amendment would provide the funds to produce three SSN-688 nuclear-powered attack submarines per year in 1983 and 1984 and would restore an unspecified reduction that could otherwise preclude the construction of one or more ships included in the bill.

A minimum of three SSN-688 submarines should be built each year to maintain current submarine force levels. Additional submarines will have to be built if we are to increase current forces. The funds in the bill before us would only support the production of two submarines in 1983 and one in 1984. The amendment would add $184 million for the procurement of long leadtime nuclear components for three SSN-688 submarines in 1983 and 1984.

The amendment would also restore $216 million identified as a general reduction in the report accompanying the appropriations bill. The effect of this reduction, if allowed to remain, will be to prevent the construction of one or more ships for which funds are appropriated in this bill. While the Appropriations Committee suggests that project managers growth reserves can be reduced, recent experience with shipbuilding has shown that the problem is not estimates that are too high, but rather estimates that are too low.

I want to again emphasize that the amendment leaves untouched more than three-fourths of the recommended changes of the appropriations Committee, and would result in a shipbuilding program that is below both the President's budget and the authorization level—which the House passed on Tuesday of this week.

I urge your support for the amendment.

I yield to the chairman of the subcommittee for a response. I understand he is agreeable to this.

Mr. ADDABBO. I thank the gentleman for yielding.

Again, as I have previously stated, the committee did not have the benefit of the authorizing legislation. We have reviewed the amendment and would agree with the gentlemen's amendment at this point.

Mr. BENNETT. I thank the gentleman very much.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we accept the amendment on this side.

Mr. BENNETT. I thank the gentleman very much.

Mr. SCHNEIDER. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Florida and urge its adoption.

Two weeks ago, during debate on my bill to require that naval vessels be built in this country, I noted that 21 of our Nation's shipyards have closed in the past 5 years, leaving only 26 in the active base. This serious decline in a vital national security industrial base must be reversed. Even with the President's accelerated shipbuilding program, it is expected that some 30,000 shipyard workers will lose their jobs in the years ahead, due to the lack of other new orders.

The gentleman's amendment is a step in the right direction, by placing emphasis on shipbuilding at a time when it is sorely needed.

This is a reasonable amendment, which, if approved, will still be below the President's October request.

Mr. Chairman, I would like to note at this point that as originally offered, this amendment would have also included $100 million in long-lead procurement funds for the 10th Trident submarine.

I regret that these funds were deleted from the bill, and I shall urge conferees on the part of the House to recede to the other body should these funds remain in their version of this bill, as is expected. Mr. Chairman, the Trident program represents the only technologically superior leg of our strategic triad which is in production and, as of last week, on station. The need for a further installment of long-lead funds results from the failure to fully authorize the 10th Trident as a part of the fiscal year 1982 Defense Authorization Act. To fail to supply these funds will result in possible delivery delays of 7 months each for the 10th and 11th Trident. It could result in loss of jobs and further—if temporary—erosion in our defense industrial base. Furthermore, delays will only cost the taxpayers more in the long run.

The heart of the President's strategic program is the assurance that its components be both endurable and survivable, and the Trident is the superlative in each of these areas. I shall urge the conferees to recognize these facts and support inclusion of these funds in the conference report.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. BENNETT).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance and ammunition (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed three hundred and four passenger motor vehicles for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $3,692,177,000, to remain available for obligation until September 30, 1984.

AMENDMENT OFFERED BY MR. DICKS

Mr. DICKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKS: On page 22, in line 4, strike out "$3,692,177,000" and insert in lieu thereof "$3,695,577,000."

Mr. DICKS. Mr. Chairman, this amendment for $3.4 million includes $2.1 million for the AN/SRN-19 shipboard navigation receiver and $1.3 million for the AN/WSS-1 Link-4A data terminal.

The gentleman from New York (Mr. ADDABBO) is aware of this ammendment and its importance to the U.S. Navy. Last minute knowledge of these requirements precluded these items from being requested in the fiscal year 1982 DOD request.

The AN/SRN-19 is a satellite navigation receiver for shipboard use and these funds are required for system support and final buy out.

The AN/WSS-1 is a data terminal link for shipboard radar landing systems and will replace the current outmoded system.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, again, the committee, I think, was in full accord with the systems. They are needed by the Navy. We are awaiting the authorization levels.

Mr. Chairman, we agree with the amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. DICKS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $13,957,598,000, of which $1,817,600,000 shall be available only for purchase of F-16 aircraft under a multiyear contract, $103,500,000 shall be available only for the procurement of B-707 aircraft to provide for engines and parts to re-engine KC-135 aircraft, $121,700,000 shall be available only for the procurement of A-7K aircraft only if such procurement is authorized in the Department of Defense Authorization Act, 1982, and $334,300,000 shall be available for contribution of the United States share of the cost of the acquisition by the North Atlantic Treaty Organization of an Airborne Early Warning and Control System (AWACS) and, in addition, the Department of Defense may make a commitment to the North Atlantic Treaty Organization to assume the United States share of contingent liability in connection with the NATO E-3A Cooperative Programme, to remain available for obligation until September 30, 1984.

AMENDMENT OFFERED BY MR. ADDABBO

Mr. ADDABBO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADDABBO: Page 23, line 7, strike out "$13,957,598,000" and insert in lieu thereof "$12,156,598,000".

Mr. ADDABBO. Mr. Chairman, I ask unanimous consent that all debate on this amendment be limited to 1 hour, to be equally divided between myself and the gentleman from Alabama.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York (Mr. ADDABBO) will be recognized for 30 minutes, and the gentleman from Alabama (Mr. EDWARDS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise to offer the amendment to delete $1.9 billion for procurement of the B-1 bomber. This is a weapons system so far behind its time, so much more costly than its supporters admit, and so unworkable as a penetrating bomber threat that by buying it we actually set back our national security position in that we slow down development of the Stealth bomber.

The B-1 bomber is a weapons system that was developed in the 1960's for production in the 1970's and deployment as a penetrating bomber in the 1970's and 1980's. The Congress refused to fund the program in the early 1970's because of cost overruns and the slowness in proving out research and development. As a result, by 1977 the program was so costly and time for use of the bomber as a penetrating threat was running so short that the Congress decided to end the program.

Four years after the line was shut down, after the contractor sold the plant and facilities, the Reagan administration has decided to renew this battle. That is certainly nice for the California contractor but it is not very nice at all for the American taxpayer who will have to foot the bill for this decision, and it hardly enhances national security to spend nearly $40 billion for 100 1960's-era bombers.

We can argue about the B-1 and what it will cost and why the administration is so insistent upon funding this contract, even with all the intelligence information that has been presented to the President and his staff that confirms our objections to it.

But what is the most important question we will face here today is whether or not this Nation can afford to squander its money to buy a bomber that cannot do the job after it comes on line. To be brutally candid, the White House and the Defense Department have been all over the lot in the claims on behalf of the B-1. If you do nothing more than take the published statements of the administration witnesses, you have in the last few months a price range of some $200 million per plane. The claims of last summer have now been forgotten and even the White House concedes the planes will cost $390 million each, as of now. Do not hold your breath that that price quotation will last long, either.

Additionally, the claims for performance of the B-1 have been as inaccurate as have the cost figures. You may wonder why these things can be. You might think that cost and performance records should be fairly determinate figures. Our Defense Appropriations Subcommittee would have thought so too, until we begin to see the same witnesses say different things.

Certainly, in defense matters that is easier to do because the figures are generally classified. The press, the general public, and most Members of Congress do not have much access to that information.

Nevertheless, when you see the Secretary of Defense sign a letter saying the B-1 can penetrate Soviet air defenses "well into the 1990's" and then testify yesterday that the B-1 at best will be able to penetrate until 1990, anyone can tell there is a difference there. Worse, this country's best intelligence information says the Secretary is wrong in both statements, that the B-1 cannot penetrate after 1987 or 1988, depending on how rapidly Soviet missiles can be deployed. The B-1 may never drop a bomb on Russia but it certainly has bombed Pentagon credibility.

The Air Force role in the B-1 matter has been far more as an advocate for the B-1 than as an objective source of technical information. The Air Force has not been above doing a little bookkeeping juggling to make their pet program look a little better.

The simple fact of life is this country cannot afford to develop both the B-1 and the Stealth bomber. By delaying Stealth in favor of the B-1, we seriously set back our national defense capabilities in the 1990's, perhaps terribly so. We need to have a means of keeping the Russians honest and there is a smaller chance of that without a penetrating bomber. Stealth is a technology that will continue on into the 21st century. No matter how much they bluster, no one can truthfully say that about buying the B-1 today.

Yet, a high ranking Air Force officer testified to the Defense Appropriations Subcommittee just this week that, and I quote, "Given the priority of dollars the Air Force would fund the B-1 and cancel the Stealth."

That is an incredible statement coming from a man who knows the difference in the two technologies. It also means, as far as I am concerned, that the statements of support on behalf of the B-1, no matter whether they come from the Air Force, the Secretary of Defense, or from the White House themselves, are to be considered in the light of the political demands that the administration is placing on those making the statements.

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A B-1 or B-1B bomber, whatever you want to call it, is a bummer of a bomber. It is something that has outlived its usefulness.

The CHAIRMAN. The Chair would like to clarify the request of the gentelman from New York on the division of time. Is the gentleman's request on this amendment and all amemdments thereto?

Mr. ADDABBO. Yes, Mr. Chairman.

The CHAIRMAN. Without objection, it is so ordered.

Mr. ADDABBO. Mr. Chairman, the B-1 bomber funds that I move to delete are strictly procurement funds. The information the Air Force puts out and the letters that we received are to the effect, "We need it in our inventory," as if the B-1 were available today. We cannot get it today. The earliest we can get it will be in 1986, and that will be only 12 airplanes. We all know the history of aircraft. We have never received anything on time, so it is very possible in this case that we will not see a B-1B bomber until 1987 or 1988.

We have the direct testimony of the Secretary of Defense and of Under Secretary DeLauer that a Stealth bomber, which can and will be able to be used as a penetrating bomber well into the 21st century, could come on line by 1988 or 1989 if properly funded. We have received information that the Stealth bomber, the ATB, was not properly funded just so that the B-1 bomber could be put forward even though it is not the best weapon. As a result, real defense, the weapons really needed for our defense, will be stretched into the 1990's, giving the Russians sufficient time to build up a defense against that most needed weapon.

So, I would ask my colleagues to support this reduction of $1.9 billion for procurement funding for a bomber which still needs, by Defense Department direct testimony, $2.4 billion for research and development. The currently admitted cost of the B-1 bomber is about $222 million, $222 million a copy. And the Pentagon fully agrees that by the outyears the price will be up to almost $300 million a copy or more.

Mr. EDWARDS OF Alabama. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in opposition to the amendment. I have agonized probably as much as anybody in this House over the subject of the B-1 over the years that we have had to deal with it. I supported it during the years of the Carter administration. I opposed President Carter's effort to terminate it. I felt like it was the thing to do then, and I must say that since that time in 1977 the question of the Stealth or ATB has come on the scene, and it has created an additional reason

to pause and think about where we are going with manned bombers.

Let me say, just reiterate what I said earlier today, a penetrating bomber is one of those chips in the President's arsenal of chips that he should have when he negotiates START as it is now going to be called. The question is whether we can get from here by stretching the B-52's life a little longer into the advanced technology bomber without creating a gap that is too big during that interim period.

We are told that if everything goes as well as it can go, and we know how these things work, that we could probably have advanced technology bombers coming off the line sometime around 1990. We are told that if everything goes the way it should go we can have B-1 bombers coming off the line in 1986. There is a gap in there that I cannot guarantee we can fill without building the B-1. I would like more than anybody in this Chamber to stand here and tell the Members that we do not have to spend that money on the B-1, but I am convinced that we do. I am convinced that we have no choice. But, let me go a step further. If we build 100 B-1's, which is the proposal, we would then come back sometime in the future and propose to build perhaps 130-odd ATB's, and so sometime in the 1990's we would have a fleet of penetrating bombers of 230-odd, perhaps. If we do not build the B-1 and we are willing to accept whatever gap there is, then we will come to you one day and say that what we need to build is some 230-odd ATB's. In any case, we are talking about a number of penetrating bombers approaching 230-odd planes.

Now, it seems to me that we should go with the B-1. We should use it as a penetrator as long as it is available for that purpose. It has excellent potential for a cruise missile carrier. It has excellent potential as a conventional bomber when that is called for, and we would put it all together. On balance, I think we really have no choice. I reiterate again, I would love to be able to stand here and tell the Members that we do have a choice, but having agonized over it, I think we must go with 100 B-1's. We must follow on with the ATB. We must insist that it not slip because of the B-1 expense, and if we will do this in an orderly fashion, as I believe the subcommittee will insist that it be done, we will have this country defended with a penetrating bomber as well as we could hope to be, everything considered.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield.

Mr. DICKS. Mr. Chairman, I have a great deal of respect for the gentleman's judgment on these matters, and I frankly am still in the position of determining how I am going to vote on this particular amendment. I think it is a very complicated and difficult issue. One of the things that concerns me is the fact that I do not think the Air Force has been totally candid with us about their approach to funding the advanced technology bomber.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield myself 2 additional minutes.

Mr. DICKS. Therefore, I think there are some of us who are concerned that the Air Force is in fact stretching out that program, and one has to speculate whether that is being done in order to justify going forward with the B-1 bomber. That is something that concerns this gentleman, because I am concerned that we have the best available bomber that can do both the conventional and the strategic missions with the best chance of penetrating improved Soviet air defenses, for a sufficient time period.

I would like to know how the gentleman feels about that particular issue.

Mr. EDWARDS of Alabama. I am concerned about that issue. I think the Air Force has obviously tried to put the best picture it could, the best face it could, on the B-1. That is one of the reasons that we are determined, I think on our committee that we are not going to let the ATB slip because of that. The contractor says, of course, he can have it done so quickly it will make your head swim. The Air Force says he cannot do it that quickly. Probably the truth is somewhere in between the two.

Mr. DICKS. I thank the gentleman, and I would agree that for sure they cannot do it if they are cutting back on the money they need at the beginning of the program to move the program ahead as rapidly as possible.

Mr. EDWARDS of Alabama. I certainly agree with that. I think the point to consider is that, if you can believe who we have to believe, that whether you have a combination of B-52's and B-1's and ATB's or a combination of B-52's and ATB's, or a combination of B-1's and ATB's or whatever, putting risk aside, that you are going to spend within $1 billion or $2 billion about the same thing. So, it occurs to me—and I guess this is where I finally have come out after all my agony—that you get a penetrator quicker with a B-1. You have a very useful alternate for it later down the road while you bring on the state of the art, the latest state of the art at the earliest possible time. I would oppose this amendment.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. MURTHA).

AMENDMENT OFFERED BY MR. MURTHA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. ADDABBO

Mr. MURTHA. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. MURTHA as a substitute for the amendment offered by Mr. ADDABBO: Page 23, line 7, strike out "$13,957,598,000" and insert "$12,158,598,000."

Mr. MURTHA. Mr. Chairman, I offer this amendment so that Members will have an opportunity to vote on a strategic bomber that would cost half as much. We would have more flexibility because we would be able to move more bombers in more airfields throughout the world. Some people say this bomber is not as good, and yet this FB-111 dominated the SAC Joint Bombing and Navigation Contest in the last 6 of 7 years.

The key thing is that with refueling this FB-111 Stretch could reach anywhere in the Soviet Union. It uses the same number of tankers, so every argument that is used has to come down in favor of the FB-111.

I feel that the B-1 will probably never be built. I can see the change in attitude back home at this very time about defense. I can remember during the Vietnam war when people walked out of seminars that I had because they felt I was too strong for defense. What concerns me is that the same attitude may change next year, and we will be back here having to cut one of these systems.

I think the ATB is such a good system that if we take a much smaller, much less expensive system such as the FB-111 as an alternative and go on with the ATB, we have a system. General Ellis, former commander of the Strategic Air Command, strongly supports the FB-111 as an interim system. The people that would build this airplane have vast experience and feel comfortable with it.

One other thing we have to consider is the fact we have a facility still in place where they could go forward very quickly in building FB-111. We would have more bombers in the air faster at half the price, so I would urge the Members of this Congress to settle for a less expensive stopgap measure while we go forward very quickly with the ATB.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield myself 1 minute for the purpose of inquiring of the gentleman from Pennsylvania whether the FB-111 is authorized, and therefore whether it is a proper alternative to be presented in this bill or as an amendment to this bill.

Mr. MURTHA. As the gentleman knows, the FB-111 is not authorized, and what I intend to do is, with one amendment reducing the procurement money if this amendment passes; than

with the amount of research and development available, and as the gentleman knows, an increased appropriation in research and development, and in subsequent debate imply to the Air Force that this is what Congress intends for it to do.

Mr. EDWARDS of Alabama. It is a novel approach, I would say to the gentleman. We are in a position where we cannot make a point of order on his amendment because he is just simply moving bucks around.

□ 1530

But I would urge the Members not to move in this direction. It serves no real purpose. I have looked at the FB-111 at length with all the others, and its primary shortcoming, among others, is that it has no residual value as a cruise missile carrier or anything else other than strictly some kind of an interim deploying force.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, in the brief time I have I would like to assert that the decision to build and deploy 100 B-1 bombers is expensive, unnecessary, wasteful, and it is a political decision rather than a military decision.

First of all, it would take until the years 1986-88 to deploy 100 B-1 bombers. Most experts indicate that this bomber would only be able to penetrate Soviet defenses until the year 1990, which means at a maximum that we would be spending approximately $40 billion for a bomber that could penetrate the Soviet defenses for a maximum of 4 years.

Then the argument is that after 1990 the B-1 bomber could act as a cruise missile carrier. I would suggest that this is an extraordinarily expensive, sophisticated, overpriced, overly designed carrier for a cruise missile at a price of $400 million per plane.

The Soviets have been engaged in air defense technology, anti-B-1-type defense, for at least a decade to 12 years. We are now talking about Stealth bomber technology. Both of these arguments, in my estimation, are arguments in opposition to the B-1 bomber.

At a time when many of my colleagues are speaking out of both sides of their mouth about fiscal conservatism and tightening the belt, here we are about to engage in a $40 billion program, building a monument to military madness that in my estimation makes no sense.

Finally, I would assert that this decision is a political decision. The President took the Air Force's latest nuclear toy away from them, namely, the mobile mode MX missile system, so he had to give them something back. So he throws them 100 B-1 bombers.

We should not go along with that decision. It is $40 billion of American human beings' money that ought to be translated into enhancing the quality of our lives.

To summarize, Mr. Chairman, this decision to build 100 B-1 bombers is expensive, it is unnecessary, it is wasteful, and it is a political decision. Forty billion dollars is one hell of a lot of money to waste on a program that makes no sense. For a maximum of 4 years, we are talking about the capacity to penetrate the Soviet Union.

Mr. Chairman, there are all kinds of other cheaper ways to carry cruise missiles in the air. We do not need a $400 million plane to do that.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 3 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, on the question about the penetrating ability of this B-1 bomber until 1990, that estimate has been all over the board, and there have been additional estimates. These are other estimates based on new information, but I do not know of anybody who can really tell us how long a B-1 or a Stealth or a B-52 is going to be able to penetrate the Soviet Union, but 1990 is not necessarily an accurate figure which we should accept without debate.

On the question of the cost of the B-1 being $400 million per airplane, I do not know that anybody really believes that. There again we are talking about a figure that is twice as much as what the Defense Department is telling us this program is going to cost.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I do not have enough time to yield at this point. If the gentleman could get me extra time, I would yield?

Mr. Chairman, I want to concentrate on the subject of the B-1 versus the Stealth bomber. I want to say that I am a strong supporter of the Stealth technology. We ought to move in that direction as rapidly as we can. The people and the companies involved in that effort are very credible. They know what they are doing when it comes to airplanes. They have proven that over many, many years.

But I say, Mr. Chairman, as strongly as I favor that concept, today I think we would all have to admit that this paper airplane in my hand is really the only Stealth bomber we have now or will have any time in the near future. We do not know whether it is going to be ready in 1990 or 1995 or ever.

In the meantime, we need a bomber that is more capable than the B-52. In today's warfare—and let us all prey every day that we never have to engage in any warfare, let alone nuclear warfare but in today's nuclear warfare, we are talking about minutes from missile launch to missle impact. Survivability of the B-52 in that case is very doubtful. With the B-52, the world could be blown up by the time the B-52 could be cranked up, put onto the runway, and get into the air. The B-1 on the other hand can be airborne before an incoming missile has ever landed, escaping from the initial attack and being there as a realistic retaliatory force.

The Soviets know about the B-1. The Soviets know that the B-1 is a very powerful weapon and we ought to proceed with the B-1. We ought to reject both of these amendments and move right along.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. Mr. Chairman, I would submit to my friend, the gentleman from Florida (Mr. YOUNG), that by the time the B-1 gets to the Soviet Union, it, too, will be blown up. The fact remains that we have to ask ourselves whether or not $20 billion to $40 billion for this airplane is going to buy us improved security.

The answer to that, in my opinion, is no. If we are interested in a cruise-missile-carrying platform, which is what I think the requirement calls for, we can buy L-1011's and DC-10's and stuff them full of cruise missiles and do target saturation, or we can do what the gentleman from Pennsylvania suggested: We can buy FB-111's.

The requirements keep changing for the B-1. As the cost keeps rising, so will its missions. Now we are hearing that it is going to find moving targets inside the Soviet Union. During a nuclear war, are the pilots going to be looking out of the cockpit and looking for moving targets? I think not. I think that requirement is a lot of nonsense, that there are going to be targets, moving targets inside the Soviet Union for the B-1 to attack.

We are told it is going to be used as a conventional bomber. My God, it is not going to bomb anything more valuable than the cost of the airplane. We are not going to risk the asset of $200 or $300 million per airplane in some tactical bombing mission. There are many more viable options.

Mr. Chairman, I submit that there are alternatives. This is one piece of equipment in the area of national security that costs too much and is just not necessary.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, the gentleman from Pennsylvania (Mr. MURTHA) has at least given us an alternative here which I think we should seriously consider. In the meantime I would hope that we can go back to what my friend, the gentleman from New York (Mr. DOWNEY), just said,

about this being a bad bargain. If we would only give the same level of scrutiny to the B-1 bomber that we gave to the WIC program, the women, infants, and children's program, it would fail the test. It would absolutely flunk the test. On the issue of cost, if we put the B-1 in here on the table, with the same kind of enthusiasm for budget cutting and cutting out waste as we had during the school lunch debate, it could not possibly survive.

Mr. Chairman, if we were to use the same kind of motivation, the same kind of desire, and the same kind of yardstick that this House so enthusiastically put forward and utilized during the debate on those social programs, the B-1 would fail the test. I think that is the real test. We need to put it to the test and look at other alternatives. The gentleman from Pennsylvania (Mr. MURTHA) is offering one, and there are many others.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 4 minutes to the gentleman from Florida (Mr. CHAPPELL).

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. CHAPPELL).

The CHAIRMAN. The gentleman from Florida (Mr. CHAPPELL) is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Chairman, I rise in support of the B-1 concept and for the development of the ATB technology. In my view, we need both.

That is the most efficient way, in my view, to produce a manned bomber that makes it certain we can penetrate Soviet airspace into the outyears and cost the Soviets overwhelming sums of money to defend against those various technologies.

I hate to rise in opposition to the gentleman from New York and the gentleman from Pennsylvania, but in the first place, if I thought for one moment the FB-111 could be stretched effectively and efficiently to give us the payload and the range we need, I would certainly support it. The facts and the statistics simply are not there.

We have been through this before. While the F-111 is an excellent and fine airplane—as a TAC aircraft, and I wish we would buy more of them for that purpose—the B-1 bomber represents the only technology we have that can close the gap during the time we need to close it.

We are talking about the timeframe of 1985, to which I have alluded earlier in my comments to this House today. This is the number one priority of the Air Force. It is the only thing we have to work with to close the gap that has to be closed.

If we believe what the Soviets tell us, if we believe what the Soviets are doing in preparing for offensive warfare and preparing to carry their will uncontested throughout the world by the year 1985, then this is the prime vehicle by which we can prevent and deter that kind of action.

The B-1 bomber is an up to date plane, with the very latest tested technology applied. It has the capacity to be hidden equally as well as does the proposed technology of the Stealth. It has the capacity to penetrate into 1990's, and most of the experts agree that with ongoing and improving technology, it will go well beyond the year 2000.

The B1-B carries a payload at least twice that of the paper ATB.

I said that I am for the ATB because I want us to develop that technology. The ATB exists only on paper at this time though certain of its technology is in test. It is for the future; it is not for now. We want to develop on that technology, but we must have a penetrating bomber now.

The B1-B is supersonic, not subsonic. The ATB we are working on is subsonic. The only reason I mention the comparison is that we must go with the B1-B now. I think we would be very remiss if we did not. We will put our country at serious risk by not going forward with the B-1 now.

We continually talk about what we are going to do in the future. We have gotten to the point where we do not build airplanes, we do not build hardware, we do not give the soldiers in the field the weapons they need. We do not give the pilots the aircraft needed, we do not give the Navy the undisputed capacity to control the seas. We are inviting trouble, if we postpone the production of the B-1, if we cut these moneys from the bill. It has the effect of killing the B-1B program. That would be disastrous for this Nation. I hope we will defeat these amendments, the substitute amendment by Mr. MURTHA and the amendment by Mr. ADDABBO and that we will vote to move forward with the B1-B program and a stronger national defense.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, as the gentleman knows, I have great respect for his expertise and his judgment on this particular issue.

Is it not true that currently the B-1 or the B-52 or the ATB is going to be used as a mopup weapon? In other words, after there is a nuclear exchange, then this weapon would go in a mopup role; is that not correct?

Mr. CHAPPELL. No indeed, the B-1 is both a conventional aircraft and a strategic weapon. It is a very vital conventional weapon to give assistance to the Navy in control of the seas. It is a vital weapon to give credence to the conventional forces in Europe and wherever else in the world it is necessary. It is a tremendous conventional weapon.

Mr. DICKS. But is its capacity not primarily to go in in a mopup role?

Mr. CHAPPELL. No, I would disagree with the gentleman. No, it is not a mopup weapon; it is a weapon that would be used in any mode and in any conventional mission. It has great versatility.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, this represents many things that frighten me. I kind of agree with the Atlantic Monthly article that increased military spending will merely take up the slack in the economy of what we have last by cutting out domestic programs.

Let us get on with the program and get ourselves a plane that will fly.

As to both of these planes, as I understand it, the F-111 and the Stealth bomber, whether they are ever any good depends upon—what are the words?—revolutionary breakthrough. Let us get something that does not require a revolutionary breakthrough. Let us get something we can use now, and let us go ahead and build the B-1 now.

If we leave it with the researchers they will keep it and they will go on and on and on with it. As I told you, the Trident submarine took 11 years, because we kept adding every new thing that came along. We can build the B-1 if we go ahead and build it now.

AGAIN LET US PREVENT WAR

We need defensive weapons; we need to prevent war. We need a bomber that can work. It is important that we prepare to prevent war, and it is here that history shows that a show of force is frequently the means of preventing the use of force.

I have seen Russia park an old battleship across the Baltic Sea next to Sweden—and it served its purpose. We have seen an aircraft carrier with fighter planes do the same thing in the Mediterranean, and there are hundreds of similar cases.

While in Russia some years ago, I saw a cannon on display at the Kremlin which, while very large and very frightening to look at, had no firing mechanism. I was told that on one occasion it caused the enemy to retreat in terror from the battlefield where it was displayed, even though it could not fire a shot.

□ 1545

We need a bomber that we can use now because what we need is to have a bomber, which, of course, we can bring back. Let us not put all our eggs in one basket and keep on building up defense spending to keep the domestic economy going. Let us get the B-1 and be ready to meet the problems of the day. When we get the breakthrough,

then there is time enough to build another new airplane.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I rise in opposition to the amendments offered by the distinguished gentlemen from New York and Pennsylvania. I believe the new version of the B-1 bomber must be built and deployed quickly if we are to maintain a strong national defense capable of protecting our security and our vital interests. I did not intend to speak on this matter, but the B-1 has become controversial in my district and I felt it necessary to make my position clear for the record—the CONGRESSIONAL RECORD. And these arguments have all been made by others here on the floor but I want to give my reasons for voting for the B-1.

Our triad system of defense requires a modern bomber force—a controllable, recallable element able to attack mobile as well as fixed targets, able to perform both nuclear and conventional missions, and able to project an American presence in troubled regions around the world. The B-1 bomber is needed to fulfill this vital defense requirement in this decade and beyond.

In my view the two most important considerations in favor of the B-1 are the age of our current bomber force and the uncertainty of development of the so-called advanced technology bomber.

The B-52 bomber has been the mainstay of our air defenses for more than 20 years. It is an old airplane, designed in the early 1950's, that has performed nobly and well for many years. But it is rapidly nearing the end of its usefulness. We know that as Soviet defenses continue to improve, the B-52 will become increasingly incapable of reliably executing its missions.

I believe former President Carter made a bad mistake when he elected not to proceed with the construction and deployment of the B-1 bomber in 1977 and instead chose to modernize and modify the B-52 bomber. Despite these highly expensive modifications, it has become clear that the B-52 bomber is becoming an archaic anachronism, a lumbering, plodding dinosaur in this era of high technology weaponry. If we are to maintain an effective bomber force, we must replace the B-52 and soon.

The obvious replacement for the B-52 is the updated version of the B-1 bomber, which is superior to the B-52 in virtually every area of comparison. The B-1 was designed to meet the challenge of this nuclear age and employs state-of-the-art technology. Both the offensive and defensive capabilities of the B-1 have been thoroughly tested and proven effective. The initial operating capacity for the B-1 can be reached quickly, by mid-1986, and the full complement of 100 B-1's will be ready for deployment by 1988.

Air Force tests have shown that the B-1 is about 100 times less detectable by radar than the B-52. It can penetrate Soviet defenses at greater speeds and fly at much lower altitudes, following the "nap of the Earth" to evade detection. Gen. Lew Allen, the Air Force chief of staff, has testified before the Senate Armed Services Committee that the B-1 will be able to effectively penetrate and strike targets within the Soviet Union well into the 1990's.

The updated B-1 is smaller than the B-52, but is has a much greater payload capacity. It can operate on smaller, shorter runways and gets airborne faster than the B-52. The B-1's engines are more efficient than the B-52 engines, enabling it to use 25 percent less fuel and giving it greater range. It has the flexibility to fly both nuclear and conventional missions.

These characteristics are important when our current foreign policy concerns are considered. The B-52 bomber does not have the range to reach the critical Persian Gulf region, for example, with an adequate payload. Moreover, there are no airstrips in the Middle East that are long enough for a B-52 to take off. With the B-1, America can project its presence anywhere in the world within 24 hours.

I believe the capabilities of the new B-1 bomber make a compelling case for its construction and deployment. However, some Members of this body believe that we should save money by forgetting about the B-1 and instead rely upon the aging B-52's until the advanced technology bomber, the Stealth aircraft, is developed. I am as conscious as any Member of Government spending, but I believe such reasoning is wrong. Indeed, I believe that to take such a course would be gambling with our national security.

We all know of the great promise of the Stealth bomber. But there is no guarantee that the Stealth bomber will be successfully developed according to a set timetable. The process of developing and refining new technology is a time-consuming one that is prone to delays and unforeseen problems. The difficult experiences of the space shuttle are testimony to that fact.

If we rely on the rapid development of Stealth we are risking our national defense upon a very unpredictable process. In addition, such a move could cause the development of Stealth technology to be unnecessarily rushed. The full and successful development of Stealth might never by achieved.

A far better course is to approve President Reagan's request for 100 B-1 bombers. This will provide for a quick and much-needed modernization of our bomber forces. It will allow for ample time for the proper development of the Stealth bomber. And when Stealth bombers are eventually perfected and deployed, we will be armed with a versatile modern bomber, capable of variety of missions and uses, that will complement the Stealth force well past the 1990s.

By approving construction and deployment of the new B-1 we are insuring that this country will have an effective bomber force into the 21st century. There will be no gaps in our national defense system.

I think the amendments which would reduce funding for the B-1 should be rejected.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Ms. FERRARO).

Ms. FERRARO. Mr. Chairman, I rise in support of the amendment and I ask unanimous consent to revise and extend my remarks.

Mr. Chairman, the supporters of the B-1 bomber have told us that the debate on the B-1 is really a debate on the national security of the United States. They are right.

They have also argued that production and deployment of the B-1 is essential to our national security. On this point, though, they are wrong.

I support a strong defense program. I support continued employment of the strategic triad of land-based missiles, submarine based missiles, and manned bombers. I support efforts to close the gap, the so-called window of vulnerability, between the time when the B-52's can no longer be relied on and the time the advanced technology bomber, or Stealth, is brought on line.

But I do not support wasting tax dollars on flashy new weapons that have limited use for our national defense.

The B-1 is a giant waste of money.

Let us understand what we are talking about here. The administration wants to build 100 B-1's, at a Congressional Budget Office estimated cost of $40 billion. That's $400 million per plane, which means that for the price of one B-1 we could buy 14 F-15's or 28 F-16's.

And what do we get for our $40 billion?

Well, we get nothing until at least late 1986 and possibly 1987. That is when the Air Force says the first B-1 comes off the production line. After that, there is some confusion regarding the useful life of the B-1's.

Air Force witnesses have maintained that the B-1 would be able to penetrate Soviet defenses well into the 1990's. But Secretary of Defense Caspar Weinberger told the Senate Armed Services Committee that to send the B-1 on a mission to penetrate Soviet air defenses after 1990 would be, in his words, a "suicide mission."

Taking Secretary Weinberger at his word, we are faced with a decision to

buy 100 $400 million per copy planes that will serve their primary purpose for about 3 years.

Is that what the American people mean for us to do to strengthen our national defense? I don't think so.

If we vote to approve this amendment and block funds for the B-1, that doesn't mean we have turned our backs on the question of how to address the gap between the B-52 and the Stealth. In fact, there are several options we could pursue.

The former commander of the Strategic Air Command, USAF Gen. Richard Ellis, has stated his support for the F-111B as a substitute for the B-1. By stretching the F-111B to allow greater range and payload, we could provide an alternative to the B-1 at less than one-fourth the cost.

A second alternative would be to modernize the B-52 to prolong their effectiveness until the advanced technology bomber is available.

Maybe the best choice for our manned bomber program, though, would be to forgo the B-1 and accelerate development of the Stealth.

Just a month ago, Secretary Weinberger said a Stealth fleet could be operational by 1989, only 2 years longer than it will take for the B-1. Clearly, resources expended on the B-1 would reduce our efforts to develop the Stealth as quickly as possible.

We have spent a lot of time this year talking about the need to reduce expenditures on domestic programs because Federal spending is out of line, and the need to increase defense spending because our national security is threatened by the Soviets. I agree with both halves of that argument, though I do not agree with many of the specific actions that have been taken.

Last week I participated in a Joint Economic Committee hearing on the impact of the Reagan budget and tax cuts on New York City. One of the things I learned was that my city currently has $40 billion worth of repairs to do on its highways, and bridges, and subways, and sewers. I cannot, in good conscience, vote for a program that costs as much as the B-1 which offers so little in terms of improving our national defense.

One final point I would like to make. Yesterday I had a phone call from a businessman in my district who makes hydraulic equipment. He explained that if the B-1 production was approved, his business stood to gain because Rockwell, the prime contractor for the B-1, would subcontract with him for part of the order.

I told him that I appreciated his concern, but that I did not feel I could support the B-1 program because of its costs and limited effectiveness. I expected him to give me a hard time about my decision, but he did not.

This businessman, whose personal financial interest clearly favored building the B-1, told me he understood my concerns about the plane, and that as a taxpayer, the costs of the program were troubling to him as well. The American people know what they want. They want a strong defense, but not a boondoggle. The B-1 is the weapon of the past.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Chairman, there is no doubt but that the air-breathing leg of the strategic triad, incorporated in our bomber force, is now the cornerstone of our strategic deterrent. The recently acquired vulnerability of our Minuteman silos, generated by rapid development in Soviet accurization of their SS-18's missiles is now generally accepted as fact.

As we turn our attention to the bomber area we should scrutinize the three basic requirements for a viable long-range bomber capability. These requirements are: First, ability to fly out or escape from our home bases in the event of a Soviet nuclear attack; second, the ability to carry, successfully, a substantial nuclear payload to the edge of Soviet defenses; and third, the capability to penetrate the Soviet air defense system and deliver our payloads.

In regard to the first area, the requirement of escaping from American bases before destruction by submarine-launched ICBM's, the B-1 bomber has a much faster fly out time than the B-52. Additionally, the B-1 is much better able to withstand blast overpressure and other nuclear effects such as electromagnetic pulse. This basic improvement in the ability to survive, which is manifested in the B-1 program is extremely important because it reduces Soviet incentives for a surprise attack on our bomber bases.

In the second area, the B-1 has the ability to carry, with greater reliability, about 50 percent more payload than the B-52, a significant factor.

In the third area, the B-1, will have the ability to pentrate Soviet defenses well into the 1990's. Our electrocountermeasures, coupled with outstanding advances in signature reduction would presently overwhelm the Soviet air defense system. But perhaps more important, is the economic outlays that the B-1 will force the Soviets to make in order to deploy air defense systems in the 1990's and beyond the year 2000 which will have a chance against defending B-1 attacks. We will force the Soviets to reduce outlays on offensive systems such as ICBM and submarine-launched ballistic systems, in order to defend against B-1. Further, they will be faced with a two-pronged adversary, the B-1 and the cruise missile. The cruise missile launched from B-1 or B-52 will complement our short-range nuclear tipped attack missiles, carried by B-1.

I would like my colleagues to hark back to 1977 when we decided not to build B-1, apparently for cost reasons. At that time if my figures are correct, we could have had B-1 for about $70 million a copy, and I would guess if we took a rollcall vote right now which could undo our mistake of 1977 and have B-1's in our inventory for that price, the vote would be overwhelming to do so.

Today we have the same opportunity. And we have the same people saying, no its too expensive, let us wait for Stealth. And I ask these Members, "How do we know Stealth is not going to cost an arm and a leg? How do we know Stealths many technological uncertainties will be solved? How do we know that we will not be sitting here in 1990 with a Neanderthal B-52 force and the same critics saying, no, Stealth is too expensive and too old?" Let us wait until the year 2000 for the real superduper bomber. If I could analogize our strategic problem to a sports event I would compare it to a prize fight in which we are behind on points, and instead of working to pile up points with jabs and hooks and uppercuts we are waiting to throw our big Sunday punch, our perfect weapons system, while our adversary wins round after round by making swift procurement decisions, keeping their industrial base at high operating capacity and refusing to rely on any single program as the cornerstone of their strategic force. And I would suggest to my colleagues that the match up between our bomber force and the Soviet air defense system is not a matter of developing one system and throwing it at an air defense curtain, which like a wall either stops or does not stop it. Our bomber capability is driven by a combination of design, weapons development, and electronic advancement. And as these factors improve our capability improves. Similarly, the posture of the Soviet air defenses is a dynamic one, that improves with the dedication of money and technology. There is no doubt that the B-1 today, especially with its radar signature reduction, is superior to the 1977 B-1 and there is no doubt that future electronic advancements will be incorporated in succeeding generations of B-1, just as the B-52 was improved in the D, G, and H models. So I would urge my colleagues to support the B-1, which is the only program which will maintain America's bomber capability through the eighties while allowing fair time for the development of the advance technology bomber, or Stealth.

Mr. ADDABBO. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Chairman, I rise in support of an enhanced strategic deterrent but in opposition to cost-ineffective and strategically unsound weapons systems.

I rise in support of the Reagan administration's plans for improving strategic command, control, and communications systems and for upgrading our strategic submarine force, but in opposition to its recommendations for the manned bomber and land-based ICBM programs. Furthermore, I object to administration plans calling for a reduction in the procurement of KC-10 tankers and for a cutback in the planned upgrading of the B-52 force. These latter two policies will leave our country with diminished strategic capabilities during the much-touted "window of vulnerability", given the long leadtimes required to place the projected B-1 and MX systems in operation.

I rise in suppport of 98 percent of the appropriations contained in the fiscal year 1982 Department of Defense appropriations bill but in opposition to the roughly $4 billion it provides for the B-1 bomber and the MX missile.

I stand before you as a moderate in the extreme, one who deplores the calls for unilateral disarmament but who also seeks to demand the utmost care in the expenditure of taxpayer dollars.

No fair-minded individual can deny that the Soviet Union has embarked on a massive, and threatening, conventional and strategic arms buildup over the past decade. I have no sympathy whatsoever with those who criticize American military efforts but turn a blind eye to Soviet activities. The debate that we are now engaged in could not, unfortunately, take place in that totalitarian society, much to the detriment of all mankind and most especially the Soviet people themselves. However, rigorous, open discussion is a hallmark of our system and is one of our greatest strengths.

Despite some perceptions to the contrary, our country has not stood still in the face of the Soviet strategic buildup. The retrofitting of the Mark 12-A warhead on Minuteman missiles has vastly increased the effectiveness of the weapons. The avionics and other upgrades of B-52 squadrons have increased the useful life of these aircraft through the mid to late 1980's as a penetrator and through the end of the century as a standoff cruise missile carrier. The recent addition of the SSBN *Ohio* to the ballistic missile fleet is a reminder of the Trident submarine and submarine-launched ballistic missile modernization programs which significantly improve the sea-based leg of our strategic triad.

Admittedly, in the absence of Soviet restraint we cannot stand pat and that is why I firmly support: The air-launched cruise missile (ALCM), which will tremendously boost the capabilities of the air-breathing leg of the triad when it joins the force in 1983; the Trident II missile, which offers survivable countermilitary capabilities; and accelerated research and development on the advanced technology bomber which by all accounts will be required by sometime in the 1990's to insure the continued ability of our bombers to penetrate Soviet air defenses.

In fact, as I stated earlier, one of my concerns about the net impact of the Reagan strategic program is that it would leave our strategic forces less capable in the short-term by reducing the buys and the KC-10 tanker, delaying or denying planned upgradings of B-52 aircraft (including the hardening against electromagnetic pulse (EMP) effects), and requiring an earlier retirement of the B-52 force.

Hopefully, this will put to rest the notion that critics of the B-1 and MX, for whatever motivation, demand the development of the unattainable perfect weapon. What this critic demands is cost-effective weapons that are consistent with our defense strategy and fulfill mission requirements. Strategy and mission must drive procurement and not the other way around.

THE B-1

My reason for opposing the B-1 program is simple: I do not believe that the marginal improvements it offers as a penetrator or cruise missile carrier are sufficient to justify the $28 billion to $39.8 billion price tag.

A few dates will illustrate the point. The B-52 will be capable of serving as a penetrating bomber through the mid to late 1980's. The B-1 will be deployed between 1986 and 1988 and is expected to be able to penetrate Soviet air defenses until the early to mid-1990's. Parenthetically, perhaps one of the most valuable contributions that the debate over the B-1 has already made has been to rapidly improve the performance of the aircraft. Within a few weeks' time the official estimates of the end of the useful life of the B-1 as a penetrator have gone from the end of this decade to "well into the 1990's."

A similar story emerges when one looks at the cruise missile carrier mission. The B-52 will be effective in this role until the end of the century while the B-1 will be able to perform this function for an indeterminable amount of time beyond that date.

In my judgment, the few years that we would gain in the penetrator mission are more than offset by the cost of the B-1. With such an expenditure we run a grave risk of stretching out or curtailing both the ALCM program which will be the major contributor to improved survivability of our air-breathing strategic forces whether the carrier is the B-1, the B-52 or some other aircraft, and the advanced technology (or Stealth) bomber program, which the Reagan administration acknowledges to be an essential element of U.S. strategic forces in the 1990's.

Events seem to already be bearing out these concerns. The Reagan administration has not increased the Carter request for the number of cruise missiles even though the number of launchers is to be increased by the addition of the 100 B-1's. The payload of each aircraft will have to be reduced accordingly. Secondly, the planned initial operating capability of the advanced technology bomber has slipped from 1989 until sometime in the 1990s.

With regard to potential conventional missions, it is my strong belief that the B-1 is overpriced and ill-designed compared to other aircraft which are already operational. I also feel that the B-1 is not optimally priced or designed to fulfill the cruise missile carrier mission.

Now some might say that, when it comes to defense, talk of cost-effectiveness is inappropriate and money must not be a primary consideration. But, Mr. Chairman, I would suggest to you that the September reductions in the defense budget by an avowedly pro-defense administration demonstrate that money must and always will be a consideration. What we expend on the B-1 we will not have to spend for other strategic or conventional military programs, or for nondefense needs, or for tax cuts.

THE MX

My opposition to the proposed MX system is not based primarily on cost—though in the out years the Reagan program could be almost prohibitively expensive depending on the final basing mode—but rather on its strategic implications.

Unless I am badly mistaken, the primary purpose of our strategic nuclear forces is to deter aggression against ourselves, our interests, and our allies. With this in mind, the problems that do or will exist in the triad stem not from insufficient numbers or warheads or too little firepower but from the perceived survivability of our missiles and bomber—that is, their ability to ride out potential attack and to inflict unacceptable damage to any aggressor.

The major reason that defense planners have pushed for an MX program has been to improve the survivability of U.S. land-based missiles against potential Soviet attack. The Ford and Carter administrations had responded to the theoretical vulnerability of our land-based missiles by proposing that we develop a mobile MX missile that could be shuttled between a number of possible launch points.

Frankly, I had several major reservations about the Ford and Carter plans,

including my belief that, in the absence of a ratified SALT II or successor treaty which limits the size of United States and Soviet nuclear arsenals, the Soviets would be able to field enough warheads to theoretically threaten our land-based missiles no matter how many launch points we provided for our missiles. For this reason, I question the wisdom of pouring vast sums of money into land-based strategic missile forces and favor instead the enhancement of our invulnerable (for the foreseeable future) strategic submarine forces.

The President's MX decision makes even less sense to me than the earlier proposals. Essentially, it postpones a final decision on the proper basing of the new missile by calling for the deployment of the first 36 MX missiles off the production line into fixed silos that now house our aging Titan missile forces.

With regard to the plan to harden these fixed silos, if the Soviet ICBM's can attain the current and future accuracies attributed to them no amount of hardening will be sufficient because any silo would be vaporized by the fireball created when the incoming warhead detonates.

This short-term solution is most unsatisfactory because the MX missiles in the fixed silos will be as vulnerable as our current land-based forces. In fact, they must probably be judged to be more vulnerable because, with their improved accuracy and larger number of warheads, they represent a greater threat to Soviet forces and are thus a more urgent target for attack.

The administration's proposed long-rang solutions to the MX basing problem offer little, in my opinion. The deep underground and air mobile systems suffer from severe cost and operational constraints. The antiballistic missile system not only poses a potential threat to the Nixon administration's ABM Treaty, the most successful of all strategic arms agreements in limiting Soviet-United States military competition, but also is nowhere near technological realization as an effective system, as Secretary Weinberger himself has admitted.

I grant that research and development breakthroughs could make any or all of these alternatives more viable in the future. But, as those who are on the other side of the debate from me on the B-1 issue correctly caution, we cannot afford to place too many eggs in the futuristic technological fix basket.

What we can be sure of is that the current MX plan does not promote strategic stability, a characteristic that is vitally important given the fact that any nuclear exchange is more likely to be the result of accident or miscalculation rather than of rational, premeditated design.

In my opinion, the major negative consequence of the Reagan MX policy would be to place both American and Soviet policymakers on more of a hair-trigger when it comes to launching nuclear attacks: The Soviets because the MX will pose a significant threat to their land-based missile forces (which are a much bigger part of their total strategic forces than U.S. land-based missiles are of ours) and the Americans because to be able to use this new weapon we will have to be prepared to launch it before Soviet missiles can destroy it.

I can think of few more destablizing armaments than a vulnerable, countersilo nuclear weapons system.

CONCLUSION

In my opinion the procurement decisions on the B-1 and the MX offer another example of a strategic-force mismatch.

It is proposed that we increase our strategic bomber force, yet at the same time cut back our strategic tankers and missiles necessary to augment that bomber force.

It is proposed that we make dash capability to take off upon tactical warning a major criteria for the bomber leg of the strategic triad. In view of the fact that any suprise submarine-based attack on our bombers, which would afford the least reaction time, also would provide an unmistakable alert to our more capable ICBM force prior to its coming under attack by Soviet ICBM's, how much importance should be give to dash capability relative to other considerations?

It is proposed that we consider opening up the possibility of ABM deployment, yet this could pose a serious potential threat to the effectiveness of our submarine-launched ballistic missile force, the one element of the triad that now offers survivability and stability for the foreseeable future.

Finally it is proposed that we deploy a vulnerable counterforce system. How can this square with our strategic doctrine which emphasizes deterrence and escalation limitation?

By the B-1 and MX spending decisions we also run the risk of neglecting the less glamorous but vitally important area of conventional force readiness. We need to set priorities, within the Pentagon as well as in the rest of Government. Our constituents, the taxpayers of America, have a right to expect that we not suspend our judgment when billions of their dollars are at stake just because the spending agency is the Defense Department.

In the now notorious Atlantic Monthly article, David Stockman said that the administration would rise or fall depending upon its ability to reject weak claims by powerful clients. In my opinion, the Congress has a similar responsibility. The military has strong claims for increases in readiness items, tanker and airlift capacity, and a number of other programs; but they have weak claims in the case of the B-1 and MX programs before us today.

When listening to the rhetoric, both pro and con, on these weapons systems, with discussions of electronic countermeasures, and counterforce doctrine, and equivalent megatonnage, it is easy to lose sight of the central question at issue here: Namely, how can we avoid a nuclear holocaust while preserving our national security.

With the passage of time since the beginning of nuclear competition between the United States and the U.S.S.R., it is easy to forget the human consequences of nuclear war. In order to put this issue into some perspective the Congressional Office of Technology Assessment issued a report on "The Effects of Nuclear War." I would like to read you some of the report's conclusions:

A large-scale nuclear exchange between the United States and the Soviet Union could kill more than 250 million people in those two countries alone. The numbers killed in the first few days would depend on the exact number of nuclear weapons used and the places of detonation, the time of year, extent of warning, and the weather. U.S. deaths would probably range between 70 million and 160 million, while Soviet deaths would be between 50 million and 100 million. Many "survivors" would die later from starvation, exposure or disease, particularly in areas where the immediate deaths were relatively low.

A "limited" nuclear exchange would have enormous impact as well, even if there were no escalation. An exchange limited to 10 MIRVed missiles aimed at oil refineries, for example, could kill 5 million Americans and destroy 64 percent of the U.S. refining capacity and 73 percent of the Soviet capacity. An attack directed solely at missile silos could kill as many as 20 million Americans.

In the period following a nuclear attack . . . patterns of behavior could be changed by worsening shortages and the enormous psychological shock a nuclear war would produce. A failure to achieve economic viability (production equaling consumption) before stocks ran out would cause many additional deaths, and further economic, social, and political deterioration.

We owe it to our constituents to keep these thoughts always in mind in pressing for cost-effective, mission-oriented defense systems and for effective arms control and reduction agreements.

To the extent that we overemphasize marginal defense capabilities at the expense of our economic strength, we are playing into the only area where the Soviet Union can compete.

To the extent that we overlook the possibilities for arms control, we sentence ourselves and our posterity to a more uncertain and more dangerous future.

In today's debate neither side has a monopoly on virtue or wisdom, or patriotism. We are all concerned about finding the best, most certain way to

prevent nuclear war while protecting our national interests.

After lengthy and calm deliberation, I have come to the conclusion that approval of the B-1 and MX proposals before us today would not be in our national interest and I urge you to support the efforts to delete funding for these programs.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague yielding. I am fascinated by his comments that it is possible to upgrade the B-52 as a possible alternative to the B-1 bomber.

My understanding is that to put new wings on it, refit the engines and other benefits is actually very expensive. Let us say we are refitting 50 B-52's. Does that really give us the kind of capability we are hoping to achieve with the production of the B-1 bomber?

Mr. FOWLER. Those questions have already been answered earlier in the debate.

Mr. ROUSSELOT. Not too well.

Mr. FOWLER. When the gentleman from California was not here.

Mr. ROUSSELOT. Regret to inform you that I was here. I did not think the issue was handled too well. Does the gentleman want to answer it since he brought it up?

Mr. FOWLER. I think the whole question, as we have heard in the now-famous Atlantic Magazine article by Mr. Stockman——

Mr. ROUSSELOT. I do not think Mr. Stockman opposed the production of the B-1 bomber.

Mr. FOWLER (continuing). Is whether or not we have the courage to cut unnecessary military spending as well as domestic spending. The courage to resist those people that have weak claims, I believe Mr. Stockman put it.

Mr. ROUSSELOT. Does that give the House an answer to what the cost would be if we upgraded the B-52 fleet? I think not. My understanding is that it would cost about $40 to $50 million per each B-52.

The CHAIRMAN. The gentleman should let the gentleman from Georgia (Mr. FOWLER) answer the question, since the gentleman from Georgia has the floor.

Mr. FOWLER. The gentleman from California has asked a question and I want to answer.

I say to the gentleman that the administration, through its spokesman, Mr. Stockman, has emphasized over and over that we should reject weak claims from strong clients. The gentleman in that article, Mr. Stockman, said over and over again that he said we should examine the defense industry with the same magnifying glass that we used in the domestic sector.

Mr. ROUSSELOT. I agree with that. Now what is the cost, of upgrading our current B-52 fleet?

Mr. FOWLER. One of the points Mr. Stockman raised was to point out that we should continue to go after these major weapons that do not improve the operable systems that the gentleman from California has praised, the B-52, which with increased avionics the administration says will take us to 1990.

Mr. ROUSSELOT. An incredible answer. I suppose we should go ahead with production on the B-1 bomber.

Mr. FOWLER. I thank the gentleman for his contribution and yield back the balance of my time.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield such time as he may consume to the gentleman from Oklahoma (Mr. SYNAR).

Mr. SYNAR. Mr. Chairman. I do not pretend to be an expert on defense. Like many Members, I tend to rely on the expertise of the chairman and of the ranking majority member. In the case of the B-1, however, we find that they have diametrically opposed positions. Thus I have spent considerable time studying the B-1 question. I must conclude that I would support the position of the gentleman from Florida.

Yes; the B-1 is expensive. Yes; we must exercise fiscal responsibility in defense as in other fields. However, there is no alternative to the B-1. We must always try to use the most efficient means of defense, but that must be an effective means. An effective strategic force requires a penetrating bomber able to locate and attack those Soviet targets whose positions we cannot determine in advance.

Quite bluntly, I worry about the viability of many parts of our strategic systems. By the time the MX is in service, we can expect Soviet missile accuracy to have increased to the point that our extra concrete will be useless.

Our cruise missiles depend on synthetic radar imagery—a technique we have tried to perfect since 1944 with little success. The translation from optical image to radar image is imprecise and is subject to cheap and easy deception by the specialized and well-developed radar deception forces of the Soviet Union. Also, by its nature the cruise missile is an easy target for 23 millimeter antiaircraft guns—the most plentiful antiaircraft weapon in the Soviet inventory.

The Stealth bomber is as yet a paper airplane. It is, moreover, capable of being detected by the old VHF "Pine strut" radars which still comprise one-third of the Soviet antiaircraft strategic defense network. We are using high technology to defeat high technology, but this does little against multimeter wavelength, old-technology low-resolution radars. Moreover, the Stealth design chosen—the flying wing—is of low maneuverability and is thus one which is restricted to high altitudes. It is a gamble that our technology will not be easily matched by massive efforts by the Soviet Union. This leaves us with merely the Trident and the B-1. Because of communications difficulty, the Trident system is inherently rigid in its targeting, which leaves the B-1 as our best bet for a flexible and viable strategic response.

There is an advantage to the manned penetrator which is seldom discussed. That is, its targets include many systems which have as a prime mission the destruction of Europe. Certainly, the approximately 330 surviving Soviet ICBM silos are a target in defense of the United States. However, Soviet long range combat aircraft and SS-20 sites are primarily threats to our reinforcement of Europe and to Europe itself. The procurement of the B-1 will be a message to Europe that the United States will include the protection of Europe among its objectives in a central war. This message may well aid in overcoming European misgivings about our theater nuclear modernization. The procurement of the B-1 thus allows the Congress to go a long way in correcting the impressions given by statements by uninformed senior members of the current administration.

We must remember that the current B-1 is a vastly different plane than that found ineffective by the Carter administration. A key point in any penetrating aircraft's survivability is its radar cross section. The plane which we are proposing to buy has a radar cross section of only 1 percent of that of the B-52, only 7 percent of the original B-1. Moreover, it is the only plane near to flying that can reach all points in the Soviet Union. The B-1 is required for two reasons: First, to be able to penetrate where the B-52 is too large and second, to maintain the penetration mission when our B-52's are converted to cruise missile carriers. Proposals to delay our new penetrator acquisition ignore this last fact. In the late 1980's, our B-52's will no longer be available for the manned penetrator role.

Admittedly, I have certain problems with the specifics of the B-1 decision. I question the actual costs of the plane. The manufacturer claims 22,000 airframe related jobs. However, the Air Force claims $8.8 billion for the airframe. At $40 an hour, 6½-year program, the Air Force figure works out to between 14,000 and 15,000 jobs. Thus, I would not be surprised to see apparent cost overruns in this program. The question is whether this will have been a true cost overrun or, rather, a manifestation of inadequate oversight of the original packaging of the program. I also question whether the decision to buy 100 planes is an op-

timum decision. Half of our expected losses can be accounted for in the servicing of the 60 category one Soviet regiments which are targeted. Admittedly, the prospects of eastern Russia being open to the Chinese may well have a considerable deterrent effect. However, I still would question whether these are proper strategic targets. Possibly by overestimating our targeting needs we are overestimating out total needs regarding fleet size.

On the other hand, there are questions as to whether the Soviet air defenses will be such that the cruise missile threat will be easily countered. At this point, we need to put more emphasis on our manned penetrators which suggests a larger fleet of B-1's. There is a question in my mind as to whether we should not go up to the original fleet of 250 B-1's as planned in the seventies. This may be excessive in terms of current targeting policy, but existence of a planned procurement would be a safeguard against technological surprise. If ALCM does not work or is subject to an easy counter, we will need more B-1's. If Stealth—the advanced technology bomber—does not work, we will need more B-1's. Our fail-safe position is to plan on more than 100 B-1's, even if our procurement is less.

Even if one ignores the probability of nasty surprises with our new technologies, the 100 B-1 fleet assumes the carriage of external weapons. These not only will increase the radar cross section but also ignore the point defense nature of the Soviet strategic defense posture. If we have 13-percent attrition for every target serviced, the last weapon from a fully loaded B-1 would only have a 5-percent chance of being used. It seems to me that we would do better as a country and do better by our aircrews if we were willing to give our crews a chance of survival and to give us a chance of servicing all targets by limiting the planned weapons load to internal weapons and increasing our buy of bombers. This would make our total B-1 buy very expensive—the program would be almost as expensive as the F/A 18. However, cost analysts unconnected with the program tell me that an increase of the program to 300 units would reduce the unit cost by one-third—from $200 million to $130 million in 1981 dollars. We would be paying a huge amount in total but at least we would have some guarantee of security instead of the marginal hope given even by 100 B-1's and pie-in-the-sky systems.

Additionally, I would point out that the B-1 has many capabilities beyond those of a manned penetrator. For example, an adequate weapons load for the B-1 could include at least 16 Harpoon antiship missiles. Two B-1's have the same anti-Soviet fleet strike capability as does an aircraft carrier battle group. The difference is in cost. If we have three B-1's even at $300 million, we are still under $1 billion in cost. If we go to an aircraft carrier, we have the carrier at $3 billion, its escorts at another $3 billion, its aircraft at another $3 billion over 15 years. Then we have the supply ships, the port facilities, the need for two additional battle groups to maintain one on station. We are talking $40 billion to have one carrier battle group on station—not to mention 40,000 men.

I would submit that in these terms, the B-1 is a fiscally prudent means of gaining control of the surface of the North Atlantic Ocean and Norwegian Sea. This, unfortunately, is a cross-service solution not likely to even be considered by the parochial interests in the Pentagon. However, it is one which Congress should examine.

Again, we can look at the first possible intervention by the United States against an aggression in say the Middle East. B-1's based in the United States could reach targets in the Middle East long before an aircraft carrier in the Arabian Sea was in range to launch its planes.

Mr. Chairman, the B-1 is expensive. It is a program which Congress would monitor closely. No less, I believe it is one which must be supported as almost our only means of insuring our deterrence rather than merely hoping for deterrence. And it is, further, a cost-effective, flexible and efficient means of performing vital missions in less than the strategic context.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. LUKEN).

Mr. LUKEN. Mr. Chairman, I strongly oppose the amendment before us to delete funding for the B-1 bomber authorized for fiscal year 1982 in this bill. I am convinced that this modernized version of the 1977 B-1 bomber offers the most effective addition to our national defense system.

Production of the B-1B is the most expedient way to redress the possible growing imbalance between the Soviet military forces and the U.S. military forces. It would be dangerous to stop production at this point, especially when President Brezhnev hinted, according to the Washington Post yesterday, that $42 billion, initially earmarked for capital investment for construction and public works, will be used for defense.

Most of us agree that the improved technology of the Soviet Union poses a serious threat to our existing bomber force. The antiquated B-52's must be replaced as the Soviet work to improve their air defense systems. The B-52 is almost 30 years old and was designed almost 40 years ago. It is a relic of World War II. According to administration officials and current U.S. intelligence estimates, the B-52's cannot be relied upon for strategic penetration missions after the mid to late 1980's.

When their penetration effectiveness has been degraded, the Air Force plans to use the B-52's as standoff launch platforms for cruise missiles from outside the range of Soviet air defenses. In addition, if the B-1B is not built, the Air Force will have to spend several additional billions of dollars in order to maintain and prolong the effectiveness of the B-52's pending the development of the advanced technology bomber.

Some have suggested concentrating solely on the development of the advanced technology bomber, commonly known as Stealth. This would be an extremely risky course of action, since this bomber is still in its paper stage and significant acceleration of the program is highly unlikey. There are a great deal of uncertainties tied to this quantum leap in technologies.

In the meantime, we must have a proven B-1 that will provide substantial capability to penetrate the most advance Soviet defenses well into the 1990's. The range and payload of the modernized B-1 have been increased and the radar cross section has been reduced tenfold by redesigning engine inlets and applying radar absorbing materials. The smaller radar cross section also makes it possible to use deceptive electronic countermeasures more effectively than the B-52.

Another valuable feature of the bomber is that while it is slower to its target—and thus clearly not a provocative "first strike" weapon—it can be launched and recalled in a demonstration of alert and resolve or sent forward to attack many targets with pinpoint accuracy.

When the B-1B's no longer have high penetration capability in the 1990's they will replace the B-52's as cruise-missile carriers. ALMC's (air-launched cruise missiles) can be programed to fly a deceptive, threat-avoiding path to even hardened military targets.

The B-1B designed for a 30-year service life with its capability to perform the changing roles of the penetrating bomber, cruise missile carrier aircraft, conventional bomber, and other missions, it should still be in active service in the year 2015.

The B-1B's capabilities far surpass those of the aged B-52's and 1977 B-1.

Action is needed now to upgrade the effectiveness of our defense triad of intercontinental ballistic missiles, nuclear submarines, and strategic bombers. Together, this combination of American military forces confronts a potential enemy with enormously complicated requirement for defense and with virtually insurmountable obstacles against launching a disarming first strike. For both defense and offense, each leg of the triad helps to re-

inforce the survivability and effectiveness of the others. And the B-1B would improve and modernize this manned bomber element, allowing the triad to weather any strategic defeat.

I sincerely hope that the House today will act positively in support of the B-1B as the best alternative for defense.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. WILLIAMS).

Mr. WILLIAMS of Ohio. Mr. Chairman, I rise in opposition to the amendments. I would like to use some phrases that have been quoted from the other side of the aisle very loud and clearly in the past few months, and that is to call attention of the Members of this House to another significant reason for moving ahead with the construction of the B-1 bomber. That reason is the strong economic benefit that the B-1 construction will have to the Nation in general, to the Midwest and Ohio region specifically.

There is extensive evidence to show that a significant portion of B-1 construction will be of direct benefit in those areas of the country which are currently experiencing the most severe economic downturn, such as the State of Ohio.

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The prime contractor for the B-1 has indicated that the project will provide over 16,000 jobs for Ohio workers and others throughout the Nation, and this could result in creating a new opportunity for a large number of our currently unemployed nationwide, and that is something that has come loud and clear from the other side of the aisle.

Mr. Chairman, we are aware that this country must stand up to the continuing threat of aggression by the Soviet Union. We have the technical capability to meet that challenge. We may disagree on how to do it. And our unemployed workers in Ohio and in the Nation are eager to increase their contribution to provide the industrial base necessary to build an effective and efficient military system.

Everyone has expressed in the past few months and as recently as yesterday the concern of the rising unemployment in this Nation. I am concerned about the armies of unemployed in Ohio and throughout the Nation who stand ready to be enlisted in new jobs to rebuild our Nation's military capability.

I urge the rejection of these amendments.

Mr. ADDABBO. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I rise to support the Murtha substitute, but to say that if it is not adopted, I would have to oppose the Addabbo amendment that would delete the B-1.

It is very important that we have a modern penetrating manned bomber. Too long have we postponed the development of a supersonic long-range bomber.

The aging fleet of B-52's no longer can perform the mission for which it originally was purposed and built. Most of those planes are actually older than the young men who are flying them. It is a subsonic aircraft. It is incapable of the low-level mission which flies in under the enemy's radar and avoids detection.

For those reasons, I think if we are to maintain the credibility of our defense posture we must have a modern penetrating manned bomber to replace the aging fleet of B-52's.

I think, however, that three reasons argue very strongly for the FB-111 option. Those reasons are its availability, its proven survivability, and its affordability.

It is a sensible option. First off, it is available now. We can have a fleet of operational FB-111's much more quickly than the first operational B-1's would roll off the assembly lines. And since the purpose really is to provide some interim solution to the immediate window of vulnerability, it seems to me that it is very important to get these modern manned bombers as quickly as we can. We can have an equivalent number of FB-111's at least 2 years earlier than we could have the B-1.

The second question avoids affordability. We quite probably can build 150 FB-111's for half the cost of 100 B-1's. The B-1 has been estimated variously at $29 billion, $39 billion now according to the GAO, for the 100 planes. In any event, we have to acknowledge that the unit cost for the B-1 is in the neighborhood of $300 million for each aircraft.

Let us look to 1984, toward the end of that fiscal year, at which time President Reagan had hoped to have a balanced budget. The difference is this: By the end of 1984, we can have a full squadron of FB-111's operational, including spares; but at the end of 1984, we would have only one B-1. By the most optimistic forecast, we would have only one of those aircraft.

The difference in cost for these next 3 crucial fiscal years in which we are trying to strain to hold the budget down, would come to probably $8 billion between the two. Over the long pull, the difference is probably somewhere between $15 and $20 billion, as between whether we go with the known, proven, survivable, available weapons system, which we know we can produce, the FB-111 rather than the still undeveloped B-1.

The FB-111 will not have quite as long a range; it will not carry quite as many bombs. But 150 of them will provide more firepower than 100 of the B-1's. With one aerial refueling it could reach any target in the Soviet Union, and it would require one aerial refueling for the B-1 to reach all such targets.

The FB-111 could not carry the same cruise missile capability, I am told, that the B-1 could carry, but the cruise missile is something that can be lobbed in outside the enemy's radius of defense. It is intended to be carried by the kind of a plane that does not necessarily need to be survivable over enemy targets.

All of those reasons, then—availability, affordability, survivability—seem to argue in favor of this sensible alternative. If we can save $15 billion or $20 billion, surely that is money that can go into other weapons systems, the MX, the cruise missiles that we are going to need, and for a more rapid development of the Stealth bomber. It can speed up the development of the ultimate weapon system, which all of us seem to agree needs to be expedited as rapidly as possible.

Does it make sense to go simultaneously into the development of three or four entirely new weapon systems competing for these hard-to-get dollars? If it is going to be $30 billion, or $39 billion that we commit today to the B-1, is it not reasonable to assume that this might turn out to be money that is going to be taken from the expeditious development of the MX, or the Stealth?

So for those reasons, while I am certain that we do need a modern manned bomber, and I shall oppose the Addabbo amendment unless the Murtha provision is substituted, I urge the adoption of the substitute offered by the gentleman from Pennsylvania.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. MITCHELL).

Mr. MITCHELL of New York. Mr. Chairman, I rise in opposition to the amendments from both of my friends from New York and Pennsylvania.

The last time I heard the FB-111 stretch version discussed seriously was quite a while ago. This is another paper airplane that we do not know very much about. The last time I heard it talked about seriously, the word was that it would carry about half the load of the B-1, it would provide about half the range of the B-1, it will cost about half as much as the B-1, but you would need a lot more crew support, a lot more air base support, a lot more tanker support, to make it viable.

I urge support of the program to provide 100 B-1's, Mr. Chairman. It is an excellent airplane. It is far superior to the B-52. It carries nearly twice the payload and flies at nearly twice the speed.

Mr. Chairman, how one comes down on these issues, how one makes the

final decison, depends a lot on who he listens to and who he believes. I have great respect for Secretary Weinberger. I think he is one of the finest Cabinet officers we have seen in any administration in recent years. He assures us that the B-1 will be able to penetrate for about 10 years. He assures us also that the radar cross-section will be about one one-hundreth of the B-52. It is a highly survivable aircraft. We can send it out and get it back without asking our pilots to fly suicide missions or kamikaze runs.

There have been a lot of different estimates about costs. The Secretary assures us that he is going to bring it in at about $200 million a copy, maybe $250 million a copy. He assures us he is not going to gold plate it, he is not going to load it with gadgets, and he has finalized the design, which means we are not going to delay it, hold it up for every latest modification or development in technology.

There has been a lot of talk, too, about the cost of the different mixes. Mr. Chairman, if we mix 100 B-1's with 150 Stealth airplanes, it costs almost identically to what it would cost for the mix of B-52's, which we will have to patch and paste for 15 years, and 250 Stealth aircraft.

As for the future, the B-1 can serve us as a penetrator for 10 years in a very difficult radar environment and serve us as a penetrator for many more years in a less sophisticated radar environment, which means most of the rest of the world. It can also serve us as a standoff vehicle for cruise missiles. It would be useful for us for many, many years.

My argument against Stealth is that we may never see Stealth. I have heard a lot of other bombers debated here which we have never seen, which have been paper tigers. No one knows how long it is going to take to develop it, if ever. We cannot be certain at all, but certainly not within 12 years. In the interim, we will have the B-1. It will be effective. It will penetrate. It will help provide for the defense of this Nation.

I urge my colleagues to vote against the amendments and for the B-1.

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Mr. EDWARDS of Alabama. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, it may be difficult to add anything to the debate at this period, but I think there are two points that need to be made, even though they may have been touched on briefly earlier in the debate.

The standard excuse for opposing the B-1 was outlined recently by the gentleman from Georgia (Mr. FOWLER); namely, that we can keep the B-52 going until the very late 1980's. By the very early 1990's, Stealth will be available and, therefore, why should we spend all of this money, $20 billion, for a plane just to stick into the middle there for only 2 or 3 years.

But the two points that have been largely overlooked. The first point the gentleman from New York (Mr. MITCHELL) mentioned just a moment ago, but some people may not have caught it.

That point is that it will cost as much money to keep the B-52 going into the early 1990's as it will be to build the 100 B-1 bombers, about $20 billion.

As we all know, there is a point beyond which we cannot drive our cars because it costs more to keep on driving them and replace all their machinery every other year than it is to buy a new one. So the real question becomes whether we want to spend all this money for a modernized B-1 or spend it to keep these old, rusty obsolescent B-52's going.

The other point is also one that the gentleman from New York (Mr. MITCHELL) made, and that is that the Stealth bomber is still a paper plane. We do not know what it is going to be able to do. We do not know how fast it can go. We do not know what kind of a payload it will carry. And judging from some of the other development plans that the Pentagon has handled in the past, it may not be available until the year 2000 or even the year 2010.

Take a look, for example, at what happened to the M-1 tank. They the Army still has not gotten all the bugs out of the M-1 tank even though our soldiers in NATO are crying for it.

So the sensible thing as far as the bomber leg of our Triad is concerned is to put our money into a plane that will be not only available but also effective in case the Stealth does not come in on the schedule we hope it will. Lets spend our money on a plane that will be a useful vehicle well into the future rather than on an old hulk which will be ready for the junkyard, even though we have spent $20 billion to keep it rolling for another 10 years.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Michigan.

Mr. DUNN. I thank the gentleman for yielding.

The gentleman said that the aircraft our pilots are flying are 30 years old. How old will that make them in the year 2000?

Mr. STRATTON. That would make them about 50 years old.

Mr. DUNN. A 50-year-old airplane we will be asking our pilots to fly.

Mr. STRATTON. As a matter of fact, probably closer to 55.

Mr. COEHLO. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from California.

Mr. COEHLO. Mr. Chairman, I rise in opposition to the amendment.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Indiana.

Mr. MYERS. I think the gentleman has made a very appropriate remark. Does anyone here drive to work in a model T Ford, that old a vehicle? Of course not yet asking our Air Force to continue using the B-52 for at least 10 more years is comparable to us driving a model T on our busy streets and highways.

Mr. STRATTON. The gentleman is absolutely right.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. BADHAM.)

Mr. BADHAM. Mr. Chairman, I would say it is difficult for those of us on the Armed Services Committee to debate these obvious issues time after time. Very few of us, and I am one, have flown these three airplanes under discussion, F-111, B-52, and B-1.

To make the FB-111 we would have to take 150 of the F-111's out of service to alter them to make FB-111's. If we were to do that, we would admit there really was no mission for the TFX or F-111 and I do not think anybody on this floor would like to admit that.

So we do not have FB-111's available unless we replace them. With what, F-15? At $30 million per copy?

The B-1 is here. It is ready to go with Stealth technology as it exists to the state of the art and we do not have presently a Stealth aircraft because it is just not available yet.

We need the B-1. I think it is time the Congress got on with its work and rejected both of these amendments and moved our defense capability ahead with the only manned penetrating bomber that will work and is available today.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I yield to the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

Listening to the arguments about Stealth, by the time Stealth is ready for production there will be another new plane proposed on the drawing boards, but not ready to be built and we will never get one built.

Mr. BADHAM. I thank the gentleman for his contribution.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. WHITE).

Mr. WHITE. Mr. Chairman, our defenses are based on a triad, because each log of the triad has a different response time. If we eliminate the

bombers, because the B-52 is outmoded, we will not have that part of triad.

Also remember the B-1 is a penetrating bomber that can be recalled if there had been a mistake in signals.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Chairman, I would like to say, as was pointed out earlier, the time has come now to do something about the aging fleet of B-52's. The only thing we have available is the B-1B. It is a different airplane than the one that was canceled by President Carter. It is a much advanced airplane and the Stealth is still a plane in the future.

I support the continued efforts for the Stealth. I think the only alternative we have is to proceed with the B-1.

Mr. WHITE. There has been a criticism of the defense system of the United States, and that is that we try to perfect a weapon system, before we actually produce it, whereas the Soviets have what they call concurrence. They develop a system, produce it and then improve it and develop it further. We should have the B-1 bomber and then continue the development.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I take the floor to support the amendment by my distinguished colleague from New York (Mr. ADDABBO), the chairman of the Appropriations Subcommittee on Defense, to stike the $1.9 billion which this bill would provide for the B-1 bomber. This would be a colossal waste of money and I urge this House not to be panicked into opposing this amendment. There is no urgency about building a new strategic bomber right now. The B-52's flying now can carry on for many years yet, especially as they are modified to carry air launched cruise missiles. Furthermore, the B-1 is not ready to go as its supporters would like us to believe—the first B-1B would not be able to get airborne with nuclear weapons aboard until 1987, 6 years from now. By then even administration spokesmen admit that the B-1B will not be able to perform its mission for more than a few years, at best, until the Russians are able to shoot it down. So what the pilots at the Pentagon want us to do is spend $40 billion for a bomber fleet at $400 million apiece, but only expect them to be able to fly into the Soviet Union to perform their mission for 3 years. I do not see how the House of Representatives can be so numb to numbers that it cannot realize how wasteful this would be. One B-1 bomber will soak up as much tax dollars as do the 886 community health centers across the country which serve more than 5 million people.

The Carter administration, led by Secretary of Defense Harold Brown, had the good sense to stop the B-1 before it ever got airborne. I hope this House will continue to use good sense and support this amendment.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. MAVROULES).

Mr. MAVROULES. Mr. Chairman, I rise to speak in support of the Addabbo amendment, and urge that funding for the B-1 bomber be stricken from this defense appropriations bill.

Many new initiatives are contained in this appropriation bill. The decisions made this year will form the foundation of our Nation's defenses in the coming 21st century.

Two decades ago, President John Kennedy outlined our responsibility in this nuclear age—that it is America's destiny rather than choice to be the watchman of world freedom. That responsibility, to preserve our freedom and keep the peace, remains the greatest challenge facing the United States today.

Yet, even with the national mandate to revitalize the American military, it is essential that the decisions made this year be prudent and provide "the most effective defense" from limited tax dollars.

Consequently, as we debate the B-1, it is important that this program not be viewed in isolation. We cannot restrict this debate to bomber force structures and hypothetical "windows of vulnerability."

Instead, we must measure the B-1 program, not just on the basis of its particular mission, but rather, we must judge it on the basis of how it fits into the total defense equation. If we examine our defense structure in its totality—strategic forces, tactical forces, operations and maintenance, manpower, and research and development—if we take a hard look at these critical areas and their future funding profiles, there is no escaping the conclusion that the B-1 program is so costly—its military effectiveness so marginal—that it will hurt rather than improve our overall defense posture.

In coming to this judgment, I carefully evaluated two critical issues: Cost and initial operational capability.

The official line out of the Pentagon a month ago was that 100 B-1 aircraft would cost the Nation $19.7 billion. The Congressional Budget Office, last week, estimated that B-1 program costs could exceed $39 billion. In response to the CBO estimates, Air Force officials insisted that the program would cost $20.5 billion in current dollars, or $28 billion when inflation is included. Ironically, in January, certain officials claimed that the 100-bomber force would cost $11.9 billion. Even with these conflicting cost estimates, one point is very clear. The B-1 will be one of the most expensive weapons programs in the history of this country.

Even traditional supporters of the B-1 concede that program costs are disturbingly high, with the per aircraft costs at a minimum of $200 million.

Perhaps in isolation—standing alone—a case for the B-1 could be made. However, it does not stand alone in our strategic arsenal. The bomber is but one part of a triad of forces which includes intercontinental ballistic missiles, and submarine-launched ballistic missiles.

Now within the bomber group of the triad, there is not just the B-1. Also in production or research and development are air-launched cruise missiles, modifications to the B-52 G and H aircraft, and the advanced technology bomber. In the present fiscal year 1982 budget, there is over $3.6 billion for these bombers, or bomber-related programs.

Spending $3.6 billion for the bomber leg of the triad translates into an undeniable reality—there is simply not enough budget authority for the Air Force to proceed with the B-1, MX, advanced technology bomber, and other strategic programs, if the Air Force is to preserve sufficient budget authority for the F-15's, F-16's, A-10's, transports and other tactical aircraft which are so essential to our conventional military capabilities.

If the Members are willing to support funding for the B-1, they run the risk of compromising the funding base available for our conventional forces. How will we be able to afford a sufficient number of cargo planes capable of moving equipment to the Middle East in an emergency with so much money tied up in bombers?

How will be be able to procure sufficient tactical aircraft for Europe, where we are outnumbered, when the air-breathing leg of the triad consumes much more than its fair share of the budget? These are fundamental questions each one of us must answer.

But in addition to the fiscal arguments, there is also the critical issue of the initial operational capability for the B-1, and the projected IOC of the advanced technology bomber.

Under present Air Force plans the first squadron of B-1's are to have an initial operational capability in 1986. The first aircraft to be operational will not carry cruise missiles but will instead hold short-range attack missiles. While there are conflicting assessments as to the IOC of the advanced technology bomber, the most optimistic date for its operation is 1989, with 1995 the most pessimistic. Secretary Weinberger has used the 1991 IOC for the advanced bomber.

While there are risks associated with the advanced technology bomber, the former Commander of the Strategic Air Command, Gen. Richard Ellis, advised me this summer that the advanced bomber program was structured so that there was a high probability that the aircraft would be operational in a timely way. Further, he stressed that the advanced bomber program must have priority over any other bomber procurement program.

The question I present to my colleagues is very simple. Can we afford almost $30 billion for a weapons program which will have a strategic life of slightly more than 5 years?

If you are concerned about the total size of this defense budget; if you are concerned that in future years we will not have the resources to properly fund conventional forces; then you must conclude as I do. We cannot afford a B-1 program which will not contribute significantly to our military capability, and which will drain resources away from other critical national priorities.

Last year, many of us asked the question, how is it possible to raise defense spending, cut income taxes, and balance the Federal budget, all at the same time? Now, thanks to the Director of the Office of Management and Budget we know the answer. It cannot be done.

If we are to maintain a national consensus for a revitalized military then it is necessary for this House to propose realistic and honest defense priorities. The country needs to improve existing forces and equipment before leaping at glamorous weapons which are not essential.

I urge support for the amendment.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, I rise in opposition to the B-1 bomber.

I find it very difficult to vote for the B-1 when this country is staggering under a $1 trillion debt. With this program we are being asked to support the purchase of an airplane that is far too expensive for the mission for which it is designed. By the time the B-1 is ready for deployment it will be nothing more than an overbuilt cruise missile carrier—a mission that can be met by another of other options that will do an equal job at less cost to the taxpayer.

Over the last couple of weeks I have attended a number of briefings and listened to spokesmen for both the Pentagon and opponents of the B-1. After listening to all arguments I remain convinced that it is still wrong to vote for the procurement of the B-1 at this time. Finally, Mr. Chairman, I am concerned that to purchase the B-1 at this time will cause delay in the development of the advanced technology bomber (ATB). These same concerns were expressed better by Mr. Dicks of Washington. We would be wise Mr. Chairman to accept the amendment to allow research and development to continue by not purchasing this very short-term and excessively expensive answer that will not solve our defense problems in the area of a workable penetrating bomber.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. FAZIO).

Mr. FAZIO. Mr. Chairman, I rise in strong support of the Murtha substitute.

The vote on this amendment is a critical one, for we are truly at the proverbial fork in the road. Do we spend upward of $20 billion on a manned penetrating bomber that will only begin to be deployed in late 1986, coupled with over $30 billion on its replacement, the advanced technology bomber that can be ready for operation by the early 1990's; or, do we invest our limited resources in another direction?

There is no question that the Strategic Air Command is forced to rely on a fleet of aging bombers. The B-52 has served us well, but it is questionable as to how much longer this bomber will be able to evade the ever-increasingly sophisticated Soviet air defenses. Furthermore, it is generally agreed that the ATB is the answer for the long-range future; however, what is our best interim solution? I contend that the F/B-111 is the best alternative in terms of capability and costs.

Allow me to quote General Ellis, recently retired SAC Commander in Chief. He had the responsibility for the U.S. strategic planning and for two-thirds of our strategic execution, and has put the problem in perspective this way:

> Two alternative programs, 155 FB-111 B/C's or 100 B-1's, ultimately achieve an equal capability. However, the FB-111 B/C becomes available sooner—and our country needs the earliest possible relief. A second criterion is cost, and, while there are many ways to measure this factor, a B-1 buy costs about 2.5 times that of an equivalent force of FB-111 B/C's. In view of other heavy concurrent defense needs, total cost must be an important consideration, although front-end investment cost is high in both programs.
>
> Another important consideration is the fact that when a new strategic penetrating system comes into the inventory in the nineties, the FB-111 B/C can become the night/all-weather aircraft for force projection, contingency and tactical nuclear forces. The added contribution that aircraft could offer would be as significant in the 1990's as it would be today. Conversely, opting for the B-1 at this time could preclude procuring a more advanced aircraft available by 1990. What makes this a legitimate concern is that B-1 technology is representative of the late 1960's, or maybe 1970, and that aircraft could become obsolete in the nineties as a strategic penetrator.

If we opt for the F/B-111 as the interim solution we will not only save the taxpayers billions of dollars, possibly as much as $30 billion if the Congressional Budget Office figures are correct, but we will have online by late 1984 a bomber which can effectively meet our strategic requirements. This is over 18 months ahead of the B-1B deployment date.

We will have a near-term vulnerability problem, and it is necessary to effectively address that situation; but, we do not have unlimited resources. Thus, we must look at this decision, not as an isolated issue, but rather in terms of all our defense requirements and in terms of the resources available. The F/B-111 is by far and away the best interim solution, and I therefore urge my colleagues to join with us and vote in favor of this amendment.

Mr. BROWN of Ohio. Mr. chairman, I wish to rise in support of the B-1 bomber. It is an essential tool in our overall strategic defense machinery.

The B-1 bomber will prove a necessary replacement to the aging B-52 force. Without it, we would be totally dependent on the B-52 force to carry the manned penetrating bomber loan through the 1980's.

The weapon that we are discussing today is not the same as the B-1 bomber that was canceled in 1977. Instead, it is far more efficient and capable. It has been improved to include Stealth technology and the capacity to carry cruise missiles. It also allows new defense avionics that are unsuitable for the B-52.

Controversy has continued concerning the cost of the B-1 bomber, but the Secretary of Defense, Caspar Weinberger, is committed to a strong cost control program. The estimated cost of $20.5 billion for its development includes all planned modifications to the original B-1 that are considered militarily essential.

Our development of this weapon will greatly strengthen our defense capabilities and will go a long way to correct the arms imbalance, tipping the scales in our favor. This is the only way we can insure peace, a peace through strength.

Mr. THOMAS. Mr. Chairman, I urge my colleagues to support H.R. 4995, the Defense Department Appropriations Act of 1982 which appropriates $1.8 billion for procurement of the B-1 bomber.

Our current manned bomber fleet, which carries 50 percent of the megatonnage in our arsenal is composed of 20-year-old aircraft—the B-52. This aging bomber is no longer capable of carrying out its primary mission of penetrating to targets within the Soviet Union.

It is absolutely essential to the maintenance of America's strategic deterrent to modernize the manned bomber component of the triad. The version of the B-1 which President Reagan wishes to produce, the B-1B, incorporates many improvements over the B-1 including adaptations of some of the latest technologies. For instance, the range of the B-1B has been increased so that it can penetrate to its targets in the Soviet Union and recover in a third country without aerial refueling. In addition, utilization of Stealth technologies in the B-1B will reduce its radar cross section to 10 percent of that of the original B-1. These changes and others will insure that the B-1B will be able to penetrate to its targets in the Soviet Union and perform other conventional missions well into the 1990's.

Some have argued that we should make do with the B-52 until a Stealth aircraft is ready. But I think that such a course would be unwise. What if the experimental technology fails or is too long in coming to fruition? Stealth may be just over the horizon, but like the horizon, it may ever recede as we advance toward it.

In contrast, the B-1B is ready—now. Its production models have been exhaustively tested and we know its capabilities. Production of the B-1B as our first-line bomber while we simultaneously explore Stealth technology is the prudent course to pursue. By taking such action we will begin, finally, the rejuvenation of the air arm of the triad upon which rests our deterrence and the peace of the world.

Mr. EDWARDS of Alabama. Mr. Chairman, I think the issue is clear and most Members know exactly how they are going to vote on this. I would like to comment briefly on the FB-111 issue that will be voted on first.

In my view, the right direction to go is the B-1 ATB and if the B-1 is voted down, then I think the right way to go is to go directly to the ATB.

I have tried every way I know to justify the FB-111 as an interim bomber to have some useful purpose in this whole equation, and I simply cannot reach that conclusion as being worthy of serious consideration.

I would urge Members to vote for the B-1, that is, to vote against the Addabbo amendment and let us do the best we can to bring a penetrating bomber on the scene just as soon as it is available, as soon as we can do it, to fill that gap that is clearly out there.

Mr. ADDABBO. Mr. Chairman, as I said earlier in my beginning remarks, we are discussing a B-1 bomber as though it already existed. As I explained earlier, my amendment cuts out the procurement funds only. R. & D. continues.

Both Secretary Weinberger and Secretary DeLauer have testified to the fact that the B-1 still requires $2.4 billion of research, so there is no B-1 bomber. It is a paper plane as much as the Stealth.

Why do I support the Stealth? Because if we develop the Stealth, at least we will have a weapon that can meet our needs and beat the Russian defenses well into the 21st century. The B-1 cannot do that. That is not my testimony, that is the testimony of the Secretary of Defense before our subcommittee.

Beginning about 1989, the B-1 becomes a cruise missile carrier—that is right, a plane costing $300 million becomes a cruise missile carrier. The B-52 can carry cruise missiles. So can a 747 carry cruise missiles. We do not need a plane to carry cruise missiles that will cost $300 million.

The first time that we may see a B-1B is perhaps 1986, not tomorrow, and not next year. In 1986, maybe 12 airplanes will be ready; 1987, maybe 62; 1988, maybe 100. And those will cost $300 million a copy.

We know what the Russian defenses will do to a B-1B at that time. We also know those defenses cannot defeat the Stealth. That they cannot do. We need the Stealth bomber as fast as possible and we can get it, Mr. Chairman. The Secretary of Defense, not me, not the gentleman from New York (Mr. ADDABBO), but the Secretary of Defense has said if we properly fund the Stealth program we can move it up. We could move it up and very likely have it by 1989, and not have it pushed into the 1990's, as the Air Force would do by getting the money for the B-1.

The Air Force generals have testified the B-1 is their priority and everything else, including Stealth, would go. Stealth goes in favor of the B-1 bomber, and that is the question before us: whether we want to buy an archaic plane at $300 million a copy, or whether we want to spend our tax dollars for a penetrating bomber, a bomber which will meet the Russian defenses in 1988 and into the 21st century.

● Mr. DORNAN of California. Mr. Chairman, I join with my colleagues here today in support of President Reagan's efforts to restore funding for the B-1 bomber project which President Carter had terminated. Now that we have a President more committed to maintaining the delicate strategic balance between the United States and the U.S.S.R. In pursuit of that balance, President Reagan has announced his intention to build the long-delayed B-1 bomber. This aircraft is acknowledged by the majority of aviation experts to be the best bomber ever developed by man. It is capable of penetrating Soviet air space undetected and may continue to have that ability until the 1990's or later. Only after the Soviets spend massive funds on improved radar systems will they be even able to detect the B-1.

The citizens of my 27th Congressional District can be particularly proud of the B-1 bomber project; much of the research/development and manufacture is the work of local citizens. The Reagan decision to recommend funding for the construction of the B-1 is based upon some logically accepted assumptions. The United States must depend heavily on bombers—and sea-based forces—while we take steps to strengthen our land-based missiles. We cannot afford the luxury to wait for the Stealth bomber, which presently exists only on paper. There are currently technical uncertainties about the Stealth bomber. It is expected that these uncertainties will be resolved during development and the advanced technology bomber will be a very effective aircraft when ultimately deployed. Without the B-1, there would be pressures to accelerate the Stealth bomber, which would increase program risks and possibly result in a less capable aircraft being deployed. Building two bombers will stimulate competition and give the Defense Department the flexibility to adjust bomber production in accordance with any changes in estimates of the cost and effectiveness of the two aircraft, as well as any changes in the Soviet military capabilities.

President Reagan has proposed building 100 of the variant bombers. The term variant is used because research and development has continued on the B-1 since the Carter cancellation. Innovations and efficiencies developed in the 5 years since its cancellation will be incorporated in the new variant model. The first B-1 squadron is expected to be operational in 1986.

Mr. John W. R. Taylor, editor of Janes All the World's Aircraft, is universally recognized as one of the foremost experts on every type of military and civilian aircraft. Mr. Taylor warns,

> It is therefore vital for all people to understand that the fragile co-existence maintained for generations by balanced East-West military power is being allowed to slip inch by inch from our grasp.

When Mr. Taylor was asked about his thoughts on the opposition that has been raised to the B-1, he replied:

> Most of that has been due to the high cost. But really, I do not think that the cost is the main consideration. It is a question of what it does for you. Does it keep you alive? If there is anything else that will do the job less expensively, by all means build it. But, in this case, there just isn't anything else.

The decision to build the B-1 is a clear move away from the previous administration's policy of unilateral arms restraint. The Reagan administration wants to be sure that any weapons system forgone by the U.S. Government is reciprocated by the Soviet Union. The new policy direction will increase the Soviet incentive to se-

riously discuss arms limitation agreements. In turn, assisting our Nation in achieving its most important foreign policy goals: Preservation of peace and valid arms limitation agreements with verifiable provisions in any treaty that is agreed upon.

The B-1 bomber will have advantages that no other leg of our triad of strategic nuclear forces possesses. Some of these are:

Bombers are the only element that can be launched prior to a decision to employ these weapons, and permits a trained crew to take actions and accept responsibilities that cannot be anticipated or preprogramed in missile systems.

Weapons-carrying bombers can be launched to insure their survivability, or to signal national resolve during times of crisis with the confidence that the crew can be redirected or recalled as the situation develops. Bombers can be put on increased ground alert, dispersed to remote airfields, flown on airborne alert, or dispatched to trouble spots throughout the world without a final commitment to use their weapons. In a time when the availability of foreign bases and ports is uncertain, the B-1 will provide the quickest, and in some cases probably the only, means to mount a rapid show of force.

Bombers provide the only capability to engage unanticipated or mobile targets by using the crew and aircraft sensors to determine target location at the times of delivery.

In assisting maritime roles, bombers have the inherent capability to provide an important supplement to U.S. Naval Forces. They can provide collateral maritime support in long range sea surveillance and interdiction, mine laying and, potentially, in antisubmarine warfare.

As a reusable strategic weapons system, bombers have the capability to accurately deliver large nuclear or conventional payloads throughout the course of the conflict, regardless of the level.

The B-1 is going to enter into the defense of our Nation's borders much later that it could have or should have. It will nevertheless play a vital role on our strategic defense until the year 2000, and perhaps beyond. First as a penetrating bomber, later as a bomber capable of standing off the coast of an adversary nation and launching cruise missiles. Its manufacture sends a strong signal to the Soviets that we are as serious about our defense as we are about pursuing arms agreements.

And one more item before I close. I will be circulating a letter to colleagues which will be sent to the President asking him to appoint the Nation's No. 1 "junkyard dog" and a bona fide "cheap hawk" as the project manager for the B-1 project. I of course refer to A. Ernest Fitzgerald who was removed some 10 years ago from his position of authority in the C-5A cargo plane project because he "committed a truth" with respect to the C-5A cost overruns in testimony before a congressional committee. I think that the appointment of Mr. Fitzgerald will further add credibility to the President's efforts to build up the defenses of the United States without at the same time breaking the national treasury.●

● Mr. BIAGGI. Mr. Chairman, I rise to join my friend and colleague, the distinguished chairman of the Defense Appropriations Subcommittee, Mr. ADDABBO, in support of his amendment to delete $1.8 billion in procurement funds for the B-1 bomber program.

At the outset, I must state my firm belief in and support of an American military defense posture which is second to none in the world. Clearly, American technology has provided us with an ever-increasing array of military hardware which has enhanced our offensive and defensive capabilities in all three areas of our defense program—on land, on sea, and in the air.

This amendment represents a bold, but essential attempt to curtail what I see to be a dangerous American desire to continually spend money on new and supposedly superior equipment at the expense of existing weapons systems. A perfect case in point is the B-1 bomber.

There are numerous reasons why we should oppose the building of the B-1. This issue of cost must be seen as critical, particularly in light of two factors—conflicting estimates and inflation. Official estimates have varied significantly and risen dramatically in recent months. In July, the Air Force said that it would cost $19.7 billion in 1981 dollars which climbed to $20.5 billion by October. A Defense Department estimate stated the cost to be $27 to $28 billion in 1981 dollars. Further, both GAO and the Congressional Budget Office have offered significantly higher estimates. GAO stated estimates were short by $5.5 billion and CBO, using its own assumptions came up with $26.2 billion.

With inflation assumptions, these costs climb even higher. CBO, using administration inflation assumptions calculated $34.5 billion in costs and using its own assumptions, came up with $39.8 billion.

Given the history of military spending on strategic defense equipment which sees an ever-increasing bill to produce the same piece of equipment over time, we cannot be sure that the same will not happen to the B-1. Given the current economic recession which does not foresee a declining inflation rate until late next year—at the earliest—why should we lock ourselves into a stopgap program whose cost-benefit over time is at best unpredictable? To spend $250 to $400 million for every B-1 bomber given our current economic situation would be foolhardy.

The capabilities of the B-1 must also be questioned. We have heard conflicting reports from the highest levels of the administration in recent days about the relative effectiveness of the B-1 as well as its projected operational date. Defense Secretary Weinberger recently stated that to send the B-1 against Soviet defenses in 1990 or after would be a "suicide mission" given the technological advances we would realize by then. This concern was also echoed by former Defense Secretary Brown and Gen. Richard Ellis, former Commander in Chief of the Strategic Air Command.

To fund a long-range weapons system such as the B-1, even under the most optimistic assumptions, would give us a fleet of 100 obsolete bombers by 1990 which would perform for less than one-third of their planned life. The B-1 cannot justify its enormous cost by assuring us that we will have a design mission capable of multiple defense roles. It cannot be considered a viable candidate to be a premier strategic weapon for our defense arsenal if it will be unable to penetrate Soviet defenses into the 1990's.

The issue of the U.S. commitment to arms control must also be considered when discussing the fate of the B-1. Today, President Reagan in his first major foreign policy address, clearly underscored the American commitment to arms control through mutual reductions with the Soviets. If we continue with the President's proposal to build the B-1 we will most certainly be sending mixed signals to the Soviets. How can we advocate arms control—and fault the Soviets for their unchecked weapons build-up when we would be doing the same?

George Kennan, the renowned Soviet historian and former Ambassador to Moscow, recently stated that our perceptions of the Soviet Union's defense capabilities were "an endless series of distortions and oversimplifications * * * and routine exaggeration." As the intellectual leader in the 1940's who spearheaded the U.S. policy vis-a-vis the Soviets of containment, we would be well-advised to heed his words. He clearly sees the rhetoric of the Defense Department on Soviet military might a contributing factor to the unchecked growth of our own defense programs. To build the B-1 would be to believe the false hysteria which has been created to justify its production. We do not need a new bomber—we can adequately equip our current defense systems with additional capabilities to carry us through the next decade until the

Stealth and cruise-missile programs become reality.

The work and the recommendations of the Appropriations Committee must also be considered. This bill appropriates $196.7 billion for the Department of Defense, a reduction of $4.2 billion from the budget and an increase of $25 billion from 1981. The distinguished chairman of the subcommittee has heard 8 months of testimony which has filled nine volumes totaling 8,000 pages. He clearly believes that to build the B-1 would be to build a military as well as a fiscal bomb. The distinguished chairman of the full Appropriations Committee, Mr. WHITTEN, agrees with him. I fully concur with them that the B-1 is a thing of the past and that we should concentrate our resources on building a more advanced system which will carry us into the 1990's and also provide us a short-term system which can fill the gap between now and when the Stealth becomes available.

It has been suggested that the FB-111 could fill this gap and would be comparable to 100 B-1's at a cost of $8 billion. The $32 billion difference between the two is enough to fund the entire Stealth program and at the same time, accelerate the cruise missile program. This is but one of many other options open to us if we forego the B-1.

Finally, I must make a case against the B-1 in light of the human costs involved. To date, we have cut $35 billion in programs through reconciliation which directly affect the lives of millions of Americans. Intemperate defense spending must be checked if we are to maintain even an adequate offset in the budget for vital human service programs. This is the largest defense budget in our Nation's history—at a time when we have mammouth cuts in non-defense-related programs and are looking at the possibility of an additional $4 billion in this area by the end of the year.

Clearly, the votes we have taken on the continuing appropriations bill this week to turn back any more cuts in nondefense programs are a strong indication that we will not tolerate further assaults on the neediest in our country. In this case, the B-1 would be costly investment in real terms and in human service terms that we cannot justify.

I urge my colleagues to join me in support of this amendment to delete funding for the B-1 bomber. To put it more simply—the B-1 is a bomb-out and we should not support it.●

□ 1620

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania (Mr. MURTHA) as a substitute for the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MURTHA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 99, noes 307, not voting 27, as follows:

[Roll No. 315]

AYES—99

Addabbo	Gejdenson	Pursell
Albosta	Gephardt	Rahall
Aspin	Gibbons	Rangel
AuCoin	Glickman	Ratchford
Benjamin	Gore	Richmond
Biaggi	Harkin	Rodino
Bingham	Hertel	Rosenthal
Blanchard	Hopkins	Rostenkowski
Boland	Howard	Russo
Bonior	Hoyer	Sabo
Bonker	Jeffords	Scheuer
Brodhead	Kastenmeier	Schneider
Brooks	Kildee	Schroeder
Brown (CO)	Kogovsek	Schumer
Burton, John	LaFalce	Seiberling
Collins (IL)	Leath	Simon
D'Amours	Lehman	Smith (IA)
Daschle	Long (MD)	Solarz
DeNardis	Lowry (WA)	Stark
Dicks	Lundine	Traxler
Dingell	Matsui	Udall
Downey	McHugh	Vento
Dunn	McKinney	Walgren
Dwyer	Miller (CA)	Washington
Eckart	Mineta	Waxman
Edgar	Minish	Weaver
Edwards (CA)	Moffett	Williams (MT)
English	Murtha	Wilson
Ertel	Nowak	Wolpe
Fazio	Ottinger	Wright
Ferraro	Patterson	Wyden
Florio	Paul	Yates
Foley	Pease	Zablocki

NOES—307

Akaka	Chappie	Emery
Alexander	Cheney	Erdahl
Anderson	Clausen	Erlenborn
Andrews	Clay	Evans (DE)
Annunzio	Clinger	Evans (GA)
Anthony	Coats	Evans (IA)
Applegate	Coelho	Evans (IN)
Archer	Coleman	Fary
Ashbrook	Collins (TX)	Fascell
Atkinson	Conable	Fenwick
Badham	Conte	Fiedler
Bafalis	Conyers	Fields
Bailey (MO)	Corcoran	Findley
Bailey (PA)	Coughlin	Fish
Barnard	Courter	Fithian
Barnes	Coyne, James	Flippo
Beard	Coyne, William	Foglietta
Bellenson	Craig	Ford (MI)
Benedict	Crane, Daniel	Ford (TN)
Bennett	Crane, Philip	Fountain
Bereuter	Crockett	Fowler
Bethune	Daniel, Dan	Frank
Bevill	Daniel, R. W.	Frenzel
Bliley	Danielson	Frost
Boggs	Dannemeyer	Fuqua
Boner	Daub	Garcia
Bouquard	de la Garza	Gaydos
Bowen	Deckard	Gilman
Brinkley	Dellums	Gingrich
Broomfield	Derrick	Ginn
Brown (CA)	Derwinski	Gonzalez
Brown (OH)	Dickinson	Goodling
Broyhill	Dougherty	Gradison
Burgener	Dowdy	Gramm
Burton, Phillip	Dreier	Gray
Butler	Dymally	Green
Byron	Dyson	Gregg
Campbell	Early	Guarini
Carman	Edwards (AL)	Gunderson
Carney	Edwards (OK)	Hall (OH)
Chappell	Emerson	Hall, Ralph
Hall, Sam	McClory	Schulze
Hamilton	McCollum	Sensenbrenner
Hammerschmidt	McCurdy	Shamansky
Hance	McDade	Shannon
Hansen (ID)	McEwen	Sharp
Hansen (UT)	McGrath	Shaw
Hartnett	Mica	Shelby
Hatcher	Michel	Shumway
Hawkins	Mikulski	Shuster
Heckler	Miller (OH)	Siljander
Hefner	Mitchell (MD)	Skeen
Heftel	Mitchell (NY)	Skelton
Hendon	Molinari	Smith (AL)
Hightower	Mollohan	Smith (NE)
Hiler	Montgomery	Smith (NJ)
Hillis	Moore	Smith (OR)
Holland	Moorhead	Smith (PA)
Hollenbeck	Morrison	Snowe
Holt	Mottl	Snyder
Horton	Murphy	Solomon
Hubbard	Myers	Spence
Huckaby	Napier	St Germain
Hughes	Natcher	Stangeland
Hunter	Neal	Stanton
Hutto	Nelligan	Staton
Hyde	Nelson	Stenholm
Ireland	Nichols	Stokes
Jacobs	O'Brien	Stratton
Jeffries	Oakar	Studds
Jenkins	Oberstar	Stump
Jones (OK)	Obey	Swift
Jones (TN)	Oxley	Synar
Kazen	Panetta	Tauke
Kemp	Parris	Tauzin
Kindness	Pashayan	Taylor
Kramer	Patman	Thomas
Lagomarsino	Perkins	Trible
Lantos	Petri	Vander Jagt
Latta	Peyser	Volkmer
Leach	Pickle	Walker
LeBoutillier	Porter	Watkins
Lee	Price	Weber (MN)
Leland	Quillen	Weber (OH)
Lent	Railsback	Weiss
Levitas	Regula	White
Lewis	Rinaldo	Whitehurst
Livingston	Ritter	Whitley
Loeffler	Roberts (KS)	Whittaker
Long (LA)	Roberts (SD)	Whitten
Lott	Robinson	Williams (OH)
Lowery (CA)	Roe	Winn
Lujan	Roemer	Wirth
Luken	Rogers	Wolf
Lungren	Rose	Wortley
Markey	Roth	Wylie
Marks	Roukema	Yatron
Marlenee	Rousselot	Young (AK)
Marriott	Roybal	Young (FL)
Martin (IL)	Rudd	Young (MO)
Martin (NC)	Santini	Zeferetti
Mavroules	Savage	
Mazzoli	Sawyer	

NOT VOTING—27

Bedell	Forsythe	McCloskey
Bolling	Goldwater	McDonald
Breaux	Grisham	Moakley
Chisholm	Hagedorn	Pepper
Davis	Johnston	Pritchard
Dixon	Jones (NC)	Reuss
Donnelly	Madigan	Rhodes
Dorgan	Martin (NY)	Wampler
Dornan	Mattox	

□ 1630

Messrs. DERRICK, MICA, BROWN of California, DYMALLY, LATTA, SAVAGE, HEFTEL, and OBERSTAR changed their votes from "aye" to "no."

Mr. LONG of Maryland, Mrs. COLLINS of Illinois, Messrs. MOFFETT, ERTEL, NOWAK, WAXMAN, RODINO, FOLEY, and PATTERSON changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1640

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ADDABBO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 263, not voting 28, as follows:

[Roll No. 316]

AYES—142

Addabbo	Gejdenson	Pease
Albosta	Gibbons	Petri
Aspin	Glickman	Peyser
AuCoin	Gore	Pursell
Barnes	Gray	Rahall
Beilenson	Green	Railsback
Benjamin	Guarini	Rangel
Biaggi	Gunderson	Ratchford
Bingham	Hamilton	Richmond
Blanchard	Harkin	Rodino
Boland	Heckler	Rosenthal
Bonior	Hertel	Rostenkowski
Bonker	Hollenbeck	Roybal
Brodhead	Horton	Russo
Brooks	Howard	Sabo
Brown (CO)	Hughes	Savage
Burton, John	Jacobs	Scheuer
Burton, Phillip	Jeffords	Schneider
Clay	Kastenmeier	Schroeder
Collins (IL)	Kildee	Schumer
Conte	Kogovsek	Seiberling
Conyers	LaFalce	Shannon
Coyne, William	Lantos	Sharp
D'Amours	Leach	Simon
Dellums	Lehman	Smith (IA)
DeNardis	Leland	Solarz
Derrick	Long (MD)	St Germain
Dingell	Lowry (WA)	Stark
Downey	Lundine	Stokes
Dwyer	Markey	Studds
Early	Mavroules	Swift
Edgar	Mazzoli	Tauke
Edwards (CA)	McHugh	Traxler
Erdahl	McKinney	Udall
Ertel	Mikulski	Vento
Evans (IN)	Miller (CA)	Walgren
Fascell	Mineta	Washington
Fazio	Minish	Waxman
Fenwick	Mitchell (MD)	Weaver
Ferraro	Moffett	Weber (MN)
Findley	Murphy	Weiss
Fithian	Murtha	Williams (MT)
Foglietta	Nowak	Wirth
Ford (MI)	Oberstar	Wolpe
Ford (TN)	Obey	Wyden
Fowler	Ottinger	Yates
Frank	Panetta	
Garcia	Paul	

NOES—263

Akaka	Bevill	Clausen
Alexander	Bliley	Clinger
Anderson	Boggs	Coats
Andrews	Boner	Coelho
Annunzio	Bouquard	Coleman
Anthony	Bowen	Collins (TX)
Applegate	Brinkley	Conable
Archer	Broomfield	Corcoran
Ashbrook	Brown (CA)	Coughlin
Atkinson	Brown (OH)	Courter
Badham	Broyhill	Coyne, James
Bafalis	Burgener	Craig
Bailey (MO)	Butler	Crane, Daniel
Bailey (PA)	Byron	Crane, Philip
Barnard	Campbell	Crockett
Beard	Carman	Daniel, Dan
Benedict	Carney	Daniel, R. W.
Bennett	Chappell	Danielson
Bereuter	Chappie	Dannemeyer
Bethune	Cheney	Daschle
Daub	Jenkins	Roberts (KS)
Deckard	Jones (OK)	Roberts (SD)
de la Garza	Jones (TN)	Robinson
Derwinski	Kazen	Roe
Dickinson	Kemp	Roemer
Dicks	Kindness	Rogers
Dougherty	Kramer	Rose
Dowdy	Lagomarsino	Roth
Dreier	Latta	Roukema
Dymally	Leath	Rousselot
Dyson	LeBoutillier	Rudd
Eckart	Lee	Santini
Edwards (AL)	Lent	Sawyer
Edwards (OK)	Levitas	Schulze
Emerson	Lewis	Sensenbrenner
Emery	Livingston	Shamansky
English	Loeffler	Shaw
Erlenborn	Long (LA)	Shelby
Evans (DE)	Lott	Shumway
Evans (GA)	Lowery (CA)	Shuster
Evans (IA)	Lujan	Siljander
Fary	Luken	Skeen
Fiedler	Lungren	Skelton
Fields	Marks	Smith (AL)
Fish	Marlenee	Smith (NE)
Flippo	Marriott	Smith (NJ)
Foley	Martin (IL)	Smith (OR)
Fountain	Martin (NC)	Smith (PA)
Frenzel	Matsui	Snowe
Frost	McClory	Snyder
Fuqua	McCollum	Solomon
Gaydos	McCurdy	Spence
Gephardt	McDade	Stangeland
Gilman	McEwen	Stanton
Gingrich	McGrath	Staton
Ginn	Mica	Stenholm
Gonzalez	Michel	Stratton
Goodling	Miller (OH)	Stump
Gradison	Mitchell (NY)	Synar
Gramm	Molinari	Tauzin
Gregg	Mollohan	Taylor
Hall (OH)	Montgomery	Thomas
Hall, Ralph	Moore	Trible
Hall, Sam	Moorhead	Vander Jagt
Hammerschmidt	Morrison	Volkmer
Hance	Mottl	Walker
Hansen (ID)	Myers	Wampler
Hansen (UT)	Napier	Watkins
Hartnett	Natcher	Weber (OH)
Hatcher	Neal	White
Hawkins	Nelligan	Whitehurst
Hefner	Nelson	Whitley
Hendon	Nichols	Whittaker
Heftel	O'Brien	Whitten
Hightower	Oakar	Williams (OH)
Hiler	Oxley	Wilson
Hillis	Parris	Winn
Holland	Pashayan	Wolf
Holt	Patman	Wortley
Hopkins	Patterson	Wright
Hoyer	Perkins	Wylie
Hubbard	Pickle	Yatron
Huckaby	Porter	Young (AK)
Hunter	Price	Young (FL)
Hutto	Quillen	Young (MO)
Hyde	Regula	Zablocki
Ireland	Rinaldo	Zeferetti
Jeffries	Ritter	

NOT VOTING—28

Bedell	Dunn	Mattox
Bolling	Florio	McCloskey
Breaux	Forsythe	McDonald
Chisholm	Goldwater	Moakley
Davis	Grisham	Pepper
Dixon	Hagedorn	Pritchard
Donnelly	Johnston	Reuss
Dorgan	Jones (NC)	Rhodes
Dornan	Madigan	
Duncan	Martin (NY)	

□ 1650

The Clerk announced the following pairs;

On this vote:

Mr. Reuss for, with Mr. Pepper against.

Mr. Florio for, with Mr. Breaux against.

Mrs. Chisholm for, with Mr. Dixon against.

Mr. Mattox for, with Mr. McDonald against.

Mr. Donnelly for, with Mr. Davis against.

Mr. Moakley for, with Mr. Duncan against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1700

AMENDMENT OFFERED BY MR. EDWARDS OF ALABAMA

Mr. EDWARDS of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWARDS of Alabama: On page 23, strike "$13,957,598,000" on line 7 and everything beginning with "$121,700,000" on line 11 through "1982," on line 14 and insert "$13,835,898,000" on line 7 in lieu of "$13,957,598,000".

Mr. EDWARDS of Alabama. Mr. Chairman, I will be very brief, but this needs to be done.

In our report language on page 227, we make the point that we have provided for the funding of certain A-7K aircraft "if authorized by law."

Also on page 23 of the bill, the parts that have just been referred to in the amendment, it says $121,700,000 shall be available only for the procurement of A-7K aircraft "only if such procurement is authorized in Department of Defense Authorization Act, 1982."

Mr. Chairman, the A-7K was not authorized. I would, therefore, suggest that this amendment is in order and should be adopted. Were it not adopted, then there would be an extra $121 million just left in the account in the Defense Department. I think that would be an unwise move and I urge the adoption of this amendment.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from New York.

Mr. ADDABBO. I fully agree with the gentleman. This would just go into the unobligated balances which are up now to about $38 billion.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Texas.

Mr. WILSON. I would just like to express to the gentleman that I introduced this amendment in subcommittee. The gentleman is absolutely correct. It is not authorized and it should be dropped.

Mr. EDWARDS of Alabama. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. EDWARDS).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling

equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $4,546,550,000, to remain available for obligation until September 30, 1984.

Mr. ADDABBO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it would have been my intention at this time to offer an amendment to reduce the funds for the procurement of the ground-launched cruise missile. But in the interest of time, and realizing no one is listening to the facts, I will not offer the amendment.

AMENDMENT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON: On page 24, line 12, strike "$4,546,550,000" and insert in lieu thereof "$4,555,550,000".

Mr. STRATTON. Mr. Chairman, this, I think, is almost the last proposed amendment that would bring the appropriations bill into conformity with the authorization bill which was approved in the conference report on yesterday.

This amendment would simply add $9 million to the Air Force missile appropriation to enable the Air Force to build a hybrid circuit facility at plants currently manufacturing the TV Maverick, TOW, Phoenix, and Roland missiles. The plant is expected to add IR Maverick, AMRAAM and WASP missiles in the near future and does not have sufficient hybrid circuit capacity to meet the needs of these new systems. The hybrid circuits required are not available on the commercial market.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York.

Mr. ADDABBO. The chairman of the subcommittee had not seen this before. When we were working on this bill, we had not seen the authorization. We agree with this amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. We agree with the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. STRATTON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NAVY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $5,517,671,000, to remain available for obligation until September 30, 1983.

AMENDMENT OFFERED BY MR. PRICE

Mr. PRICE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PRICE: On page 26, line 18, delete "$5,517,671,000" and insert in lieu thereof "$5,617,671,000".

Mr. PRICE. Mr. Chairman, the purpose of my amendment is to restore $100 million to the Navy's fiscal year 1982 research and development program.

In its hurried effort to revise and lower the fiscal year 1982 defense budget, the administration proposed that an undistributed reduction of some $211 million be levied against the Navy's research and development program. By an undistributed reduction, I mean that specific programs were not identified against which this overall reduction of $211 million was to be made. The authorization conference accomplished the same total reduction but made reductions to specific programs. Since the Appropriations Committee has accepted these specific programmatic reductions, to also take $211 million in an undistributed reduction as well makes a double cut.

Mr. Chairman, the Appropriations Committee may not have been aware that the specific program reductions made by the authorization conference were designed to effect the $211 million cut. I believe, therefore, that we should restore part of the money to the Navy account. Therefore, my amendment would restore $100 million and I hope the chairman can accept it.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, we have carefully reviewed the figures and our action in the markup. There was almost a double dipping and we accept the amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. We agree with the amendment.

Mr. LIVINGSTON. Mr. Chairman will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. If the gentleman will yield, could he explain to me a little bit more carefully exactly what these additional funds are for?

Mr. PRICE. The additional funds would reduce the amount of the undistributed reduction.

Mr. LIVINGSTON. This is not a special program being reinstated into the total?

Mr. PRICE. That is right. This is not for a special program; it would preclude excessive cuts in the overall Navy R. & D. program.

Mr. LIVINGSTON. Simply to make corrections in a program?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. PRICE).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $8,501,210,000, to remain available for obligation until September 30, 1983.

AMENDMENT OFFERED BY MR. ADDABBO

Mr. ADDABBO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADDABBO: On page 27, line 1, strike out "$8,501,210,000" and insert in lieu thereof "$6,588,010,000".

Mr. ADDABBO. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto be limited to 1 hour, the time to be equally divided and controlled by myself and the gentleman from Alabama (Mr. EDWARDS).

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. LEVITAS. Mr. Chairman, reserving the right to object, as I understand the request of the gentleman from New York it is that the debate on this amendment, which he now has offered, shall be limited to 1 hour and the time controlled between the ranking member and the chairman of the subcommittee. I wonder if the gentleman would explain what this amendment relates to so we might have some idea as to the necessity of debate upon it.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from New York.

Mr. ADDABBO. The amendment relates to the funding for the MX missile.

Mr. LEVITAS. Further reserving the right to object, Mr. Chairman, does the amendment of the gentleman from New York relate both to the research and development on the missile itself as well as to the deployment question, the basing mode?

□ 1710

Mr. ADDABBO. The R. & D. figure of 1.9 includes the missile and the basing mode.

Mr. LEVITAS. Further reserving the right to object, is there any intention, so far as the gentleman from New York is aware, to divide the question in some form so that a separate vote or a separate consideration can be made on the issue of basing, as opposed to the issue of missile development?

Mr. ADDABBO. I do not know of any pending motion or amendment. That amendment can be made if my amendment is voted down.

PARLIAMENTARY INQUIRY

Mr. LEVITAS. Mr. Chairman, I have a parliamentary inquiry at this time.

The CHAIRMAN. The gentleman will state it.

Mr. LEVITAS. If the amendment of the gentleman from New York is not agreed to, would it then be in order for a further amendment to the same figures to be offered relating solely to the basing mode?

The CHAIRMAN. If the amendment is not agreed to and the figures are not changed, further amendments to those figures and to this paragraph would be in order.

Mr. LEVITAS. I thank the Chair.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. MOFFETT. Mr. Chairman, reserving the right to object, if the gentleman from New York would please let us know—and I applaud him for his amendment—does the gentleman have any indication of how many Members would like to speak on this particular amendment?

Mr. Chairman, we go for days and days and weeks and weeks on end without serious business on the floor, and then we come to maybe the most serious matter we will consider this year, and we are talking about 30 minutes on this side.

Mr. ADDABBO. If the gentleman will yield, I have requests from about three or four Members right now who have asked for about a minute or more.

Mr. Chairman, I do not like to limit time, but I am trying to complete this bill tonight, and for a very special reason. The other body is moving very rapidly with their defense bill. There is every indication that they will try to put their defense bill, if there is no defense bill available. Normally, we pass a bill, and they act on that bill, amend it or accept it. If there is no bill, there is every indication that the Senate will pass a bill and will attach it to the continuing resolution.

So that the House may work its will and so that we do have a bill to go to conference with the Senate, I am trying to complete this bill tonight at a reasonable hour. I believe that most Members know what the problem is, what the question is with the MX. We could probably debate from now until tomorrow morning, and the gentleman from Connecticut knows that if this bill lays over until tomorrow, like rabbits the amendments will multiply at the desk. Then we could be on this bill for the next 2 days and we may lose the opportunity of the House to work its will.

Mr. MOFFETT. Further reserving the right to object—and I do not want to prolong this—I think all of us want the gentleman and his committee to be in that conference. There is no question about that. And I think all of us want the representatives from both sides of the aisle in whom we have a lot of confidence to be in that conference. But it just seems to me, Mr. Chairman, that this is a really serious matter. We have 1,000 people meeting in Riverside Church in New York City, wondering why we are not moving more vigorously toward arms control and why we do not talk about it more in this body, and we have universities all over the country discussing it. We applaud the President. I have already done that, and I know the Speaker has, and many other Members on this side of the aisle have said it was a good speech he gave today. But it just seems to me that there is a great deal of interest in this subject and we should not be limiting it to an hour.

Mr. Chairman, I would like to hear from other colleagues, however, before I lodge any objection.

Mr. SKELTON. Mr. Chairman, reserving the right to object, I wish to point out that, as I understand it, the gentleman's amendment strikes the entire MX system in its entirety.

Mr. ADDABBO. That is correct.

Mr. SKELTON. I have an amendment to the same section, for a $4 million over-the-horizon backscatter air defense system. Should the gentleman's amendment fail, I would be protected. But I think, in all probability, I am going to have to offer an amendment to the gentleman's amendment, to protect this air defense system, to increase it by $4 million. The gentleman understands that situation, then.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. DELLUMS. Mr. Chairman, reserving the right to object, I would like to say, with all due respect for my distinguished colleague, who tends to be on the same side on these particular issues, that I think limiting debate on this particular question is really very tragic.

No. 1, this is not a procedural question here. We are talking about a weapon system which eventually could cost this country over $100 billion. We are talking about a weapons system that may very well be a first-strike weapon. We need to be able to evaluate the mobile mode system. We need to be able to comment on the President's approach to the MX missile. These are terribly important questions which, in my estimation, cannot be resolved with 30 minutes on this side of the aisle and 30 minutes on the other side of the aisle.

Mr. Chairman, I would be constrained to object if we are not able to have at least a few hours of debate on this critical question.

Mr. ADDABBO. Mr. Chairman, I withdraw my unanimous consent request.

Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto end in 90 minutes, the time to be equally divided and controlled by myself and the gentleman from Alabama.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York (Mr. ADDABBO) will be recognized for 45 minutes, and the gentleman from Alabama (Mr. EDWARDS) will be recognized for 45 minutes.

The Chair recognizes the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I rise to offer this amendment which removes $1.9 billion from the bill. The $1.9 billion is for the research and development on the MX and the basing mode.

Mr. Chairman, we have expended and appropriated over $1 billion for the MX. The Department of Defense would not give us exact figures, but I believe there are several hundreds of millions of dollars still remaining in that account of R. & D. for the MX missile and its basing mode.

The subcommittee, when I offered this amendment in subcommittee markup, agreed with me. I believe it was a 7-to-5 vote to remove the funds. The funds were restored by the full committee by a vote of 25 to 23.

So it is not a clear case that everyone is for the MX. It is a very serious question whether or not this money should be spent at this time.

The reason the subcommittee deleted the funds was this question: Where are we going with the MX missile? Where will it be put? Is it better to base it in Arkansas or Arizona, Kansas, North Dakota, South Dakota, Nebraska, Wyoming, Colorado, rather than Utah or Nevada? Is there some special reason why Utah or Nevada should be deleted for a basing mode?

All of these questions remain open, Mr. Chairman and my colleagues. We do not know where it is going to be based. If you do not know where you are going to base a missile, then how do you know what type of missile you need? If you are going to make it air-

borne, you need one type of a missile. If it is going to be on a track, you need a second type. If it is going to be in a silo, which is vulnerable and will continue to be vulnerable, you need a third type.

So the subcommittee said rather than waste $1.9 billion until we know where we are going, increase the capability of the Minuteman III, which we did, do some upgrading on the silos, which we did, but withhold this $1.9 billion until we know what the basing will be, where the basing will be, and what type of missile we need and, most important, what this program will cost.

□ 1720

My colleagues, we have asked the Defense Department for their 5-year plan. About a month ago we got some semblance of a 5-year plan. The MX does not appear in that 5-year plan. So the Defense Department does not even know what type or what should we do.

Do we need a new missile? Yes. Are we funding a new missile? Yes. In this bill we are funding a new missile, a D-5. The D-5, or Trident II, is a missile whose basing mode we know. It will be based in submarines. Can it be land based? Of course it can be land based.

So why give the Defense Department $1.9 billion to look at air basing, land basing, hardening of silos, only to have that $1.9 billion wasted?

I think the taxpayers, and this Congress, should know, before we embark on that type of a program, some important things. This program could start at $40 billion and end up at $100 billion. We should know what type of a program it is going to be, where it will be based, and whether we really need a new separate missile for the Air Force or can we possibly use the new D-5 Navy missile?

So my colleagues, I would ask the Members to support my amendment, the subcommittee's original move in deleting the $1.9 billion.

Mr. McHUGH. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from New York.

Mr. McHUGH. First, I would like to compliment the gentleman on his amendment and the fine job that he had done throughout the year on this legislation.

My question relates to something the gentleman referred to a moment ago, and also referred to during our committee deliberations when this bill was before our full committee.

At that time, the gentleman indicated that he had asked the Defense Department how much unobligated funds were available in this account and the Defense Department refused to answer. Am I correct in that?

Mr. ADDABBO. That is absolutely correct.

Mr. McHUGH. Did the Defense Department give any reason why it refused to respond to the chairman and the committeee on that question?

Mr. ADDABBO. The basic reason is that the program is in such disarray, and there are so many unanswered questions, that they are unable to give us the figures.

My answer to them is, "You say you are unable to give us the figures because that will give us the reason not to give you 1.9. You have sufficient money in R. & D. to find out where you are going and what you are going to do with this missile and then come back and ask for these funds."

Mr. McHUGH. It seems to me rather incredible that the Defense Department on an issue of this magnitude would not respond to the responsible subcommittee and ultimately to the House with a more precise figure, and for that reason alone it seems to me that this body should approve the gentleman's amendment and I hope we do.

Mr. ADDABBO. I thank the gentleman for his comments.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do not like to be in this posture of opposing my good friend, the gentleman from New York (Mr. ADDABBO), on his amendments, but again I think that this is the wrong time and the wrong place to start talking about tampering with the MX.

I will not go through my routine again about the need to give the President a bargaining chip. Clearly, this is a factor. Clearly, it is one in my view that we cannot back up on. Clearly, it is something he needs as he talks to the other side about ways to find some kind of a responsible peace agreement.

The missile itself—let me remind my colleagues that this is strictly R. & D. Whether we talk about basing of the missile or the long-term basing decision, anything that is in this amendment has to do with R. & D. Anything in this bill has only to do with R. & D.

So we really find ourselves with a missile R. & D. program that has been put forward by the prior administration, carried forward by this administration, and the only issue that basically is different from what we have done in prior years is the method of basing.

Now, there is clearly a split decision, a split opinion, on whether we should have 4,600 holes and 200 missiles running around a little racetrack playing the shell game, and I must say that I never liked that approach; I never thought it was the way to go. I always felt as though if we did it, the Soviets would find enough missiles to knock each one of those holes out. We would then build 4,600 more and it would never end.

So I approve of the President's proposal to cancel out that approach to basing of the MX missile.

Then, what do we do if that has no basis in fact, and the President concluded that, and I do not suggest that here at this debate that is an item really for debate anymore.

What do we do if we do not have the racetrack? We do not build missiles and put them in a warehouse, I would hope.

If we are going to have the missiles, then we should have somewhere to put them that makes sense. And so part of this bill provides money for research and development for the method of basing the missile.

It is two parts going down the same track. We cannot build a missile in my view and not put it anywhere, and we cannot just sit back and wait until we find some better alternative that is going to be the be-all, end-all in basing because the threat is certainly there.

So what the President is proposing to do very simply is spend some money here on R. & D. on how he can do a better job with the fixed silos, how he can strengthen those silos, how he can then build the missile, do the research and development work there, all of it coming out hopefully in 1986 with missiles in place, agreeing, at the same time, with more research money to find a permanent way to do it.

Now, there will be those who will get up and say, "This is sheer madness." Mr. Chairman, I must say it is madness. I wish I had a better thing to say to the American people. I wish I could say to the American people that if we do not do this somehow everything is going to be all right.

But I guess I just do not believe that is true.

I think we need that deterrent. In any case, I think we need to continue down the right road toward research and development on this missile and the basing system so that when the President and his representatives go to the START talks in 1982, they have something to deal with, and I come back again to the point that in 1977, President Carter terminated the B-1, canceling out what I thought was a chip that he should have had available to him in the negotiations.

I would urge that this amendment be voted down and I would go further at this point and urge that if a subsequent amendment is offered just to deal with the missile and not the basing, that that amendment, as well, would be voted down.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman for his statement. I think the gentleman has laid out the argument very well. We do need to go ahead with development of an MX missile, testing of the missile. I personally approve of the basing decision the President made. Others may not. But the one thing about it, it is not a final-for-all-time decision in any event. He even indicated that further and final decisions would be made down the road.

It would be counterproductive to cancel the program, especially today, just hours after the President made a historical and remarkable offer to the Soviet Union that they have to be really concerned about and worrying about, because it makes so much sense; it is so reasonable and logical. We have to back him up. We have to give him the tools to carry out that diplomacy and I would again commend the gentleman and hope the amendment will be defeated.

Another point. This Congress has appropriated moneys for the testing program for MX at Vandenberg Air Force Base. Much has already been spent. That money would be, at least to some extent, wasted if we do not go ahead.

Mr. Chairman, I support H.R. 4995, the Defense Department appropriation. This is a good bill, a tight bill, and most importantly, it will help reverse the alarming decline in our strategic position vis-a-vis the Soviet Union. As the President noted just a few hours ago, the United States does not have imperialist motives; we seek only the security of ourselves and our allies, as we have always done. And the best way to insure that security is to present a balanced, strong, and workable defense. This bill, and particularly the provisions concerning the MX missile system and B-1 bomber, is vital to the realization of that goal. We are embarking, have set forth, a series of arms control and reduction proposals. It is vital that we negotiate from a position of authority and credibility. By indicating our resolve today, in this body, we will strengthen the President's ability to negotiate meaningful terms and realistic agreements with the Soviets. Failure to act will simply weaken our position, and place the likelihood of meaningful agreement further away.

It includes important provisions to insure that we get our money's worth and to cut down on waste and mismanagement within the Department. There is no agency of Government that cannot do a better job in that regard, and we are not exempting the Pentagon from that directive. At the same time, the bill provides an appropriate and necessary level of funding for operations, maintenance, procurement, research, and development. A supplemental bill will provide the needed pay incentives to insure that we have the trained men and women to carry out the mission.

I urge all Members of the House to support the committee on this bill, to vote down weakening amendments, and to give the President the support he needs to guide our Nation in the next few years.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from New York.

Let me say that the gentleman from New York (Mr. KEMP) served for many years on this subcommittee and served well.

Mr. KEMP. I appreciate that.

Mr. EDWARDS of Alabama. He was one of our leaders as far as knowledge of defense budgets are concerned and I am happy to yield.

Mr. KEMP. I appreciate the gentleman yielding, and I, too, want to join along with my colleague from California and many others on the floor who have heard the gentleman from Alabama speak both on this subject as well as on the previous vote, the B-1 bomber. I commend the gentleman for his efforts not only in opposition to this unwise and imprudent amendment, but also his efforts on behalf of the B-1 bomber.

The gentleman has served our country and his constituents very well in bringing his thoughtful and logical presentation to this body and I particularly want to thank him for his leadership.

I particularly make note of the fact that he has alluded to the President's speech this morning with regard to START, the Strategic Arms Reduction Talks. It would be a big mistake for this body, to remove from the President the option of going ahead with an MX program in light of what the Soviets have done for years of their own buildup in strategic nuclear weapons.

I supported the B-1 bomber and I support the money for MX, both positions essential I believe to the preservation of peace and as a deterrence to war.

□ 1730

I am going to speak a little bit later on this subject, but I could not help but comment that the gentleman from Alabama has provided this House with great leadership and his statement is prudent, thoughtful, constructive, and well thought out. I am particularly grateful for the leadership of the gentleman and could not let this chance pass without saying so.

Mr. EDWARDS of Alabama. I thank the gentleman. If I had known he was going to talk about that, I would not have yielded, but I appreciate the gentleman's comments.

Mr. McCURDY. Mr. Chairman, will the gentleman yield for a quick question?

Mr. EDWARDS of Alabama. I yield to the gentleman from Oklahoma.

Mr. McCURDY. I have some problems with this position and I wanted to have the gentleman perhaps elaborate on a couple points and perhaps clarify some of the questions that I have.

First of all, I was distressed when the President made the decision to scrap the system and to place in effect new missiles in old holes. To me, the issue has been that of vulnerability all along.

Would the gentleman take a moment or two and explain for me the gentleman's position as far as the gentleman's proposal as to addressing the question of vulnerability?

Specifically, my point, too, is, are we so far along with the MX, which is a 200,000-pound-plus missile that we could not go into research and development with a smaller intercontinental missile which would perhaps be more mobile without a "racetrack" than could be deployed without the political ramifications and repercussions as was in the MX itself?

Mr. EDWARDS of Alabama. I guess you are never too far along to change your mind.

I would think, however, that this body is not literally equipped in the discussion of this bill to do that about-face as would be suggested here.

This missile has been going along for a good while. It is not going to be ready until 1986. I think that there is a long time, therefore, that is available to us to resolve this basing problem.

I agree that the problem of vulnerability is there.

I agree that if you are sitting in a hole that will not move and you cannot move the missile and you cannot completely protect it, that it is obviously more vulnerable than one where you might play the racetrack type of scenario; but I think we can harden the silos. Part of this money is for the purpose of seeing whether we can.

I think we can find better alternatives, and yet I stand here saying that I am not smart enough to know what that alternative is.

I think it has got to be the product of the sound judgment of reasonable people who understand this type of thing.

So the common missile that I suppose the gentleman is referring to has been considered and discarded by those who consider and discard these things.

I must say that certainly in our hearings we have not had testimony to any degree that would cause me to think that I know what a common missile can do, that this will not do or that that is the better way to go.

So I am persuaded that the MX is the way to go, until somebody can

show me otherwise, because I am just a humble servant of the people and not a technician and not an engineer. I do not understand all those things. Some of those things we have to accept that are presented to us by the scientists and the engineers and the researchers and the people who study these things.

This thing has been studied about as much as anything I know.

If I might comment one further point. It is my information—although I have not talked to these people personally—it is my information that former Secretary of Defense Brown, who preferred the racetrack approach, nevertheless thinks that that having been canceled, this is what we have got to do.

I do not know where else to turn for information. The present administration thinks that. The last administration having lost on the racetrack concedes that this is now the way to go. It seems to me we would be foolhardy to change that direction.

I would like to yield further to the gentleman but I have much time committed on my side and I must yield the floor at this time.

Mr. ADDABBO. Mr. Chairman, I yield 4 minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Chairman, Senator Dirksen once said, "I am a man of principle and my first principle is flexibility."

It looks to me as if Senator Dirksen's principle has perhaps inflicted by or perhaps afflicted upon us the Department of Defense and perhaps the executive branch on this issue.

It is my understanding that the MX missile's main strategic purpose was to continue our land-based component of the Triad. For years the decision was made to place it in some sort of a mobile system. For a variety of reasons, Nevada and Utah were not chosen for that system. Some were environmental reasons, some were political reasons.

So when the decision was made to put the missile elsewhere, I thought, well, it seemed like a pretty good idea, because the mobile system involves a lot of environmental problems and I therefore would probably support less environmentally troublesome basing system; but inasmuch as my hometown is surrounded by 18 Titan silos and inasmuch as the decision was made perhaps to place them in those fixed-based silos, I decided to try to figure out why people like Senator LAXALT, Senator GARN, and Senator HATCH were so terribly opposed to putting this missile in their backyards, the States of Utah and Nevada. These men, some of the strongest supporters of the President of the United States, would like them not in their backyards and would put them perhaps in my backyard, the State of Kansas. While I do not have the close relationship with the President of the United States that those men do, I decided that my constituents were entitled to the same scrutiny and protection as Senator LAXALT's and Senator GARN's and Senator HATCH's constituencies.

Inasmuch as this decision reflects a 180-degree turn on the deployment of the MX missile from the decision announced a few years ago, I decided to take a look at it. I found two basic issues.

We are deploying a new land-based missile for two reasons. One is to have a survivable missile, one that can withstand Soviet attack, and to have a missile that does not have the vulnerability of current fixed-based-land, land-based systems.

As I looked at the situation, the more I began to realize the reason we were moving to a mobile system is because the Russians could target our fixed-based missile, our Titans that are around Wichita and the Minutemen that are around other parts of the country, very, very carefully.

So when a decision was made, I believe, more for political reasons than strategic reasons to put these missiles in fixed-based silos, because I judge that the political furor would be less, I think that the issues of vulnerability and survivability went down the tube, and that worries me.

So I have asked the Pentagon for a long time, 6 weeks now, to find out, where are you finally going to deploy these missiles? Is this deployment in current holes an interim step or a permanent step? What are the strategic pluses for this new deployment? No decisions to any of these questions have yet been made. Perhaps these missiles will never be deployed anywhere and are being used as a bargaining chip in arms negotiations. That is a possibility, but until I get better strategic reasoning from the Pentagon as to how they are going to deploy the missile, I am hard pressed to approve a plan that deploys them in fixed-based silos, where Russian avionics and Russian missiles clearly could target them with precision by 1985.

Now, the gentleman from Alabama (Mr. EDWARDS) has raised the issue of hardening. There is no question that hardening produces virtually no positive results with respect to the protectability and survivability of the missiles. Perhaps an ABM system might protect the missiles and make them somewhat less vulnerable. But that does not seem to be within the realm of practicability right now.

What I fear is that an interim decision on a multibillion-dollar defense system to deploy the missiles in current silos, a missile system of sophisticated capability like the MX will inherently become a permanent system because there is no politically attractive way to deploy a land-based missile system.

Given all that, I just think, I fear that this will become a permanent basing system which is insupportable unless I receive some more powerful strategic arguments from the Defense Department. I do not think I can support it.

I did listen to the gentleman from Alabama, one of the real scholars on defense here, and when asked by the gentleman from Oklahoma (Mr. MCCURDY) about survivability and vulnerability, in all candor his answers were not terribly informative.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HEFNER. Mr. Chairman, I yield one-half minute to the gentleman.

Mr. GLICKMAN. I do not think that is anything negative about the gentleman's remarks. The truth of the matter is that nobody knows. The Defense Department is very confused about how to deploy the missiles.

Do you know that the Secretary of the Air Force did not know the decision to employ the missiles in fixed-based silos until it was made?

So while I think this basing system proposed by the Secretary of Defense is perhaps one option, I think it is a very bad option. I would like to see it go back to the drawing board.

While I do not oppose the concept of deploying a new missile in some basing mode, deploying it in a permanent system in fixed-based holes around my hometown, which was not good enough for Senator LAXALT, is not going to be good enough for me unless I can be shown that it is a survivable and a nonvulnerable missile.

After a great deal of thought, I have also concluded that the MX missile B-1 bomber provisions in the Defense appropriations bill will not enhance the Nation's defense program, and if deployed, may even weaken our ability to adequately meet the strategic requirements of the United States.

This decision was not an easy one. There is no doubt in my mind that an upgrading of our military programs is necessary. The question is what will be the best approach. My overriding concern is that the B-1 and MX proposals are considered to be interim measures until more advanced technologies come on line. At the cost of $1.9 billion for the MX missile and the $2.4 billion for the B-1 for fiscal year 1982 alone, I would say these are very costly interim programs the expense of which may threaten the adequacy of funding for advanced programs, such as the Stealth or additional Trident submarines.

Further, I am not convinced about the capability of either the B-1 or the MX as currently proposed. Will the B-1 meet our penetrating bomber requirement that much better than ex-

isting B-52's do? Is it worth $29 billion—or possibly $40 billion as the Congressional Budget Office estimates— to find out? At $300 million a piece, the B-1 should be a wonder plane, but it is not. It appears to me that a Stealth-type bomber with its radar evasion capability represents the kind of technology that we should aggressively pursue. The Pentagon estimates that a Stealth bomber could be on line as early as 1989. We should be making an all out effort to meet the goal and not spread ourselves too thinly with interim approachs of questionable effectiveness.

I do not reject the argument that our penetrating bomber force may need to be revamped and for that reason supported an amendment that deleted production funds for the B-1 while adding funds for an alternate bomber option, the FB-111. As an interim penetrator, the FB-111 would have similar capability and would be available a year sooner than the B-1. Further, 155 FB-111 would cost about one-third the amount of 100 B-1's, or a little over $13 billion. The amendment failed, as did the later amendment that simply struck production funds for the B-1 while retaining research and development funding. I supported the latter amendment as well.

My goal, and I am sure, the goal of my colleagues here in the House is to help put together the best program possible for protecting our vital security interests. Throwing taxpayers' dollars at interim programs with questionable strategic ramifications will not lead us to that goal. I believe that the Defense Department must provide us with more convincing evidence of why the B-1 bomber and the MX missile must be deployed.

□ 1740

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas (Mr. BETHUNE).

Mr. BETHUNE. Mr. Chairman, ladies and gentlemen, the MX and the plan to deploy the MX in existing Titan silos has special meaning to me and to Arkansas, particularly those Arkansans who live in central Arkansas, because we have Titan silos there, and I am sure everyone in the Chamber remembers the Damascus, Ark., explosion which occurred in September of 1980.

Now, I learned several things after that explosion. I learned an awful lot about the missile itself, about the protective suits, about the leaking seals, about the evacuation plans that are essential in the event of a catastrophe. I learned an awful lot about it.

I also learned that those missiles are old and decrepit and that they need to be retired and replaced, which is part of the administration's proposal.

But I learned something that is much more important, and that I think is extremely relevant to what we are discussing here today. I learned that the people of Arkansas, in spite of all the trouble we have had with Titan missiles, want a strong national defense. They want to do their part. That has already been established. They do not have to prove anything further on that count. They have already proved it by having the Titan sites right there in their backyard for the last 20 years. In spite of the difficulties we have had with the Titan missiles, Arkansans want a strong national defense.

Of course they would rather not have the missiles. I can tell you that from all the discussions that I have had with them. But if this Congress and the administration and this country collectively agree that that is what we should do, then they would accept it and do their part as they have for the last 20 years, because that is the kind of people they are, and we are proud of the people in our State.

People there also want to reduce arms. They want to save the money, quite frankly. And they want to have peace. That is an overriding concern of our people. These are not inconsistent goals: the idea of having a strong national defense and the idea of having peace and reducing arms.

They want to reduce arms, but they do not want to do it unilaterally. We have tried that in the last few years. Under the last administration, we let the Trident submarine slip away. We let MX slip away. We let some other things languish instead of keeping ourselves strong, and the perception in the world changed. So we have tried all of that.

What they want to do is, they want to be strong, and they want to work for peace, and they want to work for arms reduction in the same way that the President on this very day has announced to the whole world that we are going to be strong in this country, but that we will engage in meaningful and real arms reduction talks if that is what the Soviets really want to do.

So it occurs to me that the question here today, on the very day when the President has said that we are going to offer arms reduction, and has made that offer to the entire world and to the Soviets, the question is: What will the Congress do today? Is the Congress going to vote for strength or is the Congress going to vote for weakness?

The President needs the MX option as he goes to the table on November 30 and as he pursues other strategic arms reduction agreements after the first of the year. He needs the option, and it is an option. There may be differing opinions about whether we should deploy these missiles on the interim basis that has been discussed, whether we should put them in the existing silos. I have heard some excellent arguments on both sides. But you have to agree with me that that approach, that concept, is plausible enough that it has merit, and that it will be perceived as a viable option when they do go to the table. And it is an option that the President needs for that reason.

So I encourage all my colleagues here not to, on this very day when the President is talking strength and arms reduction, send a signal that the people are weak.

Mr. HEFNER. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. SAVAGE).

Mr. SAVAGE. Mr. Chairman, today we are voting on the fiscal year 1982 Defense appropriations bill, H.R. 4995.

This bill, as you know, is the largest single DOD budget ever considered in U.S. history. It would provide $196.6 billion in funding for military personnel, operations and maintenance, procurement, and research and development.

Specifically, the bill contains $1.9 billion in funding for the MX missile.

I am opposed to the revised MX system which, though it is not as costly as the original MX proposal, it is still a $20 billion-plus program that will add to the severe strain on the Federal budget. This expenditure is even more questionable in light of the fact that according to its own testimony, the Reagan administration has yet to find a satisfactory basing system for the MX and that the proposed system will have limited usefulness. It is also my view that the only solution to any problems with land-based missiles is serious negotiations with the Soviet Union to limit the number of first-strike missiles each side targets on the other.

The bill also provides $2.4 billion for the B-1 bomber, which the Pentagon estimates will cost as much as $29 billion and which CBO estimates could cost as much as $40 billion. In my judgment it makes no economic sense to spend up to $40 billion for an aircraft that would be replaced in a relatively few years. Any expenditure for this bomber would be a gross waste of resources.

This bill further appropriates $63.7 billion for Defense Department procurement; $19.3 for Defense Department research, development, test and evaluation programs: $37.5 billion for fiscal year 1982 military pay, allowances, servicemen's group life insurance, and other military personnel costs; it also appropriates $12.6 million for the intelligence community staff and $84.6 million for the CIA retirement and disability system fund.

The so-called defense proposal before us today is further inflationary evidence of the Reagan administra-

tion's upside-down priorities. Therefore, I wish to be on record in total opposition to this travesty of justice; this lack of understanding that national security begins at home, in our cities and rural areas, that national security is best served by a country that best serves its citizens.

This insane escalation of the arms race is the path to world war, not to domestic well-being. The billions of dollars proposed for more deadly nuclear weapons and penetrating super bombers could better be spent on jobs for our unemployed, improved education for our young, social security for our elderly, and justice for the still oppressed minorities of our Nation.

Thank you, Mr. Chairman.

Mr. ROBINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

I think we ought to look at it in a different light than what we have been discussing this afternoon. The MX, in and of itself, is not the issue. The issue in this particular instance is strategic deterrence. The issue is whether we will have a proper strategic deterrence for our Nation.

The MX missile system as proposed is one of 5 parts to this all important strategic deterrence program. This program is made up of the following parts: manned bomber, which we have discussed earlier, the MX missile system, which we are discussing now, upgrading command, communication, and control, which is so important, the upgrading of the Trident submarine program by a better D-5 ballistic missile, and the fifth and just as important a part, the strengthing our strategic defenses, including civil defense, air defense, and ballistic missile defense.

This entire matter of strategic deterrence should be looked at, not piecemeal as we are attempting to do now, but it should be looked at in its entirety. Any one piece of the puzzle that fails, any one piece of the puzzle that is not in place, causes us to have an absence of strategic deterrence. All of them are important. That is why I speak in favor of an MX system.

Now, we can probably change in our own mind's eye some of these areas. The MX system may not be exactly as you would like to have it. The manned bomber may not be the exact one that you would like to have. But we must have all five of these, and I am willing to say, so it will fit together as a true strategic deterrence, let us accept it as proposed.

Those of us from western Missouri know what it is to have in our back yard part of our Nation's strategic deterrence. We have 150 ICBM Minutemen missiles and silos in western Missouri. These are part of the entire picture. These would play every bit as an important part as the MX ones that are deployed. All of this is very important for us to keep on line.

□ 1750

The people in western Missouri are willing to do their share. They know what it is to live on ground zero. They know what it is to need a strategic deterrence system, which we do not have. That is why I say, Mr. Chairman, let us go with all five of the elements. Let us not be misled by picking and choosing among them. Let us stick with the entire program as proposed. It means a strategic deterrent. It means peace in the years ahead once we get it on line. It means that the Soviets will be willing to talk, and we will have the bargaining chips with which to do it.

I urge the defeat of the amendment.

Mr. HEFNER. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Ms. FERRARO).

Ms. FERRARO. Mr. Chairman, I rise in support of the amendment and I ask unanimous consent to revise and extend my remarks.

Mr. Chairman, I have been a consistent supporter of the MX missile since I came to Congress in 1979. Throughout the still-raging controversy over both the need for the missile itself and especially the various basing modes that have been proposed, I have voted against every amendment to delete funding for the development of the missile.

Tonight, however, I will be voting for the amendment to block MX funding.

The reason I have changed my longstanding position is the chaos and confusion surrounding the Reagan administration's deliberations on the basing issue. I think the distinguished chairman of the Defense Subcommittee hit the nail on the head when he said, after lengthy hearings on the issue:

> The Administration told us that it does not know what to do with MX missiles, if they are built.

Let us review the situation.

On October 2, President Reagan announced his long-awaited decision on MX basing. His plans were to scrap the mobile basing plan favored by President Carter, and instead to place the first group of missiles in hardened Titan and Minuteman silos.

The administration specifically proposed to deploy 100 MX missiles over the next decade, and another 100 after that. A first group of missiles—the administration has used numbers ranging from 18 to 50—would be placed somewhere—but nobody knows exactly where—in silos spread over eight States.

That is about as specific as they have been so far.

My problem is that the whole argument over how to base the MX has been aimed at finding the best means of improving the survivability of our land-based missiles against Soviet attack. Yet the administration wants now to put the MX in the same old hiding places, all of which the Soviets know.

Mr. Chairman, it is time we got a handle on exactly what we are going to do with the MX missile. We have been debating the need for the missile and the merits of the increasing number of basing alternatives for long enough, and it is time to make a decision.

As recently as July 16 I voted against an amendment to strike all funds for the MX. At that time, the President and his advisers were still considering the basing question and were assuring us they would soon have their decision and I figured we should give him a chance.

The announcement that was made on October 2, however, was no decision at all. It was a political decision, perhaps, but it was not a national defense decision.

I think we must now shut off the funding for the MX and force the administration to complete its plan for basing at least the first group of missiles. The situation we have now, with cost figures and deployment sites and dates constantly shifting, is certainly not conducive to a stronger strategic deterrent or to reassuring the American people that their interests are being protected.

In the meantime, we should go forward with the submarine based missile program, which has none of the survivability problems of the MX and other land-based options. In this regard, I am pleased that this bill contains the full amount requested for the Trident D-5 missile program.

Mr. ROBINSON. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I rise in opposition to the amendment to delete the moneys for the MX. I sincerely believe that the production and deployment of the MX is an integral part of our Nation's and our President's efforts to modernize the strategic program and forces that he announced in October and which is so vital to the deterrent of war and the maintenance of peace. This is part of the essential modernization of each leg of our strategic triad of forces, that has been the mainstay, the linch pin, if you will, of our defense deterrent for more than a decade. It is a signal and a symbol of our resoluteness to maintain U.S. strategic strength and balance in the world, which as I said before, is the keystone of any genuine arms reduction negotiation with the Soviet Union, something that the President,

wisely, addressed in his great speech this morning.

The President this morning gave truly one of the most far-reaching, positive, and progressive speeches on foreign policy and arms negotiations that I have heard in this Nation in the 11 years that I have been in the Congress. He not only talked about arms negotiations, he talked about arms reduction, something that the American people, indeed the people of the free world, are vitally interested in and he addressed the issue of promoting and preserving the peace.

He had a key point in his speech, when he said that we are not going to reduce arms unilaterally. He suggested there is no empirical, historical, or objective analysis to suggest you can negotiate with an adversary such as the Soviet Union from a position of unilaterally reducing one's weapons strength, and that is what we would be doing if we vote for this amendment to cut the money for the MX.

The President talked about the problem we had with SALT II and he wisely, I think, characterized his new beginning toward arms reduction by labeling it with the acronym "START," strategic arms reduction talks.

Briefly, the problems with SALT II were accentuated by three main flaws as far as I am concerned as a congressional delegate to the SALT talks in the last Congress. No. 1, SALT II did not include the Soviet Backfire bomber. There is no way that I think this Nation could have negotiated a successful SALT II as long as the Soviets were not willing to consider the Backfire intercontinental strategic bomber as a part of those negotiations.

No. 2, the SALT II talks did not count missiles it just counted missile launchers. How can one sign an agreement with the Soviets and count launchers but not count missiles. The Soviets have developed a technology for cold launch capability in which they could take missiles off the shelf that they have manufactured and put them into launchers for refiring. That would allow them a capability via that technology that the United States did not have and made SALT II a mistake.

Third, we did not go forward with SALT II because the Soviet SS-18 and SS-19 were not capped. In effect, we were going to give the Soviets heavy missiles and a strategic first strike capability, the SS-18 and SS-19, that were not allowed the United States.

Those flaws in SALT II were the reasons the President wisely suspended those negotiations upon assuming office, and today announced that we are going to negotiate with the Soviet Union in the future over theater nuclear weapons, we are also going to negotiate with the Soviet Union on reducing strategic nuclear weapons, but it will be on a reciprocal basis, something I think each and every man and woman in this body, whether one is liberal or conservative, would agree with. You cannot negotiate from a position of weakness and to cut this program would be to cut the President's ability to negotiate.

I appreciate the President's leadership in putting the onus where it belongs, on the Soviet Union. If they really want peace, in the lexicon in which they use that word; if they really want to put a cap to the arms race and reduce the chances for nuclear war they will join President Reagan in attempting to bring not only an arms halt, but a reduction of nuclear weapons as well.

Mr. Chairman, the first line of defense for our Nation, indeed the free world, is the credibility of our President in his negotiations on behalf of this Nation.

Let us not reduce the President's ability to move our country and our free world to arms reduction negotiations.

I commend the President for his strong leadership on behalf of the cause of peace and freedom.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I will be happy to yield.

Mr. DICKS. Mr. Chairman, I want to agree with the gentleman on this point. I think that it is vitally important that we not only have talks about the reduction of strategic and theater nuclear weapons, but that we have actual negotiating and actual bargaining. I think the gentleman has made a very important point in that what the Soviets have always stressed to the United States——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Is it not true that the Soviets, in discussing theater nuclear weapons, have always called for parity, not reductions? I think the plan that has been put forward today is real parity. Now, it is going to be very interesting, at least in my judgment, to see whether the Soviets are interested in true parity. That would mean reducing and taking out the SS-20's, the SS-4's, and SS-5's in terms of theater nuclear weapons.

Mr. KEMP. The gentleman has made a very good point, and I appreciate his yielding to me now to agree with him. I think the President has, as I said before, shifted from a defensive pattern for our country to an offense pattern, in our negotiating stance which is important. It also signals to our NATO allies that we are willing to discuss not deploying the tactical nuclear weapons that has caused so much pain in so many circles politically in Europe. I frankly think, it seems to me to be a terrible mistake for this country not to go ahead with MX or even the research and development on MX when we are asking our NATO allies to take the political heat of putting the ground launched cruise missile, as well as the Pershing II missile, in their countries.

□ 1800

Mr. DICKS. Mr. Chairman, I would like to say one further thing that I think is important to us.

I think we ought to remain flexible with our NATO allies in trying to come up with methods to meet the TNF threat. I do not think we should necessarily try to force-feed Pershing II and GLCM if there are other ways to solve this problem that the alliance can go along with and that will actually deal with the real threat posed by the existing weapons. I think there is a time when we have to demonstrate some flexibility in our relations with our allies.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I think the gentleman has raised a good point. I think he would also agree that the President has come forward with an environment at least for those negotiations which: First, provides that flexibility; and second, allows some assurance to our European allies of whom we are asking a lot that we are willing to take dramatic steps to reduce the fears those people have with regard to the deployment of the Pershing and GLCM.

But let us not forget that right now there are 1,100 strategic nuclear weapons on the side of the Soviet Union, whether they are in front of the Urals or behind the Urals. The SS-20, the SS-5, and the SS-4 represent a real threat to every major city in Europe, and it seems to me the President has not only signaled dramatically that he is willing to help our NATO allies but he is also, as the gentleman points out, willing to put the Soviets on the defensive.

Mr. DICKS. Mr. Chairman, the last time I was at a NATO conference, one of the parliamentarians came up to me and said, "Congressman, how is it that you want us, in an area like between Boston and Washington, D.C., to deploy all these SS-20's and you won't go out and put your MPS system in Nevada and the western desert?"

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

Mr. ROBINSON. Mr. Chairman, I yield 3 minutes to the gentleman from Maine (Mr. EMERY).

Mr. EMERY. Mr. Chairman, I rise in opposition to the amendment and in

strong support of the MX program as outlined by President Reagan.

There are two or three points that I think need to be made. First of all, I have heard some discussion here this afternoon that there is not any concrete plan as to where the MX missile is to be located. I want to point out that that is not so. The President made some specific proposals, among them replacing the old Titan II missiles, which I think we all agree are outmoded, outdated, and no longer serving a strategic purpose. It is also proposed to upgrade some of the Minuteman III silos with the new MX missile.

That certainly represents a substantial strategic upgrading. It means that we are swapping a less capable missile for a more capable missile. In one case it means swapping an unsafe missile for a safe and reliable missile. It means either swapping 1 warhead for 10 in the case of the Titan II, or 3 warheads for 10 in the case of the Minuteman III. It also means we will increase the accuracy of our strategic deterrent, and it means we will have a hard target kill capability, which is important since the Soviets are developing cold launch techniques. It also means we will have a significant bargaining chip for our future strategic arms negotiations such as the President announced today.

The other point that I think is necessary to make is that as we develop modern technology, as we look toward the future of ballistic missile defense systems or maybe other technologies that will allow our existing systems to become more survivable, not only will we be able to base the MX missile in different and more sophisticated basing modes in the future, but we will also be able to protect silos that we have today.

I think from an economic standpoint it makes good sense to take advantage of existing silos where they may be developed into a more survivable and more useful system.

Someone also mentioned that hardening did not make a significant difference. Let me tell the Members that that simply is not so. A hardened silo is a silo that can withstand a much more accurate attack. It would mean that existing silos will be useful for several years to come. It also indicates that we are not willing to make massive expenditures, as in the case of the MPS basing mode, but we will take advantage of systems that we have available today and technologies we have available today. That is going to mean a savings of at least $20 billion over the MPS system.

Frankly, I never had much confidence that the MPS basing mode or any of its derivatives would give us more survivability or a more credible deterrent than we would otherwise achieve from a hardened fixed base silo.

In summary, Mr. Chairman, I support the President's MX basing mode, and I hope that this amendment will be defeated.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, most of the public controversy about the MX has centered on the succession of basing plans for this mammoth new intercontinental ballistic missile. Western States have raised a great hue and cry about the hundreds of thousands of acres of ground that would have been taken up by digging thousands of shelters for this new missile and the Reagan administration has succumbed to the political impossibility of proceeding with this plan. But the administration wants to continue full-scale development of the missile, even though no decision has been made on what we are going to do with it. This does not make sense. You do not embark on a $40 billion to $50 billion system with such serious questions of how it is going to be deployed still unanswered.

Furthermore, the basing argument has obscured one of the original and most important reasons for opposing development of this superaccurate, highly destructive missile: The MX is a counterforce weapon which would increase, not decrease, the possibility of nuclear war. Its accuracy will threaten the Soviet Union with losing its land-based ICBM's in a United States attack because the MX will be able to explode its warheads right on top of Soviet missile silos. Our present missiles can come close to doing this, but the MX is designed to guarantee it. Thus the Russians will have every reason to begin worrying about the same window of vulnerability that now so bedevils our own strategic planners.

Thus, the MX will not increase our security. The billions it will divert from meeting real needs will only weaken us as a nation. We simply cannot afford to fund such grandiose symbols that are designed to show the Russians that we are tough and hope to scare them into negotiating limits on strategic arms. Getting serious about resuming SALT negotiations would do far more for assuring our security than hundreds of unnecessary and expensive new missiles. I urge support of the amendment to stop the MX.

Mr. ADDABBO. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the amendment pending before the body.

As the Members know, Mr. Chairman, for a number of years we have marched into the well of this House in opposition to the MX missile system on the basis of the notion that the MX missile system as proposed was expensive, unnecessary, wasteful, dangerous, impractical, and environmentally disastrous. Therefore, obviously we would agree with the President in making the judgment to reject the various mobile modes of our MX missile system.

However, I think his new decision has enormous implications that I think we should consider for a moment, for I would assert that the President's new decision with respect to the MX missile is both incorrect and extraordinarily dangerous. No. 1, the President proposes to place 100 new MX missiles in present Titan and Minuteman silos. This totally ignores the original objective of survivability.

Let us remember that the argument with respect to the window of vulnerability was based upon the notion that our fixed base ICBM's were vulnerable by nature of the fact that they were fixed-base. Therefore, if we place them in some kind of mobile mode, this would render these land-based missiles survivable. But the President has rejected the mobile mode. Therefore, in my estimation, he has missed the objective of survivability which was used to justify the system.

I would then assert that this decision is not a security solution but a political judgment. If indeed the mobility of the missile itself reduces the vulnerability, then why place them in fixed silos? The argument back from the administration is that we have an answer as to how to make our silos more survivable. First, we can harden them or deepen them.

I would suggest that by hardening and deepening, that takes time and therefore creates an incredible time delay, so we keep the so-called window of vulnerability open for an extraordinary period of time.

Second, hardened and deepened silos would continue to fall in the crater of an SS-18 explosion, which in my estimation renders deepening and hardening null and void.

Third, the argument is that we would then surround our MX missiles in the present mode with an ABM system, an antiballistic missile system. It would take us, based upon expert testimony, approximately 15 years to build an ABM system. So we are talking about 15 additional years of keeping this so-called window of vulnerability open.

The second point with respect to ABM is that we would then abrogate an important treaty. It is a flight into

fantasy to assume that we could build an ABM system and the Soviet Union would not also build an ABM system, which raises a number of questions with respect to whether or not we could even retaliate and get beyond their ABM system. So it abrogates the entire thing, and it does not make any sense.

I would now like to turn to an important argument made by Mr. Scoville, former Assistant Director of the Central Intelligence Agency and also one of our arms controllers, who points this out:

Instead of reducing American vulnerability to Soviet attack, the MX—

The missile system as proposed by the President of the United States at this moment—

will increase the risk of the United States being devastated in a nuclear war.

He goes on to point out that—

The real reason for President Reagan's proposed go-ahead with the MX is exposed to open view.

We should evaluate this reason.

He goes on to say:

He admits that the only certain justification for this deployment is that he wants early prompt counter-ICBM capabilities.

□ 1810

Translated into everyday language, what the President is saying is that he wants to threaten the Soviets' deterrence, their ICBM deterrence, which is 75 percent of their nuclear capability. But this missile, the MX missile, can only do that job in a first-strike situation.

My colleague, the former Speaker, just pointed out this is a hard silo killer. It increases the accuracy. It gives this weapon a first-strike capability. So we now must render this judgment naked for what it is worth.

It is not a deterrent weapon in this mode. It becomes a first-strike weapon.

What does that do? That forces the Soviet Union to make a response. They put their weapons in a launch-on warning situation, hairtrigger alert, thus increasing the risk of nuclear accident or launching of a preemptive strike. Thus the MX missile, instead of improving America's security, will reduce it.

I would like to quote Mr. Scoville further:

It is unfortunate that President Reagan, when he finally reached the conclusion that there was no way to make land-based ICBMs truly survivable, did not go one step further and recognize that the deployment of the MX missile system—on land and in a vulnerable mode—was only an invitation to nuclear war.

The only way, Mr. Chairman, that we can insure survivability of our Nation and our world is not through arms race but through arms control. If we seek balance with the Soviet Union, and I think any rational mind in this body wants to seek balance with the Soviet Union, I would argue as diligently as possible that you do not get that by increasing the arms race. You get it by engaging in arms control, which means we go to the table to negotiate and we do not go to the table with a first-strike weapon, spending billions of American taxpayer dollars.

At the point in time when the President of the United States is asserting that he seeks peace and that he seeks negotiation, we certainly do not want to cram a first-strike weapon down the throats of our taxpayers and the Soviet Union for the implications are both obvious and enormous.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. The gentleman is anxious for me to yield and I will yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman yielding. I want to ask this as diligently as the gentleman has made his statement. If the gentleman suggests, as I think he has, that the ABM treaty was the right thing, on that basis, I would remind my friend that the reason there was an ABM treaty was the ability of this Nation to have an ABM system tested and deployed by the vote of the Congress.

Is it not necessary to a successful negotiating for a reduction in strategic weapons to at least have something with which to bargain. How can you expect to get the Soviets to reduce their heavy SS-18 intercontinental strategic first-strike weapons without giving bargaining power and credibility to our President?

Mr. DELLUMS. Let me say that this is the argument that I have heard for at least 11 years. The strategy is to continue to escalate the level of our capability, and we never quite get to the negotiating table. The same argument was made when we talked about the MIRV technology. That would bring the Soviets to the table, but then the Soviets responded. Now we are talking about the MX and they will then respond and then we will talk about something different. It keeps going forward endlessly.

Mr. ROBINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho (Mr. CRAIG).

Mr. CRAIG. Mr. Chairman, I join in opposition to this amendment.

Mr. ROBINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Chairman, I rise in opposition to the amendment that would delete funds for the MX system.

This administration has made the decision to proceed with the MX system. In part, this decision reaffirmed the one made by President Carter to proceed with this important weapon system. The Carter decision was a reaffirmation of President Ford's decision to develop an advanced intercontinental ballistic missile.

Unfortunately, Secretary Weinberger did not see fit to support the multiple protective structure basing mode for the MX missile. I believe time will show that this decision was not a good one and that, indeed, the silos that will contain the MX missile are threatened by incoming Soviet reentry vehicles. Regardless, the decision to proceed with the missile is a good one and will give us more retaliatory capability should the Soviets decide to launch a preemptive first strike. This in itself enhances our deterrent posture.

Mr. Chairman, if we proceed with the MX missile, and I hope this Congress sees fit to do so, we will be building a missile that is not as devastating as the existing Soviet SS-18 but a missile that is substantially more capable than our Minuteman III.

The Minuteman III is our most capable intercontinental ballistic missile in terms of destructive power. Since we deployed the last Minuteman III, the Soviets have fielded three new systems, the SS-17, SS-18, and SS-19. They have in various stages of test and development four new intercontinental ballistic missiles, all with increased destructive power by virtue of improvements in yield and accuracy.

Mr. Chairman, I urge the defeat of this amendment and hope that this Congress will support the decision to proceed with the development of the MX missile, a system that has received the support of the three administrations.

Mr. ROBINSON. Mr. Chairman, I yield 3 minutes to the gentleman from Delaware (Mr. EVANS).

Mr. EVANS of Delaware. Mr. Chairman, this particular issue is not an easy one. Very well-meaning people can have differences of opinion and, as in most issues that are important here on the floor of the House of Representatives, there is very little black or white, but one heck of a lot of gray. However, I think there are some compelling reasons to vote against this amendment and to vote for the MX missile system.

I believe it would be spectacularly ill timed before entering into arms control negotiations in Geneva, to take away a bargaining chip that our negotiators should have. That has been pointed out quite clearly by the distinguished gentleman from Alabama (Mr. EDWARDS).

The psychology of these talks is important. Do not take away that chip before we get to the table. We want to strengthen the cause of peace and stability in the world, and that is the whole effort behind talks and negotiations with allies and potential adversaries. But in order to bring about that

strengthening of peace and stability in the world, we need to negotiate from a position of strength.

The distinguished gentleman from Florida (Mr. YOUNG) pointed out what our President said in his address this morning, what had been happening over the last 6 years in terms of the Russian buildup while we had been doing very little, if anything. One just cannot look at the world through rose-colored glasses.

President Reagan made it clear today, and I think it genuinely reflected the hopes, the aspirations, and the feelings of the American people, that we want genuine peace in the world. But we also know that this takes resolve on our part.

Unilateral reduction is not the answer. My colleagues, just 1 week ago today we celebrated Veterans Day, which used to be called Armistice Day. The best way in the world we can honor those who sacrificed that we might live in freedom is to maintain the security of the United States of America, and then some day, as we move toward mutual reduction in arms, we will end man's injustice to man. But we are not going to do that by striking out the MX and placing our negotiators at a disadvantage in the upcoming arms control talks in Geneva.

I would like to end, if I may, on this point. If we are wrong on our side, in our support of the MX, if it turns out we really do not need this missile, then we will have spent some money unnecessarily. But if we are right, and if we do not take this particular step, then there may not be anyone left on the face of this Earth to record in history who was right or who was wrong.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Mr. Chairman, I rise in opposition to the amendment, at least that portion of it relating to deleting the development of the MX missile. It is significant that we engage in this debate on the very day that President Reagan made the dramatic and bold innovative proposal for strategic arms reduction talks and the mutual zero option for theater nuclear weapons in Europe.

This initiative for peace which the United States now has committed itself to recognize and deal effectively with the threat and the possibility of destruction through a nuclear holocaust, whether it is strategic in nature or begins in a theater or so-called limited war, is a major move toward peace which should justifiably allay the fears of millions and millions of people throughout the world.

This new proposal must give hope to all who seek peace. Especially important is the fact that this initiative comes from an administration which had originally spoken in terms of superiority in military power and avoided stategic arms limitation talks.

I think it will also expose the fraudulent attempts by the Soviet Union, who have falsely professed peace and arms control. Unfortunately, I predict that the Soviets will reject the President's bold initiative and thereby expose the lies they have put forth, but perhaps it will encourage and force the Soviets into real and meaningful arms control negotiations.

It would be unconscionable if on this very day of the peace initiative the Congress of the United States pulled the rug out from under the President and took away the very subject matter that has to be the basis for negotiations. There is no such thing as unilateral disarmament, and we have to be in a situation in which there can be something to negotiate about. The MX missile is clearly either an important part of our security system or it is a major element in the arms negotiations which will soon follow.

□ 1820

So, therefore, I cannot support the amendment offered by the gentleman from New York, because providing for our common defense, which comes first and which this MX missile will do, or providing it as a means of discussions for arms reduction, are vital to our national interests.

But there is another part of this amendment which I am inclined to support, because it seems to me the proposal which the administration has made to base the MX missile in the existing Titan silos is an absolutely ludicrous decision. It is foolish to place missles of this capacity in sites which have already been identified by the Soviet Union, which have already been targeted and, no matter how much silo strengthening is done, cannot be protected from the type of nuclear assault to which they would be subjected.

One of the main purposes of the MX proposal was to develop a system to protect these missiles from the type of first-strike attack which the Soviet Union would subject them by means of mobile or deceptive sitting to protect them from their sitting-duck vulnerability.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. LEVITAS) has expired.

Mr. ADDABBO. Mr. Chairman, I yield 1 additional minute to the gentleman from Georgia.

Mr. LEVITAS. There must be some way, if we are to have this missile system, that it can be utilized as a less vulnerable basing mode. I do not see any provision for that, and I would like to ask the gentleman from Alabama whether it is his understanding that, as part of the R. & D. which is proposed for the basing mode, there will be specific and serious decision-making placed upon a mobile or deceptive mode. Because if there is not, there is no way I can support an MX system put in the old, outmoded, vulnerable, and targeted Titan launch sites.

Mr. EDWARDS of Alabama. If the gentleman will yield, as I understand it, some of the long-range proposals to be pursued would be the continuous patrol aircraft, so-called air mobile system that probably would not go anywhere, nevertheless it is a mobile system; the deep underground basing system that would obviously be looked at and has been discussed at some length; the ballistic missile defense system, which would be considered and is being considered as part of some kind of fixed base type of defense for the system. The authorization conference report provides for $25 million for deceptive basing, which is a system that moves the missile, and I am convinced, from talking to the people at the Defense Department, having discussed this with the gentleman earlier, that there will be some deceptive basing modes studied, along with everything else, and that that certainly has not been ruled out.

Mr. LEVITAS. I appreciate the comments of the gentleman from Alabama, and I would hope that he would use his efforts to assure that some deceptive basing mode, some means of protecting against the vulnerability of fixed basing will be an important part of whatever research and development on basing is done as a result of this program.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. CHAPPELL).

Mr. CHAPPELL. Mr. Chairman, I associate myself with the remarks of the gentleman from Alabama (Mr. EDWARDS) and with those spoken by others against this amendment.

In my view, the evidence is clear that the Soviets now believe they not only can survive a nuclear exchange, but they can indeed win a nuclear war. What is important about that is the fact that so long as they have that perception, I repeat, as long as they have that perception, then the status of effective deterrence simply cannot exist.

We have come a long way in building up our conventional forces. We must have a good balance between our strategic and conventional forces. We have been building those up. We are yet far behind the Soviets, obviously, in conventional capacity. In the strategic field, we have not come on board with one new intercontinental ballistic missile since 1965. Not one. We simply have been lying dead in the water, and the Soviets have been gaining the superior position for too many years.

If we are going to insure effective deterrence we must soon restore the strategic imbalance of this leg of the triad. I hope all of us understand the fact that we are only talking about R.D.T. & E. on the missile itself and on its basing mode. We are not providing funding for construction. We are only providing research and development moneys. I hope we will not make the mistake of placing the security of our country at further risk by approving this amendment.

I urge a no vote on the amendment.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Connecticut.

Mr. MOFFETT. The gentleman, for whom I have great respect, made the statement at the outset of his remarks that the evidence is conclusive—if I am misquoting, correct me—that the Soviets think they can win in a war with us.

That may be true, but I do not know that that is the case.

Mr. CHAPPELL. Let me explain to the gentleman why I think it is conclusive. Everything we see the Soviets doing insofar as their buildup in the strategic arena, everything they are doing there leads to a conviction on their part that they have to have the superior force in the strategic field. And I think indeed they have substantially gained that. Now, what they have been doing that we have not been doing is that they have long since undertaken a determination to protect their industries and their people from nuclear attack. To me, that is a very significant factor. If they have the perception that they can survive an exchange by reason of the fact that they are protecting some 80 percent of their people for example, while they are putting at risk 80 percent of ours, then it is pretty convincing, to me, that they have determined that they have or shortly will have arrived at the point where they can survive that nuclear exchange and, not only survive it, but win it, because of the superior forces which they are in the process of fielding and have already fielded.

That is what convinces me they have embarked upon that kind of a program and feel that that is where they are. Therefore, I think that not only do we have to pay attention, keen attention, to our conventional capacity and capability, but keen attention to the effectiveness of a nuclear deterrence.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from New York.

Mr. DOWNEY. How does the gentleman respond to the Office of Technology Assessment, our own House arm, that said that in a thermal nuclear exchange between ourselves and the Soviets, the Soviet society would not be a contemporary operating society for the next 30 years, indeed, that they would be bombed into the stone age?

Is the gentleman suggesting that the civil defense system in the Soviet Union is going to protect 80 percent of their population from the effects of a full-scale thermal nuclear exchange?

□ 1830

Mr. CHAPPELL. I am simply saying to the gentleman if they have the perception they can do so. I think the perception is important here, and I think that is something we have to address.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. Mr. Chairman, I think it is important for us to examine exactly how we got here. The temptation is almost overwhelming to indulge in a little self-serving praise for those of us who said the MX would never be built and the shelter system indeed is not being built. The only reason why we are here even discussing land-based vulnerability is because both parties, (the U.S.S.R. and the United States), in the late sixties and early seventies failed to seize upon the opportunity to control MIRV's and that is why Soviet ICBM's and our ICBM's are currently in jeopardy because of the failure of arms control.

It seems to me by going ahead and eschewing the notion that somehow we can provide security without arms control is a devastating mistake for us to make, and we continue to make it over and over again.

What is the MX missile? Make no mistake, the MX missile is a bargaining chip. That is all it is. It cannot be anything else. It is a tremendously expensive bargaining chip.

Just think about the basing mode for a minute if you will. Six thousand PSI shelters.

The gentleman on both sides of the aisle on this question know, No. 1, that even today, and certainly by 1986, those missiles will be vulnerable and indeed they will be the first missiles if the Soviets were to launch an attack that they would go after.

Let us not make any mistake about the MX being survivable. It is not. Putting it up in an airplane to fly around nonstop is also absolute dribble, that will never happen.

The third option, putting it in deep underground shelters or on the sides of mountains so that 3 and 4 weeks after they have dug themselves out they can be used is hardly an option that anyone considers seriously.

ABM. The countermeasure, countermeasure systems in ABM, there is no way that that is a survivable system. MX is a bad idea. It is an expensive, very expensive bargaining chip which I submit to the Members is the only reason it is being built. That is no reason to spend 2 billion dollars.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. WOLPE).

Mr. WOLPE. Mr. Chairman, I rise in strong support of the amendment offered by my colleague from New York, Mr. ADDABBO, to delete funding for the MX missile system. He and others have spoken to the absurdity of the proposed multi-billion-dollar investment—not only from a military standpoint, but also from the perspective of a country struggling to reduce the rapid pace of the nuclear arms race. If we are truly serious about strengthening our defense capability, we will today put an end to this kind of wasteful, unjustified expenditure; the proposed MX missile program represents nothing more than a tremendous diversion of critical resources away from areas of genuine need, both within and outside of the defense budget.

Study after study has concluded that our most pressing military need is not the purchase of increasingly costly and sophisticated nuclear weaponry; rather, our needs are in the conventional forces area—in the improvement of the morale and competence of our personnel, in the provision and maintenance of our basic equipment, in the adequacy of basic logistical support. Yet, as the country gears up for a massive nuclear buildup, it is these elements of our military preparedness—elements essential to real national security—that are by and large ignored.

Perhaps the greatest absurdity of the MX is that it is proposed as a means of enhancing American deterrence when our nuclear forces already provide a tremendously powerful counterthreat to Soviet aggression. To put the issue of our nuclear deterrent in perspective, it should be noted that even if the Soviet Union launched a first strike against the United States—a strike that was so extraordinarily successful that it totally eliminated our land-based nuclear force, our airborne nuclear fleet, and all the nuclear submarines that are in port at any one time—there would remain at sea 20 nuclear submarines, each carrying 16 missiles, each missile carrying 8 to 10 warheads, each warhead having an explosive power seven times that of the bomb that fell on Hiroshima. These 20 subs alone would be sufficient to destroy every major economic, industrial, and population center in the Soviet Union three times over.

In terms of accuracy, size and survivability, the U.S. nuclear force is more than sufficient to deter Soviet aggression; and in the absence of any operable agreement on strategic arms limitation, the decision to develop even greater nuclear capability will only

fuel the already growing threat of a major and destabilizing arms race.

But these are military arguments that have been addressed and addressed effectively by those who have proceeded me. I think what really requires discussion at this point are the broader implications of the approach that we appear to be taking to national defense issues—an approach that is symbolized by the MX missile debate.

What is happening is that—out of a sense of fear unsupported by evidence or reason—we are indiscriminantly throwing dollars at the Pentagon and, in the process, we are ending up with less security rather than more. Moreover, the kind of unnecessary and uneconomic military investment which we consider today—the quintessential example of which is the MX missile—undermines the very economic foundations of our Nation and, thereby, our national security.

It is difficult to conceptualize the sheer magnitude of the defense program being promoted by the administration. Over the next 5 years, the United States will spend over $1.6 trillion on defense; $1.6 trillion. If we were to spend that sum at the rate of $1 million per day, 365 days a year, it would take over 4,000 years to exhaust the war chest. Put another way, over the course of the next 5 years, we will be spending on the average, $830 million a day on defense alone.

The economic implications of the defense buildup are staggering. Last fall, the Pentagon asked such luminaries as the Nobel laureate Lawrence Klein, Otto Eckstein, and Michael Evans, along with forecasting firms such as Chase Econometrics and Merrill Lynch Economics, to examine the impacts of rising military spending. Their conclusion: "Large increases in the military budget will lead to greater deficit spending." And with tax reductions exceeding cuts in social spending, the defense increases will push the Federal budget even further into the red—meaning continuing high interest rates and continuing high rates of inflation.

But that is only part of the economic cost of wasteful and excessive military spending. Economists are also warning us that our defense spending binge, by diverting scarce capital and technical expertise away from other sectors of our economy, threatens directly our efforts to revitalize our private industrial base. We are all keenly aware of the tremendous difficulties the United States has encountered in recent years in the competition with the Germans and Japanese. And the explanation for our difficulties is traceable directly to their relatively greater commitment of capital to the private sectors of their economies. Over the past decade, American fixed capital investment as a percentage of our Nation's gross national product ranged between 17 percent and 19 percent. During the same period, German fixed capital investment was between 20 percent and 26 percent of GNP and Japanese fixed capital investment was in the 31 percent to 36 percent range. Is it any wonder that modern and efficient Japanese and German firms have been able to overtake the aging American industrial system? For emphasis, it should be noted that in 1977, for every $100 of new fixed capital formation, the United States applied $46 to the military sector; in sharp contrast, in Japan only $3.70 of every $100 of new fixed capital formation was applied to the military. This concentration of Japan's capital on productive economic growth goes far to explain the current success of that country's industry, where productivity grew 6.2 percent in 1980. By contrast, aging plants and equipment in the United States led to a decrease in the average output per person in manufacturing industries of 0.5 percent.

The important point, in the context of the legislation before us, is that this economic disparity will only widen if we fail to bring defense spending under control and if we fail to recognize the overall economic impact of wasteful defense expenditures. As Economist Bruce Russett has noted:

> Every dollar in military spending results in a new loss of over 27 cents in fixed investment in civilian goods and a drop in personal consumption of 42 cents. Interest sensitive sectors like housing and durable goods, cars, appliances, and furniture are especially hard hit when excessive arms spending bids up the cost of borrowing. This loss of investment and consumption to the military decreases long-term growth opportunities, making job creation difficult and preventing any growth in real wages.

If in the process of arming America, we allow our country's economy to decay, I submit that we will have only weakened our Nation's security. Clearly the question before us today is not whether we can afford both guns and butter. We can and must afford both. But what we cannot afford is waste and extravagance—be that in domestic or in military programs. And we must recognize that our national security is as dependent upon our economic strength as it is upon the number of missiles in our nuclear arsenal. This is the real meaning of the amendment offered by the gentleman from New York: it offers us an opportunity to pare back the kind of wasteful military expenditures that have no real military utility and are so economically destructive. I commend Mr. ADDABBO for his effort and urge the adoption of his amendment.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, we have heard perhaps the foremost defense authority in the Congress, the distinguished gentleman from New York, the chairman of the subcommittee, tell us that $1.9 billion that is asked for here is not needed. I think we ought to take that very seriously.

I think it is one thing if lay persons who have not been involved in defense allege it. That might have credibility. But I think it has even more credibility when the gentleman from New York (Mr. ADDABBO) says it.

Now, if I heard the gentleman correctly, what he said to us was that the Pentagon does not need this money. I think that is what he said. They absolutely do not need this money. They can move ahead on R. & D. without $1.9 billion.

Yet we appear to be moving toward a decision to simply brush aside the analysis of the distinguished subcommittee chairman and shovel this money out of the Treasury over to the Pentagon.

I earlier in the debate on this bill made reference to some social programs, and I know some of our colleagues think it is rather corny to talk about social programs when we are talking defense spending, but the fact of the matter is it was in this same room, in this Chamber, where not so long ago we took actions which have in fact cut poor kids off of meals, cut old ladies off of home health care. We are not imagining it. It has happened and I look around the Chamber and see a few people smiling. It is not corny to raise these kinds of issues. Some might say that the gentleman from Connecticut is raising them and maybe he is being overly simplistic and maybe it is somewhat simplistic. But we did it. We took the action to cut people off of needed nutrition, and we took the action to cut people off of school lunches and we did it with vigor and enthusiasm—maybe not happily, but we talked about fighting inflation when we took that action.

Everyone here knows that that is what the language was and when we closed day care centers, we said, "Well, we know there are some good day care centers that will be closed, but we have to make the tough decisions, do we not? We have to make these tough decisions."

I held hearings on the Youth Conservation Corps, ghetto kids for the first time being in touch with the world of work, self-reliance, frugality, tens of thousands of them, now off of the jobs, back out into the streets to a life of crime and drugs. We said, gee whiz, Secretary Watts says this program has got to go. We have to fight inflation.

So here we are about to shovel out $1.9 billion for a weapon that nobody seems to figure out where it goes, but as the gentleman from New York (Mr. DOWNEY) said, it is some sort of bargaining chip. It makes no sense. It makes absolutely no sense. This

weapon represents a provocative step. This very confident, self-assured President does not need MX when he goes to the negotiating table. He has a very powerful defense system now. It might need changes in certain areas, it might need improvements here or there, but the top priority ought to be to get to that table as fast as possible, not to load up with more and more new weapons before we get there.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I must recommend that we reject this amendment.

During the 1970's, we did not deploy a single new intercontinental ballistic missile. During that period of time the Soviet Union deployed six new intercontinental ballistic missiles embodying new technology.

For the decade of the 1980's, the Soviet Union has four new, larger, more devastating intercontinental ballistic missiles on the drawing boards and scheduled for development. We have only one—the MX.

Theirs will be bigger than ours and will have more throw weight. They will have a greater capacity for independently targeted reentry vehicles. If we are to stay in this game and have a believable deterrent triad of land based, air carried, and sea based power, then it seems to me imperative that we at least move ahead with the development of the technology for the MX missile.

I think there is a further reason today why it is important that the House vote to authorize and appropriate moneys for the beginning of this technology.

Today, the President of the United States in a dramatic and historic gesture of peace has offered to zero out, if the Soviet Union will agree, all land based intermediate range nuclear warheaded missiles from the continent of Europe.

Let us not pull from under him the ground on which he must stand by turning down his request at this very moment for this long-range development. If we were to do so, we might reduce his credibility. Surely that is not the desire of any American citizen.

In this particular moment in the history of the negotiations throughout the world, let us give to the world by our actions today a convincing demonstration that when the President of the United States speaks for us in the councils of the world, he speaks for a nation united in purpose and not eaten apart by corrosive acids of internal political division.

For that reason, as well as the reason earlier stated, I urge a "no" vote on this amendment and a vote in support of the development of the MX missile.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, let me say that I second very strongly the eloquent remarks of the majority leader and I can perhaps add just two or three points to what he has said.

I am myself not very happy with the President's decision on the MX basing system. I think it would have been much better had he approved the deceptive basing system.

Senator TOWER and other outstanding experts on defense in the other body share this point of view. But I do not think we ought to be voting against the MX missile simply because we do not like the basing mode, and because the basing mode decision is up in the air.

After all, we have to remember why it is that the MX has been proposed. It has been proposed because we are seriously, gravely inferior to the Soviet Union in virtually every category of military activity. We have a hollow Army. We have a 1½-ocean Navy. We have in our land-based missile force a window of vulnerability that exists now and is likely to exist for 4 or 5 years; and if we do not do anything about the MX, it will last a lot longer than that.

□ 1840

So we have got to move now to close that gap with the Soviet Union. Why is it that the Soviets are so much ahead of us with respect to the missile factor? Because they have much bigger missiles and because their missiles have much greater yield. The SS-18 and the SS-19, for example. Those are the very missiles that President Carter tried to get the Russians to give up back in March 1977 and he did not succeed.

Once again we find, as the majority leader has just mentioned, that our major missile today, the Minuteman III is almost obsolete. It may not be quite as old as the B-52, but it certainly is as old as the TFX. The MX represents the first time we really have undertaken to build a large missile that can match what the Soviets have been deploying for years.

It is going to take at least 3 or 4 years to develop that missile. But let us get going now to develop it. And in the 4 years between now and when that new missile becomes available, we may well have been able to achieve in the meantime some kind of consensus about basing this particular missile.

The one thing I think has added a bright note here in the city of Washington in this administration was the clear indication on the part of the Reagan administration that we have finally recognized that if we are ever going to deter the Soviets, if we are ever going to get a satisfactory arms limitation or reduction agreement out of the Soviets, we have to catch up with them and match them in terms of military capability. Now if the Congress today, after having done such a remarkable job in demonstrating our determination to improve our forces just a moment ago by supporting the revival of the B-1 were to reverse itself and vote down the MX missile, it would not only undermine our President, as the gentleman from Texas (Mr. WRIGHT) has just said, but even more it would undermine the credibility of the Congress and of the U.S. Government to do what needs to be done to match the Soviet Union so that we can successfully deter them and so that we can sometime get a successful, satisfactory arms agreement.

Mr. EDWARDS of Alabama. Mr. Chairman, in closing the debate for this side, let me just remind the Members that this is an important item as far as the President is concerned, as we begin talking about START. I want to thank the majority leader, the gentleman from Texas (Mr. WRIGHT) for his statement in support of this system.

I think we have got to support our President now and that we should move forward with this. Any changing of course on this missile would be an extreme mistake at this particular time.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. MURPHY).

Mr. MURPHY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the security of our country is of preeminent concern, and no one in this House is more supportive of the security needs of our country than I am. We must do all that we can to protect the people of this country—to act in the best interests of this Nation.

It is tempting to support any program that is heralded as being necessary for national defense. In some quarters, that would be the popular course to take, but that is not the most judicious course. That is not what we were elected to do. Our task is to examine carefully and fully the proposals that are put before us, and to select and support those that are worthy on the basis of merit. This is what I have tried to do. And I regret that after having looked at a number of these items, I must reject two of the proposals which have been placed before us today.

Our earlier discussion today centered around the B-1 bomber. I voted in opposition to the B-1 bomber, because, in my opinion, it is a program whose time may have come—and gone. I have supported the B-1 in the past. But building it now, considering the time that will be taken to complete its

development and to begin production, may result in a plane with an extremely short effective life. It may be obsolete for the use for which it was intended shortly after it is built—a potentially life threatening vehicle for the airmen who will have to fly it. Furthermore, developing and producing the B-1 may actually impede the development of its logical successor, the Stealth bomber. I am aware of several of the problems concerning the continued use of the B-52. I agree that something must be done to solve these problems. But I am convinced that building the B-1 is not the answer.

The MX missile proposal really encompasses two very different and separable aspects that are often considered together. These are the missile itself, and the way in which the missile is to be based. The MX proposal, however, has always had only one objective: The increased security of the United States, to be accomplished specifically by making our land-based intercontinental missiles less vulnerable to Soviet attack.

The missile itself contributes very little to this objective. It is a new missile, it can carry 10 warheads to the 3 now carried by the Minuteman III, but at least initially, the accuracy and yield of MX warheads will be exactly the same as those used by the advanced Minuteman III. It is the basing scheme that will determine how vulnerable the missile will be to Soviet attack, and thus it is the basing scheme that ultimately will contribute most of the security to be gained by implementing this program. Given the ever-increasing accuracy of both U.S. and Soviet warheads, any missile placed in a fixed land-based location must be considered vulnerable when attacked by two or more warheads from the other side. Now that we have abandoned the "racetrack" designs for MX basing, and the administration has deferred its decision on the permanent basing of the MX until 1984, we have no real way to assess the gains to be made in the name of national security by accepting the MX missile proposal. We are being asked to buy, and we are not being told what we are buying. We should not vote blindly to accept a program of uncertain merit just because it is promoted in the name of national security.

A more general question that should be addressed is whether we need the MX missile program at all. An examination of the number of nuclear warheads estimated to be available to the United States and to the U.S.S.R. on land-based intercontinental and submarine-based missiles shows a remarkable parity at about 6,700 to 6,800 warheads apiece. While the numbers for both sides are projected to increase dramatically into the mid-1980's, with up to as many as 12,000 warheads available to each side, a tally shows that the balance between countries should continue to remain comparable. This does not mean, of course, that the United States and the U.S.S.R. are equal in every respect with regard to nuclear weapons. The U.S.S.R. has far more land-based intercontinental warheads, while we have far more submarine-launched warheads. And these numbers do not even include bomber strength, where the United States is superior. It may in fact be a strategic error for our country to even try to achieve parity with the Soviets in every category. As I have already noted, fixed land-based missiles are increasingly vulnerable targets. Just because the U.S.S.R. now finds itself with almost 80 percent of its available warheads in fixed land-based targets does not mean that we should elect to follow their lead. The distribution of our warheads among a number of different delivery systems was a prudent strategic decision. The resulting numerical difference in one area, especially in an area that is vulnerable to attack, should not be interpreted as weakness on our part.

The prospect of nuclear war is horrible indeed. In 1945 when Hiroshima and Nagasaki were bombed, over 100,000 people were killed and over 50 percent of the two cities were destroyed. Those bombs had a yield of 14 kilotons and 20 kilotons respectively, where 1 kiloton is the equivalent of 1,000 tons of TNT. United States and Soviet warheads now generally range from 170 kilotons to 1 megaton (1,000 kilotons). Furthermore, the Hiroshima and Nagasaki explosions were "air bursts," detonated 1,800 feet above the surface. Surface bursts on the other hand are detonated at ground level, and as a result throw a great amount of radioactive dirt and debris into the air. Large areas are affected by radioactive fallout and can remain that way for a long time; food sources are contaminated. This is exactly the kind of an explosion that is most effective against blast-hardened missile silos, and so, this is exactly the kind of an explosion that we could expect to see during a nuclear war at 1,000 sites in the United States and at over 1,500 sites in the Soviet Union.

The MX missile, as a major change in the balance of long-range nuclear weapons, may actually provide the impetus for the Soviets to embark on yet another round in the development of nuclear weapons. Where will it all end? Given that our technology can now give us 15 to 20 minutes of advanced warning, and that it is very unlikely that we can be completely surprised by a Soviet attack, when can we finally say that we have enough nuclear warheads to satisfy the needs of national security? Is a 3-to-1 ratio of warheads to probable targets sufficient—just about what we have now? How about 4 to 1? When can we reasonably refrain from making numerical increases in nuclear warheads every time the Soviets achieve parity?

I am strong in my support of a strong national defense. It is something that this country must have. But a strong national defense is based upon making wise choices in the allocation of resources and effort. There are several points in our national defense posture that need to be improved, and I will vote to improve them. I will also vote to support our general program of national defense. But I could not vote to support the development of the B-1 bomber, and I cannot vote to support the production of the MX missile. In my opinion, at this point in time, it is simply not in our Nation's best interest to do so.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I rise in support of the amendment offered by the distinguished chairman of the subcommittee, Mr. ADDABBO, to delete funds for the MX missile. I recognize that our land-based ICBM's are facing a theoretical window of vulnerability. Of course, it is unlikely that any Soviet leader in his right mind would chance the complete destruction of his country by attacking our ICBM's. Nevertheless, it is not wise to allow one leg of our strategic deterrent Triad to become even theoretically vulnerable if the vulnerability can be eliminated without exorbitant cost and without actually adding to the risk of nuclear war.

However, not every proposal to close the window of vulnerability can meet these criteria. Certainly the previous administration's racetrack or shell game proposal for basing the MX did not. And neither does the current administration's proposal for storage of MX missiles in the old Titan silos, even if they are hardened as planned. As has already been pointed out, the MX in hardened silos would still be vulnerable and, therefore, it would become not a deterrent but a first-strike weapon. As such, it would be highly destabilizing and would add to, rather than lessen, the danger of nuclear war.

The MX in silos can be justified only as an interim step until an economically viable, less vulnerable basing mode is developed. If I were convinced that the administration were pursuing such a basing mode, I would strongly support continued funding for MX. Unfortunately, none of the basing modes which the administration is publicly on record as considering meet such criteria.

The one basing mode that would be least vulnerable and probably the least costly, the shallow underwater missile submarine (SUM) is not being consid-

ered by the administration. This busing mode would mount two or four MX missiles in their canisters attached to small 1,200 to 1,400 ton conventionally powered submarines cruising at 200-foot depths at distances of 100 to 500 miles off our Atlantic and Pacific coasts. SUM would be completely invulnerable and undetectable, involve no new technology and no scarce materials or scarce industrial capacity.

In the absence of a satisfactory basing plan, MX can, at best, be justified only as a bargaining chip, to be scrapped in exchange for scrapping of an equivalent number of Soviet missiles under some future arms reduction agreement.

I am gratified and encouraged, as I am sure we all are, by President Reagan's speech yesterday holding out the prospect of genuine arms reduction negotiations. If followed by actual negotiations, the speech may represent a genuine turning point toward ending the escalating nuclear arms race. Until an arms reduction agreement is reached, we must, of course, continue to maintain a strong nuclear deterrent. Unfortunately, the MX in the presently proposed basing mode will not be such a deterrent. For this reason, I must register my dissent by voting against it.

Moreover, I am informed that the Department of Defense has thus far refused to supply to the Appropriations Committee information as to the amount of unobligated funds it has for MX research and development leftover from prior fiscal years. The clear implication of this is that there is a sizable carryover, and that enactment of the Addabbo amendment will not halt continued research and development work on MX.

Mr. ADDABBO. Mr. Chairman, it may appear that I am not supporting the President, but I am. I have always in the past supported the funding for the MX. As I stated earlier, I have supported the MX R. & D. in previous years. As a result of that support, the Department of Defense does have money in their program to do R. & D. on the MX program; but have we learned nothing in this House as far as DOD is concerned?

You have heard the gentleman from Florida (Mr. CHAPPELL) say how far ahead the Russians are. Well, whether we can kill them 10 times and they can kill us 9 makes no difference. You are dead after the first or second shot.

Where are they going to put this multibillion-dollar missile? Are they going to put it into a silo, a silo in States other than Utah or Nevada? Are those States now sacred? Will other States now take this new missile in silos which are vulnerable now and will be more vulnerable as time passes.

But you can still build a missile and put it in these vulnerable silos. What missiles? What size? Do we know? No.

So that is why I am saying, Why provide $1.9 billion which will probably end up as unobligated balances? That unobligated balance account right now has over $31 billion in it, moneys this House has appropriated in previous years which sits there unobligated.

They have in hand also $140 billion in unexpended moneys that still will be spent for new programs, but we also know those new programs change as we go down the line and get reprogramed out before they get to that money.

So what are we saying to the Pentagon? "You have $31 billion, so take another $1.9 billion we are giving you until you decide how you are going to base it.

Now if we fund the MX, are we giving the President any bargaining chips? What is a bargaining chip? A bargaining chip is something that can be used. The Russians know what can be used and what cannot be used. An MX for which we have no basing mode cannot be used and is therefore not much of a bargaining chip.

So what I am saying is keep this $1.9 billion out of the wasteful hands of the Defense Department. As Mr. Stockman says, there is $20, $30, and possibly $40 billion worth of waste down there. Keep this $1.9 billion out of their hands until they come back to the keeper of the taxpayers' dollars, the body that should be protecting our national security, the Congress, and tell us how and when they are going to use this $1.9 billion.

Do we stop our missile programs? No, we do not stop our missile programs. We have got missiles. We have got the Titans. Yes, they are still in service, and they can be fired. We have the Minuteman III, and we have increased the funds for the Minuteman III updating.

In addition to that, we have funded in this bill a new missile, the D-5 Trident. I would point out that the D-5 need not be carried only in submarines. That same missile can easily be used on land; if only we can convince the Air Force to use something in common with another service.

I am saying, look at the D-5. This is a new missile. It is new money, a new program, a new capability, a new weapon that will enhance our national security. The Pentagon should examine the D-5 for possible use by the Air Force, and report back. Following such a report, the Congress can be asked to appropriate funds. We have read 1,000 times over about the waste that has come out of the Defense Department because of programs such as this. When they are given money which is not earmarked, and this $1.9 billion is unmarked, to do R. & D. on an MX without a basing mode, we are giving them funds they do not need. We are cutting it out, because they do have millions of dollars in this program which they are unable to disclose to our committee or to anyone else.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. EDWARDS of Alabama. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 139, noes 264, not voting 30, as follows:

[Roll No. 317]

AYES—139

Addabbo	Gejdenson	Pease
AuCoin	Glickman	Petri
Barnes	Goodling	Porter
Beilenson	Gray	Pursell
Bingham	Green	Rahall
Blanchard	Gregg	Rangel
Boland	Guarini	Ratchford
Bonior	Harkin	Richmond
Bonker	Hawkins	Rodino
Brodhead	Heftel	Rosenthal
Brooks	Hertel	Roybal
Brown (CA)	Hollenbeck	Russo
Burton, John	Horton	Sabo
Burton, Phillip	Howard	Savage
Clay	Jacobs	Scheuer
Coelho	Jeffords	Schneider
Collins (IL)	Kastenmeier	Schroeder
Conte	Kildee	Schumer
Conyers	LaFalce	Seiberling
Coughlin	Lantos	Shannon
Coyne, William	Leach	Simon
Crockett	Lehman	Smith (IA)
Danielson	Leland	Smith (NE)
Deckard	Long (MD)	Smith (NJ)
Dellums	Lowry (WA)	Solarz
DeNardis	Lundine	St Germain
Derwinski	Markey	Stark
Dingell	Mavroules	Stokes
Downey	Mazzoli	Studds
Dwyer	McHugh	Synar
Early	McKinney	Tauke
Eckart	Mica	Traxler
Edgar	Mikulski	Walgren
Edwards (CA)	Miller (CA)	Washington
Erdahl	Mineta	Waxman
Evans (IA)	Minish	Weaver
Evans (IN)	Mitchell (MD)	Weber (MN)
Fascell	Moffett	Weiss
Fenwick	Molinari	Williams (MT)
Ferraro	Murphy	Wirth
Findley	Nowak	Wolpe
Foglietta	O'Brien	Wyden
Ford (MI)	Oberstar	Yates
Ford (TN)	Obey	Young (MO)
Fowler	Ottinger	Zeferetti
Frank	Panetta	
Gaydos	Patterson	

NOES—264

Akaka	Barnard	Brown (CO)
Albosta	Beard	Brown (OH)
Alexander	Benedict	Broyhill
Anderson	Benjamin	Burgener
Andrews	Bennett	Butler
Annunzio	Bereuter	Byron
Anthony	Bethune	Campbell
Applegate	Bevill	Carman
Archer	Biaggi	Carney
Ashbrook	Bliley	Chappell
Aspin	Boggs	Chappie
Atkinson	Boner	Cheney
Badham	Bouquard	Clausen
Bafalis	Bowen	Clinger
Bailey (MO)	Brinkley	Coats
Bailey (PA)	Broomfield	Coleman

Collins (TX)	Holt	Quillen
Conable	Hopkins	Railsback
Corcoran	Hoyer	Regula
Courter	Hubbard	Rinaldo
Coyne, James	Huckaby	Ritter
Craig	Hughes	Roberts (KS)
Crane, Daniel	Hunter	Roberts (SD)
Crane, Philip	Hutto	Robinson
D'Amours	Hyde	Roe
Daniel, Dan	Ireland	Roemer
Daniel, R. W.	Jeffries	Rogers
Dannemeyer	Jenkins	Rose
Daschle	Jones (OK)	Rostenkowski
Daub	Jones (TN)	Roth
Davis	Kazen	Roukema
de la Garza	Kemp	Rousselot
Derrick	Kindness	Rudd
Dickinson	Kogovsek	Santini
Dicks	Kramer	Sawyer
Dougherty	Lagomarsino	Schulze
Dowdy	Latta	Sensenbrenner
Dreier	Leath	Shamansky
Dunn	LeBoutillier	Sharp
Dyson	Lee	Shaw
Edwards (AL)	Lent	Shelby
Edwards (OK)	Levitas	Shumway
Emerson	Lewis	Shuster
Emery	Livingston	Siljander
English	Loeffler	Skeen
Erlenborn	Long (LA)	Skelton
Ertel	Lott	Smith (AL)
Evans (DE)	Lowery (CA)	Smith (OR)
Evans (GA)	Lujan	Smith (PA)
Fary	Luken	Snowe
Fazio	Lungren	Snyder
Fiedler	Marks	Solomon
Fields	Marriott	Spence
Fish	Martin (IL)	Stangeland
Fithian	Martin (NC)	Stanton
Flippo	Matsui	Staton
Foley	McClory	Stenholm
Fountain	McCollum	Stratton
Frenzel	McCurdy	Stump
Frost	McDade	Swift
Fuqua	McEwen	Tauzin
Gephardt	McGrath	Taylor
Gibbons	Michel	Thomas
Gilman	Miller (OH)	Trible
Gingrich	Mitchell (NY)	Udall
Ginn	Mollohan	Vander Jagt
Gonzalez	Montgomery	Vento
Gore	Moore	Volkmer
Gradison	Moorhead	Walker
Gramm	Morrison	Wampler
Gunderson	Mottl	Watkins
Hall (OH)	Murtha	Weber (OH)
Hall, Ralph	Myers	White
Hall, Sam	Napier	Whitehurst
Hamilton	Natcher	Whitley
Hammerschmidt	Neal	Whittaker
Hance	Nelligan	Whitten
Hansen (ID)	Nelson	Williams (OH)
Hansen (UT)	Nichols	Wilson
Hartnett	Oakar	Winn
Hatcher	Oxley	Wolf
Heckler	Parris	Wortley
Hefner	Pashayan	Wright
Hendon	Patman	Wylie
Hightower	Perkins	Yatron
Hiler	Peyser	Young (AK)
Hillis	Pickle	Young (FL)
Holland	Price	Zablocki

NOT VOTING—30

Bedell	Florio	Martin (NY)
Bolling	Forsythe	Mattox
Breaux	Garcia	McCloskey
Chisholm	Goldwater	McDonald
Dixon	Grisham	Moakley
Donnelly	Hagedorn	Paul
Dorgan	Johnston	Pepper
Dornan	Jones (NC)	Pritchard
Duncan	Madigan	Reuss
Dymally	Marlenee	Rhodes

□ 1900

The Clerk announced the following pairs:

On this vote:

Mr. Reuss for, with Mr. Pepper against.

Mr. Moakley for, with Mr. Breaux against.

Mr. Dixon for, with Mr. McDonald against.

Mrs. Chisholm for, with Mr. Rhodes against.

Mr. RAILSBACK and Mr. HALL of Ohio changed their votes from "aye" to "no."

Mrs. SMITH of Nebraska changed her vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. CROCKETT. Mr. Chairman, on rollcall No. 316, the vote on the Addabbo amendment to strike funds for the B-1 bomber, I inadvertently voted "no." I in fact supported the Addabbo amendment.

Mr. WRIGHT. Mr. Chairman, I move to strike the last word.

I take this time, Mr. Chairman, simply to announce what we plan to do for remainder of the evening. We made very good progress. We have disposed of the two most controversial of all the amendments, in all probability.

The chairman of the subcommittee, Mr. ADDABBO, earnestly entertains the hope that we might be able to complete this bill tonight. With the cooperation on both sides of the aisle, quite probably we can do that, but we shall not go beyond 9 o'clock.

□ 1910

We had planned to try to get some general agreement—and I shall leave that in the capable hands of the gentleman from New York (Mr. ADDABBO)—on both sides of the aisle, and perhaps with enough cooperation we can finish this bill and get out of here by 9 o'clock tonight.

Whether or not we finish this bill tonight, the first order or business tomorrow will be a bipartisan House concurrent resolution commending the President of the United States on the peace initiative which he announced today, making it clear to the world that when the President of the United States, be he of whatever political party, speaks in the councils of the world for this Nation, he speaks for a united people who are not torn apart by internal divisions, and that we join him in the hope for a peaceful Europe and we—all of us, I hope—support this important initiative.

That will be our first order of business tomorrow, and, Mr. Chairman, without further ado, I shall simply implore all Members to cooperate to the maximum extent possible in the hope that we can complete this bill by 9 o'clock tonight.

AMENDMENT OFFERED BY MR. SKELTON

Mr. SKELTON. Mr. Chairman, I offer an amendment.

The Clerk proceeded to read the amendment.

Mr. SKELTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. EDWARDS of Alabama. Mr. Chairman, reserving the right to object, this is only a one-line amendment. I do not know why we should not have it read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SKELTON: Title V, page 27, line 1, strike the figure "$8,501,210,000" and insert in lieu thereof the figure "$8,505,210,000".

Mr. SKELTON. Mr. Chairman, this is an amendment that adds $4 million to the research and development for the Air Force for the over-the-horizon backscatter radar system.

I think we might be able to proceed more expeditiously if I engage the distinguished subcommittee chairman in a colloquy at this point. I ask the gentleman from New York (Mr. ADDABBO) if he will speak with me about this matter.

Mr. Chairman, as the gentleman knows, I had an earlier amendment which I did not offer for some additional $19 million for the continued upgrading of the DEW line system and the Pine Tree line system, which is, as the Members know, the early warning system against any enemy aircraft flying from the North Pole area.

This particular amendment adds $4 million to the over-the-horizon backscatter, which is a sophisticated type of radar system that is being tested at the present time in the Northeast, in the Northwest, and also in the North against possible enemy aircraft encroachments.

Now, it is my understanding that both of these items are included in the Senate version of this bill; is that not correct?

Mr. ADDABBO. Mr. Chairman, if the gentleman will yield, that is my understanding at the present time.

Mr. SKELTON. Mr. Chairman, it is my hope that they would be included in the final version of this bill, and I have also received a report on this matter. However, there are conflicting reports, but one is that this amount, this $4 million which I seek now under this amendment, was actually included in the supplemental of 1981.

I would appreciate the gentleman's expanding on this, because I do not want the Air Force to come up short when it comes to air defense.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the subcommittee chairman.

Mr. ADDABBO. Mr. Chairman, I thank the gentleman for yielding.

In our 1981 supplemental, $4 million was included for this program, and we

believe that the money is still available.

If the gentleman will withdraw his amendment, I can assure him that this program is supported by the committee, and that if it is included in the Senate version, and is not a duplication, we will make sure the money is restored.

Mr. SKELTON. Mr. Chairman, with the gentleman's agreement that this will continue on, and that, should it not be a duplication, he will support this particular item of $4 million in the Senate version, with that understanding and knowing of the great importance of our air defense system, I will happily withdraw the amendment.

Mr. Chairman, I ask unanimous consent that I may be permitted to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the bill.

Mr. ADDABBO (during the reading). Mr. Chairman, I ask unanimous consent that the balance of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair will inquire, are there any points of order against any portion of the bill?

POINTS OF ORDER

Mr. BONIOR of Michigan. Mr. Chairman, I make a point of order against section 784 and against 785, which legislate under an appropriation bill and violate clause 2 of rule XXI.

The portion of the bill to which the points of order relate is as follows:

SEC. 784. None of the funds provided in this Act may be obligated or expended to transfer the Defense Departments' Schools to the Department of Education, or to fund the activities of the Advisory Council on Dependents' Education until legislative proposals to repeal such transfer of the dependents' schools are considered and acted upon by Congress.

SEC. 785. Notwithstanding the provisions of section 505(c) of the Omnibus Budget Reconciliation Act of 1981, funds made available to the Department of Defense by this Act for payments and arrangements authorized by section 505(c) shall be administered by the Secretary of Defense who shall be responsible for the conduct of programs with such funds and who shall not delegate such responsibility outside of the Department of Defense.

The CHAIRMAN. Does the gentleman from New York (Mr. ADDABBO) desire to be heard on the points of order?

Mr. ADDABBO. Mr. Chairman, we will concede both points of order.

The CHAIRMAN. The points of order are conceded and sustained.

The Chair will inquire, are there any other points of order against the legislation?

If not, the Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SEC. 702. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: Page 29, after line 4, insert the following new section:

SEC. 702. Of the total amount appropriated by this Act, not more than 95 percent may be obligated or expended.

Renumber the succeeding sections accordingly.

Mrs. SCHROEDER. Mr. Chairman, I am offering an amendment which might be known as the Michel-Reagan amendment. The amendment would reduce this bill by 5 percent across the board. In doing so, it follows the concept developed by the distinguished minority leader on Monday during our consideration of the continuing resolution. At that time, the minority leader offered a motion to recommit with an instruction to chop 5 percent off of virtually every budget account. He lost, in part, because he excluded the defense budget and, thereby, lost the support of many of us who want to cut the Federal budget but want to do it in a fair way.

Nevertheless, I believe that Federal spending has to be cut this year. The Federal deficit for fiscal year 1982 may well approach $80 billion, the highest level in American history. We must stop the Federal Government from crowding out the credit market and driving up interest rates in this way. The way to get the Government out of the credit market is to reduce the deficit. The way to reduce the deficit is to cut unnecessary spending. That is what my amendment will do.

My amendment will cut something less than $10 billion out of the budget and out of the deficit. I believe that every penny of this reduction can be achieved through the elimination of waste, fraud, and abuse in the Department of Defense. I will not repeat all the evidence I presented during the debate on the Defense authorization bill. As you may remember, I offered an amendment at that time to cut $8 billion of waste, fraud, and abuse out of the Defense authorization. At that time, I presented stacks of GAO reports and Republican study conference analysis showing over $16 billion of waste which could be eliminated promptly. Since then, the evidence of waste has grown.

My amendment to this bill is actually more modest than the one I offered to the Defense authorization bill. At that time, I proposed cutting about 6 percent from the defense authorization. Because of the excellent work done by the Defense Appropriations Subcommittee, I have reduced my cut to 5 percent of the total.

I must point out that, with the adoption of my amendment, this bill will still be 9 percent above the level of fiscal year 1981 defense spending. Real growth will be possible if the Defense Department aggressively eliminates fraud and waste.

Mr. Chairman, I urge my fellow budget cutters in this body to join me in eliminating waste, fraud, and abuse in the Department of Defense.

□ 1920

AMENDMENT OFFERED BY MR. MOFFETT TO THE AMENDMENT OFFERED BY MRS. SCHROEDER

Mr. MOFFETT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MOFFETT to the amendment offered by Mrs. SCHROEDER: strike all after the word "Act" and insert: "Not more than 98 percent of the total amount appropriated by this Act for procurement under title IV, and not more than 98 percent of the total amount appropriated by this act for research, development, test, and evaluation under title V, may be obligated or expended. None of the reduction required by the preceding sentence in funds available for procurement may be taken from amounts appropriated for procurement of spare parts."

Mr. MOFFETT. Mr. Chairman, although I think the amendment offered by the gentlewoman from Colorado is an appropriate amendment, I think it is much more likely that a 2-percent cut across the board would be accepted by this body and that is precisely what this amendment seeks to do.

I have been reading and rereading the remarks of the distinguished minority leader, Mr. MICHEL, during the time that he was arguing for his 5-percent across-the-board cut. He made some very, very important remarks, it seems to me. He indicated he did not like the idea of doing it in a recommittal motion and he felt he had to do it, had to use that avenue. But if you go over his remarks and analyze what he said with regard to the deficit and the relationship of spending to the deficit, I think it is obvious that we are here with a massive defense budget, the highest in the history, and we can afford to cut back just 2 percent on it.

I will bet there is not a Member in this body who has not sat with a CEO, a chief executive officer, back home or elsewhere who has not said "Gee, I do not know if all of this defense spending is so wise." We all know that many, many businessmen feel that defense spending will compete with productive investment for scarce capital,

for technicians, for engineers, et cetera, driving up the cost of consumer goods and leading possibly to cost overruns.

I think we can afford a 2-percent cut, Mr. Chairman. I think it should be deeper, but I do not think it would be approved.

I urge support for this amendment.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I have serious problems with the committee form of H.R. 4495. However, after reviewing the bill, it is apparent that, as currently drafted, I must oppose this measure. H.R. 4495, despite the good faith efforts of the committee, represents too much a response to the Pentagon whims and desires, rather than a critical analysis of the defense needs of our country.

In the procurement section of this bill, one sees Congress acceding to the self-vested interests of particular Pentagon pressure groups rather than weeding our inefficient costly programs.

Since the beginning of the Carter buildup in our defense strength, a more critical approach is mandated. Today, our extravagant defense purchasing policies detract from our efforts to minimize inflation and to balance the budget. It is essential that we bring defense waste under congressional control. This bill does not accomplish that goal. We still find in H.R. 4495 vestiges of attitudes protective of programs which we can no longer afford. We must judge programs on the criteria of national security and efficient purchase rates. We cannot tolerate those programs which bleed money away from our economic well-being.

Unfortunately, our largest weapons procurement program, the F/A-18, is one such program draining our limited funds. If the F/A-18 contributed to our national security, this would be one thing. Unfortunately, the F/A-18 does not make the requisite contribution to justify its soaring costs. The F/A-18 was supposed to be an affordable aircraft. A multifunctional fighter and attack capacity in which the Navy sacrificed quality in favor of quantity. The F/A-18 still does sacrifice quality. Its lack of quality, its lack of sophistication does show in some marginal advantages in operational availability. These, however, are far overshadowed by its sheer lack of combat capability, and its immense drain on the public purse. The advantages of Marine V/STOL are no longer too costly compared to the F/A-18. The need to counter the Backfire bomber can no longer be put aside in favor of cost. The Navy now recognizes its need for two F-14 squadrons per carrier. What is left for the F/A-18 is to absorb $35 billion in providing the Navy light attack and Marine fighter programs. The Defense Resources Board states that "the additional capability offered by the F/A-18 is not a requirement for Marine TACAIR." As far as light attack is concerned, our current A-7E force has a lifespan extending to the year 2000.

The chairman of the Senate Appropriations Committee has pointed out that the continued production of the A-7E would save a billion dollars a year in outlays over each of the next 3 years and many analysts even question the continued viability of a light attack role that far into the future.

The Navy itself knows that the real F/A-18 program is no longer 1,366 aircraft. The unit cost of the F/A-18 is far beyond what they admit. The F/A-18 is, in fact, maintained as it is, simply to avoid congressional criticism of the soaring unit costs inevitable with the small program that is left.

While I will not offer an amendment to this bill to delete funding today for this wasteful program, I believe, however, that this will be our inevitable choice. I only hope that this decision is made before too much more money is wasted.

Reference was made yesterday to a statement I gave on the House floor pointing out the latest accident involving the F/A-18. The information which I received from the base of the F/A-18 and from the Office of Legislative Affairs was that no blame was to be attached to the pilot of the A-4 chase plane. This is what I would expect. The pilot not only has his wings of gold as a naval aviator, he is also a highly skilled product of the naval test pilot's school.

Even before an investigation of the accident is completed, the defenders of the F/A-18 are claiming that their aircraft does not make mistakes, pilots do. This is most regrettable. The pilot of the aircraft has a fine record but in the rush to protect the F/A-18, the presumption of pilot innocence is cast aside and the pilot's reputation is besmirched.

Mr. Chairman, despite this bill's progress in reining in unbridled defense spending, it does not go far enough. Congress must reassert tight control over the Department of Defense. I urge the defeat of H.R. 4495 and the adoption of a bill to accomplish that goal.

Mr. MOFFETT. I might add that I think it is important to remind ourselves that the Carter figure was somewhere around $154 billion. This is not just a minor addition to that Carter figure. This is a massive addition in the bill and cutting back 2 percent, it seems to me, will send a signal to the American people that we think that the Pentagon can find somewhere to cut back 2 percent on what they expected to get out of this bill.

I yield back the balance of my time.

AMENDMENT OFFERED BY MRS. ROUKEMA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROUKEMA as a substitute for the amendment offered by Mrs. SCHROEDER: Page 29, after line 4, insert the following new section:

SEC. . Not more than 98 percent of the total amount appropriated by this Act for procurement under title IV, and not more than 98 percent of the total amount appropriated by this Act for research, development, test, and evaluation under title V, may be obligated or expended. None of the reduction required by the preceding sentence in funds available for procurement may be taken from amounts appropriated for procurement of spare parts, repair parts, or ammunition.

Renumber the succeeding sections accordingly.

Mrs. ROUKEMA. Mr. Chairman, I am today offering an amendment that would require a 2-percent across-the-board reduction in defense spending for titles IV and V, which authorize expenditures for procurement and research and development, respectively. This will save an additional $1.65 billion in budget authority for fiscal year 1982.

The amendment is selective and limited. For example, it would not cut expenditures for spare parts, repair parts, and ammunition. It would not cut spending for maintenance, nor would it cut spending for operation of military bases or operation of existing weaponry. It would not cut military pay, military personnel, military training, flight or steaming hours. In short, it does not affect our readiness capability. These categories fall under titles that would not be affected by the amendment or they have been specifically exempted.

The amendment is very small and modest and realistic. It is hard to understand suggestions that such a modest reduction could be construed as undermining our national defense. In a very large defense budget—$196.6 billion—this is a very small $1.65 billion reduction, and it is aimed entirely at improving efficiency and cost-effectiveness.

Mr. Chairman, to make the case it is useful to look at some numbers. The committee bill is actually $36.8 billion—or 23 percent—higher than the amount originally appropriated in fiscal year 1981. We must not overlook the fact that we have already added $11.6 billion in a supplemental appropriation in June. This brought the defense budget authority up from $160 billion to $171.6 billion for fiscal year 1981. The committee recommends an additional $25 billion above that, for a total of $196.6 billion. Clearly, I am

suggesting a very modest decrease after a very large 1-year increase.

Many have argued that defense reductions have already occurred since the committee bill is $4.2 billion below the $200.8 billion in authority requested by the President. The committee is to be commended for its careful and detailed attention, but its recommendations are comparatively small for this—the largest sum ever included in one bill for military purposes in the history of the United States. And this in a year when we have required reductions of up to 30 percent in domestic programs.

There are three compelling reasons for mandating additional reductions in defense spending. The first reason is the reality of the current budget situation. We have seen new deficit projections for fiscal year 1982 ranging from $60 to $100 billion. Clearly, the defense budget, which has been relatively unscathed during the budgetary process, must be held to the same accountability and management standards we are requiring from other departments.

Second, we have seen continuing evidence of excessive and wasteful spending in the Defense Department. In addition to countless GAO reports, there is evidence of major cost overruns on weapons systems that is contained in the 1981 Selected Acquisition Report from DOD. In 1972, the F-18 was supposed to cost $4.8 billion; today it is estimated to cost $18.6 billion. The cost for nine Trident submarines and missiles has skyrocketed from $12.4 billion in 1974 to $30.3 billion today.

Equally important should be the continuing concern about the inflationary impact of a precipitous, 1-year rise in defense spending as now proposed. The increase will severely tax our industrial capacity at the same time we are trying to increase industrial productivity, compete with foreign imports, and create new jobs through a new economic program.

Given these economic realities, let me emphasize what my amendment is intended to do. It is not our position, in this amendment, to specifically dictate where additional cuts will occur in the defense budget. Rather, we are seeking to force economies and improved cost-effectiveness in those areas where it is most needed, and we are seeking to give Defense Department officials—those who work in the field with these programs and numbers every day—the chance to use their own best judgment in determining priorities for additional economies.

Second, we are dealing with those titles which have shown the greatest potential for wasteful spending. Expenditures for procurement are up 23 percent in real dollars over last year's budget, and funds for research and development are up 9 percent in real dollars over last year.

What we are trying to do with this amendment, Mr. Chairman, is bring the Defense Department into line with budget realities. All my amendment does is require a stronger effort by the Pentagon to reduce waste and mismanagement—this is no less than we are currently asking from the rest of the Federal Government. This can in no way be construed as weakening our defense posture or doing any damage to major weapons systems or affecting our readiness. I urge my colleagues to support this amendment as a step towards greater accountability and sound management within the Defense Department.

Mr. ADDABBO. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentlewoman for yielding.

I fully support this amendment. I had offered a similar amendment in the subcommittee and it failed.

Our colleague, Mr. MICHEL said that he was not reducing the defense bill in the continuing resolution because we had already made reductions, we have now added back most of those reductions today, and the fact that we have not cut the B-1 or the MX.

□ 1930

Well, I can point out that just in procurement alone there is a 25-percent increase from 1981 to 1982, in R. & D. there is almost $3 billion increase, and they can easily afford the small decrease in the amendment.

The Appropriations Committee's surveys and investigations staff recently issued a report detailing and documenting waste, fraud, and abuse in the procurement programs of the Department of Defense. There is plenty of room for savings which could accommodate at least a 2-percent reduction.

The CHAIRMAN. The time of the gentlewoman from New Jersey (Mrs. ROUKEMA) has expired.

(On the request of Mr. MOFFETT and by unanimous consent, Mrs. ROUKEMA was allowed to proceed for 1 additional minute.)

Mr. MOFFETT. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from Connecticut.

Mr. MOFFETT. The gentlewoman was a strong supporter of something called Gramm-Latta which, as I recall, if I am not mistaken, locked us in at the time to $200 billion.

Is the gentlewoman saying now that she feels differently about Gramm-Latta and thinks we should back off that?

Mrs. ROUKEMA. I am saying that, under the requirements of the appropriations process and the requirements of the economic realities now, this is the time that we make those spending decisions. And on this particular bill, I do agree that 2 percent is a modest reduction to require.

Mr. MOFFETT. I thank the gentlewoman for her flexibility.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the substitute offered by the gentlewoman from New Jersey.

I had inserted in the CONGRESSIONAL RECORD an amendment which would have done the same thing at 3 percent. However, I am a realist, and I am happy to support the substitute.

I think this amendment is different from the usual across-the-board amendment in important respects. We are not applying a meat ax to the Defense Department with this kind of proposal. We are not saying that the money can come from anywhere or any program but limiting it to procurement and research and development.

We are ensuring that we preserve the readiness of our conventional forces, and that is why the exemption for spare parts, repair parts and ammunition occurs. It does not affect the number of people we can have under arms. It is targeted at procurement and R. & D. because it is those areas of the defense budget where we have seen the greatest overruns. In the past, at the same time that we have stinted on adequate pay for our military, at the same time we have stinted on training and readiness we have been willing to pour untold sums into those very badly managed defense R. & D. and procurement programs.

And let no one here think that those two issues are unrelated, because if you really want strong defense, one of the things you want is for the United States to have the capacity to project conventional force anywhere in the world that our strategic interests are threatened. There is no question, as one looks at the history of the defense budgets that have been passed by recent Congresses, that we have been denying ourselves that capacity because we are continually overspending on the glamorous procurement programs and not providing the nuts and bolts that we need so that the military can function.

We have our forces in Europe keeping their planes and tanks going by cannibalizing parts. This amendment protects us against that. This amendment is designed to see that we protect our readiness but says, "Let us go after the waste and the abuse that we all know has occurred in these very glamorous procurement programs."

Everyone loves to come down here in the well of the House and display a model of some airplane or some new missile and tell us how wonderful it is and how it is going to solve all of our

defense problems. It is not very impressive to come down here and display a bullet, and there is no way you can display an extra man or an extra 10,000 or 100,000 men. But those are the kinds of things we have been denying ourselves in order to display those fancy rockets and those fancy airplanes. I think it is time we got back to the basics of our defense. I think this amendment protects the effort to achieve increased readiness in our Armed Forces while acknowledging that in the procurement and R. & D. functions the defense budget never gets the kind of scrutiny from OMB that the rest of the budget does. We all know that that certainly has been true this year.

I urge my colleagues to support the substitute offered by the gentlewoman from New Jersey.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and ladies and gentlemen of the committee, it is so easy to come down and say, "Hey, this is such a big piece of pie, nobody is going to feel 2 percent less."

Following the gentleman from New York who just spoke, he says, "Hey, we got a big thing here, and we are going to get their attention. Everybody knows that OMB does not take an adequate look at research and development or procurement."

Let me tell you something, ladies and gentlemen of this committee. I am the ranking minority member on the Armed Services Authorization Committee—not appropriations—and I speak from that position. We heard over 100 witnesses. We had over 50 hearings. We met day after day. We looked at over 3,000 projects. The books that we go through, if you stood them on this desk, would be 3-feet high. They are looked at meticulously, scrupulously. We cut over a billion and a half out of the request that came from this administration, out of R. & D. We did not do it with a meat-ax approach. We did it as surgically as possible. Our staff, if you question them, they know every project, every weapon system. When we go to conference with the other body, we do pretty well because we do our homework and we know where the fat is and we know where the lean is.

We have just finished a very arduous session with the other body in conference, and we just approved the conference report yesterday. And to come in here and blithely say, "Well, now, after all of that, they do not know what they are doing, let us take another 2 percent," I am telling you it would be counterproductive, after what we do and being as conscientious as we are, to try to surgically cut those things that we think we can afford—and we did more than a billion dollars worth of cuts—to come in and say, "That is not enough, let us just take a meat-ax approach and cut 2 percent more."

□ 1940

I think it is irresponsible and it is also an affront to the committees that have to deal with this to say that all of your time is not worth anything, that you do not really look at it, we are just going to take another round figure, 5 percent, 2 percent, 10 percent, it does not make any difference.

So I think that we do a disservice to those ladies and gentlemen on the various committees that sit day after day in what quite obviously is a very boring and tedious exercise, asking questions, working with staff, examining line items, going back and trying to adjust figures.

Then we go with the other body, we have to justify our position, their staff and then the other Members of the other body have done the same thing.

Now if we had add-ons, if we added on to the budget that we had presented, one could say, "OK, they did not look at it good enough." As a matter of fact, they were looking at it with a parochial interest, some of them, and there are add-ons here so they put in a little fat.

We did not add on. We were the only committee of the armed services that came out a billion dollars under the request.

Then to blithely trip in here and say, "Hey, it sounds good, they can certainly stand another 2 percent."

We cannot stand another 2 percent. If we get into that mentality, the Members are going to tell us that we do not do our work and whatever we do we are going to cut it some more, we are just going to start a reverse trend so that the committees will then start saying, "Hey, we know they are going to cut us so we might as well add some fat back in, to absorb the cut that they gave us, the across-the-board cut."

I for one resent it. We have a hard working committee, a knowledgeable committee. We do the best we can. And to say that after a billion and a half dollar reduction over what was requested was not enough, we are going to have another 2 percent.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. DICKINSON) has expired.

(At the request of Mr. STRATTON and by unanimous consent. Mr. DICKINSON was allowed to proceed for 2 additional minutes.)

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from New York.

Mr. STRATTON. I want to congratulate the gentleman from Alabama on what he said and verify what he had said. Not only did we bring in a bill that was under the budget initially, but as the gentleman knows, we spent something like 2 or 3 tedious weeks working with the Senate conferees to adapt the $2.1 billion that the President wanted to reduce the budget. We took it out of very valuable programs, many of them affecting the Guard and the Reserves and I, too, join in resenting this kind of last minute effort to try to cut out what we have very patiently tailored to meet the needs of our national defense forces.

Mr. DICKINSON. I know that the gentlewoman is sincere and I know the gentlewoman is well meaning, but I also know that the gentlewoman is uninformed when she starts talking about we do not know what we are doing in the research and development subcommittee.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, if I have indicated in any way that I think the gentleman was uninformed or not very complete in his work, I would suggest to the gentleman that he read the record. I have in fact commended the committee for its attention to detail.

However, I think we must stick to a few facts. The facts are that other departments in the domestic area have been subjected to careful scrutiny and required to absorb up to 30-percent reductions in this given year, whereas the Defense Department is having a 23-percent increase.

Mr. DICKINSON. This is not in research and development.

Mrs. ROUKEMA. No; it is a total 23 percent.

Mr. DICKINSON. Do not blame us for that.

Mrs. ROUKEMA. It is a 9-percent real increase after inflation, and in procurement it is a 23-percent increase after inflation.

Mr. DICKINSON. Would the gentlewoman tell me how much increase there is in research and development after inflation?

Mrs. ROUKEMA. Nine percent, according to the figures we have.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentlewoman from Maryland.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. DICKINSON) has again expired.

(At the request of Mr. LEVITAS and by unanimous consent, Mr. DICKINSON was allowed to proceed for 3 additional minutes.)

Mrs. HOLT. Is it not true that over the past 10 years that I have served on the committee, that the defense portion of the budget has not kept pace with inflation, it has not increased? This is why we are in the desperate

situation that we are in. We are behind with O. & M., in our personnel area, spare parts, flight time, all of the things that we have to do, research and development, procurement, all of those things, while the other side of the budget has gone up 200, 300 percent every year?

Mr. DICKINSON. The gentlewoman is exactly right. When we talk about 5 percent real growth, 10 percent real growth, we mean that much over inflation, and we have not done that yet.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

I want to say in all sincerity I have the greatest respect for the gentleman's knowledge and expertise on this subject and that of his committee and the Appropriations Committee, but I do not believe that really is the issue here.

As the gentleman has said, they have studied it carefully, just as other appropriations committees have studied their work and other authorizing committees have studied. I have voted for across-the-board cuts offered by the gentleman from Ohio (Mr. MILLER). I voted for the 5-percent across-the-board cut offered by the gentleman from Illinois (Mr. MICHEL) the other day. I believe that there is not a department in the Government of the United States that is not wasting money, including the Pentagon. This is one way to place a check on that.

Let me read some figures to the gentleman. According to the conference report of the defense authorization, the original budget request was $20,322,471,000. The House, as the gentleman points out, came in under that not as much as he had indicated, but under that at $20,189,000,000. But the conference report, the conference report, according to this document is $20,405,000,000 over the request and over the House amount that was originally approved.

It seems to me there are other ways in which we can control wasteful expenditures. Just as any other department of Government, this is one which could stand an across-the-board cut.

Mr. DICKINSON. Let me reply to the gentleman from Georgia by saying I do not doubt, I admit readily that we spend more on defense than we need to. We spend much more on defense than we need to. And why is this? Because we are required to, not because of the Department of Defense, we are required to by OMB, and the way we do business up here on the Hill. Why do I say that? How can this possibly be so?

The CHAIRMAN. The time of the gentleman from Alabama (Mr. DICKINSON) has again expired.

(At the request of Mr. LEVITAS and by unanimous consent, Mr. DICKINSON was allowed to proceed for 3 additional minutes.)

Mr. DICKINSON. When the budget comes over, and we are given the budget for the coming year, and we are given the project costs for weapon systems, included in that is a figure for inflation.

Now, how do we get this figure? DOD gives this to us as the cost of a weapon system. How do we get this? OMB directs DOD to use this figure in saying what a weapon system will cost. So when they come to us, on the authorizing committee, or come to the gentleman over here on the appropriating committee, this is what is proposed as the weapon system cost based on inflation.

So when we get halfway through or three-quarters of the way through the year we find out we are out of money. Why are we out of money? Because we underestimated inflation. They have said to us a 5.5-percent factor when in fact it is 10 percent. So we are out of money. What do we do? We stretch out the production rate. We slow down production. The F-15 aircraft alone costs $1 million per plane more because of the stretchout of production than it would have if we had bought it at the same economical rate it was proposed to be bought at.

So this is one among many.

There is not one major weapon system in the entire inventory of the United States that is being bought at a most economical rate—not one.

□ 1950

This is admitted by the Secretary of Defense, by anyone you want to ask, Bill Perry, who is Assistant Secretary of Defense for R. & D.

So, yes, there is waste, but it is not all on the part of the military. We mandate it over here in the way we do business. We do not give them enough money. OMB requires that they use false inflation factors, so this is just a part of the problem.

Now, I do not say there is not waste; but getting back around to the problem at hand, talking about research and development, the waste is not there. We do not have enough money; so when we find a program is not justified, we eliminate it up to about $1.5 billion.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

I think there is a great deal of validity in his explanation of why we get some of these cost overruns as the years go on in these programs; but I would like to suggest that the way to deal with that problem is by not biting off more than we know we are going to be able to chew.

I would say to the gentleman that the history of these programs is that every program that looks good gets started, and we put in the initial money. Then those are sunk costs, and we feel the need to go along with each of the programs that we have started. Then suddenly we find they are costing more than we can afford in any one year and, instead of making choices, we slow them all down and that makes them more expensive, we get all these overruns, and we only get an inadequate number of units per system. If we had made the hard choices earlier on, we might have fewer systems, but those we had would prove less expensive and in adequate numbers.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. EDWARDS of Alabama. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to all the amendments.

This is not Alabama night here, but I feel this is the wrong way to go.

Let me just make a few pertinent points. I will try not to use the 5 minutes, although I may.

The President, in his September change in his own budget, cut some $7½ billion out of his own budget. At the same time he proposed some cuts in other parts of this Government's operations.

We have dealt with that as we put our bill together. We have on top of that $7½ billion cut another $4 billion and so in that context we are here $11 billion under the President's March budget.

Taking the President's September budget at its face value, we are here with a bill that is about $4 billion under that. That is 2 percent across the board, if you will, in dollars from the whole defense budget of $200.8 billion. We have made some changes here on the floor today, but basically we came to you with a bill calling for a $1.2 billion cut in military personnel.

We came with a $1.3 billion cut in O. & M.

We came here with a procurement cut, but some of that got added back in.

We came here with a research and development cut of $1 billion.

I think the committee has done a good day's work. If we talk in terms of a 5-percent cut across the board, which I have not even heard anybody argue about seriously, but that is talking about some $10 billion further cut out of this bill. Where is it going to come from? What are you going to cut out? Are you going to say to the Pentagon that here is a $10 billion cut,

start making cuts. Is that the way to run the Pentagon?

I agree with the gentleman from Alabama (Mr. DICKINSON). His committee has worked and worked on this bill.

I will back up a step further. The Pentagon and the OMB have worked on this bill for a year and the Committee on Armed Services has worked on this bill for well nigh a year. We are here in November having worked on this bill pretty much a whole year.

I want you to come down sometime in that little dungeon we work in on the floor below and spend all day long with us pouring over these figures and listening to witnesses, interrogating people and marking up for weeks at a time, and you will understand why some of us are a little upset about across-the-board cuts of this type.

The only reason that this is being offered here today is that in the whole mandate of the President when he was elected is that there is a need to increase defense. He has tried to do that and we have tried to work on that proposal and we have come up with a $4 billion cut.

Now, what would a 2-percent cut do? In round numbers probably $1.2 billion or $1.3 billion out of procurement. Where are you going to cut it? Have you got any ideas? Sure, we voted on some ideas and those votes went one way or another.

What are you going to say to the Pentagon? Do you want to cut some $400 million over and above the billion we cut out of R. & D.?

We were specific, as the gentleman from Alabama (Mr. DICKINSON) said. We used a scalpel. We did not use an ax and we did make some cuts and we caught the dickens from a lot of people for some of the cuts that we made.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. Sure, I yield.

Mrs. ROUKEMA. On that particular point as to where you are going to cut, I have been very careful to avoid making up a laundry list of either somebody's pet peeves or somebody's pet projects. I have deliberately avoided that in this whole budget process on the Defense Department appropriation; but I must say that I think the people at the Pentagon are the best people, particularly those for whom we have the greatest respect in terms of their management skills and their expertise, it is those people who are the only ones that can be authorized to determine the priorities within this bill.

I find it, incredible, to think that our very capable Secretary of Defense in a budget of this size is not able to achieve moderate savings, particularly when we have asked those department heads in the domestic areas to absorb enormous cuts.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(By unanimous consent, Mr. EDWARDS of Alabama was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of Alabama. The gentlewoman misses the point, I think. The President sends his budget over here for us to deal with and if we just are going to simply send the budget back to him or to the Secretary of Defense or to some department head to deal with, we have not done our job. Why should we need the Congress if we are not going to do anything except to bounce it back to him with a total figure cut and say work with all these programs.

I think there is a misconception that somehow all these thousands and thousands of items that we deal with are somebody's projects. These are very serious projects that we deal with. We pore over them for days and weeks and months. I think it would be a terrible mistake in view of the action of the subcommittee and in view of the action of the authorizing committee that we would take any of these across the board cuts in this bill.

Mr. MITCHELL of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

I would like to associate myself with the remarks of both gentlemen from Alabama.

I think we give excellent perspective to the overall defense picture when we point out that this budget is $4 billion under the second Presidential request.

I am sympathetic with those who offer the amendments in an effort to cut defense spending to help social programs, but I would point out that what we spend on defense is really not relevant at all to social programs. We have been spending over the past few years far less for defense until very recently.

In 1955, Mr. Chairman, we spent about 55 percent of our budget on defense.

In 1965 it dropped to 45 percent.

In 1975 it was down to 25 percent.

In 1978 it was down to 22 percent.

Finally this year we raised it again about 25 percent.

Most all of the money we have not been spending on defense we have been spending for social programs. Maybe it is not enough, but it is a very, very large contribution to these social programs. The only relevant comparison for defense spending is what your potential adversary is spending, what they are doing.

For the last 8 years the Soviets have been outspending us by about $40 billion a year and it really shows.

Let me just go over some of the categories that are important in winning a war to show how far behind we are the Soviet Union. Following is a list of comparisons:

	U.S.S.R.	U.S.
Military investment, includes procurement, R.D.T. & E. military construction	1.85	1.0
ICBM's	1.3	1.0
SLBM's	1.5	1.0
ICBM reentry vehicles	2.0	1.0
ICBM—MIRV's warheads	2.0	1.0
Throw weight	2.8	1.0
Equivalent megatonnage	1.4	1.0
Tanks, heavy and medium	4.6	1.0
Personnel carriers	4.2	1.0
Artillery	5.0	1.0
Bombers, strategic	1.0	1.8
Planes other than strategic, land oriented (no Navy)	1.7	1.0
Attack submarines	4.0	1.0
Major combatant ships	1.4	1.0
Helicopters gunships	1.0	1.1
Strategic spending	3.0	1.0
Research, development, test, and evaluation	2.0	1.0
CIVIL DEFENSE COMPARISONS		
Money spent on civil defense	10.0	1.0
People involved in civil defense	11.0	1.0
Nuclear war casualties	1.0	10.0
NATO FORCE COMPARISONS ALSO FAVOR THE SOVIETS QUANTITATIVELY		
Manpower	1.2	1.0
Airpower	2.0	1.0
Tanks	2.5	1.0
Artillery	2.0	1.0

Mr. Chairman, I have submitted the entire list for the record.

I would like to point out that in 25 categories, we are behind in 23. Now, I admit that sheer quantification does not determine who is going to win our war. Our allies are more loyal. We are a wealthier Nation. Our technology is superior, but they are ahead of us in 23 of 25 categories and we used to be ahead in most categories before this House and the other body kept cutting defense budgets to give more money for social programs.

Mr. Chairman, I think that the trend is alarming. We have got to do something about spending more on defense and not siphoning it off to spend on social programs worthy as they may be. These amendments will just contribute to that trend that has done so much to lessen our position in the world as far as defense is concerned.

I would urge my colleagues to vote against the amendments.

□ 2000

Mr. ADDABBO. Mr. Chairman, I rise to the possibility of asking unanimous consent to limit debate.

I would ask unanimous consent that all debate on this amendment and all amendments thereto end in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WEISS. Mr. Chairman, reserving the right to object, recognizing the diligence and the hard work the gentleman has put into this, and his reason for wanting to move this thing expeditiously, there are a number of Members who are not privileged to be members of either the gentleman's committee or the Armed Services

Committee who have had some difficulty in receiving time.

So I wonder if we could have assurance that those of us who would like recognition, who do not have the privilege of serving on those committees, could be recognized first for our 5-minute period, and then perhaps we could move to curtail debate.

Mr. ADDABBO. Mr. Chairman, I withdraw my previous unanimous-consent request, and I ask unanimous consent that all debate on this amendment and all amendments thereto end in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WEISS. Mr. Chairman, reserving the right to object——

Mr. ADDABBO. I cannot reserve for any Member.

Mr. WEISS. Then I will object, Mr. Chairman.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield the gentleman my time.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WEISS. Mr. Chairman, reserving the right to object, with the assurance I just received from the gentleman. I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was agreed to will be recognized for 1 minute each.

(By unanimous consent, Messrs. EDWARDS of Alabama, ADDABBO, BADHAM, and DELLUMS yielded their time to Mr. WEISS.)

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. WEISS).

Mr. WEISS. I thank the Chairman very much.

May I express my very sincere appreciation to the gentlemen on both sides of the aisle for yielding time to me.

Mr. Chairman, this has been a strange debate. Here we are on the day when the President of the United States is engaging in a peace offensive and in justification of that peace offensive we are asked or have been asked all day to adopt every worthless, counterproductive, obsolete program in the books costing tens of billions of dollars.

Here we are at a time when the projections from the Treasury Department are that by fiscal 1984 there is going to be a deficit for that single fiscal year of $169 billion, and we have people in this House of the President's own party, who are telling us that when it comes to the Department of Defense budget, even though we have $196.6 billion in it, $25.2 billion above last year, we cannot, must not, cut $1.2 or $1.3 billion because in some strange way we are going to be upsetting the balance and endangering our national security.

The fact is, Mr. Chairman, that the rate of increase proposed for the military budget, the Department of Defense budget, for the next 5 fiscal years is projected to be at three times the rate at what it was during the Vietnam war and that at the same time that we have just gotten through cutting taxes by three-quarters of a trillion dollars.

Everybody says inflation is our worst problem. And it is said that Lyndon Johnson started us on that path because during the Vietnam war he would not raise taxes to pay for that war. Yet what we are doing is cutting taxes, while increasing military appropriations, and expect to achieve the nirvana of a balanced budget. How? I do not know.

We have a chance at this point, perhaps, through the adoption of the amendment of the gentleman from Connecticut to that of the distinguished gentlewoman from Colorado, a chance perhaps to indicate that we really meant it when we said that no department was going to escape the scrutiny of this Congress, because it is not just the members of the Armed Services Committee who toiled in their dungeons. Having toiled they came back with billions upon billions of increases for their budget. The committee on which I serve, the Committee on Education and Labor, for example, struggled in those dungeons and not increased but cut back—between $10 and $12 billion of a program totaling only $30 billion. We cut those billions in programs for children and pregnant women and the elderly, and just about every needy group and community in this country.

So it seems to me that we ought to have some sense of decency and some sense of balance about what we are doing. We ought to have the courage to cut this a meager 2 or 5 percent.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I want to compliment the gentleman.

I know, I hope, that the gentleman would like to cut 5 percent, as I would, but understands 2 percent may be the only thing we can get out of here. Many people said where would we cut? I would like to refer them to yesterday's RECORD, where Hon. JAMIE WHITTEN did an excellent RECORD insert on wasteful defense spending to a tremendous sum.

I would like remind the Members that on August 22, 1980, the Republican study group documented $34.5 billion worth of waste.

There are many places to cut, and the gentleman is exactly right.

The CHAIRMAN. The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER)

Mrs. SCHROEDER. Mr. Chairman, I remember standing here last July 16, offering an amendment I thought was a reasonable attempt to solve the problem of waste, fraud, and abuse in the Department of Defense. My amendment, if you recall, would have directed the President to specify to Congress by January 15, 1982, $8 billion worth of waste, fraud, and abuse he finds in that Department and to make recommendations for changes in the law that he considers necessary to achieve that $8 billion.

You would have thought I was trying to outlaw sliced bread. I was accused of simply trying to reduce the defense budget with a meat ax, sabotaging our military readiness, and tying the President's hands on budgetary matters. For these crimes, my amendment lost 142 to 276.

But remember I was not without substantiation in my efforts. I hauled up here 44 GAO studies which, in an 18-month period (January 1979 to July 1980) found $16 billion worth of waste in DOD. These reports ranged from weapon procurement to personnel management. In addition, the Republican study group, on August 22, 1980, released a report listing $34.5 billion in Government waste, $16 billion from DOD.

The boil of prodigal defense spending has not disappeared since then either. On November 17, Hon. JAMIE WHITTEN remarked on a study presented to the Secretary of Defense on waste found in the defense procurement policies.

The small but hardy band of Members who spoke for my amendment knew they were right. Those who voted against my amendment then I think realize the seriousness of the problem. This time, I hope they overcome their shyness to stand up to the Department of Defense.

□ 2010

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I think the important thing to remember in this discussion that if we undertake to cut defense where nobody can say where exactly to cut, that the basic factor involving the defense budget of 1982 is the shape of the military threat that we face. We are $240 billion behind the Soviet Union because over the last 10 years, as the gentlewoman from Maryland (Mrs. HOLT) has said, Congress has been cutting every single defense budget. The only way in which we can establish any type of credibility in our deterrent

capability and have any impact on arms limitations agreements, is for us to match the Soviet Union in military capability and get ourselves back to a position of equality and parity.

Every 1 percent, every 2 percent, every nickel or dime, in fact, that we take out of the President's defense budget is weakening our ability to match the Soviet Union and thereby to deter them from further aggressive actions.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I do not know how much is in this bill for public relations. We have heard $100 million I am told there is $102 million in this bill for military bands. I wonder what kind of a threat the Russians bands will be to this country and whether it is necessary for us to compete and make sure they do not get ahead of us in the number of bands that they have.

It seems to me that with that kind of expenditure at a time when we are cutting food stamps, cutting school lunches, cutting aid to the elderly and handicapped, it is almost obscene. I certainly think a 2-percent cut or something on that order is the least we can do to force the Pentagon to practice a little austerity in its own house.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. ECKART).

Mr. ECKART. Mr. Chairman, I wonder if we all realize what we are talking about on this amendment—2 cents out of every budget dollar. That is all. And we do this at a time when we are asking all other Americans to sacrifice as well. I think what we are seeing is the same thing going on in the Department of Defense—filet mignon lunches for our generals at $2; military bands traveling which cost millions; military bowling teams traveling around the world; chauffeured limousines for every general; lieutenants opening doors for majors, majors opening doors for colonels, and colonels holding doors for generals.

Do we really believe that we cannot save 2 cents out of every defense dollar?

Mr. Chairman, I think if we are really serious about what we are doing, we will realize that a cost-effective defense really strengthens our defense in the long run, by delivering systems at the lowest expense to our taxpayers.

The test of our defense system should not be how much money we can cram down the throats of the Pentagon.

Two cents out of every dollar is not much to ask.

I support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I have sympathy for this amendment except that I worry about one of the other implications of it. This committee has made some important add-ons for items such as diesel submarines, AV-8-B-plus, which is a V/STOL fighter, remotely piloted vehicles, and most importantly, the advanced technology bomber.

My concern with this amendment is that if we give the Pentagon the right to make the cuts, they are going to cut out the very things the committees have added to the budget that makes some sense from a military reform viewpoint.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to the amendment and the two amendments. I know 2 percent or 5 percent does not sound like much on a $196 billion appropriations bill, but I have figured up here that on the National Guard and Reserves we do not have much money in this bill, but taking 2-percent reduction in the National Guard funds would reduce 50 trucks going to the National Guard, 1 helicopter, 5 personnel carriers. We did not have under this bill but eight helicopters, and it certainly does not make sense to take this type of approach. It does hurt the small units that are trying to get some equipment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. Mr. Chairman, my colleagues of the House, we are talking not just about fiscal year 1982. Secretary Weinberger testified before the Budget Committee that we are in a balloon process, and in 1985 and 1986, those fiscal years, that balloon will be upon us.

It is in the security interests of this country that we deflate that balloon just a little bit right now.

One other point I would make: We did not have an inflation after the Korean war because the President at that time, Harry Truman, at the beginning of the war said, "We are going to have to increase taxes to pay for it."

The Vietnam war we increased from 65 to 70, the expenditure.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I rise in opposition to the Schroeder amendment, the Moffett amendment, and in support of the Roukema amendment. I believe it is more carefully crafted.

I remind my colleagues on this side of the aisle that we supported the Latter budget on May 6. The outlays for defense in that bill were $188 billion. The appropriation bill takes it up to $198 billion. Do not tell me that there has not been an adequate increase to cover the support that most of us give to the B-1 bomber and other weapon systems. It does.

I have great confidence that President Reagan and Cap Weinberger will make the proper judgments on this issue of the 2-percent reduction therefore I rise in support of the substitute because I think it is well crafted. It does not eliminate or reduce the B-1 bomber or the MX missile program. Those remain in place, and I believe it is properly crafted. I urge my colleagues to support the substitute amendment by the gentlewoman from New Jersey.

The CHAIRMAN. The Chairman recognizes the gentleman from Texas (Mr. WHITE).

Mr. WHITE. Mr. Chairman, the Investigations Subcommittee of the Armed Services Committee has been carefully finding where the waste in government has been. We are little by little doing this. We find that they are ingrained in many aspects of the Defense Department, but to make across-the-board cuts will do some real injustice and danger and damage to essential programs.

On the conference committee of the Armed Services Committee we tried to effectuate savings, which we did do, but it is very difficult. If we have across-the-board cuts in this appropriations bill Members are going to see essential programs which are trying to cope with the growing threat of the Soviet Union fall by the wayside, and will not be effective enough to respond to any threat.

● Mr. FRENZEL. Mr. Chairman, I rise in support of the Roukema substitute. I think this body should reject the Shroeder amendment. At 5 percent, it is Draconian. I think the Moffett amendment should also be rejected, because it is a deeper, less flexible cut than that of the distinguished gentlewoman from New Jersey.

All of us are frustrated by the size of the defense budget, but most of us are willing to make sacrifices for the strong defense posture we support. In my personal ambivalence, I am seeking a way to warn the Defense Department that unless it demonstrates a real commitment to reduce wasteful, unnecessary spending it will lose the strong coalition that now supports the strengthening of our defense.

I believe the Roukema substitute will save the taxpayers a few dollars and the Defense Department some long-term grief, although I note in conclusion that the Senate bill will be billions of dollars over the House version so I have no illusions about the size of the final appropriations.●

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, this refugee from the dungeon downstairs is opposed to the amendment, the amendment to the amendment, and the substitute amendment, but I was going to yield my time to the gentleman from New York (Mr. WEISS) if he wanted it.

Mr. WEISS. I very much appreciate it, but I do not wish to use the time.

Mr. YOUNG of Florida. I thank the gentleman, so I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I urge the Members careful attention and support for this amendment. Surely there is no one who can credibly claim that $1.65 billion out of this total increase is going to seriously or in any way jeopardize our national security position. In my opinion, when we are facing a budget deficit of over $60 billion, we must have cost-effective management, and that includes the Defense Department. There should be no sacred cows in this administration.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, it is great to have the support of the gentleman from California (Mr. ROUSSELOT) for the idea of a 2-percent cut, even though he would prefer the Republican version.

Second, with regard to Mr. WHITE, there are a lot of people here that supported, strongly supported, the amendment not that long ago—I guess about a year ago—of the gentleman from Texas (Mr. WHITE) to strengthen our Armed Forces. So, I do not think an across-the-board cut is going to harm that in any way.

But let us listen to the words of the Atlantic Monthly.

The only cabinet officer Stockman did not challenge was, of course, the secretary of defense. In the frantic preparation of the Reagan budget message, delivered in broad outline to Congress on February 18, the OMB review officers did not give even their usual scrutiny to the new budget projections from Defense.

So why are we worshiping OMB? Why are we bowing down in homage to their figures which they admit were not that carefully scrutinized?

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. MOFFETT) has expired.

All time has expired.

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHEL. Mr. Chairman, is it not true that we are at that juncture where pending is the Schroeder amendment to cut 5 percent across the board, the amendment offered by the gentleman from Connecticut (Mr. MOFFETT) to cut 2 percent across the board, and a substitute amendment offered by the gentlewoman from New Jersey (Mrs. ROUKEMA) to modify the 2-percent cut?

The CHAIRMAN. The gentleman is correct.

Mr. MICHEL. Is it true also, Mr. Chairman, that on the order of votes, the first vote would be on the Moffett amendment?

The CHAIRMAN. The gentleman is correct.

Mr. MICHEL. And regardless of whether that amendment is voted up or down, the next vote will occur on the substitute amendment offered by the gentlewoman from New Jersey (Mrs. ROUKEMA)?

The CHAIRMAN. The gentleman is parliamentarily, absolutely correct.

Mr. MICHEL. Mr. Chairman, I just wanted to clarify the situation because there are a number of amendments and substitutes pending and I wanted to expedite the matter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. MOFFETT) to the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MOFFETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 140, noes 256, not voting 37, as follows:

[Roll No. 318]

AYES—140

Addabbo	Eckart	Leach
Albosta	Edgar	Lehman
Anderson	Edwards (CA)	Leland
Applegate	Ertel	Levitas
Aspin	Evans (IN)	Lowry (WA)
Atkinson	Fascell	Lujan
AuCoin	Ferraro	Lundine
Benjamin	Fithian	Markey
Biaggi	Foglietta	Martin (IL)
Bingham	Ford (MI)	Mavroules
Blanchard	Ford (TN)	Mazzoli
Boland	Frank	McEwen
Bonior	Frost	McHugh
Bonker	Gejdenson	McKinney
Brodhead	Goodling	Mikulski
Brown (CA)	Gore	Miller (CA)
Brown (CO)	Gray	Miller (OH)
Burton, Phillip	Green	Minish
Clay	Guarini	Mitchell (MD)
Coelho	Hall (OH)	Moffett
Collins (IL)	Hamilton	Mottl
Conyers	Harkin	Nowak
Coyne, William	Hawkins	O'Brien
Crockett	Heckler	Oakar
D'Amours	Heftel	Oberstar
Danielson	Hoyer	Ottinger
Daschle	Hughes	Pease
de la Garza	Jacobs	Perkins
Dellums	Jeffords	Petri
Dingell	Kastenmeier	Pursell
Downey	Kildee	Rahall
Dwyer	Kogovsek	Railsback
Early	LaFalce	Rangel
Ratchford	Schumer	Synar
Richmond	Seiberling	Traxler
Rodino	Sensenbrenner	Vento
Roe	Shannon	Volkmer
Rose	Sharp	Walgren
Rostenkowski	Simon	Washington
Roybal	Smith (NE)	Waxman
Russo	Snyder	Weaver
Sabo	Solarz	Weiss
Santini	St Germain	Williams (MT)
Savage	Stark	Wolpe
Scheuer	Stokes	Wyden
Schneider	Studds	Yates
Schroeder	Swift	

NOES—256

Akaka	Fields	McDade
Annunzio	Findley	McGrath
Anthony	Fish	Mica
Archer	Flippo	Michel
Ashbrook	Foley	Mineta
Badham	Fountain	Mitchell (NY)
Bafalis	Fowler	Molinari
Bailey (MO)	Frenzel	Mollohan
Bailey (PA)	Fuqua	Montgomery
Barnard	Gaydos	Moore
Barnes	Gephardt	Moorhead
Beard	Gibbons	Morrison
Benedict	Gilman	Murphy
Bennett	Gingrich	Murtha
Bereuter	Ginn	Myers
Bevill	Glickman	Napier
Bliley	Gonzalez	Natcher
Boggs	Gradison	Nelligan
Boner	Gramm	Nelson
Bouquard	Gregg	Nichols
Bowen	Gunderson	Obey
Brinkley	Hall, Ralph	Oxley
Brooks	Hall, Sam	Panetta
Broomfield	Hammerschmidt	Parris
Brown (OH)	Hance	Pashayan
Broyhill	Hansen (ID)	Patman
Burgener	Hansen (UT)	Peyser
Butler	Hartnett	Pickle
Byron	Hatcher	Porter
Campbell	Hefner	Price
Carman	Hendon	Quillen
Carney	Hertel	Regula
Chappell	Hightower	Rinaldo
Chappie	Hiler	Ritter
Cheney	Hillis	Roberts (KS)
Clausen	Holland	Roberts (SD)
Clinger	Hollenbeck	Robinson
Coats	Holt	Roemer
Coleman	Hopkins	Rogers
Collins (TX)	Horton	Roth
Conable	Howard	Roukema
Conte	Hubbard	Rousselot
Corcoran	Huckaby	Rudd
Coughlin	Hunter	Sawyer
Courter	Hutto	Schulze
Coyne, James	Hyde	Shamansky
Craig	Ireland	Shaw
Crane, Daniel	Jeffries	Shelby
Crane, Philip	Jenkins	Shumway
Daniel, Dan	Jones (OK)	Shuster
Daniel, R. W.	Jones (TN)	Siljander
Dannemeyer	Kazen	Skeen
Daub	Kemp	Skelton
Davis	Kindness	Smith (AL)
Deckard	Kramer	Smith (IA)
DeNardis	Lagomarsino	Smith (NJ)
Derrick	Lantos	Smith (OR)
Derwinski	Latta	Smith (PA)
Dickinson	Leath	Snowe
Dicks	LeBoutillier	Solomon
Dougherty	Lee	Spence
Dowdy	Lent	Stangeland
Dreier	Lewis	Stanton
Dunn	Livingston	Staton
Dyson	Loeffler	Stenholm
Edwards (AL)	Long (LA)	Stratton
Edwards (OK)	Long (MD)	Stump
Emerson	Lott	Tauke
Emery	Lowery (CA)	Tauzin
English	Luken	Taylor
Erdahl	Lungren	Thomas
Erlenborn	Marks	Trible
Evans (DE)	Marlenee	Udall
Evans (GA)	Marriott	Vander Jagt
Evans (IA)	Martin (NC)	Walker
Fary	Matsui	Wampler
Fazio	McClory	Watkins
Fenwick	McCollum	Weber (MN)
Fiedler	McCurdy	Weber (OH)

White
Whitehurst
Whitley
Whittaker
Whitten
Williams (OH)
Wilson
Winn
Wirth
Wolf
Wortley
Wright
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOT VOTING—37

Alexander
Andrews
Bedell
Beilenson
Bethune
Bolling
Breaux
Burton, John
Chisholm
Dixon
Donnelly
Dorgan
Dornan
Duncan
Dymally
Florio
Forsythe
Garcia
Goldwater
Grisham
Hagedorn
Johnston
Jones (NC)
Madigan
Martin (NY)
Mattox
McCloskey
McDonald
Moakley
Neal
Patterson
Paul
Pepper
Pritchard
Reuss
Rhodes
Rosenthal

□ 2030

The Clerk announced the following pairs:

On this vote:

Mr. Reuss for, with Mr. Pepper against.

Mr. Dixon for, with Mr. McDonald against.

Mrs. Chisholm for, with Mr. Breaux against.

Mr. Garcia for, with Mr. Dornan against.

Mr. Forsythe for, with Mr. Hagedorn against.

Mr. Paul for, with Mr. Rhodes against.

Mr. Pritchard for, with Mr. Madigan against.

Mrs. FENWICK and Mr. BENNETT changed their votes from "aye" to "no."

Mr. PETRI and Mr. O'BRIEN changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRIES

Mr. MOFFETT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MOFFETT. Mr. Chairman, my parliamentary inquiry is: Is it correct that what we are now voting on is exactly the same amendment plus repair parts and ammunition?

The CHAIRMAN. The amendment is not exactly the same.

Mr. MOFFETT. My understanding is the amendment is exactly the same wording except the gentlewoman from New Jersey, who just opposed this amendment, has added repair parts and ammunition. Is that correct?

Mr. STRATTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. STRATTON. Is it the case that the Roukema amendment, as a result of the vote just cast, is being offered against the Schroeder amendment originally; is that correct?

The CHAIRMAN. The Roukema amendment is a substitute.

Mr. STRATTON. If the Roukema amendment prevails, there will be no further vote; is that correct?

The CHAIRMAN. There would be a vote on the amendment, as amended.

Mr. STRATTON. A further parliamentary inquiry: If the Roukema amendment is defeated, then the Schroeder amendment would be the order of the day, and that is 5 percent instead of 2 percent; is that correct?

The CHAIRMAN. The gentleman is correct.

The question is on the amendment offered by the gentlewoman from New Jersey (Mrs. ROUKEMA) as a substitute for the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

The question was taken; and the chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mrs. ROUKEMA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 197, noes 202, not voting 34, as follows:

[Roll No. 319]

AYES—197

Addabbo
Albosta
Anderson
Applegate
Aspin
Atkinson
AuCoin
Benedict
Benjamin
Bereuter
Bingham
Blanchard
Boland
Bonior
Bonker
Brodhead
Brooks
Broomfield
Brown (CA)
Brown (CO)
Burton, John
Burton, Phillip
Clay
Clinger
Coelho
Collins (IL)
Conyers
Corcoran
Coughlin
Coyne, James
Coyne, William
Crockett
D'Amours
Danielson
Dannemeyer
Daschle
Daub
de la Garza
Deckard
Dellums
DeNardis
Dicks
Dingell
Downey
Dunn
Dwyer
Early
Eckart
Edgar
Edwards (CA)
Erdahl
Ertel
Evans (DE)
Evans (IA)
Evans (IN)
Fary
Fascell
Fenwick
Ferraro
Findley
Fish
Fithian
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gilman
Gingrich
Glickman
Goodling
Gore
Gray
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Sam
Hamilton
Harkin
Hawkins
Heckler
Heftel
Hertel
Hiler
Hollenbeck
Horton
Hoyer
Hughes
Jacobs
Jeffords
Kastenmeier
Kildee
Kindness
Kogovsek
LaFalce
Lantos
Leach
Lehman
Leland
Levitas
Lowry (WA)
Lujan
Lundine
Markey
Marks
Martin (IL)
Mavroules
Mazzoli
McClory
McDade
McHugh
McKinney
Mikulski
Miller (CA)
Miller (OH)
Minish
Mitchell (MD)
Moffett
Mottl
Murphy
Nowak
O'Brien
Oakar
Oberstar
Ottinger
Panetta
Pease
Perkins
Petri
Peyser
Pickle
Porter
Pursell
Rahall
Railsback
Rangel
Ratchford
Regula
Richmond
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rousselot
Roybal
Russo
Sabo
Santini
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Shamansky
Shannon
Sharp
Shumway
Simon
Smith (NE)
Smith (NJ)
Snowe
Snyder
Solarz
St Germain
Stanton
Stark
Stokes
Studds
Swift
Synar
Tauke
Traxler
Vander Jagt
Vento
Walgren
Washington
Waxman
Weaver
Weber (MN)
Weiss
Whittaker
Williams (MT)
Wirth
Wolf
Wolpe
Wyden
Wylie
Yates

NOES—202

Akaka
Annunzio
Anthony
Archer
Ashbrook
Badham
Bafalis
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Beard
Bennett
Bethune
Bevill
Biaggi
Bliley
Boggs
Boner
Bouquard
Bowen
Brinkley
Brown (OH)
Broyhill
Burgener
Butler
Byron
Campbell
Carman
Carney
Chappell
Chappie
Cheney
Clausen
Coats
Coleman
Collins (TX)
Conable
Conte
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Davis
Derrick
Derwinski
Dickinson
Dougherty
Dowdy
Dreier
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Emery
English
Erlenborn
Evans (GA)
Fazio
Fiedler
Fields
Flippo
Fountain
Fowler
Fuqua
Gaydos
Gejdenson
Gephardt
Gibbons
Ginn
Gonzalez
Gradison
Gramm
Hall, Ralph
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hefner
Hendon
Hightower
Hillis
Holland
Holt
Hopkins
Howard
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jeffries
Jenkins
Jones (OK)
Jones (TN)
Kazen
Kemp
Kramer
Lagomarsino
Latta
Leath
LeBoutillier
Lee
Lent
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Luken
Lungren
Marlenee
Marriott
Martin (NC)
Matsui
McCollum
McCurdy
McEwen
McGrath
Mica
Michel
Mineta
Mitchell (NY)
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison
Murtha
Myers
Napier
Natcher
Neal
Nelligan
Nelson
Nichols
Obey
Oxley
Parris
Pashayan
Patman
Price
Quillen
Rinaldo
Ritter
Roberts (KS)
Roberts (SD)
Robinson
Roemer
Rudd
Sawyer
Schulze
Shaw
Shelby
Shuster
Siljander
Skeen
Skelton
Smith (AL)
Smith (IA)
Smith (OR)
Smith (PA)
Solomon
Spence
Stangeland
Staton
Stenholm
Stratton
Stump
Tauzin
Taylor
Thomas
Trible
Udall
Volkmer
Walker
Wampler
Watkins
Weber (OH)
White
Whitehurst
Whitley
Whitten
Williams (OH)
Wilson
Winn
Wortley
Wright
Yatron
Young (AK)
Young (FL)
Young (MO)
Zablocki
Zeferetti

NOT VOTING—34

Alexander
Andrews
Bedell
Beilenson
Bolling
Breaux
Chisholm
Dixon
Donnelly
Dorgan
Dornan
Duncan
Dymally
Florio
Forsythe
Garcia
Goldwater
Grisham
Hagedorn
Johnston
Jones (NC)
Madigan
Martin (NY)
Mattox
McCloskey
McDonald
Moakley
Patterson
Paul
Pepper
Pritchard
Reuss
Rhodes
Rosenthal

□ 2050

The Clerk announced the following pairs:

On this vote:

Mr. Reuss for, with Mr. Pepper against.

Mr. Dixon for, with Mr. McDonald against.

Mrs. Chisholm for, with Mr. Breaux against.

Mr. Garcia for, with Mr. Rhodes against.

Mr. Forsythe for, with Mr. Martin of New York against.

Mr. Paul for, with Mr. Johnston against.

Mr. Pritchard for, with Mr. Duncan against.

Messrs. ARCHER, RITTER, and WALKER changed their votes from "aye" to "no."

Mr. WILLIAMS of Montana and Mr. WAXMAN changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

The amendment was rejected.

Mr. ADDABBO. Mr. Chairman, there are about nine amendments at the desk. I have looked at those amendments. The committee will be accepting at least six or seven of them. There are only two or three that may be slightly controversial and subject to some slight debate.

I would therefore believe that we can finish this bill tonight and not be burdened with it tomorrow because I know full well if we come in tomorrow, we will be using a whole day for what can be completed in approximately half an hour here tonight.

Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto end at 9:30 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 2100

The CHAIRMAN. Members standing at the time the unanimous consent request was agreed to will be recognized for 1 minute each.

The Chair will recognize first those Members who have amendments.

AMENDMENT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SEC. 788. None of the funds in this Act may be used to transfer any article of military equipment or data related to the manufacture of such equipment to a foreign country prior to the approval in writing of such transfer by the Secretary of the military service involved.

The Clerk read as follows:

Amendment offered by Mr. STRATTON: On page 67, after line 20, add the following new subsection to section 788: No funds appropriated by this Act may be used for the transfer of a technical data package from any Government-owned and operated defense plant to any foreign government, nor for assisting any such government in producing any defense item currently being manufactured in a United States Government-owned, Government-operated defense plant.

Mr. STRATTON. Mr. Chairman, this amendment is designed to protect America's defense mobilization base as a result of unwise Department of Defense policies which permit the turning over of important and highly sensitive technical data packages for weapons currently being introduced in U.S. Government-owned and Government operated defense installations. For example at the Watervliet Arsenal, which is the sole facility in the United States for producing large guns and cannon and is the finest cannon producing facility in the free world.

However, Mr. Chairman, every time the Department of Defense turns over a technical data package for these big guns to a foreign government, it not only enables that government to produce our cannon in their plant—thereby cutting down the number of trained personnel employed at Watervliet.

Remember, Mr. Chairman, our defense mobilization base is primarily made up of a cadre of highly trained technical personnel. If we deny them the opportunity to work on cannon production, we will find ourselves unable to expand our trained production base in time of war or emergency.

At the Watervliet Arsenal, for example, over 50 percent of the work scheduled in fiscal year 1983 will result from foreign military sales. If we allow these foreign governments to build their own cannon, with our technical data packages, and with the aid and assistance of our trained personnel, then those production jobs will not be available in our arsenal, and their trained personnel will be laid off.

Even more disturbing, many of these countries may end up producing not only for their own very limited needs; they may also go into the business of selling these tanks to third countries, thereby ever more seriously reducing the workload and the necessary training opportunities essential to maintaining our defense mobilization base.

Congress is not consulted on these transfers, and most people are unaware of the skills and the job opportunities we are losing as a result of these uncontrolled and unreported transfers.

My amendment will bring this practice to an end. Money is expended every time a data package is transferred, and often considerable use of the services of Federal employees, as well as travel is involved. Under this amendment such actions will have to cease.

Let us protect our defense mobilization base. Heaven knows we barely have an adequate base in most areas. But we must not allow ill-advised and ill-considered actions to erode those cases where very capable mobilization bases do exist, as is the case at Watervliet Arsenal.

I urge the adoption of my amendment, which is directly in keeping with the spirit of section 788 of page 67 of the bill, and I urge the committee to accept the amendment.

Mr. ADDABBO. Mr. Chairman, if the gentleman will yield, I have reviewed the amendment and it is acceptable to the majority.

Mr. EDWARDS of Alabama. Mr. Chairman, if the gentleman will yield, we have no objection to the amendment. We accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. STRATTON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. NICHOLS

Mr. NICHOLS. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SEC. 777. None of the funds appropriated by this Act shall be available to pay the retired pay or retainer pay of a member of the Armed Forces who, on or after January 1, 1982, becomes entitled to retired or retainer pay, in an amount that is greater than 94.8 percent of the amount to which that member would otherwise be entitled.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: On page 64, beginning on line 5, strike section 777.

Mr. NICHOLS. Mr. Chairman, the amendment I am cosponsoring, with the gentleman from New York (Mr. MITCHELL) would delete from the appropriation bill section 777. This section would reduce the retired pay for service members retiring on or after the first of next year by 5.2 percent.

The report of the Appropriations Committee indicates that no savings were included in the bill as a result of this provision. But let me assure you that the costs of this provision could be substantial. The costs arise primarily in the direct and immediate loss of senior, experienced personnel and in the indirect and longer range loss of mid career highly trained personnel.

In the first category are those service members who are retirement eligible. They have over 20 years of service; they possess decades of accumulative experience; and, perhaps most importantly, they influence their subordinates to serve for a military career. Let us look at this first category in more detail.

Some of these service members can put in their retirement papers and retire before January 1, 1982. For some, there will be a strong incentive to do this. These are the same individ-

uals who have served during the recent period of benign neglect and erosion of benefits felt by military personnel. They will conclude that this is one more erosion of benefits and say "Enough."

On the other hand, some individuals will not be able to retire on such short notice. These individuals, after having served a full career in the military, could very well have extended beyond their desired retirement date for the convenience of the Government. For example, over 150 chief master sergeants in the Air Force are currently serving beyond 30 years of service. This is a highly select group. Most chief master sergeants are required to retire upon completing 30 years of service. Over 60 of these individuals are in the critical field of aircraft maintenance management. The provision in the appropriation bill would reduce the retired pay of individuals retiring after January 1 by 5.2 percent. They will have had their retired pay arbitrarily cut because they had the special skills and unique backgrounds needed by the Air Force, and they volunteered to remain in the Air Force beyond 30 years of service. Not much of a reward.

Some individuals may remain on active duty longer than they originally desired because of the appropriation bill. But how will they convey their feelings to the midcareer officers and NCO's whom they supervise. These senior leaders are role models, looked up to by their subordinates; and if these highly skilled and experienced individuals do not convey a feeling of dismay and hostility, certainly their subordinates will observe how the Congress has treated these respected individuals and draw their own conclusions.

The other category that will be affected by the provision in the appropriation bill are those individuals not yet eligible to retire: Midcareer personnel who are in the process of making decisions to remain in the military or to seek employment in the private sector. Throughout their career they have seen and heard on numerous occasions of piecemeal actions affecting the military retirement system. This action by the Appropriations Committee will reinforce the uncertainty about the security of future military benefits and have a substantial effect on their career decisions.

These costs are difficult, if not impossible, to quantify in dollars; but I think, based simply on the number of calls our offices have received over the last several days regarding this provision, that the cost is high. Yet there is no savings attributable to this provision.

The Appropriations Committee argues that the 5.2 percent portion of the pay increase effective this October was a catchup increase and should not be reflected in the retired pay of those who retire after January 1. Let me remind the Members that the catchup raise is just that: An increase to reflect the fact that military pay has been understated since 1975. This is not a windfall. Members on active duty since 1975 have not received pay at the levels they should have. And now the Appropriations Committee wants to preclude them from including this increase in their retired pay. I see no justice in this perspective.

Mr. Chairman, piecemeal legislation to change military retired pay and other military benefits has always cost more than it has pretended to save. This is another case in point. I urge the Members to support my amendment to delete the section in the appropriation bill that would impose an arbitrary 5.2 percent reduction in retired pay of future retirees.

The CHAIRMAN. Does anyone on the list wish to be heard on the amendment?

Mr. MITCHELL of New York. Mr. Chairman, I rise in strong support of the amendment offered by the chairman of the Military Personnel and Compensation Subcommittee of the Committee on Armed Services. This amendment would strike from the appropriation bill the provision that would require service members who retire after January 1, 1982, to incur an arbitrary reduction of 5.2 percent in retired pay.

It is unfortunate that such a provision is even suggested at this time when recent positive action in the compensation arena has shown such favorable results. The effect will be decidedly negative, and the provision will cost considerably more than any perceived savings.

I find it quite difficult to understand the rationale of the Committee on Appropriations in proposing this provision. Just 2 months ago we were engaged in debate on the floor of the House as to the appropriate levels of military pay. The Appropriations Committee, at that time, offered an amendment to the pay bill that would have provided increases of up to 22 percent to certain senior enlisted personnel. They believed these increases were necessary to retain the talented and experienced personnel needed to support our Armed Forces. They lost that amendment, and the conference report on the pay bill provided increases for these senior enlisted personnel of up to 17 percent. Thus, compared to the original Appropriations Committee recommended pay raise, the final pay increase already reflected a 5-percent reduction. That 5-percent reduction, of course, will be reflected in retired pay. Yet the Appropriations Committee is now proposing an additional 5.2 percent reduction—below what they originally recommended.

I am also unclear as to why the Appropriations Committee has apparently fallen off its objective of retaining senior experienced personnel. The provision in the appropriation bill provides a strong incentive for retirement-eligible members to retire before January 1. These are the most experienced and most highly trained of any of our personnel. And for those who do not have 20 years of service or who because of the needs of the service can not retire, the arbitrary cuts imposed by the Appropriations Committee can only generate uncertainty in their minds as to how much faith they can have in the future in promised retirement benefits.

Several years ago the Congress adopted the so-called Tower amendment. As the members recall, the Tower amendment guaranteed that an individual service member would not be financially penalized by his choice to remain on active duty if he is retirement eligible. In other words, a service member is guaranteed as much retired pay whenever he elects to retire as he would have been eligible to receive if he retired earlier in his career and received retired pay and COLA adjustments from that time. The arbitrary 5.2-percent reduction will result in many service members receiving less retired pay because they elected to stay on active duty longer than they needed to. On the other hand, in some cases they will be penalized because they are required to retire from active duty after the first of the year because of nonselection for promotion or because of disability. How will service members in the middle of their career view these guarantees?

Mr. Chairman, we must delete this provision, and I urge all members to strongly support the amendment of the gentleman from Alabama.

Mr. PARRIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment by Mr. NICHOLS which would delete section 777 of the defense appropriations bill, which reduces military retirement pay. Last month, the Congress passed and the President signed into law, the Uniformed Services Pay Act of 1981. The purpose of this act was to correct an unfair and precarious situation by giving military personnel a well-deserved pay increase. There was much discussion in both the House and Senate on the financial hardships which military personnel and their families have been required to endure. The common theme which ran through committee and floor debate was that military pay had been neglected for too many years. Military basic pay has been so inadequate that we have heard stories about how American military families must depend on food stamps in order to survive. This coupled with the in-

stability caused by frequent moves and other facets of military life has made the armed services even less attractive. The highly trained, skilled, personnel which are so vital to the armed services, have not been making the military a career. In fact, they have been leaving in droves because pay in the military has fallen far behind the rate of pay in the private sector. This situation has had an adverse effect on our military preparedness and has endangered our national security.

I feel that passage of the Uniformed Services Pay Act adequately addressed this serious problem, but sections 775 and 777 of the DOD appropriations bill again present another financial problem for military personnel.

Sections 775 and 777 would limit retired pay to 94.8 percent of the amount that a retiree would otherwise be entitled to receive and would eliminate the 6-month rounding provision in current law. This provision is a serious breach of faith by the Federal Government. In 1975, the Tower amendment was enacted to insure that military people would receive no less retired pay from continued active service than they would have received had they retired at an earlier date after attaining retirement eligibility. The proposal contained in H.R. 4995 would break the commitment made by the Tower amendment because thousands of individuals who continued faithful military service would suffer a loss in retired pay.

Younger officers and enlisted personnel that are facing career decisions will view this appropriations bill as weakening the retirement system and opening the door for future cuts. We must keep in mind that our armed services are suffering from severe shortages of skilled officers and enlisted personnel in critical combat and operational positions. Those individuals with skills in great demand in the private sector would be encouraged to leave the military. This would affect great numbers of military people who work in the fields of aerospace, electronics, aviation, and computers.

The provisions of section 777 would also apply to our Reserve Forces. This would make it even more difficult to recruit and retain qualified Guard and Reserve units.

There are a great number of reasons why this language should be deleted from the appropriations bill and I have only mentioned a few of them. I am in strong support of Mr. NICHOLS' amendment and I urge my colleagues to vote for its acceptance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. NICHOLS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WEBER OF OHIO

Mr. WEBER of Ohio. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SEC. 778. None of the funds appropriated by this Act for the pay of Reserve and National Guard technicians based upon their employment as technicians and their performance of duty as members of the Reserve components of the Armed Forces shall be available to pay such technicians a combined compensation in excess of the rate payable for level V of the Executive Schedule.

The Clerk read as follows:

Amendment offered by Mr. WEBER of Ohio: Page 64, strike out line 11 and all that follows through line 17 (and redesignate succeeding sections accordingly).

(By unanimous consent, Mr. DAVIS yielded his time to Mr. WEBER of Ohio.)

Mr. WEBER of Ohio. Mr. Chairman, if we pass this bill in its present form we are signing a notice of discharge to about 1,100 of the best people we have in the Reserves and the National Guard. The people are the most experienced and most qualified technicians in these units, the very men and women we are having so much trouble retaining. This bill contains an unfair and discriminatory pay ceiling. It caps the pay of all members of the Reserve and the National Guard if they are also employed by these units as civilian technicians.

This bill says that if Mr. A and Mr. B are both serving as weekend warriors, as we want them to, in the Guard and Mr. A is a technician who work during the week as a civilian technician in a Guard unit while Mr. B works in some other job, then Mr. A and Mr. B are not paid the same amount for their work on Guard duty because Mr. A's pay is going to be subject to a pay ceiling. That is not right. What is right is equal pay for equal work.

These people are all working two jobs. They are being paid for services performed during the week as technicians and they ought to be paid full value for the services performed as weekend warriors in the Reserve or the National Guard.

Unless we amend this bill by striking out the pay cap, we will make it harder and harder for our Reserve and our Guard units to meet their manpower requirements. We will also make it harder for our Reserves to retain experienced technicians in the Reserve and in the Guard.

Mr. ADDABBO. Mr. Chairman, I rise in opposition to this amendment.

There is no reason why these technicians should not be covered by the pay cap that covers everyone else. There is no shortage in these technicians. There are people waiting for the jobs.

As far as the matter of holding two jobs goes, they cannot be a weekend warrior unless they are a technician. The two jobs go together. The amendment would allow technicians, if we accept this amendment, to continue to make more than the highest ranking generals and senior civilians.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of the amendment.

I just would like to say briefly that what we are doing, no other Federal employees have this restriction on them and certainly I do not think it is fair for the technicians in the Reserve and National Guard to be penalized.

I would support the amendment.

□ 2110

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WEBER).

The question was taken; and on a division (demanded by Mr. WEBER of Ohio) there were—ayes 55, noes 76.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. DUNN

Mr. DUNN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DUNN: Page 68 after line 15, insert the following:

SEC. 792. None of the funds appropriated in this Act may be available for the procurement of any item manufactured in a foreign country unless, during manufacture, the inspection of such item for quality assurance uses the same standards of inspection during manufacture which would be required by the Department of Defense if such item were manufactured domestically.

Mr. DUNN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

POINT OF ORDER

Mr. FRENZEL. Mr. Chairman, I rise to make a point of order against the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL) on his point of order.

Mr. FRENZEL. Mr. Chairman, in my judgment the amendment is contrary to rule XXI, clause 2, which provides that no amendment changing existing law can be made on an appropriation bill. The amendment clearly gives the Secretary additional duties, to determine what kind of quality assurance or inspection is required under the terms of the amendment and, therefore, the amendment constitutes legislation on an appropriation bill.

Mr. Chairman, I believe the point of order should be sustained.

The CHAIRMAN. Does the gentleman from Michigan wish to be heard on the point of order?

Mr. DUNN. Mr. Chairman, the gentleman, I believe, is incorrect. The Secretary already has that discretion. We are simply, in this amendment, trying to make certain that the powers that he uses for national companies are the

same as for international companies. He already has that power. It does not change his power.

The CHAIRMAN. As the Chair reads the amendment, there is clearly a mandatory authority imposing additional duties absent any showing that existing law already requires such inspection of items produced in foreign countries, the Chair sustains the point of order made by the gentleman from Minnesota (Mr. FRENZEL).

AMENDMENT OFFERED BY MR. ERTEL

Mr. ERTEL. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. EDWARDS of Alabama. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ERTEL: Page 68, after line 15, insert the following new sections:

SEC. 792. None of the funds provided in this Act to any Department or Agency shall be obligated or expended to provide a personal cook, chauffeur, or personal servants to any officer or employee of such Department of Agency.

SEC. 793. None of the funds provided in this Act to any Department or Agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less that 22 miles per gallon. This section does not apply to security or special mission automobiles.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. ERTEL) for 1 minute.

Mr. ERTEL. I thank the Chairman.

Mr. Chairman, this amendment is strictly the same amendment offered on other appropriations bills. What it does is provide that one cannot have a personal chef or chauffeur or any other personal servant which is used exclusively for one person's utilization.

In addition to that, it provides that all vehicles other than special-use vehicles or security vehicles must be rated at 22 miles per gallon EPA standards. That would provide an upgrading of the vehicles in the military.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. ERTEL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, the majority accepts the amendment.

Mr. ERTEL. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. FORD OF MICHIGAN

Mr. FORD of Michigan. Mr. Chairman, I offer three amendments, and I ask unanimous consent that they be considered as read, printed in the RECORD, and considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The portion of the bill to which the amendments relates is as follows:

SEC. 769. None of the funds provided in this Act may be obligated or expended to pay a person whose pay is determined pursuant to section 903 of title 20, United States Code (section 5 of Public Law 86-91, as amended), any increase in pay as the result of the establishment of any new category of pay that was not in effect prior to the school year 1979-1980.

SEC. 770. None of the funds provided in this Act shall be available to pay a person whose pay is determined pursuant to section 903 of title 20, United States Code (section 5 of Public Law 86-91, as amended), any increase in basic compensation as the result of adjustments pursuant to section 903(c) of title 20, United States Code, in excess of 4.8 percent of the amount such person was entitled to receive for the school year 1980-1981.

SEC. 771. None of the funds available to the Department of Defense by this or any other Act shall be available to pay a person whose pay is determined pursuant to section 903 of title 20, United States Code (section 5 of Public Law 86-91, as amended), any increase in pay in excess of 4.8 percent for the months of August through December 1981 as a result of adjustments in pay made thereafter.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. FORD of Michigan: On page 61, beginning on line 1 and continuing through line 7, strike section 769 in its entirety and renumber the following sections accordingly.

On page 61, beginning on line 8 and continuing through line 15, strike section 770 in its entirety and renumber the following sections accordingly.

On page 61, beginning on line 16, strike section 771 in its entirety and renumber the following sections accordingly.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. FORD) for 1 minute in support of his amendments.

Mr. FORD of Michigan. Mr. Chairman, I am offering these amendments on behalf of myself and Mr. UDALL who was instrumental in the enactment of the Defense Department Overseas Teachers Pay and Personnel Practices Act.

My first amendment would delete section 769 of the bill.

Section 769 is designed to overrule an agreement between DODDS and the organizations representing teachers. This agreement was to establish a new pay lane for DODDS teachers with a bachelor's degree.

As many Members know, many teachers in the DODDS system are hired overseas either as local hires or as dependents of military personnel. In addition, because of the high cost of travel and transportation, many teachers hired in the United States are urged to stay on. Since teachers do stay overseas, many are at the maximum for a bachelor's degree.

An agreement has been made between DODDS and the organizations representing teachers to create a new lane—promotion—for those willing to go back to school and improve their capabilities by taking some additional courses.

Section 769 undoes this incentive in the name of cutting defense. Believe it or not, this section is part of President Reagan's plan to trim the Defense budget.

Section 769 should be eliminated; incentive to improve the readiness of our overseas teachers is as important as an incentive to improve our economy. The children of our servicemen will benefit, and teachers will improve their skills. This is a practice well established in education; we should not contemplate such a false economy.

The clause affected by this section simply requires DODDS to pay teachers for graduate credits above a B.A DODDS has contested this requirement; grievances have been filed and are currently at an arbitration stage.

If section 769 is enacted, DODDS will be enabled to ignore the requirements of section 903, title 20, United States Code and any eventual arbitrator's decision.

My remaining two amendments would strike sections 770 and 771 which deny funds to pay any increase in basic compensation of overseas teachers in excess of 4.8 percent.

Mr. Chairman, the effect of these sections is to change substantive provisions of existing law, specifically, Public Law 86-91, the Defense Department Overseas Teachers Pay and Personnel Practices Act. Under the act, the rates of pay for DOD teachers are to be fixed at rates equal to the average of the range of rates of basic compensation for similar positions of a comparable level of duties in U.S. urban school jurisdictions of 100,000 or more population. The effect of these sections is to supersede the provisions of Public Law 86-91 by imposing a 4.8-percent limit on the increase in the rates of pay for DOD teachers.

Under the Defense Department Overseas Teachers Pay and Personnel Practices Act, the teachers are entitled to an 11-percent pay increase.

Mr. Chairman, there is absolutely no justification for limiting these teachers to a 4.8-percent increase. Their pay is fixed under an entirely different pay system than other Federal employees and the survey shows that they clearly are entitled to 11 percent. Bear in mind that many of these teachers are dependents of military personnel stationed overseas who have been granted pay increases in excess of 14 percent.

Mr. Chairman, these teachers play a vital role in the support of our military personnel stationed overseas. They deserve to be compensated at a level no lower than that of teachers in comparable school jurisdictions in the United States.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, I know the gentleman was not given proper warning when we opened the bill for amendments at any point, and I know he would have raised a point of order at that time, which would have been in order. So in view of the fact that these would be subject to a point of order, we accept the amendment.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, these are very sound amendments. I urge support of the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan (Mr. FORD).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. FOGLIETTA

Mr. FOGLIETTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGLIETTA: On page 68, after line 15 insert the following new section:

SEC. 7. None of the funds appropriated by this Act may be used for the purpose of converting to performance by contractor personnel any firefighting functions or base-security functions that are currently performed by Department of Defense personnel.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. FOGLIETTA) is recognized for 1 minute in support of his amendment.

Mr. FOGLIETTA. Mr. Chairman, my amendment would create a 1-year moratorium on the contracting out of firefighting and security services at military installations.

I rise today to address a serious issue which must be of concern to all of us: The question of the safety and security of our military installations. On every base, every airfield, every shipyard, we have millions, if not billions of dollars invested in military equipment. On every base, we have tens, to hundreds, to thousands of lives that depend for their safety and security on the services of base firefighters and base security personnel. Those people the firefighters and security guards, have a very heavy responsibility: They have to insure that the stuff of which America's defense is made, is not lost to the ravages of fire, or the consequences of theft or vandalism. As we debate today the merits of spending $1 billion here, or $500 million there, we would do well to ask always: What good is the stuff we buy with this money if we do not take the time to make sure that it will be safeguarded from fire and theft?

The Congress has an obligation to preserve and protect our security, and because of this, it has an obligation to examine the situation surrounding contracting out of firefighters and base security. I ask for a 1-year moratorium to allow us to investigate the information that has been presented to me and to many of colleagues. This amendment allows us the time to do that.

I bring this issue before the Congress because there are many problems with contracting out Federal firefighters and base security. For example: Federal firefighters do not have the right to strike. That is not the case with contracted-out employees. Many of you have military installations in your districts. In deciding how to vote, I ask you to consider the case of Hunters Point Naval Shipyard in California. At Hunters Point, the shipyard went contract—and the contract employees struck the base, closing it for 2 weeks. I suggest to you that this is a threat to our national security. I suggest to you also that we cannot afford to have any of our military installations closed down for monetary reasons—the whole reason that contracting out has been advocated is to save money. . . . This seems a backhanded way to go about achieving that aim. We cannot keep our bases open if we do not have fire protection services for them. But we can ill afford to close them.

Further, Federal firefighters do not just fight fires—they prevent them. Contract bidding in the past has demonstrated that there are tremendous problems in establishing job descriptions: contractors seem to cost less, at least partly because they think that they are being hired just to fight fires. I submit to you that the equipment we house on our bases is too valuable and too expensive to have firefighters around to put out a blaze on an F-18 hangar after it has started—the point, the emphasis, must be on prevention. In case after case, contract costs have gone up as the job description has expanded. Federal firefighters work more than 40 hours a week—without overtime. Contracted workers are not allowed by law to do that. When they work overtime, they get time and a half.

Federal firefighters supervise the moving of nuclear ordnance, stand by operations for nonaviation activities, oversee aircraft landings and arresting gear, and more. Before we let contracts and lost the in-house services, we must see that contracts are let with consistent rules. I have been presented with material for a base that shows that, if arresting gear support costs were taken into account in contract bidding, it would be more than four times as expensive to contract out as it would be to keep it in-house. And yet those costs were not brought in, although those duties are a part of the job description of Federal firefighters.

Mr. Chairman, the list of issues involved here go on and on, I believe that it is essential that we pass this amendment and give ourselves the time that we must have to review this situation. The safety and security of our military installations is far too important an issue to allow to fall to pressure from any source. This amendment will not cost the taxpayers or slow the progress of Government if it is passed. But if we deny ourselves the opportunity to undertake this study, it may well be that it is the taxpayers who lose when fire takes military equipment that could have been saved by better qualified or more experienced people. Before we go any futher, let us make that determination. I urge the passage of this amendment.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. FOGLIETTA. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, we have examined the amendment. We have no objection.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. FOGLIETTA. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I rise in support of the amendment of my colleague from Pennsylvania, Mr. FOGLIETTA.

Mr. Chairman, it has come to my attention in my congressional district that many long-time employees at the Great Lakes Naval Training Center and at the Veterans' Administration Hospital in North Chicago are threatened with loss of their jobs by reason of a proposal to contract out the duties which they now perform.

Services relating to base security, fire protection and dietary facilities now operated in-house have resulted in a high level of proficiency and individual benefit to the military and veteran personnel at these Federal facilities in my congressional district.

Mr. Chairman, I do not claim to have all of the information upon which relative costs of such services could be determined. However, from my meetings with both service and supervisory personnel, I am convinced that excellent services are now being rendered by career civilian personnel who serve under the direction of the base commander or the hospital director.

Mr. Chairman, I feel that the precipitate dismissal of career civilian personnel and the substitution of unknown persons who might be engaged by some outside independent contractors would be a mistake. It might not lead to net savings and it could indeed

result in elimination of vital services to which our military and veteran citizens are entitled.

Mr. Chairman, it seems to me a very modest step to defer any such contracting out programs for a period of 1 year, such as the amendment of my colleague from Pennsylvania (Mr. FOGLIETTA) would accomplish. I am going to support this amendment and will hope that it is adopted.

While this amendment could not reach veterans institutions, it is expected that a comparable amendment could be adopted with would be applicable to them.

Mr. DYSON. Mr. Chairman, will the gentleman yield?

Mr. FOGLIETTA. I yield to the gentleman from Maryland.

Mr. DYSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania. The contracting out of firefighting and security duties on military installations is a shortsighted and irreversible mistake. Contracting out is neither prudent nor cost effective, and is a matter appropriate for detailed congressional review.

In recent years the Defense Department has been the target of considerable pressure from the Office of Management and Budget to contract out services in an effort to reduce the Federal payroll. Like other Federal agencies, the DOD reacted to this pressure in a hurried and indiscriminate manner. Congress recognized this in the past, and imposed a variety of statutory restrictions to allow for a more thorough review of new contracts with the private sector. Unfortunately, Executive pressure has intensified in the last year, and imprudent contracting out is a major problem that we must face today.

One part of this problem is that only short-term costs are being considered. OMB guidelines have been set to approve contracting out if an immediate 10-percent savings can be achieved. Important considerations such as the costs of new supervisory positions and the private sector's right to strike are being ignored. Up to 4 percent of the 10-percent savings has been used, in some recent examples, to establish additional administrative and supervisory personnel. Striking firefighters have already proven their ability to use up the remaining 6 percent of initial savings.

Even more important is that contracting firefighters and security personnel can endanger the smooth operations of a military installation. A strike during a national emergency could prove disastrous at a military base critical to the defense of our Nation. Striking firefighters have already closed a naval shipyard for over a week. Any adverse effect on our military's mobilization capability should be viewed with alarm.

Perhaps worst of all, any decision to contract out is irreversible. When a service has been approved for private contracting, it can never be brought back in-house, regardless of the quality of service the contractor renders.

Mr. Chairman, I am sure my colleagues will agree that an immediate and through examination of current contracting out practices is critical. The responsibility has fallen on Congress to insure that smooth functioning and emergency preparedness of our Armed Services are not sacrificed for a tenuous reduction in personnel costs. I strongly urge my colleagues to support the amendment offered by the gentleman from Pennsylvania.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. FOGLIETTA. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, I rise in support of Mr. FOGLIETTA's amendment. During our Readiness Subcommittee and full Armed Services Committee hearings this past year, we heard numerous examples of the adverse readiness impact of attempts to contract out various DOD activities.

Some of these potential contracts are a judgment call, and only time would tell whether we could live with performance under contract rather than by in-house personnel.

But the situation identified and addressed by Mr. FOGLIETTA is literally mind boggling. The fact that events have gotten to the point where his amendment is even remotely necessary is mind boggling.

Our Federal firefighters' function is the most hazardous profession in this country. And in addition to the normal skills necessary to function in a complex urban environment, the firefighters on our military and naval installations have increased skill requirements only dimly understood outside.

They must be prepared to provide fire security around enormous quantities of ordnance materials, not the least of which are nuclear weapons. They must be prepared to handle and work in a chemical toxic environment for which there is literally no civilian counterpart.

The thought that the Navy proposes to contract out these functions alone is unbelievable.

But these unique firefighting skills, in a unique environment, are only a small part of the story—how do we compensate for those other things that will not get done under contract?

Who will provide the fire prevention and inspection services which give us such an enviable record on our bases and installations? Who will provide, or can provide, as cheaply, the other corollary duties which will have to be assigned elsewhere—and which represent additional costs not even being considered?

Until we know the answers to those questions, we should not be embarked on a virtually irrevocable course to strip out our Federal firefighting capability. Mr. FOGLIETTA's amendment gives us the necessary time to get those answers, and to allow the Congress to establish a rational policy regarding contracting out these defense functions.

I support the amendment, and urge that my colleagues do the same.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. FOGLIETTA. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I rise in opposition to this amendment, which is nothing more than another effort to prevent DOD's management from getting the best possible firefighting and security services at the best possible price.

As ranking Republican member of the House Post Office and Civil Service Committee, I have witnessed, year after year, not only the sporadic attempts to tamper with the Government's legitimate contracting operations, but also the routine introduction of a bill to shorten the workweek of Defense Department firefighters without reducing their premium pay. This measure mandated a raise in hourly pay so great that neither the Ford nor the Carter administrations could acccept it even when times were better than they are today. President Ford vetoed the bill and was not overridden; President Carter insisted that it be detached from the body of the Civil Service Reform Act and he properly won that fight.

Here is an amendment requiring that our largest agency ignore any prospect of deferring to the private sector for vital services. Here is a plan to forbid our largest Government employer from even the slightest option of complying with OMB circular A-76, a document which has been endorsed by administrations of both parties and which requires that agencies seek efficiency and cost effectiveness within the competition of the private sector.

By voting down this amendment, we can assert the principles of A-76 as well as commonsense itself: Federal firefighters and security officers are dedicated and hard working in most cases, but they enjoy no monopoly on ability to perform vital services such as firefighting and security on our military installations.

By rejecting this amendment we will simply be assuring that for any given task in the Defense Department which is properly subject to contracting out under the law, the voice of the private sector will be heard.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. FOGLIETTA).

The question was taken; and on a division (demanded by Mr. DERWINSKI) there were—ayes 83, noes 85.

So the amendment was rejected.

□ 2120

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

(By unanimous consent, Mr. FRENZEL yielded his time to Mr. EDWARDS of Alabama.)

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. CHAPPELL).

Mr. CHAPPELL. Mr. Chairman, I use my time to engage to colloquy with the chairman to clarify an issue in the bill. I believe Mr. GINN wants to engage in the same colloquy.

Mr. Chairman, last year we instructed the Air Force to phase out the five C-140 aircraft stationed in Europe, primarily because of their prohibitive operating cost. The Air Force chose to ignore the committee's recommendation which was agreed to by the Senate.

This year we have once again recommended the phaseout of the C-140's, and to insure their retirement, we have reduced their operating account by $5.5 million.

We have added section 787 to the bill which allows the Air Force to lease under applicable law and regulation, up to six aircraft to be used to fly the missions currently conducted by the C-140's.

Mr. Chairman, I wish you to conform my understanding that we are supporting a program to replace the aging and operationally expensive C-140's and not a program geared to the sole use and specifications for White House use.

Mr. ADDABBO. Mr. Chairman, I have discussed the matter and I fully agree.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. GINN).

Mr. GINN. Mr. Chairman, for further clarification, was it not the committee's intent that when we specified six aircraft to replace the aging C-140's, that those aircraft would operate out of Andrews Air Force Base and were not intended for deployment in Europe?

Mr. ADDABBO. That is correct.

Mr. GINN. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there is objection to the request of the gentlewoman from Colorado?

Mr. EDWARDS of Alabama. Mr. Chairman, I object. I have not seen the amendment.

The CHAIRMAN. Objection is heard.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: Page 68, after line 15, insert the following new section:

SEC. . None of the funds appropriated by this Act may be used to appoint or compensate more than 33 individuals in the Department of Defense in positions in the Executive Schedule (as provided in sections 5312-5316 of title 5, United States Code).

Mrs. SCHROEDER. Mr. Chairman, I am offering an amendment to cap the number of bigwigs we can fund in the Department of Defense. Currently, there are 30 DOD officials in executive level positions. These positions require Presidential appointment and Senate confirmation. They pay salaries higher than those enjoyed by career senior executives and, with these jobs, come all the perks of being Under Secretary or Assistant Secretary.

The Pentagon has, obviously, not got the word from the White House that we are trying to cut down on the size of Government, because it is currently pushing a plan to create six new Assistant Secretary positions in DOD. To be fair, I ought to say that the original DOD bill only asked for five additional positions and the Armed Services Committee added a sixth for Communications, Command, and Control (C^3) and Intelligence (I). I think the sixth position for C^3I has been justified and my amendment allows it. Indeed, it used to exist until the Reagan administration stole it to use it for Congressional Relations Assistant Secretary, knowing that Congress would be much more likely to approve a new Assistant Secretary for C^3I than one for congressional relations.

This morning, the Department of Defense sent David Cooke, the Deputy Assistant Secretary for Administration, to the Committee on Post Office and Civil Service to justify these new positions. Mr. Cooke, the witness, made essentially three arguments in favor of the establishment of these new positions. His first argument was that these positions used to exist before the last administration abolished them as unnecessary. So, what we have here is a situation where the big-spending Carter administration reduced the size of Government and the budget-cutting Reagan administration is fighting for a 20-percent increase in the number of executive level positions in the Department of Defense. I did not see anything in Mr. Cooke's statement to suggest that the elimination of these positions by Secretary Brown was a mistake or anything specific on the changed circumstances which now require these new positions.

Mr. Cooke's second argument was that there is something special about an executive level position which makes recruitment easier, provides greater clout, and provides "a vital link between the administration and the career bureaucracy." Surely Presidential appointment and Senate confirmation are quite flattering to a new appointee in Government. Nevertheless, in reality, these symbols of power are fig leafs to cover the nakedness of the incompetent. The truly competent, whether they are executive level, senior executive service, uniformed, or whatever, stand out and have all the clout, respect, and influence they need. The "vital link" of which Mr. Cooke spoke is hard to see. Indeed, as he conceded in his statement, the appointments to these positions will be political. Historically, I do not believe that large campaign contributors, Heritage Foundation alumni, and associates of powerful Senators have served as much of a bridge to the career service.

Mr. Cooke's third argument was simple: these new positions won't cost much money. I cannot say how much they will cost, but I can say that it will be far more than the $2,637.50 in salary difference between a capped senior executive and an executive level IV. Senior executives can and often are treated as just other bureaucrats. Assistant Secretaries, on the other hand, think of themselves and are treated as princes in the royal court. They get big offices with windows facing the river. They get first claim on cars and drivers. They get secretaries, and military assistants, and special assistants, and deputies. In DOD, the workload does not determine the staffing. Rather, for each muckety-muck, whether military or civilian, there has to be the appropriate complement of workers. It is kind of top-down workforce planning.

The fact of the matter is that the real work of the Defense Department is done by soldiers guarding against enemy movements, by the mechanics who rebuild ships and airplanes, by the scientists who push back the frontiers of science looking for more accurate and more powerful weapons, by the lonely sailors sitting aboard ship in the Indian Ocean, and by the millions of other rank-and-file workers, civilian and military, who keep our military machine ready. We should concentrate our efforts on helping these people do their jobs, not in creating more layers of bureaucracy which drain resources from those who actually do the work and make their work more difficult to perform.

My amendment would permit one additional Assistant Secretary for Communications, Command, and Con-

trol and Intelligence, but would disallow any additional ones beyond that. I urge its adoption.

Mr. ADDABBO. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield.

Mr. ADDABBO. Mr. Chairman, we have discussed this with the pending legislation before the gentlewoman's committee, and I think 33 is an acceptable limit.

Mrs. SCHROEDER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, unfortunately, the actions of the House today have made it impossible for me to support the defense appropriation. Of course, we need a sound defense in a dangerous world—but we make that world far more dangerous rather than less when we pass a defense appropriation which takes scarce dollars and pledges them to the development and construction of expensive and destabilizing weapons which are not only unnecessary from the defense standpoint, but which in fact contribute to the level of peril which an unrestrained arms race brings.

It is particularly sad—and frustrating—that so soon after a large number of thoughtful Americans called attention to the folly of the current arms race escalation in teach-ins around the Nation, and at a time when a far larger number of concerned Americans have asked the two superpowers to abide by a bilateral nuclear freeze, the U.S. House of Representatives refuses to pay any serious attention to their eloquent, passionate, and well-documented arguments.

Today, we have gone ahead with a multibillion-dollar MX missile plan despite the fact that no one here knows what it really means—and despite the fact that the President can offer neither a plan, nor a rationale, for such a missile. We have gone ahead with a new installment on a $40 billion—or more—B–1 bomber, which at best will have a shorter necessary life than a new family car.

Not only are we spending billions on these and similar weapons at a time when fundamental human needs go unmet because of budget cuts; we are spending them on weapons which make sense only to those committed to an all-out arms race; to those who scorn the arguments for sensible arms control which millions of our fellow citizens now put forth.

This bill is passed in a time warp. All around us, people talk of the need for reducing wasteful Government spending, and for making hard choices about ways to achieve objectives in an efficient, cost-conscious manner. Yet, after partisan maneuvering and Republican leadership pressure, a majority of the House votes down even a bare 2 percent cut in a department which OMB Director Stockman admits is bloated with inefficiency.

And while the public insistence on a rational defense strategy that keeps America strong, but simultaneously works in a genuine way toward arms reductions, and avoids destabilizing weapons and strategies, the House votes for every weapons system proposed regardless of its merit, or of the extent to which it puts us further from the goal of a truly safe and peaceful world.

I favor a strong America in a peaceful and safe world, and because I do, I must vote against this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. EDWARDS) to conclude debate.

Mr. EDWARDS of Alabama. Mr. Chairman, I thank the Members of the House for their attendance today, for their attention to the debate, for their willingness to move along with it so that we can get on to the continuing resolution and other things such as that this week. I think we have a good bill. I would urge that the Members support the bill on final passage.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to my chairman, Mr. ADDABBO.

Mr. ADDABBO. Mr. Chairman, I thank the gentleman for yielding, and thank him for his cooperation, and the Members of the House for their cooperation.

Section 776 would limit the payment of standard level user charges [SLUC] to GSA to 50 percent of the fiscal year 1982 DOD SLUC bill. Enactment of this provision would result in the loss of approximately $107,000,000 in income to the Federal buildings fund. According to GSA, this loss of resources would result in the reduction of the fiscal year 1982 construction program, as contained in H.R. 4121 as reported by the Senate Committee on Appropriations, and also a reduction in the proposed fiscal year 1983 construction program.

My distinguished colleague, Mr. ROYBAL, is concerned that this proposal, if approved, would obviate one of the basic objectives of the Congress in establishing the FBF, to reflect in each agency's budget their share of the cost of providing Federal space, and thus, require each agency to justify its total program costs to its appropriation subcommittees. He believes that arbitrarily reducing the payment of SLUC distorts these legitimate program costs of the agency.

I can assure my colleague that I will work with him, DOD, and GSA prior to conference with the Senate to insure that none of the projects previously approved by his subcommittee will be canceled. I can also assure Mr. ROYBAL that the final defense bill will contain sufficient funding to provide the full reimbursement due to GSA under existing law for the services and space that GSA provides. Furthermore, I fully agree with the concept that each activity should reflect in its budget its share of the costs of providing Federal space. I thank him for his concerns and for bringing this problem to my attention.

Mr. CHAIRMAN. Are there any further amendments?

The Chair hears none.

Mr. ADDABBO. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4995) making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

□ 2130

MOTION TO RECOMMIT OFFERED BY MR. BROWN OF COLORADO

Mr. BROWN of Colorado. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BROWN of Colorado. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROWN of Colorado moves to recommit the bill, H.R. 4995, to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EDWARDS of Alabama. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 335, nays 61, not voting 37, as follows:

[Roll No. 320]

YEAS—335

Addabbo	Daub	Hammerschmidt
Akaka	Davis	Hance
Albosta	de la Garza	Hansen (ID)
Anderson	Deckard	Hansen (UT)
Annunzio	DeNardis	Hartnett
Anthony	Derrick	Hatcher
Applegate	Derwinski	Hawkins
Archer	Dickinson	Heckler
Ashbrook	Dicks	Hefner
Aspin	Dingell	Heftel
Atkinson	Dougherty	Hendon
Badham	Dowdy	Hertel
Bafalis	Downey	Hightower
Bailey (MO)	Dreier	Hiler
Bailey (PA)	Dunn	Hillis
Barnard	Dwyer	Holland
Barnes	Dyson	Hollenbeck
Beard	Eckart	Holt
Benedict	Edwards (AL)	Hopkins
Benjamin	Edwards (OK)	Horton
Bennett	Emerson	Howard
Bereuter	Emery	Hoyer
Bethune	English	Hubbard
Bevill	Erlenborn	Huckaby
Bliley	Ertel	Hughes
Boggs	Evans (DE)	Hunter
Boland	Evans (GA)	Hutto
Boner	Evans (IA)	Hyde
Bonker	Evans (IN)	Ireland
Bouquard	Fary	Jacobs
Bowen	Fascell	Jeffords
Brinkley	Fazio	Jeffries
Brooks	Ferraro	Jenkins
Broomfield	Fiedler	Jones (OK)
Brown (OH)	Fields	Jones (TN)
Broyhill	Findley	Kazen
Burgener	Fish	Kemp
Butler	Fithian	Kindness
Byron	Flippo	Kogovsek
Campbell	Foglietta	Kramer
Carman	Foley	LaFalce
Carney	Ford (MI)	Lagomarsino
Chappell	Fountain	Lantos
Chappie	Fowler	Latta
Cheney	Frenzel	Leach
Clausen	Frost	Leath
Clinger	Fuqua	LeBoutillier
Coats	Gaydos	Lee
Coelho	Gejdenson	Lehman
Coleman	Gephardt	Lent
Collins (TX)	Gibbons	Levitas
Conable	Gilman	Lewis
Conte	Gingrich	Livingston
Corcoran	Ginn	Loeffler
Coughlin	Glickman	Long (LA)
Courter	Gonzalez	Long (MD)
Coyne, James	Gore	Lott
Coyne, William	Gradison	Lowery (CA)
Craig	Gramm	Lujan
Crane, Daniel	Green	Luken
Crane, Philip	Gregg	Lungren
D'Amours	Guarini	Marks
Daniel, Dan	Gunderson	Marlenee
Daniel, R. W.	Hall (OH)	Marriott
Danielson	Hall, Ralph	Martin (IL)
Dannemeyer	Hall, Sam	Martin (NC)
Daschle	Hamilton	Matsui
Mavroules	Porter	Solarz
Mazzoli	Price	Solomon
McClory	Quillen	Spence
McCollum	Railsback	Stangeland
McCurdy	Ratchford	Stanton
McDade	Regula	Staton
McEwen	Rinaldo	Stenholm
McGrath	Ritter	Stratton
McHugh	Roberts (KS)	Stump
McKinney	Roberts (SD)	Swift
Mica	Robinson	Synar
Michel	Roe	Tauzin
Miller (OH)	Roemer	Taylor
Mineta	Rogers	Thomas
Minish	Rose	Traxler
Mitchell (NY)	Rostenkowski	Trible
Molinari	Roth	Udall
Mollohan	Roukema	Vander Jagt
Montgomery	Rousselot	Volkmer
Moore	Rudd	Walker
Moorhead	Santini	Wampler
Morrison	Sawyer	Watkins
Mottl	Scheuer	Waxman
Murphy	Schneider	Weber (MN)
Murtha	Schulze	Weber (OH)
Myers	Schumer	White
Napier	Sensenbrenner	Whitehurst
Natcher	Shamansky	Whitley
Neal	Shannon	Whittaker
Nelligan	Sharp	Whitten
Nelson	Shaw	Williams (OH)
Nichols	Shelby	Wilson
Nowak	Shumway	Winn
O'Brien	Shuster	Wirth
Oakar	Siljander	Wolf
Oxley	Simon	Wortley
Panetta	Skeen	Wright
Parris	Skelton	Wylie
Pashayan	Smith (AL)	Yatron
Patman	Smith (IA)	Young (AK)
Pease	Smith (NJ)	Young (FL)
Perkins	Smith (OR)	Young (MO)
Petri	Smith (PA)	Zablocki
Peyser	Snowe	Zeferetti
Pickle	Snyder	

NAYS—61

AuCoin	Gray	Russo
Bingham	Harkin	Sabo
Blanchard	Kastenmeier	Savage
Bonior	Kildee	Schroeder
Brodhead	Leland	Seiberling
Brown (CA)	Lowry (WA)	Smith (NE)
Brown (CO)	Lundine	St Germain
Burton, John	Markey	Stark
Clay	Mikulski	Stokes
Collins (IL)	Miller (CA)	Studds
Conyers	Mitchell (MD)	Tauke
Crockett	Moffett	Vento
Dellums	Oberstar	Walgren
Early	Obey	Washington
Edgar	Ottinger	Weiss
Edwards (CA)	Pursell	Williams (MT)
Erdahl	Rahall	Wolpe
Fenwick	Rangel	Wyden
Ford (TN)	Richmond	Yates
Frank	Rodino	
Goodling	Roybal	

NOT VOTING—37

Alexander	Duncan	McCloskey
Andrews	Dymally	McDonald
Bedell	Florio	Moakley
Beilenson	Forsythe	Patterson
Biaggi	Garcia	Paul
Bolling	Goldwater	Pepper
Breaux	Grisham	Pritchard
Burton, Phillip	Hagedorn	Reuss
Chisholm	Johnston	Rhodes
Dixon	Jones (NC)	Rosenthal
Donnelly	Madigan	Weaver
Dorgan	Martin (NY)	
Dornan	Mattox	

□ 2140

The Clerk announced the following pairs:

On this vote:

Mr. Pepper for, with Mr. Beilenson, against.

Mr. McDonald for, with Mr. Phillip Burton, against.

Until further notice:

Mr. Rosenthal with Mr. Duncan.

Mr. Patterson with Mr. Pritchard.

Mr. Bedell with Mr. McCloskey.

Mr. Moakley with Mr. Rhodes.

Mr. Reuss with Mr. Paul.

Mr. Weaver with Mr. Goldwater.

Mr. Alexander with Mr. Dornan of California.

Mr. Biaggi with Mr. Hagedorn.

Mr. Donnelly with Mr. Martin of New York.

Mrs. Chisholm with Mr. Forsythe.

Mr. Dymally with Mr. Grisham.

Mr. Florio with Mr. Madigan.

Mr. Jones of North Carolina with Mr. Garcia.

Mr. Mattox with Mr. Breaux.

Mr. Andrews with Mr. Dixon.

Mr. Dorgan of North Dakota with Mr. Johnston.

Mr. BLANCHARD and Mr. JOHN L. BURTON changed their votes from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3046, AMENDING THE OLDER AMERICANS ACT OF 1965

Mr. ZEFERETTI, from the Committee on Rules, submitted a privileged report (Rept. No. 97-343), on the resolution (H. Res. 279) providing for the consideration of H.R. 3046, to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3663, REGULATION OF MOTOR CARRIERS OF PASSENGERS

Mr. ZEFERETTI, from the Committee on Rules, submitted a privileged report (Rept. No. 97-344) on the resolution (H. Res. 280) providing for the consideration of the bill (H.R. 3663) to amend subtitle IV of title 49, United States Code, to provide for more effective regulation of motor carriers of passengers, which was referred to the House Calendar and ordered to be printed.

THE HUMAN MEANING OF THE AGGREGATE NUMBERS ON HOUSING STARTS

(Mr. ST GERMAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ST GERMAIN. Mr. Speaker, today, once again the Federal experts have told us what the people in this

Nation have known for a long time—that the housing and construction industry is in a deep depression.

Housing starts, we are told by the Commerce Department, were down to an annual rate of 857,000 in October—the second lowest number since records have been kept on this area of the economy. Only in October of 1966, when starts dipped below the 850,000 mark, was housing construction at a lower ebb. These numbers are disastrous when the Nation is in need of at least 2 to 2½ million new starts annually just to keep up with basic needs.

These aggregate numbers speak loudly, but they do not begin to explain to the Nation the severe hardships, the pain, the suffering, the dashed hopes that flow from the failure of the Reagan administration policies on housing.

The Banking, Finance and Urban Affairs Committee has been in the field, talking directly to the people—to carpenters, electricians, plumbers, contractors, lumber mill operators, copper miners, steelworkers, the people who fell the trees, the people who sell paint, appliances, and building supplies. These people have all been hit so hard by the double whammy of high interest rates and sharply curtailed Federal housing programs under this administration.

Mr. Speaker, we are not dependent on the aggregate numbers of the Commerce Department. We have seen the depression up close, face to face with workers and small business people who are quickly losing hope and faith.

We have volumes of testimony, but let me quote from just one witness—Gene Brehmeyer of Shelton, Wash.—who came to the Federal building in Seattle, Wash., on November 6 and told the committee about his job experiences as a timber feller in the Northwest:

> This is the 24th week since the first of the year I am off. I am now treading water until 1 January, really until March.
>
> I don't want any of you to get the idea that we need welfare, some type of thing like that. I don't want welfare. I will never take welfare. I will steal from you first. What I want is my job I want to work.
>
> I have got six kids, trying to put food on the table. It is difficult. My son wants a six dollar sweatshirt, turning out for football. I am a proud man, I want my job.
>
> When you go into the winter, you try to have $1,500, $2,000 in the bank, plus your share you are going to get. This gets your utility bills paid, and takes care of emergencies. I have gone through my winter money this summer. I really don't know what the hell I am going to do. It is difficult to eat spaghetti all the time. I would assume it is going to be like this for the rest of the fellers.
>
> The Fish and Game Commission is going to catch hell this year. As long as I can afford 22 shells, my kids are going to eat. I am dismayed—I would like to see someone rise to the occasion, keep me working, keep interest rates down, and keep us busy. Otherwise, we have real problems, and I think you are looking at an upheaval that I think we are all going to regret.

Mr. Speaker, Mr. Brehmeyer is at the beginning of the long chain of people that are impacted when national policies crush the building industry. Unlike the fantasies of OMB, as revealed in the Atlantic Monthly, these are real situations, real people, facing real problems.

As one of the witnesses told the Committee in Tucson, Ariz., this administration has adopted an antihousing attitude. It must be changed.

PERMISSION FOR SUBCOMMITTEE ON NATURAL RESOURCES, AGRICULTURE RESEARCH AND ENVIRONMENT OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. SCHEUER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Natural Resources, Agriculture Research and Environment of the Committee on Science and Technology be permitted to sit tomorrow, Thursday, November 19, 1981, while the House is in session.

The SPEAKER pro tempore (Mr. ECKART). Is there objection to the request of the gentleman from New York?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentleman tell me if he has consulted the minority members at all?

Mr. CARNEY. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York.

Mr. CARNEY. As the ranking minority member of the committee, I have polled all of the members of the committee and we are in full agreement with the chairman. We will meet, but we will not be marking up a bill.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EDUCATING OUR CHILDREN

(Mr. SMITH of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Alabama. Mr. Speaker, rather than leave the education of our children to the wishes of Washington, it is time we return this traditional function to the level it belongs and insure that local needs are met rather than the needs of a billion-dollar bureaucracy.

Education is a responsibility that belongs to parents, teachers, local school systems, and our State governments. It is not Congress responsibility and certainly not the responsibility of a billion-dollar bureaucracy in many cases more than 700 miles removed from the needs and preferences of children and parents.

At issue is a God-given right that parents must have: The fundamental right to decide for themselves what type of education their children will receive.

It is time the Federal Government was reminded that children belong to parents and are not wards of the Federal Government or its creation, the Department of Education. Are our children better off today than they were 2 years ago when the Department of Education was created by President Carter? The Department of Education has not improved our children's education. It has only meant that in 2 years' time parents, many who are struggling financially to survive, have had to support 7,000 bureaucrats at a cost of $15 billion to issue more than 1,400 pages of regulations that force schools to fill out hundreds of reports and change directives from year to year.

Somehow we have lost sight of our goal. Need we be reminded that our goal is the education of our children? This means gearing our resources to provide the highest quality of education for every student. And I just happen to believe that this comes about through consultation with parents and local educators rather than Washington.

□ 2150

LATVIAN INDEPENDENCE DAY

(Mr. ANDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON. Mr. Speaker, today I join my colleagues in saluting the 63d anniversary of the independence of the Republic of Latvia. Unfortunately, this day remains a bittersweet celebration for millions of Latvians and other freedom-loving peoples throughout the world, because ever since Soviet troops occupied Latvia during the Second World War, the area has been illegally incorporated into the U.S.S.R.

The 40 years that have followed this invasion have been extremely trying for the native population of this small Baltic republic and its two neighbors, Estonia and Lithuania, who also suffer under the Soviet yoke. Displays of Latvian national sentiment have been ruthlessly suppressed. Thousands of Latvians were deported to northern Russia and Siberia in the years following the war. In spite of these deportations and other brutalities inflicted upon them, the Latvian people's desire for freedom has remained strong.

At present the Latvian nation is facing a new and even more ominous challenge from their occupiers. There has been an increased number of Russian colonists settling permanently in Latvia in recent years. The percentage of native Latvians comprising Latvia's population has declined to a little over 50 percent of the total. Thus Latvians today face the danger of becoming a minority in their own land. This present day colonialism must be condemned. The Latvians must not be robbed of their homeland forever.

In the past, the Latvian nation has faced and triumphed over many challenges to its independence. It will survive the present colonialist policy of Russification. Let us all celebrate Latvian Independence Day with the hope that this nation's right of self-determination will be speedily restored, and she will once again be free from Soviet bondage.

AMERICAN DREAM TURNED TO NIGHTMARE

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, the American housing industry is in a shambles. Housing starts are the lowest in recent memory, unemployment in the construction trades and bankruptcies in housing related firms are rampant. This depression in one of our most basic industries—an industry which provides Americans with one of their most important, cherished, and traditional dreams—has been greeted by the Reagan administration with callous disregard.

More than 6 months ago I questioned Reagan administration officials on how they were going to deal with the impending crisis in housing. The Reagan response has been to establish a Presidential commission to study the problem. The blue ribbon study commission has produced a lot of rhetoric, few new ideas, but perhaps its most important characteristic is to provide a political shield to take the heat.

The Reagan administration has done much more to the housing industry than just create a study commission. First, they eliminated 120,000 assisted housing units from the budget and they sought to further restrict the Federal programs which direct capital toward housing. Then they rammed through a tax bill which has the effect of skewing investment incentives away from housing. That same Reagan supply side tax bill will be a principal contributor to the third ill that affects the housing industry, high interest rates. Reaganomics, increased capital intensive defense spending, and the February 1981 Presidentially mandated tight monetary policy combined with the added steam of the business tax cut which forces corporate borrowing and therefore increases pressure on money market, has kept interest rates at unprecedented levels and will likely result in continued inflation.

Mr. Speaker, during the last few weeks we have heard the incredible boasting by our colleagues from the other side of the aisle about the drop in the prime rate. Let me point out to my colleagues who are boasting of this progress that to achieve this drop, America has entered a very serious recession, and added millions of workers to the unemployment rolls. In my judgment, this is nothing to boast about. It is important to note that the mortgage interest rate has not tracked the drop of the artificially high prime rate. In the real world you would get little credit for achieving a drop in interest or inflation rates by creating a recession and increasing unemployment.

The real tragedy is that we need to build more than 20 million units of housing in the 1980's and at current rates we will build less than half that. The real tragedy is that millions of Americans who could build those homes are out of work. The real tragedy is that millions of Americans cannot hope to purchase a home. A way of life that strengthens communities and families and provides stability for generations is going to disappear. The real tragedy is that there is a crisis out there and the administration is doing nothing about it. Indeed the American dream has turned into the American nightmare.

A TRIBUTE TO LEONARD A. USINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, on October 26, 1981, a Mass was held on the occasion of the burial of the Honorable Leonard A. Usina at Gesu Church in Miami. Mr. Usina, one of my late wife's and my longtime and dearest friends, was 93 when he passed away. He had a great career as a businessman and especially as a banker. He left a group of banks known as the Peoples' Banks, which bear testimony to the kind of a man—the kind of banker—Mr. Usina was. He was a man who put first emphasis, even in respect to security for loans, upon the character of the borrower. He was the kind of a banker to whom the minority groups—little people—could go for legitimate help. He was the sponsor of innumerable worthy causes. He was a symbol of nobility of character, charm, and compassion for his fellowman. Like the Master, he went about doing good in his life. We who loved him know we will never see his like again. He stood out not only in the charm of his person, always beautifully dressed in a white linen suit with his shock of beautiful white hair, but as a gentleman, as we say, "of the old school."

On the occasion of his Mass, to which I refer, I was privileged to read the first lesson, a privilege which I will always cherish. The eulogy for Mr. Usina was delivered by Chaplain Ignatius Fabacher of the Lafayette General Hospital, Lafayette, La., a longtime friend of Mr. Usina's. The eulogy was that of a devoted friend and spiritual brother, truly eloquent in words and delivered with tender reverence for Mr. Usina. All who heard this beautiful eulogy were warmed in their hearts and pleased to hear one so knowledgeable of Mr. Usina speak of him in such moving and tender words.

Mr. Speaker, Mr. Usina was a great American, I ask that this moving eulogy of him given by Father Fabacher appear in the body of the RECORD following these remarks.

EULOGY AT THE MASS ON THE OCCASION OF THE BURIAL OF MR. LEONARD A. USINA, AT GESU CHURCH, MIAMI, FLA., OCTOBER 26, 1981

". . . go to my brothers and tell them, 'I am ascending to my Father and your Father, to my God and your God.'" (John. 20:17)

Archbishop McCarthy, Bishop Nevins, Family of Mr. Leonard Usina—by family is meant not only blood relatives, but all who are members of his banking family—reverend members of the clergy, dear religious and friends.

My own association with a member of the Usina Family began in 1944, with Patrick Usina who had just recently entered the Jesuit Order. Later it was my great pleasure to work together with Pat to help balance the income with the expenses at the Jesuit Novitiate, Grand Coteau, Louisiana. And when I came to Miami, Pat introduced me to his Uncle Leonard. And after that Mr. Leonard Usina helped with every financial decision made during my tenure at Gesu Church.

Today, we are silently aware that we are in the presence of the mortal remains of this great American—a Miamian who believed in the people of his own city—a Floridian with great vision—an American who really believed in God.

Leonard A. Usina was born in St. Augustine, Florida, November 29, 1888—nearly a century ago. He said his father made some friends during the Civil War, and one of them gave his father a job in a St. Augustine Bank, at $16.00 a month—this meant that his father was not the owner of the bank.

Mr. Usina witnessed the effects of the Yellow Fever in this area. Mr. Claude Pepper, here today, can also relate accounts concerning the Yellow Fever epidemic. Mr. Usina experience the World War in the early part of the century—a war that was supposed to end all wars; then he went through the Great Depression of the thirties; and a Second World War in the forties. After the second World War he witnessed a period of great material growth for America and at the same time a period of spiritual poverty among the people of America. Amid all these "ups and downs" Leonard Usina

kept his Faith in God, Faith in himself, and Faith in people.

RESULT OF THIS THREEFOLD FAITH

The wisdom of this man who brings us together today, could appreciate the profundity of the following poem which was his favorite:

So live that when thy summons comes to join
The innumerable caravan that moves
To that mysterious realm, where each shall take
His chamber in the silent halls of death,
Thou go not, like the quarry-slave at night,
Scourged to his dungeon, but, sustained and soothed
By an unfaltering trust, approach thy grave
Like one who wraps the drapery of his couch
About him, and lies down to pleasant dreams."

—WILLIAM CULLEN BRYANT.

But Leonard Usian's life goes further than the grave; and today as we gather in his presence, he speaks to each of us using the words of Jesus Christ after His Death and Ressurrection:

"Go to my brothers and tell them, 'I am ascending to my Father and your Father, to my God and your God.' " (John 20:17)

". . . And indeed, I am going to prepare a place for you that where I am, you also may be." (JOHN 14:15)

FAITH IN GOD

God came first in awareness of the priorities of his Life. He told me once that he would have dedicated his life to the service of God as a priest, but circumstances did not permit him to fulfill this desire. In my answer to him, I said, Mr. Usina you would have made a wonderful bishop.

Born of staunch Catholic parents, spiritual leaders in his church always received the greatest respect; although he might not always agree with some of their financial policies. In his relationship to God he could not go along with any type of "fly by night" expression of religious beliefs. His own relationship to God was solid. Once, at a gathering of men, I heard him address the speaker, "I am not going to sit here and let you criticise our spiritual leaders. Leonard Usina's loyalty to lawful authority admitted of no degrees; it was always 100 percent.

FAITH IN HIMSELF

In the 1940's Leonard Usina was president of the Florida National Bank. At age 62, in the 1950's he broke away from the BallduPont interests and opened his own Peoples Bank in Miami Shores. His philosophy of banking was summed up briefly at a stockholders meeting: "We remain interested in the greater Miami area. We think there is a lot to be done here without expanding to Jacksonville or Orlando."

FAITH IN PEOPLE

Mr. Usina once asked the question: "How can you love people—children, women, blacks or whatever—if you don't love persons first?"

His priority in dealing with others was, people come before things. He was greatly aware of the fact that persons make things; things do not make people.

He was instrumental in making women presidents of banks, long before an Equal Rights Amendment was ever thought of. One of his Vice-Presidents, possibly more than one, are black. Wherever he saw ability and integrity in a person he allowed that person's potential to develop. This principle came before anything else when he placed someone's name on the list for a position.

Finally, Mr. Usina had Faith in the elderly too. He was instrumental in helping Gesu Church to establish the Senior Citizen Center here. He was informed by Sister Maura who directs the Center that the elderly were losing some of the value of their Government checks. He said tell them to deposit their checks in Peoples Bank; they can draw through their checking account any amount they need at the time; and no minimum amount need be kept in the bank; just do not overdraw. He did this just to help these Senior Americans who helped to make America great in the past. He fulfilled the commandment: "honor thy father and thy mother."—the only commandment for which the reward of old age is promised. He received his reward even in this life by being given a long life here below, almost a century.

And now from where he is, Leonard Usina speaks out to you and to me, "Go to my brothers and tell them, 'I am ascending to my Father and to your Father, to my God and your God. . . . indeed, I am going to prepare a place for you that where I am, you also may be.' "—Rev. IGNATIUS FABACHER, S.J.●

CHICAGO SPORTS BROADCASTER JACK BRICKHOUSE HONORED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, today in our great city of Chicago, hundreds of civic leaders as well as leaders from Chicago's sports and entertainment communities, are paying tribute to the legendary dean of Chicago sportscasters—Jack Brickhouse. The luncheon in tribute to Jack is being held at the Regency Ballroom of Chicago's Hyatt Regency Hotel under the auspices of the Variety Club of Illinois, Tent No. 26.

More than 1,000 fans and friends are honoring Jack for his many contributions—not only for his 40 years of broadcasting on WGN radio and WGN television, located in the 11th District I am honored to represent, but also for his humanitarian efforts in helping handicapped and underprivileged children.

A blue-ribbon group of Chicago's leading citizens is heading the committee for this "Tribute to Jack Brickhouse" luncheon. Philanthropist W. Clement Stone is the general chairman, with Joe Meegan, Andy McKenna, Joe Kellman, and Howard Johnson serving as cochairmen. Illinois Governor James Thompson and Chicago Mayor Jane Byrne are serving as honorary cochairpersons.

The nationally known newspaper and television personality Irv Kupcinet and WGN radio's top personality Wally Phillips are serving as comasters of ceremonies and will head an exciting program featuring outstanding sports personalities, including Baseball Commissioner Bowie Kuhn.

Jack "Hey! Hey!" Brickhouse, who has been announcing baseball for WGN-TV ever since they went on the air in 1948, announced his retirement from WGN last month. He holds a record not ever likely to be broken—more than 5,200 major league baseball games announced—and all for the same station. He did play-by-play broadcasting of Chicago Bears games on WGN radio for 24 consecutive years.

Although this legend in our time has retired from doing play by play of regular baseball telecasts, Jack will remain in Chicago for many years to come, doing selected broadcasts and special events. His broadcasting career is one of versatility, and one of the highlights was his broadcast of a Papal audience with Pope Paul VI.

To the good wishes and tributes today pouring in for this beloved man, I add my personal tribute to Jack Brickhouse, and my best wishes for many more years of success in devotion to high ideals.●

VENGEANCE HAS BEEN CARRIED FAR ENOUGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

● Mr. FORD of Michigan. Mr. Speaker, it has come to my attention that the Department of Defense, as a matter of policy, is barring dismissed air traffic controllers from enlisting or being appointed to the armed services.

This appears to be an extension of the administration's overly harsh policy that bars the fired air traffic controllers from all Federal employment.

To me it seems a shocking example of military overkill. What is more, the directive, which the Committee on Post Office and Civil Service had to pry from a reluctant military, appears to contradict a legal opinion from the DOD itself.

The Department of Defense has been experiencing difficulty in retaining military air traffic controllers and has gone so far as to offer bonuses for reenlistment. In light of this, the Department's Office of General Counsel last August concluded that 5 U.S.C. 7311, which requires removal of individuals who strike against the United States, does not apply to the military. It based its findings on a number of factors, including a position that "military service is not a job, it is a calling."

I would like to quote the General Counsel's peroration:

In summary, section 7311 appears in a portion of the U.S. Code dealing with civilian employees; there is nothing in the legislative history suggesting applicability to service in the armed forces; DOD and congressional treatment of the military unionization issue suggest that the statute does

not apply to service in the armed forces; there are substantial policy reasons for not applying section 7311 to such service; and there are no overriding reasons for applying it to such service. Accordingly, there is no reason to change past interpretations and apply this statute to service in the armed forces.

Mr. Speaker, that statement is persuasively clear to me. What is less clear is how the Department of Defense in a little less than 3 months reversed this position without providing any legal rationale. On November 5, it simply circulated this directive:

Effective immediately, individuals who have been dismissed from Federal employment because of their participation in a strike against the Government of the United States or the Government of the District of Columbia will not be enlisted or appointed as members of the armed forces.

As a lawyer, I find this inconsistency offensive.

I have felt all along that punishment meted out to the controllers was far too severe and that it guarantees enormous future problems in returning airline operations to prestrike levels. Now it seems that the military, hard pressed to fill its own ranks which have been reduced as a result of civilian borrowing, is now cutting off its nose to spite its face. Recently an internal Air Force memo, leaked to the press, acknowledged that the civilian borrowing is having an adverse impact on military air traffic control.

It makes one wonder how far the administration intends to carry this vendetta.

And it raises a number of thorny questions for the future.

At some point will the Department of Defense deny entrance into the military to other classes of Americans?

What would happen if we find it necessary to reactivate the draft? Would the dismissed air traffic controllers be exempt or become the hapless victims of a double standard that would deny them an opportunity to enlist but retain the right to conscript them?

We have carried vengeance far enough. It is time to replace it with commonsense and a spirit of fair play.

The Department of Defense should rescind its order at once.●

MORTGAGE WAREHOUSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 20 minutes.

● Mr. LAFALCE. Mr. Speaker, during recent weeks, the House of Representatives has moved prompty to address the critical problems facing the American thrift industry. We passed the Regulatory Flexibility Act on October 28, thus giving Federal deposit insurance regulators broad new authority to arrange mergers of failing institutions. Yesterday, we passed a second bill to facilitate swaps by which thrifts improve their immediate liquidity problems. This legislation removes limitations on the number of mortgages over 1 year old that can be purchased by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. Thrift institutions will be able to exchange old mortgages for mortgage participation certificates, which can then be used as collateral when the thrifts borrow.

Taken together, the bills are helpful, but they are not nearly enough to solve the problems of the thrifts. We have not addressed the more fundamental issue of low-yielding mortgage portfolios. These loans were mandated by Federal lending restrictions, and it will be years before the burden of their low yields is lifted by natural turnover.

Today, I am introducing legislation which will assist mortgage lending institutions survive that transition. My bill is identical to legislation introduced in the Senate by Senator MOYNIHAN. Titled the "Mortgage Warehousing Facility Act," the bill would authorize FDIC and FSLIC to exchange variable rate debentures, backed by them, for a share of the low-yielding mortgages held by troubled institutions.

The program established by this bill would focus specifically on those institutions with net operating losses for two consecutive quarters or more. Only loans made prior to December 1, 1979, with rates lower than 7½ percent would be accepted for exchange. A formula would determine the proportion of such loans that an institution could exchange, but in no case would it exceed 75 percent. The variable-rate debentures would pay market rates, with FDIC and FSLIC absorbing the cost differential between mortgage yields and the interest paid on the debentures. Federal outlays under the program would be limited to $700 million per year.

An important element of this program is provision for recapture of future profits of participating institutions in order to speed up repayment. Beginning in the third year after exchange, institutions would allocate 50 percent of the increase in net operating income above the previous year for the purpose of retiring the debentures. In all cases, the debentures would be fully retired by the end of the 10th year.

The mortgage warehousing program offers a reasonable, affordable, and temporary mechanism for assisting mortgage lending institutions who otherwise might not survive. The problem of low-yielding mortgage portfolios is the direct result of Federal regulation; it does not reflect poor management. The immediate prospect of widespread industry failure threatens not just these institutions themselves, but also the financial industry as a whole. It makes good sense to take this simple step to help them survive the transition and continue to provide future financing for the housing industry.●

EXPORT-IMPORT BANK FINANCING NOTIFICATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. NEAL) is recognized for 5 minutes.

● Mr. NEAL. Mr. Speaker, I wish to inform the House today of a proposal by the U.S. Export-Import Bank to extend a credit of more that $109 million to the Government of Mexico to buy equipment in the United States for electrifying the Mexico City-Queretaro-Irapuato railroad line.

The Eximbank loan would enable the Mexican Government's transportation department to purchase 39 locomotives from General Electric and other equipment from Westinghouse International Co. for the railroad project. Other U.S. companies are expected to sell another $14.5 million worth of goods and services without Eximbank guarantees. The total U.S. export value is expected to be nearly $145.5 million.

This Eximbank notification was referred to me as chairman of the Banking Committee's Subcommittee on International Trade, Investment and Monetary Policy. Under section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, the Eximbank must notify Congress of proposed loans or financial guarantees, or combinations thereof, of $100 million or more. Unless the Congress determines otherwise, the Eximbank may give final approval to the transaction after 25 days of continuous session of the Congress after notification.

I am submitting for the RECORD copies of the Eximbank notification, which includes details about this transaction. I would welcome any comments or questions my colleagues might have on this proposal. The Eximbank material follows:

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., November 4, 1981.

Hon. STEPHEN L. NEAL,
Chairman, Subcommittee on International Trade, Investment and Monetary Policy, House Banking Committee, U.S. House of Representatives, 2463 Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Eximbank has submitted a statement to the Speaker of the House of Representatives and the President of the Senate in accordance with the provisions of section 2(b)(3)(i) of the Export-Import Bank Act of 1945. I am taking the

liberty of providing you with a copy of this statement.

Sincerely,

NANCY S. PIGMAN,
Congressional Relations Officer.

Enclosure.

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., November 4, 1981.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
The Speaker's Rooms, H-209, U.S. Capitol, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits a statement to the United States House of Representatives with respect to the following transaction involving U.S. exports to the United Mexican States.

A. DESCRIPTION OF TRANSACTION

1. Purpose

Eximbank is prepared to authorize a direct credit of $109,111,233 to Nacional Financiera, S.A. (Nafinsa) to assist it in the purchase in the United States of 39 G.E. locomotives and of WABCO Westinghouse International Company signaling and control equipment for use in Mexico. In addition, it is contemplated that there will be U.S. supplier participation in the transaction in the amount of $14,548,164, without Eximbank guarantee. The total U.S. export value for this transaction is estimated to be $145,481,644. This proposed credit and its terms and conditions are based on a preliminary commitment which was issued by Eximbank on November 6, 1980.

2. Identity of the parties

Nafinsa is a National Credit institution and financing agent of the Federal Government of Mexico, and its obligations commit the full faith and credit of the Federal Government. Nafinsa is a long standing customer of Eximbank with no repayment difficulties.

3. Nature and use of goods and services

The goods and services to be financed under the credits will be used by the Secretaria de Communications y Transportes (a department of the Federal Government) in the electrification of the Mexico City/Queretaro/Irapuato railroad line.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons

The Eximbank direct credit of $109,111,233 will facilitate the export of approximately $145,481,644 of United States goods and services.

The transaction will have a favorable impact on employment for substantial numbers of United States workers, as well as on the United States balance of trade. Eximbank perceives no adverse impact on the United States economy from this transaction.

Manufacturers in nearly all the industrial countries are capable of supplying the goods and services to be purchased by Nafinsa. Eximbank has received information that the official export credit agencies in Europe and Japan are offering financing for this equipment. Accordingly, in view of the amount of financing required for the proposed purchases of goods and services by Nafinsa, the repayment term and the existence of foreign competition, Eximbank's direct credit is necessary to secure these sales for United States suppliers.

2. The financing plan

The financing plan for the total U.S. procurement supported by the Eximbank direct credit is as follows:

	Amount	Percent of U.S. costs
Cash	$21,822,247	15
Eximbank credit	109,111,233	75
Supplier participation not guaranteed by Eximbank	14,548,164	10
Total	$145,481,644	100

(a) Eximbank Charges

The Eximbank direct credit will bear interest at the rate of 8¾ percent per annum, payable semiannually. A commitment fee of 0.5 percent per annum will be charged on the undisbursed portion of the Eximbank direct credit.

(b) Repayment Terms

The total credits of $123,659,397 will be repaid by Nafinsa in 44 semiannual installments, commencing June 10, 1983. The early installments will be applied to repayment of the U.S. supplier loans, and the later installments will be applied to repayment of the Eximbank direct credit.

Attached is certain additional information on Eximbank activity in and economic data on the country involved in this transaction.

Sincerely,

WILLIAM H. DRAPER III.

MEXICO—ECONOMIC DATA

	1978	1979	1980
Gross domestic product (dollars in billions)	94	121	145
Percentage change in GDP	7.3	8.0	7.5
Public sector deficit as percent of GDP	6.3	7.8	8.2
Percentage change in money supply	34	35	37
Percentage change in CPI	16	20	28
Oil production (thousands of barrels per day)	1,330	1,632	2,150
Trade balance (dollars in millions)	−1,402	−2,567	−2,200
External current account (dollars in millions)	−2,693	−4,865	−6,600
Overall balance of payments (dollars in millions)	+191	+195	+467
External public debt (dollars in billions)	26	29	34
Debt service as percent of exports	63	76	41

As of August 31, 1981, Eximbank Exposure in Mexico involved:

EXIMBANK EXPOSURE

[In millions of dollars]

Short term insurance	$314.5
Medium term insurance	226.2
Medium term guarantees	237.1
Credits and financial guarantees	1,711.3
Total	2,489.1

PROVIDING FOR HOSPICE CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I recently had the honor and privilege of addressing the National Hospice Organization at its national convention. The dedication and commitment to serving the terminally ill which was shown by the persons in attendance at this convention was very impressive. Because of these individuals, the growth and development of the hospice movement has flourished over the past decade. From one hospice in America 8 years ago, today, there are more than 200 operating hospices. Mr. Speaker, I am inserting the text of my remarks at this convention for the attention of my colleagues:

REMARKS BY HON. LEON E. PANETTA, NATIONAL HOSPICE ORGANIZATION, NOVEMBER 12, 1981, ST. LOUIS, MO.

"The moral test of government is how it treats those who are in the dawn of life—the children; those who are in the twilight of life—the aged; and those who are in the shadows of life—the sick, the needy and the handicapped." These words were spoken by a great humanitarian—a victim of terminal illness himself—U.S. Senator Hubert H. Humphrey in 1977. They were true then, and they are true today.

Members of the National Hospice Organization, let me express to you my deep appreciation for this opportunity to address you and be with you at your national convention. The hospice movement is the very embodiment of the commitment and dedication of thousands of hospice pioneers in hundreds of communities across this country—all working on behalf of those in the twilight and shadows of life—the terminally ill.

This convention is a living tribute to the countless personal stories and triumphs that have made the hospice movement a reality today. Look around you and listen for a moment to what draws each of you here today.

A psychiatrist who saw the pain of dying in the eyes of his patients and their families. He took their pain personally and resolved to do something personally about it. Hospice of Marin County is here today.

Two nurses, with no money and no organization, but who, out of their own lives, saw the need and found the inspiration to create a better way of caring for patients they saw being neglected and abandoned. Hospice of Southeast Texas is here today.

An aggressive city manager and community organizer who had helped build service networks for the young and old, the disabled and the delinquent and the indigent in his own New England town . . . and how then looked around him and saw that a group which cuts across the socio-economic line had not been responded to . . . the terminally ill. He had a vision and he and others took the leap of faith and action. The Connecticut Hospice is here today.

A Methodist minister from the south, forced to stand outside the glass windows of an intensive care unit, and watch his father die painfully and cruelly . . . the memory of unwanted and costly medical heroics seared into his memory. The young minister vowed he would not let that happen to anyone else he loved. He left the safety of the sanctuary for the risk of hospice. And Hospice, Inc. of Miami-Ft. Lauderdale is here today.

For every Bill Lamers, every Mary and Peggy McKenna, every Dennis Rezendes, and every Hugh Westbrook, there are a thousand more hospice pioneers in a hundred communities throughout America who each have a personal story and who are each living out a personal commitment to hospice.

Eight years ago there was one hospice in America. Five years later there was a handful. Today there are more than two hundred operating, functioning hospices and at least as many more developing in all fifty states.

The story of the Hospice Movement is the story of what America is all about—of conscience, of concern, of commitment not of

the dollar but of the heart. This is less a trade organization and more of a movement, less a profession and more of a calling, less an industry and more of a ministry, less a concept and more of a concrete alternative form of care that performs on its promises.

It is that unique quality about that which brings me here today, as your supporter and your friend in the Congress of the United States. Yet, just as with many of you, there is something else that brings me here. There is a personal side. A deeply personal story of a mother dying of cancer, and a father who made a commitment that he would care for her in the comfort of our family home until her final breath—and he did. There is also another personal story of the pain and suffering, the needs and problems of . . . a hospice, in my own district in California . . . a hospice that came into existence a few years after my mother's death.

Several years ago a group of dedicated, idealistic people in my district came to a decision not unlike decisions made by similar groups all over the country . . . a decision to take the hospice concept out of the literature and into the homes of the terminally ill in the Monterey Peninsula area.

With the great zeal and commitment, this community group formed a hospice team, established a comprehensive program, began delivering home care, created a bereavement follow-up effort, and opened a hospice inpatient unit. They kept me informed about their progress and their dreams. In a special way, as their Congressman, I felt a part of what they were doing. Those who started the hospice in my district were no less committed, no less organized, and no less talented than any other member of hospice of the National Hospice Organization. I was and am proud of the people back home and the hospice back home. But that, unfortunately, is not the end of the story.

Despite enthusiastic community support and a fine record of service their hospice was in dire straits, perhaps mortally wounded, perhaps terminal, Dying patients who needed help and were appropriate for hospice care had to be turned away. They had to close the inpatient unit and curtail home care and bereavement services. The problem wasn't with the care being rendered. The problem wasn't with the community. The problem was in Washington, D.C.

Most patients being cared for and wanted to be cared for by the Hospice of the Monterey Peninsula were Medicare-eligible. Yet, they couldn't use their Medicare benefits to obtain hospice services . . . because hospice, per se, was not a covered benefit under the Medicare program. The effect of the existing Medicare program and its service definitions was to provide an economic disincentive to the use of the hospice and an economic incentive favoring the use of higher-cost, less appropriate care, which these patients and their families didn't want. Caught in the trap was not only the dying patient and family, but the hospice itself.

The current Medicare reimbursement system and guidelines tend to reward and encourage high health care costs for the terminally ill while discouraging and punishing more appropriate, cost-effective hospice alternatives. I was most interested in the President's observation at his press conference of the inequities of federal policy that favors institutionalization over home health care. There are the exact same inequities that impacting on hospice care—the kind of government policy that is bad business and bad medicine. We will give him and his administration the opportunity to some positive reform.

The Hospice of the Monterey Peninsula is struggling very hard to stay alive. Three other hospices in my district are also experiencing serious difficulties keeping their home care programs operating. The hospice crisis in my district is not one of the quality of care or of cost of need, but is rather a crisis of financial inequality and reimbursement injustice. This is not just a California crisis. Of the three original National Cancer Institute hospices, two have either folded down or scaled back when the grant funds ran out.

Just before this convention convened, one of the strongest hospices in Florida, Hospice of Palm Beach County, held a news conference announcing they would have to go out of business by April due to financial problems and lack of reimbursement. In less than a year, the twenty-six Health Care Financing Administration demonstration hospices will lose their waivers. What will happen to them?

Your President, Dr. Hadlock, has said that if nothing is done to correct the injustices in the reimbursement system which discriminates against the unique characteristics of hospice care that, in his judgement, seventy-five operating hospices in this country will close within the next eighteen months. What will happen to the patients and the families that these hospices are serving and could serve? If we do nothing, if we wait, we may well find that the terminally ill in many communities in America will have the hospice alternative taken from them.

The founder of the National Hospice Organization, Dennis Rezendes, stated it best when he said, "the greatest single obstacle to the progress of and even the survival of the hospice movement in America is the current health insurance and reimbursement system. For the sake of the movement and for the sake of those for whom we care, there must be an immediate forthcoming change."

For the past year, Mr. Rezendes, Reverend Hugh Westbrook, and Don Gaetz have worked closely with me and key congressional leaders in both Houses of Congress. They have been joined by more than 200 hospice leaders from 40 states in laying the groundwork and building the foundation to answer the most pressing need of the hospice movement and the most prevalent unmet need of the hospice patient and family. These leaders of the hospice movement, supported by many of you, have joined those of us in Congress in making an historic event possible.

Within the next few days, in Washington, a rare, bipartisan coalition of key members of the United States Congress will introduce legislation providing for comprehensive Medicare reimbursement for hospice programs of care across the nation. This legislation will firmly establish hospice in the American health care delivery and financing system. As the primary sponsor of this bill in the House, I expect to be joined by the following key members: Representative Claude Pepper of Florida, Chairman of the House Select Committee on Aging; Representative Barber Conable of New York, ranking Republican on the House Ways and Means Committee; Representative Bill Gradison of Ohio, ranking Republican of the Subcommittee on Health; Representative Henry Waxman of California, Chairman of the Subcommittee on Health and the Environment; Representative Ed Madigan of Illinois, ranking Republican of the Subcommittee on Health and the Environment; Representative Charlie Rangel of New York, Democrat on the Health Subcommittee; and Representative Richard Gephardt of St. Louis, Missouri, a key Democrat on the Ways and Means Committee. These prime sponsors are being joined by what we expect to be some sixty other Democrats and Republicans.

Our hope is that an equally prestigious bipartisan coalition in the Senate, led by the Chairman of the Senate Finance Committee, Bob Dole of Kansas, and the ranking Democrat on that Committee, Russell Long, will also be behind this bill. The bill is a good bill not only because it has strong support, but because it was written through the efforts of hospice leaders. The bill provides that persons who are Medicare-eligible and who have a terminal prognosis of six months or less will be able to use their Medicare benefits to obtain comprehensive hospice services including home care, respite care, short-term inpatient care, counseling, drugs and medications on both an inpatient and outpatient basis, as well as family bereavement care. Under the terms of this bill, hospices may become Medicare-reimbursed without regard to whether the hospice is based in a hospital or nursing home or home health agency or whether it is a free-standing, community organization unaffiliated with any other provider. Eligible participants are people who are qualified for Medicare. Upwards of 70 percent of the hospice candidates in the country are of an age or circumstances which makes them Medicare eligible.

Those individuals who might feel that hospice reimbursement under Medicare will dilute the hospice concept of volunteerism and philanthropy should have no fear, whatsoever. Hospices certified under this legislation will be fully reimbursed for their services to Medicare patients but will still have to look to the private charity sector and the private insurance sector for the rest of the funds needed to provide hospice care to the community.

This bill is a partnership effort between the government, on the one hand, and the hospice program, on the other. Both sides have a funding responsibility. The community must still make hospice happen.

Unlike any other part of the Medicare program, this legislation requires that the caregiving team must include volunteers. The heart of the hospice movement, the caregiving volunteer, is at the heart of this bill. Along with volunteers, the other members of the interdisciplinary team required by the bill are a physician, a registered nurse, a social worker, and a pastoral or other counselor.

Aside from appropriateness of care, the other promise of hospice is cost-effectiveness of care. In the Congress, I tend to be most often identified with budget matters. Let me assure you that no matter how attractive hospice might be as a concept, in your eyes or in mine, if it would add significantly to the Medicare budget, there is no chance for passage.

That's why this bill does not treat hospice as an add-on layer to an already costly health care system; but rather treats hospice as a substitute, an alternative form of care, consistent with the Standards and Principles of the National Hospice Organization, allowing care to be given on the basis of patient-family need.

Before the bipartisan coalition hospice bill was finalized, we in the Congress insisted on hard, factual cost analysis. We looked at the

results of the National Cancer Institute study; we looked at the California Medicaid Study; we looked at the Methodist Hospital and Florida studies. This bill has been specifically studied for cost impact by a private, independent analysis funded by the Warner-Lambert Foundation.

Currently, the Warner-Lambert study indicates that it is costing more than $7,000 in Medicare Part A and Part B benefits to provide health care for a terminally ill cancer victim in the last six months of life. In other words, if there are 200,000 Medicare-eligible people dying of cancer in America this year, we're talking about an existing cost to the Medicare program, just in the last six months of life, of nearly a billion and a half dollars nation-wide.

The most expensive combination inpatient, outpatient, home care and bereavement care hospice program studied by the National Cancer Institute reports total costs, including all modes of care, of about $4,500 per patient-family. An average day of hospice care of all types tends to be one fourth to one fifth the average cost of hospital care for cancer patients, according to the Warner-Lambert analysis.

The cost analysis of this bill which reimburses one hundred percent of the reasonable costs of home, inpatient care, bereavement care, counseling, and drugs and medications, is that, at minimum it will actually save the federal government at least $15 million the first year and, owing to what we believe will be the continued growth of the hospice movement, a net savings is projected for the fifth year of as much as $130 million.

As a member of House Budget Committee, that is the kind of hospice benefit that all of us can go back to Washington and fight for.

To provide for the growth and development of hospice services and to avoid stifling creativity at the patient-family care level, we have defined, in general terms, a reimbursement formula which would be indexed regionally and annually and is pegged to the overall costs of caring for the terminally ill in the Medicare system. Based on the data we have, not one single currently operating hospice has costs which exceed the reimbursement formula in the bill. What I am saying is that this bill should not hurt anyone and will help nearly everyone operating a hospice program.

Finally, while the hospice benefit in this bill is for patients with six months or less to live, we in Congress have been persuaded by people like Dr. Hadlock that there needs to be some mechanism to respond to the patient who still is terminally ill but who lives beyond the six months. The bill, therefore, provides that a patient who is still under care of a hospice is able to be re-certified by the hospice medical director for up to four ninety-day periods or a total of 360 days of care.

I know all of you are interested in more of the specific details and I understand that sessions are being set up later in the day to go over the bill section-by-section.

I don't want to in any way dampen what I hope and trust will be your enthusiasm and advocacy for this major step forward in appropriate care for the hospice patient/family.

But I do want to sound a note of caution.

I consider today, this year, and this Congress to be the right time to proceed with hospice reimbursement legislation. Today, in this audience are the people who have created hospice programs in rural settings and urban areas, in hospitals and nursing homes and home health agencies, and in free-standing community groups. You who are here today have come up the hard way. You have fought the battles of unceasing demands for services against finite and diminishing resources . . . and you are still here. You have done it by yourselves, without a just reimbursement system. Your hospices are built on your own sweat equity.

I don't want to wait three or five or ten years to enact this bill. I don't know who will be sitting in conventions like this by that time. I do know who is here today. I have been convinced by your leaders who have worked with me on this bill that you are the people who deserve a just reimbursement system because you are the people who have earned it.

I want your hospices to be the ones that don't go out of business. I want your hospices to be the ones who are here ten years from now.

And, none of us in the Congress want to have happen to hospice what has happened in some areas in health care. We don't want hospice to become just a federally-funded business venture with no conscience and no commitment to its reason for being.

I am asking you today to take up your share of the burden and make certain that doesn't happen.

There was considerable debate on mandating an accreditation system in this bill. We took a risk and didn't make accreditation of hospices a federal mandate. We left it to you, instead. The people who have pioneered hospice in America must take the responsibility to police hospice in America.

It is not the warmth of your words that has brought together this bipartisan coalition in the Congress. . . . it is the standards and principles you have established which we respect and which we count on you to uphold.

The Congress is looking to you to take the leadership in state licensure and in professional standards and accreditation. We have a long journey until this bill is finally adopted. For one thing, it has to be signed by a President who says he wants to save money. Well, with this bill we're going to give him that opportunity. Also, we will give him a chance to do something good for the people. And, even when this bill is passed, the process of fine-tuning the reimbursement system and the regulations will require the input and involvement of the National Hospice Organization. If this bill passes, and I believe with your help it will, it will be because of the diligent and unique leadership which has come forth from the hospice movement to persuade and convince the Congress; it will be because of the quality of the care you are rendering in your programs back home; it will be because the hospice movement, itself, has finally come of age and because maybe America has come of age, too, in recognizing and meeting the needs of the dying and their families without resort to medical-surgical heroics or artificial life support systems, but through appropriate compassionate hospice care.

In hospice, it is said that there is a meaning that can be found in suffering, that there is a sense that can be made out of pain. Then, we can accept and make use of what's happening to us. That's what the Hospice Team is supposed to do for others. Can this national Hospice Team perform the same support for itself?

Let us begin to end the artificial pain and unnecessary suffering brought upon the hospices in my district and hospices throughout America by the current reimbursement system. The legislation that will be before the Congress is a beginning, a good solid beginning. The terminally ill and their families, and the hospices of America deserve no less.

There is the story of the rabbi and the priest—"doesn't mean a damn thing unless he can fight"—So it is with each of us—we can bless ourselves with the hope that the government and people will recognize the importance of hospice care but unless we are willing to fight for what we believe in—it won't mean a damn thing.

So I ask each of you to join with me. Strengthened by your support as a National Hospice Team stretching across the land with caring and competence. We can make the hospice story a reality—a fulfillment of the moral test of a nation dedicated to serving those in need. That is our bond. That is our pledge. That is our commitment. For all of those who have been, are and will be a part of hospice care, we can do no less. Thank you.●

THE PRESIDENT'S PROPOSED REFUGEE ADMISSIONS PROGRAM FOR FISCAL YEAR 1982

(Mr. RODINO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. RODINO. Mr. Speaker, prior to the beginning of each fiscal year, the Refugee Act of 1980 (Public Law 96-212) requires that the President consult with the Congress on his proposals for refugee admissions for the coming year.

The President's letter of September 21, 1981, to the Judiciary Committee, which I will insert in the RECORD at this point, initiated the consultative process.

THE WHITE HOUSE,
Washington, September 21, 1981.

Hon. PETER W. RODINO, Jr.,
Chairman, Committee on the Judiciary, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to transmit the information required by the Refugee Act of 1980 in preparation for the consultations on refugee admissions for Fiscal Year 1982. As noted in my July 30 statement, immigration and refugee policy is an important part of our past and fundamental to our national interest. With other countries, we will continue to share in the responsibility of welcoming and resettling those who flee oppression. At the same time, we will seek new ways to integrate refugees into our society without nurturing their dependence on welfare.

The documents transmitted today include proposed admission levels and allocations among groups of special humanitarian concern to the United States or whose admission is otherwise in the national interest. My final determination on admission levels and allocations will be made after taking Congressional and other views expressed at the consultations into consideration.

Sincerely,

RONALD REAGAN.

The following is an edited summary of the Report to Congress on Refugee Admissions and Allocations for Fiscal Year 1981 and the President's propos-

al for refugee admissions and funding for fiscal year 1982.

Proposed refugee admissions, fiscal year 1982

Area or origin:	Proposed Admissions
Asia	120,000
Soviet Union and Eastern Europe	42,500
Soviet Union	33,000
Eastern Europe	9,500
Near East	5,500
Africa	3,000
Latin America and the Caribbean	2,000
Total	[1] 173,000

[1] It is understood that this is a ceiling and not a goal and that to the extent possible, consistent with needs and objectives, the program will be managed to admit fewer than the authorized ceiling.

BACKGROUND

This is a summary of the Report to the Congress on Refugee Admissions and Allocations for Fiscal Year 1981 which initiates the "appropriate consultation" set out in Section 207(e) of the Refugee Act of 1980. The Report, which embodies the President's proposals for refugee admissions for Fiscal Year 1982, provides a unique opportunity for the Congress and the Administration to focus on the domestic and international concerns which influence the complex decision-making process of determining refugee admissions levels.

The hearings on refugee admissions, which include discussions in person by designated cabinet-level representatives of the President, are intended to review the refugee situation, to project the extent of possible participation of the United States and to discuss the reasons for believing that the proposed admission of refugees is justified by humanitarian concerns or is otherwise in the national interest. The President's proposal has been developed with regard to the views expressed by state and local governments, private voluntary organizations and public interest groups. Refugee reports received from U.S. embassies throughout the world, the Special Refugee Advisory Panel report, and studies done and views expressed by concerned persons have also been considered in developing proposed admissions levels. After receiving the responses from the members of the Committees on the Judiciary of the Senate and the House of Representatives, the President will make his final determination on refugee admissions levels and allocations for Fiscal Year 1982.

U.S. REFUGEE POLICY

The United States emphasizes the use of diplomatic means to minimize the underlying causes of refugee flows and supports the principal of international responses to refugee problems by encouraging the broadest possible participation of other countries.

The U.S. response to worldwide refugee problems consists of two major components—relief and resettlement. Within these categories, our basic policy is: (1) to emphasize emergency relief assistance to refugees in place; (2) to support voluntary repatriation whenever possible; (3) to facilitate resettlement in country of asylum or in a third country (4) and in the case of those for whom U.S. resettlement is the only alternative, to admit refugees who are of special humanitarian concern to the United States, or otherwise in the national interest. To carry out these policy objectives, the United States places maximum reliance on appropriate international organizations, including the United Nations High Commissioner for Refugees (UNHCR), the International Committee of the Red Cross (ICRC), the United Nations Children's Fund (UNICEF), the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) and the Intergovernmental Committee for Migration (ICM).

Refugee relief

During fiscal year 1981, U.S. support for international relief programs which are often more humane and less costly than resettlement in the United States, included major relief programs in Kampuchea, Pakistan, Somalia, and for Palestinian refugees in the Middle East.

Voluntary repatriation

In addition to providing humanitarian relief for refugees overseas during fiscal year 1981, the United States participated through international organizations and with other governments to support voluntary repatriation. Large-scale repatriation of Africans in 1979 and 1980 resulted in the return of approximately 500,000 refugees. In recent years, the UNHCR successfully completed the voluntary repatriation of refugees in Bangladesh to Burma. Despite difficulties, the UNHCR continues to work for possible voluntary repatriation of Lao and Khmer.

Resettlement in third countries

The United States encourages the international community to provide resettlement opportunities for refugees. Countries which have resettled significant numbers of Indochinese refugees since 1975 include China, France, Canada, Australia, the Federal Republic of Germany, the United Kingdom, and Hong Kong. As part of this effort, the United States is working closely with UNHCR and voluntary agencies in exploring resettlement possibilities for Indochinese refugees in Suriname and Belize.

U.S. refugee admissions

The U.S. refugee admissions program strives to insure that refugees admitted to the United States have appropriate sponsorships, receive adequate services upon arrival, and that Federal resources available for refugee resettlement are effectively utilized.

In fiscal year 1981 an admissions ceiling of 217,000 refugees was established. Approximately 155,000 will have been admitted by September 30. The difference between the ceiling and actual admissions numbers reflects increasingly restrictive emigration policies of the Soviet Union and the management decision to delay admission of significant numbers of Indochinese to permit overseas English-language training and orientation.

Because of the increasing numbers of refugee applicants for U.S. admission and the limited resources for absorbing refugees, we have developed and are continuing to refine criteria for refugee admissions and have established a priority system for applicants with special ties to the United States for groups determined to be of special humanitarian concern.

PROPOSED FISCAL YEAR 1982 ADMISSIONS

In response to urgent humanitarian needs together with domestic and foreign policy concerns, the President proposes to admit up to 173,000 refugees to the United States during FY 1982, dependent upon the continuing need for refugee resettlement at anticipated levels throughout the twelve month period.

The 173,000 projected admissions include 120,000 refugees from Asia, 42,500 refugees from the Soviet Union and Eastern Europe, 5,500 refugees from the Near East, 3,000 refugees from Africa and 2,000 refugees from Latin America and the Caribbean.

In addition, consideration will be given to the adjustment to permanent resident alien status of up to 5,000 persons who were previously granted asylum in the United States and have been in the United States as refugees for at least one year, pursuant to Title II, Section 209(b) of the Refugee Act of 1980.

Asia

The proposed admissions ceiling for Asian refugees for FY 1982 is 120,000. Of the proposed admissions, 200 will be reserved for Asians other than Indochinese.

The situation in Southeast Asia continues to present a major threat to the safety of refugees and the stability of the region. By the end of September 1981, the refugee population will be approximately 300,000, but at least another 120,000 are projected to arrive during FY 1982. Countries in the region granting temporary asylum do so in the expectation that their existing refugee populations will continue to decrease and that the world community, with the United States in the lead, will provide resettlement for new arrivals. An inadequate resettlement effort could signal a change in U.S. refugee policy, with a resultant surge in the flight of refugees, and could lead to forcible repatriation or push-offs of boats back to sea. There is need to continue a U.S. policy which will maintain the principle of first asylum, save lives and reduce political instability in the region.

Soviet Union and Eastern Europe

The proposed admissions ceiling for the Soviet Union and Eastern Europe is 42,500. Although continuing restrictive Soviet emigration policies are likely to result in lower admissions numbers, the proposed admissions manifest the clear commitment of the United States to the principles of freedom of emigration. Eastern Europeans, on the other hand, are fleeing to the West in increasing numbers. There is substantial domestic support for the admissions programs from this region for reasons of ethnic and religious ties and as a means of assisting those fleeing the consequences of the communist systems.

Near East

The proposed admissions ceiling to meet resettlement needs for refugees from the Near East is 5,500 and is in response to, but not limited to, situations in Afghanistan and Iraq.

Africa

The proposed admissions number for refugees from Africa is 3,000. This projection is based on a best estimate of the numbers who may qualify for refugee status and may wish to apply. Despite the turbulance in a number of African countries, many refugees have been granted asylum within the region where the U.S. provides a major portion of funding for care and maintenance through international organizations.

Latin America and the Caribbean

The proposed admissions number for refugees from Latin America and the Caribbean is 2,000 and will be used primarily for political prisoners and their families, persons under life-threatening conditions and for family reunification. Current and former political prisoners and other cases of special humanitarian concern within their county of nationality or habitual residence will be

considered for admission pursuant to Section 102(a)(42)B of the INA as amended.

The refugee resettlement program historically has enjoyed broad public support in the United States. During Fiscal Years 1980 and 1981, an estimated 373,000 refugees (excluding Cuban and Haitian entrants) have been resettled in U.S. communities, generating unprecedented levels of commitment and involvement on the part of U.S. citizens, private agencies, ethnic communities and state and local governments. Resettling refugees in these numbers has caused some strain on state, community and private resources.

Many of the new refugee arrivals tend to have less education, fewer transferable job skills and less knowledge of English than earlier arrivals. Consequently they have a greater need for transitional assistance once they arrive in the United States. Due in large part to the demographic characteristics of the new refugee arrivals combined with prevailing economic conditions, there has been a sharp rise in the use of cash assistance by refugees. Available data, however, show that refugee employment and self-sufficiency increase with the length of time a refugee is in the country.

To help ease the transition before a refugee arrives in the United States, a program of English-language training and cultural orientation has been implemented in the overseas Refugee Processing Centers in Southeast Asia during the last year.

High concentrations of refugees in certain localities have had substantial impacts on community resources, particularly low cost housing and education. Therefore, efforts are being made to coordinate refugee resettlement planning among state and local officials, private voluntary resettlement agencies and the Federal Government, and to alleviate the impact in communities where many refugees live. While problems in resettling large numbers of refugees are genuine, so is the commitment to the American tradition of providing a homeland to those fleeing persecution at all levels (Table VII). It is anticipated that consultations with regard to the resettlement process will increase in the coming year.

ESTIMATED COST OF REFUGEE MOVEMENT AND RESETTLEMENT

Cost associated with the care and maintenance, processing, transportation and initial reception and placement of refugees are borne by the Department of State. Once refugees arrive in this country, they are eligible for many of the same services available to disadvantaged Americans. Costs associated with these services are borne by many other federal agencies, but primarily by the Department of Health and Human Services (HHS).

This estimate includes expenditures for programs which directly assist refugees. Significant expenditures for refugee assistance are also made through job training, programs, public housing activities and various other federal and state programs which assist refugees as part of a broader population of needy Americans.

ESTIMATED COSTS OF REFUGEE MOVEMENT AND RESETTLEMENT IN THE UNITED STATES

[In millions]

Agency	Fiscal year 1981, program total cost	Fiscal year 1982		
		Arrivals	Prior arrivals	Total
DEPARTMENT OF STATE				
Voluntary agencies abroad	$29.7	$39.1	.....	$39.1
Transportation	94.3	112.5	.....	112.5
Reception and placement grants	79.5	83.6	.....	83.6
English as a second language	.....	10.8	.....	10.8
Total	203.5	246.0	.....	246.0
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Office of Refugee Resettlement:				
State-administered programs	539.0	135.0	404.5	539.5
Voluntary agency programs	9.6	9.0	.....	9.0
Education assistance for children	44.3	21.0	.....	21.0
Federal administration	6.0	.....	7.1	7.1
Preventive health	7.9	7.1	.....	7.1
Services for asylum applicants	5.0	.....	.....	.....
Cuban program phasedown	36.8	.....	.....	.....
Total	648.6	172.1	411.6	583.7
Other HHS:				
Aid to families with dependent children	107.9	25.0	74.9	99.9
Medicaid	38.9	12.5	37.6	50.1
Supplemental security income	13.0	2.5	7.3	9.8
Total	808.4	212.1	531.4	743.5
DEPARTMENT OF AGRICULTURE				
Food and Nutrition Service	168.0	28.1	114.2	142.3
Grand total	1,179.9	486.2	645.6	1,131.8

The Committee on the Judiciary adhered to the two-tier procedure established in previous consultations under the Refugee Act, i.e. a closed meeting between designated consultative Members and Cabinet-level Administration officials followed by a public hearing before the full Committee.

On September 24, 1981, the designated consultative Members, Chairman Peter W. Rodino, Jr. and Ranking Member Robert McClory, Immigration Subcommittee Chairman Romano L. Mazzoli and Ranking Member Hamilton Fish, Jr., met with Attorney General William French Smith and Under Secretary of State for Political Affairs Walter J. Stoessel.

The President's proposal as summarized above was presented to the Congressional representatives. The Attorney General gave assurances that the Administration was looking upon the consultation process as an earnest effort to solicit the opinions and viewpoints of the Congress on each aspect of the proposed program of refugee admissions and funding for fiscal year 1982.

On September 29, 1981, the full Committee held a hearing on the President's proposal. Appearing as witnesses from the Department of State were Under Secretary Walter J. Stoessel; Ambassador Harvey Feldman, Office of U.S. Representative to the U.N.; John H. Holdridge, Assistant Secretary for East Asian and Pacific Affairs and Acting Director of the Bureau for Refugee Programs, James N. Purcell; from the Department of Justice, Acting Commissioner Doris Meissner of the Immigration and Naturalization Service; and from the Department of Health and Human Services, Director Phillip Hawkes, Office of Refugee Resettlement.

The Consultative Members met in private session to consider the information received during the formal consultation process, as well as the various materials submitted by the Administration.

Two letters were sent to the President on September 30, 1981 expressing the views of the Consultative Members:

The transcript of the full Committee hearing and various pertinent documents entered into the record during the hearing will be published by the Committee in the near future.

I wish to insert at this point in the Record a copy of the aforementioned letters and the Presidential determination signed by the President on October 10, 1981, which established the fiscal year 1982 admission levels:

COMMITTEE ON THE JUDICIARY,
Washington, D.C., September 30, 1981.

Hon. RONALD REAGAN,
The President, The White House, Washington, D.C.

DEAR MR. PRESIDENT: The undersigned consultative Members of the House Judiciary Committee wish to advise you that the consultative process required by the Refugee Act has been completed.

As the result of our detailed consideration of the proposed refugee admissions program for fiscal year 1982, we present the follow-

ing observations and recommendations in connection with your proposal.

At the outset, we are concerned by your decision to maintain a high level of refugee admissions, because it is not accompanied by a request for adequate funding to meet their resettlement needs. At a time when we are sharply cutting social programs urgently needed by the disadvantaged and needy members of our society, it becomes more difficult to justify an annual Federal expenditure in excess of one billion dollars for refugees. Further, this growing competition for reduced federal resources will undoubtedly produce increasing resentment toward refugees in general.

For this reason, we strongly recommend a worldwide level of refugee admissions for the next fiscal year not to exceed 140,000. In testimony before our Committee, Under Secretary of State Walter J. Stoessel stated that "we expect to be able to limit actual admissions in fiscal year 1982 to a worldwide total of about 140,000."

We believe that this level is reasonable and will fully satisfy our humanitarian responsibility to respond to worldwide refugee problems. If refugee conditions deteriorate or if emergencies arise, we are prepared to consult on the need for additional numbers under the emergency provisions of the Refugee Act.

It is our position that a level of 140,000, which we view as a ceiling not a target to be reached, will: preserve the principle of first asylum in Southeast Asia; advance the objective of internationalizing refugee problems, particularly with reference to Indochinese refugees; and facilitate the proper resettlement of refugees admitted to the United States.

While we do not recommend a specific allocation of refugee numbers, we believe the various sub-ceilings should be adjusted proportionately (based on the requested allocation) to reflect the recommended reduction from 173,000 to 140,000.

We are concerned by the differing legal interpretations of the term "refugee" as defined in the Refugee Act. We are of the opinion that these interpretations must be re-examined with the objective of insuring that persons who leave their countries for purely economic reasons are not considered for admission under the U.S. program.

We also agree with several of the witnesses who testified during the course of the consultative process that the costs of resettling refugees can and should be substantially reduced. Likewise, we must seek to minimize the financial impact of refugees on states and localities. One method of accomplishing these objectives is to place greater emphasis on language training and employment counseling, together with increased refugee case-management control on the part of voluntary agencies. We recommend that this matter be explored carefully in an effort to bring down the cost of resettling refugees.

There are also other specific matters of concern to the consultative members. These matters, along with specific programmatic recommendations, will be brought to your attention in a separate letter.

We trust that you will give our recommendations careful consideration in preparing your final determination. We also hope that the views and concerns expressed by the consultative members during the private meeting and by our Committee Members during the hearing yesterday will also be taken into consideration in the development and implementation of our refugee program for fiscal year 1982.

Sincerely,

ROBERT MCCLORY,
Ranking Minority Member, Committee on the Judiciary.
HAMILTON FISH, JR.,
Ranking Minority Member, Subcommittee on Immigration, Refugees, and International Law.
PETER W. RODINO, JR.,
Chairman, Committee on the Judiciary.

COMMITTEE ON THE JUDICIARY,
Washington, D.C., September 30, 1981.

The PRESIDENT,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: The House Committee on the Judiciary has completed its consultation as required by the Refugee Act of 1980. Chairman Peter W. Rodino, Jr., and the other consultative members of the committee are sending you a separate letter expressing their views. I generally endorse their letter, but have elected to send you this separate set of views.

Based on extensive testimony, discussion, and investigative trips conducted by my Subcommittee, I make the following recommendations concerning the refugee admissions program for Fiscal Year 1982:

A total refugee admissions ceiling of 120,000.

The consideration as refugees only of those who flee their country because of persecution or a fear of persecution.

Intensified efforts to internationalize all refugee problems, particularly the Indochinese refugee situation. An international conference to discuss internationalization should be considered.

The domestic effects of refugee resettlement must be accorded greater attention. Funding levels for refugee resettlement must be adequate. There must be closer consultation between state and local governments and federal resettlement officials. Sponsors of refugees should make special efforts to ensure that their charges do not become welfare-dependents.

The medical screening procedures for incoming refugees and the medical monitoring of refugees once they arrive in our country need to be re-examined in light of public health considerations.

In order to administer the refugee programs properly, the Office of the U.S. Coordinator for Refugee Affairs should be transferred to the White House from the State Department. Also, the Office of Refugee Resettlement should be re-established within the Office of the Secretary of Health and Human Services from the Social Security Administration.

I make these recommendations with an appreciation of the difficulty of these issues, and with a strong humanitarian commitment to maintaining America's refugee program.

I believe the admissions level you have proposed—173,000—is excessive, especially because it is not accompanied by adequate domestic funding.

In particular, the refugee situation in Indochina is stabilizing. Camp populations have been reduced substantially since the spring of 1979. Boat arrivals in asylum countries are down considerably. And, fewer land refugees are seeking third country resettlement. For these reasons, I believe an annual ceiling of 84,000 is sufficient to meet our obligations, and those of the first-asylum nations and sufficient to meet the needs of refugees in that region of the world.

I believe that the level recommended for Latin America and the Caribbean should be reconsidered in view of the conditions now prevailing in this region.

I trust my views and recommendations will be seriously considered before you arrive at a final determination on refugee admissions. The consultative process, established by the Refugee Act of 1980, requires that full consideration be given to the views and comments of the Legislative Branch.

My colleagues on the Subcommittee and I have other concerns about the refugee program which we will communicate to you in due course.

All best wishes and warmest regards.

Sincerely,

ROMANO L. MAZZOLI,
Chairman, Subcommittee on Immigration, Refugees, and International Law.

[From the Federal Register, Vol. 46, No. 216, Nov. 9, 1981]

PRESIDENTIAL DOCUMENTS

Title 3—Presidential Determination No. 82-1 of October 10, 1981

The President—Determination on FY 1982 Refugee Ceilings

Memorandum for the Secretary of State, the Attorney General, the Secretary of Health and Human Services

Pursuant to Section 207(a) of the Immigration and Naturalization Act (INA), and in accordance with Section 204(d)(1) of Public Law 96-212 (94 Stat. 109), I hereby determine, after appropriate Congressional consultation, that the admission of up to 140,000 refugees to the United States during FY 1982 is justified by humanitarian concerns or is otherwise in the national interest. I also determine that providing an additional 5,000 refugee admission numbers to be available for the adjustment to permanent residence status of aliens who have been physically present in the United States for at least one year after being granted asylum, in accordance with Section 209(b) of the INA, is justified by humanitarian concerns or is otherwise in the national interest.

Pursuant to Section 208(a)(3) of the INA, I determine, after appropriate Congressional consultation, that the 140,000 refugee admission ceiling shall be allocated as follows:

Asia	100,000
Soviet Union	20,000
Eastern Europe	9,000
Near East	5,000
Latin America and Caribbean	3,000
Africa	3,000
Total	140,000

Pursuant to Section 101(a)(42)(B) of the INA, I hereby specify, after appropriate Congressional consultation, that special circumstances exist such that, for the purposes of admission under the limits established herein, the following persons, if they otherwise qualify for admission, may be considered refugees of special humanitarian concern to the United States even though they are still within their countries of nationality or habitual residence: persons in Vietnam with past or present ties to the United States; and present and former political prisoners, and persons in imminent danger of loss of life, and their family members, in countries of Latin America and the Caribbean.

The Secretary of State is requested to inform the appropriate committees of the Congress of these determinations.

This memorandum shall be published in the Federal Register.

RONALD REAGAN.

THE WHITE HOUSE, *Washington, October 10, 1981.*●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MADIGAN (at the request of Mr. MICHEL), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KILDEE) to revise and extend their remarks and include extraneous material:)

Mr. PEPPER, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. CROCKETT, for 10 minutes, today.
Mr. FORD of Michigan, for 5 minutes, today.
Mr. LAFALCE, for 20 minutes, today.
Mr. NEAL, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. RODINO, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,440.

Mrs. SCHROEDER, on the conference report on H.R. 3454, today.

Mr. BROWN of Ohio, immediately prior to vote on the Murtha substitute amendment to H.R. 4995 in the Committee of the Whole today.

Mr. THOMAS, prior to the vote on the Addabbo amendment to H.R. 4995 in the Committee of the Whole today.

Mrs. SCHNEIDER, following Mr. BENNETT's remarks on the Bennett amendment to H.R. 4995 in the Committee of the Whole today.

(The following Members (at the request of Mr. SMITH of Alabama) and to include extraneous matter:)

Mr. MCCOLLUM.
Mr. ROUSSELOT.
Mr. CARMAN in four instances.
Mr. GRISHAM.
Mr. YOUNG of Alaska.
Mr. PARRIS.
Mr. LEBOUTILLIER.
Mr. ROTH.
Mr. SCHULZE.
Mr. PURSELL.
Mr. DAUB.
Mr. BETHUNE.
Mr. CHENEY.
Mr. HILLIS.
Mr. DORNAN of California in two instances.
Mr. GILMAN in two instances.
Mr. BEREUTER.
Mr. WOLF.
Mr. PORTER.
Mr. DENARDIS.

(The following Members (at the request of Mr. KILDEE) and to include extraneous matter:)

Mr. REUSS in two instances.
Mr. YATRON.
Mr. SIMON.
Mr. EDWARDS of California.
Mr. HAMILTON.
Mr. VENTO in two instances.
Mr. ROE in two instances.
Mr. HOLLAND.
Ms. MIKULSKI.
Mr. GUARINI in five instances.
Mr. LANTOS.
Mr. RODINO.
Mr. OBEY in three instances.
Mr. LAFALCE in two instances.
Mr. EDGAR.
Mr. FOUNTAIN.
Mr. LONG of Maryland in two instances.
Mr. CLAY.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. ROSENTHAL in 10 instances.
Mrs. BOUQUARD in five instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. MAZZOLI.
Mr. WAXMAN.
Mr. ASPIN.
Mr. SANTINI.
Mr. HUBBARD.
Ms. OAKAR.
Mr. DIXON.
Mr. JONES of North Carolina.
Mr. COELHO.
Mr. PANETTA.

ADJOURNMENT

Mr. KILDEE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Thursday, November 19, 1981, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2537. A letter from the Assistant Secretary of the Air Force (Research, Development and Logistics), transmitting notice of the proposed conversion to contractor performance of the Base Information Transfer Center function at Hill Air Force Base, Utah, pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

2538. A letter from the Assistant Secretary of the Air Force (Research, Development and Logistics), transmitting notice of the proposed conversion to contractor performance of the Publishing Distribution Office function at Hill Air Force Base, Utah, pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

2539. A letter from the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures for the period July 1 through September 30, 1981, pursuant to section 105(a) of Public Law 88-454, as amended (H. Doc. No. 97-113); to the Committee on House Administration and ordered to be printed.

2540. A letter from the Attorney General, transmitting a draft of proposed legislation to provide for seabed boundary agreements between the United States and any coastal State and the immobilization of the seabed boundary of any State; to the Committee on the Judiciary.

2541. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to implement the Inter-American Convention on International Commercial Arbitration; to the Committee on the Judiciary.

2542. A letter from the Secretary of Transportation, transmitting a report on an investigation into allegations of misconduct by an official of the Federal Highway Administration, pursuant to 5 U.S.C. 1206(b)(4); to the Committee on Post Office and Civil Service.

2543 A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the General Bridge Act of 1946, as amended, to eliminate the requirements of review and approval of the location and plans for bridges and causeway over certain navigable waters of the United States, and for other purposes; to the Committee on Public Works and Transportation.

2544. A letter from the Assistant Attorney General for Legislative Affairs, transmitting a report on the disposition of health care cases referred to the Justice Department by the Inspector General of the Department of Health and Human Services during calendar year 1980, pursuant to section 204(a) of Public Law 94-505, as amended; jointly, to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs H.R. 3731. A bill to amend the Act of October 19, 1973 (87 Stat. 466), relating to the use or distribution of certain judgment funds awarded by the Indian Claims Commission or the Court of Claims; with an amendment (Rept. No. 97-340). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 478. An act to provide for the partitioning of certain restricted Indian land in the State of Kansas; with an amendment (Rept. No. 97-341). Referred to the Committee of the Whole House on the State of the Union.

Mr. STRATTON: Committee of Conference. Conference report on H.R. 3413 (Rept. No. 97-342). And ordered to be printed.

Mr. PEPPER: Committee on Rules. House Resolution 279. Resolution providing for the consideration of H.R. 3046, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes (Rept. No. 97-343). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 280. Resolution providing for the consideration of H.R. 3663, a bill to amend subtitle IV of title 49, United States Code, to provide for more effective regulation of motor carriers of passengers (Rept. No. 97-344). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GRADISON:

H.R. 5011. A bill to amend the effective date provision of section 403(b)(3) of the Windfall Profit Tax Act of 1980 (Public Law 96-223) to further defer the effective date of certain provisions providing for the recognition as income of LIFO inventory amounts; to the Committee on Ways and Means.

By Mr. WEAVER:

H.R. 5012. A bill entitled "Emergency Timber Sale Act of 1981"; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. ROSTENKOWSKI (for himself and Mr. CONABLE):

H.R. 5013. A bill to amend the Internal Revenue Code of 1954 to conform the net operating loss carryback and carryforward treatment of the Federal National Mortgage Association to that of other financial institutions; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 5014. A bill to extend the life of the Gateway National Recreation Area Advisory Commission, which is presently due to expire October 27, 1982; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM (for himself, Mr. SOLARZ, Mr. DYMALLY, and Mrs. FENWICK):

H.R. 5015. A bill with respect to the prohibitions in the Foreign Assistance Act of 1961 relating to nuclear enrichment and reprocessing transfers and nuclear detonations; to the Committee on Foreign Affairs.

By Mrs. BOUQUARD (for herself, Mr. LUJAN, Mr. FUQUA, Mr. GOLDWATER, Mr. LUNDINE, Mr. WINN, Mr. ROE, Mr. WALKER, Mr. SCHEUER, Mr. CARNEY, Mr. WALGREN, Mr. GREGG, Mr. FLIPPO, Mr. SKEEN, Mr. YOUNG of Missouri, Mr. LOWERY, of California, Mr. GORE, Mr. WHITE, Mr. VOLKMER, and Mr. RALPH M. HALL):

H.R. 5016. A bill to establish a Federal policy with respect to the disposal of high-level radioactive waste from civilian nuclear activities, to provide for the construction, operation, and maintenance of waste disposal facilities, to provide for a program of nuclear waste and spent fuel research and development, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, Science and Technology, and Rules.

By Mr. CONABLE:

H.R. 5017. A bill to amend the Internal Revenue Code of 1954 to provide an additional 3 years to amend governing instruments to meet the requirements for gifts of split interests to charity, and for other purposes; to the Committee on Ways and Means.

By Mr. EDWARDS of Oklahoma:

H.R. 5018. A bill to amend title 18 of the United States Code to prohibit certain noncustodial parental transportation and detentions of children, and for other purposes; to the Committee on the Judiciary.

By Mr. HUGHES (for himself, Mrs. SCHROEDER, Mr. SAWYER, Mr. FISH, Mr. SENSENBRENNER, and Mr. HYDE):

H.R. 5019. A bill to amend the Parental Kidnaping Prevention Act of 1980 to clarify congressional intent regarding the application of section 1073 of title 18, United States Code, to cases involving parental kidnaping, and for other purposes; to the Committee on the Judiciary.

By Mr. JONES of North Carolina (for himself, Mr. SNYDER, Mr. BOWEN, Mr. DAVIS, Mr. DONNELLY, Mrs. SCHNEIDER, and Mr. HERTEL):

H.R. 5020. A bill to strengthen the shipbuilding mobilization base and protect strategic supply sources; to the Committee on Merchant Marine and Fisheries.

By Mr. MATSUI (for himself, Mr. LUNGREN, Mr. MINETA, Mr. DANIELSON, and Mr. MOORHEAD):

H.R. 5021. A bill to extend the date for the submission to the Congress of the report of the Commission on Wartime Relocation and Internment of Civilians; to the Committee on the Judiciary.

By Mr. MITCHELL of Maryland:

H.R. 5022. A bill to amend section 305 of the Federal Property and Administrative Services Act of 1949 pertaining to contract progress payments made by agencies of the Federal Government, to provide for the elimination of retainage in certain instances, and for other purposes; to the Committee on Government Operations.

By Mr. PASHAYAN:

H.R. 5023. A bill to authorize the use of community development block grant funds for the construction of residential housing; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ROSENTHAL:

H.R. 5024. A bill to repeal the limitation on the number of families with incomes between 50 and 80 percent of median income who may receive assistance under the U.S. Housing Act of 1937, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SIMON:

H.R. 5025. A bill to amend title 39, United States Code, to allow the U.S. Postal Service to lease certain excess office space to units of State or local government; to the Committee on Post Office and Civil Service.

By Mr. SUNIA (for himself, Mr. AKAKA, Mr. CORRADA, Mr. SEIBERLING, and Mr. WON PAT):

H.R. 5026. A bill to amend the National Housing Act to extend certain loan and mortgage insurance programs to American Samoa; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WHITEHURST:

H.R. 5027. A bill to designate the building known as the U.S. Post Office and Courthouse in Norfolk, Va., as the "Walter E. Hoffman U.S. Courthouse"; to the Committee on Public Works and Transportation.

By Mr. BOWEN:

H.R. 5028. A bill to amend the Internal Revenue Code of 1954 to exempt from taxation the pay received by members of the National Guard or of Reserve components of the Armed Forces to the extent that such pay does not exceed $5,000; to the Committee on Ways and Means.

By Mr. COELHO:

H.R. 5029. A bill to designate the Federal Building in Fresno, Calif., as the "B. F. Sisk Federal Building"; to the Committee on Public Works and Transportation.

By Mr. LAFALCE:

H.R. 5030. A bill to authorize the issuance of variable-rate debentures by the Federal Deposit Insurance Corporation and Federal Savings and Loan Insurance Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. VENTO:

H.R. 5031. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income a certain portion of governmental pensions based on services not covered under the social security system; to the Committee on Ways and Means.

By Mr. VOLKMER:

H.R. 5032. A bill to eliminate the new eligibility requirements for receipt of unemployment compensation by ex-service members which were added by the Omnibus Budget Reconciliation Act of 1981 and to provide certain limitations on the amount of unemployment compensation payable to ex-service members; to the Committee on Ways and Means.

By Mr. NICHOLS:

H. Con. Res. 223. Concurrent resolution directing the Secretary of Health and Human Services and the Commissioner of Social Security to immediately develop and present to the Congress a plan to correct the social security benefit disparity which has become known as the notch problem; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII,

224. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of the Northern Mariana Islands, relative to compensation for lands taken by the U.S. Government between 1944 and 1963; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LOEFFLER:

H.R. 5033. A bill to provide for the reinstatement and validation of U.S. oil and gas leases numbered NM 25447 and NM 25452 Acq.; to the Committee on Interior and Insular Affairs.

By Mr. WHITE:

H.R. 5034. A bill for the relief of Robert Garcia; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. PETRI.

H.R. 450: Mr. ANDREWS, Mr. EDWARDS of Alabama, Mr. CORCORAN, Mr. OXLEY, Mr. WON PAT, and Mr. ROBERTS of Kansas.

H.R. 637: Mr. DREIER and Mr. ROBINSON.

H.R. 808: Mr. GINN, Mr. BARNARD, Mr. ALBOSTA, Mr. JENKINS, and Mr. FOLEY.

H.R. 1313: Mr. PATMAN, Mr. GONZALEZ, and Mr. HIGHTOWER.

H.R. 1325: Mr. SAWYER, Mr. GOODLING, and Mr. DREIER.

H.R. 2022: Ms. FIEDLER.

H.R. 2255: Mr. WOLPE.

H.R. 2389: Ms. FIEDLER.

H.R. 2640: Mr. BLANCHARD.

H.R. 3269: Mr. CARMAN, Mr. BAFALIS, Mr. NELSON, Mr. MARLENEE, Mr. LOWRY of Washington, Mr. DYSON, Mr. SKEEN, Mr. HUCKABY, and Mr. PETRI.

H.R. 3274: Mr. ROUSSELOT.

H.R. 3281: Mrs. FENWICK, Mr. FOGLIETTA, Mr. MOAKLEY, Mr. MITCHELL of Maryland, Mr. SUNIA, Mr. RAHALL, Mr. DYMALLY, Mr. FORSYTHE, Mr. EDGAR, Mr. LEHMAN, Mr. DE LUGO, Mr. TRAXLER, Mr. WYDEN, and Mr. GRAY.

H.R. 4002: Mr. DICKS.

H.R. 4547: Mr. MOFFETT and Mr. RATCHFORD.

H.R. 4681: Mr. SMITH of Alabama, Mr. BAILEY of Missouri, Mr. CORCORAN, Mr. PATMAN, Mr. BOWEN, and Mr. WORTLEY.

H.R. 4709: Mr. SMITH of New Jersey.

H.R. 4728: Mr. MOTTL, Mr. DYSON, Mr. CHAPPELL, Mr. GUNDERSON, Mr. GEJDENSON, Mr. ERDAHL, and Mr. MCDADE.

H.R. 4738: Mr. LOEFFLER.

H.R. 4751: Mr. JONES of Tennessee, Mr. DANIEL B. CRANE, Mr. DAVIS, Mr. FISH, Mr. DENARDIS, Mr. MORRISON, and Mr. DREIER.

H.R. 4775: Mr. ROBINSON, Mr. HOLLENBECK, Mr. GARCIA, and Mr. BEDELL.

H.R. 4810: Mr. DOUGHERTY, Mr. BAILEY of Pennsylvania, Mr. BUTLER, Mr. DERWINSKI, Mr. MURPHY, and Mr. WON PAT.

H.R. 4885: Mr. WHITEHURST.

H.R. 4999: Mr. SMITH of Oregon and Mr. SMITH of New Jersey.

H. J. Res. 197: Mr. BLANCHARD, Mr. BOWEN, Mr. BROOMFIELD, Mr. JOHN L. BURTON, Mr. CHAPPIE, Mr. DELLUMS, Mr. FIELDS, Mr. FORD of Tennessee, Mr. GINN, Mr. GRAY, Mr. SAM B. HALL, JR., Mr. HAMMERSCHMIDT, Mr. KAZEN, Mr. LEHMAN, Mr. MCCOLLUM, Ms. MIKULSKI, Mr. NEAL, Mr. OBERSTAR, Mr. PARRIS, Mr. PATTERSON, Mr. RUDD, Mr. SHELBY, Mrs. SNOWE, Mr. TRIBLE, Mr. WEBER of Ohio, Mr. WEBER of Minnesota, Mr. WHITEHURST, Mr. WHITLEY, Mr. PHILLIP BURTON, Mr. D'AMOURS, Mr. DREIER, Mr. GOLDWATER, Mr. HYDE, Mr. MAVROULES, Mr. MOLLOHAN, Mr. MORRISON, and Mr. YATES.

H.J. Res. 293: Mr. PASHAYAN, Mr. DOWNEY, Mr. MYERS, Mr. LOTT, and Mr. DORNAN of California.

H.J. Res. 294: Mr. O'BRIEN, Mr. SHELBY, and Mr. PARRIS.

H.J. Res. 323: Mr. FROST and Mr. ANDERSON.

H.J. Res. 354: Mr. BAILEY of Missouri, Mr. PEYSER, Mr. WAMPLER, Mr. MAZZOLI, Mr. FAZIO, Mr. DWYER, Mr. MITCHELL of New York, and Mr. GEPHARDT.

H.J. Res. 360: Mr. WOLPE, Mr. DWYER, Mr. DYSON, Mr. EDGAR, and Mr. FAZIO.

H. Con. Res. 178: Mr. HUCKABY, Mr. JEFFORDS, Mr. LOEFFLER, and Mrs. ROUKEMA.

H. Con. Res. 195: Mr. TAUKE.

H. Res. 101: Mr. JOHN L. BURTON, Mr. ADDABBO, and Mr. JACOBS.

H. Res. 211: Mr. DUNCAN and Mr. SEIBERLING.

H. Res. 264: Mr. BURGENER, Mr. DUNCAN, and Mr. HILER.

PETITIONS, ETC.

Under clause 1 of rule XXII,

278. The SPEAKER presented a petition of Alpha A. Diallo, Budapest, Hungary, relative to support for the publication of American literature translated into major African languages; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXII, proposed amendments were submitted as follows:

H.R. 3046

By Mr. PETRI:

—Page 7, strike out line 15 and all that follows through page 8, line 10, and insert in lieu thereof the following:

SEC. 13. (a) Section 303(a) of the Older Americans Act of 1965 (42 U.S.C. 3023(a)) is amended to read as follows:

SEC. 303. (a) There are authorized to be appropriated $685,100,000 for fiscal year 1982, for such sums as may be necessary for each of the two succeeding fiscal years, for the purpose of making grants under this title.".

(b) Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023) is amended by striking out subsection (b), and by redesignating subsection (c) as subsection (b).

(c) Section 303(b) of the Older Americans Act of 1965, as so redesignated in subsection (b), is amended by striking out "parts B and C of".

Page 8, strike out line 12 through line 15, and insert in lieu thereof the following:

SEC. 14. (a) The first sentence of section 304(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3024(a)(1)) is amended by striking out "parts B and C for fiscal years 1979, 1980, and 1981" and inserting in lieu thereof "this title for each fiscal year".

(b) Section 304(b) of the Older Americans Act of 1965 (42 U.S.C. 3024(b)) is amended by striking out "part B or C" and inserting in lieu thereof "this title".

Page 8, line 16, strike out "(b)" and insert in lieu thereof "(c)".

Page 8, line 19, insert before the period the following: ", and by striking out 'parts B and C' and inserting in lieu thereof 'this title'."

Page 11, strike out line 3 through line 14 (and redesignate the subsequent sections, and any references to such sections, accordingly).

EXTENSIONS OF REMARKS

INSIDE LEBANON

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. DERWINSKI. Mr. Speaker, with Congress preoccupation with the budget, Dave Stockman's press relations, and administration and State Department differences, too often newsworthy stories are relegated to the inner pages of our metropolitan publications.

Therefore, I would like to direct the special attention of the Members to a press release issued by the Lebanese Information and Research Center which gives a detailed and up-to-date report on the tragic situation in Lebanon. It is obvious from this report that the Syrian militants and the PLO are continuing their anti-Western, anti-Lebanese-Christian, and anti-Israeli actions. The press release follows:

[Press release, Nov. 13, 1981]

INSIDE LEBANON

On April 2, 1981, Syria began an assault on the Christian city of Zahle and on East Beirut. The siege of Zahle lasted almost three months. Many innocent people became the victims of the devastating shelling. Over 500 persons were killed and 1,000 injured. The world community was moved to act against this barbaric attack which could have broadened into a regional conflict. Therefore, President Reagan sent special envoy Ambassador Philip Habib to the region to try to end the crisis.

One of the results of the efforts of Ambassador Habib was the revival of the Committee of Four, established five years ago under Lebanese President Sarkis and made up of the Foreign Ministers of Saudi Arabia, Kuwait, Syria and Lebanon. The work of this Committee centered on finding a solution to the whole Lebanese problem and to enforce the withdrawal of Syria from Lebanon before the Presidential elections scheduled for summer 1982.

At the fifth meeting held on September 4, 1981, the Committee, with the approval of the Syrians, agreed to stop the flow of arms to all parties in Lebanon as a necessary measure to end the fighting in Lebanon. In spite of the agreement, Syria soon after engaged in transporting massive amounts of weapons and ammunition through their borders to the different PLO and Lebanese leftist organizations.

It is important to note the following four facts:

1. The Habib mission and the work of the Committee of Four have been and still are jeopardized by the actions of Syria. It is not in the interest of the Soviet Union or its satellite Syria to see Lebanon a free, independent and sovereign state once again.

2. These weapons originate from the radical pro-Soviet countries of Libya, South Yemen, Algeria and Syria.

3. Taking into consideration the location and range of the artillery, the imported weapons could easily reach Israel.

4. The different PLO and Lebanese leftist organizations which received the weapons include: the Murabitoun, the Arab Socialist Union, the Organization of Communist Action, the Lebanese branch of the Syrian Ba'ath Party, the Popular Front for the Liberation of Palestine (PFLP) led by George Habash, the pro-Syrian Saiqa, the PFLP-General Command led by Ahmed Jibril, and the Popular Democratic Front for the Liberation of Palestine led by Naef Hawatmeh.

Below you will find a list of recent incidents and the amount of weaponry imported.

October 22, 1981—A ship under the name of VERA-VENI carrying a load of TNT/plastic explosives (each piece 250 kg.) unloaded in the El Mina section of Tripoli, North Lebanon.

October 27, 1981—A ship under the name of SAMIR brought 16 Bulgarian TNT experts into Tripoli, North Lebanon.

A number of ships arrived at Sarafand in PLO-controlled South Lebanon, carrying 3,000 Pakistani mercenaries:

October 12, 1981—1,500 of them are now in the Bir Hassan district of West Beirut.

October 26, 1981—500 of them are at the PLO camp of Bourj Barajni, West Beirut.

October 27, 1981—1,000 of them are along the Damour coastal highway, all under PLO control and in PLO camps.

November 3, 1981—Around two months ago, the Fatah faction of the PLO received 5 helicopters. They were assembled in a PLO camp in West Beirut. The helicopters are now at an airport built by the PLO in the Chouf district of Mount Lebanon.

Heavy weapons were delivered by Syria to their allies in Lebanon. The distribution is shown below.

BEIRUT AREA

6 130 mm cannons.
15 122 mm Stalin organs.
49 small armored vehicles.
6 75 mm cannons.
12 120 mm "Hawn".
30 anti-aircraft defense cannons.
50 SAM-7 missiles.
150 small vehicles.
4 bulldozers.
4 tank-trucks.
55 light vehicles.

SOUTH LEBANON

15 130 mm cannons placed at Jarmaq, Aaichiye, Maghdouche, Tanbourit, Roumine.
10 122 mm cannons placed at Qraiye.
24 122 mm Stalin organs placed at Aaichiye, Rihane, Jarmaq, Houmine el Faouqa.
4 180 mm cannons.
20 anti-aircraft defense cannons.
14 ammunition trucks.
12 75 mm cannons.

BEKAA

18 Soviet tanks stationed at Barr Elias.
18 130 mm cannons placed at Ain Arab, Rachaiya al Ouadi, Kamed el Laouz.
14 122 mm cannons.
12 Stalin organs.
15 122 mm Stalin organs.
9 130 mm cannons.●

FRED (SKIP) GARRETSON

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. EDWARDS of California. Mr. Speaker, today we seem to have forgotten the reasons for the environmental movement, and the progress made in the last decade in saving the lands, waters, and seas, which are the only ones we have.

For those of us who were part of the hard battles of the 1960's and 1970's to save what was about to be destroyed, the current ignorance of those spoilable resources and the current silence about continuing spoilage are tragic.

Not everyone, however, has forgotten.

I rise today to speak about a man who fought such ignorance in many an environmental battle, and won more than a few, Fred (Skip) Garretson of the Oakland Tribune.

Skip's voice was silenced by death on July 10, 1981, at age 47, too soon, but he had accomplished much, leaving a generous inheritance for his fellow citizens of this planet, and his colleagues in the journalistic trade.

I knew Skip's work well, and I along with the other citizens of San Francisco Bay benefited from it.

In 1968, along with my Republican colleague, Charles Gubser, I introduced legislation to create the South San Francisco Bay Wildlife Refuge. It seemed a hopeless dream then that this stretch of polluted San Francisco Bay could be saved from extremely dangerous development.

Skip was one of the first to understand the troubles of the bay. He explored the earthquake hazards of building on soft bay muds, the increased problems of water pollution from the further restriction of the currents of the South Bay and the additional air pollution which would have been created by development there.

In addition Skip covered the problems of pollution throughout San Francisco Bay. He spread his enthusiasm for protecting the bay from unrestricted and foolish bay area development, reaching out to community leaders and the press corps alike. His efforts aided in the formation of a coalition which did what many said could not be done—saved San Francisco Bay, and created a wildlife refuge in South San Francisco Bay.

He did more.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Skip's career in journalism was unique. He created his own specialties, explored new fields and provided his reading public with priceless information that helped change the shape of our environment.

An old friend and colleague of Skip's, Gil Bailey, now of the Seattle Post-Intelligencer, has attempted to evaluate Skip's career from a journalistic and a historical point of view, and from the point of view of shared battles. I would ask that his memorial be included in this RECORD.

But there is another point of reference for Skip, and for his career, one which can only be understood in such places as the Southbay Wildlife Refuge. Today a smell of fresh salt air rises from where once was the stench of filth. Healthy marine and bird life have returned to what was a marine desert. San Francisco Bay has come back, although much remains to be done.

Fred Garretson helped keep San Francisco Bay alive.

A REPORTER WHO MARCHED TO A DIFFERENT DRUMMER

On a hot 1960 day on Point Richmond in a yard overlooking the Golden Gate, the Bay and the San Rafael bridges a young Oakland Tribune reporter, portly even then, bubbled with a new enthusiasm.

Frederick Von Hon Garretson, "Skip" to almost all who knew him, hauled out the first of what are the thousands of maps he acquired over the next 21 years.

He had served his apprenticeship as a copyboy on the Oakland Tribune on night cops in the legendary old press room in the Oakland police, waiting for that ever present wail of "Jesus Christ kid, where the hell you been," from the city desk.

Now Garretson was about to make journalistic history, and history around San Francisco Bay.

The then mayor of Alameda, Bill McCall, exasperated because no one would pay any attention to his and his city's problems, had waded the Oakland Estuary to demonstrate silting conditions.

Garretson, assigned to the city of Alameda beat, watched.

In those days the Port of Oakland was divine, and the Army Corps of Engineers was doing the Lord's work.

Development was the name of the game, the bigger the better, and the California Water Plan was the blue print of the future.

This reporter started writing about a shrinking San Francisco Bay.

"Garretson was an environmentalist before most of us could spell the word," Roy Grimm, now managing editor of the Oakland Tribune, and one of the few survivors on the Trib from those days, said in a eulogy at Garretson's funeral this July.

Garretson marched to a different drummer than the journalism of the 1950s, the 1960s, or any year. He started his own orchestra and his own movement.

He wrote, and the Tribune published, a series on the islands of the Bay.

Garretson accumulated more maps, and more information.

It was he who discovered what the maps, when put together, actually said.

Combined, they showed that local, state and federal governments planned to fill 60 percent of the San Francisco Bay.

Even the Army Corps of Engineers was impressed, its chief calling from Hawaii to find out what Garretson had discovered.

There were stirrings in the hills, and on other newspapers, and the radio. The "Save the Bay" movement was born. It was not all Garretson's doing, both the public and the press joined in, and the honor roll is long.

The San Francisco Bay Conservation and Development Commission was created, a delicate political compromise that worked. The Bay was spared, at least for a time.

These were the years of conflicts in the Bay Area, the state and the nation, the rise of the civil rights and then the anti-Vietnam War movements, of campus unrest, starting in Berkeley and spreading across the nation, of Black rage and riots, of great social dislocation. The cities too were changing with the growth of the suburbs and the death of the downtowns.

Other newspapers reacted. The Los Angeles Times became a great metropolitan daily. The Trib's neighbor, the San Jose Mercury & News became one of the nation's richest newspapers.

The Trib didn't change to reflect the change in seasons. It cut back its suburban coverage to go "metropolitan." The move saved money but lost the Trib much of its rich suburbs.

And the Trib in spite of Oakland's growing Black population failed to change to reflect the views of the minorities.

The Tribune shrank.

Garretson did not.

He began his coverage of public power issues. He ranged up into the Delta to write about the peripheral canal, and the giant water plan built by the first Gov. Edmund G. Brown with the help of the Metropolitan Water District of Southern California, and the Los Angeles Times.

His stories were often critical of the water planners of the state, once the sacred cow of all sacred cows in California.

He wrote about earthquake faults, and to his delight discovered one minor fault of his own, named for him by a geologist as "the Garretson creep zone."

He exposed the peril of fire among the eucalyptus trees after a freeze killed many and damaged more in the huge groves in the Berkeley hills. The dead and dying trees were a immense fire hazard in an area that had burned on more than one occasion. His stories spurred a massive drive to cut down the trees to protect Berkeley and portions of Oakland from the fire hazard.

And he flew into Vietnam at the end of the war to cover the rescue of the children, taking his chances amid the chaos of defeat, as he did again this last year, as he circled over an erupting Mount St. Helens.

Finally, the Trib began to change but not always for the best. Eventually the paper was sold, ending the era of the Knowland family, the publishers of the Tribune and state and national political powers.

The Trib's circulation and its advertising continued to shrink under the new owners.

One of the regular sweeps in the Tribune city room swept Garretson out to Berkeley where he served a period of exile.

He commented mildly, on such occasion muttering, "Sigh," one of his strongest expressions, but remained at what most in the newspaper world considered a sinking ship.

In exile he sought out the unusual and the important, tracing the social trends that change a nation recorded in the fine print the U.S. census data. At the same time he made contacts among scientists and students at U.C. Berkeley which paid off.

The Trib was sold again, this time as part of a package deal to Gannett, the nation's largest newspaper chain. Gannett brought new life to the Trib, pumping in money, much needed intelligence and some would say sanity, creating Eastbay Today, a dime newspaper that sent circulation soaring.

And Gannett brought Garretson back to the city room. He once more could look for the disastrous mixes of man and nature he wrote about so well. He chased nuclear dumping off the coast of California, checked on the safety of highway overpasses and bridges in case of earthquakes, and followed the shadowy trail of the Iranian students at U.C., who either died or became leaders in the Iranian revolution.

He watched the tide tables, spotting the conjunction of tides and winds which spelled destruction for a huge Delta Island. Garretson was there, flying over the island with a photographer as the dike gave way.

The new Trib/Eastbay Today had one further assignment for Garretson, one he relished. He and political writer Gayle Montgomery were told to dig deep into the California Water Plan, and its effect on the Delta—the salts building up in the San Joaquin Valley farms, the dropping away of the earth because of the shrinking of underground water tables, the advance of salt water into rich agriculture areas, and the peripheral canal, that proposed huge, leaky garden hose circling the Delta replacing the natural flow of streams.

There was an interruption. Some routine medical tests produced non-routine results.

Garretson risked an operation on a cancer despite a heart weakened by an auto accident in years past.

On the night before the operation he talked with enthusiasm of the projected water plan stories and then commented on the tests he had undergone, noting how he had been pumped full of Strontium 90 so that his various organs could be shown on a screen.

"They were sparkling like the stars," he said. "There is Garretson's liver rising, there comes the spleen. They want to do some more looking at the spleen. I can get along without a spleen."

The surgery was long and difficult. The heart problem too serious.

Garretson died shortly before 1:30 p.m. July 10.

He was buried, at his own request, lying perpendicular to the Hayward Earthquake Fault.

Grimm of the Tribune-Eastbay Today vowed the water plan story would go forward.

Skip Garretson is survived by his wife, Maureen, his son, Cornelius, two brothers, Gilbert and William, and the San Francisco Bay, its islands and its cleaner waters, the green hills of Berkeley, and the Sacramento-San Joaquin Delta, although the Delta's condition is still grave.●

FINANCIAL REPORT OF THE CONGRESSIONAL TEXTILE CAUCUS, QUARTERLY STATEMENT OF EXPENSES AND FUND BALANCE

HON. KEN HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. HOLLAND. Mr. Speaker, the chairman, vice chairman, and secretary-treasurer of the Congressional Textile Caucus have approved the quarterly financial statement of the caucus for the quarter ending September 30, 1981. I am herewith submitting the statement for the CONGRESSIONAL RECORD so that all Members of Congress may review it.

The statement follows:

Financial report of the congressional textile caucus, quarterly statement of expenses and fund balance

[For the period ending Sept. 30, 1981]

Expenditures:	*Amount*
Telephone	$104.55
Do	99.15
Do	112.18
Total	315.88
Office supplies	18.72
Do	32.96
Total	51.68
Typewriter	174.00
Do	150.00
Do	174.00
Total	498.00
Copy machine	9.40
Postage	18.00
Subscriptions	30.00
Do	22.75
Do	166.50
Total	219.25
Total, expenditures	1,112.21
Fund balance:	
Fund balance on June 30, 1981	13,773.76
Total dues deposited this quarter	200.00
Interest on account	100.84
Total	14,074.60
Less expenditures	1,112.21
Balance, Sept. 30, 1981	12,962.39

●

NICK LATSIOS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. YATRON. Mr. Speaker, Friday will be a very special day for an outstanding American and personal friend, Nick Latsios. On this day, Nick will be inducted into the Washington, D.C., Boxing Hall of Fame.

As a seventh-ranked welterweight fighter, recipient of the Fred A. Hartley Trophy in 1941, and the local Golden Gloves champion in 1940–41, Nick Latsios more than qualifies for, and deserves, this award.

Nick was remembered for his speed and quickness in the ring and these assets contributed significantly to his tremendous boxing success. Those famous Latsios moves intimidated his opponents and kept them off balance. As a fellow boxer, I can appreciate how difficult it must have been to get close to Nick in the ring.

It was that quickness, I think, which enabled Nick to almost defeat Henry Armstrong for the championship. This was Nick's greatest fight. His valiant and superlative effort led many who witnessed the bout to believe that he had won. When the tabulations were completed, however, Nick suffered an extremely close, heartbreaking, split decision.

It is truly a remarkable achievement that out of some 60 amateur fights, Nick won all but 2. This success continued into the professional ranks as was evidence by 48 victories, with 36 knockouts, against just 3 defeats. Moreover, I think it is a testimony to his determination, courage, and spirit that he was able to win back two of those three losses.

What makes Nick Latsios unique is that boxing was only one dimension of his multifaceted life. Talented as he was in the ring, the fact that he built and still operates a successful business, as well as having raised a close-knit family, is quite an accomplishment.

Nick Latsios was distinguished as a man of character with the way he handled himself under adversity. While engaged in a highly competitive, grueling, and at times brutal sport, he always exhibited a sense of dignity and fair play. Nick was respected by his fellow fighters not only for his boxing ability, but for his qualities as a person as well. His steadfast religious convictions were widely known and admired. Before every fight he prayed that no one would be seriously hurt. The way he conducted himself in and out of the ring should serve as an example and inspiration to us all.

As a fellow American, I am elated that he is receiving such an honor.●

SOIL EROSION SERIOUS THREAT TO FARMLAND

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, November 18, 1981, into the CONGRESSIONAL RECORD:

SOIL EROSION

Every year, the United States loses millions of acres of farmland to urban expansion. This loss is highly visible, and has rightly caused much concern. However, an even greater threat to farmland is the loss of topsoil through erosion. Unlike the Great Dust Bowl days of the 1930's when huge clouds of topsoil blew across the country and heavy runoff gouged deep gullies in the land, the problem today is less visible. However, it is every bit as serious.

Today, America is losing about five billion tons of topsoil every year through water and wind erosion. The "permissible" level of yearly erosion is roughly five tons per acre (a layer of soil the thickness of five sheets of paper over an acre) since that amount is added each year by natural processes. If the rate of erosion is higher, the productivity of the land begins to decline. It takes nature at least 100 years to produce an inch of topsoil, yet on much farmland the topsoil is being lost at a rate of one inch every fifteen years. Iowa, for example, once had 14 inches of topsoil, but today the layer is only six inches thick in many parts of the state. Currently, erosion on about one-quarter of our cropland exceeds the permissible rate. In Indiana, erosion on about nearly 6 million of some 13.3 million acres was estimated to exceed the acceptable rate in 1981. This gradual depletion would eventually mean lower yields, higher consumer prices, increased water pollution, and sharp reductions in exports. Soil scientists warn that if action is not taken soon, erosion may surpass energy as our major resource problem before the turn of the century.

Today's problem has escalated mainly within the last few years. After the Great Dust Bowl days, millions of dollars were spent on terracing, planting windbreaks, stripcropping, and crop rotation. The programs were successful, and they led to marked improvement in the condition of the topsoil. However, the rate of erosion has recently climbed alarmingly for several reasons.

First, foreign markets for our farms products have expanded rapidly, and the U.S. Department of Agriculture (USDA) told farmers to plant "fence post to fence post." To do this many farmers plowed under pasture and removed windbreaks. Second, much foreign demand has been for "soil-depleting" crops such as corn and soybeans, not for "soil-conserving" crops such as grass and clover. Third, new and larger farm equipment made it difficult to work hillsides on the contour or to maneuver around terraces, so these techniques of conservation were often discontinued. Fourth, the higher costs of production and land have encouraged farmers to recover these costs by increasing the amount of land in production. Fifth, there has been a rise in the number of absentee landlords, many of whom are unwilling to make large investments to save the topsoil. Sixth, certain federal programs of conservation were not run as efficiently as they had been earlier. Moreover, capital investment in conservation throughout the U.S., as measured in constant dollars, has declined each year since 1970. Federal funding for conservation has declined as well.

There are many tried and tested methods of controlling erosion. However, the question is whether they are economical for farmers to use. Many of the traditional conservation practices are expensive, take land out of production, and require several years to show results. The federal government freely demonstrates how to employ such practices, and it spent about $250 million in 1981 to share the costs of implementation. Furthermore, several states (not including Indiana) have established their own state-

wide cost-sharing programs. Yet, erosion is getting worse. Some $1 billion is now being spent on conservation by all parties, public and private, but this is just a fraction of what may be necessary.

One of the most promising developments is the use of conservation tillage in which the new crop is planted directly over the previous year's residue. The residue protects the topsoil, holds it in place during spring storms, and helps to conserve moisture as it rebuilds fertility and depth. Conservation tillage may cut erosion from 50 percent to 90 percent below that which occurs with conventional farming practices. Its drawbacks are the costly equipment it may require and the heavier use of chemicals needed to control weeds and insects, but on balance conservation tillage may cost less than conventional methods of farming. It is estimated that in 1979 more than one quarter of all cropland harvested in the U.S. was in conservation tillage, and that by the year 2000 one-half will be. A combination of conservation tillage and usual conservation practices is a possible answer to erosion.

It is generally agreed that continuation of present levels of federal, state, and local funding for voluntary programs of conservation will not suffice. As to the future, several proposals have been offered: large increases in federal funding both to provide assistance to more farmers and to pick up a higher percentage of cost-sharing; more state and local funding for conservation or block grants to the states so that they can tailor programs to local conditions; new tax breaks for farmers who practice conservation; mandatory programs involving regulation and penalties if farmers do not cut erosion; requiring that farmers meet standards of conservation in order to qualify for federal subsidies; a "natural resource contract" under which the public would pay the landowner for each ton of topsoil saved until erosion was reduced to tolerable levels; and a "conservation tariff" on farm exports to make foreign customers finance part of our conservation effort.

Although it is uncertain which of these proposals we will pursue, we must act now to get a grip on the problem of topsoil erosion. A new conservation effort is difficult to fund at a time when social programs are being cut, but if it is not funded we may soon discover that our farmland, a primary source of the nation's strength, has been damaged beyond repair.●

WOODBURY HEALTH FACILITIES

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. CARMAN. Mr. Speaker, the Woodbury health related facilities have been providing skilled nursing care and intermediate care to the residents of Nassau and Suffolk Counties since 1967. These facilities have earned a reputation for excellence and community service throughout the Long Island area. I am proud to bring their efforts to the attention of my fellow Members of Congress.

Established in 1967, the Woodbury Nursing Home provides skilled nursing care to 123 residents in excellent surroundings designed to give maximum comfort and care. In 1972 the Woodbury health related facility was established to provide intermediate care for 200 residents. The kind of service provided is reflected in a motto of the facility: "Dedicated to those in need of an environment that will assure the comfort and well-being of residents entrusted to our care." That dedication has been appreciated by all of us who have come in contact with Woodbury.

In addition to providing excellent health care, the residents of Woodbury are active in community involvement. Annually, the residents participate in fundraising for the American Heart Association, the March of Dimes, the American Cancer Society, and the Jerry Lewis Muscular Dystrophy Telethon. The residents are also active in numerous volunteer activities throughout the community. Residents serve the Plainview Cancer Research Center by providing administrative and office support. Others volunteer their talents, knowledge, and skill to such diverse organizations as the Lions Club, the Plainview Reformed Church, the Suffolk Development Center, Old Bethpage School, and numerous senior citizens centers and organizations.

Two activities are particularly noteworthy. Ring-A-Day is a resident action program where homebound neighbors are called daily. This daily phone call provides support and contact for people who are unable to get up and about. In this way the Woodbury residents express their concern and love for the people around them. There is also the Plainview homebound resident program. Residents visit daily homebound elderly to provide arts and crafts and service projects. In addition, a nutritious hot meal is provided. This is a very concrete expression of compassion and caring.

As you can see, Mr. Speaker, the Woodbury health related facilities provide a valuable contribution to their friends and neighbors on Long Island. I commend their fine efforts and applaud their selfless activity for the improvement of life to all with whom they come in contact.●

WISCONSIN HIGH SCHOOL STUDENTS SURVEYED ON NATIONAL ISSUES

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. ROTH. Mr. Speaker, during the Veterans Day recess, I polled high school students in two locations in my congressional district, one urban, the other rural. Approximately 500 students from each high school responded to the survey: Premontre High School, Green Bay, Wis., and Hortonville High School, Hortonville, Wis.

The results were strikingly similar. Almost 60 percent of the students felt that the social security system would not be solvent by the time they face retirement if present trends continue. More than 80 percent said Congress should take action to insure the financial integrity of social security.

Over 70 percent favor a mandatory minimum sentence for those convicted of committing a felony with a dangerous weapon. Better than half of the respondents favor the death penalty for certain crimes. Asked if community service work should be required as a penalty for vandalism, more than 67 percent answered yes. Over 50 percent of the students also said they favor registration of handguns.

As a member of the Foreign Affairs Committee, I was interested to learn people's opinions on this very complex subject. Almost three-fourths of the students said the United States should take a tougher foreign policy stance toward aggressors. Less than one-fourth favored a 2-year military draft.

Students overwhelmingly agreed that welfare eligibility requirements should be tightened to improve the system. A full two-thirds of the respondents said that clean air and water regulations have been successful in preserving and improving the quality of the environment. Nearly one-third of these students also said that some of those regulations could be relaxed in order to stimulate the economy.

Young people were pretty well split on their feelings about the administration tax and budget cuts. When asked if these actions would strengthen the economy, 41 percent said yes, 13 percent said no, and 46 percent said maybe.

Here are the actual results from both high school surveys:

	Percentages			
	Yes	No	Maybe	
Economy:				
Will the Reagan Tax and budget cuts strengthen the economy?	47.8	14	38.2	Premontre.
	34.2	12	53.8	Hortonville.
Social security:				
Will the social security program be financially sound when you retire if present trends continue?	9.9	59.7	30.4	Premontre.
	5.7	59.3	35.0	Hortonville.
Welfare:				
Should welfare eligibility requirements be tightened to improve the system?	80.3	10.5	9.2	Premontre.
	69.4	9.4	21.7	Hortonville.
Foreign policy:				
Should the United States be tougher in its foreign policy toward aggressors?	77.3	9.7	13.0	Premontre.
	65.6	10.5	23.9	Hortonville.
Draft:				
Do you favor a 2-year military draft? ...	19.9	64.5	15.6	Premontre.
	25.3	55.4	19.3	Hortonville.
Environment:				
Have the clean air and water regulations helped our environment?	67.5	14.2	18.3	Premontre.
	63.8	15.4	20.8	Hortonville.
Should some of those regulations be relaxed to stimulate the economy and provide more jobs?	35.1	43.1	21.8	Premontre.
	39.9	36.4	23.7	Hortonville.
Crime:—Do you support:				
Community service work as a penalty for vandalism?	67.8	22.5	9.7	Premontre.
	67.1	20.2	12.7	Hortonville.

	Percentages			
	Yes	No	Maybe	
Registration of handguns?	57.3	33.7	9.0	Premontre.
	58.8	27.2	14.0	Hortonville.
Mandatory minimum sentences for felonies committed with a dangerous weapon?	70.7	16.9	12.4	Premontre.
	72.1	16.8	11.2	Hortonville.
The death penalty for certain crimes?	58.0	25.7	16.3	Premontre.
	53.2	28.6	18.2	Hortonville.

I hope my colleagues will gain from these results some insight into the attitudes of our Nation's young people today.●

ST. ANDREW'S TO "BURN THE MORTGAGE"

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. ANDERSON. Mr. Speaker, in these days when all too often we hear distressing tales of bankruptcies, people forced to go in debt over their heads, and grave concern over the high rates of interest, it is indeed heartening to learn of at least one group of people who, by hard work and sacrifice, will shortly be out of debt. I refer to St. Andrew's Episcopal Church in Torrance, Calif., where the Reverend George A. Detor, S.T.M., is the rector.

On Sunday, November 29, the Right Reverend Robert C. Rusack, the bishop of Los Angeles, will consecrate St. Andrew's Episcopal Church. Episcopal services were held in Torrance in the early 1920's, when the parish went by the name of Christ Church. After a short time, this name was changed to St. Andrew's to avoid confusion with the parish in Redondo Beach bearing the Christ Church name. St. Andrew's was admitted into union with the convention of the diocese of Los Angeles as a mission in 1927, and the following year, the cornerstone of the church was laid. St. Andrew's became a full parish in 1944.

As the parish expanded and grew, so did the church. The original church building was expanded, and a religious education building and portico were built. Next, work was commenced on the parish hall, which also houses a modern kitchen. In 1973, the bishop loaned St. Andrew's $30,000 for the purpose of completing the kitchen and the parish hall.

Mr. Speaker, those of you who are active in a church know that while $30,000 may not seem like a tremendous sum to those working with the Federal budget, it is to a parish when it is placed on top of the other normal expenses of operating a church. And to repay such a sum in a relatively short period of time, can only be accomplished with a lot of effort and a lot of sacrifice by members of that congregation. It means banding together in various fundraising activities, and encouraging communicants to pledge just a little more toward paying off the loan. And, the fact that this has been accomplished in only 6 years is certainly a high tribute to the parishioners of Father Detor's parish.

I think that the ritual service of consecration is a highly meaningful one, and one that those present and participating in will remember for the rest of their lives. At 3 p.m. on Sunday, November 29, members of the congregation will gather in the patio, at which time Bob Bowker, the senior warden, assisted by Robert Brown, the junior warden, and former senior wardens, will perform the ceremony of "burning the mortgage." Then the congregation will proceed into the church, being led by the cross and torches, to await the bishop, who will knock on the front door with his pastoral staff and ask admittance into the church. Upon receiving a hearty welcome, he will trace the sign of the cross on the threshold of the church with his pastoral staff. The bishop will then proceed to bless the pulpit, lectern, font, and altar. The Reverend Canon Oliver B. Garver, Jr., the executive assistant to the bishop of Los Angeles, will preach after the completion of the service of the Ministry of the Word. The bishop will then celebrate the Holy Eucharist.

Mr. Speaker, I wish to congratulate those members of St. Andrew's Episcopal Church of Torrance who have done so much to make their church a mortgage-free, self-sustaining institution. In this Nation of ours, we recognize and respect the necessity for separation of church and state, and have as one of our principal tenets the freedom of religion which we hold so dear. Many lands are not so fortunate, and I believe we should stop and reflect that much of the moral fiber which has made our Nation great is based upon the worship of God, regardless of which manner or under the doctrine of which faith this is accomplished. I hope you will join me in wishing St. Andrew's Episcopal Church many, many years of continuing service to the spiritual needs of the community.●

ALASKA NATURAL GAS PIPELINE IS IN NATIONAL INTEREST

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. YOUNG of Alaska. Mr. Speaker, the most important energy legislation facing the Congress this session is the proposed waiver of law for the Alaska Natural Gas Pipeline. This waiver package would remove obstacles to private financing of the pipeline and allow construction of the pipeline to continue. Without this waiver, financing for the project will not be available and natural gas consumers will be deprived of the only feasible means of access to the Nation's largest source of natural gas.

On November 16, the Washington Post published an editorial which states that the construction of this project would serve the interest of both the consumer and national security. In endorsing the waiver proposal, the editorial noted that rejection of the waiver would kill the project and constitute a gross betrayal of commitments made to the Canadian Government. The Post is not known as a close ally of energy producers or as an enemy of consumers, yet it came to the same conclusion that the Congress should. The Alaska Natural Gas Transportation System will provide American consumers with clean, safe, dependable fuel for many years and we in Congress would be shirking our duty if we fail to allow this to be built.

[From the Washington Post, Nov. 16, 1981]

THAT GIGANTIC PIPELINE

We want to talk to you this morning about your gas bill—not the one you got this month, but the one you'll begin getting in the late 1980s. There's a lot of gas underneath Alaska's North Slope, and getting it down here to customers in Washington and through the country is going to require the longest, most expensive pipeline ever built.

You need to be aware that the cost will be in the range of $40 billion and that it will ultimately be paid by the consumers who use the gas. But to get this assured supply at a stable price far into the future will be worth the money.

Congress now has to vote on it once again. The original legislation five years ago contained restrictions that turn out to make the financing impossible, and President Reagan has asked Congress to waive them. These waivers are a reasonable compromise with the realities of current conditions in the financial markets, and if Congress were to reject them it would, as a practical matter, kill the whole undertaking.

Rejection would also constitute a gross betrayal of the Canadian government, which has permitted the construction of the line south from Calgary into this country on the explicit promise by the United States that the rest of it would proceed promptly. That line is already in operation.

The effect of the waivers is to shift more of the financial risks of this enormous investment from the lenders to the consumers. But those risks are pretty small. The greater issue is the cost of the gas, compared with that of other fuels. At first, that price is likely to be substantially higher. But as time passes, with inflation and the higher oil prices that most people expect, the balance will change. An analysis for the House Energy Committee concludes that, over 20 years, on average, the Alaskan gas would cost slightly less than the alternative fuels. But it's necessary to acknowledge that there are many uncertainties in the calculation. Should consumers have to bear the brunt of those uncertainties?

The greater threat now is further rapid escalation of oil prices—and the higher they go, the better deal the Alaskan gas will be. If the gas at first is expensive and raises your gas bill, you ought to regard it as an insurance premium for the longer future. Whatever happens abroad, the prices of the Alaskan gas will continue to be set by law and by long-term contract. The shorter Alaskan oil pipeline seeemed extravagantly expensive when it was finished, in 1977, at $9 billion. But since then it has saved this country $50 billion in the foreign exchange that it would otherwise have paid for more oil from OPEC. For the same reasons, the gas line serves the interest of both the consumer and national security.●

DOWNEY'S QUARTER CENTURY OF GROWTH

HON. WAYNE GRISHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. GRISHAM. Mr. Speaker, Monday, December 7, the city of Downey, Calif., will be celebrating its 25th year of incorporation at an anniversary party to be held at the Downey Theater. I am pleased to make my colleagues aware of this historic event and wish to share with you some of the heritage of one of the finest cities in California.

Downey was named after former Civil War Gov. John Gately Downey. Governor Downey led the State of California from 1860 to 1862 with firm leadership through one of the most trying times in our country.

After almost 100 years of growth as a community, the citizens in the area now known as Downey decided to incorporate. December 4, 1956, marked the big day. Two weeks later the first city council sat down to plan the future of Downey, Calif. The members of that first council were Carroll M. Dunnum, Edwin W. Giddings, Hollis M. Peavey, James L. Stamps and Scott E. Temple.

As the council began work they selected James L. Stamps as Downey's first mayor. Mayor Stamps and the council, as one of its first actions, created the major city departments. Through these departments all the vital services necessary for the city to operate could be established.

Only 1 year later, in 1957, over 3,000 people turned out for an open house to celebrate the first anniversary of Downey. That turnout of interested citizens was to become the hallmark of a city whose residents take an active and involved role in city government.

The citizens of Downey were justifiably proud of their city. The organizational pattern set to govern Downey was working well and by 1965 the residents overwhelmingly voted for a city charter.

Downey, the home of the Apollo space program, has continued its pattern of growth. With over 82,000 citizens the community has developed into an area that is noted for its industrial development and scientific exploration. The space division of Rockwell International is located in Downey on the site where, in 1929, the E. M. Smith Co., built the Emsco, Downey's first airplane. When the first orbital flight of the unmanned Apollo vehicle, built by Rockwell in Downey, was launched in 1966 the residents of Downey had a feeling of pride unmatched in the country.

Under the present capable leadership of Mayor Milton R. Mackaig and Mayor Pro Tem Lyell W. Swearingen along with city councilmen Robert G. Cormack, Theodore H. Jackman and James T. Quinn, Downey will continue to distinguish itself as a leader among California cities. I am proud to represent Downey in Congress and look forward to sharing with all of Downey's citizens their proud motto, "Future Unlimited."●

SMALL BUSINESS CONTRACT PAYMENT PROCEDURES ACT

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. MITCHELL of Maryland. Mr. Speaker, today, I am proposing legislation that will benefit more than 100,000 primarily small businesses and will put more than $4 billion directly into the hands of the private sector—making these moneys, which now sit idle in the ledgers of Federal bureaucrats, available for investment in business growth and job creation—without appropriating a single penny from the U.S. Treasury.

The Small Business Contract Payment Procedures Act will end a practice in Government construction called retainage which, in effect, amounts to a 10-percent withholding tax on Federal contractors and subcontractors.

Retainage is the practice of withholding a portion from each of the monthly payments made by an agency to a prime contractor for work performed, holding back the funds as leverage against the project's completion. When the practice began long ago, the agency was dealing with a single general contractor who performed nearly all the work himself with craftsmen and tradesmen directly on his payroll. And because the work was performed on a single level, retainage worked.

But in 1981, the construction industry is a vastly different establishment than it was a half century ago. Technological advances and economic reality have forced the general contractor to subcontract most of the work performed—so that it is routine to see 50 or more subcontractors on a jobsite performing 80 percent or more of the actual construction. The prime contractor naturally passes along his own retainage to these subs, so that funds are slow in filtering down to that level. This situation gives rise to a host of problems:

First, by slowing the flow of money to those performing the work, retainage delays construction and thus drives up costs due to inflation.

Second, contractors and subcontractors must borrow money—at today's high rates of interest—to cover outstanding retainages and maintain an adequate cash flow, a cost which they must factor into their bids and pass along to the end user.

Third, because funds must travel down so many levels today—owner, prime contractor, subcontractor, lower tier subcontractor, supplier—each party along the way is encouraged by the high interest rates to delay the release of retained moneys as long as possible.

Fourth, nonpayment of retainage is one of the single largest causes for disputes on Government construction projects.

In fact, it is a curious paradox that retainage today achieves the exact opposite effect that it was initially intended to gain. Begun as a "club" to get contractors to finish the job quickly, today retainage actually encourages delay. With construction being performed by so many different subcontractors, the ones who complete the bulk of their work before the project is done have no incentive to finish the final details quickly because retainages are not released until the owner accepts the building. These subcontractors will instead commit their resources to concurrent projects where payment can be expected.

Unfortunately, this irony is no laughing matter for the contractors and subcontractors involved. A study by the American Subcontractors Association shows that the average specialty contractor—who is usually a small businessman—is covering $200,000 in outstanding retainages. And, as the record number of contractor failures reported in recent years by agencies like Dun & Bradstreet indicates, many firms find the financial burden too much to bear.

For many years now, contractors and subcontractors have been required to take out performance bonds to guarantee completion of their work. Retainage then, is an unneeded double protection which hurts contractors and subcontractors but which affords no extra assurance to the Government's interests.

The Small Business Contract Payment Procedures Act would amend the Federal Property and Administrative

Services Act of 1949 to prohibit all civilian executive agencies from withholding any retainages from any Federal contractor unless performance is unsatisfactory or behind schedule. The act would likewise bar—for any reason—the withholding of retainages from small business concerns, provided the firm posts a performance bond.

This measure will help Federal contractors and subcontractors, who have a desperate need for more capital to finance improved productivity and increased growth. And the measure is needed by the Government to speed construction and to reap the savings realized when contractors lower their bids in anticipation of no retainage. Therefore, I urge your adoption of the Small Business Contract Payment Procedures Act at the earliest opportunity.●

WNVT BEGINS BROADCASTING HOUSE PROCEEDINGS TO NORTHERN VIRGINIA RESIDENTS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. PARRIS. Mr. Speaker, I am pleased to announce that WNVT television, northern Virginia's public television station, has recently begun televising the proceedings of the House of Representatives. I have been working with my colleague from northern Virginia, FRANK WOLF, in an effort to obtain permission from the House of Representatives so that WNVT could begin broadcasting. Now that the transmissions from the Capitol to WNVT's studios are underway, northern Virginia residents will be able to view this House at work.

WNVT operates on channel 53 and also has a transmitter station, channel 14, in Arlington, which repeats the WNVT programing. Channel 14 is being used as a low-powered station during the hours that the House is in session, and channel 53 for broadcasting classroom programs for the Arlington-Fairfax school systems. Once the school programs are over for the day, channel 53 picks up the House broadcasts.

This station should be commended for providing northern Virginia with informative and educational programing. We all benefit when our communities are made more aware of advances in science and technology and kept abreast of important issues before Congress. I congratulate WNVT on its insight and the initiative it has taken in providing a valuable public service.●

FIRE CHIEF SERVES COMMUNITY FOR 39 YEARS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. McCOLLUM. MR. SPEAKER, TODAY A MAN IS RETIRING FROM PUBLIC SERVICE WHO HAS DEDICATED 39 YEARS OF HIS LIFE TO SAVING AND PROTECTING HUMAN LIVES.

This man is Leroy F. Gilliam, and he is retiring as fire chief of the city of Apopka in Florida. I wanted to share the story of Leroy Gilliam with my colleagues since there are all too few men and women today who can equal his contribution to his community.

Mr. Gilliam has been involved in firefighting since 1942, when he joined the Orlando Fire Department. Even while serving in the Navy from 1943 to 1945 during World War II, he was called on to train firefighters and supervise rescue operations. After leaving the service, Mr. Gilliam rejoined the Orlando Fire Department, where he worked his way up to being named a lieutenant in the unit.

In 1955, he retired to go into private business—though this turned out to be the beginning of an even longer career in firefighting. Still deeply concerned with public safety, Mr. Gilliam became active in the Apopka Volunteer Fire Department—which grew more and more capable as a result of his expertise and experience. Five years later, when the position of volunteer fire chief became vacant, he accepted the post—and the responsibility for the safety of his community.

In the ensuing years, Leroy Gilliam continued to increase the size, skills, and proficiency of the Apopka fire unit. In 1971, when the department shifted from being a volunteer to a professional unit, there was a strong ambulance operation, and emergency medical technician program and a significant increase in available emergency equipment. Since that time, the department has earned the respect of neighboring fire units as well as the gratitude of those in Apopka and the surrounding community.

In honor of Leroy Gilliam, a training center—which will bear his name—is being built to educate men and women on the skills of firefighting and emergency medical treatment. This center will perpetuate forever what Leroy Gilliam has expressed to his community for almost 40 years—that the preservation of human life depends on knowledge, training, and dedication.

Chief Gilliam's leadership will be greatly missed, but all of us whose lives he touched offer him our best wishes for the future—as well as our deepest thanks.●

CALL TO CONSCIENCE VIGIL FOR ALEXANDER PARITSKY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. LANTOS. Mr. Speaker, as part of the Congressional Call to Conscience Vigil for Soviet Jewry, I rise to express my outrage at the recent sentencing of Alexander Paritsky. I would like to pay public tribute to the Union of Council for Soviet Jews and the Bay Area Council on Soviet Jewry for their tremendous efforts on behalf of Paritsky and Soviet Jewry. I also would like to thank my friend, Mr. BARNES, for his sponsorship of the vigil this year.

Mr. Speaker, Alexander Paritsky was tried, convicted, and sentenced to 3 years of prison last week in a Soviet court on charges of slander against the Soviet state. The Paritsky family has long been a target of Soviet KGB harassment. Paritsky was a leader in the Jewish community of Kharkov in the Ukraine where his only real "crime" was his desire to emigrate with his family to Israel.

Since 1976, when Paritsky first applied to emigrate to Israel, he and his family have been subjected to persistent harassment from KGB officials. In 1977, he was taken to KGB headquarters, interrogated, and threatened, and told to end his involvement in the Kharkov Jewish University, an institution which he helped found. Alexander's professional credentials as a doctor of ocean electronics were then stripped from him and the Soviet Government began publishing articles in the Kharkov newspaper accusing him of black marketeering, racism, and propagandizing against the Soviet Union.

Other members of the Paritsky family have been harassed as well. Dorina, 15, was harshly interrogated by Soviet investigators at her school and told to denounce her family. Paulina, Alexander's wife, has been repeatedly threatened with arrest. In an unprecedented move, Soviet authorities have told Paulina that she may lose custody of her two daughters. When Paulina attempted to obtain independent legal counsel for her husband, she was forcefully detained.

Mr. Speaker, I demand that the Soviets release Paritsky from prison, halt all further harassment of his family, and permit the entire family to emigrate to Israel in accordance with international agreements promoting family reunification. I have cabled the procurator in Kharkov in regard to Paritsky, and urge my colleagues to join me in cosponsoring House Concurrent Resolution 215, which protests Paritsky's imprisonment.●

EDMUND HENNEBORN—NEW YORK FIREFIGHTER

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. CARMAN. Mr. Speaker, on Friday, November 20, 1981, the Huntington Manor Fire Department will honor one of its most distinguished and devoted firefighters, Mr. Edmund Henneborn. For 50 years now, Mr. Henneborn has served the people of Long Island and the community of Huntington with a devotion to duty and professional excellence that has won him the respect of his fellow firefighters as well as his friends and neighbors throughout New York.

Mr. Henneborn joined hose company No. 1 of the Huntington Manor Fire Department in November of 1931. In 1935 he qualified as a motor pump operator, and today at the age of 71 he is still an active fireman in his own hometown. In 1976, Mr. Henneborn received the F. & M. Schaefer Brewing Co., Fireman of the Year Award for his consistently outstanding fire record.

Mr. Speaker, the people of Long Island are proud of Edmund Henneborn and his exemplary record of service and performance of duty. The people of America can be proud of this man who has voluntarily given of his time and effort to keep his community safe and prosperous. And I am proud to play a small part in bringing to the attention of my fellow Members of Congress this courageous, selfless, and noble American. I congratulate Mr. Henneborn and commend him for his outstanding contribution to Long Island, N.Y., and the Nation.●

LANGUAGE STUDY PUSH

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. SIMON. Mr. Speaker, an increasing number of people around this Nation are becoming aware of our foreign language deficiencies and what it is costing us as a nation.

And it is not just in the metropolitan areas of this Nation.

The Covington Virginian of Covington, Va., recently had an editorial which I am inserting in the RECORD at this point, calling it to the attention of my colleagues.

[From the Covington Virginian, Aug. 4, 1981]

LANGUAGE STUDY PUSH

The deputy director of the Central Intelligence Agency has made some disquieting observations about the CIA's foreign language problems. What he said can be applied also to the general problem of language deficiencies among Americans. These deficiencies affect our society in many ways.

What Adm. Bobby R. Inman told a House panel considering important remedial legislation is that "the foreign language capability of our country is poor and growing worse." There is nothing new about that, so far as the public is concerned, except the context in which it was said—that is, how this affects the work of gathering intelligence.

Unwilling for security reasons to cite statistics showing how badly the decline in foreign language ability hurts the agency's operations, Inman told the Congressman, "Suffice it to say that we have been impacted severely." He did elaborate to this extent: "Although we have a great many analysts and intelligence officers who have some foreign language ability, many do not have the professional level of competence needed to conduct their jobs."

That is the old, familiar phenomenon—a smattering of French, a bit of German and Spanish, but no secure command of any language but English. It is found in millions of Americans who have studied foreign languages, but not long or intensively enough, and have forgotten much of what they once learned.

The CIA and the Pentagon have joined in urging passage of a measure introduced by Rep. Paul Simon of Illinois whereby public schools and colleges would receive grants to promote foreign language programs. Considering the potential benefits, not only for the military and intelligence communities but also in business and the professions, the $80 million the bill proposes for this purpose would be money very well spent.●

GILBERT GUDE ON "POSITIVE LIBRARIANSHIP"

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. REUSS. Mr. Speaker, on October 9, 1981, Gilbert Gude, our distinguished former colleague who is now the Director of the Congressional Research Service at the Library of Congress, spoke at the dedication of the Patrick and Beatrice Haggerty Library at Mount Mary College in Milwaukee. His remarks are an eloquent tribute to the many individuals who made that excellent facility possible, and a timely reminder of the importance of positive librarianship in a free society. The text of his remarks follows:

His Excellency Bishop Brust, Sister Jacqueline Buckley, Sister Ellen Lorenz, Sister Anne Lucy Hoffman, Beatrice Haggerty, Chairman Bob Christiansen, and all good friends of Mount Mary College: This is a great day for you—a culmination of all the activities associated with the enhancement and enlargement of Mount Mary College, with both a modern and handsome library building. I'm sure that Jane White and Nick Lesselyoung—and all those who have given so much, appreciate that today a corner has really been turned, a goal has been reached. And we know that it was not brought together for Mount Mary in just a month or a year. Amanda Evans and Roland Evans—a life long member of the board—these are the friends who exemplify the persistent and consistent work that made a library dream come true. One of the close connections which I feel with this fine project is through the involvement of the Walter Schroeder and Tod Wehr Foundations. The Schroeders and the Wehrs were Germans who came to a growing Milwaukee in the mid-1800's, much as my father's German family came to Washington in the 1800's and became a part of growing Washington.

This fine library is another significant addition to the institution of free and open libraries integral to the democratic tradition. It is part of the continuing effort of free people to insure ready access for all citizens to ideas and information, writings, and research. The institution of the library is a cornerstone of our community, indeed our way of life—the sine qua non of a healthy democratic system. For this and several reasons it is also a nice occasion for me. And I can say this without being accused of parochialism: Although my Congressional Research Service is within the Library of Congress, I am not a librarian nor are the majority of the researchers and analysts in our service librarians—but the service does have a very substantial cadre of professional librarians who are so important in our work in support of Congress.

But another factor that makes this occasion a "hardcover" rather than a "paperback" event for me—and I know Governor Knowles appreciates this—is that this new library is in Wisconsin, a State which has played a key role in the development of information, research, and library support for State legislatures throughout the United States. It was in 1901 at the turn of the century that Wisconsin led all of the States of the Union when it by law enlarged the scope of its own library and information services and provided for the collection and timely distribution of a broad range of informational and research material to the membership of the Wisconsin legislature. The support was not to be in the form of partisan or biased material, but was to be the result of the best standards of librarianship and research so that legislators could utilize these materials to make decisions or judgments without fear of prejudice or bias. Prior to that time several State legislatures have had library support, but Wisconsin's development was a significant breakthrough. And today, of our fifty State legislatures, Wisconsin's legislative reference bureau continues in a top leadership role and continues to receive national recognition in this field.

Political scientists have noted that the individual State governments in our Federal system provide the mechanism for innovation and a testing ground for better systems of government, and Wisconsin's new development provided Senator Bob La Follette the opportunity to bring an important new concept to the national congress. Although the Library of Congress was established in 1800 and provided some reference support to members in the following century, it remained for Bob La Follette along with Senator Bob Owen of Oklahoma in 1913 to introduce a bill into the U.S. Senate, which would establish in the Library of Congress a specific reference agency to support Congress—the legislative reference service, which today is our Congressional Research Service.

And Bob La Follette pushed the bill through the Senate—and again, significant for the badger State—it was a legislator from Wisconsin in the House of Representa-

tives, Congressman Irvine Luther Lenroot of Superior, who led the House in concurring in the Senate amendment. Now we have not researched all of the legislative history of this endeavor, but it is obvious that many reluctant members were badgered to support this effort by persistent and effective Wisconsin leadership.

So the traditions of librarianship in our system have an important congruence here, but what brings the bricks and mortar of this new library building even more alive is the warm and communicative character of Beatrice and Patrick Haggerty. After all, the role of libraries in a free and open society is indeed one of communication. Positive librarianship goes to systematic ready access to books—and all the other evolving materials of communication such as microfiche, audio tapes, video disks—loaded with facts, research ideas, concepts, materials readily available to a democratic citizenry to use for better living and better governance.

The record shows how Beatrice Haggerty uses the talents of communication in so many good works in Dallas: The Community Relations Commission, the Dallas United Way, and the Boards of the University of Dallas, Ursuline Academy, and the Dallas Museum of Fine Arts.

And Patrick Haggerty's brilliant work as an engineer and visionary in the development of transistors and in Texas Instruments by itself would be enough to guarantee recognition of his contributions to the field of communications and matters which relate to the transmission of ideas. I know well—I served on a technology council in Washington with a Texas Instrument Company officer—that company's leadership in communication technology is a real and accepted fact of life.

Texas Instrument terminals play a key role in my Congressional Research Service, where they provide a compatible communication link to vast libraries of knowledge in sophisticated data bases which go by such names as Medline, Lockheed, and Cancerline. These are the data base chests which contain the treasures of the humanities, business world, and the sciences.

And recognition of Patrick Haggerty in another arena: Nuclear safety. It came in a Presidential appointment to the Nuclear Safety Committee to monitor nuclear power activities in the wake of the Three Mile Island accident—recognition of professional excellence. And the Catholic University of America, with which I have a close association, was one of seven academic institutions which awarded him honorary doctorates.

But Patrick Haggerty's success in the engineering world would never have been so great if he had not had a tremendous talent for communication. He was skilled in motivating people and arousing their enthusiasm. Like all good leaders and communicators, he did not talk to his design engineers; he listened and advised, offered solutions to their problems, and always discussed plans for future developments of their projects.

He was involved with people; he was involved with people at all levels of his work; he was interested and concerned in all phases of company activities, so we are not surprised that he set policies in human terms and worked to have an understanding with all in order that there would be a sharing of purpose—and not a dictatorship. It is not at all surprising that he was known, among those with whom he worked, as a man of compassion and humility.

So, indeed, the bricks and mortar of the Patrick and Beatrice Haggerty Library speak of the traditional qualities of librarianship in the free world—free and open access to information, research, and ideas so that citizens may learn how to better themselves materially, and how to govern themselves wisely—and this library at Mount Mary College speaks also of Wisconsin, a State of great pioneering ideas in democratic government, and the dedicated leaders of Mount Mary College—such as the Evans—Amanda and Ronald Evans--people who give of themselves and work to make such good ideas come true.●

CONGRESSIONAL STEEL CAUCUS FINANCIAL REPORT

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Ms. MIKULSKI. Mr. Speaker, in accordance with Executive Committee Order No. 1, I am respectfully submitting herewith the quarterly financial report of the Congressional Steel Caucus for insertion in the RECORD. The report is as follows:

QUARTERLY REPORTS

Fund balance statement—U.S. House of Representatives, Congressional Steel Caucus

Balance forward: (As of June 30, 1981)	$10,510.95
Total revenues: (Clerk hire, dues, and donations)	11,551.40
Total	22,062.35
Less Expenses:	
July 1981	3,848.84
August 1981	4,446.39
September 1981	3,908.47
Total	12,203.70
Remainder	9,858.65
Plus interest deposit	236.10
Balance as of Sept. 30, 1981	10,094.75

Cumulative statement of expenses—U.S. House of Representatives, Congressional Steel Caucus

Salaries	$32.095.22
Postage	159.92
Stationery: (Donations—Mr. Bevill	354.92
Telephone	444.31
Publications	398.75
Equipment	1,428.60
Printing	471.10
Miscellaneous	6,859.62
Total expenses through Sept. 1981	42,212.44

CONGRESSIONAL STEEL CAUCUS DUES PAID AS OF NOVEMBER 6, 1981

Joseph Addabbo, Douglas Applegate, Eugene Atkinson, Don Bailey, Adam Benjamin, Tom Bevill, William Brodhead, Clarence Brown, George Brown, Don Clausen, William Clinger, Cardiss Collins, John Conyers, Lawrence Coughlin, William J. Coyne, Dan Daniel, Robert Davis, Edward Derwinski, John Dingell, Dennis E. Eckart, Allen Ertel, David Evans, John G. Fary, Vic Fazio, William Ford, Joseph Gaydos, Sam Gejdenson, Benjamin Gilman, Sam B. Hall, Jr., James V. Hansen, John Hiler, Elwood Hillis, and Ron Wyden.

Also Ken Holland, Thomas Kindness, Ray Kogovsek, Tom Lantos, John LeBoutillier, James K. Coyne, Gary Lee, Jerry Lewis, Clarence Long, Thomas Luken, Stanley Lundine, Robert McClory, Joseph McDade, Bob McEwen, Marc Marks, Dan Marriott, James Martin, Robert Michel, Clarence Miller, George Miller, Barbara Mikulski, Donald Mitchell, Robert Mollohan, Ronald Mottl, Austin Murphy, John Murtha, John Napier, James Nelligan, Bill Nichols, Henry Nowak, Mary Rose Oakar, James Oberstar, and Joe Smith.

Also George O'Brien, Thomas P. O'Neill, Jr., Donald Pease, Carl Perkins, Melvin Price, Carl Pursell, Nick Joe Rahall, Ralph Regula, Don Ritter, Robert Roe, Marty Russo, Gus Savage, James Scheuer, Richard Schulze, John Seiberling, Richard Shelby, Bud Shuster, Paul Simon, Albert Lee Smith, J. William Stanton, David M. Staton, Louis Stokes, Gene Taylor, Bruce Vento, Doug Walgren, Robert Walker, Richard White, Lyle Williams, Charles Wilson, Gus Yatron, Clement Zablocki, and Leo Zeferetti.●

"AZURE SEAS" CELEBRATES 100TH ENTRY INTO PORT OF LOS ANGELES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. ANDERSON. Mr. Speaker, this past Monday, November 9, the passenger cruise ship *Azure Seas*, operated by Western Cruise Lines, marked its 100th arrival in the Port of Los Angeles. Her first voyage out of Los Angeles was on November 28, 1980. This is the only large commercial passenger or cargo vessel that has ever achieved this number of entries into the port in 1 year.

That the ship must be meeting a demand is evident by the fact that she is sailing with heavy passenger loads twice a week. She makes 3- and 4-day cruises from the Port of Los Angeles to Ensenada, Mexico, and return. And the fact that she has chosen the Port of Los Angeles as her home trip speaks extremely well of the service and facilities made available to her by the port.

I will not bore you with numerous details about this 730-passenger ship, other than to say that I am indeed proud and happy to have this fine ship sailing from the port that I am privileged to represent. And as she moves into her second hundred voyages from the Port of Los Angeles, my wife, Lee, and I wish the passengers and crew of the *Azure Seas*, her operator—the Western Cruise Lines—and her owners, Gotaas, Larsen, Ltd., of

London, the best of luck and smooth sailing in the future.●

DOD APPROPRIATIONS BILL

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. MARKEY. Mr. Speaker, in discussing the level of funding for the Department of Defense, it is critical that we engage in a serious, confrontational analysis of cost versus effectiveness. Is the cost of a weapons system, in actual and perceived terms worth its effectiveness and longevity?

I, as much as any one of my colleagues, am vehement in my desire to establish a strong, ready, and effective military capability for the United States. The strongest defense a country has is its ability to show that an attack on it, or one of its allies, could or would lead to devastating retribution to the offender.

And consistent with these remarks, I state emphatically that the B-1 bomber will play no significant role in strengthening American military capability. At a cost of $20.5 billion—which is the administration's figure—to close to $40 billion—a figure cited by the Congressional Budget Office—this bomber may only have a useful life of 1 to 4 years. The B-1 bomber is most strongly promoted as a "gap-filler." It is incomprehensible that this gap cannot be filled with a more responsible, economical, and militarily sound measure than one which carries a $20 to $40 billion price tag.

Instead of the B-1 bomber, the administration should promote a plan to upgrade and improve the defensive and offensive capabilities of our fleet of B-52's. Of course, the B-52 is not adequate alone. But, in conjunction with the Titan and Minuteman ICBM's and our submarine-launched ballistic missiles, it is a viable leg of our powerful and feared triad. In the meantime, our advanced technology bomber—the Stealth—should be developed as quickly as practicable. It is estimated that it could be ready by 1989 or 1990. The Stealth is a formidable bomber, virtually invisible to radar. This bomber will restore the United States to an enviable and respected military capability position.

In conclusion, I reiterate my desire that the United States achieve a strong and ready military capability. This capability would be best achieved if the B-1 bomber was put to its final rest.

Thank you.●

NATIONAL EMPLOYER AWARD

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. DAUB. Mr. Speaker, the National Employer Award, presented by the American Legion, is a prestigious recognition of a company's achievements in the hiring of veterans. I am proud that this year's winner in Nebraska is Inland Manufacturing Co. of Omaha.

Daniel and Beatrice Langfeld, board chairman and president of Inland Manufacturing, are the proud recipients of this well-deserved award. Their accomplishments in the hiring of service veterans exhibit their strong commitment to the men and women who have served in our Nation's Armed Forces.

The transition from military service to civilian life is sometimes a difficult one; yet, it is critical that our Nation's veterans be guaranteed a productive place in the American economic mainstream and the full benefits of the freedom they have fought to preserve.

Daniel and Beatrice Langfeld have made a significant contribution in moving us toward that vital goal.●

WE REMEMBER THE VIETNAM VETERAN

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. PURSELL. Mr. Speaker, 9 million American men and women courageously served in our armed services during the Vietnam war. Many, too many, never returned. Many more returned to a nation torn apart by the moral issues surrounding this undeclared war, and an America seemingly indifferent to the needs and feelings of those who served, sacrificed, and survived.

There were no flag-waving receptions, ticker tape parades, or newspaper headlines welcoming these Americans home. They fought in a war we all wished we could forget, and thus they became the forgotten veterans.

The 97th Congress, in passing legislation addressing the unique problems and concerns of the Vietnam veteran, has taken an important step toward recognizing and assisting the forgotten veteran. I join my colleagues in expressing my support of this historic step.

With this step, the Vietnam veteran exposed to agent orange will finally be eligible for medical treatment and hospital care. With this step, the counseling storefront centers will continue in their efforts to help the Vietnam veteran cope with his war experience as it affects life back home. With this step, it will be easier for former POW's to receive VA compensation and health benefits. With this step, small business loans, additional education, and training will be guaranteed the Vietnam veteran.

On November 3, the President's signature made this legislation law and the Nation took a significant step. But it is only the first step. We must continue to reach out in recognition and appreciation to all men and women, and especially our once forgotten Vietnam veterans, who have selflessly served in the armed services.●

UKRAINIAN INDEPENDENCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. DORNAN of California. Mr. Speaker, we in the United States are aware of the contributions that all ethnic groups have made toward the building of our Nation. Americans also recognize that the rich diversity of our people is not a weakness but a strength in our democracy. Recognition of a citizen's cultural heritage is a strength when an individual is allowed to join with others of common ancestry and faith to increase personal awareness of ancestors' cultural heritage and background. While we take this right for granted, there are some nations which are reluctant to grant the right of free association to their citizens.

Among groups that monitor the rights of citizens to freely associate in the Ukraine is the Ukrainian Public Group to Promote the Implementation of the Helsinki accords. This group has worked for 5 years to see that the Helsinki accords are implemented. At this time I would like to insert into the CONGRESSIONAL RECORD the introduction to their book "The Ukrainian Helsinki Group: Five Years of Struggle in the Defense of Rights:"

November 9, 1981, marks the fifth anniversary of the creation of the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords. Formed in Kiev by ten individuals as one of several citizens' groups in the Soviet Union that based their legitimacy on the accords recently signed by their government, the Ukrainian Helsinki Group ended up experiencing the most tragic fate of all. For attempting, through peaceful activity, to exercise their rights under the Helsinki Accords, all of the thirty-seven individuals who joined the Ukrainian Helsinki Group in these five years have undergone persecution by the state, ranging from police surveillance to exile to maximum terms of imprisonment.

In this brochure, we want to point out the ideas for which the Group has been struggling. In a sentence, the Group's members

strove to bring the Soviet government into compliance with an international agreement it had signed, guaranteeing its citizens certain rights in the national, cultural, civil, political and religious spheres; and to have Ukraine, as a European state of 50 million people and a founding member of the U.N. included in the Helsinki process.

These stated goals, obviously, have not been realized. Instead, the Soviet government initiated the most brutal campaign in many years aimed at suppressing even the enunciation of these rights. This is evidenced by the fate of the Group. But this does not mean that its activity has been meaningless. Through their personal sacrifice, the members of the Group have shown the world how the Soviet Union ignores its international agreements: five years after signing the Helsinki Accords, the USSR has no government-sanctioned enforcement mechanism; it disregards monitoring of an international agreement by other nations as intrusion into its "internal affairs;" and it labels the monitoring efforts of its own citizens as "anti-Soviet agitation and propaganda." And they have eloquently made a case for Ukraine's inclusion in the process begun at Helsinki in August 1975. In its documents, many of which have reached the West, the Ukrainian Helsinki Group has shown us where the Soviet Union falls short in adhering to an agreement it signed. If this activity is "anti-Soviet," then the USSR is saying that "Soviet" and "human rights" are mutually exclusive. Yet at this very moment, it is still negotiating on the human-rights oriented Helsinki Accords in Madrid.

This publication includes the photographs of all members of the Ukrainian Helsinki Group (except Oleksa Tykhy and Bohdan Rebryk, for whom one is unavailable), as well as a list containing brief biographies and the current status of each member.●

SUICIDE IN THE STREETS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. CLAY. Mr. Speaker, today's world is brimming full of tragedy. As elected officials, we are often expected to solve today, problems which were unheard of yesterday. In tackling these ever changing problems which surround us, we must have only one true goal, to improve the lives of ordinary men. Toward this end, the President and his "Reaganomics" is truly failing. Below is the story of one man who could no longer live with the alienation and degradation in this industrialized, impersonalized system we call order. I commend this sad story to my colleagues and I pray that we realize our responsibility to help put an end to this kind of fate.

MAN KILLS HIMSELF AT AID OFFICE AFTER DISABILITY BENEFITS STOP

LANSING, Mich.—A man who committed suicide outside a Social Security office left a haunting note at his home accusing welfare officials of "playing God" by cutting off disability benefits that he had been getting for 14 years. Police said Friday that Hubert Tuttle, 46, a father of three and a respected community leader, shot himself with a 16-gauge shotgun outside the south side office early Thursday.

Tuttle, who had been receiving disability benefits since 1967 for a back injury, recently had been dropped from disability rolls as part of an economy drive, officials said.

Police said he left a note at his home that said: "They cut my Social Security. They are playing God."

Tuttle, a former machine shop foreman, received his last check Oct. 3. He had appealed the cutoff, but the case was unresolved, Manning said.

Sidney Manning, district Social Service manager, said that although they did not see the shooting, many office employees were so shaken they were sent home for the day.

"It is sad and the facets of it are sometimes hidden and we don't really know nor can we appreciate how deeply some people react to this," Manning said.

Tuttle, who is survived by a wife and three daughters, was a past president of an elementary school Parent-Teachers Association and the Lansing Council PTA.●

DALEVIEW NURSING HOME AND MANOR

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. CARMAN. Mr. Speaker, I wish to commend and bring to the attention of the entire Congress the contribution of the Daleview Nursing Home and Manor to the people of Long Island. Residents of the Daleview Nursing Home and their families have accumulated a long record of commitment and service to their friends and neighbors in the surrounding communities. It is a record of which they can be proud and a record which I am sure will inspire my fellow Members of Congress.

Selfless voluntary activity has become the hallmark of the Daleview family. Their patience and love have touched the lives of students in the local junior high school and have touched the lives of the poor in Nigeria, Zimbabwe, and Tanzania. This energetic group of citizens has truly had an international impact.

The Weldon E. Howitt Junior High School has officially adopted Daleview and its residents, citing them as their student council representatives. The residents are invited yearly to a special program on their behalf and the entire school devotes the day to honor these special guests. The students practice for months for the program, cook a special meal, and conduct entertainment. The entire school participates with posters, banners, and gifts for the Daleview residents. The students, in turn, are invited to the nursing home and an annual gift is donated to the student council. As you can see, this is a unique sharing experience.

Daleview residents also participate in a unique program called ring-a-day. Residents of Daleview offer a telephone reassurance program to their community homebound elderly. The participants have a special phone to make daily calls to talk and offer assistance to people who live alone and possibly have no other social outlets. On several occassions Daleview was able to assist in emergency situations by calling the Nassau County Police when an impending cardiac arrest was evident. In these incidents, lives were saved and disaster avoided. In this way the senior citizens provide a vital contribution to those people around them.

In addition, Daleview volunteers participate in a host of other activities. They have participated in the March of Dimes, the American Cancer Society, reciprocal free nutrition program for community seniors, the Hardscrabble Fair, Kiwanis, Rotary, senior citizen centers, and a host of community-related services. In 1977 Daleview received the national award for the outstanding volunteer program of the year for their in-service program for youths aged 14 to 16. And two of the participants have received Volunteer of the Year Awards for the State of New York.

In 1981 Daleview patients and residents raised the third highest amount of donations in the State of New York on behalf of the Heart Association. Ms. Joan Brodowski, program director of Daleview, was the fundraising chairman for the New York State health facilities and Nassau County health facilities. Her efforts with 20 different health facilities resulted in the highest amount raised by anyone in the State of New York. I commend Joan for her excellent work.

Last but not least, the Daleview community has participated in the Farmingdale Rotary Club's hunger program for African nations. Patients and residents sort and collate valuable seeds that are shipped to several African nations. The people of these countries are taught to plant, cultivate, and harvest their crops by local Rotary representatives. In this way the Daleview volunteers contribute to the reduction of world hunger thousands of miles from their own home.

Mr. Speaker, I am sure that you join me in high praise for these wonderful people of Long Island, who have given of themselves in such a marvelous way. I am proud to be a part of this group, to represent them here in Washington, and to wish them every success in their future endeavors. Our best wishes and our prayers are with each of the Daleview community.●

ST. MARK'S A.M.E. CHURCH

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. RODINO. Mr. Speaker, St. Mark's A.M.E. Church in my congressional district has reached an important milestone that I would like to share with my colleagues. The church, under the devoted leadership of pastor Rev. Arthur S. Jones, has paid off its long-held mortgage, and this past Saturday the members of St. Mark's held a glorious mortgage-burning celebration.

The mortgage-burning symbolized the spiritual light and guidance which St. Mark's has given the city of East Orange since 1922. It was at that time when the first A.M.E. mission in East Orange was started on Main Street. Since then the church moved to Sterling Street and then to its current location on Springdale Avenue. Throughout its history, St. Mark's has been a vital part of East Orange's growth as a community, and the mortgage-burning celebration was a tribute to that history: to St. Mark's founders, John and Bessie Allen, Lonnie Harrell, Elizabeth and John Harris, Dr. Stanley Simmonds and John Warlow; to the Reverend James C. Choice and the Reverend Spurgeon Harmon who moved the church forward to acquire its sites; and to Bishop Richard Hildebrand, Reverend and Mrs. Arthur S. Jones, the St. Mark's trustees and all its hard-working members who helped liquidate the mortgage debt.

But mostly we celebrate St. Mark's future in East Orange, as it carries on its tradition of meaningful worship and community involvement.●

GIMME SHELTER

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. BETHUNE. Mr. Speaker, the following article from the November 17, 1981, Wall Street Journal provides some excellent fodder for thought as we, here in the Congress, look for ways to solve the current housing and high interest rate crisis.

GIMME SHELTER

"Hey buddy, wanna buy a house?" That may sound like a sleazy California real estate shark, but it's a message that the federal government has been sending out for over 50 years. And the government has stood behind its word: Thanks to federal policies—tax and credit—a home of one's own is the American way. Although these policies were once as acceptable as apple pie at a church social, recent economic woes have prompted a fresh look.

The most powerful government subsidy comes through credit allocation. Decades and decades ago, when mortgages were rare, short-lived events, few Americans owned homes. New Deal policies changed all that by using the thrift industry to accommodate homebuyers with long-term, fixed-rate, cheap mortgages. The whole purpose of the thrifts, after all, is to lend the nation's savings to the nation's homebuyers.

The Feds offered the thrifts a deal too sweet to refuse—large tax breaks for maintaining portfolios devoted almost exclusively to mortgages. The Feds also created various ways to encourage a steady, fulsome stream of mortgage financing: Regulation Q to keep the cost of funds low; FSLIC to insure deposits; the Federal Home Loan Banks to loan money; the Federal Reserve to stand by in an emergency. As for the mortgages themselves, there were the FHA and VA to subsidize and insure them; Fannie Mae and Ginnie Mae to make secondary markets.

Federal intervention, then, directed credit into housing and offered it out at below market rates—that is, what the housing industry calls "affordable" rates. No surprise that the government has been responsible for almost half of the mortgage credit extended in recent years. But like all attempts to circumvent the market, federal mortgage financing has its downside.

It's not been at all optimal for small savers who have seen their return on savings constrained by deposit rate ceilings. Nor has it worked out so well for taxpayers who watched their payments go into agencies which fund low-yield instruments and whose debt pushed up average interest rates on everything, including the federal debt.

It hasn't worked out so well for the economy, either. The inflation speedup of the 1970s increased the return on homeowning while penalizing other types of investment. Thus, between 1975 and 1977, the percentage of disposable income going to net financial investment plummeted over 75% while the portion going to homeowning zoomed more than 50%. In other words, investment in business capital languished while government credit policies shoveled money into housing. Economists grumbled about this distortion, but politicians, ever mindful that their constituents were either actual or aspiring homeowners, ignored those grumblings.

But now high interest rates have ruined the arrangements which sent credit flowing into housing finance; in particular, high interest rates have destroyed the marriage between housing and the thrifts. The thrifts are stuck with their low-yielding mortgages on the one hand, and with the choice of allowing disintermediation or paying the high cost of funds on the other hand. Either way, they can no longer afford—literally—to make "affordable" mortgages.

Of course the government could heap on some more regulations and devices to allocate credit into housing and to keep the thrifts in the housing biz—witness the All Savers Certificates. Mercifully, however, concern over the rising impact of federal credit activities on interest rates rules that out. A sensible course would be to use the current crisis to ask whether we ought to continue tilting credit policies toward housing at the expense of other investment. The Reagan administration proposal to prune $16 billion from Ginnie Mae's funding authority is made out of the right stuff. We'd like to see some more.●

U.S. BUSINESS WOULD BE INJURED BY PROPOSED EUROPEAN LAWS

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. SCHULZE. Mr. Speaker, the problems faced by U.S. business in the international arena take many forms. Unfair competition, government subsidies, nontariff barriers to trade are a few of the discriminatory actions with which our companies must deal.

The Vredeling proposal now under consideration by the legislative wing of the European Economic Community has the American business community worried—and properly so. The proposal is an attempted extension of extraterritorial jurisdiction that is totally unacceptable and is properly opposed by the administration.

The Congress must take action to strengthen the President's hand in dealing with threats to U.S. direct investment overseas, whether it be from expropriation or from extraterritorial jurisdiction. H.R. 4407 will provide a credible means of retaliation, and I urge interested Members to consider the impact the Vredeling proposal would have on American businesses and the U.S. economy.

A recent article in the Legal Times of Washington, Monday, November 2, 1981, more fully explains the nature and extent of the threat posed by the Vredeling proposal.

[From the Legal Times of Washington, Nov. 2, 1981]

REGULATION IN EUROPE WORRIES U.S. FIRMS

(By Steve Nelson)

Two proposals pending before the legislative wing of the European Economic Community have American business interests concerned about both the EEC's extraterritorial jurisdiction and the possibility that the proposals will conflict with U.S. corporate disclosure requirements.

Of most concern is the "Vredeling" proposal, which would require multinational firms employing 100 or more persons within EEC countries to provide employee representatives with information about corporate decisions that might affect worker interests—perhaps even before those decisions are executed. Multinational firms are also concerned about another proposal, known as the 7th Directive, that would require them to submit to the EEC consolidated balance sheets and other accounting statements for all subsidiary and financially related companies operating with the EEC.

Specifically at issue is Article 6 of the proposed law, which requires that a company planning to take action that may substantially affect the interests of its employees must disclose such plans to the management of each of its subsidiaries within the EEC "not later than 40 days before adopting the decision." Article 6 also requires the management of each subsidiary "to communicate this information without delay to its employees' representatives."

The furor over the proposals of the European Economic Community (now officially known as the European Communities) adds a new aspect to the already controversial subject of extraterritoriality. Previously, most of the controversy involved the alleged extraterritorial application of the U.S. antitrust laws (see Legal Times, April 7, 1980, p. 1). Lawyers following the proposals foresee that in the next few years, U.S. companies will become more concerned with EEC corporate and trade directives, especially since those directives are mandatory for the member nations. "It's only in the past year or so that American companies have started to pay attention to the workings of the Common Market," said one lawyer for a major multinational company.

The Vredeling proposal was the subject of hearings held Oct. 21 in Brussels by a working unit of the European Parliament, the legislative body of the EEC. At those hearings, U.S. representatives, among others, raised concerns that the proposal as now drafted would (1) encourage leaks to corporate competitors about future plans and (2) raise significant "insider trading" problems that might conflict with the policies behind the U.S. securities laws.

RISKS OF LEAKS

According to a discussion paper prepared by the National Foreign Trade Council Inc., the institutional leader of the U.S. opposition to the proposals, "the widespread dissemination to employees and their representatives of such information, often respecting aspects of the business totally unrelated to their own local activities and concerns, would greatly increase the risks of leaks to competitors." The group went on to say that "the dissemination problem is compounded by the fact that U.S. companies subject to [U.S.] stock exchange or securities regulations may be required [under U.S. law] to disclose to the general public any information on future plans which they have imparted to workers so as to avoid possible liability for 'insider' trading or other similar offenses."

Steven Schneebaum of D.C.'s Patton, Boggs & Blow, which represents several corporate clients on the matter, says there is some confusion about the timing of the corporate disclosure required under the Vredeling proposal. "Its unclear whether this means before the effective date of the decision or before the decision is actually approved by management," he said. "If it's the latter," said Schneebaum, "then I think you will have severe disclosure problems for the U.S. companies."

Schneebaum sees two possible ways—both fraught with danger—to comply with both the Vredeling proposal and the U.S. insider trading laws. First, a company could try to ensure that employee representatives would keep the information confidential. But Schneebaum and other lawyers indicate that provisions in the proposal designed to require such confidentiality lack any real teeth. Those provisions allow, but don't require, individual countries to pass legislation to require confidentiality. "Anyway," said one lawyer, "there's no way that employee representatives are going to be able to keep it quiet."

The second option is to make a public disclosure before the disclosure to the employee representatives, or at the same time. Schneebaum says this approach would require a radical alteration in the way major companies do business: "Right now, when management takes top-secret plans to a board of directors meeting, it may well be top-secret information, even to the board members themselves." Moreover, says Schneebaum, advance notice of this type would give competitors a much better chance to respond in the marketplace.

So far, the Securities and Exchange Commission has been conspicuously absent from the proceeding. Schneebaum, through a Freedom of Information Act request to the SEC, did get some material the commission obtained from other sources—such as that the agency was aware of the Vredeling proposal." But Schneebaum suspects the SEC's involvement is merely its normal monitoring, and SEC spokesman Andrew L. Rothman said there was no official commission or staff position on the subject.

MORE ACTIVE

The State Department, on the other hand, has been more active. A representative of its mission to the EEC in Brussels attended the hearings, and according to John T. McCarthy, director of State's Office of Investment, EEC is aware that "in its present form [State has] serious problems with the proposal.

Most observers believe the Vredeling proposal is about two or three years away from adoption. The European Parliament will soon send the proposal, with its recommendations, back to the Commission to the Council of the Economic Communities, which will rewrite the proposal based on suggestions from both the parliament and outside observers. Then, after review by two separate committees composed of civil servants (the "working party group") and diplomats, respectively, it will be voted upon by the Council of Ministers of the organization. Under the Treaty of Rome, signed in 1957, all members must implement and enforce the final legislation within a specified time.

The 7th Directive requiring consolidated accounting statements is much closer to final adoption, as it is currently under reveiw by the working party group. However, this proposal creates less controversy on behalf of U.S. interests, because of its limited scope and the fact that it applies mainly to accounting. In many cases, especially when the parent company had two subsidiaries performing two totally unrelated operations within the EEC—and publication of consolidated statements is deemed impossible by established accounting methods—accounting statements filed under U.S. law would be acceptable as a substitute.

However, this still presents problems for privately held companies (such as Cargill Inc.) that have no responsibility for filing such statements in the United States. Moreover, since the 7th Directive clearly places the responsibility for filing such statements on the parent company (referred to as the "dominant undertaking"), lawyers see the directive as a possible precedent in the area of extraterritoriality.

Another development that lawyers are looking to for precedent on the extraterritoriality issue is an action brought by the EEC against International Business Machines Corp. last December. In its "statement of objections" (similar to a civil complaint), a constituent body of the EEC charged IBM with various uncompetitive practices. IBM responded to the complaint, but at the same time filed an application to the European Court of Justice in Luxembourg (the appellate court for the EEC), claiming that the company's policies were beyond the EEC's jurisdiction. A decision of European court is pending. According to IBM spokesman Edward Nanas, that court is currently considering whether IBM's application—roughly equivalent to an interlocutory appeal—is properly before the appellate court at this time.●

POISONING THE HUNGRY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. CLAY. Mr. Speaker, hunger and starvation are among the most sensitive problems that any government must address. In this Congress, there are several bills pending which attempt to deal with the world hunger problem. I think no one can argue that we are capable of producing enough food to feed all of the hungry people on this Earth; but we have not yet learned how to share the food we have.

Below is an article which recently appeared in the New York Times. I cannot understand how some people would choose to poison the hungry.

[From the New York Times, Oct. 22, 1981]

GARBAGE CONSUMPTION BY HUMANS IRKS RESORT

FORT LAUDERDALE, FLA.—City officials in the resort town of Fort Lauderdale are considering spraying beachfront trash cans with kerosene or chemicals to keep the transients from living off the garbage.

"The way to get rid of roaches or other vermin in the house is to get rid of their food supply," said a city commissioner, Robert Cox, sponsor of the proposal to protect the garbage from being devoured by humans.

Mr. Cox acted after a restaurant owner, Jack Penrod, had complained to the commission that transients along the city's spectacular seven-mile beach "live out of garbage cans and sleep on the streets."

But the City Attorney, Donald Hall, cautioned the city commissioners last night that there might be a few problems. For example, Mr. Hall said, the courts might decide garbage was "abandoned property." Then, he said, anyone who wants it, would have a legal right to eat garbage.

Any transient who got sick from eating garbage sprayed with kerosene or chemicals might sue the city for damages, Mr. Hall told the commissioners.

Nevertheless, Mayor Virginia Young ordered aides to try to find ways of contaminating Fort Lauderdale's garbage. "If I find anybody crawling in my garbage cans, I would spray them," she said.●

NEW YORK STATE SCHOOL MUSIC ASSOCIATION

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. CARMAN. Mr. Speaker, on December 1, 1981, the New York State School Music Association All State Concert will be held at the Concord Hotel at Kiamesha Lake, N.Y. Ap-

proximately 850 young men and women from all over New York State will participate. These musicians are to be commended for their excellence and for this great accomplishment.

Selection for the All State Concert marks the crowning achievement to a process that has taken many years for all those chosen. The process begins when a student is in elementary school and either attends an all county program or an all district program and begins to develop musically. It continues into junior high school when he or she attends an evaluation festival where his or her progress is duly noted. By the time a student reaches high school and auditions for All State, there are approximately 50,000 students in the evaluation festivals. Out of this 50,000, only 6,000 audition for All State. Of the 6,000, 850 are selected. This is after a process of elimination by a committee of music educators.

Many factors are taken into consideration during the process, but the most important are: (1) Student rating on the solo. (2) Director's recommendation. (3) Student participation in school groups and other groups. (4) Citizenship of student. (5) Service to the school and community. (6) Written recommendation from the judges.

As you can see, Mr. Speaker, the selection process is long and painstaking. But the reward is well worth the trouble.

It is with a great sense of pride and honor that I will be in attendance at the All State Concert. It is with even greater pride that I have been asked to address the concert participants and audience on December 1. I would also like to commend Mr. Joseph R. Sugar, president of the New York State School Music Association, for this very fine program and the great work that has gone into making this such a worthwhile event.

Mr. Speaker, the following list is the names of the students from Long Island who have been chosen for this great honor.

NASSAU AND SUFFOLK, AND ZONE 13 AND 14

ALL STATE JAZZ ENSEMBLE

Sal Giorgianni, Ellenville; John Brantz, Haldane; Dave Finucane, Sleepy Hollow; Bob Lisi, Valley Stream Central; Jeff Latorre, East Meadow; Vito Sperenza, Amsterdam; Jim O'Conner, Croton-Harmon; David Golden, Ellenville; Pete Giroux, Williamson; Irv Grossman, Barberfields.

Mark Kellog, Whitesboro; Chris Brandhofer, Ellenville; Andy Raskin, Roslyn; Scott Matalon, East Islip; Paul Shelansky, Canandagua; John Riccobono, Scotia-Glenville; Lou Rusinowitz, East Meadow; Joe Pelletier, Nyack; Ted Kumpel, Port Jefferson; Jeff Miller, Ossining.

Alternate list

Denise Fest, Mattituck; Mike Dahn, Marvale; Dave Milne, Rush-Henrietta; Bob Schepis, Ward-Melville; Joe Loyer, Penfield; John Beers, Penfield; Ray Saperstein, Port Washington; Paul Brusiloff, Great Neck South; Mark Deamish, Greece-Olympia; Tony Kadlock, Binghamton. Paul Kocur, Auburn; Russ Pollack, Hastings; Joe Siciliano, Seratoga Springs; Joe DiGiovanna, Potsdan; Tom Killian, Anburn; Tom Zugger, Hanburg; Frank Vignola, Ialip; Jeff Here, Valley St. North.

ALL BAND AND WIND ENSEMBLE

Nassau—Zone 13

Wendy Post, JFK-Bellmore; Frances Cainglet, W. Tresper Clarke; Catherine Starpoli, Elmont; Willa Henigman, Long Beach; Allison Linneman, North Shore; Lia Purpura, Hewlett; Mary McAteer, Farmingdale; Dennis Joseph, East Meadow; David Ciolkowski, Great Neck North; Jon Manasse, Glen Cove.

Neal Bierman, Farmingdale; Elizabeth Dick, Hicksville; Allison Kent, Division; Stacey Bateman, Barbara Siebel, Long Beach; Erick Mandell, Roslyn; Dorene Kelleher, Long Beach; Thomas Halpern, Baldwin; Nancy Baffa, Watagh A.; Jill Suttenberg, Syosset.

Kenneth Sawka, Schreiber—Port Washington; Jeffrey Latorre, East Meadow A.; Robert Corrao, East Meadow; Albert Nigro, Bethpage; Ray Sapirstein, Schreiber-Port Washington; Alan Sturm, JFK-Bellmore; Audrey Epstein, Lawrence; Paul Brusiloff, Great Neck, North; Andrew Fishman, Hewlett A.; Michael Appel, Baldwin A.

Peter Rubins, Hicksville; Sheryl Epstein, Syosset; James Matthews, North Shore; Joel Flatow, Jericho; Robert Scheinerman, JFK—Plainview; Charles Garone, Mepham A.; John Carman, Farmingdale; Robert Wyle, Valley Stream South; Melvin Thompson, Freeport A.; Andy Raskin, Roslyn A.

Warren Fishman, Syosset; Stephen O'Leary, Baldwin; John Kennedy, W. Tresper Clarke A.; Diane Roberts, Long Beach; Michael Gellman, Baldwin; Craig Levine, Glen Cove; John Olbeter, Farmingdale A.; Any Newman, Syosset.

Suffolk—Zone 14

Kristina Boucher, Sachem; Kathleen Kucza, Brentwood A; Kendaly Meadows, Amityville; Jennifer Arak, Smithtown West; Tara Kazak, Huntington; Leslie Jones, Ward Melville; Lisa Maron, Hampton Bays; Doreen Christiansen, North Babylon; Linda Brady, Half Hollow Hills East; Dana Kissinger, Huntington.

Kathy Potter, Bayport-Blue Point A; Sarah Santoro, Rocky Point; Allen Feinstein, Northport; Sheila Arnesen, Miller Place; Perry Wiseblatt, Kings Park; David Cameron, John Glenn; David Young, Huntington; Kristin Olness, Ward Melville; Daryn Veney, Hauppauge; Robert Ayrovainen, Lindenhurst.

Sara McGinnis, Walt Whitman; Vinccent Calandra, Deer Park; Maureen Bofinger, Newfield A; Amy Prochilo, Vandermeulen—Port Jefferson A; Christopher West, Vandermeulen—Port Jefferson; James Esseks, Riverhead; Gregory Doomany, Commack North; Edward Roberts, Smithtown West; Denise Fest, Mattituck; Robert A. Scheps, Ward Melville.

Dean Hudodoff, Half Hollow Hills East; Kevin Earle, Lindenhurst A; Benjamin Peierls, Bellport A; Fred Napolitano, West Babylon A; Nina Bretner, Harborfields; Jeanne Glaser, Smithtown East; Judith Chinitz, Half Hollow Hills East A; Irene Curren, Northport A; Douglas Abt, Half Hollow Hills East; Scott Matalon, East Islip.

Timothy Daisy, Smithtown East; Ed Thieberger, Bellport; James Burns, Huntington; Chuck Huffine, Connetquot; John Lepore, Smithtown West A; Michael Meyer, Walt Whitman; Michael Clark, Sachem North A; Anthony Barbera, Lindenhurst; Stephen Andes, Riverhead; John Petitt, Smithtown West.

Nina DePaola, John Glenn; Kevin Dunne, North Babylon; Janet Pemberton, Amityville; Mark Klafter, Smithtown East; Tom Snyder, Mattituck; Victor Bushell, Islip A; John Flanagan, Miller Place A; Anthony Verderosa, Commack South A.

ALL STATE ORCHESTRA

Nassau—Zone 13

Lloyd Frank, Pamela Seiderman, John Buekner, Baldwin; Wendy Post, Bellmore-Merrick; Debbie Fisch, East Meadow—W. T. Clark; Shanni Reine, Anthony D'Amico, Farmingdale; Karen Busehman, Garden City; Amy Brusiloff, Pamela Slass, Emmanuel Feldman, David Gielkewski, Great Neck North; Jennifer Miletta, Great Neck South; Margret Pols, Geraldine Auguliare, Hericks; Lia Purpura, Newlett—Weedmore.

Peter Ragenesi, Diane Alessi, Tracy Roberts, Jericho; Denise Inciarrane, Richelle Baugh, Levittown—Division Avenue Mac Arthur; Willa Henigman, Long Beach; Shanon Neth, Lynbrook; Nancy Illman, Glenn Coleman, Diane Fusee, Michelle Paciullo, Massapequa; Allison Beseo, John Beebe, Gigi Gundlach, Kathy Marshall, Jacqueline Hunt, Edward Brennan, Massapequa—Berner; Helen Yee, Doris Ann Affrunti, Mepham; Lesley Friedman, Mineola.

Allison Viseosi, Kristen Rademacher, Laura Weickert, David Carbonara, Ronald Doering, Allison Linneman, North Shore; Alison Abrams, Old Westbury-Wheatley; Eric DiGioia, David Sywak, Plainview—JFK; Donna Lee, Fort Washington—Schreiber; Diana Greenberg, Ian Ausubel, Rockville Centre-Southside; Lori Gottlieb, Yvonne Nam, Sheryl Epstein, Amy Newman, Syosset; Kelly Ann Thomas, Uniondale; Demise Coletti, Valley Stream.

Suffolk—Zone 14

Kendaly Meadows, Amityville; Jill DeBona, Babylon; Annette Cohan, Regan Engesser, Bay Shore; John W. Keugel, Bellport; Carole Punturiori, Kim Clasen, Brentwood; Carolyn Gideon, Tania Roberts, Adam Cohen, Diane LaRosa, Commack; Nancy Cellini, Commack North; Pamela Schaefer, Deer Park; Howard Carle, East Islip; Peter Hunger, Cindy Betancourt, Mary Risso, Elwood—J. Glenn.

Vivian Podgainy, Nancy Small, Half Hollow Hills; Douglas Abt, Half Hollow Hills East; Bari Cooper, Half Hollow Hills West, Helena Andreoli, Lisa Catandella, Laila Attar, John McCune, Susanne Marian, Harberfields; Amy Brodsky, Thomas Saeli, Hauppauge; Karine Nerses, Tamar Manuelian, Peter Kerwin, Tara Kasak, Dana Kissinger, Huntington; Laura Buseemi, Lindenhurst; Lynn Marrantine, Jeffrey Bellen, Laura Barrett, Mary Kay Reilly, Mastie—W. Floyd.

Thomas G. Sadle, New Hyde Park; Tina Ann Higgins, North Babylon; Joseph Lee, Dennis Metzler, Christopher West, Port Jefferson—Comsewague; Francesca Manjarres, Sachem North; Paul O'Dell, Sachem South; Alice Campbell, Debbie Backman, Sayville; Shu-Wie Chen, Steven Flanter, Gisele Glover, Jennifer Fessan, Setauket—W. Melville; Timothy Daisy, Mark Klafter, Smithtown; Kathy Whitney, South Huntington—Whitman; Katherine Pusone, West Babylon.

ALL STATE CHORUS

Nassau—Zone 13

Ellen Miklitsch, Levittown Memorial; Christine Watt, A. G. Berner; Patricia Yokasky, Division Ave.; Bernice Wright, Baldwin; Lori Fein, Plainview—Old Bethpage; Amy Cohen, J. F. K. Bellmore; Richard Estes, Garden City; David Schnabel, Mineola; Eric Roberson, J. F. Kennedy; Robert Bronzo, Baldwin.

Jeff Stanulis, A. G. Berner; Steven Farmer, Division Ave.; Andrew Gentile, Plainview—OBP; Kevin Antis, Plainview—OBP; Steve Gross, Hewlett; Peter Ragonesi, Jericho; Henry Smith, Garden City; Richard Greene, Plainview—OBP; Robert Schinnagel, Baldwin; Sean Grover, Freeport.

Michael Golder, Freeport; Eric Williams, Hicksville; Glenn DeCicco, A.G. Berner; Joel Flatow, Jericho; Robt Raduazzo, P.D. Schreiber; Peter Nissen, P.D. Schreiber; John Beebe, A.G. Berner; Anthony Montuori, Plainview-OBP; Michael Patrick, P.D. Schreiber; Steve Frederick, Plainview Old Bethpage.

Larry Taube, Baldwin; Mark Schoenfeld, Hicksville; Ken Reilly, Levittown Memorial; Marc Rosen, Plainview-OBP; Paul Rizzo, Baldwin; Robert Haberman, Lynbrook; Lynn Eustis, North Shore; Jennifer Miletta, Great Neck So.; Laurie Anselmo, Mepham; Patricia Cevoli, Jericho.

Susan Quinn, A.G. Berner; Nancy Loesch, A.G. Berner; Allison Bosco, A.G. Berner; Fran Duggan, A.G. Berner, Rosemary Schubart, A.G. Berner, Karen Ehrhardt, Hicksville; Bonnie MacLean, A.G. Berner; Kathleen Sullivan, Baldwin; Kim Lerner, Great Neck So.; Tricia Lawrence, North Shore.

Janet Grunwald, Paul D. Schreiber; Jill Johnson, Carle Place; Angela Simpson, Freeport; Marcy Gelb, Plainview-Old Bethpage; Yvonne Beaver, Valley Stream No.; Christine Duggan, J.F.K. Bellmore; Marianne Wysell, Great Neck So.

Margaret Sutton, Garden City; Betty-Jo Matzinger, North Shore; Jennifer Spielman, P.D. Schreiber; Lisa Meyer, Valley Stream Central; Jill Mazer, Freeport; Gail Hodes, Plainview-OBP; Aileen Archer, Baldwin.

Suffolk—Zone 14

Margaret Jackson, E. L. Vandermeulen; Joyce Cannini, Deer Park; Laura Centauro, West Islip; Cheryl Boyer, J. H. Glenn; Mary Fitzsimmons, Islip; Melinda Storm, West Islip; Jen Kopcienski, E. L. Vandermeulen; Ann Miller, Harborfields; Lisa Chirco, Rocky Point; Deni Rightmire, Sachem No.

Jane Christmann, Hampton Bays; Cynthia VanSant, Miller Place; Daniel LeJaune, Huntington; Izzy Bocanegra, Sachem; George Pologeorgia, Centereach; Steve Zipman, Sachem; David Meyn, Rocky Point; Joe McGramm, Sachem; Alan Olsen, E. L. Vandermeulen; Alan J. Kamlot, Ward Melville.

Chris West, E. L. Vandermeulen; Eric Miller, West Islip; Joseph Amodio, Hauppauge; David Rettig, Commack; Greg Kachejian, Smithtown E.; Derek Williams, Amityville; Greg Carney, Islip; Eric Hoover, West Islip; Robert Tirelli, Southold; Scott Adler, Half Hollow Hills E.

Thomas Tucker, John Glenn; Jeff Herbst, East Islip; John Matthews, Bayport-Bl. Point; Chris Garigalino, Bayport-Bl. Point; Keith Malone, Patchogue-Medord; Tim Anderson, Rocky Point; Kevin Matier, E. L. Vandermeulen; Ken Reilly, Sachem No.; Vinson German, Central Islip; Jim Barrier, West Islip.

David Gill, Commack No.; Anthony Clay, Longwood; Cheryl Strider, No. Babylon; Anna M. Ulyat, Rocky Point; Donna Hofner, Southold; Kathy Oates, Stonybrook School; Kim Steinberg, Commack So.; Tracey Mahoney, West Islip; Laura Schultz, West Islip; Suzanne Griffin, Walt Whitman.

Marjorie Kelvin, Huntington; Mary Schroeder, Half Hollow Hills E.; Maureen Arth, Commack N.; Doreen Christiansen, No. Babylon; Eva Swan, Commack So.; Dale Suss, Commack No.; Pam Rapp, Hauppauge; Pat Harris, Holy Family; Jennifer Wieland, Holy Family; Erica Rayman, Sachem No.

Lisa Zeidenberg, Ward-Melville; Andrea Scherzer, Riverhead; Jennifer Casey, Shoreham-Wading River; Lynn Brennab, Bayport-Blue Point; Debbie Bachman, Sayville; Janice Burke, St. John Baptist; Melissa Dodd, E. L. Vandermeulen; Kim Solimene, Sachem So.; Debbie Thide, John Glenn; Maria Oddo, John Glenn.●

HOUSE REPUBLICAN POLICY COMMITTEE ENDORSES DEFENSE APPROPRIATION BILL H.R. 4995

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. CHENEY. Mr. Speaker, the House Republican Policy Committee, of which I am chairman, has strongly endorsed the pending defense appropriations bill for fiscal year 1982 including President Reagan's call for funding to develop the B-1B bomber and the MX missile.

We also wholeheartedly endorse his proposals outlined in the major policy address today calling for mutual reduction and elimination of medium-range nuclear weaponry in Europe by the United States and the Soviet Union. After years of unrestrained nuclear missile emplacement by the Soviet Union, President Reagan's precedent-setting call for restraint and an end to this missile race deserves wholehearted support from the American people and our European allies, and acceptance by the Government of the Soviet Union.

After years of bluster, propaganda, and threats on the part of the Soviet Union, the United States had offered that government a chance to show the world its true intentions.

We hope the Soviet Union will accept President Reagan's proposals. But to enter such negotiations, the United States must take all needed steps to insure that it bargains from a position of equality. That equality was wiped away through 4 years of mistaken policy decisions by the Carter administration.

In H.R. 4995, the defense appropriations bill, we have a chance to take the first steps needed to restore that equal bargaining position.

There are four vital elements to the defense package as it relates to that need.

The House Republican Policy Committee endorses President Reagan's call for funding for the development of the B-1B bomber. We support his call for development funding for the MX missile. Equally important, Mr. Speaker, are funding proposals for the Pershing II missile and the land-based cruise launch missile.

All four are essential to the negotiating process that will lead to peace and stability in the world—and to insuring our security in that dangerous period while that settlement is being negotiated.

The House Republican Policy Committee calls on our allies and the Soviet Union to support President Reagan's bid for and easing of tensions in Europe and the world. And we support the President's key proposals in the fiscal year 1982 defense appropriations bill.

The full text of the statement approved by the House Republican Policy Committee follows:

STATEMENT No. 9, NOVEMBER 17, 1981

The House Republican Policy Committee supports adoption of H.R. 4995, the fiscal 1982 defense appropriations bill, and urges full funding as proposed by President Reagan for developmental work on the MX missile and development of the B-1B bomber.

The very first sentence of the Constitution recognizes the need for our government to "provide for the common defense" of the people of the United States of America. The means for so doing have changed from the musket to the intercontinental ballistic missile and sophisticated manned bombers over the past two centuries, but preserving our strength in the world to insure our peace and freedom at home remains the fundamental test of America's government.

Nowhere is that test more challenging today than in dealing with spending plans for defense programs for this fiscal year. Those programs will set the stage for decade-long policies needed to rebuild America's defenses. Immediate steps must be taken to restore recognition in the world of America's resolve to meet those needs, revitalize its defenses and protect its legitimate interests at home and abroad. Four years of misguided and faltering foreign and defense policies left our nation confused about that resolve. Those four years left our allies uncertain about whether we have the manpower needed to carry out our policies once set. And as a result of those four years of "on-again, off-again" foreign and military policies, our enemies came to question whether we had the weaponry required to accomplish even the most basic goals needed to defend our freedoms.

The threat to the United States from the Soviet Union and other unfriendly nations is real. During the past three years, the Soviet Union has put into place one new SS-20 missile every week. The Soviet Union has four other ICBM production lines in operation, while the United States has no ICBM production lines now working. The House Republican Policy Committee strongly supports President Reagan's move to reduce nuclear armaments in Europe and ease tensions throughout the world as a result. But we cannot overlook immediate needs as well.

Less than one year ago, President Reagan came into office and found a shrinking Navy charged with foreign policy doctrines demanding massive naval capabilities. The administration found a strategic weapons system stocked with fast-aging weapons. And the administration found a fighting force on which this burden fell uncertain of the support it would receive in a time of increasing, not decreasing, threat.

The foreign and military policies of the Reagan administration have been forged to halt that decline and reverse that trend. That decline has been halted. Now those trends must be reversed. There should be no doubt in the world today about America's resolve to protect its freedoms and its interests, and those of its friends. Now Congress must do its part by providing the funding needed to put those programs required to put that resolve into clear and unmistakable form.

The House will test that congressional will in consideration of the fiscal 1982 defense appropriations bill. One key challenge of that test concerns President Reagan's proposal for the deployment of long range combat aircraft, the B-1B. An equally important second challenge lies in President Reagan's call on Congress to support basing of the needed MX missile in hardened, existing silos while development work continues on alternative, long-range basing plans and for research on an advanced technology bomber. Other absolutely essential programs include both the Pershing missile and the ground launched cruise missile.

The administration proposal allows for quick basing of vitally needed MX missiles in existing silos while three possible long-range deployment plans are studied. The plan permits immediate action to begin the programs needed to bolster America's defenses, in the face of an expected decade-long challenge to our security, while providing time for orderly consideration of our long term needs as well. The House Republican Policy Committee supports inclusion of funding for this crucial program.

An equally important second part of President Reagan's program to reverse four years' damage to our foreign and military posture calls for deployment of 100 B-1B aircraft while our nation vigorously pursues research on the advanced technology ("stealth") bomber.

Our existing bomber fleet, conceived in the 1950's is straining to meet the increased demands of the 1980s. The end of its useful life is in sight. Hoped-for "stealth" technology remains on the horizon, unavailable until the last years of this decade at the earliest.

We cannot risk years of vulnerability in an era when wars take hours to fight. The House Republican Policy Committee supports inclusion in the fiscal 1982 defense appropriations bill of funding for the deployment of the B-1B bomber and development of advanced technology aircraft as proposed by President Reagan.

America faces hard economic decisions in the months ahead. In voting for change last year, the American people gave their government a mandate to reverse the economic decline caused by four decades of freespending Democratic Congresses. Central to any effort to slow skyrocketing inflation, reduce dizzying interest rates and cut taxes must be the reduction of those four decades of federal government spending programs.

The defense appropriations bill for fiscal 1982 recognizes that need for cuts, the need to wipe out waste, and the need to delay and slow all but absolutely crucial new programs. Those cuts must be made with a scalpel, not an ax, however. We must trim waste and fat without cutting needed muscle.

In today's world, it is impossible for our nation to secure that sound economy if we are weak and insecure in our defenses, unable to defend ourselves and our interests, or if we face enemies who are uncertain about our willingness to do so.

To give America the defense programs it needs to accomplish those goals, the House Republican Policy Committee calls for adoption of the fiscal 1982 defense appropriations bill with funding for development of the B-1B bomber; research and development on basing of the MX missile in upgraded, existing missile silos; the long-range development of the advanced technology aircraft; and development of the Pershing missile and the ground launched cruise missile.●

HON. ALBERT L. SKLAR

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 17, 1981

● Mr. LONG of Maryland. Mr. Speaker, it is with great pleasure that I invite my colleagues to join me in tribute to the Honorable Albert L. Sklar, an outstanding dedicated public servant retiring from the Eighth Judicial Circuit Court after 17 years.

A native of Baltimore, Judge Sklar was graduated from the University of Baltimore Law School in 1932 and was admitted to the Maryland Bar that same year.

He was elected to the Maryland House of Delegates in 1939 and served there until 1955, Judge Sklar's career as a public servant extended beyond his responsibilities as a delegate. He served as counsel to the Junior Association of Commerce from 1935 to 1946, was a member of the Tax Revision Commission of Maryland from 1939 to 1941, and was a member of the postwar Redevelopment Commission from 1941 to 1945.

He later served as the chairman of the Commission to Revise the Public Service Laws of Maryland and with the expertise he developed went on the become a member and chairman of the Public Service Commission from 1958 to 1964.

In addition to his public career, Judge Sklar has been active in religious and social groups. He was president of the University of Baltimore Alumni Association from 1965 to 1972, was president of the Menorah Lodge of the B'nai B'rith and the Histadrut Council, and was a board member of the Chizuk Amuno Congregation. He also served on the board of the Jewish Children Family Services of Associated Jewish Charities, and was a member of the Amicable Lodge and Scottish Rite.

In recognition of his years of outstanding service, he has received the Menorah Lodge's Man-of-the-Year Award, the Dr. Herman Seidel Humanitarian Award, and the Alumnus of the Year Award from the University of Baltimore.

His dedicated service has touched the lives of many people, and his contributions will be truly missed. I am privileged to ask my colleagues to rise with me in commending an outstanding public servant—Judge Sklar, we thank you.●

REINDUSTRIALIZATION: THE BASIC THESIS

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. EDGAR. Mr. Speaker, Dr. Amitai Etzioni, director of the Center for Policy Research at George Washington University, gave an important overview of the basic thesis of reindustrialization. He testifed before the Subcommittee on Economic Development of the Public Works and Transportation Committee. I share his remarks in hope of making a contribution to our thinking on this important subject:

REINDUSTRIALIZATION: THE BASIC THESIS

My thesis is that for America to be able to sustain a high standard of living and set aside the resources needed for national security requires a decade or so of shoring up its productive capacity, of reindustrialization.

The American society has been underdeveloping. Decades of over-consumption and of under-investment in the nationwide economic machine have weakened America's productive capacity. The American industrial machine, with some important exceptions, is run, as it were, like the steel mills, with increases in labor settlements and dividend pay-outs that vastly exceed increases in productivity. Coupled with relatively low investment in new plants and equipment and in research and development, as well as other factors, this has resulted in an aging technology and an inability to compete with Japan and West Germany, which rebuilt their plants after World War II.

In the face of a deteriorating infrastructure and capital goods base, a continued high level of consumption leads to an acceleration in the rate at which these resources are used up, just as a university endowment is used up more rapidly once expenditures exceed the income. This was what happened during our period of mass consumption. Not enough was plowed back into the underlying sectors, the infrastructure and capital goods sectors, to maintain and update them. In that sense, consumption was "excessive."

The terms "reindustrialization," "industrial policy," "revitalization," and "supply side economics," are thrown around at a fast clip, sometimes as synonyms, sometimes as antonyms, and sometimes as both in the same breath. Under the heading "Re-industrialization's Poor Record," a British executive, R. H. Grierson, attacks "industrial revitalization" on the basis of Britain's and others' bad experience in lavishing support

on lame duck industries, a typical failing of "industrial policy," Joel S. Hirschhorn of the Office of Technology Assessment believes that to "re-industrialize America" requires a "Marshall Plan," a "national industrial policy," and so it goes.

The quest for some measure of semantic order, for making definitions and sticking to them, is not a pedantic expression of an academician's need for tidiness; it is a matter of fixing labels long enough to tell what is in each bottle, and the differences among them. I turn to a modest classification shortly; but first I must account for the issue and terms attempt to capture.

At the core of the current important discussion of economic policy are competing conceptions of both what ails the economy and what prescriptions are called for. The advocates of all the varying positions despair, albeit to differing degrees, of the conventional econometric models, Keynesian theories, and policies based on them. All agree that something more is amiss in the American economy than an unduly high reading on some indicators (e.g., inflation, unemployment), poor productivity growth and low savings—that the problem is more severe than just one more downturn of the age-old business cycle, soon to swing up again. All concur that this is not merely or even mainly a demand-driven (or OPEC-caused) inflation, to be curbed if not cured by trading x points of employment for y points of inflation. All agree that the foundation of the American economy has weakened and needs shoring up. There is not a counter-culture, no-growth advocate in the whole lot.

The differences are best viewed as divergent conceptions concerning the proper relations between the polity and the economy, and where the levers for correctives are. The positions taken do not directly parallel those taken by public officials or the political parties or the conservative-liberal dichotomy. They may be arranged, for convenience of presentation, on a continuum from radical conservative to moderate-centrist to left liberal.

At the radical conservative end is the well-known position that what ails the economy is mainly an excessive level of politicization, reflected not merely in an unduly high proportion the GNP being used and allocated by the polity and excessive regulation of private decisions, but also in the revolution of entitlements, of attempts to deal with all social and many personal needs via the polity rather than the market. Daniel Bell and Irving Kristol have articulated this position, as has Milton Friedman.

The remedy which follows is to reduce the scope and intensity of the polity as much as possible, by releasing resources to the private sector, deregulating, and letting the market do its wondrous things. Arthur Laffer and Kemp-Roth are the most radical of the lot; they hold that the revenue lost via monumental tax cuts will be restored by the higher tax yield of a more productive economy. Other radical conservatives, say Milton Friedman, are satisfied to cut back government expenditures and taxation drastically, without assuming a proportionate gain in the economy and tax revenues. Virtue is its own reward.

In terms of the second defining issue, where the levers for change are, this approach is wholly non-targeted. It sees no need to direct, aim, or guide the public resources released to the private sector in any particular way. Indeed, freeing them to go wherever the market will take them is the kernel of the approach. This viewpoint is generally termed supply side economics, the approach which lets private demand work its way, and the private economy respond to it by increasing its capacity to supply what the demand seeks.

At the other end of the spectrum of positions is the notion that, far from being reduced, the polity's role should be intensified. Here the diagnosis is that, compared to other highly successful economies, especially West Germany and above all Japan, American institutions provide insufficient guidance and support for the private economy. The market, it is implied or openly stated, has shown its inability to invest enough in new plants and equipment, to innovate and compete. Executives have grown risk-shy and dividend-happy. Steel mills, auto plants, the textile and rubber industries are crumbling. Computers will soon face a government-orchestrated attack from Japan, while our industries' response will be divided.

According to this left-liberal view, correctives are to be found in emulation of "Japan, Inc.," and above all its MITI (Ministry of International Trade and Industry). In other words, the solution lies in government-guided collaborative efforts, in which business and labor pull together, with government bureaucrats and technologists serving as the task-masters and sources of analysis, tax incentives, capital, and informal if not outright protection. Recent attempts to turn around the U.S. auto and steel industries, following the suggestion of tripartite committees, are viewed as American dry-runs. Beyond this, the advocates of this highly targeted approach see the Department of Commerce transformed into a Department of Trade and Development (or some new agency, the Americanization of MITI) with a desk and a committee for each industry, from ball bearings to industrial diamonds. The trade desk would analyze the industry assigned to it, say, shoes; determine whether it is a winner or a loser, whether it has a promising future, in terms of productivity, export-ability, technology/innovations, labor intensiveness, and other good things in life.

The designated "winners" would be showered with government-provided subsidies, loans, loan guarantees, tax incentives, a measure of protection (as in a trigger price or import quotas), R & D write-offs, and what not. The losers would be buried. (Well, the term used is to "sunset" them.) The government might provide the workers with "trade adjustment assistance" to help move them from parts of the country where the losers congregate (Detroit, Pittsburgh) to where the winners roam (the Sunbelt, coal states). Retraining would also be provided.

This policy might be called "national planning," but as the term tends to raise fears of creeping socialism, most of its advocates avoid the label, at least as long as their defenses are up. Instead, the term "industrial policy" is in favor. It is quite appropriate, because the assumption is that the unit at which levers of policy are to take hold is not "the economy," or a major sector, but specific industries. Also, "industrial policy" is the label used for such detailed government planning and direction of corporate efforts in other countries.

Critics raise three questions: (1) Do we have the analytic capacity to determine correctly who will be a winner, who a loser? Does not our record suggest that we will misidentify industries and sink vast amounts of public resources in tomorrow's Edsels? (2) Will our polity, in which the government tends to be weak compared to business, labor and local communities, especially when these work together for their Chrysler, be able to channel resources to those who merit them by some rational analysis, rather than to those who have political clout? (3) Is the country—both voters and leaders—willing to accept more politicization, less reliance on the marketplace?

At the center of the continuum, between supply side economics on the right and industrial policy on the left, is the conception of reindustrialization, that what ails the country is overconsumption, public and private, and underinvestment, resulting in a weakened productive capacity.

Historically, industrialization is achieved in two main stages: First, an infrastructure is developed, in which nationwide transportation systems are set up (in the United States, it was canals and railroads); cheap power, neither animal nor human, is made available (the mining of coal and drilling of oil wells); technological innovations are advanced (the steam engine, for example; modern communications systems are evolved (e.g., the telegraph); legal and financial institutions are developed (national currency, banks, stock exchanges); and the labor force is prepared (the rise of vocational education, the acculturation of immigrants).

As the infrastructure develops, it becomes time for the second stage of industrialization, the capital goods sector, which builds heavy-duty machinery and plants (steel mills, etc.). These are not consumer goods, but the tools to be used to produce them. When these two stages are well advanced, a society can mass produce consumer goods and services.

Signs of deferred maintenance and lack of adaptation to the new environment of expensive energy can now be seen in most of the elements which make up the infrastructure and in the capital goods sector. There is urgent need, for example, for improvement in the means of transportation of commodities (railroads and bridges, for example); for energy development and conservation, without excessive commitment to any one path; for larger investment in R & D, especially applied R & D; for improvement in the development of human capital, particularly in seeking to bring vocational training and actual jobs closer together. On the capital goods side, greater encouragement to investment is essential.

The suggested cure is semi-targeted: release resources to the private sector, but channel them to the infrastructure and capital goods sectors, away from either public or private consumption. For example, if we cut government revenues by $50 billion through across-the-board tax cuts, the funds released might well be used mainly to spur private demand for consumer goods and services (gasoline, for instance): little rejuvenation of productive capacity would occur. On the other hand, if the resources released are guided to the productive sectors of the economy—not to specific industries—reindustrialization may take place. Thus, if tax revenues are "lost" not just through tax cuts for individuals but in part by allowing accelerated depreciation for those who replace obsolete equipment, or who replace oil-based or energy-inefficient equipment with equipment which is energy-efficient or uses alternative energy resources, the released resources will revitalize, without determining which will benefit: steel or tex-

tiles, rubber or rails. The polity will set the context; the market will target.

Similarly, providing tax incentives for greater R & D expenditures spurs on all such efforts; it does not require any government trade desk or tripartite committee to decide which R & D project is desirable. And if workers are provided with productivity-based incentives, so they can share directly in renewed economic growth, Washington need not be involved in determining which group of workers is eligible; this is best done by the management and the workers within each corporation.

Reindustrialization thus stands between supply side economics and industrial policy; it is semi-targeted, and the context it seeks to advance is a stronger productive capacity.

Critics suggest that such reindustrialization will return the country to the nineteenth century and focus on "basic" rather than post-industrial high-technology industries. The prefix "re-" does point to a return, but it should not be taken too literally. A return to a strong infrastructure and capital goods sector does not require a return to the same mix of specific industries. Thus, communications satellites and data-phones could do the job of the Pony Express and the Morse telegraph, and slurry pipelines instead of barges might carry coal. The return implied is to higher investment and innovation in the productive sectors, not to anachronistic details.

On a second count, though, reindustrialization must plead guilty as charged: it does favor mitigating the criteria of "comparative advantage" with considerations of developmental economics, national security, and social responsiveness. Studies of developmental economics show that a measure of government-provided incentives and support, even short term import limitations, is often essential for developing a new industrial base; the same might hold for renewing one. National security requires us not to grow so dependent on imported coal, steel, and shipbuilding that we are unable to withstand interruptions or boycotts. Social considerations urge us not to export all blue-collar work to Third World countries; we have plenty of unskilled labor of our own. Moreover, social considerations, both ethical and practical, require that reindustrialization be carried out in a much more socially sensitive and responsive manner than America's first industrial development. The call for a national accord on our priorities for the next decade must cut both ways: the various social interest groups will have to moderate their demands, but at the same time, the business community will have to accept a wide sharing of the renewed wealth.●

A SALUTE TO ST. JOSEPH'S ROMAN CATHOLIC CHURCH ON ITS 125TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. GUARINI. Mr. Speaker, on Sunday, November 22, 1981, St. Joseph's Roman Catholic Church in Jersey City is marking its 125th anniversary with a special 4 p.m. mass to which I have been invited.

In the evening a dinner dance will be held to mark the occasion with His Excellency Peter L. Gerety, Archbishop of Newark presiding.

With the assistance of church historian Mrs. Barbara Petrick, the background of this outstanding parish, which now has Rev. James V. Pagnotta as its pastor, has been told.

For the edification of all concerned, I am providing the history of St. Joseph's.

This year marks the 125th anniversary of the founding of St. Joseph's parish in Jersey City. St. Joseph's is the city's second oldest parish, founded in 1856 by Father James Coyle to administer to the needs of the hundreds of Irish immigrant workers who had been imported to work on the Erie Railroad tunnel through Bergen Hill. Father Coyle's mission field was a large tract of farmland extending from Hoboken on the north to Bergen Point on the south, and from the Hackensack meadows on the west to the Hill on the east. In years to come more than 20 separate parishes were to be carved from that area.

Father Coyle built a chapel—at first called St. Bridget's—and Bergen's first parochial school on Hopkins Avenue. Coyle's place was taken in 1857 by Rev. Aloysius Venuta, a Sicilian-born priest who had fled Italy after barely escaping imprisonment for his revolutionary activities. He purchased a lot on Baldwin Avenue—the site of the present church—from Peter Bentley and Jacob Van Wagen and built a small brick church, for which he chose the name of the patron saint of the working man, St. Joseph. He also built a house to the right of the church—for the nuns and the school—and a rectory to the left. It was a turbulent time for Venuta and his little congregation. The railroads were changing the social makeup of the city, and deep conflicts developed between the native-born—mostly Protestant—who held political power, and the immigrant workers—mostly Catholic—who arrived in ever-increasing numbers.

Despite poverty, prejudice, and civil disorder, the parish grew steadily, and the small brick building on Baldwin Avenue began to overflow. Venuta prepared to build a magnificient new church right around the old one, leaving the front wall open so that services could be continued without interruption. In 1868, Bishop James Bayley blessed the cornerstone of the present St. Joseph's Church and work was begun. The church was literally carved from the heart of the hill. The blue-gray stone from which it was built was taken from the Erie cut where the railroad workers toiled, and the dirt from the excavation was thrown into the Pennsylvania cut south of Magnolia Avenue. The ambitious building program soon drained the resources of the parish and during the panic of 1873, work on the building came to a halt.

Msgr. Robert Seton, grandson of St. Elizabeth Seton, foundress of the Sisters of Charity, was appointed pastor of St. Joseph's in 1876. He completed the work on the church building, first removing the old brick church through the unfinished front door, then raising the majestic stone tower, and completely finishing the interior. He built a new rectory and a convent, enlarged and landscaped the church grounds, and improved the original school building, which now served as a parish hall as well. Pavonia Hall, as it was called, became a gathering place of local intellectuals, social workers, and professional people during the progressive era of reform in the city. Pavonia Hall stood until 1922, when Msgr. Patrick Smyth, Seton's successor, had it torn down to make room for an addition to the school. By that time St. Joseph's had become the second largest parish in the city, with over 8,000 communicants.

The following year Msgr. James Mooney come to St. Joseph's from Seton Hall, where he had been president and director of Immaculate Conception Seminary. Mooney died in 1928 and was succeeded by Msgr. John Duffy, the first of St. Joseph's pastors to be a native of Jersey City. In 1933 Duffy was appointed bishop of Syracuse, and Father William Carlin, popularly known as the firefighting priest was appointed pastor. Carlin, whose father had been a Newark fire captain, served as fire chaplain in Paterson, and then in Jersey City for 26 years. He was succeeded by Rev. Francis J. Sexton, who had celebrated his first Mass in St. Joseph's and been a young curate there. October 26, 1956, marked the 100th anniversary of St. Joseph's founding, which was celebrated by the consecration of the church by Archbishop Thomas Boland. In preparation for the anniversary, Sexton had overseen the complete renovation of the church, which was repainted cathedral gray to underline its French Gothic style. At the century mark in its history, St. Joseph's had about 15,000 parishioners. Six curates assisted Sexton: Revs. Thomas Mulvaney, Charles Hunter, David McCarthy, George Drexlar, Francis Ballinger, and Walter Debold. Over 800 children were enrolled in the school, which was staffed by 16 Sisters of Charity under the principalship of Sister Clara Rose. In 1961, Rev. Peter Rush, a former Army chaplain, was appointed pastor. Rush, a much decorated veteran of two wars, was promoted to brigadier general in the National Guard in 1963. In the fall of 1966, Rush led an army of his parishioners in a successful protest against the construction of a civic center which would have displaced many of the people in his parish. Rev. Casimir Delimat succeeded Father Rush, but his administration was trag-

ically brief. He was stricken with a heart attack and died on March 3, 1974. Under the administration of Rev. Joseph Derbyshire, a fire gutted the side chapel of the church, but the loyal congregation rallied to the emergency and the church has been fully restored to its original beauty. The present pastor is Rev. James Pagnotta, appointed in 1979.

St. Joseph's, like the tough immigrant workers for whom it was founded, has clung tenaciously to life in a rapidly changing urban environment, and it continues to serve the needs of a multiethnic community, as it has for 125 years.

St. Joseph's has been a driving force in providing the need for religious leadership in our community. It has also nurtured, for well over a century, the cultural, educational, and social needs of the community, which includes hundreds of thousands of new arrivals to this Nation from throughout the world.

Its parishioners have gone forth to become leaders in the city, State, and Nation. It has instilled the necessary faith which St. Augustine said:

Is to believe what we do not see whose reward is to see what we believe.

My office is within the sound of this beautiful church and for many years I have heard its bells toll calling its flock to services especially on the Sabbath.

I am sure my colleagues will agree with Henry Ward Beecher who wrote:

A world without a Sabbath would be like a man without a smile, like a summer without flowers, and like a homestead without a garden. It is the joyous day of the whole week.

I am asking all to join in this grand tribute.●

TWENTY-FOUR MARYLANDERS BECOME U.S. CITIZENS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. LONG of Maryland. Mr. Speaker, it is with particular pleasure that I congratulate 24 residents of Maryland's Second Congressional District who have chosen to become American citizens, accepting all of the responsibilities that freedom and citizenship entail. I hope that my colleagues will join me in welcoming these new Americans.

They are: Alexandra Rolek, Thelma Inocencio, Peter Taui, Pesala V. Chetty, Neusa D'Angelo, Pietro D'Angelo, Luigina DiNicolo, Rita Paskar, Tsalik Paskar, Mr. and Mrs. William A. Morton, Jr., in behalf of William Alexander Morton III, Mr. and Mrs. John Heimberger in behalf of Koren Soon Duk Heimberger, Cecille Garnett, Teh-Ching Wang, Chul Jang, Rosa Barrueto, Fermin Barrueto, Mary Pereira, Willy Pereira, Anne Grete Klassen, Shyam Dua, Klaus Kutnik, Pearline Burke in behalf of Marlene E. Burke, and Robert Beckey and Florence Fisher in behalf of William Beckey and Anna Beckey.●

GENERAL REVENUE SHARING—AN ENTITLEMENT

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. FOUNTAIN. Mr. Speaker, I want to make available to all Members of the House a letter that I have sent to the distinguished chairman of the Appropriations Committee, the gentleman from Mississippi (Mr. WHITTEN). The purpose of my letter is to clarify that general revenue sharing was enacted in 1972 as an entitlement program, and it was twice extended by the Congress, in 1976 and 1980, as an entitlement program, pursuant to a special provision of the Congressional Budget and Impoundment Control Act. As pointed out in my letter, an amendment was offered on the floor in 1980, when the House extended this program for an additional 3 years, to change revenue sharing payments to local governments from an entitlement to a simple authorization. That amendment was defeated by the House, and the Senate agreed to continue local revenue sharing as an entitlement. At the same time, however, the Congress did amend the State and Local Fiscal Assistance Act to discontinue entitlement payments to State governments, making State revenue sharing subject to the regular appropriation process.

In view of this legislative history, it is incorrect to describe revenue sharing as discretionary funds, as the gentleman from Massachusetts (Mr. CONTE) characterized it during Monday's debate on House Joint Resolution 357.

In clarifying that revenue sharing for local governments is indeed an entitlement, I am not taking a position on whether or not the program should retain this privileged position in the future. That is a matter to be decided by this body in the light of changing economic and budgetary conditions. However, if the entitlement status of revenue sharing is to be changed, this should—and must—be accomplished through amendment of the authorizing statute. It would be highly improper and self-defeating, in my opinion, to seek such a change through any other channel.

Mr. Speaker, my letter to Chairman WHITTEN follows:

INTERGOVERNMENTAL RELATIONS AND HUMAN RESOURCES SUBCOMMITTEE,
Washington, D.C., November 17, 1981.

Hon. JAMIE L. WHITTEN,
Chairman, House Appropriations Committee, Washington, D.C.

DEAR MR. CHAIRMAN: During the consideration of H.J.Res. 357 in the House yesterday, general revenue sharing was characterized as a discretionary, nonentitlement program by some members of the Appropriations Committee. Regardless of how individual Members may feel about bringing this program within the regular appropriation process, I believe it is very important that we recognize that Congress did, in fact, reauthorize revenue sharing through fiscal year 1983 as an entitlement program. The legislative history is very clear on this point.

As stated on page 5 of House Report 94-1165, when the program was first reauthorized in 1976:

"The $6.65 billion funding for this program is to be made available through an entitlement procedure in lieu of the authorizations-appropriations procedure followed in the 1972 Act. Under this procedure, the recipient State and local governments will become entitled to the $24.94 billion provided by this legislation.

"The Congressional Budget and Impoundment Control Act of 1974 contains a provision permitting the enactment of spending authority by way of entitlement. Use of the entitlement procedure effectively takes the program out from under the auspices of the concurrent resolution on the budget and the usual appropriations process of Congress."

Again in 1980, when revenue sharing was extended for an additional three years, the Government Operations Committee recommended, and the Congress approved, a continuation of the entitlement payments specifically permitted by the Congressional Budget and Impoundment Control Act of 1974.

The fact that the House intended to continue revenue sharing as an entitlement is evident from two actions taken during Floor consideration of the 1980 amendments:

(1) For the first time, the States were treated differently than local governments in that only the State share was made subject to the annual appropriations process, and

(2) Mr. Boland offered an amendment, which was rejected by the House, to make the local share also subject to the regular appropriations process in fiscal years 1982 and 1983.

I fully appreciate the desire on the part of the Appropriations Committee to discontinue the entitlement protection of selected programs in order to bring the Federal budget under control. While I share that objective, I do not think we can, legally or ethically, abrogate the commitment we made to the local governments in 1980. Most of those governments have already budgeted, or have actually spent, their 1982 entitlements in good faith.

I am aware, as stated by Mr. Boland yesterday, that his subcommittee views revenue sharing as a discretionary account rather than as an entitlement program. Although there may be an honest difference of opinion on this point, it would be inappropriate to seek change in the provisions of this program retroactively or through an appropriations act. Instead, I would urge Members who feel strongly about the entitlement issue to introduce legislation for the purpose of amending the State and Local Fiscal Assistance Act for fiscal 1983. A bill intro-

duced for that purpose would be promptly considered by my subcommittee.

In the final analysis, it is the responsibility of the Congress to decide which programs, if any, should be given entitlement protection. It is evident that we voted in the house in 1980 to continue revenue sharing as an entitlement. While this decision can and should be reexamined if budgetary circumstances have changed, I believe we are obligated to do so through the normal legislative channels.

Kindest regards and best wishes.

Sincerely,

L. H. FOUNTAIN,
Chairman.●

MOBILIZING THE AIRWAVES—FREEDOM'S CHALLENGE TO TOTALITARIANISM

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. LEBOUTILLIER. Mr. Speaker, yesterday I introduced part I of a study entitled "Mobilizing the Airwaves: The Challenge to the Voice of America and RFE/RL" published by the Heritage Foundation. In this study, the author, Mr. Paul Olkovsky, research assistant for the Heritage Foundation, examines the current status of the radios and how to increase their effectiveness. He points out that with the pursuit of détente and the proclamation that America must get over its inordinate fear of communism, the radios have been seriously underfunded and allowed to lapse into technical obsolescence.

I commend this study to my colleagues. Part II is printed below, with the concluding part III to follow tomorrow.

VOICE OF AMERICA

The Voice of America antedates the Cold War. It began broadcasting in German seventy-nine days after the attack on Pearl Harbor. During World War II, the Office of War Information absorbed the VOA. The first broadcast included a statement of purpose: "Daily at this time, we shall speak to you about America and the war—the news may be good or bad—we shall tell you the truth."

After the war, the State Department assumed responsibility to oversee the VOA. With the passage of the Smith-Mundt Act in 1948, the Voice of America became an integral element of American foreign policy. In 1953, responding to a recommendation by the Commission on Organization of the Government (the Hoover Commission), Congress created the United States Information Agency, of which the VOA became a part. In 1978, the Carter Administration merged the Department of State's Bureau of Cultural Information and the United States Information Agency to create the United States International Communication Agency.

At the height of World War II, the VOA broadcast in forty languages; by the end of the Korean War it peaked with forty-six languages. In 1953, twelve languages were dropped, and in 1955 direct shortwave broadcasts to Western Europe in all languages except English ceased. Currently VOA broadcasts regularly scheduled programs in forty languages, with special broadcasts in other languages. It broadcasts 904.75 hours weekly over 101 transmitters located in the United States and around the globe. The current FY 1981 operating budget of $99,087,000 supports a staff of 2,214 including 750 American and foreign national personnel abroad.

PURPOSE OF RFE/RL AND VOA

Though similar in some respects, Radio Free Europe/Radio Liberty and the Voice of America serve very different purposes. The VOA is an agency of the U.S. government, and is headed by the Associate Director of Broadcasting, who reports to the Director of the United States International Communication Agency. Besides reporting accurate, objective, and comprehensive news, its mission is to "present the policies of the United States clearly and effectively and * * * also present responsible discussion and opinion on these policies." VOA is charged to ". . . represent America, not any single segment of American society, and [it] will therefore present a balanced and comprehensive projection of significant American thought and institutions." In other words, it is what the name implies: the "Voice" of America.

Radio Free Europe/Radio Liberty, Incorporated, has never been a part of the United States government. It is an independent entity, registered as a corporation in the state of Delaware. RFE/RL is staffed primarily by East European and Soviet emigres and its broadcasts are specifically designed for audiences behind the Iron Curtain. Like VOA, RFE/RL's mission is to transmit world news accurately and reliably, but RFE/RL are also to "broadcast and critically analyze documents and works of political significance and/or cultural merit which have been produced by citizens of the U.S.S.R. or the Eastern European nations but have been denied official publication by censorship."[3] RFE/RL operates as "home service" radio stations to fill the void created by the lack of free, diverse press. Independence of the official U.S. government is crucial to the operation of the radios. While RFE/RL by law does not make broadcasts "inconsistent with the broad foreign policy objectives of the United States," it can be hardhitting and controversial where this would be inappropriate for a government radio.

EASTERN BLOC INTERNATIONAL BROADCASTING

The Soviet Union expends more resources on international broadcasting than any other nation. The Central Intelligence Agency estimates that the Soviets spend $700 million a year on the operating budget of Radio Moscow, which broadcasts 2,000 hours weekly in eighty-two languages over 285 high-powered transmitters. Radio Moscow does not temper its broadcasts; explosive statements and extreme distortions of the truth form the basis of its programming. These probably played a major part in the sacking of the American Embassy in Pakistan by an angry mob; earlier broadcasts had implied American involvement in the takeover of the Great Mosque in Mecca. The Soviets also operate a "semi-official" station, Radio Peace and Progress—that broadcasts more stridently than Radio Moscow—and several "covert" or "liberation" radios such as the Voice of Free Turkey and the well-known National Voice of Iran, which broadcasted inflammatory and radically anti-American material during the hostage crisis in Iran and continues to do so.[4] The other Eastern bloc nations do a considerable amount of broadcasting, although not as intensively as the U.S.S.R.

An additional sum, estimated some years ago at $300 million, is spent annually by the Soviets to jam incoming Western broadcasts. The Soviets have complained publicly and repeatedly that broadcasts by VOA and Radio Free Europe/Radio Liberty constitute interference in the internal affairs of the Soviet Union. The Soviets even threatened to boycott the 1972 Olympics in Munich, West Germany, unless RFE/RL were shut down. The stations, however, remained on the air and the Soviets attended the games anyway. While Hungary and Romania have not jammed Western broadcasts since the early sixties, Czechoslovakia, Bulgaria, and occasionally Poland continue to jam RFE/RL and VOA intermittently.

TECHNICAL CAPABILITIES OF RFE/RL AND THE VOA

The technical ability to reach a targeted audience with a constantly audible signal is a *sine qua non* of effective broadcasting. RFE/RL is now undertaking a limited program to modernize its transmitters. By 1982, the power RFE/RL uses to transmit will have almost doubled over eight years, from 3,775 kilowatts to 7,500 kilowatts. Even with this upgrading, Radio Liberty will not be able to send a reliable signal to Eastern Europe nor will it be able to reach Soviet Central Asia on a "first hop" basis. (A "hop" is the signal bounce from shortwave transmitters up to the ionisphere and down to the receiver. The "second hop" occurs when the signal goes back up to the ionisphere and then descends a second time. For each hop after the first, there is loss of approximately 90 percent of the signal strength. The "first hop" area of a Radio Liberty broadcast does not go beyond the Ural Mountains.) There are no current plans to remedy this problem. According to planners at RFE/RL, the main problem is finding a host country in the Middle East for RFE/RL transmitting. Countries such as Oman and Pakistan, which are ideally located, are subject to great pressure by the Soviets not to allow RFE/RL facilities. Considering the current situation in Afghanistan, and in light of the growing significance of the Soviet Moslem nationalities, encouraging a host government to allow the construction of RFE/RL transmitters (which takes years), should be a high priority at the BIB and the State Department.

Later this year, the modernization program will make signals transmitted to Eastern Europe meet the minimum technical criteria established by a presidential study of U.S. international broadcast requirements submitted to the Congress in 1977. Yet equipment remains inadequate. For example, VOA still uses a pre-World War II German transmitter. Spare parts are becoming difficult to find and equipment breaks down continually.

There have been a number of specific measures proposed in Congress to strengthen international broadcasting to Eastern Europe and the Soviet Union. In a recent letter to President Reagan, Representative

[3] "The Mission of Radio Free Europe and Radio Liberty," Board for International Broadcasting, 7th Annual Report, 1981, p. 31.

[4] Kenneth L. Adelman, "Speaking of America: Public Diplomacy In Our Times," Foreign Affairs, Spring 1981.

Jim Courter (R-NJ) made several short-term suggestions:

Increase the number of broadcasts by operating transmitters during hours normally unscheduled;

Begin out-of-band broadcasting;

Readjust VOA and RFE/RL transmitter schedules to increase audibility in Soviet languages;

Allocate six to ten transmitter hours at VOA's facility at Kavala, Greece, to relay RL broadcasts to Soviet Central Asia;

Explore the possibility with the British government of increasing BBC broadcasts to Eastern Europe and the U.S.S.R.;

Examine the possibility of cooperation with other allied governments. (Such initiatives might include requesting that U.S. broadcasters temporarily be allowed to use the radio facilities of allied governments); and

Purchase, once again, transmitter time from Taiwan to broadcast RL programs to the Soviet Far East and Eastern Siberia.

These proposals are intended as interim measures until the United States constructs adequate facilities of its own.

PROGRAMING

While the ability to transmit to a specific area is essential for successful broadcasting, the nature of programming determines whether an audience is willing to endure jamming and risk prosecution to tune in to American broadcasts on a regular basis. It is obvious from the reports reaching the West and the tremendous jamming efforts by the Soviets that the programming is successful. Both VOA and RFE/RL broadcast international news, commentaries and "Round Tables," as well as features which include music, history, and human interest stories. Since the missions of the two radios differ, their respective programming must be examined separately.

Radio Free Europe/Radio Liberty has a reputation in Eastern Europe for relevant and timely broadcasts. It has been estimated that during the recent unrest in Poland, more than two-thirds of the adult population tuned in to Radio Free Europe broadcasts each week. In the Soviet Union, those able to receive the broadcasts listen to Radio Liberty frequently. In the large cities, however, Soviet ground wave jamming has made reception nearly impossible most of the time.

RFE/RL first-run broadcasts are 50 percent news and news features, 35 percent political, economic and social-cultural features, and 15 percent other programming, such as music.

Radio Free Europe/Radio Liberty programming has been criticized, particularly for how it deals with the Soviet Union. A recent memorandum prepared by James Critchlow, a programming and research officer with the Board of International Broadcasting, concluded that: "The program Policy Guidelines which are supposed to govern RFE/RL broadcasts are systematically being violated by the RL Russian Service, with detriment not only to the reputation of the radio station in the eyes of its listeners but with an impact damaging to American foreign policy interests."

Relying on very weak evidence, Critchlow alleged violations of Radio Liberty policy such as anti-democratic and anti-Western themes, anti-Catholic programming, and anti-Semitic overtones. Although the BIB took no significant action, this internal memorandum was leaked to Jack Anderson and became the subject of one of his daily columns. The result was a distorted public image of RFE/RL, causing some congressional staffs to reconsider funding and support of the radio.

On the other hand, Vladimir Bukovsky, a well-known Soviet dissident, has expressed legitimate criticism of the entire system of RFE/RL guidelines which serve to hamstring broadcasters and commentators. For example, the radio is directed to avoid: "* * * sweeping generalizations, propagandistic argumentation, gratuitous value judgments, unsupported criticism of the Communist system or its representatives, as well as the use of obsolete or inaccurate terminology such as 'the Communist bloc,' 'Communist satellite countries,' and 'capitalism vs. communism.' " [5]

Bukovsky states that while the guidelines might be of some use, interpretation by some personnel leads to confusion and, more important, to self-censorship. To best serve the Soviet listener, the programs must be hard-hitting, and the news and opinions both diverse and controversial.

Bukovsky suggests that common sense should direct policy. Without well-informed, strategically-based common sense editing, he contends, guidelines are of little use. Bukovsky emphasizes that the radios are the best strategic resource that the United States has.[6]

There has been little criticism of the East European broadcasts of RFE/RL. A recent emigre from Poland has stated that Radio Free Europe is the most popular of the Western radios. Radio Free Europe broadcast hours total more than Voice of America, British Broadcasting Corporation, and Deutsche Welle/Deutschlandfunk combined: 555 hours per week of first-run and repeat transmissions. In light of the current situation in Poland, consideration should be given to increasing the broadcasts to that country from nineteen to twenty-four hours daily.

VOA programming consists of 60 percent news, compiled by a centralized news operations room, and 20 percent commentary describing U.S. foreign policy and coordinated with the State Department. The remaining 20 percent is feature programming such as music. VOA listeners around the world essentially hear the same news broadcasts. After the first several lead stories, the different language services are free to pick news items from a "news menu." Provision is also made on occasion for items of special interest for specific areas that are optional for other services.

VOA policy demands that all news items must have at least two sources. Like RFE/RL, VOA has a reputation for accurate reporting. However, while centralization is effective for accuracy, the standardization which results does not take into account the interests of diverse audiences or their access to alternative information sources. VOA has established priorities for air time among the languages in which it broadcasts. While English language broadcasts are on a twenty-four hour basis and Russian language service is sixteen hours daily, languages such as Swahili or Lao are on the air only one hour daily. the Polish language service broadcasts a mere two hours daily.

The Voice of America Russian language service has its critics. Ludmilla Alexeyeva, a noted Soviet dissident, has been VOA listener for twenty years. She stated that most Soviet citizens listen to VOA more than the other Western services because it is the most audible, not because it is the most favored. In a recent article she states that: "VOA's broadcasts are frequently boring. * * * Politically acute topics, which other radio stations are discussing, are avoided. Very often facts, unpleasant for the Soviet authorities, are either hushed up or smoothed over. * * * Only dissidents have overcome the state monopoly on information, and dissidents constitute the only moral and intellectual opposition. Therefore, no matter how small their numbers and how alienated from the rest of the society they may be, everything they do or say is acutely interesting to the rest of the "silent majority"—even to those who dislike them. Meanwhile, VOA broadcasts on the independent life in Soviet society are far and few between, and they almost never deal with what the dissidents are doing, but only with their arrests and trials." [7]

In a recent television interview with Congressman John LeBoutillier (R-NY), Aleksandr Solzhenitsyn spoke of the inadequate content of Western broadcasts. He pointed out that most of the programming dwells on the material aspects of Western life rather than subjects of intense interest to the Soviet listener, such as ideology, history, and religion.

The VOA can reach more of the Soviet Union than any other Western radio. Until RFE/RL is able to broadcast strong transmissions, VOA should make its programming more diverse. There are many emigres from the Soviet Union who are fully integrated into American society and are capable of writing the politically dynamic material the Soviet listener desires.

VOA Russian Service broadcasts only forty-five minutes of first-run religious programming, fifteen of which is devoted to Judaism. Since there are many indications that there is a Christian revival, an increase of religious programming should be seriously considered. The wisdom of broadcasting music during periods of jamming is also questionable. Although news is distorted, it often is audible through jamming, where music becomes a jumble of noise.●

[5] RFE/RL Program Policy Guidelines, in paragraph 6, section 2, 6th Annual BIB Report.

[6] Opinions expressed to the author of this paper by Vladimir Bukovsky.

[7] Ludmilla Alexeyeva, "Voice of America Russian-Language Broadcasts," Russia, Issue No. 2, 1981.

THE SAD FATE OF THE UKRAINIAN HELSINKI GROUP

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. HUGHES. Mr. Speaker, 5 years ago, on November 9, 1976, the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords was founded to promote compliance with the then nascent Helsinki accords. The accords were intended as a landmark international agreement, guaranteeing the rights and dignity of the citizens of every country which became a signatory.

Unfortunately, the past 5 years have proven the utter insincerity and hypocrisy of the Soviet Union in signing the accords. The fate of the members

of the Ukrainian Helsinki Group bears tragic witness to the Soviet Union's continued abysmal human record.

Thirty-seven courageous Ukrainians joined together to attempt to insure that the civil, cultural, political, and religious freedoms guaranteed at Helsinki would indeed be allowed. All of them have undergone persecution, whether through imprisonment, persecution, exile, or expulsion. Each was punished for the crime of thinking freely and acting as individuals in a society dependent on compliance with a totalitarian regime.

We, as leaders of a nation whose citizens champion liberty, must not allow the spirit and intent of Helsinki to die. We must continue to work for greater freedom of citizens of all nations, taking our inspiration from the courage of the Ukrainian Helsinki Group, who acted with far less hope of success, and far greater loss from failure.●

THE INTRODUCTION OF THE STRATEGIC SHIPBUILDING SECURITY ACT

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. JONES of North Carolina. Mr. Speaker, I have today introduced a bill called the Strategic Shipbuilding Security Act of 1981, a measure which is designed to strengthen the shipbuilding mobilization base and protect strategic supply sources.

The Congress has for a long time recognized the importance of maintaining the capability of our industrial establishment to build the ships which are at the heart of our defense strategy and central to our ability to effectively engage in foreign trade. Shipbuilding in the United States is performed commercially, whether the product is a government warship, privately owned cargo carrier, or a rig used to explore for or exploit our offshore mineral resources. The urgency of maintaining our shipbuilding mobilization base is not a matter of protectionism, it is an integral part of our total mobilization strategy, and each element of its rather complex makeup must be adequately filled or the entire strategy fails.

Joining me in introducing this legislation are Representatives SNYDER, BOWEN, DAVIS, DONNELLY, SCHNEIDER, and HERTEL. We collectively view this bill as another building block necessary for the total defense construction. In its wisdom, this body on November 4, 1981, passed by a vote of 366 to 21, H.R. 3464, the Foreign Shipbuilding Act which prohibits the construction of naval vessels in foreign shipyards. The bill we introduce today adds strength to our announced commitment to guarantee that we never lose our ability to establish and maintain our maritime strength.

Over the years the law has, in recognition of the necessity of maintaining an industrial base, required certain vessels, or portions of vessels to be constructed in the United States. U.S. building requirements have been imposed on vessels which operate in the coast-wise trade of the United States, vessels built with title XI shipbuilding loan guarantee funds, and vessels constructed with construction subsidy funds. In imposing the build America requirements, there was always an assumption that the entire vessel would be of U.S. origin. However, due to variations in statutory language, variations in waiver provisions in the several statutes, and changes in technology unanticipated by the law, entire subassemblies of vessels have been of foreign manufacture, or worse, the rigidity of the requirement has, at times, discouraged the construction of vessels in the United States.

The bill I introduce would provide that whenever any law requires a vessel to be constructed or reconstructed in the United States then all propulsion machinery or other machinery or component assemblies be of manufactured origin of which no more than 50 percent may be foreign. The requirement in this bill does not extend to the hull and superstuctures, nor does it apply to publicly owned vessels not engaged in commercial service.

The 50-percent requirement recognizes that some component parts for vessel construction are not available in the United States. As an example, a significant concern for vessel operator is the cost of fuel, and the type of propulsion machinery in the United States, due in large part, to the depressed price of fuel prior to 1973, makes it most difficult to compete with foreign built vessels which are propelled by modern, fuel-efficient slow-speed diesels. To waive the entire U.S.-origin requirement for the powerplant might improve the competitiveness of our U.S.-flag operators, but it would do nothing for our capability to develop such engines or to manufacture spare parts for their maintenance. Dependence on foreign sources for equipment which is at the heart of maritime capability is a prescription for further deterioration of our position among the family of maritime nations. The requirements of this bill would provide sufficient incentive for U.S. manufacturing to obtain by license, research, or other joint activity the capability of providing the wherewithal for the United States to secure sources of supply and technology which are essential to our future.

I would like to emphasize that this bill does not mandate that vessels be built in the United States. The bill simply asserts the importance of providing a secure source of supply and maintenance of a much-needed industrial base for our shipbuilding requirements both naval and commercial.

The Armed Services Committee on December 31, 1980, issued a report—House Armed Services Committee Print No. 29—in which it found:

> The general condition of the defense industrial base has deteriorated and is in danger of further deterioration in the coming years. The panel specifically finds . . . the United States is becoming increasingly dependent on foreign sources for . . . some specialized components needed in military equipment.

The Strategic Shipbuilding Security Act seeks to halt some of the deterioration which we have experienced in the shipbuilding sector of our defense industrial base, and does so by realistically reestablishing our ability to manufacture and maintain many of the specialized components so necessary for our national security.●

ODESSA FERGUSON: OUR UNSUNG HEROINE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. MAZZOLI. Mr. Speaker, the House of Representatives has in its midst many unsung heroes—not all of whom are Members of Congress.

One such unsung hero—more precisely, unsung heroine—is Odessa Ferguson, who was the subject of a profile article in the New York Times of November 17, which I ask permission to include in the RECORD.

Odessa—who anchors the serving line at the Longworth Cafeteria—was one of the first people whom I met upon my election to the House in 1971.

In those days, my family still resided in Louisville. I commuted and lived in an apartment on Capitol Hill and took my breakfast in the Longworth Cafeteria.

At first, Odessa's stern command to her customers to walk and talk were a bit undaunting. But, the twinkle in her eyes and the smile, which kept stealing across her face, put this young uncertain Congressman to ease immediately.

Odessa was my mother and my family all rolled into one until my own family joined me in 1973. Even though I don't see Odessa all that much anymore, I think about her often and am delighted to read that she's still at her accustomed grill, still turning out those dozens of eggs—all cooked to perfection—and still acting as counselor and adviser and friend to a new generation of Members of Congress.

Mr. Speaker, I thank Odessa for all her kindnesses over the years and wish her much health and happiness in the years ahead.

[From the New York Times, Nov. 17, 1981]

KEEPING ORDER ON THE EGG LINE

(By Marjorie Hunter)

WASHINGTON, Nov. 16.—John F. Kennedy liked his eggs over light. So did Gerald R. Ford. Odessa Ferguson knows, because for more than 30 years she has been frying and scrambling for a long procession of clients ranging from pages to Presidents.

As high priestess of the grill in the Longworth Cafeteria on Capitol Hill, Odessa Ferguson has become something of a Congressional institution.

"Walk and talk," she commands any laggards in the long breakfast line. "Talk to me. Jesus loves you."

Her customers, including many members of Congress, obey readily, shouting out their orders from behind the stacks of biscuits and cornbread in the warming case, long before they reach her grill.

John Kennedy was a customer in his years as a young Congressman. So was Gerald Ford, then a Representative. Vice President Bush, who was also once in the House, was another.

She knew them all by name, long before they ascended to high office. But many of the other thousands who have passed through her line she knows merely as the man who wants his eggs scrambled or the man who likes them over light.

Mrs. Ferguson was a young bride from the little North Carolina town of Landis (three stoplights), when she came to Washington in the 1940's and got a job in Longworth Cafeteria. She is nearing 60 now, a widow whose three sons are grown, and she has no intention of quitting work anytime soon.

Keeping up with the orders (usually about 60 dozen eggs a day) can be nerve-racking, she says, but she loves the job. Pinned to her uniform is a bright green button: "Smile. Jesus Loves You."

Through the years she has had her favorites. One was David A. Stockman, then in the House and now the director of the Office of Management and Budget.

Morning after morning, Mr. Stockman would pass down the line. His standard breakfast was eggs over medium, bacon and toast.

The morning after he was named budget director, Mr. Stockman seemed preoccupied. He shook his head when Mrs. Ferguson handed him his plate.

"You need your breakfast," she told him sternly. "Jesus loves you."

A little sheepishly, Mr. Stockman took the proferred plate.●

A TRIBUTE TO JOHN W. SHANNON

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. DIXON. Mr. Speaker, on August 4, 1981, Mr. John W. Shannon was sworn in as Deputy Under Secretary of the Army. I want to share with my colleagues a little bit of the background and accomplishments of this remarkable man.

Mr. Shannon grew up in Louisville, Ky. After graduating from the public schools of that city, he continued his education at Central State University in Wilberforce, Ohio, graduating in 1955 with a B.S. degree in industrial education. He received his master of science degree in public administration from Shippensburg State College in Shippensburg, Pa., and pursued additional postgraduate studies at Catholic University and the U.S. Army War College. Mr. Shannon's active duty military career began upon graduation from college, when he was commissioned a regular Army second lieutenant, infantry. For over 23 years he served in various capacities as a commander and staff officer, including two tours in the Republic of Vietnam as an adviser and as an infantry battalion commander.

During Mr. Shannon's illustrious career, he has received numerous awards, including the Combat Infantry Badge Parachutist Wings and the Ranger Tab. He is also the recipient of the Legion of Merit, Defense Superior Service Medal, Defense Meritorious Civilian Service Medal, Bronze Star, Meritorious Service Award with Oak Leaf Cluster, Air Medal, Army Commendation Medal with First Silver Oak Leaf Cluster, Vietnamese Cross of Gallantry with Palm, and four Vietnam battle campaigns.

After retiring with the grade of colonel in 1978, Mr. Shannon further distinguished himself in the areas of military manpower policy and congressional affairs including service as a congressional liaison officer with the Secretary of the Army, Deputy Director for Manpower and Reserve Affairs, and Special Assistant for Manpower, Reserve Affairs, and Logistics, both with the Assistant Secretary for Legislative Affairs.

Together with his devoted wife Jean, his son John, who is presently attending the graduate school of engineering at Northwestern University, Mr. Shannon lives in Temple Hills, Md., where the family is well known and respected in both community and religious circles.

I personnally know Mr. Shannon as a man whose continuing goal is to serve his country and make America a stonger and better place for all. I know that my colleagues in Congress will want to join with me in honoring this giant of a man whose contributions to society are truly noteworthy.●

POSTAL RATE INCREASE

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. HUBBARD. Mr. Speaker, as we all know, the U.S. Postal Service has once again raised the price of a first-class stamp, this time to 20 cents. Mr. Charles Beach, Jr., president of the Peoples Exchange Bank of Beattyville, Ky., has written me an excellent letter on the problem of junk mail and its relation to the latest rate increase. I agree with Charlie Beach's letter and think it should be shared with my colleagues. The letter follows:

DEAR CONGRESSMAN HUBBARD: It appears that all governmental agencies move in defiance of Congress.

Specifically, I refer to the postal department's intention to raise first class rates to 20¢. I have written many letters previously to you complaining about first class mail subsidizing junk mail.

Of course, lobbyists for those interests can provide supporting positions that this is not true. However, if you would visit a local post office you would observe that four-fifths of the mail is advertisements, junk mail, and of such quality that is usually thrown in the wastebasket.

It is a horrendous waste of natural resources, it adds to the burden of garbage disposal and adds significantly to the overall postage costs. Also, it is very time-consuming to sort the first class from the junk mail. In our small business employing 20 people, there will be four catalogs addressed to the same person.

Hopefully, Congress will see fit to demand implementation of efficiency measures which will eliminate the necessity for this increase. This has been done by United Parcel Service while controlling costs without diminishing operational efficiency.

Your opposition to this postage rate increase, which will obviously be passed on to the consumer, should be justifiable. Your consideration of this request will be greatly appreciated.

Kindest regards,

C. BEACH, Jr.●

HIGH-LEVEL RADIOACTIVE WASTE MANAGEMENT BILL INTRODUCED

HON. MARILYN LLOYD BOUQUARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mrs. BOUQUARD. Mr. Speaker, I have today introduced a consensus bill on high-level radioactive waste management. Essentially, the bill establishes the legal and institutional mechanism to permit the safe disposal of high-level radioactive waste in a repository mined deep underground in stable geologic media.

The technical experts have been telling us for a number of years that the barriers to nuclear waste disposal are political and that the most efficient use of funds requires a focused program of research, development and technology demonstration integrated with the mining and construction of a permanent disposal facility. The bill that I have introduced also addresses the only real barriers to nuclear waste disposal: the political ones. It also pro-

vides that the generators of the waste, the utilities, would pay for the costs of the program thus financing it off budget.

The bill is the product of considerable and careful compromise between the members of the Committee on Science and Technology. It was originally proposed in the Science Subcommittee on Energy Research and Production, which I chair, by Mr. LUJAN and myself. The subcommittee majority and Republican staff, under our direction, met frequently with the staff of the Committee on Energy and Commerce and the Committee on Interior and Insular Affairs to understand their perspectives. They then fashioned a bill at the direction of the subcommittee leadership which was adopted by an 11-0 vote.

With the assistance of the members on the full Committee on Science and Technology, we have been able to further improve the bill to the satisfaction of 20 members of the committee, who have agreed to cosponsor the legislation.

I am hopeful that the committee can meet this coming Friday and order the legislation reported to the full House. Of course, three other committees of jurisdiction must act before floor action can be scheduled, These are the Committee on Energy and Commerce, the Committee on Interior and Insular Affairs, and the Committee on Rules. I call upon my colleagues in these committees, especially the leadership, to act upon this legislation at the earliest practical date. It is long past time for the Congress to exercise strong and responsible leadership to resolve this pressing issue.

I am including at the end of this statement a section-by-section analysis in order to aid additional members outside our committee to decide whether they wish to sponsor this important legislation.

SECTION-BY-SECTION ANALYSIS OF THE SCIENCE AND TECHNOLOGY COMMITTEE NUCLEAR WASTE BILL

Section 1. Short title is the "High-Level Radioactive Waste Management and Policy Act".

Section 2. Definitions.

Section 3. Findings—Wastes are a national problem, State participation important, the technology exists, it is in national interest to resolve the issues. Purpose—To establish policy, to accelerate the program and provide direction to Secretary, to authorize construction of facilities, to authorize collection of fees, to improve cooperative role with states, to provide technical and financial assistance to states.

Section 4. Application. the Act does not apply to defense waste repositories.

Section 5. Mission Plan. Secretary shall prepare a mission plan for the authorized programs. It includes an identification of information needed to make determinations on siting and constructing repositories and a Test and Evaluation Facility, an identification of information not available, a schedule for developing information, an evaluation of problems which could impede implementation of the Act, a discussion of the need to build more T&E facilities and comments on the authorized T&E facility, a discussion of significant results of R&D program including impact on geologic media and the advantages and disadvantages of using media, the guidelines issued pursuant to Section 6(b), site characterization research and testing details, identification of waste solidification technologies, an estimate of repository capacity needed through year 2020 including number of repositories needed, a schedule for constructing repositories, an estimate of total costs, and an identification of adverse impacts. Plan submitted to agencies for comment within 15 months after passage of Act. Notice to be published in Federal Register and public comments sought when Secretary submits the plan, when Secretary receives comments, and when and if Secretary doesn't comply with suggestions for change. When the Secretary doesn't comply, he must also publish a detailed statement as to why he won't comply. Plan to be submitted to Congress within 17 months after enactment for a period of thirty days before it becomes effective. Plan to be updated annually. Amendments to the plan to lay before Congress for thirty days.

Section 6. (a) Within 12 months, the Secretary shall complete a final programmatic EIS consistent with NEPA.

(b) Guidelines. Secretary in cooperation with other Government agencies to promulgate guidelines, within 6 months after passage of Act, for the selection of sites. Obligation to promulgate not contingent upon action of other agencies.

(c) Site identification. Secretary to identify at least 3 sites in two geologic media, one of which is other than salt, within 1 year after passage of Act. Other sites may be identified after first year. Each site identified shall be supported by detailed statement. Governors and Tribal Council notified as soon as possible of such identification.

Section 7. Siting Research and Related Activities. (a) Complete siting research, including site characterization, for at least 3 sites within 42 months after identification of the sites pursuant to subsection 6 (b). Preconstruction activities are authorized, however, no on-site T&E construction is permitted until a decision is made on selection for a permanent repository.

(b) Within 6 months after identifying a site, Secretary shall hold at least one public meeting to receive views and prepare an environmental assessment pursuant to NEPA of nonradiological impacts.

(c) Siting research is limited to that necessary to prepare NEPA statements and to make siting decisions

(d) Secretary must use smallest quantity of radioactive materials necessary to achieve desired results. Secretary to ensure that radioactive material is fully retrievable. Such material must be removed at the completion of siting research activities. T&E facility exempt from these restrictions.

Section 8. (a) Secretary to hold at least one legislative-type public hearing after sites are evaluated and before Secretary selects sites. If Secretary determines to select site, he notifies Governor and others and submits a Repository Development Report to President for his decision. If site is disapproved, Secretary proposes another site to President.

(b) If President and Congress don't disapprove site, Secretary shall submit license application to NRC within 30 days after date that Congressional and Presidential review period expires, and give copies to State and Tribe. NRC to consider application only on Atomic Energy Act considerations.

(c) NRC to report to Congress two years after receiving license and annually thereafter on unresolved issues, and NRC actions. Secretary to supply NRC with any needed information.

(d)(1) License application subject to Atomic Energy Act and Reorganization Act, except that NRC must decide on construction authorization within 24 months after application is submitted. A 12 month extension is permitted if: Secretary agrees to extension, a favorable decision likely in that period, and NRC reports to Congress. If license denied, Secretary to select another site ASAP under procedures of Act. NRC to keep itself fully and currently informed on details of repository before it receives application to minimize the time it needs to consider application, Secretary to supply NRC information.

(2) Re NRC hearings: Parties may submit data, view or arguments as hearing board may require. Oral argument may be had at the request of any party. Discovery may be used. Parties must submit a summary of known facts and arguments upon which party proposes to rely at the time the proceeding begins, unless hearing board finds that submittal would unduly delay the proceeding.

(3) Adjudicatory hearing may thereafter be scheduled only if there is genuine and substantial dispute upon which decision of NRC is likely to depend. Hearing board must document these facts.

(4) Commission decision in these proceedings not reviewable by court unless timely objection was made, and the Commission's decision precluded fair consideration of the issue.

(5) Hearing board can consider only issues raised by parties or the Commission except in operating license hearings when board can raise issues *sua sponte* under extraordinary circumstances.

(6) Parties must support contentions with substantial or specific facts.

(7) Secretary must complete repository construction within 6 years after receiving a construction authorization. Secretary to operate repository as soon as possible after receiving license.

(8) Commission may communicate with Secretary at all times to fullest extent of law.

(9) The Secretary's EIS shall satisfy the NRC responsibility under NEPA.

(10) Secretary may petition Commission for interim license while hearings are being conducted. Commission shall grant petition if in all other respects the law had been met and there is reasonable assurance that public health and safety is protected.

(11) Commission to promulgate rules for reviewing applications within 6 months of passage of Act. Promulgation not contingent on EPA issuance of standards according to Section 10.

(12) Secretary may take title to radioactive material to be disposed of in the repository.

Section 9. (a) States and Tribes entitled to participate in consultation and concurrence process as soon as sites are identified and throughout life of the repository. Process is a methodology by which Secretary keeps Governor or Tribal Council informed, solicits their views, resolves their concerns, and allows the State or Tribe to conduct monitoring and testing provided it does not unreasonably interfere with on-site activities.

State, Tribe, and Secretary may enter into agreement to specify the procedures for the above process. Act does not grant States or Tribes authority except as specifically noted.

(b) Secretary must prepare Repository Development Report within 6 months after completing hearing process for a site. This report includes an EIS for site and views and comments of interested parties, Secretary's response to them, license application for repository, and plan for transporting radioactive material to repository.

(c) President has 30 days to review Secretary's site selection. If President approves and State or Tribe does not object then site selection becomes effective 30 days after approval.

(d) If President approves, and State or Tribe files petition with Congress, then Congress has 40 legislative days to pass a resolution of disapproval of site before site selection becomes effective. Rules relating to Congressional consideration are specified.

Section 10. All concerned Government agencies to assist the Secretary in preparing reports and Mission Plan under Act. Except as specified, no agency action prior to site selection is a major Federal action for NEPA purposes. Agencies to avoid duplication of efforts in preparing NEPA statements. EPA to promulgate generally applicable criteria for protection of the environment within 4 months after passage of Act. Secretary to prepare Project Decision Schedule for all concerned agencies. All agencies to comply or report to Congress as to why they can't comply.

Section 11 (a) R&D on Waste Disposal. Eight purposes of the T&E Facility mining of which shall be started within 64 months after passage of Act: (1) to supplement site characterization, integrate components into system, settle licensing issues, validate models, refine and confirm engineering, supplement other site characterization data by determining media-specific geological characteristics, evaluating design concepts and establishing operation capability at low radiation exposures.

(b) Design—T&E Facility must be designed so that Capacity to be from 40 to 300 canisters of solidified waste, or spent fuel if waste not available and wastes or spent fuel shall be fully retrievable and shall be isolated from the biosphere using a system of engineered barriers and geology.

(c) T&E operation to begin 88 months after Act's passage. Testing program shall include in-situ testing of borehole sealing, radionuclide migration, water flow, engineered barriers, waste packages, and various credible failure modes, and such other R&D as appropriate. If the T&E site is not selected for a repository, the testing program is restricted.

(d) The DOE may use existing facilities for generic R&D as long as the Secretary deems appropriate.

(e) Limitations. T&E facility may be used as disposal facility only if authorized by the Commission pursuant to this Act. T&E operation to terminate within five years after initial operation of the repository or sooner if the Secretary determines that it is no longer necessary for RD&D. NRC concurrence required on decommissioning and decontamination if T&E colocated with a repository.

(f) Engineered Barriers. The system for isolating wastes to be designed to last at least as long as the time period required by regulations for repositories.

(g) NRC Role. Secretary and Commission to enter into memorandum of understanding establishing arrangements for consultation and coordination. Memorandum of understanding shall include a decision schedule for NRC's review of the Mission Plan, environmental assessments and reports required by the Commission to evaluate any health and safety concerns. The understanding shall also stipulate conditions under which NRC may enter the facility to assess health and safety concerns. T&E facility and DOE spent fuel R&D facilities not subject to NRC licensing.

(h) Secretary and State or Tribe which hosts T&E site shall enter into written agreement for consultative and cooperative role in construction and operation of T&E Facility.

(i) Secretary shall prepare environmental assessment prior to excavating major shafts for T&E facility and Environmental Impact Statement prior to emplacing radioactive materials. Repository site evaluation not limited by this subsection.

Section 12. Secretary shall establish a demo program for dry storage of spent fuel. The demos shall include cask, caissons, or silo storage technologies with preference given to utilities with a near-term shortage of storage capacity. The Secretary shall enter into agreements for licensed on-site demos and the DOE shall provide up to 50 percent of the funding for such activities. The technical assistance of the DOE may include an R&D program at DOE facilities including up to 300 tonnes of spent fuel.

Section 13. Secretary shall pay $3 million per year to the States or Tribes where a potential site is located, from the date a site is identified to the date a site is selected, provided that such state has entered into a cooperative agreement with DOE. Thereafter, the Secretary shall pay $10 million to the States or Tribe where the site is located, from the date site selection is effective to the date that the repository is full. The State or Indian Tribe may use the payment for whatever purpose they deem necessary, provided that the State must agree to make at least a ten percent payment to the localities where the site is located.

Section 14. (a) Jurisdiction. D.C. Appeals Court jurisdiction only over all civil actions regarding final decisions or actions. No decision or action is considered final prior to effective site selection. Civil actions on constitutional grounds may be brought at any time.

(b) Supreme Court. Supreme Court has exclusive review authority over D.C. Appeals Court decisions, provided that appeals must be filed within 15 days of the decision.

(c) Both courts must exercise their power to expedite their determinations. Appeals Court shall rule within 90 days unless the Constitution requires longer period, or the agency is not enjoined from complying with the Project Decision Schedule.

(d) Actions in the Appeals Court must be brought within 30 days of decision or action, except if party did not have knowledge of the decision or action.

Section 15. (a) Secretary authorized to enter into contracts for disposal services with persons owning waste and persons licensed by the NRC. Fees charged such persons shall provide funds for the entire program. Each person charged no more than his anticipated pro rata share. Secretary shall establish the criteria in writing for such contracts.

(b) NRC precluded from issuing licenses for a production or utilization facility to any person that does not have such a contract unless the Secretary affirms that such person is negotiating with him for a contract. NRC may also condition other licenses on the applicant having such contracts.

(c) All funds received by the Secretary to be deposited in the Treasury in a nuclear waste fund.

(d) Expenditures from the fund as included in the annual budget submitted to Congress but within such directives as in appropriation or authorization Acts.

(e) Secretary can request Treasury to invest excess funds.

(f) Fund assets are not subject to apportionment.●

SAVE OUR INTERNATIONAL EDUCATIONAL PROGRAM

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. LaFALCE. Mr. Speaker, I fear that the budget cuts proposed for our cultural exchange programs are going to cost more than they save.

The Director of the International Communication Agency (ICA), has proposed to absorb the 12-percent cut in its 1982 budget by drastically curtailing one small sector of ICA activities, the educational and cultural exchange program, rather than allocating the cut evenly to all ICA programs. As a result, the successful Fulbright academic exchange and our visitor programs will be cut in half.

The benefits of these programs cannot be measured simply in terms of dollars. Many of the young people who have participated in these grant programs, since 1946, are influential political, business, and educational figures in their own countries. Without a doubt, these highly visible programs serve our national interest above and beyond their cost. If anything, we should be increasing our support for these programs, not drastically curtailing them.

The New York Times, in an editorial, October 28, 1981, discusses the issue in terms of our Nation launching "a policy of unilateral disarmament in the worldwide contest of ideas." The Times states: "The thrashing of these programs proclaims a policy of brawn without brain."

I agree. I encourage my colleagues to read the editorial which follows:

[From the New York Times, Oct. 28, 1981]

AMERICA SURRENDERS

The United States is about to launch a policy of unilateral disarmament in the worldwide contest of ideas. The Administration proposes cuts in the revised State Department authorization bill that would devastate educational and cultural exchange.

Like most departments, the International Communication Agency has been asked to absorb an additional cut of 12 percent in its 1982 budget. But instead of protesting or looking to its bureaucracy, it proposes that

virtually the entire amount come out of educational and cultural programs.

Funds for exchange of students and scholars, for example, would be reduced from an already inadequate $79 million to $22 million. Academic exchanges with 61 countries would be eliminated altogether.

There would be no further support services for the more than 300,000 foreign students who require them to remain enrolled in American universities. The 35-year-old Fulbright fellowships would end except in a few countries with special agreements.

And the number of promising leaders brought here by the International Visitor program would decline from 1,500 to 750, eliminating 75 countries entirely. This is the program that first showed American life in all its variety to 33 current heads of government.

All in all, the cuts would leave the Soviet Union the unrivaled champion of education and culture for most of the poorest nations of the world.

What a travesty for an Administration determined to spread its might and influence abroad. To so shortchange contacts and communication—including the export of books, art, music, theater and drama—will have serious enough consequences in the short term. In the long run, the loss in understanding and human ties would be devastating. The trashing of these programs proclaims a policy of brawn without brain.●

THE F-111B/C

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. COELHO. Mr. Speaker, the F-111B/C, while providing a near-term capability, is extremely limited and lacks the flexibility and long-term utility required in a new strategic bomber aircraft. It is not suitable as a missile carrier and is thus only a partial, stopgap solution. There is some doubt about the technical feasibility of the proposed modifications and projected delivery schedules. Also, because it is a modification of existing FB-111A's and F-111D's, it is limited to a maximum of 144 aircraft and to the weapon capability inherent in that force.

The tactical F-111 aircraft currently fulfills an essential role in the all-weather, long-range strike force available to our tactical air forces. Diverting the F-111D's from our tactical air inventory and modifying them for service in the strategic forces will create a deficiency in our conventional capability which will require a replacement aircraft.●

UKRAINIAN HELSINKI GROUP DEFENDS BASIC HUMAN RIGHTS AND DIGNITY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. ANDERSON. Mr. Speaker, November 9 marked the 5th anniversary of the establishment of the Kiev-based Ukrainian group to promote the implementation of the Helsinki accords, also known as the Ukrainian Helsinki Group. This group was founded slightly more than a year after the Soviet Union joined 34 other nations in signing the final act of the conference on security and cooperation in Europe, better known as the Helsinki accords. The accords guarantee the right of individuals to "receive and impart information and ideas through any media and regardless of frontiers." The hopes that the U.S.S.R. would honor the agreement's provisions and that it would respect the individual and national rights of its citizens, proved hollow. Thus the Ukrainian Helsinki Group attempted to monitor the violations.

Ten selfless individuals founded the group, and its membership climbed to 37 over the years. Today not one active member remains in the Ukraine. Twenty-three are in prison, six have been exiled overseas, four are in internal exile, one committed suicide, and two are under police surveillance after completing their prison sentences. One member is no longer active in the group. These individuals tragic situation reflects the Soviet reality where the regime doesn't respect rights guaranteed by law. The group's memorandum No. 5 recognized this situation and stated:

We have a Constitution that is not altogether bad, our country signed the Universal Declaration of Human Rights and the Helsinki Accords . . . But when it comes to reality, then all these rights and opportunities turn not only to mirages but into cruel blows. By demanding that which is declared in Official Documents, a human being dooms himself to endless tortures.

In spite of these dangers the members of the Ukrainian Helsinki Group continued to, in the words of Oles Berdnyk, "assert the primacy of the individual" in relation to the state. Berdnyk stated this meant that: "Law belongs to the individual, not to the state, which should only protect its citizens from usurpation of the law."

The Ukrainian Helsinki Group's members believe that peace and human rights are inseparable. This view is affirmed in the organization's memorandum No. 18 which states:

Peace in Europe cannot be built on lies and the secret designs of the rulers of the individual states. Peace cannot be built upon the oppression of peoples, for such a peace does not mean happiness for the oppressed and disfranchised, and they will strive to destroy it.

In the eyes of these brave souls, national and individual human rights are interrelated as true freedom can only exist in concert with them both. Hence the Ukrainian Helsinki Group has striven to defend Ukrainian national and cultural rights as well as those of the individual. Mykola Rudenko, the group's leader, expressed this view in stating that "we cannot ignore the nationality question: most Ukrainian political prisoners have been sentenced for imagined or real nationalism" Therefore, individuál and national rights are solidly interwined as the suppression of national rights is dependent on the suppression fo individual rights and the suppression of individual rights is a product of the suppression of national rights.

My wife, Lee, joins me in honoring these brave and selfless individuals whose struggle to defend freedom and human dignity is an inspiration to all people of good will throughout the world.●

THE DEPOSITORY INSTITUTIONS DEREGULATION COMMITTEE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Ms. OAKAR. Mr. Speaker, as one of several Members who has petitioned more than once for a halt to the "runaway DIDC"—Depository Institutions Deregulation Committee—I am pleased that today the Subcommittee on General Oversight of the House Committee on Banking, Finance and Urban Affairs has begun a series of hearings on the activities, policies, and procedures of the DIDC.

It is incredible that, in spite of the crisis in the thrift industry, the DIDC persists in untimely experiments with "wild card" instruments and attempts to raise the passbook savings rates—experiments which threaten to erode the profitability of savings and loan associations even further. At a time when these institutions need to build up an adequate reserve base and make gradual adjustments to deregulation with respect to the market sensitivity of their assets and liabilities, the recent decisions of the DIDC overwhelm the savings and loan associations with added costs and competitive activity. They will be forced into borrowing money at the prevailing interest rates, thus offsetting any gains that might accrue from new depository instruments.

The DIDC is a creature of Congress. Yet the Secretary of the Treasury seems to exert more influence over the decisions of the committee than this

House has exerted since the inception of the committee in March 1980.

The efforts of the DIDC, in moving so precipitously toward deregulation, when caution would be well-advised, seem to run contrary to the intent of Congress. Title II of the Depository Institutions Deregulation and Monetary Control Act of 1980 specifies that the DIDC shall phase out interest ceilings only "as expeditiously as economic conditions and the viability of depository institutions permit," and that it shall be accomplished "with due regard for the financial condition of depository institutions."

The intent of Congress in establishing this committee was clear. It is time that Congress exercised its supervisory responsibility, so that deregulation does not become a synonym for disintegration.●

FRACTIONAL CURRENCY: ARTIST PROPOSES AN IDEA FROM THE PAST

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. ROSENTHAL. Mr. Speaker, it appears that the current trend for curing our ailing economy is to revert to yesterday's programs and ideas. First, we were presented with supply side economics, which we have recently learned is nothing more than the antiquated trickledown theory. Now, the current vogue is to return to the good old days when gold was the standard for our dollars. Since there seems to be such an infatuation with bringing back the past to deal with the present, why do we not go all the way and consider the proposal of artist Lee Haner to return to the days of fractional currency?

Today, the U.S. Treasury is in a financial predicament not unlike that during the Civil War, as the intrinsic value of our coinage rapidly approaches the point when it exceeds its face value. As yesterday's common metals join gold, silver, and copper as an investment speculation in the world bullion market, artist Haner's proposal to discontinue the production of metal coins and to replace them with fractional currency printed on thin, flexible, vinyl acetate seems as viable an idea now as it was in the 1860's when fractional currency was at its heyday in the United States. Mr. Haner has even gone so far as to create actual designs for the new currency, which is one step further than the gold-standard standard barriers have gone. These designs can be seen at his exhibition at the Jack Rasmussen Gallery during the month of December.

I recommend to all my colleagues who are inclined to look to the past for ideas for the present to take a look at this exhibit. Mr. Haner's proposal follows:

1. The Treasury drop the one cent denomination altogether. After all, nothing costs a penny anymore. Financial transactions would simply be rounded off to the nearest five cents. This step in itself would save the Treasury enough money to pay for the first issue of fractional currency.

2. The Treasury abolish coinage and issue 5¢, 10¢, 15¢, 25¢ and 50¢ currency. A substantial savings would be realized with printed fractional currency over the production, transportation and storage of coins.

3. Print fractional currency on thin, flexible vinyl acetate. Vinyl acetate would cost less and last two or three times longer than present paper formulas used for currency.

4. Replace outdated printing techniques with less expensive one step photo/engraving process.

5. Adopt a unit code/anti-counterfeiting symbol to be printed on the back of each piece of fractional currency. This symbol can be used with present scanner/computer checkout systems. The unit code symbol would contain the denomination of the currency, automatically subtract that denomination from the cost of the purchase and ensure the currency is genuine. In addition, each symbol would contain information essential to the treasury: serial numbers, district numbers, plate and series number.

This approach would provide a fool-proof anti-counterfeiting device and eliminate the need for costly inks, papers and printing techniques used to discourage counterfeiting.

6. Fractional currency will be designed by living contemporary American artists. Every five years new fractional currency will be developed and issued by different artists.●

SPENDING REDUCTION

HON. MARILYN LLOYD BOUQUARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mrs. BOUQUARD. Mr. Speaker, the action of the House of Representatives rejecting the administration's request for a 5-percent across-the-board spending reduction to the continuing appropriations bill was reasonable and prudent. Based on Congressional Budget Office estimates, the spending level approved by the House is within $2 billion of the level proposed by the President in his September budget revisions and, when you include the anticipated spending level for the defense budget, we will actually be $4 billion below the President's latest budget. Further testiment to the success of our efforts to make necessary reductions comes from my colleague, the ranking minority member of the Appropriations Committee who provided us with figures estimating a savings of $727 million over the President's September budget.

The administration supported the across-the-board, take-it-or-leave-it proposal that made no effort to judge the merits of individual programs. Like Gramm-Latta II before it, this proposal was both irresponsible and reckless. Obviously, there are programs which could be cut by more than 5 percent, just as there are others, especially in the areas of education, services for the elderly, and defense that could not withstand another round of cuts.

We in the Congress are faced with the difficult job of weighing fiscal responsibility with human needs. What concerned me most was that these cuts were to come on top of the reductions totaling over $35 billion already approved. This proposal would have meant that aging programs, including funding for elderly nutrition and employment programs, would be cut by another $55 million. Community health centers, already cut by $67 million, would have been reduced by another $13 million; Alcohol, Drug Abuse and Mental Health Administration programs, an additional $42 million; handicapped education programs, which were reduced in the continuing resolution by $43 million, would have been reduced another $53 million under the 5-percent cut. Vocational education programs, a critical need with unemployment accelerating, would have been cut an additional $39 million, on top of the $22 million already provided in the bill. Student financial assistance would have been cut by an additional $575 million, depriving thousands of Americans the opportunity to pursue a college education. These are the budgetary facts of this proposal and the list could go on and on.

There were several questions supporters of the administration's proposal left unanswered. Why, for example, was foreign aid to be exempted from the cuts? Why did we not include the spending for the District of Columbia as part of the reduction package? What is the impact on the production of the MX, Trident, and cruise missile warheads as a result of the proposed $235 million reduction in those programs? These are all questions that were not answered. We are, right now, spending less than President Reagan requested in his September budget revisions, according to the Congressional Budget Office. But we cannot fulfill our responsibilities by simply rubberstamping every spending reduction the President proposes. It is our responsibility to consider not only the numbers involved in the budgetary process but also the people those numbers represent and I do not believe the across-the-board 5-percent cut addressed either concern.●

TAX CODE BUNGLING

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. LaFALCE. Mr. Speaker, once again I must speak out against the provision of the Tax Code, enacted this past summer, which permits the "leasing" by one company to another of unusable investment tax credits and depreciation deductions. This costly and ill-conceived provision has been aptly described by conservative economist Alan Greenspan as "food stamps for American business."

This tax-break swapping scheme will cost the U.S. Treasury untold billions of dollars (far greater, I believe, than the administration's acknowledged figure of $27 billion over the next 5 years) at a time when the administration is looking desperately for ways to cut our enormous deficit. Moreover, this leasing provision is bad tax law because it actually rewards business inefficiency by assuring unprofitable companies that they will always be able to sell off normally unusable tax breaks.

Now, recent reports, including one in yesterday's New York Times, indicate that our Nation's all-important smaller firms are not even able to fully avail themselves of the tax breaks. Instead, the tax leasing deals have mostly benefited larger and more profitable companies which already have excess tax shelters.

I really do not have much to say about this leasing provision, and not much at all was said about it before it was pushed through the Congress along with the rest of the tax package. But if there was one redeeming feature of the provision—just one positive way to look at it—it was that the provision was, allegedly, going to permit all companies—not just profitable ones—to share in much-needed tax relief. Now, according to the Times article, the administration's plan never was to help out weaker companies in need of incentives to make equipment and other investments. So those companies which we thought would be helped by this provision, however flawed a method of relief it was, are not even enjoying the benefits of it. A sorrier example of Tax Code bungling would be hard to find.

At this time I insert in the RECORD the column from yesterday's New York Times:

[From the New York Times, Tuesday, Nov. 17, 1981]

TAX LEASE AIDING BIGGER COMPANIES

(By Leslie Wayne)

Under the Reagan Administration's new tax-leasing program, smaller companies and those that are financially weak have so far been less active sellers of unneeded tax benefits than larger and more profitable companies with excess tax shelters.

"The initial view of the bill was that it would help nonprofitable companies," said Donald R. Kendall Jr., a vice president at Morgan Stanley & Company. "Clearly it helped companies that cannot use tax benefits sufficiently. Unfortunately, it has done less well for those nonprofitable companies and those with credit problems. The bill has done what it was supposed to, but not completely."

Peter K. Nevitt, president of BankAmeriLease, the Bank of America's leasing subsidiary, added: "In hindsight, the thing didn't work out the way anyone had intended. Those that didn't benefit were weak credits and a whole host of small-to-medium-sized businesses. Middle-range companies got left out in the cold, and that's the bulk of American industry."

TAX BENEFITS SWAPPED

The tax-leasing program, part of the Administration's 1981 tax-cut package, permits companies with excess investment-tax credits and depreciation deductions to sell them to other companies seeking ways to shield their earnings from Federal taxation. The first group of these deals was completed last Friday, the deadline for the swapping of tax benefits on equipment that had been purchased during the first nine months of 1981. Tax benefits on some $10 billion to $20 billion were said to have changed hands by Friday's deadline.

As of this week, tax benefits can be traded only on newly purchased equipment.

A Treasury official, who declined to be named, said yesterday that the Reagan Administration tax-lease package was intended not as a boon to ailing industries but as a mechanism to aid capital investments by all companies, money-making and money-losing.

"The purpose of the legislation was not to help weak credits or any other class of companies," the Treasury official said, "but to provide benefits of accelerated depreciation to all companies whether in a positive or negative tax position. It was intended to stimulate investment and to reduce the cost of capital to all firms, whether a weaker credit or not. Certainly the goal of the legislation has been realized."

But to date, few small- and medium-range companies have participated in tax-swap deals, largely left out of the rush by investment bankers and lawyers to complete the largest volume of deals by the Friday deadline. And, while some financially troubled companies, such as the Chrysler Corporation and Pan American World Airways, have received a much-needed infusion of cash by selling equipment for tax purposes under the sale/lease-back agreements, prominent among the sellers of tax benefits have been profitable companies with more tax shelter than they needed.

NEW RULES ISSUED

Weaker companies were first hampered by Treasury regulations that did not protect the buyer of the tax credits from possibly losing them if the selling company went bankrupt. On Nov. 10, however, three days before the deadline for deals on equipment put into service in 1981, the Treasury issued new regulations. These regulations allowed purchasers of the tax benefits to keep those benefits in the event of a bankruptcy, if prior consent of lenders with a security interest in the equipment had been obtained.

The mechanics of obtaining these agreements, the reluctance of some secured lenders to give them and the demands of some buyers that bank letters of credit be obtained by sellers with weaker credit standings have so far slowed deals with weak credits and may continue to slow them in the future, tax-leasing specialists say.

Gregory Joseph, a vice president in the corporate finance department at Salomon Brothers, said his firm limited deals to good credits only in trying to process the rush of business before the Nov. 13 deadline. "Our time was spent going after better credit deals," Mr. Joseph said. "This wasn't giving carte blanche to poorer credits. We kept to better credit situations and all our deals got done. We took the position that credit might be a factor. To spend all our time to do a Chrysler would take away from completing better credit deals."

William P. Carey, of the investment firm that bears his name, said that many banks balked at giving weaker credits the necessary agreements, either a letter of credit or a sign-off accord stating that the tax credits stayed with the buyer in the event of a bankruptcy. As a result, "The weaker fared not as well as they should have," he said, asserting that instead of balking at such agreements banks should "joyfully sign them for the good of the economy and the good of their clients."

Among the tax-leasing deals announced yesterday were the sale by Pan Am of tax benefits on four aircraft for $47 million, the sale by Continental Air Lines on some $94.3 million of equipment to Metromedia Inc. for $24 million, the purchase by the Norfolk & Western Railway of tax benefits on some $200 million of equipment for $40 million, the $46 million sale of tax benefits on 1,000 hopper cars owned by the Richmond Leasing Company, and the $20 million sale of tax benefits by the National Steel Corporation to EG&G Inc.●

SOUTHERN NEVADA—PLANNING FOR GROWTH

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. SANTINI. Mr. Speaker, one of the most important ways citizens can become involved in their community is planning for growth. As my colleagues are aware, Nevada will have a second Member of Congress in 1983 and the southern part of the State is rapidly increasing in population.

The American Nevada Corp., in Henderson, Nev., is building an 8,400-acre planned community known as Green Valley. When Green Valley is completed in another 20 years, it will house 100,000 persons in all types of residential units. It will contain 2 million square feet of retail and office space, another 2 million square feet of light industry, recreational facilities, and educational institutions.

Green Valley has been profiled by the Urban Land Institute of Washington, D.C., as an example for other community developers to consider.

About 1,000 acres have been developed so far which include 1,000 single-family dwellings, several townhouses, manufacturing and warehouse facili-

ties, an elementary school, and a 5-acre park. A neighborhood shopping center is currently under construction.

Residents of southern Nevada, American Nevada Corp., VTN of Nevada Engineering Planners, and Willis & Associates of San Francisco deserve much credit for the high quality urban design and environmental standards used in Nevada's largest master-planned community.●

THE UKRAINIAN HELSINKI GROUP

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. WAXMAN. Mr. Speaker, November 9, 1981, marked the fifth anniversary of the creation of the Ukrainian Public Group To Promote the Implementation of the Helsinki accords. We are here today to honor the Helsinki group and to praise the efforts and sacrifices of its 37 courageous members. Through their strong and steadfast commitment to the freedoms and liberties embraced in the Helsinki accords, and through their own personal sacrifice, these individuals are an inspiration to us all. The tragic fate of the Ukrainian group, however, will serve as a constant reminder of the Soviet Union's blatant refusal to abide by the Helsinki Final Act and other international treaties to which it is a signatory.

The self-proclaimed objective of the Ukrainian group was to monitor the Soviet Union's compliance with the Helsinki accords, and to report to the free world any violations of this international covenant. The group was founded on the premise that peace among nations cannot be guaranteed "without free contacts among people and the free exchange of information and ideas." It has sought to familiarize the Ukrainian public with the national, cultural, civil, political, and religious rights guaranteed by the Declaration of Human Rights, and inform the West of any abuses of these freedoms.

The group also sought to insure that the Ukraine—as a European state of 50 million people, and as a founding member of the United Nations—be included in the Helsinki peace process and have a role in the structuring of security and cooperation. To members of the Ukrainian Helsinki group, the issue of Ukrainian national rights is linked to the issue of human rights. Their limited, but successful activities, gave hope to the persecuted people of the Ukraine, signaling that despite KGB attempts in the early seventies to suppress Ukrainian nationalism, the Ukrainian people's movement for national and human rights was still alive.

Ironically, the Ukrainian Helsinki group met its tragic fate by attempting to exercise, through peaceful activity, the very rights that have been sanctioned by the Helsinki accords. From its inception, the group strove to accomplish its objective of gathering and imparting information regarding the human, civil, and national rights in the Ukraine. The repercussions from these activities were immediate and severe. Despite searches, arrests, and continuous harassment, however, the group still managed to continue to compile enough documentation of Soviet abuses of human rights to fill two volumes. Today, of the 37 writers, poets, teachers, economists, engineers, and lawyers that comprised the Ukrainian Helsinki group, 23 are imprisoned, 4 are in internal exile, 6 were forced to exile abroad, and 1 was driven to suicide. Only four are free after completing their sentences, yet are still under continual police surveillance.

Imprisoned group member Oles Berdnyk once asked himself, "What next? What have we achieved? We have secured the relase of no one, but have lost many friends." Despite the terrible setbacks, the Ukrainian group's work has been far from meaningless. Members have succeeded in transmitting to the West memoranda, statements, and manifestos showing Soviet suppression of human rights. They have eloquently made a case for Ukrainian inclusion in the Helsinki peace process. They have succeeded, through their own courageous example, in raising the level of consciousness in the Ukraine. These limited, but far-reaching successes have ignited a spirit of hope throughout the free world.

Mr. Speaker, the members of the Ukrainian Helsinki group must be commended. Their perserverence and their dedication to which they so strongly believe serves as an example for us all. As we pledge our continued support in the fight for human rights, we must look to the Ukrainian Helsinki group for inspiration; despite Soviet attempts to suppress the articulation of their most basic human rights, neither their remarkable spirit nor their undying courage has faltered.●

JOHN McCORMACK HEALTH LECTURE BY REPRESENATATIVE JAMES R. JONES

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF RESPRESENTATIVES

Wednesday, November 18, 1981

● Mr. ASPIN. Mr. Speaker, each year, the Providence Hospital sponsors a health lecture honoring the late Speaker of the House, John W. McCormack. Providence Hospital has been serving the Washington community since 1861 and is the oldest hospital in continuous service in the District of Columbia. Speaker McCormack was a long-time friend of Providence Hospital. In fact, the Speaker actually lived in the hospital for a time when his dear wife was being treated for a prolonged illness. In the early 1950's, Speaker McCormack was instrumental in obtaining legislation which provided financial assistance for the construction of the present hospital in northeast Washington.

This year was the first lecture since Speaker McCormack's death. Providence Hospital asked that Congressman JAMES R. JONES, chairman, House Budget Committee, offer this special address. Congressman JONES had worked with Speaker McCormack while on Capitol Hill as a legislative assistant and later in the Johnson White House. He offered a provocative message on the future of controlling health care costs and providing adequate medical services. The text of the speech follows:

THE JOHN W. MCCORMACK MEMORIAL HEALTH LECTURE, NOVEMBER 16, 1981

TRENDS IN HEALTH CARE EXPENDITURES AT THE FEDERAL LEVEL

(By Congressman JAMES R. JONES, Chairman, House Budget Committee)

Thank you for the introduction, and for inviting me to be with you tonight. I look on this speech as both an honor and an opportunity. It is an honor to address such a distinguished group, a group which meets under the aegis of the late John W. McCormack. I had the opportunity to work with the Speaker in 1962, when I was an assistant to former Congressman Ed Edmondson of Oklahoma. My boss was the head of the Speaker's Bureau, and during the Cuban Missile Crisis, it was my job to arrange telephoned "speeches" for the Leadership. In between calls, Speaker McCormack chatted with us aides, and mentioned the philosophy by which he cast his votes.

There are a lot of ways, he said, to decide how to vote. You can cast your vote on the basis of party, Democrat versus Republican. You can do it according to money, big budget versus small budget. You can do it according to geography, what will be good for my district versus what won't. "But I," he said, "I vote according to the family. I vote for what will strengthen the family, and against what will weaken the family." Those other factors, and many more, are important. But the family is the central core of our society. And almost every vote comes down to that.

The issue I am going to address tonight involves many complicated factors, including the size of the federal budget, demographics, and our national health care policy. But more basically, it involves the family, every American family. The issue is the rising cost of health care, and whether, in the future, these families will be able to afford the health care their members need.

This question must be the concern of all of us, for it affects all of us. It affects our families. And it affects our taxes, because the Federal Government is the primary payor for health care in our nation today.

The message I bring to you tonight is that the federal government must be concerned about rising health care costs. And that eventually, sooner rather than later, there will be strong political pressures to reduce those costs, one way or another. It is up to you and your colleagues, me and my colleagues, to shape these changes. If we try to ignore the issue, the changes will take place nonetheless, and it is unlikely these will be the kinds of changes you and I would prefer.

You may think I am crying wolf. I know you have heard all this before, and yet the wolf has never appeared. In all candor, I must tell you now that the wolf is at the door. The changes in our economy have brought the need for change closer and closer, and it will occur, if not today then tomorrow.

The evidence for this is strong. Think about the current health care situation. Federal, State, and Local Governments purchase 41 percent of the care offered by the Nation's third largest industry—the health industry. The nation's economy is bearing an increased burden from rising health care costs. In 1970, Americans spent $75 billion on health care, with the money coming from both public and private sources. This represented 6.2 percent of the Gross National Product (GNP), and a per capita expenditure of $358. In 1980, that bill rose to $245 billion, which is 9.5 percent of the GNP, and a per capita expenditure of $1,078. Studies indicate that by 1990, we will spend $750 billion on health care. That is more than the entire current federal budget. It will be 11.5 percent of the GNP. It will be a per capita expenditure of $3,057.

The situation with Medicaid and Medicare is even more dire. The cost of Medicare has been rising at a rate of $5 billion annually for the last several years, and will total $48 billion this year.

True, retired workers have paid into Medicare, Medicaid, and other tax-supported programs. They deserve the care they paid for. But what they paid in is pennies compared to the dollars that must be paid out when their claims are filed. At today's ravenous inflation rate, the payroll tax dollar of today will be worth only a few cents by the end of the 1980s. If the benefits promised to and expected by older Americans are to be paid, many new tax dollars must be deducted from employee wages. And it appears that one day soon, we will have too few workers to finance the care retired people need. The statistics are frightening. In 1935, there were 11 workers for every person over age 65. In 1979, there were only three working adults for every person over 65. There will be only two workers for every retired American in 1990, according to Management Consultant Peter Drucker.

Drucker has expressed deep concern about the fiscal and political implications of this change. "Beyond a certain point," he notes, "the proportion of retired people becomes so large as to be economically unsupportable. Conflict arises between the younger producers and the older consumers because old people can exploit young producers because they can outvote them. This seriously damages the economy's capacity to produce, to form capital, to improve productivity."

We will not have to wait for 1990 for these pressures to be felt. Right now, despite our huge government expenditures, gaps in coverage exist. For the elderly, the lack of coverage for long-term and ambulatory care are especially burdensome. In fact, the elderly are not paying more out-of-pocket expenditures than they were when Medicare began in 1965. At that time, Medicare covered 50 percent of all health care costs. Today, the program covers only 40 percent of these costs. Medicare has failed to keep up with cost increases resulting from inflation, high technology, and greater intensity of care. Certain services that were covered are not now covered. Already, the elderly are asking for our help with these bills; further increases in their out-of-pocket payments will force them to demand a change.

There are other gaps in our current health care coverage. No one really knows the number of people who are not covered for catastrophic medical expenses. But a recent study by the Department of Health and Human Services indicates that approximately 34 million Americans, nearly one-sixth of the population, lack full-time, year-round health insurance. This group includes the working poor, the migrant and seasonal worker, the self-employed, the low-wage earners who are not offered a health care benefit package by their employers, and families of individuals who are covered by a work plan, but do not have family coverage. Lack of adequate catastrophic coverage is the only good argument that still can be made by the proponents of a more comprehensive national health insurance program. Individuals need this type of coverage to insure themselves against bankruptcy due to illness. And providers, especially the inner-city, urban hospitals, need protection against bad debts and having to shift costs to the paying patients. As the cost of health care continues to rise, these pressures from those without coverage will increase.

I am sure you are all aware that the costs of health care have been rising faster than inflation. And I have already mentioned the demographic changes that will push those costs up even more. But there are added factors which threaten to escalate this dizzying rate of climbing costs, e.g., the anticipated "doctor glut" in 1990 and the current nursing shortage.

The Bureau of Health Professionals and the Graduate Medical Education National Advisory Committee both predict that in 1990, the supply of doctors will outrun the demand by between 5 and 13 percent, even taking into account the increased number of elderly people who will need care within ten years. Under the normal rules of supply and demand, one would expect that a surplus of doctors would induce physicians to compete by lowering their fees. Unfortunately, however, the health care field seems to take economics "through the looking glass." Current evidence indicates that the more doctors there are, the more services "get ordered" for people. Studies indicate that a sharply expanded supply of doctors could lead to higher prices and provider-generated demand as physicians attempt to maintain or increase their income. The Health Care Financing Administration fears that an increase in the number of doctors will be associated with increases in medical expenditures, especially for services covered by third party payments. This is of great concern to the major third party payor, your government, which pays those bills with your money.

On the other hand, the nursing shortage that currently afflicts our hospitals may also begin to fuel rising costs, if it is not doing so already. There are many people, trained to be nurses, who opt not to do so because of the pay and working conditions. The Washington Post is full of ads each day by hospitals desperate for additional nurses. The pressure to pay more for these skilled services is dramatic. Furthermore, the lack of appropriate skilled care at the nursing level may cause some patients actually to be hospitalized longer than necessary.

Right now, the Federal Government pays most of the health costs in this country, so the Federal Government is most concerned about the dire picture I have painted. That will change, however, very soon. In the Budget Reconciliation bill, the Congress placed restraints on health expenditures. Federal Medicaid payments were reduced by three percent. Penalties were instituted for States with increases of more than nine percent to induce the States to contain costs. Medicare premiums and out-of-pocket deductibles were raised. The elderly who need to be hospitalized will face a 27-percent increase in their out-of-pocket payments. Hospitals lost a portion of their nursing differential, and new signs from the Administration indicate that they hope to eliminate the differential entirely.

Because of the pressures on the Federal budget, it is unlikely that cuts will stop there. Other proposals for reductions could include: postponing the annual increases in Medicare doctors-fees for three months, from July to October; reducing payments for doctors in hospital out-patient departments by 40 percent; reimbursing radiologists and pathologists for only 80 percent of their normal fees, instead of 100 percent; reducing the allowable rate of return on equity for hospitals under Medicare; and changing the rules on funded depreciation.

If the Federal Government reduces its payments, someone must pick up the slack. "Someone" means the State governments and the elderly themselves. Governors are already beginning to voice their complaints about the "new federalism", and the fact that it is going to give them the responsibility for administering programs without providing the resources to pay for them. Many of their complaints focus on health care. Some have already made the decision to reduce services, and horror stories are already beginning to appear in the newspapers about elderly people turned out of their nursing homes. Senior citizens themselves are running scared, and are organizing to make their voices heard. These complaints are only a rumble now. They will turn into a roar when the full effect of Medicare cuts is felt, and when further cuts are made. The people will demand that health care costs be contained. And this is the people's government. One way or the other, something will be done.

I hope you will agree that I am not crying "wolf". Clearly, health care prices are rising too rapidly, and that cannot continue. The question has become how to put on the brakes and yet maintain a quality medical service. In candor, I must tell you that the eventual goal of proposals to limit costs is to put pressure on you, the providers, to make the difficult decisions to determine how this can be done.

The original cost-containment proposal was President Carter's. His measure to impose mandatory hospital cost containment failed with my help. This was not because I, or the Congress, did not recognize the extent of the problem or did not wish to address it. But there were several problems with the proposal. It was criticised as being geographically unfair, penalizing those hospitals which were already efficient, and failing to address the underlying causes of health care inflation. In other words, the

proposal was to put a lid on the rising costs, but nothing was to be done to turn down the flame under the pot.

The primary reason the proposal failed, however, was that the Congress and the country had developed a great distrust of federal regulations. It was believed that hospitals would simply devote themselves to getting around the rules, rather than reducing costs. That is why the so-called "competitive" model of health care became popular.

Since 1979, a number of proposals to restructure the marketplace have been introduced, proposals designed to make the health care market more sensitive to cost. I introduced several such proposals in the 96th Congress, as did my House colleagues Congressmen Gephardt, Stockman, Ullman, and Martin. In the Senate, Schweiker and Durenburger introduced pro-competition bills. While these measures differ in degree, they share several basic principles:

(1) A multiple choice of health plans, which would give employees an option as to how much health insurance they wish to purchase;

(2) Catastrophic coverage to insure against bankruptcy because of excessive medical bills;

(3) A fixed-dollar contribution to each employee's health plan;

(4) A limit on the amount an employer can contribute toward an employee's health plan and still have that amount excluded from the employee's taxable income;

(5) Rebates to employees selecting low cost plans, with the rebates in some cases being tax-free.

Some of the proposals also support the application of the free-choice and fixed contribution principles to Medicare and Medicaid through a health plan voucher program.

These plans are designed to encourage the consumer to shop for his or her health care plan by price and package. This cost-conscious consumer would presumably pressure the insurer for the best package at the lowest price. The consumer might also question the necessity of a certain treatment if he had to pay for all or a portion of the costs himself.

In turn, the theory goes, the insurers would pressure both the consumer and the health care professionals. The consumer would be controlled by the limits of his benefit package and the extras for which he was willing to pay. The provider would be controlled by what the insurer had negotiated to pay for.

Finally, the physicians and professionals, faced with pressures from those who pay the bills, would be forced to adjust services and charges to these demands. The hope is that these circular pressures would bring down the cost of health care, or at least reduce the rate of inflation. The fear is that it could adversely affect the quality of services available to the American public.

There are certainly problems with the competitive approach. Labor strongly opposes the limitation on the tax exclusion, and views this change as a new tax on their hard-won fringe benefits. Insurers fear the effects of what they call adverse selection—the sick would take the high-option plans and the well would take the low-cost plans. Organized consumer groups, particularly the elderly groups, are concerned about what these proposals would do to their out-of-pocket payments. Employers worry about the complication of being forced to offer multiple programs from multiple insurers, as well as the effects this could have on labor agreements. Doctors and hospitals have mixed feelings about these proposals, as do we on Capitol Hill. Clearly, the competitive approach is not perfect. Just as clearly, however, we cannot afford to do nothing.

In 1639, the Colony of Virginia was faced with the problem of rising health care costs. The government decided to institute a license to regulate fees. This was the first instance of government intervention in the health care field; it was by no means to be the last. Many of these regulations have been to the benefit of both physicians and patients. In 1794, the State of Pennsylvania decided to issue licenses for those who were qualified to practice medicine. These licenses, which we continue to have to this day, were designed to ensure the integrity of the physicians and the quality of care to the consumer. So while we all have concerns with too much regulation, none of us really wants to totally dismantle the licensing and regulatory system.

The Constitution guarantees the right to the pursuit of life, and so the government has a responsibility to assure that. The government pays the bills, and so it has a right to control and regulate what it pays for. The question is how that regulation should be done. Should we impose arbitrary cost controls, or should we encourage the market to control costs?

The competitive model offers us an option that would allow the marketplace to set the prices. This approach appeals to me and to many others who are concerned about health care costs. If you look at the list of people I mentioned earlier who introduced pro-competition bills, you will see that they are now in very good positions to affect health policy in the future. Senator Schweiker is now Secretary of Health and Human Services. David Stockman is now director of the Office of Management and Budget. Senator Durenberger is Chairman of the Finance Subcommittee on Health. And I chair the House Budget Committee.

I would like us to move carefully toward a workable solution to the health care cost problem. I would prefer to see us try some demonstration projects before instituting a nationwide program. I believe one of the lessons of the 1960's was that to improve our programs, we need to try new ideas out incrementally. We should experiment with a strong commitment to bettering the system.

We will need your support in this effort. I call on you to study what has already been proposed and to give us your constructive criticisms. Or you can formulate your own ideas and share them with us. But recognize that we cannot stand still, because the budgetary tide is against us. My colleagues and I are willing to work with you and to learn from you. But if you fail or if we fail, I will not be back to cry wolf again. I won't be able to. The wolf will be inside the door. Programs, costs, and health care itself will still be cut, not with a surgeon's scalpel, but with a butcher's axe.●

JOB CREATION: AN INNOVATIVE SOLUTION

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. LaFALCE. Mr. Speaker, job creation is a critical problem facing our Nation. Over the next decade, we will need to create at least 15 million new jobs to employ our expanding population and replace jobs being lost in our declining basic industries. The key question is: Who is going to create these jobs?

The answer is not the large companies. They are no longer the provider of new jobs. The answer is the high-technology small businesses. Numerous studies over the past decade have detailed the critical role played by small businesses in generating new employment. These studies have been conducted by the Massachusetts Institute of Technology, the Canadian Federation of Independent Businesses, the MIT Development Foundation, the American Electronics Association, the National Science Foundation, and Data Resources, Inc.

Not only are the high-technology small businesses prolific job creators, their output has been growing faster than that of mature companies, their productivity and their record of innovation is greater, and their price increases are substantially less than those of older, larger concerns. They are not only job creators; they are inflation fighters.

It is clear that any policy aimed at increasing jobs in the United States must be targeted toward these types of companies. The fall issue of the Public Interest includes a fascinating article entitled "Who Creates Jobs?" by Prof. David L. Birch of the Massachusetts Institute of technology. The article presents important findings that Members of Congress would do well to consider as we frame new job creation and small business policies.

Let me take a few moments to discuss some of his points.

First, the job loss rate is constant throughout the United States. "Every area in the United States seems to lose jobs at about the same rate, regardless of how rapidly the net job pool is expanding or contracting," he writes.

Second, the critical figure is the rate at which new jobs are being created and lost jobs are being replaced. The major difference between the Sun Belt and the Frost Belt is that more new jobs and new businesses are being created in the Sun Belt. "The reality is that our most successful areas are those with the highest rates of innovation and failure, not the lowest," Professor Birch writes. Areas that are declining are not declining because their rates of loss are higher. They are declining because they are not competing effectively for new jobs.

Third, small businesses, not large businesses, are the major providers of new jobs. According to Professor Birch, two-thirds of the new jobs created between 1969 and 1976 were created by firms with 20 or fewer employees, and about 80 percent were created

by firms with 100 or fewer employees. Moreover, he states:

Small businesses more than offset their higher failure rates with their capacity to start up and expand dramatically. Larger businesses, in contrast, appear rather stagnant. They may be expanding output with more capital equipment (although those who study productivity suggest that this has not been the case recently) or they may expand by opening operations abroad.

Fourth, the new jobs are being created by service firms and by high technology, high "thought content" firms. Drawing on historical experience, Professor Birch notes:

Just as we moved in the 1820's and 1830's from being a basically agricultural society to being an industrial one, so now are we rapidly abandoning our heavy industrial base in favor of jobs that demand greater use of our minds and less use of our muscle and dexterity.

The transformation is thus a fundamental and far-reaching one. We are moving from manufacturing to services, from hardware to "thoughtware," from large-scale capital-intensive companies to smaller-scale labor intensive companies, and from a dependence on physical capital to a dependence on human capital.

Taken together, these developments show the direction that small business and job creation policy must take if the U.S. economy is to grow and provide full, productive employment. I found Professor Birch's analysis particularly fascinating because of my involvement in development legislation that would stimulate the growing small science and high-technology sector of our economy. The Small Business General Oversight Subcommittee, which I chair, recently reported out H.R. 4326, the Small Business Innovation Development Act of 1981. The full Small Business Committee reported the bill favorably on October 22. H.R. 4326 would require Federal agencies with large research and development budgets to strengthen small business' tremendous innovative abilities by establishing small business innovation research programs that would be funded by a small set-aside from the agencies' R. & D. budgets.

H.R. 4326 is a key element in the new national small business policy needed over the next decade. This policy must be directed not only toward creating jobs but toward creating jobs in businesses that will be productive and competitive in domestic and international markets. That means that we have to assure the access of small, high-technology business to capital and create a climate that encourages the creation of these small businesses, especially in the areas of our country which are not creating the number of new jobs required to replace jobs being lost. The Small Business Innovation Development Act would do that through the judicious use of Federal funds to help these small firms develop innovative ideas to the point where private capital will step in and fund commercial development and the creation of new jobs.●

REAGAN'S ARMS REDUCTION PROPOSAL TO SOVIETS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. YOUNG of Florida. Mr. Speaker, today, the President of the United States, in a most sincere way, captured the imagination of every living being who longs for a peaceful world.

President Reagan's historic initiative to not only limit the growth of deadly arms but in fact to reduce the existing number of deadly weapons will hopefully be received by the Soviet Union in the same sincere manner in which it was presented.

I submit the text of President Reagan's statement for all to read.

TEXT OF THE ADDRESS BY THE PRESIDENT TO THE NATIONAL PRESS CLUB

Back in April while in the hospital I had, as you can readily understand, a lot of time for reflection.

One day I decided to send a personal, hand-written letter to Soviet President Leonid Brezhnev reminding him that we had met about 10 years ago in San Clemente, California, as he and President Nixon were concluding a series of meetings that had brought hope to all the world. Never had peace and goodwill seemed closer at hand. I would like to read you a few paragraphs from that letter.

"Mr. President: When we met I asked if you were aware that the hopes and aspirations of millions of people throughout the world were dependent on the decisions that would be reached in your meetings. You took my hand in both of yours and assured me that you were aware of that and that you were dedicated with all your heart and mind to fulfilling those hopes and dreams."

I went on in my letter to say: "The people of the world still share that hope. Indeed, the peoples of the world, despite differences in racial and ethnic origin, have very much in common. They want the dignity of having some control over their individual destiny. They want to work at the craft or trade of their own choosing and to be fairly rewarded. They want to raise their families in peace without harming anyone or suffering harm themselves. Government exists for their convenience, not the other way around."

"If they are incapable, as some would have us believe, of self government, then where among them do we find any who are capable of governing others?"

"Is it possible that we have permitted ideology, political and economic philosophies, and governmental policies to keep us from considering the very real, everyday problems of our peoples? Will the average Soviet family be better off or even aware that the Soviet Union has imposed a government of its own choice on the people of Afghanistan? Is life better for the people of Cuba because the Cuban military dicate who shall govern the people of Angola?"

"It is often implied that such things have been made necessary because of territorial ambitions of the United States; that we have imperialistic designs and thus constitute a threat to your own security and that of the newly emerging nations. There not only is no evidence to support such a charge, there is solid evidence that the United States, when it could have dominated the world with no risk to itself, made no effort whatsoever to do so."

"When World War II ended, the United States had the only undamaged industrial power in the world. Our military might was at its peak—and we alone had the ultimate weapon, the nuclear weapon, with the unquestioned ability to deliver it anywhere in the world. If we had sought world domination then, who could have opposed us?"

"But the United States followed a different course—one unique in all the history of mankind. We used our power and wealth to rebuild the war-ravaged economies of the world, including those nations who had been our enemies. May I say there is absolutely no substance to charges that the United States is guilty of imperialism or attempts to impose its will on other countries by use of force."

I concluded my letter by saying, "Mr. President, should we not be concerned with eliminating the obstacles which prevent our people—those you and I represent—from achieving their most cherished goals?"

It is in the same spirit that I want to speak today to this audience, and the people of the world, about America's program for peace and the coming negotiations which begin November 30 in Geneva, Switzerland. Specifically, I want to present our program for preserving peace in Europe, and our wider program for arms control.

Twice in my lifetime I have seen the peoples of Europe plunged into the tragedy of war. Twice in my lifetime Europe has suffered destruction and military occupation in wars that statesmen proved powerless to prevent, soldiers unable to contain, and ordinary citizens unable to escape. And twice in my lifetime, young Americans have bled their lives into the soil of those battlefields—not to enrich or enlarge our domain—but to restore the peace and independence of our friends and allies.

All of us who lived through those troubled times share a common resolve that they must never come again. And most of us share a common appreciation of the Atlantic Alliance that has made a peaceful, free and prosperous Western Europe in the postwar era possible.

But today a new generation is emerging on both sides of the Atlantic. Its members were not present at the creation of the North Atlantic Alliance. Many of them do not fully understand its roots in defending freedom and rebuilding a war-torn continent. Some young people question why we need weapons—particularly nuclear weapons—to deter war and to assure peaceful development. They fear that the accumulation of weapons itself may lead to conflagration. Some even propose unilateral disarmament.

I understand their concerns. Their questions deserve to be answered.

But we have an obligation to answer their questions on the basis of judgment and reason and experience. Our policies have resulted in the longest European peace in this century. Would not a rash departure from these policies, as some now suggest, endanger that peace?

From its founding, the Atlantic Alliance has preserved the peace through unity, deterrence and dialogue.

First, we and our allies have stood united by the firm commitment that an attack upon any one of us would be considered an attack upon us all;

Second, we and our allies have deterred aggression by maintaining forces strong enough to ensure that any aggressor would lose more from an attack than he could possibly gain; and

Third, we and our allies have engaged the Soviets in a dialogue about mutual restraint and arms limitations, hoping to reduce the risk or war and the burden of armaments, and to lower the barriers that divide East from West.

These three elements of our policy have preserved the peace in Europe for more than a third of a century. They can preserve it for generations to come, so long as we pursue them with sufficient will and vigor.

Today, I wish to reaffirm America's commitment to the Atlantic Alliance and our resolve to sustain the peace. And from my conversations with Allied leaders, I know that they also remain true to this tried and proven course.

NATO's policy of peace is based on restraint and balance. No NATO weapons, conventional or nuclear, will ever be used in Europe except in response to attack. NATO's defense plans have been responsible and restrained. The Allies remain strong, united and resolute. But the momentum of the continuing Soviet military buildup threatens both the conventional and the nuclear balance. Consider the facts. Over the past decade:

The United States reduced the size of its armed forces and decreased the number of men under arms. They now number more than double those of the United States. Over the same period the Soviets expanded their real military spending by about one-third.

The Soviet Union increased its inventory of tanks to some 50,000 compared to our 11,000. Historically a landpower, they transformed their navy from a coastal defense force to an open ocean fleet, while the United States, a sea-power with transoceanic alliances, cut its fleet in half.

During a period when NATO deployed no new intermediate range nuclear missiles, and actually withdrew 1,000 nuclear warheads, the Soviet Union deployed more than 750 nuclear warheads on the new SS-20 missiles alone.

Our response to this relentless build-up of Soviet military power has been restrained but firm. We have made decisions to strengthen all three legs of the strategic triad—sea, land and air-based. We have proposed a defense program in the United States for the next 5 years which will remedy the neglect of the past decade and restore the eroding balance on which our security depends.

I would like to discuss more specifically the growing threat to Western Europe which is posed by the continuing deployment of certain Soviet intermediate range nuclear missiles.

The Soviet Union has three different missile systems—the SS-20, the SS-4, and the SS-5—all with a range capable of reaching virtually all of Western Europe. There are other Soviet weapons systems which also represent a major threat. The only answer to these systems is a comparable threat to Soviet targets. In other words, a deterrent preventing the use of these Soviet weapons by the counter-threat of a like response against their own territory.

At present, however, there is no equivalent deterrent to these Soviet intermediate missiles. And the Soviets continue to add one new SS-20 a week. To counter this the Allies agreed in 1979, as part of a two-track decision, to deploy as a deterrent land-based cruise missiles and Pershing II missiles capable of reaching targets in the Soviet Union. These missiles are to be deployed in several countries of Western Europe.

This relatively limited force in no way serves as a substitute for the much larger strategic umbrella spread over our NATO Allies. Rather, it provides a vital link between conventional, shorter range nuclear forces in Europe and inter-continental forces in the United States. Deployment of these systems will demonstrate to the Soviet Union that this link cannot be broken.

Deterring war depends on the perceived ability of out forces to perform effectively. The more effective our forces are, the less likely it is that we will have to use them. So, we and our Allies are proceeding to modernize NATO's nuclear forces of intermediate range—to meet increased Soviet deployments of nuclear systems threatening Western Europe.

Let me turn now to our hopes for arms control negotiations. There is a tendency to make this entire subject overly complex. I want to be clear and concise.

I told you of the letter I wrote to President Brezhnev last April. Well, I have just sent another message to the Soviet leadership. It's a simple, straight-forward, yet historic message: the United States proposes the mutual reduction of conventional, intermediate range nuclear, and strategic forces.

Specifically, I have proposed a four-point agenda to achieve this objective in my letter to President Brezhnev.

The first, and most important, point concerns the Geneva negotiations. As part of the 1979 two-track decision, NATO made a commitment to seek arms control negotiations with the Soviet Union on intermediate range nuclear forces. The United States has been preparing for these negotiations through close consultation with our NATO partners. We are now ready to set forth our proposal. I have informed President Brezhnev that when our delegation travels to the negotiations on intermediate range land-based nuclear missiles in Geneva on the 30th of this month, my representatives will present the following proposal: the United States is prepared to cancel its deployment of Pershing II and ground launch cruise missiles if the Soviets will dismantle their SS-20, SS-4, and SS-5 missiles. This would be an historic step. With Soviet agreement, we could together substantially reduce the dread threat of nuclear war which hangs over the people of Europe. This, like the first footstep on the moon, would be a giant step for mankind.

We intend to negotiate in good faith and go to Geneva willing to listen to and consider the proposals or our Soviet counterparts. But let me call to your attention the background against which our proposal is made. During the past 6 years, while the United States deployed no new intermediate range missiles and withdrew 1,000 nuclear warheads from Europe, the Soviet Union deployed 750 warheads on mobile, accurate ballistic missiles. As this chart illustrates, they now have 1,100 warheads on the SS-20, SS-4, and SS-5 missiles and the United States has no comparable missiles. Indeed, the United States dismantled the last such missile in Europe over 15 years ago.

As we look to the future of the negotiations, it is also important to address certain Soviet claims which, left unrefuted, could become critical barriers to real progress in arms control.

The Soviets assert that a balance of intermediate range nuclear forces already exists. That assertion is wrong. By any objective measure, as this chart indicates, the Soviet Union has an overwhelming advantage, on the order of six-to-one.

Soviet spokesmen have suggested that moving their SS-20's beyond the Ural mountains will remove the threat to Europe. As this map demonstrates, the SS-20's, even if deployed behind the Urals, will have a range that places almost all of Western Europe, the great cities—Rome, Athens, Paris, London, Brussels, Amsterdam, Berlin and so many more—all within range of these missiles, which incidentally are mobile and can be moved on short notice.

The second proposal I have made to President Brezhnev concerns strategic weapons. The United States proposes to open negotiations on strategic arms as soon as possible next year. I have instructed Secretary Haig to discuss the timing of such meetings with Soviet representatives.

Substance, however, is far more important than timing. As our proposal for the Geneva talks this month illustrates, we can make proposals for genuinely serious reductions but only if we take the time to prepare carefully. The United States has been preparing carefully for resumption of strategic arms negotiations because we do not want a repetition of past disappointments. We do not want an arms control process that sends hopes soaring only to end in dashed expectations.

I have informed President Brezhnev that we will seek to negotiate substantial reductions in nuclear arms which would result in levels that are equal and verifiable. Our approach to verification will be to emphasize openness and creativity—rather than the secrecy and suspicion which have undermined confidence in arms control in the past.

While we can hope to benefit from work done over the past decade in strategic arms negotiations, let us agree to do more than simply begin where these efforts previously left off. We can and should attempt major qualitative and quantitative progress. Only such progress can fulfill the hopes of our own people and the rest of the world. Let us see how far we can go in achieving truly substantial reductions in our strategic arsenals.

To symbolize this fundamental change in direction, we will call these negotiations START—Strategic Arms Reduction Talks.

The third proposal I have made to the Soviet Union is that we act to achieve equality at lower levels of conventional forces in Europe. The defense needs of the Soviet Union hardly call for maintaining more combat divisions in East Germany today than were in the the whole Allied invasion force that landed in Normandy on D-Day. The Soviet Union could make no more convincing contribution to peace in Europe—and in the world—than by agreeing to reduce its conventional forces significantly and constrain the potential for sudden aggression.

Finally, I have pointed out to President Brezhnev that to maintain peace, we must reduce the risks of surprise attack, and the chance of war arising out of uncertainty or miscalculation. I am renewing our proposal for a conference to develop effective measures that would reduce these dangers. At the current Madrid meeting of the Conference on Security and Cooperation in Europe, we are laying the foundation for a

Western-proposed Conference on Disarmament in Europe. This conference would discuss new measures to enhance stability and security in Europe. Agreement on this conference is within reach. I urge the Soviet Union to join us and the many other nations who are ready to launch this important enterprise.

All of these proposals are based on the same fair-minded principles: substantial, militarily-significant reductions in forces; equal ceilings for similar types of forces; and adequate provisions for verification.

My Administration, my country and I are committed to achieving arms reductions agreements based on these principles. Today I have outlined the kinds of bold, equitable proposals which the world expects of us. But we cannot reduce arms unilaterally. Success can only come if the Soviet Union will share our commitment; if it will demonstrate that its often-repeated professions of concern for peace will be matched by positive action.

Preservation of peace in Europe and the pursuit of arms reductions talks are of fundamental importance. But we must also help to bring peace and security to regions now torn by conflict, external intervention and war.

The American concept of peace goes well beyond the absence of war. We foresee a flowering of economic growth and individual liberty in a world at peace.

At the Economic Summit in Cancun, I met with the leaders of 21 nations and sketched out our approach to global economic growth. We want to eliminate the barriers to trade and investment which hinder these critical incentives to growth. And we are working to develop new programs to help the poorest nations achieve self-sustaining growth.

Terms like "peace" and "security" have little meaning for the oppressed and the destitute. They also mean little to the individual whose state has stripped him of human freedom and dignity. Wherever there is oppression, we must strive for the peace and security of individuals as well as states. We must recognize that progress in the pursuit of liberty is a necessary complement to military security. Nowhere has this fundamental truth been more boldly and clearly stated than in the Helsinki Accords of 1975. These Accords have not yet been translated into living reality.

Today I have announced an agenda that can help to achieve peace, security and freedom across the globe. In particular, I have made an important offer to forego entirely deployment of new American missiles in Europe if the Soviet Union is prepared to respond on an equal footing.

There is no reason why people in any part of the world should have to live in permanent fear of war or its specter. I believe the time has come for all nations to act in a responsible spirit that does not threaten other states. I believe the time is right to move forward on arms control and the resolution of critical regional disputes at the conference table.

Nothing will have a higher priority for me and for the American people over the coming months and years.

Addressing the United Nations 20 years ago, another American President described the goal we still pursue today.

"If we all can persevere," he said, "if we can . . . look beyond our own shores and ambitions, then surely the age will dawn in which the strong are just and the weak secure and the peace preserved." He did not live to see that goal achieved.

I invite all nations to join with America today in the quest for such a world.●

NAZISM AND THE HOLOCAUST: NEVER AGAIN, "SKOKIE" REMINDS US

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. PORTER. Mr. Speaker, the people of the village of Skokie, Ill., numbering 70,000, are my constituents. More than 40,000 of them are Jewish, including many survivors of the Holocaust.

Last night the American viewing public had the opportunity to see "Skokie," a CBS television movie of the story of the anguish of the people of Skokie generated when the American Nazi Party attempted to march there.

The performances, in my judgment, were outstanding, particularly that of Danny Kaye, who deserves an Emmy for his portrayal of Max Feldman, a survivor who stands up forcefully against the Nazi threat.

Much of the story centers around the lawsuits and the reactions of the village, the American Civil Liberties Union, and the Jewish and Christian communities when faced with the dilemma of upholding first amendment rights of free expression for those who would deny them to others.

Those who lived through and followed closely the actuality of this drama in 1977 and 1978, as I did, can, perhaps, criticize the historical accuracy of the story that "Skokie" tells.

But no one who watched last night can miss its message of the reality of the suffering of the Jews in the Holocaust and the scars that not only survivors but all Jews carry as a result of this most heinous of the crimes of man against his brother.

And no one, Mr. Speaker, can fail to understand that the anti-Semitism, racism, and elitism for which the Nazis stand lies as an everpresent danger not only to the minorities toward which they are directed but to all who believe in individual freedoms.

"Skokie" poignantly and piercingly reminds us of the Holocaust which so burdens the history of mankind and the conscience of every person, and reinforces the resolve of the American people that never again will this be allowed to happen.●

NATIONAL BIBLE WEEK

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. HILLIS. Mr. Speaker, November 22 marks the beginning of National Bible Week. The Laymen's National Bible Committee, Inc., has published a pamphlet entitled "A Better Chance for a Better Life." I am inserting in the RECORD a portion of that pamphlet which outlines the meaning of National Bible Week. I recommend it to all my colleagues in the House:

NATIONAL BIBLE WEEK

These are days of uncertainty. International tension, inflation, rising crime, and moral confusion surround us. But the Holy Bible remains as it always has, an indestructible foundation of truth. It's a source of inspiration all of us can turn to. Now, more than ever, we need to put the Good Book forward. It's a better chance for a better life.

That's what National Bible Week is all about. Our young people, our civic leaders, our fine religious institutions, and the entire living community of which we are all a part need to know what the Bible offers. The Laymen's National Bible Committee has prepared a provocative and aggressive campaign that includes television, radio, newspaper, magazine, and outdoor advertising. Special materials are provided for the young, for civic groups, and for religious organizations that share in this special week's community activities throughout our land.

It's appropriate that LNBC's major interfaith program coincides with Thanksgiving. It is America's only nonsectarian religious holiday. It is a time when we give thanks to God for His many blessings. And it's the best time to celebrate our most precious heritage, the Bible.

This national effort deserves your support. Your contribution now will help give the Good Book back to America. It's a better chance for a better life. Don't pass it up.●

EMPLOYMENT DISCRIMINATION IN NORTHERN IRELAND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. GILMAN. Mr. Speaker, I am honored to represent here in the House of Representatives a group of knowledgeable and dedicated individuals who have worked diligently to bring to the public's attention the plight of those who suffer discrimination in Northern Ireland. The Political Education Committee (PEC) of the Ancient Order of Hibernians in Rockland County, N.Y., and the Emerald Society of the fire department of the city of New York, which have long struggled with the issues of freedom and justice in Northern Ireland, have called my attention to a brief article

recently authored by David Lowry, professor of law at New York Law School, entitled "Employment Discrimination in Northern Ireland—1980." Professor Lowry points out the inequities and injustices which prevail in that troubled part of the world.

Mr. Speaker, I request that Professor Lowry's article be reprinted at this point in the RECORD, in order to share his views with my colleagues.

EMPLOYMENT DISCRIMINATION IN NORTHERN IRELAND—1980

(David Lowry, Professor of Law, New York Law School)

In 1976 the British belatedly addressed the issue of discrimination against Catholics in Northern Ireland. However, observers were quick to point out that the British approach to discrimination was largely cosmetic. The British Fair Employment Act of 1976 failed to create a proper enforcement machinery whereby discriminating employers could be exposed and prosecuted.

Since 1976 the British approach has been one of "moral persuasion." How the British could hope to adequately deal with entrenched bigotry by mere "moral persuasion" and yet without full prosecutorial powers, was never explained. Consequently discrimination against Catholics has continued unabated as both Employers and Unions realized that a cosmetic piece of legislation advocating "moral persuasion" could not in any way endanger the status quo of Protestants privilege.

Under the 1976 legislation Britain created a Fair Employment Agency (FEA) to watch over allegations of discrimination. The FEA even tried to prosecute a few cases but unsuccessfully as the British law did not provide adequate enforcement machinery.

But the FEA, while toothless, at least has been able to gather statistics and other research data in its short existence. This FEA-sponsored research is most revealing, showing a continuing pattern of discrimination against Catholics in Northern Ireland.

In a survey conducted by researchers of Queens University, Belfast, for the FEA and published in 1980, it was revealed that job opportunities in Northern Ireland still depend on religion and social background. This FEA Report showed that more Protestants than Catholics are still found in top jobs while the opposite is true at the bottom of the employment scale. Furthermore, Catholics experience a lower level of upward mobility than Protestants.

The 1980 FEA study shows conclusively that in the last generation Northern Irish Catholics have tended to move down the social scale relative to Protestants. Moreover, even the British-created FEA has to admit that without "strong and constructive government intervention" the occupational disparities between Catholics and Protestants "will persist and probably widen."

Thus even the British have been forced to openly admit the charge that they have done nothing to eradicate discrimination against Catholics in Northern Ireland and that matters are getting worse.

British diplomats in the U.S. have recently argued that discrimination was perpetrated in the past by Loyalists but under British Direct Rule proper steps have been taken. After the 1980 revelation of the British FEA that matters have been steadily worsening under British Rule in the last few years I wonder what the story British diplomats will not tell Americans?●

INTERNATIONAL TRADE PROSPECTS IN HIGH TECHNOLOGY: WILL WE LEARN OUR LESSON IN TIME?

HON. MARILYN LLOYD BOUQUARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mrs. BOUQUARD. Mr. Speaker, for many months now, we have been hearing about the rapid encroachment by Japan and Western Europe on the U.S. industrial market. Annual sales of Japanese autos in the United States has risen from 800,000 in 1975 to approximately 1,900,000—a growth of 238 percent. Japan now claims 23 percent of the entire U.S. auto market. It has also been determined that even though America pioneered the semiconductor field in the 1960's, Japan now has 30 percent of the world market. Japanese shipments to the United States alone of semiconductors increased fivefold between 1976 and 1979: From $50 million to approximately $260 million. According to a recent report by Quantum Science Corp., a New York consultant, it is predicted that the Japanese will command 85 percent of the world market in semiconductors by 1985. Furthermore, the Japanese have now gained a strong toehold in the power conversion equipment market as well. Hitachi, Ltd., sells most of the motor drives for 20- to 150-horsepower motors in industrial use. It is predicted that additional targets for further Japanese penetration will be television, textiles, steel, calculators, shipbuilding, and, logically, the computer processing market.

Discussions with U.S. industrial leaders regarding the international market situation reveal the severe limitations under which U.S. firms operate in competing against foreign manufacturers. Studies have been and are being undertaken on the reasons for the Japanese success; articles have been written and seminars have been conducted to examine the Japanese techniques that contribute to their prominent position in the world's industrial market. I am sure that most of my colleagues are aware of some of the results of these studies, surveys, and observations, but I would like to take a moment to mention a few of them. I would also like to highlight an area of great concern in the DOE budget, that of electric energy systems where the administration has suggested termination of valuable programs in areas where the United States is in danger of losing vast international markets. Our subcommittee will have a hearing on these potential cuts next month.

EMPHASIS ON R. & D.

Japanese corporations spend an average of 6 percent of total sales on research and development compared to about 1 percent in the Unites States. According to Japanese Economic Journal, Hitachi, Ltd. spent $466 million on R. & D. in 1979—5.8 percent of their sales. In contrast, U.S. manufacturers concentrate their resources on short-term, near-market applications, with few exceptions. The current administration view regarding technology demonstration is resulting in the absence of Federal project money for industry and absence of Federal incentives for industry to conduct R. & D. and demonstration of advanced energy technology power conditioning efforts. Thus, none of the major U.S. manufacturers are currently building any advanced power conditioning or power conversion devices, and Federal funds are drying up.

In general, none of the companies involved in this R. & D. feel that the provisions of the tax bill with 25 percent tax credits for research will be sufficient to fill the gaps left by a precipitous withdrawal of the Federal Government from high leverage intermediate to long-term programs where it has been a source of vital seed money.

OTHER CONTRIBUTING FACTORS—THE UNIQUE JAPANESE PARTNERSHIP

A July 1981 Electronic Business article asserts that, "Dedication to quality assurance and a strong commitment to research and development are giving the Japanese the edge." However, R. & D. emphasis is only one of many areas where the U.S. Government and business need to take long, hard looks on redirecting our efforts in order to regain lost footing in the world's technological market. The referenced article in Electronic Business focuses on this worldwide competition and the many factors involved, such as the unique Japanese business-Government relationship; U.S. antitrust laws that inhibit cooperative efforts at solving environmental and health problems in industry; the spirit of compromise and cooperation prevalent in Japanese business in contrast to the U.S. style of confrontation and concentration on short-term profits rather than long-term advancement of technology.

I would like to share these observations with my colleagues by including the article entitled "The Japanese invasion: chips now, computers next?" in the hope that we, as legislators, will see the urgency to move ahead with actions to aid our industries so that they can compete on more comparable footing in the international market place.

The article follows:

[From the Electronic Business, July 1981]

THE JAPANESE INVASION: CHIPS NOW, COMPUTERS NEXT?

Grim predictions of Japanese domination of the world market for semiconductors by 1985 emerged at a seminar on the subject

conducted Apr. 7 in New York by the American Institute for Professional Education.

The sponsor distributed a report by Quantum Science Corp., a New York consultant, that predicted Japanese companies would command 85 percent of a $24.5 billion world market in semiconductors by 1985. Similar control is expected in 64-kilobit memory chips, according to an unidentified "leading producer" cited by the institute.

The next logical step in the scenario calls for the Japanese to move into computer processing systems, declared Mirek Stevenson, chairman of Quantum Science. Their progress in capturing a significant share of the United States semiconductor market indicates that they are likely to repeat their successes with computers, he added. At stake is the domestic market for systems, processors and peripherals valued this year at $40 million by New York brokerage firm Drexel, Burnham, and Lambert Inc.

At the day-long meeting, which examined the "grave and imminent marketing and production dangers" posed by the computer branch of Japan Inc., U.S. industry representatives complained about Japanese business practices and proposed varying responses to the slow encroachment of overseas equipment and devices on the American market. Two hundred computer executives in attendance heard Stevenson, the lead-off speaker, name mainframes, software and low-cost personal computers as likely additional targets for further Japanese penetration. Stevenson explained that Japanese firms are responding faster, and with state-of-the-art technology, to emerging market segments such as departmental processing, intelligent copiers, teleconferencing and local-area networks. Dedication to quality assurance and a strong commitment to research and development are giving the Japanese the edge. Stevenson reported that a recent Quantum Science survey found that "users perceive Japanese products as more reliable."

SEMICONDUCTOR SKIRMISHES

The Japanese captured the lion's share of the semiconductor market in 1979, said Glen Madland, chairman of Integrated Circuit Engineering Corp., because American suppliers vastly underestimated demand for random-access memories, then turned to Japanese houses with orders to supplement U.S. production. "The Japanese companies performed well with fast deliveries and excellent quality. As a result, they gained a permanent position in the market," he said.

However, Madland took issue with the widely held notion of superiority of Japanese products. He recounted an incident involving Hewlett-Packard Co., which ordered selected integrated circuits from an unidentified Japanese supplier. Although first reports indicated that the chips received from overseas contained far fewer defects than did American units, Madland said that Hewlett-Packard had actually received shipments that had been screened to eliminate less-than-perfect devices which were marketed separately in the Japanese domestic market.

U.S. Representative James M. Shannon, Democrat of Massachusetts, assured the audience that the computer industry could expect trade and tax assistance from the current session of Congress. The key to meeting the Japanese threat, however, is changes in personal business relationships. "The U.S. style is confrontation, not cooperation," Shannon remarked in a luncheon address. "There's every indication that the cooperative style of Japanese corporate planning is more efficient."

Labeling semiconductors the "crude oil of the '80s," Shannon called for formation of a national industrial policy that would encourage use of microprocessor-based systems—computer-aided design/manufacturing, robotics, process engineering and automated production line equipment—by U.S. industry. He also favors increased tax credits for research and development investment. Shannon confirmed that the trade subcommittee of the House Ways and Means Committee is considering revamping the U.S.'s trade tariffs with Japan.

SPEAKING FOR JAPAN

Presenting the Japanese perspective was Hiroyiki Ochi, president of YDK Consultants International specializing in Japanese/American joint ventures. Ochi took the American audience to task for its lack of knowledge about Japanese business practices, language and the intense competitive climate that pervades the Japanese corporate environment. He noted that 10% or so of the audience was Japanese. "If the same program were held in Japan, there would be no Americans present."

Cartels, beneficial tax laws and close union-management relations are an extension of the Japanese cultural trait of "nemawashi," or consultation, Ochi said. Americans are habitually impatient with the slower pace of Japanese decision-making that emphasizes concensus at all business levels and strong loyalty to employers. Another marked difference between the two nations' industries, he noted, is that the Japanese are long-range planners, with none of the quarterly profit pressure placed on American executives.

Ochi acknowledged that extensive government subsidy of private companies is a common practice in Japan. But the U.S. government, he claimed, is doing exactly the same thing in funding its extensive defense electronics program.

The political and economic relationships between industry and government in the two countries are completely dissimilar, countered the seminar's final speaker, Edward Lesnick, assistant to the president at Wang Laboratories Inc. of Lowell, Mass. Tokyo finances half of Japan's domestic research and development programs, he claimed, forms cartels to exploit overseas markets, and willingly pays premium prices to domestic companies for its own computer systems. "You can't tell where Fujitsu begins and the Japanese government leaves off," Lesnick said.

He urged the U.S. government to let the computer industry compete with Japanese firms on an equitable basis, restricting Japanese activities in the U.S. with the same tariff structure and trade regulations Tokyo uses to ensure control of the Japanese domestic market by native companies. "If foreign governments want access to U.S. markets, they must guarantee equal access. The U.S. government must stop negotiating trade rights on the basis of national security and defense considerations."

ONE SET OF PROPOSALS

Lesnick proposed the following steps to combat Japanese entry into the U.S. computer industry:

Restriction of technology transfer to Japanese companies. Lesnick reported that Wang refuses to allow visits by Japanese trade delegations.

Refusal of Japanese overtures to U.S. firms to form joint ventures.

Swift congressional approval of tax credit increases for capital investment in research and development projects.

Court review of foreign cartel activity in the U.S. and a revamping of American antitrust laws to permit closer cooperation among domestic computer firms.

More support from U.S. government for businesses trying to market American-made goods overseas.

Of particular importance right now, Lesnick said, was government support of the semiconductor industry. "If Japan captures the semiconductor market, it captures the computer market. It's essential for government to realize that we maintain a strong national defense only if we maintain a strong semiconductor industry," he said.

In the question and answer session that followed the presentations, Ochi responded that Wang's closed-door policy could have negative consequences for American executives beginning to reverse the traditional traffic flow and visiting Japanese companies to study management, manufacturing and quality-control techniques. "Japan will close its doors if American companies follow suit," he said.

But, replied Lesnick, Japanese companies already have a restrictive policy for visits by American trade missions. He cited a recent Newsweek article that described how a U.S. delegation was refused entry into Japanese companies. "Learn Japanese ways," Ochi responded. He explained that because of the intense level of competition among Japanese companies, a request for a visit will be refused if it is learned that the mission already has visited or plans to visit a competitor's facility.

Complete tapes and transcripts of the session can be obtained from the American Institute for Professional Education, 100 Kings Road, Madison, N.J. 07940.

JAPANESE COMPUTER COMPANIES RANKED BY R. & D. EXPENDITURES, 1979

[Dollars in millions]

Company	R. & D. expenditures	Percent of net sales
1. Hitachi Ltd	$466	5.8
2. Toshiba Corp	325	4.8
3. Matsushita Electric Co	236	2.9
4. Nippon Electric Co	203	6.0
5. Mitsubishi Electric	203	4.0
6. Sony Corp	155	7.0
7. Fujitsu Ltd	144	6.1

Source: Hihon Keizai Shimbun (Japan Economic Journal), Sept. 5, 1980.●

THE TOP OFFICIALS NEED A RAISE

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. WOLF. Mr. Speaker, once again the New York Times has addressed the inequity and inefficiency of the pay cap for senior executives. I submit this timely editorial to be printed at this point in the RECORD.

[From the New York Times, Nov. 18, 1981]

THE TOP OFFICIALS NEED A RAISE

In the parlance of the moment, Congress ought to get off the backs of senior Govern-

ment officials. It needs once and for all to eliminate the link between their salaries and its own.

Increases in the top-level executive grades are urgent. Since 1977 the pay of the highest Federal officials has been raised 5.5 percent; other white-collar Federal employees meanwhile had raises that total 33.5 percent. That means more than 48,000 employees' pay has been leveled flat, eliminating distinctions between managers and those they manage.

That is no way to run a Government or hold superior talent. With executive pay now capped at $50,112 a year, senior managers are fleeing Federal service. Programs in health, education and space exploration seem typically hard hit. Whereas 15.5 percent of eligible executives retired in 1978, the current rate is above 90 percent. Replacing them is no easier than holding them.

The problem is rooted in politics. To camouflage its own pay raises, Congress over the years contrived to link its salary scales to those of the top people in the judicial and executive branches. But it also prohibited almost all of these officials from earning more than a member of Congress.

Now the cost of that folly is coming home. The legislators are embarrassed to raise their own pay while they cut most Federal budgets. And so some of the best talent in Government is deprived and driven away.

The House debate of the issue is not promising; it turns on a bill that would merely extend the cap for another year. The case for a fundamental change has never been stronger. But if that is rejected, Congress should at least provide some relief, by approving a proposal in the Senate to give senior executives an immediate 4.8 percent increase.

A decent raise would surely pay for itself in efficiency and morale. Federal executives deserve it, and so does the nation.●

VIETNAM VETERANS

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. BEREUTER. Mr. Speaker, in the aftermath of Veterans' Day, 1981, I take this opportunity to call to the attention of my colleagues an editorial which was published in the November 12, 1981, Lincoln Star relating to the specific and unique problems faced by the veterans of the Vietnam war and the efforts of the Reagan administration to address those problems. This program will couple the talents of those veterans who have been fortunate enough to find meaningful and rewarding employment and the aptitudes and abilities of those less fortunate veterans and will result in the enhancement of productivity in this Nation as well.

Mr. Speaker, the needs of the Vietnam veteran are indeed unique, and I applaud this effort to address those needs in an innovative and inexpensive manner. The article follows:

AID TO VIETNAM VETS

Appropriately so, President Reagan on Tuesday, the eve of Veterans Day, officially inaugurated a new program to help Vietnam veterans and to improve their public image. The program is called the Vietnam Veterans Leadership Program and has a modest federal appropriation.

The idea is for successful Vietnam veterans to volunteer themselves in assisting those Vietnam veterans who need it in finding employment suitable to their qualifications and to give the nation a greater sense of appreciation for the men and women who fought in that war. We find the program worth mentioning because we have never really understood the plight of these veterans.

We know why they have been a more or less forgotten group, because they fought in an unpopular war. But the war was not of their making and they did not ask to fight it. The war's unpopularity is a political situation and has nothing at all to do with the loyalty and personal sacrifice of those actively engaged in it.

The Vietnam veterans are entitled to all the benefits, all the considerations and all the thanks that have characteristically gone to all the veterans of all the wars fought by this nation. To honor them and to give them a special measure of assistance in rebuilding their lives is to say nothing political at all about the Vietnam war.

It is ridiculous, thoughtless and wrong to shun the Vietnam veterans because of the unpopular nature of the conflict in which they were involved. Honoring veterans is not an endorsement of any war or of the idea of war itself. It simply is a national statement of thanks to those young people who served the nation in a time of great and threatening need, whether the rest of us want to argue that need or not. In this week of Veterans Day, it is appropriate to single out the Vietnam veterans for an extra dose of recognition.●

THE B-1 PROGRAM

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. DORNAN of California. Mr. Speaker, in further extension of my previous comments in justification of the B-1, I am taking this opportunity to insert into the the CONGRESSIONAL RECORD a letter of January 1980 to President Carter in support of the B-1 program. This letter, which I initiated, was signed by 170 House Members. Of that 170, 147 of our colleagues are still in the House of Representatives. I also have enclosed the list of the Members because of the continuing importance of this issue to our national defense.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 23, 1980.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On June 30, 1977, in the aftermath of your decision to cancel the B-1 bomber, you told the American people: "If at the end of a few years, the relations with the Soviet Union should deteriorate drastically, which I don't anticipate, then it may be necessary for me to change my mind."

Mr. President, we respectfully suggest that the time has indeed come for you to change your mind on the B-1 bomber. No member of the Congress can possibly fault you for your diligent search for peace, no matter how much we may have disagreed with any of your individual policy decisions. However, the Soviet invasion of Afghanistan merely confirms a pattern of Soviet inspired tension and international aggression. This pattern was discerned by leading figures of your own Administration within a year of your June 30, 1977, statement on the B-1. Dr. Zbigniew Brzezinski pointed to a grand design of the Soviet leadership to extend their influence throughout the globe, an assessment you confirmed in your June 7, 1978, speech to the graduating class of the United States Naval Academy. Vice President Mondale told the UN General Assembly two years ago that the Soviet Union has been engaged in a massive military build-up. Soviet declarations concerning the importance of detente have been continually compromised by the arrogant support for so-called "national wars of liberation" directly aided and assisted by Cuban proxy troops and advisors in Africa and the Middle East.

Military experts testify to the inherent value of the manned bomber in general and the B-1 in particular, which, as of this date, has not been surpassed as a penetrating bomber aircraft under the most sophisticated computer analyses. It is our conviction that this monument to American technological ingenuity, if brought on line through an accelerated production schedule, could preserve the security of the United States and the peace of the world for the rest of this century.

Recently, Mr. President, in response to the crisis in the Persian Gulf region, you have seen fit to take advantage of the range of the Guam-based B-52's for flights over the Indian Ocean. I am sure that you would agree that flights of new B-1's would have strengthened American resolve and added even greater flexibility to our airpower in that part of the world.

Mr. President, in the face of the conditions you yourself had set for the reconsideration of the B-1 bomber, it is our hope that you will recommend the restoration of the B-1 program as a direct, forceful response to the awesome growth of Soviet military power and blatant aggression of the Kremlin.

Sincerely,

Bill Archer, Skip Bafalis, Douglas Bereuter, Carroll Campbell, Richard Cheney, Bill Clinger, Barber Conable, Dan Crane, Bill Dannemeyer, Ed Derwinski, Charles Dougherty, John Erlenborn, Hamilton Fish, Barry Goldwater, Jr., Wayne Grisham.

J. P. Hammerschmidt, Elwood Hillis, Larry Hopkins, Ken Kramer, Gary Lee, Bob Livingston, Manual Lujan, Robert McEwen, Ron Marlenee, Larry McDonald, Carlos Moorhead, George O'Brien, Bill Nichols, Matthew Rinaldo, Toby Roth.

Eldon Rudd, Virginia Smith, Floyd Spence, Bill Thomas Guy Vander Jagt, Bob Whittaker, Chalmers Wylie, Jim Jones, Jerry Huckaby, Billy Evans, Sam B. Hall, Jr., Beverly Byron, Henry Gonzalez, Bill Alexander, Jerry Patterson, Robert Mollohan.

Charles Wilson, John Murtha, Doug Barnard, Jr., Robert Michel, Clarence Miller, John Ashbrook, G. V. Montgomery, Ed Bethune, Claire Burgener, Bill Carney, Don Clausen, E. Thomas Coleman, Tom Corcoran, Phil Crane.

Robert W. Davis, Sam Devine, John Duncan, Tom Evans, Ben Gilman, Bill Goodling, Tennyson Guyer, George Hansen, Henry Hyde, Jack Kemp, Bo Lagomarsino, Norman Lent, Tom Loeffler, Dan Lungren, Edward Madigan.

James Martin, Henson Moore, John Myers, James Quillen, Don Ritter, John Rousselot, Harold Sawyer, James Sensenbrenner, Gene Snyder, Arlan Stangeland, Tom Tauke, Robert Walker, William Whitehurst, Larry Winn, C. W. Bill Young.

Charles Stenholm, Kent Hance, Don Fuqua, Glenn Anderson, John Breaux, Bob Stump, Douglas Appelgate, Samuel Stratton, L. H. Fountain, David Bowen, Bud Shuster, Antonio Won Pat, Eugene Atkinson, Wes Watkins, Bob Badham.

Robin Beard, Clarence Brown, Caldwell Butler, Jim Collins, Jim Courter, Robert Daniel, Joel Deckard, Robert Dornan, Mickey Edwards, Paul findley, Newt Gingrich, Willis Gradison, Tom Hagedorn, Marjorie Holt, Jim Jeffries.

Tom Kindness, Delbert Latta, Jerry Lewis, Trent Lott, Bob McClory, Dan Marriott, Donald Mitchell, Dan Daniel, Thomas Luken, Chip Pashayan, John Rhodes, J. Kenneth Robinson, Richard Schulze, Norman Shumway, Gerald Solomon.

Gene Taylor, Paul Trible, William Wampler, Lyle Williams, Don Young, Charles Bennett, Mario Biaggi, E. de la Garza, Bill Chappell, Ronald Mottl, David Bowen, Carroll Hubbard, Jr.●

WORLD FOOD DAY OBSERVANCES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. GILMAN. Mr. Speaker, as sponsors of the resolution designating October 16, 1981, as World Food Day, my good friend and colleague, the gentleman from Illinois (Mr. SIMON), and I were heartened at congressional passage of that measure and the President's subsequent proclamation commemorating World Food Day.

Through the able and dedicated leadership of Ms. Patricia Young, the National Committee for World Food Day, an organization of over 178 volunteer groups, helped launch thousands of observances throughout the United States, including special proclamations from the Governors of all 50 States and the island of Guam.

As a member of the U.S. delegation to the current session of the United Nations General Assembly, I had the privilege to address the General Assembly plenary observance of World Food Day.

Mr. Speaker, I believe we can all be encouraged by the success of the first World Food Day in increasing public awareness about the gravity of the world hunger problem. In order to share this public interest with my colleagues, I request that the national committee's report "The First World Food Day—An Evaluation," be inserted at this point in the RECORD:

THE FIRST WORLD FOOD DAY—AN EVALUATION

Thousands of observances across the United States on the first World Food Day proved that an enormous groundswell of compassion and concern exists for the world's hungry. Support for this untried idea came from all regions of the country and from all sectors of the community. We believe, further, that this first year was part of a learning process and that next year's observance, on October 16, 1982, can and should be much larger. Briefly summarized, here is what was accomplished in the first year:

At the national level, World Food Day won the support of the Congress, which passed a joint resolution of support, of the President, who issued a special World Food Day proclamation on October 14, and of key government departments and agencies such as the U.S. Department of Agriculture and the Agency for International Development. Important "flagship" observances were held at the United Nations, the Organization of American States and the Department of Agriculture headquarters in Washington.

At the state level, the Day was supported by special proclamations from the governors of all 50 states and the island of Guam. More than 250 colleges and universities, public and private, held special seminars and other activities. In many states, media attention was given to meetings of governors and World Food Day organizers. In many observances, state and federal legislators participated as guest speakers.

At the local community level, thousands of small and large observances were organized, with the main thrust coming from the churches and from local hunger activist groups, but also with a very large number of schools participating either as a whole or in separate class activities organized by individual teachers. Hospitals, libraries, clubs, civic organizations and youth groups of all kinds were also active.

Of the greatest importance was the support of private voluntary organizations, especially those which endorsed the Day through their membership on the National Committee. The Committee, with 178 member organizations in this first year, was the main instrument for achieving national recognition and for informing people at the community level of our plans and purpose.

Through these efforts, we have achieved some important goals.

First, we have established World Food Day officially, through the recognition of the Congress and White House, state legislatures and governors' offices, and city, county and state authorities.

Second, we have established World Food Day among many voluntary organizations, proving its usefulness in heightening public awareness to issues which are of common concern, in creating a new community of shared interest between farm, food, nutrition, labor, industry, religious, academic, anti-hunger activist, world development and relief interests, and in demonstrating there is a broad constituency for food issues.

Third, we have brought together thousands of people in towns and cities throughout the country, showing them that others share their concerns and providing an opportunity to work together.

Fourth, we have established the link between national and international hunger concerns, building new bridges between those working on each side of these problems and between Americans and people in other countries who share our goals. It is important to remember that World Food Day is a global observance, and activities of all kinds were organized in 145 countries around the world.

An evaluation of the first year's experience reveals the following:

Each time that a co-sponsoring organization included a World Food Day appeal in its publications or mailings—even a small announcement of the Day and date—this resulted in a flood of inquires to the National Committee. Local chapters and individuals responded positively when approached through a trusted organization. We think this is further proof of the value of getting voluntary orgnizations involved at local and state as well as national levels.

The most successful community observances were those which involved the widest networking, bringing together different sectors of the community in the planning. The many activities in San Diego, Calif., for example, reflected the creation of a citywide committee of 52 member organizations. But networking doesn't require a big city. An equally impressive effort was made in Amsted, W. Va., a town of 1,800 with participation by the women's club, churches, local businesses, the town library and the mayor's office.

Many community groups, based on their experience this year, are looking for ways to keep new allies and coalitions together, both to plan for World Food Day in 1982 and for consideration of year around farm, food, nutrition and anti-hunger planning and programs. The National Committee will try to support these efforts throughout the coming year. The struggle to eliminate hunger—and the relevance of World Food Day—will require this kind of year around and long range planning and activities. (See enclosed paper on planning aids.)

Hundreds of letters from teachers (kindergarten through high school) asked the National Committee for classroom materials. We were stunned to find how little suitable material on world hunger is available especially for younger childern. Several of our sponsoring organizations as well as other educational groups have promised to help prepare special study kits for young people and their teachers for the next year.

The above evaluation may make it appear that the National Committee achieved these goals by itself, which of course is not the case. World Food Day was established by consensus among the 147 member governments of the UN Food and Agriculture Organization. The official promoter of the observance in the United States was the U.S. Department of Agriculture. The National Committee staff worked closely with FAO and USDA in what has actually been an unusual joint effort by a multinational UN agency, a U.S. government department and all the private voluntary organizations on our Committee. And, of course, those deserving the most credit are all the community organizers around the country. World Food Day was planned as a grass-roots, effort, counting on the initiative, energy and imagination of community leaders. Your response to this call was the heart of our success.

Sometimes we are asked, "How many people did you feed?" We answer that there is, first, importance in a symbolic act, particularly one shared around the world, and

second, that action can only from an informed and caring people.

World Food Day will be held each year on October 16. We hope that we will all be working together again on that day in 1982.

WORLD FOOD DAY PLANNING AIDS

RESOURCE DIRECTORY

As a special project for the first World Food Day, the National Committee has published a Resource Directory of organizations working on food and hunger issues in this country and around the world. It includes all the private voluntary groups, 178 in all, which have co-sponsored the National Committee, explaining the purpose of each and the materials each has for further study. The Directory also lists the main U.S. Government and United Nations agencies dealing with food problems. We believe this publication can be a valuable tool for expanding local and state networks and for discovering new resources on farm, food, nutrition and hunger problems in preparation for the next World Food Day on October 16, 1982. The price of the Directory is $5 including postage. Copies can be obtained through the National Committee for World Food Day. This money will be used either for reprinting the current edition or preparing a new one for use in 1983.

FOOD AND HUNGER ASSESSMENTS

One of the main values of World Food Day each year will be as a time for evaluation and assessment—to review what has been done in the previous year and examine problems for the year to come, both nationally and internationally, in the struggle to eliminate hunger and malnutrition. To begin this annual review, the National Committee is able to offer two assessments for World Food Day 1981, one related to the U.S. and the other on the global situation. We hope that these will be updated each year and that the first assessments will serve as benchmarks for measuring future developments. The U.S. national assessment, prepared by the Community Nutrition Institute, is ready now and is available through the National Committee. The global assessment is expected to be ready for distribution in December. One purpose of these papers is to help community organizers consider whether to prepare a local assessment on food and nutrition issues. There will be no charge for the national and global assessments.

WORKING PAPER ON LONG-RANGE PLANNING

Many World Food Day organizers are eager to find ways to turn enthusiasm for this single day observance into year-around activities and long-range planning. The National Committee has prepared a short "working paper" on long-range farm-food-nutrition planning and global hunger education to provide some ideas on how such initiatives can be launched and suggesting a number of background studies that are available. This short paper is available on request from the National Committee without charge.●

A PUBLIC SERVANT AND GOOD FRIEND—BOB BOWERSOX

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. PANETTA. Mr. Speaker, it is with sadness but also with great pride that I wish to bring to the attention of my colleagues the retirement of Dr. Robert Bowersox as director of public health for Monterey County, Calif.

Bob has been a friend of mine for many years, and his dedication to public service has made him one of the best known and best respected citizens of the Monterey Peninsula. Since he came to California in 1957, Bob has taken part in a variety of activities, from opening and operating successful medical clinics to running for Congress to serving on the Governor's Council on Wellness and Fitness and as president of the California Conference of Local Health Officers. Since 1973, he has been working as a public health advocate for Monterey County. In 1974, he was appointed director of health for the county, and in 1975, he was named director of health services, the position which he holds today.

As director of health services, Bob has been responsible for numerous reforms and advances that have made Monterey County's public health services among the best in California. Among other things, he has worked to reorganize the management structure of Natividad Medical Center, the principal public hospital in the county, organized the county's excellent mental health and environmental health departments, and played a major role in creating the Monterey County Health Initiative, an innovative, integrated health system for the poor.

Bob has also been extremely active politically in our area. In addition to his run for the Congress in 1962, Bob has chaired the Monterey County Democratic Central Committee, he has served as a member of both the executive committee and the steering committee of the California State Democratic Committee, and he has chaired the Monterey County campaigns of a number of distinguished candidates.

Mr. Speaker, I know the fact that Bob Bowersox will no longer be director of public health does not mean that he is ending his career of public service for good. I am sure that the communities of the Monterey Peninsula will be able to count on his wisdom and experience for use in some capacity in the future. Bob's contributions have been immense, but I do not believe they have come to an end.●

CONGRESSIONAL SALUTE TO HON. JOHN NICCOLLAI OF NEW JERSEY, OUTSTANDING LABOR LEADER, DISTINGUISHED CITIZEN, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 18, 1981

● Mr. ROE. Mr. Speaker, on Sunday, November 22, residents of my congressional district and State, of New Jersey will gather in testimony to the outstanding public service rendered to our community, State and Nation by one of our most distinguished labor leaders and good friend, the Honorable John Niccollai, whose standards of excellence throughout his lifetime are applauded by all of us who have had the good fortune to know him.

As John Niccollai retires from his esteemed office of secretary-treasurer of Local 464A, United Food & Commercial Workers Union, where he has served with distinction for over 40 years, I know that you and our colleagues here in the Congress will want to join with me in extending deepest appreciation of all of his good works and share great pride in the success of his achievements with his wife Jessie, son John, daughter-in-law Rene, and grandchildren John and Justine.

Mr. Speaker, John Niccollai has indeed earned the highest respect and esteem of all of us for the quality of his leadership in his career pursuits. This is particularly manifested in the strong support and depth of friendship that he enjoys among his colleagues who organized the John Niccollai retirement dinner to pay tribute to the many contributions he has made in the labor movement. A roster of the dinner committee comprised of business and labor leaders of national and international renown who laud him as "a man motivated by the needs of the working people but yet governed by a sense of propriety and the bounds of fairplay," is, as follows:

The John Niccollai Retirement Dinner Committee:

The Honorable: Harold Krieger, Esq., general counsel, local 464A; Chairman John T. Niccollai, director, operations, local 464A; Secretary William H. Wynn, president, UFCW International Union (honorary); Anthony J. Lutty, secretary-treasurer, UFCW International Union (honorary); Irving Kaplan, former president, local 464A (honorary); Elmer DeProspo, president, UFCW Local 174; Frank DeVito, president, UFCW Local 1245; Michael Dolan, secretary-treasurer, UFCW Local 174; E. J. Fox, vice president, Big V Supermarkets, Inc.; Frank Fusco, senior delegate, UFCW Local 464A; James Gillis, secretary-treasurer, UFCW Local 5; John G. Hickey, president, UFCW Local 34; Stanley Kaufelt, president, Mayfair Super Markets, Inc.;

J. Barron Leeds, vice president-labor relations, Grand Union Co.; Melvin Levy, vice president-industrial relations, Waldbaum's, Inc.; John J. McAteer, vice president-personnel, Foodarama Supermarkets, Inc.; James Meister, vice president-operations, King Super Markets, Inc.; Chris Petrillo, administrative assistant, UFCW Local

464A; Martin J. Quinn, vice president-industrial relations, First National Supermarkets, Inc.; Ray Rando, senior delegate, UFCW Local 464A; Joseph Spector, president, Delicacy Shop; Irving Stern, UFCW international vice president; Joseph C. Talerico, president, UFCW Local 1; Bernard J. Woolis, UFCW international vice president; Isadore Zalkin, vice president-industrial relations, Supermarkets General Corp.

Mr. Speaker, John Niccollai was born on May 30, 1912, in Monongahela, Pa. He is the first of seven children whose parents emigrated from Florence, Italy, to the United States.

His personal commitment to the workingman and workingwoman commenced as a very young man shortly after completing grammar school when he began his career pursuits, learning the trade of meat cutting. By age 15 he had attained the level of journeyman meatcutter and in 1936 became a charter member of the first meatcutter union formed in northern New Jersey. He was immediately elected secretary-treasurer of the newly established local 389 and in 1947 was a leading participant in a conference of the international officers of the Amalgamated Meat Cutters & Butcher Workmen of South America held in Chicago, Ill., which resulted in bringing together local 39, local 389, and local 261—merging into local 464 effective February 1, 1947. Subsequent mergers into local 464 in which he played a major role included local 177 of the Poultry Workers Union—all adding up to a total growth of the union in which he served as secretary-treasurer from 120 members in 1936 to 15,000 members in 1977.

John has served 14 consecutive terms in office as secretary-treasurer of local 464. During his tenure he was instrumental in implementing the following benefit programs of local 464:

Self-insured hospital, medical, surgical plan, self-administered pension program, prepaid legal plan, dental and optical program, prescription and drug program, credit union, preventive care mobile medical van.

In 1981 he has been working on the local 464 diagnostic and medical center.

Mr. Speaker, John Niccollai has been a staunch supporter and active participant in many civic and community improvement programs. He served as a distinguished member of the Board of Chosen Freeholders of Passaic County during the late sixties and early seventies. He is a member of the North Jersey Country Club, Wayne Elks, Italian Circle and Unico. We are particularly proud of his compassion, dedication and untiring efforts on behalf of our young people. His favorite charitable organization for the last 20 years has been the Boys Town of Italy and it therefore came as no surprise to us that the proceeds of the John Niccollai retirement dinner will be donated to the Boys Town of Italy, a most prestigious youth organization which, in addition to the magnificence of its contribution in helping young men to achieve leadership qualities of self-reliance, character building, sportsmanship, fair play and eagerness to serve others, epitomizes the grandeur and strength of pride in one's heritage and particularly John's Italian-American ancestry.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people and as John Niccollai retires his official office as secretary-treasurer of Local 464A, United Food & Commercial Workers Union, I appreciate the opportunity of seeking this national recognition of his contribution to our country. His lifetime of dedication, sincerity of purpose and personal commitment to the needs of our workingmen and workingwomen and their families have truly enriched the quality of life and way of life for the people of our community, State, and Nation. We do indeed salute an outstanding labor leader, distinguished citizen, good friend and great American, the Honorable John Niccollai of New Jersey.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, November 19, 1981, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 20

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Bobby Jack Thompson, of New York, to be Administrator of the U.S. Fire Administration, and Robert M. Garrick, of California, to be a member of the Board of Directors of the Communications Satellite Corporation (Comsat).
235 Russell Building

9:30 a.m.
Rules and Administration
To hold oversight hearings on the application and administration of the Federal Election Campaign Act (P.L. 96-187).
301 Russell Building

10:00 a.m.
Judiciary
**Juvenile Justice Subcommittee
To resume hearings on S. 1688, making it a Federal offense when a convicted criminal commits a series of crimes involving firearms, and S. 1689, providing that a convicted criminal sentenced to life imprisonment under State habitual criminal statutes be incarcerated in a Federal penitentiary.
2228 Dirksen Building

Conferees
On H.R. 3455, authorizing funds for fiscal year 1982 for military construction programs of the Department of Defense.
EF-100, Capitol

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
2228 Dirksen Building

NOVEMBER 23

9:00 a.m.
Commerce, Science, and Transportation
To hold joint hearings with the House Committee on Energy and Commerce on the proposed purchase of Marathon Oil Co. by the Mobil Corp.
318 Russell Building

9:30 a.m.
*Judiciary
*Immigration and Refugee Policy Subcommittee
To hold hearings on certain preference system provisions of the Immigration and Nationality Act (Public Law 94-571).
5110 Dirksen Building

Select on Indian Affairs
To hold hearings on S. 1370, authorizing the Secretary of the Army to acquire such oil, gas, coal, or other mineral interest owned by the Osage Tribe of Indians necessary for the construction of the Skiatook Lake, Osage County, Okla.
5302 Dirksen Building

10:00 a.m.
Judiciary
Security and Terrorism Subcommittee
To hold hearings to examine the presence of Cuban intelligence operations within the United States.
2228 Dirksen Building

NOVEMBER 24

9:00 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To hold hearings on S. 1660, to validate certain oil placer mining claims in Hot Springs County, Wyo.
3110 Dirksen Building

*Governmental Affairs
Intergovernmental Relations Subcommittee
To hold oversight hearings on State implementation of Federal standards, focusing on hazardous waste management provisions of the Resource, Conservation and Recovery Act.
5110 Dirksen Building

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee and International Trade Subcommittee
To hold joint hearings on S. 1824, increasing the limit on reforestation amortization and changing the funding source for the reforestation tax incentives trust fund from certain forest products tariffs to cutting fees from Federal timber sales; and to review several trade and tax issues relating to the forest products industry.
2221 Dirksen Building

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on Federal regulatory enforcement policy.
6226 Dirksen Building

Rules and Administration
To resume hearings on the application and administration of the Federal Election Campaign Act of 1971, as amended.
301 Russell Building

10:00 a.m.
*Environment and Public Works
Business meeting, to resume markup of proposed amendments to the Clean Air Act (Public Law 95-95).
1202 Dirksen Building

Governmental Affairs
To hold hearings on the nomination of Frederic V. Malek, of Virginia, to be a Governor of the U.S. Postal Service.
3302 Dirksen Building

Judiciary
Business meeting, to consider pending calendar business.
2228 Dirksen Building

Labor and Human Resources
Education Subcommittee and Employment and Productivity Subcommittee
To hold joint oversight hearings on the implementation of vocational education programs and the Comprehensive Employment and Training Act (CETA).
4232 Dirksen Building

2:00 p.m.
Budget
To hold hearings on S. 193, establishing a ceiling on revenue loss from tax expenditures and a procedure for the consideration of new tax expenditures.
6202 Dirksen Building

NOVEMBER 25

9:30 a.m.
Veterans' Affairs
To hold hearings on the nomination of Charles T. Hagel, of the District of Columbia, to be Deputy Administrator of Veterans' Affairs, Veterans' Administration.
412 Russell Building

10:00 a.m.
*Governmental Affairs
To hold hearings on proposed legislation requiring the Inspectors General of certain Federal agencies to periodically review their department's programs.
3302 Dirksen Building

Judiciary
Juvenile Justice Subcommittee
To resume hearings on S. 1688, making it a Federal offense when a convicted criminal commits a series of crimes involving firearms, and S. 1689, providing that a convicted criminal sentenced to life imprisonment under State habitual criminal statutes be incarcerated in a Federal penitentiary.
5110 Dirksen Building

Judiciary
Security and Terrorism Subcommittee
To resume hearings to examine the presence of Cuban intelligence operations within the United States.
2228 Dirksen Building

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
2228 Dirksen Building

NOVEMBER 30

9:30 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on certain provisions of the Immigration and Nationality Act (Public Law 94-571), relating to the H-2 temporary worker programs and nonimmigrant programs
2228 Dirksen Building

DECEMBER 1

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold joint hearings with the Committee on Labor and Human Resources on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To resume oversight hearings on America's role in the world coal export market.
3110 Dirksen Building

Finance
International Trade Subcommittee
To hold hearings to review recent developments in the U.S. automobile industry and the U.S. market.
2221 Dirksen Building

Labor and Human Resources
To hold joint hearing with the Committee on Agriculture, Nutrition, and Forestry on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

Small Business
Productivity and Competition Subcommittee
To hold hearings on Federal antitrust policies, focusing on recent small business mergers.
424 Russell Building

DECEMBER 2

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue joint hearings with the Committee on Labor and Human Resources on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

Labor and Human Resources
To continue joint hearings with the Committee on Agriculture, Nutrition, and Forestry on S. 1442, revising and updating American food safety laws.
4232 Dirksen Building

10:00 a.m.
Energy and Natural Resources
Business meeting, to resume markup of S. 1484, promoting the development of oil shale resources by revising the authority to lease lands containing oil shale deposits, S. 506, reinstating and validating certain numbered U.S. oil and gas leases, and other pending calendar business.
3110 Dirksen Building

DECEMBER 3

9:30 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To resume oversight hearings on America's role in the world coal export market, focusing on the domestic coal transportation network.
3110 Dirksen Building

Finance
Health Subcommittee
To hold hearings on competitive contracting for the administration of medicare.
2221 Dirksen Building

10:00 a.m.
Environment and Public Works
Business meeting, to resume markup of proposed amendments to the Clean Air Act (Public Law 95-95).
1202 Dirksen Building

Governmental Affairs
Federal Expenditures, Research, and Rules Subcommittee
To hold hearings on proposed legislation providing for a uniform Federal procurement system.
3302 Dirksen Building

DECEMBER 4

9:30 a.m.
*Banking, Housing, and Urban Affairs
To hold hearings on the use of Defense Production Act authorities to stimulate domestic production of titanium.
5302 Dirksen Building

Finance
Savings, Pensions, and Investment Policy Subcommittee
To hold hearings on S. 829, increasing annuities payable to survivors of Tax Court judges in accordance with certain salary increases, S. 1607, providing a minimum interest and dividend exclusion for each individual, and S. 1645, permitting funds in an individual retirement account to be invested in collectibles.
2221 Dirksen Building

DECEMBER 8

9:00 a.m.
Governmental Affairs
To hold hearings on debt collection procedures in the health professions student loan program, focusing on high delinquency rates.
5110 Dirksen Building

9:30 a.m.
Environment and Public Works
To hold oversight hearings on the Endangered Species Act (Public Law 96-159).
4200 Dirksen Building

Labor and Human Resources
To resume oversight hearings to examine affirmative action regulations of the Office of Federal Contract Com-

pliance Programs, Department of Labor.
4232 Dirksen Building

DECEMBER 9

10:00 a.m.
Energy and Natural Resources
Business meeting on pending calendar business.
3110 Dirksen Building

2:00 p.m.
Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings on Federal Government policy as it relates to the defense industrial base.
6226 Dirksen Building

DECEMBER 10

9:00 a.m.
Judiciary
*Criminal Law Subcommittee
To hold hearings on S. 613, amending the Federal Criminal Code to revise the scope of, and penalties under the Hobbs Act, prohibiting interference with commerce by threat or violence.
2228 Dirksen Building

9:30 a.m.
Environment and Public Works
To resume oversight hearings on the Endangered Species Act (Public Law 96-159).
4200 Dirksen Building

Labor and Human Resources
To resume oversight hearings to examine affirmative action regulations of the Office of Federal Contract Compliance Programs, Department of Labor.
4232 Dirksen Building

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on activities of the Department of Energy.
3302 Dirksen Building

DECEMBER 11

9:30 a.m.
Veterans' Affairs
Business meeting, to mark up S. 349, providing for limited judicial review of the administrative action of the Veterans' Administration, and for reasonable fees to attorneys representing legal counsel for veterans.
412 Russell Building

10:00 a.m.
Environment and Public Works
Business meeting, to resume markup of proposed amendments to the Clean Air Act (Public Law 95-95).
1202 Dirksen Building

JANUARY 13, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

JANUARY 14, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To continue hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

JANUARY 20, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

JANUARY 28, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 4, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 11, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 18, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

FEBRUARY 23, 1982

11:00 a.m.
Veterans' Affairs
To hold hearings on legislative recommendations of the Disabled American Veterans.
Room to be announced

FEBRUARY 25, 1982

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1761, amending the Voting Rights Act of 1965, to provide for the application of preclearance provisions to all States and political subdivisions, and provide for submission of any changes under the preclearance provisions to the appropriate U.S. district court.
2228 Dirksen Building

CANCELLATIONS

NOVEMBER 24

2:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To continue hearings to examine the presence of Cuban intelligence operations within the United States.
2228 Dirksen Building

HOUSE OF REPRESENTATIVES—*Thursday, November 19, 1981*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Blessed are the peacemakers, for they shall be called sons of God.—Matthew 5: 9.

Grant unto Your people, O God, the persistence to seek peace in a troubled and broken world. We confess our lack of vision of Your purpose in our lives and we admit we have missed the path of reconciliation among people and understanding among nations. Yet, O God, bless us with wisdom and spiritual grace that we may do what we can to bring about a world where nations will know respect one for another. In spite of all the obstacles that keep people from seeing each other as created in Your image, may we ever be messengers of peace and good will and so serve Your holy will. This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3454) entitled "An act to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, and for the Central Intelligence Agency retirement and disability system, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1211) entitled "An act to extend the Toxic Substances Control Act for 1 year," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GORTON and Mr. BAUCUS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1493. An act to deauthorize several projects within the jurisdiction of the Army Corps of Engineers.

CONFERENCE REPORT ON H.R. 4144, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 1982

Mr. BEVILL submitted the following conference report and statement on the bill (H.R. 4144) making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 97-345)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4144) making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 9, 10, 11, 12, 13, 15, 16, 49, 53, and 54.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 7, 19, 20, 22, 26, 27, 28, 30, 32, 34, 35, 37, 38, 39, 43, 44, 45, 48, 50, 58, 63, and 65, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$137,225,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,008,355,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$91,000,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$118,518,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,970,926,000*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,606,351,000*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$368,368,000*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$200,468,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,066,803,000*; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$76,177,000*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$150,000,000*; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$100,000,000*; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$129,162,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 14, 17, 18, 21, 23, 24, 29, 33, 40, 47, 52, 57, 59, 60, 61, 64, and 66.

TOM BEVILL,
EDWARD P. BOLAND,

LINDY (Mrs. Hale) BOGGS,
BILL CHAPPELL,
VIC FAZIO,
WES WATKINS,
ADAM BENJAMIN, Jr.,
JAMIE L. WHITTEN,
JOHN T. MYERS,
CLAIR W. BURGENER,
VIRGINIA SMITH,
ELDON RUDD,
Managers on the Part of the House.

MARK O. HATFIELD,
JAMES A. MCCLURE,
JAKE GARN,
HARRISON H. SCHMITT,
THAD COCHRAN,
JAMES ABDNOR,
BOB KASTEN,
MACK MATTINGLY,
J. BENNETT JOHNSTON,
JOHN C. STENNIS,
ROBERT C. BYRD,
ERNEST F. HOLLINGS,
WALTER D. HUDDLESTON,
QUENTIN BURDICK,
JIM SASSER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4144) making appropriations for energy and water development for fiscal year ending September 30, 1982, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying conference report.

Report language included by the House which is not changed by the report of the Senate, and Senate report language which is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

TITLE I—DEPARTMENT OF DEFENSE—CIVIL DEPARTMENT OF THE ARMY CORPS OF ENGINEERS—CIVIL

GENERAL INVESTIGATIONS

Amendment No. 1: Appropriates $137,225,000 for general investigations instead of $154,114,000 as proposed by the House and $132,575,000 as proposed by the Senate.

The Corps of Engineers is directed, within available funds, to allocate $175,000 in order to continue planning and engineering of the beach erosion control and storm protection project extending from Cape May Inlet to Lower Township, N.J.

The conferees direct that the funds included in the bill for the Red River and tributaries above Denison Dam, Okla. investigation be applied to the Rush Creek Watershed-Purdy Reservoir segment of the study.

Within the funds provided for the ongoing Saginaw River, Michigan investigation, the Corps of Engineers is to develop and make operational a computer model to predict flood damages in the Saginaw River Basin. This model is to be made operational in an expeditious manner and is to be compatible with local planning efforts. Development of this model is to compliment the flood routing studies and the operation of the completed flood control projects in the Saginaw River Basin.

No funds are included for a study to determine the feasibility of constructing a project at Lincoln School, Maine.

The conferees direct that the funds included for the Metropolitan Savannah study be allocated equitably to study the impacts on both Georgia and South Carolina.

The funds appropriated are to be allocated as shown on the following table:

[In thousands of dollars]

General investigations—State and project	Budget estimates		Conference allowance	
	Investigations	Planning	Investigations	Planning
ALABAMA				
Choctawhatchee River and Tribs, AL and FL (N)	89		89	
Miss R Nav System Adequate Mooring Facil for Watercraft (N)	295		295	
Mobile Harbor (Deepening) (N)	700		700	
Montgomery to Gadsden, Coosa River (N)				5,000
Warrior-Tombigbee Rivers (N)	958		958	
ALASKA				
Bradley Lake (MP)		474		740
Rivers and harbors in Alaska (FDP)	636		636	
Small hydropower (FDP)	1,060		1,060	
Southcentral deep-draft navigation (N)	105		165	
ARIZONA				
Gila River and tributaries, AZ and NM (FDP)	200		200	
Holbrook, Little Colorado River (FC)			150	
ARKANSAS				
Arkansas River vicinity of Fort Smith-Van Buren (FDP)	410		410	
Arkansas River and tribs. hydropower and other purposes, AR and OK (N)	488		488	
McKinney Bayou, AR and TX (FC)		200		200
Norfork Lake power units 3 and 4 (MP)		279		279
Ouachita River Basin, AR and LA (FDP)	1,000		1,000	
Red River Waterway, Shreveport, LA, to vic. of Index, AR, AR and LA (FC)		30		30
Red River below Denison Dam (Auth. repts.), AR, LA, OK, and TX (Comp)	120		120	
White River Basin Reservoirs, AR and MO (FDP)	400		400	
CALIFORNIA				
Alameda Creek, upper basin (FDP)	150		150	
Bodega Bay (N)				155
Coast of California, storm and tidal waves (Spec)			750	
Cottonwood Creek (FC)		3,000		3,000
Crescent City Harbor (N)	200		200	
Fishermans' Wharf area, San Francisco Harbor (N)			100	
Goleta and vicinity, CA (FC)		520		520
Guadalupe River (FDP)			73	
Los Angeles County drainage area review (FDP)	500		500	
Merced County streams (FC)		1,244		1,244
Morrison Creek stream group (Phase I) (FDP)	650		650	
Northern California streams (FDP)	98		98	
Noyo River and Harbor (N)		240		240
Oakland Inner Harbor (N)	130		130	
Oakland Outer Harbor (deepening) (N)	150		150	
Oceanside Harbor (N)	100		100	
Redbank and Fancher Creeks (FDP)			400	
Sacramento River and tribs, bank prot. and eros. control (FDP)			300	
Sacramento River deepwater ship channel (N)			400	
Sacramento-San Joaquin Delta (FDP)			154	
San Diego County streams (FDP)			200	
Santa Ana River (Phase I) (FDP)			500	
San Francisco Bay shoreline (FDP)			200	
San Francisco Bay area (indepth) (N)	110		110	
San Luis Rey River (FC)		300		300
San Pedro Bay ports (N)	480		480	
Santa Ana River basin and Orange County (FDP)	485		485	
Sunset Harbor (N)	150		150	
COLORADO				
Ark R. and tribs. above John Martin Dam (Phase I) (FDP)	350		350	
COMM. N. MARIANAS				
Northern Marianas (N)	150		150	
CONNECTICUT				
Bridgeport Harbor (N)	133		133	
C.R.B.—auth. reports, CT, MA, and NH (Comp)	660		660	
Housatonic River Basin, CT and MA (FDP)	100		100	
Long Island Sound—dredged material containment study (Spec)	300		300	
DELAWARE				
Delaware River Estuary salinity intrusion (N)	74		74	
DISTRICT OF COLUMBIA				
Metropolitan Washington water supply (Spec)	563		563	
FLORIDA				
Biscayne Bay (N)			100	
Central and southern Florida, Canal 18 (FDP)	175		175	
Central and southern Florida water supply (FDP)	650		650	
Golden Gate Estates (FDP)			300	
Gulf coast passes (N)			150	
Kissimmee River (FDP)	377		377	
Manatee Harbor (N)			65	
Mexico Beach Inlet (N)			50	
Miami Harbor Channel (N)			75	
Palm Beach Harbor			50	
Sarasota County (SP)	126		126	
Shark River Slough (FDP)	146		146	
Six Mile Cypress slough (N)			50	
Suwannee River (FDP)	50		50	
Tampa Harbor (Big Bend and Alafia River) (N)	153		153	
Withlacoochee River (FDP)	150		150	
GEORGIA				
Brunswick (FDP)			200	
Metropolitan Savannah (FDP)	236		236	
Northeast Georgia region (FDP)			100	
Savannah Harbor comprehensive (N)	700		700	
Savannah Harbor (widening) (N)	200		200	
GUAM				
Harbors and rivers in the Territory of Guam (N)	420		420	
HAWAII				
Harbors and rivers in Hawaii (FDP)	553		553	
Hilo area comprehensive study (N)	300		300	
IDAHO				
Columbia River and tributaries, ID, OR, WA, and MT (FDP)	1,050		1,550	
Dworshak additional unit (MP)		175		
Upper Snake River and tributaries, ID and WY (FDP)	500		500	
ILLINOIS				
Carlyle Lake and Lake Shelbyville (SPEC)	340		340	
Chicago South end of Lake Michigan, IL and IN (FDP)	100		100	
Chicagoland, underflow plan (Phase I GDM) (FDP)	2,185		2,185	
Eldred and Spankey drainage and levee district (FC)		325		325
Hartwell drainage and levee district (FC)		210		210
Hillview drainage and levee district (FC)		480		480
Louisville Lake (FC)		150		150
Heredosia, Willow Creek and Coon Run D and L district (FC)		340		340
Heredosia Lake and Willow Creek drainage and levee district (FC)		105		105
Miss. Riv., Coon Rapids Dam to mouth of Ohio, IL, IA, and MO (FDP)	1,430		1,430	
Nutwood drainage and levee district (FC)		330		330
Ohio River main stem, IL, IN, KY, OH, PA, and WV (FDP)	1,200		1,200	
Richland Creek (FDP)	271		271	
Rock River agricultural levees (FC)		250		250
INDIANA				
Little Calumet River (phase I gdm.) (FDP)	214		214	
Wabash River Basin (authorization report), IN and IL	250		250	
IOWA				
The Iowa-Cedar River, IA and MN (FDP)	69		69	

[In thousands of dollars]

General investigations—State and project	Budget estimates		Conference allowance	
	Investigations	Planning	Investigations	Planning
KANSAS				
Ark. Riv. and Tribs. Great Bend, KS, to Tulsa, OK, KS and OK (FDP)	550		550	
Ark. Riv-Great Bend to Tulsa, at Halstead (FDP)	200		200	
Arkansas R. from Great Bend to John Martin Dam (FDP)	450		450	
Kansas and Osage Rivers (FDP)	1,070		1,070	
Verdigris River, KS and OK (FDP)	657		657	
KENTUCKY				
Bid Sandy River, KY, WV, and VA (N)	550		550	
Camp Ground Lake (Phase I) (FDP)	460		460	
Frankfort, Kentucky (South Frankfort) (FDP)				170
Green and Barren Rivers, KY and TN (N)	100		100	
Kentucky River and tributaries (FDP)	300		300	
Lower Cumberland-Tennessee Rivers below Barkley Canal (N)	200		200	
Upper Cumberland River Basin, KY and TN (FDP)	200		200	
LOUISIANA				
Aloha-Rigolette area (FDP)			170	
Gulf IWW (LA-TX section), LA and TX (N)	620		620	
Louisiana coastal area (FDP)	150		150	
Merm, Verm. and Calc. Rvs. and by Teche. (FDP)	220		420	
Miss. River-Gulf outlet and enlargement (N)			1,000	
West Agurs Levee (FC)		70		70
MAINE				
Saint John River (FDP)	350		350	
MARYLAND				
Chesapeake Bay study, MD and VA (Spec)	1,430		1,430	
Crisfield Harbor, Somerset County (N)	150		150	
Monongahela-Youghiogheny River basin, MD, PA, and WV (FDP)	500		500	
MASSACHUSETTS				
East Boat basin, Sandwich (N)	65		65	
Lynn Harbor (N)	42		42	
North Nashua River flood control project (FC)		300		
S.E.N.E.—auth. reports, MA, RI, and CT (COMP)	351		351	
MICHIGAN				
Cross Village Harbor (N)		85		85
Great Lakes connect, Channels and Hbrs, MI, IL, IN, MN, NY, OH, and WI (N)	1,010		1,010	
Great Lakes, particularly Lakes Ontario and Erie (FDP)	653		653	
Red Run drain and Lower Clinton River (FC)		155		155
Saginaw River (FDP)	295		295	
MINNESOTA				
Bassett Creek (FC)		400		400
Chaska (FC)		250		250
Duluth Superior Harbor, MN and WI (N)	102		102	
East Grand Forks (FC)		124		124
Great River resource mgmt. study (Great), MN, IL, IA, MO, and WI (Spec)	355		355	
Minnesota River Valley (FC)			920	
Red River of the North, MN and ND (FDP)	818		818	
Reservoirs at headwaters (N)	90		90	
Rochester (FC)		530		530
St. Croix River, MN and WI (FDP)	110		110	
MISSISSIPPI				
Mississippi Sound and adjacent areas, MS and AL (N)	300		300	
Pascagoula River basin (FDP)	123		123	
Pascagoula Harbor (N)	305		305	
Pearl River basin, MS and LA (FDP)	825		825	
Sowashee Creek (Phase I) (FDP)	144		144	
Tennessee-Tombigbee Waterway, MS, AL, TN, and KY (Spec)	1,646		1,646	
Yazoo River (N)		600		600
MISSOURI				
Cape Girardeau-Jackson metropolitan area (FDP)	230		230	
Hannibal (FDP)				50
Pine Ford Lake (FC)		225		225
St. Louis metro area, MO and IL (FDP)	1,725		1,725	
St. Louis Harbor, MO and IL (N)	280		280	
St. Genevieve (FDP)	200		200	
MONTANA				
Flathead River near Kalispell (FC)		290		
NEVADA				
Truckee Meadows (FDP)	240		240	
NEW HAMPSHIRE				
Southeastern New Hampshire (FDP)	150		150	
NEW JERSEY				
Hackensack River basin, NJ and NY (FDP)	240		240	
New York Harbor deep draft channel to Claremont Terminal, NJ and NY (N)	50		50	
Passaic River basin study, NJ and NY (Phase I) (FDP)	2,100		2,100	
Rahway River basin at Springfield (FDP)	100		100	
Rahway River basin, Robinson branch at Rahway (FDP)	100		100	
Raritan River basin (FDP)	400		400	
NEW MEXICO				
Rio Grande floodway—Truth or Consequences unit (FC)		120		120
Rio Grande and tributaries (FDP)	750		750	
Rio Grande and tribs. (Rio Puerco and Rio Salado) (Phase I) (FDP)	140		140	
Santa Fe River and Arroyo Mascaras (FC)		50		50
NEW YORK				
Ardsley (FC)		110		110
Arthur Kill Channel, Howland Hook Marine Terminal (N)	132		132	
Buffalo Harbor (N)	500		500	
Great Lakes—Hudson River Waterway (N)	300		300	
Jones Inlet and Freeport Long Island (N)	150		150	
Oswego watershed (FDP)	600		600	
New York Harbor, Ambrose and Anchorage Channel (N)			300	
St. Lawrence Seaway, additional locks (N)	400		400	
Susquehanna River basin auth. report, NY, PA and MD (COMP)	298		298	
Westchester Cty. str, Mamaroneck and Sheldrake Riv, Mamaroneck (FDP)	100		100	
NORTH CAROLINA				
Cape Fear River, Acme to Fayetteville (N)	180		180	
Fort Fisher (BE)		285		285
Lumber River Basin, NC and SC (FDP)	127		127	
Roanoke River, South Boston and Vicinity, NC and VA (FDP)	108		108	
West Onslow Beach and New River Inlet (SP)			125	
Wrightsville Beach (SP)	33		33	
NORTH DAKOTA				
Grafton—Park River subbasin (Phase I) (FDP)	280		280	
Pembina River (Phase I) (FDP)	220		220	
Sheyenne River Flood control project (FC)		203		203
OHIO				
Beaver River Basin, OH and PA (FDP)	150		150	
Central Ohio Survey at Logan (FDP)	200		200	
Central Ohio Survey (FDP)	240		240	
Central Ohio Survey at Nelsonville (FDP)	200		200	
Cleveland Harbor (Phase I) (N)	202		202	
Cuyahoga River basin (FDP)	50		50	
Gallipolis Locks and Dams, (Phase I), OH and WV (FC)			1,600	
Geneva-on-the-Lake (SEC 201) (N)		150		150
Lake Erie Wastewater Management, OH, MI, NY, PA, and IN (SPEC)	348		348	
Lorain Harbor (N)	275		275	
Miami River, Little Miami River, and Mill Creek basin (FDP)	350		350	
Muskingum River basin at Mansfield (FDP)	200		200	
Muskingum River basin (FDP)	200		200	
Muskingum River basin at Killbuck (FDP)	200		200	
Reno Beach—Howard farms area (FC)		100		100
Western Lake Erie shore (FDP)	100		100	
OKLAHOMA				
Arkansas-Red River Basins chloride control, OK, TX (FC)		595		795
Canadian River and Tribs. OK, TX, and NM (FDP)	350		350	
Poteau River, OK and AR (FDP)	200		300	
Red River and tributaries above Denison Dam (FDP)			200	
Tenkiller Ferry Lake (FDP)	204		204	
Tulsa urban study (FDP)	75		75	
OREGON				
Bonneville Lock (N)			3,400	
Columbia River at the mouth, OR and WA (N)	100		100	
Coquille River and bar (N)	150		150	
Johnson Creek (FC)		103		103
McNary Lock and Dam (second powerhouse), OR and WA (Phase I) (MP)	1,700		1,700	
Rogue River at Gold Beach (N)			100	
Siuslaw River and bar (N)		100		100
Willamette River basin (FDP)			50	
PENNSYLVANIA				
Allegheny River basin (FDP)	100		100	
Delaware River basin study, PA, NJ, NY, and DE (FDP)	400		400	
Delaware River comprehensive navigation study, PA, NJ, and DE (N)	120		120	
Delaware River dredge disposal study, PA, NJ, and DE (N)	365		365	
Francis E. Walter Dam (modification) (FC)		1,000		1,000
Kiskiminetas River basin (FDP)	400		400	
Lehigh River basin (FDP)	300		300	
Susquehanna basin at Harrisburg (FDP)	550		550	
West Branch Susquehanna River, Williamsport and S. Williamsport (FDP)	500		500	
RHODE ISLAND				
Bristol Harbor (N)		75		75
Providence Harbor (debris study) (N)	71		71	
SOUTH CAROLINA				
Charleston Harbor (N)	52		52	
Gills Creek (FDP)	250		250	
Myrtle Beach (BE)			50	
SOUTH DAKOTA				
Eastern South Dakota and Upper Big Sioux River, SD and IA. (FDP)	540		540	
Missouri River, SD, NE, ND, and MT. (FDP)	550		550	
Western Dakotas region of SD. (FDP)	480		480	
TENNESSEE				
Metropolitan region of Nashville (FDP)	250		250	
TEXAS				
Big Sandy Lake (FC)		175		175
Brazos natural salt pollution control (Phase I) (FDP)	250		250	
Brazos River and tributaries (FDP)	300		300	
Buffalo Bayou and tributaries (FDP)	800		800	
Clear Creek (FC)		300		300
Colorado River and tributaries (FDP)	180		180	
Colorado River and tributaries, Boggy Creek at Austin (FDP)			300	
Dickinson Bayou (FDP)			50	
Galveston Bay area (N)	720		720	
Guadalupe and San Antonio Rivers (FDP)	275		275	
Guadalupe River channel to Victoria (N)	125		125	
Lake Wichita, Holiday Creek at Wichita (FDP)	100		100	
Little Cypress Creek, TX and LA (FDP)	270		270	
Millican Lake (FC)		290		290
Neches River and Tribs. salt water barrier at Beaumont (N)		250		250
Palo Blancho and Cibolo Creeks, Falfurrias (FDP)	148		148	
Pine Island Bayou watershed (FDP)	300		300	
Pleasure Island at Port Arthur (Spec)			65	

[In thousands of dollars]

General investigations—State and project	Budget estimates		Conference allowance	
	Investigations	Planning	Investigations	Planning
San Jacinto River and tributaries (FDP)	100		200	
Trinity River (MP)		570		570
Upper White Oak Bayou—vicinity of Houston (FDP)	400		400	
Walnut Branch Seguin (FDP)	85		85	
UTAH				
Colorado River and tribs., above Lees Ferry, UT, AZ, and CO. (FDP)	500		500	
Jordan River basin (FDP)	145		145	
VIRGINIA				
Chowan River, VA and NC. (FDP)	360		360	
Hamption Roads drift removal (N)	75		75	
Norfolk Harbor and channels (deepening) (N)	2,600		2,600	
Norfolk, vicinity of Willoughby Spit (SP)	92		92	
Roanoke River upper basin (FDP)	220		220	
Virginia Beach (Phase I) (FDP)	200		200	
York and Pamunkey Rivers (N)	200		200	
VIRGIN ISLANDS				
Puerto Rico-Virgin Islands pipeline study, VI and PR. (FDP)	300		300	
WASHINGTON				
Blair-Sitcom Waterway (N)			300	
Chehalis River and tributaries (FDP)	200		200	
Grays Harbor and Chehalis River, Hoquiam River (N)	324		324	
Puget Sound and adjacent waters (Comp)	264		264	
Seattle Harbor-Duwamish Waterway (N)	681		681	
Snohomish River (navigation) (N)	150		150	
Yakima Valley Regional Water Management (FDP)			50	
WEST VIRGINIA				
Guyandotte River basin, vicinity of Logan and Mullens (FDP)	225		225	
Kanawha basin comprehensive study (Comp)	400		400	
Kanawha River navigation study (N)	600		600	
WISCONSIN				
Fox River and tributaries (FDP)	383		383	
State road and Ebner Coulees (FC)		350		350
Wisconsin River at Portage (FDP)	122		122	
Total, all States	71,879	16,507	85,886	21,633
Advance engineering and design prior to project authorization		1,000		1,000
Coordination studies with other agencies	5,360		5,490	
REVIEW OF AUTHORIZED PROJECTS				
Restudy of deferred projects	320		670	
Camelsback Dam, Gila River Basin (FDP)			(350)	
Reivew of completed projects	3,890		3,890	
Review for deauthorization	190		190	
Review of marginal O. & M. projects	100		100	
Review of local protection projects	100		100	
Drought contingency planning	600		600	
Total, review of authorized projects	5,200		5,550	
COLLECTION AND STUDY OF BASIC DATA				
Stream gaging (U.S. Geological Survey)	575		575	
Precipitation studies (National Weather Service)	325		325	
International water studies	90		90	
Flood plain management services	9,000		9,000	
Hydrologic studies	318		318	
Scientific and technical information centers	246		246	
Coastal data collection	1,870		1,870	
Transportation systems	300		300	
National program of inspection of non-Federal dams	500		500	
Environmental data studies	200		200	
Total, collection and study of basic data	13,424		13,424	
Research and development	23,580		21,000	
Reduction for anticipated savings and slippages	−17,710		−16,708	
Subtotal	101,733	17,507	114,592	22,633
Total, general investigations	119,240		137,225	

Type of project:
(N) Navigation.
(FC) Flood control.
(BE) Beach erosion control.
(MP) Multiple-purpose, including power.
(FDP) Flood damage prevention.
(SP) Shoreline protection.
(Spec) Special.
(Comp) Comprehensive.
(Phase I) Authorized for Phase I of advance engineering and design in the Water Resources Development Act of 1974 or 1976.

Amendment No. 2: Deletes language proposed by the House relating to the North Nashua flood control project, Massachusetts. Funds for this project have been deleted from the appropriation totals and on the report table and the language is no longer required.

CONSTRUCTION, GENERAL

Amendment No. 3: Appropriates $1,416,992,000 for construction, general as proposed by the Senate instead of $1,518,941,000 as proposed by the House.

The conference agreement includes $800,000 for the East Bay Marina, Wash. and $80,000 for the Burns Ditch, Ind. project under Section 107, Small Navigation Projects; $500,000 for Colonial Beach, Va. under Section 103, Small Beach Erosion Control Projects; $1,600,000 for Euclid Creek, Ohio under Section 205, Small Flood Control Projects; and $1,000,000 for Miami Harbor Bay Front Park, Fla. under the Recreation Facilities at Completed Projects category.

The funds appropriated are to be allocated as shown on the following table:

[In thousands of dollars]

Construction, General—State and project	Budget estimate	Conference allowance
ALABAMA		
Jones Bluff Lock and Dam (MP)	3,000	3,000
Tennessee-Tombigbee Waterway, AL percent MS (N)	201,100	189,000
West Point Lake, GA percent AL (MP)	11,360	1,360
ALASKA		
Chena River Lakes (FC)	15,500	15,500
Snettisham unit 3 (resumption) (MP)		2,000
ARIZONA		
Indian Bend Wash (FC)	4,100	4,100
Phoenix, AZ percent vicinity (stage 2 percent remaining work) (FC)	7,800	7,800
ARKANSAS		
McClellan-Kerr Ark. River navigation system locks and dams, AR percent OK (N)	14,000	14,000
Norfolk Lake highway bridge construction (MP)	12,300	12,300
Ouachita and Black Rivers, AR percent LA (N)	24,500	24,500
Red Riv. levees percent bank stab below Denison Dam, AR, LA, percent TX (FC)	5,990	5,990
CALIFORNIA		
Crescent City Harbor, CA (N)	1,720	1,720
Cucamonga Creek (FC)	25,500	25,500
Dry Creek (Warm Springs) Lake and Channel (FC)	20,800	20,800
Los Angeles-Long Beach Harbors (N)	11,000	11,000
New Melones Lake (MP)	12,700	12,700
Sacramento River percent major percent minor tribs. (FC)	200	200
Sacramento River bank protection project (FC)	3,400	3,400
San Diego River and Mission Bay (N)	250	250
San Francisco Bay to Stockton (N)	1,400	1,400
San Jacinto River levee and Bautisto Creek channel (FC)		2,000
Santa Maria Valley levees (FC)	4,525	4,525
Santa Paula Creek channel (FC)	310	310
Walnut Creek (FC)	10,000	10,000
COLORADO		
Bear Creek Lake (FC)	212	212
Chatfield Lake (FC)	800	800
Trinidad Lake (dam safety assurance) (FC)	3,500	3,500
CONNECTICUT		
New London hurricane barrier (FC)	550	550
DISTRICT OF COLUMBIA		
Potomac estuary pilot water treatment plant (FC)	4,200	4,200
FLORIDA		
Canaveral Harbor (N)		80
Central and southern Florida (FC)	13,500	13,500
Dade County (FC)	9,300	9,300
Four River basins (FC)	1,500	1,900
Pinellas County (BE)		1,000
Port Everglades Harbor (N)	13,982	13,982
Tampa Harbor (main channel) (N)	38,000	38,000
GEORGIA		
Hartwell Lake upper and lower diversion dams, GA and SC (rehab) (MP)	3,800	3,800
Hartwell Lake, GA and SC (fifth unit) (MP)	6,700	6,700
Richard B. Russell Dam and Lake, GA and SC (MP)	81,400	81,400
HAWAII		
Barbers Point Harbor, Oahu (N)	10,000	10,000
Kahului Harbor, Maui (rehab) (N)	1,000	1,000
IDAHO		
Dworshak Dam and Reservoir (MP)	3,800	3,800
Lewiston Clarkston Bridge, ID and WA (MP)	3,990	3,900
Placer Creek (FC)	3,375	3,375
ILLINOIS		
East Moline (FC)	4,480	4,480
East St. Louis and vicinity (FC)	3,100	3,100
Fulton (FC)	5,670	5,670
Illinois WW, Dresden Island lock and dam (rehab) (N)	4,230	4,230
Illinois WW, Starved Rock lock and dam (rehab) (N)	4,810	4,810
Kaskaskia River navigation (N)	3,200	3,200
Kaskaskia Island drainage and levee district (FC)	5,200	5,200
Little Calumet River (N)	115	115
Lock and dam No. 26, Mississippi River, Alton, IL and MO (N)	87,000	87,000
Locks and dam 52, IL and KY (rehab) (N)	5,200	5,200
Locks and dam 53, IL and KY (rehab) (N)	3,200	3,200
McGee Creek drainage and levee district (FC)	8,500	7,800
Milan (FC)	3,180	3,810
Rockford (FC)	2,100	2,100
Smithland locks and dam, IL, IN, and KY (N)	1,300	1,300
Wood River drainage and levee district (FC)	1,250	1,250
INDIANA		
Beverly Shores (BE)		600
Cannelton locks and dam, IN and KY (N)	1,107	1,107
Evansville (FC)	4,380	4,380
Levee unit 5 (FC)	960	960
Newburgh locks and dam, IN and KY (N)	600	600
Uniontown locks and dam, IN and KY (N)	1,014	1,014
IOWA		
Bettendorf (FC)	820	820
Coralville Lake (FC)	2,900	2,900
Evansdale (FC)	2,060	2,060
Missouri River levee system, IA, NE, KS and MO (FC)	3,500	3,500
Red Rock Lake (rec dev) (FC)	2,050	2,050
Saylorville Dam (FC)	2,120	2,220
Waterloo (FC)	5,620	5,620
KANSAS		
Clinton Lake (FC)	1,192	1,192
El Dorado Lake (FC)	2,600	2,550
Hillsdale Lake (FC)	2,864	2,864
Pearson-Skubitz, Big Hill Lake (FC)	2,913	2,913
KENTUCKY		
Big South Fork National River and Rec area, KY and TN (FC)	9,900	9,000
Cave Run Lake (FC)	4,800	4,800
Dayton (FC)	380	380
Laurel River Lake (MP)	6,100	6,100
Paintsville Lake (FC)	3,550	3,550
Southwestern Jefferson County	14,400	14,400
Taylorsville Lake (FC)	11,900	11,900
Yatesville Lake (FC)		4,000
LOUISIANA		
Atchafalays River and Bayous Chene, Boeuf and Black (N)	10,000	10,000
Bayou Bodcau and tributaries (FC)	600	600
Grand Isle and vicinity (hurricane protection) (FC)	1,955	1,955

[In thousands of dollars]

Construction, General—State and project	Budget estimate	Conference allowance
Lake Pontchartrain and vicinity (hurricane protection) (FC)	15,000	15,000
Larose to Golden Meadow (hurricane protection) (FC)	9,900	9,900
Mississippi River—Gulf outlet (N)	2,550	2,550
Mississippi River, Baton Rouge to the Gulf of Mexico (N)	4,400	4,400
New Orleans to Venice (hurricane protection) (FC)	2,350	2,350
Overton-Red River waterway, lower 31 miles (N)	5,020	5,020
Red River waterway—Mississippi River to Shreveport (N)	27,000	50,000
Red River emergency bank protection, LA, AR, OK and TX (N)	5,500	5,500
Vermilion lock (replacement) (N)	7,400	7,400
MARYLAND		
Baltimore Harbor and channels, MD and VA (1958 modification) (N)	2,529	2,529
Bloomington Lake, MD and WV (FC)	1,750	1,750
MASSACHUSETTS		
Cape Cod Canal highway bridges (rehab) (N)	6,500	6,500
Charles River Natural Valley storage area (FC)	900	900
Clark Point (reimb) (BE)	270	270
Fall River Harbor, MA and RI (N)	200	200
MICHIGAN		
Midland (FC)		100
Saginaw River (FC)	500	500
MINNESOTA		
Big Stone Lake and Whetstone River, MN and SD (FC)	490	490
Mankato and North Mankato (FC)	9,500	9,500
Mississippi River, lock and dam 1 (rehab.) (N)	7,480	7,480
Roseau River (FC)	500	500
Wild Rice River South Branch and Felton Ditch (FC)	1,670	1,670
Winona (FC)	8,870	8,870
MISSISSIPPI		
Tombigbee River and tributaries, MS and Al (FC)	600	800
Yazoo River, MS–Belzoni Bridge (advance participation)	2,800	2,800
MISSOURI		
Blue River Channel, Kansas City (FC)	4,400	4,400
Clarence Cannon Dam and Reservoir (MP)	12,100	12,100
Harry S. Truman Dam and Reservoir (MP)	14,500	14,500
Little Blue River Channel (FC)	5,100	5,100
Little Blue River Lakes (FC)	36,500	36,500
Long Branch Lake (FC)	500	500
Miss. River between the Ohio and Maryland Rivers (reg. works) MO and IL (N)	2,800	2,800
Perry County Drainage and Levee District Nos. 1, 2, and 3 (FC)	2,858	2,858
Smithville Lake (FC)	2,963	2,963
MONTANA		
Great Falls (FC)	3,000	3,000
Libby Dam additional units (MP)	14,600	5,000
Libby Dam—Lake Koosanusa (MP)	2,630	2,630
NEBRASKA		
Papillion Creek and Tributaries Lakes (FC)	5,000	5,000
NEW JERSEY		
Elizabeth River flood control project (FC)	10,700	10,700
NEW MEXICO		
Santa Rosa Lake (FC)	3,300	3,300
NEW YORK		
Cattaraugus Harbor (N)	2,000	2,000
East Rockaway Inlet and Jamaica Bay (BE)	2,700	2,700
Ellicott Creek (FC)	150	150
Fire Island Inlet to Montauk point (FC)	11,400	9,900
Irondequoit Bay (N)	100	100
New York Harbor collection and removal drift project, NY and NJ (N)	2,300	2,300
NORTH CAROLINA		
AIWW-replacement of Federal highway bridges (N)	500	500
B. Everett Jordan Dam and Lake (FC)	2,944	2,944
Carolina Beach and vicinity (FC)	6,860	6,860
Falls Lake (FC)	11,500	11,500
Manteo (Shallowbag) bay (N)	2,000	1,000
OHIO		
Alum Creek Lake (FC)	1,400	1,400
Ashtabula Harbor (major rehab.) (N)	5,300	5,300
Caesar Creek Lake (FC)	1,100	1,100
Chillicothe (FC)	6,600	6,600
Mill Creek (FC)	7,000	7,000
Muskingum River Lakes (rehab.) (FC)	5,320	5,320
Muskingum River Lakes (dam safety assurance)	2,400	2,400
Newark (FC)	1,871	1,871
Point Place (FC)	3,050	3,050
West Harbor (N)	1,600	1,600
William H. Harsha Lake (FC)	1,600	1,600
Willow Island Locks and Dam, OH and WV (N)	670	670
OKLAHOMA		
Arcadia Lake (FC)	21,300	21,300
Clayton Lake (FC)	3,500	3,500
Copan Lake (FC)	5,700	5,700
Skiatook Lake (FC)	10,080	10,080
Waurika Lake (FC)	309	309
OREGON		
Applegate Lake (FC)	3,500	3,500
Bonneville second powerhouse, Or and Wa (MP)	51,350	51,350
Columbia River at the mouth, south jetty, OR and WA (Rehab.) (N)	2,700	2,700
Elk Creek Lake (resumption) (MP)		1,300
John Day Lock and Dam, Lake Umatilla, OR and WA (MP)	2,500	2,500
John Day Lock, OR and WA (Rehab.) (MP)	645	645
Lower Columbia River basin bank protection, OR and WA (FC)	1,250	1,250
McNary Lock and Dam, OR and WA (MP)	898	898
Nehalem Bay (rehab.) (N)	7,100	7,100
Willamette River basin bank protection (FC)	1,450	1,450
Willow Creek Lake, Heppner (FC)	28,400	28,400
PENNSYLVANIA		
Emsworth Locks and Dam (rehab.) (N)	14,300	14,300
Kinzua Dam and Allegheny Reservoir, PA and NY (rehab.) (FC)	950	950
Presque Isle (BE)	1,000	1,000
Tioga—Hammond Lakes (FC)	3,300	3,300
Wyoming Valley (FC)	800	800
PUERTO RICO		
Portugues/Bucana Rivers (FC)	16,300	16,300
RHODE ISLAND		
Cliff Walks, Newport (resumption) (BE)		240
SOUTH CAROLINA		
Cooper River, Charleston Harbor (N)	36,000	36,000
Little River Inlet, SC and NC (N)	6,000	6,000
TEXAS		
Aquilla Lake (FC)	16,200	16,200
Arkansas-Red River basins chloride control (Area 8) (FC)	11,900	11,900
Cooper Lake and Channels (FC)	650	700
Corpus Christi ship channel (N)	3,600	3,600
El Paso (FC)	8,200	8,200
Highland Bayou (FC)	800	800
Lakeview Lake (FC)	37,200	37,200
Lavon Lake modification and East Fork channel improvement (FC)	2,413	2,413
Lewisville Dam (rehab.) (FC)	2,818	2,818
Ray Roberts Lake (FC)	12,500	12,500
San Antonio channel improvement (FC)	5,100	5,100
San Gabriel River (FC)	1,780	1,780
Taylors Bayou (FC)	250	1,175
Texas City and vicinity (hurr.-flood protection) (FC)	2,800	2,800
Texas City channel (industrial canal) (N)	3,752	3,752
Three Rivers (FC)	2,400	2,400
Vince and Little Vince Bayous (FC)	450	450
VIRGINIA		
Fourmile Run, city of Alexandria and Arlington Co., VA (FC)	2,735	2,735
Virginia Beach, VA (1962 modification) (reimb.) (BE)	350	350
WASHINGTON		
Chief Joseph Dam additional units (MP)	10,300	10,300
Lake Washington ship canal (rehab.) (N)	3,000	3,000
Lower Granite lock and dam, WA and ID (MP)	1,800	1,800
Lower Snake River fish and wildlife compensation, WA, OR, and ID (MP)	28,000	28,000
Mill Creek Lake (rehab.) (FC)	4,800	4,800
WEST VIRGINIA		
Beech Fork Lake (FC)	2,070	2,070
Burnsville Lake (FC)	5,600	5,600
R. D. Bailey Lake (FC)	6,000	6,000
Stonewall Jackson Lake (FC)	17,800	17,800
Levisa and Tug Fork of the Big Sandy and Cumberland Rivers (FC)		7,500
WISCONSIN		
Prairie du Chien (FC)	1,050	1,050
MISCELLANEOUS		
Small navigation projects (section 107)	11,000	11,880
Mitigation of shore damages attributable to nav. proj. (section 111)	600	600
Small beach erosion control projects (section 103)	1,000	1,500
Small projects for flood control and related purposes (section 205)	17,500	19,100
Emergency streambank and shoreline protection (section 14)	2,500	2,500
Small snagging and clearning projects (section 208)	400	400
Recreation facilities at completed projects	13,950	14,950
Streambank erosion control evaluation and demonstration (section 32)	1,000	1,000
Aquatic plant control (1965 act)	3,630	3,630
Employees compensation	6,971	6,971
Reduction for anticipated savings and slippage	−267,049	−218,343
Subtotal	−208,498	−155,812
Fiscal year 1981 deferrals		−10,000
Total, construction, general	1,356,661	1,416,992

Type of project:
(N) Navigation.
(FC) Flood control.
(BE) Beach erosion control.
(MP) Multiple-purpose, including power.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

Amendment No. 4: Appropriates $256,310,000 for flood control, Mississippi River and tributaries as proposed by the Senate instead of $278,598,000 as proposed by the House.

OPERATION AND MAINTENANCE, GENERAL

Amendment No. 5: Appropriates $1,008,355,000 for operation and maintenance instead of $1,110,909,000 as proposed by the House and $993,355,000 as proposed by the Senate.

The conferees direct that the Corps of Engineers should be guided by the recommendations and emphasis contained in the project table in the House Report, the Senate Report language and the language contained in the House Report on the Continuing Resolution (H.J. Res. 357) regarding the various projects and safety related work in allocating funds for operation and maintenance.

GENERAL EXPENSES

Amendment No. 6: Appropriates $91,000,000 for general expenses instead of $95,440,000 as proposed by the House and $87,805,000 as proposed by the Senate.

SPECIAL RECREATION USE FEES

Amendment No. 7: Appropriates $4,784,000 for special recreation use fees as proposed by the Senate instead of $5,200,000 as proposed by the House.

GENERAL PROVISIONS

Amendment No. 8: Restores language proposed by the House and stricken by the Senate relating to the Cuyahoga River Basin, Ohio project.

Amendment No. 9: Restores language proposed by the House and stricken by the Senate relating to the Beverly Shores, Indiana project.

Amendment No. 10: Restores section number as proposed by the House.

Amendment No. 11: Restores section number as proposed by the House.

Amendment No. 12: Restores language proposed by the House and stricken by the Senate relating to the Grays Harbor, Washington project.

Amendment No. 13: Restores language proposed by the House and stricken by the Senate relating to the Illinois Waterway project.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Sec. 110. Funds herein or hereinafter appropriated in this title for the Chetco River, Oregon navigation project, authorized by the 1945 River and Harbor Act, as amended and modified, shall be used to design and construct further modifications to that proj-

ect in accordance with the Report of the Chief of Engineers, dated May 2, 1977.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 15: Restores section number as proposed by the House.

Amendment No. 16: Restores language proposed by the House and stricken by the Senate relating to a study of flooring in Alexander and Pulaski Counties, Illinois and for the main stem study of the Ohio River.

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Sec. 111. The Chief of Engineers is hereby directed to raise the dam at Lake Darling, North Dakota, by approximately four feet and to implement upstream and downstream flood control measures.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 18: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Sec. 112. No funds appropriated in this Act may be used to construct channel realignment work on the Ouachita and Black Rivers navigation project in Arkansas and Louisiana until such time as the Chief of Engineers has completed a restudy of the various options for navigation above Crossett, Arkansas, including the two barge abreast configuration, with a view toward reducing the number of cutoffs and bend widenings required. The results of this restudy should be reported to the respective Appropriations Committees of both Houses of the Congress for review, and should accurately reflect the economic and environmental tradeoffs of providing greater than two-barge navigation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE II—DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

GENERAL INVESTIGATIONS

Amendment No. 19: Appropriates $30,596,000 for general investigations as proposed by the Senate instead of $36,744,000 as proposed by the House.

Amendment No. 20: Provides that $30,396,000 is to be derived from the reclamation fund as proposed by the Senate instead by $36,544,000 as proposed by the House.

The conferees direct that the $1,500,000 provided for the Wind Hydroelectric Energy Study shall be used for the termination of the second wind verification unit.

The conference allowance of $650,000 for the Enlarged Shasta Lake investigation includes $150,000 to study the contribution a Sites Reservoir build independent of the West Sacramento Unit could make to the Central Valley Project's overall water supply picture.

The funds appropriated are to be allocated as shown in the following table:

[In thousands of dollars]

Project title	Budget estimate	Conference allowance
GENERAL INVESTIGATIONS		
ARIZONA		
Lower Colorado River water consv. and efficient use prog.	600	600
CALIFORNIA		
Central Valley:		
Shasta Division, enlarged Shasta Lake investigation	500	650
Delta support studies	775	1,312
Fish and wildlife management studies	475	475
Kellogg unit reformulation	.....	150
Central California-Nevada wind energy study (formerly wind-hydro opportunities study)	230	230
Geothermal resource investigations	60	60
Palo Verde hydropower	25	25
San Joaquin drainage investigation	.....	1,400
Santa Margarita project	.....	260
Water conserv. opportunities, imperial irrig. district	265	265
COLORADO		
Dominguez Reservoir	50	50
Water resources planning and engineering research	4,000	4,000
IDAHO		
Boise project power and modification study	125	125
Idaho anad. fish habitat restoration	300	300
Upper Snake River water management study	179	179
KANSAS		
Solomon River basin water management study (P–SMBP)	283	283
MONTANA		
Fort Benton reformulation	300	300
Hungry Horse powerplant enlarg. and reregulating resv.	250	250
Offstream storage, Yellowstone River	150	150
Northern Great Plains wind energy study (formerly regional wind energy study)	300	300
Tiber powerplant	90	90
NEBRASKA		
Farwell unit water conservation study (P–SMBP)	130	130
Republican River basin water management study (P–SMBP)	343	343
Upper Platte River study (formerly Platte River study)	67	67
NEW MEXICO		
Llano Estacado Playa Lake water resources study	75	75
Santa Cruz Dam and Reservoir study	175	175
Tularosa basin water and energy study	250	250
NORTH DAKOTA		
Garrison diversion unit, M and I water facilities (Garrison division, P–SMBP)	100	100
OREGON		
Hermiston water conservation	110	110
Klamath River basin	.....	165
Rogue River basin, Grants Pass division	100	100
Rogue River basin, Medford division (reformulation)	65	65
Umatilla basin	115	115
Upper John Day	100	100
SOUTH DAKOTA		
Lower Brule Indian Reservation area (P–SMBP)	85	85
Lower James-Fort Randall water diversion proposal	240	240
Central South Dakota water studies	.....	200
TEXAS		
Nueces River basin study	300	300
Texas basin, Big Cow Creek	180	180
Texas basin, Bon Wier	250	250
UTAH		
CRSP power peaking capacity	1,300	1,300
WASHINGTON		
Yakima, Cle Elum and Tieton powerplants	100	100
Yakima River basin water enhancement	100	100
WYOMING		
Guernsey Dam powerplant enlargement	60	60
North Platte River hydroelectric power study	380	380
Wind hydroelectric energy study	3,040	1,500
VARIOUS		
Colorado River water quality improvement program	4,935	4,935
Hydro power at existing facilities, various	395	395
General engineering and research:		
Advanced scientific and technological applications	250	250
Atmospheric water resources management program	4,822	5,922
General planning studies	350	350
Special investigations:		
Environmental and interagency coordination activities	2,300	2,300
Investigations of existing projects	542	542
Minor work in connection with completed proj. invest.	961	961
Print reports	35	35
Technical assistance to States	1,035	1,135
Projects not yet identified	35	35
Allowance for pay raise increases	1,450	1,450
Total, various	17,110	18,310
Reduction based on anticipated savings, slippage, and carryover balances	−4,048	−5,658
Total, general investigations	29,684	30,596

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that not to exceed $50,000 shall be available to initiate a rehabilitation and betterment program with the Farmers Irrigation District.

CONSTRUCTION PROGRAM

Amendment No. 22: Appropriates $548,505,000 for the construction program as proposed by the Senate instead of $605,258,000 as proposed by the House.

The conference allowance includes $306,000 for the Bostwick Division, Neb. and Kansas; $1,031,000 for the Farwell Unit, Nebraska; and a general reduction due to slippage, savings and carryover balances of $104,399,000

Within available funds, $2,000,000 may be made available from previously appropriated funds for Teton Dam claims for removal of substantial quantities of fibrous asbestos in project waters of the California Aqueduct/San Luis Canal.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate relating to the Garrison Diversion Unit, North Dakota.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that $2,000,000 of the amount appropriated under the Central Arizona Project shall be available for preconstruction activities on distribution systems.

OPERATION AND MAINTENANCE

Amendment No. 25: Appropriates $118,518,000 for operation and maintenance instead of $128,606,000 as proposed by the House and $116,018,000 as proposed by the Senate. The conference allowance includes $2,500,000 for the Suisun Marsh management facilities, Delta Division, Central Valley Project, California.

LOAN PROGRAM

Amendment No. 26: Appropriates $22,614,000 for the loan program as proposed by the Senate instead of $24,580,000 as proposed by the House.

Amendment No. 27: Provides a limitation of $26,922,000 for gross obligations for the principal amount of direct loans as proposed by the Senate instead of $28,888,000 as proposed by the House.

GENERAL ADMINISTRATIVE EXPENSES

Amendment No. 28: Appropriates $39,928,000 for general administrative expenses as proposed by the Senate instead of $43,400,000 as proposed by the House.

GENERAL PROVISIONS

Amendment No. 29: Reported in technical disagreement. The managers on the part of

the House will offer a motion to recede and concur in the amendment of the Senate which deletes House language and inserts Senate language relating to the McGee Creek, Oklahoma Project.

Amendment No. 30: Deletes language proposed by the House which provided that not to exceed $300,000 shall be available to the Yuma Mesa Irrigation and Drainage District, Gila Project, and the Unit B Irrigation and Drainage District, Yuma Auxiliary Project, Arizona.

TITLE III—DEPARTMENT OF ENERGY

Operating Expenses

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

Amendment No. 31: Appropriates $1,970,926,000 for Operating Expenses, Energy Supply, Research and Development Activities, instead of $2,115,499,000 as proposed by the House and $1,970,119,000 as proposed by the Senate.

SOLAR ENERGY

Solar Applications for Buildings.—The conference allowances include funding to implement a decision on the Southeast Regional Residential Experiment Station as outlined in the Senate Report and funding for the Sacramento Metropolitan Utility District project at the level outlined in the House Report. The allowances also include funding to continue ongoing projects such as the National Exemplar project.

Solar Applications for Industry.—The conference allowances include $6,000,000 for repowering systems design and applications, as provided for in the House Report, and $3,100,000 for technology development for the parabolic dish program. The Committees would be willing to consider additional funding for the parabolic dish program from funding provided in the solar reserve account if needed to maintain a vigorous R&D program.

The conferees understand that the potential exists for power generation from brine lakes created as part of the Arkansas-Red River Chloride Control Project by exploiting stratified solar brine pond technology. Area VIII of the project is currently under construction and feasibility studies on the use of the stored salt water for power generation show promise. Further, the Department of Energy has undertaken model tests of solar ponds under various conditions at other locations in the United States. The conferees believe that the Department of Energy should take the lead in further site specific work, but in close coordination with the Corps of Engineers.

Therefore, the conferees direct the Department of Energy and the Corps of Engineers to develop a joint recommendation which addresses the economic feasibility, costs and funding alternatives for construction of potential power generation facilities using stratified solar brine ponds at Area VIII of the project. The joint report and recommendation should be submitted to the Committees on Appropriations by September 30, 1982.

Solar Applications for Power.—Sufficient funding is provided to complete the preliminary design and engineering effort for the Mod 5 wind machine development program. The allowance also provides funding to continue a reduced level of basic research and technology development in ocean energy systems, including the cold water pipe development effort and the OTEC pilot plant design competition as outlined in the House and Senate Reports.

Other Solar Programs—The conference allowance includes funding for the program support account as outlined in the House Report.

Solar Reserve Account.—The allowance provides $15,000,000 for the purposes specified in the House and Senate Reports, except that funding for continued operation of the Regional Solar Energy Centers should take into account the programmatic funding available for RSEC type activities in active and passive systems and solar energy accounts.

GEOTHERMAL

The conference allowance provides $47,136,000 for geothermal research and development consistent with the provisions in the Senate Report. The conferees are aware of the contributions to component development which have been made by the Department's Geothermal Test Facility, East Mesa, California, and have provided sufficient funding to support activities at the facility at a level of at least $750,000 which would represent a 12% reduction in the program level.

NUCLEAR FISSION REACTOR PROGRAMS

Light Water Reactor Systems.—The conference allowance includes $3,000,000 for thorium fuel cycle development. The allowance includes $10,500,000 for the research and development program at the Barnwell Nuclear Fuels Facility, to be derived as follows:

Light Water Reactor Systems	$7,500,000
Spent Fuel Storage	1,000,000
Nuclear Material Safeguards and Security	2,000,000

The conferees agree that no additional funding will be considered for the Barnwell program after FY 1982.

Three Mile Island Activities.—The conference allowance provides $26,750,000 for Department of Energy research and development activities relating to the Three Mile Island accident consistent with the provisions in the House and Senate Reports.

Advanced Reactor Systems.—The conference allowance includes $4,800,000 for advanced reactor systems consistent with the Senate Report.

Breeder Reactor Systems.—The conference allowance includes $592,274,000 for breeder reactor systems, with allowances as outlined in the Senate Report and in debate on the Senate floor in the November 4, 1981, Congressional Record on pages S12833-34, except that $195,000,000 is provided for the CRBR demonstration project or project alternative as approved by Congress in authorizing legislation.

FUSION ENERGY R. & D.

The conference allowance provides $292,700,000 for fusion energy research and development consistent with the provisions of the House and Senate Reports.

REMEDIAL ACTION PROGRAMS

The conference allowance includes $52,145,000 for remedial action programs. The conferees believe that the Department should work with NRC and EPA to develop realistic standards for its remedial action programs as quickly as possible. Meanwhile the Department should act with prudence in committing to specific actions on individual sites until firm standards are developed and agreed upon, and the programs approved by Congress in authorizing legislation.

EFFECT OF FISCAL YEAR 1982 DEFERRAL/UNOBLIGATED BALANCES

The conference allowance reflects the reduction in obligation requirements for this account consistent with Deferral D82-103 and the application of unobligated balances from prior appropriations to reduce the new budget authority required in FY 1982 to carry out programmatic activities at the recommended level.

ALLOCATION OF FUNDS

The funds are allocated as shown in the following tables:

[In thousands of dollars]

	Budget estimate	Conference allowance
ENERGY SUPPLY RESEARCH AND DEVELOPMENT—OPER EXPENSES		
I. Solar energy R. & D.:		
A. Solar applications for buildings:		
1. Active solar heating and cooling	11,000	11,000
2. Passive solar heating and cooling	10,100	10,100
3. Photovoltaic energy systems	55,900	74,000
Subtotal, solar applications for buildings	77,000	95,100
B. Solar applications for industry:		
1. Solar thermal energy systems	42,650	52,650
2. Biomass energy systems and alcohol fuels	29,500	29,500
Subtotal, solar applications for industry	72,150	82,150
C. Solar applications for power:		
1. Wind energy systems	19,200	34,700
2. Ocean energy systems		20,300
Subtotal, solar applications for power	19,200	55,000
E. Other Solar Programs:		
International solar energy program	4,000	4,000
Solar information systems	6,700	6,700
Program support		4,000
Program direction	4,000	4,000
F. Solar Reserve Account		15,000
Total solar energy R. & D.	183,050	265,950
II. Geothermal:		
A. Hydrothermal industrialization	2,124	8,624
B. Geopressured resources	20,336	17,336
C. Geothermal technology development	19,576	19,576
D. Program direction	1,600	1,600
Total geothermal	43,636	47,136
III. Hydropower:		
a. Small scale hydropower		2,750
D. Program direction		250
Total hydropower		3,000
Total solar, geothermal, and hydropower	226,686	316,086
IV. Nuclear Fission Reactor Programs:		
A. Conventional reactor systems:		
1. High temperature reactor technology		35,000
2. Light water reactor systems	27,000	37,500
3. Three Mile Island activities	29,000	26,750
4. Advanced reactor systems	2,800	4,800
5. Program direction	1,500	1,500
Subtotal, conventional reactor systems	60,300	105,550
B. Commercial nuclear waste:		
1. Commercial waste management	215,150	195,000
2. Program direction	3,124	3,124
Subtotal, commercial nuclear waste	218,274	198,124
C. Spent nuclear fuel:		
1. Spent fuel storage:		
a. Domestic	5,000	5,000
b. International	900	900
2. Program direction	517	517
Subtotal, spent nuclear fuel	6,417	6,417
D. Advanced nuclear systems:		
1. Space and terrestrial applications	33,900	33,900
3. Program direction	1,200	1,200
Subtotal, advanced nuclear systems	35,100	35,100
E. Breeder reactor systems:		
1. Liquid metal fast breeder reactor	312,700	312,700

[In thousands of dollars]

	Budget estimate	Conference allowance
2. Clinch River breeder reactor demonstration	254,000	195,000
3. Water cooled breeder reactor	57,000	51,000
5. Fuel cycle research and development	23,000	23,000
6. Program director	10,574	10,574
Subtotal, breeder reactor systems	657,274	592,274
Total nuclear fussion reactor programs	977,365	937,465
V. Fusion energy R. & D.:		
A. Confinement systems	133,470	124,470
B. Development and technology	67,650	61,650
C. Applied plasma physics	70,400	67,400
D. Planning and projects	26,130	26,130
E. Center for magnetic fusion eng	9,150	9,150
F. Program director	3,900	3,900
Total fusion energy R. & D	310,700	292,700
VI. Electric energy systems:		
A. Electric energy systems:		
1. System architecture and integration	4,100	7,100
2. Power delivery	4,525	12,525
3. Generation and storage applications		3,600
4. Program director	875	875
Subtotal, electric energy systems	9,500	24,100
B. Energy storage systems:		
1. Battery storage	25,550	25,550
2. Thermal and mechanical storage	11,850	14,850
3. Program director	500	500
Subtotal, energy storage systems	37,900	40,900
Total electric energy systems and energy storage	47,400	65,000
VII. Environment:		
A. Environmental research and development:		
1. Overflow and assessment	45,600	39,600
2. Biological and environmental research	156,800	156,800
3. Program direction	10,700	10,700
Total environment	213,100	207,100
VIII. Supporting research and technical analysis:		
A. Basic energy sciences:		
1. Nuclear sciences	36,300	35,300
2. Materials sciences	100,000	94,500
3. Chemical sciences	69,000	65,000
4. Engineering, mathematical, and geosciences	30,400	25,000
5. Advanced energy projects	7,900	7,400
6. Biological energy research	9,000	8,500
9. Program direction	2,900	2,900
Subtotal, basic energy sciences	255,500	238,600
B. Technical assessment projects	3,000	3,000
C. University research support	10,600	10,600
D. Advisory and oversight program direction	3,311	3,311
Total supporting research and technical analysis	272,411	255,511
IX. Remedial action programs:		
A. Management of surplus radioactively contaminated DOE facilities	11,800	11,800
B. Remedial action for former DOE contractor installation MED/AEC sites	11,245	11,245
C. Grand Junction remedial action	1,700	1,700
D. Remedial action for inactive uranium mill tailing sites	30,325	17,600
E. West Valley, New York	12,800	9,800
Total, Remedial action programs	67,870	52,145
Subtotal, Energy supply research and development	2,115,532	2,126,007
Effect of FY 1982 Deferral/Unobligated balances		−49,393
Unobligated balances/FY 1981 Deferral		−105,688
September budget revisions	−352,841	
Total energy supply research & development	1,762,691	1,970,926
ENERGY SUPPLY RESEARCH & DEVELOPMENT—OE TRANSFER		
By transfer from Southwestern Power Administration and Plant and Capital Equipment, Departmental Administration		−25,000

Amendment No. 32: Deletes House language earmarking $9,800,000 for carrying out the West Valley Demonstration Project in accordance with Public Law 96-368. As explained in the Senate Report, the issues related to the initial cooperative agreement with the State appear to have been resolved and the project funding is provided for in the tables reflecting the conference allowance.

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That of the funds appropriated herein, $9,000,000 is to be derived by transfer of unobligated balances from the funds appropriated under the heading "Operation and Maintenance, Southwestern Power Administration", and $16,000,000 is to be derived by transfer from funds appropriated under the heading "Plant and Capital Equipment, Departmental Administration": Provided further, That $1,300,000 of the funds provided herein shall be for the Region X wood-derived fuels program and transferred to the Bonneville Power Administration for obligation and expenditure*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides for the transfer of unneeded funds available to the Southwestern Power Administration as a result of lower than expected costs of purchased power in fiscal year 1981, and funds resulting from reductions proposed by the Administration in Plant and Capital Equipment, Departmental Administration for fiscal year 1982, to the Operating Expenses, Energy Supply, Research and Development Activities account. The conferees agree with the Senate bill and report language relating to the Region X wood-derived fuels program.

OPERATING EXPENSES

Uranium supply and enrichment activities

Amendment No. 34: Deletes House language providing separate appropriation accounts for Operating Expenses and Plant and Capital Equipment for Uranium Supply and Enrichment Activities. The conference agreement on Amendment No. 47 combines these activities into a single account.

OPERATING EXPENSES

General science and research activities

Amendment No. 35: Appropriates $411,060,000 for Operating Expenses, General Science and Research Activities as proposed by the Senate instead of $431,060,000 as proposed by the House.

The conference allowance provides a uniform increase of roughly 10 percent over fiscal year 1981 levels for all accounts to offset the effects of inflation and maintain a stable programmatic effort. The allowance for high energy physics includes an additional $5,700,000 in high energy technology towards the new initiatives reflected in the March budget request. The funds are allocated as shown in the table that follows. Should the Department's priorities reflect a different allocation at the subprogram level, the Committees on Appropriations will give prompt consideration to an appropriate reprogramming request.

[In thousands of dollars]

	Budget estimate	Conference allowance
GENERAL SCIENCE AND RESEARCH—OE		
I. Basic sciences:		
A. Life sciences research and nuclear medicine applications:		
1. General life sciences	26,600	26,400
2. Nuclear medicine applications	21,700	21,700
Subtotal, life sciences research	48,300	48,100
B. High energy physics:		
1. Physics research	84,100	82,500
2. Facility operations	133,200	126,400
3. High energy technology	73,100	60,300
Subtotal, high energy physics	290,400	269,200
C. Nuclear physics:		
1. Medium energy physics	50,900	50,600
2. Heavy ion physics	40,000	39,100
3. Nuclear theory	8,200	7,700
Subtotal, nuclear physics	99,100	97,400
D. High energy and nuclear physics program direction	1,360	1,360
Unobligated balances/fiscal year 1981 deferral		−5,000
September budget revisions	−57,699	
Total general science and research—OE	381,461	411,060

OPERATING EXPENSES

Atomic energy defense activities

Amendment No. 36: Appropriates $3,606,351,000 for Atomic Energy Defense Activities, instead of $3,634,565,000 as proposed by the House and $3,606,228,000 as proposed by the Senate.

The table following the narrative on this amendment sets forth the conference agreement with respect to the individual programs funded in this account.

The conferees agree that an additional $3,000,000 shall be provided for operating costs related to weapons and other research at the Los Alamos Meson Physics Facility. The conferees agree to provide $2,500,000 to begin a program to develop beneficial uses for radioactive waste. The conferees agree to restore $4,000,000 for security investigations and direct that future justification material identify separately the amounts requested for defense and other-than-defense security investigations.

The House deleted part of the funds for production of cruise missile, MX and 155mm artillery warheads for reasons related to test status and capability to produce. The conferees agree to restore $25,394,000 of the funds deleted for these weapons systems with the requirement that the Department obtain prior approval from the Committees on Appropriations before obligating funds for these systems. No funds are provided for Nike Hercules modifications.

The conferees agree that an additional $6,400,000 shall be available to continue the accelerated special isotope separation research program under the conditions stipulated in House Report No. 97-29.

[In thousands of dollars]

	Budget estimate	Conference allowance
ATOMIC ENERGY DEFENSE ACTIVITIES—OE		
I. Naval reactors development:		
A. Plant development	49,000	49,000
B. Reactor development	148,000	148,000
C. Reactor operation and eval	73,000	73,000
D. Program direction	9,500	9,500
Subtotal naval reactors development	279,500	279,500
II. Weapons activities:		
A. Research and development	586,100	581,100
B. Testing	369,000	360,000
C. Inertial confinement fusion	104,725	122,362
D. Production and surveillance	1,351,800	1,281,406

[In thousands of dollars]

	Budget estimate	Conference allowance
E. Program direction	42,675	42,675
Subtotal weapons activities	2,454,300	2,387,543
III. Verification and control technology:		
A. Verification and control technology	47,100	47,100
B. Program direction	1,800	1,800
Subtotal verification and control technology	48,900	48,900
IV. Material production:		
A. Reactor operations	280,630	275,030
B. Processing of nuclear materials	148,650	148,650
C. Special isotope separations research	21,800	28,200
D. Supporting services	163,320	153,000
E. Program direction	1,800	1,800
Subtotal material production	616,200	606,680
V. Defense waste management:		
A. Interim waste management	181,084	171,084
B. Long term waste management technology	59,400	61,900
C. Terminal storage	3,700	3,700
D. Decontamination and decommissioning	10,200	4,000
E. Transportation	6,067	6,067
F. Program direction	1,577	1,577
Subtotal, defense waste management	262,028	248,328
VI. Nuclear materials security and safeguards development:		
A. Nuclear materials security and safeguards	40,315	37,815
B. Program direction	3,985	3,985
Subtotal, nuclear material security and safeguards	44,300	41,800
VII. Security investigations	23,600	23,600
Subtotal, atomic energy defense activities	3,728,828	3,636,351
General reduction—inflation estimates		−30,000
Total, atomic energy defense activities—DE	3,728,828	3,606,351

OPERATING EXPENSES

Departmental administration

Amendments No. 37 and 38: Deletes headings and language proposed by the House to establish separate appropriation accounts for Operating Expenses, Departmental Administration, Office of the Secretary and General Administration. The conference agreement combines these accounts as proposed by the Senate in Amendment No. 39.

Amendment No. 39: Deletes language proposed by the House and inserts language proposed by the Senate to provide a single appropriation account for Operating Expenses, Departmental Administration.

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide not to exceed $35,000 for official reception and representation expenses consistent with prior appropriation limitations for this purpose.

Amendment No. 41: Appropriates $368,368,000 for Operating Expenses, Departmental Administration, before revenues are applied, instead of $353,252,000 as proposed by the House and $375,368 as proposed by the Senate.

Amendment No. 42: Appropriates $200,468,000 for Operating Expenses, Departmental Administration, after revenues are applied, instead of $185,352,000 as proposed by the House and $207,468,000 as proposed by the Senate.

The conference agreement reflects a single account for Operating Expenses, Departmental Administration, with allowances as detailed in the Senate Report tables, except for a general reduction of −$21,068,000 instead of −$14,068,000. Within the allowance for Policy Analysis and System Studies, $750,000 is provided to continue the Indian Affairs program with the Council of Energy Resource Tribes. With respect to the general reduction, the conferees direct that at least $800,000 be applied to the Office of Legislative Affairs.

PLANT AND CAPITAL EQUIPMENT

Energy supply, research and development activities

Amendment No. 43: Appropriates $332,200,000 for Plant and Capital Equipment, Energy Supply, Research and Development Activities, as proposed by the Senate instead of $350,000,000 as proposed by the House.

The conference allowance reflects the provision of $39,700,000 for Project 78-6-f, Fuels and Materials Examination Facility, instead of $42,000,000 as proposed by the House and $24,200,000 as proposed by the Senate. Funding for Projects 81-T-314, ISX-C Modification, and 82-E-322, High Temperature Materials Labs, are deferred without prejudice for consideration in future appropriations. The allowance reflects a reduction in obligation requirements consistent with Deferral D82-104 and the application of unobligated balances available for fiscal year 1982 program activities. The funds are allocated as shown in the following tables:

[In thousands of dollars]

	Budget estimate	Conference allowance
Energy Supply Research and Development—PL		
I. Solar energy R. & D.:		
A. Solar applications for buildings:		
1. CE-S-301 Active solar capital equipment	500	500
2. CE-S-302 Passive solar capital equipment	200	500
3. CE-S-303 Photovoltaic capital equipment	7,000	4,000
Subtotal solar applications for buildings	7,700	5,000
B. Solar applications for industry:		
1. Solar thermal energy systems CE-S-304 Solar thermal capital equipment	1,350	2,300
Subtotal solar thermal energy systems	1,350	2,300
3. CE-S-305 biomass capital equipment	1,000	1,000
Subtotal solar applications for industry	2,350	3,300
C. Solar applications for power:		
1. Wind energy systems—CE-S-306 Wind energy capital equipment	200	700
2. Ocean energy systems—CE-S-307 Ocean energy capital equipment		500
Subtotal solar applications for power	200	1,200
Total solar energy R. & D	10,250	9,500
II. Geothermal:		
A. Hydrothermal industrialization:		
80-G-1 50 MWE geothermal demo, Valles Calder	3,876	3,870
80-G-2 Binary cycle 50 MWE demo plant, Heber, Calif		11,000
C. CE-R-323 Geo. tech. dev. capital equipment	863	860
Total geothermal	4,739	15,730
Total solar, geothermal and hydropower	14,989	25,230
III. Nuclear:		
A. Conventional reactor systems:		
1. CE-N-329 HTR tech. capital equipment		2,000
2. CE-N-330 LWR capital equipment	1,000	1,000
3. CE-N-331 TMI capital equipment	8,000	8,000
4. CE-N-332 adv. reactor capital equipment	200	200
Subtotal conventional reactor systems	9,200	11,200
B. Commercial nuclear waste:		
1. Commercial waste management: CE-N-333 CNW capital equipment	11,301	11,300
82-N-315 General plant projects	1,100	1,100
Subtotal commercial waste management	12,401	12,400
C. Spent nuclear fuel:		
1. Domestic spent fuel storage: CE-N-335 domestic capital equipment	1,000	1,000
Subtotal spent nuclear fuel	1,000	1,000
D. Advanced nuclear systems: 1. CE-N-337 space and terr. capital equipment	2,900	2,900
E. Breeder reactor systems:		
1. Liquid metal fast breeder reactor: CE-N-339 LMFBR capital equipment	25,042	25,042
82-N-312 General plant projects	11,000	11,000
82-N-310 Modifications to reactors	2,000	2,000
78-6-C Safety research experimental facility, INEL, Idaho	8,000	8,000
78-6-E Liquid metal engineering center modifications, liquid metal engineering center, Santa Susana, Calif	4,900	4,900
78-6-F Fuels and materials examination facility, Richland, Wash	24,200	39,700
Subtotal LMFBR	75,142	90,642
2. Water cooled breeder reactor: CE-N-340 water cooled capital equipment	1,000	1,000
3. Fuel cycle R. & D.: CE-N-342 fuel cycle R. & D. capital equipment	3,100	3,100
Subtotal breeder	79,242	94,742
Total nuclear	104,743	122,242
IV. Fusion:		
A. Confinement systems:		
CE-E-349 Conf. systems capital equipment	18,210	18,210
80-MF-3 EBT proof of principal exp	14,000	14,000
Subtotal confinement systems	32,210	32,210
B. Development and technology:		
CE-E-350 Dev. and tech. capital equipment	12,700	12,700
80-MF-4 Large coil test fac., phase I	6,000	6,000
Subtotal development and technology	18,700	18,700
C. Applied plasma physics: CE-E-351 App. plasma phys. capital equipment	6,200	6,200
D. Planning and projects:		
CE-E-352 planning and projects capital equip	4,890	4,890
82-GPP General plant projects	5,700	5,700
78-3-A Mirror fusion test facility	41,500	41,500
76-5-A Tokamak fusion test reactor Princeton plasma physics laboratory Plainsboro, N.J	40,100	40,100
78-3-B Fusion materials irradiation test facility, Hanford engineering development laboratory, Washington		14,000
Subtotal planning and projects	92,190	106,190
Total fusion	149,300	163,300
V. Electric energy systems:		
A. Electrical energy systems power delivery: CE-E-354 Power delivery capital equipment	400	400
B. Energy storage systems:		
1. CE-S-361 Battery storage capital equipment	700	700
2. CE-S-362 Thermal and mechanical storage capital	400	400
Subtotal energy storage systems	1,100	1,100
VII. Environment:		
A. Environmental research and development 1. CE-V-368 O. & A. capital equipment	4,000	4,000
2. Biomedical and environmental research: CE-V-369 B. & ER. capital equipment	9,700	9,700
82-GPP-1 General plant projects	3,000	3,000
82-305 modifications and additions to biomedical and environmental research facilities, various locations	1,000	1,000
Subtotal biological and environmental research	13,700	13,700
Total environment	17,700	17,700

[In thousands of dollars]

	Budget estimate	Conference allowance
VIII. Supporting research and technical analysis: A. Basic energy sciences: 1. CE–E–375 Nuclear sciences capital equipment	1,370	1,370
2. Material sciences: CE–E–376 Materials sciences capital equipment	7,960	7,960
82–E–321 Acc. improv. mods.	300	300
82–E–320 General plant projects	300	300
82–E–322 High temperature materials labs	3,500	.....
Subtotal materials sciences	12,060	8,560
3. Chemical sciences: CE–E–377 chemical sciences capital equipment	4,940	4,940
Subtotal chemical sciences	4,940	4,940
4. CE–E–378 Eng., math, and geo. capital equipment	1,900	1,900
5. CE–E–379 Adv. energy proj. capital equipment	320	320
6. Biological energy research: CE–E–380 Bio. energy res. capital equipment	410	410
Subtotal basic energy sciences	21,000	17,500
E. Multi-program facilities: 82–E–301 300 area utilities (HEDL)	1,000	1,000
82–E–302 Security facility (ANL)	1,500	1,500
82–E–305 Traffic safety improvements (HEDL)	3,800	3,000
82–E–306 Railroad modification (INEL)	2,000	2,000
81–E–309 Rehab. of gen. pur. plant (ANL)	4,000	.....
81–E–310 Trans. and distr. system upgrade (RL)	5,050	5,000
81–E–317 Roof replacement (INFL)	1,000	1,000
81–E–318 Upgrade primary substation (ORNL)	2,800	2,600
81–E–321 Site utilities project (LLL)	5,550	5,000
81–E–323 Fire safety improvements (ANL)	1,800	1,500
81–E–324 Fire protection improvements (INFL)	1,000	1,000
81–E–325 Energy technology Lab. (Sandia)	5,500	5,000
80–ES–11 Idaho lab. facility (INEL)	5,000	4,000
Subtotal multiprogram facilities	40,000	32,600
Total supporting research	61,000	50,100
IX. Remedial action program: CE–N–334 Remedial action capital equipment	775	775
Total remedial action program	775	775
Subtotal energy supply research and development	350,007	380,847
Unobligated balances/fiscal year 1981 deferral	.....	–36,647
Total, ES R. & D. capital equipment	139,531	140,777
Total, ES R. & D. construction	210,476	203,423
September budget revisions	–85,359	.....
Effect of fiscal year 1982 deferral/unobligated balances	.....	–12,000
Total energy supply research and development—PL	264,648	332,200

PLANT AND CAPITAL EQUIPMENT

Uranium supply and enrichment activities

Amendment No. 44: Deletes House language providing separate appropriation accounts for Operating Expenses and Plant and Capital Equipment for Uranium Supply and Enrichment Activities. The conference agreement on Amendment No. 47 combines these activities into a single account.

PLANT AND CAPITAL EQUIPMENT

General science and research activities

Amendment No. 45: Appropriates $118,300,000 for Plant and Capital Equipment, General Science and Research Activities, as proposed by the Senate instead of $128,300,000 as proposed by the House.

The conferees have accepted the general reduction of $10,000,000 as proposed by the Senate. However, the conferees have strongly supported the General Science and Research Activities programs and expect the Department to apply this reduction prudently so as to minimize any long-term impact on scientific capabilities.

PLANT AND CAPITAL EQUIPMENT

Atomic energy defense activities

Amendment No. 46: Appropriates $1,066,803,000 for Atomic Energy Defense Activities instead of $1,063,453,000 as proposed by the House and $1,083,822,000 as proposed by the Senate.

The table following the narrative on this amendment sets forth the conference agreement with respect to the individual programs funded in this account.

The conferees agree to provide an additional $12,500,000 for project 78–4–A, the NOVA high energy laser facility and expect the Department to complete the full 20-beam project as expeditiously as possible. The conferees also agree to provide $14,000,000 for project 81–T–502, the Advanced Special Isotope Separation Laboratory, and direct the Department to continue the accelerated research program.

Should it be necessary or desirable during the course of the fiscal year to accelerate construction of facilities for certain weapons systems, the Department may, with prior approval of the Appropriations Committees, reprogram funds for that purpose.

Funds provided for cruise missile facilities are not available until submission of satisfactory test results to the Committees on Appropriations of the House and Senate.

[In thousands of dollars]

	Budget estimate	Conference allowance
ATOMIC ENERGY DEFENSE ACITIVITIES—PL		
I. Naval reactors development: CE–N–121 Reactor development capital equipment	28,000	28,000
82–N–100 General plant projects	4,000	4,000
82–N–111 Materials fac., SR, SC	15,000	15,000
81–T–112 Mods and adds to prototype facs, var. locs	35,000	35,000
Subtotal naval reactors development	82,000	82,000
II. Weapons activities: A. Research and development: CE–D–130 RD capital equipment	65,550	59,550
82–D–144 Simulation tech. lab, Sandia Lab	.....	1,200
82–D–150 Weapons material research and development facility, Lawrence Livermore National Lab., CA	.....	2,500
82–D–152 New detonator facility, Los Alamos National Laboratory, NM	.....	4,000
82–D–153 Tritium facility, Los Alamos National Laboratory, NM	.....	5,000
81–D–106 Weaponization facilities, Lawrence Livermore Laboratory, CA	4,300	4,300
81–D–107 Utility system restoration, var. locs	4,000	4,000
81–D–110 Upgrade industrial liquid waste treatment plants, LASL, NM	3,000	3,000
81–D–111 Water system upgrade, Los Alamos Scientific Laboratory, NM	7,000	7,000
81–D–108 Reactor support facs., Sandia Labs., NM	8,000	8,000
81–D–133 Earthquake damage rest. (LLL)	2,000	2,000
81–D–134 Earthquake damage rest. (Sandia)	1,000	1,000
81–D–134 Earthquake damage rest., (TEC $3.7M Sandia National Labs, Livermore, California)	.....	500
79–7–C Proton storage ring, LASL, New Mexico	14,000	14,000
82–D–100 General plant projects	13,500	13,500
Subtotal weapons R. & D.	122,350	129,550
B. Testing: CE–D–132 Testing capital equipment	27,450	22,550
82–D–100 General plant projects	2,300	2,300
82–D–142 Atlas facility, North Las Vegas, Nevada	3,600	3,600
Subtotal testing	33,350	28,450
C. Inertial confinement fusion: CE–D–110 ICF capital equipment	11,000	11,000

[In thousands of dollars]

	Budget estimate	Conference allowance
81–D–101 Particle beam fusion accelerator-II, Sandia Laboratories, New Mexico	20,000	20,000
80–AE–12 Target fabrication facility, Lawrence Livermore Laboratory, California	1,100	1,100
80–AE–11 Target fabrication facility, LASL, New Mexico	7,300	7,300
78–4–A High energy laser facility (NOVA), Lawrence Livermore Laboratory, California	25,000	37,500
75–3–B High energy laser facility, Los Alamos Scientific Laboratory, New Mexico	9,800	9,800
Subtotal inertial confinement fusion	74,200	86,700
D. Weapons production and surveillance: CE–D–135 P. & S. capital equipment	92,500	70,000
82–D–109 155MM AFAP	35,000	15,000
82–D–108 Mod, of nuc. weapons	9,500	9,500
82–D–104 New weapons prod	5,000	5,000
82–D–107 Utilities and equip. restoration	87,500	66,000
82–D–106 Weapons assembly facilities Amarillo, TX	23,500	23,500
82–D–146 Prod. support fac., var. locations	8,000	8,000
82–D–147 Pressure test fac., Sav. River, SC	3,500	3,500
82–D–111 Inter graphics sys	9,000	.....
82–D–103 General plant projects	16,300	11,300
78–16–A Cruise missile prod	44,700	44,700
78–17–E High explosive mach	5,600	5,600
81–D–115 MX warhead production facs, var. loc	60,000	9,100
81–D–116 Utilities and equipment restoration, replacement and upgrade, Phase III, var. Locs	60,000	50,000
81–D–120 Control of effluents and pollutants, Y–12 plant, Oak Ridge, Tenn	3,400	3,400
80–AE–6 Utilities and equip. restorations, replace, upgrade, various locations	24,000	24,000
80–AE–8 Advanced size reduction facility Rocky Flats Plant, Golden, Colo	.....	5,000
78–17–D Steam plant improvements, Y–12 plant, Oak Ridge, Tenn	9,000	9,000
79–7–0 Univ. pilot plant, Pantex Plant, Amarillo, TX	12,100	12,100
77–11–C 8-inch artillery-fired atomic projectile production facilities, various locs	3,600	3,600
General reduction: Inflation estimates	.....	–26,000
Contingencies and uncertainties	.....	–25,000
Subtotal weapon production and surveillance	512,200	327,300
Total weapons activities	742,100	572,000
IV. Verification and control technology: CE–D–140 V. & C. T. capital equipment	1,100	1,100
V. Materials production: A. Reactor operations: 82–D–126 Reactor safety	10,000	6,000
82–D–142 Steam transfer headers	5,500	5,500
81–D–125 N. reac. safety and env. improves., RL, WA	.....	1,000
81–D–141 Hangers for N reactor irradiated fuel storage, RL, WA	.....	3,000
81–D–143 L Reactor upgrade	40,000	46,500
Subtotal reactor operations	55,500	62,000
B. Processing of nuclear materials: 81–D–126 Pollution abatement facility	2,600	2,600
80–AE–2 Replace obsolete processing FACS, B line, Sav. River, SC	5,000	5,000
81–D–131 Remote analytical fac. upgrades and expansion, ICPP, INEL, Idaho	13,000	15,000
77–13–A Fluorinel dissolution process and fuel receiving improvement, Idaho chemical processing plant, Idaho National Engineering Laboratory, Idaho	40,000	40,000
Subtotal processing of nuclear materials	60,600	62,600
C. Special isotope separations research: 81–T–502 Advanced isotope separation lab, LLNL	.....	14,000
D. Supporting services: CE–D–150 MP capital equipment	73,600	63,000
82–D–116 General plant projects	23,000	20,000
82–D–117 Plant engr, and design	3,000	3,000
82–D–118 N Plant, sec. and Sur., Richland, WA	1,000	1,000
82–D–124 Restoration of prod. fac	55,800	47,000
82–D–136 Fuel processing fac., upgrade, IFPF, INEL	14,000	14,000
82–D–127 Safeguards improv	2,000	2,000
81–D–128 Restoration of production capabilities, various locations	15,000	15,000

[In thousands of dollars]

	Budget estimate	Conference allowance
82–D–128 Perimeter security systems upgrade	1,000	1,000
80–AE–3 Steam generation FACS, ICPP, Idaho	10,000	10,000
Total materials production	314,500	314,600
VI. Defense nuclear waste:		
A. Interim waste management:		
CE–N–160 Interim waste mgt. capital equipment	20,569	16,000
82–N–101 General plant projects	11,400	9,000
82–N–107 Rail replacement	6,000	3,000
82–N–103 Waste handling and isolation	10,000	10,000
82–N–104 Waste facilities waste transfer fac.	4,000	4,000
81–T–103 6th set of calcined solids storage bins, ICPP, INEL, Idaho	7,500	7,500
81–T–104 Radioactive waste facs improvements ORNL, Tenn	10,000	7,000
Prior year projects		8,000
Subtotal interim waste operations	69,469	64,500
B. Long term waste management tech:		
CE–N–161 Long term waste capital equipment	2,593	2,593
82–N–110 PE&D (Def. waste proc. fac.)	10,000	
81–T–105 Defense waste processing facilities, Savannah River, SC		20,000
Subtotal, Long term management tech.	12,593	22,593
C. Terminal storage:		
CE–N–162 Terminal storage capital equipment	400	400
77–13–F Waste Isolation Pilot Plant, Delaware Basin, Southeast New Mexico	44,600	35,000
D. Decontamination and decommissioning:		
CE–N–163 D. & D. capital equipment	70	70
CE–N–164 Transportation capital equipment	840	840
Total Defense waste management	127,972	123,403
VII. Nuclear materials security safeguards development—PL:		
A. Nuclear materials security safeguards: CE–D–170 NMS&S capital equipment	3,700	3,700
Subtotal atomic energy defense activities	1,271,372	1,096,803
Less Unobligated Balances/FY 1981 Deferral		–30,000
Total, AEDA capital equipment	327,372	278,803
Total, AEDA construction	944,000	786,800
September budget revisions	–152,565	
Total atomic energy defense activities—PL	1,118,807	1,066,803

Uranium supply and enrichment activities

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Uranium Supply and Enrichment Activities

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses incidental thereto necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95–91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 23 for replacement only); $1,806,000,000, to remain available until expended; Provided, That revenues received by the Department for the enrichment of uranium and estimated to total $1,805,000,000 in fiscal year 1982, shall be retained and used for the specific purpose of offsetting costs incurred by the Department in providing uranium enrichment service activities as authorized by section 201 of Public Law 95–238, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484): Provided further, That the sum herein appropriated shall be reduced as uranium enrichment revenues are received during fiscal year 1982 so as to result in a final fiscal year 1982 appropriation estimated at not more than $1,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have accepted the Senate allowances for the Advanced Isotope Separation Technology program which restores the shift of $6,000,000 from operating expenses to plant and capital equipment as proposed by the House. This is based on information from the Department that it is not necessary to create a construction project line item for the AIS Development Module since it is experimental in nature and can be funded from the operating account. The conferees believe that the Department should make every effort to proceed with a process selection as soon as an adequate technical basis for evaluation is available so as to minimize the requirement for funding of parallel approaches and permit a more focused effort.

The conference allowance defers without prejudice funding for projects 81–R–506 and 82–R–416 for consideration in future appropriations.

The conferees regret the necessity of a general reduction because of budgetary constraints and agree with Senate Report language and floor statements regarding the need to minimize any impact on production capacity. In this regard, the conferees believe that there are several steps the Department could and should take to minimize any programmatic impact. These include:

Negotiations to reduce, or recover through the sale of surplus electricity, some or all of the $166,000,000 requested for demand charges for contract power which is not being taken due to the reduction in the operating level of existing facilities.

Deferral of lower priority construction activities not critical to the maintenance of existing facilities nor to the critical path schedule for new capacity.

Modification of contracting practices so as to maximize use of available funds, including GSO balances and contract prefinancing.

The conferees note with some concern the very large increase in uncosted obligations related to uranium enrichment construction activities. It would appear that better use of available funds could substantially avert any serious programmatic affect of the necessary funding constraints for this account.

The conference allowance is allocated as shown in the following table:

[In thousands of dollars]

	Budget estimate	Conference allowance
Uranium enrichment—OE		
I. Uranium resources and enrichment:		
A. Uranium enrichment activities:		
1. Gaseous diffusion program	978,900	978,900
2. Gas centrifuge program	81,200	81,200
4. Program direction	3,100	3,100
Subtotal uranium enrichment activities	1,063,200	1,063,200
B. Uranium resource assessment:		
1. Assessment program	9,700	5,500
2. Program direction		4,200
Subtotal uranium resource assessment	9,700	9,700
C. Advanced isotope separation technology	79,087	79,087
Program direction	1,205	1,205
Subtotal advanced isotope separation technology	80,292	80,292
Total uranium enrichment—OE	1,153,192	1,153,192

[In thousands of dollars]

	Budget estimate	Conference allowance
Uranium Enrichment—PL		
I. Uranium resources and enrichment:		
A. Uranium enrichment activities:		
1. Gaseous diffusion program:		
CE–R–410 Gaseous diffusion capital equipment	23,600	23,600
82–R–410 GPP	17,500	17,500
82–R–411 UF6 Cyl and storage	11,000	11,000
82–R–412 Cooling tower mods	8,000	8,000
82–R–413 IMP UF6 containment	7,100	7,100
82–R–414 Purge and withdraw mod	9,000	9,000
82–R–415 Fire alarm sys rep	4,700	4,700
82–R–416 Env/safety mods	2,000	
82–R–417 Air dist sys upgrade	2,700	2,700
81–R–503 Utilities upgrading, GDP's	17,000	17,000
81–R–504 Supervisory control and data acquis. systems, Padueah, Ken and Portsmouth, Ohio Gaseous diffusion plants	7,000	7,000
81–R–506 Environmental protection and safety improvements, Phase I GDP's	7,000	
80–UE–2 Control of water pollution, GDP's	4,000	4,000
80–UE–3 Plant facilities security improvement	4,000	4,000
80–UE–5 Motor and switchgear upgrading, GDP's	6,600	6,600
Subtotal Gaseous diffusion program	131,200	122,200
2. Gas centrifuge program:		
CE–R–411 Gas centrifuge capital equipment	3,600	3,600
82–R–418 Advanced test facility	6,000	6,000
76–8–G Enriched uranium production facility, Portsmouth, Ohio	669,000	600,558
Subtotal gas centrifuge program	678,600	610,158
Subtotal uranium enrichment activities—PL	809,800	732,358
B. Uranium resource assessment:		
1. Assessment program:		
CE–R–420 Assessment program capital equipment	200	200
82–R–410 General plant projects	100	100
Subtotal Uranium resource assessment	300	300
C. Advanced isotope separation technology:		
CE–R–430 AIST capital equipment	5,500	5,500
82–N–402 General plant projects	650	650
Subtotal advanced isotope separation technology	6,150	6,150
September budget revisions	–68,442	
General reduction		–86,000
Total uranium enrichment—PL	747,808	652,808
Total uranium enrichment	1,901,000	1,806,000
Offsetting revenues	–1,805,000	–1,805,000
Uranium enrichment net	96,000	1,000

POWER MARKETING ADMINISTRATIONS

BONNEVILLE POWER ADMINISTRATION

Amendment No. 48: Approves expenditures of $2,000 from the Bonneville Power

Administration Fund for official reception and representation expenses as proposed by the Senate instead of $1,000 as proposed by the House.

Amendment No. 49: Deletes language proposed by the Senate to appropriate additional borrowing authority for the Bonneville Power Administration. The conferees agree that this matter can be deferred to fiscal year 1983 and that Bonneville should move aggressively in fiscal year 1982 to implement the program specified in the Pacific Northwest Electric Power Planning and Conservation Act (Public Law 96-501) within their existing authority.

Amendment No. 50: Limits to $40,000,000 gross obligations for the prinicpal amount of direct loans from the Bonneville Power Administration Fund as proposed by the Senate instead of $2,400,000 as proposed by the House.

Repayment Obligations.—The conferees are aware of the recent GAO report on Bonneville Power Administration's repayment policy and repayment status. BPA is expected to expedite and complete a review of its repayment policy and procedures so as to provide a full report to the Committees on Appropriations in time for consideration of the fiscal year 1983 appropriations request.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

Amendment No. 51: Appropriates $76,177,000 for salaries and expenses instead of $78,677,000 as proposed by the House and $73,677,000 as proposed by the Senate. The conferees agree that FERC shall submit reports on TAPS and personnel turnover and safety as required in the House report. It is the conferees' intention that the funds be allocated such that no personnel reduction occur in FERC.

The conferees wish to emphasize the importance of allocating sufficient personnel and other resources to the small hydropower licensing functions to avoid delays in this area.

GEOTHERMAL RESOURCES DEVELOPMENT FUND

GEOTHERMAL LOAN GUARANTEE AND INTEREST ASSISTANCE PROGRAM

Amendment No 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

For administrative expenses of the Geothermal Resources Development Fund, $200,000, to remain available until expended; and for carrying out the Geothermal Loan Guarantee and Interest Assistance Program as authorized by the Geothermal Energy, Research, Development and Demonstration Act of 1974 (Public Law 93-410), $2,000,000, to remain available until expended: Provided, That not to exceed $2,000,000 from the Fund shall be available for interest differential payments in fiscal year 1982: Provided further, That the amounts remaining in the Fund shall be used as a default reserve for loan guarantees issued pursuant to section 201 of title II of Public Law 93-410, as amended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees fully concur with the Senate Report language regarding the Geothermal Loan Guarantee and Interest Assistance Program and direct the Department to advise the Committees on Appropriations not later than January 1, 1982, of the steps being taken to comply with the Committees' direction in implementing Public Law 93-410, as amended.

GENERAL PROVISIONS, DEPARTMENT OF ENERGY

Amendment No. 53: Deletes language proposed by the Senate relating to the use of civilian spent fuel for nuclear weapons purposes.

The conferees agree with the intention of the Senate amendment that separability be maintained between the civilian nuclear power program and the nuclear weapons programs. However, since there are no funds in this bill to use civilian spent fuel for weapons purposes, the legislative limitation is not necessary.

Amendment No. 54: Deletes language proposed by the Senate to appropriate an additional $335,525,000 for atomic energy defense operating and plant and capital expenses activities. Additional funds were included in the existing appropriating accounts.

TITLE IV—INDEPENDENT AGENCIES

FUNDS APPROPRIATED TO THE PRESIDENT

APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

Amendment No. 55: Appropriates $150,000,000 for Appalachian Regional Development Programs instead of $200,000,000 as proposed by the House and $83,000,000 as proposed by the Senate. Funds may be allocated as the Commission determines appropriate. The conferees agree that the Commission should prepare for submission to the Congress a report and plan for finishing up ARC programs in a reasonable period of time, as detailed in House Report 97-177. The conferees also agree that ARC should not enter into any projects that cannot be completed with any available Federal, state, local, private or other funds.

Amendment No. 56: Earmarks $100,000,000 for the Appalachian Development Highway System instead of $140,000,000 as provided by the House and $60,000,000 as provided by the Senate.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *official entertainment expenses (not to exceed $1,500);*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 58: Appropriates $465,700,000 as proposed by the Senate instead of $477,534,000 as proposed by the House.

The NRC shall submit to the Committees on Appropriations for prior approval any changes from priorities in research programs identified in the House and Senate Reports, and subject to the above is directed to carry out the testing matrix and schedule identified by the Office of Nuclear Regulatory Research drawing from the LOFT Special Review Group. The conferees agree that up to $3,500,000 is available for gas-cooled reactor research. A total of $200,000 is provided for the nuclear data link and the Commission is to submit a report addressing those issues identified in House Report No. 97-177 in FY 1982.

Amendment No. 59: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which deletes language proposed by the House earmarking funds and adds Senate language providing that funds remain available until expended.

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which deletes language proposed by the House that would limit availability of research funds to two years and makes funds available until expended.

Amendment No. 61: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows for NRC to retain regulatory jurisdiction on a case-by-case basis where the Commission can demonstrate a need to protect the public health and safety.

TENNESSEE VALLEY AUTHORITY

PAYMENT TO TENNESSEE VALLEY AUTHORITY FUND

Amendment No. 62: Appropriates $129,162,000 for Payment to Tennessee Valley Authority Fund instead of $140,743,000 as proposed by the House and $124,162,000 as proposed by the Senate.

WATER RESOURCES COUNCIL

WATER RESOURCES PLANNING

Amendment No. 63: Deletes language proposed by the House which would have appropriated $2,500,000 for salaries and related expenses.

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Water Resources Planning

For the Water Resources Council for salaries and related expenses necessary in carrying out the provisions of the Water Resources Planning Act of 1965 (42 U.S.C. 1962-1962d-3), as amended, including services as authorized by 5 U.S.C. 3109 and 42 U.S.C. 1962a-4(5), $3,888,000 including $658,000 for expenses in administering the Act (42 U.S.C. 1962d(b)), and $3,230,000 for preparation of assessments and plans (42 U.S.C. 1962d(c)): Provided, That none of the funds included herein shall be used for an independent Project Review, for expenses of River Basin Commissions or for Grants to States.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have provided a total of $3,888,000 to the Water Resources Council, including $3,230,000 for preparation of assessments and plans and $658,000 for salaries and expenses. No funds are included for the Upper Mississippi Comprehensive Management Plan inasmuch as H.R. 4035, the fiscal year 1982 Department of Interior and related agencies Appropriation Bill, contains a total of $1,842,000 for water policy, planning and coordination and for program support of the Office of Water Policy. No funds are included for an independent project review, grants to states, or for expenses of River Basin Commissions.

TITLE V—GENERAL PROVISIONS

Amendment No. 65: Provides language proposed by the Senate prohibiting implementation of a program of retention con-

tracts for senior employees of the Tennessee Valley Authority.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. There is no intention on the part of the conferees to preclude appropriations for the operation and maintenance, or restoration and rehabilitation as required, on the existing authorized project.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1982 recommended by the Committee of Conference, with comparisons to the fiscal year 1981 amount, the 1982 budget estimates, and the House and Senate bills for 1982 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 1981	12,309,098
Budget estimates considered by House, fiscal year 1982	13,410,287
House bill, fiscal year 1982	13,189,674
Budget estimates considered by Senate, fiscal year 1982	12,096,547
Senate bill, fiscal year 1982	12,763,636
Conference agreement, fiscal year 1982	12,472,025
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1981	+162,927
Budget estimates of new (obligational) authority, considered by House, fiscal year 1982	−938,262
Budget authority of new (obligational) authority, considered by Senate, fiscal year 1982	+375,478
House bill, fiscal year 1982	−717,649
Senate bill, fiscal year 1982	−291,611

TOM BEVILL,
EDWARD P. BOLAND,
LINDY (Mrs. Hale) BOGGS,
BILL CHAPPELL,
VIC FAZIO,
WES WATKINS,
ADAM BENJAMIN, Jr.,
JAMIE L. WHITTEN,
JOHN T. MYERS,
CLAIR W. BURGENER,
VIRGINIA SMITH,
ELDON RUDD,
Managers on the Part of the House.

MARK O. HATFIELD,
JAMES A. MCCLURE,
JAKE GARN,
HARRISON H. SCHMITT,
THAD COCHRAN,
JAMES ABDNOR,
BOB KASTEN,
MACK MATTINGLY,
J. BENNETT JOHNSTON,
JOHN C. STENNIS,
ROBERT C. BYRD,
ERNEST F. HOLLINGS,
WALTER D. HUDDLESTON,
QUENTIN BURDICK,
JIM SASSER,
Managers on the Part of the Senate.

THE FATE OF THE SOCIAL SECURITY MINIMUM BENEFIT LIES IN THE HANDS OF THE SENATE CONFEREES

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, the House has twice voted, by overwhelming margins, to restore the $122 a month benefit which Gramm-Latta took away from 3 million of America's oldest and poorest citizens. Many weeks ago, we sent to the Senate a bill to accomplish this purpose.

The Senate, in spite of protestations of sympathy, are insisting that if the minimum benefit is to be restored, future benefits must be reduced and degraded and certain benefits subjected for the first time to being taxed.

Upon this rock of disagreement, the conference committee is foundering. Notifications already have gone out to these elderly citizens that those meager benefits are being reduced.

May every citizen know exactly where the blame lies. It is the will of the American people that these benefits be restored in full to America's elderly, without degradation. Their fate lies in the hands of the Senate conferees.

ACCEPTABLE FARM BILL CALLED FOR

(Mr. PEYSER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, the nails were driven firmly into the coffin of the farm bill yesterday with the actions taken by the conference committee. With a cosmetic change in the sugar and peanut legislation, by agreeing on excessive increases in target prices for grains, with questionable action on embargo products and bankruptcy procedures, this conference is producing a bill that is doomed to defeat. With the bill still not complete, the President's budget is exceeded by nearly $610 million.

If I were a farmer, Mr. Speaker, I would be calling out to members of the Agriculture Committee involved in this conference, asking them to recognize it is in everybody's best interests to have a farm bill that will be acceptable by the Congress, by the President, and by the American people.

REAGAN-VOLCKER DEPRESSION

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, the latest housing starts figures based on October's starts level of 857,000 are down 3.6 percent from October of last year. The housing industry in our Nation is coming to a screeching halt. In fact, it already has, and the economy right along with it. There are over 61 percent of the woodworkers in Oregon unemployed. Factory output dropped 2 percent in just less than 60 days. There are 1 million plus more Americans unemployed today than there were when President Reagan raised his hand to take his oath of office on January 20, and the chief economist adviser to the President predicts another million before too long.

If we wait for 2 or 3 or 4 years for a recovery, as the administration is suggesting, there will not be a delivery system in place to produce homes. And without a strong housing program the American people not only cannot be housed but the effect on the economy will be devastating.

HIGH INTEREST RATE THREATENING OUR COUNTRY'S FOOD SUPPLY BASE

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, farmers and ranchers are telling their kids that there is no future in agriculture. They are in serious trouble. Some observers report they have never seen farmers in so much trouble. For over 2 years now, most farmers have not been able to turn a profit.

The administration's policies of continued high interest rates are forcing farm families to give up their dreams, their hopes, and finally, their farms.

The USDA reported recently that over the past 2 years, the Nation's farm population has decreased by 450,000. Another USDA report says we are losing 1,000 farm families per week to nearby cities and towns.

It is the high cost of borrowing that is suddenly threatening the very base of our country's food supply. Besides borrowing to purchase land and machinery, many farmers obtain loans in the spring to buy seed, fuel, fertilizer or herbicides. They can pay off the loan when the crop is in. Cattlemen borrow to buy young feeder calves. They can pay off the loan when the calf is grown and ready for slaughter. In 1981, farmers and ranchers hope to pay interest alone.

Since most farm loans made this year are not due until early next year, we do not have any idea what the true impact of sustained high interest rates will be. Judging by the message from farmers to their children, most are not planning beyond 1982.

DESTRUCTION OF THE HOUSING INDUSTRY

(Mr. FRANK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRANK. Mr. Speaker, the latest housing start statistics just confirm what a drastically depressed situation we face in the housing industry. The so-called American dream for young people to buy their own homes is simply being demolished. The absolute destruction of any new housing construction in this country is causing a situation where, as housing prices and interest rates go higher and higher, young people who want to start a new family have no hope whatsoever.

The Reagan administration's conscious policy in turning investment away from housing is producing an economic and social disaster to which the Congress must respond. Mr. Speaker, disaster is not too strong a word when one examines the statistics involved: Housing starts for October were 43 percent less than a year ago and the lowest since 1966 and starts for single family homes were at an all-time record low. And the administration's simplistic, antihousing policy that lower interest rates will cure all the problems just ignores reality: Homebuilders are going out of business and those who are left have had their profits decimated. Marginally lower interest rates, which is all we can realistically hope for in the short term, will not solve the bankruptcy problems of homebuilders nor the unemployment problems of construction workers nor the housing needs of the American people. We in Congress must design well-conceived proposals if we are to rescue this industry from the disaster it is facing.

HOUSING SLUMP INTENSIFIES

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, the housing slump intensifies. The Washington Post reported today that October housing starts have plunged to a record low. The New York Times reports that in October starts fell to a 15-year low.

I talked this morning to a lifelong friend in Osceola, named W. F. Fletcher, who has been in the real estate business all of his life. He reports that the housing industry in Arkansas is in the worst condition that he has ever observed; because of the state of the economy, particularly the high interest rates, he has only been able to build two houses this year, and neither one has sold.

Mr. President, we are waiting for Reaganomics to work and for you to reduce the interest rates to below 10 percent as you promised a year ago.

FUTURE OF HOUSING INDUSTRY AT STAKE

(Mr. MITCHELL of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL of Maryland. Mr. Speaker, I am compelled to express a very grave concern about the status of the housing industry. Yesterday, I and several of my colleagues learned, from the Department of Commerce, that this industry has experienced the second lowest number of housing starts ever recorded. The October 1981 housing starts figure of 857,000 units is second only to the year 1966 when the number plummeted below 850,000. Additionally, this figure is 43 percent below the October 1980 recorded level.

As we become increasingly aware that the Federal involvement in providing housing will diminish significantly, as the administration's and Congress policies dictate, we must ask ourselves several questions:

First. Can the private sector realistically meet the immediate and growing national demand for housing? In my city of Baltimore alone, there are currently 40,000 citizens seeking housing;

Second. Will the continuing state of high interest rates, increased speculative demand as a result of massivie tax cuts and breaks, and significant reductions in federally subsidized housing units, foster a healthy economy in which the housing industry might insure that every citizen can afford decent housing?; and

Third. Can we risk the elimination of a significant number of subsidized housing units across the Nation in the absence of quantifiable evidence that the elimination of such units will be matched by private sector initiatives to replace them, in tandem?

I believe that the latest Department of Commerce figures place serious doubt in our minds when we try to answer these questions. The housing industry is fighting for its survival. The diminishing role of the Federal Government in undergirding this industry, or at least, providing where the industry cannot, may be a fatal mistake.

□ 1015

PENDULUM SWINGS ON ANGTS WAIVERS

(Mr. CORCORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CORCORAN. Mr. Speaker, as you know, the Congress of the United States has been considering during the last 30 days the proposed waivers with respect to the Federal laws that govern the transportation of natural gas at Prudhoe Bay on the North Slope of Alaska to the lower 48 States.

I am happy to report to my colleagues in the House that, as our colleagues in the committees both in the Senate and the House have been working in evaluating these proposed waivers, we have learned more about them; and the pendulum has begun to swing in favor of those who would like, as would my friend, the gentleman from Iowa (Mr. TAUKE), to see them rejected.

As a matter of fact, in the first test vote in the Senate, the vote was 14 to 1 in the Committee on Energy and Natural Resources in favor of the waivers. The second test vote was here in the House in the Committee on Interior and Insular Affairs; the vote was a little better from our standpoint, it was 32 to 7 in favor of the waivers.

However, the Subcommittee on Fossil and Synthetic Fuels of the Committee on Energy and Commerce has voted just this week, and the vote was 12 to 9, with three rather interesting abstentions by Members who are in fact opposed to the waivers.

Later on today the full House Committee on Energy and Commerce will vote. There is no way we can predict what that vote might be, but I can assure the Speaker that it is now a divided question as more and more Members become informed about these waivers, and in my judgment they should indeed ultimately be rejected.

REVEALING A NEW SIDE TO THE SPEAKER OF THE HOUSE

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, occasionally my side of the aisle has been accused of perhaps not treating the Speaker as well as we should and not recognizing his many good qualities. As Republicans, we are more than willing to admit that others can show us the way.

I have here a Journal—but not the Congressional Journal—with which my colleagues may not be too familiar, the Ladies Home Journal, and I thought it appropriate to read to the Members from the December issue something that an outsider said about our Speaker. Perhaps this will show Republicans and Democrats alike a side of our Speaker we have never seen before.

The article was entitled, "Kiss and Tell." Eighteen celebrities reveal whom they would like to find under the mistletoe. Some people chose Sean Connery and others whom we could identify rather quickly. But Marie

Osmond chose our Speaker to meet under the mistletoe with these lines:

I would like to get him under the mistletoe right up front, and I would mess up his hair real good and give him a big hug so that he would then have something to talk about other than Ronald Reagan.

I have never met Mr. O'Neill, only watched him on TV, and I have a feeling under all that polish and political prowess there lurks an enormously affectionate teddy bear. I'd like to be the one to find it.

Mr. Speaker, we all join Marie and wish her and you a happy Christmas.

NATIONAL DEFENSE COSTS JUSTIFIED

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, in this time of talking about Defense Department appropriations, we sometimes forget to put our budget problems in perspective, and we talk about balancing and thinking about the expenses and the cost of military just like everything else that goes on. We have heard the discussions on housing this morning for example, but we would not be discussing the dollars and cents if it were not for the fact that we have a strong enough national defense to deter the Soviet Union and to give us the opportunity to have that quality of life and freedom that is so precious.

As we look at the comparative statistics on the percentage of gross national product between the United States and the Soviets relating to national defense expenditures, it makes yesterday's votes all that much more meaningful. I would remind my colleagues that in 1960, in the Kennedy years, in 1960-62 and 1963, we spent about 9 percent of our gross national product on national defense. Today, even with out appropriation yesterday, we are only spending about 5½ percent of our gross national product on our national defense, and even in the out years, 1986 and 1987 with future projections commencing to increase spending, we are only going to get up in the neighborhood of 6 to 7 percent.

In the meantime, in the last 10 years or so, the Soviet Union has been spending at an average annual rate of about 15 percent of its gross national product on its national defense.

Mr. Speaker, we must continue to strive to spend a substantial portion of our gross national product and increase that amount on our national defense if all the rest is going to succeed and all the economic concerns are going to be worth the effort.

THE PRESIDENT'S PEACE INITIATIVE

(Mr. MORRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON. Mr. Speaker, the President's peace initiative was well received yesterday by everyone, except, naturally, the Soviets, who now wear the black hats.

We have a tendency to use these 1-minute dissertations to throw stones—this week has been highlighted by the continuing resolution fiasco, delays due to political committee hearings, the continued politicizing of social security, and the efforts of the majority party to transfer the responsibility for high interest rates to our new President.

Today, let me give credit when credit is due. The overwhelming vote last night in support of the Defense appropriations bill, and to sustain the President's position on the B-1 and MX, was a vote of confidence. Both sides of the political aisle were saying, "Mr. President, we agree, America's defense has been shortchanged in recent years. We need to be strong as we go to the negotiating table."

I believe that America agrees also. We have taken a positive step—and in the right direction—toward peace, through strength.

HOUSING INDUSTRY SUFFERING FROM REGULATIONS

(Mrs. FENWICK asked and was given permission to address the House for 1 minute.)

Mrs. FENWICK. Mr. Speaker, I rise to speak to the House very briefly. This morning twice we have heard about the question of housing, and certainly we all should be concerned. But I think the Members would be happy to hear about a meeting of a subcommittee of this House yesterday under the very able chairmanship of the gentleman from California (Mr. ROYBAL).

We are suffering and our people in this country are suffering under the regulations of the previous administration. Now, I do not mean to get too partisan about all this, but let us face it. Those regulations were made by that administration, not by this administration, and the definition of what constitutes, for example, something as simple as shared housing has been a barrier to many, many satisfactory, inexpensive and sensible ways of providing housing to people who want it. The regulations make it almost impossible to do so in any commonsense way.

I was happy to hear yesterday the administration official who appeared before us, before the gentleman from California (Mr. ROYBAL), Mr. EVANS, and me. I think we all felt that we are moving in a direction that is productive, from the specific needs of people instead of from statistics and charts. We may finally stop building the massive projects that kill the people in them.

Mr. Speaker, I have written reports for the U.S. Commission on Civil Rights condemning the hideous housing to which we have assigned human beings in our well-meant but disastrous projects. We have got to stop doing this and move forward in another direction.

SOCIAL SECURITY PARTISANSHIP DISTURBING

(Mr. WALKER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, this morning on this floor we heard another couple of speeches tinged with partisanship on the issue of social security.

This is a very disturbing trend, Mr. Speaker. We have seen the Democratic National Committee use the Committee on Aging for a political fund-raising effort. We understand that the Speaker of the House has made a conscious decision to keep the Committee on Ways and Means from even considering solutions to what we all know is a major social security problem, and now today on the floor we hear another series of partisanly tinged speeches on this very basic issue.

Mr. Speaker, I think the question asked by the American people is: Should not something as vital and important as social security be raised above partisan bickering? I certainly believe so.

IN SUPPORT OF HOUSE JOINT RESOLUTION 349, MULTINATIONAL FORCE AND OBSERVERS PARTICIPATION

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, today we will be asked to authorize $125 million so that U.S. soldiers can participate in the multinational peace force that is designed to monitor the Israel-Egypt truce following the final stage of Israel's withdrawal from the Sinai Peninsula. This is a small price to pay for peace and to insure the security of Israel in exchange for that country's courageous agreement to give up large portions of territory that were won at great cost in lives and suffering.

Israel's territorial acquisitions are a legacy of its historical vulnerability in a region where its statehood is still not a fully accepted fact. The Camp David agreements, signed by Prime Minister Begin and the late, great statesman Anwar el Sadat, represent a major breakthrough in recognizing Israel's

right to exist in peace and as a partner in the region's development.

In place of territory of tremendous military and strategic value as well as oil resources, Israel has accepted Egypt's hand in peace and has chosen to stake its future on faith rather than force. Let us hope that this momentous achievement will not only endure, but will soon be replicated with Israel's other recalcitrant neighbors—including the Palestinians as well as Saudi Arabia, Syria, Lebanon, and Jordan.

HOUSING STARTS PLUMMET

(Mr. EVANS of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVANS of Indiana. Mr. Speaker, each day the American public is being given new evidence of the continued downward plunge of the U.S. economy, thanks to the results of the Reagan economic recovery program. Today we are told that the housing starts for October of this year are the second lowest since the Department of Commerce has been keeping housing starts records.

The October housing starts level of 857,000 units on an annualized basis is the lowest since October of 1966. The level for October of this year is 43.6 percent below last October's level and only one-third of the amount of housing starts necessary to meet the housing needs of this Nation.

This record low housing starts level is the result not just of high interest rates, but of the persistently high inflation level which the Reagan administration's policies have done little to stop and of the policy of this administration of not doing anything to assist the thrift industry's disastrous situation. The thrift industry is the principal provider of mortgage credit and, as such, the major underpinning for the housing industry. The savings and loan associations are not in the business any more of making long-term, level-payment mortgages and for that reason the dream of most Americans of homeownership will be only that, a dream.

Mr. Speaker, I regret our housing industry has been so devastated, and I would hope that this new evidence of economic depression will cause the administration to change course on economic policy direction that OMB Director David Stockman has no faith in.

FLORIDA—PARADISE LOST

(Mr. MICA asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MICA Mr. Speaker, a national magazine this week on its front cover declared Florida a "Paradise Lost." The crime rate there is skyrocketing. Illegal narcotics, drugs, illegal aliens, and criminals from Castro's prisons have created a deadly combination. Now is the time for a major coordinated effort.

We have disaster areas declared for earthquakes, hurricanes, and floods.

I will shortly introduce legislation to allow the President to declare a crime emergency area. This would allow the assignment of a coordinator to immediately and efficiently direct Federal, State, and local efforts in a major crime battle.

Mr. Speaker, this is a major battle. It is a crimewave, and it needs a major coordinated effort now.

THE PRESIDENT'S INITIATIVES ON ARMS CONTROL

(Mr. KASTENMEIER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. KASTENMEIER. Mr. Speaker, later today we will be called on to endorse the President's initiatives on arms control as communicated by him to the National Press Club on yesterday.

Apparently the plan is to have this body unanimously rubberstamp Mr. Reagan's views on this matter. I believe the House would do well to consider carefully whether or not it should approve or whether or not it should even be called upon to approve the President's position.

I recall that when Mr. Carter was President and was unable to attain approval of SALT II, we were not asked to go on record to endorse what was indeed a worthy initiative.

□ 1030

Indeed, many in the Congress and some outside the Congress, including the man who is now President, opposed and eventually frustrated that approval.

While I do not oppose Mr. Reagan in terms of the speech he made yesterday, I think it would be well we understand its purpose. It is not because the President has overnight become an arms controller. No. It is, rather, because the administration has found it is in great difficulty on the issue both at home and abroad, with the Conference of Catholic Bishops taking a position on Tuesday in opposition to the arms race, and with our friends in Germany and elsewhere in a sad state in terms of our introduction of nuclear arms in their countries.

So even before the President's speech was delivered, the press and commentators had analyzed the aims and content. It had been pointed out the proposal is not new and that it is foreordained to rejection but, nonetheless, we would gain in terms of a propaganda advantage.

I look for more, Mr. Speaker. Maybe on November 30, with the Geneva Conference, and beyond, we will have something to applaud the President for. But that time has not yet arrived.

For now, however, I see no reason why the President should enjoy any particular credibility on this issue, any more than his Budget Director should enjoy credibility on economic issues.

Mr. Speaker, I will not today object to the immediate consideration of this resolution but I shall most certainly vote against it.

PRESIDENT'S PEACE INITIATIVE

(Mr. BETHUNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BETHUNE. Mr. Speaker, yesterday the President made what people all around the world are proclaiming as an historic move toward peace. Clearly it is a different sort of initiative than we have seen. Peoples from all around the world are complimenting the President. They see it as different. Parliaments are passing resolutions all across the world endorsing this bold move.

The President himself, in his special way, has reached into the hearts and minds of people, not just the leaders all around the world. It occurs to me that this House should unanimously endorse the President.

Any idea that this President has come to this position recently is as farfetched as it could ever be. This President has been talking about peace through strength for years. This party, the Republican Party, has been talking about peace through strength. And this party, by the way, went on record last year, in 1980, at the national convention on the idea of arms reduction as opposed to arms limitation.

If I could just read one passage from those proclamations last summer.

A Republican administration will continue to seek to negotiate arms reductions in Soviet strategic weapons, in Soviet Bloc force levels in Central Europe, and in other areas that may be amenable to reductions or limitations.

This is not a position that the President has come to recently.

SUCCESS OF THE PRESIDENT'S ECONOMIC PROGRAM

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, again we listen to those who take the well and criticize the Reagan administration and its economic policies for the failures in our economic situation at the present time.

I would just suggest to them that rather than look to Reaganomics for

the problems that we see today, they might very carefully look at Tiponomics.

What are Tiponomics? Those are the policies that this House has followed under the leadership of the present Speaker of the House with respect to the economy.

What happened during that period of time? We managed to bring inflation from 4.8 percent to double-digit heights. We had double-digit inflation for 2 years back to back for the first time in the history of the United States.

We managed to bring interest rates from a low which looks incredible at the present time, at about 5.3 or 6 percent up to double-digit figures, to even 20-plus percent. We had that for 2 years in a row.

Our rate of productivity growth has gone to a negative level for 3 years in a row. And what else did Tiponomics give us? We had the real growth in the gross national product going to an absolute negative dive for a solid year.

When we have those problems confronting us, we have to do something to work ourself out of it. It seems to me to be almost indecent to suggest when we followed one way of doing things on this floor for several years—that is, high taxes, high spending—with miserable results, that we should criticize this administration for just beginning to see if it can make a change. And this seems to be particularly bad timing at a time when we see inflation rates going down, interest rates going down and, yes, incredibly, a growth in productivity in our economy.

EXPRESSION OF SUPPORT OF CONGRESS FOR PRESIDENT'S INITIATIVES FOR PEACE

Mr. ZABLOCKI. Mr. Speaker, I send to the desk a concurrent resolution (H. Con. Res. 224) to express the support of the Congress for the President's initiatives for peace and ask unanimous consent for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 224

Whereas President Ronald Wilson Reagan has called upon Soviet leader Leonid Brezhnev to engage in Strategic Arms Reduction Talks (START);

Whereas the President's willingness to cancel deployment of Pershing II and ground-launch cruise missiles if the Soviet Union dismantles its SS-20, SS-4, and SS-5 missiles is a dramatic and bold step toward real nuclear arms reduction;

Whereas the President's call for "equality at lower levels of conventional forces in Europe" is a necessary part of his goal of reducing the threat of war;

Whereas the President's invitation to President Brezhnev to join in a conference that would "develop effective measures that would reduce the dangers of war arising out of uncertainty and miscalculation" demonstrates this Nation's belief in the need for mutual restraint between the superpowers; and

Whereas the President's goal of "mutual reduction of conventional, intermediate range nuclear and strategic forces" is in the great American tradition of seeking and keeping the peace through realistic methods: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress expresses its commendation of and support for the President's initiatives for peace and reaffirms its desire to work with him so that the threats of nuclear war can be reduced and, perhaps, eliminated in our lifetime.

The SPEAKER pro tempore (Mr. BOLAND). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin is recognized for 1 hour.

Mr. ZABLOCKI. Mr. Speaker, I yield myself such time as I may consume and, pending that, I yield one-half hour, for purposes of debate only, to the gentleman from Michigan (Mr. BROOMFIELD), the ranking minority member of the House Foreign Affairs Committee.

Mr. Speaker, together with the distinguished leadership on both sides of the aisle, I rise in support of House Concurrent Resolution 224 commending President Reagan for the arms control initiative expressed in his National Press Club speech yesterday.

Mr. Speaker, our colleague, the distinguished minority leader, Mr. MICHEL, initiated the draft of this resolution. This bipartisan resolution is enthusiastically supported by the House Foreign Affairs Committee. It recognizes that President Reagan's proposals represent important and bold initiatives for world peace. If accepted by the Soviet Union, they will result in significant reductions in strategic and theater nuclear weapons and conventional weapons.

Mr. Speaker, I wholeheartedly welcome and share President Reagan's commitment to arms reductions. His arms control proposals have at long last given us the negotiating high ground and should dispel doubts among our European allies about the seriousness of our arms control efforts.

While the President's proposals are only the first step in a difficult road ahead, they do deserve the special commendation and support that House Concurrent Resolution 224 will provide. I urge the adoption of the resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, I would like to thank the chairman of the Foreign Affairs Committee, the gentleman from Wisconsin (Mr. ZABLOCKI) for bringing this resolution before the House today.

The House of Representatives should publicly endorse President Reagan's initiatives for peace which he set forth yesterday. The resolution before us now clearly underlines our concern for arms control and strongly supports the President's course of action.

It is disappointing and disgusting to witness the Soviet's cynical dismissal of this historic proposal as just another propaganda ploy.

Peace-loving people around the world recognized and embraced it as a hopeful sign for the future. We can only hope that the pressure of world opinion will force the Soviets to take a sober second look at the real implications of the President's message before the Geneva talks begin later this month.

By passing this resolution, the House will be sending a message to the Soviet Union, and to our allies in Western Europe and around the world, that the President's policy enjoys bipartisan support in the Congress. They will know that the President is dealing from a strong position, and has the confidence of the American people.

Now is the time to rally around this peace initiative. It is important that friend and foe alike understand what the United States stands for and what our goals are internationally. We have heard a great deal of Soviet disinformation lately regarding U.S. motives in the defense field, and we have heard some well-intentioned but misguided groups in Western Europe question our seriousness in pursuing arms control.

Now is the time when we can set the record straight. Let there be no doubt that the United States prefers peace to war, and let there be no doubt that we believe that arms control is a viable tool for achieving a peaceful world.

The President's initiative challenges the Soviet Union to live up to its pronouncements in favor of peace. If they accept the challenge, the world will be better off. If they do not, then we will know where we stand, and more importantly, those groups who say the Soviets can be trusted will have an opportunity to see the Soviets stripped of their rhetoric and propaganda.

I encourage all of my colleagues to support this resolution.

Mr. ZABLOCKI. Mr. Speaker, I yield so much time as he may require to our distinguished and able majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, this peace initiative is very much in the American tradition. This resolution of bipartisan support for the President's peace initiative also is in the dominant line of tradition that dates back at least to the days of President Harry

Truman and Senator Arthur Vandenberg.

Had it not been for a disposition on the part of a Republican Congress immediately following World War II to support the important peace initiatives of President Harry S. Truman, history might have been much different, and much less benign. Such initiatives as food for peace, help for Greece and Turkey, for the Berlin airlift, and for that great monumental work which has been described by Winston Churchill as the most unsordid act in the history of the human race, the Marshall plan, enjoyed bipartisan support. Without it, the great progress that was made in those years toward the development of the basis for a peaceful world would not have come about. It was Senator Vandenberg and a then Member of the U.S. House named Christian Herter, a Republican Member, later to be Secretary of State, who led the effort to adopt the great Marshall plan that became the cornerstone of our postwar policy.

When President Eisenhower was our Chief Executive and there were Democratic leaders in the Congress, his open skies policy was greeted with uniform bipartisan support on the part of the congressional leadership and the congressional membership. When difficulties arose and the United States was challenged, first in the gulf off the coast of Formosa involving the islands of Quemoy and Matsu, and later in the throbbing Middle East in the area of Lebanon, the House and the Senate almost unanimously passed resolutions supporting the firm resolve of then President Dwight D. Eisenhower to make certain to the world that the United States was a Nation united in purpose as well as in name. Because of that show of strength and near unanimity, we removed any doubt from the minds of would-be aggressors in the world that we would weaken under attack or under provocation or that we would split apart and tear ourselves asunder upon the shoals of partisan political division within our country.

During the administration of John F. Kennedy, in the Cuban missile crisis and the Berlin crisis, Republican Members of the Congress rallied, as did the Democratic Members, to support the united position of the United States.

□ 1045

Because of that unified demonstration in support, the President's hand has been strengthened down through the years. In all of these postwar years, we have followed the basic philosophy that partisanship must end at the water's edge.

So what is being done today is a reaffirmation of that principle. Not only is it a reaffirmation of the principle of bipartisan foreign policy on the part of the United States, it is a reclaiming of what is rightfully ours—and that is the initiative in the worldwide search for peace.

President Reagan's four basic proposals made yesterday before the National Press Club and in an unprecedented forum before all of the people of the world viewed by means of Telstar in all of the lands where television sets were available, comprise a bold, imaginative, sensible, and reasonable offer that the Soviet Union would do well favorably to consider and not automatically or out of hand to reject.

So it is a seizing again of the initiative in the continuing struggle for the minds of men and women throughout the world. But it is even more than that, I think. "Blessed are the peacemakers, for they shall be called the children of God." This initiative restores, I believe, once more to the United States that shining mantle of being a peacemaker for the world.

For all of those reasons, it is a great honor and privilege for me, as one spokesman for the Democratic majority in the House, to join wholeheartedly and enthusiastically in support of this initiative of President Reagan so that all the world may know that we here in the United States are indeed united in this determined search for peace.

Mr. BROOMFIELD. Mr. Speaker, I first want to congratulate the majority leader for that tremendous statement in support of this resolution, and I now yield such time as he may consume to the minority leader of the House, the gentleman from Illinois (Mr. MICHEL).

Mrs. HOLT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentlewoman from Maryland.

Mrs. HOLT. Mr. Speaker, I want to commend the committee for this resolution.

Mr. Speaker, because of our President's splendid speech on disarmament yesterday, the world is watching the Soviet Union for some kind of meaningful response.

The first reaction from the Kremlin was to describe the President's proposals as a propaganda ploy, but the Soviet leaders should know that that answer is not good enough.

In a world alarmed by the potential for cataclysmic war and nuclear holocaust, the people of this planet do not want serious disarmament proposals dismissed by either superpower.

The American commitment to peace should not even need restatement, but our President has restated it as well as it has ever been expressed.

President Reagan asked for real reductions of both nuclear weapons and conventional arms, not just ceilings that accommodate all current weaponry.

If the Soviet Union does not like our plan to place new intermediate-range ballistics missiles in Europe, then we are willing to drop the plan if the Soviet Union scraps its intermediate-range missiles aimed at Europe.

Let us have real reductions. Let us move together to make some real progress on averting the danger of nuclear war.

That is what President Reagan has told the Soviet Union, and the test of Soviet intentions will come when we begin the European nuclear arms negotiations November 30.

Let us tell our Soviet rivals that our overwhelming interest is to achieve the accords necessary for lasting peace and a reduction of the terrible nuclear arms that threaten all humanity.

I believe the President has made our position clear, and it is a position that should be welcomed by the whole world.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise in support of the President's excellent address which hopefully will lead to world peace.

Mr. Speaker, I rise in strong support of House Concurrent Resolution 224, to express the support of the Congress for the President's initiatives for peace.

President Reagan has called upon the Soviet leadership to engage in a new and significant peace effort. This proposal steps beyond the past efforts of strategic arms limitation talks (SALT) which had sought to halt the arms race. The President's plan breaks new ground in calling for strategic arms reduction talks (START) or an actual reduction of current arms levels.

Through this initiative the United States has offered the olive branch to the Soviet Union in the hope that proposals to reduce arms and to deescalate the nuclear buildup in Western Europe can become a reality. With this effort there can be no doubt about our Nation's commitment to arms reduction as a viable tool in preserving peace in Europe and around the world.

Contrary to efforts of those who seek to paint the United States as unwilling to pursue arms control, this resolution recognizes that it is now up to the Soviet Union to demonstrate its willingness to reduce the level of tension and threat to peace in the world. Our support in this effort will demonstrate that the President enjoys strong bipartisan support in the Congress and will thereby be dealing with the issue from a position of strength.

As a cosponsor of this resolution, I urge my colleagues to join with me in

strong support of House Concurrent Resolution 224.

Mr. MICHEL. Mr. Speaker, may I first commend the distinguished minority leader for the brief review of recent history with respect to the bipartisan support of the Congress to whatever administration was in power for important foreign policy decisions. And may I thank, particularly, the chairman and the ranking minority member of the Committee on Foreign Affairs for coming forth so promptly with this concurrent resolution. It was to have been considered last evening, but in view of the legislative schedule, it was deferred until this hour.

Yesterday, the President's historic address called for the beginning of a process of strategic arms reduction talks.

The President emphasized the word "reduction." He did so to point out that arms limitation talks, despite some advances, have not brought us closer to the goals of a world free from the threat of a nuclear holocaust.

I think we can say, without exaggeration, that the President's message is the most important one made concerning nuclear arms in many, many years. History may well record that its four major points are among the most important to ever have been raised in arms negotiations between the United States and the Soviet Union.

The President's challenge to the Soviet Union is as dramatic as it is logical. He brings the rulers of that country face-to-face with the reality of what they alone have created in Europe, a reality of nuclear threat.

For many years we have been hearing calls for disarmament in the United States. Some go as far as to say we need unilateral disarmament.

Unilateral disarmament, in the face of armed aggressors leads to slavery, to death camps, to boat people, and to the crushing of all human and civil rights.

But President Reagan's call for balanced arms reduction, based on verification techniques that are open and creative, is a realistic method of approaching the complex problem of arms reduction. The President has shown himself and our Nation to be interested in the realistic pursuit of an achievable peace rather than just in the rhetoric of peace.

So I am happy to join with my colleagues, hopefully in a unanimous vote here, in support of this historic concurrent resolution.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I rise in favor of House Concurrent Resolution 224. I commend President Reagan for his bold, innovative, historic plan to set the world on a new course toward significant arms reductions and lasting world peace.

The beneficiaries of the President's actions, assuming there is now a serious response from the Soviet Union, will be this and future generations in every corner of the globe.

I think I speak on behalf of every Member of this body when I say that our hopes and prayers are with the President in this undertaking. There can be no higher calling than seeking the serious pursuit of a secure, peaceful world through significant, balanced reductions of deadly nuclear weapons—the presence of which has threatened destruction of life as we know it for a generation.

Mr. ZABLOCKI. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Speaker, some are questioning the President's motives in making this proposal. I read the proposal, and I take it for what the President has said—an honest effort to see peace in this world.

Many are questioning and saying it was not a sincere move. We have had that response from the Soviet Union. But I think today, Mr. Speaker, the American people through their Representatives in the House of Representatives, 220 million people, will be saying, "We want to give this proposal a chance. We endorse the President's proposal."

So whoever questions, whoever is skeptical of reasons that this plan came about can look to the people of the United States, look to the Congress of the United States, and see a total endorsement that this Nation and this Nation's people are committed for every possible opportunity for peace in this world.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, we have heard in this House today something that does honor to this House and to its traditions. I would like to speak, particularly, of the splendid speech of the majority leader and of our chairman, the chairman of our Foreign Affairs Committee, who leads us in a very sensitive and delicate field with such kindliness and such understanding and tact.

But, of course, it is more than that. I wonder and I hope if anybody can hear, or if anybody would be influenced, that the press and the public will understand the responsibility that falls on all of us now, not just in this House, but in this country. There is nothing that is going to persuade the Soviet Union to come to some reasonable arrangement at the table except the united voice of those who are free to speak.

Why has Poland remained free of invasion with all its difficulties, with its pandemonium on the borders of the Soviet Union? Because in Europe, and here, the public and the press are united. The Soviet Union knows that any movement of tanks, rolling across those borders, will be met with condemnation in every corner of the world that is free to hear.

It is understandable that some of our peace groups, mistakenly I think, will fall into the temptation of saying this is propaganda. But I would like to say to them—"Leave that to the Soviets." That is what the Soviets are going to say. That is not what truly peace-loving people will say. If there is any hope, it is in the united voice of all of those who are free to talk without fear the press and the public, the Congress, the parliaments, the Cortes, the Chambre des Deputés—the free people and free assemblies all over the world.

They know now in the Scandinavian countries, where the nuclear submarine was found, how hollow was the boast of a free Baltic Sea, a free Scandinavia, free of nuclear weapons. You only have to talk to the representatives of those countries now.

We cannot afford that this country should give some mixed signal as to what our President has said, as to what this House feels, and what the American people want in the way of peace and a peaceful world.

Mr. ZABLOCKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. Mr. Speaker, I rise in support of the resolution and in support of the goals of the President achieving arms reduction in Europe. I think if we are fair and candid both sides have to recognize that these will be long and difficult negotiations, with the outcome and the benefits measured in inches and feet as opposed to yards and miles. I hope and I pray that the administration and this House and the Senate will continue to support the President in the efforts to achieve meaningful arms reductions.

We should not judge this effort and the outcome of this effort the way we judged President Carter's March 1977 strategic arms limitation talks recommendations. We were far too critical in judging what he proposed and what was ultimately accomplished, and I would hope that we do not make the same mistake in judging the outcome of these important negotiations.

I also hope and pray that this will be the first of several steps the President will take to achieve arms reduction. We still have a SALT II treaty that in my opinion should be ratified, and I know the President is interested and wants to move quickly to begin the START negotiations in March.

Mr. Speaker and my colleagues, I hope we see the beginning of a new dawn and a new era with this adminis-

tration, one that recognizes the very vital and important role of arms control. I am encouraged indeed by these efforts that the President has made yesterday, but I want as well to express some reservations that deserve attention.

But as I look at his strategic program and at his previous actions relative to arms control, I find reason for skepticism. I see the MX missile program, which because of political considerations is now designed to be nonsurvivable and is, therefore, usable only in a first strike mode. I see the Trident II D5 missile, whose advantages over the Trident I are almost exclusively in the service of first strike.

Most troubling of all, I see a refusal to ratify SALT II, for reasons totally incompatible with our military security. I see a national security apparatus staffed almost exclusively by the most dogmatic and intransigent opponents of arms control. And I see a desire to one-up the Russians in the sterile propaganda game they have been playing with our European friends.

As I see all this, my head tells me I have seen little more than the first in a series of empty propaganda gestures which will not lead to arms control and which will result in the American people paying a great deal more and buying a great deal less military security.

At the same time, my heart tells me I hope I am wrong, and the happiest day of my life would be the day Mr. Reagan, by his specific achievements, would prove my suspicions to be ill-founded.

Finally, it may be that it does not matter whether Mr. Reagan's speech grew out of sincerity or cynicism. What matters is where he goes from here. It may be that this resolution will encourage him to reflect upon the historical fact that the peacemakers are blessed and that those who refuse to serve peace are quite the other thing. It may be that this resolution will encourage him to reflect that, if such accolades can spring from such a preliminary and insubstantial act as his speech, what would be his place in history if he were to achieve arms control that really did reduce the probability of nuclear conflict.

Mr. BROOMFIELD. Mr Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. LEACH).

Mr. LOWERY of California. Mr. Speaker, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from California.

Mr. LOWERY of California. I thank the gentleman for yielding. Mr. Speaker, I rise in support of this resolution commending the President for his bold proposal for arms reduction. I know I speak for all Americans in the hope for world peace. This was a very bold move and one that is quite sincere on behalf of this country and one which I am sure all Americans hope will be successful.

Mr. Speaker, I congratulate President Reagan on his foreign policy address and commend him for taking the leadership role in efforts to bring about disarmament, not on a unilateral basis, but through mutual and meaningful arms reduction. There is probably no issue before civilized mankind more important than bringing some control to the spread of nuclear weapons, whether they are on the continent of Europe or throughout the world itself.

The President's initiative will place us in a strong opening position as we go into negotiations with the Soviet Union on the question of theater nuclear weapons deployment. Clearly, the Soviets have engaged in a very intensive propaganda offensive in Europe to discredit America's commitment to arms control. This must be expected and is certainly in accord with their style and past behavior. They have skillfully attempted to divide the NATO alliance and to play on the fears of Europeans that Europe would be used as a battleground by the "superpowers." They point their fingers at the United States while they continue to deploy medium-range nuclear warheads, at the rate of one SS-20 per week, primarily aimed at Europe.

The President has very effectively taken the offensive out of the Soviets' hands. He has spoken most convincingly and in such a persuasive manner that our European friends should be encouraged.

I also applaud the President's announcement that the NATO alliance is prepared to forego the deployment of new land-based, intermediate-range missiles in Europe, provided the Soviets agree to eliminate their enormously hostile and destabilizing force of SS-20, SS-4, and SS-5 missiles. Taken in full consultation with our NATO Allies, this decision should once and for all reassure the people of Europe and the world that the United States is committed to the pursuit of peace and stability in its relationship with the Soviet Union.

Our eminently reasonable offer will appropriately test the Soviets' self-declared dedication to a peaceful and harmonious relationship with the Western alliance. I can only hope that the Soviet Union recognizes and acts on this unique opportunity to reverse what otherwise could prove to be another costly spiral in the nuclear arms race.

Mr. LEACH of Iowa. Mr. Speaker, yesterday President Reagan delivered the most important speech of his life and, perhaps, of any modern American President. While he has been criticized by some as too preoccupied with defense concerns, the President has presented the Soviet Union a full plate of arms control initiatives which, if successfully negotiated, would carve out an historic leadership role for himself and for the American people in the struggle to reduce the likelihood of nuclear war.

The President's speech is seminal from a strategic point of view and also from an economic one; for if we cannot restrain military budgets, we will never get the American economy moving again. There would be no step more likely to turn the stock market around, if not cause the biggest rally in history, than ratification of a START agreement.

Finally, a comment about motives. There are those who criticize the President for having faults or propagandistic intentions. But the fact of the matter is, President Reagan has established an agenda of preparedness to make in order an agenda of restraint. His speech was not lightly or precipitiously prepared. It signals new hope for all mankind. The resolution before us today is premised on bipartisan recognition of the seriousness of Presidential intentions. I would hope it would not be sullied by any negative votes.

Mr. ZABLOCKI. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, on the same day that the House passed a $197.4 billion military spending bill providing funds for a new bomber and a new missile, it was timely for the President to change the tune of the rhetoric that has been ongoing on the issue of nuclear war.

Americans and Europeans both were beginning to be very apprehensive about the administration's recent statements on the prospect of regional conflict in Latin America and the tension building up in Western Europe.

I commend the President for offering to reduce nuclear arms in exchange for a like reduction by the Soviets. While a speech is not a policy, it sets the proper tone for the impending negotiations for arms reductions which are to convene soon in Geneva.

Now that the Congress has authorized the arms race, maybe the Soviets will be serious in the arms limitations negotiations.

□ 1100

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. ROTH).

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I rise in strong support of President Reagan's historic initiative for peace and this resolution formally commending him.

With his message, he reaffirmed our Nation's role as a world peacemaker

by extending to the Soviet Union a sincere invitation to join us in our quest for a peaceful world.

With it becoming more and more obvious that the United States and the Soviet Union are the two greatest military powers that have ever existed on the Earth, a nuclear arms buildup by the two nation's must not be permitted to continue on European soil. President Reagan is proposing not only a limitation of those arms, but in fact, an actual reduction in intermediate-range nuclear and strategic forces.

To further the drive for world peace and a scaled back military presence in Europe, President Reagan has also offered to negotiate with the Soviet Union to achieve an equality in lower level European conventional forces.

Clearly President Reagan has taken the initiative in the quest for peace by presenting a sound plan for Soviet President Leonid Brezhnev to consider. Ironically, these leaders met 10 years ago, and at that time expressed their desire to see a mutual peace accord, but as events of the past decade indicate, those hopes were never met.

Now President Reagan, as the undisputed leader of the free world, is in a position to see that his dreams are tranformed into reality. As he clearly stated yesterday, he is committed to doing whatever is necessary to guarantee world peace because he knows that we cannot afford to have our hope for peace raised then dashed again as in past years.

In just 11 days, representatives of the world's two superpowers will meet in Geneva, hopefully to embark on the path to that peace which President Reagan has outlined. It is a course we would all like to believe will check the planned increase of deadly weapons that are poised for action in Europe and around the globe, and, as President Reagan said, eventually result in a fair and verifiable reduction of those weapons.

Even though the United States and the Soviet Union exist in different hemispheres of the world, and support totally opposite ideologies, there is one common denominator between the two nations. The people of the United States and the people of the Soviet Union want a world of peace and security—void of the threat of bloodshed and nuclear war. This is a view shared by the poor and suppressed people of the underdeveloped Third World countries, as well as the people of the richest, most powerful nations. I pray that our President's historic effort will also convince the politicians of these countries that we must attain this goal of peace.

Mr. ROTH. Mr. Speaker, I also wish to join those who have thanked our distinguished chairman of the Foreign Affairs Committee and the ranking member and minority leader for this resolution this morning.

There is an ancient Russian proverb which states that "two mountains can never come together, but two men always can." I think yesterday the President tried to go a long way to prove the truth of that ancient Russian proverb.

Now if Mr. Brezhnev will be moved by the same magnanimous spirit, we can have an era of peace rarely seen in recorded history. If peace can be achieved, history will record that the east and west were lead by giants, men and women of good will.

The angels heralded on that blessed night, "Peace on Earth to men of good will."

Yes, we will have peace on Earth if the states of the world are led by men and women of good will.

Our President's initiative is only a first step and we must guard against unrestrained euphoria; but the President's bold initiative must be applauded by all men of good will.

Let us hope and pray that our President's call for peace will be met by a favorable response from the Soviet leadership.

This resolution, this expression of Congress will underscore the deep, deep longing we all have for peace, but as the expression goes, "It takes two to tango," and likewise, it will take more than President Reagan, this Congress, or the American people to bring about peace. It will take a corresponding deep desire for peace from the other side.

In my opinion, the President has extended the open hand. Let us hope that the other side will respond with an open hand, too.

Mr. ZABLOCKI. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. McCURDY).

Mr. McCURDY. Mr. Speaker, I want to rise in support of the resolution and thank the chairman and the ranking minority member for bringing this resolution to the floor.

I would like to associate myself with the remarks of the majority leader.

I strongly support the President's initiative for peace.

His bold proposal literally "puts the ball in the court of the Soviets." I hope our friends in Europe will note that Russia must now abandon their argument that America is the agressor and be prepared to negotiate during the upcoming arms control negotiations at Geneva. Let us not be too relieved however, at this initial thrust for peace. Let us not hasten to champion our own effort. Though we have made the first play, it is going to be a long time before we can recognize significant achievements. I would now urge caution and stern negotiating principles by the administration during the critical months that lie ahead.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I appreciate the gentleman yielding. I want to congratulate both the gentleman and the distinguished chairman of the committee, as well as the gentleman from Illinois (Mr. MICHEL), and the gentleman from Texas (Mr. WRIGHT), the majority leader, for their efforts on behalf of this resolution.

I rise in strong support of the resolution. I want to reiterate something that I said yesterday in debate over the defense appropriations bill.

The first line of defense for this Nation, the first line of security for our Western Allies, is the credibility of the United States. That is why the votes yesterday supporting the President's defense budget and programs were so important to our country and our ability to maintain the unity of the free world.

I believe the President's speech yesterday morning was the single most historic contribution to strengthening the free world alliance that has been made by any President in many, many years.

I watched Mr. Schmidt last night on television from Germany. He said very soberly and very sincerely that he thought that deep down in the President's heart and in the President's mind that President Reagan is a man of peace, that President Reagan wants to pursue peace, and that this initiative of the President's, as the gentlemen from Wisconsin and Michigan have pointed out, is a bold step toward reaffirming the idea that the United States wants to initiate negotiations that will reduce the tension and the armaments, that are such a threat to global stability and peace.

The Belgians praised the President. The Dutch praised the President. The Italians praised the President. The British praised the President. And how long has it been since we have heard our NATO allies publicly speak so enthusiastically in support of a policy advanced by a President of either party? The outpouring of support from Europe is a well-deserved tribute to the President. And his outstanding leadership.

But I do not rise in a partisan sense. I rise in the same spirit that the gentleman from Wisconsin and the gentleman from Texas (Mr. WRIGHT) spoke. Arthur Vandenberg one time said that when it comes to the foreign policy of America, politics stops at the water's edge.

One thing that I have heard repeatedly from the floor and that we are hearing across the Atlantic Ocean is that there is today a unity within the Western alliance that we have not seen or heard in a long time. There is

a unity in our country and in this body that we have not heard in a long time.

This is the very spirit that is so essential to the strength and security of ourselves and our allies. Hopefully, following in the spirit of the gentlewoman from New Jersey, who put it so eloquently, far more ably than I, we can speak once again with one voice. Only if we are united in purpose can we hope to reduce those arms that pose such a threat not only to the peace of this country but to our Western Allies.

I believe that the President has offered the Kremlin's leaders the opportunity to bring the world closer to peace, and away from war. Their response to the President's overture should reveal whether or not this is the path they choose to follow.

And if this is not the path they choose to follow, then let there be no question about America's resolve to do whatever is necessary to counter the threat to the security of Western Europe.

An extensive Soviet propaganda effort has undermined the confidence of some Europeans in America's resolve, and has fostered the growth of a pacifist movement that characterizes the United States, not the Soviet Union, as the real threat to peace. This is an enormous perversion of the truth that must not go unchallenged. It seems to me that those who disparage America's commitment to peace dishonor the memory of those who died in two world wars in order to preserve the peace and independence of the free nations of Europe. President Reagan's frank and moving address should go far in setting the record straight.

The President has outlined a sound framework for arms control negotiations that attempts to address the security problems facing Europe at all levels: strategic and theater, nuclear and conventional. It is a framework advanced not out of rosy optimism, but out of an unflinching recognition of the threat to Europe and the need to seek arms reductions, not merely limitations, if that threat is to be quelled. When intermediate range nuclear force reduction talks begin on November 30, our allies can be confident in the deep dedication of the President of the United States to the integrity of the NATO alliance, to the indivisible security link between the United States and the nations of NATO, and to the maintenance of peace in Europe.

I thank the gentleman for yielding.

Mr. ZABLOCKI. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. BRODHEAD).

Mr. BRODHEAD. Mr. Speaker, I want to inject, I think, a few sour notes into this symphony of love here.

I have been one who has been very critical of this administration. I think that the actions by and large that this administration has taken have not brought us down the road toward peace, but rather, have gone in the other direction.

I think there has been a great deal of irresponsible talk in this administration, particularly in recent weeks, about the possibility of nuclear war in Europe.

I think the administration's abandonment of the SALT treaty was wrong and irresponsible, and I think that the arms buildup that we are going through is unnecessary and wasteful.

While there are certainly substantial weak spots in our defense, I think that the arms buildup, the unprecedented arms buildup that we are going through is provocative and unnecessary.

Despite my concerns in that regard, I am going to support this resolution because I think that I like to give the President the benefit of the doubt, and the administration the benefit of the doubt, and I think it is important to show that all Americans, whatever their views on the President's policies, and whatever their reservations about the President's actions, hope and pray that he will be successful in his efforts for peace and that this statement that he made yesterday does in fact represent a new direction and a change of policy and a sincere effort to achieve arms reduction and world peace.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. PURSELL).

Mr. RUDD. Mr. Speaker, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman from Arizona.

Mr. RUDD. I thank the gentleman for yielding.

The great seal of the United States of America shows an eagle holding an olive branch in one claw and arrows in the other. This symbol of our Nation's twin commitments to military strength and the quest for peace might well have served as an inspiration to President Reagan as he prepared his eloquent address on foreign policy.

The President was firm about the need to maintain our military strength but also open to any genuine possibilities for peace and cooperation.

He explained with a careful attention to facts that an enormous Soviet military buildup has occurred in the past decade.

And he made clear that America will match that buildup if necessary—missile for missile, ship for ship, gun for gun.

But he also made it plain that if the Soviet Union enters into serious arms negotiations, we can reverse the ongoing arms buildup and actually start reducing the number of weapons the superpowers possess.

This ray of hope is one that many Americans and many Europeans have been waiting for.

The President is to be commended in his sincere quest for peace, and this resolution offers support he needs in this quest. The Soviet leadership should recognize that their massive military establishment and massive arms buildup constricts the growth of their economy and what a heavy burden is imposed on an already overburdened people. Soviet aggressive action provides fear of war around the world.

There is fervent hope that the Soviets will respond favorably to the President's forthright proposals for arms reduction.

Their initial response is not positive, but we are a patient people and willing to engage in a long struggle for peace.

The Soviet Union must understand however, that any reduction in arms must be the result of mutual agreement. We sill not unilaterally disarm. Until the Soviet Union evinces a real willingness to negotiate a workable arms-control plan with us, we will continue on the course which the President has wisely set of increasing our military strength, which is the shield for our liberty.

The President's masterful address should go a long way toward reinvigorating the Atlantic alliance, which forms the foundation of our foreign policy. The great majority of Europeans, who are firm in their commitment to the Western alliance, will be heartened by the President's openness to peace and his daring proposal for major arms reduction. At the same time, they will appreciate his forthright declaration that we intend to maintain and, if necessary, increase our defense capability.

The strong praise for the President which has been heard in Europe today as well as across the political spectrum here in the United States, suggests that the Western democracies are united behind President Reagan as he pursues his search for peace. Now it is up to the Soviet leadership to be forthcoming and open to peace in their response. It is hoped the Soviet Union will not continue its course of more arms and continuing conflict with the peoples of the world.

Mr. McGRATH. Mr. Speaker, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman from New York.

Mr. McGRATH. Mr. Speaker, I applaud President Reagan's proposal to bring about meaningful nuclear arms reduction in Europe. The President's speech should help to allay the genuine fears of our European allies that their homeland will be the next nuclear battleground. In addition, it puts the onus for arms reduction where it belongs—on the Soviet Union.

Mr. Speaker, over the years we have seen a massive growth in Soviet military capabilities, and the result has been a major threat to the security of Western Europe. The Soviets have three different missile systems, each with the capability of striking virtually all of Western Europe. The only deterrent to this threat is a counterthreat to Soviet targets, which presently does not exist.

With the imminent start of arms control discussions between the United States and the Soviet Union, this proposal is especially important. This Nation will be going to the bargaining table having made a first, good-faith effort to reduce tensions in the European theater. The Soviet Union may dismiss this as a propaganda ploy, but if they are interested at all in an end to a mutually destructive arms race, they will sit down and bargain in good faith. For many years, people in this body have been saying that the Soviet Union should be judged by its actions rather than by its words. Now we will have the opportunity to see if the Soviet Union is prepared to act in the interests of peace.

Mr. PURSELL. Mr. Speaker, President Reagan has opened a new and promising peace initiative.

The President's proposals appear to provide a basis for real progress in promoting world peace and defusing the nuclear arms race.

Equally significant, they place the United States unmistakably as the leader in seeking peace.

President Reagan correctly perceived that our intentions had become unclear to many, particularly in Europe. His strong statement sets forth America's consistent peace posture with absolute clarity.

The President offered to cancel the 1983 deployment of modernized theater nuclear missiles in Europe, if the Soviets dismantle the new weapons they have amassed. This is a dramatic invitation to reduce the potential for nuclear annihilation. Elimination of medium range missiles from Europe is an excellent blueprint for the opening of the arms control talks in Geneva on November 30.

The President also made clear his desire to open expanded strategic talks with the Soviet Union early next year. I applaud the philosophy expressed in his new name for these talks: START, strategic arms reduction talks. The change from strategic arms limitation to strategic arms reduction is sound policy.

The President's four-point plan provides opportunity for a truly fresh start in arms control. There is no question that the Soviets have twisted the SALT talks to their advantage, using them as a smokescreen for a peacetime military buildup of unprecedented magnitude.

President Reagan has correctly shifted emphasis to the consideration of all aspects of nuclear and conventional armaments. He is focusing on actually reducing the arms race, rather than simply limiting its growth.

It is also significant that the President clearly recognizes the importance of real negotiations. We must negotiate with our potential adversaries—not with intercontinental ballistic rhetoric, but face-to-face dialog across the conference table.

Mr. Reagan set forth a firm position from which to negotiate, and clearly defined the consequences of an uncompromising Soviet attitude. He has escalated only two things: The prospects for real arms control progress, and America's standing in the world community.

The President made a telling point when he observed that the United States once stood with an unchallengeable ability to dominate the world. We responded in a way unmatched in history, by seeking only peace and independence for all nations.

He defended the Atlantic alliance, pointing out that its policies have provided Europe with a generation without war.

The United States has clearly staked out its position as the world's leader for peace and freedom. I am proud of our President for his firm and fair invitation for a real reduction in the arms race.

The first year of the Reagan administration has been marked by many momentous proposals. We in Congress have engaged in historic debates on the future of our economy, and the proper direction for our taxation and budgetary policies.

But all the great policies and programs depend on peace and security. Without peace between nations and security from armed conflict, we can accomplish nothing to improve the future of our Nation and the world.

Mr. Reagan's peace initiative has the potential to be the most significant proposal of his Presidency.

Mr. ZABLOCKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, I rise in support of the resolution and commend the distinguished chairman of the Foreign Affairs Committee and the gentleman from Michigan for bringing this resolution to the floor.

Mr. Speaker, it is indeed appropriate that Congress take steps to applaud the peace initiative unveiled by President Reagan in his November 18 speech at the National Press Club.

The President's speech was truly remarkable. His message was clear and unmistakable—the United States is interested in serious negotiations designed to produce substantial reductions in the number of nuclear weapons to be based or targeted on European soil. The President's pledge not to deploy advanced intermediate range missiles in Europe, in exchange for a Soviet agreement to dismantle their existing SS-20, SS-4, and SS-5 systems, was bold and dramatic. It has captured the attention of the world and should receive serious consideration from all those whose claim to an interest in reducing the risks of nuclear war is genuine.

President Reagan's speech was directed at the people of Europe. They have justifiable concerns over the continued buildup of the Soviet nuclear weapons which are targeted on them and what the response of NATO will be to that buildup. In recent weeks, the United States has been the target of protests in European cities—protests triggered by charges that the administration was not interested in the pursuit of peace.

The President's remarks at the Press Club should rebut that contention for they forcefully demonstrate a willingness by the United States to enter into serious discussions with the Soviets on arms reduction. Those who have alleged that President Reagan is not interested in reducing the size of the nuclear arsenals of the United States and the Soviet Union now have convincing evidence to the contrary.

Mr. Speaker, the President has presented the Soviet Union with a plan for meaningful arms reduction. It is now up to the Soviets to show the strength of their commitment to peace. If they respond in a manner consistent with the tone of President Brezhnev's recent statements to the European press, we may achieve a breakthrough of historic proportions. If so, the people of Europe and the people of all the world will benefit. If, on the other hand, the Russians choose to ignore the President's appeal, the people of Europe will be able to draw their own conclusions about the sincerity of the Soviets' desire to reduce tensions and work for peace. The next move is clearly up to the Russians, for the position of the United States has been clearly stated.

I urge the overwhelming approval of House Concurrent Resolution 224 so that the Soviet Union and all the people of the world will know that President Reagan enjoys bipartisan support in his efforts to reduce the threat of nuclear war.

Mr. ZABLOCKI. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I want to take this opportunity to commend yesterday's initiatives by the administration to go forward with negotiations to control both theater and strategic nuclear weapons. These efforts

are critical to promotion of a lasting peace and a secure world.

With the proposal to refrain from deployment of Pershing II and GLCM in exchange for the Soviets dismantling the 270 SS-20 launchers, along with older SS-4 and SS-5 missiles, we have the opportunity to capture the high ground in the negotiations.

Unfortunately, past experience clearly shows that efforts to achieve real arms reductions are not easily accomplished. A successful effort will demand perseverence and flexibility, the Soviets cannot be expected to immediately agree to this "zero sum" proposal, but we must not abandon our negotiating effort if our initial attempt to reach this goal fail. I sincerely hope the administration will demonstrate the toughness and commitment displayed on other issues to this most important effort.

It is particularly important that we aggressively follow through on this commitment if we are to maintain needed cohesion in the European alliance. The allies in recent months have shown a deep skepticism toward this administration's true comment to arms negotiations. The reaction thus far to the President's announcement from NATO leaders has been most favorable, but it could evaporate quickly if the negotiations prove to be no more than talk. The Soviets are tough negotiators, and have the advantage of already deployed systems. But we have some advantages of our own, including the luxury of still having a range of options in responding to the Soviet threat, beyond Pershing II and GLCM, that should prove equally important. Our challenge will be to maximize those advantages in the tough sessions in Geneva.

I also applaud the commitment to move forward early next year with START, strategic arms reduction talks. Every person on this planet has a direct stake in the success of efforts to reduce the strategic nuclear arsenals. A reversal of the arms race must be our ultimate goal.

These efforts also are important in our efforts to improve the strategic deterrent. The Joint Chiefs were sincere, I am convinced, when they stated during the SALT II debate that a limitation on Soviet warheads was in the national security interest of the United States. The continuing dilemma we face with basing the MX missile is in no small part tied to the fact that we do not now have an effective limit on warhead proliferation.

But here again, agreements will not come easily. The Soviets will no doubt be suspicious of our sincerity and will try to gain advantages of their own. Success here will also depend on the same kind of perseverence and flexibility that is needed in the TNF talks.

In conclusion, I believe this administration has launched an important beginning on the arms reduction front. We must reaffirm that commitment again and again to the Soviets and the court of world opinion if we are to be successful. I stand willing and anxious to lend my support to any serious arms reduction efforts and pray that the journey we began yesterday will land us in a new world of stability and peace.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I rise in support of House Concurrent Resolution 224, and applaud President Reagan for his splendid foreign policy peace initiative as detailed in yesterday's speech before the National Press Club.

I think the President's message was amply clear for all the world to see. The United States is unquestionably committed to significant reductions in arms with the Soviet Union—in strategic forces, in missiles based in Europe and in conventional forces.

Mr. Speaker, the President's four-point approach to United States-Soviet arms negotiations is prudent, responsible, and historic and seeks a real solution to the escalating and beguiling arms race.

Indeed, the President took the high road when he revealed that the United States would cancel its plans to deploy 572 new Cruise and Pershing II missiles in Europe if the Soviets dismantle the 600 SS-20, SS-5, and SS-4 intermediate range missiles deployed in Europe.

The President's second proposal is a call for a resumption of strategic arms talks this coming January. He is calling the new talks, START or strategic arms reductions talks. The President is seeking not just limitations or ceilings on increases of weapons but actual reductions to levels that are, as the President put it, "equal and verifiable." It is my understanding that Secretary of State Alexander Haig and Soviet Foreign Minister Andrei Gromyko will hold their first round of talks on strategic weapons on January 26 and 27 in Geneva.

President Reagan's third proposal calls for a reduction of nonnuclear forces in Europe. As the President so persuasively put it:

> The Soviet Union could make no more convincing contribution to Peace in Europe—and in the World—than by agreeing to reduce its conventional forces significantly and constrain the potential for sudden aggression.

Finally the President called for an international conference to reduce the risk of surprise war or attack based on a miscalculation or misinterpretation.

Mr. Speaker, the President is on the right track and I believe he has charted a course that will yield considerable results.

I commend the majority party for cosponsorship of this resolution and for their genuine spirit of cooperation, bipartisanship and for uniting behind the President in the cause of arms reductions, for surely mutual arms reductions are the surest road to global security and peace.

□ 1115

Mr. ZABLOCKI. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. DAN DANIEL).

Mr. DAN DANIEL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I wish to join with my many colleagues on both sides of the aisle in commending President Reagan for his offer to the Soviet Union of a mutual reduction in intermediate-range missiles deployed in Western Europe. It was a dramatic and historic initiative that demonstrates the President's dedication to world peace and his awareness of the sensitivities of our European allies.

There is an erroneous presumption in some quarters that taking a cold hard look at Soviet intentions somehow forecloses our option on mutual arms reductions. On the contrary, realism about the Soviet threat simply means that we must go into the negotiations without blinders. The President has made clear that this is precisely what he intends to do. Of equal importance, we must be able to negotiate from a position of strength.

The bipartisan outpouring of approval by this body coupled with the overwhelming vote of yesterday for weapons of peace augurs well for the success of the President's proposals. The ball is now in Mr. Brezhnev's court. He will serve well the cause of peace if he avoids the pitfall of the double dribble; if he takes the game seriously. No greater challenge faces world leaders than the removal and destruction of nuclear weapons from this Earth. I want to commend my colleagues in the House for the wisdom they displayed on a number of amendments offered to the Defense appropriations bill. In addition to rejecting deep cuts in several major weapons systems, the House also approved a series of amendments restoring funds for a number of vital programs, many of which have a direct impact on our readiness capabilities. Peace through strength is not a cliche, it should constitute the backbone of our foreign policy. General Eisenhower spoke well when he observed that, "Unpreparedness is well nigh as criminal as war itself."

The President's plan for a mutual arms reduction is not only consistent with, but also based upon a sound national defense. I heartily applaud Mr. Reagan for his courageous determination to assure that our children and grandchildren have the opportunity to

grow up in a better world—a world at peace. And I join with millions of my fellow Americans in supporting the President's overture and in praying for his success in this undertaking.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. DeNardis).

Mr. DeNARDIS. Mr. Speaker, I thank the gentleman from Michigan, the distinguishing ranking member of the Foreign Affairs Committee, for yielding. I rise to support the resolution commending President Reagan for his bold and courageous peace plan.

Mr. Speaker, one of the major provisions of the President's initiative is his willingness to cancel the European deployment of Pershing and ground-launched cruise missiles if the Soviets will dismantle the ones they have already in place targeting major cities and sites in Europe.

I think it is important to say for the record that misunderstanding has grown up about the origins of the plan to bring 108 Pershing II and 464 ground-launched missiles into West Germany, Britain, Italy, the Netherlands, and Belgium. This has been intensified by the massive demonstrations occurring in Europe's cities against this deployment.

By design or accident, most of the demonstrations seem to ignore that Europe's leaders, and Chancellor Helmut Schmidt of West Germany in particular, originally demanded that a Euromissile be created.

The demonstrations fed the reverse impression, that the Pershing and Cruise missiles are being forced by the United States on an unwilling Europe.

At the center of the controversy, as seen by Europe, was the fear that Americans would not risk having a nuclear exchange with the Soviets that would mean trading the destruction of Chicago to save or revenge Bonn.

There seemed to be no American affirmation or action short of doomsday itself. Now there is another course of action, the sane one, the only one that a civilized nation should opt for.

I applaud President Reagan for pointing the way toward sanity in this world. I know that he will work for his peace objectives with the same skill and persuasiveness that has marked his Presidency thus far.

I hope and trust that he and we will succeed.

Mr. ZABLOCKI. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. Crockett).

Mr. CROCKETT. Mr. Speaker, I am extremely grateful to the chairman of our Foreign Affairs Committee for this opportunity to speak. Initially I had intended to merely vote "present" as far as this resolution is concerned, because I see nothing in it that justifies this pean of praise that we are visiting upon the President. Actually, I had intended to absent myself from the discussion, until I heard what I believe was the very excellent presentation made by the gentleman from Wisconsin (Mr. Kastenmeier). I knew that his would probably be a very lonely voice and I decided to come over and register my support for the words that he uttered.

When I first learned that the President was to speak about the subject of peace, I made it a point to listen to his presentation. I was not convinced of its sincerity. I felt that the first part where he shared with us his letter to Mr. Brezhnev was very important and very significant. I felt that what he said really represented the prayers and the aspirations of Americans generally.

But then I went on to read his so-called peace initiative and peace proposal and I found absolutely nothing new. Instead, I found nothing more than the usual warmongering that has of necessity to accompany any program that calls for the expenditure of $1½ trillion within the next 5 years on nothing but armaments of war.

I would hope, Mr. Speaker, that eventually we will see the light. We will recognize the basic desires of Americans for world peace and we will devote ourselves to the achievement of that objective.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. Daub).

Mr. DAUB. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, President Reagan has just enunciated a bold and historic step to reduce the level of nuclear threat under which the world now lives. He spoke with candor. He spoke with sincerity. He has proposed a ban on the placement of medium-range nuclear missiles in Europe if the Soviets agree to remove their medium-range missiles now aimed at the heart of Europe.

The President also spoke of his intentions to be just as forthcoming on proposals for actual reductions, not merely caps, on strategic intercontinental missiles.

Mr. Speaker, the ball is now in the Kremlin's court. They can make good on their rhetoric about lasting peace by accepting this noble proposal or demonstrate their indifference to meaningful arms reductions and the legitimate aspirations of the world for peace.

The chairman, the gentleman from Wisconsin (Mr. Zablocki), and the ranking member, the gentleman from Michigan (Mr. Broomfield) are truly to be thanked by their colleagues for their leadership.

We are all proud of our President as a peacemaker, rallying conservative principles and broadening the base of support in America for not limitation, but actual reduction of the nuclear threat.

I urge support for this resolution.

Mr. ZABLOCKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. Ottinger).

Mr. OTTINGER. Mr. Speaker, I thank the chairman, the gentleman from Wisconsin (Mr. Zablocki) for yielding.

I am going to support this resolution, because I think there is nothing more important for the survival of humanity than the quest for peace, disarmament, and learning to live by agreement with the Soviet Union. There is nothing more important than that genuine steps should be taken for mutual arms limitation.

While I hope for the best from this declaration, I have to state, Mr. Speaker, that I fear the worst. We have had from this President, from the time he was a candidate until yesterday, nothing but warmongering. We have had from this President an abandonment of the SALT II agreements that were reached under a previous administration and would have limited arms.

We have seen from this President an approach to all the world's problems in military terms. We see him discussing nuclear war as being winable and thinkable, and developing neutron bombs, the B-1 bomber and MX missiles, and the largest military buildup in the entire history of this country.

One has to wonder whether our Secretary of Defense, who has been so active in promoting this weaponry, will be willing to give up any of it in the quest for peace.

One has to wonder about a Secretary of State who does not trust his own colleagues in the administration, who sees in every action in the world Russian responsibility and who sees enemies behind every tree, whether he is going to be willing to enter into any agreement and trust anybody with anything.

One has to hope that this initiative is real and not just a cover with words of peace for expanding threats of war. In short, we must be sure the President is not just being a hawk in dove's clothing.

I think the President must be encouraged in the initiative that he has taken. I do hope that he will enter real efforts to achieve a peaceful resolution of the tremendous threats to society from nuclear warfare and the staggering costs involved.

It is to hold the President to his procurement of peaceful intentions that I support this resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. Erdahl), a member of our committee.

Mr. ERDAHL. Mr. Speaker, I want to thank the gentleman for yielding.

Yesterday is a day that will go down in history as a day when the possibility of peace became as real as it has been in recent times.

I want to join my colleagues in commending our President for this bold new initiative and commend the chairman of our Foreign Affairs Committee and the ranking member for their leadership today in setting aside this time and making the proper recognition.

In one masterful stroke President Reagan obviously served notice to the Soviets that we are sincere in not only arms limitation, but arms reduction. At the same time he has assured our allies in Western Europe, who have been a bit nervous of late, that we are an ally that is concerned about them and about their future in this nuclear age.

We in the Congress now have an obligation to be supportive of the President, not because he is a Republican, not necessarily even because he is our President, but because he is right and the quest for peace is a just one. As the President said, it is one of highest priority, not only for him and his administration, but for us and this Congress and I think for the people of the world.

Mr. ZABLOCKI. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Mr. Speaker, I rise as a cosponsor in support of the concurrent resolution expressing the support of the House of Representatives for the President's new initiatives for peace, and hope that my colleagues will give it an overwhelming vote of approval.

The world is weary of the Soviet Union's disturbingly warlike actions in many places around the world—sometimes via surrogates, notably the Cubans—and in or near Europe itself, especially via its deployment of a frightening array of intermediate range ballistic missiles, nuclear, aimed at targets in every one of the free nations of Europe.

The world wants every possible avenue toward peace explored, explored carefully, cautiously, thoroughly, and responsibly.

Taking note of these two truths, President Reagan has made a responsible and reasonable offer to the Soviet Union. He has proposed that the United States cancel its planned deployment to Europe of the Pershing II missile and the ground-launched cruise missile, if, and I repeat if, the Soviet Union agrees to dismantle its frightening force of offensive missiles trained on our friends and allies in Europe.

And he has proposed the opening of negotiations on strategic arms reduction next year with the Soviet Union, as well as action to achieve equality of conventional forces in Europe, and to take steps toward reducing the risk of a surprise attack.

This is a historic proposal made by the United States and the President should be commended for his bold move. It is comprehensive and forward-looking.

At one stroke, the United States has regained the initiative, strengthened the hands of our European allies, and thrown the ball into Leonid Brezhnev's court.

Clearly, the reaching of an agreement to do what the President has proposed would reduce the danger of war in Europe and everywhere else, and would demonstrate the need for unceasing superpower restraint.

The President's offer is realistic and achievable, if the Soviet Union has any sincerity whatsoever about seeking peace.

I hope the people of the world will examine the new U.S. initiative closely and join with us in moving our planet further away from war and closer to our unfailing goal of peace, by urging the Soviet Union to accept these proposals.

Mr. Speaker, we all remember the Cuban crisis, when Russian ships were en route to Cuba for the placement of offensive nuclear missiles on Cuban soil, obviously to be directed at the United States.

We also remember with both pride and fear how our courageous President Kennedy, backed by the Congress and the people of the United States, stood firm in telling Mr. Khrushchev to turn those ships around and take them back to Russia, or else expect them to be destroyed, actions which kept us for several days on the brink of a nuclear war.

People all over the world were glued to their television and radio sets, watching and waiting and hoping and praying that the Soviet Union would comply with our President's demand.

There were messages, by voice and in writing, rapidly moving back and forth between President Kennedy and Mr. Khrushchev. As a member of the House Foreign Affairs Committee, I had the privilege, with a State Department representative standing by, to read two of three letters which President Kennedy received from Mr. Khrushchev, letters depicting the horrors of a nuclear war between our two countries, while at the same time literally begging President Kennedy not to take the action which the entire world knew was contemplated. Those letters are self-explanatory and hopefully will someday be made public.

At any rate, Mr. Khrushchev finally discovered that we meant business, reversed the course of those Russian ships, and thus yielded to America's strength, and our abililty and determination to use it, if necessary.

For the moment we do not see on the horizon such an immediate and frightening crisis, but there are signs that in the not too distant future, if the armaments race is not slowed down and if we are not able to responsibly negotiate appropriate limitations and, yes, reductions in the continuing increase in nuclear weapons on both sides, we may soon be confronted not with just another all-out war, but with a war which could well end civilization.

Mr. Speaker, these are dangerous times in which we live, testing whether our Nation, or any other Nation "so conceived and so dedicated," shall long endure. We must not let up in keeping ourselves militarily strong, second to none, as a deterrent to any hasty and ill-conceived action by any would-be aggressor against us, from whatever direction, and for our own protection and the protection of the free world. We showed our intentions in that direction yesterday when we passed a terribly expensive defense appropriations bill, even as the President was taking historic peace initiatives.

The Cuban crisis to which I have referred is one of a number of examples indicating Russia's respect for adequate military strength and a willingness to use it if necessary. And history has taught us that in negotiating with Russia, we must negotiate from a position of strength. This is regrettable, but it is a fact of international life. We must have bargaining power.

In a peaceful move, however, let us pass this resolution of support and commendation without delay, indicating, not just to Russia, but to all the world that we strongly support our President's bold proposal.

I hope it will not here, or elsewhere, be considered inappropriate for me to suggest also that in this hour when we are confronted with a serious economic crisis here at home, as well as problems of war and attempts at peace abroad, in these times of confusion and frustration and seeming chaos in such a variety of ways all over the world, I deeply and sincerely feel that the time has long since come for all of us, public officials and private citizens alike, individually and collectively, to call upon the omnipotent Creator of the Universe, Almighty God, for more faith in Him, for a better understanding of His purpose in our lives, as a people and as a Nation, and a greater courage and willingness and determination to carry out the many magnificent and glorious tasks He has committed to our care.

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Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. TAUKE).

Mr. TAUKE. Mr. Speaker and Members of the House: I take these few moments to express my strong support for the President's initiative. I believe

that it is fair to characterize the proposals that the President made yesterday as new and bold initiatives.

I think it is also fair to say that it is the first time that many of the other proposals that have been offered before by this country have been put in such a comprehensive fashion. It is fair to say that the President has given to the Soviet Union a full plate, a plate of challenges which it cannot act upon.

With that in mind, I must say to my colleagues that I am appalled that some of the people who have stood here this morning have questioned the sincerity of the President. That is the kind of thing, it seems to me, that we ought properly to leave to the leaders behind the Iron Curtain. If we support this peace initiative, if we get behind it, if we push it, we can turn the words of the President into reality.

I believe that our charge, our task, is to make certain that we do get behind it and we do give it the momentum that it needs in order to become the real thing in this world.

If we fail by hindering the momentum of this initiative by the President, the arms race that will result will be our responsibility. So we now have the chance to either support this initiative wholeheartedly and make it work, or we have the opportunity, if we wish, to hold back our support and be responsible for its failure.

I hope and I believe that we in Congress will seize the moment, that we will grasp this opportunity that the President has given us, and turn his words into a lasting peace for our world.

Mrs. ROUKEMA. Mr. Speaker, will the gentleman yield?

Mr. TAUKE. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Speaker, I would like to commend the gentleman from Iowa for his forceful and compassionate statement, and associate myself with his remarks.

He is absolutely correct. There is no more important question for mankind, and there is no more important thing for this Congress to do now than to support the President's initiative.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. LUNGREN).

Mr. RINALDO. Mr. Speaker, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from New Jersey.

Mr. RINALDO. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the President for his outstanding arms control proposal of yesterday. It should dispel any foolish doubts as to where the United States stands on the central issue of our time: Prevention of nuclear war. It is a completely reasonable proposal, based on figures on force levels of the two sides provided not by the Soviet Government, but by leading private research organizations. The President has put the Soviet Union to the test: Will it live up to its effusive professions of peace, or will it continue its unrelenting military buildup?

I hope the answer from the Kremlin in the negotiations will be the former, but, I am sorry to say, I am not optimistic. One point should be understood by all. The Soviets do not negotiate to reach reasonable agreements, but to limit our military strength. In the talks that open at the end of this month, they have one aim: To prevent deployment of American Pershing and cruise missiles in Europe. Only when they see they cannot prevent this deployment will they then start to seriously negotiate a reasonable agreement. The greatest obstacle to the President's admirable proposal, after the Kremlin, is the so-called European peace movement. So long as the Soviets think this movement can prevent deployment of our missiles, it is not likely they will negotiate in good faith.

Mr. LUNGREN. Mr. Speaker, last week I had the opportunity to observe an inspiring ceremony at the elementary school attended by my three small children. This ceremony honored our veterans, the fathers, the mothers, the grandparents of those children who had served our country in a past war. It was a moving and a very sincere ceremony, and yet it caused me to think even more seriously about the implications of today's troubled world.

Mr. Speaker, I genuinely feel that we have reason to fear for our children in a world plagued by the Hobson's choice of nuclear holocaust on the one hand or totalitarian slavery on the other. But yesterday President Reagan, I think, gave us hope. This President believes in the concept of peace through strength, that once we reestablished our national will and commitment to a defense sufficient to the international threat, we would be in a position to negotiate.

With the assist of this Congress, Mr. Speaker, our President can now say with credibility that we have regained our will. Now we can proceed not just for negotiated arms limitation but for arms reduction, something that we all support and something this President has always spoken for. But we must not forget the President's stress on the mutuality of action if we are to be successful.

This is best underscored, perhaps, by the words of a Catholic theologian, Charles Cardinal Journet, of Switzerland, who said recently, and I quote:

> If the non-Communist bloc unilaterally disarmed, it would give the world to the Soviet empire and would betray all the holy values, temporal and spiritual, which we ought to defend. This would be the evil of betrayal.

Mr. Speaker, yesterday President Reagan showed us that we can reject both betrayal and belligerency. Yesterday the President showed us that he has chosen peace. And, Mr. Speaker, let us join him in that quest.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. ZABLOCKI) has 3 minutes remaining, and the gentleman from Michigan (Mr. BROOMFIELD) has 2 minutes remaining.

Mr. ZABLOCKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Speaker, I favor this resolution. I congratulate President Reagan on taking the initiative for world peace. Mankind has no greater quest, and none of us can have a nobler purpose. It is the strangest anachronism of all time that man still decides the fate of nations, and their people, by war and death. I am not sure about just what measures need to be used to bring about multilateral reductions in arms, but I am sure that I want to be a part in trying to reduce the arms race and to base the security of the world in safer means than the present situation involves.

The circumstances call for a dedication to the policy of peace, and a resolve and action to implement whatever measures are possible to achieve a safe and secure peace for all nations and all people. Let us all hope that the Soviets will join with our country in these objectives, which they have indicated in past speeches may be possible for them to assist and secure.

Mr. ZABLOCKI. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, yesterday's speech by the President was definitely progress toward peace, but I have to remind people that sincerity cannot be shown through one speech alone. I think sincerity can only be shown by committed, dedicated followthrough. The hopes and fears of the world cannot be played with, there must be followthrough.

Our alliance with our European friends has been in real turmoil. This new direction must be more than just launching one peace initiative over the international airwaves and having the House say "hurray." Lasting peace cannot be accomplished without hard work.

So I call upon this body to make sure that we do not just all congratulate ourselves and the administration today and say we have done all we can for peace. We have just started and the hour is late. We must go to Geneva, we must negotiate with quiet voices, we must keep the warmongering rhetoric turned down and turned off, and we must rebuild and reassure the NATO alliance, because that is the

only way we are going to have lasting and meaningful peace.

I hope the speech was a real new direction. I hope real sincerity will be shown, and real followup will take place, because otherwise the speech will appear as just a passing fancy that came and went. We must be very, very careful on how we proceed. I am delighted the first step has finally been taken by President Reagan, but we are a long way from a lasting peace. Therefore, I will vote "present," reflecting my relief the peace process has finally begun but also the reality is a long way from being finalized. It is not concluded. This is only the first step.

Mr. BROOMFIELD. Mr. Speaker, I reserve the balance of my time.

Mr. ZABLOCKI. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, I am proud to commend our President for his initiative. We are at the hinge of history. We are connected to the past, but we are swinging in new directions, and no policy and no program will be more important than the program of moving toward meaningful, effective, verifiable reduction of arms, both conventional and nuclear.

I only hope, Mr. Speaker, that in addition to the Soviet Union and other potential adversaries, our friends in Europe and elsewhere understand the breadth of support our President has for this significant initiative for peace.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CLAUSEN).

Mr. CLAUSEN. Mr. Speaker, I am genuinely pleased to observe the kind of bipartisan support for the President's initiative. It is very heartwarming for me, after nearly 20 years in the Congress, to see this kind of forthcoming commitment on the part of the membership.

I would like to commend the President of the United States for his most recent peace initiatives and believe that we now have a proposal before us which affirms this Nation's commitment to world peace and clearly challenges the Soviet Union to "denuclearize" Europe.

The United States entered the decade of the 1980's at a time of deteriorating East-West relations and we were faced with the momentum of a massive Soviet military buildup which threatened to undermine the nuclear balance on which our security depends. The President has responded to this challenge with an effective, coherent U.S. foreign policy which I believe contains all of the elements of serious arms reduction negotiating policy on strategic arms and reconfirms our commitment to the Atlantic alliance (NATO).

Mr. Speaker, military, political, and economic stakes will be extremely high during the coming months, and the hopes and aspirations of millions of people throughout the free world will depend on the President's success. I would like to call on all of my colleagues to both support the resolution commending the President on his peace initiatives and more importantly to put aside partisan politics and work with the administration in their resolve to resume serious strategic arms reduction talks (START). In an atmosphere of cooperation and firm resolve, I believe that the Congress has the opportunity to make a significant contribution to major qualitative and quantitative peace negotiations—negotiations based on broad public understanding and statesmanship combined with vision and courage—and above all, credibility and verifiability on both sides—guaranteed.

I am pleased with the President's proposal to sharply reduce the number of European-based missiles. By calling for mutual cutbacks in missiles, strategic arms and conventional forces, President Reagan has sent a clear message to our allies and to the Soviets that the United States will and must be the leader in the quest for peace, stability, and freedom throughout the world.

The President has demonstrated that peace goes well beyond the absence of war. It includes economic growth for every nation, opportunities for every individual, but above all, individual liberty for every person on the face of this globe.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

● Mr. CORRADA. Mr. Speaker, President Reagan's foreign policy speech given yesterday on new initiatives for improving relations between the United States and the Soviet Union is a step in the right direction and has my full support. The points made by the President to the Soviet Union to ask for their cooperation in building a solid foundation for world peace are important and attainable. It is heartening to note that November 30 has been set as the date for undertaking negotiations with the Soviets in Geneva toward a reduction of intermediate nuclear arms stationed in Europe and in the Soviet Union. These talks are of vital importance to us and our NATO allies and the scheduling of talks beginning in early 1982 regarding the control of strategic nuclear weapons is an additional important second step toward obtaining a durable and lasting peace for all the world and a balance between the United States and the Soviet Union that will avoid a nuclear war that would be a holocaust for the human race.

In addition, the invitation extended by President Reagan to the Soviet Union to enter into negotiations and discussions leading to the reduction of conventional forces in Europe is very important and timely. I trust that the Soviet Union will recognize the wisdom and need for these talks and will act in good faith to these proposals which offer great hope for a peaceful future for the United States and the entire world. These negotiations can lead to a reduction if the arms race between the Soviet Union and the United States and represent a ray of hope for peace between all the people of the world. Such a reduction would also allow our limited resources to be targeted to help the economic and social problems that afflict humanity instead of pouring billions and billions into armaments and weapons. If President Reagan's goal of bilateral arms reductions is reached, the funds freed could be used to solve the problems of health, education, housing, employment, and nutrition faced by our Nation and to aid in the economic and social development of the United States and the world which will allow us to build a world on the twin foundations of justice and peace.

The Congress and the Nation owes the President a vote of support as he undertakes this arduous and difficult task.●

● Mrs. SNOWE. Mr. Speaker, yesterday President Reagan said:

> There is no reason why people in any part of the world should have to live in permanent fear of war or its specter.

I could not agree more, and the President's four-point plan to reduce that fear of war is indeed a historic proposal. This Nation has taken a "giant step" on the road toward nuclear arms reduction. The world community's response has ben overwhelmingly positive, and I join them in applauding the President's courageous, unprecedented, action.

The President outlined a four-point plan for United States-Soviet arms negotiations. First, the United States will drop its plans to deploy 572 new cruise and Pershing II missiles in Europe if the Soviets dismantle their 600 SS20, SS4, and SS5 intermediate range missiles aimed at Europe. Second, strategic arms reduction talks will begin in January. Third, conventional forces in Europe should be reduced. And fourth, the President called for an international conference to reduce the risk of surprise attacks, or of a war arising from a miscalculation. This plan represents a serious, genuine effort to reduce tensions that have been allowed to stray dangerously close to the boiling point. The potential for superpower conflict seems too horrible to contemplate, but it is certainly too real to ignore. The United States is willing to grapple with this difficult problem; it seems the Soviets are not.

As much as I applaud the President's efforts, I deplore the Soviets callous rejection of this equitable plan.

The Soviet Union quickly dismissed the President's plan as a "propaganda ploy designed to stalemate" the upcoming Geneva talks on midium-range missiles. Nothing could be further from the truth. If the Soviets continue such intransigence, they must bear the responsibility for maintaining the specter of the fear of war, for continuing the nuclear nightmare. The world community will realize this and will quickly condemn the bellicose Soviet stance. President Reagan has taken a courageous step, I only hope the Soviets will realize this and act accordingly.●

● Mr. FISH. Mr. Speaker, I wish to join my colleagues on both sides of the aisle in endorsing House Concurrent Resolution 224, backing President Reagan's initiative for removing the threat of intermediate range nuclear missiles from Europe and for embarking on strategic arms reductions with the Soviet Union.

For one, I believe the initiative for arms reduction, rather than arms limitation is long overdue. I am personally particularly gratified by this initiative, as the President's proposal is closely in line with House Concurrent Resolution 151, which I introduced in this Congress calling for exactly this sort of nuclear arms reduction. This is the first critical step toward eliminating all nuclear weapons throughout the world.

I believe President Reagan's initiative marks a historic high point in this Nation's effort to control the buildup of nuclear arms. It places the mantle of peacemaker once again where it belongs—with the United States of America.

That this is true I believe has been demonstrated by the enthusiastic support of all peace-loving nations. That support was spontaneous and immediate.

Mr. Speaker, I therefore wish to endorse the President's great initiative. It is powerful and it is sincere. I believe the President's position can usher in a new era in meaningful negotiations for peace. The moral power is now on our side.●

● Mr. McCLORY. Mr. Speaker, in presenting America's program for peace yesterday, President Reagan gave eloquent voice to the aspirations of peoples throughout the world for peace on our planet Earth and the kind of stability among nations that will allow individual human beings to pursue individual dreams of fulfillment and happiness.

Our three-pronged policy of unity, deterrence, and dialog has served us well through decades of tension, cold war, and increasing terrorism. This conscious design of the Atlantic Alliance for the maintenance of peace should continue to provide the strength needed for the avoidance of general conflict, but it is a design that assumes a continuing cooperative effort to reach new levels of understanding in a changing world.

I applaud the President's heartstirring address and express a fervent hope that his words will find the audience they deserve across this troubled globe.●

● Mr. DERWINSKI. Mr. Speaker, I rise in support of the concurrent resolution expressing support for President Reagan's peace initiatives.

I wish to stress that this resolution is consistent with our action yesterday in passing the defense authorization bill. We must negotiate from a position of strength, and the President will be able to deal with the Soviets far more effectively than predecessor administrations.

The United States is not and never has been the threat to world peace or to the freedom of any peoples—contrary to the Soviet Union, which is a constant threat to world peace and the freedom of peoples. Afghanistan is the latest example. The ongoing turmoil in Poland is an example. Cuba, Nicaragua, El Salvador, Angola, and Ethiopia all show the evil manipulation of the Soviet Union.

With the support of our NATO allies, President Reagan has clearly seized the diplomatic initiative, and I join in commending him for his strong leadership, determination, and reemphasis on the role of the United States as the bastion of freedom and the major power of the world which truly seeks peace for all.●

● Mr. MOFFETT. Mr. Speaker, in the last 24 hours we have voted on a number of peace resolutions. But ironically, we rejected five of these peace initiatives, initiatives which would have substantiated President Reagan's espoused interest in peace with effective congressional action.

We had an opportunity to enact a peace resolution, through an amendment to trim $22 million in funds for the Pershing II missiles. This weapon is one on which the President is seeking reductions. Yet, this amendment, this peace resolution was defeated.

We had an opportunity to enact a peace resolution, through an amendment to delete funding for a bomber—the B-1—which is going to be absolete before it gets out of the hangar. This peace initiative was defeated.

We had an opportunity to enact a peace resolution, through an amendment to delete $1.9 billion in funds for the MX missile. These were moneys to go into an unobligated pot; they could not be used for production because the missile is not ready. This initiative was defeated.

A 5-percent across the board cut was defeated.

My 2-percent targeted cut was defeated.

An imitative amendment similar to mine was defeated.

Where was our commitment to peace yesterday?

We have before us a resolution which is not going to be enacted, a House concurrent resolution does not get signed into law. So we are dealing with a symbolic expression for peace. I appreciate symbols as much as the next man. It would have been much more effective, however, if we had demonstrated a more sincere interest in disarmament last night. The world would have been safer with fewer weapons and one less symbol.●

● Mr. LEE. Mr. Speaker, I was very pleased with the President's remarks of yesterday morning, and with the plain-talk initiatives for nuclear arms reduction which he has placed before the Soviet Union.

It is entirely appropriate that the first steps toward world nuclear arms reduction and permanent stability be made in the European theater. It is there that wars have taken such a dramatic toll during this century.

I join with all people of this world in praying that Soviet leaders eventually find the wisdom in President Reagan's offer; and that they find this the right opportunity to set aside propaganda to embrace realistic and lasting reductions in nuclear weapons.

My congratulations are extended to President Reagan for his bold, commonsense approach to the Soviet Union, and for his well-done reaffirmation of America's commitment to its NATO allies.●

● Mr. REGULA. Mr. Speaker, I rise in strong support of House Concurrent Resolution 224, "commending the President's peace initiative."

Speaking to groups in the 16th District of Ohio on Veterans Day, I said: "The challenge of Veterans Day 1981 is that our Nation take a strong role of world leadership in seeking peace."

I strongly emphasized that, in my view, our Nation's military and foreign policies "should command respect not only for our strength but also for our demonstrated desire to improve the quality of life for all people by bringing the superpowers to the peace table to achieve a responsible arms limitation agreement."

I was very pleased, therefore, when President Reagan unexpectedly delivered his excellent "peace" speech yesterday. It was an extraordinary address, referred to in the media as "proposing a radical change in the Soviet-American dialog."

Unfortunately, the initial Soviet response has been to label the speech "propaganda" and to dispute the accuracy of the President's figures.

To resolve this disparity, to somehow verify the facts and then to negotiate constructively to achieve a greatly reduced level of balanced military

forces—these are, the challenges I referred to in my Veterans Day address.

In ceremonies across the Nation November 11, we honored 30 million Americans, veterans of our wars, who sacrificed in so many ways to preserve our freedom. We owe it to each one of them to aggressively pursue agreements, such as those the President outlined yesterday, that will effectively reduce the possibility of a nuclear holocaust.

In addition to reducing the threat of war, the implementation of arms reduction agreements as proposed by the President would save billions of dollars. These funds, in turn, could be used for domestic programs, reducing the national debt or feeding the world's hungry, to name but three possibilities.

If a responsible and verifiable SALT-type agreement can be reached, all nations would be able to reduce their arms budgets and concentrate on meeting the economic and social needs of their citizens.●

● Mr. CRAIG. Mr. Speaker, for the past decade, perhaps longer, the comparative security of this country has been in a state of decline. The enemies of the free world have been rushing at breakneck speed to build bigger and better air, land, and sea forces while we have languished in uncertainty—without a viable plan of action or the resolve to find one.

If one most important thing can be said about the program of President Reagan, it is this: We now have a plan.

His efforts, as embodied in the Defense appropriations bill just passed, and his challenge of peace to the Soviet Union, gives us a clear direction. President Reagan realized, as did this Congress in agreeing with his defense proposals, that the U.S. strategic air, land, and sea based triad is the principal tool of our deterrent. These items are not optional maintenance expenditures.

Although I have been a forceful foe of the MPS basing mode for the MX missile, I have supported the creation of the MX as a necessary new generation of ICBM. The ICBM leg of the triad is the most important leg, and missiles now used—Titans and the Minuteman series—are aging. Their throw weight and accuracy are no longer the state of the art, particularly when compared with the missiles now making up the new Soviet arsenal. The MX, however, is.

The President's new peace initiative had to be developed based on the understanding that Congress would move as he had suggested and as wisdom would lead, to preserve and strengthen that triad. The effectiveness of his new initiative would have been severely undercut had the House not moved to upgrade our bomber fleet and our ICBM's. The effectiveness of that triad as a deterrent and as a weapons system depends upon the accuracy, dependability, and capability of each leg of the triad. With that now assured, the prospects of peace are advanced.

The President's peace program is a plan for the reduction of the likelihood of war. It is neither clouded in the bureaucratic double talk of previous negotiations, nor inflated with the needless saber rattling that destroys sincere prospects for progress. It is straightforward and sincere.

I applaud the President's efforts for peace, and I commend him for his preparedness for war. Strangely enough, I also find myself commending this Congress for the support of both.●

● Mr. BIAGGI. Mr. Speaker, I rise to join my colleagues to express my support for the resolution before us which commends President Reagan yesterday for his foreign policy speech before the National Press Club on this issue of arms control. His remarks have been lauded worldwide for their timely presentation and cogent nature. It is fitting and appropriate that we take this time to join with him in support of this historical diplomatic initiative.

The remarks made by President Reagan on his "Program for Peace" targeted for the Geneva talks scheduled to begin on November 30 between the United States and Soviet Governments, outlined his four-point plan for arms control and halting the spread of nuclear weapons. His speech is to be commended because he successfully rebutted the growing contentions that the United States was headed on a collision course with the Soviets that would surely result in a nuclear war. These contentions were surfacing both in this country as well as in circles abroad, where our allies were witnessing discontent in their own backyards.

His proposal that Moscow dismantle 650 intermediate-range missiles in Eastern Europe in return for our commitment not to deploy 572 American missiles in Western Europe in 1983 and 1984 was a bold step toward placing the onus of responsibility for arms control with the Soviets. While the initial reaction from Moscow has been less than cordial to this proposal, it is clear that they now feel growing international pressure to commit themselves to a workable and verifiable arms control agreement with our Government.

It is also to his credit that President Reagan's speech was well-received by our most imporant allies in Western Europe, Great Britain, and West Germany. Any unilateral plan to control arms must incorporate the interests of our NATO partners who will be most directly affected by any negotiated agreement between the two superpowers. It is this spirit of international cooperation that bodes well for this initiative and for international security and peace.

The bipartisan spirit which has characterized the reception his comments have been given must continue if we are to maintain our role as the leader of the free world. We must put partisan concerns in this matter aside. A nuclear war resulting from the unchecked growth of our nuclear arsenal is what we all seek to avoid—Democrats and Republicans alike.

This resolution, is fitting and appropriate and I urge my colleagues to join me in supporting it.●

● Mr. LAFALCE. Mr. Speaker, I support House Concurrent Resolution 224, to express the support of the Congress for the President's initiative for peace.

I welcome and applaud President Reagan's first major foreign policy speech, inviting Russia and the Atlantic alliance to join him in a quest for peace.

The President's proposal, sent to President Brezhnev about 24 hours before it was delivered, opens up the possibility for welcome change in the Soviet-American dialog. It further serves to reassure our allies that the United States is committed to reducing world tensions, by indicating our readiness to negotiate with the Soviets.

It was an excellent speech, tackling a critical aspect of foreign affairs; and since it was long overdue, it therefore has received much attention and positive response. But, it must be emphasized, one speech is not an end in itself. It can be, however, the beginning of a process that must be seriously and aggressively pursued. The difficult work is ahead of us. The President cannot sit back and relax and bask in the compliments received on a fine proposal. We must expect and demand more.

A closer look at the contents of the speech will shed light on what must be done to transform a speech about policy into an active working policy.

The President challenged Moscow to turn away from enlarging its military arsenal and to join him in reducing nuclear and conventional forces. Specifically, he offered to cancel deployment of new U.S. nuclear missile in Europe—572 new cruise and Pershing II missiles—if the Soviets would dismantle intermediate range missiles that they already have deployed—600 SS-20, SS-4, and SS-5 intermediate range missles. The Soviets, then would abandon an existing asset in exchange for a promise that the United States would forgo future plans. He also agreed to resume strategic arms talks in January with an emphasis on reduction—START—rather than limitation of arms—SALT—and to reduce our nonnuclear forces in Europe.

Absent from these proposals is the stridency that has characterized earlier statements from this administration, as well as the emphasis expressed to date, that military power is our primary instrument of foreign policy. It is a welcome shift, and I hope this latest tone continues. I would rather "speak softly and carry a big stick," as Teddy Roosevelt advised us, than "speak loudly and carry a big or little stick."

The President's earlier comments about our engaging in a limited nuclear war on European soil helped make it appear that the Russians were the pursuers of peace while we were pursuing war. We should no longer criticize those in Europe and in our own country who are "increasingly vocal" in their peace demonstrations, as the President did in October.

The President's speech is a 180 degree reversal for him, and would adopt a position that has long been favored by European administrations. It reiterated some old alliance policies, such as: an attack on one is an attack on all; that no NATO weapons—conventional or nuclear—"will ever be used in Europe except in response to attack."

Hence, it accomplished two major goals: We presented a thoughtful serious proposal indicating a willingness to negotiate with the Russians, and we have regained the confidence, support, and respect of our allies and our own citizenry.

A proposal to reduce intermediate range missiles will be before the United States and Soviet negotiators on November 30 in Geneva. The resumption of strategic arms talks are scheduled for January. The President must be prepared to pursue these talks with as much vigor as he gave to his own talk. Otherwise this speech will have been mere rhetoric.

President Nixon was probably the only person who could have opened the door to China; perhaps President Reagan, with his image as a hawk ready to wage war, if need be, will also prove peculiarly fit to wage peace, as must be. All Americans should encourage him and support him in that endeavor, wholeheartedly and unreservedly.●

Mr. ZABLOCKI. Mr. Speaker, I yield myself the balance of the time.

Mr. I take this time, Mr. Speaker, only to express sincere appreciation for the expression of bipartisan support for a policy. This is not only support for the President, but the policy he has reiterated. I would hope that all our colleagues would look at this resolution as a resolution of the United States, and that we would show absolute unity so that there would not be one iota of doubt in our adversary, the Soviet Union, that we are not sincere or that we have some ulterior motive, or that we are questioning our President.

We only have one President. We only have one policy. We must stand together and cast our political aspirations, our political views, aside when our country's interest is at stake.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the concurrent resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The question was taken.

Mr. BROOMFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 382, nays 3, answered "present" 14, not voting 34, as follows

[Roll No. 321]

YEAS—382

Addabbo	Coelho	Fenwick
Akaka	Coleman	Ferraro
Albosta	Collins (TX)	Fiedler
Alexander	Conable	Fields
Anderson	Conte	Findley
Andrews	Corcoran	Fish
Annunzio	Coughlin	Fithian
Anthony	Courter	Flippo
Applegate	Coyne, James	Foglietta
Archer	Coyne, William	Foley
Ashbrook	Craig	Ford (MI)
Aspin	Crane, Daniel	Ford (TN)
Atkinson	Crane, Philip	Forsythe
Badham	D'Amours	Fountain
Bafalis	Daniel, Dan	Fowler
Bailey (MO)	Daniel, R. W.	Frank
Bailey (PA)	Danielson	Frenzel
Barnard	Dannemeyer	Frost
Barnes	Daschle	Fuqua
Beard	Daub	Gaydos
Benedict	Davis	Gejdenson
Benjamin	de la Garza	Gephardt
Bennett	Deckard	Gibbons
Bereuter	DeNardis	Gilman
Bethune	Derrick	Gingrich
Bevill	Derwinski	Ginn
Bingham	Dickinson	Glickman
Blanchard	Dicks	Gonzalez
Bliley	Donnelly	Goodling
Boggs	Dorgan	Gore
Boland	Dougherty	Gradison
Boner	Downey	Gramm
Bonior	Dreier	Green
Bonker	Dunn	Gregg
Bouquard	Dwyer	Guarini
Brinkley	Dyson	Gunderson
Brodhead	Early	Hall (OH)
Brooks	Eckart	Hall, Ralph
Broomfield	Edgar	Hall, Sam
Brown (CA)	Edwards (AL)	Hamilton
Brown (CO)	Edwards (CA)	Hammerschmidt
Brown (OH)	Edwards (OK)	Hance
Broyhill	Emerson	Hansen (ID)
Burgener	Emery	Hansen (UT)
Butler	English	Harkin
Byron	Erdahl	Hartnett
Campbell	Erlenborn	Hatcher
Carman	Ertel	Heckler
Carney	Evans (DE)	Hefner
Chappell	Evans (GA)	Heftel
Chappie	Evans (IA)	Hendon
Cheney	Evans (IN)	Hertel
Clausen	Fary	Hightower
Clinger	Fascell	Hiler
Coats	Fazio	Hillis
Holland	Mitchell (MD)	Sharp
Hollenbeck	Mitchell (NY)	Shaw
Holt	Moakley	Shelby
Hopkins	Moffett	Shumway
Horton	Molinari	Shuster
Howard	Mollohan	Siljander
Hoyer	Montgomery	Simon
Hubbard	Moore	Skeen
Huckaby	Morrison	Skelton
Hughes	Mottl	Smith (AL)
Hunter	Murphy	Smith (IA)
Hutto	Murtha	Smith (NE)
Hyde	Myers	Smith (NJ)
Ireland	Napier	Smith (OR)
Jacobs	Natcher	Smith (PA)
Jeffords	Neal	Snowe
Jeffries	Nelligan	Snyder
Jenkins	Nelson	Solarz
Johnston	Nichols	Solomon
Jones (OK)	Nowak	Spence
Jones (TN)	O'Brien	St Germain
Kazen	Oakar	Stangeland
Kemp	Oberstar	Stanton
Kildee	Obey	Stark
Kindness	Ottinger	Staton
Kogovsek	Oxley	Stenholm
Kramer	Panetta	Stratton
LaFalce	Parris	Studds
Lagomarsino	Pashayan	Stump
Lantos	Patman	Swift
Latta	Patterson	Synar
Leach	Pease	Tauke
Leath	Perkins	Tauzin
LeBoutillier	Petri	Taylor
Lee	Peyser	Thomas
Leland	Pickle	Traxler
Lent	Porter	Trible
Levitas	Price	Udall
Lewis	Pursell	Vander Jagt
Livingston	Quillen	Vento
Loeffler	Rahall	Walgren
Long (MD)	Railsback	Walker
Lott	Ratchford	Wampler
Lowery (CA)	Regula	Watkins
Lowry (WA)	Rinaldo	Waxman
Luken	Ritter	Weaver
Lundine	Roberts (KS)	Weber (MN)
Lungren	Roberts (SD)	Weber (OH)
Madigan	Robinson	White
Markey	Rodino	Whitehurst
Marks	Roe	Whitley
Marlenee	Roemer	Whittaker
Marriott	Rogers	Whitten
Martin (IL)	Rose	Williams (MT)
Martin (NC)	Rosenthal	Williams (OH)
Matsui	Rostenkowski	Wilson
Mavroules	Roth	Winn
Mazzoli	Roukema	Wirth
McClory	Rousselot	Wolf
McCollum	Roybal	Wolpe
McCurdy	Rudd	Wortley
McDade	Russo	Wright
McEwen	Sabo	Wyden
McGrath	Santini	Wylie
McHugh	Sawyer	Yates
McKinney	Scheuer	Yatron
Mica	Schneider	Young (AK)
Michel	Schulze	Young (FL)
Mikulski	Schumer	Young (MO)
Miller (CA)	Seiberling	Zablocki
Miller (OH)	Sensenbrenner	Zeferetti
Mineta	Shamansky	
Minish	Shannon	

NAYS—3

Crockett	Kastenmeier	Weiss

ANSWERED "PRESENT"—14

Beilenson	Garcia	Savage
Burton, John	Gray	Schroeder
Burton, Phillip	Hawkins	Stokes
Collins (IL)	Lehman	Washington
Dellums	Rangel	

NOT VOTING—34

AuCoin	Dowdy	McCloskey
Bedell	Duncan	McDonald
Biaggi	Dymally	Moorhead
Bolling	Florio	Paul
Bowen	Goldwater	Pepper
Breaux	Grisham	Pritchard
Chisholm	Hagedorn	Reuss
Clay	Jones (NC)	Rhodes
Conyers	Long (LA)	Richmond
Dingell	Lujan	Volkmer
Dixon	Martin (NY)	
Dornan	Mattox	

□ 1145

Mr. ROE changed his vote from "nay" to "yea."

Mrs. COLLINS of Illinois, Mr. RANGEL, and Mr. WASHINGTON changed their votes from "yea" to "present."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request from the gentleman from Wisconsin?

There was no objection.

PERSONAL EXPLANATION

(Mr. MOORHEAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORHEAD. Mr. Speaker, on rollcall 321 I was not recorded. Had I been recorded I would have voted yea.

□ 1200

CONFERENCE REPORT ON H.R. 3413, DEPARTMENT OF ENERGY NATIONAL SECURITY AND MILITARY APPLICATIONS OF NUCLEAR ENERGY AUTHORIZATION ACT OF 1982

Mr. STRATTON. Mr. Speaker, pursuant to the order of the House on November 18, 1981, I call up the conference report on the bill (H.R. 3413) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. BOLAND). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 18, 1981.)

Mr. STRATTON (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. STRATTON) will be recognized for 30 minutes, and the gentlewoman from Maryland (Mrs. HOLT) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report to authorize appropriations for the national security programs of the Department of Energy has been somewhat overtaken by events. It is my understanding that the conference report on H.R. 4144, the energy and water appropriations bill was also reported yesterday, November 18. This appropriation bill contains the appropriations for Department of Energy defense programs.

The House Committee on Armed Services reported H.R. 3413 on May 15, and the House passed the bill on June 11, 1981. The other body, however, did not report its bill until July 30, nor was the bill passed by the other body until November 3, 1981. The conferees reached a unanimous compromise on the differences in the House and Senate versions of H.R. 3413 on November 17.

Mr. Speaker, the conference report would provide authorizations in the amount of $5,120,200,000 for the seven major national security programs for which the Department of Energy is responsible. This compromise is $44.9 million below the Senate amount and $55.65 million above the House amount.

I would point out that both the House bill and the Senate amendment were above the amount of the President's request. For example, the House bill was $68.2 million above the request, while the Senate amendment was $168.7 million above the request. In essence, neither House believed that the amount requested was sufficient to finance these important DOE programs during fiscal year 1982. Both houses added a substantial amount to the important inertial confinement fusion research and development program in order to carry out the current level of effort. This program is being carried out at the three Department of Energy facilities now engaged in glass laser, gas laser, and electronic beam fusion research. In addition, both Houses provided sufficient amounts to continue important work being done by the Naval Research Laboratory and two private entities.

Together, the differences in the House and Senate versions of H.R. 3413 were only $300,000 apart with respect to the nearly $3.8 billion authorized for operating expenses.

The conference report would authorize a total of $1,335,772,000 for plant and capital equipment during fiscal year 1982. This includes the initiation of planning, design, and construction of several new facilities to support Department of Energy defense programs, the continuation of construction projects that are now underway, and the purchase and fabrication of capital equipment for existing facilities not related to construction.

In the plant and capital equipment category, both the House bill and Senate amendment contained authorizations above the President's request. The House bill was $12.3 million above the request, while the Senate amendment is $113.4 million above the request. These increases reflected the concerns of both Houses that important weapons research and production facilities, and radioactive waste management facilities, were underfunded by the request. The compromises agreed to by the conferees continue to reflect that concern.

Mr. Speaker, this conference report represents only 2.5 percent of the amounts under consideration for appropriations for the Department of Defense for fiscal year 1982. Yet, the importance of this bill is far out of proportion to its costs, even if every $1 authorized is eventually appropriated. This is because the strategic and theater nuclear delivery systems authorized for the Department of Defense would be of no use as a deterrent to war without the research and development and production of nuclear warheads which this bill would support.

Mr. Speaker, I urge the adoption of the conference report.

Mrs. HOLT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I fully support the remarks of the gentleman from New York (Mr. STRATTON) who is the chairman of our Subcommittee on Procurement and Military Nuclear Systems. As the ranking minority member of that subcommittee, I know that we have thoroughly reviewed the administration's fiscal year 1982 programs and have exercised very close oversight over them from year to year. I have personally visited a good many Department of Energy research, development, and production facilities.

To my great concern, and I believe that I share this concern with other members of the committee, we have found that many Department of Energy defense facilities are old, deteriorated, and ill equipped. I believe that this conference report would authorize a healthy increment for fiscal year 1982 to begin to reverse those conditions. This conference report will also continue the important naval reactor development program which has promise of bringing about naval propulsion reactors that will last the lifetime of a ship or submarine without refueling.

Of the highest importance is the nuclear weapons research, development,

and testing program supported by the conference report that has provided, and will continue to provide, confidence in our nuclear deterrent, and weapons that will be safer to handle and more secure from unauthorized use.

Mr. Speaker, I believe that this conference report is deserving of the support of all Members of the House, and I urge its adoption.

● Mrs. SCHROEDER. Mr. Speaker, I rise in opposition to the conference report to accompany H.R. 3413.

I used to think that Congress, as the elected representatives of the American people, set policy of nuclear weapons research, development, and construction. I used to think Federal agencies implemented the policy set by Congress and private industry, through the competitive process, came forward to augment the effort. Over time, I have learned that I had it all upside down.

The conference on this bill elucidated this. The House Armed Services Committee learned about the contracting out of the security guard service at Los Alamos National Laboratory and promptly called hearings to see what was going on. Convinced that it was a mistake, the committee chairman (Mr. PRICE) wrote the Department of Energy asking them to stop. With their normal sensitivity to congressional requests, the Department said, "No." I then offered an amendment on this bill to prohibit the contracting out of security at Los Alamos. It was adopted and then the bill wandered off to secret conference.

Meanwhile, the chamber of commerce decided to make this a cause célebre. Their Washington Report newsletter highlighted this amendment as an example of an assault on free enterprise.

And now the bill emerges from conference and my amendment is gone without a trace. While I am not surprised, I am disappointed and oppose the conference report.●

Mr. STRATTON. Mr. Speaker, I have no further requests for time, and I yield back the remainder of my time.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 335, nays 55, not voting 43, as follows:

[Roll No. 322]

YEAS—335

Addabbo	Fiedler	Marks
Akaka	Fields	Marlenee
Albosta	Findley	Marriott
Alexander	Fish	Martin (IL)
Anderson	Fithian	Martin (NC)
Andrews	Flippo	Matsui
Annunzio	Foglietta	Mavroules
Anthony	Foley	Mazzoli
Applegate	Ford (MI)	McClory
Archer	Forsythe	McCollum
Ashbrook	Fountain	McCurdy
Aspin	Fowler	McDade
Atkinson	Frenzel	McEwen
Badham	Frost	McGrath
Bailey (MO)	Fuqua	McHugh
Bailey (PA)	Gaydos	McKinney
Barnard	Gephardt	Mica
Barnes	Gibbons	Michel
Beard	Gilman	Mikulski
Benjamin	Gingrich	Mineta
Bennett	Ginn	Minish
Bereuter	Glickman	Mitchell (NY)
Bethune	Gonzalez	Moakley
Bevill	Gore	Molinari
Blanchard	Gradison	Mollohan
Bliley	Gramm	Montgomery
Boggs	Green	Moore
Boland	Gregg	Moorhead
Boner	Guarini	Morrison
Bouquard	Hall (OH)	Mottl
Brinkley	Hall, Ralph	Murphy
Brodhead	Hall, Sam	Myers
Brooks	Hamilton	Napier
Broomfield	Hammerschmidt	Natcher
Brown (CA)	Hance	Neal
Brown (OH)	Hansen (ID)	Nelligan
Broyhill	Hansen (UT)	Nelson
Burgener	Hartnett	Nichols
Butler	Hatcher	Nowak
Byron	Hawkins	O'Brien
Campbell	Heckler	Oakar
Carman	Hefner	Obey
Carney	Heftel	Oxley
Chappell	Hendon	Panetta
Cheney	Hertel	Parris
Clausen	Hightower	Pashayan
Clinger	Hiler	Patman
Coats	Hillis	Patterson
Coelho	Holland	Pease
Coleman	Hollenbeck	Perkins
Collins (IL)	Holt	Petri
Conable	Hopkins	Peyser
Conte	Horton	Pickle
Corcoran	Howard	Porter
Coughlin	Hoyer	Price
Courter	Hubbard	Pursell
Coyne, James	Huckaby	Quillen
Coyne, William	Hughes	Rahall
Craig	Hunter	Railsback
D'Amours	Hutto	Ratchford
Daniel, Dan	Hyde	Regula
Daniel, R. W.	Ireland	Rinaldo
Danielson	Jeffords	Ritter
Dannemeyer	Jeffries	Roberts (KS)
Daschle	Jenkins	Roberts (SD)
Davis	Johnston	Robinson
de la Garza	Jones (OK)	Roe
DeNardis	Jones (TN)	Roemer
Derrick	Kazen	Rogers
Derwinski	Kemp	Rose
Dickinson	Kindness	Rosenthal
Dicks	Kogovsek	Rostenkowski
Dorgan	Kramer	Roth
Downey	LaFalce	Roukema
Dreier	Lagomarsino	Rousselot
Dunn	Lantos	Rudd
Dwyer	Leach	Russo
Dyson	Leath	Santini
Early	LeBoutillier	Sawyer
Edwards (AL)	Lee	Scheuer
Edwards (OK)	Lent	Schneider
Emerson	Levitas	Schulze
Emery	Lewis	Schumer
English	Livingston	Sensenbrenner
Erdahl	Loeffler	Shamansky
Erlenborn	Long (MD)	Shannon
Ertel	Lott	Sharp
Evans (DE)	Lowery (CA)	Shaw
Evans (GA)	Lujan	Shelby
Evans (IA)	Luken	Shumway
Evans (IN)	Lundine	Shuster
Fazio	Lungren	Siljander
Ferraro	Madigan	Simon
Skeen	Stump	White
Skelton	Swift	Whitehurst
Smith (AL)	Synar	Whitley
Smith (IA)	Tauke	Whittaker
Smith (NE)	Tauzin	Whitten
Smith (NJ)	Taylor	Williams (OH)
Smith (OR)	Thomas	Wilson
Smith (PA)	Traxler	Winn
Snowe	Trible	Wirth
Snyder	Udall	Wolf
Solarz	Vander Jagt	Wortley
Solomon	Vento	Wright
Spence	Walgren	Wylie
St Germain	Walker	Yatron
Stangeland	Wampler	Young (AK)
Stanton	Watkins	Young (MO)
Staton	Waxman	Zablocki
Stenholm	Weber (MN)	Zeferetti
Stratton	Weber (OH)	

NAYS—55

Beilenson	Ford (TN)	Rangel
Bingham	Frank	Rodino
Bonior	Garcia	Roybal
Brown (CO)	Gejdenson	Sabo
Burton, John	Goodling	Savage
Burton, Phillip	Gray	Schroeder
Chappie	Gunderson	Seiberling
Collins (TX)	Harkin	Stark
Crane, Daniel	Jacobs	Stokes
Crane, Philip	Kastenmeier	Studds
Crockett	Kildee	Washington
Daub	Latta	Weaver
Dellums	Lehman	Weiss
Donnelly	Leland	Williams (MT)
Eckart	Lowry (WA)	Wolpe
Edgar	Miller (OH)	Wyden
Edwards (CA)	Moffett	Yates
Fascell	Oberstar	
Fenwick	Ottinger	

NOT VOTING—43

AuCoin	Dornan	McCloskey
Bafalis	Dougherty	McDonald
Bedell	Dowdy	Miller (CA)
Benedict	Duncan	Mitchell (MD)
Biaggi	Dymally	Murtha
Boliing	Fary	Paul
Bonker	Florio	Pepper
Bowen	Goldwater	Pritchard
Breaux	Grisham	Reuss
Chisholm	Hagedorn	Rhodes
Clay	Jones (NC)	Richmond
Conyers	Long (LA)	Volkmer
Deckard	Markey	Young (FL)
Dingell	Martin (NY)	
Dixon	Mattox	

□ 1215

The Clerk announced the following pairs:

On this vote:

Mr. Fary for, with Mr. Conyers against.

Mr. Pepper for, with Mr. Reuss against.

Mr. AuCoin for, with Mrs. Chisholm against.

Until further notice:

Mr. McDonald with Mr. Paul.

Mr. Miller of California with Mr. Young of Florida.

Mr. Richmond with Mr. Dougherty.

Mr. Mitchell of Maryland with Mr. Pritchard.

Mr. Dingell with Mr. Rhodes.

Mr. Dixon with Mr. Duncan.

Mr. Biaggi with Mr. Goldwater.

Mr. Florio with Mr. McCloskey.

Mr. Mattox with Mr. Dornan of California.

Mr. Clay with Mr. Grisham.

Mr. Bedell with Mr. Martin of New York.

Mr. Breaux with Mr. Hagedorn.

Mr. Jones of North Carolina with Mr. Bafalis.

Mr. Long of Louisiana with Mr. Dowdy.

Mr. Volkmer with Mr. Markey.

Mr. Bowen with Mr. Dymally.

Mr. Bonker with Mr. Benedict.

Mr. ECKART and Mr. DONNELLY changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill, H.R. 3413, the Department of Energy National Security and Military Applications Act of 1982, just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

BUS REGULATORY REFORM ACT OF 1981

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 280 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 280

Resolved, That upon the adoption of this resolution it shall be in order to move, section 4.2(a) of the Congressional Budget Act of 1974 (Public Law 93-344) and clause 2(l)(6) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3663) to amend subtitle IV of title 49, United States Code, to provide for more effective regulation of motor carriers of passengers, and the first reading of the bill shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Public Works and Transportation now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Missouri (Mr. TAYLOR), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 280 is the rule providing for consideration of H.R. 3663, the Bus Regulatory Reform Act. The rule waives clause 2(l)(6) of rule XI which would otherwise require this legislation to lay over for 3 calendar days. This waiver is granted in recognition of the fact that the bill which will be before this House is the product of many days of hearings and months of negotiations which included representatives of the bus industry, labor, and the administration. No purpose would be served in delaying action on this important legislation any further.

As introduced, H.R. 3663 would be subject to a point of order under section 402(a) of the Congressional Budget Act.

Section 402(a) provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year, unless that bill has been reportd on or before May 15 preceding the beginning of such fiscal year.

Section 18 of the introduced bill directs the Secretary of Transportation and the Interstate Commerce Commission to undertake a study of bus terminals. Since this section is an indirect authorization of new budget authority for fiscal year 1982 and since the bill was not reported by May 15, it would be subject to a point of order under section 402(a).

In markup, the Committee on Public Works and Transportation amended the introduced bill to cure all Budget Act violations. Therefore, the bill, as amended, does not violate section 402(a) of the Congressional Budget Act.

Nonetheless, this Budget Act point of order would still lie against the bill as introduced which would preclude its consideration. Since the committee amendment cures the Budget Act problem, the Committee on Rules has granted a technical waiver of section 402(a) of the Budget Act to permit the House to consider the bill as amended by the committee.

Mr. Speaker, the rule further provides for 1 hour of general debate in the Committee of the Whole to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation. The bill will then be read for amendment under the 5-minute rule. The amendment in the nature of a substitute which has been recommended by the Committee on Public Works and Transportation will be considered as an original bill for the purpose of amendment under the 5-minute rule.

The rule also provides that upon completion of the consideration of the bill for amendment, the bill will be reported to the House where a separate vote may be demanded on any amendment adopted in the Committee of the Whole. The rule also allows for a motion to recommit with or without instruction.

Mr. Speaker, the Bus Regulation Reform Act of 1981 is an important piece of legislation which will lessen Government regulation in the transportation marketplace. It will provide this long-forgotten industry greater flexibility to compete with other transportation modes which have already had the advantage of deregulation endeavors. Restrictive entry requirements will be significantly liberalized, pricing will be freer, yet antitrust immunity for collective ratemaking will be narrowed. Although the legislation would permit the industry to abandon segments of their operations, the ICC will be required to examine such actions to insure that service to small communities will not be adversely affected.

Mr. Speaker, H.R. 3663 represents an important, balanced compromise which should benefit the busing industry and the traveling public it serves. I urge adoption of this rule to expedite its consideration.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 280 is an open rule to allow quick consideration of H.R. 3663, a bill which eases Federal deregulation in the intercity bus industry.

While I am not opposed to this rule, I do want to point out that it contains several waivers that some Members will not appreciate. The bill itself is being rushed through this House in order to avoid close examination of the issues surrounding what I call deregulation fever.

□ 1230

The rule waives clause 2(l) of rule XI against consideration of the bill. Clause 2(l)(6) of rule XI prohibits consideration of a bill until the third calendar day on which the committee report has been available.

In this situation, the Committee on Public Works has not had its report available for 3 days, but it wants to take up the bill as soon as possible. I find this to be a rather unique situation, since the subcommittee reported the bill on Monday, the full committee reported it on Tuesday, the Rules Committee met on this rule yesterday—and here we are now, taking up the rule. It is my understanding that consideration of the bill will follow immediately after this consideration.

Mr. Speaker, I would simply say that this is the first bus bill to ever be considered on a railroad.

In addition to the 3-day layover, however, the rule waives section 402(a) of the Budget Act against consider-

ation of the bill. The Budget Act, in section 402(a), would otherwise prohibit our consideration of this measure because it does contain new budget authority that was not reported by the committee by May 15 preceding the beginning of the fiscal year for which it becomes effective.

Mr. Speaker, in other situations, waivers of this type have often raised questions about the legislation at issue and have, on occasion, made it more difficult for proponents to pass their legislation.

This rule also makes the committee amendment, now printed in italics in the bill, in order as an original bill for the purpose of amendment, and it will be read for amendment under the 5-minute rule.

Finally, the rule provides for one motion to recommit with or without instructions.

Given our recent experience, Mr. Speaker, with airline deregulation, and more recent complaints about the speed of truck deregulation, I want to say very clearly that I have severe reservations about the necessity of H.R. 3663 at this time. This is a difficult position for me, because I served for years on the Public Works Committee; but I do believe it is time that we slow down our urge to deregulate and try to calm our deregulation fever.

Rural America, especially, has been hurt by our efforts at airline deregulation, and many Members have personal experience with the inability of the airline industry to serve small towns and small communities. In this regard, we were assured several years ago by the administration and by the committee at that time that small cities and towns would be served by commuter and charter airlines since the big scheduled airlines had left their communities. That simply has not happened, and I doubt that it ever will.

Now the committee comes to the floor in a heated rush with a bill that could cause further damage to rural America's transportation systems.

We have no airplanes in smalltowns and cities, and we will soon have fewer interstate and intercity buses.

Mr. Speaker, it may be heresy for me to say this, but I do not agree with the administration's spokesman who says that there is no need to continue Federal economic regulation of the bus industry.

Many people in this Nation, especially in rural areas isolated from big population centers and in smalltowns between major population centers, rely on well-regulated bus transportation systems. Most of these people, by the way, are our senior citizens, those who would have to pay the high cost of airline travel, and who cannot afford it even if airline travel were still available.

Mr. Speaker, as a former member of the Public Works Committee, I know how long and hard the members have worked on this issue—and I have a great respect for the chairman of the subcommittee and the ranking minority member of this committee, and I know that they are dedicated and well-meaning people—and that it has not been easy for them, what with having to wrestle with the industry's financial problems and this administration's, as well as the previous administration's, urge to deregulate everything in sight.

It is not my purpose to overly criticize this bill, but I do want to alert the Members that this bill contains some real dangers to the rural bus transportation system that we have in America today and as we now know it. I think we should give the measure very close scrutiny.

I would have less reservation about this legislation, Mr. Speaker, if the committee would wait at least the otherwise required 3 days, so that Members would have a chance to read the committee report before bringing up the bill.

Mr. SAM B. HALL, JR. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Texas.

Mr. SAM B. HALL, JR. Mr. Speaker, I would like to associate myself with the remarks of the gentleman and state that the Texas Railroad Commission is adamantly opposed to this bill, and one of the reasons being that it wants no Federal preemption over the existing State authority to regulate intrastate carriers. If this bill is passed, that will take place.

Mr. TAYLOR. That is exactly right.

Mr. Speaker, the speed with which this matter is being considered makes it difficult for those Members who may have amendments to be able to write them and be ready to offer them. This is a prerogative that some will find impossible under this rule.

Mr. Speaker, since the Committee on Public Works seems to think that we should act in this unusual manner, I would simply conclude by saying that I will not oppose the adoption of this rule, although I may vote against it, but I think it is time for us to take a look and see whether in our passion for deregulation fever we are in fact penalizing rural America especially in serving their transportation needs.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR, I yield to the gentleman from Texas.

Mr. KAZEN. My understanding is that this bill just got out of committee yesterday, is that correct, or the day before?

Mr. TAYLOR. It was voted out Tuesday. I think it was voted out of the subcommittee on Monday, the full committee on Tuesday, the Rules Committee yesterday, the rule is on the floor today, and consideration of the bill will follow immediately after the passage of the rule.

Mr. KAZEN. When was the report printed?

Mr. TAYLOR. The report was printed this morning, I understand. We only had a typewritten report and bill in the Committee on Rules.

Mr. KAZEN. Well, what is the hurry? Does the gentleman know?

Mr. TAYLOR. No; I would say to my friend, the gentleman from Texas, that I do not know, and this is one of the reservations that I have—the unorthodox manner in which this bill has been handled and rushed through. I believe that it does not give the Members whose districts will be affected by this legislation adequate time to peruse the bill and perhaps to prepare some perfecting amendments that they might think necessary. And in view of what has happened with the airline deregulation and the havoc that has been wreaked upon the rural areas of this country, I think we should move slowly and with a great deal of discretion in the consideration of this type of legislation affecting transportation.

Mr. KAZEN. Let me commend the gentleman for putting these red lights, flashing red lights, and letting the membership know what is involved, because if this bill passes today in the form that it is written, we are going to wake up tomorrow, those of us who represent rural districts, and find out that we have no transportation whatsoever. Airlines do not stop, the train does not stop, and now they are going to take the bus stops away from us. You know, I heard a while ago a Member say the old refrain about how are you going to keep them down on the farm. This is the way you are going to keep them there, because they are not going to have any way of getting out.

Mr. ROBERTS of Kansas. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Kansas.

Mr. ROBERTS of Kansas. I want to commend my friend and colleague from Missouri for, as the previous speaker said, raising the amber lights or the warning red lights. I have 57 counties that I am privileged to represent, and the blunt truth about it is that since deregulation has taken place, we cannot get there from here. In terms of airline deregulation, it costs less to fly from, say, New York to Miami, than it does, say, for me to fly from Dodge City to Wichita; but, yet the travel, in terms of distance, is far, far less. And that is the case, I do not care whether you are talking about bus transportation or, say, trucking transportation, or airline transportation.

We have a hospital in one of my larger communities that now cannot

get X-ray films because of the trucking deregulation, and they have to have a special bus to go all the way to Kansas City to get that film. That simply adds costs to our patients in our rural hospitals.

I commend the gentleman for his very fine expertise in this area. I, too, cannot see why we cannot consider this bill in a more regular fashion. As the gentleman has pointed out very clearly, rural America has been hurt by deregulation. I realize the bill contains "safeguards" designed to protect rural communities but we have been down that road before.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. I thank the gentleman for yielding.

Mr. Speaker, as the gentleman knows, I represent a rural district, and I am very sensitive to the problems of rural America. I do not want to take the time of the House now to go through the details of the arguments, but I would urge my colleagues to listen, when we enter into the general debate on this issue, because this legislation is a far cry from deregulation. This legislation is a far cry from the massive Federal preemption which was provided in airline deregulation.

There are numerous safeguards built into this legislation to protect rural areas. Now, the safeguards are not absolute. If we are going to talk about getting the Government out of regulation, particularly the conservatives, then on the one hand we cannot say we want less Federal regulation but on the other hand we want the Federal Government to make it impossible for free enterprise to decide where and when they want to market their products and services.

So I would simply urge my colleagues to listen to the general debate, with particular emphasis on the protections which are provided for rural America.

Mr. TAYLOR. May I respond to the gentleman? If these safeguards are contained within this legislation, then let me ask the gentleman this: Why all of the speed in passing this bus thing on a railroad track?

Mr. SHUSTER. This is a matter of the scheduling of the House. And as the gentleman knows, the minority does not schedule legislation.

I would answer the gentleman, however, that we have had months of hearings on this issue. There is bipartisan support in our committee, in the subcommittee and in the committee, and this was passed out unanimously.

Mr. TAYLOR. And the airline deregulation was also. And I voted for it.

Mr. SHUSTER. I am not here to debate any airline deregulation today. I am here to support the bus regulatory reform and with special emphasis on the protections which are provided for rural America.

Mr. TAYLOR. And these protections, I assume, will be brought out and clearly described within the debate that will ensue?

Mr. SHUSTER. That is certainly my intention, I would say to my friend.

Mr. TAYLOR. I would certainly urge everyone from the rural areas to be here to listen to this, to be sure that you are adequately protected by these safeguards that will be described by the Members who will be handling this bill on the floor, because I think it is important that you satisfy yourselves that these protections are there.

Mr. ERTEL. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Pennsylvania.

Mr. ERTEL. I thank the gentleman for yielding.

Just to correct one thing, I think the gentleman may have made a slight overstatement. Airline deregulation did not come out of Public Works unanimously. This did. If you will recall, there was at least one vote against airline deregulation coming out of committee.

Mr. TAYLOR. I think there was two. I recall now that the Senator from South Dakota (Mr. ABDNOR) at that time voted against it, and that is probably the reason he is in the Senate today.

Mr. KINDNESS. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

I have asked the gentleman to yield to me in order to direct a question on the procedure here. I know of no way to avoid the rather hasty consideration of this bill today except to defeat the previous question on the rule.

With all due respect to the Committee on Rules, which has reported this rule, I feel very much like the gentleman, only I read a different conclusion. I really think we ought to resist this rule. It is a little too sudden. I would certainly urge that that be the procedure.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the distinguished chairman of the Public Works Committee.

Mr. HOWARD. I would just like to say to the gentleman that I do intend to ask for a recorded vote on the rule.

Mr. RAHALL. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from West Virginia.

Mr. RAHALL. As a representative of a rural district and as a member of the subcommittee and the full committee that considered this legislation, I can assure the gentleman and those on the minority side that I do plan on a full discussion of the effect on the small communities that this legislation will have.

I would hope, though, that we could have a vote on the rule and move into the general debate on the bill itself, where I think you will find assurances that the effects on small communities have been taken into account in the consideration of this legislation.

Mr. TAYLOR. Just let me say at this time that I do not mean this as a criticism of the Public Works Committee. I have a high regard for the membership of this committee. I think they are trying to solve a problem that does exist. We all know that we have a bus industry that is in trouble. We know there is a big press on for deregulation. But I do want to raise the flag of saying that we better take a look at it because transportation in rural America can be affected by this.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. ALEXANDER).

□ 1245

Mr. ALEXANDER. Mr. Speaker, in his news conference last week the President assured Americans that inflation is caused by a spendthrift Congress thereby excusing his economic policy as a party to the crime.

Today, we hear from the White House that Mr. Reagan intends to veto the appropriation bill (H.J. Res. 357) even though it appropriates less money than the President has requested for fiscal year 1982.

Let us not be confused by the facts. But, someone is confused.

After almost a year of closely observing the President's economic statements, I am better equipped to understand why Reaganomics was once characterized as "voodoo" by then candidate GEORGE BUSH.

His proposals have more to do with politics than economics. Ronald Reagan's words work political magic in the minds of the American taxpayer who desperately seeks a solution to the corrosive inflation which gradually lowers his standard of living.

Tomorrow, the President threatens to veto House Joint Resolution 357, further continuing appropriations, 1982. Once again Mr. Reagan will stick his Presidential pin in the congressional doll hoping to again work political magic by casting a spending spell over a Democratically controlled House.

Not only has the House appropriated less funds than the President has requested for fiscal 1982, I am herewith submitting data which clearly shows that only once since 1943 has Congress spent more money than a President has requested. Furthermore, during the last two Republican administrations, Nixon and Ford, a Democratically controlled Congress stub-

bornly appropriated $40.5 billion less than the Republican President requested.

Will this revelation of fact dispel the voodoo of Reaganomics? Only time will tell.

COMPARISON OF PRESIDENTIAL BUDGET REQUESTS AND CONGRESSIONAL APPROPRIATED AMOUNTS ENACTED IN REGULAR ANNUAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS BILLS

Calendar year	Presidential budget requests	Congressionally appropriated amounts	Congressionally appropriated amounts less (—) or more (+) than Presidential request
1943	$115,041,366,395	$110,634,660,785	—$4,406,705,610
1944	63,513,471,020	61,257,906,152	—2,255,564,868
1945	62,453,310,868	61,042,345,331	—1,410,965,537
1946	30,051,109,870	28,459,502,172	—1,591,607,698
1947	33,367,507,923	30,130,762,141	—3,236,745,782
1948	35,409,550,523	32,699,846,731	—2,709,703,792
1949	39,545,529,108	37,825,026,214	—1,720,502,894
1950	54,316,658,423	52,427,926,629	—1,888,731,794
1951	96,340,781,110	91,059,713,307	—5,281,067,803
1952	83,964,877,176	75,355,434,201	—8,609,442,975
1953	66,568,694,353	54,539,342,491	—12,029,351,862
1954	50,257,490,985	47,642,131,205	—2,615,359,780
1955	55,044,333,729	53,124,821,215	—1,919,512,514
1956	60,892,420,237	60,647,917,590	—244,502,647
1957	64,638,110,610	59,589,731,631	—5,048,378,979
1958	73,272,859,573	72,653,476,248	—619,383,325
1959	74,859,472,045	72,977,957,952	—1,881,514,093
1960	73,845,974,490	73,634,335,992	—211,638,498
1961	91,597,448,053	86,606,487,273	—4,990,960,780
1962	96,803,292,115	92,260,154,659	—4,543,137,456
1963	98,904,155,136	92,432,923,132	—6,471,232,004
1964	98,297,358,556	94,162,918,996	—4,134,439,560
1965	109,448,074,896	107,037,566,896	—2,410,508,000
1966	131,164,926,586	130,281,568,480	—883,358,106
1967	147,804,557,929	141,872,346,664	—5,932,211,265
1968	147,908,612,996	133,339,868,734	—14,568,744,262
1969	142,701,346,215	134,431,463,135	—8,269,883,080
1970	147,765,358,434	144,273,528,504	—3,491,829,930
1971	167,874,624,937	165,225,661,865	—2,648,963,072
1972	185,431,804,552	178,960,106,864	—6,471,697,688
1973	177,959,504,255	174,901,434,304	—3,058,069,951
1974	213,667,190,007	204,012,311,514	—9,654,878,493
1975	267,224,774,434	259,852,322,212	—7,372,452,222
1976	282,142,432,093	282,536,694,665	+394,262,572
1977	364,867,240,174	354,025,780,783	—10,841,459,391
1978	348,506,124,701	337,859,466,730	—10,656,657,971
1979	397,653,765,836	386,822,093,291	—10,831,672,545
1980	340,339,446,763	333,695,164,197	—6,644,282,566

Source: Committee on Appropriations, U.S. House of Representatives.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. HOWARD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 306, nays 80, not voting 47, as follows:

[Roll No. 323]

YEAS—306

Akaka	Aspin	Benjamin
Albosta	Atkinson	Bennett
Alexander	Badham	Bethune
Anderson	Bailey (MO)	Bevill
Andrews	Bailey (PA)	Bingham
Annunzio	Barnard	Blanchard
Anthony	Barnes	Boland
Applegate	Bellenson	Boner
Bonior	Guarini	Obey
Bonker	Hall (OH)	Ottinger
Bouquard	Hamilton	Panetta
Brinkley	Hammerschmidt	Parris
Brodhead	Hansen (UT)	Patterson
Brooks	Harkin	Pease
Broomfield	Hatcher	Peyser
Brown (CA)	Hawkins	Pickle
Brown (CO)	Heckler	Porter
Burgener	Hefner	Price
Burton, John	Heftel	Pursell
Burton, Phillip	Hertel	Rahall
Byron	Hightower	Railsback
Carman	Hillis	Rangel
Chappell	Holland	Ratchford
Chappie	Hollenbeck	Regula
Cheney	Holt	Rinaldo
Clausen	Hopkins	Ritter
Clinger	Horton	Rodino
Coelho	Howard	Roe
Collins (IL)	Hoyer	Roemer
Conable	Hubbard	Rogers
Conte	Huckaby	Rose
Corcoran	Hughes	Rosenthal
Coughlin	Hutto	Rostenkowski
Coyne, James	Hyde	Roth
Coyne, William	Jacobs	Roybal
D'Amours	Jeffords	Rudd
Daniel, Dan	Jenkins	Russo
Daniel, R. W.	Johnston	Sabo
Danielson	Jones (OK)	Santini
Daschle	Kastenmeier	Savage
Davis	Kemp	Scheuer
de la Garza	Kildee	Schneider
Dellums	Kogovsek	Schroeder
DeNardis	Kramer	Schumer
Derrick	LaFalce	Seiberling
Derwinski	Lantos	Sensenbrenner
Dickinson	Leach	Shamansky
Dicks	LeBoutillier	Shannon
Donnelly	Lee	Sharp
Dorgan	Lehman	Shaw
Dougherty	Leland	Shelby
Downey	Lent	Shuster
Dunn	Levitas	Simon
Dwyer	Lewis	Skeen
Dyson	Livingston	Smith (IA)
Early	Long (MD)	Smith (NJ)
Eckart	Lott	Smith (PA)
Edgar	Lowery (CA)	Snowe
Edwards (AL)	Lowry (WA)	Snyder
Edwards (CA)	Lujan	Solarz
English	Luken	Solomon
Erlenborn	Lundine	St Germain
Ertel	Madigan	Stangeland
Evans (DE)	Markey	Stanton
Evans (GA)	Marlenee	Stark
Evans (IA)	Marriott	Staton
Evans (IN)	Martin (NC)	Stokes
Fascell	Matsui	Stratton
Fazio	Mazzoli	Studds
Fenwick	McClory	Swift
Ferraro	McCollum	Synar
Fiedler	McDade	Tauzin
Fields	McEwen	Traxler
Findley	McGrath	Trible
Fithian	McHugh	Udall
Flippo	McKinney	Vento
Foglietta	Mica	Walgren
Foley	Michel	Wampler
Ford (MI)	Mikulski	Washington
Ford (TN)	Miller (CA)	Waxman
Forsythe	Miller (OH)	Weaver
Fountain	Mineta	Weber (OH)
Fowler	Minish	Weiss
Frank	Mitchell (NY)	White
Frost	Moakley	Whitehurst
Fuqua	Molinari	Whitley
Gaydos	Mollohan	Whittaker
Gejdenson	Moore	Whitten
Gephardt	Morrison	Williams (MT)
Gibbons	Mottl	Williams (OH)
Gilman	Murphy	Winn
Gingrich	Murtha	Wirth
Ginn	Napier	Wolf
Glickman	Natcher	Wolpe
Gonzalez	Neal	Wortley
Goodling	Nelligan	Wright
Gore	Nelson	Wyden
Gradison	Nichols	Yates
Gramm	Nowak	Yatron
Gray	O'Brien	Young (MO)
Green	Oakar	Zablocki
Gregg	Oberstar	Zeferetti

NAYS—80

Archer	Gunderson	Quillen
Ashbrook	Hall, Ralph	Roberts (KS)
Beard	Hall, Sam	Roberts (SD)
Benedict	Hansen (ID)	Robinson
Bereuter	Hartnett	Roukema
Bliley	Hendon	Rousselot
Brown (OH)	Hiler	Sawyer
Broyhill	Hunter	Schulze
Butler	Jeffries	Shumway
Campbell	Jones (TN)	Siljander
Carney	Kazen	Skelton
Coats	Kindness	Smith (AL)
Coleman	Lagomarsino	Smith (NE)
Collins (TX)	Latta	Smith (OR)
Craig	Leath	Spence
Crane, Daniel	Loeffler	Stenholm
Crane, Philip	Lungren	Stump
Crockett	Marks	Tauke
Dannemeyer	Martin (IL)	Taylor
Daub	McCurdy	Thomas
Dreier	Moorhead	Vander Jagt
Edwards (OK)	Myers	Walker
Emerson	Oxley	Watkins
Emery	Pashayan	Weber (MN)
Erdahl	Patman	Wylie
Fish	Perkins	Young (AK)
Frenzel	Petri	

NOT VOTING—47

Addabbo	Dornan	Mavroules
AuCoin	Dowdy	McCloskey
Bafalis	Duncan	McDonald
Bedell	Dymally	Mitchell (MD)
Biaggi	Fary	Moffett
Boggs	Florio	Montgomery
Bolling	Garcia	Paul
Bowen	Goldwater	Pepper
Breaux	Grisham	Pritchard
Chisholm	Hagedorn	Reuss
Clay	Hance	Rhodes
Conyers	Ireland	Richmond
Courter	Jones (NC)	Volkmer
Deckard	Long (LA)	Wilson
Dingell	Martin (NY)	Young (FL)
Dixon	Mattox	

□ 1315

The Clerk announced the following pairs:

On this vote:

Mr. Fary for, with Mr. McDonald against.

Until further notice:

Mr. Addabbo with Mr. McCloskey.
Mr. Dingell with Mr. Courter.
Mr. Breaux with Mr. Bafalis.
Mr. Conyers with Mr. Paul.
Mr. Jones of North Carolina with Mr. Pritchard.
Mr. Long of Louisiana with Mr. Rhodes.
Mr. Montgomery with Mr. Martin of New York.
Mr. Reuss with Mr. Hagedorn.
Mr. Wilson with Mr. Dornan of California.
Mr. Mavroules with Mr. Young of Florida.
Mr. Mitchell of Maryland with Mr. Duncan.
Mr. Biaggi with Mr. Goldwater.
Mr. Moffett with Mr. Dymally.
Mr. Pepper with Mr. Garcia.
Mrs. Boggs with Mr. Ireland.
Mr. Florio with Mr. Mattox.
Mr. Richmond with Mr. Volkmer.
Mr. Hance with Mr. Grisham.
Mrs. Chisholm with Mr. Clay.
Mr. Dixon with Mr. Bowen.
Mr. Dowdy with Mr. Bedell.
Mr. AuCoin with Mr. Deckard.

Mr. McCURDY changed his vote from "yea" to "nay."

Mr. LOWRY of Washington changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. EDWARDS of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3663) to amend subtitle IV of title 49, United States Code, to provide for more effective regulation of motor carriers of passengers.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. EDWARDS).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KAZEN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 335, noes 33, answered "present" 1, not voting 64, as follows:

[Roll No. 324]

AYES—335

Akaka	Coyne, William	Gejdenson
Albosta	Crane, Daniel	Gephardt
Alexander	Crane, Philip	Gibbons
Anderson	Crockett	Gilman
Andrews	D'Amours	Gingrich
Annunzio	Daniel, Dan	Ginn
Anthony	Daniel, R. W.	Gore
Ashbrook	Danielson	Gradison
Aspin	Dannemeyer	Gramm
Atkinson	Daschle	Gray
Bafalis	Davis	Green
Bailey (MO)	de la Garza	Gregg
Bailey (PA)	Dellums	Guarini
Barnes	DeNardis	Gunderson
Beard	Derrick	Hall (OH)
Beilenson	Derwinski	Hamilton
Benjamin	Dickinson	Hammerschmidt
Bennett	Dicks	Hansen (ID)
Bethune	Dingell	Hansen (UT)
Bevill	Donnelly	Harkin
Bingham	Downey	Hartnett
Blanchard	Dunn	Hatcher
Bliley	Dwyer	Hawkins
Boggs	Dyson	Hefner
Boland	Early	Heftel
Boner	Eckart	Hendon
Bonior	Edgar	Hertel
Bonker	Edwards (AL)	Hightower
Bouquard	Edwards (CA)	Hiler
Brinkley	Edwards (OK)	Hillis
Brodhead	Emerson	Holland
Brooks	Emery	Holt
Broomfield	English	Hopkins
Brown (CA)	Erlenborn	Horton
Brown (CO)	Ertel	Howard
Brown (OH)	Evans (DE)	Hoyer
Broyhill	Evans (GA)	Hubbard
Burgener	Evans (IN)	Huckaby
Burton, John	Fary	Hughes
Burton, Phillip	Fazio	Hunter
Butler	Fenwick	Hutto
Byron	Ferraro	Hyde
Campbell	Fiedler	Jacobs
Carman	Fields	Jeffords
Carney	Findley	Jeffries
Chappell	Fish	Jenkins
Chappie	Fithian	Johnston
Cheney	Flippo	Jones (OK)
Clausen	Foglietta	Jones (TN)
Clinger	Foley	Kastenmeier
Coelho	Ford (MI)	Kemp
Coleman	Ford (TN)	Kildee
Collins (IL)	Forsythe	Kogovsek
Collins (TX)	Fountain	Kramer
Conable	Fowler	LaFalce
Conte	Frank	Lagomarsino
Corcoran	Frenzel	Lantos
Coughlin	Frost	Latta
Coyne, James	Fuqua	Leach
LeBoutillier	Oakar	Smith (NJ)
Lee	Oberstar	Smith (OR)
Lehman	Oxley	Snyder
Leland	Panetta	Solarz
Lent	Parris	Solomon
Levitas	Pashayan	St Germain
Lewis	Patterson	Stangeland
Livingston	Pease	Stanton
Long (MD)	Perkins	Stark
Lott	Peyser	Staton
Lowery (CA)	Pickle	Stenholm
Lowry (WA)	Porter	Stokes
Lujan	Price	Stratton
Luken	Rahall	Studds
Lundine	Railsback	Stump
Lungren	Rangel	Swift
Madigan	Ratchford	Synar
Markey	Regula	Tauzin
Marlenee	Rinaldo	Taylor
Marriott	Ritter	Thomas
Martin (IL)	Robinson	Traxler
Martin (NC)	Rodino	Trible
Mazzoli	Roe	Udall
McClory	Roemer	Vander Jagt
McCollum	Rogers	Vento
McDade	Rose	Walgren
McEwen	Rosenthal	Wampler
McGrath	Rostenkowski	Washington
Mica	Roth	Weaver
Michel	Roukema	Weber (MN)
Mikulski	Roybal	Weber (OH)
Miller (OH)	Rudd	Weiss
Mineta	Russo	White
Minish	Sabo	Whitehurst
Mitchell (NY)	Santini	Whitley
Moakley	Sawyer	Whittaker
Molinari	Scheuer	Whitten
Mollohan	Schroeder	Williams (MT)
Montgomery	Schulze	Williams (OH)
Moore	Schumer	Winn
Moorhead	Seiberling	Wirth
Morrison	Sensenbrenner	Wolf
Motti	Shamansky	Wolpe
Murphy	Shannon	Wortley
Murtha	Sharp	Wright
Myers	Shaw	Wyden
Napier	Shelby	Yates
Natcher	Shumway	Yatron
Neal	Shuster	Young (FL)
Nelligan	Siljander	Young (MO)
Nichols	Simon	Zablocki
Nowak	Smith (AL)	Zeferetti
O'Brien	Smith (IA)	

NOES—33

Archer	Kazen	Rousselot
Badham	Kindness	Skeen
Bereuter	Leath	Skelton
Coats	Loeffler	Smith (NE)
Daub	McCurdy	Snowe
Dorgan	Miller (CA)	Spence
Dreier	Obey	Tauke
Evans (IA)	Patman	Walker
Gonzalez	Petri	Watkins
Hall, Ralph	Roberts (KS)	Waxman
Hall, Sam	Roberts (SD)	Wylie

ANSWERED "PRESENT"—1

Ottinger

NOT VOTING—64

Addabbo	Erdahl	McDonald
Applegate	Fascell	McHugh
AuCoin	Florio	McKinney
Barnard	Garcia	Mitchell (MD)
Bedell	Gaydos	Moffett
Benedict	Glickman	Nelson
Biaggi	Goldwater	Paul
Bolling	Goodling	Pepper
Bowen	Grisham	Pritchard
Breaux	Hagedorn	Pursell
Chisholm	Hance	Quillen
Clay	Heckler	Reuss
Conyers	Hollenbeck	Rhodes
Courter	Ireland	Richmond
Craig	Jones (NC)	Savage
Deckard	Long (LA)	Schneider
Dixon	Marks	Smith (PA)
Dornan	Martin (NY)	Volkmer
Dougherty	Matsui	Wilson
Dowdy	Mattox	Young (AK)
Duncan	Mavroules	
Dymally	McCloskey	

□ 1315

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3663, with Mr. PATTERSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California (Mr. ANDERSON) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. SHUSTER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON. I thank the Chairman.

I first yield such time as he may consume to the distinguished chairman of our full Committee on Public Works and Transportation, the gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. Mr. Chairman, I rise in support of H.R. 3663. The Bus Regulatory Reform Act of 1981, the bill is yet another effort by the committee to lessen Government regulation in the transportation marketplace, the bill is the product of long and hard work by the committee, expecially by the subcommittee chairman. GLENN ANDERSON, and the ranking minority leader of the subcommittee, BUD SHUSTER.

This bill, as previous regulatory bills, is regulatory reform and not total deregulation. This result was thought to be the best approach. It is an approach reached after extensive and open meetings with many groups of interested persons. H.R. 3663 balances the interests of all parties, with the intent of the bill, which is to maintain and to improve transportation and to oversee closely that this intent bears fruition.

The bill permits freer entry for those who wish to participate in this marketplace by substantially reducing Federal entry requirements. Simultaneously, it permits the participants to augment their intrastate services where State regulation has prohibited them from fully utilizing their resources.

Conversely, it permits them to abandon segments of their operations unless such actions are not consistent with the public interest or such abandonment is not an undue burden on interstate commerce. The ICC is to oversee these processes in a manner that requires that agency to examine the effects on service to small communities and commuter services.

Under the act, pricing will be freer; yet, antitrust immunity for collective ratemaking is narrowed.

Under the act, more emphasis will be placed upon safety by requiring minimum insurance levels and by giving the ICC more clout in suspending unsafe operations.

Other provisions of the bill give the carriers opportunities to better utilize their equipment in a manner that should be beneficial to the public.

Some comment has been made about the intent of the amendment to section 10922(e)(4) of Title 49 of the United States Code contained in section 6 of the bill. That amendment directs the ICC to grant carriers authority to transport newspapers, baggage, and mail in the same vehicle with the passengers. It gives the same directive with respect to express. There, however, it permits the ICC to deny authority if, on the basis of evidence presented by objecting persons, it finds that it is not consistent with the public interest. Here, it should be noted that this will probably occur only in the most unusual circumstances.

Apparently, this type of authority is now granted in almost every, if not every, case. This language is not to authorize any contrary policy or any change in that policy. Quite to the contrary, it is assumed that this type of authority will be granted except in the most unusual circumstances. The purpose of the change is solely to preserve some of the ICC's discretion where the ICC finds a clear and convincing reason for denying or limiting that portion of the application seeking authority to transport express.

The bill represents a compromise position, yet it is a balanced compromise, one that should benefit the industry and the traveling public it serves.

Mr. Chairman, I believe this is an important piece of legislation that should be considered by the House.

At this time, I wish to thank all the members of the committee, especially Mr. ANDERSON and Mr. SHUSTER, for their hard work on this bill.

Mr. ANDERSON. Mr. Chairman, as you know, the House Public Works and Transportation Committee has been trying, for the past several years, to promote flexibility in the regulatory structure surrounding the Nation's transportation industries. This has been done, and is continuing to be done, with a spirit of bipartisan cooperation.

The Bus Regulatory Reform Act is a natural extension of our efforts. But it is not an effort which we undertook lightly. When we entered into our hearing process this spring, I, for one, was not certain I would want to pursue the matter legislatively. By the time our hearings were concluded, I was certain beyond any doubt. During our hearings, we heard numerous horror stories. We heard of bus companies who were forced to operate on routes for total revenues which only covered half the route's costs. We heard of bus carriers going through large cities which were not permitted to open their doors in those cities, thus inhibiting their efficient operations and effectively eliminating competition to the other operator who was enjoying a monopoly on the route. We saw that carriers received immunity from the Nation's antitrust laws in collectively determining their own single-line rates.

We saw problems which we thought—and think—can be corrected.

H.R. 3663 sets out to do this. The bill establishes a new regulatory scheme for the intercity bus industry. The major thrust of the bill deals with reform at the Federal level, however, it does provide an opportunity for Federal oversight of some actions by States that affect interstate carriers.

First, at the Federal level, the bill provides significantly easier entry standards for all types of interstate operations. Section 6 provides for a public interest test for all applicants seeking to operate as common carriers. Under the new test, an applicant must prove that it is fit, willing, and able to conduct the proposed operation. Some protection for regular route operators is provided under new subsection 10922(c)(3), where issuance of a certificate would substantially impair the existing carrier's ability to provide service over its system of routes. Entry for contract carriers and brokers is reduced to a fit, willing, and able standard in sections 13 and 14, respectively.

Regulatory controls for interstate rates are substantially reduced by providing for a zone of rate freedom in section 11 and by substantially lessening regulatory controls for charter service and special operations in section 12. The Interstate Commerce Commission retains authority to correct discriminatory rates or predatory practices.

Antitrust immunity for collective ratemaking will be narrowed by the provisions in section 10. Moreover, that section requires the Motor Carrier Rate Bureau Study Commission to issue a separate report on the bus industry.

The bill also provides for better utilization of equipment with the objective of providing better service to the traveling public. This is accomplished first, in section 7 by providing a mechanism for removal of restrictions in operating authorities, second, in section 8 by allowing the carriers to mix types of passengers, and third, in section 15 by allowing carriers to provide experimental service on a temporary basis.

Other sections of the bill attempt to improve safety and to curtail illegal operations. For example, the ICC can more easily suspend operating authority for unsafe practices that threaten life or property, section 22. Interstate carriers will have to maintain adequate insurance, section 18. Illegal operators will be subject to larger civil penalties, section 23. A thorough review will be made, and rulemaking entered into, of whether or not the use of citizen band radios enhances public safety, section 25.

In an attempt to discourage State practices that burden interstate carriers and thus interstate commerce, the bill allows interstate carriers to eliminate State closed door policies on their interstate routes and to exit and reduce service on intrastate segments of their interstate routes on a case-by-case basis at the ICC. Relief must be in the public interest and must be consistent with not burdening interstate commerce. These reforms are achieved in section 6 and section 16.

Closed door intrastate restrictions on interstate routes are presumed to be unreasonable burdens on interstate commerce and not in the public interest. However, protestants, including the States, are given an opportunity to rebut this presumption before the ICC. Protestants in such cases have the same burden of showing that an intrastate entry application before the ICC is inconsistent with the public interest that they would have in an interstate case. Moreover, the ICC shall consider such intrastate applications in the context of the underlying interstate service being performed and shall consider the same factors in reaching its decision, as it would in an interstate application case.

Protestants also have the opportunity to rebut the presumption that intrastate operating authority limitations on interstate routes are unreasonable burdens on commerce. In the case of intrastate entry preemption, the arguments of the protestant would have to be compelling given the policies favoring increased competition and improved operational and energy efficiency, which strongly favor the lifting of intrastate closed door restrictions on interstate routes.

If a carrier has been granted authority to discontinue its interstate operations, State denials of the carrier's application to discontinue its intrastate service over the same route are presumed to be unreasonable burdens on interstate commerce and not in the public interest. However, protestants, including the States, are given an opportunity to rebut this presumption before the ICC. In reaching a decision in these cases, the ICC must consider the national transportation policy, whether a carrier is receiving financial assistance, whether the service to be discontinued is the last service to the area, and whether the request will have adverse effects on commuter operations, when a protestant raises these issues. These factors or others may create situations where the withholding of authorization to discontinue intrastate operations is found to be

consistent with the public interest or not an unreasonable burden on interstate commerce even though authority to discontinue the corresponding interstate operations has been granted.

The committee does not expect the Commission to implement exit policies which differ from the policies established under the relaxed entry requirements of new subsection 10922(c) of title 49, United States Code. It is the strong belief of the committee that simple equity requires carriers to be treated comparably under the entry and exit provisions of the act given the close relationship of these provisions.

Consistent with the policy is the policy in section 17, which permits relief from State actions dealing with intrastate rates of interstate carriers where the State action discriminates against or unduly burdens interstate commerce. Again, the ICC is the agency to which the carriers can appeal for relief.

The legislation contains a limited employee protection section which should help benefit many of those employees—and we believe they will be few in number—who are dislocated because of exit or reduction in service provisions.

Finally, the bill gives special consideration to small communities service and commuter services. They are singled out for special consideration in the provisions of the bill dealing with entry, exit, reduction in service, and removal of operating restrictions. The overall intent is to maintain and to improve these types of service.

Other provisions of the bill provide: First, for a study on all aspects of bus terminals; second, for faster or less regulatory controls over mergers and securities, section 19 and 21; third, for administrative assistance to small carriers and local governments which might become involved in proceedings involving the new procedures established for limited State preemption, section 24; and, fourth, addresses a serious problem regarding foreign reciprocity of motor carriers operating rights.

Sections 6 and 13 of the bill address the granting of U.S. operating rights to Mexican and Canadian motor common carriers, and contract carriers, respectively.

This section is intended to deal with motor common carriers domiciled in Canada or Mexico, or which are owned or controlled by persons domiciled in those two countries, which seek operating authority from the ICC. Because of differences between those countries, the language speaks of political subdivisions—that is, the Canadian provinces or the Mexican States.

Under the Motor Carrier Act of 1980, of course, we considerably eased entry standards by which motor carriers of freight could enter the industry or expand their operations. It was not intended, or indeed even considered, at that time, that foreign carriers might be applying to the ICC under this easier entry.

It is apparent, though, that foreign carriers ought not be permitted to avail themselves of entry into our country on the same basis as which our own carriers enter in those cases when our carriers are either prohibited by their govenments from entering their markets, or are treated differently from those governments' carriers.

It is not the intention of these provisions to stop the free movement of international commerce. It is, however, clearly our intention to make certain that our operators can take advantage of that commerce.

While I do believe that the ICC currently possesses the authority to turn down applications for operating authority filed by foreign carriers, this provision serves to make clear that if foreign carriers wish to be treated in the United States the same as our domestic carriers, then our carriers must be treated the same in their home country, or, where applicable, their home province or political subdivision.

We have been concerned that, in the case of one nation in which the economic regulation of the motor carrier industry is largely addressed at the provincial level, there exists nonetheless a national authority which may review provincial grants of operating authority to U.S. carriers under the aegis of examining foreign investments in that country. Clearly, this is a process in which U.S. carriers are treated differently from that nation's carriers.

The fact that a U.S. carrier may be granted authority in a foreign nation following a process which is different than the process which that nation's carriers are granted authority, does not necessarily mean that the U.S. carrier is not treated as favorably as the nation's own carriers.

The ICC should certainly consider, though, whether the different process by which a U.S. carrier is granted operating rights is an onerous one, or tends in and of itself to be prohibitive. Of course, should the different process result in unfavorable treatment vis-a-vis the nation or province's own carriers, the ICC, at its discretion, is directed to deny issuance of a certificate to that nation's or province's carriers.

Finally, in determining whether "persons from the United States are not treated as favorably as persons from such political subdivision or country," the Commission should consider constraints on the operation of U.S. motor carriers not shared by the motor carriers of such political subdivision or country, apart from the subdivision or country's granting of operating rights. Conditions or circumstances that are imposed upon U.S. carriers operating in a foreign nation or political subdivision which are not imposed on operators native to that land should also be considered.

Mr. Speaker, it has come to my attention that the California Department of Transportation is undertaking a statewide study of intercity bus transportation. They are doing this to try to identify problems that may occur due to intercity bus reform at the State and/or Federal level.

The State of California is attempting to determine which of its communities require continued bus service even if it is necessary for the State or local government to subsidize it.

Since this legislation provides for the possibility of preemption of State regulation regarding discontinuance of routes, the State of California is concerned that not enough time will be provided for them to develop alternatives and/or subsidies to continue desirable service that may be eliminated.

It is the intention of this committee that every consideration be given by the ICC to States that are trying to develop methods to continue desirable service that may otherwise be eliminated.

Our intent in drafting this legislation. Mr. Speaker, was to reduce the maze of regulations surrounding the intercity bus industry, thus restoring competition in the marketplace. H.R. 3663, before us, will allow us to meet this objective. With its enactment, we will be giving the American free enterprise system an opportunity to work. I strongly urge its passage.

□ 1330

Mr. SHUSTER. Mr. Chairman, I yield 8 minutes to the distinguished ranking minority member of the full committee, the gentleman from California (Mr. CLAUSEN).

Mr. CLAUSEN. Mr. Chairman, I rise in support of H.R. 3663, the Bus Regulatory Reform Act of 1981. H.R. 3663 represents, in my judgment, a carefully constructed approach to a very difficult regulatory reform problem. It is the product of countless hours of Member negotiation, as well as constructive participation by all people affected by the intercity bus industry. I wish to commend the chairman of the Committee on Public Works and Transportation, Mr. HOWARD, the chairman of the Subcommittee on Surface Transportation, Mr. ANDERSON, and the subcommittee ranking member, my colleague from Pennsylvania, Mr. SHUSTER, for bringing us to the point where we can proceed with the final piece of regulatory reform legislation designed to modernize our Nation's transportation industry.

I believe the compromise bill before us today is a responsible effort that meshes both the philosophy of de-

regulation with the practicalities with the Federal-State climate in which the intercity bus industry has developed during the past half century. Our legislation recognizes that even though the intercity bus industry has shared a common regulatory framework with motor carriers of property since 1935, the structure of the two industries is considerably different. The intercity bus industry is dominated by its two largest firms which account for more than 80 percent of the intercity industry revenues. No sector of the trucking industry is as concentrated. In addition, the bus industry differs from the trucking industry in terms of the competitive environment in which it operates. Although the trucking industry faces competition on many fronts, it has enlarged and continues to enlarge its share of the intercity freight market. The bus industry, however, has lost market share over the years, particularly in the last 10 years because of strong intermodal competition, especially from the automobile. Buses also compete with the airlines, while trucks have less airline competition. For this reason, buses were not included in the motor carrier regulatory reform legislation enacted in the last Congress.

At the outset, I would like to address the issue of small community service. I know that a number of Members are concerned that bus companies may eliminate a great deal of service to small communities and rural areas. I want to assure these Members that the committee bill addresses this problem and builds in a number of important safeguards for small communities.

I would like to take a few moments to address the small community issue in detail and to, hopefully, allay the fears of the Members:

First, the exit provisions (section 16) of the bill are far from automatic, and are not a sure out. A carrier can be turned down for either of two reasons. It can be turned down if the State or other protestant shows that abandoning the service is not consistent with the public interest; or continuing the transportation is not an unreasonable burden on interstate commerce.

Second, in making its decision on whether to preempt the State, the ICC must consider: whether the transportation is the last bus service to a community; and whether a reasonable alternative to such service is available.

Third, the exit provisions of the bill recognize the legitimate and useful role for State and local governments to play when a community is threatened with loss of service, a role which calls on their particular knowledge and experience with local conditions. The carrier must apply to the State first, and the State has 120 days in which to act. The carrier must notify the State and affected communities if it appeals the State's decision to the ICC. The State and local governments can argue their case before the ICC. Exit is not automatic. The ICC can require the carrier to continue the service for up to 180 days from the time the appeal is filed in order to allow State or local groups to make alternative arrangements to insure that service is not abandoned. Thus, there will be up to 300 days notice to the State and local communities of the possible abandonment of the service. This should be enough time to make alternative arrangements. And even then, the ICC may have turned the carrier down. Section 24 allows the ICC to provide administrative assistance to local governments in preemption cases.

Fourth, the limited, case-by-case preemption in H.R. 3663 falls far short of the extensive preemption that Congress approved for airlines and railroads in the Airline Deregulation Act, the Staggers Rail Act.

Fifth, the limited, case-by-case preemption in H.R. 3663 does not go as far as most witnesses that appeared before the committee wanted. Industry, obviously, wanted total preemption. They argued for a guaranteed right of exit. The ICC testified in favor of automatic exit. The Transportation Consumer Action Project (representing 15 consumer groups) testified in favor of extensive Federal preemption along the lines of the provision in the Airline Deregulation Act. The Reagan administration (DOT and Justice) recognized the need for Federal preemption. Justice stated:

> Intercity bus transportation is a line of commerce where substantial Federal preemption would be appropriate.

Sixth, the Transportation Consumer Action Project and Congress Watch support the bill.

Seventh, the committee anticipates that other provisions of the bill which encourage market and service experimentation will improve service to small communities and rural areas. The relaxed entry standards in section 6 will make it easier for new companies to get into the business and for existing companies to expand their operation. In entry cases, the ICC must give special consideration to proposals that will improve small community service. The restriction removal section of the bill (section 7) will give existing carriers greater flexibility in serving intermediate and off-route points. Carriers will be given greater flexibility in using their vehicles, for example, they will be allowed to mix regular route and charter passengers. There are streamlined entry provisions (fitness only) for carriers who want to serve communities not regularly served and communities which are losing bus service as a result of the exit provisions of the act. Greater rate flexibility will allow carriers to turn some unprofitable routes into profitable ones, thereby eliminating the need for abandonment. Section 15 of the bill will allow carriers to quickly experiment with new service and, thus, serve the public's need.

Eighth, it is important to recognize that the intercity bus industry is part of a national transportation system and to the degree it is regulated, it should be treated as such. Such a notion was inherent in the recent Supreme Court decision which struck down as a burden on interstate commerce an Iowa law which limited twin trailers in that State, even though all surrounding States permitted the larger trucks to operate. An emphasis on the national transportation system and the need for uniformity must guide Congress in this area as well. Otherwise, transportation service becomes balkanized, with States controlling intrastate routes and rates according to their own standards, for example, refusing to let interstate carriers transport intrastate passengers, and retaining a veto over a carrier's leaving a particular market.

Ninth, the exit provisions must be viewed in light of the historically declining financial position of the bus industry. Many interstate bus companies, including the two largest, operate at discouragingly low-profit levels, making the future of interstate bus service a questionable enterprise. We simply cannot afford to continue the practice of forcing bus companies to provide too much service with larger than necessary vehicles on little-traveled routes.

Tenth, if we are serious about reducing government regulation of American business, then we must stop requiring a carrier to continue operating over certain routes regardless of whether such service is in its business interest. In effect, Congress must put up or shut up.

Eleventh, the less service argument has not been proven true by the intrastate deregulation experience of Florida. On the whole, bus service in Florida has improved, including service to small communities.

Twelfth, currently, bus companies are at the mercy of unrealistically low intrastate fares. The bill provides a procedure for raising intrastate rates to a more reasonable level. This should turn many unprofitable routes to profitable ones, thereby obviating the need for a carrier to abandon the route.

Thirteenth, while restrictive State exit policies may be convenient for some passengers, other riders (normally interstate passengers) end up subsidizing the uneconomical service with higher ticket prices. It is unfair to allow this type of cross-subsidization to continue on a large scale.

Fourteenth, unfortunately, some smaller communities with few passen-

gers may initially lose their bus service, but hopefully new entrants will step in or more efficient bus service would be available only a short distance away.

Fifteenth, we don't expect the exit problems from this bill to be anywhere near as severe as they were under the Airline Deregulation Act. The cost to start up a new bus service is much less than the cost to start up a commuter airline.

Sixteenth, the bill contains a mandatory oversight provision requiring annual oversight until 1985. The committee will be looking for problems, especially with respect to small community service.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. CLAUSEN. I will be happy to yield.

Mr. KAZEN. Mr. Chairman, I appreciate what the gentleman is saying, and since this bill was just printed this morning and I did not know what is in it, I have been trying to decipher this thing.

On the fact that there is no automatic exit, my understanding is that ICC argued before the committee for an automatic exit; am I correct?

Mr. CLAUSEN. The answer to that is a qualified yes. The ICC has been in the process of attempting to implement this administratively, and as a consequence the committee decided on its own that they ought to be holding the hearings. I will yield to the gentleman from Pennsylvania, the ranking minority member on the subcommittee, to expand on the gentleman's question.

Mr. KAZEN. The only reason I asked that question is because I have got a synopsis of the bill before me, and it says,

The limited, case-by-case preemption in H.R. 3663 does not go as far as most witnesses that appeared before the Committee wanted.

A. Industry, obviously, wanted total preemption. They argued for a guaranteed right of exit.

B. The ICC testified in favor of automatic exit.

Mr. CLAUSEN. That is correct.

Mr. KAZEN. So, you know, two strikes against the States when they come up on appeal arguing against exit if the ICC has already made up its mind and has argued and has the position that they favor automatic exit. It creates a doubt in my mind as to whether or not, whether we say it in law or not, whether the ICC will kind of lean toward their position because they have made their position known.

Mr. CLAUSEN. But by the same token, the committee went into depth to make certain that the States and the local government have input to counter any presumption favoring Federal preemption to insure that local interests are in fact protected.

Mr. KAZEN. I thank the gentleman.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. CLAUSEN. I will be happy to yield.

Mr. ANDERSON. Was not the ICC recommendation rejected by our committee. And did not we in a sense, adopt something which will now be the law, and which the ICC then, will have to administer, when carrying out the law?

Mr. CLAUSEN. The gentleman is correct, and I concur in his comment.

In addressing the issue of regulatory reform of motor carriers of passengers, our intent has been to modernize the economic regulation of the intercity bus industry in order to enhance new competition. Our effort has been directed to encourage new entrants into the bus industry, while insuring that the industry does not become the exclusive domain of two giants. We have, therefore, revised the public convenience and necessity requirement of new applicants so that new applications will be granted unless the Interstate Commerce Commission finds on the basis of any evidence presented by any protestant that the transportation to be provided would be inconsistent with the public interest. This revised test should insure more competition and still protect small carriers from being competed out of existence. This new entry test will be somewhat easier for bus operators than for motor common carriers of property under the Motor Carrier Act of 1980. For one thing, the formal need test will be eliminated. Further, the revised public convenience and necessity test is much more analogous to a public interest test. This is consistent with the hearings conducted by the Committee on Public Works and Transportation which demonstrated that certain characteristics of the intercity bus industry are different from the overall motor carrier industry and need to be addressed separately from trucks and in a slightly different manner.

In order to promote a more competitive and efficient intercity bus industry, it is the intention of this bill to prohibit closed door intrastate restrictions by the States which apply to carriers operating under interstate certificates and to remove unnecessarily narrow restrictions from the operating certificates of interstate carriers. If a carrier has interstate authority and wishes to provide intrastate service along the same route, he will be able, under section 6 of this act, to seek ultimate recourse from the Interstate Commerce Commission if a State unreasonably denies his request to provide the service or if that State unreasonably delays making a decision on his request. If the route is strictly interstate, however, and merely requires the Interstate Commerce Commission removing an intermediate interstate point restriction, the restriction removal provisions under section 7 of this bill will apply. Both of these provisions are intended to maximize bus use along particular routes.

Other provisions aimed at maximizing utilization of buses are also included in this bill. For example, carriers could serve regular route and charter passengers in the same vehicle and at the same time. They would also be allowed to transport up to three groups of interstate charter passengers in the same motor vehicle and at the same time.

We are including a zone of rate freedom for carriers of passengers similar to the zone of rate freedom included in the Motor Carrier Act of 1980. Under the provisions of this bill, a carrier could increase its prices by 10 percent and reduce them by 20 percent in any given year without ICC approval. The Commission could increase the zone upward by 10 percent on an annual basis if it found that there was adequate competiton in the bus industry or that the increase was necessary to take into account the impact of inflation. Both single and joint line rate changes could be made through the zone of rate freedom. In addition, the bill formalizes the rule of ratemaking which must be considered by the ICC in proceedings to determine the reasonableness of passenger carrier rate levels. The objective of the rule would be to compel the Commission to authorize revenue levels for passenger carriers that are adequate to allow well-managed carriers to cover their costs and to earn a fair return. It is our hope that through the implementation of the rule of ratemaking, significant capital formation will occur in the intercity bus industry.

Consistent with the rate changes is the eventual withdrawal of antitrust immunity for voting upon or discussion of single line rates by January 1, 1984. Up to the 1984 date, only carriers who participate in the rates would be free to discuss them in rate bureau deliberations.

We have eased the entry requirements for charter operators and have removed the round trip requirement for charter operators who interface with other modal carriers. Likewise, under the restriction removal procedures, the limitation of one-way authority has been removed to promote round trip authority for regular route and special operators.

We have given special emphasis to the impact of intercity bus regulatory reform on small communities who depend on bus transportation as their only link of intercity passenger transportation. Many of us recall the difficulties some small communities have faced during the early years of airline deregulation. Our intention is to minimize similar disruptions from occurring with the modernization of inter-

city bus regulation. We have addressed this problem in two ways. First, we have eased entry requirements for those communities which lose bus service or transportation from other modes. Second, we are instituting exit procedures intended both to encourage new entrants into the market and to try and maintain an adequate service level for our small communities.

We are also giving special consideration to meshing our regulatory reform of the intercity bus industry with other Government programs which have been used over the past decade to encourage both public and private commuter operations. The commuter bus industry is given special status within this bill and certain rights to protest competition from new entrants which may have an adverse impact on their operations. It is presumed that the commuter operations presently being provided are in the public interest. Every reasonable effort should be made to insure that new entrants do not come in to skim off the profitable portions of commuter operations, thus causing greater subsidies by State or local government.

Finally, through this legislation we hope to clarify and simplify the Federal-State relationship with regard to regulation of the intercity bus industry. During the past 30 years, the bus industry has been transformed from one enjoying relative financial prosperity to an industry currently best described as financially weak. Thirty years ago, regular route service was the principal source of revenues for this industry. Today, more than 50 percent of the total intercity bus passenger traffic revenues come from special operations and charter service. Earnings of the intercity bus industry peaked out in 1971. At that time, the operating ratio in the industry was below 90 percent. Today, the operating ratio exceeds 95 percent. And, of course, the higher the operating ratio, the less profitable the activity. Although several factors can be viewed as contributors to the poor performance in operating ratio, a strong argument can be made that a contributing factor has been the current regulatory framework in which they operate.

However, the industry's total reliance on the marketplace would be somewhat paradoxical. Many of the proponents of total deregulation are also strict adherents to the philosophy of State's rights. Carried to its logical extreme, however, total deregulation without total preemption of State law would lead to an unregulated interstate system and a patchwork form of regulation with each of the 50 States having their own regulatory schemes for intrastate traffic. Through this legislation, we have developed what I believe is a very reasonable approach retaining the minimum form of Federal regulation necessary and a minimum level of preemption of State authority in three areas: entry; exit; and rates. The two-tiered approach used in this legislation regarding areas previously controlled by the States still gives the States the first bite of the apple. We strongly believe that this two-tiered approach will lead to more efficient regulation by both the State and the Federal Government. And that efficiency is consistent with our national transportation policy.

It is my belief that the reforms contained in this legislation will introduce the benefits of competition to the intercity bus market and help reduce the cost of intercity bus operations by simplifying the regulatory process. At the same time, the balanced approach contained in H.R. 3663 will insure that bus transportation, which in many cases is the only available, affordable means of intercity transportation for people who are either too young, too old or too poor to drive an automobile, remains in existence. For many years, we as a nation have been able to afford the luxury of running a transportation system at less than its maximum efficiency. But those days are gone. As we prepare for the entry into a new century, we have to make sure that our regulatory systems contribute, rather than hinder, our national objectives. H.R. 3663, the Bus Regulatory Reform Act of 1981, is one part of that effort, I urge my colleagues to join with me in voting for its adoption.

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think the basic questions are: What is the point of this legislation? What is the purpose? What is the intent?

The purpose and the intent is to bring about increased competition in the intercity bus industry, and thereby do at least two things; first, increase the service to the consumers of this particular transportation service, and second, to assure a healthy intercity bus industry which is capable of serving the people of this Nation.

It is no secret that the intercity bus industry has not been among the more healthy industries in America. It is no secret that their return on investment has been inadequate, and it has been very difficut in many respects for them to grow and provide the flexibility, the growth necessary to provide the services to the people across America.

So, this legislation does several things aiming in the direction of improving service and providing a healthy industry capable of providing that service. It eases the entry so that more competition can get into this particular business.

Now, we cannot have it both ways. If we say on the one hand that we want to open it up, ease the entry, let more competition come in and compete for the business available, we cannot then turn around and say, however, we are going to make it impossible for the industry to get out of providing services no matter what, even if the demand is not there, regardless of the cost, regardless of the losses. We are going to say on the one hand, "You can compete," but on the other hand, "You have got to stay forever, once you have a route."

That simply does not make sense. That is not equity, and we have got to provide at least in a guarded way for the industry to be able to come forth and present its case and show where it is not in the public interest that a service be provided. It is only in that sense that the so-called exit provision is provided in this legislation.

This is not deregulation. In fact, it is a misnomer that I think perhaps many of us are guilty of when we talk about bus deregulation. This is a far cry from deregulation. In fact, this is a far cry from the extent to which Federal preemption was provided in the airline regulatory reform bill.

□ 1345

My colleagues have already outlined the steps which must be taken by a bus company before it can exit a particular route on which it has provided service. I think the points previously made deserve to be reinforced. A carrier must go to his State and present the case for giving up a route. The carrier then can appeal to the ICC, but the law is very clear that the ICC can require the carrier to continue the service for up to 180 days from the time of the appeal, and indeed the service will be required to be continued if it is shown by a protestant that it is not consistent with the public interest to abandon service, or, that requiring continuing of the transportation would not constitute an unreasonable burden on interstate commerce.

So this is not a blank check. This is not a free ride. There are very clear and compelling requirements which must be met before a bus company can exit a particular route.

Last, Mr. Chairman, I think it is important to focus on the testimony our committee had with regard to the experience in the State of Florida. The State of Florida went far beyond what we are proposing in this legislation today. Indeed, they did enact deregulation of the intrastate bus industry, and the experience there was very positive. The experience there, according to the testimony before our committee—by State legislators, I might add—was that it did improve service, and that it did increase competition. It made it possible, where, for example, large buses were uneconomical and the large bus companies wanted to get out of service, that instead smaller companies were able to move in with smaller

buses and many more buses and provide better service.

So I think the experience in Florida is very significant, and indeed I emphasize that they went far beyond what we are trying to do in this bill today.

This is simply a modest step in the direction of letting the marketplace work; this is not complete deregulation by a far stretch.

I believe we should support this bill if indeed we believe that there should be restraint exercised on the part of Government regulation. If we really believe there should be less Government regulation, then we should support this bill. If, on the other hand, we believe that the heavy hand of the Federal Government should continue to regulate and overregulate, then we should oppose this bill.

If you are against the free market system, if you are against competition working, if you are against freedom in setting rates—at least within reasonable zones of rate-setting—then oppose this bill. But if you want to see the marketplace have a greater chance to work, then support this bill, recognizing that there are very substantial restraints and constraints, particularly in the area of a bus company being able to get out of providing service. In that situation, the case must be made first at the State level and then at the Federal level.

So, Mr. Chairman, I urge support of this legislation.

Mr. ANDERSON. Mr. Chairman, I yield 6 minutes to the gentleman from West Virginia (Mr. RAHALL) for a colloquy.

Mr. RAHALL. Mr. Chairman, when this body first considered airline deregulation, I opposed the initial effort until I thought an effective compromise was reached that took into consideration the effects of airline deregulation on the small communities across our country.

When trucking deregulation approached this body, I had much of the same concerns about its effect on small communities.

So it was, therefore, with a little bit of queasiness that I first approached bus deregulation as it came before our Committee on Public Works and Transportation.

West Virginia and many rural parts of our Nation have indeed been impacted by airline deregulation, trucking deregulation, or loss of train service through elimination of many Amtrak routes, and in many parts of this country roads are very difficult and very expensive, if not downright impossible to build.

So for much of rural America the bus company is the only game in town. For many of our 14,000 small towns across America, this is the only game left in town.

I was initially queasy about this legislation because I felt it might result in diminished, if not zero, bus service at increased rates for rural America. But much of this queasiness has been dispelled because of my further examination of the legislation.

I might also add, Mr. Chairman, that aside from being the only game in town, the bus terminal in many small cities across America is the only place in town to drink coffee and eat food and settle the queasy stomach with coffee and scrambled eggs at all hours of the night and early in the morning.

This queasiness that I felt has subsided because there are in my opinion adequate assurances in this bill that the effects on small rural communities across America will be taken into account before buses are allowed to enter or exit certain markets.

I would like to enter into a colloquy with the distinguished chairman of the Subcommittee on Surface Transportation, a member whom I do commend for the efforts and the diligent work he has put forth into this legislation, and I commend as well the distinguished minority member, the gentleman from Pennsylvania (Mr. SHUSTER).

I would like to ask the subcommittee chairman about the concerns that I have in regard to the small communities. I am concerned and many in this House—and I know it has been expressed during debate on the rule—are concerned about the effects on small communities and the impact this regulatory reform bill will have on bus service to smalltowns and communities.

I know, Mr. Chairman, that the Committee on Public Works and Transportation has had this problem at the forefront of its deliberations, and I would hope the gentleman could tell me and my colleagues from rural America what is included in this bill to address these concerns.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. RAHALL. I am glad to yield to the subcommittee chairman.

Mr. ANDERSON. Mr. Chairman, I can appreciate the gentleman from West Virginia's concern. The committee has addressed those concerns in the bill.

(1) First, the National Transportation Policy directs the ICC to promote a competitive and efficient bus industry in order to maintain and to provide service to small communities.

(2) The bill provides for freer entry into the marketplace (sec. 6) and for experimental (sec. 15) service to communities not having service.

(3) Entry policies have to take into consideration service to small communities. In other words, entry policies are to have a positive effect for small community service, not a negative one.

(4) In removing any restrictions from interstate operating authorities of the carriers, the effect on small communities must be considered.

(5) In any exit proceeding where the ICC has appellate jurisdiction over an exit request, the ICC must look at the national transportation policy, which I have already indicated contains a requirement to provide and to maintain service to small communities.

Additionally, the ICC must look at whether or not it is the last service to a community, whether it is large or small, and whether or not there is reasonable alternative service. This must be calculated into its decisions as to whether or not exit should be permitted. It was put into the bill to give the ICC specific direction from the Congress as to our concern for the service requirements of small towns and for policy guidance in its public interest determinations.

Mr. RAHALL. Under the entry provisions, there is a specific criteria for the ICC to consider the effect of the issuance of a certificate on small communities. Would it not enhance the exit public interest test by including a similar provision in this bill?

Mr. ANDERSON. Mr. Chairman, the test under exit is somewhat tighter. As I said earlier, the ICC as a policy guideline must look at the national transportation policy. This policy specifically has as a goal the providing and maintaining of service to small communities. That particular goal is set forth in section 10101(a)(7)(E). Therefore, rather than include the same type of provision as in entry, we included a more specific provision. The exit policy requires that in exit, the ICC must determine whether the exit being sought is the last bus and, in addition, whether or not there is a reasonable alternate service. This is a stricter test. I think that the question is addressed in a more direct manner in section 16 and therefore is not needed. It is a policy directive already and the ICC will have to examine that concern. In the mandatory oversight hearings mandated by the bill, the committee will scrutinize the positive or negative effects of this legislation on small communities, and if this provision is not carried out properly, we will be even more specific.

Mr. RAHALL. Mr. Chairman, I do have one last question.

Will the "public interest" criterion contained in the exit provisions of H.R. 3663 carry as much weight with the ICC as economic considerations?

Mr. ANDERSON. Mr. Chairman, the intent of this bill is to insure that the public interest test has an equal emphasis with economic considerations and the ICC interpreting otherwise would be a regulatory charade. The act does not create, and the Public Works and Transportation Committee

would not condone, such a charade. In addition, I am certain that will be one of the areas we will be monitoring closely in oversight hearings.

Mr. RAHALL. Mr. Speaker, the State of West Virginia has been hit especially hard over the last couple of years by airline deregulation and recently, the loss of the Cardinal and Shenandoah Amtrak train lines. Since deregulated air service began, West Virginia has experienced a 29-percent decline in daily seat departures, 13-percent decline in daily aircraft departures and a 21-percent decline in daily jet departures. Overall, many small communities in this predominantly rural State have lost air service. This, along with the loss of Amtrak service, has limited the availability of public mass transportation for the people of the State.

With this in mind, I viewed H.R. 3663, the "Bus Regulatory Reform Act of 1981" with a certain amount of trepidation. Of specific concern were the exit provisions of this legislation which preempted the State regulatory agency under certain circumstances. It seemed to me that if the Interstate Commerce Commission, in making an exit decision, did not put enough weight on the public interest test contained in the bill, the bus industry would drop service to many rural areas which by their nature have lower ridership than in more populated regions of the country.

However, after having entered into a colloquy with the distinguished chairman of the Committee on Public Works and Transportation today on this matter, it appears there are reasonable safeguards built into this legislation which protect small communities and rural areas. These safeguards are found in the list of criteria the ICC must consider before acting on an exit application which is the subject of protest by a State. Among these criteria are the national transportation policy of section 10101 of title 49, U.S.C. which makes numerable mentions of the desirability of service to small communities and the criterion that in the case of a petition to discontinue service to any point the Commission must consider whether it is the last service to that point and whether a reasonable alternative is available.

These provisions, which constitute part of the public interest test of this legislation, are most important to the people of West Virginia in light of their limited access to public transportation since airline deregulation and the elimination of Amtrak service. It should be remembered that the people who use intercity bus service the most are the elderly, the very young and the economically disadvantaged. While efforts to free the bus industry from burdensome regulation by placing it within the context of the free market are certainly commendable, it should not be done at the expense of those who depend on this service as their only means of transportation.

I am further assured that service will continue to the small communities of my district through meetings with representatives of Greyhound and Trailways—both of which serve the southern part of West Virginia. According to a letter sent to me by William L. McCracken, senior vice president of Greyhound Lines, Inc., and dated November 17, 1981, "While an absolute guarantee with respect to future service is not possible, we feel very comfortable in assuring you that we have no present plans to change our service nor can we foresee any reason to significantly change that service in the coming years." Among the communities Greyhound serves in my district are Bluefield, Princeton, Beckley, and Huntington with connecting service to Charleston. This service not only allows people to travel within the State, but to points in Kentucky and Virginia.

During a meeting I had with representatives of Trailways yesterday, I was given similar assurances. However, a different situation exists with Trailways. The company has already obtained permission to transfer its lines in southern West Virginia to another carrier with the intention that service continue uninterrupted. The communities now served by Trailways in my district include Huntington, Chapmanville, Logan, Gilbert, Iaeger, Welch, Man, Pineville and Bluefield. Even though service to these communities will be transferred to another carrier, Trailways informs me it will still provide service from Roanoke, Va. to Bluefield, W. Va.

Mr. Chairman, there is one other item which should be addressed at this time. There is a certain degree of discretion given to the ICC in this bill in making exit, entry and rate determinations. As in most laws, while Congress can explain its intent in passing a bill, it is the regulatory body which implements it under its own interpretation. For this reason, while it is the intent of Congress that bus service to small communities be protected under this bill, it is important to know the opinion of those at the ICC who will eventually implement the Act. Fortunately, my fears over the loss of service to these communities have been further put to rest by the remarks of ICC Chairman Reese H. Taylor, Jr., before the Annual Meeting of the American Bus Association on October 28, 1981. According to Chairman Taylor, "Another area of concern should be the continuation of scheduled, regular route service to small or rural communities. We simply must not allow an energy efficient alternative to the private car to vanish from our small or rural communities, particularly when local air and rail passenger service is disappearing to the extent that intercity bus service is the only remaining link with the outside world in many areas. Consequently, reform legislation must contemplate the delicate balancing necessary to preserve scheduled service to small or rural communities."

It would appear Chairman Taylor had southern West Virginia in mind when making that statement, and I commend him for taking such a position.

Mr. SHUSTER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. CLINGER), a member of the committee.

Mr. CLINGER. Mr. Chairman, I thank the gentleman for yielding this time to me for purposes of a colloquy.

I have been impressed by the statements that have been made here that reemphasize the protections that have been built into this bill for rural and small communities. In our close review of these, we find there are many protections, but I think, at the risk of being repetitious, it is important to stress that we have or the committee has been careful to protect those concerns.

I know that some communities have expressed concerns because perhaps unfortunately, with airline deregulation, they have found themselves with less service. I think there are real differences between this bill and the airline deregulation bill.

So I would like to address a few questions to the gentleman from Pennsylvania (Mr. SHUSTER), the ranking minority member. Last year, in the trucking regulatory reform bill, I, along with others, was successful in instituting provisions calling for a study, which, by the way, is due September 1 of next year. In that bill and in this legislation I shared the concern of the gentleman from Pennsylvania and others who represent rural areas that regulatory reform does not mean mass abandonment of transportation to and from small towns.

In this legislation it is my understanding we have safeguards which have been mentioned here and which have been inserted directly into the statute to address this concern.

Mr. Chairman, I would ask the gentleman if he would please describe some of those provisions to us.

Mr. SHUSTER. Mr. Chairman, if the gentleman will yield, I would be happy to do that, and I would say to the gentleman that this issue is so important that it does bear emphasis and repeating, in my judgment.

In the national transportation policy it is explicitly—not implicitly, but explicitly—stated that the ICC have as a goal providing and maintaining service to small communities; also that the entry, exit, and regulation removal provisions thereby direct the ICC to

consider the effect on small communities.

In regard to H.R. 3663, it provides for a very easy entry test for new service, that is, expanded service to a community that is not regularly served by a motor carrier or where such service is being dropped.

Also section 15 provides that the Commission may grant emergency temporary authority for 210 days, which is longer than the existing law, to a carrier or passengers to a town which is not presently served.

In regard to exit, the bill specifically requires that the ICC shall consider whether a community is losing its last bus service to that particular area.

Mr. Chairman, I believe these specific sections of the legislation very substantially address the concerns expressed by my friend and colleague, the gentleman from Pennsylvania (Mr. CLINGER).

□ 1400

Mr. CLINGER. I appreciate that explanation and agree with the gentleman that these safeguards should be enough.

I would point out that we will in the Public Works and Transportation Committee retain oversight of this bill in the future. I think our record on oversight with regard to truck deregulation and airline deregulation has been exemplary, and I would anticipate if problems do arise with any of these provisions as they relate to small communities, and we do see a diminution of service to the small communities, that through the oversight process, which as I say, we have been diligent at, we would be able to address those problems.

I appreciate the gentleman yielding and thank the gentleman.

Mr. SHUSTER. I thank the gentleman.

Mr. ANDERSON. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. ALBOSTA).

Mr. ALBOSTA. Mr. Chairman, I would like to take this opportunity to engage in a brief discussion with the distinguished chairman of the Subcommittee on Surface Transportation, the gentleman from California, on H.R. 3663, the Bus Regulatory Reform Act.

In view of some of the problems that were brought to the Public Works Committee's attention, is it not the intent of the House that safety enforcement be increased as embodied in sections 22 and 23 so that the ICC will be more active in making sure that unsafe buses do not operate on our Nation's highways?

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. ALBOSTA. I yield to the gentleman.

Mr. ANDERSON. Yes; that is the intent of this legislation that we are considering today.

Mr. ALBOSTA. I thank the gentleman and want to commend him for his fine leadership on this important bill.

I also would like to thank the chairman of the full Committee on Public Works and Transportation.

Mr. ANDERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. ECKART).

Mr. ECKART. Mr. Chairman, I would first like to commend the committee for bringing this legislation to the floor because I am fully aware of the problem that needs to be addressed by some type of legislation.

However, unlike a number of previous speakers who have stated that this bill is balanced in its approach, I would like to draw several reasons to the Members' attention why I believe that, in fact, this bill bears a little more close scrutiny and perhaps a no vote.

My first reason is that I am deeply concerned about the provisions of the legislation which would allow "cream-skimming" to occur over certain transit lines, particularly as it may relate to municipal transit systems. Under this bill charters could operate and remove from the municipal transit systems those most lucrative public routes financed by public taxpayer dollars which really provide the main sustenance for publicly supported mass transit systems in our urban areas. By allowing private companies to come in and to remove the most lucrative of the routes of the public transit system we may, in fact, force on local transit systems tax increases to help make up lost revenue. Coupled with severe Federal budget cuts for urban mass transit systems I am afraid that this bill, if passed, may make it more difficult for public transportation to survive.

I would also draw to the attention of Members, as my second reason, page 38 of the bill. I am deeply concerned, as I have heard many Members speak about the need of getting Government off the backs of the people. But I would draw Members' attention to the language of the bill which says:

> The Commission shall prescribe any rate, rule, or practice applicable to transportation provided entirely in one State.

I submit to the members of the committee today that this is not getting Government off the backs of the people but, in fact, shifts the focus from the locally elected representatives, from the State capital and local public service commissions, to Washington. A shift which runs counter to the philosophy of local control.

I wonder which one of us is prepared to tell the township trustee or the city solicitor that instead of having to go to the State capital to press their cause they now will have to come to Washington to plead their case.

The next reason I would draw to the Members' attention is the impact on America of airline deregulation, truck deregulation, and cutbacks in Amtrak and Conrail which only are going to further exacerbate a difficult transportation system crisis that we already face.

I would draw the Members' attention to pages 58 and 59 of the committee report which shows dramatic fare increases that will result with the passage of this legislation.

Only the biggest will survive as a result of the adoption of this bill. So far all we have talked about is the impact of this bill on bus companies, but who is concerned about the consumer or those who use public transportation. If we really care about reasonable cost public transportation for all people then I urge a no vote.

Mr. SHUSTER. Mr. Chairman, I yield 3 minutes to the gentlewoman from Nebraska (Mrs. SMITH).

Mrs. SMITH of Nebraska. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to H.R. 3663. I think this change is too serious to proceed without giving the Congress an opportunity to study. I understand that this report was only printed this morning. The subcommittee reported the bill on Monday; the full committee reported the bill on Tuesday; the Rules Committee reported the bill on Wednesday; and here it is Thursday and we have it up before us for consideration.

I have grave reservations as to whether this whole procedure is going to be good for our country. I think this Congress would better serve our Nation by taking time for the Members to have a chance to study the report and be aware of just what we are doing.

I come from rural America, 62 counties in my district, and 307 towns.

I see that the bill will permit the Interstate Commerce Commission to preempt State decisions on rates and rules. This is an unwise move in the wrong direction. The Nebraska Public Service Commission, which regulates bus transportation in my State, wrote to the Public Works and Transportation Committee when it considered this bill. The Chairman of the Commission stated that this provision allowing ICC preemption would restrict citizen imput on rate and route changes and would not be in the best interest of the public. The State regulatory commissions have the best interest of the traveling public in mind, he wrote, and the decisions of the Public Service Commission are subject to review by the Supreme Court of Nebraska. The Chairman further told the Committee that his Commission had never turned down a rate increase proposed by a busline. He knows that bus companies need to make a profit if they are to continue to serve our area. In addition, he pointed out that this

legislation would create an imbalance between State and Federal regulatory interests.

If airline deregulation is the model for this legislation, then rural Nebraska has nothing to hope for in terms of adequate and reasonably priced transportation.

Already, certain bus lines that have served my State in the past are abandoning service to small communities. In most cases, these bus companies were the sole source of public transportation.

One bus line has abandoned service from Ogallala, Nebr., though Lodgepole, Chappell, Big Springs, and Kimball, to Cheyenne, Wyo. Even though they have already stopped providing service, a public hearing will not be held on this until December of this year. This action is against the law. I make this point to show how eager these bus companies are to abandon service to small communities and to show how inadequate the so-called protection for small communities provisions in this bill will be if they ever become law.

Too many people in this Nation, especially in rural areas that are isolated from big population centers and small towns between major population centers, rely on a well-regulated bus transportation system. Most of these people, by the way, are senior citizens living on fixed incomes and others unable to pay the high cost of airline travel.

Mr. Chairman, let us not leave the people of rural America in the lurch with regard to transportation I urge defeat of this ill-conceived, hastily considered legislation.

Mr. KAZEN. Mr. Chairman, will the gentlewoman yield?

Mrs. SMITH of Nebraska. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentlewoman for yielding. I want to associate myself with the gentlewoman's remarks. This is the reason that I asked for a vote on the rule and a vote on going into the committee, to give us enough time to see what provisions this bill makes, for us to be able to study it, and to intelligently vote on it.

This is one of the reasons that I am inclined to vote against this bill, simply because I do not know what is in it and how it is going to affect my rural cities.

I agree with the gentlewoman. This bill should have been slowed down a little bit to allow us an opportunity to thoroughly study it and possibly amend it. This way we do not have that opportunity.

Mrs. SMITH of Nebraska. I thank the gentleman. I agree with the gentleman's assessment that we should have delayed this action.

We were assured that rail deregulation was all taken care of with full protection for communities that already had air service. But it has not worked out that way. We have had no end of trouble. We have had hearings. We have had hearings on subsidies. We have small airlines that have gone out of business, they have gone broke. We have had delays in getting answers. We have much poorer service than we did before.

I am now very much afraid that we will have less and less bus service. We do not have air service and we do not have Amtrak. We cannot leave rural America without service.

We have an isolated population. It is composed largely of older people. They depend on a well-regulated bus service.

I think there is real danger to rural America with this procedure, in spite of the efforts that have been made by the committee to take care of what they see as problems. I think we should give it very close scrutiny and, since it is going to be voted on today, I urge a "no" vote.

● Mr. FARY. Mr. Chairman, I request permission to revise and extend my remarks.

Mr. Chairman, I rise in support of H.R. 3663, the Bus Regulatory Reform Act of 1981. This worthwhile legislation has been brought to the floor after many hearings and much work by the distinguished chairman of the Surface Transportation Subcommittee, Congressman GLENN ANDERSON, and the chairman of the full Public Works and Transportation Committee, Congressman JIM HOWARD.

The deregulation of the intercity bus passenger system is the final step in the deregulation of our transportation system in this country. Since coming to Congress in 1975, I have had the privilege of serving on the Public Works Committee. Our committee has passed bills that deregulated the airline and trucking industries. These laws have helped these industries by lessening burdensome Government regulations and allowed them to operate in a competitive and healthy environment. Less regulation has spawned new and improved services for the consumer in both industries.

In addition, H.R. 3663, addresses a pressing problem that is facing the trucking industry. At the present time American trucking companies are being discriminated against in their operations in Canada. They are not granted the same operating authority rights that Canadian trucking firms enjoy. A new subsection in H.R. 3663 will grant the Interstate Commerce Commission the discretion to deny an application of a Mexican or Canadian company if the Commission determines that Mexico or Canada does not treat American companies at least as favorably as it treats its own companies. This provision is needed and fair, since Canadian firms have the privilege of operating unhindered in the United States.●

● Mr. ALBOSTA. Mr. Chairman, as a Member from the State of Michigan, I have become increasingly concerned about the problem that American truckers are facing in gaining operating rights in Canada as well as in Mexico. These two countries are applying much more stringent tests than the United States applies in granting operating authority to foreign owned or controlled trucking companies.

Therefore I am pleased that H.R. 3663 contains language that is intended to deal with motor common carriers domiciled in Canada or Mexico, or which are owned or controlled by persons domiciled in these two countries, which seek operating authority from the ICC. The language in H.R. 3663 makes it very clear that the Congress believes reciprocity is a vital factor to be considered when the ICC makes a decision on granting operating authority to a Mexican or Canadian owned or controlled trucking company.

While the Commission has the authority under existing statute to consider the issue of reciprocity in granting operating authority, I strongly believe that the language in H.R. 3663 will encourage the Commission to seriously consider the issue of reciprocity when granting authority to foreign trucking companies. Everyone should have to play by the same rules.

As a member of both the Subcommittee on Surface Transportation and the full Public Works and Transportation Committee I intend to closely follow this legislation and the ICC's actions in the area of considering reciprocity. This is a matter of equity that needs to be resolved.●

● Mr. ROBERTS of South Dakota. Mr. Speaker, I have severe reservations about the deregulation of the intercity bus industry. I agree that the industry has been overregulated and I support easing this problem. Complete deregulation though is detrimental to the well-being of rural America.

H.R. 3663 permits the Interstate Commerce Commission to preempt State decisions on rates, rules, and routes. This is an unwise move that reduces local control of a local matter. The State regulatory commissions have the best interests of the traveling public in mind and can better determine the local needs, especially in rural areas.

If airline deregulation is the model for this legislation, then rural South Dakota has nothing to hope for in terms of adequate and reasonably priced transportation. In many cases bus companies are the sole source of public transportation.

Too many people in this Nation, especially in rural areas that are isolated from big population centers and small towns between major urban centers,

rely on a well-regulated bus transportation system. Most of these people, by the way, are senior citizens living on fixed incomes and others unable to pay the high cost of airline travel.

Mr. Speaker, we should not leave the people of rural America in the lurch with regard to transportation, and I feel that this bill, H.R. 3663, is a hastily considered proposition. South Dakota has areas of isolated population, composed largely of older people. Those South Dakotans depend on a well-regulated intrastate bus service, and H.R. 3663 threatens this service.

I think there is a real danger to rural America with this bill, in spite of the efforts that have been made by the committee to take care of what they see as problems. These problems need further scrutiny, and with this in mind, I oppose H.R. 3663.●

● Mr. FRENZEL. Mr. Chairman, I have no objection to the general intent of this bill. I believe in deregulation and I believe that bus companies should be allowed to be liberated from unprofitable routes.

However, I am concerned about section 27, the labor protection section, which seems to me to be more sweeping in coverage and longer in duration than is necessary. I am troubled by a bill which deregulates in one direction and reregulates in another.

Therefore, even though I like the general idea of this bill, I shall vote against it because of section 27.●

Mr. SHUSTER. Mr. Chairman, I yield myself as much time as I might consume.

Mr. Chairman, I simply would make the point that this legislation is compromise legislation which has the support of the various groups which are interested legitimately in the bus industry and bus service to the American people. I would emphasize that this legislation not only is supported by the intercity bus industry, large and small, but it is supported by labor, and most significantly it is supported by consumer groups. In fact, the Transportation Consumer Action Project, which represents 15 different consumer groups, have all come out in support of this legislation.

More interestingly, those consumer groups say that they believe that this bill will improve service to small communities.

Beyond the opinion, the judgment of those consumer groups that this legislation will improve service to small communities, we have the empirical experience. We have the evidence from the State of Florida where as a result of regulatory reform, in fact deregulation that goes far beyond the modest efforts in this bill, in Florida they actually did have increased service, flexibility, minibuses, to large and small communities alike. It worked well and it provided better intercity bus service.

So for all of those reasons, although I would be quick to add no particular group gets everything it wants in this legislation, these various groups have come forward to support this legislation because, on balance, it is a good compromise which does provide for increased competition and flexibility in this important industry while at the same time providing substantial safeguards, particularly for the small communities involved.

I have no further requests for time, Mr. Chairman, and I yield back the balance of my time.

Mr. ANDERSON. Mr. Chairman, I yield myself such time as I may consume.

I would just like to comment on a couple of remarks made a moment ago. I want to point out that our committee was very concerned about the same points that were raised, and indeed, have properly addressed them in the bill which is before us.

The committee was very careful and we said that the ICC must specifically look at the impact on commuter operations in considering entry applications and we also directed, the Commission to deny entry if it results in cream-skimming or cherry-picking that will result in a substantial reduction of any carrier's operation, whether public or private, contrary to the public interest.

We tried to be very specific. We said in here:

For purposes of paragraphs (1) and (2) of this subsection, transportation to be authorized by issuance of a certificate under this subsection shall not be consistent with the public interest if the Commission finds, on the basis of evidence presented by persons objecting to such issuance, that such issuance would impair, contrary to the public interest, the ability of any other motor common carrier of passengers to provide a substantial portion of the regular-route passenger service which such carrier provides.

We have tried to be specific throughout the bill in protecting commuter operations because we are just as concerned as anybody about this, and I might say that it was a particular concern of mine during the drafting process.

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from Ohio.

Mr. ECKART. I appreciate the gentleman yielding.

The point I wish to make and would like to make as an inquiry to the gentleman is simply this: Under the current provisions of the law, a municipality that feels they may have been adversely affected by a determination can do so at their State level. Now that requirement is for them to come to Washington, to the Interstate Commerce Commission, to have a hearing here, far away from the affected area, far away from the municipality that is directly affected and, in fact, may complicate the rulemaking process.

Mr. ANDERSON. The gentleman is incorrect. The State acts first. A carrier goes before its State commission, and that commission has the authority. If an interstate route matter is in question, a carrier may appeal a State decision, on a case-by-case basis to the ICC. But if a State decision pertains only to intrastate transportation, the State has the final authority. The ICC may only be involved in those matters that are interstate in nature, including intrastate segments of interstate routes.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the Clerk will now read the substitute committee amendment recommended by the Committee on Public Works and Transportation, now printed in the reported bill as an original bill for purposes of amendment.

The Clerk read as follows:

H.R. 3663

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That this Act may be cited as the "Bus Regulatory Reform Act of 1981".

PURPOSE OF THE ACT

SEC. 2. This Act is part of the continuing effort by Congress to reduce unnecessary and burdensome Government regulation.

CONGRESSIONAL FINDINGS

SEC. 3. The Congress hereby finds that a safe, sound, competitive, and fuel-efficient motor bus system contributes to the maintenance of a strong national economy and a strong national defense and is vital to the transportation needs of the elderly, handicapped, and the poor; that the statutes governing Federal regulation of the motor bus industry are outdated and must be revised to reflect the future transportation needs and realities; that historically the existing Federal and State regulatory structure has tended in certain circumstances to inhibit market entry, carrier growth, maximum utilization of equipment and energy resources, and opportunities for minorities and others to enter the motor bus industry; that State regulation of the motor bus industry has tended, in certain circumstances, to unreasonably burden interstate commerce; that overly protective regulation has resulted in operating inefficiencies in the motor bus industry; that in order to reduce the uncertainty felt by the Nation's motor bus industry and those persons and communities that rely on its services, the Interstate Commerce Commission should be given explicit direction for regulation of the motor bus industry and well-defined limits within which it may act pursuant to congressional policy; that the Interstate Commerce Commission should not attempt to go beyond the powers vested in it by subtitle IV of title 49 of the United States Code, and other legislation enacted by Congress; and that legislative and resulting changes should be implemented with the least amount of disruption to the transportation system consistent with the scope of the reforms enacted.

CONGRESSIONAL OVERSIGHT

SEC. 4. The appropriate authorizing committees of Congress shall conduct periodic oversight hearings on the effects of this legislation, not less than annually until July 1, 1985, to ensure that this Act is being implemented according to congressional intent and purpose.

NATIONAL TRANSPORTATION POLICY

SEC. 5. Subsection (a) of section 10101 of title 49, United States Code, is amended by striking out "and in regulating those modes" and all that follows through the period at the end of such subsection and inserting in lieu thereof the following: "and—

"(1) in regulating those modes—

"(A) to recognize and preserve the inherent advantage of each mode of transportation;

"(B) to promote safe, adequate, economical, and efficient transportation;

"(C) to encourage sound economic conditions in transportation, including sound economic conditions among carriers;

"(D) to encourage the establishment and maintenance of reasonable rates for transportation without unreasonable discrimination or unfair or destructive competitive practices;

"(E) to cooperate with each State and the officials of each State on transportation matters; and

"(F) to encourage fair wages and working conditions in the transportation industry;

"(2) in regulating transportation by motor carrier, to promote competitive and efficient transportation services in order to (A) meet the needs of shippers, receivers, passengers, and consumers; (B) allow a variety of quality and price options to meet changing market demands and the diverse requirements of the shipping and traveling public; (C) allow the most productive use of equipment and energy resources; (D) enable efficient and well-managed carriers to earn adequate profits, attract capital, and maintain fair wages and working conditions; (E) provide and maintain service to small communities and small shippers; (F) improve and maintain a sound, safe, and competitive privately owned motor carrier system; (G) promote greater participation by minorities in the motor carrier system; and (H) promote intermodal transportation; and

"(3) in regulating transportation by motor carrier of passengers (A) to cooperate with the States on transportation matters for the purpose of encouraging the States to exercise intrastate regulatory jurisdiction in accordance with the objectives of this subtitle; (B) to provide Federal procedures which ensure that intrastate regulation is exercised in accordance with this subtitle; and (C) to ensure that Federal reform initiatives enacted by the Bus Regulatory Reform Act of 1981 are not nullified by State regulatory actions.".

MOTOR CARRIER OF PASSENGERS ENTRY POLICY

SEC. 6. (a) Subsection (a) of section 10922 of title 49, United States Code, is amended (1) by striking out "II or", and (2) by striking out "motor common carrier of passengers or water common carrier, respectively," and inserting in lieu thereof "water common carrier".

(b)(1) Section 10922 of title 49, United States Code, is amended by redesignating subsections (c), (d), (e), (f), (g), (h), (i), and (j) (and any references thereto) as subsections (d), (e), (f), (g), (h), (i), (j), and (k), respectively, and by inserting after subsection (b) the following new subsection:

"(c)(1) Except as provided in this section, the Commission shall issue a certificate to a person authorizing that person to provide transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the person is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission, unless the Commission finds, on the basis of evidence presented by any person objecting to the issuance of the certificate, that the transportation to be authorized by issuance of the certificate is not consistent with the public interest.

"(2)(A) Except as provided in this section, the Commission shall issue a certificate to a person authorizing that person to provide regular-route transportation entirely in one State as a motor common carrier of passengers if the Commission finds that—

"(i) the person is fit, willing, and able to provide the intrastate transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission;

"(ii) such intrastate transportation is to be provided on a route over which the carrier has authority under this section to provide interstate transportation of passengers; and

"(iii) the person has requested the department, agency, or instrumentality of such State having jurisdiction over the granting of such authority for permission to provide such intrastate transportation and the request has been denied (in whole or in part) or such department, agency, or instrumentality has not acted finally (in whole or in part) on the request by the 150th day after the person made the request, in the case of a request made in the 2-year period beginning on the effective date of the Bus Regulatory Reform Act of 1981, or by the 120th day after the person made the request, in the case of a request made after the end of such 2-year period;

unless the Commission finds, on the basis of evidence presented by any person (including any department, agency, or instrumentality of a State or local government) objecting to the issuance of the certificate, that the intrastate transportation to be authorized by issuance of the certificate is not consistent with the public interest or that such denial or failure to act is not an unreasonable burden on interstate commerce.

"(B) Subject to subparagraph (D) of this paragraph, any intrastate transportation authorized by issuance of a certificate under this paragraph shall be deemed to be transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this subtitle. Upon issuance of such certificate, the carrier shall establish initial rates, rules, and practices applicable to such transportation to the same extent and in the same manner as a motor common carrier of passengers providing transportation subject to the jurisdiction of the Commission under such subchapter establishes rates, rules, and practices applicable to such interstate transportation. Any such initial rate, rule, or practice shall be subject to the provisions of chapter 107 of this subtitle as if such rate, rule, or practice were related to interstate transportation.

"(C) Not later than 30 days after the date on which a motor common carrier of passengers first begins providing transportation entirely in one State pursuant to a certificate issued under this paragraph, the carrier shall take all action necessary to establish under the laws of such State rates, rules, and practices applicable to such transportation.

"(D) Transportation entirely in one State authorized by issuance of a certificate under this paragraph shall remain subject to the jurisdiction of the Commission, and initial rates, rules, and practices applicable to such transportation established under subparagraph (B) of this paragraph shall remain in effect, until permanent rates, rules, and practices applicable to such transportation are established under the laws of such State.

"(E) The Commission shall take final action upon an application filed under this subsection for authority to provide regular-route transportation entirely in one State not later than 90 days after the date the application is filed with the Commission.

"(F) This paragraph shall not apply to any regular-route transportation of passengers provided entirely in one State which is in the nature of a special operation.

"(G) Notwithstanding subparagraph (D) of this paragraph, intrastate transportation authorized under this paragraph may be suspended or revoked by the Commission under section 10925 of this title.

"(3) For purposes of paragraphs (1) and (2) of this subsection, transportation to be authorized by issuance of a certificate under this subsection shall not be consistent with the public interest if the Commission finds, on the basis of evidence presented by persons objecting to such issuance, that such issuance would impair, contrary to the public interest, the ability of any other motor common carrier of passengers to provide a substantial portion of the regular-route passenger service which such carrier provides. Diversion of revenue or traffic from a motor common carrier of passengers in and of itself shall not be sufficient to support a finding that issuance of the certificate would impair, contrary to the public interest, the ability of the carrier to provide a substantial portion of the regular-route passenger service which the carrier provides.

"(4) In making any findings relating to public interest under paragraphs (1) and (2) of this subsection, the Commission shall consider, to the extent applicable, at least the following:

"(A) the transportation policy of section 10101(a) of this title;

"(B) the effect of issuance of the certificate on motor carrier of passenger service to small communities;

"(C) in the case of a certificate for authority to provide special or charter transportation, whether any party to the proceeding with respect to issuance of the certificate is receiving transportation-related financial assistance from any governmental department, agency, or instrumentality;

"(D) the cumulative effect on any other motor common carrier of passengers if the Commission were to approve (i) the application for the certificate, and (ii) any other pending applications for authority to provide transportation as motor common carriers of passengers; and

"(E) any significant adverse effect of issuance of the certificate on commuter bus operations.

"(5) The provisions of paragraph (1) of this subsection relating to the Commission finding that transportation to be authorized by issuance of a certificate is not consistent with the public interest shall not apply to any application under this subsection for authority to provide—

"(A) interstate transportation service to any community not regularly served by a

motor common carrier of passengers under this section;

"(B) interstate transportation service which will be a direct substitute for discontinued rail or commercial-air passenger service to a community if such discontinuance results in such community not having any rail and commercial-air passenger service and if such application is filed within 120 days after such discontinuance becomes effective; and

"(C) interstate transportation service to any community with respect to which the only motor common carrier of passengers providing interstate transportation service to such community applies for authority to discontinue providing such interstate service under section 10925(b) of this subchapter or applies for permission to reduce its level of intrastate service to such community under section 10935 of this subchapter.

"(6) The Commission may not make any finding under paragraphs (1) and (2) of this subsection which is based upon general findings developed in rulemaking proceedings.

"(7) The requirement that persons issued certificates under this subsection be fit, willing, and able includes, among other things, financial fitness, operational fitness, and safety fitness.

"(8) No motor common carrier of passengers may protest an application to provide transportation filed under this subsection unless—

"(A)(i) it possesses authority to handle, in whole or in part, the traffic for which authority is applied;

"(ii) it is willing and able to provide service that meets the reasonable needs of the traveling public; and

"(iii) it has performed service within the scope of the application during the previous 12-month period or has, actively in good faith, solicited service within the scope of the application during such period;

"(B) it has pending before the Commission an application filed prior in time to the application being considered for substantially the same traffic; or

"(C) the Commission grants leave to intervene upon a showing of other interests that are not contrary to the transportation policy set forth in section 10101(a) of this title.

"(9) No motor contract carrier of passengers may protest an application to provide transportation filed under this subsection.

"(10) For purposes of this section, authority under this subsection to provide special or charter transportation of passengers by motor vehicle includes authority to provide such transportation as round-trip service and as one-way service if such one-way service is provided as part of a round-trip movement involving the same passengers and air, rail, or water transportation or any combination of air, rail, or water transportation.".

(2) The Interstate Commerce Commission may preempt the laws of a State and issue a certificate in accordance with the requirements of subsection (c)(2) of section 10922 of title 49, United States Code, as amended by paragraph (1) of this subsection, authorizing a person to provide regular-route transportation entirely in such State (A) if a request was made by such person to the department, agency, or instrumentality of such State having jurisdiction over the granting of such authority for permission to provide such transportation before the effective date of this Act, and (B)(i) if such department, agency, or instrumentality denied (in whole or in part) such request on or after January 1, 1981, or (ii) if such department, agency, or instrumentality does not act finally (in whole or in part) on such request by the one hundred and twentieth day after such effective date.

(c) Paragraph (4) of subsection (e) of section 10922 of title 49, United States Code, as redesignated by subsection (b)(1) of this section, is amended to read as follows:

"(4) Upon request of a motor common carrier of passengers, a certificate of such carrier to transport passengers—

"(A) shall include authority to transport newspapers, baggage of passengers, or mail in the same motor vehicle with the passengers;

"(B) shall include authority to transport express packages unless the Commission finds, on the basis of evidence presented by any person objecting, that the granting of such authority is not consistent with the public interest; and

"(C) may include authority to transport baggage of passengers in a separate motor vehicle.".

(d) Section 10922 of title 49, United States Code, is amended by adding at the end thereof the following new subsection:

"(l)(1) If, in the case of an application by a person from a political subdivision of a foreign country for issuance under this section of a certificate to provide transportation as a motor common carrier, the Commission finds that, under the policies of such political subdivision or of such country, persons from the United States are not treated as favorably as persons from such political subdivision or country, the Commission, in its discretion, may elect not to issue the certificate.

"(2) No certificate to provide transportation as a motor common carrier shall be issued under this section to any person from a political subdivision of a foreign country unless such political subdivision or such country grants authority to persons from the United States to provide transportation of passengers by motor vehicle for compensation in such political subdivision or country.

"(3) This subsection shall only apply to foreign persons who are from countries contiguous to the United States.".

(e)(1) Section 10102 of title 49, United States Code, is amended by redesignating paragraphs (5) through (29), and any references thereto, as paragraphs (6) through (30), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) 'commuter bus operations' means short-haul scheduled passenger service provided by motor vehicle in metropolitan and suburban areas, whether within or across the geographical boundaries of a State, and utilized primarily by passengers using reduced fare, multiple-ride, or commutation tickets during morning and evening peak period operations.".

(2) Section 11711(f) of such title is amended by striking out "10102(10)(A)" and inserting in lieu thereof "10102(11)(A)".

(3) Section 250(a)(1) of the Internal Revenue Code of 1954 is amended by striking out "10102(18)" and inserting in lieu thereof "10102(19)".

(4)(A) Section 5201(5) of title 39, United States Code, is amended by striking out "10102(12)" and inserting in lieu thereof "10102(13)".

(B) Section 5201(6) of title 39, United States Code, is amended by striking out "10102(7)" and inserting in lieu thereof "10102(8) of title 49".

(f) Section 10322(a) of title 49, United States Code, is amended by striking out "10922(h)(2)" and inserting in lieu thereof "10922(i)(3)" and by adding at the end thereof the following new sentence: "In addition, the deadlines set forth in this section do not apply to any application filed under section 10922(c) of this subtitle for authority to provide regular-route transportation entirely in one State as a motor common carrier of passengers.".

(g) Section 10521(b) of title 49, United States Code, is amended—

(1) in clause (1) by inserting "except as provided in sections 10922(c)(2), 10935, and 11501(e) of this title," before "affect";

(2) in clause (2) by inserting "except as provided in sections 10922(c)(2) and 11501(e)," before "authorize"; and

(3) in clause (3) by inserting "except as provided in section 10922(c)(2) of this title," before "allow".

RESTRICTION REMOVAL

SEC. 7. Section 10922(i) of title 49, United States Code, as redesignated by section 6(b)(1) of this Act, is amended—

(1) by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) Not later than 180 days after the effective date of this paragraph, the Commission shall implement, by regulation, procedures to process expeditiously any application of a motor carrier of passengers who holds a certificate issued under this section (other than subsections (c)(5)(A) and (c)(5)(B)) to provide interstate transportation and who seeks to remove any operating restriction imposed by the Commission on the certificate in order to—

"(A) authorize transportation or service to intermediate points on any route covered by the certificate;

"(B) reasonably broaden regular-route service covered by the certificate to off-route points;

"(C) provide under the certificate round-trip authority where only one-way authority exists; or

"(D) authorize special and charter transportation from all points in a political subdivision of a State in any case in which special and charter transportation authority is limited by the certificate to one or more points of origin in such political subdivision.";

(2) by striking out "paragraph (1)(B)" each place it appears in paragraph (3), as redesignated by clause (1) of this subsection, and inserting in lieu thereof "paragraphs (1)(B) and (2)"; and

(3) by adding at the end of paragraph (3), as so redesignated, the following new sentence: "In granting or denying applications under paragraph (2) of this subsection, the Commission shall consider any significant adverse effect of the proposed restriction removal on commuter bus operations.".

MIXING OF REGULAR AND CHARTER PASSENGERS

SEC. 8. Subsection (j) of section 10922 of title 49, United States Code, as redesignated by section 6(b)(1) of this Act, is amended by redesignating clauses (1) and (2) as clauses (A) and (B), respectively, by inserting "(1)" before "A person holding", and by adding at the end of such subsection the following new paragraphs:

"(2)(A) Subject to the provisions of this paragraph, a motor common carrier of passengers who has authority under this section to provide special or charter transportation of passengers and to provide regular-route transportation of passengers may transport the special or charter passengers in the same motor vehicle with regular-route passengers.

"(B) Subparagraph (A) of this paragraph shall only apply to transportation of passengers entirely in a State if the motor common carrier of passengers has authority under the laws of such State to provide within such State special or charter transportation of passengers and regular-route transportation of passengers and if the laws of such State and the certificate, permit, or other authority under which such carrier provides intrastate transportation in such State authorizes such carrier to transport special or charter passengers in the same motor vehicle with regular-route passengers.

"(C) Special or charter transportation of passengers may only be provided under subparagraph (A) of this paragraph in the same motor vehicle as regular-route transportation of passengers if the mixing of such passengers does not interfere with the obligation of the carrier to comply with section 11101 of this subtitle.

"(3) Subject to such regulations as the Commission may issue, a person who has authority under this section to provide charter transportation of passengers may transport not to exceed three groups of charter passengers in the same motor vehicle at the same time.".

RULE OF RATEMAKING

SEC. 9. (a) Section 10701(e) of title 49, United States Code, is amended by striking out "of property" each place it appears.

(b) Section 10704(b)(2)(B) of title 49, United States Code, is amended by striking out "of property".

RATE BUREAUS

SEC. 10. (a) Paragraphs (1) and (2) of section 10706(b) of title 49, United States Code, are amended by striking out "of property" each place it appears.

(b)(1) Section 10706(b)(3)(B)(i) of title 49, United States Code, is amended by striking out "and (D)" and inserting in lieu thereof ", (D), (E), and (F)".

(2) Section 10706(b)(3)(B)(iii) of such title is amended by striking out "of property".

(3) Section 10706(b)(3)(D) of such title is amended by inserting after the first sentence the following new sentence: "This subparagraph shall not apply to any single-line rate proposed by a motor common carrier of passengers.".

(4) Section 10706(b)(3) of such title is amended by redesignating subparagraphs (E) and (F), and any references thereto, as subparagraphs (G) and (H), respectively, and by inserting after subparagraph (D) the following new subparagraphs:

"(E) On and after January 1, 1984, no agreement approved under this subsection may provide for discussion of or voting upon any single-line rate proposed by a motor common carrier of passengers. On and after January 1, 1984, no agreement approved under this subsection may permit a motor common carrier of passengers to discuss or to vote on any joint rate related to any interline movement unless the carrier can practicably participate in such movement. This subparagraph shall not apply to any rate applicable to special or charter transportation. This subparagraph and subparagraph (B)(i)(II) of this paragraph shall not apply to the following:

"(i) any general rate increase or decrease as defined by the Commission and subject to such notice requirements as the Commission may specify by regulation if discussion of such increase or decrease is limited to industry average carrier costs and, after January 1, 1984, does not include discussion of individual markets or particular single-line rates or joint rates;

"(ii) changes in tariff structures if discussion of such changes is limited to industry average carrier costs and, after January 1, 1984, does not include discussion of individual markets or particular single-line rates or joint rates;

"(iii) publishing of tariffs, filing of independent actions for individual member carriers, providing of support services for members, and changes in rules or regulations which are of at least substantially general application throughout the area in which such changes will apply;

"(iv) discussion of and voting on rates for unlimited passenger travel.

"(F) After the effective date of the Bus Regulatory Reform Act of 1981, no agreement approved under this subsection may provide for discussion of or voting upon any rate applicable to special or charter transportation proposed by a motor common carrier of passengers. This subparagraph shall not apply to publication of such rate.".

(c) Subsection (b) of section 10706 of title 49, United States Code, is amended by adding at the end thereof the following new paragraph:

"(5) Notwithstanding any provision of this subtitle (other than paragraph (3)(F) of this subsection, relating to special and charter transportation of passengers), before January 1, 1984, the Commission may not take any action which would, on the basis of the type of carrier service involved (including service by carriers singly or in combination with other carriers), result in the exclusion of one or more motor common carriers of passengers from discussion or voting under agreements authorized by this subsection on matters concerning rates, allowances, or divisions, except that before January 1, 1984, the Commission may issue regulations which take effect on or after January 1, 1984, to carry out the provisions of paragraph (3)(E) of this subsection.".

(d) The first sentence of section 10706(c) of title 49, United States Code, is amended by striking out "of property".

(e)(1) Paragraph (2) of section 14(b) of the Motor Carrier Act of 1980 (94 Stat. 806) is amended to read as follows:

"(2) The Study Commission shall make (A) a full and complete investigation and study of the collective ratemaking process for all rates of motor common carriers of property and upon the need or lack of need for continued antitrust immunity therefor, and (B) a full and complete investigation and study of the collective ratemaking process for all rates of motor common carriers of passengers and upon the need or lack of need for continued antitrust immunity therefor. Each such study shall estimate the impact of the elimination of such immunity upon rate levels and rate structures and describe the impact of the elimination of such immunity upon the Interstate Commerce Commission and its staff. Each such study shall give special consideration to the effect of the elimination of such immunity upon rural areas and small communities.".

(2) Paragraph (3) of such section 14(b) is amended—

(A) by striking out "ten members" and inserting in lieu thereof "thirteen members";

(B) by striking out "and" at the end of clause (B); and

(C) by striking out the period at the end of such paragraph and inserting in lieu thereof a semicolon and the following:

"(D) three members of the public appointed by the President, one who is a motor common carrier of passengers receiving $3,000,000 or more per year in revenues from motor common carrier of passengers operations, one who is a motor common carrier of passengers receiving less than $3,000,000 per year from motor common carrier of passengers operations, and one who is not affiliated with the motor common carrier industry.

No member of the Study Commission who is appointed under clause (C) of this paragraph shall vote on any matter before the Commission related to motor common carriers of passengers, and no member of the Study Commission who is appointed under clause (D) of this paragraph shall vote on any matter before the Study Commission related to motor common carriers of property.".

(3) Paragraph (4) of such section 14(b) is amended by striking out the first two sentences and inserting in lieu thereof the following:

"(4) The Study Commission shall submit to the President and the Congress its final report on the collective ratemaking process applicable to motor common carriers of property not later than January 1, 1983, and its final report on the collective ratemaking process applicable to motor common carriers of passengers not later than January 1, 1984. Such reports shall include, but not be limited to, the findings and recommendations of the Study Commission. The Study Commission shall cease to exist 6 months after submission of the last of such reports.".

(f) Any organization established pursuant to an agreement entered into by motor common carriers of passengers and approved by the Commission prior to the effective date of this Act under section 10706(b) of title 49, United States Code, may continue to function pursuant to such agreement until a new or amended agreement is finally disposed of by the Commission under section 10706 of title 49, United States Code, as amended by this section, so long as (1) such new or amended agreement is submitted to the Commission for approval within one hundred and twenty days of such effective date, and (2) such organization complies with this section (including amendments made by this section and regulations issued under such amendments) during the period such new or amended agreement is being prepared, submitted to, and considered by the Commission.

ZONE OF RATE FREEDOM

SEC. 11. (a) Subsection (d) of section 10708 of title 49, United States Code, is amended by redesignating paragraph (4) of such subsection, and any references thereto, as paragraph (6) and inserting after paragraph (3) the following new paragraphs:

"(4) Notwithstanding any other provision of this title, the Commission may not investigate, suspend, revise, or revoke any single-line rate proposed by a motor common carrier of passengers, or joint rate proposed by one or more such carriers, applicable to any transportation (other than special or charter transportation) on the grounds that such rate is unreasonable on the basis that it is too high or too low if—

"(A) the carrier or carriers notify the Commission that they wish to have the rate considered pursuant to this subsection; and

"(B) the aggregate of increases and decreases in any such rate is not more than 10 percent above the rate in effect one year prior to the effective date of the proposed rate, nor more than 20 percent below the lesser of the rate in effect on the effective date of the Bus Regulatory Reform Act of 1981 (or, in the case of any rate which the

carrier or carriers first establish after such date for a service not provided by the carrier or carriers on such date, such rate on the date such rate first becomes effective), or the rate in effect one year prior to the effective date of the proposed rate.

"(5) The Commission, by rule, may increase the percentage which first appears in paragraph (4)(B) of this subsection (relating to the upper limit of the zone of ratemaking freedom) if it finds that—

"(A) there is sufficient actual and potential competition to regulate rates and there are benefits to the traveling public from further rate flexibility; or

"(B) such increase is necessary to allow motor common carriers of passengers to meet the costs of inflation;

except that the Commission may not increase such percentage by more than 10 percentage points during any 1-year period.".

(b) Paragraph (6) of section 10708(d) of title 49, United States Code, as redesignated by subsection (a) of this section, is amended by inserting after the first sentence the following new sentence: "Evidence that any motor common carrier of passengers established pursuant to this subsection a joint or single-line rate applicable to transportation over any route which is the same as or similar to a joint rate applicable to transportation over such route which such carrier together with one or more other motor common carriers of passengers established pursuant to this subsection shall not be in and of itself sufficient to establish a violation of any such antitrust law.".

RATES FOR SPECIAL AND CHARTER TRANSPORTATION

SEC. 12. (a) Section 10708 of title 49, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of this title, the Commission may not investigate, suspend, revise, or revoke any rate proposed by a motor common carrier of passengers applicable to special or charter transportation on the grounds that such rate is unreasonable. Nothing in this subsection shall limit the Commission's authority to suspend and investigate proposed rates on the basis that such rates may violate the provisions of section 10741 of this title or constitute predatory practices in contravention of the transportation policy set forth in section 10101(a) of this title.".

(b) Section 10762(c)(3) of title 49, United States Code, is amended—

(1) in the second sentence by inserting "and motor common carrier of passengers with respect to special or charter transportation" after "a rail carrier"; and

(2) by adding at the end thereof the following new sentence: "In the case of a motor common carrier of passengers, a proposed rate change resulting in an increased rate or a new rate applicable to special or charter transportation shall not become effective for 30 days after the notice is published and a proposed rate change resulting in a reduced rate applicable to special or charter transportation shall not become effective for ten days after the notice is published.".

MOTOR CONTRACT CARRIERS

SEC. 13. (a) Section 10923 of title 49, United States Code, is amended—

(1) in subsection (b) by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) The provisions of paragraph (2) of subsection (a) of this section shall not apply to applications under this section for authority to provide transportation as a motor contract carrier of passengers. The requirement that persons issued permits under this section as motor contract carriers of passengers be fit, willing, and able includes, among other things, financial fitness, operational fitness, and safety fitness."; and

(2) by adding at the end thereof the following new subsection:

"(f)(1) If, in the case of an application by a person from a political subdivision of a foreign country for issuance under this section of a permit to provide transportation as a motor contract carrier, the Commission finds that, under the policies of such political subdivision or of such country, persons from the United States are not treated as favorably as persons from such political subdivision or country, the Commission, in its discretion, may elect not to issue the permit.

"(2) No permit to provide transportation as a motor contract carrier shall be issued under this section to any person from a political subdivision of a foreign country unless such political subdivision or such country grants authority to persons from the United States to provide transportation of passengers by motor vehicle under continuing agreements in such political subdivision or country.

"(3) This subsection shall only apply to foreign persons who are from countries contiguous to the United States.".

(b) Subsection (e) of section 10925 of title 49, United States Code, is amended—

(1) by striking out "of property" each place it appears;

(2) by striking out "section 10922(b)" each place it appears and inserting in lieu thereof "section 10922"; and

(3) in paragraph (2)—

(A) by striking out "transportation"; and

(B) by striking out "of the same property" and inserting in lieu thereof "the same type of transportation".

BROKERS

SEC. 14. (a) Subsection (a) of section 10924 of title 49, United States Code, is amended by striking out "passengers or".

(b) Subsection (b) of section 10924 of title 49, United States Code, is amended—

(1) by inserting "passengers or" before "property (other than household goods)";

(2) by redesignating clauses (1) and (2), and any references thereto, as clauses (A) and (B), respectively;

(3) by inserting "(1)" before "The Interstate Commerce Commission"; and

(4) by adding at the end thereof the following new paragraphs:

"(2) The requirement that persons issued licenses to be brokers for transportation of passengers under this subsection be fit, willing, and able includes, among other things, financial fitness, operational fitness, and safety fitness.

"(3) With respect to an application for a license to authorize a person to be a broker for transportation of passengers, the Commission may not make any finding under paragraph (1) of this subsection which is based upon general findings developed in rulemaking proceedings.".

(c) Section 10922 of title 49, United States Code, is further amended by adding at the end thereof the following new subsection:

"(m) A motor common carrier of passengers providing transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title shall not provide transportation through a broker who does not hold a license issued under section 10924 of this title.".

(d) Section 10923 of title 49, United States Code, is further amended by adding at the end thereof the following new subsection:

"(g) A motor contract carrier of passengers providing transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title shall not provide transportation through a broker who does not hold a license under section 10924 of this title.".

TEMPORARY AND EMERGENCY TEMPORARY AUTHORITY

SEC. 15. Section 10928 of title 49, United States Code, is amended—

(1) in subsection (a) by striking out "motor carrier of passengers or" each place it appears;

(2) in subsection (b)(1) by striking out "of property" each place it appears; and

(3) in subsection (c)(1) by striking out "of property" each place it appears and by inserting after "not more than 90 days" the following: "and, in addition, in the case of a motor carrier of passengers, the Commission may extend such authority for a period of more than 90 days but not more than 180 days if no other motor carrier of passengers is providing transportation to the place or in the area".

EXIT POLICY

SEC. 16. (a) Subchapter II of chapter 109 of title 49, United States Code, is amended by adding at the end thereof the following new section:

"§10935. Discontinuing bus transportation in one State

"(a) When a motor common carrier of passengers having intrastate authority under the laws of a State, and interstate authority under a certificate issued under section 10922 of this subchapter, to provide transportation over any route to any point in such State has proposed to discontinue providing transportation over such route to such point or to reduce its level of service over such route to such point to a level which is less than one trip per day (excluding Saturdays and Sundays) and the carrier has requested the department, agency, or instrumentality of such State having jurisdiction over granting such discontinuance or reduction for permission to discontinue such intrastate transportation or to reduce its level of service to a level which is less than one trip per day (excluding Saturdays and Sundays) and the request has been denied (in whole or in part) or such department, agency, or instrumentality has not acted finally (in whole or in part) on the request by the 120th day after the carrier made the request, the carrier may petition the Commission for such permission.

"(b) When a petition is filed under subsection (a) of this section, the carrier shall certify that he has notified (1) the Governor of the State in which such transportation is provided, (2) the State authority having jurisdiction over granting discontinuances of transportation by motor common carriers of passengers and reductions in levels of service by such carriers, (3) local governments having jurisdiction over areas which would be affected if such petition is granted, and (4) such other interested persons as the Commission may specify by regulation.

"(c) Any person (including a department, agency, or instrumentality of a State or local government) may object to the Commission to the granting of permission to any motor common carrier of passengers to discontinue or reduce transportation under this section.

"(d) If no person objects under subsection (c) of this section to the granting of permission to discontinue or reduce transportation under this section within 20 days after the carrier files with the Commission the petition for such discontinuance or reduction, the Commission shall grant such permission at the end of such 20-day period.

"(e)(1) Subject to paragraph (2) of this subsection, if, within 20 days after a carrier files a petition for permission to discontinue providing intrastate transportation over any route to any point or to reduce its level of service over such route to such point to a level which is less than one trip per day (excluding Saturdays and Sundays), any person objects under subsection (c) of this section to the Commission to the granting of such permission, the Commission shall grant such permission unless the Commission finds, on the basis of evidence presented by the person objecting to the granting of such permission, that such discontinuance or reduction is not consistent with the public interest or that continuing the transportation, without the proposed discontinuance or reduction, will not constitute an unreasonable burden on interstate commerce.

"(2) The Commission shall only grant permission to a carrier to discontinue intrastate transportation over any route to any point under this subsection if such carrier has applied for authority to discontinue its interstate transportation over such route to such point under section 10925(b) of this subchapter and the Commission has granted or will grant such authority.

"(3) If any person objects under subsection (c) of this section to the granting of permission to discontinue or reduce transportation under this section within 20 days after the carrier files with the Commission the petition for such discontinuance or reduction, the carrier, within 15 days after the filing of such objection with the Commission, shall furnish to the Commission and to objecting persons—

"(A) an estimate of the annual subsidy required, if any, to continue the service;

"(B) traffic, revenue, and other data necessary to determine the amount of annual financial assistance, if any, which would be required to continue the service; and

"(C) such other information as the Commission may require by regulation.

The Commission shall take final action upon such petition not later than 90 days after the date the carrier files such petition.

"(f) Before a discontinuance or reduction in level of service proposed in a petition filed by a carrier under subsection (a) of this section has become effective, the Commission may order the carrier to continue any part of the intrastate transportation for not to exceed the 180-day period beginning on the date the carrier files such petition with the Commission.

"(g) In making a finding under subsection (e)(1) of this section, the Commission shall consider, to the extent applicable, at least the following:

"(1) the national transportation policy of section 10101 of this title;

"(2) whether the motor common carrier of passengers has received an offer of, or is receiving, financial assistance to provide the transportation to be discontinued or reduced from a financially responsible person (including a governmental authority);

"(3) in the case of a petition to discontinue transportation to any point, whether the transportation is the last motor carrier of passenger service to such point and whether a reasonable alternative to such service is available;

"(4) whether granting such petition will have a significant adverse effect on commuter bus operations.

"(h) This section shall not apply to any carrier owned or controlled by a State or local government.".

(b) The analysis for subchapter II of chapter 109 of title 49, United States Code, is amended by inserting

"10935. Discontinuing bus transportation in one State."

after

"10934. Household goods agents.".

(c) Section 10322(a) of title 49, United States Code, is amended by inserting "10935," after "10934(c),".

DISCRIMINATORY STATE REGULATION OF RATES AND PRACTICES

SEC. 17. (a)(1) Section 11501 of title 49, United States Code, is amended by redesignating subsection (e), and any references thereto, as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e)(1) The Commission shall prescribe any rate, rule, or practice applicable to transportation provided entirely in one State by a motor common carrier of passengers providing transportation subject to jurisdiction of the Commission under subchapter II of chapter 105 of this title—

"(A) if the carrier has requested the department, agency, or instrumentality of such State having jurisdiction over such rate, rule, or practice for permission to establish such rate, rule, or practice and the request has been denied (in whole or in part) or the State authority has not acted finally (in whole or in part) on the request by the 120th day (or, in the case of a practice related to scheduling of such transportation, by the 60th day) after the carrier made the request; and

"(B) if the Commission finds that the rate, rule, or practice in effect and applicable to such intrastate transportation causes unreasonable discrimination against or imposes an unreasonable burden on interstate or foreign commerce.

"(2) For purposes of paragraph (1)(B) of this subsection, there shall be a rebuttable presumption that—

"(A) any rate, rule, or practice applicable to transportation provided by a motor common carrier of passengers entirely in one State imposes an unreasonable burden on interstate commerce if the Commission finds that—

"(i) such rate, rule, or practice results in the carrier charging a rate for such transportation which is lower than the rate such carrier charges for comparable interstate transportation of passengers;

"(ii) on the basis of evidence presented by the carrier, that as a result of such rate, rule, or practice such carrier does not receive revenues from such transportation which exceed the variable costs of providing such transportation; or

"(iii) the department, agency, or instrumentality of such State having jurisdiction over such rate, rule, or practice failed to act finally (in whole or in part) on the request of the carrier to establish such rate, rule, or practice by the 120th day (or, in the case of a practice related to scheduling of such transportation, by the 60th day) after the date the carrier made the request;

"(B) any rate applicable to transportation entirely in one State imposes an unreasonable burden on interstate commerce if the Commission finds that the most recent general rate increase applicable to transportation provided by motor common carriers of passengers in such State is less than the most recent general rate increase applicable to interstate transportation provided by motor common carriers of passengers under this subtitle; and

"(C) any practice related to scheduling of transportation provided by a motor common carrier of passengers entirely in one State on any route imposes an unreasonable burden on interstate commerce if the Commission finds that the practice which the carrier proposes to establish would conform the schedule applicable to such transportation on such route to the schedule applicable to interstate transportation provided by the carrier on such route.

"(3)(A) A motor common carrier of passengers must file an application with the Commission for prescription under this subsection of a rate, rule, or practice applicable to transportation provided entirely in one State by such carrier. When such application is filed with the Commission, the carrier shall certify that he has notified (i) the Governor of such State, (ii) the department, agency, or instrumentality of such State which denied, or failed to take action on, the request of such carrier related to such rate, rule, or practice, and (iii) such other interested persons as the Commission may specify by regulation. The Commission shall take final action on any such application not later than 60 days after such application is filed with the Commission; except that, in the case of an application for prescription of a practice related to the schedule applicable to intrastate transportation provided by such carrier, the Commission shall take final action on such application not later than 30 days after such application is filed.

"(B) The Commission shall establish, by regulation, procedures for processing applications under this section.

"(4) This subsection shall not apply to any carrier owned or controlled by a State or local government.".

(2) Subsection (f) of section 11501 of title 49, United States Code, as redesignated by paragraph (1) of this subsection, is amended by inserting "(1)" after "take action" and by inserting ", or (2) with respect to a rate, rule, or practice of a motor common carrier of passengers, in accordance with the procedures established by the Commission under subsection (e)(3)(B) of this section" after "a full hearing".

(b) Section 10322(a) of title 49, United States Code, is amended by inserting "or 11501(e)" after "section 10934".

(c) The Interstate Commerce Commission, in consultation with each national association representing State departments, agencies, and instrumentalities having jurisdiction over motor common carrier transportation of passengers, shall cooperate with each such department, agency, or instrumentality of a State for the purpose of establishing standards and procedures (including timing requirements) for rates, rules, and practices applicable to intrastate transportation provided by motor common carriers of passengers who provide transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of subtitle IV of title 49, United States Code, which are—

(1) to the extent feasible, uniform among the States; and

(2) consistent with the standards and procedures established by the Interstate Commerce Commission under such subtitle for regulation of interstate transportation pro-

vided by motor common carriers of passengers.

(d) It is the sense of Congress that each State should revise its standards and procedures (including timing requirements) for rates, rules, and practices applicable to intrastate transportation provided by motor common carriers of passengers to conform such standards and procedures to the standards and procedures for rates, rules, and practices applicable to interstate transportation provided by motor carriers of passengers not later than two years after the effective date of this Act.

(e) Not later than thirty months after the effective date of this Act, the Interstate Commerce Commission shall report to the Congress on the results of its efforts to establish uniform standards and procedures applicable to motor common carrier of passengers rates, rules, and practices.

FINANCIAL RESPONSIBILITY

SEC. 18. (a) The Secretary of Transportation shall establish regulations to require minimal levels of financial responsibility sufficient to satisfy liability amounts to be determined by the Secretary covering public liability and property damage for the transportation of passengers for hire by motor vehicle in the United States from a place in a State to a place in another State, from a place in a State to another place in such State through a place outside of such State, and between a place in a State and a place outside of the United States.

(b) The minimal level of financial responsibility established by the Secretary under subsection (a) of this section—

(1) for any vehicle with a seating capacity of more than fifteen passengers shall not be less than $5,000,000, except that the Secretary, by regulation, may reduce such amount (but not to an amount less than $2,500,000) for any class of such vehicles or operations for the two-year period beginning on the effective date of the regulations issued under such subsection or any part of such period if the Secretary finds that such reduction will not adversely affect public safety and will prevent a serious disruption in transportation service; and

(2) for any vehicle with a seating capacity of fifteen passengers or less shall not be less than $1,500,000, except that the Secretary, by regulation, may reduce such amount (but not to an amount less than $750,000) for any class of such vehicles or operations for the two-year period beginning on the effective date of the regulations issued under such subsection or any part of such period if the Secretary finds that such reduction will not adversely affect public safety and will prevent a serious disruption in transportation service.

(c)(1) If, at the end of the one-year period beginning on the effective date of this Act, the Secretary has not established regulations to require minimal levels of financial responsibility as required by subsection (a) of this section for any class of transportation of passengers, the levels of financial responsibility for such class of transportation shall be the $5,000,000 amount set forth in subsection (b)(1) of this section in the case of motor vehicles with a seating capacity of more than fifteen passengers and the $1,500,000 amount set forth in subsection (b)(2) of this section in the case of motor vehicles having a seating capacity of fifteen passengers or less, until such time as the Secretary, by regulation, changes such amount under this section.

(2) Notwithstanding the provisions of subsection (b) of this section, the Secretary may only make reductions in the $5,000,000 and $1,500,000 amounts set forth in such subsection for the two-year period beginning on the three hundred and sixty-sixth day following the effective date of this Act or any part of such period.

(d) Financial responsibility may be established under this section by any one or combination of the following methods acceptable to the Secretary: evidence of insurance, guarantee, surety bond, or qualification as a self-insurer. Any bond filed shall be issued by a bonding company authorized to do business in the United States. The Secretary shall establish, by regulation, methods and procedures to assure compliance with this section.

(e)(1) Any person (except an employee who acts without knowledge) who is determined by the Secretary, after notice and opportunity for a hearing, to have knowingly violated this section or a regulation issued under this section shall be liable to the United States for a civil penalty of not more than $10,000 for each violation, and if any such violation is a continuing one, each day of violation constitutes a separate offense. The amount of any such penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

(2) Such civil penalty may be recovered in an action brought by the Attorney General on behalf of the United States in the appropriate district court of the United States or, prior to referral to the Attorney General, such civil penalty may be compromised by the Secretary. The amount of such penalty, when finally determined (or agreed upon in compromise), may be deducted from any sums owed by the United States to the person charged. All penalties collected under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts.

(f) This section shall not apply—

(1) to a motor vehicle transporting only school children and teachers to or from school;

(2) to a motor vehicle providing taxicab service and having a seating capacity of less than seven passengers and not operated on a regular route or between specified points; and

(3) to a motor vehicle carrying less than sixteen individuals in a single, daily round-trip to commute to and from work.

(g) For purposes of this section, the term—

(1) "Secretary" means the Secretary of Transportation; and

(2) "State" means a State of the United States and the District of Columbia.

(h) Section 10927(a)(1) of title 49, United States Code, is amended by inserting after "Motor Carrier Act of 1980" the following: ", in the case of a motor carrier of property, or section 18 of the Bus Regulatory Reform Act of 1981, in the case of a motor carrier of passengers".

SECURITIES

SEC. 19. (a)(1) Subsection (a) of section 11302 of title 49, United States Code, is amended in clauses (1) and (2) by inserting "of property" after "carriers" each place it appears.

(2) Subsection (b) of such section is amended by inserting "(1)" before "Section 11301" and by adding at the end thereof the following new paragraph:

"(2) Section 11301 of this title shall not apply to any corporation authorized by the Commission to acquire control of one or more motor carriers if the revenues of such corporation from motor carrier operations are derived principally from motor carrier of passenger operations.".

(b) The amendments made by this section shall not be construed to effect the authority of the Commission under sections 11343 and 11344 of title 49, United States Code, to impose conditions on any transaction referred to in section 11343 of such title involving a motor common carrier of passengers.

TAX DISCRIMINATION

SEC. 20. Section 11503a(a)(3) of title 49, United States Code, is amended by striking out "of property".

MERGER PROCEDURE

SEC. 21. (a) Section 11345a of title 49, United States Code, is amended by striking out

"§11345a. Consolidation, merger, and acquisition of control: motor carrier of property procedure"

and inserting in lieu thereof

"§11345a. Consolidation, merger, and acquisition of control: motor carrier procedure".

(b) Subsection (a) of such section is amended by striking out "of property".

(c) The analysis for subchapter III of chapter 113 of title 49, United States Code, is amended by striking out

"11345a. Consolidation, merger, and acquisition of control: motor carrier of property procedure."

and inserting in lieu thereof

"11345a. Consolidation, merger, and acquisition of control: motor carrier procedure.".

(d) Section 11344(b) of title 49, United States Code, is amended by redesignating paragraphs (1), (2), (3), (4), and (5) (and references thereto) as subparagraphs (A), (B), (C), (D), and (E), respectively, by inserting "(1)" before "In a proceeding", and by adding at the end of such section the following new paragraph:

"(2) In a proceeding under this section which involves only carriers providing transportation subject to the jurisdiction of the Interstate Commerce Commission under subchapter II or III of chapter 105 of this title, the Commission shall consider at least the following:

"(A) the effect of the proposed transaction on the adequacy of transportation to the public.

"(B) the effect on the public interest of including, or failing to include, other rail carriers in the area involved in the proposed transaction.

"(C) the total fixed charges that result from the proposed transaction.

"(D) the interest of carrier employees affected by the proposed transaction.".

(e) Section 11344(d) of title 49, United States Code, is amended by adding at the end thereof the following new sentence: "The provisions of this subsection do not apply to any proceeding under this section which involves only carriers providing transportation subject to the jurisdiction of the Commission under subchapter II or III of chapter 105 of this title.".

SAFETY ENFORCEMENT

SEC. 22. (a) Section 10925(d) of title 49, United States Code, is amended by redesignating paragraph (2) (and any references thereto) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) Without regard to subchapter II of chapter 103 of this title and subchapter II of chapter 5 of title 5, upon petition by the Secretary of Transportation, the Commission may suspend a certificate or permit of a motor carrier of passengers if the Commission finds that such carrier has been conducting unsafe operations which are an imminent hazard to public health or property.".

(b) Paragraph (3) of section 10925(d) of title 49, United States Code, as redesignated by subsection (a) of this section, is amended by inserting before the period at the end thereof the following: "or, in the case of a suspension under paragraph (2) of this subsection, until the Commission revokes such suspension".

ILLEGAL OPERATIONS

SEC. 23. Section 11901(g) of title 49, United States Code, is amended by inserting before the period at the end of the first sentence the following: "; except that, in the case of a person who does not have authority under this subtitle to provide transportation of passengers, or an officer, agent, or employee of such person, that does not comply with section 10921 of this title with respect to providing transportation of passengers, the amount of the civil penalty shall not be more than $1,000 for each violation and $500 for each additional day the violation continues".

ADMINISTRATIVE ASSISTANCE

SEC. 24. Section 10321(b) of title 49, United States Code, is amended—

(1) by striking out "and" at the end of clause (2);

(2) by striking out the period at the end of such section and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new clause:

"(4) consistent with the transportation policy of section 10101 of this title, provide administrative assistance to small motor common carriers of passengers and local governments preparing for proceedings under sections 10922(c)(2), 10935, and 11501(e) of this title.".

STUDY OF CITIZEN BAND RADIOS ON BUSES

SEC. 25. (a) The Secretary of Transportation shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct a study of the use of citizen band radios on motor vehicles providing transportation of passengers subject to the jurisdiction of the Interstate Commerce Commission under subchapter II of chapter 105 of title 49, United States Code, by the operators of such vehicles. Such study shall determine, at a minimum, the following:

(1) the effect on safety if such operators are authorized to use such radios; and

(2) the effect on safety, health, and convenience of the passengers of such vehicles if such operators are authorized to use such radios.

(b) The Secretary of Transportation shall request the National Academy of Sciences to submit to the Secretary and the Congress, within six months after entering into arrangements with the National Academy of Sciences for conducting the study under subsection (a) of this section but in no case later than one year after the effective date of this Act, a report on the results of such study along with its recommendations concerning whether operators of motor vehicles providing transportation of passengers should be allowed to use citizen band radios. The Secretary shall furnish to such Academy, at its request, any information which such Academy deems necessary for the purpose of conducting such study.

(c) Not later than sixty days after the National Academy of Sciences submits its report to the Secretary of Transportation under subsection (b) of this section, the Secretary of Transportation shall initiate a rulemaking proceeding to determine whether operators of motor vehicles providing transportation of passengers subject to the jurisdiction of the Interstate Commerce Commission under subchapter II of chapter 105 of title 49, United States Code, should be allowed to use citizen band radios in such vehicles. In making such determination, the Secretary of Transportation shall give substantial weight to the recommendations and conclusions of the National Academy of Sciences. Such rulemaking proceeding shall be completed not later than one hundred and twenty days after such proceeding is commenced. If the Secretary issues a rule or regulation which recommends that operators of such vehicles be allowed to temporarily install and operate citizen band radios in such vehicles, the Secretary of Transportation shall issue regulations establishing guidelines for the use of such radios in such vehicles in order to ensure that the public safety is adequately protected.

(d)(1) Subchapter I of chapter 111 of title 49, United States Code, is amended by adding at the end thereof the following new section:

"§11111. Use of citizen band radios on buses

"(a)(1) A motor carrier of passengers providing transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title shall allow the operator of any motor vehicle providing such transportation to temporarily install and operate a citizen band radio in such vehicle if the Secretary of Transportation issues a rule or regulation which recommends that operators of such vehicles be allowed to temporarily install and operate such radios in such vehicles.

"(2) Citizen band radios installed and operated in motor vehicles providing transportation of passengers subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title shall be installed and operated in accordance with the guidelines established by the Secretary of Transportation under section 25(c) of the Bus Regulatory Reform Act of 1981.

"(b) The Commission shall issue such regulations as it considers necessary to carry out this section.".

(2) The analysis for subchapter I of chapter 111 of title 49, United States Code, is amended by inserting

"11111. Use of citizen band radios on buses."

after

"11110. Household goods carrier operations.".

(e) Section 11702(a)(2) of title 49, United States Code, is amended by inserting "or 11111" after "11109".

(f) This section shall not be construed to provide new spending authority within the meaning of section 401(c)(2)(A) of the Congressional Budget Act of 1974.

BUS TERMINAL STUDY

SEC. 26. (a) The Secretary of Transportation and the Interstate Commerce Commission shall conduct a full investigation and study of the ownership, location, and adequacy of bus terminals and their capacity to provide passenger service in accordance with the transportation policy set forth in section 10101 of title 49, United States Code. A report on the results of such investigation and study, including legislative recommendations, shall be submitted to the President and Congress not later than December 31, 1982.

(b) The report under this section shall include an analysis of at least the following:

(1) the pattern of ownership of bus terminals, including public and private ownership;

(2) the desirability of terminals for more than one mode of transportation and their impact on urban development;

(3) the desirability of governmental assistance in the construction of nonurban bus terminals.

EMPLOYEE PROTECTION

SEC. 27. (a)(1) Each individual who is eligible for protection under this section and whose employment is terminated by a motor common carrier of passengers (other than for cause) prior to the last day of the ten-year period beginning on the date of enactment of this Act shall have a right of priority reemployment, in his or her occupational specialty, by such carrier at such time as such carrier is hiring additional employees.

(2) Any motor common carrier of passengers hiring additional employees shall have a duty to hire an individual eligible for protection under this section, in his or her occupational specialty, before hiring any other individual if such individual—

(A) was terminated previously by such carrier;

(B) has applied for a vacant position for which such carrier is accepting applications; and

(C) at the time the application is filed, has notified such carrier that he or she is eligible for protection under this section.

(b)(1) Each individual who is eligible for protection under this section and whose employment is terminated by a motor common carrier of passengers (other than for cause) prior to the last day of the ten-year period beginning on the date of enactment of this Act shall have a right of consideration for employment, in his or her occupational specialty, by any other motor common carrier of passengers who is hiring additional employees.

(2) Each motor common carrier of passengers who is hiring additional employees shall have a duty to consider for employment, in his or her occupational specialty, an individual who is eligible for protection under this section if such individual—

(A) has applied for a vacant position for which such carrier is accepting applications; and

(B) at the time the application is filed, has notified such carrier that he or she is eligible for protection under this section.

(c) An individual (other than a member of a board of directors or an officer of a corporation) who was employed by a motor common carrier of passengers for the two-year period ending on the date of enactment of this Act shall be eligible for protection under this section if, upon application of such individual, the Commission determines that the employment of such individual has been terminated by a motor common carrier

of passengers having intrastate authority under the laws of a State, and interstate authority under a certificate issued under section 10922 of title 49, United States Code, to provide transportation over any route to any point in such State as a result of such carrier—

(1) discontinuing (A) interstate service over such route under section 10925(b) of such title, and (B) intrastate service over such route (i) under section 10935 of such title, or (ii) under the laws of such State;

(2) reducing (A) interstate service over such route under subtitle IV of such title, and (B) intrastate service over such route (i) under section 10935 of such title, or (ii) under the laws of such State; or

(3) substantially reducing (A) interstate service over such route under subtitle IV of such title, and (B) intrastate service over such route (i) under section 11501(e) of such title, or (ii) under the laws of such State.

In a proceeding to determine whether an individual is eligible for protection under this section, it shall be the obligation of the individual whose employment has been terminated by a motor common carrier of passengers to identify to the Commission the discontinuance or reduction which such individual alleges resulted in such termination and to specify the pertinent facts; and it shall be the obligation of any carrier contesting the eligibility of the individual for protection under this section to prove that the discontinuance or reduction was not a contributing factor causing such termination.

(d) The Commission shall establish, maintain, and periodically publish a comprehensive list of jobs available with class I motor carriers of passengers. Such list shall include that information and detail, such as job descriptions and required skills, the Commission deems relevant and necessary. In addition to publishing the list, the Commission shall make every effort to assist individuals eligible for protection under this section in finding other available employment. The Commission may require each class I motor carrier of passengers to file with the Commission the reports, data, and other information necessary to fulfill the duties of the Commission under this subsection.

(e) For the purposes of this section:

(1) A motor common carrier of passengers shall not be considered to be hiring additional employees when it recalls any of its own furloughed employees.

(2) An individual who is furloughed by a motor common carrier of passengers and who still has a right of recall by such carrier shall not be considered to be terminated.

(3) The term "Commission" means the Interstate Commerce Commission.

(4) The term "motor common carrier of passengers" means a person who has authority under section 10922 of title 49, United States Code, to provide transportation of passengers subject to the jurisdiction of the Commission under subchapter II of chapter 105 of such title.

(5) The term "class I motor carrier of passengers" means a motor common carrier of passengers having annual gross revenues from motor common carrier of passengers operations in excess of $3,000,000.

(f) Nothing in this section shall be construed to affect (1) an affirmative action plan or a hiring plan designed to eliminate discrimination, that is required by Federal or State statute, regulation, or Executive order, or by the order of a Federal court or agency, or (2) a permissible voluntary affirmative action plan.

(g) This section shall not apply (1) to any carrier owned or controlled by a State or local government, and (2) to any periodic discontinuance of or reduction in motor carrier of passenger service which is seasonal in nature.

(h) The Commission shall issue such rules and regulations as are necessary to carry out this section. Initial rules and regulations shall be promulgated within six months after the effective date of this Act.

(i) The provisions of this section shall terminate on the last day of the twelve-year period beginning on the effective date of this Act.

NEW BUDGET AUTHORITY

SEC. 28. This Act (including the amendments made by this Act) shall not be construed to authorize the enactment of new budget authority or new spending authority for the fiscal year ending September 30, 1982.

EFFECTIVE DATE

SEC. 29. This Act shall take effect on the sixtieth day after the date of enactment of this Act.

Mr. ANDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENTS OFFERED BY MR. ANDERSON

Mr. ANDERSON. Mr. Chairman, I offer a series of technical amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ANDERSON: Page 14, line 12, insert "in the same motor vehicle with the passengers" after "packages".

Page 15, line 10, strike out "of passengers".

Page 18, line 10, strike out "subsection" and insert in lieu thereof "section".

Page 22, line 22, insert "other" before "provision".

Page 25, line 21, strike out "10706(b)" and insert in lieu thereof "10706(c)".

Page 30, lines 17 and 18, strike out "of passengers".

Page 41, line 24, strike out "section" and insert in lieu thereof "subsection".

Page 48, after line 15, insert the following:

(b) Section 3(a)(6) of the Securities Act of 1933 (15 U.S.C. 77c(a)(6)) is amended by inserting "of property" after "motor carrier".

Page 48, line 16, strike out "(b)" and insert in lieu thereof "(c)".

Mr. ANDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ANDERSON. Mr. Chairman, I will give a brief explanation of these technical amendments. There are eight in all. The first one clarifies that express packages under a motor carrier of passengers certificate are to be transported in the same vehicle with passengers. (These words were inadvertently omitted from the provision.)

The second is a technical amendment to delete two words that were inadvertently included.

The third amendment corrects a cross reference in the bill.

The fourth is a technical amendment which inserts the word "other" which was inadvertently omitted.

The fifth is a technical amendment which corrects a cross reference in the bill.

The sixth is a technical amendment to delete two words that were inadvertently included.

The seventh is a technical amendment to correct a cross reference.

The eighth is a technical amendment which clarifies that the Securities and Exchange Commission will have jurisdiction over securities issued by motor carriers of passengers.

□ 1415

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I would associate myself with the gentleman's remarks. These are simply technical amendments and should be adopted.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California (Mr. ANDERSON).

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read a third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ECKART. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 305, nays 83, not voting 45, as follows:

[Roll No. 325]

YEAS—305

Addabbo	Daniel, Dan	Heckler
Akaka	Daniel, R. W.	Hefner
Albosta	Danielson	Heftel
Alexander	Dannemeyer	Hiler
Anderson	Daschle	Hillis
Annunzio	Daub	Holland
Anthony	de la Garza	Hollenbeck
Applegate	Deckard	Holt
Archer	DeNardis	Hopkins
Ashbrook	Derwinski	Horton
Aspin	Donnelly	Howard
Atkinson	Dowdy	Hubbard
Badham	Downey	Huckaby
Bafalis	Dreier	Hughes
Bailey (MO)	Dunn	Hunter
Bailey (PA)	Dwyer	Hutto
Barnes	Early	Hyde
Beard	Edgar	Ireland
Benedict	Edwards (CA)	Jacobs
Benjamin	Edwards (OK)	Jeffords
Bennett	Erlenborn	Jeffries
Bethune	Ertel	Jenkins
Bevill	Evans (DE)	Johnston
Bliley	Evans (GA)	Jones (OK)
Boggs	Evans (IN)	Kastenmeier
Boland	Fary	Kemp
Boner	Fascell	Kogovsek
Bonker	Fazio	Kramer
Bouquard	Fenwick	LaFalce
Brinkley	Ferraro	Lagomarsino
Brodhead	Fiedler	Lantos
Brooks	Fields	Latta
Broomfield	Findley	Leach
Brown (CA)	Flippo	LeBoutillier
Brown (CO)	Foglietta	Lee
Brown (OH)	Foley	Lehman
Broyhill	Ford (TN)	Leland
Burgener	Forsythe	Lent
Burton, John	Fowler	Levitas
Burton, Phillip	Frank	Lewis
Butler	Fuqua	Livingston
Byron	Gaydos	Loeffler
Campbell	Gephardt	Long (MD)
Carman	Gibbons	Lott
Carney	Gilman	Lowery (CA)
Chappie	Gingrich	Lowry (WA)
Cheney	Ginn	Lujan
Clausen	Glickman	Luken
Clinger	Gradison	Lundine
Coats	Gramm	Lungren
Coelho	Gray	Madigan
Collins (TX)	Green	Markey
Conable	Gregg	Marks
Conte	Guarini	Marriott
Corcoran	Hall (OH)	Martin (IL)
Coughlin	Hamilton	Martin (NC)
Courter	Hammerschmidt	Matsui
Coyne, James	Hansen (ID)	Mavroules
Coyne, William	Hansen (UT)	Mazzoli
Craig	Harkin	McClory
Crane, Daniel	Hartnett	McCollum
Crane, Philip	Hatcher	McDade
D'Amours	Hawkins	McEwen
McGrath	Rahall	Stark
McKinney	Regula	Staton
Mica	Rinaldo	Stenholm
Michel	Ritter	Stratton
Mikulski	Rodino	Studds
Miller (CA)	Roe	Stump
Miller (OH)	Roemer	Swift
Mineta	Rostenkowski	Synar
Minish	Roth	Tauzin
Mitchell (MD)	Roukema	Taylor
Moakley	Rousselot	Thomas
Molinari	Roybal	Trible
Mollohan	Rudd	Udall
Montgomery	Russo	Vander Jagt
Moore	Sabo	Vento
Moorhead	Sawyer	Walgren
Morrison	Scheuer	Walker
Mottl	Schneider	Waxman
Murphy	Schroeder	Weaver
Murtha	Schulze	Weber (OH)
Natcher	Schumer	White
Neal	Seiberling	Whitehurst
Nelligan	Shamansky	Whitley
Nelson	Sharp	Whittaker
Nichols	Shaw	Whitten
Nowak	Shelby	Williams (OH)
O'Brien	Shumway	Winn
Oakar	Shuster	Wirth
Oberstar	Siljander	Wolf
Oxley	Skeen	Wolpe
Panetta	Smith (AL)	Wortley
Parris	Smith (IA)	Wright
Pashayan	Smith (NJ)	Wyden
Patterson	Smith (OR)	Wylie
Pease	Smith (PA)	Yatron
Peyser	Snyder	Young (FL)
Porter	Solarz	Zablocki
Price	Spence	Zeferetti
Pursell	Stangeland	

NAYS—83

Andrews	Garcia	Pickle
Bellenson	Gejdenson	Rangel
Bereuter	Gonzalez	Ratchford
Bingham	Gore	Roberts (KS)
Blanchard	Gunderson	Roberts (SD)
Bonior	Hall, Ralph	Robinson
Chappell	Hall, Sam	Rogers
Coleman	Hance	Rose
Collins (IL)	Hendon	Savage
Conyers	Hertel	Sensenbrenner
Crockett	Hightower	Skelton
Davis	Hoyer	Smith (NE)
Dellums	Jones (TN)	Snowe
Derrick	Kazen	St Germain
Dingell	Kildee	Stanton
Dorgan	Kindness	Stokes
Dyson	Leath	Tauke
Eckart	Marlenee	Traxler
Emerson	McCurdy	Wampler
Emery	McHugh	Washington
English	Mitchell (NY)	Watkins
Erdahl	Moffett	Weber (MN)
Evans (IA)	Napier	Weiss
Fish	Obey	Williams (MT)
Fithian	Ottinger	Wilson
Ford (MI)	Patman	Yates
Frenzel	Perkins	Young (AK)
Frost	Petri	

NOT VOTING—45

AuCoin	Dymally	Paul
Barnard	Edwards (AL)	Pepper
Bedell	Florio	Pritchard
Biaggi	Fountain	Quillen
Bolling	Goldwater	Railsback
Bowen	Goodling	Reuss
Breaux	Grisham	Rhodes
Chisholm	Hagedorn	Richmond
Clay	Jones (NC)	Rosenthal
Dickinson	Long (LA)	Santini
Dicks	Martin (NY)	Shannon
Dixon	Mattox	Simon
Dornan	McCloskey	Solomon
Dougherty	McDonald	Volkmer
Duncan	Myers	Young (MO)

□ 1430

The Clerk announced the following pairs:

On this vote:

Mr. Florio for, with Mr. McDonald against.

Mr. Young of Missouri for, with Mrs. Chisholm against.

Until further notice:

Mr. Pepper with Mr. Dougherty.
Mr. Reuss with Mr. Railsback.
Mr. Biaggi with Mr. McCloskey.
Mr. Long of Louisiana with Mr. Rhodes.
Mr. Breaux with Mr. Solomon.
Mr. Dixon with Mr. Martin of New York.
Mr. AuCoin with Mr. Edwards of Alabama.
Mr. Clay with Mr. Hagedorn.
Mr. Fountain with Mr. Dickinson.
Mr. Jones of North Carolina with Mr. Goodling.
Mr. Bowen with Mr. Dornan of California.
Mr. Richmond with Mr. Paul.
Mr. Rosenthal with Mr. Quillen.
Mr. Santini with Mr. Pritchard.
Mr. Dicks with Mr. Grisham.
Mr. Barnard with Mr. Goldwater.
Mr. Simon with Mr. Duncan.
Mr. Volkmer with Mr. Myers.
Mr. Shannon with Mr. Dymally.
Mr. Mattox with Mr. Bedell.

Messrs. OTTINGER, SAVAGE, TRAXLER, STOKES, FISH, and DELLUMS changed their votes from "yea" to "nay".

Messrs. CHENEY, MORRISON, DOWDY, STENHOLM, WHITE, and EDWARDS of California changed their votes from "nay" to "yea".

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. DANIELSON). Is there objection to the request of the gentleman from California?

There was no objection.

MULTINATIONAL FORCE AND OBSERVERS PARTICIPATION RESOLUTION

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 272 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 272

Resolved, That upon the adoption of this resolution it shall be in order to move, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 349) to authorize the participation of the United States in a multinational force and observers to implement the Treaty of Peace between Egypt and Israel, and the first reading of the joint resolution shall be dispensed with. After general debate, which shall be confined to the joint resolution and

shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendment as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.J. Res. 349, the House shall proceed, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, to the consideration of the joint resolution (S.J. Res. 100), and it shall then be in order in the House to move to strike out all after the resolving clause of the said Senate joint resolution and to insert in lieu thereof the provisions contanied in H.J. Res. 349 as passed by the House. It shall then be in order in the House to move to insist on the House amendment to S.J. Res. 100 and to request a conference with the Senate.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. HALL) is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Mississippi (Mr. LOTT) for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 272 is an open rule providing for the consideration of House Joint Resolution 349, multinational force and observers participation resolution.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs.

The joint resolution shall be read for amendment under the 5-minute rule, and House Resolution 272 provides for one motion to recommit.

It should be noted that the rule waives a point of order against the joint resolution under section 402(a) of the Congressional Budget Act. Section 402(a) provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported on or before May 15 preceding the beginning of such fiscal year.

Section 4(b) of House Joint Resolution 349 authorizes the enactment of new budget authority for fiscal year 1982. This is the $125 million in fiscal 1982 to cover the U.S. commitment to the startup costs for the multinational force and observers.

Since the joint resolution was not reported on or before May 15, it would be subject to a point of order under section 402(a) of the Budget Act. The Rules Committee has been advised that the House Budget Committee met on November 12 and supported a waiver of section 402(a) due to the importance of the peacekeeping force.

The rule further provides that upon the passage of House Joint Resolution 349, the House shall proceed to the consideration of Senate Joint Resolution 100. It shall then be in order in the House to move to strike everything after the resolving clause and insert in lieu thereof the text of House Joint Resolution 349 as passed by the House. It then shall be in order to move to insist on the House amendment to Senate Joint Resolution 100 and to request a conference with the other body.

In order to bring Senate Joint Resolution 100 to the floor to facilitate a conference, the rule waives section 402(a) of the Budget Act against the consideration of Senate Joint Resolution 100. The House Budget Committee has informed the Rules Committee that it supports this waiver in order to bring about a conference with the other body.

Mr. Speaker, the purpose of House Joint Resolution 349 is to give congressional authorization to the President to allow the participation of the United States in the multinational force and observers to implement the treaty of peace between Egypt and Israel.

The peace treaty between Egypt and Israel provided for a United Nations peacekeeping force to supervise final Israeli withdrawal from the Sinai on April 25, 1982, and compliance with the treaty by both parties thereafter. However, in response to a formal request from Egypt, the President of the Security Council on May 18, 1981, reported that the members of the Security Council were unable to reach the agreement necessary for the United Nations to provide a force and observers as envisioned in the treaty.

In connection with the signing of the treaty, President Carter provided each party with a letter of March 26, 1979, assuring them that, in the event the United Nations failed to provide a force:

> The President will be prepared to take those steps necessary to insure the establishment and maintenance of an acceptable alternative multinational force.

Pursuant to that assurance, a U.S. delegation took part in negotiations with Egypt and Israel which led to the protocol which established the multinational force and observers. On August 3, 1981, the U.S. role in the MFO was set forth in an exchange of letter among the parties.

Under House Joint Resolution 349, the President is authorized to commit to the MFO up to 1,200 members of the U.S. Armed Forces and, at the President's discretion, a number of civilian observers. The joint resolution further authorizes $125 million to cover the U.S. commitment to pay 10 percent of the MFO startup costs through fiscal 1982. Beginning in fiscal 1983, the United States has agreed to share maintenance costs for the force equally with Egypt and Israel. The measure limits, but does not authorize, the U.S. contribution in each outyear to one-third of the maintenance cost.

The resolution also requires the President to report to Congress about his continuing efforts to obtain troop contributions to the MFO. At this time, Colombia and Fiji have each agreed to provide battalions, Uruguay has agreed to participate, and several of our allies have expressed interest in providing support elements for the MFO.

Through its reporting provisions and its 1 year authorization, House Joint Resolution 349 should insure congressional oversight of U.S. participation in the MFO. It also should be noted that introduction of U.S. combat troops in the Sinai will be governed by the reporting requirements of the war powers resolution and that the administration has agreed that all provisions of the war powers resolution will apply to U.S. participation in the MFO.

Mr. Speaker, I am not aware of any opposition to the rule on House Joint Resolution 349, and I urge my colleagues to adopt it.

□ 1445

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the adoption of this rule and the passage of the legislation which it makes in order. This joint resolution is significant in that it provides for U.S. assistance in the implementation of the 1979 peace treaty between Egypt and Israel and particularly because it authorizes the stationing of American troops in that very volatile region of the globe. Specifically, this legislation authorizes the President to assign no more than 1,200 U.S. military personnel to be part of a multinational force located in the Sinai Peninsula. In addition, the President is authorized to agree to a U.S. share amounting to 60 percent of the initial cost of the force in fiscal year 1982 and one-third of the costs in future years. To that end the bill authorizes an appropriation of $125 million for fiscal year 1982. The Congressional Budget Office estimates that additional outlays of $35 million in fiscal year 1983 and $37 million in each of fiscal year 1984, 1985, and 1986 will be necessary.

Because this legislation provides for new budget authority which was not reported by May 15 prior to the beginning of the fiscal year, section 402(a) of the Congressional Budget Act of 1974 must be waived in order for the bill to be considered.

The rule further provides that, after the Committee of the Whole has acted

on this resolution, the version already adopted in the other body will then be in order. Section 402(a) of the Budget Act must also be waived against that resolution. The rule before us then makes in order a motion to insist on the House language and to request a conference with the other body.

Mr. Speaker, I would emphasize that this is an open rule which will permit amendments under the 5-minute rule. One motion to recommit will also be allowed.

This joint resolution is far-reaching and should be adopted only after thorough and careful consideration. This open rule will facilitate such a process, and I urge its adoption.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I am glad to note that a number of my colleagues are here on the House floor at this time. I asked for the 2 minutes simply to implore my colleagues to stay during the debate on this resolution.

The decision we are asked to make is a momentous decision. Never before in American history has the Congress ever engaged in an authorization of this nature. We have troops to be stationed in Korea, to be sure, and have for many years, but that is a consequence of a treaty. No treaty presently exists to justify the stationing of troops in the Middle East.

We have troops in Europe, but they are there, too, in consequence of the NATO treaty.

We had troops in South Vietnam for a number of years. That, too, was in consequence of a treaty in which our Government was engaged.

Here we have no treaty obligation that we are seeking to carry out. We are authorizing our President to place military forces of the United States in a very volatile part of the world.

Now, I have come to the conclusion that it is in the interests of the United States that we do this; but I hope that all of my colleagues will take very seriously the question that is now before us.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ZABLOCKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 349) to authorize the participation of the United States in a multinational force and observers to implement the treaty of peace between Egypt and Israel.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, House Joint Resolution 349, with Mr. MURTHA in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Pursuant to the rule, the first reading of the joint resolution is dispensed with.

Under the rule, the gentleman from Wisconsin (Mr. ZABLOCKI) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, House Joint Resolution 349 was adopted after careful and due consideration by a unanimous 37-to-0 bipartisan vote of the Committee on Foreign Affairs.

The purpose of House Joint Resolution 349 is to provide congressional authorization to the President to allow the participation of the United States in the multinational force and observers, MFO, the peacekeeping force in the Sinai.

The creation of the MFO was the result of the Egyptian-Israeli peace treaty which represented a major achievement for U.S. foreign policy and national security interests. That treaty envisioned the creation of a U.N. peacekeeping force to monitor Israeli withdrawal from the Sinai, as well as to perform other functions designed to enhance the mutual confidence of Israel and Egypt. However, because of a threatened veto by the Soviet Union the Security Council was unable to form such a U.N. force.

During the treaty negotiations, President Carter, anticipating the possibility of a Soviet veto, provided each party, the Israelis and the Egyptians, with assurances that the United States would be prepared "to take those steps necessary to insure the establishment and maintenance of an acceptable multinational force."

House Joint Resolution 349 represents the culmination of that assurance. It is consistent with and supportive of commitments undertaken by the Reagan administration to implement President Carter's assurances regarding a peacekeeping force and has the support of the administration.

Mr. Chairman, the resolution provides authority for the President to assign U.S. military and civilian personnel to participate in the MFO.

It also provides a contribution of 60 percent of the MFO budget through fiscal year 1982, and 33⅓ percent for each fiscal year thereafter. This amounts to a U.S. contribution for the first year of $135 million in fiscal year 1982 for starting costs.

Further, it is expected that the annual U.S. contribution thereafter will be about $35 million for operating costs.

The resolution also provides authority for administrative and technical support and services to the MFO.

Mr. Chairman, because the authority to be granted to the President involves the commitment of U.S. armed personnel to serve in a peacekeeping function for an indefinite period, the Committee on Foreign Affairs has incorporated a number of safeguards on U.S. participation in this MFO.

Specifically, House Joint Resolution 349 stipulates that no more than 1,200 U.S. troops can be a part of the MFO at any one time. There is an important background to the placement of that ceiling on the number of U.S. troops that could participate. When this measure was first proposed by the executive only one country was willing to participate that was Fiji, with approximately 500 men. There was speculation as to whether other countries would take part. Our commitment to making this peacemaking operation work involved the belief it would be successful to the extent that other countries participated. In keeping with that view the committee did not feel that the United States should provide the bulk of forces there and certainly not all of the forces. Accordingly, we established this ceiling, to which of course the administration agrees.

As a safeguard the resolution therefore requires the President to notify the Congress of the number of countries participating in the MFO and to make every effort to have at least four other countries participating in the MFO.

I am pleased to announce that there are currently more than four countries considering participation in the MFO. The final commitment of these states is, of course, subject to their constitutional procedures and the ratification of their parliaments. But at the present time we do have Italy, England, Denmark, and the Netherlands, and I understand Australia and New Zealand are also considering it. In effect, the MFO will hopefully have participation from other European countries, which is very important.

I believe that we should have as many countries as possible and that our country not be the only country contributing to this peacekeeping operation.

The resolution, Mr. Chairman, also limits the activities of the MFO to the

peacekeeping functions specified in the Egyptian-Israeli peace treaty.

In addition, it requires the President to provide Congress with an annual report on the activities, composition, responsibilities, and deployment of the MFO, as well as all costs incurred by the U.S. Government as a result of our participation.

Finally, the measure stipulates that nothing in the joint resolution signifies congressional approval of any other agreement, understanding, or commitment made by the United States to participate in the MFO.

So I submit, Mr. Chairman, that the House Foreign Affairs Committee has established meaningful and reasonable limitations and safeguards.

In addition, House Joint Resolution 349 contains various provisions that assure and enhance effective congressional oversight of the U.S. role, participation, and commitment to the MFO in the future.

Under this legislation, Congress will be able to enact legislation terminating American participation or we can refuse in the annual authorization process for such participation.

The measure also provides Congress the opportunity to review the status of the MFO and American participation in it through the annual report it requires.

Finally, we will also have the chance to give approval or disapproval to other agreements which may be made in the Middle East for which the administration will have to request authority or funds in the future.

As I said earlier, the full committee unanimously adopted House Joint Resolution 349 with the understanding that U.S. policy in the Middle East is clearly directed to fostering conditions which will help to strengthen the peaceful relations between Egypt and Israel, and thus contribute to the creation of conditions in which the MFO will no longer be required, thereby confirming the temporary and interim role of the peacekeeping force.

□ 1500

Mr. Chairman, the establishment of the MFO represents an important step in the implementation of the Egyptian-Israeli treaty which, in turn, is the first step toward peace in the Middle East.

The agreements leading to the establishment of this force represent a major step in our search for a just and lasting peace in that troubled region.

In acting on the creation of this force, the United States remains fully committed to moving forward to carry out the second major undertaking of the Camp David process, the attainment of an acceptable agreement for the West Bank and Gaza consistent with the Camp David accords.

Mr. Chairman, in conclusion, the legislation is critical to the continuation and ultimate completion of the peacekeeping process in the Middle East. In the wake of the tragic assassination of President Sadat of Egypt, it becomes even more important for us to recommit our efforts to the full implementation of the treaty of peace.

House Joint Resolution 349 embodies that necessary next step which will hopefully culminate in permanent peace in the Middle East. Accordingly, I urge favorable adoption of this resolution.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I am delighted to yield to my colleague, the gentleman from Florida.

Mr. FASCELL. I thank the chairman for yielding.

Mr. Chairman, I just want to ask a couple of questions on the record.

First, let me say that I fully support the statement of the distinguished chairman of the Foreign Affairs Committee. I strongly support this resolution because I believe it will help carry out the peace process, but I want to get clear on the record the relationship between this resolution and the War Powers Act.

Am I correct that after all the aggravations and the excitement that the Congress has had about being in on the takeoffs rather than the landings with respect to foreign policy, that this is the first time that the Congress has legislated with respect to the positioning of troops abroad not actually engaged in combat?

Mr. ZABLOCKI. That is true. And I commend and applaud this administration for following to the letter the provisions of the War Powers Act by asking authority to send troops in a peacekeeping operation and, therefore, the answer to the gentleman is yes.

Mr. FASCELL. I understand from that, Mr. Chairman, that in supporting this legislation, the administration is complying with the spirit of the War Powers Act, making it possible to station U.S. troops abroad.

Mr. ZABLOCKI. Not only the spirit, but actually in fact.

Mr. FASCELL. It is also clear, then, is it not, that if the troops were to engage in combat because of some hostility that arises in the region, that their involvement; that is, the involvement of U.S. troops in those hostilities would be subject to the War Powers Act, and that is explicit in this legislation?

Mr. ZABLOCKI. Yes; as made clear by the report on this measure, Report No. 97-310, the executive branch has assured the committee that it will report under section 4(a)(2) of the War Powers Act (Public Law 93-48) when the U.S. contingent of the MFO is introduced into the Sinai. In addition, the executive branch has agreed that all the provisions of the War Powers Act will be applicable to the U.S. Armed Forces assigned to the MFO.

Mr. FASCELL. Therefore, it seems to me that the safety precautions that the chairman was talking about are threefold: First, you can withhold money.

Mr. ZABLOCKI. The gentleman is correct.

Mr. FASCELL. Second, you can come in and rewrite this legislation.

Mr. ZABLOCKI. The gentleman is absolutely right.

Mr. FASCELL. And third, you could act under the provisions of the War Powers Act.

Mr. ZABLOCKI. That is correct.

Mr. FASCELL. It seems to me there are enough safeguards there for the most cautious person to support this resolution.

Mr. ZABLOCKI. I would say to the gentleman from Florida, if that were not the case I would not be supporting this legislation.

Mr. FASCELL. I thank the chairman.

Mr. ZABLOCKI. Mr. Chairman, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first I want to compliment our chairman of the Foreign Affairs Committee, Mr. ZABLOCKI, for the expeditious manner in which he has handled this legislation, and also the important colloquy that just took place as far as the war powers legislation is concerned.

Mr. Chairman, the legislation we have before us today represents an important step in the implementation of the Egyptian-Israeli Treaty which, in turn, is contributing to the search for a just and lasting peace in the Middle East. The resolution—which provides congressional authorization to the President to allow the participation of the United States in the multinational force to police the Sinai following Israel's withdrawal from that region next April—is the culmination of months of substantive U.S. negotiations as well as the professional counsel of the Foreign Affairs Committee, which has incorporated a number of safeguards in this resolution regarding U.S. participation in the multinational force.

It had been my hope that some kind of U.N. peacekeeping operation involving countries other than the United States could have been arranged to police the Sinai. However, when it became clear earlier this year that the U.N. Security Council, because of Soviet opposition, would not approve a United Nations peacekeeping arrangement to monitor the Sinai, the United States had to take those necessary steps as initially provided in the Camp David negotiations to establish an alternative multinational peacekeeping

force. In this regard, the present administration is to be commended not only for its intensive and creative diplomatic efforts with Egypt and Israel, but also with our friends in Europe, Latin America, and the South Pacific, who will join the United States in this newly arranged peacekeeping operation.

By approving this legislation today, we in the Congress have an opportunity to further the peace process in the Middle East. This opportunity, however, is not without risks to American participation, since we cannot take lightly the introduction of U.S. combat-equipped troops into such a volatile region of the world. Despite the potential risks which have been carefully and comprehensively considered by our Committee, I believe that it is necessary for the United States to remain a full partner in this endeavor and to put into place another essential building block in the structure of peace in the Middle East. As a result, I urge my colleagues to adopt the resolution before us.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana, the chairman of the Subcommittee on Europe and the Middle East, Mr. HAMILTON.

Mr. HAMILTON. Mr. Chairman, I rise in strong support of House Joint Resolution 349, a resolution to authorize the participation of the United States in a multinational force and observers (MFO) to implement the treaty of peace between Egypt and Israel.

It is critical to U.S. interests in the Middle East that the MFO be established and that it be enabled to carry out its functions efficiently and effectively. The establishment of this force represents an important step in the implementation of the Egypt-Israeli treaty which, in turn, is the first step toward a comprehensive peace in the Middle East. This legislation is clearly essential for the peace process in the Middle East. Without such a multinational force, the likelihood is that the implementation of the Egyptian-Israeli peace treaty would collapse. In the wake of the death of President Sadat of Egypt, this resolution is vital to reinforcing the U.S. commitment to the full implementation of the treaty of peace.

The treaty of peace between Egypt and Israel calls for the presence of a peacekeeping force and observers to monitor the parties' compliance with the terms of the treaty and to perform specified functions designed to enhance the mutual confidence of the parties. The treaty provides that this mission should be carried out by the United Nations. However, in response to a formal request from the Permanent Representative in Egypt, the President of the Security Council on May 18, 1981, reported that the members of the Council were unable to reach the agreement necessary for the United Nations to provide a force and observers as envisioned in the treaty.

This possibility had been foreseen and provided for during the treaty negotiations. In connection with the signing of the treaty, President Carter provided each party with a March 26, 1981, letter assuring them that, in the event the United Nations failed to provide a force:

> The President will be prepared to take those steps necessary to insure the establishment and maintenance of an acceptable alternative multinational force.

Pursuant to that assurance, Mr. Chairman, a U.S. delegation participated in negotiations between the Egyptians and Israelis which led to the protocol which established the MFO as the alternative force and elaborated upon the terms under which it would function. The role of the United States in the MFO was set forth in the exchange of letters of August 3, 1981, between the three parties. The letters are in the committee report.

The mission of the MFO is to undertake the functions and responsibilities stipulated in the Egyptian-Israeli Peace Treaty for the United Nations forces and observers which could not be created. The MFO will supervise the implementation of annex I of the Treaty and employ its best efforts to prevent any violation of its terms. Those duties will include operation of checkpoints, reconnaissance patrols, and observation posts, periodic verifications, usually every 60 days, of the implementation of the provisions of annex I of the treaty, additional verifications within 48 hours of a request from either party, and insuring freedom of navigation through the Strait of Tiran. Operation memoranda are now being prepared by the Commander of the MFO and the Department of State will be consulting with Congress on them.

OBLIGATIONS

The principal obligations of the United States in this arrangement are the following:

First, the United States agreed, subject to congressional approval, to contribute to the MFO a roughly 800-man infantry battalion, a 350-person logistics support unit, and a group of roughly 50 civilian observers. The light infantry battalion which the United States will provide will have normal equipment except it will not have heavy mortars, TOW missiles, tanks, APC's or artillery pieces. The number of civilian and military personnel provided by the United States will be approximately 1,214, slightly less than one-half the total complement of the MFO, which may approach 2,500 persons.

Second, the United States undertook certain financial commitments, subject to congressional approval. Beginning in fiscal year 1983, Egypt, Israel, and the United States will each provide one-third of the annual costs of the MFO, approximately $35 million for each country. During the period prior to September 30, 1982, there will be startup costs associated largely with necessary construction activities. The United States undertook, again subject to congressional authorization, to provide 60 percent of those costs, or $135 million, with Egypt and Israel dividing the remainder equally.

Third, the United States assured Egypt and Israel that it will take certain additional actions as required, and as appropriate, subject to congressional authorization. These include: Proposing a U.S. civilian to serve as Director-General of the MFO which has been done; a commitment to use our best efforts to find acceptable replacements for any contingents that withdraw from the MFO; and a commitment to take the steps necessary to insure the maintenance of an acceptable MFO.

Fourth, the United States, pursuant to a request from Egypt and Israel, has assumed a substantial role in approaching other countries about making troop contributions to the MFO. There have been encouraging developments. Colombia and Fiji have each agreed to provide a roughly 500-man battalion. Uruguay has agreed to participate and several of our allies are expressing strong interest in providing small support elements for the MFO such as air support, coastal patrol, and communications units. The composition of the force is expected to be finalized soon. Several of our allies, including France, Britain, the Netherlands, and Italy, have agreed to participate but the details on announcement of participation have not been worked out. It is essential that the multinational character of this force be maintained.

OVERSIGHT AND CONSTRAINTS

Mr. Chairman, House Joint Resolution 349 also assures adequate congressional oversight of the U.S. role, participation, and commitment to the MFO in the future:

Congress will have an annual opportunity through the authorizing legislation, to examine the MFO and approve American participation and financial support of the MFO;

As Commander in Chief, the President can order the immediate withdrawal of the American contingent from the MFO if he so desires. The President's ultimate ability to withdraw U.S. forces from the MFO can serve to deter unwise deployments of American personnel and can assure their removal if necessary. This right of withdrawal is recognized in para-

graph 3 of the Annex to the Protocol establishing the MFO. It was clearly understood by Egypt and Israel during the negotiating process that no state would surrender its ultimate sovereign right to direct the members of its armed forces;

The resolution limits U.S. military involvement to 1,200 individuals out of a total force of close to 2,500;

Congress will be able to review the status of the MFO and American participation in it carefully through the annual report required by the resolution; and

Congress will be able to give its approval or disapproval to other agreements which may be made in the Middle East for which the administration will have to request authority or funds in the future.

Mr. Chairman, in addition, it should be recognized that U.S. policy in the Middle East is clearly directed to fostering conditions which will help to strengthen the peaceful relations between Egypt and Israel, and thus contribute to the creation of conditions in which the MFO will no longer be required. Such circumstances could be created if Egypt and Israel and the United Nations are able to reach an agreement permitting the United Nations to assume the peacekeeping responsibilities as contemplated in the Treaty of Peace and that agreement is implemented, or if alternative arrangements acceptable to both Egypt and Israel are devised and implemented.

CONCLUSION

Mr. Chairman, I urge my colleagues to support this resolution, and to support efforts to insure that the force be truly multinational in character.

A vote for House Joint Resolution 349 is a vote for peacekeeping and peacemaking in the Middle East. I urge your support.

Mr. BROOMFIELD. Mr. Chairman, before I introduce the next speaker, I would wish to take a moment just to compliment the chairman of the Subcommittee on Europe and the Middle East, the gentleman from Indiana (Mr. HAMILTON), for the work that he has done on this legislation, because he has worked with both sides, the Republicans as well as the Democrats, to develop safeguards. I just want the gentleman to know that we deeply appreciate the excellent work he has done on this legislation. He has improved it very much.

Mr. Chairman, I yield 2 minutes to the ranking Republican on the subcommittee, the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, I am supporting this resolution because despite risks and hazards, it strengthens the peace between Egypt and Israel. The establishment of the multinational peacekeeping force and observers and U.S. participation in the MFO will enable Israel to return the Sinai to Egypt in April 1982 and will permit both Israel and Egypt to fulfill commitments made in their treaty of peace.

I am also supporting this resolution in the belief and expectation that it will stimulate further progress in the peace process. The next step, according to the Camp David framework, is the establishment of a self-governing authority to provide full autonomy in the West Bank and Gaza. The Egyptian-Israeli peace treaty is a milestone in the Middle East peace process; it should not be the final destination. The next step is toward full self-determination for the people who live in the West Bank and Gaza.

It is important to recognize, however, that this is a momentous undertaking which imposes on the United States grave new responsibilities and risks in the Middle East. The United States has committed the participation of its military personnel to the MFO whose duration is uncertain. Although the presence of U.S. Armed Forces in the Sinai is not to function as a "tripwire" or security guarantee in the event of renewed conflict in the Middle East, the fact that we are providing soldiers, not civilians, could create a certain presumption. Moreover, it could serve as a precedent for other borders and future agreements in the Middle East.

Such a commitment of U.S. armed military personnel for an indefinite time period to serve a peacekeeping function—in the absence of a security pact—is unprecedented in American history. Congress should authorize such a momentous and unprecedented undertaking only after serious consideration and with the understanding that there are significant responsibilities and potential risks involved for the United States.

For example, the Soviet Union, which blocked the creation of a United Nations peacekeeping force to monitor the treaty arrangements in the Sinai, will now certainly try to exploit the presence of U.S. military personnel in the Sinai as a sign of U.S. imperialism. And, although the prospect of war in the Middle East has diminished with the Egyptian-Israeli peace treaty, the region remains volatile and dangerous. The risks involved for the United States may well be less than were we not to participate in the MFO, but they exist nonetheless.

The United States is unwise to assume alone any peacekeeping responsibilities in the Middle East, and I am therefore heartened by the prospect that several of our historic allies, notably Britain and France, as well as others will join our forces.

I regret that Congress is authorizing U.S. participation in the MFO in the absence of widespread public discussion of this issue. It is not clear that the U.S. Government is taking this step with the full awareness of the country at large.

However, funds to support U.S. participation in the MFO must be authorized annually. This will afford the Congress the opportunity to review the contribution the MFO is making to the peace process and to encourage that process to move forward, and, if such is deemed advisable to terminate the U.S. preserve. To facilitate the congressional review, the committee has written into the legislation a provision which requires the executive branch, by January 15 of each year, to report to Congress on the activities, and composition, and deployment of the military personnel from each country participating in the MFO.

The report also requires the President to inform Congress of any U.S. discussions with Egypt and Israel regarding the possible reduction or elimination of the MFO. Another section of the report requires a full account of the costs incurred by the United States in supporting the MFO.

The bill before us seeks to protect U.S. interests with respect to MFO financial matters.

The United States, like other developed countries, will be fully reimbursed by the MFO for those expenses actually incurred. This will include such things as overseas allowances for the personnel and the costs of train transportation to the Sinai. At the same time, it is intended that the United States and other participating countries will exercise restraint in seeking reimbursement. For example, expenses incurred by a participating government primarily for its own convenience rather than to meet a requirement imposed by the MFO should not be charged to the MFO. We do not want participating military forces bringing more expensive equipment or using more expensive means for transportation than is reasonably required and then charging these costs to the MFO.

The bill includes extensive reporting requirements which will assure that the Congress is fully informed of all aspects of the finances involved. This will allow us to insure that the U.S. Armed Forces are reimbursed for the additional expenses they actually incur due to requirements imposed on them by the MFO. At that same time, our access to cost information will help to insure that the MFO is not being charged by any participating state for speculative costs or expenses it incurred at its own initiative.

Similarly, we have sought to insure that when the MFO purchases items from the U.S. Government, the United States will be reimbursed except where there is no significant incremental cost. Thus, if we buy trucks or food to supply to the MFO, we will be paid back for the full amount those

items cost. At the same time, we would expect the United States and other governments which may supply the MFO to forego administrative surcharges and similar add-ons. We must avoid implication that the United States or any other government is profitting at the expense of the MFO.

Mr. Chairman, I would like to join in expressing appreciation to the gentleman from Indiana (Mr. HAMILTON) for the leadership he has provided in the development of this legislation.

If I may, I would like to raise a question with the gentleman from Indiana based on the hearings that our subcommittee has had on this resolution.

I think it is well for our colleagues to be aware of the risks that are entailed by this mission. During the hearings, as I recall, questions were raised of administration witnesses as to what would happen in certain contingencies. For example, suppose military conflict on a rather large scale would break out? What would happen then? Would our forces as a part of the peacekeeping mission be expected to remain and fight, or would they have the opportunity and responsibility to withdraw from the field of battle in that event?

As I recall the hearings, that question could not be answered. Is that the gentleman's recollection?

Mr. HAMILTON. I think the key point is that in any deployment, the U.S. troop commander will always have recourse to the U.S. chain of command. And, of course, the ultimate safeguard is the power of the President to withdraw those troops.

Let us take the case where hostilities might break out, and perhaps a worst case situation, which we really would not expect to happen, where the commander of the MFO would try to commit the MFO to some kind of hostile action. In that event, the American commander of the American unit would have recourse to the U.S. chain of command, and that, of course, would include the President.

Mr. FINDLEY. And so far as the gentleman can recall from hearings, the administration did not present this as an obligation on the part of our forces to remain and fight in the event of general conflict; is that correct?

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Mr. HAMILTON. That is correct. These troops are committed only for the purpose of carrying out the terms of the protocol and the treaty. That really is a police function. It is a monitoring function. They are not committed for purposes of any combat or any hostilities.

Mr. FINDLEY. I thank the gentleman.

The CHAIRMAN. The gentleman from Wisconsin has 13 minutes remaining.

Mr. ZABLOCKI. Mr. Chairman, I would request that as each speaker finishes, we could be advised of the time so that we know how much time we have left.

Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. I thank the Chairman very much.

Mr. Chairman, I doubt that I will take the entire 5 minutes, but I did want to rise on behalf of this legislation because I think that it is critically important that it receive the approval of the House. Let me first of all pay tribute to the very distinguished chairman and ranking minority member of the full committee, as well as our extraordinarily able chairman of the Subcommittee on Europe and the Middle East, for the real thought and care and consideration which they have given to this legislation. It was potentially divisive legislation. It was the kind of resolution which could have aroused a good deal of concern, not only in the Congress but throughout the country. But, I think as a result of the effort that they put into it, thoughtfully addressing a wide variety of potential problems that may have arisen, we have been able to come forward to the House with a resolution that is relatively noncontroversial.

Let me just say that I think it is fairly clear that the Camp David agreement is the cornerstone of our foreign policy in the Middle East. I think it is probably fair to say that if this resolution were not adopted, it would significantly undermine the Camp David agreement and the peace treaty between Israel and Egypt.

As we all know, in April 1982 Israel will be obligated, pursuant to the terms of the peace treaty with Egypt, to withdraw from the rest of the Sinai, and following the assassination of President Sadat there is a good deal of probably ineradicable concern on the part of the Israelis over what will happen in terms of their relationship with Egypt once they have withdrawn from all of the Sinai. To the extent that the implementation of the Camp David agreement requires, following the withdrawal by Israel from the Sinai, the establishment of a multinational force in that area in order to make sure that both Israel and Egypt live up to their commitments and obligations under the terms of the treaty, if the United States were to refrain from participating in that force, the force would never be established at all.

Originally, we had hoped that a United Nations force could be established, but unfortunately the Soviet Union vetoed the resolution in the Security Council, and that alternate came to nought. The only way is, if a peace keeping force could be established on an ad hoc multinational basis, with the United States taking the lead in bringing about the formation of that force. We have done that, and now we have a resolution before us which would authorize the appropriation of the resources which will be necessary to fund it.

It seems to me that the Camp David agreement and the peace treaty between Israel and Egypt are the one ray of light down a long tunnel of darkness and despair. Nobody can possibly be optimistic about a comprehensive solution of the conflict between Israel and the Arabs in the Middle East in the foreseeable future, but to the extent that there is any possibility whatsoever of achieving progress in resolving the differences between Israel and its Arab neighbors with respect not only to the future of the Palestinians, but with respect to the territorial status of Golan and the West Bank, Gaza and East Jerusalem and the question of the Palestinian refugees, that hope, that prospect, that possibility lies in continuing progress and implementing the terms of the Camp David agreement.

Other countries, like Saudi Arabia, can come forward with plans of their own, but any deviation from the Camp David process is virtually guaranteed to fail. If we did not authorize this resolution today, if we walk away from the commitments we made to Israel and Egypt at the time of the Camp David agreement, then the whole peace process would fall apart.

I say to those Members of the House who are concerned that American troops might somehow or other, willy-nilly, get involved in fighting in the future in the Sinai if we send American soldiers to participate in this peacekeeping force, that the prospect for American participation in any future conflict in the Middle East will be substantially diminished if the Camp David agreement is carried out and we send our troops pursuant to this resolution, than if we do not, because if the peacekeeping force were never established and the peace treaty between Israel and Egypt collapses, the chances are that there would be another war in the Middle East in the relatively near future.

We all know what happened in 1973 at the time of the Yom Kippur War between Israel and the Arabs. There was a stage in that conflict when the Soviet Union mobilized six airborne divisions so that they could be sent at a moment's notice into the Sinai to rescue the Egyptian 3d Army which had been surrounded by Israeli troops. President Nixon put our own forces on a nuclear alert. We went to the very brink of conflict with the Soviet Union.

I think most of us would probably accept the fact that if a Third World war breaks in our lifetime, it is much more likely to break out from a regional conflict that escalates into confron-

tation between the superpowers than it would from some kind of sudden surprise bolt from the blue attack. In that sense, if another world war is going to erupt from any regional conflict in the world, it is likely to emerge from a conflict in the Middle East. That is why this resolution, the Camp David agreement and the peace treaty, and the peace process to which we have invested so much and to which we have lent so much momentum, is at stake when the House takes up this resolution today, and I am confident that it will be approved.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I want to compliment my friend from New York (Mr. SOLARZ), as well as the distinguished chairman of the committee and my friend from Michigan (Mr. BROOMFIELD), and particularly identify myself with the remarks that were made by Mr. SOLARZ, my colleague from New York. In an articulate a fashion as we have ever heard in this body, he explained that the best hope for a just resolution of the problems facing the nations of the Middle East does not reside in some theoretical comprehensive settlement that is off somewhere in the clouds, on the drawing board of some third-party nation trying to interject itself into the Middle East peace process. It resides in the Camp David accords—negotiated in large part by the previous President, Mr. Carter, to whom I give great credit—and wholly and properly supported by this administration.

The peace process embodied in Camp David offers the only hope for a just resolution of the troubles that have beset the Middle East for so many years. The longing of all people in that region to live in peace and freedom within secure and recognized boundaries hinges upon the continuing success of the Camp David framework. And the interests of the United States in maintaining the stability and security of our friends and allies in the region mandate our unwavering commitment to the peace process begun by the late President Sadat's historic visit to Jerusalem.

We are a mere 5 months from the major performance required by the peace treaty: Israeli withdrawal from the Sinai, scheduled to be completed by April 25, 1982. Under the terms of the peace treaty, a peacekeeping force must be in place prior to that date.

Early on in President Reagan's term in office it became clear that the Soviet Union would block U.N. forces from fulfilling the peacekeeping role mandated by Camp David. Rather than let Soviet obstructionism undercut Camp David, the administration has formulated with Israel and Egypt a new avenue for meeting the peacekeeping requirements: a multinational force and observers.

The United States participation in the multinational force and observers in the Sinai is a sine qua non to the implementation of the Camp David accords, and thus to strengthening the prospects for a just peace.

Of course, there is a risk involved in placing U.S. personnel in the Sinai in this manner. But, what is the risk of not doing it? We face a greater risk should those accords break down as the gentleman from New York pointed out, and give rise to the hostilities that have beset that particularly troubled area of the world too often in the past.

The gentleman from New York, as I said before, put his finger on I think the most important reason why the United States should participate and why the United States is participating in this MFO force. We have a heavy investment in Camp David as a step-by-step process toward peace in the Middle East, and that investment and all the capital that we put into the Camp David accords must not by cast aside here today by our reluctance to take the hard steps necessary to support the continuation of the Camp David process.

Let me say one other thing that has not been said by the gentleman from New York, and which he perhaps could have more eloquently phrased: Israel has taken a tremendous risk in the Camp David accords. In large part, Israel is moving back to the 1967 border. Not only are they giving up the Sinai, they are giving up the oilfields, they are giving up Etam, the Etzion Air Base, they are giving up the communications base at Sharm el Sheikh. They are giving up three of the single most important military bases in all the Middle East.

Now, I personally would prefer to see the United States take up a ground presence somewhere in the Sinai. We have forced Israel back into the Negev Desert, sharply constraining their ability to maneuver in their own defense. Their air bases, in which the United States invested so much, are going to be in the Negev, which, as I said before, reduces Israel's ability to defend its territory. Nevertheless they have agreed to relinquish the Sinai. Not only have they moved back to the 1967 southern border absent the Gaza Strip, but as I mentioned, they are also giving up rich oilfields. Name any other nation anywhere in the world today that would be willing to give up that precious resource of oil.

I think we ought to stand fast in supporting this MFO concept. And I am hopeful that other nations in the region—such as Jordan and Saudi Arabia—may come to appreciate that their security and stability is best served by joining forces to promote peace, rather than pursuing separate solutions which in reality are no solution at all.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to my colleague.

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding. I do not think there is any Member of the House who has done more to support the peace process from his position in Congress than the gentleman from New York, and I have seen him not only on the floor but in the Budget Committee, on which we both serve, take positions which have been most helpful in that respect.

I think the point the gentleman made concerning the extent of the sacrifices and concessions which Israel has already made in the context of the Camp David agreement is very well taken, but I think there is one additional point that needs to be made; that is what President Sadat demonstrated when he made his historic journey to Jerusalem and the subsequent negotiations between Israel and Egypt, is that even from the Arab point of view much more can be achieved in the relationship with Israel in the context of conciliation than in the context of confrontation, because he was the first Arab leader in three decades who was willing to say publicly from the podium of the Knesset, no less, that Israel was entitled to exist and that he was prepared to enter into diplomatic relations with it. Once he said that, it facilitated a real breakthrough in resolving the real differences between Israel and Egypt.

If only King Hussein of Jordan and President Assad of Syria and Saudi Arabia would come to Jerusalem——

Mr. KEMP. I am going to take my time back, not because I do wish to interrupt my friend, but simply because my time has expired, and I do not want to impose upon my colleagues. My friend, Mr. SOLARZ, has just hit upon my closing thought: That this is a symbol of what can be done on the West Bank.

The Israelis are willing to take a risk for peace, but not at the expense of their survival and security, and they should not. I hope that other nations in the Arab world will join the process, such as the Sudan and Morocco, including the Saudis and the Jordanians, so that we can have a true and lasting peace in the Middle East.

I appreciate my friend from Michigan for his progressive leadership in this area.

The CHAIRMAN pro tempore. The Chair will announce that the gentleman from Wisconsin (Mr. ZABLOCKI) has 8 minutes remaining, and the gentleman from Michigan (Mr. BROOMFIELD) has 20 minutes remaining.

□ 1530

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, obviously what I am going to say will not be remembered by any of the Members after the exchange just a moment ago between the two intellectual giants from the State of New York, but I would like to at least express my personal views on this subject.

I rise in support of House Joint Resolution 349, authorizing the United States to take part in a multinational force and observers (MFO) to help carry out the treaty of peace between Egypt and Israel. Camp David was the result of U.S. diplomatic initiative and the peacekeeping force is a necessary part of the ongoing peace process.

First, let me say that the repeated references by some Members to the risks involved, intrigue me. I do not think there are any risks whatsoever. I think, as a matter of fact, that for many U.S. servicemen who are assigned to this duty it will probably be the best assignment outside of Hawaii. Why? Because the Egyptians and Israelis have developed a degree of cooperation that is unparalled. They trust each other; their militarys respect each other. The reason they want the U.S. presence is because they respect and trust us. We could not have a better deal.

It is the leadership of the United States which is being demonstrated, with the understanding that the Israelis and the Egyptians have reached that they are going to progress far better in trade, in communications, and in peace, which they are doing. I see absolutely no danger whatsoever.

In fact, in my personal opinion, the biggest problem facing our troops in that tour of duty will probably be possible exposure to the Sun. Beyond that they are not going to have any military or personal dangers involved at all.

Furthermore, I see this as an absolutely necessary step to keep up the peace momentum. We still have that peace momentum. Despite their massive presence via military hardware in Syria and Iraq, the Soviets are not the key to peace in that area. In fact, they are the key to trouble.

It is the moderate Arab countries that will eventually come over and join Egypt, and with everybody working with what I think is a very progressive, innovative, and courageous Israeli regime, which was willing to take the risk involved in Camp David accords that is producing the peace, our role, which gives the leverage and the leadership, is necessary.

The main purpose of this resolution is to provide for congressional authorization for the participation of the United States in the MFO to implement the Egyptian-Israeli Peace Treaty.

Under the terms of this authorization, the United States will provide 1,200 troops to take part in the MFO. Together with members of the armed forces of Fiji, Colombia, and other countries, U.S. military personnel will help supervise the implementation of the treaty of peace dealing with final Israeli withdrawal from the Sinai on April 25, 1982, and to help monitor compliance with the treaty after that time.

The MFO will assume its duties on April 25, 1982, the date of the final withdrawal of Israeli forces and the return of the Egyptians to the area.

Mr. Chairman, it is critical to the interests of the United States in the Middle East that the multinational force and observers be established. This entity is a major step in the implementation of the Egyptian-Israeli Treaty which, in turn, is a major step toward peace in the Middle East. The agreements leading to the establishment of this force represent an important initiative in our search for a just and lasting peace in that troubled region.

The legislation is essential for the peace process in the Middle East. Without such a multinational force, it is probable that the implementation of the peace treaty would collapse. Therefore, the MFO reinforces the U.S. commitment to the full implementation of the Egyptian-Israeli Treaty of Peace.

I fervently hope that the MFO will foster the conditions that will strengthen the peaceful relationship between Egypt and Israel. The United States remains fully committed to carrying out the second major undertaking of the Camp David process—the attainment of an acceptable agreement for the West Bank and Gaza consistent with the Camp David accords.

Mr. Chairman, I would think that all of us should be anxious to support this very progressive foreign policy step.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, I thank the committee chairman for yielding me this time.

I would like to associate myself with the remarks of the distinguished gentleman from Illinois (Mr. DERWINSKI), who just spoke, because he spoke of the momentum for peace. There is only one process that has produced that momentum in that region in recent history, and that is the Camp David process. Even the small hint that we might be backing off that process or abandoning it in some way is, I think, very alarming to many of us on both sides of the aisle and to a good chunk of the American public which applauded and has applauded that process and the principles involved in it.

But, of course, it is even more frightening to people in the region who believe in the process, the people in Egypt and the people in Israel.

Some of us, through the fine auspices of the distinguished chairman of the committee, the gentleman from Wisconsin (Mr. ZABLOCKI), had the opportunity to meet with Moshe Nissim and Ambassador Herzog this past week, and I think my colleagues will support me on this statement that their description of the arms buildup in some of the states such as Saudi Arabia and Iraq was absolutely horrifying in its dimensions. We must as Americans, despite our apprehension about American involvement in conflict, be willing to take a small step to bring peace through a process which has shown such great promise.

Mr. Chairman, I applaud the committee, its distinguished chairman and ranking minority member, and all the members of the committee for bringing this legislation to the floor, and I urge strong support for it.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. LAGOMARSINO), a member of the committee.S0679

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of House Joint Resolution 349, to authorize U.S. participation in the Sinai peace force.

I join in commending the Chairman and Ranking Member of the Full Committee and those of the Subcommittee.

As a co-sponsor of this measure, I wish to emphasize the vital importance of the U.S. participation in the Sinai peace force as a continuing step in the Camp David process. There has been a great deal of speculation recently as to the U.S. commitment to Camp David. The administration affirms the United States has not backed away from full support for the terms of Camp David. Our passage of this resolution will demonstrate that we the Congress as well as the administration have not lessened our resolve to promote a just and lasting peace in the Middle East.

While it is not clear at this point what the exact makeup will be for the multilateral force, there are firm commitments from Fiji, Colombia, and Uruguay to sent troops and from Norway to provide the commander of the force, The participation of the Common Market countries, Great Britain, France, Italy, and the Netherlands—when they actually commit troops to the Sinai force—will mark a small but significant step in European acceptance of the Camp David process.

It would be a very positive move supporting Egypt's and Israel's efforts to

achieve a peace settlement in the Middle East.

Australia has also agreed to participate, and I would like to commend the chairman of the full committee, the gentleman from Wisconsin (Mr. ZABLOCKI), for the efforts he made in encouraging the Australians to make that decision. I would commend the administration for their successful efforts in getting other countries to participate and, as I said, special commendation is due the committee chairman in encouraging the Australian Government to join the effort.

Mr. Chairman, I would also like to quote to the Members some things that Prime Minister Malcolm Fraser said in announcing his support of this process.

He said the following:

The Australian Government believes that this multinational peacekeeping force is a significant step for peace. It is not a decision which is pro-Arab or pro-Israeli. It is a decision which is pro-peace. It is a decision which could never have been made had President Sadat not taken his historic initiatives.

Prime Minister Fraser went on to say this:

President Sadat took great political risks in initiating and persevering with the peace process and it is vital for his successors who have committed themselves to support that peace process that the remaining third of Sinai still under Israeli control be regained by Egypt in April 1982;

The failure of Australia and other Western countries to participate would require the United States to bear the burden itself and would be seen as a failure by the West to support the United States' policies in the Middle East. This would risk giving propaganda opportunities to the Soviet Union, whereas participation in peacekeeping would encourage constructive United States involvement in efforts to bring about a lasting settlement of Arab/Israeli differences;

Mr. Chairman, I commend these two Middle East nations, Israel and Egypt, for their unflagging effort to arrive at a negotiated settlement, and I urge my colleagues to give their support to Egypt and Israel by approving this measure today.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. HARTNETT).

Mr. HARTNETT. Mr. Chairman, perhaps my fellow colleagues think perhaps it is strange for this deep-rooted conservative from South Carolina to rise and ask these questions, but we have said to Americans, poor Americans, elderly Americans, aging and sick Americans, American students, and American veterans, that we have to tighten up; we have not got the money that we had. We have told them that we have got to cutback and we have got to slash the budget. Yet we still raise and continue to raise money for foreign aid.

We continue to send millions and millions of dollars to foreign countries, and we deprive our own people of the necessities of life.

How long are we committing this peace-keeping force to this area of the world? I wish the chairman and the ranking minority member of the committee would perhaps listen, and maybe in their remarks they could answer these questions.

How long are we committing these U.S. troops? If hostilities break out, who do we fight, Israel or Egypt, or do we fight both?

If Israel refuses to withdraw, do we make them withdraw, or do we withdraw?

If there is no need for this, if these countries are getting along full well, maybe we ought to reexamine this agreement to send this force over there.

What other countries are going to participate? Uruguay, Fiji, and Colombia. What staying power do these other countires have?

Suppose two countries withdraw; do we have to then, under this agreement, have the duty to go out and recruit two other countries?

Suppose we decide to withdraw. Is that an indication of America's lack of will to stay and see that the peace accord is carried out? How can we graciously withdraw from this area of the world?

By this resolution we are committing young men and women not necessarily as my distinguished colleague, the gentleman from Illinois (Mr. DERWINSKI), said; we are committing young men and women to a potentially hostile military zone. But if they are not going to fight, why send them? If they do have to fight, who will they fight?

The CHAIRMAN. The time of the gentleman from South Carolina (Mr. HARTNETT) has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 additional minute to the gentleman from South Carolina (Mr. HARTNETT).

Mr. HARTNETT. Mr. Chairman, I thank the gentleman for this time. After all, this is the only side we have heard from in regard to any position other than all the glorious reasons for this particular resolution.

I am concerned that if the United States finds it necessary to withdraw her troops, will that be an indication of our withdrawing our support for this Israeli-Egyptian peace agreement? If not, how long do we have to leave them, and what is going to be the cost in foreign aid to that area of the world?

Mr. Chairman, when we have told our own people we cannot afford to do for them what we would like to do any longer, I have to raise these questions. We have said that we have to cut our budget and tighten our belts.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I thank my colleague for yielding me this time.

There are many points of view, and it is time that all should be expressed in this House. But I think it is a fairly simple proposal that comes before us today for decision.

I think we all know that two Presidents now have indicated as much, that we could not remain totally indifferent to real trouble in that area, that Japan and all of Europe and a great deal of our own interests would be involved. We could not stay apart from that and just say, "too bad" and move away. And if we should become involved, the cost that would be incurred would be tremendous, as compared to this—I think it is $20 or $30 million we would be incurring, as the gentleman said, year after year.

But the problem here is that Sadat is dead. The problem here is that we have not anything that is reassuring in that whole area, now that that solid, gracious man has left the scene. And under these conditions, for the United States not to live up to that which she has committed herself to would be a disgrace for us and, I think, a danger to the world.

We should not withdraw from the promises that we have made, and when you think of the vacuum that the departure of Sadat has left, certainly it is impossible to imagine another departure from the same scene. I think Sadat's death is one of the serious things that has happened to the world. I do not know how we can repair it, but we should not add to the damage.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. BROWN).

Mr. BROWN of Colorado. Mr. Chairman, I rise in opposition to this measure.

It was 16 years age that this Nation of ours asked for volunteers in its Armed Forces to volunteer for service in Vietnam. Our country's leaders called on the youth of this Nation, and our youth responded by the hundreds of thousands. They interrupted their education, they took up to a year away from their families, and, yes, who were willing to risk their lives as well.

Those young people who served in our Armed Forces made a commitment to this country. A commitment that this country and its leaders expected them to make. And what kind of a commitment did our leaders make to those who served?

The facts are clear that our leadership was never able to decide whether to win the war or pull out. Faced with two unpleasant alternatives, this country's leaders, both in the Congress and the various Presidents who served during this period refused to make a decision. They watched Americans die

in Vietnam while they were unable to select a course of action.

□ 1545

I believe this country has a responsibility to those who are willing to serve in the Armed Forces.

Drawing on the lessons of Vietnam, the President has pledged not to send American troops into combat without a commitment to win.

We find ourselves, with this measure, sending American Armed Forces to a potential theater of military conflict. It would be tragic for this body to risk American lives where Congress is unwilling to meet our responsibilities to those who wear our countries uniform.

The CHAIRMAN pro tempore. The time of the gentleman from Colorado has expired.

Mr. ZABLOCKI. Mr. Chairman, I yield the gentleman from Colorado (Mr. BROWN) 1 additional minute.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I am glad to yield to the gentleman from California.

Mr. PHILLIP BURTON. I respect our distinguished colleague in the well as I respected his distinguished predecessor. However, I do not think that the gentleman's observations are justified by the situation.

I yield virtually to no one in this House or in the other body for the hopefully consistent and persistent opposition I had to the war in Vietnam when there were few or virtually none in this body or the other body that held that point of view.

This particular situation is the mirror image, if you will, if I am using the right analogy, to that we had in Vietnam. The American presence there, in fact is going to serve the cause of peace. Our presence there is requested by these two nations who previously had been hostiles, who are groping to improve on their current peaceful relationship, both of whom believed our presence serves a positive purpose in that respect.

I applaud the judgment that produced this resolution.

Mr. WEISS. Mr. Chairman, I rise in strong support of House Joint Resolution 349, which authorizes our Nation's participation in a multinational force of observers helping to implement the Israeli-Egyptian peace treaty. U.S. participation can help make this step in the Mideast peace process go smoothly and effectively.

The peace treaty requires the final withdrawal of Israel from the Sinai Peninsula no later than April 25, 1982. The presence of a multinational force of observers overseeing the transition following Israel's withdrawal will insure compliance with provisions of the treaty and help foster peaceful relations between the people of Israel and Egypt.

The resolution limits the number of American servicemen in this force to 1,200, which is sufficient to guarantee that the force will be able to complete its mission but which also requires other nations to participate. This authorization for American participation was necessitated by the fact that the United Nations was unable to appoint a force for this project. I believe it is commendable that this Congress sees fit to step in to fill what might be a dangerous gap. By making certain that the Israeli-Egyptian peace treaty will be met at this important juncture, the United States really is supporting and protecting our Nation's greatest goal—peace.

Achieving real and lasting peace in the Mideast is one of our Nation's highest priorities, as it has been historically. House Joint Resolution 349 marks an important step forward in following through in our commitment to Mideast peace. I urge support for this legislation.

● Ms. FIEDLER. Mr. Chairman, in approving the deployment and funding of the U.S. participation in the multinational force in the Sinai, we are giving notice to the world that we are prepared to offer something more than rhetoric in the service of continuing the Middle East peace process. We are willing to send troops as part of this multinational force at the request of both Israel and Egypt, to monitor the progress of the implementation of the Camp David accords. In doing so, we are recognizing our responsibilities toward the peace of the world. For better or—more often—for worse, we live in a world whose geopolitics are dominated by the two superpowers. If we have become one of these superpowers, then we must use our power, our prestige, and position to try, with whatever skill we may have, to benefit our citizens and our allies. It remains a fact that peace and stability in the world benefits the United States. It hurts the other superpower. It hurts those who would infect with their ideology every people who would strive for land and bread. It hurts the terrorist, the ideologue, the militatist. The multinational force will be very much soldiers for peace.

That this force is to be sent into Sinai is a sign that lines on a map must not become uncrossable barriers to peace. In 1973, thousands of Egyptians and Israelis died to decide which nation should control Sinai. Today, our multinational force shall see that it shall change hands with nothing more than ink flowing. I do not think I am foolishly optimistic that the Middle East peace process can continue because I now see the lines on the map being redrawn in Sinai. In an area of peoples and cities half as old as time itself, borders and boundaries can be the thing of a summer's afternoon. How many lives should, or must, be lost because a nation insists on boundary line A rather than boundary line B? How long should those who profit through hatred and instability be given carte blanche? I say, no more.

I am not here to argue about the 1948 boundaries, the 1967 boundaries, the 1973 boundaries, partition lines, the Allon lines, or any other lines. I believe that we do have the foundations for a settlement that can embrace other Arab nations while insuring the security of Israel. Israel has already taken risks for peace. We cannot ask that nation to take on more risks without showing that it can count on the full support of the United States. But with this support comes the responsibility to take real and genuine steps to fully implement the Camp David accords, to show the world that the United States does not have the patent on peace.

In approving the U.S. participation in this mutinational force, the House of Representatives has shown itself to be aware of its responsibilities as a part of the foreign policy process. From this responsibility comes our further—and greater—responsibility toward peace in the Middle East.●

● Mr. SMITH of Alabama. Mr. Chairman, earlier today I cast my vote in support of House Joint Resolution 349, legislation authorizing U.S. participation in the implementation of the Israeli-Egyptian treaty. Under the terms of this bill, the United States will oblige itself to contribute American troops and operating costs for the creation of the peace keeping "multinational force and observers" agreed to freely by both Israel and Egypt, and provided for specifically in their 1979 treaty.

I cast this vote after much serious deliberation, as is fitting when committing Americans to participation in such a project. We are not committing troops to combat; that would require separate congressional action. Nevertheless, the Middle East is a volatile area and this vote required a serious sense of purpose.

I regret that the Soviet Union has used its power in the United Nation's Security Council to block the United Nations from accepting its proper role in the development of peace keeping forces. Nevertheless, it is essential the burgeoning peace between Israel and Egypt be nurtured and permitted the opportunity for permanence.

The Camp David agreement is a viable solution—our best option. The United States remains firmly dedicated to the Camp David accords and considers it the principal vehicle for achieving peace in the Middle East.

We are helping nations keep peace—a worthy goal. Let us pray that peace, permanent peace, becomes a reality.●

● Mr. GILMAN. Mr. Chairman, I rise in strong support of House Joint Reso-

lution 349, a resolution to authorize U.S. participation in a multinational force and observers (MFO) to help carry out the treaty of peace between Egypt and Israel.

The creation of the MFO is a major step in the implementation of the Egyptian-Israeli Peace Treaty. U.S. participation is crucial to the success of this effort which represents the only viable and ongoing initiative in our search for a just and lasting peace.

Without the MFO, the future of the peace treaty is in doubt. The attainment of further agreements including an acceptable resolution for the key areas of the Judea and Samaria will be in doubt. This resolution is vital to reinforce the U.S. commitment and that of other parties who are supporting the full implementation of the Egyptian-Israeli Treaty of Peace.

Our Nation's support of this effort will have a significant impact in the broader efforts to encourage other nations to participate in MFO as well as the peace process. I hope and believe that this important step will strengthen the peace process and thereby bring closer the day when the MFO will no longer be needed.

As a cosponsor of House Joint Resolution 349, I urge all of my colleagues to join with me in support of this important resolution.●

● Mr. SMITH of Oregon. Mr. Chairman, I submit that those who forget the past are condemned to repeat it.

Before entering office, I assured my constituents that I would not vote to commit our youth to keep the peace in another jungle like the one I faced in Vietnam.

While I realize the importance of a Mideast peace, I also know that providing an infantry battalion, a logistical support unit, and a group of civilian observers only makes the sands of the Middle East look more and more like a jungle with every dollar thrown at the effort. The $125 million committed to a multinational force could be better spent to bolster our own ailing economy here at home.

When the Egyptian-Israel Peace Treaty was signed in 1978, it was understood that a United Nations peacekeeping force would be installed to monitor compliance of the two nations with the treaty. But because the Soviet Union was successful in its attempt to block the authorization of this peacekeeping force in the U.N. Security Council, we are being asked to foot 60 percent of the bill, 1,200 young men, and the majority of the responsibility for the maintenance of another multinational force (the President will be responsible for replacing any member nations when the total drops below four) whose effectiveness might be accepted as being questionable at best.

I joined with 12 other Representatives who refused to vote to support the sending of dollars and men to guard foreign soil because of a strong Soviet effort to thwart a weak U.N. If such a force must be fielded, the dollars used to support it should more appropriately come from the United Nations of which we fund by 25 percent.●

Mr. BROOMFIELD. Mr. Chairman, I have no further requests for time.

Mr. ZABLOCKI. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

H.J. RES 349

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This joint resolution may be cited as the "Multinational Force and Observers Participation Resolution".

STATEMENT OF POLICY

SEC. 2. The Congress considers the establishment of the Multinational Force and Observers to be an essential stage in the development of a comprehensive settlement in the Middle East. The Congress enacts this resolution with the hope and expectation that establishment of the Multinational Force and Observers will assist Egypt and Israel in fulfilling the Camp David accords and bringing about the establishment of a self-governing authority in order to provide full autonomy in the West Bank and Gaza.

PARTICIPATION OF UNITED STATES PERSONNEL IN THE MULTINATIONAL FORCE AND OBSERVERS

SEC. 3. (a)(1) Subject to the limitations contained in this resolution, the President is authorized to assign, under such terms and conditions as he may determine, members of the United States Armed Forces to participate in the Multinational Force and Observers.

(2) The Congress declares that the participation of the military personnel of other countries in the Multinational Force and Observers is essential to maintain the international character of the peacekeeping function in the Sinai. Accordingly—

(A) before the President assigns or details members of the United States Armed Forces to the Multinational Force and Observers, he shall notify the Congress of the names of the other countries that have agreed to provide military personnel for the Multinational Force and Observers, the number of military personnel to be provided by each country, and the functions to be performed by such personnel; and

(B) if a country withdraws from the Multinational Force and Observers with the result that the military personnel of less than four foreign countries remain, every possible effort must be made by the United States to find promptly a country to replace that country.

(3) Members of the United States Armed Forces assigned or detailed to the Multinational Force and Observers may perform only those functions or responsibilities which are specified for United Nations Forces and Observers in the Treaty of Peace and in accordance with the Protocol.

(4) The number of members of the United States Armed Forces who are assigned or detailed by the United States Government to the Multinational Force and Observers may not exceed one thousand two hundred at any one time.

(b) Subject to the limitations contained in this resolution, the President is authorized to provide, under such terms and conditions as he may determine, United States civilian personnel to participate as observers in the Multinational Force and Observers.

(c) The status of United States Government personnel assigned to the Multinational Force and Observers under subsection (a)(1) or (b) of this section shall be as provided in section 629 of the Foreign Assistance Act of 1961.

UNITED STATES CONTRIBUTIONS TO SHARED COSTS

SEC. 4. (a) In accordance with the agreement set forth in the exchanges of letters between the United States and Egypt and between the United States and Israel which were signed on August 3, 1981, the United States share of the costs of the Multinational Force and Observers—

(1) shall not exceed 60 per centum of the budget for the expenses connected with the establishment and initial operation of the Multinational Force and Observers during the period ending September 30, 1982; and

(2) shall not exceed 33⅓ per centum of the budget for the annual operating expenses of the Multinational Force and Observers for each financial year beginning after that date.

(b)(1) There are authorized to be appropriated to the President to carry out chapter 6 of part II of the Foreign Assistance Act of 1961, in addition to amounts otherwise available to carry out that chapter, $125,000,000 for the fiscal year 1982 for use in paying the United States contribution to the budget of the Multinational Force and Observers. Amounts appropriated under this subsection are authorized to remain available until expended.

(2) Expenditures made pursuant to section 138 of the joint resolution entitled "Joint resolution making continuing appropriations for the fiscal year 1982, and for other purposes", approved October 1, 1981 (Public Law 97-51), or pursuant to any subsequent corresponding provision applicable to the fiscal year 1982, shall be charged to the appropriation authorized by this subsection.

NONREIMBURSED COSTS

SEC. 5. (a) Any agency of the United States Government is authorized to provide administrative and technical support and services to the Multinational Force and Observers, without reimbursement and upon such terms and conditions as the President may direct, when the provision of such support or services would not result in significant incremental costs to the United States.

(b) The provision by the United States to the Multinational Force and Observers under the authority of this resolution or any other law of any property, support, or services, including the provision of military and civilian personnel under section 3 of this resolution, on other than a reimbursable basis shall be kept to a minimum.

REPORTS TO THE CONGRESS

SEC. 6. (a) Not later than April 30, 1982, the President shall transmit to the Speaker of the House of Representatives, and to the chairman of the Committee on Foreign Relations of the Senate, a detailed written report with respect to the period ending two weeks prior to that date which contains the information specified in subsection (b).

(b) Not later than January 15 of each year (beginning in 1983), the President shall transmit to the Speaker of the House of Representatives, and to the chairman of the

Committee on Foreign Relations of the Senate, a written report which describes—

(1) the activities performed by the Multinational Force and Observers during the preceding year;

(2) the composition of the Multinational Force and Observers, including a description of the responsibilities and deployment of the military personnel of each participating country;

(3) all costs associated with United States participation in the Multinational Force and Observers which were incurred during the preceding fiscal year and for which the United States was not fully reimbursed, with an explanation of why the United States was not fully reimbursed for each category of cost;

(4) all such costs for which the United States was fully reimbursed; and

(5) the results of any discussions with Egypt and Israel regarding the future of the Multinational Force and Observers and its possible reduction or elimination.

(c) The reports required by this section shall be as detailed as possible. The information with respect to any administrative and technical support and services provided on a nonreimbursed basis under section 5(a) of this resolution shall include a description of the types of support and services which have been provided and an estimate of both the total costs of such support and services and the incremental costs incurred by the United States with respect to such support and services.

(d) For purposes of the reports required by this section, the term "costs" means any costs, whether normal or incremental, which are incurred by the United States Government, including—

(1) contributions to the budget of the Multinational Force and Observers;

(2) the costs associated with the members of the United States Armed Forces or the United States civilian personnel who are assigned, detailed, or otherwise provided to the Multinational Force and Observers, including pay, retirement and other benefits, transportation, and housing; and

(3) the costs associated with any other property, support, or services of any kind made available (by means of grant, sale, loan, lease, or any other means) by the United States Government to the Multinational Force and Observers.

STATEMENTS OR CONGRESSIONAL INTENT

SEC. 7. (a) Nothing in this resolution is intended to signify approval by the Congress of any agreement, understanding, or commitment made by the executive branch other than the agreement to participate in the Multinational Force and Observers as set forth in the exchanges of letters between the United States and Egypt and between the United States and Israel which were signed on August 3, 1981.

(b) The limitations contained in this resolution with respect to United States participation in the Multinational Force and Observers apply to the exercise of the authorities provided by this resolution or provided by any other provision of law. No funds appropriated by the Congress may be obligated or expended for any activity which is contrary to the limitations contained in this resolution.

DEFINITIONS

SEC. 8. As used in this resolution—

(1) the term "Multinational Force and Observers" means the Multinational Force and Observers established in accordance with the Protocol between Egypt and Israel signed on August 3, 1981, relating to the implementation of the security arrangements of the Treaty of Peace; and

(2) the term "Treaty of Peace" means the Treaty of Peace between the Arab Republic of Egypt and the State of Israel signed on March 26, 1979, including the Annexes thereto.

Mr. ZABLOCKI (during the reading). Mr. Chairman, I ask unanimous consent that the joint resolution be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: Page 9, line 18, after line 17, add *"Provided, moreover,* That no member of the United States Armed Forces personnel shall be assigned as a conscript or draftee."

Mr. GONZALEZ. Mr. Chairman, I rise in pursuance of this point because my amendment is addressed to section 7 which is labeled "Congressional Intent." The congressional intent discussed by way of addendum to the bill's provisions talks about congressional intent as to limitation of commitment, but only in terms of money. It says nothing about manpower.

In 1975, when the resolution on the Sinai was offered, I got up and rather, I do not know if it was bold or brazen, asked the question of the then chairman, Dr. Morgan, in the same direction as the distinguished colleague from Illinois, Mr. FINDLEY, has brought out in his additional views, in which he does make a very important point that what we are doing today is unprecedented, it is a very serious step. Since that first venture in 1975 raised some questions in my mind, I have entered forth and asked the chairman, and instead of getting the chairman's response I got a violent reaction from the then chairman of the subcommittee, the distinguished gentleman from Ohio, Mr. Wayne Hays, who, instead of answering, vituperated me. I am of such a build that if you ever want to get me going forever until I die, well, just do that.

Anyway, the question then is about the same as this one, and that is that it does no good, no matter how well intentioned and how proper—incidentally, I am not against this resolution, though I have just as many doubts as those expressed—but I do think that if we enter and continue to make commitments that we are not going to keep or that we do not intend to go that far in keeping, that that is worse than doing this in a way to show that we are behind our commitments and the like.

I think this is America's big problem since so-called World War II, and that is that we are either overcommitted or do not quite understand what it is we are getting into.

In this case here it seems to me that if we are going to avoid those aspects that brought us such travail during Vietnam, that we ought to make it clear that the limitations, as far as congressional intent is concerned, since we are to deploy armed services personnel for the first time that we do not intend to use conscripts, draftees, that is unwilling personnel, into this specified area of activity.

It is true, and it is for this reason that I am not going to insist on the particular amendment here hardheadedly, that, as has been pointed out to me by the distinguished chairman, that this calls for annual reconsideration and that in the event you do have the passage of a draft act that this would come up. But the truth is, and we all know that reality comes to us in a myriad of ways and not in that orderly and chronological a fashion.

I think that we ought to know that if this was discussed in the committee proceedings during the hearings of consideration on this matter that the RECORD ought to reflect it so that we have taken into consideration that we will not hereby be committing an unlimited supply of manpower, unrestricted. This is a contention I have made since John Kennedy in May of 1965. And the gentleman spoke before, a while ago, in opposition to the amendment, and said that Vietnam was voluntary. It was not. By 1965, in the summer of 1965, in the frontline actions of activity over 45 percent of the personnel involved were draftees. They were not career military. They were draftees. The first draft bill did not pass until the Congress had an amendment that said that no person under the terms of the act could be compelled to serve pursuant to that act outside of the continental United States.

The CHAIRMAN pro tempore. The time of the gentleman from Texas has expired.

(At the request of Mr. ZABLOCKI and by unanimous consent Mr. GONZALEZ was allowed to proceed for 3 additional minutes.)

Mr. ZABLOCKI. Will the gentleman yield?

Mr. GONZALEZ. I will be delighted to yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. The gentleman stated that the only restrictions or limitations were on funds.

Mr. GONZALEZ. More or less.

Mr. ZABLOCKI. The gentleman should understand that the committee has placed a limitation or a cap on the number of troops. We have, indeed, discussed, and I must say to the gentleman from Texas, my very good friend, that the gentleman's idea was

discussed between serveral members of the committee that wanted to modify the draft legislation that we received from the executive branch. The use of all-volunteer troops was taken into consideration in the discussions and the limitations that members of the Foreign Affairs Committee conducted. The gentleman from Illinois, Mr. FINDLEY, was a member of that group, as was the very able chairman of the Subcommittee on Europe and the Middle East, the gentleman from Indiana, Mr. HAMILTON.

But in discussing these points I might advise my colleagues first of all we do not have selective service at this time.

But in discussing this among ourselves, at least I came to the conclusion that a requirement of the kind the gentleman proposes would place unreasonable inhibitions on the President's ability to exercise his constitutional responsibilities as Commander in Chief.

If every military person sent to the Sinai in a particular unit would volunteer and another would not, it would create a chaotic situation. In fact, it would also have the effect of allowing an individual soldier a veto power over the President as Commander in Chief.

As the gentleman from Texas knows, and we also took this under consideration in the committee when we were thinking about this proposal the gentleman has suggested, all troops to be assigned are already volunteers in that they have volunteered for service in the armed services.

Then in discussing this with the executive branch we came to the conclusion that the Department of Defense would make every effort possible to assign troops consistent with their interests and the military mission to be achieved. This assurance I can give to the gentleman from Texas.

The gentleman's proposal, therefore, really does not strike at something new. We have thought about it deeply, thoroughly, and in our good judgment we felt it was not practical. So I would hope the gentleman would not pursue his amendment.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

(At the request of Mr. ZABLOCKI and by unanimous consent Mr. GONZALEZ was allowed to proceed for 2 additional minutes.)

Mr. GONZALEZ. Mr. Chairman, first I certainly want to thank the very distinguished chairman of the full committee. I think he does bring out things that though they are not reflected in the report accompanying the resolution, they are now an integral part of the legislative record.

I assume from what the gentleman said that certainly the congressional intent is that if the duty called upon on the part of our armed services personnel in this particular case were to reach the proportions where you would have to call resources in in any event, you would have to come back to Congress.

Mr. ZABLOCKI. The gentleman is correct.

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent that I may be permitted to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN pro tempore. Are there other amendments to the resolution?

If not, under the rule the Committee rises.

□ 1600

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALEXANDER, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 349) to authorize the participation of the United States in a multinational force and observers to implement the treaty of peace between Egypt and Israel, pursuant to House Resolution 272, he reported the joint resolution back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. BROOMFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant-at-Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 368, nays 13, not voting 52, as follows:

[Roll No. 326]

YEAS—368

Addabbo	Beard	Brodhead
Akaka	Beilenson	Brooks
Albosta	Benedict	Broomfield
Alexander	Benjamin	Brown (CA)
Anderson	Bereuter	Broyhill
Andrews	Bethune	Burgener
Annunzio	Bevill	Burton, John
Anthony	Bingham	Burton, Phillip
Applegate	Blanchard	Butler
Archer	Bliley	Byron
Aspin	Boggs	Campbell
Atkinson	Boland	Carman
Badham	Boner	Carney
Bafalis	Bonior	Chappell
Bailey (MO)	Bonker	Chappie
Bailey (PA)	Bouquard	Cheney
Barnes	Brinkley	Clausen
Clinger	Hance	Moorhead
Coats	Hansen (ID)	Morrison
Coelho	Hansen (UT)	Murtha
Coleman	Harkin	Myers
Collins (IL)	Hartnett	Napier
Conable	Hatcher	Natcher
Conte	Hawkins	Neal
Conyers	Heckler	Nelligan
Corcoran	Hefner	Nelson
Coughlin	Heftel	Nichols
Courter	Hendon	Nowak
Coyne, James	Hertel	O'Brien
Coyne, William	Hightower	Oakar
Craig	Hiler	Oberstar
Crane, Philip	Hillis	Obey
Crockett	Holland	Ottinger
D'Amours	Hollenbeck	Oxley
Daniel, Dan	Holt	Panetta
Daniel, R. W.	Hopkins	Parris
Danielson	Horton	Pashayan
Dannemeyer	Howard	Patterson
Daschle	Hoyer	Pease
Daub	Hubbard	Perkins
Davis	Huckaby	Peyser
de la Garza	Hughes	Pickle
Deckard	Hunter	Price
Dellums	Hutto	Pursell
Derrick	Hyde	Rahall
Derwinski	Ireland	Railsback
Dingell	Jacobs	Rangel
Donnelly	Jeffords	Ratchford
Dorgan	Johnston	Regula
Dougherty	Jones (OK)	Rinaldo
Dowdy	Jones (TN)	Ritter
Downey	Kastenmeier	Roberts (KS)
Dreier	Kazen	Roberts (SD)
Dunn	Kemp	Robinson
Dwyer	Kildee	Rodino
Dyson	Kindness	Roe
Early	Kogovsek	Roemer
Eckart	Kramer	Rogers
Edgar	LaFalce	Rose
Edwards (CA)	Lagomarsino	Rosenthal
Emery	Lantos	Rostenkowski
English	Latta	Roukema
Erdahl	Leach	Rousselot
Erlenborn	Leath	Roybal
Ertel	LeBoutillier	Russo
Evans (DE)	Lee	Sabo
Evans (GA)	Lehman	Savage
Evans (IA)	Leland	Sawyer
Evans (IN)	Lent	Scheuer
Fary	Levitas	Schneider
Fascell	Lewis	Schroeder
Fazio	Livingston	Schulze
Fenwick	Loeffler	Schumer
Ferraro	Long (MD)	Seiberling
Fiedler	Lott	Shamansky
Fields	Lowery (CA)	Sharp
Findley	Lowry (WA)	Shaw
Fish	Lujan	Shuster
Fithian	Luken	Siljander
Flippo	Lundine	Skeen
Foglietta	Lungren	Skelton
Foley	Madigan	Smith (AL)
Ford (MI)	Markey	Smith (IA)
Ford (TN)	Marks	Smith (NE)
Forsythe	Marlenee	Smith (NJ)
Fountain	Marriott	Smith (PA)
Fowler	Martin (IL)	Snowe
Frank	Martin (NC)	Snyder
Frenzel	Matsui	Solarz
Frost	Mavroules	Solomon
Fuqua	Mazzoli	Spence
Garcia	McClory	St Germain
Gaydos	McCollum	Stangeland
Gejdenson	McCurdy	Stanton
Gephardt	McDade	Stark
Gibbons	McEwen	Staton
Gilman	McGrath	Stenholm
Gingrich	McHugh	Stokes
Glickman	McKinney	Stratton
Gonzalez	Mica	Studds
Goodling	Michel	Stump
Gore	Mikulski	Swift
Gradison	Miller (CA)	Synar
Gramm	Mineta	Tauke
Gray	Minish	Tauzin
Green	Mitchell (MD)	Taylor
Gregg	Mitchell (NY)	Thomas
Guarini	Moakley	Traxler
Gunderson	Moffett	Udall
Hall (OH)	Molinari	Vander Jagt
Hall, Ralph	Mollohan	Vento
Hamilton	Montgomery	Walgren
Hammerschmidt	Moore	Walker

Wampler	Whittaker	Wright
Washington	Whitten	Wyden
Watkins	Williams (MT)	Wylie
Waxman	Williams (OH)	Yates
Weaver	Wilson	Yatron
Weber (MN)	Winn	Young (AK)
Weber (OH)	Wirth	Young (FL)
Weiss	Wolf	Zablocki
White	Wolpe	Zeferetti
Whitehurst	Wortley	

NAYS—13

Bennett	Jeffries	Sensenbrenner
Brown (CO)	Miller (OH)	Shumway
Collins (TX)	Mottl	Smith (OR)
Crane, Daniel	Patman	
Hall, Sam	Petri	

NOT VOTING—52

Ashbrook	Edwards (AL)	Porter
AuCoin	Edwards (OK)	Pritchard
Barnard	Emerson	Quillen
Bedell	Florio	Reuss
Biaggi	Ginn	Rhodes
Bolling	Goldwater	Richmond
Bowen	Grisham	Roth
Breaux	Hagedorn	Rudd
Brown (OH)	Jenkins	Santini
Chisholm	Jones (NC)	Shannon
Clay	Long (LA)	Shelby
DeNardis	Martin (NY)	Simon
Dickinson	Mattox	Trible
Dicks	McCloskey	Volkmer
Dixon	McDonald	Whitley
Dornan	Murphy	Young (MO)
Duncan	Paul	
Dymally	Pepper	

□ 1620

The Clerk announced the following pairs:

On this vote:

Mr. Richmond for, with Mr. McDonald against.

Mr. Rhodes for, with Mr. Dickinson against.

Mr. Pritchard for, with Mr. Paul against.

Until further notice:

Mr. Peyser with Mr. Goldwater.

Mr. Florio with Mr. Grisham.

Mr. Biaggi with Mr. Porter.

Mr. Long of Louisiana with Mr. Roth.

Mr. Simon with Mr. Trible.

Mr. Whitley with Mr. Ashbrook.

Mr. Reuss with Mr. Duncan.

Mr. Ginn with Mr. DeNardis.

Mr. Santini with Mr. Brown of Ohio.

Mr. Shannon with Mr. Hagedorn.

Mr. AuCoin with Mr. Edwards of Alabama.

Mr. Barnard with Mr. Quillen.

Mrs. Chisholm with Mr. Rudd.

Mr. Breaux with Mr. Emerson.

Mr. Clay with Mr. Martin of New York.

Mr. Jones of North Carolina with Mr. Dornan of California.

Mr. Volkmer with Mr. McCloskey.

Mr. Young of Missouri with Mr. Bedell.

Mr. Shelby with Mr. Edwards of Oklahoma.

Mr. Dicks with Mr. Dixon.

Mr. Murphy with Mr. Jenkins.

Mr. Dymally with Mr. Bowen.

Mr. SAM B. HALL, JR., changed his vote from "yea" to "nay."

Mr. PURSELL changed his vote from "nay" to "yea."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, pursuant to the provisions of House Resolution 272, I call up from the Speaker's table the Senate joint resolution (S.J. Res. 100) "to authorize the participation of the United States in a multinational force and observers to implement the treaty of peace between Egypt and Israel," and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. ZABLOCKI

Mr. ZABLOCKI. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ZABLOCKI moves to strike out all after the resolving clause of the Senate joint resolution (S.J. Res. 100), and to insert in lieu thereof the text of the House joint resolution (H.J. Res. 349), as passed, as follows:

SHORT TITLE

SECTION 1. This joint resolution may be cited as the "Multinational Force and Observers Participation Resolution".

STATEMENT OF POLICY

SEC. 2. The Congress considers the establishment of the Multinational Force and Observers to be an essential stage in the development of a comprehensive settlement in the Middle East. The Congress enacts this resolution with the hope and expectation that establishment of the Multinational Force and Observers will assist Egypt and Israel in fulfilling the Camp David accords and bringing about the establishment of a self-governing authority in order to provide full autonomy in the West Bank and Gaza.

PARTICIPATION OF UNITED STATES PERSONNEL IN THE MULTINATIONAL FORCE AND OBSERVERS

SEC. 3. (a)(1) Subject to the limitations contained in this resolution, the President is authorized to assign, under such terms and conditions as he may determine, members of the United States Armed Forces to participate in the Multinational Force and Observers.

(2) The Congress declares that the participation of the military personnel of other countries in the Multinational Force and Observers is essential to maintain the international character of the peacekeeping function in the Sinai. Accordingly—

(A) before the President assigns or details members of the United States Armed Forces to the Multinational Force and Observers, he shall notify the Congress of the names of the other countries that have agreed to provide military personnel for the Multinational Force and Observers, the number of military personnel to be provided by each country, and the functions to be performed by such personnel; and

(B) if a country withdraws from the Multinational Force and Observers with the result that the military personnel of less than four foreign countries remain, every possible effort must be made by the United States to find promptly a country to replace that country.

(3) Members of the United States Armed Forces assigned or detailed to the Multinational Force and Observers may perform only those functions or responsibilities which are specified for United Nations Forces and Observers in the Treaty of Peace and in accordance with the Protocol.

(4) The number of members of the United States Armed Forces who are assigned or detailed by the United States Government to the Multinational Force and Observers may not exceed one thousand two hundred at any one time.

(b) Subject to the limitations contained in this resolution, the President is authorized to provide, under such terms and conditions as he may determine, United States civilian personnel to participate as observers in the Multinational Force and Observers.

(c) The status of United States Government personnel assigned to the Multinational Force and Observers under subsection (a)(1) or (b) of this section shall be as provided in section 629 of the Foreign Assistance Act of 1961.

UNITED STATES CONTRIBUTIONS TO SHARED COSTS

SEC. 4. (a) In accordance with the agreement set forth in the exchanges of letters between the United States and Egypt and between the United States and Israel which were signed on August 3, 1981, the United States share of the costs of the Multinational Force and Observers—

(1) shall not exceed 60 per centum of the budget for the expenses connected with the establishment and initial operation of the Multinational Force and Observers during the period ending September 30, 1982; and

(2) shall not exceed 33⅓ per centum of the budget for the annual operating expenses of the Multinational Force and Observers for each financial year beginning after that date.

(b)(1) There are authorized to be appropriated to the President to carry out chapter 6 of Part II of the Foreign Assistance Act of 1961, in addition to amounts otherwise available to carry out that chapter $125,000,000 for the fiscal year 1982 for use in paying the United States contribution to the budget of the Multinational Force and Observers. Amounts appropriated under this subsection are authorized to remain available until expended.

(2) Expenditures made pursuant to section 138 of the joint resolution entitled "Joint resolution making continuing appropriations for the fiscal year 1982, and for other purposes", approved October 1, 1981 (Public Law 97-51), or pursuant to any subsequent corresponding provision applicable to the fiscal year 1982, shall be charged to the appropriation authorized by this subsection.

NONREIMBURSED COSTS

SEC. 5. (a) Any agency of the United States Government is authorized to provide administrative and technical support and services to the Multinational Force and Observers, without reimbursement and upon such terms and conditions as the President may direct, when the provision of such support or services would not result in significant incremental costs to the United States.

(b) The provision by the United States to the Multinational Force and Observers under the authority of this resolution or any other law of any property, support, or services, including the provision of military and civilian personnel under section 3 of this resolution, on other than a reimbursable basis shall be kept to a minimum.

REPORTS TO THE CONGRESS

SEC. 6. (a) Not later than April 30, 1982, the President shall transmit to the Speaker

of the House of Representatives, and to the chairman of the Committee on Foreign Relations of the Senate, a detailed written report with respect to the period ending two weeks prior to that date which contains the information specified in subsection (b).

(b) Not later than January 15 of each year (beginning in 1983), the President shall transmit to the Speaker of the House of Representatives, and to the chairman of the Committee on Foreign Relations of the Senate, a written report which describes—

(1) the activities performed by the Multinational Force and Observers during the preceding year;

(2) the composition of the Multinational Force and Observers, including a description of the responsibilities and deployment of the military personnel of each participating country;

(3) all costs associated with United States participation in the Multinational Force and Observers which were incurred during the preceding fiscal year and for which the United States was not fully reimbursed, with an explanation of why the United States was not fully reimbursed for each category of cost;

(4) all such costs for which the United States was fully reimbursed; and

(5) the results of any discussions with Egypt and Israel regarding the future of the Multinational Force and Observers and its possible reduction or elimination.

(c) The reports required by this section shall be as detailed as possible. The information with respect to any administrative and technical support and services provided on a nonreimbursed basis under section 5(a) of this resolution shall include a description of the types of support and services which have been provided and an estimate of both the total costs of such support and services and the incremental costs incurred by the United States with respect to such support and services.

(d) For purposes of the reports required by this section, the term "costs" means any costs, whether normal or incremental, which are incurred by the United States Government, including—

(1) contributions to the budget of the Multinational Force and Observers;

(2) the costs associated with the members of the United States Armed Forces or the United States civilian personnel who are assigned, detailed, or otherwise provided to the Multinational Force and Observers, including pay, retirement and other benefits, transportation, and housing; and

(3) the costs associated with any other property, support, or services of any kind made available (by means of grant, sale, loan, lease, or any other means) by the United States Government to the Multinational Force and Observers.

STATEMENTS OF CONGRESSIONAL INTENT

SEC. 7. (a) Nothing in this resolution is intended to signify approval by the Congress of any agreement, understanding, or commitment made by the executive branch other than the agreement to participate in the Multinational Force and Observers as set forth in the exchanges of letters between the United States and Egypt and between the United States and Israel which were signed on August 3, 1981.

(b) The limitations contained in this resolution with respect to United States participation in the Multinational Force and Observers apply to the exercise of the authorities provided by this resolution or provided by any other provision of law. No funds appropriated by the Congress may be obligated or expended for any activity which is contrary to the limitations contained in this resolution.

DEFINITIONS

SEC. 8. As used in this resolution—

(1) the term "Multinational Force and Observers" means the Multinational Force and Observers established in accordance with the Protocol between Egypt and Israel signed on August 3, 1981, relating to the implementation of the security arrangements of the Treaty of Peace; and

(2) the term "Treaty of Peace" means the Treaty of Peace between the Arab Republic of Egypt and the State of Israel signed on March 26, 1979, including the Annexes thereto.

The motion was agreed to.

AMENDMENT TO THE PREAMBLE

Mr. ZABLOCKI. Mr. Speaker, I offer an amendment to the preamble of the Senate joint resolution (S.J. Res. 100).

The Clerk read the preamble of the Senate joint resolution.

The SPEAKER. The Clerk will report the amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble: In the second paragraph, immediately after "responsibilities" insert "at this time".

In the third paragraph, strike out "initialed on July 17, 1981," and insert in lieu thereof "signed on August 3, 1981,".

The amendment to the preamble was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of the its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4522) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House of Representatives to the amendments of the Senate numbered 7, 11, 12, and 22 to the above-entitled bill.

The message also announced that the Senate recedes from its amendment numbered 42 to the above-entitled bill.

The message also announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 57. Joint resolution to provide for the designation of February 7 through 13, 1982, as "National Scleroderma Week"; and

S.J. Res. 115. Joint resolution to approve the President's recommendation for a waiver of law pursuant to the Alaska Natural Gas Transportation Act of 1976.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., November 17, 1981.

Hon. THOMAS P. O'NEILL,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following projects on November 17, 1981:

LEASES

Washington, D.C.: Professional Building, 2100 K Street, N.W.

Washington, D.C.: Logan Building, 1111 18th Street, N.W.

The original and one copy of the authorizing resolutions are enclosed.

Sincerely,

JAMES J. HOWARD,
Chairman.

LEGISLATIVE PROGRAM

(By unanimous consent, Mr. WRIGHT was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I have asked for the time to respond to a question on the legislative program which I expect to be propounded to me by the distinguished minority leader.

I yield to the gentleman.

Mr. MICHEL. Mr. Speaker, I appreciate the majority leader yielding and, of course, what I would appreciate knowing and I am sure the Members would, too, is what the program might look like for tomorrow and the balance of this week.

There were some indications earlier that in view of the other body now debating the continuing resolution that we might want to go on a recess until some late hour tonight, at which time we would be free then to appoint conferees.

It is my understanding in a conversation with the Speaker that he would prefer that we not go on a recess

today, but rather come in tomorrow morning.

Now, the majority leader may want to build upon what I have just said and correct me if I am wrong.

□ 1630

Mr. WRIGHT. The distinguished minority leader is right, as usual. Unless the distinguished minority leader knows something that I do not know, a possibility which I readily concede at this juncture, there would be no point in our staying on late tonight.

It is my understanding that the other body is acting on the continuing resolution and probably will not conclude its action until very late this evening. It would be at the earliest, an hour and a half after they had concluded before we could receive the papers physically and move formally to the appointment of conferees. Therefore, there seems no advantage to be gained by our staying in session and, therefore, it would be our purpose to wrap up the business of the House for the day and adjourn until 10 o'clock tomorrow morning.

When we reconvene at 10 o'clock tomorrow morning, we would hope that the Senate would have completed its action on the continuing appropriation and that it would be timely for conferees to be appointed. That would be our first order of business under those circumstances.

While those conferees were working their will, we would expect to take up two pieces of legislation, the conference report on H.R. 4144, the energy and water appropriations bill, and H.R. 3046, the Older American Act, which has an open rule, 1 hour of general debate.

We would hope that at any time the conference committee completed its labors and made available to us a piece of legislation on which we could vote up or down that we could take that up at that time.

But this is the program for the remainder of this week. Once again, unless the distinguished gentleman from Illinois (Mr. MICHEL) is aware of some knowledge to which I am not privy, I must suggest the possibility that we might have to be here Saturday, conceivably even Sunday, depending upon the possibility of a Presidential veto.

So all I can say is that any further program is going to be announced later. But when the House has completed its scheduled business for this week, including, of course, action on the continuing appropriation, then we will adjourn for the Thanksgiving recess and district work period, and will reconvene on Monday, November 30. But there will be pro forma sessions only during the week of November 30, no legislative business during that week.

Therefore, regular sesssions with legislative business would resume for the week of December 7, and the legislative program for that week would just have to be announced later.

Mr. MICHEL. I thank the gentleman.

In a conversation that this Member had with the Senate majority leader earlier on in the day, I think maybe even yesterday, there was some suggestion that that date of December 18 for an adjournment might be moved up to the December 11. I am wondering if the majority leader has any indication that we might be able to comply with that kind of date.

If we are doing nothing significant in a legislative way in that first week in December, would there be conference reports of appropriation bills, for example, that could be clustered together during that week of December 7 to be disposed of? I am thinking in terms of a continuing resolution, which has a number of bills, appropriation bills, which have not been finalized. But if there were to be conferences on those measures and they were enacted into law, those individual department bills would supersede the terms of the continuing resolution, and there might be an inclination on the part of those respective committee members to see that those individual department bills were finalized to get whatever better figures they might feel were warranted. I wonder if the majority leader would have any feeling with respect to that.

And then, of course, the second budget resolution, having just noticed the chairman of the Budget Committee coming on the floor, when would we be addressing ourselves to that issue?

Mr. WRIGHT. Well, let me respond to the questions as they were propounded.

First, as to the likelihood of our adjourning earlier than December 18, that would be a consummation devoutly to be wished, but I am afraid that to count on it would be wishful thinking, because there remain several things that have to be done.

The gentleman is correct that there quite possibly may come some conference committee reports and some Senate action on additional appropriations bills, in which event I think it likely that we would want to take them up following December 7. Also, the budget resolution, the second budget resolution for the year, under the law must be adopted before we can adjourn. So that must be considered following December 7.

There is one other piece of business that I, for one, would be unwilling to adjourn before we have resolved, and that is the social security restoration, the bill which the House passed and sent to the Senate many weeks ago, restoring the minimum benefit to those 3 million elderly Americans who have lost it as a result of our adoption of the Gramm-Latta reconciliation bill. That piece of legislation is still in conference, and I would hate to think in terms of adjourning for the year until that bill is cleared and we have passed it and restored those benefits to those people.

There may be other pieces of legislation, too, that need to be acted upon. But those, I think, are of vital importance. I think it is probably unrealistic for us to assume that all that can be done much prior to the 18th of December.

Mr. MICHEL. I thank the gentleman.

The SPEAKER. The gentleman will agree we will try for the 11th.

Mr. WRIGHT. I was just about to say that the 11th is also on the same day of the week as the 18th, and comes a week earlier and, therefore, would be a much better date preferable, if possible.

Mr. MICHEL. I am happy to note that the Speaker is getting with it, and that it will not be ruled out as a possibility.

I would hope that the other body would complete action on that continuing resolution so that we might really go to conference tomorrow. There are some significant differences between specific figures that would have to be resolved in conference. While I earlier in the day might have given indication to some Members that there would be a distinct possibility of our accepting the Senate-passed bill and sending it on down to be accepted and signed into law, it occurs to me that maybe those differences will be so widespread that there would be the need for conference. I understand the chairman of the Appropriations Committee would feel somewhat undermined if he were not given that prerogative of having his committee deal with it in conference, so we are prepared for that. I hope we can move along expeditiously and pledge ourselves to do just that tomorrow.

Mr. PEYSER. Will the majority leader yield for a question?

Mr. WRIGHT. I yield to the gentleman from New York.

Mr. PEYSER. I thank the gentleman.

I would like to come back to the question dealing with tomorrow and Saturday. It is my understanding that if they go to conference tomorrow with the Senate on the continuing resolution and the House has a couple of pieces of legislation to work on, that if we get into the late afternoon tomorrow and the conference is still continuing, as I imagine it will be, based on the differences that are going on, is it the intention of the House to remain in session, for instance, tomorrow night to wait to act on this measure,

or at what point will we be able to make a decision as to the Saturday session, so we either know that we ought to be canceling out our Saturday engagement, which I would believe we would have to do, but it would be very helpful, I think, for Members to know that in all likelihood we either will be here Saturday or we will not be.

Mr. WRIGHT. Well, I think we should plan to be here. I see relatively little likelihood of our not being here. The only way it seems to me we could avoid a Saturday session would be if the President of the United States would sign the bill. If we were to complete action on the conference committee report on the continuing resolution tomorrow, send it to the President, and he signed it, then we would not have to come back Saturday. But the gentleman's guess on that is as good as mine.

I would expect that Members would want to make their plans sufficiently flexible as to let them be here Saturday, and if necessary, Sunday. After all, this game of brinksmanship is not a very pleasant game for the American people. The existing continuing appropriation expires tomorrow night. Obviously, the Government would be without any authority to continue to operate if we were not able this weekend to complete action. By that I mean getting the President's signature on the bill. Therefore, I think the responsible thing for those of us who do not want the Government to fall on its face to do is to plan, if necessary, to be here on Saturday and, if necessary, on Sunday.

□ 1640

Mr. PEYSER. If the gentleman will yield further, then am I safe in the assumption that if the President should veto this bill, it will then be brought back to the House for a vote on either sustaining or overriding, and if the President is sustained, then would the majority leader outline the action that is going to be at that point? If the President were to be sustained, are we going to stay and then pass another bill? Or what is the aim?

Mr. WRIGHT. Well, of course if the President of the United States is determined to veto the bill, and it is unlikely that we would have two-thirds votes to override the veto, then I think the gentleman would recognize the necessity of our producing another bill and hoping that the President would sign that bill. How long that would take is beyond my ability to predict, but I think it is our responsibility to try to do that under those circumstances. I still am not certain the President is going to veto the bill, of course.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. CONTE. Mr. Speaker, I just want to let the House be aware that we passed a very clean, a very simple continuing resolution here in the House of Representatives. They have some 44 amendments already adopted on the floor of the Senate on the HUD section of the bill. By the time they get through that bill tonight, it will be the biggest Christmas tree—it will make that Christmas tree they are going to put on the lawn of the White House look anemic by contrast.

The gentleman mentioned getting the papers over here. He will need a front end loader to bring the papers over here.

The SPEAKER. Is there any objection to the Chair getting into this dialog?

The Chair has to presume, in view of the fact that we have knowledge of some of the amendments that have passed by the other body, for example, the defense bill is $11 billion higher than the House continuing resolution and the HHS is approximately $1.1 billion lower than the House passed, and the HUD bill has 44 amendments which they have attached to it. The defense procurement is $1 billion more, it appears. The last time, as the Members will recall, there were some 400 some odd disagreements between the two continuing resolutions.

It would appear that we would be in the same position.

It is the Chair's understanding from the minority leader that the other body is going to press all night, and so by 10 o'clock tomorrow morning we ought to be able to notify the conferees. The conferees presumably will take some length of time, and when they do come to a conclusion it would take some 2 or 3, possibly 5 hours to put the bill in order so that we may bring it on the floor. For that reason, it appears that we should be bringing the conference report to the floor on Saturday afternoon, whether it is agreement or disagreement.

The Chair must say to any Members who have plans, we have to plan very definitely to be here on Saturday and possibly on Sunday, because it costs the Federal Government a tremendous amount of money to stop its operations and then to get it operating again, regardless of whether the bill is vetoed or not.

Members should stay here and see if they can prevent this Government from stopping and see if the Government can continue on a money basis. If it does stop, Members are aware of the fact, from the ruling of the Attorney General last year, that defense stays in place and the Federal Government property is protected, but the rest of the employees are laid off, and it will cost a tremendous amount of money, checks will stop, things of that nature. It is our duty to be here on Saturday and Sunday and see if we can get through this entire matter before Monday morning.

AUTHORIZING SPEAKER TO DECLARE RECESSES

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that it shall be in order for the Speaker to declare recesses at any time on the legislative days of Friday and Saturday, and if it be necessary for us to be in session, also on Sunday of the week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RESIGNATION OF MEMBER AND APPOINTMENT AS MEMBER OF NATIONAL COMMISSION ON STUDENT FINANCIAL ASSISTANCE

The SPEAKER laid before the House the following resignation as a member of the National Commission on Student Financial Assistance:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 19, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I am, effective today, November 19, 1981, resigning from my position on the National Commission on Student Financial Assistance.

I appreciate very much the honor of having been appointed by you to serve on this Commission.

Best wishes,

Sincerely,

DAVID R. OBEY,
U.S. Congressman.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. Pursuant to section 451(a) of Public Law 96-374, the Chair appoints the gentleman from Michigan (Mr. FORD) as a member of the National Commission on Student Financial Assistance on the part of the House to fill the existing vacancy thereon.

MINIMUM SOCIAL SECURITY BENEFIT MUST NOT BE REDUCED

(Mr. JACOBS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JACOBS. Mr. Speaker, I take this time to inform my colleagues on the status of the conference committee meeting on H.R. 4331, legislation designed to restore the social security minimum benefit.

As everyone knows, the House passed a bill that simply would restore the minimum benefit for both current and future beneficiaries, correcting a mistake that was forced upon the Nation by the Gramm-Latta reconcili-

ation measure. The Senate amendment to the same bill would restore the minimum benefit only for some of those currently receiving it with serious limitations on those with some type of Government pensions. In other words, the House has voted overwhelmingly and unconditionally against taking the minimum benefit away from our senior citizens. But, as the crucial days dwindle down the House conferees are facing a point of view from the other body which can be summed up in the long-ago words of Herblock, "Give them some day their daily bread on certain conditions."

The conferees of the other body have argued that if the minimum benefit is restored for current beneficiaries, other corresponding reductions in social security benefits or raises in social security taxes must be made. Obviously, any conference committee process involves some compromise. Mr. Speaker, as the majority leader has said, there is nothing complicated at all about this conference. The House has taken the action that the President of the United States advocated. The President made no conditions on the rescission on the repeal of the minimum benefit. That is the position of the House conferees. It is up to the other body and its relationship with the Nation as to whether the least of the little ones will receive their daily bread. The conferees of the other body have argued that if the minimum benefit is restored for current beneficiaries, other corresponding reductions in social security benefits or raises in social security taxes must be made.

Obviously, any conference committee process involves some compromise. At present, the conferees seem willing to compromise on the minimum benefit and restore it for all current beneficiaries without limitation. This would mean that no current recipient of a social security check would suffer a reduction in that check.

The House conferees, in addition, may be compelled to accept an amendment initiated in the other body which would eliminate the current exclusion from the social security tax for certain types of sick pay wages. However, a majority of the House conferees remain resolute in their position against the proposal by conferees from the other body to reduce the family maximum benefit in the old-age and survivors' program as a price for restoration of the minimum benefit for current recipients.

Mr. Speaker, the position of the House conferees is at least reasonable. We have gone more than half way toward the other body's conferees on the substantive issues in the conference and almost three-fourths of the way toward their position that in the short run the trust funds should remain as unaffected as possible. In fact, the House conference position would reduce the unified budget deficit by some $1 billion over a 5-year period. However, a majority of the House conferees do not believe it is fair or just to correct the minimum benefit mistake made in Gramm-Latta by imposing new reductions of up to 20 percent in the benefits of other social security recipients—primarily widows with several children who would be affected by reduction in the family maximum benefit.

In the next major social security financing bill, House Ways and Means members may well have to make some very difficult long-range decisions in these areas. We do not think, however, that such changes are necessary at this time as a political price for correcting an ill-conceived proposition thrust into law by the administration in the confusion of the Gramm-Latta debate.

BILL INTRODUCED TO TRANSFER CRIME-FIGHTING WORK FROM BATF TO DEPARTMENT OF THE TREASURY

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, last Thursday I outlined for the House the important crime-fighting work of the Bureau of Alcohol, Tobacco, and Firearms to keep guns out of the hands of criminals and to track down bombers and arsonists.

Today, I am introducing a two-part bill to fight violent crime and especially arson, by transferring the firearms, explosives, and arson jurisdiction of BATF from the Department of the Treasury to the Department of Justice.

My bill would transfer personnel, laboratories, and other facilities as well as the great fund of experience of BATF agents to the Department of Justice, the major crime fighting agency of the Federal Government.

This bill would eliminate some of the overlap between the explosives and bombing jurisdiction of the FBI and BATF. This measure would improve the joint investigations by BATF and DEA of drug traffickers who use machineguns and silencers. This measure is designed to free BATF from the limitations that have been imposed on investigating new cases. This transfer was recommended by the Attorney General's Task Force on Violent Crime.

The second major feature of the bill amends chapter 40 of title 18 relating to explosives to clearly give Federal law enforcement jurisdiction over interstate arson offenses. This change was also recommended by the Task Force on Violent Crime and has been adopted by the Attorney General. Currently prosecution of the Federal offense requires proof of the explosive nature of the device or chemical used to start the fire. My bill clarifies the law and eliminates an extremely complex question of evidence that was an unintended loophole of the 1968 Organized Crime Control Act. This approach was adopted by the House Judiciary Committee in the Criminal Code Revision Act last year, as well as by the Brown Commission in 1970. This change passed the Senate in January 1978 in S. 1437. It is a change which is long overdue.

This bill follows the recommendations of the witnesses who testified before the Subcommittee on Crime last month that we not lose BATF's expertise.

The administration's proposal to combine BATF with the Secret Service, with its first priority on protection of the President and our Nation's leaders and guests, would downgrade the firearms and arson enforcement. That activity is too important to be shelved every Presidential election year.

My bill provides an inexpensive way to improve law enforcement coordination. It improves our Nation's fight against the organized crime element that is burning down homes and businesses all over the country.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding. I have asked to be a cosponsor of this legislation in order that we might, if possible, discourage the decimation of the Bureau of Alcohol, Tobacco, and Firearms, and in lieu thereof to see that it is transferred to the Department of Justice where it could carry out those important duties and to have its authority over crime and arson expanded, as I believe the gentleman's bill would do.

So, I am proud to support the gentleman's bill and be a cosponsor of the measure.

Mr. HUGHES. I thank the distinguished gentleman from Illinois, the ranking minority member of the full Committee on the Judiciary.

Mr. SAWYER. Mr. Speaker, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Michigan.

Mr. SAWYER. Mr. Speaker, I want to congratulate the gentleman in the well on the initiative on this bill, and I as ranking Republican on the subcommittee of which the gentleman in the well is chairman, am in total agreement with him. I think it is the right thing to do.

Mr. HUGHES. I thank the gentleman from Michigan.

PERSONAL EXPLANATION

Mr. DUNN. Mr. Speaker, I am recorded during yesterday's debate on H.R. 4995, Department of Defense appropriation bill for fiscal 1982, as having voted "yea" on the Murtha amendment and "present" for the Addabbo amendment regarding the B-1 bomber. These actions were inadvertent; my intention was to vote nay on both the Murtha and the Addabbo amendments.

Mr. Speaker, I ask that this explantation be printed in the permanent RECORD. EXT. 354 ...HOUSE... 19NO #75420 RAMIREZ, Luis A. 11/19/81 folio 450-452 %00.0

□ 1650

AND SO WE CONTINUE TO CONTINUE

(Mr. LOWERY of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWERY of California. Mr. Speaker, when I came to Congress in January, I was fairly confident that I understood the budgetary process. I did my homework. I read the Congressional Budget Act, learned the authorization and appropriation process, and memorized deadlines. Now I do not know why I bothered. Over the past few months I have watched the House leadership totally subvert established budgetary procedures. Legislation has been delayed, deadlines have been ignored, and the Congressional Budget Act all but abandoned.

Earlier this week House Democrats pushed through an open-ended continuing resolution funding the operations of the entire Federal Government through fiscal year 1982. Perhaps I should call it a "continued" continuing resolution, since the measure extends a previous continuing resolution passed in September. Passage of such a measure, without opportunity for amendment or proper debate, is absolutely outrageous. It is an outright surrender to irresponsible spending. It removes any incentive for the full House and Senate to complete action on the regular appropriations bills, leaving us with the budget-busting recommendations of the same Appropriations Committee that has taken us overbudget, year after year, and gotten us into this financial mess in the first place.

What we have here is not government by established laws and procedures. What we have here is government by continuing resolution. And so we continue to continue.

THE PLIGHT OF VLADIMIR TSUKERMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DOUGHERTY) is recognized for 45 minutes.

Mr. DOUGHERTY. Mr. Speaker, I have asked for this special order this evening to call to the attention of the U.S. Congress the plight of Vladimir Tsukerman, a young man who has sought for the past 7 years to obtain an exit visa from the Soviet Union.

Three years ago, Mr. Speaker, Vladimir's wife, Faina, and her 3-year-old son, Aleksandr, were permitted to emigrate from the Soviet Union to Israel, but as is too often the case, Vladimir has been denied his exit visa so that he may join his family in Israel.

Mr. Speaker, I first met Faina Tsukerman last summer in Jerusalem while I was on a visit to that country with members of the Committee on Armed Services. She had previously written me a letter which explained the tragic circumstances surrounding her husband's permission or nonpermission to leave the Soviet Union, and I would like to read that letter as background for this special order. It is dated June 25, 1981.

I, Faina Tsukerman, appeal to you hoping to receive your assistance in my efforts to save my husband residing in the USSR from a cruel and unjustified sentence that is now endangering his life.

My husband, Vladimir (Leonidovich) Tsukerman, born in 1947, residing in Kishinev-27, Gagarina blvd. 9/3, was arrested in Kishinev at the end of May 1981, and is now awaiting trial. He has arrested for his attempts to realize his legal right to emigrate to Israel in order to join me, his wife, and our son. I have been living in Israel since 1978 together with our son. He was three years old when we left the U.S.S.R. and is now six; he spent half of his childhood without seeing his father.

My husband was not granted the permit to emigrate to Israel in order to join us and the refusal of the Soviet authorities to grant him the exit visa was based on the fact that he had in the past served in the Navy. He was discharged from the Navy in 1975 and after so many years the pretext used by the authorities can hardly seem justified.

In recent years following our separation my husband found himself in a difficult moral and material position: he was, on one hand, deprived of all means of livelihood be being unable to find a job and, on the other hand, he was subjected to harrassment and was thrown into prison several times for his struggle to obtain an exit visa. Seeing his determination to join his family the authorities have finally removed the security consideration applied to his case and promised to let him leave the U.S.S.R. at the 20th of April 1981. This promise, however, turned out to be a cruel joke. When he came to the OVIR office to receive the emigration permit he was told that his application for emigration was rejected once again.

On the 30th of May 1981, he staged a peaceful demonstration of protest against the heartless refusal of the authorities to grant him the emigration permit. For that he was arrested and charged with "disturbing public order". He was informed that he will be put on trial and according to the Soviet law this charge automatically leads to a 3 year term in labour camps with the possibility of being sent into exile afterwards. Such a sentence would ruin our lives.

I therefore appeal to you now, while there is still time to prevent the tragedy. I realize that there is so much suffering in the world and that the fate of our family is one amongst many, many others. Yet, the circumstances are pressing, there is still some time left and our situation is really desperate. I cannot bear the thought that our child would be deprived of his father's love and care for so many years. There must be some way to put an end to this act of cruelty committed by the Soviet authorities, to this violation of the Helsinki Accords signed and ratified by the Soviet government.

I plead with you to use all your influence and authorities, to do everything possible to help my husband, to stop the trial, to avert the verdict and to secure his right to live with his wife and child in Israel.

Placing all my hopes in your kindness and help and thanking you in advance,

Respectfully yours.

Mr. Speaker, the tragedy of the letter that I received in June is that indeed Vladimir Tsukerman was sentenced to 3 years in a slave labor camp in the Soviet Union for the crime of having gone against the social order in that he dared to want to join his wife and 3-year-old child—his 6-year-old child now—in Israel.

Mr. Speaker, we frequently hear of the plights of human rights cases throughout the world. In so many instances the evidence of the plight is that of a picture in a paper that is sent to us or a letter that we receive. Let me tell the Members that the human experience of meeting a young woman who was born in the Soviet Union and who had to leave the Soviet Union with her child and emigrate to Israel, a young woman whose husband could not join her because of the arrogance and because of the sense of destruction which is so common with Soviet authorities, is indeed tragic.

□ 1700

This evening, Mr. Speaker, I am pleased to advise Members of this body that the wife of Vladimir Tsukerman is in the gallery, having been with us for these past 2 days in Washington.

Mr. TAUKE. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. At this time, Mr. Speaker, I recognize my colleague from Iowa, (Mr. TAUKE).

Mr. TAUKE. I thank the gentleman from Pennsylvania for yielding to me. I want to commend the gentleman for his outstanding work in bringing to the attention of the Members of this body the plight of Vladimir Tsukerman and the plight of some others like him.

I know many of the Members must have had experiences similar to mine over the last 3 years. A year ago or 2 years ago it seemed like almost every day we received letters in our offices asking us to join in signing petitions to the Soviet Union and to other officials

around the world expressing our concerns about Soviet dissidents. After awhile so many of these letters came, frankly, that they seemed to be a little bothersome, and I think that they received less and less attention in the offices of Members of Congress.

Now this year we have not been receiving as many requests, not because there are not people suffering, but simply because some of us have not had the proper interest. It is because of the effort of our colleague from Pennsylvania, and because of his work in bringing Mrs. Tsukerman to my office that I have renewed interest in the specific case of Mr. Tsukerman, but also in the cases of thousands of other dissidents in the Soviet Union.

We need to recognize that we in this body have an opportunity to do something about the outrageous conduct that is so much a part of everyday life in the Soviet Union. We need to recognize that if we speak out we can improve the lives of those who are being tortured and are being oppressed by Soviet officials.

But it is only if we stand up and are counted from time to time that we are going to be able to end this kind of activity and then be able to restore some sense of human rights in the Soviet Union. We cannot let the human rights issue just die because it has been with us for such a long time.

I think perhaps the gentleman from Pennsylvania (Mr. DOUGHERTY) has performed a great service not only for Mr. Tsukerman by bringing his case to our attention, but to all of those in the Soviet Union who suffer from similar fates by once again pointing out to us the need for us to stand up and be counted. So I want to join with the gentleman in expressing my strong concern and outrage about the way that Vladimir Tsukerman has been treated by Soviet authorities and to plead with Soviet authorities to release him from prison, from the labor camp, and also to permit him to leave the country, to leave the Soviet Union.

I also want to commend the gentleman in the well for his efforts and leadership in bringing this case to our attention.

Mr. DOUGHERTY. I thank my colleague from Iowa for his comments.

Mr. MAVROULES. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. At this time I would like to recognize my colleague from Massachusetts (Mr. MAVROULES), who joined with me on that trip to Jerusalem last summer where we met Mrs. Tsukerman for the first time.

Mr. MAVROULES. Mr. Speaker, I rise in the name of justice, on behalf of a man falsely imprisoned, whose only offense was that he wished to live in peace with his family in the land of their ancestors.

Vladimir Tsukerman was born in 1947, in the Soviet Union. His wife and son were allowed to emigrate in 1978, and have been living in Israel since that time. Vladimir, however, was not allowed to join his family. Refusal of his application for an exit visa was based on the fact that he had served in the Soviet Navy. Mr. Speaker, Vladimir Tsukerman ended his naval career in 1975. How can the Soviet Government claim that this man would present a security risk, should he be allowed to emigrate? It is clear that this claim has no real basis in fact. It is instead another in a series of falsehoods, an attempt by a government to justify its cruel and callous actions.

In the years following the separation from his wife and child, Vladimir Tsukermen found himself an outcast in his native land. He was unable to find work. He was hounded by Soviet authorities, and imprisoned several times for his continued efforts to obtain an exit visa.

Finally, Mr. Speaker, Soviet authorities informed Vladimir Tsukerman that they had reviewed his case, and decided that he would not, after all, be a significant security risk. He was told he would be granted an exit visa on April 20, 1981.

This promise, however, was nothing but an elaborate exercise in mental torture. When Vladimir applied for his emigration permit, he was once again told that his application had been rejected.

After his hopes and dreams had been crushed by this inexplicable decision, Vladimir Tsukerman staged a peaceful demonstration on May 30, protesting the cruelty of Soviet authorities. He was, as a result, charged with disturbing public order. He has been sentenced to 3 years in a Soviet labor camp, and he may face internal exile after his release.

Meanwhile, his son, now 6 years old, has lived half his life without seeing his father, whom he scarcely remembers. What kind of government, Mr. Speaker, can, without any hesitation, attempt to destroy an innocent family? What twisted purpose can this possibly serve?

The Soviet Union willingly signed the Helsinki human rights accords in 1975. And yet, with every additional case of this kind, we are reminded that, to the Soviets, the accords are obviously not worth the paper they were printed on.

Some may ask how important the fate of this single family is with all the pain and suffering in the world today. Others may ask why those of us in this House should pause in considering the major issues we face to discuss this matter of seeming insignificance.

The answer, Mr. Speaker, is simple. It is not enough for us to believe in freedom. We must, by our own conduct, hold out hope to those who do not share our advantages. It is not enough for us to proclaim our devotion to liberty. We must transform our words into action.

We have a responsibility, to ourselves and to all the peoples of the world, to speak out in the name of those who have been silenced. I call upon the administration to use every means necessary to secure the release of Vladimir Tsukerman, and all others like him. As long as Vladimir Tsukerman remains imprisoned, none of us is truly free.

Mrs. SNOWE. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. I am happy to yield to my colleague from Maine.

Mrs. SNOWE. Mr. Speaker, I want to first commend my colleague, Congressman DOUGHERTY, for bringing this important issue to the attention of the House. Sometimes, it is easy for us in this country to overlook the problems of those abroad, Congressman DOUGHERTY does not want to see this happen. Neither do I. I am glad to join him in this effort, and I will do all that I can to insure that it is a successful one.

We are talking about the most basic human right—freedom. We often take it for granted here, but imagine if you were separated from your wife and son—for 3 years. That is the plight of Vladimir Tsukerman. Why? Because he is a Soviet dissident. His wife, Faina, and his son were allowed to emigrate to Israel in 1978, Vladimir was not. He was recently arrested for participating in a peaceful demonstration, and sentenced to the maximum term of 3 years in a labor camp for a "violation of the social order." If nothing is done, he and his family are now confronted with at least 6 years of separation. That is why we in this Congress must act, we need to speak out as we are doing today, we need to publicize the plight of literally thousands of Soviet dissidents in similar situations, we need to write, we need to call. We must fight, we must keep the pressure on.

It is easy to give up, to say what is the use. But make no mistake, these calls, these letters, make a difference. We cannot forget these people who have been denied the most basic human right by a reprehensible totalitarian regime. They are not just faceless numbers overseas. Today, I met with Faina Tsukerman in my office, I listened to her story, I saw pictures of her son and husband. I was touched by the sadness of her story, angered at those responsible, but impressed by her courage. We in this Congress can be no less courageous, for her sake, for the thousands like her, and for our sake.

So I commend the gentleman for speaking out and taking the leadership and bringing this issue to our attention.

Mr. DOUGHERTY. I thank my colleague from Maine for those comments.

Mr. FOGLIETTA. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. I yield to my colleague from Philadelphia.

Mr. FOGLIETTA. Mr. speaker, I rise today, as I have in the past, to speak out against the persecution of Jews in the Soviet Union who seek to emigrate to Israel.

The case of Vladimir Tsukerman, like the cases of so many Soviet Jews, is a story of harsh and unjust treatment, of callous disregard for the rights of Soviet Jews, and of distressing disrespect for a family's need to be together.

Because he wanted to join his family—who had emigrated to Israel—because he had exhausted every means at his disposal to seek emigration, Vladimir Tsukerman staged a peaceful protest against the authorities. He broke no law, committed no crime, and hurt no one. But today, Vladimir Tsukerman is in prison, sentenced to 3 years in a labor camp for "disturbing public order."

The Soviet Union, as everyone knows, was a signatory of the Helsinki accords. Yet here, once more, they have broken the spirit of those accords. Vladimir Tsukerman was denied a visa because he served in the navy. But he was discharged in 1975. He knew no state secrets. He did not seek to violate any element of Soviet security. Vladimir Tsukerman sought simply to join with his family in leaving a land where he was not welcome, and moving to one where he and his family would be free from persecution. I call upon the leaders of the Soviet Union to speed his release, and to allow him to join his family in Israel.

The injustice done to Tsukerman is not unique—there are all too many examples of such violations of basic human rights and dignity by the Soviet Union toward their Jewish population. If we are to one day reach a condition in the world where justice is a reality, and not just rhetoric, then Vladimir Tsukerman, and all those like him, in the Soviet Union and around the world, must be allowed to follow the path that leads to freedom and to the dignity to which they are entitled.

□ 1710

I commend the gentleman from Philadelphia for his efforts in this particular case and pledge to him my cooperation in the future in trying to work out this problem.

Mr. DOUGHERTY. I thank my colleague, the gentleman from Philadelphia, for his comments.

Mr. SMITH of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. I yield to my colleague from Philadelphia, Mr. SMITH.

Mr. SMITH of Pennsylvania. I thank the gentleman for yielding.

Mr. Speaker, I rise today to bring to the attention of my colleagues the plight of Vladimir Tsukerman.

It has been said before me and it will be said long after this day that if we engage in the battle to alleviate the suffering of enslaved people anywhere, it is the noblest endeavor of all.

Today, we address a situation wherein we pray in this hallowed Chamber for justice of a single individual—Vladimir Tsukerman. A Soviet citizen who has been denied the right to employment, denied the right to socialize, denied the right of self-expression, denied the right to live with his loved ones, denied the right to exile.

Vladimir Tsukerman was arrested for his legal right to emigrate to Israel in order to join his wife and son. This individual has been stripped of his personal dignity by an oppressive state.

In this great country of ours, we are drawn together by our unselfish devotion to a common cause, which is preserving individual liberty. It is our duty and responsibility as Americans to show the other people of the world the way to human freedom and dignity. Admittedly, by freeing Vladimir Tsukerman from the Soviet Union is not going to stop human oppression or settle the world's disputes. But any movement that teaches the value of human freedom is bound to help create attitudes favorable to securing individual liberty.

Vladimir Tsukerman and his wife, Faina Tsukerman, and their son deserve to be supported in their endeavor to be united. The cruel mistreatment and imprisonment of Vladimir Tsukerman is in direct violation of the Helsinki accords signed and ratified by the Soviet Government.

As Americans we have a tremendous responsibility to lead the way to human liberty. We cannot shirk our responsibility by allowing individuals to be grossly and unjustly deprived of their fundamental human freedom. Therefore, in order to promote progress in the pursuit of individual and national liberty, we must take action by combating the Soviet authorities; blatant violations of the Helsinki accords. I believe that by uniting in our support for Vladimir Tsukerman, we can help to achieve the ideal of living in a world that is free from oppression.

It is important for the Congress to go on record as opposing this inhumane treatment of Vladimir Tsukerman and to urge the Soviet Government to bring about a speedy resolution of this deplorable situation.

Mr. DOUGHERTY. I thank my colleague for his comments.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. DOUGHERTY. I yield to my colleague, the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Speaker, notwithstanding the fact that I am not from Philadelphia, I would like to associate myself with the remarks of my dear colleagues who have so adequately and so articulately expressed the sense of outrage and disgust that we feel toward the Soviet Union for keeping people who want to emigrate, who want to leave the country. Freedom to do so is one of the hallmarks of a free society and, I might say, a civilized society. One wonders what they have to fear. One wonders why they do not want people to leave the country. I suppose the contrast to be expected would be so great. But, of course, we know why the wall was erected in Berlin—to keep people from leaving Soviet states, the countries that are dominated by the Communist regimes. It is a sad commentary on this world that people are still kept in national prisons when they want to emigrate and join their families.

Mr. Speaker, we can stand here and talk and write letters, and sometimes we wonder whether anything good is being accomplished. But for this Member, when I understand what the Helsinki accords promised and the expectations, and then when I see the performance, I find it impossible to confine my distrust for the Soviet Union living up to its word of honor, its signed word on a treaty, in matters of nuclear disarmament, in matters involving international undertakings. How can you trust them? How can you believe them? Is their word any good?

And it is this suspicion, premised and based on the history of ignoring their sworn undertakings and promises and international pledges that diminishes the possibility of meaningful, lasting trust between great superpowers.

So it is not an empty gesture that we stand here and talk about these things. I think we must express our dismay, our displeasure, our disgust, at the fact that people, who yearn to join their families and to leave a country that is unbearable to them, are denied that civilized privilege, and it makes us question whether it is possible, on the basis of mutuality and trust, to ever reach an accord with their prisoners.

So I salute the gentleman from Pennsylvania (Mr. DOUGHERTY) for his initiative, and I certainly want to associate myself with his views and those of the other Members who have spoken on this issue.

Mr. DOUGHERTY. I thank my colleague, the gentleman from Illinois, and I think the point he makes is very well taken. If indeed the Soviet Union is so afraid of one young man who wants to join his family and his 6-year-old son in Israel, that they would in effect violate the Helsinki accords,

how can we realistically be expected to trust the Soviet Union on any other thing that they would like to engage in, particularly when we get into these serious areas of disarmament and the like?

Mr. Speaker, 50 Members of the Congress have joined with me in sending a letter to President Reagan, which I would now like to read in the RECORD. I would also like to ask other Members of the Congress who might want to cosign this letter to contact my office today or tomorrow.

The letter reads as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 18, 1981.

President RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Recently your administration has begun reestablishing diplomatic channels between our country and the Soviet Union. We, as United States Senators and Members of Congress, urge you to make known our concern for the thousands of Soviet Jews who have been victims of flagrant denials of human rights on the part of the Soviets.

More specifically, we would like to bring to your attention the case of Mr. Vladimir Tsukerman who since 1974 has applied for an emigration visa and has repeatedly been denied. His wife and son were permitted to leave in 1978, but he was not permitted to emigrate. After seven years of frustration and disappointment, Vladimir chose to lead a march through his home town of Kishinev to protest not only his denial of emigration, but the denial of all Jews in Kishinev who have tried to exercise their basic human rights. On May 30th of this year he was arrested. He was recently sentenced to the maximum term of three years in a labor camp for a "violation of the social order."

This past summer several of us traveled to Israel and met with Faina Tsukerman, Vladimir's wife. She lives in Israel with their son. We pledged to help her in her struggle to reunite with her husband and we believe, Mr. President, that you could greatly add to the weight of our message. For some time now, emigration levels from the Soviet Union have been kept very low. We understand that the issues involved in relations with the Soviets are complicated; however, we wish to stress the importance of world wide respect for human rights, and specifically the case of Vladimir Tsukerman.

With best regards

Sincerely,

ARLEN SPECTER,
U.S. Senator.
CHARLES F. DOUGHERTY,
Member of Congress.

As I said, Mr. Speaker, this letter has been co-signed by 50 Members of the Congress, and we would invite others, who would so choose, to contact my office this afternoon or tomorrow.

Mr. Speaker, I would also like to thank those Members of the Congress who have met with Mrs. Tsukerman on these past 2 days and have agreed to write individual letters to Mr. Brezhnev, President of the Soviet Union, to express to him personally their outrage at this tragedy.

I would like to close by saying, Mr. Speaker, that we in Congress get very busy all the time, we are frequently on the go. We are running from issue to issue, from place to place. It is the moments that we share with those who are less fortunate than we that I think bring home to us the real meaning of what it is be an American, what a privilege it is to serve in the U.S. Congress. On too many times we read newspapers, we get letters, but we never meet the people. Having had the privilege now of meeting Mrs. Tsukerman, both in Jerusalem and here in Washington, it has brought home to me a very human factor that is involved in what is called the human rights struggle.

When you come down to the bottom line, it is such a tragedy and such an indictment of the Soviet Government that they would go to such extremes as to deny a young man the right to leave that country so that he could be with his wife and son. Indeed, if we need a better commentary on the Soviet Union, there can be none, that they are so afraid, that they are so unsure, that they are so distrusting that they would dare to deny one human being the right to join his family.

Mr. Speaker, I want to thank my colleagues who have joined with us today.

● Mr. ASHBROOK. Mr. Speaker, the story of Vladimir Leonidovich Tsukerman is yet another classic case of flagrant violation of human and civil rights in the Soviet Union.

Arrested in Kishinev at the end of May this year and now awaiting trial, Tsukerman's only crime was his attempt to exercise his legal right to emigrate to Israel where his wife and son have been living since 1978. The Soviet authorities' refusal to grant Tsukerman a visa to emigrate was based on the shallow excuse that he had served in the Soviet Navy, from which he was in fact discharged in 1975, well before he applied to emigrate.

After a long period of being deprived of a job and being subjected to constant harassment, including imprisonment, Tsukerman was finally notified that, due to removal of the security consideration applied to his case, he would be granted an emigration visa in April of this year. At the last minute, however, it became apparent that the Soviet authorities were playing a cruel joke on Tsukerman. When he went to pick up the permit, he was told that his application was again rejected.

Several days later, Tsukerman staged a peaceful protest demonstration in Kishinev for which he was arrested on the charge of "disturbing public order," a charge which, if he is convicted, means a minimum of 3 years in labor camps and possible later exile.

Vladimir Tsukerman's tragedy, compounded by the fact that he was forced to divorce his wife so that she and their son could emigrate to Israel, underscores the problem of human rights violations in the Soviet Union. This week President Reagan indicated profound resolve to reduce United States-Soviet tensions by commencing serious arms control talks. An appropriate response or the Soviet Union would be to evidence the seriousness of the commitments to international treaties such as the Helsinki accords, by making a humanitarian gesture and allowing Vladimir Tsukerman and other similarly situated Soviet Jews to emigrate.●

GENERAL LEAVE

Mr. DOUGHERTY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

VIOLENCE CONTROL ACT OF 1982

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 60 minutes.

Mr. STOKES. Mr. Speaker, in July 1979, the Select Committee on Assassinations, which I was privileged to chair, filed its final report on the deaths of President John F. Kennedy and Dr. Martin Luther King, Jr. At the time, most people's attention was focused on our conclusions that these two men most likely died as a result of conspiracies. In fact, our work went well beyond the conspiracy question, and we made a series of important legislative and administrative recommendations. It is in light of those recommendations that I now rise to introduce, along with my colleagues, Mr. EDGAR, Mr. FORD of Tennessee, Mr. FITHIAN, Mr. MCKINNEY, and Mr. FAUNTROY, the Violence Control Act of 1982.

I

Mr. Speaker, I know that you do not need to be reminded that this Sunday will mark the 18th anniversary of President Kennedy's assassination, sorely a pivotal event in American history. More than any single murder since, that event changed our world and our perception of it. Though others were victims of brutal homicides in the following years, that murder uniquely made America seem less green, less full of promise, less full of hope, for it seemed as if America

lost its youth when the young President died.

It is ironic, too, that a child born on that tragic day in Dallas would be 18 years old this Sunday—an adult in America's eyes—old enough to vote and participate in a responsible way in the public aspects of our life in common.

In what sort of world has that child become an adult?

Sadly, it is increasingly a world more violent than the day on which he was born.

In 1960, this Nation suffered 9,000 murders.

By 1980, that figure had risen to 23,000—an increase of more than 156 percent, though our general population had grown but 22 percent.

While it is, of course, true that the violence prone age bracket—15 to 24—increased faster than the general population over those years, the increase was only 72 percent.

Mr. Speaker, the increase in violence that our society has experienced over the past 20 years is not some statistical mirage, as some editorial writers or academicians would have us believe. It is all to real for all too many people.

In fact, the data showing an increase—obtained independently from police and coroner records—understate the true extent of violence, for a remarkable improvement has taken place over these years in the quality of emergency medical treatment and facilities, particularly in urban areas. Many attacks that would have been murders yesterday go down as aggravated assaults today. Witness only one recent example—the shooting of Presidential Press Secretary, James Brady. Twenty years ago it is unlikely that he would have survived.

These homicide statistics, therefore, document only part of the tragedy of violence in our society today.

In 1960, this Nation saw 150,000 aggravated assaults.

By 1980, the figure had risen to 650,000—an increase of more than 330 percent.

The impact of this rise in personal violence has been repeatedly documented. A recent national survey found that 4 out of 10 Americans were "highly fearful" and felt "unsafe" in their own homes. At about the time of the assassination attempt on President Reagan's life, a Harris survey showed a dramatic rise in the number of Americans who felt that the crime rate in their area was increasing, with 68 percent saying that crime was on the upswing compared to only 46 percent saying so in 1978. Additionally, 48 percent of the adult population reported that they personally feel uneasy, not only in their homes, but on the public streets, up from 40 percent who felt that way in 1978.

The American people, too, express a sense of futility with law enforcement. They feel, according to the Harris survey, a growing sense that the present system of law enforcement does not discourage criminal activity, a view now held by a shocking 79 percent of adults nationwide.

And the people's perception is not wholly wrong. The statistics show a steady decline in the percentage of all offenses that the police feel they solve through arrest that parallels the increase in the volume of offenses. Murder clearance rates, for example, have dropped from 92 percent in 1960 to 73 percent in 1973; aggravated assault rates from 76 to 59 percent. The police are, in short, being overwhelmed by volume, and the people are being left helpless and frustrated.

There are other, more personal ways of stating the stark facts:

An American male born today is more likely to die by murder than an American soldier in World War II was to die in combat.

In fact, 1 out of 186 live born white males are expected to be murder victims in their lifetime.

Murder is the leading cause of death for black males age 15 to 24.

In fact, 1 out of 29 live born nonwhite males will be murdered in their lifetime.

II

Mr. Speaker, a particularly disturbing aspect of the violence that has characterized our society in recent years is assassinations, not only of political leaders, but also of public figures. In the 150 years since 1835 when Richard Lawrence's pistol misfired as he shot at President Andrew Jackson, there were 12 attacks on Presidents or Presidential candidates. Four Presidents were killed—Lincoln, Garfield, McKinley, and Kennedy—1 out of every 10 men to have held that high office.

In the first 100 years, there were five attacks. In the past 50 years, there were 8 attacks. Since 1963, there were six attacks. Indeed, three out of the last six Presidents have been the targets of assassins, and one—President Ford—was attacked twice.

If we look beyond the Office of the Presidency and include attacks on public figures—men such as Dr. Martin Luther King, Jr., Malcolm X, John Lennon, and most recently, Vernon Jordan, Jr., it appears that we are running an assassination attempt rate of at least one per year.

Mr. Speaker, how long our social fabric can withstand the pressures that these attacks create, only history will tell. What I do know is that assassination is more than a deadly assault on another human being. As our final report observed of an assassination:

It is an attack on the foundations of Democracy—majority rule, due process of law, consensual decisionmaking, individual rights and liberties. It undermines the political system by deterring qualified people from seeking public office or exercising leadership. It produces fear among the citizenry. A "Seige Mentality" and often leads to the creation of vigilante groups, civil disorder and other counterterrorist activities.

III

Mr. Speaker, we must be frank with one another and with our constituents. There is not a great deal that law enforcement can do directly to control personal violence. Murder and aggravated assault are largely societal problems beyond the direct control of governments. Fifty-two percent of the victims of murder in 1979 were acquainted with their assailants, and 1 out of 5 were related by blood or marriage to the offender. Forty-two percent of the murders grew out of arguments over romantic triangles, alcohol or drug, property or money, or similar issues. Only 22.2 percent of the murders were, in fact, felony homicides, that is, murders committed, usually between strangers, during the course of other crimes, such as robbery, narcotic dealings, or sex offenses. No system of law enforcement can protect individuals from their family and friends. We know, too, that high murder rates are significantly correlated with the presence of illiteracy, young males without education, broken homes with female heads of households, and poverty. Increased education, more stable family life, and increased and more meaningful jobs will, in short, do more to lower the murder rate than criminal legislation of any kind. That, too, is a fact.

We must be frank on another score. The Federal Government does not and cannot be expected to play a large role in controlling that part of violence on which law enforcement can have a direct impact. Historically, the Federal Government has not had jurisdiction over common-law type offenses—murder, aggravated assault, rape, robbery and the like. And the Federal Government does not have the personnel to do much more than it is doing now. Currently, it employs 75,000 persons and spends $1.9 billion in the law enforcement, prosecution, courts, and correction areas. Yet State and local governments employ more than 620,000 persons and spend more than $11.1 billion in similar efforts. Were all of the Federal effort, in short, focused in this area, and none of its uniquely Federal responsibilities were met, it is doubtful, therefore, that its impact would significantly increase the level of public safety.

IV

Mr. Speaker, recognizing our limits (and the limits of law itself) is not to counsel despair or inaction. We must do what we can. Dean Roscoe Pound of the Harvard Law School identified the four chief factors influencing the quality of American justice as personnel, administration, procedure, and the substantive law. It is evident, too,

as Pound conlcuded, that these factors must be ranked in that same order of relative importance. Personnel and administration have been left to others. Our job, therefore, must be to guarantee that procedural and substantive law are the best that can be fashioned by the minds and hands of creative men and women. It is in that spirit that my colleagues and I are introducing today the Violence Control Act of 1982.

Mr. Speaker, my colleagues and I are introducing this legislation as a "study bill." None of us are necessarily committed to any provision of the bill as presently drafted. It is introduced to serve as a vehicle on which to hold hearings. I am hopeful, however, that when hearings are held that a consensus will emerge on the issues raised by the bill and that legislation will quickly reach President Reagan's desk for his signature.

Following the recommendations of the select committee, title I of the proposed legislation codifies and reforms the law of federally cognizable personal violence. Title I draws on the work of a number of distinguished groups, including the American Law Institute and the National Commission on the Reform of Federal Criminal Law. In addition, it draws on the able work already done in the House and Senate in the past 10 years or more to codify, revise, and reform the Federal criminal law.

Mr. Speaker, it has long been suggested that the Federal criminal law is in need of a thorough reorganization. Unfortunately, our criminal statutes are currently spread in haphazard fashion through most of the 50 titles of the United States Code, and in many cases, they are conflicting, contradictory, and imprecise. The result is that there is not only confusion, but there are illogical, and often unfair discrepancies present in the application of the law. Over 10 years ago, Congress called for a complete reexamination of the Federal criminal justice system. And after years of hearings, studies, and successive bills, this Congress is again working on revising the criminal code with S. 1630, which has the administration's support, H.R. 4711, introduced by Congressman CONYERS, and H.R. 1647. I am hopeful that the legislation I introduce today with my colleagues can be considered along with, or in addition to, the major codification efforts. For if the general codification effort again becomes mired in controversy, I would hope this much needed legislation can be processed separately.

Title I of the proposed act also faces the delicate issue of capital punishment and resolves it, not by increasing the level of violence in our society by State sanctioned deaths, but by authorizing a new concept of imprisonment in Federal law: "Life without release." Only the President's constitutional power to pardon could serve as an avenue of release for a person convicted of murder.

Title II draws on other recommendations of the select committee, some of its more important provisions would—

Mandate contingency planning by the Department of Justice to deal with assassinations;

Authorize Federal autopsies; and

Create trusts for victims of federally cognizable violence.

Mr. Speaker, this last provision requires particularly close study. Testimony before the select committee indicated that efforts were made to insulate the widow of Dr. Martin Luther King, Jr., from the funds James Earl Ray hoped to realize from the sale of media rights to the facts around the assassination. To deal with just that sort of reprehensible conduct, a number of States—12 at last count—have moved in the last 4 years or so to discourage profiteering by criminals through the sale of their life stories. They have taken as their lead the principle followed in Riggs against Palmer, an 1889 New York decision, in which the court observed:

> No one * * * (should) be permitted to profit by his own fraud or to take advantage of his own wrong * * * or to acquire property by his own crime. These maxims are dictated by public policy and have their foundation in universal law administered by all civilized countries.

I recognize, of course, that criticisms have been leveled at these laws on the first amendment grounds that they are an impermissible burden on the free speech rights of criminals. Nevertheless, I am hopeful that the hearing process will be able to develop some workable compromise in this area between the rights of the wrongdoer and his victims.

Mr. Speaker, title III of the proposed legislation goes beyond the recommendations of the select committee. The need for it, however, is dramatically illustrated by the attack on President Reagan.

On March 30 here in Washington, John Hinckley, Jr., shot at the President, gravely wounding the President's Press Secretary, and seriously wounding Mr. Reagan and others. As I previously noted, it was only good luck and a fine hospital facility so close at hand that prevented the Nation from losing another President to the bullets of an assassin. John W. Hinckley is, of course, now standing trial in the District of Columbia, and his attorneys have been seeking to have him found not guilty by reason of insanity. Nothing that I say here today should be construed as an effort to affect those proceedings. But should Hinckley go free, I note that, he will still have to receive, under Federal law applicable to the District of Columbia, medical treatment in the form of therapy. But—and this is my point—had Hinckley shot at President Reagan in Alexandria, Va., and been found not guilty by reason of insanity in a Federal trial for the attack, he could have just walked out of the door of the courtroom and never have to receive therapy. As hard as it might seem to believe, there is, in fact, no general provision of Federal law applicable outside of the District of Columbia requiring that those found not guilty by reason of insanity in Federal courts undergo medical treatment. Richard Lawrence, as I noted earlier, fired at Andrew Jackson in 1835, and was committed to a hospital, where he remained until his death in 1881. John Schrank, a saloon keeper, shot Theodore Roosevelt during a campaign visit to Milwaukee in 1912, and was committed to a hospital, where he remained until his death in 1943. Nevertheless, Congress had never moved to guarantee that this procedure must be followed in all cases. I believe we have waited too long to remedy this defect.

Mr. Speaker, title IV of the proposed legislation also goes beyond the recommendations of the select committee. I expect, too, that it will be controversial, for it makes provisions for the registration and licensing of handguns. While this provision—modeled after legislation supported in the Senate by Senator TED KENNEDY—was not considered by the select committee, it may well be the most significant part of the proposed legislation.

Over the past two decades firearms have consistently been the weapon of choice in more than 60 percent of the homicides. Handguns have been the weapon of choice in more than 50 percent of the killings.

Presidential or other Federal groups or commissions—at least seven in number—have repeatedly called for strict handgun control—the National Commission for Criminal Justice Standards and Goals. The Commission on Crime in the District of Columbia, the Commission on Law Enforcement and Administration of Justice, the Commission on Cause and Prevention of Violence, the National Advisory Commission on Civil Disorders, the National Commission on the Reform of Federal Criminal Law, and, most recently, the Attorney General's task force on violent crime.

Mr. Speaker, those who oppose meaningful restraints on the use of handguns rely on six tired arguments that are almost as old as the Republic:

First, opponents of handgun control insist "their right to bear arms" is rooted in the Constitution. The argument is then extended to claim that gun control deprives them of their right to pursue happiness with guns free of Government limits. But, in fact, the courts have said that the Constitution does not interfere with

the power of the Government to regulate deadly weapons.

Since we mean to enact legislation that will halt the abuse of the handguns of those who find happiness in such weapons, they will just have to subordinate that pleasure to the right of all Americans to live free from the death and violence that the American gun mania has brought us.

Second, many people make the argument that because lawless citizens will feel no obligation to be bound by gun laws, gun controls will simply disarm those who abide by the law. I am convinced, however, that strict enforcement of licensing and registration laws will serve to isolate precisely those individuals who flaunt the law and subject them to prosecution for gun violations before they commit other crimes with their guns.

Third, critics of gun control insist that laws cannot control access to guns. Yet, the records show that even the limited provisions of the 1968 Gun Control Act have severely altered the flow of one kind of weapon—the imported handgun. In addition, the National Firearms Act of 1934 essentially eliminated civilian access to machineguns, sawed off rifles and shotguns, mufflers, and silencers. Gun control, in short, is, in fact, possible.

Fourth, a common refrain against handgun control is that "guns don't kill, people do." But a careful examination of the statistics tells us that it is when guns are in hand that two-thirds of the people who attack each other act in a deadly fashion, for rarely does an attacker make a deliberate choice of a gun over a knife. Because the fatality rate of knife wounds is about one-fifth that of gun wounds, using a knife instead of a gun might well cause 80 percent fewer deaths. Attacks may not decline, but deadly attacks surely will.

Fifth, modern critics of gun control express outrage at the vaulting gun crime rate, insisting that we do not need more gun laws. Instead, they say, we should enact long-term mandatory penalties for crimes committed with guns. Even if our penal system were not already overcrowded, this proposal could be counted upon to produce undesirable results. Penalties do not deter an angry person from reaching for a gun, and if penalties were in fact made much stronger, the extra punishment might well encourage the armed robber "to leave no witnesses." Thus, it is likely that high mandatory penalties would, in fact, cause more gun deaths than they would prevent.

Sixth, the greatest number of those who protect gun control legislation apparently believe that the administrative requirements for registration would be too cumbersome and inconvenient. Such requirements are thought to be "unfair and punitive" in that the persons really affected so adversely are law abiding citizens who pursue shooting as a hobby or as a form of recreation. To these people, I can only say how thoughtless you are, when you value your own inconvenience over the lives of others.

Mr. Speaker, this recitation of the arguments on handgun control includes the core of the objections vehemently raised and expertly used by the National Rifle Association and other gun advocates to force the Justice Department and the Department of the Treasury to turn the current administration's attention away from serious efforts to do something about violence.

But I say that if there is any issue that Congress understands, it is the matter of strong handgun laws. Each Member of the House is aware—or ought to be aware—that seven commissions or national study groups have recommended stronger gun laws to reduce gun killing.

In 1966, the Commission on Civil Disorders recommended "that all State and local governments should enact gun control legislation." The final report asserted that—we believe that Federal legislation is essential in order to make State and local laws fully effective, and to regulate areas beyond the reach of State government.

In February 1967, the Commission on Law Enforcement and Administration of Justice reported that strict controls by State or city are nullified when a potential criminal can secure a firearm merely by going into a neighboring jurisdiction with few controls, or none at all.

In 1968, the Commission on the Causes and Prevention of Violence concluded that: The only sure way to reduce gun violence is to reduce sharply the number of handguns in civilian hands in this country. We recognize this will be a massive and expensive task. But, the price is one that we should be prepared to pay.

In 1971, the Commission on Reform of Federal Criminal Laws called for—a ban on the production and possession of, and trafficking in, handguns, with exceptions only for military, police, and similar official activities; and registration of all firearms.

In 1973, in its report to President Nixon, the National Advisory Commission on Criminal Standards and Goals recommended that each State take the following action: The private possession of handguns should be prohibited for all persons other than law enforcement and military personnel. Manufacture and sale of handguns should be terminated. Existing handguns should be acquired by States. Handguns held by private citizens as collector's items should be modified and rendered inoperative.

Most recently, the Attorney General's task force on violent crime called for stricter handgun controls.

Mr. Speaker, how long are we going to lack the courage to do in that we know is right?

I hope—not long.

Mr. Speaker, I ask unanimous consent to include the following materials in the RECORD at this point:

First. A section-by-section analysis of the act.

Second. Four charts presenting data on personal violence in the United States.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The material follows:

SECTION-BY-SECTION ANALYSIS—(THE VIOLENCE CONTROL ACT OF 1982 (H.R. 5057))

FINDINGS

1. Personal violence over past two decades has been increasing at an intolerable rate.
2. Assassinations are a particularly disturbing aspect of personal violence.
3. Assassinations impact on the foundations of a free society.
4. Other forms of personal violence similarly impact on the basis of community life.
5. Handguns, the special weapons of personal violence, must be controlled if violence is to be curtailed.

Title I: Federally cognizable personal violence

Codification and reform of federal law of:
1. Murder;
2. Manslaughter;
3. Negligent Homicide;
4. Maiming;
5. Aggravated Battery;
6. Battery;
7. Menacing;
8. Terrorizing;
9. Communicating a Threat;
10. Kidnapping;
11. Aggravated Criminal Restraint; and
12. Criminal Restraint.

Notable Features: Protected persons include federal officials and foreign leaders. Murder and kidnapping where death results are punishable by "life without release" imposed after special sentencing hearings that includes appellate review by prosecution and defense to correct error and undue severity or leniency.

Title II: Provisions related to federally cognizable personal violence

Section 201: Codification of power of Secret Service to protect national figures.

Section 202: Codification and extension of power of Secret Service to create zone of protection around national figures.

Section 203: Attorney General mandated to prepare contingency plans for assassinations and related violence for review by Congress.

Section 204: Attorney General authorized to preempt investigative jurisdiction over attacks on national figures.

Section 205: Attorney General authorized to conduct investigation of kidnappings after 24 hours if victim not released.

Section 206: Attorney General authorized to pay rewards not to exceed $500,000 in investigations of federally cognizable violence.

Section 207: Attorney General authorized to forfeit property used in acts of federally

cognizable violence. See *United States* v. *One 6.5 mm. Mannlicker-Carcano Military Rifle*, 250 F. Supp. 410 (N.D. Tex. 1966), *rev'd, King* v. *United States*, 364 F2d 235 (5th Cir. 1966) (assassination weapon used against President Kennedy not subject to forfeiture).

Section 208: Attorney General authorized to use military services in federal cognizable violence notwithstanding 18 U.S.C. 1385 ("posse comitatus"), where victim is federal public official or foreign guest. See 18 U.S.C. §§ 351, 1751.

Section 209: Attorney General authorized to perform autopsies to determine the circumstances, manner, and cause of federally cognizable deaths.

Section 210: Attorney General authorized to institute condemnation proceedings with provision for just compensation for property related to federally cognizable violence. See *Porter* v. *United States*, 335 F. Supp. 498 (N.D. Tex. 1971), *rev'd*, 473 F.2d 1329 (5th Cir. 1973) (condemnation under special statute of Oswald's effects). Provision made for acceptance by General Services Administration of historical preservation agreements. See *Nichols* v. *United States*, 325 F. Supp. 130 (D. Kan. 1971), *aff'd*, 460 F.2d 671 (10th Cir. 1972) (validity of deed of transfer to GSA of Kennedy autopsy materials).

Section 211: Provision made for Trust to compensate loss for victims of federally cognizable violence for proceeds of media rights sold by perpetrator.

Section 212: Provision made for special prosecutor in death by criminal means of President.

Section 213: Provision for consideration of danger to community and to accused in extraordinary situations in setting or denying bail involving federally cognizable violence.

Section 214: Provision for consideration of careful preparation as factor for reasonable delay in speedy trial of federally cognizable violence where President or high public official is the victim.

Title III: Provisions relating to mental disease or defect

Codification and reform of federal law relating to:

1. Determination of mental competency to stand trial;
2. Determination of insanity at time of offense;
3. Hospitalization of person acquitted by reason of insanity;
4. Hospitalization of person convicted, but suffering from mental disease or defect;
5. Hospitalization of imprisoned person suffering from mental disease or defect; and
6. Hospitalization of imprisoned person suffering from mental disease or defect, but due to be released.

Notable Feature: Current federal procedure not including provision for hospitalization of persons acquitted or otherwise released because of insanity rectified.

Title IV: Provisions relating to principal instruments of personal violence

Provision made for:

1. Registration of handguns;
2. Licensing of handguns;
3. Restriction of possession of handguns by:
   1. Age;
   2. Mental disease or defect;
   3. Drug use; and
   4. Criminal record; and
5. Exemption for:
   1. Law enforcement;
   2. Sports; and
   3. Self protection.

Title V: Provisions relating to congressional investigations

Provision made for Counsel for House of Representatives to enforce process and represent constitutional powers.

Title VI: General provisions, conforming amendments, and repealers

PART A.—PERCENT OF VIOLENT CRIMES CLEARED

Year	Murder	Forcible rape	Robbery	Aggravated assault
1960	92	73	39	76
1961	93	73	42	79
1962	93	66	38	76
1963	91	69	39	76
1964	90	67	37	74
1965	91	64	38	73
1966	89	62	32	72
1967	88	61	30	69
1968	86	55	27	66
1969	86	56	27	65
1970	86	56	29	65
1971	84	55	27	66
1972	82	57	30	66
1973	79	51	27	63
1974	80	51	27	63
1975	78	51	27	64
1976	79	52	27	63
1977	75	51	27	62
1978	76	50	26	62
1979	73	48	25	59

PART B

NUMBER OF MALE OFFENDERS BY WEAPON AND BY AGE OF THE OFFENDER, 3-YEAR TOTAL, 1977–79

Age of offender	Weapon classification											Total
	A	B	C	D	E	F	G	H	I	J	K	
Below 15	142	61	65	86	41	30	21	4	2	3	6	461
15	194	57	53	118	45	40	4	1	9	4	10	535
16	412	104	107	268	76	65	9	3	10	2	18	1,074
17	564	134	145	315	105	87	8	4	22	7	21	1,412
18	702	130	147	381	127	104	16	4	24	9	38	1,682
19	723	108	199	377	113	150	17	4	30	9	49	1,779
20	884	107	183	422	114	129	13	4	33	13	49	1,951
21	793	95	181	381	95	156	19	7	38	9	38	1,812
22	873	137	176	360	111	151	9	5	32	11	51	1,916
23	791	106	167	352	95	129	9	6	32	5	33	1,725
24	836	90	135	346	87	129	13	4	31	10	33	1,714
25 to 29	3,375	403	613	1,400	320	507	43	11	107	29	155	6,963
30 to 34	2,372	266	412	862	227	319	29	9	76	21	98	4,691
35 to 39	1,664	224	327	501	141	191	23	4	30	8	49	3,162
40 to 44	1,202	189	238	327	84	121	15	1	28	3	29	2,237
45 to 49	881	130	191	259	63	98	13	.....	17	1	20	1,673
50 to 54	811	110	179	191	53	77	8	2	12	5	23	1,471
55 to 59	523	93	148	126	38	40	7	1	6	2	15	999
60 to 64	343	61	91	65	26	21	3	.....	5	1	6	622
65 to 69	262	44	85	51	15	17	2	1	3	.....	3	483
70 to 74	130	20	48	30	8	6	.....	.....	1	.....	2	245
75 to 99	137	32	46	28	16	4	.....	1	2	1	2	269
Unknown	1,012	46	104	211	49	87	.....	.....	13	2	23	1,547
Total	19,626	2,747	4,040	7,457	2,049	2,658	281	76	563	155	771	40,423

A—Handgun; B—Rifle; C—Shotgun; D—Knife or cutting instrument; E—Blunt object—hammer, club, etc.; F—Personal weapon—hands, fist, etc.; G—Arson; H—Drowning; I—Strangulation; J—Asphyxiation; K—Other.

NUMBER OF FEMALE OFFENDERS BY WEAPON AND BY AGE OF OFFENDER; 3-YEAR TOTAL, 1977–79

Age of offender	Weapon classification											Total
	A	B	C	D	E	F	G	H	I	J	K	
Below 15	25	4	5	29	4	10	3	3	1	2	4	90
15	7	5	6	30	9	4	1	3	4	2	4	75
16	30	5	5	29	3	10	4	2	3	4	11	106
17	42	6	11	37	8	16	3	2	2	1	8	136

NUMBER OF FEMALE OFFENDERS BY WEAPON AND BY AGE OF OFFENDER; 3-YEAR TOTAL, 1977–79—Continued

Age of offender	Weapon classification											Total
	A	B	C	D	E	F	G	H	I	J	K	
18	53	12	11	46	8	28	2	2	4	11	9	186
19	80	9	14	86	24	33	.....	7	1	.....	12	266
20	87	8	10	76	12	25	3	4	6	4	11	246
21	107	8	16	88	9	30	1	6	3	5	18	291
22	129	15	9	89	9	36	4	5	5	3	12	306
23	131	12	18	85	8	28	5	2	1	2	15	307
24	146	13	16	73	9	20	4	1	1	3	13	299
25 to 29	642	60	83	354	32	68	14	8	11	17	36	1,325
30 to 34	556	48	82	246	22	33	13	9	7	10	19	1,045
35 to 39	413	55	50	171	17	13	9	3	4	4	15	754
40 to 44	323	45	45	145	11	10	5	2	4	2	9	601
45 to 49	252	24	36	108	13	3	4	1	2	1	7	451
50 to 54	177	17	20	72	11	7	1	1	4	3	9	322
55 to 59	97	10	13	42	5	2	.....	.....	2	.....	4	175
60 to 64	72	6	6	17	7	1	.....	.....	.....	1	1	111
65 to 69	32	3	6	9	4	2	.....	.....	.....	.....	3	59
70 to 74	15	2	3	6	2	.....	.....	.....	.....	1	.....	29
75 to 99	15	.....	.....	3	2	.....	1	.....	1	.....	.....	22
Unknown	52	2	6	22	2	3	1	1	1	5	4	99
Total	3,483	369	471	1,863	231	372	78	62	67	81	224	7,301

A—Handgun; B—Rifle; C—Shotgun; D—Knife or cutting instrument; E—Blunt object—hammer, club, etc.; F—Personal weapon—hands, fist, etc.; G—Arson; H—Drowning; I—Strangulation; J—Asphyxiation; K—Other.

Distribution of murder by circumstance, 3-year total, 1977–79

Circumstances	Total
Rape	462
Robbery	5,565
Burglary	468
Larceny-theft	32
Motor vehicle theft	72
Arson	238
Prostitution and commercialized vice	53
Other sex offenses	156
Abortion	2
Narcotic drug law	851
Gambling	227
Other—not specified	357
Subtotal—Felony type	8,483
Lover's triangle	1,522
Child killed by babysitter	94
Brawl due to the influence of alcohol	2,764
Brawl due to the influence of narcotics	121
Argument over money or property	1,951
Other argument	19,658
Gangland killings	149
Juvenile gang killing	496
Institutional killing	190
Sniper attack	48
Other	8,226
Subtotal—Nonfelony type	35,219
Suspected felony type	1,157
Total	44,859

Mr. STOKES. Mr. Speaker, before I yield to my distinguished colleague from Indiana, a former member of the Select Committee on Assassinations and a very active and valuable member of that committee, I would just like to make one additional comment.

We completed the work of the Assassinations Committee in December 1979. In making our recommendations to the House, our committee felt that we had a responsibility to the House of Representatives that had invested more than $5 million in this investigation to do something about the recommendations we made to the House at that time. During the period from December 1979 until now, Prof. Robert Blakey and I have worked on this legislation. Professor Blakey, who is currently at the Notre Dame Law School and formerly at Cornell Law School, when he was chief counsel and staff director for our committee, has since that time devoted an enormous amount of his personal time, not being an employee of the House, to drafting this major piece of legislation.

I just want to take time to commend him not only for the excellent bill he has brought forth, but also for demonstrating that as a former employee of the House he is willing to give this kind of devotion and time as a contribution to the Congress and to his country. Mr. Blakey has pledged to continue aiding and assisting me and my cosponsors in the development of this legislation. Mr. Speaker, earlier today at a press conference attended by myself, Senator CHRIS DODD, my colleagues FLOYD FITHIAN and BOB EDGAR we were joined by Chairman PETER RODINO and Chairman JOHN CONYERS. Both of these distinguished Members of the House expressed their interest in seeing hearings conducted on this legislation and we are grateful to both of them for their attendance at the press conference and the interest and concern they have demonstrated.

Mr. Speaker, I am pleased to yield to my distinguished colleague from Indiana (Mr. FITHIAN).

Mr. FITHIAN. I thank the gentleman from Ohio for yielding.

Mr. Speaker, I want to join with the gentleman in commending our former chief counsel for his tireless work on this legislation.

I also would like to say to the Members of the House that our colleague, the gentleman from Ohio (Mr. STOKES) did a remarkable job throughout the tenure of the Assassinations Committee. While I do not agree, and I will speak to that in just a moment, with some aspects of the legislation, still I would commend its careful review to all of my colleagues in the House, for as the chairman has said, we spent some $5 million of taxpayers' money. There was some very, very careful research, many, many experts were brought together in the fields of law enforcement and investigative work.

The work on organized crime, the work on process, the work on so many things that did not become a part of the media blitz on the Assassinations Committee, but in many ways could well be more long-lasting, ought to be the legacy of that committee to the House.

I regret to report, however, that some of the recommendations, and there were some very, very excellent recommendations that went forward, some of the recommendations, most of them, in fact, have been treated the way so many of our conference, so many of our committee reports and investigative reports are treated. They collect dust on a shelf somewhere.

There is much good that is in that report. There is much provocative good that is in this bill.

□ 1750

For there are fields in law enforcement and there are fields in criminal justice and there are fields in acoustics and all of those things that we could profit a great deal from. I commend the gentleman from Ohio for engineering and recruiting Professor Blakey's tireless efforts in the drafting of the bill.

Let me wholeheartedly recommend it to the House with one exception, and I know how strongly my colleague from Ohio feels about handgun control. There are those of us who feel very much on the other side of that particular issue, but I would not want the rather lengthy and eloquent statement by my colleague from Ohio on handgun control to in any way—and it was not intended that way—obstruct the many, many segments of the bill

which address themselves to the whole bulk of work that was done by the Assassination Committee. So, what I have come to join in this special order to say is that even those of us who do not support handgun control, who believe that we ought to have a system of justice that says if you use a firearm in a commission of a crime, then you ought to automatically go to jail with a prescribed minimum sentence as an alternative to handgun control, even those of us on that side of the issue can, I think, because of the merits of the rest of the proposals in the bill, can wholeheartedly join in while indicating our personal reservation about this particular section.

Again, let me commend my colleague for his excellent work on this, and let me commend to the serious consideration of the Judiciary Committee and those who have responsibility for this area in the House a very careful review of the outstanding recommendations in this piece of legislation.

Mr. STOKES. I thank my colleague for his remarks, and I certainly understand the reservations that the gentleman has about that particular section of the bill which he spoke to. I did say earlier in my remarks that I think all of the other sponsors of this legislation have some serious concerns about certain sections of the bill, and indeed, reservations about certain provisions in the bill, but we have offered the bill in the spirit of a study bill so that we might at least bring these issues to the fore and have hearings on them, and in that way be able to eventually arrive at a bill which we can all support.

GENERAL LEAVE

Mr. STOKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject matter of the special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE REAL MEANING OF DAVID STOCKMAN'S ATLANTIC MONTHLY ARTICLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. OBEY) is recognized for 60 minutes.

Mr. OBEY. Mr. Speaker, I would like to take a few minutes to discuss what David Stockman's article in the Atlantic Monthly really means.

Mr. Speaker, democracy does not work if politicians do not make decisions on the basis of their honest judgment about the needs of the country and then honestly state their views to the people they are both supposed to represent and lead.

If politicians do anything else, if they allow political decisions to warp policy decisions in major ways, policy gets screwed up.

If they don't state their views honestly the American people have no basis on which to judge those views and the country's politics get screwed up because the public decides after a while that it does not trust anybody.

I remember a senior Democrat speaking to a class of incoming freshmen Congressmen in 1974.

After answering several questions he said to one of the questioners "Oh, now I understand—you think this place is on the level."

That makes a funny story.

And the man who said it was a good man with a wicked sense of humor.

But there is nothing funny about what happens to this country's capacity to preserve a democratic system which makes our political liberties mean something to its families if the system and the people who run it are not on the level.

Over the last year, the Reagan administration generated a historic debate in Washington and around the country about the economic direction America should take.

That debate has been healthy. Out of it has come broad bipartisan agreement in and out of Congress on the need to do four things: Cut wasteful spending; shrink Government deficits; provide greater incentives for savings, investment, and modernization of an industrial base; and stimulate more competition and self reliance on the part of both business and individuals.

The now famous Atlantic Monthly article which revealed David Stockman's behind the scenes thoughts all through the conduct on that debate shows that he began with two premises which were right on target:

First, he said that liberal politics in its later stages had lost the ability to judge claims on the Government and so yielded to all of them creating a "constituency based choice making" which could no longer address larger national interests including fiscal control.

Second, he said the way to change that was to curtail "weak claims rather than weak clients."

He correctly observed that the key to political and economic success was to demonstrate that the administration would not just attack weak clients. "We have to show that we are willing to attack powerful clients with weak claims" as well.

He was right.

So we debated the President's plan, designed and promoted principally by Mr. Stockman and Treasury Secretary Regan.

The debate was not over whether we needed economic change but how we would get it.

On Government spending, Congress had three alternatives. It chose the one backed by the President.

On taxes, it had three alternatives. It chose the President's.

So the President's economic policy is now in place.

A number of us tried to achieve significant changes in the plan. We took the position that there were three things wrong with it. First, it was inflationary and would create huge deficits; second, it would damage productivity; and third, it was unfair.

How could it be inflationary? How could a program that had big cuts in social spending cause deficits?

Because while it was advertised and sold to the American people as being something radically new it was, at least in one sense carbon copy Lyndon Johnson.

Why do I say that?

In the sixties Johnson tried to fight a war without paying for it. He concealed, first from himself through wishful thinking and then from the public the economic cost of that war.

Because he wouldn't raise the taxes to pay for the big military buildup that war required, inflation went from 2 percent before the war to 6 percent at its end.

That inflation was built into the economy. It is still with us. And it has grown even worse in the wake of two oil price shocks and other forces at work in the economy.

Today this administration is doing the same thing.

Look at the three numbers that sum up its program.

Over the next 5 years, the program calls for increasing the military budget by $180 billion. It will double in 5 years.

It cuts from current services on the civilian side about $140 billion. Well, that does not seem too bad, you might say. That only adds to the deficit by $40 billion.

But when you add a $750-billion tax cut to the mix, how do you get anything other than record deficits?

I mean how do you do it without changing the computer results, as Mr. Stockman said he did in the Atlantic article.

For the last 8 months, in unpopular speech after unpopular speech, a number of us have been trying to raise that question.

But, whenever we did, we were told by the administration in Washington and its political soulmates at home that we were just being obstructive and partisan.

But, now we have the admission of the principal architect and spokesman for the program that for 6 months he had been explaining to "the West

Wing guys" that these numbers just did not add.

He explained that he got his budget deficit projections for the administration-backed Gramm-Latta budget "down to $31 billion by hook or by crook, mostly the latter."

We did not think it all the way through. Mr. Stockman has said in his Atlantic interview:

> We didn't add up all the numbers * * * we should have designed those pieces to be more compatible. But the pieces were moving on independent tracks * * * it didn't quite mesh. That's what happened. But, you see, for about a month and half we got away with that because of the novelty * * *

So now the administration admits that even with their own numbers their program will produce 4-year, back-to-back deficits larger than Jimmy Carter's.

To put it in perspective, consider the following: It took this country from 1776 to 1968 to run up a national debt of $340 billion—192 years. The Reagan administration will show us how it can be done in 4.

Projected deficits that large have created an inflationary mind set in the Nation's money markets and they are responsible for the excruciating interest rates that are continuing to choke the economy.

The Federal Reserve has seen those coming deficits. It has been trying to compensate for them in fighting inflation by imposing tight money and those high interest rates themselves add unnecessary inflation to economic sectors like the housing market.

Why do I say it is unfair? Putting aside for the moment the question of how evenly the budget cuts fall on the poor and the well off, let us look at what happened on the tax bill.

The great tax debate began as a legitimate effort to reform the economy by encouraging savings, and stimulating investments to modernize our industrial base. But economic policy quickly took a back seat to politics.

As the Atlantic Monthly article describes it:

> The tax lobbyists of Washington, when they saw the outlines of the Reagan tax bill, mobilized the business community, the influential economic sectors from oil to real estate. In a matter of days, they created the political environment in which they flourish best—a bidding war between the two parties.

At that point, to restore the original goal of economic reform, Congressmen MORRIS UDALL, HENRY REUSS, and I offered our own alternative. It provided major assistance to business and individuals. But it stripped away the expensive gimmicks which had been added to both other plans to gain votes.

We provided over $300 billion in tax relief for business and individuals but we had no artificial sweeteners.

Our alternative was limited to the amount that could be provided without borrowing money.

We got 144 votes—a majority of Democrats and 5 courageous Republicans. The President won.

The bill provided $120 billion in basic business tax relief over 5 years to modernize plants and equipment. There was not much argument about that.

But the goodies added along the way were expensive. For instance:

A new $17 billion tax gift to the oil industry:

A new $27 billion welfare program for corporations. Above and beyond basic depreciation reform, the bill allowed corporations like Ford Motor Co., to sell excess tax credits to corporations like IBM for cash.

The individual tax cuts were so big they added astronomically to the deficit and they were grossly skewed to favor the rich.

Some examples: A family of four making $15,000 a year will get a tax cut in 1982 of $2 to $3 per week. The same family making $100,000 a year will get back about $2,200. They make 7 times as much but gets back 14 times as much and by 1984 will get back 21 times as much.

It was a new demonstration of something an old colleague of mine from my State legislative days, Harvey Dueholm, had often observed. "The trouble with government," Harvey said, "is that all too often the poor and the rich get the same amount of ice but the poor get theirs in the wintertime."

People making $50,000 per year make up 5.6 percent of the population. They are 1 in 20 people but they will get back $1 in $3 of tax relief. That difference: The cost of giving a tax cut to those making $50,000 or more a year which is larger than the cut given the average taxpayer will add $160 billion in red ink over the next 5 years.

When some of us said that was unfair and too expensive, the administration said that the Kemp-Roth tax cut was necessary to stimulate the economy.

But what does Mr. Stockman say now about supply-side economics:

> Kemp-Roth was always a Trojan horse to being down the top rate * * * it's kind of hard to see trickle down so the supply side formula was the only way to get a tax policy that was really trickle down. Supply side is trickle down theory.

It seems that Harvey Dueholm was right once again. And what did Mr. Stockman say about the tax bill produced by the bidding war we warned about: "The hogs were really feeding. The greed level, the level of opportunism just got out of control."

And what of Mr. Stockman's original goal of curtailing weak claims rather than weak clients. Did the tax and budget changes really result in attacking powerlful clients with weak claims or did it wind up shooting the sick?

As the Atlantic Monthly article states:

> What had changed fundamentally were the list of winning clients, not the nature of the game.

I ask you if it is decent public policy:

To wipe out subsidies for unemployed black teenagers while protecting export subsidies for truly needy corporations like Boeing, Westinghouse, and GE.

To slash nutrition programs for pregnant mothers and double-dipping third graders who receive both food stamps and school lunch benefits while not laying a glove on the tax deductible business lunch.

To continue millions of dollars of subsidized water for irrigation to landholders like Tenneco Corp., while the average Wisconsin dairy farmer with 40 cows faces huge interest payments and frozen milk checks.

Another divinty school graduate, John the XXIII, give us quite a different version of how economic policy is supposed to be designed. He said:

> Economic prosperity is to be assessed not so much from the sum total of goods and wealth possessed, as from the distribution of goods according to the norms of justice.

Some might say, with some legitimacy, that if we can expand productivity to achieve economic growth there will be more for everyone to share.

True; but Pope John Paul II had a fitting observation:

> The present economic difficulties * * * must not become a pretext for giving in to the temptation to make the poor pay for the solutions to the problems of the rich.

And I would further suggest that this budget will hurt, not help the productivity of our economy.

How? Let me demonstrate by describing budget choices the administration has made: The budget for fiscal year 1982 is about $700 billion. One-fourth is for military spending. Under administration plans that will double in 5 years. Another one-fourth is for retirement programs. And even with administration plans for social security cutbacks, that portion of the budget will rise over the next 5 years because our population is aging rapidly.

Interest on the debt is another 15 percent. This year it will go up from $80 billion to $110 billion. In addition, the President has put a number of programs off limits for budget cuts—the Immigration Service, the FBI, and so forth.

So far we have covered about 75 percent of the budget and that 75 percent under the administration plan will go up not down the next 5 years.

That means the lion's share of the budget cuts has been concentrated in two areas:

First, support for the nonelderly poor make up 6 percent of the budget. One-third goes for the support of blind and disabled people. Even if you totally eliminate all direct support for able-bodied nonelderly poor, you

would not offset the increases for 1 year in the military budget because that increase is so huge. And that will not happen because cuts here have already been severe. That means that most of the cuts will be focused in the remaining 20 percent of the budget.

And that is the portion of the budget that is directed at investment. It contains human investment items like education, worker training, science, research and development, and physical investment such as: soil conservation and bridge construction and sewage treatment.

We all remember sputnik. I can remember the day it went up. Across the Country the cry went up. "We have to beef up education. We have to beef up math and science education. We have to beef up our investment in science."

So what has happened to U.S. basic science research since sputnik? It has declined as a percentage of our national income by 20 percent: In Germany, it has gone up 20 percent; in France, it has gone up 30 percent; in Japan, it has gone up 40 percent. I suspect that difference has as much to do with our inability to compete in international markets as any other set of numbers you can find.

But what does the administration budget do to basic science research? It cuts basic science R. & D. for health, for education, for energy, and for food growth technology by 13 percent.

And what is happening to physical investment in our local communities—investment in sewage treatment systems, bridges, and highways—without which we cannot have new housing or successful commerce?

According to Business Week, there is a backlog of $41 billion to replace or repair two out of every five bridges in the country that are defective, $31 billion in sewer and water systems—without which new housing construction will not occur in many areas of the country, $100 billion just to maintain water systems for the 756 urban areas with populations over 50,000.

Without adequate investment in water and sewage and transportation systems industry cannot expand or compete. But the new tax policies, with gimmicks like the all savers certificate, are crippling the ability of local governments to borrow at reasonable interest rates.

And, while as business week points out, grants to cities and States represent only 14 percent of the Federal budget, they are the target of one-third of the administration's sweeping budget cuts.

Next to cuts in research, the most crippling of the cuts in terms of future economic productivity is in education. I do not understand people who recognize the need to increase capital investment in machines, but do not understand the need to accompany that investment with capital investment in people.

The key to social stability and economic progress in this country has always been the belief that individuals had an opportunity to better their lot in life if they were willing to work hard enough. We have never guaranteed equality of outcome, but we have always tried to guarantee equality of opportunity; that is what has held our society together. It is what has prevented class divisions and class welfare—upward mobility based on effort and merit was the idea.

The key to that opportunity has always been education. We have always believed that educational opportunity should be based on how much talent and brains you have in your head and how much determination you have in your heart and not how much money your old man has in his bank account. This administration has retreated from that commitment and has embraced a crude economic Darwinism. That is stupid in economic terms because it wastes talent. It is immoral in human terms because it shortchanges human potential for growth. It is not sustainable politically, because it runs counter to the basically decent instincts of our people. It puts at risk the emerging national consensus for true economic reform.

In the Atlantic Monthly article, Mr. Stockman describes a $20 billion package of tax and subsidy changes he was promoting inside the White House to provide a greater degree of equity in the administration's program as equity ornaments.

But in my 19 years of public service, I have seen demonstrated time and time again that equity is not an ornament in the American system. It is a core ingredient, and if the American people do not perceive the policies you are promoting as equitable and fair they will not support or sustain those policies very long. So what do we need to do now? We need to have further cuts in budget and tax subsidy items that escaped the ax in the last round: Cost ineffective water projects, the Clinch River breeder boondoggle, and many others.

We need to attack the $10 to $30 billion swamp of waste Mr. Stockman admits is at the Pentagon. We need to strip the recently passed tax cuts of special interest ripoffs that erode public support for economic reform every bit as surely as they erode the Nation's tax base. We need to limit the size of the tax cut for high-income people to the amount we can afford without borrowing money. We must have a comprehensive across-the-board investment policy that truly meets the Nation's needs.

We need to get beyond slogans to deal with some of the basic cultural attitudes in this country which stand in the way of real economic progress. Most of all, we need an honest presentation of our problems by the elected leaders and representatives of the American people. We cannot be a prisoner of political theory or dogma, and above all we must have a debate on economic policy this time that is truly on the level. We have to discard a lot of slogans and ask two questions: What works? What is fair? And then do our best to find and support the honest answers.

This I submit is a far cry from what happened this year and what is happening yet today.

□ 1810

THE NEW STEEL WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, at this time, let me establish for the record the fact that the Steel Caucus, having been in existence now for 5 years, and consisting of approximately 150 Members from the House side, once again appears today in this special order pursuant to the established policy of the Steel Caucus to activate ourselves as a caucus in every matter that directly or indirectly affects steel domestically or internationally. That is the framework in which we have made numerous appearances before many committees of the House as well as public appearances. It is the basis of our formal organization and has done much in the area of steel and its problems, and on this, I think the record will speak for itself.

Mr. Speaker, foreign producers of steel sold in the United States last August an amount of steel that equaled 25 percent of our domestic consumption, and this week the American companies that are being bled by this situation were warned that they could start a trade war if they assert rights guaranteed by the General Agreement on Tariffs and Trade, rights held and exercised by every participating country, and by U.S. law.

This warning did not come from a pure-thinking editorial writer or a think tank or a consumer group in conjunction with the epithet protectionist.

It came from members of the administration charged with seeing that our trading partners adhere to the agreements they have made not to engage in unfair trade.

Basically, our producers complain they are being mugged by a gang.

The police want to discourage the muggers by arresting a couple of pickpockets working the crowd of onlookers.

The victims tell the police that official help is not necessary. They say

they will go to court and swear out a warrant on their own.

And the police response is, we will repeal the antimugging law if you do. We want to keep these muggers happy.

Meanwhile, some in the crowd—maybe some of the police—want the punishment to go to the victims.

That, Mr. Speaker, is the nontechnical explanation of the trigger price mechanism which was designed to expedite the provisions that GATT and U.S. law make for remedy when harm is caused to any participating nation by dumping or subsidized trade.

Requests for official action—for unstated reasons, probably of foreign policy—drew little response until just this afternoon.

The Commerce Department today initiated cases against Canadian and Spanish firms and monitoring in four categories involving steel imported from the United Kingdom and Spain.

Meanwhile, at least one major U.S. producer is planning independent legal action to remedy the effect of steel sold here at less than the cost of production and of steel that is subsidized.

The summer-fall surge—no; call it a flood, because it has reached the highest levels ever—of dumped and subsidized steel is the second crisis in recent years. Something like it also happened in the late 1960's and the mid-1970's.

Obviously, we have found no way to deal with the problem.

Just as war is planned physical violence to achieve a goal, these periodic surges appear to be planned economic violence to achieve a goal.

Because we are the world's biggest, most open, and richest market for anything, it is a situation we face every time the free world's steel markets turn seriously sluggish.

It is too late to warn of trade war.

I think we already have it.

I think we already have it, whether our leaders from administration to administration are willing to recognize it or not.

We certainly have casualties and casualty lists.

Kaiser Steel this month quit the production of steel and will eliminate 3,000 workers in California, for example.

It is common these days to read of layoffs of 300 or 400 and short workweeks for thousands.

In this first crisis of the 1980's, we have 52,000 steelworkers out of work and 17,000 on short workweeks.

The Department of Justice keeps and publicizes a crime clock that shows there is one murder every 23 minutes in the United States.

Maybe the Department of Commerce or the Special Trade Representative's Office should have to keep an import clock.

It would show 1 steelworker out of work every 9 minutes of every day of 1981, Sundays and holidays included, 160 a day, through today.

Imports from the European Community are up 55 percent and imports from Canada are up 41 percent. Imports from Japan are down 2.7 percent.

Whatever the case, a painful but unavoidable result of free trade or the continuation of a trade war, the field is prepared for a domestic battle royal.

The earliest casualty could be the hoped-for industrial and economic recovery this Congress has just finished moving heaven and Earth to conceive—the Tax Code and the Federal budget.

We face a big problem—a basic problem—in steel.

And it is part of a bigger problem.

It is a problem of politics and political forces—ours and those of our trading partners—and of Government policies and goals, ours and theirs.

The Congressional Steel Caucus is not holding these special orders to accuse anyone and is not ready at this point to propose a solution. Our purpose is to bring notice of the crisis to the Congress and begin a discussion that this time will be more than one automatic word processor spouting theology and epithets at another.

On issues of great importance, America's great policy debates in the press and among the politicians and the people are filled with the kind of knowledge that C. Northcote Parkinson saw as responsible for much muddling in the world.

Mr. Parkinson said, "The chief obstacle to progress is not ignorance but knowledge, and just such knowledge as medieval physicians had of medicine.

"They were stuffed with information," he said. "They knew all there was to know about the unicorn and dragon; the importance of the horoscope and the peculiarities of the salamander. They had piles of books.

"But," he continued, "medical progress dates from the moment the physician stopped looking at books and started looking at the patient."

I propose a look at the patient—this time.

The United States, more than any nation in the world, tends to follow trade policies based on the classic theories set forth by Adam Smith in the "Wealth of Nations" and David Riccardo in "The Principle of Comparative Advantage."

Canada is one of our trading partners and, truly, a very good neighbor in some respects.

We are in a joint natural gas pipeline venture with the Canadians. They are to build half. We are to build half. The agreement stated that it would be built in each country on mutually competitive terms, which meant steel producers from each country would have a shot at the business.

But the Canadian Government rigged the specifications on a major part of their work. They chose to use a pipe size only Canadian producers make.

U.S. producers make pipe that could have been used in what remained of the Canadian share. But the Government refused to lower its 15 percent duty on that kind of pipe. Our duty on Canadian pipe of that size is 2.2 percent.

Canadian steel accounted for about 16 percent of our imports in 1980, and reached almost 2.4 million tons, the equivalent of more than 10,000 steelworking jobs here, in the recent surge.

Is it not strange? The Canadian steel industry is the only one to maintain growth in the worldwide decline in steel demand.

Fordham University's respected steel economist, Father William Hogan, has just published a study of the world steel industry in the 1980's.

Father Hogan says of Canada, "The future looks bright, given its management policies and a continued state of understanding with its Government."

The Government does large and small things to foster and protect.

We misunderstood the Canadians.

We thought the pipeline deal meant competition between producers.

They knew it was a competition between the Canadian Government and private American producers.

The caucus may propose a Buy-American resolution to cover the remaining work in Alaska if current assurances begin to look shaky.

The Canadians won that one and win countless little ones by using tariff and nontariff barriers against us—classic techniques that would be called trade war and protectionist if attempted by the United States.

This Nation has tried to practice free trade as outlined by Smith—in the late 1700's—and Riccardo—in the early 1800's—since 1945. We have practiced and practiced and we have not got it right yet.

Our negotiators have not mastered the idea that you get something when you give something. They have only mastered the giving part.

While two great men wrote on economics and trade during that intellectually fertile time, nobody wrote on trade war. However, Gen. Carl Von Clausewitz wrote extensively on the principles of real war and points of his work also are held to be valid today.

One frequently quoted Clausewitz maxim is that "war is merely the continuation of politics by another means."

The general also said, "war is a conflict of human interests; trade also is a conflict of human interests."

I will return in a short while to the general and the similarities between

real war and trade war and free trade as it is practiced.

The entry on international trade in one highly respected standard reference work says the most warlike, predatory kind of trade is mercantilism.

In practicing this, governments use policies to encourage exports and discourage imports and the mercantile nations grow fat on the surplus.

Mr. Speaker, does this sound like any nation with which we trade? Or does it sound like all of them?

The entry goes on to say that regardless of what the comparative advantage theory may say about the virtues of unrestricted international trade, all nations interfere with international exchanges to some degree. They use tariffs, quotas, standards, subsidized exports, restriction of capital export, and restriction of foreign investment.

These are practices designed to compel one party to submit to the interests of the other.

General Clausewitz summarizes by saying, "War is an act of force to compel our enemy to do our will."

The foundation of our current trade policy was laid following World War II.

We were whole—the rest of the free world was not.

We had to trade or face the return of a depressed economy. We had nobody to trade with because our potential partners were exhausted or defeated, or both.

So we helped them rebuild and we traded; and we winked at and maybe even encouraged a well-meant trade barrier here and there.

After all, the United States was—and still is for that matter—the largest and most open market in the world, and we all knew that to get a little you've got to give a little.

Thus, we encouraged them to build state-of-the-art industries and plants with which we grew less and less able to compete as our plants and industries aged.

That is true, but it does not go far enough.

The Japanese looked out on the world and decided they needed a steel industry to be an industrial nation.

And they built with Government, industry, labor, and the banks all pulling together. They built with debt amounting to over 80 percent of capital investment, which could not be done in a nation working on the practices that evolved from Adam Smith's theories.

They built much more capacity than they could have reasonably needed. They grew from a 5-million-ton capacity to one of about 140 million tons.

Steel imports into Japan were never allowed to reach three-tenths of 1 percent during the growth years.

Routinely, since 1976, the United States has taken about 20 percent of Japan's direct steel exports, which can be demonstrated by matching Father Hogan's estimates of total Japanese exports against the American Iron and Steel Institute's yearly reports on Japanese steel coming here.

Father Hogan reports that an estimated 50 percent of Japanese steel production finds its way into foreign markets.

He notes that:

> The large seacoast plants with large blast furnaces were constructed to establish Japan in the export market and never could have been justified on the basis of Japan's domestic demand.
>
> Having constructed this capacity, the industry must export in order to survive.

Add Japanese-made automobiles to our steel imports and the figure goes up. At the voluntary restraint level of 1.7 million automobiles, we have a loss in American steel production of about 1.5 million tons based on the average weight of U.S.-made cars in 1980.

By the way, the Japanese made 500,000 cars in 1960. Last year, they made about 10 million. The United States took around 2 million.

Again, they targeted collective resources for maximum effect.

The general put it this way: Produce relative superiority at a decisive point by skillful use of what you have, concentrate force, and attack the sum at any of the parts that are vulnerable.

Meanwhile, Chrysler Corp. Chairman Lee Iacocca can complain with proof that a Japanese-made car selling for $8,000 in Japan sells for $600 less in this country on the basis of a Japanese export incentive.

And Chairman Iacocca noted, we allow it to happen in the name of free trade.

He could have mentioned, but did not, the high duties on American cars going into Japan and the required modifications and the endless haggling and processing.

American automobile men tell me that a compact car that would sell here for $6,500 will sell in Japan for $12,000 to $13,000.

Meanwhile, the Europeans have almost their own trade sub-war going on inside the EEC.

With the EEC, you can almost see cause and effect.

Things get bad for steel in Europe; exports into the U.S. market rise.

Conditions have been bad for steel in general and particularly in Europe where steel is more a matter of domestic social policy than trade or economics.

German producers are not subsidized and they are ready to begin the same kinds of actions in Europe under their GATT rights that American producers are being scolded for considering. The Germans estimate that their subsidized trading partners in an 8-year period ending in 1983 will have received government support totaling $30 billion. Steel executives in the United States estimate that in the last crisis the losses of subsidized European companies totaled $15 billion, yet the losers remain in business.

As National Steel Chairman William Delancey recently noted:

> The fact that they are still in existence, still exporting steel, indicates the basic difference between their economic system and ours.

No one company, no matter how modern, can beat that kind of government competition.

Meanwhile, a member of the European Community's Parliament Committee on External Economic Affairs was quoted, in a recent edition of Dun's Business Month, on the subject of free trade.

"Let us have no silly or extreme talk of free trade for the sake of free trade," said Michael Welsh. "Let us see what we have to do for our own industry."

A few years ago, Wolfgang Jensen, the former president of a foreign-owned, U.S.-based steel company was quoted in a speech by an American executive.

Jensen was quoted as saying:

> Foreign governments target basic steel industries. Mills will be kept running regardless of cost, priced to sell even at a loss.

Mr. Speaker, I want to draw on only one more outside authority on free trade before I redirect my comments to the steel situation.

This authority is Paul Lyet, who is chairman of the Sperry Corp. and Chairman of the President's Export Council.

Well-versed in trade by the successful practice of it, Mr. Lyet held a press conference on the subject last summer before his appointment, and some of his remarks were reprinted in the Financier magazine.

Free international trade is largely a myth, said Mr. Lyet.

There is a great need to reduce foreign barriers to U.S. exports, he went on.

The United States needs an aggressive export strategy, he added.

It should recognize that other nations promote favorable trade balances through very active policies that range from simple subsidies to complex financing, he said.

And they are masters of the hidden barrier technique, he warned.

Smith and Riccardo, were they alive today, would be dismayed to see how confused things have become.

But General Clausewitz would merely reissue his warning against "making the sword we bear blunter and blunter by degrees from feelings of humanity until someone once again steps in with a sword that is sharper and hews away the arms from our body."

Mr. Lyet put it this way:

We have to enforce U.S. and GATT laws against unfair and disruptive imports.

I find myself in sympathy with those who feel we must protect the core industries.

But the core industry of steel wants only what the free trade laws and agreements recognize is proper—a truce in the trade war.

If the TPM dispute cannot be settled, the caucus may well recommend and support recreating it through legislation.

If a trigger price based on the most efficient Japanese producer can be circumvented, perhaps the situation calls for one based on the most efficient producer in each country with which we trade for country-by-country application.

Questions about the viability of any steel industry and about protectionism and trade war will be raised as the current trigger price controversy comes to a head.

One group raising such questions will be the Consumers for World Trade. Its representatives appear on trade matters before the appropriate Govenment agencies and the Congress to represent the interest of the consumer and wide open trade.

That, like the Japanese economic miracle, is true as far as it goes, but it does not go far enough.

The major portion of financing for consumers for world trade comes from corporate contributions, American corporations engaged in export and import and U.S. affiliates of foreign corporations engaged in automobile and other import activities.

The group will frankly acknowledge this if asked, but it makes no attempt to disclose the connection in its newsletter, which does list officers and directors heavily slanted to consumer consultants, professors, and former diplomats.

Consumer President Doreen Brown notes that no foreign corporations are contributors and that corporate givers do not set policy. They are not members. They are only supporters.

They obviously share common interests, she acknowledges, because "you don't give your money to people who don't share your interests."

The consumer group has about 3,000 individual members. Many of them are employees of the corporations that support the group.

President Brown sits as the consumer representative on the International Steel Advisory Committee of the U.S. Trade Representative.

I do not suggest anything is wrong in the arrangement by mentioning these previously unknown connections. I raise them only as useful background for weighing points in committee and on the floor.

Trade is important and upright exporters and importers are economic heroes in my philosophy, and nobody wants to do anything to harm them. We all realize that you win some and you lose some.

My concern is that we quit losing as a matter of policy.

For example, employment in steel production has fallen by about 24 percent between 1958 and 1980—102,000 jobs gone.

Since the crisis of the late 1970's, eight companies have closed at 20 locations with a loss of 32,000 jobs. The United Steelworkers note this is only a partial listing.

We have tried voluntary restraints. They worked but other developments pushed them into history.

We have tried specialty quotas. They did not last.

We have tried the trigger price mechanism one way. It broke under pressure.

We now have an adjusted trigger price mechanism that is under stress.

Why did these measures fail?

United States Steel Chairman David Roderick testified to the caucus that—

Europeans and others have staged a massive assault on this market, and they have decided they will ship dumped or subsidized steel in complete disregard of the TPM.

The very people who wanted the TPM so as to avoid being found guilty of dumping now completely disregard it—have clearly demonstrated they are unwilling to abide by the TPM and apparently view it as an administrative procedure they will respect or ignore as they see fit.

Three major questions are left for discussion in this early exploration of steel.

Do we need a steel industry?

The short answer is, emphatically, yes. The longer answer is that a nation with the responsibilities of the United States cannot survive as a colony that ships only agricultural goods and raw materials, importing the basics, or by specializing in watches and chocolates.

We have got to hang in with a fully diversified economy—heavy industry, diversified manufacturing, agriculture, service, high technology, whatever it takes.

Steel, literally, holds the modern world together and supports it and moves it.

This is the only industrialized nation that cannot, absent some imports, meet full steel demand on present capacity.

Clearly there could be difficulty answering the demands of the planned defense buildup.

And a mobilization surge would find us with serious weakness.

Yet we are the political and economic mainstay of the free world.

This alone is reason enough to modernize and make more efficient the fundamental industry.

Additionally, the Nation will have to give attention fairly soon to a crumbling infrastructure, rebuilidng things that require steel.

On top of that, there is the problem of how foreign suppliers treat U.S. customers in times of high demand, which would be aggravated by deeper erosion of domestic capacity.

General Clausewitz advises that in considering how someone will act in the future, you have to be familiar with their past. He said, "The will is never a wholly unknown quantity; what it has been today, it will be tomorrow."

During the steel boom of the early 1970's, some foreign suppliers jacked up prices on longtime U.S. customers by more than $100 a ton above domestic prices—demanded and got premiums of 40 percent and more.

Dependency, particularly planned dependency, on possibly capricious foreign suppliers for something as basic as steel is as foolish as seeking no break in dependency on a foreign cartel for petroleum.

Why hasn't Big Steel done something to help itself? How did it get so behind the times and unproductive?

American steelworkers are highly efficient. Producing a ton of steel in the United States requires 7.7 man-hours, according to the most recent statistics available. The Japanese do it in 7.3 The Germans require 9.4 man-hours, the French 11.9, and the British 16.5.

Those bad efficiency figures for the Europeans are part of the dumping controversy.

But the need is to become more efficient by installing technology developed in America, such as the continuous caster, and plans are to spend $5.5 billion modernizing if profitability can be established and capital raised.

But dumping prohibits profitability, the lack of which drives away capital.

Mr. Roderick told the Steel Caucus:

The whole effort to revitalize and modernize the domestic steel industry—those improvements already announced and those planned—is in grave jeopardy.

Why has steel not worried about modernizing before now?

It has, but it could not because it has been whipsawed by episodes of Government intimidation and foreign dumping in times of steel recession.

They could not take capital-attracting profit in good times because of one Government regulation or another, or the limited capital available was diverted to environmental protection rather than production. In slow times, times of heavy dumping, there was little profit to be found.

No profit, no capital, no investment in productivity. The present dumping cycle threatens to impose the same straitjacket at the most promising time for steel in the last 20 years.

And that is why it is important to take a good look at the patient rather than those unicorns and dragons I mentioned earlier.

As General Clausewitz said:

The greatest and most decisive act a statesman performs is that he correctly un-

derstand the kind of war that involves him—of not taking it for or wishing to make it something it cannot be.

● Mr. NOWAK. Mr. Speaker, once again the executive committee of the Congressional Steel Caucus comes to the floor of the House to draw attention to and seek remedial action on a serious problem confronting our Nation's steel producers.

Indeed the problem—the invasion of our domestic market by predatory, unfairly priced foreign imports—is a serious one. In this case, the numbers speak for themselves.

In the first 9 months of this year, steel imports totaled 14,493,000 tons, an increase of 24.6 percent over the 11,636,000 tons imported during the first three quarters of 1980.

As the American Iron and Steel Institute noted:

If present trends continue, the market penetration of imported steel will set a new record for 1981. Imports took an estimated 20.5 percent of the market in September.

Even during booming economic times in this country, those statistics would be alarming. Adding severity to the current flood of steel imports, however, are the debilitating effects of the current recession and high interest rates our Nation is confronting.

This, of course, translates into reduced demand and reduced production in the steel and auto industries. This translates into shrunken payrolls across the Nation, with thousands of workers in these two vital industries either laid off indefinitely or on reduced work schedules.

That has been the experience in the 37th Congressional District of New York, which I am privileged to represent. The current crisis exacerbates what has been a long-term downward trend in steel employment in my district. In the late fifties, for example, employment at Bethlehem Steel's Lackawanna, N.Y., complex averaged 19,500. Last month, that payroll was about 7,200.

Similar shrinkage has occurred at Republic Steel's facility in South Buffalo where employment dipped from a historic high of 3,600 in the fifties to the current 1,660 level.

Imports have been a major culprit in this decline of employment in this major industry in western New York, an industry that is an important element in maintaining the health of our local economy. The current surge of imports and unemployment, thus, adds to the very genuine concern of the remaining workers at these Buffalo area steel-making facilities as to their long-term employment and the very future of these plants.

European steel producers have been the major source of the increase in imports this year. Certainly one thing we hope to accomplish here today is to signal our European allies that we in the Congress are deeply concerned about the current crisis and want these apparent violations of fair trade principles to stop.

As the following editorial from the November 11, 1980, edition of the Buffalo Evening News pointed out—and I would like it inserted at this point in the RECORD—in addition to exporting steel to this country, in effect the European Economic Community is also exporting its unemployment to this side of the Atlantic.

[From the Buffalo Evening News, Nov. 10, 1981]

STEEL DUMPING IS UNFAIR

As it did last year, the American steel industry is clamoring for action against unfair competition from foreign steel, and this time the government is giving strong backing. Commerce Secretary Malcolm Baldrige has filed a complaint against several European and other foreign governments, charging unfair subsidization of steel exports.

Last year's anti-dumping complaint by the United States Steel Corp. was withdrawn after the Carter administration reinstated the trigger-price system, which is supposed to set a floor price for steel imports. But much imported steel still seems to escape the trigger system.

Steel imports were up 25 percent in the first nine months of this year and now gobble up a quarter of the market.

The steel complaint is expected, after lengthy hearing and adjudication, to result in the imposition of countervailing duties to end unfair advantage of the foreign steel. U.S. trade officials are concerned that the move may result in European retaliation against American exports, but the United States is strictly within its rights to insist that competition for the steel market be fair. The Tokyo Round of trade talks specifically barred the kind of governmental subsidies—such as cheap credit and tax breaks—that the American steel industry is now complaining about.

The European Economic Community has warned that it would consider an anti-dumping move a hostile gesture, but it has no right to break the international rules at our expense—in effect, *exporting its unemployment to this side of the Atlantic.* If Europe or other countries can make a case of unfair competition against any American exports, they, of course, have a right to do so.

The slump in the steel industry has a worrisome effect on the ability of the industry to rebuild its aging facilities. The new profit incentives under the Reagan tax program were designed to encourage this, but the low operating rate and the comparatively low profits will make it harder to accomplish. Bethlehem Steel, for example, last July announced a $750 million modernization program (not, unfortunately, including Buffalo). Bethlehem, with 6,500 workers now laid off, says that "badly needed modernization is now threatened by a flood of imports on top of a lagging economy."

It is in the interest of the United States that international trade be free from high tariffs and other protectionist devices. But it is not in U.S. interests when both sides do not abide by the agreed rules. Trade should be not only free, but fair.

Mr. Speaker, this Nation will not tolerate, cannot tolerate, such behavior from our allies. Our domestic industry cannot compete against foreign plants that are unfairly subsidized by their governments. Nor can it compete against steel products that are dumped into our markets at prices below the cost of production abroad.

Commerce Secretary Malcolm Baldrige and the administration have already sent a signal of our national concern by beginning investigations of alleged unfairly priced imports from Romania, Belgium, Brazil, South Africa, and France. The Secretary further has said the Department is considering initiating additional investigations and those decisions will be announced within 2 weeks.

I hope this indicates that the administration is committed to vigorously enforcing our own existing trade laws. The alternative could be increasing pressures for protectionist legislation, such as fixed import quotas, which go against the grain of the administration's free trade policies. Again, as so many of us have said so often, and as the Buffalo Evening News editorial ended: "Trade should be not only free, but fair."

I hope the administration's investigations also alert the foreign producers that it would be in our mutual interest for them to come to the bargaining table or exercise some voluntary restraint in the steel sector.

I hope the administration would also take another in-depth look at the trigger price mechanism—TPM—to determine how it could be refined or revised to fashion it into the effective buffer against unfairly priced imports that it was intended to be. With the data from the first 9 months of this year, it is obvious the TPM is not working as it was designed to. Unless the TPM is developed into a more effective tool, congressional action may be our only alternative.

Yet, imperfect as it may be, I believe the TPM should remain in place, functioning, while these unfair trade practice proceedings are underway.

Of concern, for instance, is Secretary Baldrige's comment recently that, "We do not have the manpower to bring 100 suits and run the trigger price mechanism too."

That is of particular concern, in light of United States Steel's anticipated filing December 1 of suits against nine foreign countries.

It would, however, seem most logical to retain the enforcement of the TPM while these investigations are going on or if additional suits are filed. That would not only keep the pressure on as many fronts as possible to protect our markets from unfair imports but it would strongly signal foreign producers of the depth of our resolve to halt any illegal practices.

We must maintain a concerted effort to halt the erosion of employment and production in our steel industry. That is vital to our national defense and to a healthy national economy.●

□ 1820

Mr. BENJAMIN. Mr. Speaker, will the gentleman yield?

Mr. GAYDOS. At this time, I would like to recognize my good friend and colleague, the chairman of the executive committee, one who has dedicated his efforts during the last 5 years since we organized the Steel Caucus, to preserve this basic industry. He has been a most effective and most active member of the caucus, the gentleman from Indiana (Mr. BENJAMIN).

Mr. BENJAMIN. I thank the gentleman for yielding.

I have spoken with my friend from Pennsylvania and my friend from Ohio (Mr. REGULA), and those who appear by statement this evening to apprise this body and the Nation that its steel industry, steel communities, and steelworkers need their understanding, support, and assistance.

Six weeks ago, we asked that the President understand and assist in this dilemma. We asked that the President meet with us. To date, the President has been too busy to meet or otherwise discuss steel imports and resolution of the growing steel import menace.

Therefore, I now publicly urge that the President recognize, understand, and help resolve the plight of the American steel industry and its workers by convening a White House summit meeting on steel by mid-December while immediately moving to obtain voluntary restraints on imports or quantitative controls if negotiations fail on voluntary restraints.

Excluding raw materials and fabricating operations, there are 53,000 steelworkers laid off and 17,000 working short weeks within 26 companies producing 85 percent of the Nation's raw steel. This projects to more than one-half of a million American workers in related industries and businesses that are adversely affected by the steel industry operating at 65 percent of capacity.

Mr. Speaker, 14½ million tons of steel were imported into the United States during the first three quarters of 1981—up 24.6 percent or 2.9 million tons over the comparable period in 1980. The September figure was 64 percent higher than September 1980, and August set a record high of 2¼ million tons of imports.

I appreciate the President's earlier action in regard to the import of automobiles from Japan. After the dislocation of 200,000 autoworkers and imports from Japan increasing from 11 to 26 percent, the U.S. Government urged and received a 3-year voluntary restraint. While the domestic automobile market continues to be depressed, the voluntary restraint has been of some relief.

I urge that identical consideration be given to the steel industry. The economy of the Midwest is sufficiently predicated on steel to warrant relief without delay or excuse.

Four years ago, my colleagues and I asked the previous President to address an import problem which ranged between 14 and 18 percent, not nearly 25 percent of domestic consumption. In response, President Carter convened a White House summit which produced the Solomon report and the trigger price mechanism as well as a tax blueprint which has generally been incorporated in the 1981 Economic Recovery Act. It also produced the steel stretchout bill signed into law this summer by President Reagan.

The plan agreed to then, which remains valid today, is that the U.S. steel industry could become competitive in the world marketplace if provided tax relief encouraging capital formation for modernization, environmental cost relief to reduce capital and operating costs, and finally, relief from imports representing dumped or subsidized steel. The proper enforcement of U.S. trade laws for at least 3 to 5 years after the start of modernization is absolutely necessary to enable the industry to bring new equipment and systems online.

Mr. Speaker, the program of modernization was to begin, and in fact, has partially begun. The steel industry announced $5½ billion of modernization and improvement. Then the bottom fell out of the economy. The industry would probably have proceeded if their domestic market, although reduced by the economy, was not absolutely squeezed by a record-high import avalanche. In other words, as the economy contracted, foreign steel companies, through subsidization and dumping, proceeded to administer the coup de grace. This has effectively halted the long-sought modernization of the U.S. steel industry, disrupted communities and ruined families who have little relief because of previous program reductions by this Congress.

I began by urging a White House summit meeting and immediate voluntary restraints or quantitative control of imported steel. Mr. Speaker, I renew this request and trust that the President will be convinced of the necessity of meeting and restraining now.

I also urge:

First, that the appropriate divisions of the Department of Commerce and International Trade Commission be maintained at sufficient strength to handle the investigations and resulting complaints prepared and filed by the Secretary of Commerce. This would mean that sufficient funds be provided by the Congress and used by the administration to prevent further importation of dumped and subsidized products and to proceed against those nations and firms who have chosen to ignore and flaunt our laws.

Second, that the domestic steel manufacturers withhold their import complaints, now proposed to be filed on December 1, if the President agrees to meet and act on the steel crisis. If the President does not so agree, that the complaints be filed but the administration retain and improve the trigger price mechanism rather than discard or discontinue it because American producers choose to exercise their rights under law. Finally, if the steel company complaints are filed, that the administration process those complaints expeditiously and fairly and that the results of the complaints be limited to the merit of the evidence and not affected by supposed foreign policy considerations.

Third, that the administration and Congress cooperate to:

Improve the trigger price mechanism and incorporate it in statutory law;

Review U.S. trade laws and improve them with respect to changing world conditions;

Establish a quantitative restriction which would be correlated to the growth or contraction of the American economy thereby protecting domestic companies and workers during recessionary periods;

Evaluate and determine necessary actions to assist the steel fabrication industry, specialty steel industry and steel marketing firms, all adversely affected by the inadequacies of the present trigger price mechanism and offshore marketing entities;

Encourage a new export program to promote overseas sales of American steel and steel products.

Mr. Speaker, the President can turn the economy around today with appropriate emphasis on interest rates, automobile production, housing starts, and steel manufacturing. We, of the House Steel Caucus, know that we can help. We ask that the President immediately act to restrain imports—and find time to meet with us and the industry, its work force, and those of his administration who would work to implement his program. I believe that the five-point program just outlined is a base from which we could commence our partnership for the improvement of the economy. I trust that the President will agree. I look forward to a joint venture that will improve the economy, revitalize the steel industry and put steelworkers back to work on a full-time basis.

Mr. GAYDOS. I want to thank the chairman of the executive committee.

At this time, Mr. Speaker, I would like to reserve the balance of my time, pending a presentation by one of my colleagues who had been skipped over.

The SPEAKER pro tempore. The gentleman from Pennsylvania.

Mr. GAYDOS. I thank the Speaker.

At this time I would like to yield to the gentleman from Ohio, a member of the Steel Caucus executive committee, Mr. REGULA.

Mr. REGULA. Mr. Speaker, I want to thank the gentleman from Pennsylvania the distinguished chairman of the Steel Caucus for reserving this time to discuss an issue of importance not only to the steel industry, but to the entire domestic economy—the problem of unfair foreign trade practices.

For the past 7 years, the steel industry, worldwide, has been in a severe depression. The post-World War II era was a period of enormous increase in steel output, but the boom came to an abrupt end in 1975. The U.S. steel industry has not been spared.

Mr. Speaker, I cannot emphasize enough that a strong American steel industry is essential for a strong American economy. No economy can develop and grow without it. It is a key material in the revitalization of American industry. It is vital for national defense, energy production, construction, manufacturing, transportation, mining, and agriculture.

For some time, however, the American steel industry has been losing its competitive edge in world markets. If the domestic steel industry continues to decline, our country, our economy and our national security will be jeopardized.

The major problems affecting the industry continue to be inadequate capital formation, unfair international trade practices, and excessive regulation. Although our domestic steel industry is beset by serious difficulties, it has the potential to surmount those difficulties.

On their own, domestic steel companies have been moving forward to improve efficiency and productivity and despite the sharp recession which significantly effected the industry in 1980, progress has been made in this effort.

While the steel industry has taken major steps to modernize, improve efficiency, meet environmental goals, and improve capital availability, public policies must support, not hinder, the industry's modernization efforts. If they do not, the industry's own efforts will be inadequate to the task.

Policies of the Reagan administration have begun addressing the most critical problems facing the industry. Accelerated cost recovery, providing for a faster writeoff of capital expenditures, included in the tax bill, will assist the industry with capital formation to promote modernization efforts.

Federal regulations are under review to determine which have hampered business and not proven cost effective. With the passage of the steel "stretchout" amendment, the industry was given a necessary extension in complying with Clean Air Act deadlines to enable further investment on modernizing existing facilities.

In recent weeks, however, the trade issue has come to the forefront as the Department of Commerce has initiated investigations into low-cost steel imports from five countries. I applaud the Reagan administration's strong commitment to the enforcement of our trade laws and especially the concept of fair trade, but I am distressed by signals from the administration that the trigger price mechanism, the administrative procedure for detecting violations of U.S. trade laws may be destroyed if the industry pursues its own cases against foreign producers.

While the TPM is not perfect, it is currently the best guarantee that our trade laws will be enforced, and I believe that terminating the TPM would be a very unwise policy at this time.

Despite the sharp drop in demand for steel in the United States, steel imports have risen steadily this year. In August imported steel captured a record 25 percent of the U.S. market and represented 22 percent of the market for the third quarter overall.

Mr. Speaker, I strongly support free trade, foreign steel should have the opportunity to compete in American markets so long as it is fairly traded. But I do not believe the United States can be the only open world market for steel and ignore the penetration of dumped or unfairly traded low-cost steel imports without crippling its own domestic steel industry.

Under existing international trade agreements, the United States imposes no restrictions on steel imports. What is in place is the trigger price mechanism which was established in 1978 as a price monitoring system to facilitate enforcement of U.S. antidumping laws.

The need for a TPM-type mechanism is even more critical because of the present depressed state of the world steel industry and because more than half of the steel produced in the world comes from government-controlled or government-subsidized steel companies, including those in Great Britain, Belgium, Italy, and France.

Foreign governments have taken various actions to help reduce production costs for their steel industries including: below market loans, low-cost raw material imports—made possible by subsidies for ore and coal mines and oil imports—market-sharing arrangements, tax abatement, and quotas on imports. Such methods of financial assistance have enabled foreign suppliers to price their steel below cost.

Unfair steel imports transfer to American steel producers and workers the unemployment and adjustment problems that foreign producers and their governments are trying to avoid.

Mr. Speaker, as I have said, the American steel industry can modernize and regain its competitive edge in world markets, improving its ability to produce low-cost steel to the American market. But to do so, the industry must make significant capital expenditures during the next decade.

A closer balance between world supply and demand is expected in the latter half of the eighties than was the case in the seventies. Unless U.S. capacity increases as world demand goes up, the U.S. economy will be seriously affected by tight steel supplies and a growing steel trade deficit. Any increased reliance on foreign sources would, during periods of steel shortages, result in increased world prices that would be borne by American consumers.

The biggest potential impediment facing the steel industry is unfair foreign-priced steel imports. Enforcement of U.S. trade laws through a strong trigger price mechanism is, at present, the most effective answer to the problem and is essential to the industry's revitalization program.

While controlling Federal spending and reducing the excessive rate of inflation are important priorities for the Federal Government, so too should be the problem of reindustrialization. The strength of our Nation is mirrored in the strength of our domestic industries. Government policies must support industry's rebuilding efforts if the Nation is to regain its strength and continue as the leader of the free world.

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Mr. GAYDOS. Mr. Speaker, I now yield to my colleague from Alabama (Mr. BEVILL), a member of the executive committee of the steel caucus.

Mr. BEVILL. Mr. Speaker, America's steel industry has earned its position as one of this country's most important economic pillars. It is a pivotal factor in the Nation's continued economic stability.

However, for months now, we have been witnessing a devastating foreign assault on our domestic steel industry, which threatens its future and endangers other major U.S. industrial giants.

In the first 9 months of this year, imported steel has increased its encroachment into the U.S. market, up by nearly 25 percent over last year's levels. In September of this year, for example, imports accounted for more than 20 percent of our country's steel market. If that trend is allowed to continue, this year will set a sad new record for imported steel in this country.

I met several days ago with managers for the Republic Steel plant in Gadsden, Ala., located in the Fourth District of Alabama, which I am privileged to represent. We shared our concerns about the growing amount of imported steel flowing into this country.

As these imports increase, the number of America's steelworkers who are laid off or who are on reduced hours also grows.

Republic's Gadsden plant, which is one of our major steel plate producers, has been hit hard by the growth of imported steel. The plate steel import market has grown from a 19-percent share in the first quarter of this year to 25 percent in the second quarter.

The figures for August of this year were even worse. In that month, imported plates took more than one-third of this country's plate market. Republic's plate mill has suffered corresponding reductions with this increase in imported plates.

The Republic managers asked me how this country could permit foreign steel imports to grow, putting our own steelworkers out of work. They asked me what could be done to stop unfair dumping of foreign steel, at artificially low prices, subsidized by foreign governments.

I must confess that I have asked these same questions, as have my fellow members on the Congressional Steel Caucus. One method to stop this unfair economic attack is to implement strict enforcement of the trigger price mechanism, which was created to stop wholesale dumping of steel in this country by foreign producers.

This country has been richly blessed with the raw materials necessary for the production of steel. We continue to develop our inland waterways and other methods of surface transportation to enable our producers to effectively market their products. But we are neglecting one of the most vital needs of the domestic steel industry—adequate protection from unfair foreign competition. If that competition drives our own producers out of business, we will be at the mercy of foreign governments for our domestic steel needs. The lesson we learned from OPEC should serve as sufficient warning for us to protect our own interests regarding domestic steel production.

Swift, effective implementation of the trigger price mechanism must take place. We owe that to the American steel industry. We owe that to the American economy. We owe that to the American people.

Mr. GAYDOS. Mr. Speaker, I thank the gentleman from Alabama.

At this time I yield to my neighbor and colleague from the city of Pittsburgh (Mr. WILLIAM J. COYNE), a member of the Steel Caucus.

Mr. WILLIAM J. COYNE. Mr. Speaker, I rise to associate myself with the remarks of Congressman GAYDOS and Congressman BENJAMIN.

I also would like to submit for the RECORD the remarks of Mr. Thomas C. Graham, president and chief executive officer of Jones & Laughlin Steel Corp. to a Symposium on American Productivity in Pittsburgh, Pa., on November 4, 1981.

Mr. Speaker, the remarks follow:

REMARKS BY THOMAS C. GRAHAM

Seriously, I hope that when we are finished here today, you don't feel that your misgivings were well founded. We hope that in these sessions we can shed some light that will be of practical help in getting America's productivity curve rising again.

As you know, that curve has been virtually flat in recent years. It has happened despite an enormous investment in new technologies by the private sector in the preceding decades.

I recall the fifties, when computer control of manufacturing processes was beginning to spread. People were saying that before long we would see factories without people . . . that computers and robots would do everything without human help.

Well, we're a long way from that, and in many industries we may never get there. We've found out, if nothing else, that it still takes a lot of people to run the computers and maintain the equipment.

Actually, our fascination with computers and the other elements of automation may have been one of the things that led us into the fix we're in. We have been neglecting the human factor in the productivity equation, perhaps because people are harder to manage than machines.

But now we are really up against it. A continuing high rate of inflation and runaway interest rates are making it very difficult for many industries to accumulate the capital that once was used to buy cost-saving technologies. This has been expecially true in the steel industry, but certainly we are not alone.

By force of circumstance we are looking more closely at the other side of the productivity equation . . . to people. We are beginning to see that people, if properly motivated and effectively directed, can be the key to economic revitalization.

But I think it is worth asking, which people? Who are they, and what would we have them do?

In a modern industrial organization there are, for purposes of this discussion, two groups of people, clearly separate and identifiable. They are the management group on the one hand, and the production workers on the other.

A great deal of activity is underway these days concerning that second group. The thrust of it is to increase the involvement of the production workers in the problem-solving process on the shop floor. It is the American adaptation of the quality circle concept that originated in Japan. And we all know how Japan is eating our lunch in the marketplace.

The concept is that if the employees are given the chance to voice their opinions in decisions involving their workplace:

One, they will come forth with many good suggestions for making the shop run better;

Two, they will become personally committed to shop goals or corporate goals and perform accordingly;

And three, they will derive a sense of satisfaction from their involvement that will help to overcome the worker unrest that is a characteristic of many industrial organizations.

I want to state quickly that I do not quarrel with any of this, in principle. There is no doubt in my mind that the failure to enlist the full contribution and the enthusiastic commitment of the hourly work force is at the root of many of our industrial problems.

But I must also assert that any effort to establish quality circles or participation teams is doomed to failure unless attention is first given to that other group of people in the organization. In much of the theorizing that is going on today about productivity improvement, the role of management is not given the weight it deserves.

In my view it is critical. Any effort to improve productivity with people rather than machines, should begin with the focus on the management organization.

In my company, we arrived at this plateau in our thinking in 1975. I'd like to tell you a little of our history since that time, in the hope that it will give you some new insights into the productivity problem, and how to solve it.

In 1975, J&L was experiencing some very difficult times, as was the rest of the steel industry. When we developed a plan to improve productivity through a better effort by our people, it was more than an academic exercise. It was a matter of dire necessity.

As we looked at the way our company was being operated, we saw a management that was living in the past. We saw operating practices that were carry-overs from the days following the end of World War Two, when the American steel industry was dominant in the world.

We practiced an authoritarian style of management that was, and to a degree still is, common to the steel industry. The boss gave the orders, and the employees carried them out. No questions asked. As I've said on other occasions, this business used to be more totalitarian than the Prussian Army. As we looked deeper into our company, we came to understand why the Prussian Army lost World War One.

I'm sure that in examining any troubled organization you will find managers who consistently put the blame for poor performance on the wrong things. It means either that they have failed to identify the real problems, or having identified them correctly, have been unable to solve them.

Such was the case in our company.

Some of the excuses that were given in those days are amusing in retrospect, although they were not funny at the time.

I remember a manager at one of our integrated steel plants, many years ago, who was being pressed to explain why a new five-stand cold reducing mill could not produce at more than half its designed capability.

He said the engineers had done a poor job of building it, and that it was leaning to one side. Having a nautical turn of mind, he described the mill as "listing to port."

If you have ever seen the mass of heavy machinery that makes up a modern tandem mill, you will realize what a mind-boggling idea that is. It was of course, nonsense, and only reflected that manager's inability to come to grips with his real problems, which were many.

There's another significant point I should mention in connection with this story.

It is this: in implementing changes in management thinking, it helps a heck of a lot if the fellow on top is thoroughly familiar with the production processes, and the equipment.

Professional managers get to where they are in part because of their ability to explain and defend what they are doing. The manager with his leaning tandem mill is an example of how that talent can be misdirected. In the long run, a defense of the status quo can hurt the business.

I spent many of my earlier years as an engineer for J&L, and I've had my hands on

most of the equipment we now operate. That discourages a lot of nonsense when we discuss operating problems.

At any rate, we set about to improve the effectiveness of our management organization with a number of broadly based initiaties, and I'll mention just a few of them.

We reorganized the operating and sales functions into divisional business units. The idea was to give managers more decision-making authority and encourage an entrepreneurial approach to the production and marketing of our various product lines.

We established programs of recruiting, training and development in order to upgrade the quality of personnel in our managerial force, and to improve managers' skills and their knowledge of the business.

We discarded automatic pay increases in favor of a compensation program based on performance. We replaced ineffective managers on one hand, and established programs of rewards and recognition for superior performers on the other.

And we sought to open channels of communication that would facilitate the flow of information and ideas from the top down, and from the bottom up. The intent of all this was to establish a climate of change throughout the company that would open the way for new ideas and innovative problem solving.

The need for new approaches was nowhere more apparent than in the management's relationship with the United Steelworkers union and the hourly work force.

Across the ranks of management there was an institutionalized practice of blaming shortfalls in operating performance on the attitudes of the hourly employees, or on established work rules or labor practices, none of which could be changed.

Time and time again management discussions would lapse into a dialogue in which the operating people would agree, yes, we do have this labor relations problem, and we have asked the labor relations department to solve it, and that's where it stands.

And the labor relations people would reply that it was not really a labor relations problem. It was really an operating problem perpetuated by contractual limitations that we can do nothing about. The matter would be left hanging there, and the problem would remain unsolved.

This defeatist attitude resulted in a generalized management failure to address many critical problems that were affecting our business. We had many managers who for years had been using supposedly insoluble employee relations problems as an excuse for poor performance. The cumulative effect was to put the very life of the enterprise at stake.

Negative attitudes were also reflected in a serious lack of communication between supervisors and their hourly workers, and in the entrenched hostility between the two groups that was a legacy of an earlier time.

There was the inflexibility that characterized many of the legalistic aspects of the labor-management relationship.

And finally, there was a generalized fear of change, and the more specific fear of many managers that a change in the relationship with employees would threaten their livelihood. You'll hear more about this in one of the workshops this afternoon.

I should point out that these impediments were not universal. In some areas in the company, highly skilled managers were dealing forthrightly and successfully with their employees. Their performance reinforced our conviction that change was not only necessary, but also that it was possible.

Overcoming these impediments was not something that could be done overnight. The first challenge was to change the attitudes and supervisory habits of hundreds of managers throughout the company, and students of human nature will recognize that this is no easy task.

To do this we adopted a stick-and-carrot approach. The stick was to let the managers clearly understand that blaming the workers or an intransigent union for shortfalls in performance was no longer an acceptable excuse. We began to publicly identify these shortfalls as management failures.

It came as a shock to many managers that what had been appropriate and accepted for many years was suddenly being rejected out of hand. This made for some unpleasant dialogue, but we coupled it with the carrot. We indicated that dealing successfully with the employees and their union representatives would be regarded as a management skill that could advance their careers. We began to single out effective people managers for special monetary rewards and recognition.

In doing these things we relied on the conviction that dedicated managers want to know what they are being measured against. When the criterion is clearly understood and accepted, good people will put forth their best efforts to measure up.

Meantime, we were also taking some organizational steps to support attitudinal change. The industrial relations department was reorganized to bring together the three functions that deal with the human resources of the company, that is, personnel relations, labor relations and industrial engineering.

I think it is worth noting that one of the most productive moves was bringing the labor relations people and the industrial engineers together in one department.

Under the old order they had been separate kingdoms, and they were constantly at war. Now they are working hand in hand, and the I.E.'s have been able to develop effective production incentives for the hourly employees that have cracked long-standing production bottlenecks. They have also revitalized the long-standing employee suggestion plan, which pays cash awards for cost-saving ideas.

These efforts are consistent with our view that monetary rewards for hourly employees can be just as effective as they are for the managerial force in encouraging better performance.

The primary mission of the new industrial relations organization is to change the labor-managment relationship from one of confrontation to one of problem solving. Efforts at all levels are being made to achieve this goal.

The relationship with the United Steelworkers' union both at the international and the plant level has been consciously turned from one of adversarial posturing to a serious and determined effort to solve operating problems.

And we are committed to maintaining extensive communication with union representatives. We believe that each side must understand the other's problems if a joint problem-solving effort is to be successful.

We have also introduced into this relationship a recognition of employee concerns that might arise from management efforts to improve productivity.

The very word productivity has come to have bad connotations. This is because industrial managements often have ignored the employees' fear that productivity improvement means a loss of jobs.

We have been successful in negotiating agreements with several local unions which accommodate the company's need for more productive use of people, while at the same time recognizing the employee concerns for job security.

And finally, with these management strategies in place, we began to introduce our hourly employees to the problem-solving process. We took our first step several years ago, at one of our smaller plants, where we felt the prospects for success were good. Hourly employees and their union representatives were invited to participate in the meetings of a task force charged with solving a productivity problem. The results were very positive, and we have been encouraged to try similar approaches in other plants, on a very selective basis.

In addition, we are now working diligently to put labor-management participation teams in place in a number of our major plants.

LMPT's as they are called, are being established in accordance with an agreement negotiated last year with the United Steelworkers. They are a counterpart to quality circles so prominently used in Japan and in our automotive industry.

We have endorsed LMPT's from the beginning because they clearly offer an important tool in our effort to secure the full participation of all our employees and their commitment to the vitality of our company.

Thus, in many ways we have set an evolutionary process in motion, and we can see it gaining momentum. Managers throughout the company have accepted the idea that progress in employee relations is possible, and that in itself is real progress. Long-standing problems that were once considered insoluble are being attacked with enthusiasm by both parties to our labor agreement. A more participative style of management is emerging at J&L, and effective problem solving is taking place on the shop floor.

As to the results of all this, it is no overstatement to say that J&L is experiencing significant productive gains. The basic measure of overall productivity, that is, manhours per ton of steel produced, has shown a steady decline since 1978. This occured even in 1980, when steel production dropped sharply during the mid-year market slump. Ordinarily that situation also produces a sharp decline in productivity.

Specific achievements that have contributed to these results include:

Productivity gains of as much as 64 percent on the slabber and hot strip mill at our Indiana Harbor Works, which have in effect added more than a million annual tons of capacity to the plant.

Productivity gains in the iron and steelmaking end of the Cleveland Works, which have added 50-thousand tons a month to the output of that plant.

Productivity gains in our seamless pipe production units which are equal to the output of a whole new seamless mill.

This last improvement is especially significant because it has come at a time when the energy shortage has created a very hot market for oil well pipe and tubing. Our ability to capitalize on this market has resulted in a very substantial improvement in our bottom line.

What had been regarded as an ailing steel company became, during the first half of this year, the most profitable steel company among its comparable competitors in the domestic industry.

I would not try to kid you that every effort at productivity improvement by the means I am advocating will produce results of this magnitude. Most of the gains come in small steps. In fact, even these examples are the result of an accumulation of less spectacular achievements. But we have seen enough of these achievements to convince us that we are on the proper course. J&L is a stronger company today than it was six years ago. The human factor in the productivity equation made the difference.

Mr. GAYDOS. Mr. Speaker, I yield to my colleague from Illinois (Mr. O'BRIEN), a member of the executive committee of the Steel Caucus.

Mr. O'BRIEN. Mr. Speaker, I thank my friend for yielding. He has enjoyed a long and distinguished career in this Congress, and in no period of it has he lent more luminousness to his career than as chairman of the Steel Caucus.

In my view there is no single cause for the problems facing the steel industry. And of course, there is no single simple solution. Certainly within the past year much has been done to stimulate and revitalize the steel industry—such as faster depreciation, tax credits, and environmental extensions. But, this will all be to no avail if we do not take some action in the matters concerning trade.

Unfortunately, we are continually in a crisis-intervention situation. We continue to treat the symptoms rather than the disease. What we must do is clear: We must enforce our own trade laws and trade policies and administer them effectively. We must do this to offer some stability to the business community. If our trade policy continues to be a waffling one how can we expect our business community to function effectively and efficiently without being able to do any long-range planning, the cornerstone of any successful and healthy business. We need a firm, stabilizing trade policy, that we will enforce and one that others can rely upon.

I refer to the trigger price mechanism (TPM) which is a mechanism that was designed in 1977 to help identify and stop dumped steel imports. The TPM, however imperfect, does provide limited benefits for the industry by offering a method for insuring that imports represent fair competition in our domestic market.

The fact of the matter is that steel imports have risen substantially over the last 6 months, a record high of 25 percent import penetration in August, which triggered an investigation by Commerce of those imports sold below set levels.

The Commerce Department has self-initiated complaints, in a massive effort to prevent the domestic industry from filing large numbers on its own and in the meantime to continue to administer the TPM. But, a domestic steel company, as is allowed by law, has since then indicated it will file complaints against other countries in addition to those on the Commerce list.

In turn, it disheartens to read in the newspapers that the Secretary of Commerce predicts that if the U.S. steel companies file their own cases at this time, the downfall of the TPM would be inevitable. Also, it has been indicated that Commerce could not determine beforehand how many suits it could handle without abandoning the TPM.

My friends, this is practically the same situation we found ourselves in over a year ago at which time Commerce abandoned the TPM after a U.S. steel company filed suit.

If we discontinue the TPM, it will be another indication of our Government's unwillingness to enforce its own trade policy. Ironically, this threatens to be done at a time when steel import penetration is extremely high, exactly at a time when the TPM is needed most.

I look to the administration to address this situation immediately and insure that we have a trade policy which is enforced and a policy on which we can rely. If our Government does not follow through, the Congress may want to take legislative action, a course already suggested to us by the steel industry. Our Nation's economic recovery depends on a sound and fair trade position which can be counted on in times such as these—and not the dubious policy which has been our consistent experience in years past.

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Mr. GAYDOS. Mr. Speaker, I want to thank my colleague, the gentleman from Illinois (Mr. O'BRIEN).

At this time I yield to my neighbor from the city of Johnstown, the gentleman from Pennsylvania (Mr. MURTHA), who is a member of the executive committee of the Steel Caucus and who was one of the original members, along with the gentleman from Illinois (Mr. O'BRIEN), in the formation of the caucus.

Mr. MURTHA. Mr. Speaker, I want to thank the gentleman from Allegheny County, Pa., for yielding, and I want to commend him for taking this special order for his tremendous interest which has meant so much to the steel interests and to all the other members of the executive board. I wish to commend also the gentleman from Illinois (Mr. O'BRIEN), who has done so much in order to stabilize the steel industry in this country. I would have to say that if it had not been for the gentleman from Pennsylvania (Mr. GAYDOS), the gentleman from Illinois (Mr. O'BRIEN), the gentleman from Ohio (Mr. REGULA), and other members of the executive board of the Steel Caucus, and, of course, the gentleman from Indiana, Mr. Adam Benjamin, the executive committee chairman of the Steel Caucus, the steel situation, as bad as it is, would have been even worse.

I can remember 4 years ago, when we started this caucus, the imports were approximately 17 and 18 percent, and we projected that they could be as high as 30 percent. We talked about the probability of national security being affected by the fact that steel imports were increasing so rapidly.

Now we are moving in that same direction again. Hopefully, the suits that have been brought by the Commerce Department will have some impact, again stabilizing the steel industry. But the very thing we worked on so diligently with the unions, with the companies, and with the Government was trying to avoid these ups and downs that we have had during these past years in the steel industry.

I remember back in 1959 and 1960 the tremendous layoffs we had in the steel industry which affect mining and, of course, all the other industries in the area which I represent. Now we are back again, after having 9 or 10 fairly good years, having years of heavy layoffs, of approximately 45,000 people throughout this country in an industry which is a basic industry in the United States.

So I hope we will be able to continue the meetings and to have cooperation from the present administration, and I hope that they will understand that what we have been trying to do is to bring together all the elements and stress the significance of the need to reduce the imports from foreign countries which subsidize their steel and which give special benefits to their companies and then undersell steel in the United States and put American workers out of work.

It is very clear to me that we need special cooperation in this industry in particular. We modernized the foreign steel industries after World War II. We modernized the foreign countries and companies, and then they undercut us and undersell us and put Americans out of work.

So we have a lot of work to do. I appreciate the dedication and devotion of the chairman in particular. There is nobody who has done more for the steel industry in this country than the gentleman from Pennsylvania, Mr. JOE GAYDOS, and all of us are deeply obligated to this Congressman from Allegheny County for the work he has done.

Mr. Speaker, I express my appreciation and the appreciation of the people who work in the steel industry in my area for all the work he has done.

Mr. GAYDOS. Mr. Speaker, I want to thank my colleague, the gentleman from Pennsylvania (Mr. MURTHA), for those very kind personal remarks as well as those directed to the Steel Caucus.

● Mr. APPLEGATE. Mr. Speaker, I want to thank my friend from Pennsylvania, Mr. GAYDOS, for taking this time to draw attention to the current plight of the steel industry.

After the trouble the industry found itself in, in 1977, the Steel Caucus was created and we pursued and achieved a system in which the main culprit at the time, imported steel, could be controlled. The trigger price mechanism, or TPM as it is referred to, is a sound mechanism which, when actively enforced, works to reduce foreign steel imports.

Once again, however, we find ourselves with a depressed steel industry and again, in spite of the presence of TPM, the primary cause of our problem is high levels of imported steel. Why is this? Frankly, I believe it is a result of a lack of enforcement of the TPM by the Reagan administration and has greatly contributed to the increase in import levels. This uncaring attitude has resulted in massive layoffs throughout many steel-producing communities in this country such as those in my congressional district in southeastern Ohio. Furthermore, the ripple effect of these layoffs results in a very depressed overall economy.

We now find ourselves in a situation in which enforcement of the TPM to any degree is in question due to the filing of antidumping suits by the United States Steel Co. These suits, coupled with the seven suits already promised to be filed by Secretary of Commerce Baldridge, would occupy the time of the Commerce staff people to the point where TPM would cease to function at all. Secretary Baldridge is to be commended for his intended actions as this will slow the rate of imports but will still allow TPM to function. United States Steel's actions, however, will only complicate matters and may not result in any significant change in the future because of the loss of the TPM.

I urge United States Steel officials to reconsider their position and request Secretary Baldridge to work with the firm to make a commitment that action will be taken at a more appropriate time to counter the current import levels. By doing so, proper legal action can be taken and results achieved without jeopardizing the TPM in spite of its weaknesses.

Again, I thank the gentleman from Pennsylvania for taking the time to discuss this very important matter.●

GENERAL LEAVE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

THE PRESIDENT'S PEACE INITIATIVE

The SPEAKER pro tempore. Under a previous order of the house, the gentleman from New York (Mr. WEISS) is recognized for 60 minutes.

Mr. WEISS. Mr. Speaker, the first item of business on this date was the consideration and adoption of House Concurrent Resolution 224, a resolution entitled to express the support of the Congress for the President's initiatives for peace. That resolution was adopted overwhelmingly. There were in fact three Members only, I was one of them, who cast a negative vote.

There were, I believe, 13 Members who voted present.

I can state, Mr. Speaker, that my negative vote was a very reluctant one and I know on the basis of conversations with a number of my colleagues that there were numerous reluctant "yes" votes on the resolution as well.

□ 1830

So I have asked for this special order to discuss why I voted the way that I did and to explore the process by which we arrived at consideration of that resolution this morning and to suggest, perhaps, that there may be a better way of handling matters of such great concern and significance.

The resolution was never considered by the Foreign Relations Committee and, indeed, appeared on the floor for consideration by unanimous consent. Those of us who tried to secure copies of the resolution, having been forewarned very late yesterday evening that the matter would be coming up today, could not receive copies and, indeed, were advised that there were no printed copies available until after 9 o'clock this morning.

Mr. Speaker, that resolution did not have such great urgency to it that it had to be considered in that kind of rush or railroad fashion, if you will, especially when the failure to have it presented to the Foreign Relations Committee to begin with precluded not only understanding to what its "whereas" provisions and its "resolving clause" really meant, but precluded any correction or modification or improvement of the resolution within the committee itself.

Then beyond that, when it came to the floor it came in such a fashion that again amendments were absolutely precluded and so we were faced with a situation where a resolution to which very few Members had been privy appeared on the floor and Members had the choice of voting yea or nay and doing so without there being any exploration either in committee or on the floor in any significant fashion as to what the real substance or ramification of that resolution were.

You know, it just so happens, Mr. Speaker, that yesterday when we were in the process of debating the Defense Department appropriation measure, I took occasion in the course of one of my statements to indicate my approval of the President taking to the airwaves and undertaking a peace initiative. I think that most Members, if not every single Member of this House does, indeed, welcome Ronald Reagan, the President of the United States, moving forward with a thrust toward resuming and having the United States participating in negotiations with representatives of the Soviet Union; but that welcome of the initiative is something quite different from being faced with an up or down vote in a resolution which in its "whereas" clauses implicitly commits this House to the specifics of the President's proposal.

Now, indeed, it may very well be that the specifics of the President's proposal may be perfectly fine and unobjectionable. Unhappily, none of us really knows that because the appropriate committee had no opportunity to question any representative of the administration as to what the President meant by his proposal and the statements that were to be found there.

So we were in a position of being asked to receive a variation of the famous or infamous, if you will, Gulf of Tonkin resolution where another President of the United States in essence had been given a blank check.

I, for one, am not about to give blank checks to anyone, certainly not when it comes to matters relating to nuclear arms or nuclear armament, because the resolution, Mr. Speaker, does not only speak to nuclear disarmament, but implicit in one of the clauses is authorization for deployment by saying that, in fact, the President has expressed his willingness to cancel deployment of the Pershing II and ground-launched missiles if the Soviet Union dismantles its SS-20, SS-4, and SS-5 missiles.

It seems to me that we would have been far better served by having the Foreign Relations Committee explore exactly what the implications of that provision really were.

Then just for another example, as you read the President's speech you find that when he starts talking about verification, he says that he wants verification which will emphasize "openness and creativity rather than secrecy and suspicion"—I close the quote and paraphrase—which had surrounded prior efforts to deal with disarmament, nuclear disarmament.

Well, what does that really mean? Are we talking about as the projections the day before the President's speech had it of demanding that the Soviet Union agree to onsite inspection of nuclear missile sites within the

Soviet Union? If so, then the President's proposals are really nothing more than an attempted propaganda coup, knowing full well in advance that the proposals on the basis of a 30-year or more history have absolutely no chance of being accepted and will be rejected out of hand.

It also, I might say, comes perhaps with some sense of irony, especially when for the last couple of days we have been discussing the racetrack mode for the MX missile that we have been debating over the years where the very basis, the very core, if you will, of that basing mode was to create a system whereby there would be secrecy by the numbers, so that the Russians would never know which of the particular shelters or tracks or home bases our missiles would be in.

So again, I do not think that we have served anyone well by forcing this House to be put into a position of voting up or down a resolution whose ramifications are beyond the ken of most of the Members of the body.

I hope that, in fact, the President has moved from the totally negative attitude that he had evinced and evoked during the campaign for the Presidency for the years prior to it and since then as the resolution of the United States in regard to disarmament.

I think again it is somewhat ironic that here the Democratic Party leadership rushes in great haste to rally round the flag and to rally round the flag holder, if you will, in the person of Ronald Reagan, when Mr. Reagan, if you will, certainly felt under no such mandate to rally round the flag or the flag holder when the President of the United States at that time, Jimmy Carter, had his administration, took the strategic arms limitation talks No. 2, which had been commenced under a prior Republican administration. Indeed, Mr. Reagan went around the countryside raising the alarm as to what a terrible thing this was.

□ 1840

I do not believe that Ronald Reagan had an obligation to support automatically whatever Jimmy Carter agreed to. Nor does this body, nor does the Democratic Party membership or leadership have an obligation to buy a pig in a poke and support whatever it is that Ronald Reagan may be talking about.

It is quite clear that the behavior of the President and his administration toward disarmament talks and toward nuclear warfare over the course of these past 10-plus months has frightened our European allies, both the leaders of the governments of Europe as well as the people of Europe. There are people throughout the capitals of the European nations by the hundreds of thousands marching in opposition to careless, reckless talk about the deployment of neutron bombs and how nuclear war can be limited to Europe. Those are some of the sentiments which the President had expressed himself about early on.

I pray and I hope that, in fact, he has, after this great period of time, concluded that the future of humanity literally hinges on the United States and the Soviet Union continuing the painfully slow discussions about limiting and perhaps reducing nuclear armaments. If so, I think that the speech that the President made yesterday marks a very significant beginning.

I think that if that is his intention, he will have the support of the Members of this body, the American people, certainly I will be supporting him, but I do not think that it is essential or helpful, without knowing what is in his mind, without carefully digesting his statement, to jump to automatic support because he is the President of the United States.

We are on the razor's edge of humanity's survival. And both the United States and the Soviet Union have it within their power to destroy all of civilization. The leaders of both nations, the Soviet Union and the United States, are from time to time capable of demonstrating the kind of paranoia which can unwittingly cause a nuclear war to break out. I think there is an obligation on Americans with regard to their leaders as there is Russians with regard to their leaders to make sure that they are not engaging in oneupmanship or propagandistic advantage, but are genuinely and sincerely concerned about pursuing the paths of disarmament and peace.

A TRIBUTE TO SIDNEY R. RABB

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 15 minutes.

● Mrs. HECKLER. Mr. Speaker, one of the most extraordinary individuals it has been my privilege to know during my years of public service is Sidney R. Rabb of Massachusetts. Now a vigorous and active 81 years young, Mr. Rabb is the founder and still the chairman of the Stop and Shop Co., operators of retail food, clothing, drug, and tobacco stores throughout New England. It is a company that does over $2 billion of business a year, a tribute of Mr. Rabb's vision and leadership.

On November 4, Mr. Rabb addressed a meeting of the Massachusetts Food Association. I want to share his talk with you, for its gives us a rare glimpse into the mind and the attitudes of a man who exemplifies the qualities that we like to consider particularly American—caring, a devotion to family and community, a determination to build on quality and service, and an unbounding faith in the future of this country. How applicable, and how needed, are these attitudes today. Mr. Rabb's remarks follow:

REMARKS OF SIDNEY R. RABB

Some weeks back when Milton called to invite me to be your speaker this evening, I thanked him and told him how appreciative I was. It was a very nice thing to do. But knowing the kind of people who make up this fine organization, who are so knowledgeable about what is going on in this changing world, I thought it would really be like carrying coals to Newcastle to add another layer to the many shades of opinion being offered by experts in just about any field you might select. Every form of the media—newspapers, radio, television, magazines, newsletters, editorials, and what-not—are so profuse on any subject that I hesitated to take on what might be another meal after a sumptuous banquet. Those of you who know Milton well can understand what I mean when I say that he would not take "no" for an answer. Part of his sales pitch was the suggestion that I make the decision, that any subject I wanted to talk about would be suitable as far as he was concerned. I recalled with a good deal of pleasure my get together with you when Paul Cifrino was inaugurated as executive director back in 1974, and being the oldest in years of the membership here and thereby having the deepest roots in this food business—and I assume that this is an accurate statement—I felt I could not refuse long-time, good friends. So, here I am. The topic, not new but always timely, my favorite subject—people and the food business.

One morning Irving, Avram, and I were together discussing what I should say that would be most appropriate and interesting to you folks. They raised a pertinent question: "you have been active in and around the food business from the days of the horse and buggy, more than 60 years, to the present supersonic jet and rocket age. What is there about this business with all its headaches and heartaches that makes you love it so much? What is the peculiar fascination that year after year keeps you so excited and enthusiastic . . . that makes you still want to put in your 40 or 50 or 60 hours a week long after most men have called it quits and left for Florida or the islands or some other warm and comfortable place?

That is not hard for me to answer—in the simplest of terms it's because this is a "people" business. . . . and we love people—we all do or we wouldn't be here. It is a business that is basic and fundamental, that deals in the necessaries of life. Most of the people in it are earthy, hard working, sensitive in their dealings with the public, and as a fact of life have face-to-face contact with almost the entire spectrum of people in our community. No one deals with people more often or more regularly, day after day. No one really knows people better—and that in itself is exciting.

Forgive me if I reminisce a bit—it is one of the privileges of advancing years—and some of my experiences may sound familiar to you. Just about all of us here came to this business from backgrounds with great similarity. Most of you are probably not old enough to remember too much of what went on in the years before we came to our present highly sophisticated way of serving the public. Let me give you a brief vignette

of what took place around the turn of the century.

I was really born into the food business. My paternal grandparents came to Boston from Russia in 1891 and settled in the North End. After a very short period of orientation to a new society and learning the language of their new homeland, to them a land of opportunity, they made a decision to open a little grocery store on the corner of Prince and Salem Streets, which carried a line of ethnic foods that catered to the tastes and pocket books of the immigrants from the Central European countries. My grandmother really ran that store, and who were the clerks? The family, which consisted of 4 sons and 2 daughters, and no 40 hours, no minimum wages, no time and a half for overtime—just work and plenty of it. How many thousands of families started this same way.

My grandfather for a while, also pitched in to help. He traveled to New York with the oldest son to do some buying, particularly ethnic foods like herring, lox, white fish, and pickles. They ran a great show for a small shop and built a fine acceptance and a big volume of business for those days. They took good care of their customers. But, this was not my grandfather's cup of tea. He was too much of a scholar, and had such idealistic dreams of a Jewish homeland that he took two of the younger sons and went to Palestine. Although he came back to America for a visit, his heart was really not here, so he returned in 1897 to rejoin the early pioneers and lived in Palestine until his death in 1903.

In the meantime, my grandmother continued in that little food store and maintained a thriving business until she retired in 1912. It was there that I was exposed to my first taste of food retailing, where I saw how people came not only to buy but to meet one another, to share their problems and to pool their experiences as each in his own way strove to build a new life in this great country. This was much more than a little food store in the North End—this was in fact also a community social center with all that that implies.

My father graduated from this at an early age. At 13, his first new business venture was to fill a basket with notions and go house-to-house part of the week, as far as Roxbury Crossing on one hand and south Boston on the other. On the busy shopping days he would sell from a pushcart on Hanover Street. You can see how enterprising he was. It didn't take him long to accumulate enough money to start what he called a small wholesale grocery business—and then followed a very familiar pattern. He went into partnership with a brother and a brother-in-law and then in 1898, when he was not yet 20, they merged with three enterprising competitors in the same field to form The Standard Grocery Company. A company that has been in continuous operation ever since.

On Saturdays and holidays and vacation days the children of all the partners spent much of their time around the new headquarters, such as they were, an old warehouse at the corner of Richmond and Fulton Streets. For the record we helped with the packing of different kinds of merchandise—that's what families were supposed to do, but usually we raised so much hell that we were sent home early to get us out of the way. But the atmosphere was one that has remained with all of us who have had that particular experience—the way families, young and old, worked together—built together—shared their successes and their failures. Life in America was not only working to make a living. That was priority number one. . . . but a very important by-product probably more important than the main show was the privilege and I call it a privilege, of being exposed to the social and human as well as the economic problems of all those people who contributed so much to community life of this growing democracy.

At about that same time, my father's youngest brother, Julius, was attending law school. As an initiation requirement into a fraternity, he was ordered to stand in front of the United Cigar store and pass out to each customer entering the store one sheet from a roll of toilet paper. He was impressed by the number of customers trading in that chain tobacco store. He was a creative thinker—having been brought up in the atmosphere of that little old grocery store, and putting two and two together, he came up with the thought—"How about chain food stores?" Not a bad idea:

At that time in Boston there were A & P, M. O'Keefe, Ginter, and John T. Conner. So, even though he had all the credentials for practicing law, having graduated from law school and passed the bar, he was a practical guy who also liked to eat. He had the idea—he needed money and merchandise—to make the idea work. He convinced his brother, Jacob—who was then operating The Bay State Wholesale Grocery Co.—to back him in starting at least a couple of stores. Again, a familiar story. That's what family and friends were for. So, Jacob agreed to back Julius in two stores as a start which he in turn staffed with other immigrants who were part of the family. That was really the humble beginning of Economy Grocery Stores—the same company that has evolved over these many years into the Stop & Shop Co.'s.

Having worked in retail food stores during my school years—and I must confess that for a short time A & P was one of them—it became very clear to me that the food business was a fascinating one and had a future. It was a people business, dealing on a one-to-one basis, that was for me—I loved it. So, when I was released from the Marine Corps in December 1918, and had to earn a living, I took advantage of an opportunity to become associated with the then Economy Grocery Stores. It was a good decision. In December it will be 63 years—and I can honestly say that I could not have chosen a more challenging, more interesting, more satisfying, or more rewarding arena in which to spend my business life.

In our kind of business we come to know how people live and work and what they think—we learn to understand them and to share in their problems. And to know them is to like them—for from them we learn another great lesson—people are basically good. It is this knowledge and this understanding that adds so much to the richness in our own lives, and for this as well as for the material rewards, we should all be truly grateful.

The food business has been good to all of us in many ways, and it should also be a source of great pride to us who are in it. No business has made a greater contribution to the American standard of living than we have. Just think back to that little store at the turn of the century—few items—little or no sanitation—low wages—all typical of the period in what was then still essentially an agrarian country—and think of the unbelievable evolution and development of an entire food production and distribution system—the availability of thousands of items from all over the world, fresh, refrigerated, canned, dried, maybe some day irradiated, available in one place in usable form at relatively low prices—in attractive and clean stores—and with wages and salaries and even profits in terms we never dreamt of not too many years ago.

Yes—this is a great business. It has been good to us and will continue to be as long as we concern ourselves with the people in our business—both those who work in it and those whom we serve—our employees, our suppliers, and our customers—those from whom we have learned so much and to whom we owe so much. After over 60 years of working with you, I firmly believe that the food business will present even greater opportunities in the years ahead to those of you who seize them.

It has been a great pleasure to have spent this evening with you. Thank you so much for inviting me.●

LEGISLATION TO CURB DRUG TRAFFICKING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 30 minutes.

● Mr. LAFALCE. Mr. Speaker, drug abuse in our Nation has reached epidemic proportions. The sheer numbers which are used to describe the extent of drug abuse are so enormous that their significance becomes hard to grasp and put into terms with which we can readily identify.

What tragedy do we really experience when we learn that, according to recent figures, over 10 percent of the graduating students in American high schools use marihuana every day? What anguish can be felt by those of us removed from the human incapacitation which is experienced by nearly half a million daily heroin users? Can we comprehend the impact of the importation into the United States of more than 30 metric tons of cocaine per year? We are assaulted with statistics and, not surprisingly, find it difficult to equate those numbers with the human suffering it represents.

In a larger sense, though, the tragedy of drug abuse in our country does not need numbers to be adequately defined. The street corners and schoolyards, the back alleys of ghettos and the backrooms at fashionable parties are the places where the shadow of drug abuse casts its ominous pall. The devastation of health, productive work, and family life, and the specter of personal and property crime to maintain millions of drug habits is the saddest—and most accurate—description of the human havoc wreaked by this cancer within us.

Why then talk at all about statistics? Because some statistics are meaningful and can be made more readily understandable. If human misery cannot, and should not, be put into cold numerical terms, perhaps the billions of dollars of cash transactions which feed

the illegal drug trafficking can be described with raw data.

Recently, the Los Angeles Times reported that some experts estimate that in Dade County, Fla., there may be as much as $7 to $11 billion a year in underground drug-related cash activity. Perhaps, Mr. Speaker, our colleagues recall that when 880 pounds of cocaine was seized in Bogota, Colombia, 2 years ago, over $1.1 million in U.S. currency was also found with the seized dope. Our dollars leave the country at as rapid a pace as the narcotics, which the money buys, come back to our shores.

I am convinced that there is something positive which we can do to crack down on the enormous illegal transfer of money which leaves the country in order to subsidize the international drug trade. Accordingly, today I am introducing a package of five bills designed to help law enforcement officials police the movement of drug-related currency into and out of this country. The bills would amend the Currency and Foreign Transactions Reporting Act—popularly called the Bank Secrecy Act—to fill some serious gaps in the current law which hinders the law enforcement capabilities of U.S. customs agents. These bills are largely the same measures which I introduced in the last Congress after I returned from a factfinding mission to Colombia with the Select Committee on Narcotics. Certain technical and substantive changes have been made to address some of the concerns raised by some Members in the last Congress.

In his state of the Union address in 1979, President Carter stated that it would be the policy of his administration to "stress financial investigations as a means of prosecuting individuals responsible for the drug traffic." The Carter administration, indeed, did commit its wholehearted support for my bills in the 96th Congress, H.R. 4071, 4072, 4073, and the omnibus version combining all three, H.R. 5961, which enjoyed the support of over 50 cosponsors.

At the conclusion of my remarks, Mr. Speaker, I would like to insert in the RECORD letters of support which I received from officials in the previous administration when my bills were under consideration. Notable among these letters are those from the U.S. Department of Justice Drug Enforcement Administration, the Department of Treasury Office for Enforcement and Operations, and the U.S. Customs Service—all providing critiques of my bills and stressing the importance of those measures in combating drug abuse.

Last May, counselor to the President, Edwin Meese, commented that stemming the flow of drug traffic is going to be a priority of the current administration. I am confident that the President and his administration will continue the policy of his predecessor and fully embrace the efforts to use financial investigations as a means of prosecuting individuals responsible for drug traffic.

I would now like to describe the current operation of some of the provisions of the Bank Secrecy Act, and how my bills would address some of the loopholes contained in that law.

Present law makes it illegal to leave the country with more than $5,000 without filing a Customs Service reporting form. However, courts have held that a person cannot be arrested for violating this law until he has actually left the country. But by that time the violator is outside the jurisdiction of the United States and cannot be successfully prosecuted. Tying the hands of our own customs officials in this way is an obvious gaping loophole in the law. Therefore, the first of my five bills would make it illegal to "attempt" to leave the United States with large amounts of currency without filing the reports already required under the Bank Secrecy Act. The bill raises the amount of money being taken out of the country, in order to require a customs report, from $5,000 to $10,000.

The second, third, and fourth bills would allow customs officials to search for unreported amounts of cash—in their presently authorized search for contraband—where cause exists to believe that this currency is leaving the country as a result of illegal activities. Each bill proposes a different standard of cause: First, "reasonable cause"; second, "probable cause"; and third, when the customs official shall "suspect that there are monetary instruments in the process of being transported out of the country" in violation of the Bank Secrecy Act. I encourage the Members who will study these bills at the committee level to help me determine the most appropriate, or, more precisely, the most acceptable standard.

The fifth and final bill would give informants a portion of the recovered currency, thereby giving a further incentive to those who know of cash smuggling to report this to U.S. Government officials. These rewards would prove to be extremely helpful for obtaining information from informants. The Secretary of Treasury would have discretion to determine the amount of award, within a specified ceiling, to be given to informants.

Mr. Speaker, I am encouraged that the Senate is currently involved in a series of hearings to study the international drug trafficking problem. I urge my colleagues in the House to continue and renew their own efforts to combat this pernicious drain on our country, by favorably considering a very simple and very practical series of bills which will help curb the flow of money which is use to feed the drug trade.

The drug abuse problem is one which has permeated our society and, at times, seems totally out of control. My bills will not solve the drug abuse epidemic, nor put a complete halt to the drug trafficking problem. But these bills will help our law enforcement officials to more effectively do their jobs in stopping the flow of money out of the country so that the flood of drugs which comes back to our shores may be abated.

The letters of support for the comparable bills which I introduced in the 96th Congress are inserted in the RECORD at this time.

THE WHITE HOUSE,
Washington, October 22, 1979.

Hon. JOHN J. LAFALCE,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN LAFALCE: I want to express the President's appreciation for your decision to join in leading the effort to pass the financial privacy bills. We look forward to working with you on these important bills in the coming months.

Sincerely,

STUART E. EIZENSTAT,
Assistant to the President
for Domestic Affairs and Policy.

DRUG ENFORCEMENT AGENCY,
Washington, D.C., November 5, 1979.

Hon. JOHN J. LAFALCE,
House of Representatives,
Washington, D.C.

DEAR MR. LAFALCE: I have been monitoring closely the three legislative initiatives you introduced upon your return from Colombia this past May. I refer to H.R. 4071, 4072, and 4073 which still remain pending in the House of Representatives.

As you know, the enactment of these three laws would greatly improve the effectiveness of our law enforcement efforts to curtail the illegal movement of U.S. currency out of the U.S.A. Most of this illegally obtained money is realized as a result of narcotics trafficking. With the enactment of H.R. 4071 there no doubt would be the added incentive for law-abiding citizens to come forward with information relating to currency violations. The impact would greatly improve the effectiveness of the U.S. Customs Service in its enforcement responsibilities.

Present law makes it illegal to leave the country with more than $5,000 without filing a declaration. However, the courts have held that a person cannot be arrested for this violation unless he has actually left the country, thus escaping U.S. jurisdiction. The enactment of H.R. 4072 would remove this loophole by providing that attempting to leave the country is also a violation. This will improve our effectiveness in stemming the flow of illegally obtained currency from leaving the country. H.R. 4073 would give to our brother law enforcement officers of the Customs Service the authority to search for undeclared monetary instruments where reasonable cause exists to believe that these monetary instruments are leaving the country as a result of illegal activities. With today's sophisticated drug trafficking organizations, much of the profits leave the United States for source countries to pur-

chase additional drugs and other smuggling resources.

I understand that the above three legislative initiatives are before the Subcommitte on Financial Institutions and there is a possibility for hearings regarding these measures. As Administrator of the Drug Enforcement Administration, I would welcome the opportunity to participate in these hearings and discuss further with the Subcommittee the importance of this corrective legislation as it relates to effective drug law enforcement.

On behalf of the Drug Enforcement Administration's Special Agents, I thank you for your efforts.

Sincerely,

PETER B. BENSINGER
Administrator.

THE COMMISSIONER OF CUSTOMS,
Washington, D.C., January 21, 1980.

Hon. JOHN LAFALCE,
House of Representatives,
Washington, D.C.

DEAR MR. LAFALCE: I would like to express the appreciation of the U.S. Customs Service for your efforts to amend the Currency and Foreign Transactions Act, popularly known as the Bank Secrecy Act of 1970 (31 U.S.C. 1101-1105). With the passage of the three bills you have introduced—H.R. 4071, 4072, and 4073—we believe that the loopholes in the present law will be eliminated and a more effective and productive enforcement of this Act will result. The views of the Department of Treasury on your legislation have previously been set forth in the Department's report of October 5 and 12, 1979.

As you are well aware, the Customs Service has the primary responsiblity of enforcing that section of the Act which requires that an individual entering or departing from the United States with over $5,000 must file a report with the Customs Service. While a vast majority of those individuals who are aware of the law do comply with it, we believe that most of the money earmarked for marihuana and other narcotics purchases overseas goes unreported. In fiscal year 1978, we estimate that $2.6 billion was exported from the United States in order to purchase illegal drugs, and that figure represents only the wholesale cost. It is quite apparent that the illegal drug trade is an extremely lucrative one, and we believe one way to cut down on the amount of drugs being smuggled in is to stop the flow of unreported currency going out of the country.

In the first decade of the Bank Secrecy Act, we have found the Act to be a useful tool in the law enforcement effort against drug traffickers as well as other international organized crime ventures. However, the Act has glaring deficiencies which severely restrict its effectiveness. Your legislation would remedy these deficiencies.

H.R. 4071 would add a new section to the Act which, by offering as a reward a percentage of any recovery, would encourage people to supply information to the Government about individuals who are about to enter or depart the United States with large sums of currency or other monetary instruments. Since it is extremely difficult to detect monetary instruments in large amounts—for example, it may be a single check—we must acquire as much reliable information as possible. Your bill should encourage people to come forward with this much needed and extremely valuable information.

H.R. 4072 would close the loophole in the Act which creates the most difficulties for Customs. By including an "attempt" provision in the Act, we will be able to prosecute successfully those individuals who are about to leave the country with unreported funds, but decide to "postpone" their journey when confronted by Customs, only to make another attempt later when Customs officers are not present. This very important amendment will stop the merry-go-round.

H.R. 4073 would authorize Customs officers to search suspected individuals at the border for currency and other monetary instruments without a search warrant and with "reasonable suspicion," rather than probable cause. Several Federal courts of both the District (trial) and Appellate level have reviewed the constitutionality of this standard and approved it. It is crucial that we be able to act quickly when we receive information that an individual is about to leave the country within a short period of time with a large amount of money. Where the quality of this information does not meet the probable cause standard, we are powerless to verify a departing individual's claim that he has no money to report, even though we have a strong indication that he is not being entirely truthful. Once he leaves the United States, our opportunity to enforce the Act is lost forever, regardless of how much information we may subsequently acquire. Your bill would give us the lawful tools we need to enforce the Act effectively.

In closing, I want to assure you that we stand ready to assist you in your efforts to amend the Bank Secrecy Act which should enable us to do a better job in the future.

Sincerely,

R. E. CHASEN,
Commissioner of Customs.

DEPARTMENT OF THE TREASURY,
Washington, D.C., April 1, 1980.

Hon. JOHN J. LAFALCE,
House of Representatives,
Washington, D.C.

DEAR MR. LAFALCE: I have recently been informed that your bill to amend the Currency and Foreign Transactions Reporting Act—H.R. 5961—was unanimously reported out of the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance and was referred to the House Committee on Banking, Financing, and Urban Affairs with a recommendation that expeditious action be taken. On behalf of the Department of the Treasury and the U.S. Customs Service, I wish to thank you for your efforts in this matter.

As you are aware, the Department strongly endorses all of the provisions of your bill. It has come to our attention that one point requires clarification. A question has been raised concerning the applicability of the amended Currency and Foreign Transactions Reporting Act provisions to electronic transfers of currency. The current regulations require that reports must be filed with the Customs Service in accordance with 31 U.S.C. 1101 by each person who *"physically* transports, mails, or ships, or causes to be *physically* transported, mailed, or shipped" monetary instruments in excess of $5,000 into or out of the United States. 31 CFR 103.23(a) (emphasis added). It has been the position of the Department that the intentional use of the adjective "physical" means that electronic fund transfers are not covered by the provisions of the Act which your bill will amend. We assure you now that this position will not change. Therefore, your bill would not grant the Department any additional authority to monitor or intercept any electronic fund transfer. There is another section of the Act, 31 U.S.C. 1121 that currently authorizes the Secretary to issue regulations requiring reports of international transactions including electronic transfers if in the Secretary's opinion such reports are necessary.

If we can be of any further assistance, please contact us again.

Sincerely,

RICHARD J. DAVIS,
Assistant Secretary
(Enforcement and Operations).●

ACID PRECIPITATION ACCELERATED REVIEW AND REPORTING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. RAHALL) is recognized for 10 minutes.

● Mr. RAHALL. Mr Speaker, I rise today to introduce the Acid Precipitation Accelerated Review and Reporting Act which offers a prudent course of action for the Congress to gain the necessary information it needs to address the environmental harm caused by acid deposition. The legislation I and two of my colleagues are introducing does not purport to be the solution to the problems caused by high acidity in rainfall. It does not seek to create new programs or mandate new emission controls. There are no costly technologies nor controversial standards built into this bill. What it does offer is an opportunity for the Congress to take the next step toward mitigating the occurrences of what is commonly called acid rain.

In introducing this measure, the sponsors are not depending on articles appearing in sports magazines or newspaper headlines to substantiate their approach. We are looking toward the scientific community, its expertise and resources, to give us the tools necessary to act wisely.

Most of the original sponsors of this legislation are from coal producing regions. We are equally concerned as our colleagues from New England over the effects acid deposition has on aquatic systems and possibly, on terrestrial systems and on buildings and monuments.

However, during the reauthorization of the Clean Air Act currently taking place—and beginning last year when Congress considered the utility oil backout bill—coal burning has been at the heart of the debate over the causes and effects of acid deposition. This issue has focused attention on the Nation's drive to increase the use of coal as part of its overall effort to gain independence from foreign, often volatile, sources of energy.

Yet, it is the lack of factual information in the area of atmospheric chemistry and solid evidence linking acid deposition to coal burning which

hinders our attempts to alleviate the damage caused by this phenomenon. Indeed, we are not even certain of the extent of this damage. Congress recognized this last year when in passing the Energy Security Act, it included a title creating an acid precipitation task force with the heads of the Department of Agriculture, the Environmental Protection Agency and the National Oceanic and Atmospheric Administration as joint chairmen. Representatives from other Federal agencies have joined in this effort to establish a comprehensive 10-year program to identify the causes and effects of acid deposition. For fiscal year 1982, Congress has given the task force $20 million to begin work on the national acid precipitation plan.

Nonetheless, with the reauthorization of the Clean Air Act, new pressures have come to bear and efforts are underway to take immediate action to reduce emissions of sulfur and nitrogen oxides. Enactment of these measures would be a grave mistake, and could cost the public billions of misspent dollars and could conceivably set back efforts based on sound scientific data to mitigate acid deposition by 10 years or more. Some of the proposals before Congress were borne out of political expediency and do not take into account the basic fact that we just do not have a full understanding of the causes and effects of acid deposition.

For example, one such measure seeks to reduce annual sulfur dioxide loadings within a 31-State acid deposition region by 10 million tons below 1980 levels over a 10-year period. However, while we all recognize that one of the major precursors to acid deposition is indeed sulfur dioxide, of equal importance is the role played by nitrogen oxide. This proposal does not address nitrogen oxide emissions. In addition, it seeks a 45-percent reduction of sulfur dioxide emissions yet there is no firm evidence this will lead to a 40-percent reduction in acid precipitation, or a 20-percent or even a 10-percent reduction. Nor does this measure address the fact that oil burning in New England—especially when Venezuelan crude is used—emits sulfuric acid. Furthermore, this strategy does nothing to control the catalysts in the atmosphere which transform sulfur and nitrogen oxides into acids.

Sulfur dioxide is not the sole precursor to acid deposition. Thus, measures seeking only to reduce these emissions constitute a haphazard approach to the problem. The danger of such premature action is enormous. We would not only lose 10 years by taking this approach if proven inadequate, but some 188,000 mine related jobs would be put in jeopardy with a consumer cost impact of $3.2 billion per year for increased fuel costs alone.

If such a measure is adopted, the Congress would be telling the American people it is spending millions of taxpayers' dollars to gain a basic understanding of the causes and effects of acid deposition while at the same time increase consumer costs billions more through new controls—even though the Nation does not have the answers to the questions it is asking the scientific community to study.

I submit it would be foolhardy for the Congress to embark on a program to immediately reduce only sulfur dioxide emissions, and then 10 years down the road look back at a possible policy fiasco and start all over again. We must not move on such a chaotic course of action based only on unproven hypotheses and overly ambitious conclusions drawn from incomplete data.

Is it not ironic that the Clean Air Act itself has promulgated the acid deposition problem by creating an impetus for industry to build tall smokestacks which now lead to long-range transport of pollutants? Are we to repeat this type of folly during the current reauthorization of the act?

Let us take the facts we know about acid deposition, build upon them, and then take action. There is general agreement in the scientific community that sulfur dioxide and nitrogen oxide are major precursors to this phenomenon. We know that lakes and steams are becoming increasingly acidic in some areas of the country. However, what we do not yet understand is how these precursors combine in the atmosphere and what acts as the catalyst in the transformation to sulfuric and nitric acid. Indeed, there is not even full agreement within the scientific community that the natural pH value of rainfall is 5.6. Why, for example, is the average pH value of rain on the remote island of Samoa 4.7; in Hawaii, 4.2; in Alaska, 4.85; and, in Australia, 5.3.

It seems to me that before any action is taken to control acid deposition all the facts must be in hand. Research is needed into the factors associated with the conversion of sulfur dioxide nitrogen oxides into sulfates and nitrates and the role played by sunlight, humidity, temperature, catalytic particles, and the presence of certain oxidants in this transformation. Also, we need to know what degree are the presence of sulfur and nitrogen oxides in the atmosphere from man-made and anthropogenic sources along with the nature of the transport and diffusion of acid precursors and their deposition in wet and dry forms, the relative contributions of acid precursors from both stationary and mobile sources, and the contribution from long-range and local sources.

Mr. Speaker, the sponsors of the Acid Precipitation Accelerated Review and Reporting Act are seeking to understand and then act on acid deposition in a prudent and logical manner. The bill recognizes that the national acid precipitation plan created by title VII of the Energy Security Act is a viable means to answer questions on the causes and effects of acid deposition, however, it also accelerates the 10-year program to 5 years so that the Congress, the administration, and the American people can begin to address the damage done by this phenomenon. Furthermore, this legislation directs the acid precipitation task force to examine precombustion fuel treatment such as coal washing (which can eliminate between 25 and 40 percent of the sulfur dioxide in coal) and inherently low-polluting combustion technologies such as atmospheric and fluidized bed boilers which may have great value in emission control. Finally, the bill directs the task force to solicit comments and views from State agencies doing work in this field.

Acid rain, we've been told these past few years, is a result of an industrialized civilization. Yet, scientists testing the acidity of ice core samples from the Antarctic and the Himalayan Mountains have found them laden with acid. In addition, volcanic eruptions as exemplified recently by that at Mount St. Helens also create large amounts of sulfuric acid. By the courtesy of Mother Nature, the world has experienced acid precipitation since its creation. It is not a new phenomenon and not one solely attributable to man. With this in mind, a premature course of action is certainly not warranted when we have such a great opportunity to address this problem with sound scientific evidence. Obviously, there have been some gross pollution abuses which need control. And, they are being controlled under existing law. We have yet to measure the effect of the 1977 new source performance standards on coal-fired plants promulgated the EPA in 1979—plants that will not come on line for years to come.

We should not be frightened into action by emotionally induced and generalized proposals to eliminate acid deposition. More and better information is needed before any massive regulatory campaign is launched. It is our hope that the enactment of the Acid Precipitation Accelerated Review and Reporting Act will provide the Nation with this information so that we can continue to achieve energy security through the use of domestic coal in an economical and environmentally sound manner.

Mr. Speaker, following is a 10-point recommendation developed by a group of distinguished experts in the area of acid deposition which I ask to be inserted for the RECORD. In addition, I include the full text of the Acid Pre-

cipitation Accelerated Review and Reporting Act for the RECORD:

TEN-POINT REVIEW

Highlights of the seminar on acid rain, November 18, 1981, Subcommittee on Natural Resources, Agriculture Research and Environment of the Committee on Science and Technology. Participants included Dr. Robert W. Brocksen, Electric Power Research Institute; Dr. Ellis Cowling, EPA acid precipitation program and associate dean at North Carolina State University; Dr. George Hidy, ERT, Inc.; Dr. Jay Jacobson, Cornell University; Dr. Gene Likens, Cornell University; Dr. Orie Loucks, Butler University; Dr. Volner Mohnen, State University of New York; and, Dr. Rudolf Husar, Washington University.

First, the role of ammonia in rainfall acidification must be included in an acid rain assessment.

Second, the role of tall stacks has probably been overrated.

Third, dry deposition plays an exceedingly important role in understanding acid deposition but we have, as yet, inadequate ability to measure it.

Fourth, there may not be a one-to-one relationship between emissions and acid deposition.

Fifth, there is a need to look at the total chemistry of rain—not just the pH.

Sixth, we must have long-term monitoring efforts—including monitoring of dry deposition.

Seventh, for aquatic impacts, the greater the reduction in the level of acid loading the greater the uncertainty in the potential benefits.

Eighth, long-term, whole ecosystem research is needed to understand terrestrial effects.

Ninth, it is biologically naive to consider acid rain apart from other air pollutants, all of which act together.

Tenth, research shouldn't stop after mitigating actions have occurred. There is a need to determine what effects our actions are having.

H.R. 5055

A bill to provide for an accelerated study of the causes and effects of acid rain, to provide for an examination of certain acid precursor control technologies, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Acid Precipitation Accelerated Review and Reporting Act.

FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) the phenomenon known as acid deposition is a problem of both national and international scope and interest;

(2) acid deposition occurs in various parts of the world and has the potential to contribute to higher levels of acidity in aquatic systems, terrestrial systems and the deterioration of buildings and monuments;

(3) acidity in precipitation occurs through both anthropogenic and natural causes;

(4) sulfur dioxide and nitrogen oxides from industrial and transportation sources have been identified as major contributing elements in the creation of acid precipitation;

(5) the atmospheric chemistry relating to the conversion of sulfur dioxide and nitrogen oxides into sulfates and nitrates is enormously complicated since the conversion can be influenced by temperature, sunlight, humidity, catalytic particles in the air and the presence of certain oxidants;

(6) there is widespread agreement in the scientific community that the method by which the precursors to acid precipitation are processed in the atmosphere is poorly understood;

(7) various techniques of reducing emissions from stationary sources of precursors of acid deposition, including increased use of precombustion fuel treatment and the development of inherently low-polluting combustion technologies, may prove to be of significant long-range value in reducing the amount of acid deposition;

(8) the National Acid Precipitation Assessment Plan established under title VII of the Energy Security Act, and its cooperative links to similar State and international programs concerned with acid deposition, provide an established framework for synthesizing existing scientific data, and developing additional scientific data, relating to acid deposition and for making recommendations for strategies to prevent, limit, and remedy the harmful effects of acid deposition; and

(9) the causes and effects of acid deposition, particularly the atmospheric chemistry and of long-range transport of acid deposition precursors, should be more fully understood before undertaking complex and potentially costly efforts to further control sulfur dioxide and nitrogen oxide emissions.

(b) PURPOSES.—It is the purpose of this Act to provide for—

(1) an accelerated effort to understand the causes and effects of acid precipitation; and

(2) examination of the potential and feasibility of various techniques of controlling sulfur dioxide and nitrogen oxide emissions, such as precombustion fuel treatment and inherently low-pollution combustion technologies, which may hold promise of reducing emissions of these pollutants.

SEC. 3. (a)(1) Sections 704(a) and 704(d) of the Energy Security Act (Public Law 96-294) are amended by striking out "ten-year" and substituting "five-year" in each place such term appears.

(2) Section 704(c)(4) of such Act is amended by striking out "nine".

(b) Section 705(a) of such Act is amended by striking out "nine".

(c) Section 706(b) of such Act is amended by striking out "nine" and by striking out "ten-year" and substituting "five-year".

(d) Section 704(e) of such Act is amended by adding the following at the end thereof: "Not later than five years after the date of the enactment of the Energy Security Act, the Task Force shall submit a final report setting forth in detail the recommendations of the Task Force under subsection (b)(14)."

(e) Section 704 of such Act is amended by adding the following at the end thereof:

"(g) In carrying out the program objective set forth in subsection (b)(9)(B), the Task Force shall examine the usefulness of precombustion treatment of fuels in reducing sulfur dioxide and nitrogen oxide emissions and shall also investigate the potential for long-term reduction in such emissions which may be achieved through the implementation of inherently low-polluting combustion processes, such as atmospheric fluidized bed combustion and pressurized fluidized bed combustion.

"(h) In carrying out the program objective set forth in subsection (b)(11), the Task Force shall actively solicit data, views, and comments from State agencies which are carrying out studies and research relating to acid deposition.".●

● Mr. APPLEGATE. Mr. Speaker, as the Congressman for Ohio's 18th Congressional District, which comprises the eastern and southeastern portion of the State as well as the bulk of Ohio's coalfields, I am very aware of the allegations by many who blame Ohio for the formation of acid rain. After all, Ohio burns more coal than any other State in the Union. However, it should be obvious, even to the casual observer, that there is much to be learned about acid rain and its origin; therefore, any statement indicating that acid rain is a direct result of the burning of high sulfur coal is premature, inaccurate and distorted at best.

Because of the great deal of uncertainty of this matter, as brought to light by a variety of studies, I support the Acid Precipitation Accelerated Review and Reporting Act which we are introducing today.

This legislation gives the Congress the vehicle it needs to gain the necessary data on which to build a program to address acid deposition.

Instead of immediately taking action to add new controls on coal-fired powerplants, this bill will allow us to gain the facts on the contribution to acid deposition by auto emissions and oil-fired powerplant emissions.

For example, in a Department of Energy sponsored study, it is shown that auto exhaust fumes and the burning of oil in the Northeast may be the primary source of acid rain in that and surrounding areas. Quoting from the report, which coincides with a National Academy of Sciences report,

Close examination of fuel use information and source emissions characteristics in the Adirondacks, Florida, and California suggest that local oil burning and automotive sources may be the major contributor to the occurrence of acid rain in these areas.

The report goes on to say that 30 percent of the acidity of rainfall in the Northeast is due to nitric acid, which can be produced from auto exhaust and high levels of transportation-related nitrogen oxides can be found in the air over the Adirondacks during the summer months. Further, it is reported that boilers buring residual oil have been reported to produce 3 to 10 times more sulfates per unit of sulfur content than do boilers burning coal. This conclusion, of course, contradicts statements made by several authorities who say acid rain is caused by emissions from coal-fired plants in the Ohio Valley.

Mr. Speaker, there is clearly the need to proceed cautiously on proposals claiming to eliminate acid rain. To do otherwise, I believe, would be irresponsible and could have very adverse economic effects on a large portion of society.●

● Mr. MURPHY. Mr. Speaker, as an original sponsor of the Acid Precipitation Accelerated Review and Reporting Act, I would like to associate myself with the remarks made by Mr. RAHALL. It is indeed the lack of sound scientific data in the area of acid deposition which hinders our efforts to completely understand the causes and effects of this phenomenon. Without this information, it would not be in the national interest to proceed immediately with new controls to alleviate the damage done by high acidity in rainfall.

The basic conflict we are facing is the desire to respond to a potential problem and the need to gather enough scientific information to respond to that desire.

It is with this in mind the sponsors of this legislation believe it to be the best vehicle possible to gather the necessary scientific data to address the issue of acid deposition. We are attempting to expedite the availability of this information by taking the current 10-year research program contained in title VII of the Energy Security Act and accelerating it to 5 years. Funding for this effort has already been increased from $12 million in fiscal year 1981 to $20 million in fiscal year 1982.

In addition, we are asking the acid precipitation task force to examine the benefits of coal washing and inherently low-polluting combustion technologies during its research into control strategies.

Mr. Speaker, recently a number of bills have been introduced which seek only to control emissions of sulfur dioxide as a method to reduce acidity in rainfall. These measures are lacking in that they address only one of the precursors to acid deposition, among many, and deal only with emissions from coal-fired powerplants, not oil-fired plants and auto emissions. I would like to outline some of the potential impacts of these proposals on the consumers of this country to show the damage which could be done by moving on a complex subject like acid deposition without proper scientific data.

One of these measures proposes a 10 million ton reduction in annual sulfur dioxide loadings. The fuel cost impact of this action has been estimated at $3.2 billion per year. Consumers of electricity in some States will be impacted the hardest, with those in Pennsylvania facing an extra cost of $200 million or more yearly to achieve the mandated reductions under this proposal. Furthermore, there would be severe dislocations in coal mine and mine-related jobs under this measure as high and medium-sulfur coal production decreases as utilities scramble to use low-sulfur coal to meet the emission reduction. In Pennsylvania, it has been estimated that the direct loss of jobs in the mining industry due to this measure could be as high as 14,961 with an indirect job loss of 22,442.

In summary, it seems to me that before the Congress jeopardizes these mining jobs and increases consumer costs it should be in the position of knowing all the facts on acid deposition, its causes and effects, and the impact of any control strategies.●

GENERAL LEAVE

Mr. SHAMANSKY. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentleman from West Virginia (Mr. RAHALL).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SHAMANSKY COMMENDS OPENING OF McDONALD HOUSE IN COLUMBUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. SHAMANSKY) is recognized for 5 minutes.

● Mr. SHAMANSKY. Mr. Speaker, I want to bring to the attention of the House the grand opening today in Columbus of a novel and needed facility.

The Ronald McDonald House—named for the clown featured by McDonald's restaurants in their advertising—opens at 574 South 18th Street after 2 years of work. The location stands opposite Children's Hospital and this new facility—the 29th such in the country—will serve as a home away from home for parents and families of youngters receiving treatment.

Parents and families who accompany the young patients to Columbus often need a place to stay but cannot afford a hotel or motel room and want to remain close to their children.

The Ronald McDonald House, a renovated former apartment building with play areas, living rooms, and a common kitchen, will house up to 16 families at a time while their children undergo treatment. Only small donations will be accepted from those able to pay, and in 1982 alone, more than 1,000 families are expected to be helped by the Columbus Ronald McDonald House.

This worthwhile effort by the McDonald's Corp., customers' operation MOST: A.O.K. Services, Inc., and many individual contributors well deserves the praise of the House.●

THE 63D ANNIVERSARY OF LATVIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DONNELLY) is recognized for 60 minutes.

● Mr. DONNELLY. Mr. Speaker, the special order on the 63d anniversary of Latvian Independence Day was originally scheduled for last night, however, due to the late session last night, we are holding the special order today.

On November 19, 1918, the people of Latvia proclaimed their independence, just as we Americans observe our own Independence Day on July 4 of each year. Tragically, however, the Latvians have no independence to celebrate now. They lost their precious freedom when the Soviets reconquered the Latvian Nation following World War II. At that time, thousands of Latvians, children, elderly, and infirm among them, were deported to the barren region of Siberia. Since that sorry event, the brave people of Latvia have suffered greatly under Soviet domination.

I feel it is extremely important today to reaffirm long-standing U.S. policy not to recognize the Soviet Union's claim to Latvia and the other Baltic States of Lithuania and Estonia. In addition to reaffirming that policy, we will continue to speak out in outrage at the Soviets' violation of the most basic of human rights. The confines of the Iron Curtain have not been able to silence the voice of freedom in Latvia. We proclaim today that that ugly wall will never succeed in silencing the human spirit, and the desire of all people everywhere to be free.●

● Mr. DOUGHERTY. Mr. Speaker, as cochairman of the Ad Hoc Congressional Committee on the Baltic States and Ukraine, I would like to bring to the attention of the House the plight of those persons who live in the Baltic State of Latvia. Today marks the 63d anniversary of the proclamation of independence by the people of Latvia. The citizens of Latvia have seen their national identities crushed by Communist intervention, and their nation forcibly annexed into the Soviet Union.

In 1940 the Soviet Union invaded the Baltic States of Latvia, Lithuania, and Estonia. This seizure, which was marked by the murder of tens of thousands of innocent people, ended a short 22-year independence for Latvia. The result has been total Soviet domination, except where the spirits of the Latvian people are concerned.

These people are constantly overcoming many untold sufferings, executions, and deportations, as well as the downgrading of social and working conditions. Practicing any religion is severely restricted. The Lutheran Church, which is the predominant

church in Latvia, has been the object of active persecution. These places of worship have been vandalized, closed down, or converted for other uses. All churches and their property have been nationalized. But, above all, the fundamental freedoms guaranteed to the Latvian citizens under their own constitution have been abolished. However, it is important to remember that this period of domination has not dampened the spirit of the Latvians in their search for independence and the restoration of human rights.

Many citizens have managed to flee from the terrors instilled by the Communists in their homeland. They have settled in many parts of the free world and have spoken out on behalf of their fellow countrymen who remain in Latvia.

Today, only older maps of Europe show Latvia as a sovereign entity. Newer maps show Latvia as a territory of the Soviet Union. However, the United States and other Western nations have yet to officially recognize the annexation of Latvia. The people of Latvia have never given up hope that someday they will again be able to raise their national flag in a declaration of freedom from Soviet rule.

It is imperative that the free countries of the world express their opposition to the continued suppression of human rights in Soviet dominated Latvia. It is our duty to speak out on behalf of those who are less fortunate than ourselves. Americans must remember that these people, whose basic human rights have been denied, are continually looking to the United States for guidance and support in their desperate situations. So long as heroic people of Latvia subscribe to the principle of true freedom, the spark of hope will be kept alive.

In closing, I wish to send my prayers to the people of Latvia in the hope that their aspirations for national independence will be realized once again.●

● Ms. FIEDLER. Mr. Speaker, every Independence Day in the United States, we celebrate. Our fireworks, our speeches, our picnics are a cherished part of our life. Today is Latvian Independence Day. There will be, alas, no celebrations in our sister republic on the Baltic, for Latvia remains occupied by a foreign army. Until that great day when freely elected representatives in Latvia can make speeches on "Independence Day," that task must fall to us in the U.S. House of Representatives. To remember Latvia today is to remember the high cost of freedom for all peoples and to pay tribute to the brave and unconquered spirit of the people of Latvia.

The rights of freedom and self-determination are natural to America. Yet we have, throughout our history, continued to enjoy these rights only through defending them. Latvia, throughout its history, has defended its freedom. It has not won every battle, for Latvia's position at the Baltic crossroads of Europe has invited invaders for centuries. But, in the end, the land and the people of Latvia remained, undiminished through adversity. When the occupation of Latvia by the Soviet Union—an occupation unrecognized by the U.S. Government and in flagrant violation of international law—finally comes to an end, her people will prove as equal to the demands of freedom as they are today eager to experience them.

The forces of the Soviet Union are strong and competent. They are experienced in every manner and way of silencing protest, of quelling freedom, that they have conceived since 1917—if only they applied the same drive they use to oppress their people to feeding them—and so the voice of those who cannot speak out must be heard here in the U.S. Congress. This includes the voice of Latvia, of the other Baltic republics, of the Ukrainians, of Soviet Jewry. It also includes the freedom fighters of Afghanistan and the workers of Poland. On Latvian Independence Day, it is indeed fitting to remember all the peoples and nations that stand in solidarity with Latvia, who share their wait for freedom. In all our negotiations with the Soviet Union, we must keep these peoples always foremost in our mind.

Today, Latvian Americans take rightful pride in their homeland's independence day. We join with them in this pride. Their heritage is a proud and colorful one. Their spirit is just as proud and as vital as ever. Whatever the unhappiness that clouds Latvia today, it has not—and will not—eclipse these people, their hopes, and their dreams; especially today, as we celebrate a free and independent Latvia.●

● Mr. STRATTON. Mr. Speaker, as a member of the Ad Hoc Committee on the Baltic States and the Ukraine, I am pleased to join with my colleagues in commemorating the 63d anniversary of Latvian independence. Congress has long shown its understanding of the struggle of the Latvian and other Baltic peoples for freedom, self-government, and release from Soviet domination. The continuing dramas in Poland and Afghanistan also heighten our sense of the plight of nations under Soviet rule.

The history of Latvia is the story of people on a political faultline. Latvia has long been a victim of German and Russian imperialism, yet under adversity the people have maintained a strong sense of culture, tradition—and independence.

Latvian independence came out of the turbulence of World War I. Latvia and the other Baltic States had been used as pawns during the war by both Russia and Germany. However, with the end of World War I and the collapse of Germany, and with Russia in the throes of a civil war, Latvian leaders proclaimed an independent government on November 18, 1918. Following a period of confusion and political struggle, independent Latvia became secure and adopted a government based on democratic principles in early 1922.

Independence and self-government would only last one generation, though, because at the close of World War II, Latvia was invaded by the Red Army as the Soviets reconquered the Baltic lands. Many Latvians managed to flee from their homeland, but thousands more were deported to northern Russia and Siberia. The United States has never recognized Soviet action in the Baltic States as having any legal validity.

Today in the United States we have a strong, vital Latvian-American community, and I am pleased to join with them in marking Latvian Independence Day, November 18, and in supporting individual freedom and self-government in Latvia. In that same spirit, I have introduced in the House, House Concurrent Resolution 36, expressing the sense of Congress that the right of self-determination be returned to the people of Latvia, Lithuania, and Estonia through free elections conducted under the auspices of the United Nations.

Finally, as we watch the events in Poland and the brave resistance now being put up by the Polish labor unions, we can hope that these efforts in time will set a pattern for a new measure of freedom from Soviet control not only for Poland, but for Latvia and other captive nations as well.●

● Mr. ADDABBO. Mr. Speaker, I welcome this opportunity to join my distinguished colleagues in the House of Representatives in commemorating the 63d anniversary of Latvian Independence Day. It is a day of great importance for the people of Latvia, as well as for the people of free nations such as our own United States. To the people of Latvia, it should serve to give them hope that the freedom they once knew will someday return. To the people of our own country this anniversary serves to remind us how terribly fortunate we are to live in a country surrounded by friends to the North and South, surrounded by friends which have long respected our right to determine our own future free from outside interference.

Before I continue however, I would like to thank BRIAN DONNELLY and CHARLES F. DOUGHERTY, two fine Members of Congress who have labored long and hard on behalf of the people of the Ukraine and Baltic States. Their ad hoc committee which is deeply concerned with these two examples of Soviet interference continues to speak the truth of the oppres-

sion and denial of human rights which exists there today.

In our Nation the commemoration of our independence is a time of great joy with various forms of public expression of pride and patriotism. Unfortunately the same cannot be said for this day in Latvia. Since 1944, when the Soviet Union once and for all reconquered the Baltic lands and Latvia, the people of this country have had no freedom to celebrate. They have become another captive nation of the Soviet Union, another example of the total disregard for a nation's right to self-determination.

Mr. Speaker, this Congress and other Congresses of the free world must continue to do all it can to free those nations who have fallen victim to Soviet expansionism. As we acknowledge the plight of the people of Latvia we must remember that to forget one nation held captive, forcing people to be prisoners in their own homeland, is to forget them all.●

● Ms. OAKAR. Mr. Speaker, on November 19, 1981, the people of Latvia proclaimed their independence after many generations under the domination of tsarist Russia. The age-old dream of Latvians to control their national destiny, enjoy their native culture, and to freely develop their arts and literature became a reality. Sadly, Latvian independence was short lived. In 1940, the Red Army marched into the three Baltic States of Latvia, Estonia, and Lithuania and imposed Soviet rule. The infamous Hitler-Stalin pact which divided Europe between two vicious dictatorships, was used as a pretext for snuffing out the freedom of Latvia and her two neighbors.

Harsh and cruel measures were used to wipe out any opposition to Soviet rule. People were forced to accept foreign rule on pain of imprisonment, even death. Despite decades of repression, however, the people of Latvia continue to struggle for their national existence. It is not an easy task. The Soviet Union is committed to a policy of cultural genocide. The Latvians are a small nation. By encouraging non-Latvians to settle in Latvia, the Soviets have diluted the native population to the point where Latvians are approaching a minority in their own country. In this way, the Kremlin hopes to wipe out the national consciousness of the people, especially the young. This process of denationalization is furthered through a policy of forced Russification in the schools, government offices and all the media. Those who actively oppose the Soviet policy are subjected to harrassment, arrest and imprisonment.

Recent signs indicate that the people of Latvia—especially the young—are responding to the threat of national extinction by reaffirming their national identity and rejecting Russification. The spirit of the nation is growing stronger. Americans can help by holding firm to the policy of nonrecognition of the illegal occupation of the three Baltic States by the Soviets after World War II and by speaking out against the violation of human and national rights in all the countries of the Soviet Union. We must also encourage as many contacts as possible between the peoples of Latvia and the outside world, to break the Kremlin-imposed isolation of the population.

We can also pause to commemorate important anniversaries as we are doing today. Sixty-three years ago, the people of Latvia affirmed their right to national independence. Today, the Congress of the United States joins Americans of Latvian descent and their many friends in reaffirming the right of Latvia to national sovereignty and independence. In this way we also reaffirm the spirit of the Latvian nation and express our belief that the spirit of Latvia will again burst forth in a free and independent country.●

● Mr. DENARDIS. Mr. Speaker, 63 years ago today the people of Latvia proudly announced to the world their existence as a free and independent nation. In doing so they exercised one of the most basic of human rights, the right to an identity as a people. Their freedom, however, lasted barely over two decades.

What happened to them is the history of all non-Russian states within the U.S.S.R., a history of brutal expansionism and tyranical oppression. In 1940, the Soviet Union forcibly and unlawfully incorporated Latvia within its domain and set out systematically to destroy the country's national, cultural, linguistic, and religious integrity. To accomplish this, they practiced every tactic of terrorism: Imprisonment, exile, torture, and murder. It is out of outrage for this barbarous injustice that the United States, along with other great Western powers, steadfastly maintains a policy of nonrecognition of the forcible annexation of Latvia.

A national independence day is supposed to be a time of celebration. So what do we have to celebrate? Latvia is still a captive nation. The Baltic freedom fighters, who for years waged guerrilla warfare in the face of impossible odds, have finally been crushed. All dissident activities have been driven underground. And the people of Latvia are daily denied the elemental rights of human beings. So what do we have to celebrate?

We have the fact that despite unrelenting oppression, the Latvians' fierce love of liberty and commitment to national identity has not diminished by one jot. Their experience should remind us how privileged we are to live in the free world and should spur us to help people everywhere who are struggling against persecution. I am honored, therefore, to join with Latvians around the world in celebrating their independence day; and I join them too in working and praying for the day when Latvia will once again be free in fact as well as in spirit.

● Mr. BONKER. Mr. Speaker, I wish to commend my distinguished colleague, Representative DONNELLY, for sponsoring this special order to mark the anniversary of Latvia's independence.

The brave people of Latvia, one of the oldest unified territories in Europe, have suffered tremendously under the harsh domination of the Soviet Union. The Soviets have attempted to destroy Latvia's rich cultural and religious heritage, but they have not succeeded in killing the strong spirit of the Latvian people or their thirst for freedom. We have many descendants of Latvia in the United States who know that Soviet propaganda proclaiming the friendship between their two countries masks a much grimmer reality. I commend the Latvians for their courage, strength, and determination.

As Chairman of the only House subcommittee that oversees human rights, I gladly join with my distinguished colleagues in commemoration of Latvian Independence Day. The Latvian people have not been forgotten: "Lai Dievs Sveti Latvia!" ●

● Mr. HUGHES. Mr. Speaker, today marks a day of celebration and sadness in Baltic history. It is a day to celebrate because it marks the 63d anniversary of the 1918 declaration of Latvian independence. It is a day to be sad because that independence was troubled and short-lived, unable to overcome the expanding forces of totalitarianism which surrounded and consumed it during the Second World War.

After a long history of German domination and a period of Soviet control, Latvia was able to assert its independence on November 18, 1918. On that historic day, leaders of the nascent nation proclaimed an independent Latvian Government in Riga, a republic to be ruled by representatives of popular will. German and Russian machinations imposed an initial obstacle, but by 1922, the Latvian Constituent Assembly had adopted a constitution for a parliamentary republic. Yet, this happy form of representative statehood was cut short, its fate sealed by global economic depression and the unceasing ambitions of its larger neighbors.

Today, Latvians live under the domination of the Soviet Union. The Soviet Union has successfully colonized this nation and incorporated it into the complex structure of the modern Soviet state. But we in the United States do not and will not recognize the legitimacy of this domination. In-

stead, we gather as we have today to pay tribute to the glorious day of independence which highlights Latvia's history and the sustaining spirit of independence which provides hope for Latvia's future.●

● Mr. MOAKLEY. Mr. Speaker. I rise today to commemorate the 63d anniversary of Latvian Independence Day on November 19, 1981. On this date in 1918, these brave people joyously celebrated what they believed would be the end of many years of repression and manipulation by the powerful surrounding countries. Tragically, as you all too well know, the Latvians' few years of national freedom and sovereignty were abruptly ended in the early stages of World War II by the Soviet Union's occupation and takeover of the Baltic States. Tens of thousands of Latvians lost their lives and homes during this cruel and unjust purge by the Soviets. And, the deepest loss of all was that of the freedom that the Latvian nation has come to cherish.

We, in the United States, take for granted every day, our right to live in freedom and independence. Our Nation was founded on these premises. We must not forget this privilege that we have and we must not forget those nations that continue to be surpressed by others. We have an obligation not only to condemn the denial of these fundamental liberties to the people of Latvia, but to do all we can to support this nation in their struggle to regain and preserve this most precious of all rights. I join with my collegues in commemorating this important date and also in our commitment to the people of Latvia and our wish for their return to freedom.●

● Mr. ANNUNZIO. Mr. Speaker, on November 18, 1918, the courageous people of Latvia received their independence and with it the long-sought privilege of determining their own fate as a people and of developing and enriching their own social and cultural institutions in accord with their distinguished traditions and national will without the interference of foreign powers.

On Sunday, November 15, a commemorative program in observance of the 63d anniversary of Latvian independence day was held at the Wright Junior College Auditorium, 3400 North Austin Avenue, by the United Latvian Associations of Chicago, the able president of which is Ilmars Bergmanis. Other officers include Alex Osis and Alex Kandrovics, vice presidents; John Veitmanis, secretary; and Arvids Barda, Lucy Osolins, Inara Bundza, committee members.

The Latvian republic which rose from the ashes of World War I had every hope of and chance of success. Latvia had educated, devoted leaders, a sense of national purpose, a victorious army, fertile lands, and hardy farmers. The Latvians proved their devotion to democracy by establishing an advanced form of representative government, with a parliament, cabinet, president, and freely organized parties. From their declaration of independence of November 18, 1918, to the reoccupation in 1940 by Communist armies, the Latvians opened the way to economic, social, and political progress.

Latvia was one of the first European countries to reform the currency and financial system. The land reform law of 1920 was a model of fair, democratic dispersal of feudal estates. Happily, it ended forever the supremacy of German—or Balt—nobles over the other 97 percent of the population.

By 1937, there were 5,717 industrial enterprises in Latvia. Seventy thousand farmers were enrolled in 2,300 educational societies. Hydroelectric stations were numerous. The national income increased 120 percent between 1927 and 1938 despite the depression. The Latvian National Bank's assets rose from 48.2 million lats, the local currency, in 1934, to 125.6 million lats in 1939.

Latvian foreign policy was founded on friendly relations with Soviet Russia as well as the West, and trust in the League of Nations. Ninety-five percent of Latvian trade with the West, especially Great Britain, Germany, and the United States, was carried in 103 Latvian ships. By 1939, Latvia was almost self-supporting.

In June 1940, Latvia, along with Estonia and Lithuania, was invaded, brutally occupied by the Red Army, and subsequently incorporated into the Soviet Union. The Communists cynically disregarded their earlier treaty commitments in which they "voluntarily and forever" had renounced all sovereign rights over the people and territory of Latvia.

We in the U.S. Congress can do no less than reassure the Latvian people of our moral support. May the ideals of freedom and democracy be vindicated by the gallant determination of the people of Latvia. Their sacrifices should remind us all that we must continue to strive for a world in which all people can have the opportunity to live their lives as they themselves choose.

Mr. Speaker, the Legation of Latvia recently forwarded to me the Latvian Information Bulletin, and an article from that publication follows:

FLOWER POWER IN LATVIA

So far there has been no sign that the Soviet Union might be infected by a trade-union revolution on the Polish model. But the Kremlin has reason to be a little nervous about the growing tensions in the three Baltic states that were annexed by the Russians 40 years ago. Lithuania is the only one of the 15 Soviet-occupied republics which is predominantly Catholic, and the church—as in Poland—is a source of national unity. In its capital, Vilnius, there is an active group of dissidents and an underground weekly newspaper. In Estonia, there have been a series of demonstrations against the Russification of the republic; and its capital, Tallinn, is the only major Soviet city where people can watch news from the west (on Finnish television). The daily ferry service brings large numbers of Finnish tourists to the city, so that its inhabitants have a better idea than most Soviet citizens about the realities of life in the west.

Latvia, the most productive of the Baltic states, has in the past been more quiescent than its two neighbours. But now there is a growing wave of irritation about the shortage of food. Food shortages are familiar enough in much of the Soviet Union, but Latvia has traditionally been one of the most prosperous places in the whole country. It produces most of the Soviet Union's consumer durables as well as a large share of its motorcycles and locomotives. Riga is the biggest port in the country and is also a centre for Soviet women's fashions. Latvia's living standards used to be the envy of the Soviet Union. Many Russians still regard Latvia as a paradise, but the Latvians do not.

Latvia's food shops are now as empty as those elsewhere. Long before opening time, queues form in front of the milk and meat shops in Riga's Kirov street. Instead of going to work, many people simply go shopping. It is quite common to wait for three hours in a queue for food. Western goods are available, but at a high price. The complete collection of the Beatles' records costs about $6,000.

To meet the unprecedented shortage of food in Latvia, the authorities are now trying to encourage farming on private plots, which already produce 30 percent of the food for the republic. Until recently, the size of private farming plots was limited to half an acre. Outside Riga there are now clusters of small shacks: city-dwellers' private plots. And to help their development the government is encouraging the use of a revolutionary new technology—horsepower. The only problem is that the freelance farmers' favourite crop is not potatoes, as the authorities may have hoped, but flowers. Flowers are extremely important in Latvian life: men and women both like to bring bouquets home after work. Tulips and roses sell for as much as $3.00 a stem—which makes them a profitable crop.

The Latvians reckon that they are getting a worse economic deal than their neighbours in Lithuania and Estonia, because too much of the state farm output is exported to the rest of the Soviet Union. In Lithuania, the food that is grown there is eaten by the locals. At weekends many Latvians make the two-hour drive south, to the town of Siauliai in Lithuania, to stock up on sausages.

Nationalism in Latvia has been reviving—partly because the Latvians are in danger of becoming a national minority in their own country. The success of Latvia's industrial development has attracted immigrants from the rest of the Soviet Union, so that some 45 percent of its population is now non-Latvian. Riga is full of Armenians, Georgians, Uzbeks and Russians, and the predominant language is Russian.

The protests against Russification have been sporadic and poorly organised, mainly by young people. For the young, the pejorative phrase "bourgeois Latvia"—used in the history books to describe the period of independence between 1918 and 1940—conjures up a rich and romantic past. Many youths

can be seen walking down the street wearing tee-shirts emblazoned in English with the slogan "Latvian power"; and they like to sing the old national anthem. Their most overt form of rebellion has been to desecrate Soviet monuments and rough up Russians at random. These protests have been fuelled by opposition to the war in Afghanistan; rumours of atrocities in Afghanistan are commonplace in Riga.

Communist party officials in Latvia are aware of the mounting anti-Russian tension but have no clear idea of how to counteract it, except by stressing the concept of "Soviet brotherhood." However, at a recent meeting of the central committee of the Latvian Communist party, one member took the unusual step of criticising another official for making speeches in Russian instead of Latvian. A hint of things to come?—From a correspondent recently in Latvia, The Economist, August 29, 1981.

Mr. Speaker, as an ethnic myself, I have always been aware of the cultural richness of the various ethnic groups in our city, and the creativity and dynamism they contribute to Chicago and the Nation. For this reason, events such as the Latvian Independence Day observance are very important, not only because they help preserve ethnic identity and culture, but also because they remind us all, as Americans, of our heritage of freedom.

I am pleased, therefore, on this occasion to extend my greetings and best wishes to the Americans of Latvian descent in the city of Chicago and all over our country who are participating in the 63d anniversary commemoration of Latvian independence.●

● Mr. DERWINSKI. Mr. Speaker, I am pleased to join with my colleagues in directing attention to the 63d anniversary of the proclamation of independence of the smallest Baltic State. On November 19, 1918, the courageous people of Latvia established an independent nation, free from Russian rule.

Latvia, a nation situated on the eastern side of the Baltic Sea, was privileged to enjoy only a brief period of national independence between the world wars. In 1920, the Soviet Union signed a treaty which recognized Latvia as a sovereign nation forever, but only 20 years later, in 1940, Stalin cynically broke this agreement. The Red army marched into Latvia and began a brutal occupation of the country, accompanied by forced deportations of Latvians to Siberia and other remote parts of the Soviet empire. In addition, there were jailings and executions of Latvian patriots, cultural and government leaders, and other non-Communists.

Latvia continues to be governed from Moscow, not from Riga, the country's capital. Freedom of expression in religion, literature, and art is suppressed, and the Russians steadily continue their efforts to destroy the Latvian people as a nation and as a cultural entity. As is common in Soviet-dominated nations, the people of Latvia are bound by Soviet control, and above all the fundamental freedoms enjoyed by its citizens under their own constitution have been abolished.

Although those who live in Latvia cannot join with us in observing this event, it is important for us to keep alive the historic nature of this occasion. It is especially important to remember that the Soviet Union continues to suppress the nationalistic spirit of non-Russian republics within the U.S.S.R. In its deliberate policy to eliminate independence of the various Soviet Republics, the Soviet Union is attempting to lessen their nationalistic unity.

These long years of suffering by the Latvian people have not extinguished their yearning for liberty and self-expression of their culture, religion, and basic human rights. So while this anniversary is a day of sorrow, let it also be a day for us to rededicate ourselves to work for the time when Latvians and all other peoples held captive will share the full blessings of freedom.●

● Mr. CARNEY. Mr. Speaker, today, November 18, commemorates the 63d anniversary of Latvian Independence Day. To Latvians all over the world, this is a very solemn commemoration. In 1918, along with the people of neighboring Estonia and Lithuania, the Latvians were able to break free from the oppressive yoke of Soviet-Russian domination. Independence was short lived; it only lasted until the beginning of World War II when Soviet and Nazi leaders conspired to return the Baltic States to domination. However, the experience of this freedom lives in the hearts of all Latvians forever. The brief and productive period of independence fanned the flickering hopes of freedom into an everlasting flame.

Since World War II, the people of Latvia have suffered the many horrors and indignities which accompany any way of life in the Soviet Union. Latvia has had its free leaders periodically purged, its economy ravished, its churches closed and its people enslaved. Yet, its spirit of freedom lives. And throughout the free world, the Latvians continually remind us of the privilege of liberty and our duties to preserve it.

Mr. Speaker, it is entirely appropriate for us to remember this day. As the strongest voice of freedom, America must stand up for the values of self-determination and individual liberty. America must favor what is right over what is merely pragmatic. And America must support the struggle for freedom over totalitarianism wherever this struggle happens in the world. It is in this spirit that we remember Latvian Independence today and pay tribute to the living dream it symbolizes.●

● Mr. BLANCHARD. Mr. Speaker, I would like to take this opportunity to join in the special order taken by my distinguished colleague from Massachusetts (Mr. DONNELLY) on the occasion of Latvian Independence Day.

I am a member of the Ad Hoc Congressional Committee on the Baltic States and the Ukraine, and as such continue to be horrified by the ongoing state of oppression under which the Latvian people, and the peoples of Estonia, Lithuania, and the Ukraine continue to live. The short-lived freedom enjoyed by the Lithuanian people after World War I will live on as a cherished memory for not only Lithuanians but for freedom-loving people and human rights advocates the world over.

Those of us in the free world who enjoy human rights are the natural allies of the Latvian people. The Latvians and others under Soviet domination in their homelands represent some of the strongest advocates of the human rights and personal freedoms that we in America and the free world hold so dear. I hope that all of my colleagues will join with me, on this anniversary of Latvian Independence Day, to lend their fullest support for the cause of freedom, and for human rights to come to all men, women, and children of the world.●

● Ms. FERRARO. Mr. Speaker, the date November 19, 1918, commemorates a crucial and emotional day in Latvian history. After years of subjection to its powerful neighbors, Latvia had finally become a free and independent nation. However, this freedom and independence that the Latvian people had for so long sought to achieve, was quickly revoked by the Soviets' takeover of Latvia after World War II. Ever since then, Latvians have known only exile, persecution, and forced labor, rather than freedom or independence.

Today Latvians still seek the independence that their forefathers in 1918 had once attained. As Americans, we have been fortunate enough to still have the independence and freedoms that our forefathers had attained for us in 1776. It is my hope that in cherishing these freedoms, my colleagues will join me in supporting Latvia's fight for independence from the Soviet Union and do all they can to halt the unjust treatment and russification of Latvian citizens under the Soviets' illegal rule.

In commemoration of Latvian Independence Day, we must all support the efforts of the Latvian people to reachieve their independence. The Latvian people have suffered under Soviet domination for too long and do not deserve to be forgotten.●

● Mr. PEYSER. Mr. Speaker, on November 19, 1918, the Latvians proclaimed the Republic of Latvia a free and independent nation. On this, the 63d anniversary of their independence

proclamation, let us remember with respect and admiration these courageous people who proclaimed to the world their right as a nation to stand proudly among free countries.

Let us also remember, Mr. Speaker, that Latvia enjoyed this independence for only 22 short years. In 1940, the Soviet Union invaded and occupied Latvia, Lithuania, and Estonia and forcibly annexed these Baltic States into the Soviet Union. These courageous people were murdered by the tens of thousands or were sent to forced labor camps during this same period. Even today, as is common under Soviet domination, the people of Latvia are under total control.

On this anniversary of Latvian independence, let us take this opportunity to renew our full and uncompromising support for the basic concept of the sovereign rights of a people to choose their own form of government. For it is this quality which has underscored the history of the American Republic.

On this Latvian Independence Day, I am honored to join with the Americans of Latvian descent of New York's 23d District as well as the entire Nation in striving to keep this spirit of freedom alive for the Latvians and people around the globe.●

● Mr. ZABLOCKI. Mr. Speaker, I am pleased to join with the Ad Hoc Committee on the Baltic States and the Ukraine in commemorating Latvian Independence Day.

For a brief period after World War I, Latvia enjoyed its independence and sought to improve the well-being of its people through its own efforts. However, in June 1940, Latvia was ruthlessly invaded and occupied by the Soviet Union in a futile effort by Moscow to prevent a German invasion. In August of that year, brave Latvia disappeared from the ranks of independent nations and was forcibly annexed as a Soviet republic.

Anniversaries like this one give us much to remember about Soviet methods in dealing with its neighbors and with other nations. In contrast to the independence that took root in Latvia on November 19, 1918, the period since June 1940 has seen mass deportations, Russian colonization, suppression of Latvian art, literature, and music, an education system which makes Communist Party membership a prerequisite for eventual success, and calculated harassment of the Latvian Lutheran Church.

Despite their brutal efforts, the Soviet Union has failed to extinguish the national spirit of Latvia. Nationalism continues to have deep roots among all generations. Notwithstanding the imposition of an inefficient economic system from Moscow, Latvian living standards exceed those of the Russian people to the continued embarassment of the Soviet leadership.

The gentleman from Massachusetts (Mr. DONNELLY) and the gentleman from Pennsylvania (Mr. DOUGHERTY) are to be commended for arranging this special order. It will hopefully contribute to the spirit of Latvian nationalism and self-respect, still evident in that country today.●

GENERAL LEAVE

Mr. SHAMANSKY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Massachusetts (Mr. DONNELLY).

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. NELSON) is recognized for 5 minutes.

● Mr. NELSON. Mr. Speaker, I was absent due to offical business on rollcall 324, to convene the House in the Committee of the Whole for consideration of H.R. 3663, the Bus Regulatory Reform Act. Had I been present I would have voted "yes" on this motion.●

FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

● Mr. FORD of Michigan. Mr. Speaker, last week, in remarks in the RECORD, I pointed out how the Director of the Office of Personnel Management, Dr. Donald J. Devine, was blaming his staff, the Congress, the courts, and the Carter administration for problems in the Federal employees health benefits program (FEHBP), when in fact, it is he who has caused them. Well, he is at it again.

In a statement released Wednesday, the Director is again trying to blame everyone else. This most recent statement was precipitated by a court order requiring the Director to rescind his decision to indefinitely postpone open season. This is at least the fourth time a court has ruled that the Director's actions with regard to FEHBP were improper or illegal. I do not believe he has yet had a court sustain any position he has taken which has been challenged. And it is not just the courts who are critical of his actions. In 2 days of hearings, our Subcommittee on Compensation and Employee Benefits has yet to hear from anyone who tried to defend the Director's actions. He should get the message.

But the truly disturbing aspect of the Director's most recent statement is that he is trying to exonerate himself and justify his actions by, in effect, threatening that Federal retirees' health benefits claims will not be paid after June of next year. Here is what he said:

> As the joint result of the court's orders to hold an open season, and to push benefits above the level that available funds will pay for, OPM will not be able to pay premiums for retirees to health plans after June, 1982. the plans, in turn, will be unable to pay claims. There is simply no plan if there are no funds to pay for it.

I am sure this reckless statement will unnecessarily frighten thousands of retirees. If the funds do run out because Director Devine has failed to request sufficient amounts during this year's appropriation process, I am confident the Congress will provide a supplemental appropriation sufficient to continue the program. This is not unusual, particularly under Republican administrations. In 1975 and 1976 the Ford administration requested, and the Congress provided, just such supplemental funds. Ironically, the Carter administration, which Director Devine criticizes for its administration of FEHBP, never had to request supplemental appropriations for the program. It always requested and received sufficient funds for the Government to pay its share of health insurance premiums for our retirees.

Instead of frightening our retirees, the Director should be assuring them that he will do whatever is necessary to insure their continued health insurance coverage. I say to those retirees; do not think the Director's most recent comments reflect your Government's attitude. Even an administration as intent as this one with taking away needed benefits from deserving individuals will not default on its legal obligation to pay its share of insurance premiums for those of you on fixed incomes, Director Devine's comments to the contrary notwithstanding.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent for certain votes on Wednesday, November 18, 1981.

Had I been present, I would have voted:

"Yea" on rollcall No. 311, the conference report on H.R. 3453, the intelligence authorization bill for fiscal year 1982;

"Yea" on rollcall No. 312, the conference report on H.R. 4522, the District of Columbia appropriations bill for fiscal year 1982;

"Yea" on rollcall No. 313, on the motion that the House recede and concur with Senate amendment No. 42 to the District of Columbia appropriations bill relating to the salary level for the city administrator of the District; and

"Yea" on rollcall No. 314, House Resolution 275, the rule waiving certain points of order against H.R. 4995, the Department of Defense fiscal year 1982 appropriations bill.●

THE PURSUIT OF PEACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, President Reagan's peace initiatives have been welcomed with enthusiasm by Members of the Congress, the country, and the leaders of our allied nations in Europe. I congratulate the President on the effort to once again chart a course of peace for this Nation and the world. I think it is important that we bear in mind that the President's proposals represent only a first step. Real progress in this area will necessitate a commitment to the negotiating process, and a willingness to engage in meaningful discussions with the Soviet Union.

We have all witnessed the consequences of a policy which ignores the option of negotiations and focuses solely on the race for arms development. Neither the Soviet Union or the United States can win that race. In recent months the image of our Nation developing abroad and exploited by our enemies is that of a country which poses the greatest danger to world peace. This has been particularly the case with growing concerns in Europe over the deployment of U.S. missiles in Britain, Germany, and elsewhere. In addition, it is a hard cold economic fact that our Nation simply cannot afford to sustain an uncontrolled arms race. With deficits over the next 3 years expected to total about $360 billion, there is no way the United States can put a trillion dollars of its GNP into weapon systems. Thus from a diplomatic and an economic point of view, the President was absolutely right to regain the initiative in pursuing arms reductions.

It is interesting to note that with very little delay the Soviet news agency TASS issued a stinging response to the President's initiatives which flatly rejected his offers. Perhaps we could have expected no more, but this should serve as a reminder that success in peace, as in war, is rarely accomplished overnight. It is an ongoing process which will require give and take by each side. It is essential that we begin that process now.

The President's speech marks a new beginning in reaffirming a U.S. commitment to peace in the minds of our allies and those who are watching around the globe. We cannot forget that the critical issue before us remains preventing the grim prospect of nuclear conflict. This peril—which is a threat to us all regardless of nationality—will continue to be with us as long as enormously destructive nuclear weapons are produced and deployed. All world leaders profess a commitment to peace and an abhorrence of nuclear conflict, and given the stakes involved, there is simply no alternative but to negotiate our differences and reduce the risk of nuclear confrontation.

The Soviets have rejected President Reagan's call for a dismantling of Russian missiles in exchange for our foregoing deployment of new generation Pershing and cruise missiles. This ought not to be taken as a sign of the futility of seeking agreement, but rather as an indication of the energy and effort which must be expended in the endeavor to secure real arms reductions.

I sincerely hope that the President is prepared to go forward along the path on which he has set out, as long and as arduous a course as that may be. He should know that he has the support of the Congress and the Nation in that effort.●

REAGAN APPOINTMENTS—RETREAT ON RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CROCKETT) is recognized for 10 minutes.

● Mr. CROCKETT. Mr. Speaker, during the past 10 months, while this Congress has been considering the radical Reagan budget and tax cuts, and while many of us have been engaged in guerrilla warfare to salvage the programs targeted for destruction by the corporate Republican oligarchy, another, equally pernicious, wrecking operation is being carried out by the Reagan administration.

Mr. Reagan, true to his campaign pledges, has sought to reshape the executive branch in the image of corporate supremacy and racist ideology. He has gutted the agencies, departments, and other executive bodies charged with the protection of basic constitutional rights. He has dismantled antipoverty agencies and minority protection programs, enacted by Congress over decades of painstaking effort. In place of these protections, he has installed corporate flunkies to cater to wealthy campaign supporters in their quest to "get Government off their backs." Instead of those who would carry out congressional intent in administering these programs, Mr. Reagan wants only "yes-men" who will follow orders and destroy the programs in their care.

This should surprise no one; although it does sadden those of us who now are witnessing a half century of Government commitments to individual rights being systematically swept under the Presidential rug.

The one hopeful sign is that the black media and the mass of blacks and other minorities see clearly now that Mr. Reagan has exceeded even his own campaign rhetoric when it comes to dismantling Federal civil rights protections.

This administration seeks to destroy or severely cripple the Legal Services Corporation, the Equal Employment Opportunities Commission, and the Civil Rights Commission; and all agencies created to safeguard the constitutional rights of all American citizens. Mr. Reagan also seeks to water down the Voting Rights Act, the keystone of minority participation in Government. Through the Attorney General, Mr. Reagan is retreating from the Government's commitment to affirmative action and school desegregation litigation. The Republican Senate has sought to eliminate all funding for individual programs within the Justice Department where civil rights are protected.

When he found considerable resistance to his efforts to totally dismantle the Federal civil rights apparatus, Mr. Reagan set out to destroy these agencies from within—by appointing unknown, unqualified, and inexperienced persons, with known biases against the mission of the agency, to hold positions of policymaking and control.

The pattern is unmistakable. A few of the most noticeable examples include:

Clay Smith, Acting Chairman of the Equal Employment Opportunities Commission, with qualifications and experience to run the EEOC, is being dumped for William Bell, an inexperienced Republican with virtually no background in law or civil rights.

Arthur Flemming, a former Cabinet member and Chairman of the Civil Rights Commission for the past several years, is being thrown out and replaced by Clarence Pendleton, a friend of the White House counsel, Ed Meese. Mr. Reagan is completing his "politicization" of the Civil Rights Commission by naming a former Republican National Committee chairman, Mary Louise Smith, as Vice Chairman.

As head of the Legal Services Corporation, Mr. Reagan has appointed a lawyer who has spent his career fighting against the Corporation, while it sought full legal assistance for the poor.

As Assistant Secretary of State for Human Rights, Mr. Reagan nominated Ernest Lefevre, whose opposition to human rights initiatives and questionable ties to international corporate ac-

tivities finally forced him to remove his name from nomination.

Mr. Speaker, it is clear that these examples are just the tip of the iceberg, and that, as William Raspberry stated so eloquently in yesterday's Washington Post, "Reagan is insensitive to the serious concerns of black America—either as President or as head of his party."

I would like to include in the RECORD at this point the full text of Mr. Raspberry's column, "A Double Disaster for EEOC," and commend to my colleagues its concise analysis of the state of the Reagan rights retreat.

The Reagan administration's efforts to turn back the clock on human rights and to self-destruct the Federal civil rights efforts are a pervasive, malignant attack on the basic rights of all Americans. It will be a frightening commentary on the vulnerability of those rights if we allow his destruction of the enforcement structure to continue. The article follows:

A DOUBLE DISASTER FOR EEOC

(By William Raspberry)

There may be something about J. Clay Smith that makes him unfit to head the Equal Employment Opportunity Commission, though I can't figure out just what it is.

There may be something about William M. Bell that qualifies him for that post. I can't figure out that one either.

Whatever their pluses and minuses, what is happening to the two men amounts to a double disaster.

Bell has gotten most of the press of late—nearly all of it negative, based on his near-total absence of qualifications for the job. He has never supervised more than four persons, hardly ideal experience for a man who has been nominated by the president to head an agency with some 3,300 employees.

The Detroit Republican describes himself as a financial consultant and executive recruiter, although his own financial statement indicates an income of $7,000 a year, and the total of the executives he has recruited equals zero.

Smith is a hard-working black Republican who was appointed to the EEOC in 1977. He has been acting chairman since March. In the normal course of things, he would have seemed a natural for a White House appointment to a full term as chairman. Instead, he has been languishing on the job for most of the year, doing what he can to hold the commission together, but under far-from-ideal circumstances. For instance, there are only two active members of what should be a five-member commission, which means that there is no quorum for policy decisions.

It's hard to know which is more dismaying: that Smith wasn't nominated or that Bell was. Both men deserve better.

Smith, a native of Omaha, has been an achiever most of his life: the first black youth to be elected governor of Boys' State, a military judge, first black president of the Federal Bar Association. And since he is a Republican, one might have thought him just the sort of person President Reagan would want to tap. Indeed, Reagan did name him acting chairman of the EEOC after Eleanor Holmes Norton stepped down.

Perhaps the fact that he was a Carter appointee is an insuperable barrier to his nomination for a full term as chairman. Or maybe the problem is that Smith disagrees with the administration's stand against affirmative action, or that he has fought (successfully) the OMB proposal to slash the EEOC budget. In any case, his treatment suggests either an absence of interest or a lack of skill on the part of the Reagan administration in enticing blacks into the Republican Party.

So does the nomination of Bell, whose major qualification is that he ran against incumbent Democrat John Conyers for Congress. He got 5 percent of the vote.

Bell says he would be good for the job because he knows discrimination firsthand. Although he had earned a master's degree in business, he told The Wall Street Journal he spent a year looking for a management job before he finally went to work as a $75-a-week bank teller.

But the fact that a man once nearly drowned is hardly sufficient credential for making him chief lifeguard—particularly when the evidence is that he never did learn to swim very well.

Anyone who has been a victim of racial discrimination will find it easy enough to be sympathetic to Bell. But there is very little in his record to support his nomination as the second highest-ranking black (behind HUD Secretary Samuel Pierce) in the Reagan administration.

Ironically, Bell is on record as sharing the administration's opposition to special employment consideration for minorities because they are minorities. But in nominating him, the administration is practicing preference of the most egregious sort. If Bell were white, it is inconceivable that he would have been nominated for any important management post.

That the nomination was made suggests either that Reagan doesn't take the EEOC's mission seriously or else that he thinks blacks will looks at Bell's skin and conclude that Reagan is interested in black advancement.

The more likely conclusion is that Reagan is insensitive to the serious concerns of black America—either as president or as head of his party. His handling of the EEOC chairmanship has at once degraded the agency to which blacks look to enforce fair employment and tainted the reputation of two decent men.

LEGISLATION STREAMLINING INVESTIGATION OF PARENTAL KIDNAPING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HUGHES) is recognized for 5 minutes.

● Mr. HUGHES. Mr. Speaker, yesterday I introduced a bill to streamline the investigation of parental kidnaping cases by the Federal Bureau of Investigation provided for by the Parental Kidnaping Prevention Act of 1980. Last year Congress directed the Department of Justice to use the provisions of the Federal Fugitive Felon Act to assist the States in enforcing State parental kidnaping laws. This bill eliminates regulations adopted by the Department of Justice that have frustrated the implementation of the 1980 law.

In September the Subcommittee on Crime held a day of hearings that revealed that the Department of Justice had essentially ignored the Parental Kidnaping Prevention Act. The Department is requiring that parents who had no idea of the location of their kidnaped children offer evidence of the children's current condition. The Department is requiring the headquarters approval of every parental kidnaping investigation even though it does not require similar approval for much more significant Federal crimes.

The administratively created requirements of the Department of Justice have no authority in law and must be nullified.

The bill also makes a change in the reporting requirements of the act of last year that will enable us to more accurately determine where the problem of parental kidnaping appears to be greatest and how extensive the burden is upon the Department of Justice.

The Congress made a commitment to the tens of thousands of parents and children who are the victims of this crime that there will be Federal help. This bill forces the administration to follow through on that commitment.●

NATIONAL ECONOMIC POLICY AND ITS EFFECT ON LOCAL GOVERNMENT

(Mr. OBEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. OBEY. Mr. Speaker, Business Week has published an excellent special report on the affect that the administration's economic program may have on the ability of State and local governments to produce a local environment that is conducive to economic strength and growth. It indicates quite clearly the dangers to the future economic strength of the country inherent in any plan that does not give sufficient attention to investment needs in human capital or the physical plant and equipment necessary to make local communities work. The articles follow:

[From Business Week, Oct. 26, 1981]

BUSINESS WEEK SPECIAL REPORT: STATE AND LOCAL GOVERNMENT IN TROUBLE

How well will the Reagan economic revolution work? Most attempts to answer that question so far have focused on the overall U.S. economy and on the financial markets. But the true test of Reaganomics will come at the state and local level. The President is shifting more of the burden of government away from Washington at at time when the local infrastructure is decaying, when the ability of states and cities to borrow is withering, and when state and local revenues are shrinking. The problems are so severe as to constitute a crisis for state and local government. In the pages that follow, the editors of Business Week document the extent of the crisis and examine its implications for

economic growth and for the growing rivalry between regions, as well as its probable political and social impact.

THE DECAY THAT THREATENS ECONOMIC GROWTH

While high interest rates have led in recent weeks to doubts over the prospects for President Reagan's economic program, Americans at large still seem to be committed to its central premise—that a revolutionary curtailment of the government's role in the economy should release resources to the private sector and create a new era of noninflationary growth. Vast tax and spending cuts have been passed that are intended as enabling legislation for unleashing the private sector. But in its zeal to put the U.S. back on a fast-growth track, the Reagan Administration may unwittingly have created a barrier to the success of its program.

Falling revenues are now combining with an inability to borrow in a way that is making it extremely difficult for Washington's great partner in the federal system, state and local government to fill its traditional role of producing the basic government infrastructure for growth—such elementary things as bridges, roads, sewage, water, and mass transit. So serious is the decay of the nation's infrastructure and so poor the prospects for its refurbishment that many sophisticated businessmen and economists believe the U.S. is entering a period of severe crisis for state and local government.

The nation's physical infrastructure is only part of the state and local authorities' problem. Compounding the crisis are cuts in federal funding in the no less important area of human capital—job training, vocational education, and health care. Letting such public services decline could have high costs not only in social and political terms but also in terms of the operating environment for business.

ACCEPTANCE OF DECAY

To a nation that has already experienced the virtual bankruptcy of New York City in 1975, the forced reorganization of Cleveland's finances in 1978, and the recurring difficulties of many cities and states, including Michigan and Missouri, in meeting their payrolls, the idea that local governments are once again in dire straits may seem like nothing to get alarmed about. Indeed, as the passage of Proposition 13 in California and similar tax-spending-limitation moves in 18 other states has shown, the American public is sick and tired of paying high local taxes, even if tax relief means accepting a reduction in services and living with potholes in the streets, bridges that are on the verge of collapse, and an interstate highway system that is about 95% complete but already needs $26 billion in repairs.

But the current crisis is far more severe than in the past. For a series of forces is now at work that calls into question the ability of local governments throughout the nation—not only in the traditionally depressed Northeast and Midwest but even in the fast-growing Sunbelt—to provide the infrastructure needed for economic growth. These forces are:

Massive cuts in federal aid to state and local governments—After growing almost fourfold in the 1970's federal grants-in-aid will be drastically reduced, falling from $88 billion in 1980 to $78.6 billion in 1983 (chart). [Chart not printed in RECORD.]

A reduced state and local tax base—With the cut in federal taxes—especially for business—some 30 states that tie their taxes to federal taxes will face declining revenues.

Record-breaking interest rates—The rates that states and cities have had to pay for money have almost doubled since 1977. The average municipality now has to pay 85% of what the U.S. Treasury has to pay for long-term money; only two years ago it was 70%. So prohibitive have borrowing costs become that even such financially sound states as California have recently suspended new bond offerings.

A reduction in the attractiveness of state and local bonds—To spur private saving and investment, the Reagan Administration has lightened the tax load, particularly in the upper brackets, and has provided special tax-exempt investment vehicles such as the All Savers certificates and has broadened the scope of Individual Retirement Accounts. This has reduced the attractiveness of tax-exempt municipals to the rich, who have been their traditional purchasers.

The effect of these four forces is to put municipal finance in an unprecedented vise at a time of growing need.

According to the Urban Institute, neglect in maintaining the country's existing infrastructure will push maintenance investment alone to over $660 billion in the next 15 years. This is as much as state and local government has spent on new investment in the past 20 years; it is equal to 20% of the entire U.S. gross national product in 1980.

If state and local government cannot find a way out of this bind, the effects will be devastating. It is perfectly true that the private sector has carried the responsibility for economic growth throughout the history of this nation. But at virtually every stage of the nation's history, growth was dependent on a balance between private and public investment.

The great canal boom of the early 19th century was financed mainly by private sources, but public subsidies provided a favorable investment climate. This was even more true of the railroad boom of the late 19th century. The growth of the nation's great manufacturing centers with their dense concentrations of population, was dependent on public spending for streets, bridges, and mass transit. The great auto boom of the 20th century could never have occurred without huge public investment in roads and highways. Similarly, the great post-World War II airline boom was dependent on complementary public investment. There is no reason to believe that this historical necessity for balanced investment has come to an end. So even if, initially, President Reagan's economic program does unleash a surge of private investment, it would be likely to abort if state and local government cannot find the wherewithal to build the public facilities needed for support.

In the past decade, the crisis of state and local government has occurred mainly in the Frostbelt. But it would be a serious mistake to infer that the states of the Sunbelt will therefore be immune to the infrastructure crisis of the 1980s. For just as New York City needs a $5 billion investment in mass transit to prevent a further erosion of jobs and population, Houston needs to invest heavily in new freeways or mass transit in order to prevent the traffic congestion that threatens to strangle its growth.

The crisis of the 1970s became highly visible because some cities and states were hanging by their financial fingernails and had to reduce expenditures sharply and restructure debt. Bankruptcies and near-bankruptcies may also occur during the 1980s. But these lurid financial episodes only serve to worsen the real growth problem. For in the past local politicians have responded to financial stress by postponing the maintenance of existing capital plant and deferring the building of new plants, much the same way an executive in the private sector acts when his company is in a financial bind. Says New York State Comptroller Edward V. Regan, "you can always delay public investment, but in the end it catches up with you."

A WAVE OF ANXIETY

The Reagan Administration argues that, until now, a good part of the infrastructure crisis has been the result not of insufficient spending but of inefficient, wasteful spending. It maintains, for example, that subsidies to mass transit are not cost-effective and that the sewage-treatment program, which cost $3.4 billion in 1980, is in need of overhaul. It believes that federal spending for roads should be confined to major highways essential for national defense. These arguments reflect the Administration's basic philosophy that more and more federal functions should be shifted to state and local government. And the Administration maintains that it has taken a large step in that direction by consolidating 57 separate federal programs into 9 new or modified categories of block grants.

Although many state and local officials may have welcomed the added flexibility in the way they can spend federal money, the Reagan-imposed austerity, particularly the proposed second round of budget cuts, is now stirring a wave of anxiety among local officeholders, including many key Republican governors and mayors. They fear that the states and cities have been set adrift, because there may simply not be enough money from any source. They say that Reagan's new federalism has assigned them a role that they plainly do not have the resources to fill. As a consequence, a desperate hunt is on for new ways for cities and states to raise revenues and to increase the borrowing power needed to attack the infrastructure crisis. But no one thinks funding solutions will be easy.

INFRASTRUCTURE: A NATIONWIDE NEED TO BUILD AND REPAIR

For years cities and states have neglected their basic life support systems. Voters demanded more policemen and teachers and a cap on transit fares; timely road repair and bus maintenance seemed less important. And politicians readily complied with the voters' priorites and neglected their local infrastructures. When they did spend money or investment, they favored new structures over repairs: a picture of a ribbon-cutting was surely worth more votes than one of a sewer line being replaced. This strategy may have gotten politicians reelected, but it left the infrastructure to crumble.

Recently, however, growing numbers of bursting water mains, flooding basements, creaking bridges, collapsing roads, and stalling buses have awakened the public and and elected official alike to the problem of the deteriorating infrastructure. Yet the Reagan Administration's $35 billion first-round budget cuts and proposed $13 billion second round, coming when the municipal capital markets are in chaos, could prevent this new awakening from being translated into effective action. If that occurs, the result would be supremely ironic. For the economic expansion Reagan is predicting re-

quires a strong and healthy public infrastructure. Industry cannot expand without adequate water and sewage systems and well-maintained roads, bridges and mass transit systems to get its employees to work and its goods to market.

Says Pat Choate, author of *America in Ruins* and currently an economist at TRW Inc., "I don't want to sound like the Joe Granville of public works, but the fact is that much of America's infrastructure is on the verge of collapse." The problem is so widespread, he says, that "three-quarters of America's communities can't participate in Reagan's economic growth program."

The decay is evident in all parts of the nation's stock of public capital:

Streets and highways.—More than 8,000 mi. of the interstate highway system's 42,500 mi. and 13% of its bridges are not beyond their designed service life and must be rebuilt. And just to maintain current service levels on the roads and highways outside urban areas that are not part of the interstate system will require more funds for rehabilitation and reconstruction during the 1980s—over $500 billion—than all levels of government spent on all public works investments during the 1970s.

Bridges.—It will cost $41.1 billion to replace or rehabilitate the more than 200,000 deficient bridges—two out of every five—in the nation.

Sewers.—To met existing water pollution control standards, federal and local governments will have to invest more than $31 billion in sewer systems and wastewater treatment plants over the next five years.

Water.—The 756 urban areas with populations over 50,000 will have to spend up to $100 billion over the next two decades just to maintain their water systems. Even more money will be required to develop more water sources for fast-growing areas in the Southwest and West.

Mass transit.—Spurred by the Administration's proposed elimination of operating subsidies and other pressures, up to one-quarter of the country's 300 metropolitan transit systems might have to cease operation by 1985. The New York City Transit Authority must raise $5 billion to rebuild its rusty, dilapidated rail and bus systems. Chicago's system raised its fare to 90¢ from 60¢ this year, and scheduling, maintenance, and financial problems still abound.

Deterioration of the infrastructure hurts growth because its costs must be borne by America's businesses. U.S. Steel Corp. is losing $1.2 million per year in employee time and wasted fuel rerouting trucks around the Thompson Run Bridge, in Duquesne, Pa., which is posted for weight restrictions because it is in such disrepair. Companies wanting to locate in certain parts of downtown Boston must bear the additional cost of a sewage holding tank to avoid overloading the system in peak hours. And companies in Manhattan lose $166 million a year for each additional five-minute delay on the subways and buses.

In real terms, Reagan's first-round budget cuts represent a 25 percent reduction in state and local aid, and a substantial part of that will come straight out of spending for roads, bridges, mass transit systems, and sewers. Moreover, there is a danger that these first-round federal cuts will induce state and local governments to shift their own funds to services and out of infrastructure. And while Reagan's second round of cuts—12 percent across the board—is being resisted by Congress, there is little doubt that the final result will be to shrink even further the money available for upkeep of local public capital.

NOT ONLY OLDER CITIES

The blow these cuts will deal to older cities will be especially severe, for that is where the problems are most advanced. Financially strapped New York City must spend $40 billion to repair and rebuild its 6,000 mi. of streets, 6,200 mi. of sewers, the 775 bridges it owns, and the 1.5 billion gal.-per-day water system. Cleveland needs $124 million to rehabilitate more than 40 of its 490 bridges. And Chicago is seeking $3.3 billion—half from the feds—over the next five years to rehabilitate everything—roads, bridges, sewers, and mass transit.

But even cities in the Sunbelt, which have newer physical plants and rapidly expanding tax bases, face problems with their infrastructures. Fast-growing Dallas must raise some $700 million for water and sewage treatment facilities over the next decade and more than $109 million to repair deteriorating streets. And booming Denver has begun informally delaying its repair and maintenance schedules.

Obviously youth and growth do not guarantee sound and adequate infrastructures any more than age and stagnation necessarily condemn the physical plant to decay. Maintenance, management, and revenues explain why Cincinnati's infrastructure is stronger than Cleveland's and why the bridges run by the Port Authority of New York & New Jersey are better kept than those controlled by New York City. And sophisticated maintenance management is why Dallas' infrastructure, while not perfect, is in better shape than most.

The lack of maintenance has inflicted severe damage on the roads, bridges, and mass transit systems that form the lifeline of the nation's business. Bad roads and bridges keep some 25 percent of America's communities out of the growth business, says Choate. Even the relatively new interstate highway system is spotted by dilapidation. The federal government, which did not provide funds for "the three Rs"—resurfacing, restoration, and rehabilitation—until 1976, blames the states for failing to keep the highways in good repair. The states complain of the federal government once again saddling them with the responsibility of maintaining whatever Washington builds. The Reagan approach is to take most of its overall cuts in funds for secondary and urban roads and to use them for the interstate program, which will require $53.8 billion through 1990 to complete and repair. This would leave the states and localities to bear the entire cost of local roads. The federal government now pays 75 percent of that.

This proposed retreat from aid for local roads means that the potholes that already dominate many local roads will only proliferate. In New York City, where street repair slowed to a near-standstill in the late 1970s, streets, which engineers say have about a 25-year life, are being replaced at a 700-year rate; the replacement rate is 49 years in Cleveland, 50 years in Baltimore, and 100 years in Oakland.

The deterioration of the mass transit systems that move people to and from work has been even more profound. Nowhere is this more evident than in New York City. The Metropolitan Transportation Authority of the State of New York "literally stopped preventive maintenance in 1975," when the city's fiscal crisis hit, says City Council President and MTA board member Carol Bellamy. The results were stark: The number of serious breakdowns en route rose to 12,291 in 1977 and tripled to an estimated 36,000 this year; and the number of miles traveled by the average subway car before having to be laid up for major repairs dropped from 13,627 in 1977 to 6,500 in 1981.

The MTA's plans to borrow some $5 billion to rebuild its system have been set back by high interest rates and will suffer further from Reagan's proposed cuts, which could reduce capital aid by $30 million and operating assistance by $165 million over three years, forcing higher taxes or a 15¢ fare increase, to 90¢, says Steve Polan, special counsel at the MTA. And if the rebuilding is delayed, transit failures will choke the economic vitality of the region even further.

In Massachusetts federal operating subsidies will decline $13 million in fiscal 1982 and $28 million more over the next two years. "The first third that goes we can cope with," says James F. Carlin, Massachusetts' Transportation Secretary. "But when the cuts go up to $20 million, we could have some problems." One of their problems will be caused by Conrail's consolidation, which will leave the communities in the southeast of the state without service. "The state is going to have to come in and acquire the railways and then get some carrier to come in and run those lines," explains Carlin.

Since fast-growing cities in the Sunbelt have avoided reliance on federal help for their still small transit systems, the cuts will not hurt them as much. The Metro bus system in Houston does not use federal money for operating expenses, so it will not be affected immediately by any budget cuts. Most of the federal money for two bus maintenance facilities has already been committed. And work on contraflow lanes and raised tracks for buses will continue with local money. Nevertheless, Houston's plans to develop a rail line to link southwest Houston with downtown will be slowed, even though the city will continue to fund engineering studies with some $10 million in local taxes.

THE VITAL CONNECTIONS

Similarly, Dallas, which has been slow in reacting to the need for a sophisticated system, is now faced with bearing the full burden of financing its future mass transit needs unless the state helps. Although the voters just last year rejected the establishment of a regional transportation authority, mass transit, like sewers, is vital for growth. If growth continues at its present rate, without the development of a mass transit system, cities like Dallas and Houston could eventually be paralyzed.

Inadequate and dilapidated sewer lines and wastewater treatment plants are also stalling economic activity both in stagnating cities that have to bring their systems up to congressionally mandated standards and in growing areas that need additional capacity. Wastewater treatment plants in 47% of the communities surveyed by the Commerce Dept. in 1978 were operating at 80% or more of capacity, while the generally accepted effective full capacity utilization rate is 70%. That means that new plants and homes could not be hooked up to those systems. The Florida Environmental Protection Dept., for example, recently prohibited Orlando, one of the fastest-growing areas in the U.S., from adding more homes to its overloaded sewer system. The moratorium was lifted only when Orlando signed court decrees promising to build more sewage treatment plants.

If the Administration's plans for distributing treatment plant funds go through—it wants to limit funds to the cities needs as of 1980—Orlando and other growing cities and suburbs will have to build capacity for new population without federal money. Capital spending for wastewater treatment facilities by all levels of government has tripled since the Clean Water Act was passed in 1972, making it the largest single public works program now under way. The Administration wants to cut the estimated remaining federal costs for treatment plants to $24 billion from $90 billion. And Reagan would slice annual federal expenditures from $3.5 billion to $2.4 billion

WATER AND THE WEST

If Reagan's changes become law, there will be less money to spend overall, but changes in the allocation formula will benefit some cities and cost others. It could end up penalizing growing areas and helping older cities. Baltimore, for example, needs to spend nearly $1.5 billion, or $1,880 per capita, to get its sewers and waste treatment system in shape, according to estimates by the U.S. Environmental Protection Agency. With current levels of federal aid, it has been spending around $35 per capita per year, according to the Washington-based Urban Institute, which has made a major study of infrastructure needs. Reagan's proposals are expected to give Baltimore more money. But in the Chicago area, where the sewer systems overflow raw sewage into homes and lakes and rivers alike with a disturbing regularity, the Metropolitan Sanitary District is less likely to get the funds it wants to build a $3.4 billion, 131-mi. "deep tunnel" to upgrade its system. It has already sunk $1.2 billion into pollution control and will probably have its flood control moneys slashed by Washington.

Reagan's approach could also reduce grants going south of the Mason-Dixon Line and west of the Mississippi. Right now there is little concern among local officials, partly because the spending requirements to meet standards on these newer systems are low: $3 per capita for Tulsa, Tucson, San Jose, and Dallas.

But over the long run the cuts could create problems. Houston is receiving 75% federal matching funds for a large sewage plant, which the city needs to meet federal clean water standards. Once that is spent, City Controller Kathryn J. Whitmire does not expect any more federal funds. "If we don't have federal assistance, we'll finance as much as is feasible through revenue bonds based on user fees," she says. "But for large additional projects, we'll have to turn to the developers; we've already seen developers ready to participate." But some experts point out that this will raise the cost of new construction, and that could slow growth.

Huge investments also will be required in water systems over the next two decades to maintain economic vitality. "The history of much of the West is the history of its water projects," says Choate. "And water will determine its future." The water systems in much of the West have not been well maintained, and they will require additional spending in the 1980s. Since the federal government does not support local water systems, Reagan's cuts will have no direct impact. But where water is controlled by cities instead of independent authorities the cuts in other areas could force politicians to divert funds that would normally go to maintain the water system, and that could increase problems in the future.

In the East, too, money will have to be spent on water, but there the problem is storage, treatment, and distribution. "One half of the water lines are so decrepit that they need to be replaced," says Choate. New York City, for example, loses 100 million gal. of water per day because of leaks.

The squeeze on state and local governments is not coming only from Reagan's austerity push. Even while federal capital aid is being slashed, court-mandated improvements in jail conditions are requiring many cities and states to upgrade their prisons. "If the federal government doesn't give the local governments and states the money for jail and prison construction," says Susan Walters, an infrastructure expert at the Council of State Planning Agencies, "the trend of mandating jail replacement by the judiciary means that streets, water systems, and schools will go."

Cities and states are scrambling to find ways to buffer their infrastructures from these revenue shortfalls. One approach being considered by cities that still control their sewers and water supplies and other facilities is to turn these over to independent operating authorities that have pricing and bonding power. Experts have noted that, since they have their own revenue sources, the authorities' maintenance programs have been insulated from the fiscal squeeze that has led many municipalities to skimp on maintenance. They "generally maintain their capital plants better and have healthier financing," says Urban Institute economist George E. Peterson. "There's not a pothole in the George Washington Bridge," says Peter C. Goldmark Jr., executive director of the Port Authority of New York & New Jersey, the largest multipurpose operating authority in the U.S. "We resurfaced it two years ago." The City of New York, by contrast, has so neglected maintenance on the Manhattan Bridge that it must sharply limit traffic there for several years while it rebuilds.

A LONG RECOVERY

Yet independent authorities have their drawbacks: Every time one is set up, it limits the flexibility of the government to shift funds to meet its most pressing priorities. There is no way city officials can subsidize street repair out of water fees, for example, if the water system is operated by an independent authority. Says Peterson, head of UI's infrastructure study: "If you generalize that model so every service has its own financing and operating authority, it eliminates all trade-offs between services. How far can you go?"

The crisis in America's infrastructure has been building for decades, and its resolution will take decades. "This is not a crisis for the short-winded," says former New York City Budget Director David A. Grossman. "Most rebuilding will take a decade or decade and a half," adds TRW's Choate. Yet even with such a long horizon, there is no doubt that the cuts Reagan has made and the cuts he has proposed portend a major setback to the rebuilding of America's infrastructure.

BORROWING GETS HARDER AS THE DEMANDS INTENSIFY

Historically among the best credit risks in the financial markets, the state of California approached Wall Street underwriters this September with plans for a $100 million bond issue for parks and water cleanup. The plan looked almost boringly routine in an era when state and local issuers tap the debt markets for amounts approaching $1 billion at a crack and use the money for things as offbeat as building fast-food restaurants. But California financial planners were in for a rude shock. Interest rates leaped beyond the state's self-imposed statutory limit of 11% for public debt—effectively shutting the state out of the bond market. The borrowing still has not been done.

California is not alone. States and cities across the country are facing a borrowing crunch of unprecedented dimension, because of their inability or unwillingness to pay high enough interest rates. Local governments have issued about $2.5 billion in stopgap, short-term notes this year in anticipation of retiring them when they can again bring bonds to market. The amount of bonds authorized but unissued is at least three times that, according to securities industry estimates—bringing the total of bonds held back to about $10 billion.

All in all, the combination punch of high interest rates and blocked borrowing will mean more financial pressure on states and cities at a time when they can least afford it because of the sharp federal cutbacks in aid. Debt service as a percentage of total expenditures will rise for those that can borrow, local government's credit ratings will erode, and they will be forced to resort more and more to short-term financing, which will make long-term planning for an estimated $500 billion in capital needs in the 1980s all but impossible.

In New York, the state legislature has approved $600 million in borrowing power for the New York City subway system, but State Comptroller Edward V. Regan says that the borrowing "is out of the question" so long as rates for 20-year municipal bonds are as high as 12.73%, the current average yield. In Massachusetts, Development Secretary Byron J. Matthews says: "I can't think of one project in the state that has moved forward under a general capital improvement bond for the last several months," and Boston has been virtually shut out of the long-term bond market because of its own fiscal problems. Chicago cannot float notes for its transit system, and even Denver, a high-growth city in a booming region, is holding back $19 million in bonds for water system improvements.

The amount of long-term bonds issued in the tax-exempt municipal market (encompassing states, cities, and all local and regional agencies) this year is expected to register the largest drop in a decade, from $48.3 billion to about $41 billion. More important, the amount of that financing used to meet basic infrastructure needs, such as waterworks, sewers, transportation, and schools, has been about $10 billion a year for more than a decade. The other $30 billion or so goes to areas not crucial to local governments' basic mission—for example, construction for private industry, financing for single-family housing, and building power plants for use by the private sector.

With competition in the tax-exempt market increasing, states and cities have witnessed an unprecedented erosion in their credit ratings. Except for a technical change within one grade level, downgradings in credit ratings by Moody's Investor Services have exceeded upgradings this year for the first time in at least a decade. This means even higher rates for many issuers and, ultimately, more fiscal problems.

"I'm terribly worried about the state of the municipal market," says James J. Lowrey, a New York-based adviser to municipal issuers. Lowrey predicts that the insolvency or near-insolvency in places such as

New York City, Chicago, and Cleveland in recent years may be repeated again and again elsewhere as cities find both their revenues and available credit squeezed.

Eventually, the logjam of pent-up borrowing demand should break; financing for critical infrastructure such as waterworks and mass transit cannot be put off forever. But state and local borrowers who do venture into the long-term markets are finding that the days of deep-discount money—at rates substantially below the private sector's borrowing costs—are gone. Indeed, the tax-exempt rates paid by state and local borrowers for long-term bonds have recently exceeded 80 percent of the cost of comparably rated taxable corporate bonds—far higher than the 65 percent historical standard.

VYING WITH THE BIG BOYS

The spread has narrowed because of fundamental changes in investor preferences and federal tax policy, which go far beyond the cyclical trend of higher interest rates. Even if interest rates moderate, the structural changes in demand for state and local debt, generally referred to as municipal bonds, or "munis," will have serious implications for the ability of local governments to raise capital.

Until now, their borrowing problems have attracted little attention. Indeed, on the surface, the muni market appears to be booming. Although states' and cities' long-term financing is down this year, it still exceeds corporations' long-term borrowing, and individual investor demand is robust. But the future of the municipal bond looks bleak.

The municipal market's most fundamental problem is simply that the supply of available credit is not keeping up with borrowers' demands. Salomon Bros. credit sage Henry Kaufman says that municipalities face "crowding out" from the long-term capital markets by the huge borrowing needs of the federal government, widely expected to total $50 billion in the fourth quarter alone.

"National policy now . . . pits states and municipalities squarely against the economy's most powerful borrowers, the federal government and large business corporations," says Kaufman. "In this kind of struggle, state and local governments cannot win." Corporations and the federal government, Kaufman contends, can virtually "raise money at will" in the markets, although they may have to pay more, while local issuers are fettered by interest rate ceilings, voter referendums, legislative authorizations, and political pressures.

Although annual municipal borrowing has risen by $20 billion in the past 10 years, it has not kept up with inflation. Net new capital raised by states and localities has fallen sharply as a percentage of the entire U.S. capital markets—a trend that can only be intensified in the future by the federal government's soaring borrowing needs.

A less apparent trend is what Kaufman calls "crowding in"—the rapid growth in the use of tax-exempt bonds to finance projects that have little to do with traditional state and city responsibilities. The most controversial of the nontraditional borrowing uses has been tax-exempt industrial development bonds (IDBs). Although Congress restricted IDBs in 1969, state-authorized development agencies are still allowed to act as issuers of tax-exempt bonds to finance private industry construction—the ostensible public purpose being the jobs and economic growth thereby created. In the past five years states have eagerly jumped on the IDB bandwagon, paying little heed to the competition that these issues provide for the general financing done by local governments.

President Reagan has vowed to curb such bonds, and Administration sources hint that they will seek to end the tax exemption on interest on issues of under $10 million, which have financed a string of McDonald's restaurants, K mart stores, and even a topless bar in Pennsylvania. That still leaves tax-exempt IDBs of more that $10 million for a list of quasi-private purposes—pollution-control additions to industrial plants, for instance—that account for perhaps 25 percent of all long-term municipal financing.

"The major question for this decade in public finance is who will get tax-exempt money—the local hamburger chain or the local highway system," says Ronald Forbes, head of the Municipal Finance Study Group of the State University of New York at Albany. The Denver Water Board's finance director, Robert E. Wiedemann, bemoans the proliferating uses for tax-exempt bonds. "Anytime you have more of something, it's going to drive up the interest rates," he says. But issuing IDBs is one of the few things that states can do, short of direct tax abatement, to attract business. "We're willing to let the federal government make some tough [budget] decisions that will have an impact on the states," says Governor Christopher S. "Kit" Bond of Missouri. "But now it seems that they're trying to take it away on the borrowing end." Bond is especially upset about a recent Internal Revenue Service ruling that individual municipalities could not escape the $10 million small-issue ceiling by lumping together smaller issues in one offering.

No matter what the fate of IDBs, state and local governments will still find themselves competing for credit against powerful, independent public authorities whose borrowings are also jamming the market. One of these, the Washington Public Power Supply System (WPPSS), has recently become the largest single issuer of tax-exempt debt. Ironically, while most independent authorities have been strong borrowers because their bonds were secured by user fees, WPPSS is having colossal problems that threaten the entire municipal market.

Construction delays and cost overruns at two of five nuclear power plants WPPSS is building have become severe, and the authority has found the bond markets closed to these two projects. A state commission seems close to winning approval for mothballing the project for 30 months, but bondholders will be left in the lurch—uncertain of whether the authority can be bailed out or return to the markets in time to meet debt service after 1983.

Owing in part to investor apprehensions about the authority, WPPSS paid a record 15% when it borrowed in the bond market for its three less-troubled plants in September. "This kind of thing has a ripple effect," says one municipal bond dealer. "The WPPSS rate drives up everybody else's rate—particularly an issuer in Washington." Indeed, Moody's dropped the state of Washington's bond rating a notch on Oct. 7, which could drive up the cost of a planned one-year note offering by $1 million. Moody's cited revenue shortfalls, but bond dealers feel the fears of state liability for WPPSS also may have been an ingredient in the downgrading.

THE CROWNING BLOW

The Reagan Administration has dealt a severe, if unintended, blow to the municipal bond with its new tax policies. Interest from municipal bonds is, of course, free of federal income tax. But with personal income taxes scheduled for a 23% reduction by 1984, individual investors have that much less reason to seek tax-exempt income. The reduction from 70% to 50% in the top rate for unearned income, moreover, means that interest from competing investments, such as high-yielding money market mutual funds, will also be taxed less for many investors, and there is more incentive to seek capital gains in common stocks or real estate.

For many municipal issuers and dealers, the crowning blow came with the authorization of the new, tax-free All Savers certificate. Because the one-year deposits will compete directly with municipal debt of equal or similar maturity, dealers and issuers alike fear that interest costs will be driven up significantly. The Municipal Finance Officers Assn. estimates that states and cities will pay up to an extra $1.1 billion in finance costs in the first year of All Savers, and they are lobbying hard to prevent the program's renewal after that. Says Michigan's deputy budget director, Douglas Roberts: "Nobody's going to buy [our] notes below the 12.1% [All Savers] rate." Adds Paul R. Thompson, finance director of Detroit: "All Savers drives another nail in the coffin of the tax-exempt market for municipalities."

The Reagan-instilled disincentives to municipal investment come at a time when the market is depending more and more on individuals to soak up municipal paper. Individuals, who have historically bought about 25% of all new municipal issues, have increased their share of the buying to between 50% and 75% in 1981, attracted by high yields.

Part of the problem is that institutions such as commercial banks and property and casualty insurers have all but left the market, either because they have found other ways to shelter their profits or because they have little left to shelter. Thus, if the Reagan tax programs make municipal bonds less attractive to individuals, municipalities will have to raise interest rates as an incentive. That means the historic relation between municipal and corporate rates may be skewed for good.

"We have legislated away, without knowing it, the subsidy for municipal financing," says Felix G. Rohatyn, chairman of New York's Municipal Assistance Corp., which has helped pull the nation's largest city from the brink of insolvency. "We are raising money at essentially taxable rates, and that's a very fundamental change. Even if the rates come down in general, municipal rates will stay at a par with taxable ones."

Rohatyn adds that "we could never have brought New York City back to fiscal health under the financing conditions prevailing today"—words with a foreboding ring for cities that are struggling to get back on their feet. "New York had its crisis early," he says, "But for cities like Cleveland, Chicago, Detroit, St. Louis, Buffalo, and Philadelphia, there will be worse troubles in the 1980's."

With the pressures building, states and cities are resorting to more short-term debt and a host of "creative financing" gimmicks. Issues of debt obligations maturing in less than one year are expected to be about $30 billion this year, a record 42% of the total. The city of Columbus, Ohio, and the state of Connecticut have broken ground by issuing tax-exempt commercial paper—a trend likely to be picked up elsewhere. In one

issue, New York's MAC gave bond buyers the option to buy more bonds at fixed interest rates in the future—desirable to investors if interest rates go down. And the state of Washington planned to sell $400 million in one-year notes on Oct. 15, giving buyers the option to sell them back at face value after a month—desirable to investors if interest rates go up.

THE IMPACT OF A DEFAULT

In one of the most innovative new financing plans, New York City's Metropolitan Transportation Authority (MTA) intends to sell buses and rail cars to investors and then lease them back for system use. The plan allows the MTA to put up only 80 percent of the cost of the new equipment, with the investors supplying the remaining 20 percent—in effect cutting the system's borrowing demands for capital expenditures.

But these may be nothing more than desperation moves. "Local issuers can never rely on short-term obligations for capital projects—and that's the bulk of their borrowing need," says Salomon's Kaufman. These projects require advance cost knowledge, for the long haul, which short-term notes do not provide. Options granted on bond issues can backfire, depending on interest rate movements. Equipment leasing remains subject to IRS scrutiny and may have limited applications outside urban transit. "The reason I fear for municipal issuers is that they really don't have a wide range of financing choices available to them," says Kaufman.

Most serious of all, credit market analysts now believe that the chances for a default by a major municipal issuer—the WPPSS, for instance—are as high as they have been since New York City's euphemistic "moratorium" on interest payments in 1975. The fact that investors have always looked upon the municipal bond as one of the safest investments would only serve to increase the shock value of a failure. If such a default came without warning, it could frighten lenders to the point of holding back credit in general—to corporations and individuals as well—with an unfathomably adverse impact on the economy.

A REVENUE SQUEEZE LEADS TO STOPGAP SOLUTIONS

Reductions in federal grants to state and local governments are coming at a time when many cities and states are already financially strapped and facing slow growth or even declines in revenues from other sources. Revenue losses are not a new problem for many cities, particularly the older ones in the Northeast and Midwest. Indeed, the rate of growth in state and local receipts from all sources during the 1970s slowed to less than half the rate during the 1960s. For the 1980s, the Reagan Administration's cutbacks will intensify this already developing trend and place increasing pressure on the nation's cities to find the wherewithal to continue to provide basic public services for their residents while financing economic and community development.

Although grants to cities and states represent only 14.2 percent of the federal budget, they are the target of one-third of the Administration's sweeping budget cuts. Funds for these programs have been slashed by 14 percent for fiscal 1982—25 percent after inflation—and the Administration's new program to contain the deficit threatens a further 12 percent reduction. Even excluding the latest proposal, by 1983 revenue dependency on Washington will have dropped 28 percent from the peak in 1978.

Localities will be forced to pick up the greatest slack in the area of social service, where more than half of the total budget reductions for fiscal 1982 will hit two broad functions. Income security and health programs, including food stamps, child nutrition, medicaid, Aid to Families with Dependent Children (AFDC), and Trade Adjustment Assistance, will lose about $13 billion. Programs for education, training, and employment, such as the Comprehensive Employment & Training Act and public service employment, will be cut by about $7 billion. In addition, the responsibility for administering many of these programs will be transferred to the local level from the federal government.

Although most of Reagan's cuts are in social service, they will nevertheless have a devastating effect on the infrastructure. The reason is that, while local politicians want to boost infrastructure spending, they find unemployment, loss of income, and loss of city services even more devastating politically. If the Reagan crunch comes, says Executive Deputy Mayor Rudy Nothenberg, the city's chief financial officer, then San Francisco's first priority would be its "defense department"—that is, police and fire protection—public transportation, and the municipal hospital for the indigent, even if that meant skimping on infrastructure repair. In New York City, too, Reagan service cuts could cost the infrastructure dearly. "Our first priority, if the cuts go through, must be the life-support services: police and transit operations," says City Comptroller Harrison J. Goldin. "The infrastructure would have to be allowed to deteriorate even further—which would be disastrous."

The effect of these revenue losses across the various areas of the country is regionally neutral according to an April, 1981 report by the Office of Management & Budget. However, in a private study, Andrew J. Moody, director of metropolitan forecasting at Chase Econometric Associates, concludes: "The impact of the Administration's budget cuts will vary considerably across states and will depend upon the type of programs that are cut." If that is true, some cities could be hit hard—particularly in the highly urbanized and older industrialized states in the Mid-Atlantic, New England, and East North Central regions.

To cope with these losses, city officials face a limited set of traditional revenue-raising alternatives. In the current climate of fiscal restraint, politicians are reluctant to advocate higher taxes, and many cities do not have taxing authority. Most cities have tax limitations that preclude new tax revenues. Moreover, many states, such as Michigan and Ohio, are financially hard pressed themselves and are unable or unwilling to offer cities much relief. Because approximately 30 states "piggyback" their tax rates to the federal tax structure, the Administration's new tax cuts mean less revenue for those states. Accelerated depreciation and other tax-exempt income, such as that from All Savers certificates, will cut further into state coffers.

Adjustment will be particularly difficult for the older cities in the Northeast and Midwest where revenue growth has suffered from a declining industrial base that has gradually eroded the area's tax base along with the credit ratings of some of the major cities. Cleveland, which lost 23 percent of its population in the 1970s and defaulted on its debt in 1978, is a prime example. The city expects to lose nearly $30 million for infrastructure repair and millions more for community development projects, and Cuyahoga County will forfeit an additional $40 million for a number of welfare programs, 60 percent to 70 percent of which goes to Cleveland residents. Cleveland officials are concerned about the long-term impact. "While the city today is in a strong financial position, we are not able to pick up the cutbacks in social and welfare programs," says William J. Reidy, Cleveland's finance director. Currently, the unemployment rate among the city's black teenagers is about 60 percent, according to Larry A. Retallick, executive vice-president of the Urban League of Greater Cleveland, and he fears that conditions may be ripe for unrest.

In Boston, the federal cuts fall on top of the revenue-slashing effects of Proposition 2½, approved last November, which reduced property taxes to 2½ percent of fair market value, cut the automobile excise tax by 50 percent, and gave renters a state tax exemption equal to half of their annual rent. Property taxes were the major source of revenues for the city, and losses resulting from Proposition 2½ will amount to $100 million this year out of a budget of about $1 billion. Now the federal cutbacks will trim a further $50 million, mostly from economic development projects and employment training programs.

In an effort to make do with less, David S. Mundel, Boston's intergovernmental relations director, says the city has developed three basic strategies. First, it is continuing to finance the most efficient programs. Second, it is attempting to bolster charitable contributions and now requires many job-training programs to get matching funds from private industry. Finally, the city has proposed a variety of increases in taxes and fees, such as a boost in parking-violation rates and a condominium-conversion tax. This third route might prove fruitless, however, because any changes in city taxes require state approval, and Governor Edward J. King has vowed to veto any tax increases. Mundel adds that there is a general misconception that budget cuts will trim only the fat and sloth out of public service. "But given the size of these cuts," he says, "we're forced to do less." Mundel notes that there is a basic difference between what Boston and the federal government are experiencing. The federal government is only slowing down its rate of growth, he says, but Boston is actually growing smaller.

NEWER CITIES HURT

While the problems will be most acute in the older cities, newer areas also will feel the revenue bite. Because of the federal cuts, state tax relief, and a sluggish economy, Colorado will barely manage a balanced budget this year after expecting a $144 million surplus. As a result, the state will not be able to replace the $155 million in federal cuts to various state and local agencies. Infighting has begun because Colorado's inability to help Denver has exacerbated state vs. local tensions. City officials argue they should not have to bear the entire burden of providing health care, museums, a zoo, and other cultural facilities to people who come to Denver from all over the state. "We are going to have to live with these kinds of arguments on a continuing basis," says Randy W. Harrison of the Colorado Commission on State & Local Government Finance. Denver officials are choosing to raise user fees in an effort to regain revenues and make the problems more visible to the public. As of Oct. 1, for instance, an out-of-

city resident must pay $100 for a library card.

Many cities in Texas and other energy-rich Southwestern and Mountain states which receive payments from energy-severance taxes, are in a better position to adjust to the loss of federal money, but that does not mean the cuts will go unnoticed, particularly in social services. Statewide, Texas has lost $40 million in funding for social programs, and the Dallas-Fort Worth area alone has forfeited $7 million. According to William E. Buchanan of the Texas Human Resources Dept., 53,000 people in Dallas-Fort Worth will be forced off AFDC, and 175,000 will be dropped from the food stamp program.

These and other problems that state and local governments are experiencing in adjusting to the Administration's cutbacks cast doubts on the success of the White House's block-grant programs. The Administration plans to consolidate the funding for a number of similar categorical programs into broad block grants while giving states the responsibility to administer the programs and to spend the money as they see fit. But it will not be that easy.

First, the states have fewer federal funds to handle the increased responsibility. Second, states complain that the promised flexibility to spend the money as they wish is not there. And third, the cities are concerned that they will get lost in the allocation shuffle and that worse, not better, relations with state governments will result as municipalities fight for their share.

Chicago's Budget Director F. Tim Witsman worries about the state and local bureaucracy that might grow up around the block grants. "I am not opposed to the notion of block grants, but I am opposed to them going though the states. That is a contradiction of philosophy, layering a new level of bureaucracy on top," he says. Witsman fears that administration costs might eat away money the city could use. George A. Athanson, mayor of Hartford, Conn., foresees cities fighting states and inner-city groups fighting city hall. "Meanwhile," he says, "Reagan will be sitting at Camp David saying, 'Isn't it wonderful, our national government is not interfering.' "

Indeed, Bernard L. Weinstein, professor of economics at the University of Texas at Dallas, believes that the cutbacks will profoundly change the relationship between federal and state governments and, in particular, between the states and the cities. "My major concern," he says, "is that Washington has pushed this stuff without thinking about what the responsibility of each level of government should be. Who should do what?"

City officials from both North and South also express concern that the Reagan cuts will create more problems than they will solve. Many view the transfer of federal responsibilities to cities that are ill-equipped to handle the new burden as merely a shift of the financial stress on the federal government to the cities, and many feel that the Administration has moved too far too fast.

"We are undertaking a major federal policy without understanding its impact on the cities," says Anita A. Summers, adjunct professor at the Wharton School of the University of Pennsylvania. Summer emphasizes that this impact depends crucially on the untested axioms of supply-side economics. "If the supply-side theory does not work, then I think the Northeastern cities will receive a severe blow, if not a mortal blow," she maintains.

NOW ENERGY IS WHAT COUNTS IN THE WAR BETWEEN STATES

President Reagan's economic policies may, in the long run, revitalize the U.S. economy and bring new fiscal health to the states of the Northeast and Midwest. But for the time being those policies will intensify the war between the energy-rich and energy-poor states. While that has some of the characteristics of the Sunbelt vs. Frostbelt fights of the 1970s, neither the alignments nor the issues are the same. Some Sunbelt states, notably Florida, have developed typically Northern urban problems, while such frosty places as Wyoming and, above all, Alaska, are rolling in energy wealth. The growing importance of energy will change the nature of the intensifying competition among states for industry and jobs.

Without access to federal government funds and a relatively weak tax base, even many states of the Old South, which had been able to attract industry from the Northeast and Midwest with generous tax-forgiveness incentives, will find themselves at a disadvantage. Like the states in the Frostbelt, they can ill afford to give up tax revenues if they no longer have Washington financing to help with building roads, sewers, and basic facilities. Energy-rich states do not have to worry about such trade-offs since they have abundant revenues.

The Administration and representatives of the energy-poor states, mainly those concentrated in the Midwest and Northeast, have engaged in a heated argument about whether the Reagan tax and budget cuts discriminate among regions. The Office of Management & Budget has published a study arguing that the benefits of tax reductions and the pain of budget cuts are evenly distributed around the nation. But Representative Carl D. Pursell (R-Mich.), chairman of the bipartisan Northeast-Midwest Congressional Coalition's budget task force, counters: "If you look at what is happening in the distribution of dollars in the budget, there's a major transfer of money to the Sunbelt."

Regardless of who is right, some states are much better equipped than others to offset federal spending cuts with state funds. The massive runup in energy prices since the mid-1970s has greatly increased the disparity in the fiscal capacity of states. Energy producers dominate the list of states with the largest and fastest-growing per capita tax bases, according to a comprehensive measure of income developed by the staff of the Advisory Commission on Intergovernmental Relations.

TAXES AND DECONTROL

Last year, seven states received more that 20 percent of their revenues from severance taxes levied on the production of minerals, mainly oil, gas, and coal. A decade ago, only one state—Louisiana—relied so heavily on energy taxes. Severance taxes, which range as high as Montana's 30 percent levy on coal, have become a major bone of contention in interstate relationships. The Midwest Governors Conference estimates that residents of its 13 member states paid $700 million in severance taxes to other states in 1979 and will pay more than $2.5 billion in 1985.

Accelerated decontrol of natural gas prices, which the Administration will soon recommend, will exacerbate the situation. The Northeast-Midwest Institute, the research arm of the congressional coalition, estimates that, with decontrol, severance tax receipts will total $280 billion through this decade. "Nothing scares us more right now than natural gas decontrol," says Rhode Island Governor J. Joseph Garrahy. The 13 Midwestern governors, 11 of whom are Republicans, recently voted unanimously to oppose immediate decontrol of natural gas.

The energy-consuming states also feel that severance taxes put them at a disadvantage in attracting and keeping business and jobs. While they are being forced to raise taxes to make ends meet and are running the risk of driving employers away, the energy producers are able to rely on revenue sources that do not increase the cost of doing business in their states. "It's going to become apparent that Texas, Louisiana, and Montana, for example, are using their energy revenues competitively," says Representative Barber B. Conable (R-N.Y.), ranking Republican on the House Ways and Means Committee.

The energy-poor states, which find themselves squeezed between Washington's budget cuts and what they view as rapacious tax policies by energy-producing states, are bent on retaliation. At their August meeting, the Midwestern governors set up one task force to study a "soil-depletion tax," in effect a severance tax on food production, and another to consider how the region's abundant water resources could be used to squeeze money out of the water-poor West. "The fear is that we're going to get into a war with the energy-rich states," says Rhode Island's Garrahy. "You'll have states coming up with all kinds of schemes to tax each other, and it will be bloody murder."

Consuming states are attempting to stop energy-rich states from imposing severance taxes. Earlier this year, the Supreme Court denied a bid by Commonwealth Edison Co. in Chicago, joined by several state and local governments, to have Montana's coal tax declared an unconstitutional restraint on interstate commerce. But in its decision, the court made it clear that Congress, if it wished, could restrict the states. A number of bills have been introduced in Congress to do just that, although the prospects for passage are bleak. Another idea gaining force is a federal severance tax with the proceeds earmarked for expanded revenue sharing. "I don't see anything else that will reduce the threat," says Tom Cochran, executive director of the Northeast-Midwest Institute. But many state and local politicians, looking at the federal government's own fiscal plight, are dubious about any new money coming from Washington, despite Reagan's promise to return revenues to the states. "As sure as we're talking, the only way we'll see anything returned is with equal or greater budget cuts," says Maryland House of Delegates Speaker Benjamin Cardin, a Baltimore Democrat.

Faced with their limited ability to get directly at severance taxes, many consuming states are looking for ways to grab their share of the oil bounty. Last year, New Jersey imposed a special tax on petroleum refiners while New York and Connecticut attempted to levy gasoline excise taxes that could not be passed through to retail buyers. All three taxes were struck down by the courts. New York is trying to redraft its tax to meet the legal requirements, while Connecticut is considering taxing oil companies on a share of their total profits rather than just their income earned in the state.

The common problems of energy-consuming states are pushing them into joint efforts. Such long-standing regional blocs as the Midwest Governors Conference are becoming more assertive. Regional congressional groups, such as the New England Congressional Caucus, are stepping up their activities. Florida Governor Robert Graham is pushing for a Southern "common market" to coordinate regional taxation and development policies. The New England Energy Conference is negotiating for Canadian gas and hydroelectric power. The Midwestern governors are planning a similar agency both to negotiate for their energy needs and to develop the region's coal and grain resources as synthetic fuel feedstock.

HARSH POLITICAL REALITIES

But these regional arrangements can do no more than nibble at the edges of the problem. Politicians from energy-consuming states believe that solutions must begin with the federal government. And they see precious little sign that the Reagan Administration is interested in addressing the issue.

Our major problem is in getting the federal government to recognize that there is a problem," says Senator David Durenberger (R-Minn.), chairman of the Senate subcommittee on intergovernmental relations. "There are people in the White House who think that all the problems of regional disparity have been solved because the South is going to rise again."

Faced with these harsh political realities, the energy consumers are reduced to fighting a rearguard action against measures that will make their problems worse. The one thing they are dead set against is any further transfer of federal responsibilities to states without a corresponding shift of revenues, and this bodes ill for Reagan's latest budget-cutting proposals. "If we turn back more responsibility for welfare to the states, we'll have a world-beater of a problem," says Durenberger. "Every state just does not have the fiscal capacity to pick up the cost."

State and Local Budgets Become a Brake on Growth

President Reagan's program of fiscal austerity is putting many state and local governments in what economists regard as the worst of all worlds: that of having to cut spending and raise taxes at the same time. Such policies are a double whammy for both business and consumers. Higher taxes, of course, discourage consumers from buying and business from investing. And cutbacks in state and local government spending, which totaled $355 billion in 1980, will simply mean less demand for many goods and services.

The growing fiscal squeeze on state and local governments will further reduce that sector's role as a major source of economic growth. Borne by the baby boom and the spread of suburbia, state and local government spending in the postwar period grew by leaps and bounds in response to the demand for roads, bridges, schools, hospitals, water, and sewage treatment—as well as police and fire protection and social services. Spending by state and local government far outpaced that of the overall economy for almost 25 years, and by 1975 it accounted for 15% of gross national product.

That trend was brought to an abrupt halt during the 1974–75 recession. The importance of the state and local sector in the economy has been shrinking since the mid-1970s as stagflation has cut into the growth of real incomes and the public has demanded lower taxes and fewer services. Reagan's fiscal austerity, which will cut Washington aid to state and local governments heavily, is expected to accelerate that trend.

Both monetarist and supply-side advisers of Reagan argue that this will have little impact on the economy because the reduction of the state and local sector will free resources for the private sector. The resurgence of capital investment and business activity in general caused by reining in government will more than offset the cuts in spending, in their view. And an analysis by the Office of Management & Budget in April concluded that the cuts in state and local government spending would not prevent the economy from hitting the Administration's growth targets.

Weighing the importance of government spending is, of course, a major unresolved issue among economists. Traditional Keynesians such as George Perry of the Brookings Institution believe that it is very important. "The reduction in state and local spending—the result of cutbacks in federal spending—constitutes one of the things that is contributing to an emerging recession," he says.

A POLITICAL DILEMMA

But even many conservative economists maintain that the cutbacks in state and local government spending will have some impact on overall economic growth, at least in the short run. As Rudolph Penner, of the American Enterprise Institute, put it in a recent article:

"There is a great deal of controversy as to whether one dollar of grants provokes more or less than one dollar of state and local expenditures, but there is no doubt that total spending rises as a result of the grant system." Federal grants to state and local government will drop by about $10 billion over the next three years under Reagan's programs. Washington aid will also be cut back substantially in other areas.

The dilemma for many states and local governments is that it will not be easy politically to cut many services. In some areas, such as education, where demand is weakening because of the end of the baby boom, further restraint will be relatively easy. Most economists agree that a major factor influencing the growth of state and local spending in the postwar period has been the need to "educate the baby," as Penner puts it. But spending on education has slowed dramatically in the last decade as the baby boom was absorbed, and demographics indicate that this trend should continue at least for much of this decade.

The shift to an older population that began in the 1970's and is expected to continue into the 1990s, could, however, have an equally dramatic impact on the demand for other state and local government services. In the past decade the fastest-growing areas of state and local government spending have been for health care, including hospital construction, and for social and other welfare services. This has been in large part a response to the enormous growth in the 65-and-over age group. But these are also some of the services hit hard by the Administration's cuts.

At the same time transformation of the baby boom generation into young adults is expected to keep the demand for housing strong, even though it is in a depression now because of high interest rates. Even if much of the new housing is multifamily and built in older suburbs, as many economists believe, the demand for accompanying police and fire protection and administrative services, also among the fastest-growing in the past decade, is likely to continue. But in many services needed to support housing such as aid for sewers, roads, and water installations, Washington aid is being slashed. And this reduction is taking place at a time when such vital underpinnings are in a rapid state of decline.

The business community as a consumer of state and local government services will also be hurt by such cutbacks. "State and local governments account for about 85 percent of capital construction, often with government aid, and that is going to shrink," notes Manuel Carballo, a lecturer on public policy at Harvard University. "Yet already sewers, roads, water systems are in a very sad state of repair. Things that businessmen rely on as staples are going to be jeopardized."

OFFSETTING THE BENEFITS

The business community, as well as the young adults and the older population, have considerable political clout. Politicians around the country are already finding themselves in the uncomfortable position of having to cut popular services or raise taxes. Conservative Republican Governor John Rhodes has stirred up a political storm in Ohio's Republican-controlled state senate by proposing to raise taxes to avoid a budget deficit.

A great number of economists believe that states and cities will have no choice but to raise taxes. Many are prohibited by law from running deficits, and it is increasingly difficult for almost all state and local governments to borrow in the financial markets.

As American Enterprise Institute's Penner put it in his article: "It may seem implausible to assume that total tax burdens will be increased rapidly in an era that is supposed to be characterized by new conservatism and virulent tax revolts. In particular, it may be quite unreasonable to assume that the state and local sector will grow rapidly relative to net national product when so many states are passing constitutional limits on tax rates and spending. Yet the recent history of New York State and New York City has taught us that it is not difficult to get around constitutional limits, and at the federal level President Carter felt it permissible to recommend in his 1981 budget one of the largest tax increases in recent peacetime history."

There is little chance that Reagan will back off the recent tax cuts, which are the centerpiece of his whole program. But increases in state and local government taxes will certainly offset some of the benefits of federal tax cuts. And if the end result of the efforts of state and local governments to cut some spending while maintaining or increasing others is a net decline in outlays, as many economists believe, the combination will have a significant impact on overall economic growth.

Policies To Help the States and Cities Cure Their Ills

Whatever the promise of President Reagan's economic program in the long run, the short-term reality for most of the nation's state and local governments is a period of austerity and uncertainty over how to redefine their own roles and cope with greater responsibilities. These may be more than problems of adjustment as Washington's budgetary and tax cuts ripple through to local jurisdictions in reduced federal aid and, for many, a smaller tax base. There is a strong sense among local officials that ele-

ments of the Administration program are in flat contradiction with each other and the overall economic goals.

"You can't just turn over fiscal responsibility to the local governments without giving them the fiscal capacity to meet the new demands," says economist Roger Vaughan, deputy director of New York State's Office of Development Planning. The results of this fiscal squeeze must inevitably be felt in the services, social programs, and capital spending administered by the states and cities. Governor Hugh L. Carey of New York compares the federal cutbacks to walking out of a restaurant without paying the bill and claiming that this reduces the price of food.

Ideas abound among economists and other public affairs experts for ameliorating the plight of the cities and states:

Local taxing power—The fiscal capacity of state and local governments could be strengthened through both the taxation and borrowing routes. The states should be able to make effective use of some user fees, excise taxes, and highway tolls now preempted by Washington.

On the financing side, the state's plight clearly has been exacerbated by the All Savers certificates. Continuing this device beyond 1982 would compound the disaster for the municipals market. An old idea to make local financing more competitive would be to give states and cities the option of issuing taxable bonds, whose necessarily higher interest rates would be subsidized by the federal government—a method that many tax experts say would be less costly to Washington than tax-exempts. At the same time, Washington should eliminate or set some limits on industrial revenue bonds to prevent abuses.

New tax concepts—Metropolitan areas that contain decaying central cities could share in overall growth through development of regional tax plans. In the Minneapolis-St. Paul area, for example, 144 communities contribute taxes on increased property values into a common pool, which redistributes the money based on population.

Potential warfare between the energy-rich states and the energy consumers could be halted by placing a federal limit on state severance taxes for coal, oil, and natural gas. A complement would be a federal severance tax on these resources, particularly those produced on federal lands, to fund revenue-sharing for the energy-poor states. A windfall profits tax on natural gas, when it is decontrolled, could do the same.

A reconstruction bank.—A new agency—perhaps on the lines of Herbert Hoover's Reconstruction Finance Corp.—could be created to provide capital for the revitalization of U.S. industry, the cities, and the nation's deteriorating infrastructure of roads, bridges, and other public plant. "At present there is no instrument capable of dealing with a problem like Chrysler or New York City, except on an ad hoc basis, in front of congressional committees," says Felix G. Rohatyn, who helped New York solve its financial crisis as head of the Municipal Assistance Corp. (MAC). While Rohatyn does not want government bureaucrats to get into the business of picking "winners" and "losers," he believes such a structure, "publicly accountable but operated outside of politics," is needed to generate the massive injections of permanent equity capital required to reinvigorate much of U.S. enterprise that may not benefit directly from the Tax Reduction Act of 1981.

A national capital budget.—Public works spending in the U.S. could be rationalized by creating a national capital budget. The nation lacks any comprehensive framework for deciding what should get built or financed by what jurisdiction of government, much less an inventory of public facilities, an assessment of their condition, or estimates of projected capital needs and maintenance costs. A multiyear capital budget might lead to increases in public works spending when lawmakers contrast the outlays for, say, a Tennessee-Tombigbee Waterway with the little or nothing being spent for coal ports, but it would also give government a way to control a large part of its domestic nondefense spending.

A commitment to human capital.—A new commitment could be made to human capital development parallel to that just made to physical capital through the 1981 tax act. With federal job and other programs being pared, the biggest danger is that many working poor will decide they cannot afford to work, dropping them into the welfare trap. The Administration should consider alternatives to turn welfare recipients into taxpayers and maintain a skilled labor force.

One such alternative, suggested by New York's Vaughan, would be a dedicated fund for training programs financed on the lines of the unemployment insurance system as "an earned entitlement." It could be paid for by a national payroll tax on workers and employers, taking a plethora of current programs out of the general revenue system and permitting some consolidation.

Strengthen private participation.—The private sector's role in providing services now handled by government could be strengthened. For several years, the American Enterprise Institute has sponsored a project to explore and expand the role of "mediating structures" in U.S. society—the family, churches, neighborhood ethnic organizations, and other groups whose roles have often been taken over or even impeded by government in the last 50 years. AEI President William J. Baroody Jr., who notes that his organization is launching a new study for the White House of private-sector efforts to solve social problems and how its successes might be replicated throughout the nation, sees the need "for an appropriate balance of roles and missions between government and the traditional private structures." At the same time, however, Robert Woodson, a black scholar who heads AEI's neighborhood revitalization project, warns that "budget-cutting and voluntarism alone do not constitute a social policy." Woodson does not see withdrawal of government support as a panacea but wants instead to see such aid get to the neighborhood level and "not the middle-class providers who now direct services to the poor." The public-private partnership idea is now being promoted by such groups as the National Alliance of Business, the Committee for Economic Development, the American Council of Life Insurance's Clearinghouse on Corporate Responsibility, and John W. Gardner's Independent Sector.

If the Reagan Administration's budget problems force it to turn to revenue-raising ideas, Congress will get the opportunity to reconsider parts of the new tax law that critics assert will worsen the imbalances between declining industries and regions of the U.S. and those now on a strong growth track—particularly the new accelerated depreciation and leasing rules. But short of such a retreat on the President's program, options still abound for ameliorating the new crisis of the cities and states. Without such concessions to reality, Reagan's new federalism may amount to little more than a political slogan.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ROTH (at the request of Mr. MICHEL), after 4 p.m. today and for the balance of the week, on account of official business.

Mr. AUCOIN (at the request of Mr. WRIGHT), for today, on account of illness.

Mr. JONES of North Carolina (at the request of Mr. WRIGHT), for the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GONZALEZ, special order for today for 60 minutes.

Mr. OBEY, special orders today for 60 minutes.

(The following Members (at the request of Mr. TAUKE) to revise and extend their remarks and include extraneous material:)

Mr. DERWINSKI, for 60 minutes, December 3.

Mrs. SMITH of Nebraska, for 5 minutes, today.

Mrs. HECKLER, for 15 minutes, today.

(The following Members (at the request of Mr. SHAMANSKY) to revise and extend their remarks and include extraneous material:)

Mr. WEISS, for 60 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. LAFALCE, for 30 minutes, today.

Mr. RAHALL, for 10 minutes, today.

Mr. SHAMANSKY, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, today.

Mr. BENJAMIN, for 60 minutes, today.

Mr. DONNELLY, for 60 minutes, today.

Mr. NELSON, for 5 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. CROCKETT, for 10 minutes, today.

Mr. HUGHES, for 5 minutes, today.

(The following Members (at the request of Mr. GAYDOS) to revise and extend their remarks and include extraneous material:)

Mr. GAYDOS, for 60 minutes, on December 9.

Mr. BENJAMIN, for 60 minutes, on December 9.

Mr. GAYDOS, for 60 minutes, on December 10.

Mr. BENJAMIN, for 60 minutes, on December 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. OBEY, and to include extraneous matter notwithstanding the fact that it exceeds 2 pages of the RECORD and is estimated by the Public Printer to cost $4,320.

Mr. WEISS, to revise and extend his remarks in support of House Joint Resolution 349.

(The following Members (at the request of Mr. TAUKE) and to include extraneous matter:)

Mr. LEBOUTILLIER.
Ms. FIEDLER.
Mr. SPENCE.
Mr. MOLINARI.
Mr. ERLENBORN.
Mr. SCHULZE.
Mr. MARKS.
Mr. MCEWEN.
Mr. PORTER.
Mr. HILLIS.
Mr. CRAIG in two instances.
Mrs. HECKLER.
Mr. FORSYTHE in two instances.
Mr. SMITH of Alabama.
Mr. LOWERY of California in two instances.
Mr. BROOMFIELD.
Mr. GILMAN.
Mr. WOLF in two instances.
Mr. DREIER.
Mr. DOUGHERTY.

(The following Members (at the request of Mr. SHAMANSKY) and to include extraneous matter:)

Mr. YOUNG of Missouri.
Mr. MAVROULES in two instances.
Mr. CORRADA in two instances.
Mr. STARK in three instances.
Mr. HUCKABY.
Mr. RODINO in two instances.
Mr. DASCHLE in 10 instances.
Mr. BRODHEAD.
Ms. OAKAR in two instances.
Mr. WON PAT in two instances.
Mr. COELHO.
Mr. MAZZOLI.
Mr. PEYSER.
Mr. APPLEGATE.
Mr. PANETTA.
Mr. VENTO.
Mr. GUARINI.
Mr. MINETA.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 57. Joint resolution to provide for the designation of February 7 through 13, 1982, as "National Scleroderma Week"; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3454. An act to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, and for the Central Intelligence Agency Retirement and Disability System, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 815 An act to authorize appropriations for fiscal year 1982 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes.

S. 1133. An act to amend the National Advisory Committee on Oceans and Atmosphere Act of 1977 to authorize appropriations to carry out the provisions of such act for fiscal year 1982, and for other purposes.

ADJOURNMENT

Mr. GAYDOS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 9 minutes p.m.), the House adjourned until tomorrow, Friday, November 20, 1981, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2545. A communication from the President of the United States, transmitting offsetting amendments to requests for appropriations for fiscal year 1982 for the Federal Emergency Management Administration (H. Doc. No. 114); to the Committee on Appropriations and ordered to be printed.

2546. A letter from the Assistant Secretary of the Army (Installations, Logistics and Financial Management), transmitting notice of the proposed conversion to contractor performance of the containers, textiles, tents and tarpaulins activity at Fort Bragg, N.C., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

2547. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment and services to Pakistan (Transmittal No. 82-03), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

2548. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment to Pakistan (Transmittal No. 82-04), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

2549. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment and services to Pakistan (Transmittal No. 82-06), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

2550. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 4-111, "To amend the Police Regulations concerning designation of certain areas as farmers street markets," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

2551. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 4-112, "To amend the Life Insurance Act to provide the same right of access to duly licensed psychologists and optometrists for those persons covered by group health insurance policies," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

2552. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 4-113, "To require the appointment of qualified interpreters for deaf persons in administrative proceedings," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

2553. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment and services to Pakistan (Transmittal No. 82-03), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

2554. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment to Pakistan (Transmittal No. 82-04), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

2555. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment and services to Pakistan (Transmittal No. 82-05), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

2556. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment and services to Pakistan (Transmittal No. 82-06), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

2557. A letter from the Secretary of Transportation, transmitting the semiannual report of the Department's Inspector General, covering the period ended September 30, 1981, pursuant to section 5 of the Inspector General Act of 1978; to the Committee on Government Operations.

2558. A letter from the Administrator of Veterans' Affairs, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2559. A letter from the Secretary of Agriculture, transmitting a report on the potential for expansion of U.S. agricultural export markets, pursuant to section 210 of the Agricultural Act of 1980; jointly, to the

Committees on Agriculture and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows;

Mr. BEVILL: Committee of conference. Conference report on H.R. 4144 (Rept. No. 97-345). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JOHN L. BURTON:

H.R. 5035. A bill to amend the Merchant Marine Act of 1936 as it applies to certain passenger vessels of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAIG (for himself and Mr. HANSEN of Idaho):

H.R. 5036. A bill to repeal the authority of the President to dispose of silver presently held in the national defense stockpile; to the Committee on Armed Services.

By Mr. CRAIG (for himself and Mr. HANSEN of Idaho):

H.R. 5037. A bill to provide for an adequate supply of silver to the United States in times of national emergency and to provide that excess supplies of silver in the national defense stockpile are disposed of in a manner that minimizes the potential for market disruptions while providing maximum revenues to acquire other stockpile materials that are in short supply; jointly, to the Committees on Armed Services and Banking, Finance and Urban Affairs.

By Mr. DERWINSKI (for himself, Mr. TAYLOR, and Mr. CORCORAN) (by request):

H.R. 5038. A bill to amend title 5 of the United States Code to foster the timely revitalization of the U.S. air traffic control system, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ERLENBORN:

H.R. 5039. A bill to amend the Fair Labor Standards Act of 1938 to encourage the employment of youth by authorizing a special minimum wage for the limited employment of individuals under the age of nineteen and for the employment of fulltime students; to the Committee on Education and Labor.

By Mr. GUARINI:

H.R. 5040. A bill to provide for the addition of certain lands in the State of New Jersey, comprising the Liberty State Park, to the Statue of Liberty National Monument; to the Committee on Interior and Insular Affairs.

H.R. 5041. A bill to suspend until January 1, 1985, the duty on natural graphite; to the Committee on Ways and Means.

By Mr. HOWARD (for himself and Mr. CLAUSEN):

H.R. 5042. A bill to amend subtitle IV of title 49, United States Code, to provide for more effective regulation of motor carriers of passengers; to the Committee on Public Works and Transportation.

By Mr. HUGHES (for himself, Mr. RODINO, Mr. MCCLORY, Mr. SAWYER, and Mr. SAM B. HALL, Jr.):

H.R. 5043. A bill to amend title 18, United States Code, to authorize the Attorney General of the United States to enforce certain laws applicable with respect to firearms, to provide for certain offenses involving the use of fire, and for other purposes; to the Committee on the Judiciary.

By Mr. LAFALCE:

H.R. 5044. A bill to amend the Currency and Foreign Transactions Reporting Act to provide for more efficient enforcement of the provisions of such act by making it illegal to attempt to export or import large amounts of currency without filing certain reports; to the Committee on Banking, Finance and Urban Affairs.

H.R. 5045. A bill to amend the Currency and Foreign Transactions Reporting Act to allow U.S. Customs officials to search for currency in the course of their presently authorized search for contraband articles; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

H.R. 5046. A bill to amend the Currency and Foreign Transactions Reporting Act to allow U.S. Customs officials to search for currency in the course of their presently authorized search for contraband articles; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

H.R. 5047. A bill to amend the Currency and Foreign Transactions Reporting Act to allow U.S. Customs officials to search for currency in the course of their presently authorized search for contraband articles; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

H.R. 5048. A bill to amend the Currency and Foreign Transactions Reporting Act to authorize the payment of compensation to informers; to the Committee on Banking, Finance and Urban Affairs.

H.R. 5049. A bill to amend title 28, United States Code, to authorize the Attorney General to acquire and exchange information to assist Federal, State, and local officials in the identification of certain deceased individuals and in the location of missing children and other specified individuals; to the Committee on the Judiciary.

By Mr. HUNTER (for himself and Mr. DUNN):

H.R. 5050. A bill to impose parity fees on automobiles imported into the United States from Japan; to the Committee on Ways and Means.

By Mr. LOTT:

H.R. 5051. A bill to designate the New Intermediate Care and Rehabilitation Medicine Building located in Biloxi, Miss., as the "William B. Sheppard Building"; to the Committee on Veterans' Affairs.

By Mr. MCEWEN:

H.R. 5052. A bill to amend title II of the Social Security Act to suspend the payment of benefits thereunder to inmates of penal institutions; to the Committee on Ways and Means.

By Mr. MOORE (for himself and Mr. CONABLE):

H.R. 5053. A bill to amend the Internal Revenue Code of 1954 to clarify the provisions relating to exempt-interest dividends paid by regulated investment companies; to the Committee on Ways and Means.

By Mr. PURSELL:

H.R. 5054. A bill to encourage on-the-scene emergency care aboard aircraft by relieving licensed medical personnel and air carrier employees from civil liability for damages resulting from any act or omission in rendering such care; to the Committee on the Judiciary.

By Mr. RAHALL (for himself, Mr. BLILEY, Mr. APPLEGATE, Mr. KOGOVSEK, Mr. MURPHY, Mr. PERKINS, Mr. BAILEY of Pennsylvania, Mr. SYNAR, Mr. DANIEL B. CRANE, Mr. YOUNG of Alaska, Mr. MOLLOHAN, and Mr. STATON of West Virginia):

H.R. 5055. A bill to provide for an accelerated study of the causes and effects of acid rain, to provide for an examination of certain acid precursor control technologies, and for other purposes; jointly, to the Committees on Energy and Commerce and Science and Technology.

By Mr. ST GERMAIN:

H.R. 5056. A bill to amend title 5, United States Code, to allow ex-service members who voluntarily leave military service to receive unemployment compensation; to the Committee on Ways and Means.

By Mr. STOKES (for himself, Mr. EDGAR, Mr. FORD of Tennessee, Mr. FITHIAN, Mr. MCKINNEY, and Mr. FAUNTROY):

H.R. 5057. A bill to amend title 18 of the United States Code to carry out the recommendations of the House Select Committee on Assassinations of the 95th Congress, and for other purposes; jointly, to the Committees on the Judiciary, House Administration, and Rules.

By Mr. TRIBLE:

H.R. 5058. A bill to suspend the duty on 1,6-Hexamediol until July 1, 1985; to the Committee on Ways and Means.

By Mr. WRIGHT (for himself, Mr. ANNUNZIO, Mr. BARNARD, Mr. BEVILL, Mr. BIAGGI, Mr. BONER of Tennessee, Mrs. CHISHOLM, Mr. COELHO, Mrs. COLLINS of Illinois, Mr. DAN DANIEL, Mr. DERWINSKI, Mr. DIXON, Mr. DWYER, Mr. FASCELL, Mr. FIELDS, Mr. GOODLING, Mr. SAM B. HALL, Jr., Mr. HUGHES, Mr. LANTOS, Mr. MATTOX, Mr. MINETA, Mr. MURPHY, Mr. NELSON, Mr. OTTINGER, Mr. PEPPER, and Mr. ROSENTHAL):

H.R. 5059. A bill to amend the Internal Revenue Code of 1954 to allow an individual a credit against income tax for any taxable year during a limited period of years after the individual attains age 65 if the individual is eligible to retire on social security, but does not retire, during such year; to the Committee on Ways and Means.

By Mr. YOUNG of Missouri:

H.R. 5060. A bill to provide for the reconstruction and rehabilitation of the Martin Luther King Bridge over the Mississippi River connecting the cities of St. Louis, Mo., and East St. Louis, Ill., and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FOGLIETTA:

H.R. 5061. A bill to name the social security building in Philadelphia, Pa., known as the Mid-Atlantic Program Service Center, the "William A. Barrett Social Security Building"; to the Committee on Public Works and Transportation.

By Mr. STUDDS (for himself, Mr. ZABLOCKI, Mr. FOUNTAIN, Mr. FASCELL, Mr. BINGHAM, Mr. YATRON, Mr. SOLARZ, Mr. BONKER, Mr. BARNES, Mr. WOLPE, Mr. SHAMANSKY, Mr. GEJDENSON, Mr. DYMALLY, Mrs. FENWICK, Mr. DORNAN of California, Mr. LEACH of Iowa, and Mr. MICA):

H. Con. Res. 225. Concurrent resolution with respect to the scheduled Presidential elections in Honduras; to the Committee on Foreign Affairs.

By Mr. YATRON (for himself, Mr. FASCELL, Mr. ROSENTHAL, Mr. BINGHAM, Mr. SOLARZ, Mr. BONKER, Mr. STUDDS, Mr. BARNES, Mr. WOLPE, Mr. SHAMANSKY, Mr. GEJDENSON, Mr. DYMALLY, Mr. GILMAN, and Mr. LEACH of Iowa):

H. Con. Res. 226. Concurrent resolution expressing the sense of the Congress that the President should press for unconditional discussions among the major political factions in El Salvador in order to guarantee a safe and stable environment for free and open democratic elections; to the Committee on Foreign Affairs.

By Mr. McEWEN:

H. Res. 281. Resolution to lower and stabilize interest rates; to the Committee on Banking, Finance and Urban Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. WRIGHT:

H.R. 5062. A bill for the relief of the estate of Samuella Frelich Simon; to the Committee on the Judiciary.

By Mr. MAZZOLI:

H. Res. 282. Resolution opposing the granting of permanent residence in the United States to certain aliens; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1331: Mr. GEJDENSON.

H.R. 2405: Mr. ALEXANDER.

H.R. 2406: Mr. ALEXANDER.

H.R. 2488: Mr. HORTON and Mr. PATTERSON.

H.R. 4011: Mr. McDONALD.

H.R. 4031: Mr. OBERSTAR, Mr. MINISH, Mr. McDADE, Mr. MOTTL, Mr. LUNGREN, Mr. SCHUMER, Mr. ANDREWS, Mr. DYSON, Mr. STUDDS, Mr. OTTINGER, Mr. BEILENSON, Mr. LEACH of Iowa, and Mr. WHITTAKER.

H.R. 4326: Mr. MITCHELL of Maryland, Mr. SMITH of Iowa, Mr. ADDABBO, Mr. GONZALEZ, Mr. BEDELL, Mr. RICHMOND, Mr. NOWAK, Mr. LUKEN, Mr. IRELAND, Mr. SKELTON, Mr. EVANS of Georgia, Mr. STENHOLM, Mr. MAZZOLI, Mr. MAVROULES, Mr. CROCKETT, Mr. HATCHER, Mr. WYDEN, Mr. ECKART, Mr. DORGAN of North Dakota, Mr. SAVAGE, Mr. ROEMER, Mr. FARY, Mr. McDADE, Mr. CONTE, Mr. STANTON of Ohio, Mr. BROOMFIELD, Mr. MARRIOTT, Mr. WILLIAMS of Ohio, Mrs. SNOWE, Mr. DANIEL B. CRANE, Mr. HILER, Mr. STATON of West Virginia, Mr. WEBER of Minnesota, Mr. DAUB, Mr. SMITH of New Jersey, Mr. WEBER of Ohio, Mr. DREIER, Mr. MOLINARI, Mr. SILJANDER, Mr. AKAKA, Mr. ATKINSON, Mr. BARNARD, Mr. BARNES, Mr. BEVILL, Mr. BONKER, Mr. BOWEN, Mr. BROWN of Ohio, Mr. CLAY, Mr. CLINGER, Mr. COELHO, Mr. CORRADA, Mr. D'AMOURS, Mr. DASCHLE, Mr. DIXON, Mr. DUNN, Mr. DWYER, Mr. EDGAR, Mr. FAUNTROY, Ms. FERRARO, Mr. FISH, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FRANK, Mr. GEJDENSON, Mr. GINGRICH, Mr. GLICKMAN, Mr. GREEN, Mr. HANSEN of Utah, Mr. HORTON, Mr. HOYER, Mr. HUGHES, Mr. KILDEE, Mr. KOGOVSEK, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEWIS, Mr. LOWERY of California, Mr. LUNDINE, Mr. McHUGH, Mr. McKINNEY, Mr. MADIGAN, Mr. MARKEY, Mr. MARKS, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. MICA, Ms. MIKULSKI, Mr. MONTGOMERY, Mr. MURPHY, Mr. NEAL, Mr. NELLIGAN, Mr. PATTERSON, Mr. PORTER, Mr. PRITCHARD, Mr. RAHALL, Mr. RAILSBACK, Mr. RODINO, Mr. ROE, Mr. ROTH, Mr. SEIBERLING, Mr. SOLOMON, Mr. STANGELAND, Mr. SUNIA, Mr. VENTO, Mr. WEAVER, Mr. WILSON, Mr. WIRTH, Mr. WOLPE, Mr. WON PAT, Mr. WORTLEY, Mrs. COLLINS of Illinois, and Mr. FAZIO.

H.R. 4418: Mr. CARMAN.

H.R. 4454: Mr. ADDABBO, Mr. BENEDICT, Mr. BROWN of Colorado, Mr. CARMAN, Mr. COELHO, Mr. DANIEL B. CRANE, Mr. DOUGHERTY, Mr. ECKART, Mr. FARY, Mr. FLORIO, Mr. FOGLIETTA, Mr. FORSYTHE, Mr. GEPHARDT, Mr. GUNDERSON, Mr. HANSEN of Utah, Mr. HARTNETT, Mr. HILER, Mr. KEMP, Mr. KRAMER, Mr. LANTOS, Mr. LEE, Mr. LEWIS, Mr. LIVINGSTON, Mr. LOEFFLER, Mr. LUNGREN, Mr. McCLORY, Mr. McCURDY, Mr. MORRISON, Mr. MURPHY, Mr. NAPIER, Mr. OXLEY, Mr. PARRIS, Mr. PORTER, Mr. ROEMER, Mr. SABO, Mr. SKEEN, Mr. SMITH of New Jersey, Mr. SUNIA, Mr. TAUZIN and Mr. WOLF.

H.R. 4467: Mr. DOWNEY.

H.R. 4488: Mr. LOEFFLER.

H.R. 4576: Mr. WHITE, Mrs. BOUQUARD, Mr. FRANK, Mr. GINN, Mrs. BYRON, Mr. BAILEY, of Pennsylvania, Mr. OXLEY, and Mr. ROBERTS, of South Dakota.

H.R. 4720: Mr. GARCIA.

H.R. 4786: Mr. MARRIOTT, Mr. KRAMER, Mr. DOWDY, Mr. HOPKINS, Mr. GRAY, Mr. GREGG, Mr. ROBERTS, of Kansas, Mrs. HOLT, and Mr. McCURDY.

H.R. 4815: Mr. STATON of West Virginia, and Mr. MOLLOHAN.

H.R. 4829: Mr. MATSUI, Mr. FISH, AND Mr. KASTENMEIER.

H.R. 4852: Mr. BAILEY of Pennsylvania, Mr. McDADE, Mr. MITCHELL of Maryland, Mr. McHUGH, Mr. BARNES, and Mr. PATTERSON.

H.R. 4898: Mr. BROOMFIELD, Mr. BEVILL, and Mrs. HOLT.

H.R. 4915: Mr. AKAKA, Mr. BRODHEAD, Mr. EDGAR, Mr. EDWARDS of California, Mr. FAZIO, Mr. FROST, Mr. MATSUI, Mr. MINISH, Mr. MURPHY, Mr. PEPPER, Mr. ROE, Mr. STARK, Mr. WON PAT, Mr. ATKINSON, Mr. COURTER, Mr. EDWARDS of California, Mr. FENWICK, Mr. FRENZEL, Mr. DWYER, and Mr. BEDELL.

H.J. Res. 2: Mr. HILER, Mr. DECKARD, and Mr. TAUZIN.

H. Con. Res. 178: Mr. HORTON, Mrs. HOLT, Mr. FISH, and Mr. NELLIGAN.

H. Con. Res. 216: Mr. AKAKA, Mr. BARNES, Mr. BINGHAM, Mr. BRODHEAD, Mr. JOHN L. BURTON, Mr. PHILLIP BURTON, Mrs. CHISHOLM, Mr. COELHO, Mr. CORRADA, Mr. D'AMOURS, Mr. DE LA GARZA, Mr. DIXON, Mr. DOWNEY, Mr. DWYER, Mr. FASCELL, Mr. FAUNTROY, Mr. FERRARO, Mr. FISH, Mr. FLORIO, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. GARCIA, Mr. GEJDENSON, Mr. GILMAN, Mr. GRAY, Mr. GREEN, Mr. HATCHER, Mr. HAWKINS, Mr. HUBBARD, Mr. JACOBS, Mr. LEHMAN, Mr. MARKEY, Mr. MARKS, Mr. MATSUI, Ms. MIKULSKI, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. OBERSTAR, Mr. OTTINGER, Mr. PEPPER, Mr. RAHALL, Mr. RATCHFORD, Mr. RICHMOND, Mr. SAVAGE, Mrs. SCHNEIDER, Mr. SCHUMER, Mr. SHAMANSKY, Mr. SMITH of Pennsylvania, Mr. SOLARZ, Mr. STUDDS, Mr. SUNIA, Mr. VENTO, Mr. WEISS, Mr. WIRTH, Mr. YATES, Mr. LOWRY of Washington, and Mr. RANGEL.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

279. By the SPEAKER: Petition of the 1981 annual meeting of the Western Conference of the Council of State Governments, Reno, Nev.; relative to the MX missile basing system; to the Committee on Armed Services.

280. Also, petition of the Western Conference of the Council of State Governments, relative to changes in the Clean Air Act; to the Committee on Energy and Commerce.

281. Also, petition of the Western Conference of the Council of State Governments, relative to public land legislation; to the Committee on Interior and Insular Affairs.

282. Also, petition of the Western Conference of the Council of State Governments, relative to State resource severance taxation; to the Committee on the Judiciary.

283. Also, petition of the Western Conference of the Council of State Governments, relative to Federal funding of bridge improvements; to the Committee on Public Works and Transportation.

284. Also, petition of the Western Conference of the Council of State Governments, relative to congressional fiscal notes; to the Committee on Rules.

285. Also, petition of the Western Conference of the Council of State Governments, relative to the proposed Energy Mobilization Board; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

286. Also, petition of the Western Conference of the Council of State Governments, relative to State taxation rights; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and the Judiciary.

287. Also, petition of the Western Conference of the Council of State Governments, relative to export trading companies; jointly, to the Committees on Foreign Affairs and the Judicary.

288. Also, petition of the Western Conference of the Council of State Governments, relative to Federal grants in aid to States; jointly, to the Committees on Government Operations and Rules.

289. Also, petition of the Western Conference of the Council of State Governments, relative to the economic impact of Federal laws and regulations on public lands; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3046

By Mr. ANDREWS of North Carolina:

—Page 5, beginning on line 21, strike out "striking" and all that follows through line 23, and insert in lieu thereof the following: Inserting before the period at the end thereof the following: ", $200,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984".

Page 7, beginning on line 16, strike out "inserting" and all that follows through line 21, and insert in lieu thereof the following: Striking out "and," and by inserting after "1981" the following: ", $306,000,000 for fiscal year 1982, and such sums as may be

necessary for each of the fiscal years 1983 and 1984,".

Page 7, beginning on line 23, strike out "inserting" and all that follows through page 8, line 3, and insert in lieu thereof the following: Striking out "and", and by inserting after "1981" the following: ", $319,100,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984,".

Page 8, beginning on line 5, strike out "inserting" and all that follows through line 10, and insert in lieu thereof the following: Striking out "and," and by inserting after "1981" the following: ", $60,000,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1981 and 1984,".

Page 11, line 2, insert after "services" the following: (except that such contract authority shall be effective for any fiscal year only to such extent, or in such amounts, as are provided in appropriations Acts)

Page 14, line 24, insert after "institution" the following: (except that such contract authority shall be effective for any fiscal year only to such extent, or in such amounts, as are provided in appropriations Acts)

Page 18, line 4, insert before the period the following: (except that such contract authority shall be effective for any fiscal year only to such extent, or in such amounts, as are provided in appropriations Acts)

Page 19, line 21, strike out "$45,000,000" and insert in lieu thereof "$23,200,000".

Page 22, line 5, strike out "inserting before" and insert in lieu thereof "striking out".

Page 22, line 6, insert "and inserting in lieu thereof" after "thereof".

Page 22, line 6, strike out "$350,000,000" and insert in lieu thereof "$277,100,000".

Page 22, beginning on line 7, strike out ", and" and all that follows through line 8, and insert in lieu thereof the following: (in accordance with the provisions of section 606(b)(1)(A) of the Omnibus Budget Reconciliation Act of 1981), $293,726,000 for fiscal year 1983 (in accordance with the provisions of section 606(b)(1)(A) of the Omnibus Budget Reconciliation Act of 1981), and such sums as may be necessary for fiscal year 1984. Amounts authorized for fiscal years 1982 and 1983 also shall include the additional sums specified in section 606(b)(1)(B) of the Omnibus Budget Reconciliation Act of 1981.".

Page 23, line 15, strike out "$6,000,000" and insert in lieu thereof "$6,500,000".

Page 23, beginning on line 15, strike out "$6,400,000" and all that follows through "year" on line 16, and insert in lieu thereof the following: and such sums as may be necessary for each of the fiscal years 1983 and

Page 25, line 10, insert before the period the following: (except that such contract authority shall be effective for any fiscal year only to such extent, or in such amounts, as are provided in appropriations Acts)

Page 27, strike out line 16 and all that follows through page 28, line 2, and insert in lieu thereof the following:

"SEC. 29. The appropriation of funds for fiscal years 1982, 1983, and 1984 to carry out title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.) shall be made in accordance with the authorizations of appropriations contained in the amendments made by section 607(b) of the Omnibus Budget Reconciliation Act of 1981."

Mr. TRAXLER:

—Page 12, after line 2, insert the following new paragraph (and redesignate the subsequent paragraphs accordingly):

(2) in paragraph (4) thereof—

(A) by inserting "(A)" after "including";

(B) by inserting "(i)" after "designed";

(C) by striking out "or" and inserting in lieu thereof "; (ii)"; and

(D) by adding at the end thereof the following: "or (iii) to prevent unlawful entry into residences of older indiividuals, through the installation of security devices and through structural modifications or alterations of such residences; and

(B) the provision of security personnel who would be responsible for maintaining and monitoring security systems and for otherwise providing security against unlawful entry into residence of older individuals;".

SENATE—*Thursday, November 19, 1981*

(Legislative day of Monday, November 2, 1981)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

Let us pray.

"O beautiful for spacious skies, for amber waves of grain; for purple mountain majesty, above the fruited plain. America, America, God shed His grace on thee; And crown thy good with brotherhood from sea to shining sea."

We are profoundly grateful, God of our fathers, for the bounty Thou hast lavished upon our land and people. Thou hast preserved us through many domestic and international crises. Thou hast blessed our Nation as no other in history. Thou hast ordained human government as "ministers of God for good."

We thank Thee especially for this Government, conceived in the hearts and minds of our founders as a "government of the people, by the people, for the people." Enable this Government to fulfill in these days the mandate given it by the Constitution. Give to the Senators and all who bear responsibility for the conduct of their affairs, wisdom, and grace to find the way of justice, virtue, and peace in these troubled times. We ask this in the name of Him whose love is without measure. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. STEVENS. Mr. President, I ask unanimous consent that the Journal of the proceedings to date be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TIME TO LIFT THE FEDERAL EXECUTIVE PAY CAP

Mr. STEVENS. Mr. President, the editorial page of two of the Nation's leading newspapers have urged congressional support of my amendment to lift the executive pay cap. This is realistically our last chance to remedy this problem for the next 2 years. I know for a fact that if we do not adjust these salaries now, there will be a new flood of early retirements and premature resignations from all departments and agencies of the Government.

I am particularly concerned, as chairman of the Defense Appropriations Subcommittee, about the information that has been provided to me by the Defense Department. We now have two thick folders, which I shall bring to the floor later today, with the statistics showing the tremendous vacancy rate that has occurred in the Department of Defense since the pay cap was imposed. This has led, as I have indicated, to premature retirements and unfortunate resignations from key positions in the Department of Defense.

Mr. President, I have been given a chart which sets forth 10 management levels of people who receive the same salary. This is literally one of those organizational charts that shows the route of promotion. Unfortunately, it is not the type of chart we can reproduce in the CONGRESSIONAL RECORD, but it demonstrates that a person who is at the level of GS–14, step 10, would have no financial incentive whatsoever to accept the additional responsibilities of moving up nine additional grades in the Department of Defense.

Mr. President, the impact of this situation is that those people who are in a position such as I just described, knowing that there is no hope for additional compensation but recognizing there will be increased pressure to take on additional responsibilities, have retired prematurely or have resigned and left a staggering number of vacancies in the Department of Defense.

We now face literally a brain drain as far as the executive branch is concerned unless we remedy this problem.

The solution is simple, Mr. President. The Senate has passed this amendment now three times. I am hopeful that the Senate will again pass it today and that we may find a way to convince our colleagues in the other body that we should grant the modest rate of increase. The amendment is really a cost-of-living adjustment, not a salary increase to the senior executives in order to stem this flow of trained executive talent from the Federal Government.

Mr. President, I ask unanimous consent that the two editorials, one from the New York Times, entitled "The Top Officials Need a Raise," and the second from the Washington Post, entitled "Free the Federal Hostages," be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 18, 1981]

THE TOP OFFICIALS NEED A RAISE

In the parlance of the moment, Congress ought to get off the backs of senior Government officials. It needs once and for all to eliminate the link between their salaries and its own.

Increases in the top-level executive grades are urgent. Since 1977 the pay of the highest Federal officials has been raised 5.5 percent; other white-collar Federal employees meanwhile had raises that total 33.5 percent. That means more than 48,000 employees' pay has been leveled flat, eliminating distinctions between managers and those they manage.

That is no way to run a Government or hold superior talent. With executive pay now capped at $50,112 a year, senior managers are fleeing Federal service. Programs in health, education and space exploration seem typically hard hit. Whereas 15.5 percent of eligible executives retired in 1978, the current rate is above 90 percent. Replacing them is no easier than holding them.

The problem is rooted in politics. To camouflage its own pay raises, Congress over the years contrived to link its salary scales to those of the top people in the judicial and executive branches. But it also prohibited almost all of these officials from earning more than a member of Congress.

Now the cost of that folly is coming home. The legislators are embarrassed to raise their own pay while they cut most Federal budgets. And so some of the best talent in Government is deprived and driven away.

The House debate of the issue is not promising; it turns on a bill that would merely extend the cap for another year. The case for a fundamental change has never been stronger. But if that is rejected, Congress should at least provide some relief, by approving a proposal in the Senate to give senior executives an immediate 4.8 percent increase.

A decent raise would surely pay for itself in efficiency and morale. Federal executives deserve it, and so does the nation.

[From the Washington Post, Nov. 19, 1981]

FREE THE FEDERAL HOSTAGES

Congress has another chance today to do right by top federal officials. Sen. Ted Stevens, chairman of the civil service subcommittee, will be urging the Senate to raise the cap on federal executive salaries as part of the spending bill Congress must complete today to keep federal funds flowing.

We have heard from all sides that the problem of pay compression at the top levels of civilian and military pay is causing a massive loss of scarce talent. Pentagon officials are especially alarmed at the loss of technical and administrative personnel to high-paying defense contractors. Early retirements among federal executives in all agencies have reached such alarming proportions—over 95 percent of those newly eligible to retire are now doing so, compared with only 17 percent five years ago—that the General Accounting Office recently estimated that lifting the pay cap could actually save the government money because of reduced pension costs.

While other factors may contribute to this exodus, the pay cap must be a major contributor. Federal executives now earn only 5.5 percent more than they did five years ago. Over the same period, private-sector executive salaries rose 40 percent and cost-of-living adjustments pushed up federal pensions by 55 percent. For those who have stayed behind, the cap has caused severe management and morale problems. Pay increases at lower grade levels have forced more and more workers up against the pay

ceiling. At the moment there is nothing beyond self-esteem to motivate workers to accept the added duties and pressures associated with a promotion within the top five civil service levels.

The Stevens amendment would not remove the pay cap entirely. It would, however, improve the competitiveness of top federal salaries somewhat and restore some incentive for promotion at the top grade levels. For several years now, Congress has held federal officials hostage to its own reluctance either to take the heat for raising congressional pay—to which federal pay is now tied—or allow federal executives to earn more than congressmen. Whatever the merits of a congressional pay raise—and there are many separate factors involved in that matter—it is time for Congress to release its federal hostages.

AN AWFULLY GOOD SPEECH BY THE PRESIDENT

Mr. BAKER. Mr. President, yesterday, President Reagan launched a historic agenda for achieving strategic arms reductions in Europe.

As I stated on the floor yesterday, I was most pleased with the bipartisan support that the President's speech received in the Senate Chamber, especially the astute and gracious analysis given by my good friend the distinguished minority leader.

This morning in the Washington Post, an editorial titled "Europe's Turn," comments on the President's remarks. It begins:

The President gave an awfully good speech yesterday. He was well prepared, forceful and he made a lot of sense. Serious people in this country, in Europe and in the Soviet Union ought to study his message.

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EUROPE'S TURN

The President gave an awfully good speech yesterday. He was well prepared, forceful and he made a lot of sense. Serious people in this country, in Europe and in the Soviet Union ought to study his message.

What the president did was to put the United States into a negotiating position on the critical issue of the military balance in Europe and, by extension, in East-West relations overall. This is more than a public relations stunt, though an appeal to public opinion is vital to the diplomacy practiced by democratic countries. It is a serious effort to stabilize relations with the Soviet Union.

In content, Mr. Reagan's speech followed closely the NATO deploy-and-negotiate decision of 1979. Previously, the United States had held off approaching the table lest the spectacle of negotiation undercut an ambivalent Europe's support for deployment of new missiles to match the new Soviet SS20s. But it was finally decided to start talks promptly in an attempt to limit further public unraveling. Either way, European public opinion would hardly have stayed still. With talks begun, however, the United States can fairly say it is abiding faithfully by the terms of the NATO deal.

In the talks due to start Nov. 30 the president said he will offer to halt the new NATO deployment if the Soviets dismantle the daily growing force of new SS20s trained on Europe, and the older missiles for which the 20s are a replacement. Soviet President Leonid Brezhnev told a West German audience recently that that was not good enough. American "forward-based systems" (airplanes and sub-launched missiles) of intermediate range and the British and French independent nuclear deterrents must also be on the table, he declared. That's what the negotiation will be about.

How will it come out? That will depend in the first instance on the temper of the Europeans. Each great power is playing to them. The Soviets, as they observe the European "peace movement," may be sorely tempted to play to it in the hopes that eventually NATO will have to reduce or call off the new deployments without Moscow's having to make any concessions in return. No one can say confidently that this will not happen. The Europeans, however, have to ponder what then might result.

Ronald Reagan has just made a genuine and unthreatening commitment to the Atlantic Alliance. He has laid out a basis on which American support for European security can be sustained indefinitely, and he has put forward a respectable position from which to launch a serious negotiation. It is not for any American, however, to define Europe's concept of its own security. Europeans must decide for themselves whether it is better to respond or not—on the double track on which they insisted—to the new Soviet missile force and to the political purpose represented by that force. In brief, Mr. Reagan has returned the question of Europe's security to the only place where it can finally be answered: Europe.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The acting minority leader is recognized.

Mr. CRANSTON. Mr. President, I reserve the remainder of our time. I am prepared to yield it back if the acting majority leader wants to do the same.

ORDER OF PROCEDURE TODAY

Mr. STEVENS. Mr. President, I am likewise prepared to make the same motion. It is my understanding that the distinguished Senator from Delaware (Mr. BIDEN) has a special order for 15 minutes and that, following his special order, there will be a period for the transaction of routine morning business not to extend beyond 10:30 this morning. Is that correct?

The PRESIDENT pro tempore. The acting majority leader is correct.

Mr. STEVENS. Mr. President, before I yield back my time, I again call the attention of those Senators who are listening to the proceedings in their offices that, at 10:30, the Senate will begin consideration of Senate Joint Resolution 115, a resolution to approve the President's recommendation for a waiver of law pertaining to the Alaska Natural Gas Transportation Act of 1976. This is a measure that is of substantial importance to me because of its impact on my State. In addition, this legislation will significantly influence the attractiveness of the Alaska natural gas transportation system project which will provide domestically produced energy to people across the country. I hope that those Members who are interested will be alert to the fact that there is a 1-hour time limitation under the law for the consideration of this resolution and that there will be a vote by the Senate on the President's request for approval of the waiver package at 11:30 this morning.

Mr. President, I yield back the remainder of my time.

Mr. CRANSTON. Mr. President, I yield the remainder of my time to the distinguished Senator from Delaware.

RECOGNITION OF SENATOR BIDEN

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized.

Mr. BIDEN. I thank the distinguished acting majority and minority leaders.

THE PRESIDENT'S FOREIGN POLICY ADDRESS

Mr. BIDEN. Mr. President, I wish to express my opinion of the statement of President Reagan yesterday with regard to nuclear arms policy and to comment further on U.S. foreign policy and NATO.

Yesterday, the President spoke before the National Press Club and issued a significant declaration of policy concerning American goals in East-West negotiations concerning the Soviet Union. The President enunciated a U.S. position in four areas: First, the area of nuclear weapons in Europe; second, strategic nuclear systems; third, conventional forces in Europe; and fourth, special measures to enhance East-West stability which might be agreed upon in the Conference on Disarmament in Europe which is now being planned during the CSCE talks in Madrid. Of these four, the only truly new U.S. proposal concerns nuclear weapons in Europe and was clearly aimed less at the Kremlin than at public opinion among our NATO allies.

Although the President referred to a long history of the North Atlantic Alliance and the valuable purpose it has served, he did not give detailed attention to recent events within that Alliance which have been disturbing the leaders on both sides of the Atlantic. I wish, therefore, to take this opportunity to place the President's statement in the context of the last 9 months.

During the Presidential campaign in 1980, candidate Ronald Reagan and other Republicans who did not take umbrage at the Republican platform took considerable issue with President Carter's administration's handling of relations with our democratic partners in Western Europe. The United States, they charged, was losing the confidence of its NATO allies and without a doubt, this indictment held some truth. American leadership had, indeed, come into question.

Unfortunately, the analysis offered by President Carter's political opponents was somewhat flawed, in my opinion:

and by acting upon this flawed recollection of the 4 years of the Carter administration, they managed during the Reagan administration s first 10 months to inflict more damage upon the Atlantic Alliance than any which occurred in the previous 4 years.

There is no question that Mr. Carter's Presidency had numerous European critics, not the least of whom was Chancellor Schmidt, who, on several occasions, for several hours at a time, bent my ear about why my President was not a strong President. But their critique of President Carter centered far more on technique than on substance, more on competence than on goals.

For example, on U.S. energy policy—so important to the world economy—it was the Carter failure to win congressional support that caused European complaint. On human rights, it was the Carter administration's aggressive moralism, which many Europeans thought counterproductive.

In NATO's defenses, it was the sudden and contentious American stress on percentage-annual-increases in expenditures, which overlooked the superior allied record of the previous decade. On SALT, it was the Carter team's impetuous proposal of deep cuts, which served only to delay negotiating progress, and later President Carter's inability to achieve the SALT II ratification that West Europeans overwhelmingly supported. In each of these Carter efforts—to intensify American energy production and conservation, to enhance human rights internationally, to bolster NATO's military strength, and to achieve nuclear arms limitation—it was primarily a concern about results, not about Mr. Carter's priorities or policy aims, that generated doubt in Allied Governments.

To so describe President Carter's transatlantic problems is by no means to minimize them. Indeed, by the time of our election in late 1980, it was preeminently clear that NATO's most urgent need was a new surge of confidence in American leadership. In an uncertain world—with the Soviets in Afghanistan, Poland in turmoil, SALT II still unratified, and East-West relations in decline—a reassuring demonstration of U.S. strength, wisdom, and reliability had become the obvious imperative—an imperative that many of our allies and leaderships in Western Europe doubted Mr. Carter could fulfill.

THE CLAIM OF COMPETENCE AND COHERENCE

Sadly—both for the United States and for the Western democratic alliance—no such display has been forthcoming in the last administration; and I respectfully suggest that none has been forthcoming from this administration. Arriving in office, the Reagan administration boldly promised a foreign policy characterized by competence and coherence. But as yet it has supplied little of either, relying instead on a confused but belligerent rhetoric that has accomplished nothing other than to exacerbate the problem of confidence among America's allies.

Guiding the Reagan administration has been the simplistic premise that virtually every world problem can be traced to Soviet malfeasance. Soon after the President's inauguration, this notion prompted administration officials to cast tiny El Salvador, in its revolutionary strife, as a major cockpit of East-West confrontation and to summon our allies to join the battle. Then, turning to the Middle East, the administration quickly misled itself into believing that the clarion call for a "strategic consensus" would somehow work the magic of replacing that region's multiple and deep-seated conflicts with a single-minded anti-Soviet alliance. In each case, America's European partners—themselves quite familiar with the Third World's complexities—could only watch with bewilderment, wondering how such bizarre policy prescriptions met the administration's proclaimed standard of competence.

Meanwhile, still other administration actions erased even the pretense of foreign policy coherence. To be sure, Reagan officials have talked a consistently tough anti-Soviet line. But our NATO allies have been hard-pressed to reconcile American words with American deeds.

In the area of East-West trade, for example, the administration continues to express grave reservations about current plans for a major pipeline that would funnel Soviet natural gas to Western Europe—as, I might add, I do, also.

Yet, without even a bow in the direction of intra-alliance consultation, the President suddenly resumed massive U.S. grain sales to Russia, thereby reversing in a stroke the Carter administration's most significant anti-Soviet policy.

How, our allies have asked, could West European purchases of natural gas offer greater benefit to the Eastern bloc than the demonstrated U.S. willingness to fill the Soviet Union's enormous annual shortfall in food production?

I point out that the Soviets are still in Afghanistan, things in Poland are not much better, and we continue to lecture our NATO allies about how we want to be tough with the Soviets.

How, we ourselves must ask, could we now, having so capriciously dropped our sanctions for the Soviet invasion of Afghanistan, expect future allied cooperation in applying serious and sustained sanctions if the Kremlin intervenes in Poland?

The issue of coherence reaches to the military realm as well. In his decision on MX missile deployment, the President obviously took serious account of citizen opposition to certain proposed basing modes. Yet on what grounds, the allies have wondered, has the Reagan administration treated so gingerly with public concern in the United States but so disdainfully with comparable discontent about new missile deployments among a West European populace which already lives amidst the densest concentration of nuclear weapons in the world?

Put another way, how do we explain that we are not going to base a missile system we say is essential to our security out in the southwestern desert of the United States of America because of citizen opposition and then, somehow, fail to understand that there is some reason why the Europeans would be a little upset about the placement of weapons in their area of the world? It is a little like placing the MX system in New York City or placing it in Washington, D.C., or placing it on the east coast.

In sum, since the administration is demonstrably capable of accommodating its anti-Soviet doctrine to political and economic considerations here in America, by what standard can we chastise our allies for contemplating the same? Can we really expect our NATO partners to rally to a policy which has been not only unpersuasively simplistic in theory, but also has appeared hypocritically incoherent in practice?

As if such questions were not difficult enough, the administration's foreign affairs team has still further undermined the image of either competence or coherence in its first few major statements. During the 1980 campaign, taking note of reported discord between Secretary of State Vance and Presidential Security Adviser Brzezinski, Candidate Reagan gave assurance that his administration would speak with a single voice. But in practice the Reagan players have provided a public theater of acrimonious backbiting that makes the Carter chorus seem in retrospect almost a paragon of adroitly orchestrated harmony. Understandably, our allies have not been reassured by this one unfortunate element of continuity in American foreign policy.

THE EUROPEAN "DISEASE"

Following the recent wave of protest demonstrations in West European capitals, American concern has focused on the upsurge of antinuclear sentiment among our allies.

A tempting response—one already voiced by certain pundits—is to accuse our European partners of having lost their will, of being infected by a sickness of the spirit that blinds them to the realities of the Soviet threat and their long-term security interests. By this newly fashionable assessment—that the European trend is toward pacifism, neutralism, and anti-Americanism—obscures more truth than it conveys. Western Europe today has not been gripped by a philosophy of either pacifism or neutralism; on the contrary, a powerful allied consensus continues to support the principle of collective military defense. Nor are there signs of any significant growth in European feeling against America—or, more particularly, against U.S. troops in Europe.

What understandably has arisen, however, is an unprecedented level of European doubt about American leadership in the conduct of East-West relations. Indeed, what began as a murmur of allied disappointment with Carter has become, during the brief tenure of Pres-

ident Reagan, a shout of European disillusionment.

The reasons for this hemorrhage in allied confidence are hardly obscure.

The Reagan administration arrived in office having convinced itself, at least partly, through an intoxication with its own campaign rhetoric, that our NATO allies were quietly, but deeply yearning for the United States to mount a bold, determined, and comprehensive anti-Soviet campaign.

Unfortunately, this premise derived far more from the psychological desire to heal the sting of defeat in Vietnam than from any serious analysis of our allies' priorities or of NATO security needs. As a result, wishful thinking produced a half-truth that has been a distorted guide to alliance leadership.

There is little doubt that America's allies do welcome the renewed U.S. commitment to military defense. Contrary to popular impression, European defense budgets—unlike our own—rose substantially during the decade of the 1970's. And when the U.S. decline was eventually reversed, first by the Carter administration, and even more sharply by President Reagan, the alliance response was plainly positive.

But the allies find scant virtue—and considerable futility—in an American quest to regain the strategic military superiority which the United States enjoyed for a relatively brief period following World War II. Today, in the prevailing European view, the wisest goal of Western military spending is to maintain a sound military balance—first, to deter aggression, but also to provide a stable basis for constructive East-West negotiation that can enhance our collective security even further.

This two-dimensional approach—a security strategy aiming for defense and détente—was in fact formally and unanimously endorsed by NATO governments more than a decade ago and has remained alliance doctrine ever since. Although the benefits of détente have predictably been limited, the doctrine itself has proven serviceable, both as a guide to collective action and as the centerpiece of a solid allied consensus. In contrast, the recently voiced U.S. aim of recapturing military superiority appears to many Europeans as a sudden, misguided manifestation of American nostalgia, which could—by stimulating an arms race and impeding East-West negotiations—have the consequence of actually decreasing the security it is NATO's purpose to provide.

The lightning rod for European anxiety has been the December 1979 alliance decision to modernize NATO long-range theater nuclear forces—LRTNF—and simultaneously to seek East-West limits on such weaponry through United States-Soviet negotiations. In the minds of alliance planners, a combination of factors necessitated this "dual track" decision as it is known. First, the advent of superpower parity in strategic—or central—systems has heightened the importance of military balance within the European theater, which does not exist now because the Soviets have a superior capability in the theater. It must be redressed.

Second, the reliability of NATO's existing LRTNF—U.S. F–111's and British Vulcan bombers based in the United Kingdom—has declined as those systems approach obsolescence while Soviet air defenses have improved considerably.

Third, Soviet LRTNF capabilities have meanwhile been increased by the addition of new SS–20, Backfire bombers, and other modern systems. NATO thus perceived an adverse shift in the European balance just as that balance had acquired added significance. By its commitment to modernize LRTNF, NATO officials reasoned, the alliance could insure the retention of all rungs on its ladder of graduated response—thereby maintaining the strategic coupling of Europe and the United States—and also induce the Soviets, whose LRTNF modernization is well underway, into negotiating mutual limits on theater systems, analogous to SALT ceilings on central systems, or put even more simply, the Soviets were gaining the significant edge in Europe and the alliance agreed that unless they dismantled their efforts we were going to move forward with our effort to modernize our weaponry. But we agreed that we would attempt both. We would move forward while we talked. Although the alliance decision had a clear internal logic, it was also clear from the outset that European public opinion would meet the plan with at least some measure of resistance. And that should not surprise us. I have not heard anyone in America suggest that the people of Utah are pacifists, nor do I suggest that. Nonetheless, we have met with some resistance toward the idea of placing the MX missile system in that area. The same kind of resistance is met in European quarters. For years. NATO's relatively constant nuclear posture remained in the shadows of public consciousness. But the Carter administration's experience with the enhanced radiation warhead in 1977 revealed a new political fact. And I might add the Carter botch of the enhanced radiation weapons systems further revealed a new political fact.

In a resurgent Europe—with a young generation not yet acclimated, like its predecessor. to the mind-boggling assumptions of what Churchill called the "balance of terror"—a proposed change in nuclear weaponry, even if intended to enhance deterrence and prevent war could quickly raise a storm of protest. Indeed, had President Carter not suspended the ERW decision in 1978, anti-nuclear sentiment in the Low Countries might well have risen to the point of blocking the unanimity needed for NATO's more crucial LRTNF decision of December 1979.

When the LRTNF decision, once taken, caused antinuclear feelings to coalesce again, the movement's emotional appeal gained impetus from reasonable questions: Does NATO's proposed modernization, by introducing new Pershing missiles able to hit Soviet territory within 6–8 minutes, represent a provocative and destabilizing increase in alliance capabilities?

My answer is no, but nonetheless you can expect the Europeans to ask the question.

The second question asked is: Why not deploy any new systems at sea, thereby minimizing both military and civilian vulnerability? Another question raised was: Should not NATO try the negotiating track first, before deciding on new deployments?

All of these questions are legitimate to be asked.

For alliance officials who had participated in the NATO decision and were prepared to defend it—particularly, the leaders of West Germany's ruling coalition—such questions had persuasive answers. They soon realized, however, that a sustained and patient dialog with their publics would be necessary. With SALT II effectively blocked in the U.S. Senate and East-West relations deteriorating after the Soviet invasion of Afghanistan, the profound reluctance of West Europeans to return to the cold war was expressing itself through opposition to the apparent danger of a nuclear arms race in Europe.

Against this background the Reagan administration took office bearing a serious burden of responsibility. Not without reason, candidate Reagan and his colleagues were perceived by Europeans as personifying not only American opposition to SALT II but also a spirit of erratic bellicosity. The very fact of the Reagan election thus intensified allied doubt that the United States would proceed in good faith on the LRTNF negotiating track or in other avenues of East-West negotiation. To win European confidence thereby posed for the new administration its central challenge of alliance leadership.

Ten months later, unfortunately, no such victory has been won. Initially, the appointment of Secretary Haig, a former NATO commander, provided the allies some reassurance. Since then, however, Reagan officials—expressing contempt both for the Soviet leadership and for the dangers of a new nuclear arms race—have seemed almost at pains to foster European anxiety about American prudence in the conduct of East-West relations. A particularly blatant disregard of allied sensitivities was evident when the administration announced in August, again without intra-alliance consultation, its intention to proceed with the already controversial ERW.

Then, as if to insure a negative impact in Europe, Reagan officials followed up with an extraordinary outbreak of foot-in-mouth speculation about the possibility of confining a nuclear war to European soil—causing one West German leader to wonder aloud if Washington had actually decided to assist the European peace movement. Meanwhile, Chancellor Schmidt, whose efforts to support NATO's LRTNF decision have been seriously undermined by the administration's cavalier behavior, now finds in the European mood a politically destabilizing rise of "angst, concern, and fear."

This atmosphere developed as a consequence of administration statements that we were going to manufacture the

neutron bomb, that we could set off demonstration nuclear strikes in Europe—we have not figured out where that could be done—and that we were going to move forward. The President suggested it was possible to have a tactical nuclear war in Europe without the Soviet Union or the United States being involved. All these utterances by the President of the United States or high administration officials. You can understand why there might be a little anxiety in Europe.

NATO'S UNDERLYING STRENGTH

Those dedicated to NATO's continuing solidarity can only hope that future developments will reverse the current trend. Later this month, United States-Soviet negotiations on LRTNF will finally convene in Geneva; and early next year SALT talks will begin in another room in the same building. Eventually, assuming progress ensues, the two negotiations will merge—in effect if not in fact—into the SALT III talks envisioned when SALT II was originally signed. If and as such progress occurs, the rising tide of European doubt may recede.

As a beginning to this process, the President's speech yesterday constitutes a sound, if belated statement of an American negotiating position on LRTNF.

And the President should be complimented in finally doing that.

For months now, European leaders have argued that NATO should make clear its acceptance—and indeed advocacy—of a negotiating outcome in which neither side would possess long-range theater nuclear forces. The essence of this "zero option" would be NATO's cancellation of its decision to deploy new Pershing II and cruise missiles in exchange for agreement by the Soviets to dismantle some 250 SS-20's recently deployed, as well as some 350 SS-4's and SS-5's which have been in the field for years. Heretofore, U.S. officials have resisted the notion of a "zero option," arguing that its frequent articulation could undermine public support in Europe for the LRTNF deployments to which NATO is committed.

European officials have countered that NATO's failure to give voice to the "zero option" as a goal has meant foregoing the opportunity to underscore, in public debate, that it is Soviet deployment of LRTNF which are the source of current instability and that NATO is simply seeking to respond. As of today, the administration appears finally to have accepted this argument; and the President's speech is obviously designed to demonstrate full U.S. acceptance of the "zero option" before the arrival of President Brezhnev in Bonn, this Sunday, for discussions with Chancellor Schmidt.

While supporting the President's proposal on LRTNF and hoping that it will have some success in allaying West European concern, we must recognize that the proposal represents an effort to solve a problem—of allied confidence—which this administration did much to create. We must also recognize that, even given our best efforts, the "zero option" is an unlikely outcome of negotiations. It may be ironic, considering the administration's reluctance to accept the "zero option" concept, but it is probable that the Soviets will be reluctant as well. To date at least, Soviet statements have insisted that LRTNF negotiations include all theater nuclear delivery systems—not just missiles. Accordingly, the initial Soviet response to the President's speech was negative.

It is therefore almost certain that the LRTNF negotiations will be prolonged and highly complex as the two sides must reach agreement on precisely what weapons are to be limited before numerical limits can even be discussed. Thus, only through a sustained effort will the administration be able to demonstrate its sincere desire to establish LRTNF limits.

As we now await the onset of negotiations, administration officials might be well advised to contemplate the basic strengths of the alliance we all routinely describe as the cornerstone of American security. Just 3 short years ago, the specter of Euro-communism was perceived as threatening alliance solidarity along much of NATO's southern flank. Yet that picture has now brightened remarkably. In Iberia, Spain has followed Portugal in building free institutions and is indeed approaching entry into NATO.

In France, power has passed to a socialist government which shows even firmer commitment to alliance goals than its more conservative predecessor. And in Italy—once the principal focus of concern—Communist strength has receded, while the ruling coalition has provided crucial support for NATO's two-track decision on LRTNF. In each case, the democratic process—which it is NATO's goal to defend—has operated to support the alliance.

Although far from inevitable, such positive developments do offer perspective on NATO's current plight. Today, the question of alliance solidarity has reappeared to the north, but the outcome will—as before—be determined by the democratic process. In West Germany, the Low Countries, and Britain—each engaged in a divisive domestic debate concerning nuclear weapons and national defense—the issue will turn finally on public confidence in existing institutions of collective security. If a majority of citizens in each allied nation remains, as in the past, persuaded of the soundness of NATO's purpose, the alliance will hold.

Helping to buttress such majorities is a perpetual duty of all U.S. administrations and, in light of its performance thus far, an especially pressing responsibility for this one. Earlier this month, reflecting their concern that the Soviets have gained the initiative in the international war of ideas Reagan officials commenced an aggressive counterpropaganda campaign they call "Project Truth." But while truth per se may be fine, such a zealous effort to propagate our own version of it obviously runs two risks: Of compromising our own credibility and, perhaps worse, of deluding ourselves with the nonsense that propaganda is the heart of our problem.

Europe's current nuclear controversy is a pronounced case in point. If many West Europeans have recently come to view the United States as an unreliable and possibly dangerous partner, the explanation lies not in Soviet propaganda but in recent failures of U.S. policy and pronouncement. When Washington gives clear evidence of supplying NATO the true leadership it has been America's historic role to provide—and the President's speech today may represent a beginning—there is little doubt that our democratic partners in Europe will sustain the alliance to which we both belong. If such leadership is not forthcoming, this administration will face the grave charge of having jeopardized not only the solidarity of the alliance but also the security of the United States.

Mr. President, while I have been very critical of the President's policy thus far, I sincerely hope that this echoes not only a change in his attitude toward negotiation but a diminution of the rhetorical excesses that have caused us so much problem in NATO and that this administration will face the grave problem of keeping NATO solid in our own best interests.

Thank you very much, Mr. President. I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 10:30 a.m. That time has arrived.

ACTIVITIES OF THE COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, recently, on the floor of the Senate, there was discussion of the work and activities of the Committee on the Judiciary in processing legislation and nominations. For the information of the Senators and public, I am setting forth today a brief summary of the highlights of committee action to date in this first session of the 97th Congress.

First, the Committee on the Judiciary has reported favorably the following major items of legislation which are pending on the Senate Calendar:

First, S. 951, "Department of Justice Appropriation Authorization Act, fiscal year 1982."

Second, Senate Joint Resolution 58, to amend the Constitution of the United States altering Federal fiscal decision-making procedures.

Third, S. 1080, to amend the Administrative Procedure Act to require Federal agencies to analyze the effect of rules to improve their effectiveness and to decrease their compliance costs, to provide for a periodic review of regulations, and for other purposes.

Fourth, S. 114, to establish rational criteria for the imposition of the sentence of death, and for other purposes.

Fifth, S. 537, to aid State and local governments in strengthening and improving their judicial systems through the creation of a State Justice Institute.

Sixth, S. 391, to amend the National Security Act of 1947 to prohibit the unauthorized disclosure of information identifying agents, informants, and

sources and to direct the President to establish procedures to protect the secrecy of these intelligence relationships.

Seventh, S. 691, to amend titles 18 and 17 of the United States Code to strengthen the laws against record, tape, and film piracy and counterfeiting, and for other purposes.

Eighth, S. 1700, to establish a U.S. Court of Appeals for the Federal Circuit, to establish a U.S. Claims Court, and for other purposes.

Yesterday, the committee ordered reported S. 1630, the "Criminal Code Reform Act of 1981," and that bill should be on the Calendar about December 2 or soon thereafter.

I point out also that on the Senate Calendar are the following major legislative proposals which are within the jurisdiction of the Committee on the Judiciary:

First, S. 1741, a bill to provide that human life shall be deemed to exist from conception.

Second, S. 1742, a bill to restore the right of voluntary prayer in public schools and to promote the separation of powers.

Third, S. 1743, a bill to insure equal protection of the laws as guaranteed by the 14th amendment to the Constitution of the United States and to deny jurisdiction of the inferior Federal courts to order the assignment or transportation of students and for other purposes.

Fourth, H.R. 3112, to amend the Voting Rights Act of 1965 to extend the effect of certain provisions, and for other purposes.

Of these, the committee has held hearings on bills identical to the first three proposals, and hearings are scheduled on the last bill in January and February of 1982. These hearings should be helpful to the Senate when these measures are considered.

The Senate has also passed and sent to the House of Representatives the following significant bills reported by the Committee on the Judiciary:

First, S. 255, to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

Second, S. 816, to amend the Clayton Act to limit the circumstances under which foreign governments may sue for violations of the antitrust laws, and for other purposes.

Third, S. 823, to provide for the payment of losses incurred as a result of the ban on the use of the chemical Tris in apparel, in fabric, yarn, or fiber, and for other purposes.

Fourth, S. 863, to establish a uniform law on the subject of bankruptcies.

Fifth, S. 923, to amend chapter 207 of title 18, United States Code, relating to pretrial services.

Sixth, S. 1365, to amend the Bankruptcy Act regarding farm produce storage facilities, and for other purposes.

The committee has also approved 44 commemorative resolutions and 29 private relief bills, of which 11 have been House measures. Eleven of the private relief bills passed by the committee have become private laws.

Moreover, the committee has reported favorably 108 executive nominations, all of which have been confirmed. Excluding military officers and ambassadors, this number represents approval of far more nominations than considered by any other committee of the Senate; and it also includes the nomination of a Justice of the Supreme Court.

Although we are still not yet half way through this Congress, the following measures under jurisdiction of the committee on the Judiciary have become public laws:

First, S. 840, to extend authority provided under the Justice Department Authorization Act of 1980, until October 1, 1981.

Second, H.R. 4603, to continue in effect any authority provided under the Department of Justice Appropriation Authorization Act, fiscal year 1980, for a certain period, and for other purposes.

Third, S. 736, to provide for the control of illegally taken fish and wildlife.

Fourth, S. 1033, to grant the consent of Congress to the agreement between the States of North Carolina and South Carolina establishing their lateral seaward boundary.

Fifth, S. 253, to increase the members of the Commission on wartime relocation and internment of civilians.

Two public measures, as follows, are awaiting the President's signature:

First, S. 195, to incorporate the U.S. Submarine Veterans of World War II.

Second, S. 1672, to amend the membership of the U.S. Holocaust Memorial Council from 60 to 65 and for other purposes.

The foregoing statutes do not include the many days of observance and commemorative bills which have also been enacted and are now public law.

Although much remains to be done, the record of the Committee on the Judiciary, thus far in the 97th Congress, is a record for which I commend the members of the committee and of which I believe the Senate can be proud.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there morning business? If there is no morning business, it is closed.

WAIVER OF LAW TO EXPEDITE CONSTRUCTION OF THE ALASKA NATURAL GAS TRANSPORTATION SYSTEM

The PRESIDENT pro tempore. Under the previous order, the hour of 10:30 a.m. having arrived, the Senate will now proceed to the consideration of Senate Joint Resolution 115, which the clerk will state by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 115) to approve the President's recommendation for a waiver of law pursuant to the Alaska Natural Gas Transportation Act of 1976.

The Senate proceeded to consider Senate Joint Resolution 115.

Mr. McCLURE. Mr. President, I make a parliamentary inquiry to clarify our situation. Do I understand that Senate consideration of Senate Joint Resolution 115 is governed by the expedited procedures in section 8 of the Alaska Natural Gas Transportation Act of 1976, Public Law 94-586?

The PRESIDING OFFICER (Mr. WARNER). The Senator is correct.

Mr. McCLURE. Mr. President, do I understand further that pursuant to section 8: First, the resolution is not amendable; second, a motion to recommit the resolution is not in order; third, debate is limited to 1 hour; and, fourth, the 1 hour shall be divided equally between those favoring and those opposing the resolution?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. Do I understand——

The PRESIDING OFFICER. If the Senator will indulge me, the Parliamentarian has further advised the Chair that there is an additional stipulation which reads as follows:

It shall not be in order to move to reconsider the vote by which such resolution is agreed to.

Mr. McCLURE. Mr. President, do I understand finally that, therefore, the action of the Senate today is limited by law to agree or disagree to the joint resolution at the end of the debate?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. Mr. President, I thank the Chair for these clarifications.

Mr. President, I rise in support of Senate Joint Resolution 115, a resolution to approve the President's recommendation to Congress regarding the waivers of law necessary to remove the remaining obstacles to the private financing and construction of the Alaska natural gas transportation system (ANGTS). This resolution was reported favorably by the Committee on Energy and Natural Resources by a vote of 14 to 1.

The Alaska natural gas pipeline will open access to proven gas reserves on the North Slope which equal 15 percent of the domestic gas reserves and will deliver 5 percent of our current annual gas consumption to the lower 48 States for a period of 20 to 30 years. Such access and delivery will make a major contribution to our national energy security, the economic growth of America, and certainly our national security.

Also, as the President cabled to Prime Minister Trudeau and noted in his formal transmittal statement, the project is "a symbol of United States-Canadian ability to work together cooperatively in the energy area for the benefit of both countries and peoples—and—this same spirit can be very important in resolving the other problems we face in the energy area."

President Reagan's proposal of October 15, 1981, as stated in the formal transmittal, "is designed to clear away governmental obstacles to proceeding with private financing of this important project." The President's proposal includes in its provisions the provisions of law which he finds constitute obstacles to private financing and waives them as a package. At the same time, the President does not propose to waive broadly all

laws applicable to the project, not to waive each included provision of law totally, without regard to other policies. Rather, the waiver proposal has been formulated carefully to waive the indicated provisions of law as each would be applicable to the project only to the minimum extent necessary, while preserving maximum remaining legal protections for other important policies and principles.

Perhaps what I believe is most important about this specific package is that it will provide a positive opportunity for private financing of the pipeline, rather than require any Federal Government assistance. Legal barriers to gas producer participation in financing the project would be modified to allow such participation, while retaining appropriate safeguards, thus insuring needed equity financing for construction. Also, potential legal impediments to adequate debt financing are modified to increase the security of such investments in the billing arrangements and in needed regulatory predictability.

I am convinced that the combination of these several modifications, which the President found to be necessary under the law "to permit expeditious construction and operation" of the pipeline, will create a reasonable opportunity for negotiation of a viable financing plan, with needed debt and equity for the pipeline. I am also convinced that these modifications, which will be implemented and enforced by the Federal Energy Regulatory Commission (FERC) under strict regulatory procedures, carefully balance the very best interests of this Nation, including gas consumers, participating financial institutions, the participating pipelines, producers, and sponsors, as well as internationally important diplomatic agreements with Canada.

Mr. President, the Energy and Natural Resources Committee has strongly endorsed the thoroughly responsible approach of the President's waiver package, in terms of its formulation and construction, as well as its substance. First, the proposed waiver addresses the several individual provisions of existing law which the President has identified to constitute obstacles to private financing. These several provisions in the aggregate, with such obvious significant close interrelations, in the committee's judgment, should be addressed as a package and should be waived only to the extent and in the manner specified in the President's proposal.

Congress clearly contemplated the necessity for just such action to permit expeditious construction and initial operation of ANGTS, and for that very reason enacted the special procedures in section 8 of the Alaska Natural Gas Transportation Act (ANGTA) to provide this legal framework for the necessary waiver of law.

As chairman of the committee, I have concluded that the President's proposal is completely consistent with that intent and wholly satisfies as a matter of law, those requirements of ANGTA. It is on that legal and policy basis that I believe the committee recommends Senate passage of Senate Joint Resolution 115, the required joint resolution of approval.

Mr. President, at this time, I want to clarify the provision in the waiver package characterized generally as "producer ownership participation." This provision requires the specified finding with regard to any agreement on producer participation which may be approved by FERC. The committee emphasizes that the finding regarding the agreement is based on the FERC review prior to such approval. Once the agreement is approved, there is no further legal requirement for FERC to review activities under the agreement related to the finding.

The import of the "in and of itself" phrase in part (b) of the provision is to emphasize that the FERC review should focus on the terms and conditions of the agreement as it is submitted for review and approval, but not on a continuing review of the actions of the parties under the agreement after approval. The committee understands that the producers will have an ownership role, currently contemplated as a minority equity position, and of course would anticipate that they will seek to protect their interests responsibly under the agreement. The required finding, however, will be conclusive when rendered.

Mr. President, I ask unanimous consent that a letter of November 17, 1981, from Secretary of State Haig and Secretary of Energy Edwards regarding the waiver package be printed in the RECORD at this point. I also ask unanimous consent that an editorial from the Washington Post of November 16, 1981, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, D.C., November 17, 1981.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLURE: On October 15, President Reagan transmitted a proposed waiver of law to the Congress pursuant to Section 8(g) of the Alaska Natural Gas Transportation Act. In his accompanying message, the President reiterated the "critical importance of the project to the energy security of this country" and as a demonstration of cooperation between the United States and Canada.

As you know the Senate Energy Committee has conducted extensive hearings on the proposed waiver of law and received testimony from a broad spectrum of witnesses, including financial experts, and consumers, as well as the project sponsors themselves.

As the Senate now moves toward final consideration on the proposed waiver, we would like to take this opportunity to reiterate several points which we believe are crucial in your analysis of the President's proposal.

1. Access to Alaska natural gas reserves is vital to the Nation's long-term energy security. The 26 trillion cubic feet of proven reserves at Prudhoe Bay comprise about 13 percent of domestic proven gas reserves. Completion of the project also will facilitate exploration and development of an estimated additional 100–200 trillion cubic feet of undiscovered gas in Alaska. It is our conclusion that the ANGTS represents the most realistic option to bring this gas to the lower 48 states.

2. Approval of the waiver will fulfill important U.S. commitments to the Canadian Government. Prior to the decision of the Canadian Government in the summer of 1980 authorizing the export of Canadian gas in support of the early construction of portions of the pipeline system, President Carter sent a letter to Canadian Prime Minister Trudeau underscoring the U.S. commitment to the project and pledging to initiate appropriate action before the Congress to remove legal impediments to the ability of the Canadian sponsors to recover their costs upon completion of the Canadian portion of the system.

This commitment was endorsed by the Congress through the passage of a concurrent resolution in July 1980 stating that the project "enjoys the highest level of congressional support for its expeditious construction and completion." Given these commitments, failure to approve the proposed waiver could have serious repercussions for United States-Canadian relations.

3. The proposed waiver will ensure an equitable balance of the economic risks associated with the project. Given the extensive design and engineering work already completed by the project sponsors, the risk of precompletion billing due to significant construction delays or abandonment is remote. A more substantial risk to consumers is that, in the event of delay or abandonment of the project as a result of congressional inaction on the President's waiver proposal, they will be forced to rely on more costly and unstable supplies of imported oil.

This project represents an important investment in the energy future of this country from which energy consumers will receive substantial long-term benefits. Significant procedural and other safeguards included in the terms of the proposed waiver, as well as in the underlying authority of the Federal Energy Regulatory Commission to review and ultimately to approve the project including the final tariff, will ensure that the interests of consumers remain protected.

4. The President's decision to propose the waiver of law was reached independently of the Administration's ongoing review of natural gas price decontrol. Whatever decision is reached by the President and the Congress on decontrol, the project sponsors will have a range of options to ensure the marketability of Alaska natural gas. The analyses of the various economic studies prepared for the project sponsors and made available to your Committees during the course of the hearings demonstrate that over the life of the project, the cost of Alaskan natural gas will be significantly below the price of alternative fuel supplies under any decontrol plan.

The proposed system will be the largest privately financed project in history. However, for the sponsors to attract significant private capital, they must demonstrate that the gas will be marketable when delivered to the lower 48 states. The proposed waiver is designed to clear away Governmental obstacles which now prevent a true market test of the project.

In his letter transmitting the proposed waiver to the Congress, President Reagan stated that it is critical to the energy security of this country that the Federal Government not obstruct development of energy resources on the North Slope of Alaska. We strongly urge your support for this important national energy project.

With best wishes,

Sincerely,

JAMES B. EDWARDS,
Secretary of Energy.
ALEXANDER M. HAIG, JR.,
Secretary of State.

THAT GIGANTIC PIPELINE

We want to talk to you this morning about your gas bill—not the one you got this month, but the one you'll begin getting in the late 1980s. There's lot of gas underneath Alaska's North Slope, and getting it down here to customers in Washington and throughout the country is going to require the longest, most expensive pipeline ever built.

You need to be aware that the cost will be in the range of $40 billion and that it will ultimately be paid by the consumers who use the gas. But to get this assured supply at a stable price far into the future will be worth the money.

Congress now has to vote on it once again. The original legislation five years ago contained restrictions that turn out to make the financing impossible, and President Reagan has asked Congress to waive them. These waivers are a reasonable compromise with the realities of current conditions in the financial markets, and if Congress were to reject them it would, as a practical matter, kill the whole undertaking.

Rejection would also constitute a gross betrayal of the Canadian government, which has permitted the construction of the line south from Calgary into this country on the explicit promise by the United States that the rest of it would proceed promptly. That line is already in operation.

The effect of the waivers is to shift more of the financial risks of this enormous investment from the lenders to the consumers. But those risks are pretty small. The greater issue is the cost of the gas, compared with that of other fuels. At first, that price is likely to be substantially higher. But as time passes, with inflation and the higher oil prices that most people expect, the balance will change. An analysis for the House Energy Committee concludes that, over 20 years, on average, the Alaskan gas would cost slightly less than the alternative fuels. But it's necessary to acknowledge that there are many uncertainties in the calculation. Should consumers have to bear the brunt of those uncertainties?

The greater threat now is further rapid escalation of oil prices—and the higher they go, the better deal the Alaskan gas will be. If the gas at first is expensive and raises your gas bill, you ought to regard it as an insurance premium for the longer future. Whatever happens abroad, the prices of the Alaskan gas will continue to be set by law and by long-term contract. The shorter Alaskan oil pipeline seemed extravagantly expensive when it was finished, in 1977, at $9 billion. But since then it has saved this country $50 billion in the foreign exchange that it would otherwise have paid for more oil from OPEC. For the same reasons, the gas line serves the interest of both the consumer and national security.

Mr. McCLURE. At this point I wish to review the salient elements of the Alaska natural gas transportation system (ANGTS), discuss the economic and national security aspects of the system which favor its construction, and review the project's history which brings us to where we are today with our consideration of Senate Joint Resolution 115.

The Prudhoe Bay field, located on the North Slope of Alaska was discovered in 1968. The field contains recoverable reserves estimated to be at least 9 billion barrels of oil, and 26 trillion cubic feet of natural gas which is equivalent to 4.5 billion barrels of oil. This is the largest single gas reservoir ever discovered on the North American Continent and it contains about one-eighth of the U.S. proven reserves of natural gas. Besides the Prudhoe Bay gas reserves, independent experts place Alaskan gas resources somewhere in the 100- to 200-trillion cubic feet range, gas which will never be explored for or produced unless there is a transportation system capable of delivering this gas to market.

The Alaska natural gas transportation system is a pipeline which will stretch 4,800 miles from the North Slope of Alaska to Chicago and San Francisco. This pipeline will have an initial volume of 2 billion cubic feet of gas per day which is about 5 percent of current U.S. gas consumption. The reserve will be capable of providing the lower 48 States with an assured supply of gas for well in excess of 20 years even if no additional Alaskan gas reserves are located.

The gas the ANGTS will deliver during the first year of operation will replace as much as 400,000 barrels per day of foreign oil. The transportation system will be expendable to transport as much as 3.2 billion cubic feet of gas per day which will offset as much as 600,000 barrels per day of foreign oil.

The ANGTS will deliver Alaskan gas to 48 of the 50 States; Hawaii and Vermont are the only States which are not currently slated to receive any of this gas. About 70 percent of the gas will go to markets located in the Midwest, East, and South; the remaining 30 percent will go to markets located in the West.

I would like to note that the construction of the ANGTS is already underway, and in places already completed and delivering gas. Under the "prebuild" program, parts of the ANGTS are being constructed to deliver Canadian gas to the United States until the other portions of system necessary to transport Alaskan gas are completed. When completed, the prebuild will be capable of moving more than 1 billion cubic feet of surplus Canadian gas to U.S. markets. More than 1,500 of the ANGTS are already under construction, 1,000 located in the United States and 500 miles in Canada. Private financing totaling more than $2 billion has already been committed for the completion of the prebuild segments.

On the first of October deliveries of 240 million cubic feet of gas commenced to southern California through the Western leg of ANGTS; the Eastern leg of ANGTS is currently under construction and when it is completed by the fall of 1982, 800 million cubic feet of Canadian gas will begin to flow to midwestern markets.

The completion of the ANGTS and the commencement of delivery of Alaskan gas to lower 48 States markets will substantially reduce our dependence on foreign energy which, in turn, will both strengthen our economy and reduce our vulnerability to supply interruptions. A brief review of the U.S. dependence on foreign energy illustrates just how important this project is.

During the first 7 months of 1981 the United States imports of foreign energy totaled $49 billion which is about one-third of our entire imports of foreign merchandise and about four times our entire merchandise balance of trade deficit of nearly $14 billion. And more than one-third of the oil we consumed during this period came from foreign sources. These imports of foreign energy have played a significant part in our continuous adverse balance of payments which, in turn, has weakened the value of the dollar, increased the flow of imported goods, worsened our rate of inflation, and significantly lessened the ability of our domestic companies to compete in the international market. The initial delivery of 2 billion cubic feet per day of Alaskan gas to lower 48 States markets will save us about $7 billion per year in imports, and the expansion of the system to 3.2 billion cubic feet per day could save us in excess of $11 billion in imports. It is only too obvious to even a casual observer that any action taken to insure delivery of this Alaskan energy to domestic markets will substantially strengthen our domestic economic situation.

Similarly, the commencement of delivery of Alaskan gas to lower 48-States markets will substantially contribute to our national security. Just prior to the oil crisis of 1973, 27 percent of U.S. crude oil imports came from the Middle East. In January 1981, more than 39 percent of U.S. crude oil imports came from the Middle East. In addition to the crude oil which we import directly from the Middle East are those petroleum products we import which are refined from oil produced in the Middle East. And was exemplified during the recent Iranian revolution and Iran/Iraq war, some of the foreign suppliers of petroleum which we overly depend upon are both unstable and only too willing to use the "oil weapon" to further their political interests.

Mr. President, the resolution which we are considering today is but one further link in a chain of events and actions which were set off when the Prudhoe Bay field was discovered back in 1968. The most important of these have been discussed at length in the committee report on Senate Joint Resolution 115 but for the benefit of my colleagues I would like to briefly cite in chronological order the major events to date connected with the Alaska natural gas transportation system.

CHRONOLOGY OF MAJOR EVENTS

ALASKA NATURAL GAS TRANSPORTATION SYSTEM

1968: Reserves of oil and gas discovered in Prudhoe Bay, Alaska, estimated to contain 9.6 billion barrels of crude oil and over 26 trillion cubic feet of gas.

March 21, 1974: A group of private companies headed by Arctic Gas filed for necessary approvals with the Federal Power Commission (FPC), Department of Interior (DOI), and Canadian National Energy Board (NEB).

April 1974: Construction started on 800 mile pipeline to bring crude oil from Prudhoe Bay to shipping terminal at Valdez, Alaska. The $7.7 billion line was completed and operational by mid-1977.

May 14, 1974: Northern Border Pipeline Co. sought FPC approval to build an Eastern Leg, and on July 12, made a similar filing with DOI.

September 24, 1974: El Paso Alaska, a second competitor, filed for FPC approval for a land-sea system involving liquification at Valdez, Alaska.

December 13, 1974: Pacific Gas Transmission and Pacific Gas and Electric jointly filed with DOI and FPC to build the Western Leg of the Arctic Gas system.

April 1975–November 1976: FPC Administrative Law Judge Nahum Litt held hearings on the two competing applications.

June 1975: DOI issued its draft environmental impact statement (EIS) on the Arctic Gas proposal.

September–October 1975: DOI held public hearings on its draft EIS.

November 1975: FPC released its draft EIS on the El Paso system.

March 29, 1976: DOI issued its final EIS on Arctic Gas system.

April 1976: FPC issued its final EIS on El Paso's System.

July 9, 1976: Alcan Pipeline Company, a new affiliate of Northwest Pipeline Corporation, filed the third competing application with FPC and the Canadian NEB to build an overland system generally following the Trans-Alaska oil line and the Alcan Highway.

September 1976: FPC issued a final EIS on the Alcan system.

October 22, 1976: Congress passed the Alaska Natural Gas Transportation Act to expedite the selection and approval process.

February 1, 1977: Judge Litt (FPC) issued his initial decision recommending Arctic Gas, but found that any of the three proposals were feasible.

May 1, 1977: FPC made a split recommendation to the President: two Commissioners chose Arctic Gas, two chose Alcan.

May 9, 1977: Canadian Justice Thomas R. Berger issued a report recommending postponement of a Mackenzie Delta pipeline because of environmental and sociological problems, to allow time for native claims settlement.

June 1977: Canadian NEB decision found Alcan route preferable.

July 4, 1977: NEB recommended Alcan project and denied Arctic Gas' application as environmentally unacceptable.

July 20, 1977: DOI Secretary Andrus recommended to the President that the Alcan project be approved.

July 23, 1977: Northwest Energy contracted with Pan-Alberta Gas Ltd. of Calgary for delivery of substantial gas reserves for early transport through the Eastern leg.

July 29, 1977: Kenneth M. Lysyk of Canada submitted a report recommending that construction of the pipeline in the Yukon Territory be delayed until August 1981 to allow time for native claims settlement.

July 29, 1977: Arctic Gas withdrew and the eight American members joined in the Alcan project.

September 8, 1977: President Carter and Canada's Prime Minister Trudeau announced agreement on the gas pipeline project.

September 22, 1977: President Carter issued his Decision and Report to Congress selecting the Alcan system.

October 12, 1977: Federal Energy Regulatory Commission (FERC; formerly FPC) commented on the President's decision, supporting the Alcan selection.

November 2, 1977: Both Houses of Congress overwhelmingly approved the President's recommendation of Alcan.

November 8, 1977: President Carter signed the Congressional Joint Resolution approving the Decision.

December 16, 1977: FERC conditionally approved Alcan's proposed project, enabling the company to begin pipeline design and planning.

December 31, 1977: Alcan changed its name to Northwest Alaskan Pipeline Company and the project name to the Alaska Highway Pipeline Project.

May 8, 1978: FERC proposed an incentive rate of return structure, as required by the President's Decision.

November 9, 1978: President Carter signed into law the Natural Gas Policy Act which set the wellhead price of Alaska natural gas at $1.45 per thousand cubic feet plus monthly inflation allowances.

December 1, 1978: FERC adopted an incentive rate of return plan, but did not attach values to the factors.

January 26, 1979: Northern Border filed for FERC approval to build $1.4 billion facilities to take Canadian gas in advance of availability of Alaskan gas.

February 2, 1979: FERC proposed to require the Prudhoe Bay producers to pay for construction and operation of conditioning facilities needed to ready the gas for transport.

April 6, 1979: FERC issued notice of proposed rulemaking attaching values to each incentive rate of return component.

April 20, 1979: FERC ordered expedited hearing on the prebuild portion of the system.

June 8, 1979: FERC issued an order adopting incentive rate of return values and deciding tariff issues, by permitting rehearing.

June 8, 1979: John T. Rhett nominated as Federal Inspector.

June 11, 1979: President Carter signed Reorganization Plan No. 1 spelling out the duties of the Federal Inspector.

June 13, 1979: DOI conditionally authorized right-of-way grant for construction across Federal lands in Alaska.

June 21, 1979: President Carter signed Executive Order 12142.

July 1, 1979: Office of the Federal Inspector officially came into being.

July 12, 1979: Senate confirmed John T. Rhett as Federal Inspector.

July 13, 1979: John T. Rhett sworn in as Federal Inspector.

August 1, 1979: PERC staff issued an EIS which finds Prudhoe Bay an acceptable site for the gas conditioning plant.

August 6, 1979: FERC approved 48-inch pipe size, 1260 psig pressure for Alaskan segment, and in October denied rehearing of that decision.

August 24, 1979: FERC issued an order affirming its policy that the producers must bear the production-related costs, but allowed applications for rehearing to be filed.

September 6, 1979: FERC issued its final, unappealable incentive rate of return and tariff order.

October 12, 1979: DOI published proposed regulations to assure that minorities and women have the opportunity to participate in construction of the project, and scheduled hearings in November 1979.

October 26, 1979: Exxon submitted to DOE a proposed final decision on production related conditioning costs, at the request of the Secretary of Energy.

October 31, 1979: FERC agreed to postpone final decision on production related conditioning costs, at the request of the Secretary of Energy.

January 11, 1980: FERC issued Western Leg pre-build certificate subject to rehearing.

January 31, 1980: FERC upgraded diameter for Western Leg pre-build from 36 to 42 inches.

February 26, 1980: FERC conditioned Northwest's certificate to give the Federal Inspector authority on stop-work orders.

February 26, 1980: First major gas pipeline drilling began in Alaska to gather soil samples on southern part of the route.

March 10, 1980: Major contract involving about $36 million awarded to Unified Industries, Inc., a minority firm, for engineering and environmental support services to OFI.

March 12, 1980: Federal Inspector reached agreement with Interior's Heritage Conservation and Recreation Service to represent him in cultural resources matters for lower 48 system. This will help assure early identification and preservation of archeological resources.

April 1980: Federal Inspector reached agreement with Interior's Heritage Conservation and Recreation System to represent him in cultural resource matters for lower 48 system. This will help assure early identification and preservation of archeological resources.

April 15, 1980: Budget hearing before Senate Appropriations Committee, chaired by Senator Ted Stevens of Alaska. The Federal Inspector announced trimming of his requested staff from 130 to 104.

April 28, 1980: FERC certified Eastern Leg pre-build involving 811 miles and $1–1.2 billion in cost.

May 12, 1980: Interior Department and FERC published final regulations on EEO/MBE.

June 10, 1980: House budget committee made a preliminary cut of $4.3 million from OFI's requested $25.8 million for fiscal 1981.

May–June 1980: Interior's Bureau of Land Management in Alaska, through the OFI one-window, issued permits for Northwest build to four construction flycamps.

June 10, 1980: U.S. and Canada formally agreed on procedures for use by both countries in approving contracts for ANGTS goods and services.

June 13, 1980: FERC finalized January 10, 1980, Western Leg order on rehearing, by providing for an additional 30-day rehearing on the Northwest Energy's Western Delivery System.

June 19, 1980: Agreement signed by pipeline sponsors, gas producers, and the State of Alaska for financing of $500 million design, engineering and final cost estimate of Alaska segment. A statement of intent to develop a financing plan for construction was also signed.

June 20, 1980: OFI announced creation of a Citizen's Environmental Advisory Committee and asked for nominations to the five-member group.

July 1, 1980: Northwest Alaska filed its application for a final certificate with the FERC, and applied to Interior for a right-of-way permit. The FERC filing contained a cost estimate which will, if approved, be the basis for the incentive rate of return.

July 1, 1980: The U.S. House of Representatives unanimously approved a Resolution affirming Congressional support for the ANGTS. The Senate on June 27 had given its approval.

July 17, 1980: President Carter signed letter to Canadian Prime Minister Trudeau reaffirming U.S. Government support for completion of ANGTS.

July 17, 1980: Canadian Government approved construction of the southern part of its system.

August 4, 1980: Construction began on Canadian Western Leg.

August 6, 1980: OFI issued policy statement on the legal status of the Western Delivery System, construction of which began that same month.

August 13, 1980: Pacific Gas Transportation Co. announced $60 million steel pipe contract award for Western Leg.

August 20, 1980: Department of Interior signed off on the Alaska Leg grant of right-of-way and sent it to Congress with a request for waiver of the 60-day review period.

September 11, 1980: OFI published proposed EEO enforcement regulations, along with a Memorandum of Understanding with the Equal Employment Opportunity Commission concerning handling of employment discrimination complaints.

September 26, 1980: The Federal Energy Regulatory Commission filed a joint suit in Federal District in Bismarck, North Dakota, challenging a September 12 State Public Service Commission order disapproving the route selected through that state.

September 30, 1980: Northern Plains Natural Gas Co. announced purchase of $490 million in steel pipe from three U.S. and two foreign firms for the Eastern Leg phase one construction.

November 29, 1980: Department of Interior

issued right-of-way grant to Northwest Alaska Pipeline Co. to cross the 433 miles of Federal land in Alaska, following Congressional approval on November 19.

December 8, 1980: Federal Inspector issued a Notice to Proceed to Pacific Gas Transmission Co. initiating the final green light for actual Lower 48 construction.

December 8, 1980: Construction began in Idaho on the Western Leg by Pacific Gas Transmission Co.

December 10, 1980: Northern Border Pipeline Co. signed an agreement on a $1.055 billion loan from a consortium of North American banks for financing most of East Leg construction.

December 29, 1980: FI announced approval of Northern Border Pipeline Co.'s Eastern Leg affirmative action and minority business contracting plan.

January 9, 1981: Secretary of Energy Charles Duncan recommends to the FERC that PGT's remaining West Leg be 42-inches in diameter instead of 36-inches.

February 9, 1981: A West Leg ceremony is held in Spokane, Washington to commemorate starts of ANGTS Lower 48 construction.

February 26, 1981: FI approves Pacific Gas Transmission's Affirmative Action Plan.

March 9, 1981: Dennis Schroeder, OFI's East Leg Director, was named OFI's one-window authority for East Leg transactions.

March 11, 1981: Dept. of Interior right-of-way grant signed for Eastern Leg passage across Federal lands.

March 25, 1981: Dept. of Interior's Bureau of Indian Affairs approved a right-of-way grant to Northern Border Pipeline Co. to allow the East Leg to cross the Fort Peck Indian reservation in Montana.

April 2, 1981: U.S. District Court for North Dakota ganted a motion for summary judgement in favor of OFI and the FERC in a lawsuit filed against North Dakota's Public Service Commission in September 1980. The PUC objected to the Federal Government's authority to route the ANGTS Eastern Leg through North Dakota.

April 10, 1981: FERC and the OFI issued first draft of the "Adger-Berman Report", which analyzes the cost estimate for the Alaskan segment.

April 15, 1981: FI issued final design cost estimate for the East Leg.

April 18, 1981: FI issued a Notice to Proceed which allowed for construction to begin in May on six spreads in Montana. South Dakota, Minnesota, and Iowa.

April 21, 1981: FI testified before the Senate Appropriations Subcommittee, chaired by Sen. James McClure, R-Idaho.

April 27, 1981: U.S. District Courts in Minneapolis, Minn. ruled in favor of Northern Border Pipeline Co. in a March 13 suit filed against Jackson County for its 6 foot cover requirement.

April 30, 1981: FI conditionally approved Northwest Pipeline Corporation's Affirmative Action Plan (AAP) for the Western Delivery System—an arm of the ANGTS West Leg.

May 4, 1981: Northern Border Pipeline Co. held a groundbreaking ceremony in Aberdeen, S. Dakota, to commemorate start of East Leg construction.

May 14, 1981: FI testified before the House Appropriations Subcommittee, chaired by Representative John Murtha, D-Penn.

May 21, 1981: The pipeline sponsor consortium and the major gas producers in Prudhoe Bay—Exxon, Sohio, and ARCO—reached agreement for financing of the Alaskan segment.

June 17, 1981: John McMillian of Northwest Alaskan Pipeline Co. in a letter to the President requested consideration of a series of waivers of laws that the company believes are necessary to enable private financing.

July 24, 1981: Senators McClure, Jackson, Stevens, and Murkowski in a letter to the President submit a revised waiver proposal and urge prompt consideration.

August 10, 1981: The Federal Inspector approved Northwest Alaskan Pipeline Co.'s Affirmative Action Plan for the Alaska segment.

August 21, 1981: The final Adger-Berman report on estimated construction costs for the Alaskan segment was issued by the FERC.

September 23, 1981: Two letters were sent to the President: one by Congressmen Dingell and Udall; the other by Congressmen Broyhill and Brown. Representing both majority and minority membership, they state willingness to cooperate toward resolution of the waiver issue, while expressing concern with some specific provisions proposed.

October 1, 1981: A ceremony in Los Angeles marks the first flow of Canadian gas through ANGTS facilities to California.

October 15, 1981: President Reagan sent to Congress waivers for certain provisions of the 1977 President's "Decision." If approved, the waiver package will aid in firming up financing for Alaskan segment construction.

November 10, 1981: Senate Committee on Energy and Natural Resources by a vote of 14 to 1 approved and recommended to the Senate S.J. Res. 115, a resolution to approve the President's recommendation for a waiver of law pursuant to the Alaska Natural Gas Transportation Act.

November 12, 1981: House Committee on Interior and Insular Affairs approved H.J. Res. 341, the House companion bill to S.J. Res. 115, by a vote of 32 to 7.

November 17, 1981: House Subcommittee on Fossil and Synthetic Fuels approves and recommends to the full Energy and Commerce Committee H.J. Res. 341 by a vote of 12 to 9.

Mr. President, the waiver of law which the President has proposed and we are considering approving through Senate Joint Resolution 115 has been discussed at length in the committee report. But I think that for the benefit of my colleagues that it would be worth while to review the nature of the President's waiver proposal.

First, neither the waivers nor the Alaska natural gas transportation system project itself involve any Federal loan guarantees, subsidies, or expenditures. The approval of Senate Joint Resolution 115 will not increase Federal expenditures or increase the Federal deficit; and in fact if approval of Senate Joint Resolution 115 leads to the construction of ANGTS the increased business revenues and personal income alone will in fact lead to a significant improvement to our economy and a reduction in the Federal deficit.

Second, the approval of the President's proposal will not authorize construction of the project. The waiver of law covered by the resolution will only remove Government obstacles so that private financing of the project can be developed by the private sector.

And third, the waiver approach to eliminating regulatory impediments to the expeditious construction of the project is a mechanism which was created by Congress in the Alaska Natural Gas Transportation Act of 1976 and it has been used by the President once before in 1977.

The President's waiver proposal will: First, permit equity participation in the project by Prudhoe Bay producers; second, include conditioning plant in the system; third, permit FERC to approve, at its discretion, tariffs which would provide lenders with sufficient assurances of repayment after individual completion of the conditioning plant, the Alaska pipeline segment and the Canadian pipeline segment, each after a date certain to warrant the lenders advancing the enormous sums needed for private financing; and, fourth, enable the FERC to expedite the issuance of the final certificate.

And finally, I would like to point out to my colleagues that while congressional approval of the President's waiver proposal will not guarantee construction of the Alaska natural gas transportation system—that is a determination which will ultimately be made by the private sector—our failure to approve the President's proposal will guarantee that the private sector will be unable to privately finance this project.

It is for all of these reasons, Mr. President, that I recommend to my colleagues that the Senate approve Senate Joint Resolution 115.

Mr. President, during the course of the debate on the proposal several issues have been raised by the distinguished opponents which I would like to address at this time.

Some would oppose the President's waiver recommendation on the basis that several of the major banks and the three major oil company participants (Exxon, Arco, and Sohio) have directors from each other. Laying aside the point that the President's waiver would have no effect on the degree of cross-directorships, I have three other comments on this matter. First, it is not an uncommon practice in the business world for an officer of one company to sit on the board of directors of another company.

Second, even though the members of the board of directors of a company may serve as an officer of another company, that does not relieve them of their fiduciary and other legal responsibilities, either when they serve as a director or an officer. And finally, of the 274 board members who serve on the boards of these three major oil company participants, and the nine financial institutions potentially involved in arranging financing for the project, only seven are officers who serve on one of the other companies.

To claim that the major banks and the three major oil companies are totally interlocked at the board level, therefore, is totally preposterous.

It has also been alleged that consumers are being asked to guarantee the costs of the pipeline with no assurance that it will ever be completed. In this regard I would first note that before the financial community will commit any funds for the construction of the project they will first assure themselves that the project will be completed.

Second, I would note that before the Federal Energy Regulatory Commission issues a certificate of convenience and public necessity that the FERC must first find that the project is technically and financially feasible. And finally, that since the sponsors' and producers' equity funding of the project—funding which will likely total between $9 and $13 billion—cannot be recovered unless the project is completed, it is clear that they will have a very strong incentive to complete the system. Thus given the interests and responsibilities of the various parties, it is only too evident that once begun the project will be completed.

There are some who argue that the

Alaskan gas is not needed and when it is delivered it will cost too much. From the current rate of additions to reserves it is only too evident that gas supplies from conventional resources in the lower 48 States will not be sufficient to meet projected needs, nor will supplies from Canadian sources, Mexican sources, synthetics, and tight formations be sufficient to satisfy future demand. According to the testimony presented to the committee, the interstate pipelines involved in the project simply will not be able to meet projected demands for natural gas without the Alaskan gas. The Secretary of Energy concurred with the pipelines judgment, as did the Chairman of the FERC.

With respect to the price of Alaskan gas, during the first years the delivered price will likely be somewhat above the cost of alternative fuels. However, over 20 years the delivered price of Alaskan gas in real terms will average between $24 and $33 per barrel in oil equivalent cost. And in this connection I might note that the international price of crude oil already exceeds this amount.

Moreover, since under the Natural Gas Policy Act the wellhead price of Alaskan gas can rise only with inflation and the pipeline tariff will decline over time as the pipeline is amortized, the delivered price will fall in both real and nominal terms.

There also has been some objection to the President's waiver proposal on the grounds that it will allow the producers and pipeline sponsors to earn monopoly profits through anticompetitive activity; in fact, nothing could be further from the truth. First I would like to note that the price that the producers are allowed to receive for their gas at the wellhead is limited by the wellhead price control provisions contained in the Natural Gas Policy Act of 1978. Second, the rate of return on the producer's and partners' investment in the Alaska natural gas transportation system is regulated by the Federal Energy Regulatory Commission through their tariff determination mechanism. And most importantly, the President's waiver proposal does not amend or change any provisions of the existing antitrust laws which deal extensively with anticompetitive activities. Moreover, the President's waiver proposal requires the FERC to consult with the Department of Justice on antitrust matters and to condition its certificate to prevent discriminatory treatment.

Finally, I would like to comment to those who question the need for allowing the North Slope gas producers to participate in the private financing of the project. During the committee's hearings the project sponsors testified that the capital costs of the undertaking have increased to the point that their investment advisers informed them that they simply would not be able to proceed successfully without the additional financial investment capability of the producers. The bottom line then, is that if this Congress expects to see this project privately constructed with private financing then producer participation is essential.

Mr. President, I yield 3 minutes to the Senator from Washington (Mr. JACKSON).

Mr. JACKSON. Mr. President, I am pleased to join my colleagues today in support of Senate Joint Resolution 115, a resolution to approve the President's waiver of law recommendation for the Alaska natural gas pipeline.

In my opinion, failure to proceed with this important project would be very shortsighted. We must act, and we must act now.

Years and years of effort by the private sponsors, three Presidents and their administrations, the Canadian Federal Government, and the Congress have gotten us this far. We have reiterated our respective commitments to this effort numerous times. But unless we act today and approve this resolution, our years of effort will be for naught. Without changes in the existing law, the project will not go forward because it cannot be privately financed.

Frankly, development of this waiver package has required many of us to put aside some previously held beliefs about some of the issues involved. Over the years I have learned that we must approach these difficult issues pragmatically. We must all adapt to a changing, dynamic world. That is difficult for politicians to do, especially when the choices before us are not intuitively pleasing.

The pipeline cannot be privately financed without the producers joining the partnership. They are simply unwilling to do so unless they are allowed to hold equity, and to join in the management decisions. They also want to have the gas conditioning plant—which is an integral part of the system—financed along with the rest of the pipeline.

The bankers have told us that the billing commencement provisions in the waiver package, and the regulatory certainty provisions, are the minimum necessary for them to proceed.

Keeping these very real factors in mind, we must ask ourselves whether the project is still in the national interest and whether the consumers' interests are still adequately protected.

The answer to both questions is an unequivocal yes.

This project is still vital to our national interest, and to our national security. It goes to developing our own energy resources so that over the long haul we can strengthen both our economy and our national security.

There are enormous existing reserves in Alaska and Canada. It would be unconscionable to lock them up. The future potential is even more enormous, in both Alaska and Canada. Our Nation's energy future depends upon developing oil and gas reserves in frontier areas. This pipeline system is a very important link in a secure energy transportation system.

I am certain my colleagues join me in longing for the "good old days" when both oil and gas were cheap. We all realize intellectually that those days are gone forever. Now we are faced with approving a project that will bring us expensive gas. I do not enjoy that prospect any more than anyone else does. But we simply have no other alternative.

The pipelines involved need the gas. They cannot find any other cheaper sources. The only alternatives are synthetic fuels or imported oil. Imported oil will likely be just as expensive as this gas will be; over the life of the project, it will be much more expensive. And it certainly is not as secure. Synthetic fuels are simply not available in sufficient quantities to satisfy these pipelines' needs; and they are likely to be even more expensive than Alaskan gas.

It is tempting to say let us wait a while, and see if we cannot work something else out. Several people have asked me why we cannot legislate a better solution to this sticky problem, rather than using the waiver approach.

Unless we act now, the project will be delayed at least another year because of the construction season situation. Delay means money, and lots of it. Losing a year would cost consumers anywhere from $3 to $6 billion because of inflation. I can see absolutely nothing that would be gained for consumers by putting off this decision. In fact, they would be hurt more than helped.

We are at a point where we simply must make a decision. I believe that the waiver package before us today is a responsible approach to a very difficult problem. I hope my colleagues will agree with me and that they will join in supporting passage of Senate Joint Resolution 115.

The floor situation today is controlled by the provisions of the Alaska Natural Gas Transportation Act of 1976. The act allows 1 hour for debate, equally divided.

In order to be fair, I have agreed to yield the remaining time I control to the Senator from Ohio (Mr. METZENBAUM) who is in opposition to this resolution.

Mr. McCLURE. I would be happy to yield at this time to the distinguished senior Senator from Alaska, Senator STEVENS.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I thank my good friend. I yield myself 3 minutes or I ask that the Senator from Idaho yield me 3 minutes. I think he is in control of the time.

Mr. McCLURE. I yield 3 minutes to the Senator from Alaska.

Mr. STEVENS. Mr. President, I join today with my colleagues in support of this resolution to approve the President's waiver package. This waiver package is designed to remove the legislative and regulatory obstacles preventing private financing of the Alaska natural gas transportation system. This project represents an attempt to continue delivery of critically demanded energy resources from the North Slope of Alaska.

I recently learned of two interesting facts about the North Slope that I would like to call to your attention. The first fact is that the National Petroleum Council has assessed expected discoveries of recoverable oil on the North Slope at 44 billion barrels. This group also found over 100 trillion cubic feet of gas as likely for future discovery in that region. In fact, many estimates assess likely discovery of Alaskan gas in the neighborhood of 200 trillion cubic feet. Clearly the Arctic, especially the North Slope, represents the highest potential dis-

covery area for oil and natural gas on the North American continent.

Another fact of interest to me was the passage of the 2 billionth barrel of oil through the trans-Alaska oil pipeline. That pipeline is currently designed to deliver 9.6 billion barrels of recoverable oil from Prudhoe Bay. The point, Mr. President, is that although Alaska represents the highest potential area for discovery in the country, actual production through the oil pipeline may decline during the latter part of this decade. That is, production will decline unless we demonstrate our resolve to take the steps necessary to encourage exploration and development both onshore and offshore in Alaska. This is the issue we must face today.

We have before us a waiver package submitted by the President targeted at those specific provisions of law impeding the ability of the capital markets to finance this project. Congress can assist the President and our Nation by removing these obstacles through approval of this waiver. This waiver will accomplish the essential objective of permitting equity participation in this project by North Slope gas producers, allowing the Federal Energy Regulatory Commission to approve, at its discretion, a tariff providing sufficient certainty to warrant lending the enormous sums needed to finance this project, and will enable expeditious issuance of the final certificate of public convenience and necessity.

Mr. President, we are contemplating a project that could run between $40 and $50 billion. The companies involved have already invested over a billion dollars in design and engineering. They are now before Congress not to get a Federal loan guarantee, not to ask for grants, but to seek removal of existing law and regulation that acts as disincentive to risk of private capital to deliver a proven reserve of 13 percent of this Nation's natural gas supply, 26 trillion cubic feet.

There is little point in investing the vast amount of capital required to explore frontier areas in Alaska if our Government is not permitted to take the steps necessary to facilitate the delivery of the resources once discovered. What motivation or incentive is there to drill in the Beaufort Sea, the Navarin Basin, or the national petroleum reserve of Alaska if there is substantial fear that we, as a government, are not committed to the proposition that every effort must be made to clear useless obstructions to exploration, discovery, and delivery of domestic energy resources.

In this particular instance, the unparalleled scope of the project prevents the sponsors from obtaining sufficient domestic debt financing. The sponsors must seek the vast majority of their debt capital abroad. We are, in this waiver, creating a legal and regulatory framework that would put this project on equal footing with other international projects of similar magnitude. We must assist these domestic corporations in convincing international lending institutions that this project is competitive in relation to other world-class investment opportunities.

Significantly, the Soviet Union has constructed approximately 6,000 miles of a 56-inch gas pipeline from its frontier areas since 1976. Furthermore, the Russians plan to lay approximately 10,000 additional miles of 56-inch pipe from fields in western Siberia to central and western areas in Russia between 1981 and 1985. There is little doubt the Siberian pipeline and other Soviet pipeline projects will compete with this project in capital and steel supply markets in the industrialized world. Moreover, the Soviet Union is demonstrating the drive necessary to insure secure energy supplies.

Mr. President, I have another grave concern that must be considered in the debate on this waiver. That concern is the commitment that we have made to Canada. We in Congress and in two administrations have pledged to move heaven and Earth, short of Government subsidy, to clear the way for this project.

In fact, President Carter, in a July 1980 letter to Prime Minister Trudeau, provided assurances not only that the pipeline would be completed, but also the resolve of the United States to provide the legislative assurance required to embark upon the so-called prebuilt sections of the pipeline. These sections are now nearly complete.

In view of the substantial undertaking already initiated by the Canadian Government with respect to approval of and export of Canadian gas through the prebuilt section, in direct reliance on various commitments provided by the United States, failure to meet these commitments through rejection of the President's waiver could have serious repercussions for United States-Canadian relations. We have received a diplomatic note from the Canadian Embassy which I submit for the RECORD.

There being no objection, the note was ordered to be printed in the RECORD, as follows:

CANADIAN EMBASSY,
October 29, 1981.

DIPLOMATIC NOTE NO. 592

The Embassy of Canada presents its compliments to the Department of State and has the honour to request the Department to transmit to the interested Committees of the Senate and the House of Representatives copies of this Note and the attached brief, requested by the Committee, outlining the history of Canada's involvement in the Alaska Natural Gas Transportation System (ANGTS).

The Embassy wishes to draw attention in particular to the following points, elaborated in more detail in the accompanying document:

The decision of the Government of Canada to facilitate construction of the ANGTS was taken in the firm conviction that the earliest possible transport of U.S. natural gas from the western Arctic to southern markets would make a vital contribution to reducing North American dependence on insecure world oil supplies.

Selection of the ANGTS followed three years of careful consideration of several competing proposals by Canadian and U.S. regulatory authorities and intensive negotiations between the governments of both countries.

Joint action by the Canadian and U.S. Governments on the ANGTS was preceded by conclusion of the Transit Pipeline Treaty, which provides for non-discriminatory treatment of pipelines in one country used to transport the hydrocarbon products of the other and non-interference with supplies of hydrocarbons crossing one country en route to the other.

The broad commitment of the two governments to facilitate completion of the ANGTS found expression in the Agreement between Canada and the United States of America on Principles Applicable to a Northern Natural Gas Pipeline. The Agreement declared that the two governments would "facilitate the expeditious and efficient construction of the Pipeline" and that they would seek all required legislative authority and remove any impediments to this end.

The Agreement expressed the understanding of both governments that the pipeline would be privately financed and made provision, inter alia, for determination of the pipeline's route and capacity, for close coordination and consultation between the appropriate regulatory agencies of both countries and for the procurement of goods and services related to construction of the pipeline on generally competitive terms.

In the spirit of the undertakings of that Agreement, the Government of Canada made the difficult decision to authorize commencement in 1980 of construction of the southern sections of the pipeline in Canada. That decision was taken on the basis of:

Agreement between the project sponsors and the producers to share the cost of completing the final design and engineering of the system in Alaska and to cooperate in developing a financing plan;

Resolutions adopted by the U.S. House of Representatives and Senate in July 1980 declaring that the ANGTS remained "an essential part of securing this Nation's energy future" and that the system enjoyed "the highest level of congressional support for its expeditious construction and completion by the end of 1985";

A letter of July 17, 1980 from the President of the United States to the Prime Minister of Canada stating that the U.S. Government was satisfied that the entire system would be completed, that the U.S. energy situation required its completion without delay, that the U.S. appreciated the steps taken by Canada to advance its side of the project, that the U.S. stood ready to take appropriate additional steps necessary for completion of the system, and that the President was prepared at the appropriate time to initiate action before the U.S. Congress to remove any impediments that may exist under present law.

Construction of the western leg of the southern portions of the pipeline has been completed and construction of the eastern leg is expected to be completed by the autumn 1982.

While it would not be appropriate for the Government of Canada to comment on the specific provisions of the package of waivers submitted to the Congress by President Reagan, the Government of Canada considers that approval of the waivers is required to facilitate private financing. The Government of Canada is pleased to note that the waiver provision relating to precommencement billing for the Canadian segment of the pipeline meets with the satisfaction of the Canadian sponsors.

The Embassy of Canada avails itself of this opportunity to renew to the Department of State the assurances of its highest consideration.

Mr. STEVENS. Mr. President, another issue that has constantly arisen is the impact upon consumers of this waiver. Those who are concerned with the

American consumer should keep in mind the need of that consumer for the incomparable quantities of Canadian and Alaskan gas made available by the Alaska natural gas transportation system. In fact, virtually all testimony before the Energy Committee supports this project as a vast benefit to consumers.

After thorough debate among the Senators, Congressmen, and administration officials, we stand convinced that this waiver preserves the fundamental protections afforded of natural gas consumers under existing law. The waiver guarantees protection of consumers because there is no return on equity on the Alaska segments until gas is actually flowing through the system. FERC also serves to protect consumer interests by setting a date certain for completion of the system after full examination of all relevant factors affecting that completion and by establishing just and reasonable rates in is tariff. Finally, the waiver requires that each of the three defined segments in the system must be entirely complete prior to billing. For instance, the Alaska pipeline segment is nearly 800 miles in length and will cost roughly $21 billion by the time of completion.

The consumer will pay nothing if pipeline construction were delayed somewhere in Alaska and the entire segment is not complete. Furthermore, this project will be financed so that equity dollars are the first dollars spent on construction. The sponsors and producer companies stand to lose nearly $7.5 billion in equity investment if the project is not finished.

There is absolutely no benefit to the builders to abandon construction. Only through completion can a return on investment be realized. This waiver provision must clearly be distinguished from construction work in progress, (CWIP) with which it is often confused.

In fact, testimonv on the Energy Committee demonstrated that in the worst case the consumer would pay onlv $1.70 per month after the target completion date until completion in the case of delay. However, even in that case, by absorbing the cost initiallv in prebilling. the consumer avoids capitalization of debt service in the tariff rate base. Over the life of the project, this saves the consumer untold dollars by avoiding the addition to the tariff of inflation and interest costs for amounts prepaid in cases of delay.

Let me conclude by saying that what we face today is a critical stage concerning our resolve to meet national energy demand. Alaska represents a golden opportunity for our Nation to obtain secure domestic energy resources. We must not fail in our responsibility to meet the justifiable plea of the energy producing industry for legislative and regulatory certainty. Without such certaintv. firms cannot indefinitely continue to funnel capital into arctic exploration. Failure to approve this waiver this session will not only kill this project but will also serve as a strong signal that we simply do not have the resolve to dispose of the impediments to energy securitv. For our future, we must pass the President's waiver and allow this project a healthy chance of success.

We now have before us a waiver package submitted by the President targeted at those specific provisions of law impeding the ability of the capital markets to finance this project.

Mr. President, it is my position that unless we take this action there will be little point in investing the vast amount of capital required to explore frontier areas of Alaska if we are not able to permit the industry to take the steps necessary to facilitate the delivery of already discovered and proven reserves.

What motivation or incentive is there to drill in the Beaufort Sea, which is off our State, the Navarin Basin out in the Bering Sea or the national petroleum reserve of Alaska if there is a realistic fear that we, as a Government, are not committed to the proposition that every effort will be made to clear useless obstructions to exploration and development?

There must be a feeling in the industry, in the oil and gas industry, as well as in the financial community that oil and gas as discovered in these high-risk areas as a result of very risky investments will be deliverable to the markets of the South 48.

Mr. President, I would also like to mention the commitments to Canada. We have made commitments in Congress, and two administrations have pledged to move heaven and earth, short of Government subsidy, to clear the way for this project. President Carter, in a July letter to Prime Minister Trudeau in 1980, provided assurances that not only the pipeline would be completed but also the resolve of the United States to provide the legislative assurance required to embark upon the so-called prebuilt sections of the pipeline. Those sections in Canada are nearly completed now.

In view of the substantial undertakings already initiated by the Canadian Government with respect to approval of an export of Canadian gas through the prebuilt section, in direct reliance on various commitments by the United States, failure to meet these commitments through rejection of the President's waiver could have serious repercussions for United States-Canadian relations.

We have received a diplomatic note from the Canadian Embassy to that effect which I have submitted for the RECORD.

Mr. MCCLURE. Mr. President, I yield 3½ minutes to the distinguished Senator from Alaska. Mr. MURKOWSKI.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the senior Senator from Idaho.

Mr. President, I strongly urge the Senate to adopt Senate Joint Resolution 115, the resolution of approval for the waiver package proposed by the President to facilitate financing and construction of the Alaska Natural Gas Transportation System. The Senate Energy Committee, after extensive hearings and careful consideration, voted to report this resolution by a vote of 14 to 1.

The Alaska Natural Gas Transportation System (ANGTS) a 4,800-mile pipeline stretching from Prudhoe Bay, across Canada to terminals in Illinois and California, will bring to 48 of our States some 26 trillion cubic feet of badly needed natural gas.

That 26 trillion cubic feet, which represents 13 percent of the Nation's gas reserves, is only the beginning, Mr. President. Up to 200 trillion cubic feet of natural gas are estimated to be in Alaska—a vast energy resource that will not be developed until a means to bring it to market is in place. Construction of this pipeline from arctic Alaska is the key to our Nation's effort to achieve energy independence.

The Alaska Natural Gas Transportation System will be the largest, privately-financed construction project in history of the free world. It will involve no Federal subsidy or loan guarantee. Failure to remove the legal and regulatory obstacles which stand in the way of the pipeline's private financing and construction would constitute a signal to OPEC that we are either not committed to or capable of achieving energy independence in our Nation. We have been making speeches in this country about the need to achieve energy independence ever since the 1973 Arab oil embargo. This project represents a real opportunity to do something about it.

We currently import 3.4 million barrels of OPEC oil each day. When completed, the Alaskan pipeline will deliver 2 billion cubic feet of natural gas each day—equivalent to about 400,000 barrels of imported oil. Later, the pipeline can be easily modified to transport up to 3.2 billion cubic feet of gas per day, thereby displacing about 600,000 barrels of imported oil daily.

Despite the current, tenuous energy glut, our total proven reserves of natural gas are continuing their decline. Recently, the Energy and Natural Resources Committee heard testimony that this Nation will be facing a natural gas supply shortage as early as 1983. Annual additions to our proven gas reserves remain substantially below annual consumption of natural gas.

The pipeline is not only important from the standpoint of national security and energy independence, but it is important to our balance of payments. During the first 7 months of 1981, our energy imports cost us more than $49 billion—about one-third of our total imports of goods. The foreign oil that Alaskan gas would displace is currently costing us $7 billion per year.

We have made a commitment to Canada, as my colleague, Senator STEVENS, referred to, that this gasline would be completed. As the result of that commitment, Canada has approved a prebuilt portion of the pipeline that is currently transporting Canadian gas from Calgary, Alberta, to the United States. Our failure to fulfill our commitments would constitute a gross betrayal of Canada and strain the commercial relations between our two nations.

All of this brings us to the resolution to approve the waiver package before us today. Congress has been working toward the goal of bringing Alaskan gas to market for more than 4 years. Various, alternative options have been explored. Extensive hearings have been held. Legislation has been enacted. Presidential reassurances of our commitment

to the project have been made—all bringing us to this moment. The President has proposed a reasonable waiver package and it is now up to Congress to act on it. Testimony during the Energy Committee's hearings, which was overwhelmingly supportive of the waiver package, can be distilled to one basic and recurring point—without approval of the President's waiver package, there will be no pipeline, period.

If we are truly committed to greater energy independence, an enhanced national security, improved balance of payments and a reduction in the risk of future natural gas shortages, we must approve this waiver package.

I would like you to recall that there is a parallel to this. On November 16, 1973, there was a vote taken in this Chamber and it was a tie vote that was broken by the Vice President. Today, we have the oil pipeline across Alaska which is delivering 18.8 percent of our total U.S. domestic production of 1.6 million barrels a day going through that pipeline.

Mr. President, this gas transportation system in its entirety will cost over $40 billion in inflated or as-spent dollars. Given these enormous capital costs, the development of a sufficient and workable financing plan has been and will continue to be a great challenge. The sponsors, the gas producers, the pipeline companies, and a number of financial institutions have already had many discussions in this regard. Members of Congress who have been working on this waiver package have certainly become well aware of the unprecedented financial commitment it will take to complete the project.

The waiver package itself contains seven individual waivers. The first waiver would permit the Alaskan North Slope gas producers to own an equity interest in the pipeline. President Carter's 1977 Decision recognized that "(P)roducer participation in the financing of the project is warranted due to the beneficiary status and their financial strength." However, it limited that participation by prohibiting producers from having an equity interest in the project. The concern that producer participation in the ownership of the pipeline might give rise to potential competitive abuse is adequately protected by the proposed waiver: First, the producers' equity position will be limited to a minority interest; and, second, the proposed waiver provides that the FERC, after consultation with the Attorney General, must find that producer participation will not create or maintain a situation inconsistent with the antitrust laws or create restrictions on access to the ANGTS or restrictions on capacity expansions.

Further protections against potential anticompetitive abuse include section 13 of the Alaska Natural Gas Transportation Act of 1976, Public Law 94-586, which requires that the FERC condition its certificate to prevent discriminatory treatment; the FERC regulation of the ANGTS under the Natural Gas Act; and the anti-trust laws, which will still apply to the ANGTS. The Senate Energy Committee heard overwhelmingly supportive testimony relating to this waiver during its 3 days of hearings on ANGTS.

Each of the representatives of the financial community underscored the importance of this waiver to the financing of the pipeline. H. Anton Tucher, vice president of the Bank of America, testified that:

Since the existing pipeline sponsor group does not have the capacity to provide all the necessary precompletion debt support and insufficient support appears to be available from other sources, significant producer involvement in the equity and pre-completion debt support arrangements would seem to be practically essential.

Clearly, the private financing of this project is dependent on equity participation.

The second waiver includes the Prudhoe Bay gas conditioning plant in the legal description of the approved transportation system. President Carter's 1977 decision excludes the conditioning plant from that description. The exclusion stems from the original certificate application which requested certification of facilities commencing at the discharge site of the conditioning plant facilities. The system described in the decision was necessarily limited to the facilities for which certification was requested.

As a practical matter, the economic effect of including the conditioning plant in the system is the same as treating the plant as a separately certificated facility and providing a conditioning cost allowance sufficient to provide for the recovery of the gas conditioning cost. Conditioning facilities are essential to permit Alaskan gas to be delivered to the lower 48 States. The ANGTS has special conditioning requirements for the gas to be transported through the system. Circumstances in Alaska are unique and gas processing costs in Alaska are much greater than the processing costs that normally occur in the lower 48 States.

The producers' willingness to make a substantial financial commitment to the project is predicated on the inclusion of the conditioning plant as a part of the ANGTS to permit a recovery of costs associated with constructing and operating the plant, plus a reasonable return on invested capital pursuant to a FERC-approved tariff. Application of the incentive rate of return (IROR) mechanism to the conditioning plant would substantially delay issuance of a final certificate. Further, there is a much lower risk of cost overrun for the plant, because the plant will be built at a single location where the producers have experience in building facilities and much of the plant will be prefabricated in the lower 48 States.

Thus, there is no need for an IROR mechanism for the plant. However, the actual construction costs will be reviewed by the Federal Inspector and only prudently incurred plant costs will be recovered in rates. The ANGST hearing testimony also stressed the importance of this waiver to the development of a workable financing plan. Robert H. Graham, vice president of Citibank, N.A., testified that:

It is impractical to consider financing of the Alaskan pipeline if the conditioning plant is subject to uncertainties of ownership, financing and integration of construction and operation in the System.

Again, the waiver provision is critical to the completion of this vital project.

The third, and possibly most controversial waiver would authorize the Federal Energy Regulatory Commission to approve tariffs that permit: First, recovery of the full cost of service of the Canadian pipeline segment upon completion and testing of the Canadian segment but not before a date certain, as established by the FERC, to be the most likely date for the entire approved transportation system to commence operation; and second, recovery of actual operation and maintenance expenses, current taxes, and amounts necessary to service debt, including interest and scheduled retirement of debt, for both the Alaska pipeline segment and the gas conditioning plant upon their individual completion and commissioning but not before a date certain, as established by the FERC, to be the most likely date for the entire approved transportation system to commence operation.

There has been a good deal of misunderstanding and misinformation relating to the prebilling waiver. The fact is, the risk that prebilling could actually occur is so small it is unmeasurable for the following reason. It is unlikely that a segment will be completed and commissioned without the other segments also being completed and commissioned on the target operation date established by the FERC since: First, the U.S. sponsors will not receive a return of or on equity until the entire system operates; second, the project sponsors and regulatory authorities in the United States and Canada will assure coordinated construction; and third, the most difficult portions of the project will be constructed first.

The request that billing be permitted to commence for each of the three individual segments of the ANGTS upon their separate completion and commissioning and after a date set by the FERC, in consultation with the Federal Inspector, as the most likely date for the entire ANGTS to commence operation represents a fair sharing of risk between investors and consumers: First, consumers would not pay for the ANGTS as it is being constructed, and in no event would consumers be charged before November 1986, which is the currently projected date for completion of the entire ANGTS; second, the consumer risk in the unlikely event of a delay is minimal because it is so widely dispersed—the average residential consumer would pay only 32, 80, or 98 cents per month after the target operation date depending on which segment was delayed; and third, the project sponsors would continue to incur significant risk because no charges could be made for any segment that is not completed and commissioned.

Thus, investors in a segment bear the loss associated with its noncompletion. The U.S. sponsors do not receive a return of or on equity until gas flows. Finally, no charges can be made until the target operation date set by the FERC.

The waiver honors a commitment to Canada. In a letter of July 13, 1980, President Carter advised Prime Minister Trudeau of Canada that he would request the Congress to permit the Canadian sponsoring companies to collect their full cost of service upon completion of their segment.

Congressional approval of the proposed waiver would not relieve the FERC of its statutory responsibilities under the Natural Gas Act to find that the project tariff is in the public interest. Under that act the Commission would still be required to find that all rates and charges for delivering natural gas to markets in the lower 48 States are just and reasonable.

As was the case in the other waivers, the testimony of the financial community was clear on this point. Without the prebilling waiver, there would be no pipeline. Again, in the words of Anton Tucher of the Bank of America:

Without the (prebilling) waiver, as a practical matter, private financing cannot be arranged.

The fourth waiver would have the effect of permitting FERC, at its discretion, to dispense with formal evidentiary hearings on certificate applications authorizing construction and operation of the ANGTS. If Alaskan gas deliveries are to commence in late 1986, the process of obtaining final certification pursuant to section 7 of the Natural Gas Act must not be unduly delayed.

Given the extensive government scrutiny of the project over the past years, the FERC should not be required to initiate further elaborate hearings if in its judgment to do so would add little or nothing to the already voluminous project record which includes: First, over 2 years of formal evidentiary hearings before the Federal Power Commission prior to the President's 1977 decision; second, 1½ years of hearings, both in Canada and the United States, before the final "pre-build" authorizations were issued; third, 2 years of formal rulemaking relating to the project tariff and the Incentive Rate of Return mechanism; fourth, 2 years of FERC review of the design specifications for the Alaskan pipeline; and fifth, over 1 year of review by the FERC and the Office of the Federal Inspector of the cost estimate for the Alaskan pipeline segement.

Approval of the proposed waiver would not in any way relieve the FERC of its statutory responsibility under the Natural Gas Act to find that construction and operation of the remaining portions of the ANGTS would serve the public interest and that all rates and charges are just and reasonable. Nor would approval deny any party the right to otherwise fully participate in any FERC proceedings leading to final certification.

In testimony before the Senate Energy Committee, Stanley J. Lewand, Vice President of the Chase Manhattan Bank made the following observation about this specific waiver:

With regard to evidentiary hearing requirements, I think that the history of regulation and the potential for further delay in the process of reaching a decision make it desirable for FERC to be granted discretion to hold hearings only when it deems such hearings appropriate. Time is important in the construction of this project and in the delivery of our own gas from Alaska. The more expeditious we can make the hearings before the regulatory commissions, the less will be the cost of the delivery system and the greater will be the benefits to the eventual consumer.

The fifth waiver will provide assurances of regulatory certainty which the financial community requires to insure sufficient revenue recovery. This proposed waiver is limited in scope in order to preserve a balance between the assurance of pipeline revenue recovery vital to lenders and the statutory obligation of the FERC to assure just and reasonable rates.

This waiver would only prevent changes to the tariffs which would impair debt service for the ANGTS or preclude the recovery by shippers of costs associated with the purchase and transportation of Alaska gas. Thus, actual expenses will still be subject to a FERC prudency examination. The lenders will not advance the necessary capital to fund the project without assurances that, once approved by the FERC, the tariffs will not be subject to future regulatory action which would impair the recovery of debt provided in reliance on such tariffs.

The FERC has attempted to provide as much regulatory certainty as possible by approving a tariff that, in the event of a service interruption, would assure a stream of revenues sufficient to service debt and pay operation and maintenance expenses and taxes. However, the FERC recognizes that it could be legally possible for a future Commission to modify this tariff.

In a recent memorandum to the chairman and ranking member of the House Subcommittee on Fossil and Synthetic Fuels, the General Counsel of the FERC indicated that both he and the FERC chairman concur with the assessment that potential lenders to the ANGTS need greater assurances on the matter of regulatory certainty than they have been supplied to date and that, under present law, this assurance cannot be provided by the FERC. Again, the financial community expressed its unanimous support of this waiver. Robert Graham of Citibank testified that the financial community ". . . would not accept the tariff arrangements proposed as the security for repayment of our loans to this project without this waiver."

The sixth and seventh waivers are of a technical nature, specifying the regulatory status of the project and insuring the sufficiency existing of export-import authority. Again, witnesses at the Energy Committee hearings agreed that these technical amendments clarify potential legal and regulatory difficulties and may add perceptibly to the feasibility of attaining private financing for the project.

Mr. President, this nonamendable package of waivers contain the minimum elements that can attract private financing given the current realities of today's financial markets. I hope my colleagues in the Senate understand that we have a rare opportunity before us today. A vote for this single piece of legislation is a vote for enhanced national security, increased energy independence, and an improved balance of payments.

Moreover, a vote for this resolution will allow the United States to fulfill its commitments to Canada and bring Alaskan gas to the lower 48—and I might add that this gas would come to us by the method and along the route preferred by the environmental community. Also, a vote for this resolution will help facilitate the creation of private-sector jobs and the infusion of private-sector capital into an economy which is in the midst of a recession.

Finally, a vote for this resolution is a signal to OPEC that America intends to develop its own energy resources. I think the American people deserve no less than that. The alternative—continued dependence on foreign oil—is an alternative I cannot live with, and I am certain my colleagues will share that conclusion and support this resolution.

I would urge my colleagues today to consider that a vote for the waiver is a vote to insure that each of your States will be assured of a proportional share of this gas. The alternative is to deny your State of its gas supply over the next 25 years.

I, therefore, urge your support of Senate Joint Resolution 115.

Mr. McCLURE. Mr. President, I yield myself 1 additional minute.

Mr. President, it has been suggested that Congress should not follow the expedited procedure provided for in the Alaskan Natural Gas Transportation Act, which would waive laws. It has been proposed by some that a better solution might be to legislate a solution.

I would point out that the proposal before us was formulated by the President in recognition of the need to expedite decisions regarding the system. Delay would cost billions of dollars and at least another year. Separate legislation would not be practical in light of the need for a timely decision to remove remaining barriers to private financing. We must act now. The waiver package before us is a responsible approach to a solution to the present situation.

Mr. STEVENS. Will the Senator yield just 30 seconds?

Mr. McCLURE. I yield 30 seconds to the Senator from Alaska.

Mr. STEVENS. Mr. President, I wish to underscore what the Senator has just said. I know of no time frame that we could find to consider the complex legislation that would evolve if we tried to go the legislative route. The President's route is the only route to go to get the assurances we need to go to the financial markets in time to finance this project. A legislative route would kill this project. The waiver package is the only way that this project is going to survive.

Mr. McCLURE. Mr. President, I reserve the remainder of my time.

Mr. METZENBAUM. Mr. President, the measure we have before us is raw,

it is crude, it is unfair, it is inequitable, it is unjust, and it is the result of sheer and unadulterated greed.

I rise in opposition to this package. This is one of the rawest deals to ever come before the Congress, and it will go through overwhelmingly because one of the finest lobbying jobs this Congress has ever seen has been in effect.

I ask unanimous consent to have printed in the RECORD at this point an article from the Washington Post concerning all of the lobbyists involved in pushing this legislation through.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GAS PIPELINE: FORGING A CONNECTION BETWEEN DEMOCRATS AND GOP

(By Paul Taylor)

What do you do when you hold the government franchise to build the most expensive private construction project ever conceived, but can't find a banker who will touch the project?

If you're a politically connected pipeline tycoon by the name of John McMillian, you put together a lobbying team that covers the waterfront from old friends like Walter F. Mondale and Robert S. Strauss to new ones like former Reagan speechwriter Peter Hannaford.

You commission sheaves of reports on how your project, the Alaska natural gas pipeline, serves the national interest. You arrange for help in the persuasion game from the unions that will build the line, the steel companies that will supply the raw materials and the oil companies that will feed the gas through it.

Then you let the White House and Congress know that if they want the private sector to finance the $40 billion project, they're going to have to shift some of the risk of building it from the bankers to the consumers.

McMillian, a hard-driving, one-time, oil field roustabout, is in the midst of such a campaign. His company, Northwest Alaskan Pipeline, is seeking a series of waivers to its 4-year-old franchise for the project, the most controversial of which would expose nearly half the nation's natural gas customers to the possibility of being billed for the line before it is finished.

The pipeline is expected to provide the "lower 48" states with more than 4 percent of their natural gas needs by the time it is completed in 1986 at the earliest. It is planned to run a total of 4,790 miles—six times longer than the trans-Alaskan oil pipeline—from Prudhoe Bay, Alaska, to the Midwest in one segment and to California in another.

Consumer groups are opposing the waiver package. The Reagan administration, after some initial hesitance and substantial tinkering, is supporting it. But so far its efforts have been modest, and the major lobbying thrust is being orchestrated by McMillian, who is drawing on a lifetime of political friendships to help steer it through Congress.

McMillian is a heavy financial contributor to the Democratic Party, and his aggressive partisanship has become a matter of regular comment on Capitol Hill, where the package is facing a key vote today in the House Energy and Commerce Committee.

Is it any coincidence, some wonder, that Rep. Tony Coelho (D-Calif.), chairman of the Democratic Congressional Campaign Committee, is one of the most active supporters of the package, and that this summer McMillian purchased a $10,000 table at a dinner sponsored by the committee?

Committee director Martin Franks denies any link. He did, however, note that McMillian has been "an old friend of the committee" and that "we are in the midst of a broad effort to make Democrats aware that you don't remain in the majority by screwing your friends."

Still, he said that the "widespread perception" that campaign contributors receive special treatment from Congress is "vastly overblown."

Former Democratic National Committee chairman Strauss, whose law firm helped McMillian draft the waiver package, took the same tack. "He's my friend and I'm helping him with pride," Strauss said. "But I'm doing it because it's a good project. I certainly don't go around getting involved with helping friends to the tune of $40 billion." Then Strauss added puckishly, "A couple of billion, maybe."

Some committee staffers say that if McMillian is getting any boost from his Democratic Party connection, it is costing him on the other side of the aisle. "He's a dominant personality and people tend to associate the pipeline project with him," said one Republican Senate staffer who asked not to be identified. "I've heard people say why should we rush to his rescue when the rotten bastard is a Democrat."

For his part, McMillian is inclined to dismiss the importance of partisanship. He notes that he himself has given money to individual Republican candidates, and that most of the nine other pipeline companies and three oil companies in his consortium tend to be more Republican in orientation.

Still, he is sensitive enough to the whole question of party loyalty to have assembled a lobbying team that is scrupulously balanced among Democrats and Republicans. To work the GOP side of the aisle, he retained the Hannaford firm and Jack Ferguson & Associates.

For Democratic persuasion, he is leaning on Strauss's firm, Akin, Gump, Strauss, Hauer & Feld, and the firm of White, Fine & Verville.

He also has hired Mondale as a consultant, although a spokesman for the former vice president said he has made only one call to Capitol Hill on the project. McMillian, who this spring contributed $5,000 to Mondale's fund-raising vehicle, the Committee for the Future of America, said the main reason he brought Mondale on board was to help in arranging for financing on the world market.

When McMillian won the franchise in 1977 over two competing pipeline consortiums, he assured Congress he could build the pipeline without government loan guarantees and without consumer risk-sharing.

He now says high interest rates and inflation have thrown his projections out of kilter. To placate a now-skittish financial community, the waiver proposal would split the pipeline project into three segments and call for the Federal Energy Regulatory Commission to set a "date certain" (probably around January, 1978) by which all three are expected to be finished. If, on that date, any one segment is completed but the others are not, the pipeline consortium could begin billing customers for the completed section, even though they would not be receiving Alaskan natural gas.

"This is the minimum the banks can live with, and we're not even sure it is enough," McMillian says. "But we do know if we don't get it, we have no chance for private financing."

The chanciness of the project, even with the waiver package, is part of what is slowing its progress through Congress. Some fear that the waiver proposal is just a foot in the door, that McMillian eventually will be back asking for full federal loan guarantees.

Meantime, the likelihood that natural gas prices will be decontrolled by the time the line is completed has caused some to wonder whether the Alaska gas, with its high fixed transportation costs, will be economically competitive with other forms of energy.

Complicating all this, from McMillian's point of view, is the lukewarm response from the Reagan administration. It substantially cut back on his original waiver request (which had been for a much more extensive pre-billing system) before approving it, and so far it has done little lobbying for the package on the Hill.

But he hopes the administration will get more involved, in part because the proven gas reserves in Alaska are 13 percent of the nation's supply, and in part because letting the project die would severely strain relations with Canada which has a heavy stake in it.

"We need the best lobbyist in town in on this one," said McMillian with a Democratic tipping of the hat to President Reagan. "We don't have him yet, but we're hoping."

Mr. METZENBAUM. This package is, without question, as anticonsumer as almost any legislation that we have ever had before us—and we have had some pretty rugged legislation that has forgotten about the American consumer.

Some of the proposals that have made their way to the floor of the Senate in the past have been rough, but this one is unbelievable. Nobody in their right mind would have thought that there could ever come to pass a time when the consumers of gas would be called upon to underwrite a pipeline that may never be built. Consumers did not ask for this waiver. The pipeline proponents asked for it.

The big winners under this resolution will be Arco, Exxon, and Sohio, the three major oil companies that are producing the North Slope oil and gas. They will get a 70-percent internal rate of return during the first year of production, and the consumers will get zip.

The other winners are the banks, which will be relieved of any risk that the pipeline might not be completed, and the consumers will get zip.

The State of Alaska will reap $10.7 billion in severance taxes and royalty payments on the Alaskan gas, and the consumers will get zip.

The big losers again on the floor of the Senate, again in the halls of Congress, are the millions of consumers who will be forced to shoulder the risk that the $43 billion pipeline might not be completed on time or at all. But the consumers will pay whether completed or not.

Mr. President, I do not know how to get the message to some of the Members who serve with me on this body about what they are doing to their own constituents. They are supposed to be here representing those constituents, but the fact is that consumers in 36 States can very likely be called upon to pay extra dollars on their gas bills, month in and month out, for 20 years and never get a drop of gas.

Mr. President, I ask unanimous consent to have printed in the RECORD a list indicating just what those extra costs may be for each of those constituents in the 36 States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANNUAL COST OF PREBILLING THE ALASKAN AND CANADIAN PIPE SEGMENTS

(NOTE.—These figures are based on the House Energy and Commerce staff analysis in 1987 dollars, assuming a compounded annual rate of inflation of 10 percent.)

State/region, residential, and industrial:
United States, $50–$97, $16,294–$32,411.
New England, not directly served.
Connecticut, not directly served.
Massachusetts, not directly served.
Rhode Island, not directly served.
Mid Atlantic, $32–$53.3, $6,352–$11,008.
New Jersey, $15–$29, $2,702–$4,825.
New York, $18–$40, $2,074–$4,434.
Pennsylvania, $60–$82, $20,759–$29,015.
E. North Central, $89–$150, $19,820–$28,434.
Illinois, $27–$135, $3,340–$16,253.
Indiana, $50–$32, $18,161–$31,196.
Michigan, $118–$200, $21,848–$37,030.
Ohio, $114–$126, $40,791–$41,876.
Wisconsin, $114–$179, $25,377–$27,541.
W. North Central, $103–$188, $26,713–$51,557.
Iowa, $118–$217, $47,066–$86,869.
Kansas, $47–$174, $15,131–$57,297.
Minnesota, $256–$256, $26,683.
Missouri, $27–$68, $20,621–$50,773.
Nebraska, $119–$232, $27,125–$52,911.
North Dakota, not directly served.
South Dakota, $132–$221, $8,791–$14,743.
S. Atlantic, $32.2–$74, $14,728–$33,602.
Delaware, not directly served.
D.C., $111, $38,719.
Florida, $0–$11, $6,622–$49,918.
Georgia, not directly served.
Maryland, $109, $9,895.
Virginia, $100, $18,029.
W. Virginia, $82–$100, $91,361–$110,989.
E.S. Central, $29–$42, $17,776–$25,544.
Alabama, $5–$21, $4,313–$18,151.
Kentucky, $85, $29,048.
Mississippi, $23–$24, $21,959–$22,914.
State/region, residential, and industrial:
Tennessee, $29–$45, $12,808–$21,803.
W.S. Central, $3–$32, $3,558–$29,633.
Arkansas, $3–$39, $2,035–$25,512.
Louisiana, $11–$21, $18,694–$21,472.
Texas, $3–$79, $2,127–$67,746.
Oklahoma, $0–$85, $1,438–$68,456.
Mountain, $17–$129, $6,636–$52,835.
Arizona, not directly served.
Colorado, $21–$147, $7,652–$51,997.
Idaho, $85–$100, $119,193–$138,911.
Montana, not directly served.
Nevada, $18–$103, $180,370–$981,210.
New Mexico, $5–$158, $1,481–$32,311.
Utah, $0–$145, $821–$95,719.
Wyoming, $5–$153, $7,190–$93,174.
Pacific, $82–$89, $24,739–$25,889.
California, $82–$89, $23,830–$25,020.
Alaska, not directly served.
Hawaii, not directly served.
Oregon, $74–$81, $72,893–$93,530.
Washington, $93–$114, $59,525–$72,782.
Maine, not directly served.
N. Carolina, not directly served.
S. Carolina, not directly served.

Mr. METZENBAUM. Mr. President, in 1977, when Congress approved President Carter's decision to go forward with the present plan to build the pipeline, we did so with certain specific conditions. Now the pipeline's sponsors are coming back to Congress saying: "We cannot do it on our own; business is unable, keep out of our way, Government, but when we get in trouble, come back, Government, and bail us out."

This is the bailout bill, Mr. President, the bailout bill for the oil companies, who sure do not need any bailout. It is also the bailout bill for those other proponents of this gas pipeline.

There are three specific conditions that were in the legislation originally. One, that the entire pipeline be completed and gas flowing before consumers are billed for any of the pipeline's costs; two, that Exxon, Sohio, and Arco be barred from any ownership in the pipeline; three, that the oil companies bear the responsibility for constructing the $6 billion conditioning plant at the pipeline's northern end.

Now, Mr. President, this administration is asking Congress to waive all of these conditions and more. The 10 interstate pipelines that make up the Alaska pipeline consortium and the three oil companies producing the gas want to change the rules of the game in midstream. The same oil and gas industry that comes here and importunes Members of the Senate and says, "Get the Government off our backs; let the market operate," today has changed its colors. It is talking out of both sides of its mouth. They are now asking Government to step in and shield them from the decisions of the marketplace.

For almost 4 years, this project has been unable to secure financing despite the more than 30 percent rate of return the project would provide for the pipeline during the first year. The major banks have scrutinized this project and decided that there is a major risk that the pipeline might not be completed or that the Alaskan gas might not be marketable.

What do the banks say? "Consumers, you underwrite it. You are rich, consumers, and the poor oil companies are not so rich."

The banks' fears may be justified that the pipeline will not be completed or that the gas might not be marketable, because according to the pipeline's figures, the delivered price of the Alaskan gas in 1987 will be $11.91 to $18.51 per mcf, which is an oil equivalency price of $69 to $107 a barrel. A House Energy and Commerce Committee analysis puts the delivered price as high as $15 to $20 per mcf.

Stanley Lewand, vice president of Chase Manhattan Bank, told the Committee on Energy on October 30, 1981—and I commend him for his candor—that:

> Lenders have indicated . . . that they are not willing to accept the risks that the delivery system might not be completed . . . and that they must be assured of the timely repayment of their debt and interest thereupon.

Oil companies will not underwrite it; why should they take the risk? The banks will not underwrite it; why should they take the risk? But the American consumers in 36 States should underwrite it, according to the pipeline's sponsors.

The decision of the financial marketplace, Mr. President, is that they are not willing to take that kind of risk. Now the pipeline's sponsors want to waive the provisions of the law that prohibits consumers from paying for any of the pipeline's costs until the pipeline is completed and gas is flowing. That means that consumers will be forced to assume the risks that the pipeline might not be completed even though shrewd businessmen such as Mr. Lewand have concluded that the risk is too great.

When Congress approved the present pipeline plan in 1977, Mr. President, we were assured this would never happen. But what they tell Congress in 1 year or 1 week, they change the next year or the next week if it suits their convenience.

On September 22, 1977, John McMillian, chairman of the Northwest Oil Co., a very responsible, reputable gentleman of integrity, head of the pipeline's parent company, told the House Commerce Committee:

> The President's decision requires that the Alcan project be privately financed in its entirety. The United States and Canadian Governments will not be called upon for financial guarantees.

And there is nothing in this legislation that calls upon the Government for those financial guarantees. He was correct.

But he also said:

> Nor will consumers have to bear the hypothetical burden of noncompletion of the project.

I want to repeat that for the Members of the Senate, Mr. President. When Mr. McMillian testified for this measure in 1977, his unequivocal language was:

> Nor will consumers have to bear the hypothetical burden of noncompletion of the project.

He went on to state:

> Instead, other primary beneficiaries of the project will be called upon to provide the necessary financial backing. We believe that Alcan can obtain the necessary project financing from Canadian and United States sources.

What kind of credibility is that? He tells us one thing in 1977, then totally reverse the story in 1981, after the project is underway. What kind of responsibility is that? That is the kind of thing we just recently heard from the Office of Management and Budget Director, Mr. Stockman, saying one thing but meaning another thing.

That is what we have in this instance, a total lack of credibility and a total reversal of the commitment that was made to the people of this country and to the Congress and to the President of the United States when the legislation was first before us.

It was on the basis of Mr. McMillian's assurances that Congress approved President Carter's decision. The concept of consumers being forced to pay for the pipeline's cost before any gas service is provided is anathema to anyone who believes in fair play and free enterprise. But so much for fair play.

What does this waiver really mean, Mr. President? Under this proposal, the pipeline would be allowed to begin charging consumers for the cost of constructing the pipeline's Alaskan segment or the gas conditioning plant if they are completed by the estimated due date to be established by the Federal Energy Regulatory Commission, even though the entire pipeline is not completed and functioning.

For the Canadian segment, consumers would be forced to pay a hefty rate of return on equity in addition to the construction costs. Those costs would continue for 20 years—for 20 years—even if the pipeline is never completed.

Mr. President, is that not unbelievable, that we have before us today a proposal to require the American people in 36 States to pay for a pipeline that may never be completed because the bankers and the proponents of it are not willing

to underwrite it themselves? Does anybody really believe that the three oil companies that are in this deal cannot find the wherewithal to provide the financial backing for this pipeline if they truly were committed to it and intended and wanted to do so? Of course, they can.

But why should they put that on their balance sheet if they can get the American people to put it on their balance sheet?

How much would the prebilling cost? Based on an analysis prepared by the staff of the House Energy and Commerce Committee, prebilling of the Alaskan and Canadian pipeline segments in 1987 would add, on a national average, between $50 and $97 a year to a residential consumer's gas bill.

In my home State of Ohio, where more than 72 billion cubic feet of Alaskan gas is slated to be sold each year, the annual prebilling surcharge for residential consumers could be as much as $114 to $126. I submit that my constituents cannot afford that, and I further submit to my colleagues that their constituents cannot afford the additional billing charges they will have to pay.

On a monthly basis, the prebilling surcharge in Ohio comes to $9.50 to $10.05; $9.50 to $10.05 a month that residential consumers in my home State may be asked to pay because the Congress forced them to assume a risk that the banks refused to accept. Consumers are already being straddled with high interest rates, double digit inflation and a depressed economy. To ask them to bear this risk is unconscionable.

But it is not merely the impact on residential consumers.

The impact of prebilling on industrial gas consumers raises another major problem. The House Energy and Commerce study, weighted for inflation, shows that in 1987, prebilling for the Alaskan and Canadian pipeline segments would add $16,294 to $32,411 per year to the gas bill of an industrial user on a national average. In Ohio, an industrial gas bill would rise from $40,791 to $41,876. A cost increase of this magnitude clearly would hurt our economy. But there is an even greater danger. According to a November 3 Congressional Research Service study:

> The impact on the industrial sector is especially noteworthy because most companies would pass the increased cost to its customers through product price increases or more likely in many cases switch to a cheaper source of energy such as residual oil. If massive switching occurs in the industrial sector, then the average monthly cost to consumers in the residential sectors could skyrocket because the industrial sector was going to bear 50 percent of the consumer liability.

To some of my colleagues, that may sound unlikely. But the potential for industrial users being forced off gas and back on to oil is very real.

Many industrial users in the Northeast and Midwest, where most of this Alaskan gas is scheduled to be sold, possess fuel switching capability that was installed after 1970, when natural gas production is the Southwest and Gulf of Mexico dropped and industrial users were curtailed, rather than face a surcharge of $40,000, most industrial users will simply flip a switch and go back to oil, thereby increasing our oil imports. Consumers would be left holding the bag.

Massive fuel switching in the industrial sector may occur even if the pipeline is completed and the Alaskan gas is flowing. The House energy and commerce analysis shows that in 1987 the price of alternative oil based fuels will be around $6 per Mcf, between two and three times cheaper than the Alaskan gas at $12 to $18 per Mcf—and that price assumes the continuation of price controls on Alaskan gas under the NGPA. But the oil companies are hard at work to repeal the NGPA and totally decontrol natural gas prices. If decontrol occurs there will be no price cushion of old, price-controlled gas to hide the true cost of the uneconomical gas from Alaska.

Despite all of these problems, Mr. McMillian and the other pipeline executives tell us that the risk is "almost none" that consumers will have to make any payments for pipeline construction before gas is flowing, or that the pipeline will not be completed. If the risks are so slight, then why have the banks demanded the total insulation of a prebilling waiver?

The answer is obvious. The risk of noncompletion is great. And the bottom line of this waiver, Mr. President, is that consumers are being asked to guarantee payment of the $43 billion pipeline—but the pipeline is not willing to guarantee that a single cubic foot of gas will ever be delivered.

Of course, the prebilling waiver is not enough. There is more, there is always more and more for the oil and gas industry. The administration also wants to waive the ban on producer ownership in the pipeline. The Antitrust Division of the Justice Department concluded that permitting Exxon, Soho, and Arco to obtain an equity interest in the pipeline could create the opportunity for the earning of monopoly profits. Congress agreed with that assessment and imposed the ownership ban. This legislation will very effectively weaken that.

The administration claims that any opportunity for monopoly profits will be prevented by requiring the FERC—in consultation with the Justice Department to conclude that producer participation will not violate the antitrust laws. But this condition is meaningless. The FERC does not have any expertise in antitrust enforcement and the officials in this administration's Justice Department have already shown that they are totally unwilling to effectively and vigorously enforce the antitrust laws. Furthermore, FERC Chairman Charles Butler has already told the Energy Committee that he believes the pipeline should go forward with the waivers.

The pipeline and the producers already have negotiated at less than arm's length. Just look at the indefinite price escalator clause in Exxon's supply contract with Pacific Gas Transmission Co. in which the purchaser agrees to pay the price of middle distillate fuel in the event of decontrol.

There are other existing barriers hampering competitive contractual negotiations such as the provisions that permit the pipeline to pass through to its retail customers all of its purchaser gas costs. To permit the oil companies to sit on both sides of the negotiating table will only heighten these problems.

No, we should not lift the ban on producer ownership, Mr. President. The concern about the potential for the producers earning monopoly profits remains as compelling today as it did 4 years ago. We need not look further than the Office of Federal Inspector's, October 19, 1981, cost of service analysis. That report estimates that the producers will receive an internal rate of return of more than 70 percent a year, if they obtain a 30-percent ownership in the pipeline. This fact alone is ample reason for opposing this waiver package. But there's still more. More and more and more.

At the same time the administration proposed to lift the ownership ban, the administration also wants to relieve the producers of their responsibility for constructing the $6 billion conditioning plant at the pipeline's northern end. This requirement was imposed on August 24, 1979, by the FERC in order No. 45. The Commission found that the industrywide practice has been for the producer to construct the conditioning plant. The gas is not marketable to a transmission pipeline until it has been conditioned.

This waiver would create a bad precedent by including the conditioning plant in the pipeline rate base. That is plainly absurd, that shows how raw you can get when you start to push and you are getting your own way.

Now the consumers, instead of the oil companies, are even being required to assume the risk in conditioning plant costs.

I ask my colleagues, who is better able to shoulder this risk: Major oil companies with billions of dollars in cash and billions more in lines of credit or consumers who are fighting to keep their heads above the tidal wave of inflation?

The justification for this outrageous waiver is that it will improve the ability of the pipeline to attract financing. This is a most ironic claim. The House Energy and Commerce Committee analysis correctly points out that the conditioning plant in the pipeline rate base adds 20 percent to the delivered price of the gas.

If the banks are concerned about the marketability of the Alaskan gas, increasing the delivered price by 20 percent will only drive more industrial users with fuel switching capability off gas and on to oil. This waiver will not help finance the project. It will only give Exxon, Sohio, and Arco a $6 billion windfall by relieving them of their responsibility to construct the conditioning plant.

And there is still more. After asking consumers to assume the multibillion risk that the pipeline and the conditioning plant might not be completed, the administration proposes to waive several key provisions of the Natural Gas Act. This would eliminate many of the legal safeguards consumers need to protect

themselves from any questionable activities in which the pipeline's sponsors and the oil companies might engage.

This provision would waive evidentiary hearings during FERC's consideration of the pipeline's applications for certificates of public convenience and necessity for the construction or operation of any pipeline segment. Eliminating evidentiary proceedings means that consumers will lose their right to cross-examine the pipeline's witnesses and openly challenge their data and assumptions.

Furthermore, in the name of "regulatory certainty" this proposal would bar FERC from ever lowering the monthly minimum bill for debt service and construction costs that each of the interstate pipelines will be allowed to pass on to its retail customers. The President's synopsis of the waiver says that this provision is necessary to insure that the Commission does not change the rules of the game at some later date. Who is kidding whom? Either the game did not begin with congressional approval of President Carter's 1977 decision or the pipeline's sponsors have a blatant double standard.

That is the waiver package, Mr. President. Why is this outrageous proposal before the Senate?

The proponents of this resolution say, "This is the only way. The banks demand it."

Why would the banks want only a waiver package that forces up the delivered price of Alaskan gas by 20 percent? Why would the banks want only a package that relieves the three oil companies of their $6 billion responsibility to build the conditioning plant and guarantee them a 70-percent rate of return? Why would the banks want to force consumers to assume the risk of noncompletion? Why is this the only way?

According to the Congressional Research Service, the major banks financing the pipeline and three maor oil companies producing the gas are directly interlocked at the board level.

Chase Manhattan, for example, has on its board Howard S. Kaufman, the president of Exxon.

Citicorp has on its board, G. Clifton Garvin, Exxon's board chairman. Citicorp's board also includes J. Peter Grace and Robert A. Hatfield, both directors of Kennecott, which is a wholly owned subsidiary of Sohio. The Bank of America has on its board Phillip M. Hawley, who also sits on the board of Atlantic Richfield.

C. J. Morgan & Co., has on its board Carter L. Burger, who also sits on the board of Kennecott.

And Sohio has on its board Renee McPherson, the dean of the Stanford Business School, who also sits on the board of Manufacturers Hanover.

At the very least, the existence of these interlocking board memberships will inevitably lead to questions if the consuming public is forced to assume costs that properly belong to the pipeline's investors and creditors.

I believe, however, that this is not the only way to finance the pipeline. Keeping the conditioning plant out of the pipeline rate base will lower the delivered price of the gas by 20 percent, thereby lessening marketing problems. It will also mean $6 billion less that the pipeline will have to borrow. Let Exxon, Sohio, and Arco, all of which are awash in cash, use their profits to build the plant instead of buying up other oil companies.

The marketability problems could be further reduced by forcing the producers to sell their gas at prices substantially below the NGPA price ceiling. The prices for Alaskan gas under section 109 assume exploration and production costs that the oil companies have not incurred here. This gas is already being produced at Prudhoe Bay right now and simply being reinjected back into the field. The only expense left is hooking up a gathering line. Why do Exxon, Sohio, and Arco need another windfall from the sale of this low-cost gas?

According to the CRS, the State of Alaska will reap $10.7 billion in severance taxes and royalty payments from the sale of Alaskan gas. Yet, to date, Alaska has not invested one penny in the pipeline.

Finally, other bankers have suggested that by selling additional equity as part of the financing package, the money could be more easily raised.

There are other ways, Mr. President. Certainly I am not opposed to tapping the Alaskan gas for domestic energy use. But I cannot support a waiver package that forces consumers to assume a risk that the financial community will not accept. I cannot support a waiver that decreases the marketability of the gas in order to bail Exxon, Sohio, and Arco out of their responsibility to build the conditioning plant. And I cannot support a waiver package that will allow them a 70-percent internal rate of return, by giving the producers an equity ownership.

If the risk of noncompletion and delay is as small as the pipeline's sponsors claim, then there is no need for any of these waivers. If the risks exist, then they should not be borne merely by consumers who face the danger of seeing their gas bills go up sharply in 1987 while getting nothing in return.

The issue here, Mr. President, is fairness and commonsense. I strongly urge my colleagues to reject this outrageous proposal.

Mr. President, the justification for this outrageous waiver is that it will improve the ability of the pipeline to attract financing. Of course, What is such a great problem about getting financing from the banks if the American people are going to underwrite it?

This waiver that we have before us is going through. It is slick. It is greased. It is all set to roll. The lobbyists have done their job, and the American people will pay the price. But I challenge any Member of the U.S. Senate to go back to their own constituency and tell them what you are doing to them. Go back and tell them about the unfairness and the inequity of this. If you do not want to tell them yourself, invite me to your State, and I will debate you on that issue. You do not have a right to do this.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. METZENBAUM. I yield to nobody.

You are just playing into the hands of the oil companies. You are playing into the hands of the Senator from Alaska for $10.5 billion on this deal.

This deal does not have any propriety. This deal is evil. This deal reflects greed. This deal should not be approved, and it will be approved because the people of this country do not know what is happening.

But if you think that this deal can be justified in your State, go out and talk to your people and tell them what is in it. If you want me to come along, I will come along and debate you publicly. This is a raw deal. You should not be doing it.

Mr. President, I reserve the remainder of my time.

Mr. STEVENS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. D'AMATO). Who yields time?

Mr. METZENBAUM. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 7 minutes and 41 seconds.

Mr. METZENBAUM. I yield 4 minutes to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I oppose Senate Joint Resolution 115 which would waive certain provisions of law to expedite construction of the Alaska Natural Gas Transportation System. In my mind there are many unresolved issues related to this waiver package. There is not time to touch on each and every issue in the debate this morning. I will limit my comments to four areas of objection: Precompletion billing, the provision called regulatory certainty, the role of Alaska as a tax assessor on this national resource, and the procedures that bring this resolution to the floor.

Before taking up these issues, I say to my colleagues who support this resolution that my purpose is not to kill the Alaska Gas Pipeline. Natural gas from Alaska can and I am sure someday will make a substantial contribution to the Nation's energy supplies. Internorth Pipeline Co., which is one of the sponsors of this project, supplies almost 95 percent of the natural gas coming into my home State of Minnesota. Internorth depends heavily on Alaska gas to meet its commitments in the future. However, the question that we debate today is whether these specific waivers are necessary to assure that supply. If we defeat this resolution, and I am under no illusions that we will, there is nothing to preclude the President from submitting a second, more reasonable package to the Congress so that outstanding issues can be resolved. In fact, I would encourage him to do so and would support most of the items that are to be waived under Senate Joint Resolution 115. It is only precompletion billing and regulatory certainty to which I object.

Mr. President, I object to precompletion billing for the obvious reason that it shifts decisions that should be made in the marketplace to Congress. And it does so because the marketplace has already made a negative judgment on the probability of completing the pipeline. The

sponsors and the producers have reached an agreement that limits the liability of the partners to the assets committed to construction. In other words lenders could not reach to the underlying assets of these corporations to recover the principal for any debt should the project not be completed. This arrangement is called project financing.

The sponsors and producers presented a project financing proposal to the banks and were rejected. The banks are so doubtful on the prospects for the pipeline that they would not accept the assets of the project as collateral nor would they risk their capital on a project which will have Exxon and Arco and several major utility pipeline companies as equity partners. So we have Senators coming to the floor to ask that we risk the assets of the American public in 48 States to guarantee that the project gets built.

We have Senators from the States most heavily affected opposing precompletion billing. We know that it is our future supply of natural gas at stake. We, like the banks and the oil companies and the utility pipelines, are saying that we do not want to risk the assets of our consumers either. That does not seem to me an unreasonable position to take. If Exxon will not risk its assets to gain a substantial profit, why should a small businessman in Minnesota be expected to take on the risk of the project when he has no possibility of gain?

Figures from the House Energy and Commerce Committee show that a typical residential consumer in Minnesota could face a surcharge of $159 per year if the Canadian and Alaskan segments of the line are completed, but the gas processing facility is not built. That is $159 per year without getting a single Btu of natural gas. Under a similar scenario the small businessman in Minnesota would be subsidizing his project at the rate of $775 per year.

But, Mr. President, that is only the smallest part of my objection. There is another provision in this waiver package that has the potential to be one of those familiar governmental creatures—a trojan horse. I refer to the waiver of certain sections of the Natural Gas Act which is being described by the sponsors of this resolution as "regulatory certainty." Their argument is that these waivers are necessary to prevent the FERC at some future time from adjusting the tariff on the pipeline so low that the sponsors of the project could not recover their operating costs, debt principal, interest, and taxes.

That is a very unlikely possibility, but it is being used to hide a much more significant issue. This part of the waiver shifts the entire debt of the project once completed onto the consumer whether the project is operated to deliver gas or not. There is a principle in utility ratemaking that requires an asset to be "used and useful" in the provision of service before it can be billed to the customer. This part of the waiver package cancels that principle so far as the Alaska gas pipeline is concerned.

If for some reason the pipeline were built and commissioned but later abandoned, the consumer would still be forced to pay the debt portion—75 percent of $40 billion—of the project under this part of the resolution. One can easily imagine such conditions. For instance, the development of a cheaper substitute fuel in the lower 48, the discovery of other reserves more cheaply delivered, or an act of God that puts the pipeline or the gasfield out of commission.

One can imagine other ways in which this part of the waiver might be abused. Suppose for instance that a tariff were established to recover the debt at a transmission capacity of 2 billion cubic feet per day and then later the capacity was expanded to 3.2 billion cubic feet per day. This provision would prevent the FERC from lowering the tariff to reflect the additional capacity. The extra revenues would be gravy for the pipeline partners.

My third objection, Mr. President, is to the role of the State of Alaska in this project. We see here on the Senate floor two Senators from the State of Alaska urging this project on the rest of the Nation. That is easy to understand. If the project is built and gas flows, the State of Alaska stands to collect a minimum $10 billion in royalties and severance taxes over the next two decades. And yet it is the consumers in the lower 48 States that are being asked to take all the risk on this project. I do not begrudge Alaska its royalty share in the revenues from Alaskan gas, but I do think that the State in the name of the national interest and to the extent that it stands to benefit greatly as a royalty partner should forgo the severance tax on this gas as part of any arrangement that puts the assets of the rest of the American population at risk to assure that the project is completed.

We do not even have a commitment from the State of Alaska to keep severance taxes at present rates. There is every reason to believe that as debt is retired on the project, bringing down delivered cost, that Alaska will raise the severance tax burden to fill the gap. The economics of the project depend crucially on the role of Alaska as a tax collector and we ought to expect them to make a commitment of reasonableness before we take the risk.

My final objection, Mr. President, goes to the procedures under which we are considering this resolution. I do not believe that the Alaska Natural Gas Transportation Act of 1976 contemplated the use of the waiver resolution in relation to the basic sections of the Natural Gas Act. These provisions of the NGA are the fundamental procedures by which we determine just and reasonable rates.

The implications of waiving these provisions as I have indicated are serious and should be considered with more thought than is allowed by a 1-hour debate. The waiver provisions were designed to deal with law on licenses, permits, certificates, and other authorizations related to construction. They were not intended to be directed at the ratemaking process. So I object to the procedures we are using this morning on the waiver package presented by the President. The scope of the waiver is too broad to be considered under these rules.

Mr. President, I have a memorandum from the FERC on the subject of the waiver of the Natural Gas Act and I ask unanimous consent that this memorandum be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

FEDERAL ENERGY
REGULATORY COMMISSION,
Washington, D.C., August 18, 1981.

Memorandum to Hon. Philip R. Sharp, Chairman, Subcommittee on Fossil and Synthetic Fuels, Committee on Energy and Commerce, House of Representatives.

Memorandum to Hon. Clarence J. Brown, Ranking Minority Member, Subcommittee on Fossil and Synthetic Fuels, Committee on Energy and Commerce, House of Representatives.

From Charles A. Moore, General Counsel, Federal Energy Regulatory Commission.

Re Proposal by Sponsors of the Alaskan Natural Gas Transportation System (ANGTS) for Congressional Waiver of Sections 4, 5, 7 and 16 of the Natural Gas Act in Certain Respects Pursuant to Section 8g of the Alaskan Natural Gas Transportation Act of 1978.

QUESTIONS PRESENTED

By letter of July 24, 1981, to C. M. Butler III, Chairman, Federal Energy Regulatory Commission,[1] you requested a legal memorandum addressing the following questions:

(a) The full implications of the proposed waiver quoted hereinbelow, (b) whether there have been past Commission actions which justify the desires of the sponsors to have Congress provide the waiver, (c) hypothetical situations which would work to the injury of the pipeline sponsors of ANGTS or other participants in the project should no such waiver be provided by Congress, (d) hypothetical situations which might work to the injury of resale customers and consumers should such a waiver be provided by Congress, and (e) the reasonable likelihood of the hypothetical situations actually occurring.

The text of the waiver request, as set forth in your letter, is as follows:

Authority to Modify or Rescind Orders.

Waive Sections 4, 5, 7, and 16 of the Natural Gas Act to the extent that such sections would allow the Commission to change the provisions of any final rule or order approving (a) any tariff in any manner that would impair the recovery of the actual operation and maintenance expenses, actual current taxes, and amounts necessary to service debt, including interest and scheduled retirement of debt, for the approved transportation system; or (b) the recovery by shippers of Alaska gas of (1) all costs related to the purchase of such gas at just and reasonable rates, and (2) transportation of such gas pursuant to an approved tariff.

We are advised that this text is currently a topic of discussion at staff levels in the Administration and the Congress, and that the text may be revised in one or more respects. Accordingly, the memorandum is expressly limited to the preceding text, although I will be pleased to respond as expeditiously as possible to any questions you might have in connection with material changes in such text.

DISCUSSION

1. Background:

As you know, the ANGTS is an international project created to transport natural gas from the North Slope of Alaska, through

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Canada, to the lower 48 states. The United States portion of the system consists of three segments: (1) the Alaska segment, running from Prudhoe Bay on the North Slope to the Yukon border; (2) the Western Leg, running from the British Columbia border to California; and (3) and the Northern Border pipeline, running from a point on the Canadian border near Monchy, Saskatchewan, to Dwight, Illinois.

The ANGTS is unlike any other gas pipeline in the United States in that it is governed by a unique legal framework. The Alaska Natural Gas Transportation Act (ANGTA), 15 U.S.C. section 719, *et seq.*, enacted by Congress in 1976, supplements (but does not replace) the Natural Gas Act; certificates are issued under the Natural Gas Act pursuant to procedures mandated by ANGTA.

Pursuant to Section 7 of ANGTA, the President, in September of 1977, submitted his Decision and Report to Congress on the Alaska Natural Gas Transportation System (Executive Office of the President, Energy Policy and Planning) which designated both the project sponsors and the route for the ANGTS as well as many conditions for its construction. Congress approved the President's Decision by Joint Resolution, which became law on November 8, 1977. H.J. Res. 621, Pub. L. No. 95–158, 91 Stat. 1268, 95th Cong., 1st Sess. (1977).

The ANGTS is also governed by two international agreements with Canada, both of which have the force and effect of law. The "Agreement Between the Government of the United States of America and the Government of Canada Concerning Transit Pipelines," entered in force October 1, 1977 after ratification by the Senate, applies to all pipelines in both countries whenever one country's pipeline carries the other country's gas or oil. The treaty mandates nondiscriminatory treatment.

The "Agreement Between the United States of America and Canada on Principles Applicable to a Northern Natural Gas Pipeline," signed by representatives of the two governments on September 20, 1977, is an executive agreement that was made part of the President's Decision (pages 47–83). Inasmuch as the Decision was approved by Congress, it (including the Agreement) has the legal status of a statute. The Agreement specifies the route of the ANGTS, and contains numerous conditions. Pursuant to the Agreement, our Commission has consulted with the National Energy Board of Canada in coordinating respective certification of the various ANGTS segments in the U.S. and Canada, including related imports of Canadian gas to support the "prebuilding" of the lower half of the system.

One other relevant item of legislation is Reorganization Plan No. 1 of 1979, which was submitted by the President to the Congress and not disapproved by the Congress. The Plan establishes the Office of the Federal Inspector, which reports directly to the President. The Inspector is responsible for monitoring the construction of the pipeline, and for coordinating all federal permitting and certification of it. The Plan transfers to the Inspector the Commission's Natural Gas Act Sections 3 and 7 jurisdiction to enforce the Commission's certificates and import authorizations issued to the ANGTS project sponsors.

Two categories of tariffs are involved. The project sponsors will own and operate the various segments of the ANGTS, but will not buy or sell the gas transported through it. The shippers will buy the gas at the Prudhoe Bay Field, ship it through the sponsors' facilities, and sell it somewhere at the other end of the pipeline. The sponsors will have tariffs authorizing charges to the shippers. The shippers will in turn have tariff provisions authorizing charges to their customers for the sale of the gas, which charges will include in some form reimbursement of the shippers for the transportation charges paid by the shippers to the sponsors, as well as reimbursement for the costs of purchasing the Prudhoe Bay Field gas.

Thus, for example, if a shipper buys gas at Prudhoe Bay for sale in Detroit, the shipper would incur separate transportation charges billed by the respective sponsors of the Alaska segment, the Canadian segment, and the Northern Border segment of the system. That shipper would request a tariff authorizing "flow through" to its customers of the full amount of transportation charges paid to the sponsors of each of the three pipeline segments through which the gas was transported, as well as the full cost of the gas itself.

The "flow through" issue is often referred to as "tracking" of charges. Tracking of gas purchase costs is authorized by the Commission's regulations, through purchased gas adjustment clauses. (See 18 C.F.R. 154.38.) Tracking of transportation charges has been authorized in certain instances on a case by case basis.

In order Nos. 31 and 31–B,[2] the Commission approved in principle the tracking by ANGTS shippers of transportation charges billed by U. S. certificated ANGTS project sponsors (i.e., the sponsors of the Alaska, Northern Border and Western Leg segments), but reserved for later resolution the issue of tracking the charges of Foothills Pipe Lines (Yukon) Ltd. (Foothills), the sponsor of the Canadian segment. The unresolved tracking issues (including tracking of Foothills' charges that have been approved by the National Energy Board of Canada) are currently under study by the Commission's Alaskan Delegate, who is preparing a report to the Commission.

The sponsors' and shippers' initial tariffs are approved by the Commission pursuant to Section 7 of the Natural Gas Act upon issuance of the certificates. Alaskan Northwest's pro forma tariff was approved in Order Nos. 31 and 31–B. Section 7 provides a "public convenience and necessity" standard. While the Commission may establish initial rates that meet the more rigorous "just and reasonable" standard in Sections 4 and 5 of the Act, it is not required by law to do so. The Commission must only find that the initial rates are in the "public convenience and necessity" and may reserve for later determination what the "just and reasonable" rate should be.

Section 7(e) of the Natural Gas Act gives the Commission authority to attach conditions to certificates. The courts have construed broadly the Commission's responsibility under the Natural Gas Act to condition certificates with respect to rate terms and other matters affecting the public convenience and necessity. *See, e g., Atlantic Refining Co.* v. *Public Service Commission of New York*, 360 U.S. 378 (1959); *FPC* v. *Hunt*, 376 U.S. 515 (1964). *But see Panhandle Eastern Pipe Line Co.* v. *F.E.R.C.*, 613 F.2d 1120 (D.C. Cir. 1979), *cert. denied*, 101 S. Ct. 247 (1980).

Section 4 of the Act requires that all rates and charges be "just and reasonable." After certification, all changes in the initially approved tariffs and rates must be filed with the Commission pursuant to Section 4. The Commission, pursuant to prescribed standards and procedures, may "suspend" such changes for up to five months pending a hearing. If the changes are suspended, the prior approved tariffs and rates remain in effect during the period of suspension. The changes may take effect after the suspension period but subject to refund (with interest) depending on the outcome of the hearing process on contested issues or other disposition by the Commission.

Section 5(a) of the Act authorizes the Commission to institute a proceeding on its own initiative, to consider the justness and reasonableness of a certificate holder's rates and tariffs, and to determine new rates or tariff provisions if the existing ones are determined to be "unjust, unreasonable, unduly discriminatory, or preferential." Such changes can only be prospective; in a Section 5 proceeding the Commission cannot suspend rates or order refunds.

Section 16 of the Natural Gas Act authorizes the Commission to modify or rescind its orders after they have been issued. This authority, under appropriate circumstances may be utilized for a variety of purposes, ranging from correction of mistakes to modification of certificate terms and conditions in light of changed circumstances.

2. Nature of the Financing:

The subject waiver is sought from Congress by the project sponsors of ANGTS in connection with the financing of the project. The financing mechanism selected by the sponsors has been referred to as "project financing." The propriety of project financing has been addressed by the Commission on a number of occasions, most recently in Ozark Gas Transmission System, FERC Opinion No. 125, Docket No. CP78–532 (July 28, 1981). In that opinion, the Commission described project financing generally as follows:

Project financing differs from conventional financing mainly in connection with loan security. Security generally takes one of two forms in a conventional financing. First, the project sponsor, or borrower, has sufficient unencumbered assets that the lender feels secure in making a loan on the basis of the borrower's general credit. The loan agreement, in such cases, may require any of a number of different undertakings on the part of the borrower to maintain his creditworthiness. Secondly, if the borrower does not have unencumbered assets sufficient to secure the borrowing, the lender may require the pledge of specific assets to be funded by the borrowing as collateral for the loan. As Judge Litt pointed out in his initial decision on the Alaskan Natural Gas Transportation System, this is itself a kind of project financing. In this case the lender is secure in the knowledge that the borrower has put enough money into the project that the economic value of the project, less equity and liquidation costs, will yield sufficient funds for the lender to recover the principal value of the loan and accrued interest. A convenient example of this kind of financing is the mortgage of a building.

A project financing, as it has come to be known in energy projects before the Commission, is a financing in which the general creditworthiness of the borrower is either insufficient or allegedly unavailable to secure the borrowing, and the underlying economic value of the assets to be financed are also insufficient to assure the lender that he will not lose his money. The latter inadequacy will presumptively obtain in the case of any pipeline financing, since the salvage value of the pipeline to be built should, in all cases, be less than the loan obligation. (Note: In this regard Ozark's witness, Gary, states, "Today we all recognize a mortgage on a pipeline is virtually worthless, except for one aspect, in making a legal investment." Tr. 12/1064.)

In this case, an optional financing vehicle is the stream of income to be generated by the project. However, that vehicle is only available in the event that the income stream can be assured whether or not the project should fail. Such assurance is sought in this case in the form of the so-called minimum bill. The minimum bill has been structured in a fashion which will yield sufficient revenues to cover debt service (both principal and interest payments), whether the project is successful or not. In the event the project were to fail, the minimum bill would be

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levied on the customers of the shippers in the form of a surcharge for gas they do not receive. Slip opinion, at 10–11 (footnotes omitted in part).

As the Commission pointed out in the Ozark case, substantial policy justification should be found in certificate applications before the Commission pursuant to which project financing is sought. In the case of the ANGTS, such justifications have already been considered by both the Executive and Legislative Branches of the Federal Government, as well as the Commission, and have been found sufficient to permit the project financing of the ANGTS.[3]

Some of the justifications have included the substantial amount of natural gas to be delivered by the project, the potential for displacement of large quantities of foreign oil, reduction of pressure on the U.S., balance of payments, net national benefits to both the U.S. and Canada, and the anticipated average cost of gas over the project life.

3. Reason for the Proposed Waiver:

The waiver has a rather singular purpose. It is intended to assure lenders for the project that the income stream which serves as security for their loans will not be reduced below the level necessary to retire the principal of the loan and to pay the interest thereon. It would accomplish this purpose by precluding the Commission from changing the rules of the game, so to speak, in a manner which would undercut the security for the loan. This objective would be achieved by withdrawing from the Commission its authority under the Natural Gas Act to change the project tariffs in such a manner as to reduce project revenues below the level necessary to service project debt. The request for the waiver evidences that certainty of the security is essential, i.e., in this instance that the lenders will rely heavily and to their detriment on the orders of the Commission granting the certificate and establishing the tariffs as preconditions to the sponsors' take down of the construction loans.

All of the foregoing has been explicity recognized by the Commission in FERC Order No. 31.[4] In that order the Commission stated:

The project sponsors have earnestly sought that this Order, especially as its relates to the tariff structure, provide assurance to prospective equity investors and lenders. The concern of the sponsors is well founded. The Commission fully recognizes that equity investors and lenders will make critical decisions respecting the financing of the construction of ANGTS in reliance on this Order.

The Commission has articulated in great detail its rationale for this Order. Where reasoned alternatives were available, we have provided a thorough analysis of the issues and the basis for our conclusions. This thoroughness provides the investor's best security in relying on this Order.

The fact of a request for a waiver suggests that the project sponsors and the lenders feel that they need greater assurance than has been provided to date. The Chairman and I feel compelled to agree with that assessment. As the subsequent discussion and legal analysis shows, with the objective of "security" in mind, a waiver is clearly a far better assurance than an order of the Commission. For example, previous efforts by sponsors to secure additional certainty for lenders by attempting to obtain estoppel findings in Commission orders have been unsuccessful.[5]

Important in the context of ANGTS financing is that a waiver would provide clear assurances and signals to foreign, as well as domestic, lenders. We are advised that a sizeable portion of the borrowing must be acquired from foreign investors because of legal lending limits and other institutional obstacles faced by domestic lenders.

4. Regulatory Risk:

The regulatory risk perceived by lenders consists of two separate, but not unrelated, sets of events. They are: (1) that the Commission would change the tariffs initially approved on a claim of changed circumstances, and (2) that a subsequent Commission, composed of a majority with a different view of the public interest than the collective view of the Commission originally approving the tariffs, would change the tariffs to the detriment of the lenders in order to reflect their different views. The Commission's ability to change the tariffs in either of these events is not clear as a matter of law. It is not unlimited, but our analysis indicates that it is fairly broad. The effect of the proposed waiver would be to eliminate in material part the Commission's options—to the event they exist—to change the tariffs in either of these cases.

5. Constitutional Question:

Implicit in the questions articulated in your letter is the issue of whether the waiver is a reasonably necessary mechanism to provide the lenders with the certainty they seek. The threshold issue, in this respect, is whether there is any constitutional bar to the Commission taking the kind of action described in the subsequent paragraphs. If such a bar exists, the waiver would not be necessary. Our research indicates that this question has not been authoritatively answered by the courts. That is, there are no clear constitutional limits regarding the Commission's power to change tariffs, where parties have substantially changed position in reliance on such tariffs, and the Commission had prior, actual knowledge of such reliance. The Chairman and I believe that a respectable case could be made that it would violate basic constitutional principles of due process for the Commission to change tariffs not explicitly conditioned to permit change, when the Commission is fully aware that the tariffs form the basis of project financing, and the changes will in one way or another undercut that basis. However, there is an absence of authority to support such a proposition.[6]

6. Statutory Question:

The foregoing is not to suggest that there are no Supreme Court cases dealing with regulatory estoppel. To the contrary, there are two cases of considerable relevance; however, both are based on interpretations of the enabling legislation of other agencies. In the first of these, *United States* v. *Seatrain Lines*, 329 C.S. 424 (1946), the Court held that the Interstate Commerce Commission lacked the authority to alter the certificate of a water carrier on its own motion. The holding was based on the express statutory language which permitted such action with respect to motor carriers, and the absence of correlative statutory authority in the case of water carriers, in the Interstate Commerce Act.

In *Civil Aeronautics Board* v. *Delta Air Lines, Inc.*, 367 U.S. 316 (1961), the Supreme Court considered a similar question. The Court determined that Section 401(g) of the Federal Aviation Act prohibited the CAB from altering a certificate of public convenience and necessity, even where the certificating order purported to reserve jurisdiction prior to certification to make summary modifications pursuant to petitions for reconsideration. Reaching this result, the Court's analysis was founded on the plain meaning of the language in the enabling statute and its legislative history.

The *Delta* case is of particular importance to the subject of this memorandum for two reasons. First, the Court clearly explained the nature of the problem with the following statement:

Whenever a question concerning administrative, or judicial, reconsideration arises, two opposing policies immediately demand recognition: the desirability of finality, on the one hand, and the public interest in reaching what, ultimately, appears to be the right result on the other [footnote omitted]. Since these policies are in tension, it is necessary to reach a compromise in each case. . . . *Id.* at 321.

The second key element of the *Delta* case is the recognition by the Court that the limitations placed on the CAB under the Federal Aviation Act resulted from Congressional concern during the passage of its predecessor, the Civil Aeronautics Act of 1938, over the reliance on, and consequent expenditure by airlines of large sums of money on the basis of the CAB's certificate (route) decisions. In this connection, the Court stated:

In short, our conclusion is that Congress wanted certificated carriers to enjoy "security of route" so that they might invest the considerable sums required to support their operations; and, to this end, Congress provided certain minimum protections before a certificated operation could be cancelled. We do not think it too much to ask that the Board furnish these minimum protections as a matter of course, whether or not the Board in a given case might think them meaningless. It might be added that some authorities have felt strongly enough about the practical significance of these protections to suggest that their presence may be required by the Fifth Amendment. See *Seatrain Lines* v. *United States*, 64 F. Supp. 156, 161; *Handlon* v. *Town of Belleville*, 4 N.J. 99, 71 A. 2d 624; see also 63 *Harv. L. Rev.* 1437, 1439. *Id.*, at 331–332.

7. The Natural Gas Act:

The *Seatrain* and *Delta* cases teach that the starting point in determining the practical necessity of the waiver as a security device is the language of the relevant enabling statute, the Natural Gas Act. Sections 4 and 7 are relevant, but the key provisions are Sections 5(a) and 16. Section 16 reads in pertinent part:

The Commission shall have power to . . . prescribe, issue, make, amend, and rescind such orders, rules or regulations as it may find necessary or appropriate to carry out the provisions of this act.

Section 5(a) provides, in pertinent part, that if the Commission:

. . . *[S]hall find that any rate, charge, or classification demanded, observed, charged, or collected* by any natural gas company in connection with any transportation or sale of natural gas, subject to the jurisdiction of the Commission, *or that any rule, regulation, practice or contract affecting such rate, charge, or classification is unjust, unreasonable, unduly discriminatory, or preferential, the Commission shall determine the just and reasonable rate, charge, or classification rule, regulation, practice, or contract to be thereafter observed* and in force, and shall fix the same by order. [Emphasis supplied.]

These statutory pronouncements are mandatory as opposed to precatory. The broad language of Section 16, when employed in conjunction with Section 5, has permitted the Commission to alter and amend conditions to certificated service with full approval by the courts. Section 5(a) has been interpreted as giving the Commission authority to alter the terms and conditions of certificated service even though the affected parties, acting alone, could not have changed them. *F.P.C.* v. *Louisiana Power and Light Co.*, 406 U.S. 621, 646–647 (1972). In Opinion No. 754–A, Docket No. RP71–119, issued August 17, 1976, *aff'd on other grounds, Hercules, Inc.* v. *F.P.C.*, 559 F.2d 1208 (3rd Cir. 1977), the F.P.C. concluded, with court approval, that it could exercise its Section 5 authority to promulgate new terms and conditions attached to certificates authorizing initial service.

The combined effect of Sections 5(a) and

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16 is to *require* the Commission to amend terms and conditions of a certificate if those terms and conditions prescribe tariff provisions subsequently found to result in rates or charges which are not just and reasonable. As the United States Court of Appeals for the District of Columbia Circuit stated in *American Smelting and Refining Company* v. *F.P.C.*, 494 F.2d 925, 940–941 (1974), *cert. denied sub nom., Southern California Gas Co., et al.*, v. *F.P.C.*, 419 U.S. 882 (1974), once the Commission finds that an existing rate or charge is injust or discriminatory,[7] it "must prescribe the remedy for that condition."[8] If the existing illegal rate or charge is the result of the operation of a certificate condition, the remedy clearly will lie in the revocation or alteration of the order prescribing that condition, and thus the certificate itself.

Furthermore, the unique nature of the Alaskan Northwest tariff provisions may subject them to amendment on another basis. Because they were developed in a rulemaking, the provisions of Order No. 31 arguably are not the result of the Commission acting in a judicial capacity, but in a legislative one, formulating and applying policy. The distinction is important because where the Commission acts in the former capacity, applying law or policy to past facts, a decision on the merits as to a disputed, and litigated issue of fact becomes final. *United States* v. *Utah Construction and Mining Co.*, 384 U.S. 354, 421–422 (1966); Davis, *Administrative Law Treatise*, § 18.09 (1970 Supp.). In the latter case, the Commission is free to take appropriate steps without being bound by its prior actions. *Permian Basin Area Rates Cases*, 390 U.S. 747, 789 (1968); *Public Service Commission, State of New York* v. *F.P.C.*, 511 F. 2d 338, 353 (D.C. Cir. 1975). The policy determination in this case has been that the public convenience and necessity required the assurances to investors in the ANGTS provided for by the tariff provisions of Order No. 31. Arguably, the Commission has determined that as a matter of policy, at least under present circumstances, a tariff designed to meet the conditions of Order No. 31 will be just and reasonable. The same reasoning might also apply to the shipper tracking provisions in the event that such provisions are adopted by the Commission through rulemaking procedures. Although it is questionable whether the rulemaking-adjudication distinction would be given great weight in the context of the facts at hand, it might be enough to convince a future Commission that it could, within the law, conclude that a different policy determination better serves the public interest.

From the foregoing it is clear that there is a plausible case for Commission authority to subsequently alter the tariff conditions of Alaskan Northwest's certificate, relying on Sections 16 and 5(a) of the Natural Gas Act and judicial pronouncements authorizing agencies to make changes in policy. The foundation for that case is the general principle that a policy determination made by a present Commission cannot preclude a future Commission from making a policy determination to the contrary, provided that in doing so it adequately explains the reasons for its new position, *Consolidated Gas Supply Corp.* v. *F.P.C.*, 520 F. 2d 1176 (D.C. Cir. 1975), whether or not there has been a change of circumstances *Greater Boston Television Corp.* v. *F.P.C.*, 444 F. 2d 852 (D.C. Cir 1970). A corollary to that principle is that a present Commission cannot bind a future Commission so as to preclude the prospective operation of Section 5. *Optional Procedure for Certificating New Producer Sales of Natural Gas*, 48 F.P.C. 218, 223 (1972); *Pacific Gas Transmission Co.* v. *F.P.C., supra*. These rules are analogous to those applicable to the legislature: namely, this Congress cannot preclude legislation, or amendments to legislation, by the next Congress.

8. Reasonableness of the Waiver Request:

This line of analysis suggests several important conclusions, which bear ultimately on the recommendation of this memorandum. First, the presence or absence of a *constitutional* ban to the impairment by this or a future Commission of the tariffs upon which the lenders will rely is unclear. Second, there appears to be no *statutory* bar, such as was found to exist in the *Seatrain* and *Delta* cases, which would preclude the Commission from changing the tariffs. Even though it is clear that commentators, the Courts, at least by way of dictum, and the past and probably current Commissions accept the principle that elementary notions of justice should allow the project lenders to rely in good faith on the decisions of the Commission in making their loans, the request of the project sponsors indicating their "desires . . . to have these provisions waived" appears to be based on a concern as to the certainty of the federal estoppel doctrine under the Natural Gas Act. The questions that remain are those that are directly raised by your letter. They ask in essence whether there are either historical or predictable future facts which support or impugn the legislative request. That is, assuming that the waiver request is not patently unreasonable, is there a historical legal perspective from which the Congress could judge the future and find sound public reasons to grant or deny the waiver.

9. Past Commission Actions:

For the moment I will defer to subsequent paragraphs the question of "the full implications of the waiver" and turn to your second specific question: Whether there have been past Commission actions which justify the desires of the sponsors to have the subject sections of the Natural Gas Act waived. In this connection, the following contains a summary of recent cases, representative of past Commission actions, which involved issues of claimed detrimental reliance. Having done so I will leave it to the Subcommittee to conclude from these decisions whether or not the project sponsors' request is justified.

A. Jurisdiction: *Distrigas Corporation, et al.* v. *F.P.C., et al.*, 495 F. 2d 1057 (D.C. Cir. 1974), *cert. denied*, 419 U.S. 834 (1974).

This proceeding involved, in pertinent part, a filing by Distrigas Corporation and its affiliates, Distrigas of New York Corporation and Distrigas of Massachusetts (Distrigas), which requested the Federal Power Commission to grant Distrigas the authority under Section 3 of the Natural Gas Act to import liquefied natural gas (LNG) from Algeria.[9] The filing also contained a request by Distrigas for the FPC to issue a disclaimer of the Commission's jurisdiction under Sec-7 of the Natural Gas Act.[10]

The Commission in a three to two vote granted the requested Section 3 authorization without condition but, noting that this was a novel situation, reserved the right to add conditions in the future if circumstances should change. The Commission noted that Section 3 of the Natural Gas Act specifically provided for such future amendments. However, the Commission did not find Section 7 jurisdiction over the regasification facilities and service nor over the facilities and services involved in the sale of the regasified LNG in the state of importation.[11] The result of the decision was that there was no jurisdiction under Section 7 or Section 3 (by way of conditions to the import authorization) over the regasification facilities and service nor over the intrastate facilities and service. The Commission indicated its hope that this disclaimer of jurisdiction would make the project more attractive to private investors and "lead to more gas at a lower price to the consumer than if [the Commission] controlled every detail and decision related thereto." Two Commissioners dissented, arguing that the Commission should take jurisdiction under Sections 3 and 7 of the Natural Gas Act over the regasification facilities and the "intrastate" facilities.

Following the Commission's decision, Distrigas "assertedly in reliance on the Commission's limited jurisdictional disclaimer, . . . proceeded to construction of its Everett and Staten Island facilities, expending very substantial sums on each." In a *new* filing, Distrigas also applied for Section 3 authorization to import significant additional quantities of natural gas and for Section 7 authorization to sell these additional volumes, as well as certain of the originally authorized volumes, in interstate commerce.

Meanwhile, at the Commission two of the original three person majority had left and had not been replaced. Therefore, the two dissenting Commissioners were now a majority. In response to Distrigas' applications, they found that circumstances had changed since Distrigas' original application had been acted upon by the Commission. Specifically, they stated that the original Distrigas application proposed new and increased sales for resale in interstate commerce. Therefore, the Commission held that Section 7 certification was mandated for all of Distrigas' facilities.

On appeal, Distrigas argued, among other things, that once the Commission's previous decision on the jurisdictional issue was final and Distrigas had subsequently acted in reliance on that decision by (1) contracting with its customers and (2) constructing its facilities, the Commission was foreclosed from changing its mind and asserting jurisdiction where it had previously declined to do so. Distrigas cited the *Seatrain* case,[12] where the Supreme Court had overturned the Interstate Commerce Commission's attempt to revoke a certificate previously granted to a water carrier.

The Court found that the Commission had the authority to issue the order it had issued under Section 3 of the Natural Gas Act but remanded for additional proceedings before imposition of any requirements to certification under Section 7. The Court distinguished *Seatrain* on basis of lack of statutory authority in that case, and noted that both Section 3 of the Natural Gas Act as well as the Commission's previous order specifically contemplated changes and amendments. The Court further found that if Distrigas had relied on an interpretation of the original Commission order to the contrary (i.e., that the original Commission order granted Distrigas a permanent immunity from regulation), Distrigas' reliance was misplaced.

As part of its basis for rejecting the estoppel argument, the Court concluded that Distrigas' claim of injury was at that point hypothetical in nature since Distrigas had not demonstrated that the Commission would not ultimately authorize Distrigas' proposal.

On remand, the Commission granted Distrigas' application subject to certain conditions.

The *Distrigas* case is one where the Court approved a changed Commission's reversal of a previous Commission's ruling upon which the company and its lenders had arguably relied to their detriment. As a basis for that approval the court stated, "any 'right' to non-regulation that the Commission's previous decision can be supposed to have vested in Distrigas was entirely contingent on the Commission's continuing to view such non-regulation as in the public interest." However, two facts tend to distinguish *Distrigas* from the ANGTS. One is the conditions cited by the Court in the original Section 3 authorization, which arguably placed Distrigas and its lenders on notice that the rule could change. The other distinguishing fact was

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that the Court found that the Commission's decision had not yet injured Distrigas and that it might not in the future. Presumptively, the matter was resolved at the Commission level in a way which did not adversely affect Distrigas or its lenders. Nonetheless, once could conclude that the uncertainty caused by the Commission's reversal is the type of action the ANGTS lenders seek to protect themselves against.

B. Cost of Service Tariff: *Pacific Gas Transmission Co.* v. *F.P.C., et al.*, 536 F.2d 393 (D.C. Cir. 1976, *cert. denied*, 429 U.S. 999 (1976).— This case involved a Commission order which, pursuant to Section 5(a) of the Natural Gas Act, changed in part Pacific Gas Transmission Company's (PGT) cost-of-service tariff after a full hearing. Prior to the Commission decision, PGT had been permitted to adjust its rates automatically on a monthly basis to reflect *all* changes in its costs, including amounts for gas purchased from Canadian producers for resale in the United States. This tariff had been in effect since PGT was first authorized to import gas from Canada in 1960.[13]

In 1974 and 1975, after a hearing under Section 5(a) of the Natural Gas Act, the Commission modified PGT's cost-of-service tariff to provide that changes in the cost of gas purchased by PGT from Canadian suppliers could be passed on to PGT's customers only after PGT had applied for the rate increase pursuant to Section 4 of the Natural Gas Act, and after any suspension period imposed by the Commission thereunder. The Commission revised the tariff to provide that such filings would be subject to suspension by the Commission pursuant to Section 4 of the Natural Gas Act and, if suspended, subject to refund and possible reduction as provided in Section 4 of the Natural Gas Act. The Commission justified the revised tariff by stating that Canadian authorities had recently begun to require that significantly increased prices be charged for Canadian gas sold for resale in the United States. Furthermore, Canadian authorities had changed their pricing policy be referencing it to prices for alternate energy sources (primarily oil products) in markets served by Canadian gas. This formula change signaled further significant increases in the cost of gas purchased by PGT from Canadian producers (as much as four times higher than prior to the Section 5 proceeding). The Commission found that these changed circumstances rendered PGT's existing tariff "unjust and unreasonable" and required prior Commission review of rate increases for Canadian gas before they could be passed on to consumers in the United States.

On appeal, PGT argued in part that the Commission-ordered modification of its tariff could result in delay or outright denial of its recovery of increased Canadian purchased gas costs which, in turn, would financially destroy PGT. PGT also argued that the Commission was without power to modify the cost-of-service tariff which a previous Commission had approved in 1960 when PGT was originally authorized to commence the importation of Canadian natural gas.

The Court denied all of PGT's claims and affirmed the Commission order and its action revising the tariff under Section 5(a). In support of its holding, the majority noted that the Commission had granted prompt authorization under Section 4 for Canadian gas rate increases which took effect after the disputed tariff change. The majority opinion indicated that failure of the Commission to include such increases might well be to "abdicate" its responsibilities under Section 4. However, Judge Bazelon in a dissenting opinion directed considerable criticism toward the Commission for injecting uncertainty into PGT's financial position. As the dissent stated: ". . . the FPC concedes that had PGT been required to absorb even the initial 32 cent price increase for a short period of time it would have been driven out of business, and 2,000,000 consumers would have been deprived of 40 percent of their gas supply." (536 F.2d at 397.)

C. Advance Payments (30 day rule): *Tennessee Gas Pipeline Co., et al.* v. *F.E.R.C., et al.*, 606 F.2d 1094 (D.C. Cir. 1979), *cert. denied*, 447 U.S. 922 (1980); *Natural Gas Pipeline Co.* v. *F.E.R.C.*, 590 F.2d 664 (7th Cir. 1979); *United Gas Pipe Line Co.* v. *F.E.R.C.*, 597 F.2d 581 (5th Cir. 1979): *Trunkline Gas Co.* v. *F.E.R.C.*, 608 F.2d 582 (5th Cir. 1979).— These cases involve interstate natural gas pipelines which, pursuant to a series of Commission rulemakings, including most notably Order Nos. 465 and 499, made interest-free loans (advance payments) to natural gas producers as exploration and development investments which were to be repaid by future delivery of gas. Pursuant to these Commission Orders the pipelines were allowed to include such advances in their rate bases, for rate of return purposes, as exploration and development investments. This policy was advanced by the Commission as an incentive for the addition of gas supplies. The Commission's rulemaking orders spelled out in detail the requirements for inclusion of advance payments in Account 166. However, insofar as the "timing" of the expenditures by the producers versus the date of the pipelines investment, the Commission was silent, except to the extent the orders stated that amounts included in Account 166 could receive favorable rate base treatment where they were found to be "reasonable and appropriate." Subsequent to these Orders, pipelines invested at least $5.5 billion in "advance payments" with producers. However, after these investments had been made, the Commission, acting under FPC Order No. 465, pursuant to the "reasonable and appropriate" language, disallowed rate base treatment for certain advances because they were made to the producers and included in the pipelines' rates more than "thirty days" before they were spent by the producers. As a result large amounts of advance payments were *retroactively* disallowed on a deferral basis for inclusion in pipeline companies' rate bases.

On appeal to three different Circuit Courts, the pipelines claimed serious injury and voiced loud complaints that the general language of Order Nos. 465 and 499 had offered no notice of the new specific timing rule imposed by the Commission. As acknowledged by the D.C. Circuit Court, ". . . substantial sums were involved and deferral has resulted in considerable losses for the pipelines' stockholders." (606 F.2d at 1108.)

The pipelines argued that, at the invitation of the Commission rulemaking orders, pipelines were encouraged to make advance payments to promote exploration and development of natural gas reserves for the interstate market. Pursuant to those orders, the pipelines argued, they had invested substantial sums of money in the advance payment program. Thus, they argued that it was unfair and illegal for the Commission, pursuant to the reasonable and appropriate standard, to establish in individual pipeline rate cases decided after the rulemaking orders had issued and after the advance payments contracts had been executed, that rate base treatment of advance payments would not be allowed more than thirty days in advance of when they were spent by the producers.

The three separate circuit courts reversed the Commission orders decided on this basis. However, the D.C. Circuit in *Tennessee* rejected the pipelines' claims of retroactive ratemaking and detrimental reliance and directed the Commission on remand to develop a timing relationship supported by substantial evidence. The Fifth Circuit in the *United* and *Trunkline* cases and the Seventh Circuit in the *Natural* case found that it was impermissible retroactive ratemaking to impose a timing requirement on Order No. 465 advances and that the pipelines had relied to their detriment on the absence of a timing requirement in the Order when they made advances to producers. Therefore, they reversed the Commission decision on the Order No. 465 advances and directed inclusion of the designated amounts in the respective pipelines' rate bases. Since Order No. 499 contained at least an ambiguously general reference to a timing relationship, those portions of the Commission decision were remanded because of a lack of substantial evidence supporting that portion of the Commission orders. Although the Commission was reversed in these cases, language from the Court's opinion in *Tennessee* is illustrative of the "regulatory risk" inherent to an industry subject to the Commission's jurisdiction.

We find that petitioners' arguments in support of their interpretation (of estoppel facts) are undercut by consideration of the character of the advance payment program as an experimental departure from well accepted and understood regulatory law. (606 F.2d at 1108.)

* * * * *

One of the risks incurred by the pipelines has been the "regulatory risk" that an experimental program such as advance payments might miscarry, and that administrative readjustment would not prevent substantial adverse impact. (606 F.2d at 1120.)

D. Dedication of Gas Reserves: *Air Products & Chemicals, Inc.* v. *F.E.R.C.*, — F.2d — (5th Cir 1981, Case No. 78-2011, decided July 16, 1981.—This case involves a commission order which ended a prior Commission policy under the "Chandeleur incentive doctrine" (of approximately 7 years duration) which allowed offshore natural gas producers to reserve for their own use a portion of gas reserves which otherwise would have been dedicated to the interstate market. The prior policy had allowed these reservations as an incentive to producers to expedite the exploration and development of offshore reserves of natural gas. The Commission, in its final order, found that the reservation incentive was no longer needed because, among other things, the interstate market was suffering severe curtailments and thus the gas which would be reserved by the producers was needed to serve the interstate market.

On appeal the producers argued, among other things, that they relied to their detriment on the prior FPC policy allowing reservations and that it was unfair and illegal for the Commission to reverse its policy in an adjudicated case instead of a rulemaking proceeding to be applied prospectively.

The Court remanded the case to the Commission because of the improper way in which the Commission relied on extra-record evidence to support its decision, but it rejected the producers' arguments of detrimental reliance on the prior Commission policy. The Court noted that the old Commission policy was continually attacked by consumer groups in various cases and that it was, at its inception, described by the FPC as experimental. In sum, the Court found that the policy was never "well established" enough to have caused detrimental reliance thereon by producers or anyone else. The Court noted further that the producers were not precluded from selling the gas in interstate commerce for a fair price but rather were prohibited from reserving the gas for their own use.

E. Unsuccessful Project Costs: *Tennessee, et al.* v. *F.E.R.C.*, 606 F.2d 1094 (D.C. Cir. 1979), *cert. denied*, 447 U.S. 922 (1980).— This proceeding involved, among other things, an attempt by Transcontinental Gas Pipe Line Corportaion (Transco) to recover costs associated with four unsuccessful proj-

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ects related to the production of synthetic natural gas (SNG). The Commission denied recovery of these costs because they were not "used and useful" in providing service and could not be charged to ratepayers.[14]

On appeal, Transco argued it had spent $22 million on these ultimately unsuccessful projects in purported reliance on a Commission policy allowing recovery of the costs of the projects if they proved to be unsuccessful. The Court found that the Commission had no policy allowing recovery of these costs and then affirmed the Commission's decision.

Other cases in which the Commission is currently under criticism for assertedly changing policies to the detriment of jurisdictional companies include (i) applications for rehearing of Commission Opinion No. 90 [15] and Order No. 94,[16] and (ii) the oil pipeline cases where revision of the ratemaking methodology formerly employed by the Interstate Commerce Commission is under consideration.[17]

However, these cases should not be taken as a suggestion that the Commission never accords finality to its orders. In *Texaco, et al.*, Docket No. CI77-329, *et al.*, 13 FERC ¶ 61,222 (1980), for instance, a United States Senator filed a pleading on July 21, 1980, seeking to reopen a case settled on February 10, 1978. Part of the Senator's argument was that changed circumstances justified reopening the case, but the Commission refused to grant the intervention and declined to disturb its earlier order.

Arguably, cases such as those described above represent a possible "justification" or reason why the sponsors have now sought the waiver from Congress. At the same time, however, these decisions and others of a similar nature have generated some sympathy in the courts and have begun to establish the proposition that estoppel is available as a defense against the government if the government's wrongful conduct threatens to work a serious injustice and if the public's interest would not be unduly damaged by the imposition of estoppel. *Lazy FC Ranch, supra*, 81 F.2d at 989. Nevertheless, because the estoppel doctrine has not been fully developed under the Natural Gas Act, it is fair to state that only a waiver would provide the lenders with the same sense of legal certainty that a firmly established "regulatory estoppel doctrine" would afford these investors. Whether this legal uncertainty "justifies" the requested waiver is a value judgment best left to Congress. With this in mind, it is appropriate to consider your questions as to hypothetical situations creating injury to protect participants.

10. Hypothetical Injuries to Protect Participants:

Our analysis has produced four general sets of hypothetical circumstances which might induce a Commission response changing the tariff provisions related to the project, absent the waiver. They are:

(1) a changed economic environment resulting in materially different costs of capital (i.e., interest rates and return on equity) from those extant at the time of initial approval;

(2) changed amounts of natural gas available to be transported resulting in a materially different economic life for the transportation system;

(3) changed economics of the gas to be delivered by the system, relative to other sources of energy supplies, warranting an altered revenue pattern in order to avoid more serious economic dislocations; and

(4) premature project failure.

As a consequence of these general events, the following hypothetical Commission actions might take place:

(a) Upon a finding of changed circumstances the Commission could determine, pursuant to Sections 5, 7, and 16 of the Natural Gas Act, that the cost-of-service tariff (which provides that Alaskan Northwest's rates will be adjusted twice a year by a formula that requires Alaskan Northwest to change its rates to reflect actual costs in its charges to shippers) was no longer appropriate. The Commission could then require Alaskan Northwest to charge a stated rate, such as a flat rate per MMBtu of natural gas transported, and require a filing pursuant to Section 4 of the Natural Gas Act to be made prior to the effectuation of any increase in that stated rate. The rate increase filing could be suspended for up to five months, and the proposed rates thereafter collected could be subject to possible reduction and refund with interest.

The risks to Alaskan Northwest in the event of a Commission-ordered change to a stated rate form of tariff involve the adverse economic impacts resulting from the regulatory lag attendant to putting into effect a proposed rate increase under Sec- lag consists of the sum of: (1) the time necessary to prepare a Section 4 rate filing plus (2) the one-month notice requirements between the time the filing is made and the earliest possible effective date (absent a waiver of the notice requirements) plus (3) a suspension period of up to 5 months beyond the proposed effective date. During the lag period, Alaskan Northwest sponsors would not be able to recover all of the costs previously covered by operation of the cost-of-service tariff.

As noted previously, the FPC modified in part the cost-of-service tariff of Pacific Gas Transmission Company to require Section 4 filings to recover increased Canadian purchased gas costs. However, the Court concluded that the result was justified inasmuch as the Commission had, pursuant to Section 4, allowed a "non-niggardly" flowthrough by the company of increased gas costs, notwithstanding the dissent's concern that delay would have resulted in adverse consequences.

(b) Alternatively, the Commission could decide at a future time to leave the cost-of-service tariff intact but remove the minimum bill (which guarantees recovery of actual operation and maintenance expenses, actual current taxes and debt costs).[18] The consequence of this action could be that during periods of interruption exceeding thirty days Alaskan Northwest would bear all of the financial consequences of the interruption because it would not be able to charge the shippers for any costs incurred during the period of interruption.[19]

(c) Another hypothetical involves a situation wherein the ANGTS project fails some time after the date construction had commenced. Assume further that upon review of the circumstances surrounding the project failure, a future Commission decided, pursuant to Sections 5, 7 and 16 of the Natural Gas Act, to reverse a previous decision in principle to require consumers to pay all debt costs regardless of the circumstances once final certification had been granted and debt servicing obligations had commenced. Thus, the partners of Alaskan Northwest (including sponsor-shippers) would be required to absorb all Alaskan Northwest Debt costs as well as other (such as equity) Alaskan Northwest costs. Such a Commission decision would have an immediate severe financial impact on Alaskan Northwest, with the degree of severity being a function of the financial health of its partners.

(d) The Commission could decide several years in the future, pursuant to Section 5 of the Natural Gas Act, to direct the shippers of the gas to remove from their respective tariffs the rate adjustment (tracking) provisions which permit the shippers to flow through increases in transportation costs without the necessity of making a full filing under Section 4 of the Natural Gas Act (reflecting all current costs and revenues, not merely the increased costs of transportation).[20] In these circumstances, the shippers could be subject to under recovery of the Alaskan Northwest transportation costs because of the same regulatory lag discussed above.

(e) If additional reserves of natural gas were found in Alaska sufficient to lengthen the economic life of the ANGTS beyond the 25-year life now inherent in the proposed depreciation rate, the Commission might at some future time reduce the depreciation rate so as to more accurately spread the recovery of the plant investment over the useful life of the project.[21] Alaskan Northwest might oppose such a change on the ground that the resultant reduced amount of depreciation expense recovered on an annual basis would impair their ability to service debt having a shorter term.

(f) In the event of a premature end to the viability of the project after it had commenced operation (because of physical, market or other forces), the Commission might find that a faster write-off of debt was appropriate, rather than continued operation of the minimum bill provisions. This could cause financial harm to Alaskan Northwest if the debtholder refused to allow Alaskan Northwest to accelerate repayment of its debt, particularly if the interest rate to be paid to the lenders on the debt is higher than the general level of interest rates being paid for comparable investments. Alternatively, absent a waiver, a future Commission could determine, based on either a change in policy perception or based on facts attributing fault to the sponsors for the project failure, that the sponsor-investors (as opposed to the consumers) should bear some part, or all, of the risk of loss of recovery of debt, and then appropriately adjust the tariff or minimum bill provisions.

(g) In the event that Alaskan Northwest transportation costs and the cost of Prudhoe Bay and other natural gas, increase significantly, a shipper's resale rate could be increased so as to adversely affect the marketability of a shipper's gas. Under this scenario, the shippers (particularly the non-sponsor shippers) might argue for a reduction in the Alaskan Northwest transportation charges so that the shippers could continue to market their gas. Absent a waiver the Commission would have the power to order some sort of temporary or indefinite reduction to Alaskan Northwest's charges. In response, Alaskan Northwest, or some other party, might argue that the reduction in Alaskan Northwest's charges (regardless of the reason therefor) impaired the recovery of Alaskan Northwest's "minimum bill" costs and thus jeopardized the financial health of the project.

(h) Another hypothetical involves the pipeline-shippers' current purchased gas cost adjustment (PGA) clauses which, as now written, would permit the shippers to pass through Alaskan purchased gas costs to their customers. If the Commission should decide to revoke or modify the PGA clauses, the shippers would be subject to regulatory lag in recovering Alaskan and possibly other purchased gas cost increases. To the extent that such a lag caused a financial strain on the shippers, it could affect the cash flow to the ANGTS.

(i) In Order No. 31, the Commission stated its intention to periodically review Alaskan Northwest's rate of return on common equity. Absent the waiver, the Commission's authority to conduct such periodic reviews would provide a basis to adjust the return on common equity downward to reflect any lowering of the cost of common equity to Alaskan Northwest. Such a lowering of common equity costs would most likely result from a general overall improvement in the economy resulting in an improvement in the financial markets, leading to a reduction in the return on equity needed by Alaskan Northwest to continue to render adequate service in the public interest. The argument

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that a reduction in equity return could impair collection of all debt costs in violation of the proposed waiver language would presumably be an argument by lenders and others that the interest coverage must be greater than one (*i.e.*, 1.5, 2.0, etc.) in order to ensure that Alaskan Northwest's ability to pay debt is not impaired.

11. Hypothetical Injuries to Consumers:

You have asked "what hypothetical situations there might be which would work to the injury of resale customers and consumers should the waiver be granted." At bottom the most injurious risk that could be borne by the consumer is that the project might be abandoned either before or after completion, and that the consumer, through the resale customer, would be surcharged for the investment in the project but would not receive gas from it. Next most injurious is the risk that the consumer will have to pay for gas not received during sustained periods in which the pipeline is out of service. Arguably, for each risk which would exist to the sponsors and/or shippers in the absence of a waiver, there would exist a concommitant risk to the resale customers and/or consumers in the event a waiver is granted. However, in fairness these risks should be properly placed in the context of the facts of the proceeding and the legal status of the ANGTS project to date.

President Carter in his formal *Decision*, the Congress in its approval of the President's *Decision* and international agreements, and the Commission in its *Recommendation to the President* and in existing orders, have each concluded that this project is in the public interest. These approvals have led to the existing tariff, minimum bill and other provisions applicable to the ANGTS as described above. The project sponsors and lenders have nonetheless responded by seeking further assurance that the unique features of these determinations, as well as the Commission's final orders and rules, will not be altered or modified after adoption. Relevant here are the existing decisions of various authorities that the ANGTS may be project financed and that certain portions of the investment should be recoverable from consumers in events, including project interruption, where consumers do not receive the benefit of delivered gas. Thus, decisions have been made that impose risk on the consumers regardless of the waiver. Further, the Commission's ultimate orders and rules will allocate the remaining risks among the parties after consideration of all factors consistent with or affecting the public interest. Accordingly, an argument can be made that once the legal foundation for the ANGTS places the risks, the waiver would impose no substantial additional risk on the consumers, but only provide a method for assuring implementation of the federal decisions made. The extent to which a waiver would place additional onus on the consumers would include the implications of removing the "regulatory risk" from the sponsors. In other words, the consumers would then face the risk that a future Commission could *not*, based on changed circumstances or different policy perception, modify the ultimate ANGTS orders or rules within the parameters of their final issuance.

12. Reasonable Likelihood of These Events Occurring:

From a legal standpoint, the likelihood that a future Commission would take or decline to take action of the type inquired about in your letter would appear to depend upon (a) whether a reconsideration of past policy determination occurs, and/or (b) the future existence of facts which would produce a policy response by the Commission. The likelihood of such facts occurring is a prediction or assessment that, presumably, has been made in connection with all federal determinations to date. In issuing the final orders and rules, the Commission is legally charged with the responsibility of weighing the risks, to both the sponsors and consumers, attendant to investing the sums necessary to complete the project. The risks are exceptionally difficult to quantify because of the infinite set of variables that exist, and in the end the question is one of judgment. Either the risks are too great for the consumers to be asked to bear (*i.e.*, the project is not in the public interest), or they are not. The Commission may well be required to make that determination as part of its final certification of the project.[22] Appropriately, the Congress must decide, through adoption or rejection of the waiver, whether to eliminate the "regulatory risk" inherent in continued Commission jurisdiction after final certification.

I am advised by the Chairman that he will support passage of a waiver designed to assure project financing of the ANGTS consistent with the positions expressed in this memorandum.[23]

Hopefully the foregoing provides you with an adequate response to your inquiry given the length of time taken and the resources available to prepare this memorandum. Please understand that this response is not intended, nor should it be taken, as an official Commission position. Rather, this memorandum represents the combined efforts of the Office of the General Counsel and other Commission staff members, as well as opinions of the Chairman and myself.

FOOTNOTES

[1] Hereinafter, the term "Commission" refers to the Federal Power Commission at all times before October 1, 1977, and the Federal Energy Regulatory Commission at all times thereafter.

[2] Order No. 31, "Order Setting Values for Incentive Rate of Return, Establishing Inflation Adjustment and Change in Scope Procedures, and Determining Applicable Tariff Provisions," issued June 8, 1979 in Docket No. RM78-12; Order No. 31-B on rehearing, issued Setpember 6, 1979, in the same docket.

[3] See, generally, Federal Power Commission, *Recommendation to the President, Alaska Natural Gas Transportation Systems* (May 1, 1977).

[4] *Supra*, note 2, at 4 (mimeo).

[5] Applicants in the Great Plains case asked the Commission to make a very explicit estoppel case against itself by including certain statements in its order. *Great Plains Gasification Associates, et al.*, FERC Opinion No. 69 (November 21, 1979) (reversed on other grounds. *Office of Consumers' Counsel* v. *F.E.R.C.*,—F.2d—(D.C. Cir. 1980), Case No. 80-1303, decided December 8, 1980). The estoppel option will be discussed in the text, *infra*. In its initial brief to the Presiding Administrative Law Judge, Great Plains claimed the following:

". . . The lenders have indicated that they will require that the authorizations obtained [from the Commission] by the project companies contain [as a condition to take down of the loan for the project]:

"(1) A statement of the Commission's intention not to revoke or modify the tariff provisions approved by it for this project during the term of the bank loan;

"(2) A statement of the Commission's understanding that the lenders would not commit funds for this project without assurances that these provisions would continue in effect without modification during the term of the bank loan;

"(3) A statement of the Commission's intent to suspend the application as to this project of any future rule, order, or decision of general applicability which might affect the approved tariff provisions until after the conclusion of a full evidentiary hearing to determine the propriety and lawfulness of such Commission action as it affects the tariff provisions on which the financing is based. . . . "Initial Brief of Great Plains Gasification Associates and the Customer Pipeline Companies, Docket Nos. CP78-391, *et al.*, January 29, 1979, at 70-71.

Five other admissions were sought from the Commission, but those quoted are exemplary of what the lenders sought. Both the law judge and the Commission refused to provide them. See Opinion No. 69, at 63.

Similar estoppel findings were requested by the ANGTS sponsors in the proceeding that culminated in Order No. 31; however, they were refused in favor of the language quote at page 10, *supra*. As discussed hereafter, it is questionable whether such findings would achieve the desired or intended result.

[6] The question whether legislative or quasi-legislative action with retroactive effect works to deprive an owner of property without due process is somewhat analogous. Unfortunately, there are no clear principles, and the cases go both ways. *See generally*, text and cases collected in *Cong. Research Service of Library of Congress, The Constitution of the United States of America: Analysis and Interpretation* (1972), at 1165, *et seq.*

A case strongly suggestive that the principles of estoppel do not apply to federal agencies is *Federal Crop Insurance Corp.* v. *Merrill*, 332 U.S. 380 (1947). In that case, certain farmers were assured by a local agent of the federal corporation that a certain type of crop could be insured. In fact, rules of the corporation provided that such crops could not be insured, although neither the agent nor the farmers had actual knowledge of the regulations. Relying on the agent's advice, the crops were planted and subsequently destroyed.

In holding that the farmers could not collect insurance for the crops despite the payment of premiums therefor and the inducement of the local agent's assurances, the Court indicated that knowledge of the rules contrary to the agent's advice would be imputed to the farmers because the rules were published in the *Federal Register*. Despite the difference of the facts in the *Merrill* case (farmers had relied on *apparent* rather than *actual* authority), the Court used strong language to suggest in dicta that the government corporation would be treated as an agency of the United States and would be *immune* from doctrines like estoppel. *Id.* at 384-85.

These dicta have led one commenator to take the following position:

Merrill indicates that estoppel will not be used to protect an individual who has changed his position in reliance on administrative advice: "It is settled law that no estoppel can arise against the government." [Citing, *Chapman* v. *Santa Fe Pac. R.*, 198 F.2d 498, 519 (D.C. Cir. 1951) (dissenting opinion), cert. denied, 343 U.S. 964 (1952).] B. Schwartz, Administrative Law (1976), at 133, *et seq.*

Professor Schwartz agrees with the *Merrill*-type result when the agency has acted in excess of its statutory authority. However, he goes on to say:

. . . Both reason and policy argue that prejudicial reliance warrants invoking the doctrine of estoppel against the government in other cases: "when the sovereign becomes an actor in a court of justice, its rights must be determined upon those fixed principles of justice which govern between man and man in like situations." *Id.*, at 135 (footnote omitted), citing *Ritter* v. *United States*, 28 F.2d 265, 267 (3d Cir. 1928).

The following cases support Professor Schwartz's policy proposal: *Brandt* v. *Hickel*, 427 F.2d 53, 56-57 (9th Cir. 1970); *Chapman* v. *El Paso Natural Gas Co.*, 204 F.2d 46, 53-54 (D.C. Cir. 1953); *United States* v. *Lazy FC Ranch*, 481 F.2d 985, 988-989 (9th Cir. 1973); *Oil Shale Corp.* v. *Morton*, 370 F. Supp. 108, 124-127 (D. Colo. 1973).

The decision in the *Lazy FC Ranch* case, *supra*, indicates that a line of federal estoppel cases may be emerging, and such is required by elementary notions of fairness. 481 F.2d at 989. The Chairman advises that his view is consistent with that of Professor Schwartz and the Court in *Lazy FC Ranch*. However, absent an authoritative pronouncement on the matter by the United States Supreme Court, or specific federal legislation, I cannot render an opinion as General Counsel of the Commission that the Commission would in all or substantially all cases be estopped by its orders from changing the ANGTS tariffs in such manner as to impair the underlying security for the financing of the ANGTS. In my judgment, the best opinion that could be rendered would simply agree that the Commission is constitutionally prohibited from setting a confiscatory rate of return. As stated by the Supreme Court in *Bluefield Water Works & Improvement Co.* v. *Public Service Commission of West Virginia*, 262 U.S. 679, 690 (1923):

Rates which are not sufficient to yield a reasonable return on the value of the property used at the time it is being used to render the service are unjust, unreasonable and confiscatory, and their enforcement deprives the public utility company of its property in violation of the Fourteenth Amendment.

See also, F.P.C. v. *Hope Natural Gas Co.*, 320 U.S. 591, 603 (1943). As the subsequent discussion reveals, short of this constitutional limitation, the Commission has considerable latitude in the exercise of its jurisdiction under Sections 4, 5, 7 and 16 of the Natural Gas Act.

The fact that the lenders have induced the project sponsors to ask for the waiver may well indicate that an unqualified legal opinion cannot be obtained from lenders' counsel to the effect that a constitutional bar exists to provide an estoppel defense. A similar conclusion may be deduced from the request for estoppel admissions in the *Great Plains* case, *supra*, note 5.

[7] The Commission's authority to find that a tariff (previously determined to be just and reasonable) no longer functions in a reasonable manner has been upheld by the U.S. Court of Appeals for the District of Columbia Circuit in *Pacific Gas Transmission Co.* v. *F.P.C.*, 536 F.2d 393 (1976).

[8] The D.C. Circuit has also taken this position in *Pacific Gas Transmission Co.* v. *F.P.C., supra.*, where it stated at page 396 that "[a]fter such a finding, the Commission had not only the power but a solemn duty to take immediate action."

[9] Following regasification, more than 80 percent of the gas was to be sold in the state of importation to distributors and direct customers and the remainder to distributors in neighboring states.

[10] The imported LNG was to be delivered and regasified at facilities at Staten Island, New York and Everett, Massachusetts.

[11] The Commission did take jurisdiction under Section 7 of the Natural Gas Act over the sales of gas which was ultimately destined for resale in interstate commerce. However, it found that jurisdiction over such sales attached only at the tailgate of the regasification plant.

[12] *Supra*, at 15.

[13] See *Pacific Gas Transmission Company*, 24 FPC 134 (1960).

[14] A possible concern of the lenders is that a dogmatic application of the "used and useful" maxim would result in similar treatment of the ANGTS if the project were to suspend operation after completion or, through no fault of the sponsors they were unable to commence operation after completion. The need for assurances to the contrary (the minimum bill) provides a major impetus for project financing as opposed to conventional financing.

[15] 12 FERC ¶ 61,080 (1980).

[16] 12 FERC ¶ 61,080 (1980); FERC Statutes and Regulations, ¶ 30,178 (1980).

[17] *Trans Alaska Pipeline System (TAPS) (Phase I)*, Docket Nos. OR78–1, *et al.*; *Williams Pipe Line Company (Phase I)*, Docket Nos. OR79–1, *et al.*

[18] The minimum bill provides for the recovery of actual operation and maintenance expenses, actual current taxes, and all amounts necessary to service debt including interest and scheduled retirement of debt. Under no circumstances would debt service be impaired.

Recovery of equity investment and return on equity investment is, however, treated differently. The "90 percent billing adjustment ratchet" reduces charges to eliminate return on equity investment and associated taxes for any service dimunition below 90 percent of tendered gas. This tariff provision would be applicable in instances when the reduction in service for any one month was greater than 10 percent. The reduction in charges to reduce the return on equity and associated taxes would be proportional to the percentage of volumes tendered but not transported. The pipeline would be permitted to recoup any such billing adjustments by transporting volumes in excess of the contract level in subsequent months. The charge for such "Billing Adjustment Gas" transportation would be computed by using the same billing adjustment (*i.e.*, the same dollar per Dekatherm). Any service reduction below 100 percent but more than 90 percent would be accounted for as "No Billing Adjustment Gas." As such, this gas would be transported in subsequent months at no added charge to the shipper.

The "90 percent billing adjustment ratchet" also operates during periods of interruption of service. It ceases to be operative, however, for any period of total cessation of service for more than 30 days Beginning with the thirty-first day of any total cessation of service, the portion of the charges attributable to "equity costs" would be collected subject to refund pending a showing by Alaskan Northwest that it should be permitted to retain equity costs collected during the period of cessation of service. Equity costs, in this context, are defined to be "that portion of depreciation expense not necessary for debt service and associated taxes." (Order No. 31, at 181–182.)

The above discussed ANGTS tariff provisions differ substantially from lower-48 pipeline tariff provisions in a number of important respects. It is fair to state that the ANGTS tariff contains unique, "first-of-a-kind", provisions which have not been previously granted by the Commission.

[19] This assumes that in eliminating the minimum bill the Commission would also eliminate the opportunity to collect equity costs subject to refund and to make a showing pursuant to the provisions described in note 18, *supra*.

[20] While the Commission has decided in principle to allow the shippers to track in a timely manner amounts reflecting transportation costs paid to the ANGTS sponsors under tariffs approved by the Commission, the Commission has not yet decided what kind of tracking of these costs by the shippers would be permitted. For example, the tracking provision could require a periodic rate filing under Section 4 reflecting only the change in transportation cost, similar to the shipper's current purchased gas cost adjustment clauses. Or the provision could permit the shippers to adjust their rates automatically on a simultaneous basis to reflect changes in ANGTS transportation costs. Such a provision would be similar to fuel cost adjustment clauses permitted in rate schedules and tariffs of electric utilities for transactions which are subject to this Commission's jurisdiction.

It should also be noted that no decision has yet been made by the Commission governing pass-through by the shippers of transportation costs incurred under tariffs subject to the jurisdiction of Canadian authorities.

[21] *See, Memphis, Light, Gas and Water Division* v. *FPC*, 504 F.2d 225 (D.C. Cir. 1974).

[22] *See* President's *Decision*, Finance Condition No. 2, at pages 36–37.

[23] In this connection, the text of the ultimate waiver language, if any, is a matter of continuing interest to the Chairman, myself and the Office of the General Counsel. Without addressing any of the complexities involved with the final language, please be advised that we would welcome the opportunity to provide your Committee and other interested persons with any technical assistance or advice that may be requested.

Mr. DURENBERGER. Mr. President, I thank the Senator from Ohio for yielding time. and I thank the President.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, I yield 1 minute and 20 seconds to the distinguished Senator from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. President, I am pleased to support the President's proposed waiver of law pertaining to the Alaskan natural gas pipeline. I believe that the completion of this pipeline is of critical importance to the energy security of this country. Access to Alaska natural gas reserves is vital to the long-term energy security of our country. The 26 trillion cubic feet of proven reserves at Prudhoe Bay comprise about 13 percent of our domestic proven gas reserves.

The fact that we are not having brownouts now does not insure us we will not have them in the future if we do not have this kind of a reserve that is available to us.

Completion of the project will also facilitate exploration and development of an estimated additional 100 to 200 trillion cubic feet of undiscovered gas in Alaska.

I have seen in years past where we would have enormous reserves of gas in Texas but we did not have a pipeline near the site, so even though they knew those reserves were there, they would not drill those wells. That is what we are trying to avoid here.

The proposed waiver package will insure an equitable balance of the economic risks associated with the project. Given the extensive design and engineering work already completed by the project sponsors, the risk of precompletion billing due to significant construction delays or abandonment is remote. A more substantial risk to consumers is that, in the event of delay or abandonment of the project as a result of congressional inaction on the waiver proposal, they will be forced to rely on more costly and unstable supplies of imported oil.

This project represents an important investment in the energy future of this country from which energy consumers will receive substantial long-term benefits. Even with the adoption of the waiver package, the sponsors of this project will have to attract significant private capital. I think that it is important that

we give the sponsors this opportunity. Without the adoption of this waiver package, this project will not be completed and we would have delayed the importation of a vitally needed natural resource.

I urge my colleagues to support this waiver package.

I thank the distinguished chairman of the committee for the time.

Mr. McCLURE. Mr. President, I yield 2 minutes to the distinguished senior Senator from Alaska (Mr. STEVENS).

Mr. STEVENS. Mr. President, I hope the Senator from Ohio is here.

Mr. METZENBAUM. I am here.

Mr. STEVENS. Having made the statement he made I will tell him he is coming dangerously close to a point of personal privilege in making the statement he made concerning this package.

I know of nothing evil here. I am prepared to debate the Senator on this issue in his own State any time he wishes. Perhaps he can explain to his constituents why we have just reinjected, after having produced it in our State, over 2 trillion cubic feet of natural gas because of delay in getting this project built.

Perhaps he would explain to his consumers why he suggests that the debt service that would have to be paid in the event of any delay should be capitalized. His solution would be to capitalize that debt service. Debt service would have to be paid in any event and his consumers would pay a rate of return in the tariff on capitalized debt service during construction year after year for 20 or more years.

I have never heard an assertion with less validity in this Chamber than the one made by the Senator from Ohio, and I personally take umbrage at the wording he used in addressing this project. It is not an evil project. It is designed to provide to the consumers of the United States a reserve of gas which was discovered concurrently with oil currently being delivered through the trans-Alaska pipeline. We delivered the 2 billionth barrel of oil just this past month. Every drop of that oil went to American consumers. Two trillion cubic feet of gas produced with that oil was reinjected because there was not a transportation mechanism to take it to consumers.

The U.S. consumers of that gas will pay for its having been produced twice, and the Senator from Ohio wants to delay or kill this pipeline and perhaps have another 2 trillion cubic feet reinjected.

But the worst aspect of his debate are his economics. The Senator would have us capitalize debt service incurred during delay and have his consumers pay year after year after year at a rate of return on capitalized debt service through the rate established by tariff.

That is contrary to the practice of the world. I think we should examine our own system to see whether or not it should not be changed.

Mr. McCLURE. I thank the Senator and yield 2 minutes to the junior Senator from Alaska (Mr. MURKOWSKI).

Mr. MURKOWSKI. I thank the senior Senator from Idaho.

Mr. President, a great deal has been said this morning by my good friend and colleague from Ohio about risk, and I think we need to explore just what the risk to the consumer in the United States is.

What has not been mentioned is the equity contribution that the owner companies are putting into the project and the fact that not one cent of equity will be returned until the three segments of the gas pipeline are operating as designed.

We have built pipelines across this country for years and years. The technology is certainly not new. We have built an oil pipeline through permafrost across Alaska. There is every reason to believe that we can build this 4,000-mile pipeline, but the fact is that there is no prebilling on two sections of the pipeline at any time until the equity matter of the contribution is considered because both companies have put up $6 billion worth of equity and they do not get a return until the pipeline is actually functioning.

So that is the incentive to insure that the consumers of the United States will not be prebilled.

I think to go back to the testimony taken during the hearing when asked all the companies involved in the pipeline what the risk was they all answered without exception the risk was negligible to zero.

I wish to add that there is a risk in this project and, of course, the risk is that we will again repeat the shortage of gas that we saw in this country in the 1970's, and that is a very real risk, and I add one more thing, that the Washington Post, an advocate of consumer rights, has come out with an editorial that is a part of the record suggesting that this project is very much in the best interests of the consumer and in the national interests as well as evidenced by the President's letter and Secretary Haig's letter and Secretary Edwards' letter.

I thank the senior Senator from Idaho.

Mr. McCLURE. Mr. President, I yield 30 seconds to the distinguished Senator from Minnesota (Mr. BOSCHWITZ).

The PRESIDING OFFICER (Mr. MURKOWSKI). The Senator from Minnesota is recognized.

Mr. BOSCHWITZ. Mr. President, prior to my entering the Senate, Congress enacted the Alaska Natural Gas Transportation Act and approved President Carter's designation of a route for the system. At that time, there existed strong congressional support for the pipeline as long as it was privately financed.

The reasons for this congressional support were clear. The pipeline is projected to carry natural gas from Alaska's Prudhoe Bay where proven gas reserves total 26 trillion cubic feet—13 percent of the total U.S. proven gas reserves. The system will be able to carry 2 billion cubic feet of gas per day, through the 4,800-mile pipeline system stretching from Prudhoe Bay, across Canada to terminals in Illinois and California. This amounts to 4 to 5 percent of the U.S. daily need.

Also, the actual natural gas reserves could be much greater than the 26 trillion cubic feet of proven reserves.

In testimony before the Senate Committee on Energy and Natural Resources, Charles Butler, Chairman of the Federal Energy Regulatory Commission, estimated the "potential natural gas reserves in Alaska range from 100 to 200 trillion cubic feet." In light of these facts, congressional support for a privately financed pipeline is understandable.

Of course, when Congress approved President Carter's selection, it also approved certain conditions to be imposed on the project. Now the project sponsors have convinced the administration that some of these conditions—permitting producer equity ownership, including the gas conditioning plant in the system and allowing billing to consumers for completed project segments prior to completion of the whole system—need be waived for the pipeline to have any chance for private financing. On that, everyone agrees: without these waivers there will be no pipeline.

The decision to support or oppose the waiver package rests on one fundamental question: Does the need for the natural gas exceed the potential risk for the consumer? The conclusion I have reached is yes—because we will need the gas.

This is an issue of significant consequence for my State. Minnesota has almost no indigenuous energy resources. Being at the end of every line that supplies energy causes concern about having adequate supplies in both the short and long term. In preparation for considering this waiver package on the Senate floor, I requested the review and analysis of the package by the Minnesota Energy Agency and the Minnesota Public Utilities Commission.

The Minnesota Energy Agency projections show that Alaskan supplies will account for about 19 percent of Minnesota's total natural gas supplies in the 1980's and could rise to 25 percent by the end of the century. The agency's analysis summarizes:

> Alaskan gas is a secure source of supplies for Minnesota in the last dozen years of this century. Obtaining these supplies from alternative sources would be either more risky, more expensive, or both. Therefore, the waiver package—though it does post some costs to Minnesota consumers—would be beneficial to Minnesota to the extent it promotes the completion of the Alaskan pipeline, and there is ample reason to believe that the line would not be completed without the waiver package.

Minnesota Public Utilities Commissioner Terry Hoffman reached the same conclusion—we need gas.

I will support the waiver package, although I do so with reservation. I am always reluctant to see the rules changed in the middle of the game. The most controversial proposal in this package is allowing the prebilling for completed segments after the target date. This would be particularly onerous for consumers if the pipeline is not completed.

However, I am confident that strong incentives remain for the project sponsors to complete the pipeline. The prebilling will be limited to return of the debt, and not to repay the producers equity in the project. Also, the pipeline sponsors and producers will not receive

1 cent on their investment until the gas flows. That is a powerful incentive.

So while aspects of this waiver proposal cause me concern, I will support the project in hopes that it will be completed to provide my State and others the natural gas supply they need.

Mr. President, I ask unanimous consent that the waiver package analysis of the Minnesota Energy Agency be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

WAIVER PACKAGE ON ALASKAN GAS PIPELINE

ANALYSIS OF THE MINNESOTA ENERGY AGENCY

The waiver package submitted by President Reagan to Congress is designed to improve the probability of securing private financing for ANGTS. The elements of the package—permitting producer equity ownership, including the gas conditioning plant in the system, allowing billing to consumers to occur before gas begins flowing, and prohibiting further regulatory changes—serve to shift risks from the project sponsors to the gas consumers and public at large. The Agency sees no positive aspects of the package itself on Minnesota independent of its efficacy in obtaining financing of the line, and hence, the project's realization.

The benefits of the line to Minnesota are substantial. Current projections show that Alaskan supplies will account for about 19 percent of Minnesota's total natural gas supplies in the late 1980's, possibly rising to 25 percent by the end of the century. These Alaskan supplies, currently amounting to 13 percent of total U.S. proved reserves, are secure. Although Alaskan gas will be more expensive than new gas supplies discovered in the lower forty-eight states in the initial years of operation, this differential will narrow substantially throughout the 1990's, and will disappear before 2000.

What are the alternatives to Alaskan gas? Alaska will provide about 5 percent of U.S. supplies when it begins operation. Increasing domestic production by that amount in the late 1980's will likely be risky and expensive. Even industry groups like the American Gas Association are projecting decreasing conventional supplies in that time frame. Unconventional gas sources will not be so well developed by that time as to make up the difference, and their price would not be significantly less than that of Alaskan gas, if lower at all. Neither would increased Canadian gas exports replace Alaskan gas. Failure to build the Alaskan line would severely strain energy relations with Canada.

Two aspects of the waiver package would or could increase cost of gas to Minnesota. First, one of the waivers permits the inclusion of the gas conditioning plant in what can be billed to consumers. This will increase the price of Alaskan gas by $2/Mcf in 1986 (about $1.20 in 1980 dollars), and the average price of gas in Minnesota will rise by $.40/Mcf—or an increase of 4 percent. Some may consider this a small price to pay to induce the delivery of Alaskan gas.

Secondly, the waiver package would allow for some charges to be made to gas customers even if all the segments of the pipelines were not complete. These charges would probably amount to 5 to 18 cents/Mcf charge on existing gas supplies (in 1986 dollars). Such a charge would amount to 0.5 percent to 1.8 percent increase in gas prices.

In summary, Alaskan gas is a secure source of supplies for Minnesota in the last dozen years of this century. Obtaining these supplies from alternative sources would be either more risky, more expensive, or both. Therefore, the waiver package—though it does pose some costs of Minnesota consumers—would be beneficial to Minnesota to the extent it promotes the completion of the Alaskan pipeline, and there is ample reason to believe that the line would not be completed without the waiver package.

Mr. McCLURE. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 3 minutes and 28 seconds remaining and the Senator from Idaho has 1 minute and 48 seconds remaining.

Mr. METZENBAUM. Mr. President, I yield myself 2 minutes.

Mr. President, I do not want to kill the pipeline. I just want the pipeline to be built on a basis that is more equitable, more fair. And they say the bankers require a particular kind of financing. We should point out, as I have done in my remarks, which I ask unanimous consent to be printed in their entirety in the RECORD.

Mr. STEVENS. Mr. President, reserving the right to object, I understand the Senator from Ohio objected to the colloquies the Senator from Idaho and I prepared. If there is no such objection I withdraw my objection.

Mr. METZENBAUM. Mr. President, the Senator from Alaska is welcome to make his objection if he cares to. I have no objection to his doing that.

Mr. STEVENS. Was there such an objection?

Mr. METZENBAUM. There has been no such request made.

Mr. STEVENS. I withdraw the objection.

Mr. METZENBAUM. May I proceed?

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. METZENBAUM. Mr. President, this pipeline can be built. The bankers have said to me when I asked them if it could be financed by selling more equity, and they said, yes, indeed, it could be financed that way. It would be difficult but it could be done. It is a question of how much the marketplace would take.

With all due respect to my friends from Alaska, and I do not mean to be insulting at all, it is a fact that Alaska, which will get $10.7 billion out of this transaction, could itself be helpful in providing and helping to underwrite the financing of this pipeline.

This deal is going to provide a 30-percent return in the first year on the investment of those who have equity in it. It will provide 70 percent internal return to the oil companies. The real question is what is fair; what is right?

We made a commitment to the people of this country that consumers would not be asked to underwrite this program, and all I am saying——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. METZENBAUM. Mr. President, I yield myself an additional 20 seconds.

The PRESIDING OFFICER. The Senator is recognized for an additional 20 seconds.

Mr. METZENBAUM. Mr. President, the real question is the fair thing to do.

A commitment was made to Congress that we would do it one way. This waiver just is a 10 degree reversal. It is not right and it is not proper.

Mr. President, I have reserved the remainder of my time.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. McCLURE. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Idaho has 1 minute and 48 seconds remaining and the Senator from Ohio has 1 minute and 1 second remaining.

Mr. McCLURE. Mr. President, I yield to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I am pleased to support the passage of Senate Joint Resolution 115, the resolution to approve President Reagan's waiver request of the Alaska Natural Gas Transportation Act. I strongly believe that these waivers are necessary to expedite the construction and initial operation of the Alaska Natural Gas Transportation System by the private sector.

The Phudhoe Bay field on the North Slope of Alaska contains proven recoverable reserves of natural gas which conservatively total 26 trillion cubic feet; this is the equivalent to about 4.5 billion barrels of oil. This field is the largest single gas reservoir ever discovered in North America and it contains about one-eighth of the United States known reserves of gas. This field alone is capable of providing gas markets located in the lower 48 States with more than 2 billion cubic feet of gas per day over a 25-year period.

In addition to the proven reserves of natural gas located at Prudhoe Bay, experts have estimated that there may be another 200 trillion cubic feet of reserves located elsewhere in Alaska. However, without the construction of the Alaska Natural Gas Transportation System, none of the natural gas located in Alaska will be able to be transported to, and used in the lower 48 States. It may be shut off to us forever.

We cannot let these tremendous resources go untapped. The natural gas located in Alaska must be transported to the lower 48 States in order to reduce our dependence on imported oil. Recent events in the Middle East illustrate only too vividly the volatility of that region and the fragile nature of our imported petroleum supply.

Mr. President, I believe Congress must reassert its commitment to the private development of the pipeline project and the development of energy resources on the North Slope of Alaska.

I urge my colleagues to support the resolution. I ask unanimous consent to have printed in the RECORD, an editorial from the Washington Post entitled "That Gigantic Pipeline."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THAT GIGANTIC PIPELINE

We want to talk to you this morning about your gas bill—not the one you got this month, but the one you'll begin getting in the 1980's. There's a lot of gas underneath Alaska's North Slope, and getting it down here to customers in Washington and

throughout the country is going to require the longest, most expensive pipeline ever built.

You need to be aware that the cost will be in the range of $40 billion and that it will ultimately be paid by the consumers who use the gas. But to get this assured supply at a stable price far into the future will be worth the money.

Congress now has to vote on it once again. The original legislation five years ago contained restrictions that turn out to make the financing impossible, and President Reagan has asked Congress to waive them. These waivers are a reasonable compromise with the realities of current conditions in the financial markets, and if Congress were to reject them it would, as a practical matter, kill the whole undertaking.

Rejection would also constitute a gross betrayal of the Canadian government, which has permitted the construction on the line south from Calgary into this county on the explicit promise by the United States that the rest of it would proceed promptly. That line is already in operation.

The effect of the waivers is to shift more of the financial risks of this enormous investment from the leaders to the consumers. But those risks are pretty small. The greater issue is the cost of the gas, compared with that of other fuels. At first, that price is likely to be substantially higher. But as time passes, with inflation and the higher oil prices that most people expect, the balance will change. An analysis for the House Energy Committee concludes that, over 20 years, on average, the Alaskan gas would cost slightly less than the alternative fuels. But it's necessary to acknowledge that there are many uncertainties in the calculation. Should consumers have to bear the brunt of those uncertainties?

The greater threat now is further rapid escalation of oil prices—and the higher they go, the better deal the Alaskan gas will be. If the gas at first is expensive and raises your gas bill, you ought to regard it as an insurance premium for the longer future. Whatever happens abroad, the prices of the Alaskan gas will continue to be set by law and by long-term contract. The shorter Alaskan oil pipeline seemed extravagantly expensive when it was finished, in 1977, at $9 billion. But since then it has saved this country $50 billion in the foreign exchange that it would otherwise have paid for more oil from OPEC. For the same reasons, the gas line serves the interest of both the consumer and national security.

Mr. McCLURE. Mr. President, I ask unanimous consent that a colloquy between myself, Mr. STEVENS, and Mr. MURKOWSKI be printed in the RECORD in full.

Mr. METZENBAUM. Mr. President, reserving the right to object. I have no idea what the colloquy contains. It could very well bear on the interpretation of our action here today. Until such time as I have an opportunity to examine it, I have to object. I have not seen it. I do not mean to preclude my friend from Idaho from getting his material in the RECORD. I am happy to look at it even after we dispose of this and make a nunc pro tunc entry so it may be included.

At this point, without seeing it, that colloquy could bear upon the interpretation of our actions.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. How much time do I have?

The PRESIDING OFFICER. Thirty-eight seconds, and the Senator from Ohio has 1 second.

Mr. McCLURE. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. D'AMATO). Who yields time?

Mr. METZENBAUM. Mr. President, I want to make clear that when we talk about the bankers we ought to realize that we are talking about people who are totally interlocked with the oil companies. One has to look askance at their refusal to provide the funding unless the law changed.

The fact is that each of the banks has members or in some way does interconnect with the three oil companies producing the Alaskan gas and, therefore, one rightfully can look askance at this.

I ask the Members of the Senate just to be fair and to be reasonable. I point out to my friend from Idaho that in his own State the industrial users could very well be called upon to pay an amount that is quite astounding. I believe it is something like $119,193 to $138,911 a year. I cannot believe that anyone would like to see that happen.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. How much time do I have?

The PRESIDING OFFICER. Thirty-eight seconds, and the Senator from Ohio has 1 second.

Mr. McCLURE. Mr. President, I will not use up that time. I yield myself the remainder of the time.

Let me say to my friend from Ohio I do not know what he had in his remarks that he inserted in the RECORD. Senator STEVENS and Senator MURKOWSKI and I have an equal right to make whatever statements we wish to make, and that is all the colloquy is. It might indeed have to do with an interpretation on the bill, just as the Senator from Ohio's remarks may have something to do with an interpretation of the bill.

Mr. President, I regret the action the Senator from Ohio has taken. But it is not my practice to submit my remarks for his approval before I make them, and I shall not do so today.

The PRESIDING OFFICER. All time has expired.

Mr. METZENBAUM. I have no desire for the Senator to submit his remarks. But the colloquy could bear on the interpretation.

● Mr. KENNEDY. Mr. President, after careful study I have decided to vote against approval of the waiver proposed by the President on October 15, 1981, pursuant to the Alaska Natural Gas Transportation Act.

The sponsors of this measure have stated that it is a matter of national interest and security to assure the delivery of gas from the Prudhoe Bay reserve to the lower 48 States. I agree completely. The Alaska gas reserves can play an important role in our quest for energy independence and energy security.

I am not persuaded, however, that this waiver package is the right way to assure that those reserves are tapped. I am particularly concerned by the waiver that would permit prebilling of consumers for construction costs, shifting the risk of noncompletion of the pipeline to residential and industrial customers. I am also concerned by the antitrust implications of the decision to permit producers to obtain an equity interest in the pipeline.

I believe a better and fairer package can be developed—one that would assure the construction of the pipeline, meet our international commitments and treat fairly all the parties involved—producers and customers alike. But this is not that package.●

● Mr. DODD. Mr. President, like most of my colleagues on both sides of this debate, I support construction of the Alaska natural gas pipeline—if it is economically feasible—if it will provide secure supplies of gas to American consumers at a reasonable price.

Alaskan natural gas supplies are unquestionably important to this Nation's long-run energy security. I sincerely hope that the pipeline's sponsors will be able to secure financing for the project. I am willing to support any reasonable and equitable measure to advance that effort including the waiver of previously agreed upon provisions of the law. Conditions do change in a dynamic world and we must recognize such changes and adapt to them.

With regard to the waiver package we are considering today, I can, somewhat reluctantly, support most of its provisions. Unfortunately, we are confronted with either accepting the total package or rejecting it. I intend to vote against the package and urge the administration to modify what I consider its fatal flaw.

That flaw is the waiver provision that would allow natural gas consumers to be billed for the cost of the project before they start receiving any gas, before the project is even completed and even before there is any guarantee that the project will be completed.

Every administration and every Congress that has considered this project has supported it with one proviso—that it be privately financed. The project sponsors have consistently assured the Government and the taxpaying public that this would be the case.

The so-called preconstruction billing authority created by this waiver package clearly reverses that commitment. It quite simply authorizes a public loan guarantee to the project sponsors and to any banks who participate in financing the project, and no disguise the proponents of this waiver try to dress it up with is going to change that fact.

The only difference between this so-called preconstruction billing authority and a Federal loan guarantee is that not all taxpayers will equally share the risk. Only those taxpayers who are served by existing gas pipeline that might someday carry Alaskan gas will have to pay this prebilling tax to provide the banks their loan guarantee. This tax will not even be charged to potential new gas customers who would be the chief beneficiaries if the pipeline is completed.

If the pipeline is completed and Alaskan gas is delivered to the lower 48 States, those who use that gas will pay for the project. The private company revenues from the sale of that gas will pay off any loans made to finance the project. That is the way this project was conceived. That is the way this project

should be continued unless the Congress determines that it is of sufficient national importance to warrant Federal loans or loan guarantees.

The back door public financing authorized by the current proposal is nothing more than deception and should be rejected. I can with confidence assure my colleagues that natural gas consumers in Connecticut, in whose name we are being asked to sign this loan guarantee, would never do so under the conditions of this contract—a contract that guarantees only that they will pay whether they receive any gas or not.●

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Colorado (Mr. ARMSTRONG), the Senator from Rhode Island (Mr. CHAFEE), and the Senator from Arizona (Mr. GOLDWATER), are necessarily absent.

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Hawaii (Mr. MATSUNAGA) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Hawaii (Mr. MATSUNAGA) would vote "yea."

The PRESIDING OFFICER (Mr. MATTINGLY). Are there any Senators in the Chamber wishing to vote?

The result was announced—yeas 75, nays 19, as follows:

[Rollcall Vote No. 399 Leg.]

YEAS—75

Abdnor	Ford	Murkowski
Andrews	Garn	Nickles
Baker	Gorton	Nunn
Baucus	Grassley	Packwood
Bentsen	Hart	Percy
Boren	Hatch	Pryor
Boschwitz	Hatfield	Quayle
Bradley	Hawkins	Randolph
Bumpers	Hayakawa	Roth
Burdick	Heflin	Rudman
Byrd, Harry F., Jr.	Heinz	Sarbanes
	Helms	Sasser
Cannon	Hollings	Schmitt
Chiles	Huddleston	Simpson
Cochran	Inouye	Specter
Cohen	Jackson	Stafford
Cranston	Jepsen	Stennis
D'Amato	Johnston	Stevens
Danforth	Kassebaum	Symms
Denton	Kasten	Thurmond
Dixon	Laxalt	Tower
Dole	Long	Wallop
Domenici	Mathias	Weicker
Eagleton	McClure	Zorinsky
East	Melcher	
Exon	Mitchell	

NAYS—19

Biden	Levin	Proxmire
DeConcini	Lugar	Riegle
Dodd	Mattingly	Tsongas
Durenberger	Metzenbaum	Warner
Glenn	Moynihan	Williams
Humphrey	Pell	
Kennedy	Pressler	

NOT VOTING—6

Armstrong	Chafee	Leahy
Byrd, Robert C.	Goldwater	Matsunaga

So the joint resolution (S.J. Res. 115) was passed as follows:

S.J. RES. 115

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the House of Representatives and Senate approve the waiver of the provision of law (Public Law 95–158, Public Law numbered 688, Seventy-fifth Congress, second session, and Public Law 94–163) as proposed by the President, submitted to the Congress on October 15, 1981.

Mr. JACKSON. Mr. President, I want to express my thanks to the committee staff, majority and minority, for the fine way they have managed this matter.

I want to make special mention of the particularly outstanding job done by Betsy Moler, of the staff. She has been involved with the Alaska gas pipeline for many years, beginning with the 1976 act, continuing through the President's 1977 decision, the National Gas Policy Act, and now this waiver resolution submitted by President Reagan.

Her high level of professionalism has helped all of us greatly.

Mr. McCLURE. Mr. President, I want to join with the distinguished Senator from Washington, the ranking minority member on the Energy and Natural Resources Committee, in that comment. I think it is fair to say that all of the staff have contributed mightily. Betsy's contribution has been particularly significant over a long period of time.

The staff has done a tremendous job with respect to the very complex issues surrounding this issue. I know that both the majority and minority staff have shared in that, and I certainly want to express our appreciation on the floor.

Mr. JACKSON. If the Senator will yield, I think we will all agree that it was a genuine bipartisan effort.

Mr. McCLURE. The Senator is correct.

Mr. JACKSON. The Senators from Alaska in particular have been extremely helpful.

Mr. STEVENS. If the Senator will yield, Mr. President, I want to personally thank the leaders of the Energy Committee and to commend the staff, as the chairman and ranking member have done. I also commend Mark Schneider, of my staff, who has also worked very hard on this legislation.

At this time, I particularly want to thank my friend and new colleague, Senator MURKOWSKI. He is a new member on the Energy Committee. This is a project of major importance to our State and he has worked tirelessly in order to see to it that this vote took place today. Having the cooperation of Senator McCLURE and Senator JACKSON was essential to that.

I want the record to show that I am delighted to have had the opportunity to work in concert with my colleague, to work with him, and to have his cooperation throughout. I think he has done an admirable job for the State of Alaska today.

Mr. McCLURE. Mr. President, let me underscore that statement as well. Certainly, the contributions of the junior Senator from Alaska have been immense. I personally have appreciated the assistance he has given to me throughout the weeks and months of deliberation on this question both in the public discussion and the private discussion surrounding it.

Mr. President, I want to take this occasion to indicate that, not only by the vote but also by the participation in the construction of the waiver package and the President's own interest in the waiver package, that this waiver package, the Alaska natural gas pipeline, is not simply an Alaskan issue.

It is a national issue. The letter of the Secretary of State, the Honorable Al Haig, and the Secretary of Energy, the Honorable Jim Edwards, underscores the national importance of the action that we have taken. It is of peculiar interest to those who are in Alaska, but it would be a mistake to believe that it is only an Alaskan bill. It is truly a national bill and has a very favorable impact on those consumers in all but 2 of the 50 States who will receive this gas, or a portion of this gas, through this pipeline.

Mr. MURKOWSKI. Mr. President, I thank the distinguished chairman of the committee for his kind remarks, and I appreciate the remarks of the senior Senator from Alaska and the Senator from Washington. I think the action taken on the floor today will have far-reaching effects in achieving energy independence, as the President said when he proposed the waiver.

SECOND CONTINUING APPROPRIATIONS, 1982

Mr. BAKER. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The pending business is the second continuing appropriations resolution, which the clerk will state.

The assistant legislative clerk read as follows:

A House joint resolution (H.J. Res. 357) making further continuing appropriations for fiscal year 1982, and for other purposes.

The Senate resumed consideration of the resolution.

UNANIMOUS-CONSENT REQUEST

Mr. BAKER. Mr. President, there are two amendments that I am aware of at this time that can be called up and on which I believe the principals are agreeable to a time limitation. This has been discussed on the minority side and I should like to propound the unanimous-consent request at this time.

I ask unanimous consent that the next amendment be an amendment to be offered by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.), on which there will be a time limitation of 30 minutes to be equally divided; and that, following that will be an amendment to be offered by the Senator from Alaska (Mr. STEVENS), on which there will be a time limitation of 30 minutes equally divided, and a second-degree amendment to that amendment to be offered by the Senator from Alaska on which there will be a time limitation of 20 minutes equally divided.

Mr. FORD. Reserving the right to object, Mr. President, and I do not think I will, could the distinguished majority

leader advise us of the nature of the Stevens amendment?

Mr. BAKER. It is my understanding that the Stevens amendment will be an amendment to lift the pay cap of Federal employees, including the Members of Congress, and the second degree amendment will strike Members of Congress and leave it effective only as to top executives.

Mr. FORD. I probably know how I shall vote, Mr. President. I shall not object.

Mr. BUMPERS. Reserving the right to object, Mr. President, would the majority leader be interested in adding another amendment to his list?

Mr. BAKER. I am happy to do that.

Mr. BUMPERS. Senator CHAFEE and I have an amendment that we can probably handle in 30 minutes, 15 minutes to a side, dealing with child and maternity health care.

Mr. BAKER. If the chairman and the ranking member do not object, Mr. President, I add that amendment to the sequence as a third amendment, with the time limitation of 30 minutes, equally divided.

Mr. PROXMIRE. Mr. President, could we have an explanation, a brief one, of Senator BYRD's amendment?

Mr. BAKER. May I yield to the Senator from Virginia for that purpose?

Mr. HARRY F. BYRD, JR. Mr. President, a brief explanation of this amendment is that it would provide that, until an appropriation bill is enacted into law, the administration's latest budget request would be the figure that would prevail. As soon as an appropriation bill is enacted into law, then the figure in the appropriation bill for each of the departments would prevail.

Mr. RIEGLE. Will the Senator yield for a question on that, if the Senator controlling the time will yield?

Mr. HARRY F. BYRD, JR. Yes.

Mr. RIEGLE. If we were to do that, Mr. President, would that not create a situation where, if we substituted the President's requested figure and that were lower than the appropriation figure, someone who favored the lower figure could, using parliamentary devices and other tactics, prevent the appropriation from ever even coming to a vote and, in effect, require that the lower figure be the one that is used; thereby, in a sense, setting aside the whole appropriations process by keeping it from coming to a vote? Do we not run that risk?

If so, is that not really a pretty basic attack on the prerogatives of the Senate itself and the appropriations process?

Mr. HARRY F. BYRD, JR. As I see it, Mr. President, the Senate is in an extraordinary situation right now in handling the appropriations bills. Never before have we had a continuing resolution to the degree and to the time extent and the magnitude of this continuing resolution. So I think we are already in a very extraordinary situation.

Mr. RIEGLE. If the Senator will yield further, it is my understanding that some of the appropriations bills have been passed by the Senate, passed by the House, sent to conference. They are waiting here to be voted on and we could vote on them in the next 10 minutes, and they are behind us.

In other words, I think the notion that the appropriations are not ready is something of a fiction: some are, some are not.

Would the Senator be willing to amend his approach to at least take those appropriations that have already been settled in conference and require that they be acted on first, so that they are dealt with in the normal course and put aside so we are really only dealing with those things that are truly unresolved?

Mr. HARRY F. BYRD, JR. As soon as the appropriations bills—there are seven, I believe, or eight, which have already gone through most of the legislative process. When each one is enacted into law, whatever figure is in that bill will prevail.

Mr. RIEGLE. If the Senator will yield further, are we not still in a situation where, if we adopt his amendment and go with perhaps lower figures than the President has asked for—let us say the Senate and the House have acted in conference and they have a higher figure than the President's figure. Could not someone here, in the Senate, or a group, using parliamentary tactics, delay that appropriation bill or that appropriation conference report, from coming to a vote. And if they were successful in doing so, they would, in effect, have succeeded and then seen to it that those functions were funded at the lower level than the President's budget request? Do we not set ourselves up for that kind of sabotage?

Mr. HARRY F. BYRD, JR. That can be done now.

Mr. BAKER. Mr. President, if the Senators will permit me, let me say I apologize for interrupting the colloquy, but I am advised now that there is an objection to the whole arrangement. Therefore, I withdraw my request.

UP AMENDMENT NO. 661

(Purpose: To authorize the Attorney General to acquire and exchange certain information relating to deceased individuals and missing children)

Mr. HATFIELD. Mr. President, I yield at this time to the Senator from Florida (Mrs. HAWKINS) for the purpose of presenting an amendment.

The PRESIDING OFFICER. The Senator from Florida.

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. Does the Senator from Oregon wish to lay aside the pending committee amendment?

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily lay aside the pending amendment for the purpose of proceeding with the amendment of the Senator from Florida.

The PRESIDING OFFICER. The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Florida (Mrs. HAWKINS) proposes an unprinted amendment numbered 661.

Mrs. HAWKINS. I ask unanimous consent that the further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution, insert the following new section:

SEC. . (a) This section may be cited as the "Missing Children Act".

(b) Section 534(a) of title 28, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (4);

(3) by inserting after paragraph (1) the following new paragraphs:

"(2) acquire, collect, classify, and preserve any information which would assist in the identification of any deceased individual who has not been identified within fifteen days after the date of the discovery of the deceased individual;

"(3) acquire, collect, classify, and preserve any information from authorized officials of the Federal Government, the States, cities, and penal and other institutions, or from a parent, legal guardian, or next of kin of an unemancipated person, as defined by the laws of the State of residence of such person, which would assist in the location of any missing person who—

"(A) is under proven physical or mental disability making the person a danger to himself or others;

"(B) is in the company of another person under circumstances indicating that his physical safety is in danger;

"(C) is missing under circumstances indicating that the disappearance was not voluntary; or

"(D) is unemancipated as defined by the laws of his State of residence; and"; and

(4) by striking out "exchange these records" in paragraph (4) (as so redesignated) and inserting in lieu thereof "exchange such records or information".

(c) (1) The heading for section 534 of title 28, United States Code, is amended to read as follows:

"§ 534. Acquisition, preservation, and exchange of identification records and information; appointment of officials".

(2) The table of sections at the beginning of chapter 33 of such title is amended by striking out the item relating to section 534 and inserting in lieu thereof the following new item:

"534. Acquisition, preservation, and exchange of identification records and information; appointment of officials.".

Mrs. HAWKINS. Mr. President, the amendment I am offering today is identical to S. 1701, the missing children bill which has been cosponsored by 58 Members of the Senate and passed as an amendment to the State, Justice, and Commerce appropriations bill last week. Public and congressional support continues to grow overwhelmingly for this much needed legislation.

Yesterday, I had an opportunity to present testimony on the Missing Children's Act before the Subcommittee on Civil and Constitutional Rights of the House Judiciary Committee.

At this time, the following Members of the Senate are cosponsors of S. 1701: Mr. ARMSTRONG, Mr. BAKER, Mr. BAUCUS, Mr. BOREN, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. HARRY F. BYRD, JR., Mr. CANNON, Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. D'AMATO, Mr. DANFORTH, Mr. DECONCINI, Mr. DENTON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAGLETON, Mr. EAST, Mr. EXON, Mr. GARN, Mr. GORTON, Mr. GRASSLEY, Mr. HATCH, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. JEPSEN, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LAXALT, Mr. LEVIN, Mr. LUGAR, Mr.

MATHIAS, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. METZENBAUM, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PELL, Mr. QUAYLE, Mr. RANDOLPH, Mr. RIEGLE, Mr. ROTH, Mr. RUDMAN, Mr. SPECTER, Mr. STAFFORD, Mr. STENNIS, Mr. SYMMS, Mr. THURMOND, Mr. TOWER, Mr. WALLOP, and Mr. WILLIAMS.

Adoption of this legislation would be an important step forward toward insuring the safety of our children. The Congress must send a message that we care as much about finding missing children as we do about locating stolen cars or refrigerators which are kept on computerized file. As chairman of the Labor-Subcommittee on Investigations and General Oversight, I heard heartbreaking testimony from parents of missing and murdered children. All pointed to the need for a nationwide information system.

From Mr. and Mrs. John Walsh of Hollywood, Fla., whose 6-year-old son, Adam, was abducted from a shopping center and murdered, I heard of the frustration of trying to coordinate their search among different agencies. Mr. Walsh told my subcommittee:

It is certainly evident that the priorities of this great country are in some disorder. A country that can launch a space shuttle that can return to Earth and take off again, a country that can allocate millions of dollars to save a small fish the snail darter . . . but does not have a centralized reporting system or a nationwide search system for missing children, certainly needs to reaffirm the very principles that this country was founded on. We pray, along with thousands of other concerned parents, that you will continue to have the strength to continue your efforts. You have helped us keep the threads of our lives together and given us definite reassurance that Adam did not die in vain. God bless you.

The shocking facts of America's missing children problem are:

First, while no one among us can accurately describe the extent of the problem, estimates are that as many as 1.8 million children disappear each year.

Second, many children who disappear become victims of crime, exploitation, abuse and are in constant danger.

Third, the record shows that only 10 percent of children missing for an appreciable period of time are entered into the national missing persons file although 47 States normally participate.

I ask unanimous consent to have printed in the RECORD a table showing participation by States currently.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MISSING PERSON FILE ACTIVITY BY STATE FOR AUGUST 1981

[Populations in millions]

State	Entries	Population	Utilization rank [1]
Alabama	11	3.9	43
Alaska	34	.4	7
Arizona	270	2.7	4
Arkansas	11	2.3	41
California	507	23.7	25
Colorado	276	2.9	5
Connecticut	222	3.1	13
Delaware	31	.6	18
Florida	885	9.8	6
Georgia	87	5.5	31
Idaho	3	.9	42
Illinois	835	11.4	10
Indiana	78	5.5	32
Iowa	193	2.9	12
Kansas	23	2.4	35
Kentucky	83	3.7	25
Louisiana	68	4.2	36
Maine	2	1.1	45
Maryland	589	4.2	46
Massachusetts	318	5.7	16
Michigan	690	9.3	9
Minnesota	296	4.1	11
Mississippi	19	2.5	38
Missouri	500	4.9	3
Nebraska	72	1.6	19
Nevada	18	.8	24
New Hampshire	18	.9	27
New Jersey	424	7.4	15
New Mexico	8	1.3	39
New York	1,446	17.6	8
North Carolina	71	5.9	33
North Dakota	31	.7	20
Ohio	333	10.8	21
Oklahoma	26	3.0	36
Oregon	616	2.6	2
Pennsylvania	291	11.9	22
Rhode Island	188	9.4	28
South Dakota	16	.7	23
Tennessee	47	4.6	34
Texas	850	14.2	14
Utah	12	1.5	37
Vermont	1	.5	44
Virginia	295	5.3	17
West Virginia	11	2.0	40
Wisconsin	1,155	4.8	1
Wyoming	9	.5	29

[1] Order is determined by entries per capita submitted to the FBI.

Note: Hawaii, Montana, Puerto Rico, South Carolina, and Washington submitted no data at all.

Source: FBI and Bureau of the Census.

Mrs. HAWKINS. Fourth, presently, the FBI collects information from States which choose to send information on missing persons on a voluntary basis.

Fifth, missing children and others do not always survive their ordeals and their families never find out. Each year about 2,000 cases involving the unidentified dead are closed.

My amendment establishes by statute a national computer information network to assist law enforcement agencies in locating and identifying missing children and to aid in the identification of the dead who are found without enough evidence to establish their next of kin. It also permits parents to enter their missing children directly into the system if local or State police officials fail to do so.

Much of the language in this amendment has been suggested by the Federal Bureau of Investigation. After extensive discussion with the Bureau almost all of their suggestions or recommendations were included by appropriate additions to the Missing Children's Act.

This amendment provides a solution desperately needed. I urge all Members of the Senate to join the 58 cosponsors of S. 1701 and the National and International Associations of Police Chiefs, the International Union of Police Associations, AFL–CIO, and the American Correctional Association who strongly endorse the missing children bill by supporting passage of the amendment.

I thank the able Senator from Oregon.

Mr. HATFIELD. Mr. President, I thank the Senator from Florida for her leadership in this area.

As the Senator knows, this language is in the State-Justice-Commerce part of the bill.

Under our present situation, with a continuing resolution, unless we have boiler plate language, there could be slippage here, which she is very interested about, I know, in trying to plug that possible loophole.

So, because it is already a commitment by the Appropriations Committee in the State-Justice-Commerce section, and because I understand the purpose for presenting this amendment at this time, I have discussed it with the minority, and the managers are willing to accept the amendment.

Mr. PROXMIRE. Mr. President, I congratulate my good friend from Florida. She is certainly a persistent and determined friend of missing children and their heartbroken parents.

Nobody, in my recollection, has done more in a short time to try to meet this problem than has the Senator from Florida. She deserves congratulations. I understand she has worked very hard with the Judiciary Committee as well as with the Appropriations Committee, and I am certainly happy to agree with the manager of the bill to accept the amendment.

Mrs. HAWKINS. I thank the Senators.

Mr. BOREN. Mr. President, I am pleased to rise in support of the amendment of my colleague from Florida, Mrs. HAWKINS, which will improve nationwide efforts to find missing children. The American public has indicated in no uncertain terms its enthusiasm for this legislation. Support for this proposal is broad; it disregards all partisan or ideological boundaries.

Such support should not be surprising, Mr. President, in light of the need for such a program. This need was underscored by a recent occurrence in Oklahoma. At the Oklahoma State Fair in Oklahoma City this fall two young girls disappeared. In spite of a massive search conducted by law enforcement officials in the aftermath of the disappearance, these children have still not been found. In the meantime, parents, friends, and neighbors of these children agonize in uncertainty.

It is my hope, Mr. President, that this amendment will help avert tragedies such as this one. If enacted this legislation might bring peace of mind to millions of American parents. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 661) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I yield the floor to the Senator from Virginia, for the purpose of offering an amendment. The managers of the bill have agreed to lay aside the pending amendment in order to receive this amendment.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, is there a time limitation?

Mr. HATFIELD. No.

The PRESIDING OFFICER. The time limitation was withdrawn.

Mr. HARRY F. BYRD, JR. Mr. President, I plan to offer an amendment in a moment, but first I should like to discuss it briefly.

The thrust of this amendment is very simple. The proposal would provide that until an appropriation bill has been signed into law, spending authority may not bust the budget.

The amendment stipulates that for each activity funded under appropriation bills which exceed the budget request, the level of funding shall be the level of the most recent budget estimate from the administration. This would hold, of course, only—and I emphasize "only"—until a regular appropriation bill was enacted.

In other words, under this proposal, if Congress is to exceed the budget request—and I hope it will not do so—it must do it in the regular and orderly way, in specific appropriation bills.

Congress could not bust the budget in this continuing resolution under the threat of shutting down the Government.

My amendment would affect eight appropriation bills, assuming the accuracy of the estimates of the Appropriations Committees and the conferees on bills which have been through conference. These are bills which, according to committee estimates, would exceed the budget levels recommended by the President.

I name the bills which, according to the committee estimates, would exceed the budget levels recommended by the President.

There are five bills on which conferences have been completed—namely, Agriculture, Housing and Urban Development, Interior, Energy and Water, and Transportation.

Three bills exceeding the budget have been passed only by the House—namely, Labor, Health and Human Services and Education; Commerce-State-Justice and Judiciary; and Treasury and Post Office.

This enumeration of bills could change in the course of debate on this resolution.

The amendment has been framed to provide that the Government will meet its legal obligations and that no reduction could occur in social security benefits. It seems to me that this proposal should be acceptable to all parties.

At this point, let me say that this amendment was developed after very hard and painstaking work by my senior legislative aide, John I. Brooks. It should, I think, meet some of the problems which the Senate faces in this continuing resolution.

It should be acceptable to the Appropriations Committee, because it protects and preserves the appropriations process. It has the effect of enforcing an orderly procedure.

It should be acceptable to the Congress as a whole, because it assures the opportunity for careful scrutiny at each step of the legislative process: Committee action, votes by each House, conference and final action on conference reports.

It should be acceptable to the President, because he can examine each appropriation on its merits. Clearly there would be no incentive for a veto of this resolution if my amendment were adopted.

For years, I have listened to colleagues in this Chamber denouncing the continuing resolution as a device of desperation, a necessity forced upon us by delays in budget requests, delays in authorizations, delays in appropriation bills, delays of all sorts. Time and again, I have heard it argued that the continuing resolution forces us into hasty and irrational ratification of ill-considered spending proposals. I have agreed with my colleagues who have spoken out in this way.

Neither the Congress nor the President should be dragooned into approving spending schemes under the imminent threat of paralyzing the Nation.

Indeed, the now annual struggle over continuing resolutions seriously diminishes the dignity and stature of our Government—and these are commodities in short supply, in case Senators have not noticed.

My proposal offers a way out of the dilemma.

Mr. President, it pulls the fangs from the continuing resolution; it tames the beast, if you will.

Like all Senators, I hope that we shall come to the day when our budgeting and appropriation procedures have undergone a thorough reform, and continuing resolutions have become a bad memory. But until that day—and I pledge to work to hasten it—let us at least make the best of a very bad thing.

I realize it could be argued that appropriations bills which are under the budget also should not be put into effect by this resolution. But I submit the case is different with bills which reduce the President's proposals, because pending final decision we can be assured that the interest of the taxpayer is protected.

Let us never forget that the historic function of legislatures is to restrain spending. The English barons did not gather at Runnymede to force the King to spend, but rather to stay his extravagant hand. That is the heritage of Magna Carta and the true mission of legislative bodies.

Let us carry out that mission. Let us provide the time that is needed for the momentous decisions bound up in these huge appropriation bills.

If we do not guard the public purse, who will?

So, Mr. President, this proposal seems to me is a reasonable one. It safeguards the appropriations process. It says in effect that the President's budget estimate will be the figure which will prevail until, and only until, such time as Congress enacts and the President signs into law an appropriations bill. At that point, the prevailing figure is the figure in the enacted appropriations bill.

Mr. HATFIELD. Mr. President, there is nothing I enjoy more than chatting about history with a history buff like the Senator from Virginia, and now that he has raised an historic event, one of the great ones of all times, at Runnymede, I would say that really in that same historical analogy the Senator's amendment is going to give all the power back to King John. The barons are yielding their power in this amendment; they are not retaining it. The Magna Carta that came out of that little meeting at Runnymede was to deny King John that autocratic power.

Let me explain how this really, in effect, would return the power to King John. What we have here is an amendment that would set the continuing resolution level at the President's budget request level. Let me remind the Senator that the Senate has acted on all but four of the appropriations measures. The Senate Appropriations Committee has discharged and recommended all 13 bills to the floor.

By this amendment we are, in effect, saying that whole process of the congressional involvement, the Senate in this case, shall be totally thrown out the window and we are going to bow down to King John's simple level of budget request.

Let me remind the Senator that we have already had two in one fiscal year. We had the March request. Then we got modifications in September from the White House, and the President could veto all of the congressional bills and merely keep modifying his budget request and that would always be the level for the spending.

So, in effect, what we are saying is to the White House, "You determine the level of spending, even in the continuing resolution."

I think we recognize that already we are 2 months into the fiscal year and, as I say, the Senate committee has acted on all 13 bills. I just cannot understand in using that historic analogy how the Senator from Virginia thinks this is going to other than yield back to the executive the total authority.

All he would have to do, as he has done between March and September, is keep modifying his budget request and throughout the period of the continuing resolution he could then control fully without congressional input, that is, if Congress passed the bills and he vetoed them he could engage in that kind of a process to dictate the whole fiscal year without the congressional voice.

That is what he is setting up. He is setting up a whole system to return all of the authority back from the barons, and I am not about ready to engage in that. I want to hold the authority that we have wrenched from King John back in 1214 and sustain that kind of political philosophy on through 1982.

Mr. HARRY F. BYRD, JR. I must say the Senator from Virginia does not agree with the analysis of the distinguished Senator from Oregon.

The power rests with Congress to enact appropriations bills. This amendment, of course, does not change that in any way. It does not change that in any way, shape, or form.

The President under the procedures advocated by the distinguished Senator from Oregon can veto any or all of the appropriations bills. So he has that right, whether the amendment to be offered in

a moment is adopted or whether it is not adopted.

So I cannot agree with him that this gives the power to King John. What it does attempt to do is to bring about a lower total spending by the Federal Government until such time as Congress itself acts to go beyond, in the individual appropriations bills, the figure recommended by the President. It seems to me it is reasonable.

Mr. HATFIELD. What will the Senator do with the Defense bill in his amendment?

Mr. HARRY F. BYRD, JR. The Defense bill under the present resolution if I——

Mr. HATFIELD. No, under the amendment offered by the Senator from Virginia. What would happen to the Defense bill?

Mr. HARRY F. BYRD, JR. To answer that I would have to answer it this way.

Under the present resolution, if I understand it, now before the Senate, the lower of two figures would prevail. The House figure is $193 billion; the Senate figure is $208 billion. The President's request is $200 billion. Thus, the President's request is above one of the Houses, so the amendment would not have an effect on that.

Mr. HATFIELD. In other words, the Senator would include the Defense bill in this, in other words, cover all the bills, all 12.

Mr. HARRY F. BYRD, JR. It covers all the bills, but it does not cover social security.

Mr. HATFIELD. Mr. President, I appreciate the Senator's efforts to try to keep the budget at the lowest level possible. But I say at the same time I feel that Congress should have a voice in that and should be a major participant in the whole constitutional system and with the working of the will of Congress. Until we know what the President is going to do with the bills that we have acted upon and the bills that will be acted upon, we are in effect saying let the President set the level.

We are really particularly and in actual reality removing ourselves from a voice as to the role and the level that shall be played by the Federal agencies during the period of the continuing resolution, and I would resist the amendment on that basis.

Mr. PROXMIRE. Mr. President, will the chairman yield on that point?

Mr. HATFIELD. I would be happy to.

Mr. PROXMIRE. He said to let the President set the level. The distinguished Senator from Virginia and the distinguished Senator from Oregon, may I say to them, on Defense, which is the greatest bill of all, the Congress would set the level and not the President. The restrictions on King John or King Ronald would be imposed by not permitting the President to go any higher. He must have a lower request, as I understand it. That is the heart of the Byrd amendment.

I understand the very valid objections of the Senator from Oregon, and I am tempted to support him, except I think that overall, having crossed the bridge of having the date in September of 1982, that now that we face that fact I want to do all I can to cut spending as much as possible, and I think the Senator from Virginia offers that opportunity. We would save, as we calculate it, between $5 billion and $6 billion if the President exercises his full discretion, and it is well worthwhile.

Mr. HARRY F. BYRD, JR. May I say that I recognize that no proposal we can take at the present time is going to be a perfect solution to the problems facing the Senate and the Congress of the United States at this particular moment in history.

I want to commend the Appropriations Committee, the distinguished chairman of the Appropriations Committee, the staff of the Appropriations Committee. It has been a very difficult job that that committee has had. My purpose in offering this amendment is not in any way to complicate or make more difficult the work of the Appropriations Committee.

As the Senator from Wisconsin (Mr. PROXMIRE) pointed out, the purpose of it is to get spending under control at least until such time as the appropriations bills are enacted.

Mr. FORD. Mr. President, will the Senator yield for a question, for just a moment?

Mr. HARRY F. BYRD, JR. Yes.

Mr. FORD. As I understand the Senator's amendment—and it is kind of complicated, and I want to be sure I am correct in my understanding of it—did the Senator say the President's estimate shall prevail until such time as appropriation legislation is passed and submitted to the President?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. FORD. It would be my judgment under those circumstances if the President vetoed the appropriations legislation, and the veto was sustained, then his present figures would stay on in perpetuity until we had the next budget; am I correct in that?

Mr. HARRY F. BYRD, JR. Well, that is correct. If he vetoes an appropriation bill, which he has the right to do with or without this amendment——

Mr. FORD. Yes, I understand that.

Mr. HARRY F. BYRD, JR. (continuing). Then it is thrown back into the lap of the Congress, and the Congress must make some decision as to the way he wants to proceed.

Mr. FORD. Under the present circumstances the figures that are in the continuing resolution will prevail or the President's figures will prevail?

Mr. HARRY F. BYRD, JR. Under the continuing resolution, the lower of the figures by each House will prevail.

Mr. FORD. So with the $190 billion some odd that the House has for defense compared to the roughly $220 billion of the Senate, the House figure then of less than $195 billion would be the prevailing figure until the Department of Defense appropriation bill was passed? If the President vetoed that or some lesser figure was initiated, then we would be traveling the path of the lower figure for the Department of Defense.

Mr. HARRY F. BYRD, JR. The Senator from Kentucky is correct.

Mr. FORD. I thank the Senator for his answers to my questions.

Mr. HARRY F. BYRD, JR. Mr. President, I realize that, as the Senator from Oregon pointed out, it is not a perfect solution. I do not like the continuing resolution any more than the Senator from Oregon. I do not think many of us in the Senate want to proceed with the continuing resolution route, but we are there.

What I am willing to do is to lay down this amendment—and I think it has great possibilities—but not call for a vote immediately. It may be that other amendments which may be presented later in the day would take care of the situation. Although I am not sure it would, I am willing to lay down this amendment now and then ask that it be temporarily laid aside. I will consult with the distinguished Senator from Oregon and we can determine later whether it would be well to call it up or whether some other amendment may be presented which would more nearly take care of the situation which I am trying to get at; namely, I am trying to find a way to bring about a lesser amount of spending than is incorporated in the present resolution, and which will satisfy the President of the United States so that he will not be forced to veto the proposal.

Mr. HATFIELD. I will say to the Senator from Virginia, Mr. President, that it would be perfectly agreeable to proceed along that line.

As the Senator is aware, there is a possible amendment floating around at the present time that would reduce these appropriation measures further.

I would only like to point out that when the Senator talks about the attempt to reduce Federal spending, and I think that is really what the name of the game in town is at the moment, that it is always well to underscore again really why we are in this situation and where we are really reducing.

I think it is important to keep in mind that the two major factors that have caused the tremendous increase in Federal spending, to this uncontrollable situation we face—almost uncontrollable—have not been addressed really in this bill. It has not been addressed in any one of these 13 bills. I would remind the Senator that 78 percent of the total Federal spending is in "uncontrollables" and the Appropriations Committee and the appropriations process have little to say about that portion of the budget.

Mr. President, if you take the 22 percent in which we are engaged here in the appropriations process, 17 percent of that is in defense. That is in 3 of the 13 bills; 5 percent is in all other nondefense appropriated accounts.

If you want to take the last President Carter budget as a basis of comparison, 1980, and the first full year Reagan budget, President Reagan budget, 1982, in that period of time military spending will have increased 49 percent; nondefense, all other programs, will have decreased 12 percent.

But let me remind the Senator again that we are dealing with a 5 percent base of the total budget upon which all the major cuts have been made.

In the rescission package the President asked for $15 billion of reductions in the last President Carter budget, $14 billion. We gave him a $14 billion rescis-

sion package. That was applied to 5 percent of the total budget.

Military was exempt from those reductions; entitlements were exempt from that. At the same time in that same rescission package the military got an $11 billion increase, offsetting the $14 billion that we reduced in the total budget.

The reconciliation resolution came along next, and on the reconciliation resolution another $20 billion was reduced on that 5 percent base of the total budget.

Then the September request came in, the new budget estimate by the President, in which he asked for another $10.4 billion reduction in the appropriated accounts. This time he said he would accept, for the first time, a $2 billion reduction in the military, and asked for a reduction of $8.4 billion of the remaining total of the $10.4 billion part of the package in the nondefense items, which constitute this 5 percent base.

Let me say to the Senator that the Appropriations Committee reduced these nondefense measures or programs by about $6 billion. But the Appropriations Committee, rather than reducing the military budget by $2 billion, increased it by $8 billion over the President's request.

That is a very brief thumbnail sketch of where we have come and where we are today. So when we talk about further reductions in Government spending, let us bear in mind what we are talking about. We are not talking about reductions in military spending. That has been exempt, and that has been increased. That has been one of the greatest growth factors in this whole fiscal picture.

Second, we are not talking about uncontrollables, which constitute 78 percent of the budget, that is, revenue sharing, guaranteed student loans, social security, pension programs, veterans programs, et cetera, et cetera, 78 percent.

I would say to the Senator from Virginia further—as he is well known as the fiscal watchdog, and these are repetitive and redundant figures, well known to him—that until we really address the issue of uncontrollables, and until we develop a blueprint of what kind of a military organization we are really trying to build, instead of just throwing money at it and saying that dollars are equated to security, which is a fallacious thing to believe in, whether it is on a social program, a military program, or any other program—dollars are a means to an end, they are not an end in themselves—but the point is that until we address those two factors, we are not really going to get control of Federal spending or of the Federal budget, and the money market is not going to perceive that we have control over our debt and all factors, and the interest rates are not really going to significantly drop until they perceive us as having control of the fiscal house that we are supposed to be in charge of.

And I think the Senator would agree that we have a long way to go. That does not mean we should not continue to try to reduce and save and demand cost-effectiveness in all nonmilitary appropriated accounts. But I am saying to the Senator that is precisely what the Appropriations Committee has been doing.

We have been bearing the full brunt of this whole effort to bring control to the fiscal household. If we could have gotten some support, major support, out of entitlement programs not under our jurisdiction, and if we could get some kind of restraint and some kind of restriction on the voracious appetite of the military machine, until we can do those two things, let us not kid the public that we are really doing anything to control—fully control—our fiscal problems. We are not. We are letting it control us.

I have, for one, supported the increase in military pay. I supported the increase in infrastructure for the military, operation and maintenance, spare parts, conventional weaponry and reserve programs. Those readiness programs are where we are really weak, in many instances. But we are so mesmerized, so fascinated by exotic weapons programs that have 50- and 60-percent, 400-percent overruns in 1 year, that we just go on and plow money after money after money in, because we are so fascinated by this kind of fictional activity. But that is another issue.

I only wanted to point out where the budget was, where the cuts have been made, and where the cuts will ultimately have to be made if we are really going to gain control.

Mr. HARRY F. BYRD, JR. May I say that I agree with a great deal that the able Senator from Oregon has stated.

I have said in speech after speech throughout Virginia, and I have said it on the floor of the Senate, that the Defense Department cannot and should not be exempt from having its expenditures as carefully scrutinized as any other department of Government. I think it is very important that there not be a blank check given to the Pentagon. It must not be given to any department of Government, including the Pentagon.

I happen to be a strong advocate of a strong national defense. I think it is vital to the preservation of our Nation that we do have a strong defense. But, as the Senator from Oregon pointed out, merely throwing money at the problem does not, in itself, get us a strong defense. So I agree with a great deal of what the Senator from Oregon had to say, but it is important to remember that the big increase in the cost of Government in recent years has been in the domestic social programs.

The problem we are facing on this resolution is that President Reagan has indicated that unless there are reductions in the total figures that he probably will veto the bill. Now the purpose of this amendment is just one effort to bring about an adequate reduction in spending—and to do it in what appears to me to be a reasonable way. This would forestall the need for a veto and at the same time preserve the prerogatives of the Congress itself.

Mr. HATFIELD. Will the Senator yield at that point?

Mr. HARRY F. BYRD, JR. Yes.

Mr. HATFIELD. I would like to urge the Senator to consider what the parliamentary situation is that we find ourselves in. And that is we have adopted the committee amendments en bloc with one exception, and, therefore, any amendments that are offered on the floor we have to have the approval of the managers in order to entertain that amendment because it is being blocked, in effect, by that one exception of the committee amendment.

If the Senator from Virginia should offer his amendment at this time, then that would require unanimous consent to set it aside and receive other amendments, in addition to the managers having to set aside the committee amendment in order to receive other amendments. It does really somewhat complicate the parliamentary procedure here on the floor.

I wonder if the Senator would withhold offering his amendment at this time, without any prejudice and with the full support of the managers of the bill to make time available at any moment the Senator can be worked into the procedures here, instead of offering it now and then requiring the unanimous consent to lay it aside to take up another amendment and to have to get the managers' consent to take up another amendment.

I think the Senator understands the parliamentary obstacle course we are developing here if we lay down another amendment at this time and have to set it aside by unanimous consent.

Senator STEVENS is to follow the Senator from Virginia with an amendment on which I think there is a time agreement. I wonder if in that way the Senator would be willing to withhold the laying down of his amendment at this time.

Mr. HARRY F. BYRD, JR. Any way that the Senator from Virginia can cooperate with my distinguished and able friend from Oregon and my distinguished and able friend from Wisconsin I certainly want to do it. I will withhold the formal presentation of the amendment for the time being.

As I say, it may well be that another amendment or other amendments may accomplish the purpose of the Senator from Virginia. If that is the case, the Senator from Virginia has no pride of authorship. All I want to do is to do whatever one Senator can do in an effort to bring about a reduction in the total figure of this bill. So I will not at this time present the amendment.

Mr. HATFIELD. I thank the Senator. He has my full assurance of cooperation in getting his amendment up at a time later during the day.

Mr. President, there was an expectation that the assistant majority leader, Mr. STEVENS, would be arriving to offer his amendment. I, therefore, suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1982—CONFERENCE REPORT

Mr. D'AMATO. Mr. President, I submit a report of the committee of conference on H.R. 4522 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 12, 1981.)

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DANFORTH). Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I ask unanimous consent to lay aside the pending business in order to take up a conference report on District of Columbia appropriations.

The PRESIDING OFFICER. A conference report is privileged.

Is there objection? Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, the conference report now before us contains a total of $557.2 million in Federal funds, for the operation of the District of Columbia during fiscal year 1982. This is the same as the Senate-passed version and $36.6 million more than the House allowance. This is accounted for by an additional budget request of this amount that was transmitted following House action. As explained at the time of Senate consideration, this bill is $13 million below the President's request.

Mr. President, turning to the District of Columbia funds portion of this bill, the conferees have agreed to the appropriation of $1.9 billion. This includes all local revenues in addition to the above Federal appropriation. The entire conference report and statement of the managers appears in the CONGRESSIONAL RECORD of November 12, 1981 at pages 27246 to 27249. Thus, I shall not ask that it be reprinted here but will summarize its key provisions for my colleagues.

For the Metropolitan Police Department, we are providing for a total police force of 3,880 which is 259 more than they now have on board. This will assist in the recently implemeted program to reduce crime in the Nation's Capital.

For the Commission on the Arts and Humanities, the conferees have included $87,500 cut by the House in their grant-in-aid programs. While their budget from city funds shows an increase, this is the result anticipated reductions in funds from other sources. The city is attempting to pick up some of the more important programs of the Commission, this will allow them to do this.

For the Lottery and Charitable Games Control Board, the conferees included the $628,000 for the operation of the Board. The Board will be responsible for instituting a lottery pursuant to D.C. Law 3–172 as well as regulating charitable games in the District. The conferees included Senate language which insured that no Federal funds would be used for this purpose and established a special enterprise fund to make sure that these funds are kept separate and accounted for separately from other revenues and expenditures. At the request of the House, we also have included some restrictions on advertising in the Federal enclave, on public transportation, and historic areas of the city. We have also provided for an annual audit of the Board's activities and will have to approve their administrative budget each year.

This is not, as I explained during Senate consideration, an endorsement of lotteries. This simply allows city officials to carry through on the preference of 64 percent of the voters in a referendum a year ago. This does not mean that the District will have for-profit bingo parlors or professionally operated raffles, but rather will allow churches, hospitals, and other such organizations to use these mechanisms to raise funds to further their charitable goals.

Mr. President, under the Department of Human Services, the conferees have provided $104,000 above the budget for the District's runaway and homeless youth program. This will insure the continuation of this program, which assists 300 families annually.

The conference agreement included an amendment, No. 42, which would have allowed the Mayor to recommend a pay increase for the City Administrator. On this amendment, the House earlier today voted 210 to 186 to further insist on its position, in other words no pay raise for the City Administrator. At least two other cities have actively recruited him. However, because of the other critical matters contained in this bill, I shall move at the appropriate time that the Senate recede from amendment No. 42 and send this bill to the President.

I hope that this key member of the city government will not be lured away by offers of additional money at this critical juncture in the city's financial development.

The conferees also have approved a change in the submission date of the fiscal year 1983 city budget to Congress. We have approved the date of April 15, 1982, as provided by the Senate, rather than the February 1 date the House had in- [illegible] later date is being tried on a 1-year trial basis in order to allow more time for the collection of more accurate expense and revenue data.

Mr. President, this is a historic conference report. For the first time in the history of the District of Columbia, they will have the fully authorized Federal payment available to them for the major portion of the fiscal year. Because of the financial vulnerability of this and all other cities, this should give city administrators the tools to manage the city's resources so as to insure that a balanced budget is once again attained. This is fully supportive of the President's efforts to create a climate in which the city no longer must look to the Federal Treasury for needed borrowing. The mayor agrees and has made provisions in this budget to reduce the accumulated deficit by $10 million. So, Mr. President, we are making progress and this conference report is another step in that direction.

Mr. President, before yielding, I want to make note of the fine spirit of cooperation and compromise that characterized the conference on this bill. Congressman DIXON, the chairman of the House Committee, and Congressman COUGHLIN, the ranking Republican member, were most helpful and agreeable in our negotiations. In addition, their staff, Migo Miconi, Mary Porter, and Kenny Kraft conducted themselves in a professional and knowledgeable manner, as usual. I also want to express my sincere appreciation to the Senator from Vermont for his help and support throughout our consideration of this bill. Also the Senate staff, Tim Leeth, Lula Joyce, and Jim Cubie have assisted us most ably and deserve our appreciation.

Mr. President, I am prepared to yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, unfortunately, the Senator from Vermont (Mr. LEAHY) who is the ranking minority member on the subcommittee, is ill, as we all know, and cannot be here.

I congratulate the Senator from New York, the chairman of the District of Columbia Appropriations Subcommittee, for the excellent job that he has done in gaining passage of this appropriations bill this year.

In this year, when budget matters have involved such great controversy, it has taken great effort and foresight to gain passage of this legislation.

The Senator has consistently operated the subcommittee in a nonpartisan fashion that recognizes both our responsibility to see that the Federal payment is lawfully and wisely used and to respect the decision of the Congress to grant the District home rule.

Also, Mr. President, the bill is $13 million below the President's request, which, of course, is very good news. The total Federal payment is $336 million.

The District will be sustaining major decreases in other Federal funds as a result of cuts to all Federal funds that provide something to the States. These cuts probably reach $46 million in fiscal year 1982.

Mr. President, I also recognize the fine work of Tim Leeth and Jim Cubie and the assistance of Mrs. Lula Joyce and Mr. Jayne McMullan. Without the work of these fine staff members, the appropriation today would not be before the Senate.

I am happy to support the appropriation for fiscal year 1982 for the District of Columbia.

Mr. D'AMATO. Mr. President, before I move adoption of the conference report, I should like to give my own personal thanks not only to the staff, who has done an outstanding job in a bipartisan manner, but, indeed, for the help the chairman of the Appropriations Committee (Mr. HATFIELD) has given me with many of the problems that may not be tied directly to appropriations matters, but concern policy matters. They were resolved in a way that I think brings great credit to this body. Hopefully, they will make it possible for the city to put itself on a sound financial business basis.

(By request of Mr. CRANSTON the following statement was ordered to be printed in the RECORD:)

● Mr. LEAHY. Mr. President, I would like to point out that both the House and Senate reports on H.R. 4522 contain language which restates the intent of Congress that the D.C. Convention Center not be used for entertainment purposes. I regret that I was unable to participate in the conference committee deliberations by reason of illness. Had I participated I would have proposed that this conference report before us today contain a similar prohibition against entertainment uses of the D.C. Convention Center.

I would especially like to congratulate the gentleman from New York for the excellent job that he has done in his first year as chairman of this subcommittee. He has demonstrated both outstanding legislative skill and statesmanship in gaining passage of this Appropriations Committee this year.

He has conducted each hearing markup and conference in a nonpartisan fashion that characterizes the best of the tradition of the Appropriations Committee.

I support passage of the District of Columbia appropriations bill.●

Mr. HATFIELD. Will the Senator yield?

Mr. D'AMATO. I certainly will yield, Mr. President.

Mr. HATFIELD. Mr. President, I want to add my words of commendation to the words that have already been stated relating to the outstanding performance of the Senator from New York (Mr. D'AMATO). I suppose any first-term Senator, especially as he is assigned to the Appropriations Committee, if he were to have his choice on a ranking of the various 13 subcommittees, would not necessarily have picked the D.C. Committee as first choice.

That seems to be a historic tradition of the committee. But the Senator from New York not only accepted that assignment; he undertook it with great vigor and brought a great background and perception and understanding of urban life, urban problems, from his own constituency base, New York. He has applied that with fairness, with great judgment.

Mr. President, I have had good reports from everyone in the D.C. Government with whom I have a long association—Mayor Barry, members of the D.C. Council, leaders of the community—who, without exception, have commented about the excellent working relationship they have with the Senator from New York, the chairman of the Subcommittee on the District of Columbia. I commend him, Mr. President, not only for the work he has done on this bill but the general work he has done on the full committee. I thank him for his leadership.

Mr. D'AMATO. Mr. President, I thank the distinguished chairman of the Committee on Appropriations for those remarks. Again, I state that without his sensitivity and wise counsel, very little of this could have been achieved. So it really has been a total effort.

Mr. President, I move adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. D'AMATO. I move to reconsider the vote by which the conference report was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: not to exceed $1,035,600

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 11 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

: *Provided further*, That the District of Columbia will establish a special fund to assure that any moneys available to the Lottery and Charitable Games Control Board shall be derived from non-Federal District of Columbia revenues.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For establishment of the Lottery and Charitable Games Enterprise Fund for the purpose of implementing D.C. Law 3–172 and for the budgeting and accounting of all revenues and expenses of the Lottery and Charitable Games Control Board, $628,000, to be derived from non-Federal District of Columbia revenues: *Provided*, That the District of Columbia will identify the source of funding for this appropriation from its own locally generated revenues when the Enterprise Fund is established and that no revenues from Federal sources shall be used to support the operations of the Lottery and Charitable Games Control Board: *Provided further*, That the level of administrative expenses to be incurred by the Board shall be appropriated in the District's General Fund budget as a transfer from locally generated revenues; administrative expenses being defined as all anticipated expenses of the Board for the coming fiscal year excluding moneys necessary for the payment of prizes to the winners of the games specified in D.C. Law 3–172: *Provided further*, That the Board shall have the authority to expend, from revenues generated by its operations, funds necessary for the payments of prizes: *Provided further*, That the annual expenses for prizes and administration of the Board shall not exceed resources available to the Board from appropriated authority or revenues generated by the operations of the Board: *Provided further*, That all revenues received by the Board in excess of the funds used by the Board for prize money in a given month shall be transferred to the General Fund from the Lottery and Charitable Games Enterprise Fund through a general operating transfer, promptly after the first of the month for the preceding month: *Provided further*, That the Board may establish a reserve not to exceed 2 percent of projected annual prize payments to provide for prizes awarded in any month which may exceed the revenue generated during that month: *Provided further*, That the Mayor may approve a change in the reserve limit, as necessary, upon the request of the Board: *Provided further*, That the financial operations of the Board with respect to the amount appropriated for administrative expenses shall be in accordance with all laws, regulations and policies of the District of Columbia government regarding appropriated funds: *Provided further*, That for the fiscal year ending September 30, 1982 and for each fiscal year thereafter, the District of Columbia Auditor shall conduct a comprehensive audit on the financial status of the Fund, including but not limited to all appropriations, revenues and transfers to the Fund, and provide such report to the Mayor, Chairman of the District of Columbia Council, and to the Subcommittees on District of Columbia Appropriations of the House of Representatives and the Senate: *Provided further*, That in addition to current restrictions, advertising on public transportation and at stations and stops is prohibited: *Provided further*, That the advertising, sale, operation, or playing of the lotteries, raffles, bingos, or other games authorized by D.C. Law 3–172 is prohibited on the Federal enclave, and in adjacent public buildings and land controlled by the Shipstead-Luce Act as amended by 53 Stat. 1144, as well as in the Old Georgetown Historic District: *Provided further*, That the Board shall make an annual report to the Subcommittees on District of Columbia Appropriations of the House of Representatives and the Senate at the end of each year detailing the receipts and disbursements of the Board and summarizing measures of regulation and enforcement enacted as well as other information and recommendations deemed of value or which may be requested.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $366,396,200

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $36,279,100

Resolved, That the House insist on its disagreement to the amendment of the Senate numbered 42 to the aforesaid bill.

Mr. D'AMATO. I ask unanimous consent that the amendments in disagreement be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Senate concur in the House amendments numbered 7, 11, 12, and 22, and recede from amendment No. 42.

The PRESIDING OFFICER. Without objection, the Senate will concur in House amendments to Senate amendments numbered 7, 11, 12, and 22 and will recede from its amendment No. 42.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendments in disagreement were agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. D'AMATO. Mr. President, I yield the floor.

SECOND CONTINUING APPROPRIATIONS, 1982

Mr. HATFIELD. Madam President, what is the pending business?

The PRESIDING OFFICER. The clerk will state the pending business.

The legislative clerk read as follows:

A House joint resolution (H.J. Res. 357) making further continuing appropriations for the fiscal year 1982, and for other purposes.

The Senate continued with the consideration of the House joint resolution.

Mr. HATFIELD. Madam President, I yield to the Senator from Missouri for the purpose of presenting an amendment and on behalf of the minority manager and myself, I ask unanimous consent that we set aside the pending amendment for that opportunity.

The PRESIDING OFFICER (Mrs. HAWKINS). Without objection, it is so ordered. The Senator from Missouri is recognized.

UP AMENDMENT NO. 662

(Purpose: To provide $98,560,000 for training, job search, and relocation allowances under the Trade Act of 1974)

Mr. DANFORTH. Madam President, I thank the Senator from Oregon. On behalf of myself and Senators MOYNIHAN, ROTH, BRADLEY, EAGLETON, HEINZ, MITCHELL, and SPECTER, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri (Mr. DANFORTH), for himself, Mr. MOYNIHAN, Mr. ROTH, Mr. BRADLEY, Mr. EAGLETON, Mr. HEINZ, Mr. MITCHELL, Mr. SPECTER, Mr. BENTSEN, and Mr. RIEGLE, proposes an unprinted amendment numbered 662.

Mr. DANFORTH. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 101(a) add the following new paragraph:

(6) Notwithstanding any other provision of this joint resolution, in addition to any sums otherwise appropriated there is appropriated an additional sum of $98,560,000 which shall be made available for training, job search allowances, and relocation allowances, under sections 236, 237, and 238 of the Trade Act of 1974.

Mr. DANFORTH. Madam President, I rise today to offer an amendment that would insure $98.6 million in funds requested by the administration is available for job training under the trade adjustment assistance (TAA) program.

During consideration of the Omnibus Reconciliation Act of 1981, the Finance Committee considered at great length the administration's proposals to alter significantly the trade adjustment assistance program.

The stated intent of the administration in proposing these changes was to shift the program's traditional emphasis on cash benefits for workers displaced by imports toward a much stronger emphasis on retraining and relocation.

This was to be accomplished by reducing the class of workers eligible for any benefits—cash or training—by tightening eligibility criteria and then spending $112 million on retraining these workers.

As a result of the changes made by the Congress in the Budget Reconciliation Act, the total cost of the TAA program for fiscal year 1982 was expected to fall from the original projection of $1.5 billion to slightly over $300 million, including an expanded training program.

The administration's September budget request for the Employment and Training Administration in the Department of Labor specifically included the $112 million—adjusted to $98.6 million to reflect an added 12 percent cut—for additional training, job search, and relocation assistance for TAA recipients.

Unfortunately, the request arrived after the Labor Subcommittee had marked up the appropriation and was never considered by the committee. In fact, the committee's final appropriation level for employment and training assistance (ETA) for the Department of Labor falls $123 million under that requested by the administration in September.

Now we are faced with a situation where authorization exists for additional training, but the funds are not included in the continuing resolution.

We are not asking for money for a new program. The training apparatus has existed and been improved upon for almost 20 years.

Some 2,500 local job services offices, many already connected with State unemployment insurance (UI) offices will assist certified TAA recipients to obtain training in vocational education classes, private vocational schools, on-the-job training or other programs.

In the past, funding for training TAA recipients has been taken out of the CETA title III account. However, the $7 to $15 million used for this purpose has always been far too little to accommodate the thousands of training requests. So, many have had to be turned away.

Now, as we seek to change fundamentally the character of the TAA program, we need to insure the money is appropriated for this purpose.

I have with me a copy of a letter from Labor Secretary Donovan to Senator HATFIELD, chairman of the Appropriations Committee, urging the appropriation of the $98.6 million which I ask unanimous consent to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
Washington, D.C., November 16, 1981.

Hon. MARK HATFIELD,
Chairman, Senate Appropriations Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to you to express my concern about funding for training, job search, and relocation assistance for Trade Adjustment Assistance (TAA) beneficiaries in Fiscal Year 1982.

In the Administration's original March budget for Fiscal Year 1982, no funds were specifically requested for these trade activities, since these activities had previously been funded by title III of the Comprehensive Employment and Training Act. However, the Omnibus Budget Reconciliation Act of 1981 provided a specific authorization for trade training and related activities and therefore necessitates the specific funding of these trade activities within our appropriations.

In the President's September budget amendments, which reflected an across-the-board 12 percent reduction in most Department of Labor accounts, there was included an amount of $112 million in the Employment and Training Assistance account for training, job search and relocation for trade adjustment assistance recipients. With the 12 percent reduction, this amount is reduced to $98.6 million.

In the Full Committee mark-up of H.R. 4560, the Labor appropriation bill, no provision was made for the added $98.6 million requested by the President for these trade activities. Moreover, the total for the Employment and Training Assistance account is over $100 million less than the President's request.

It is important that the Department have resources to provide training, job search and relocation assistance to those persons displaced from employment due to the impact of trade. Without specific appropriations, we are not able to provide this assistance. On behalf of the Administration I am therefore requesting that language be provided in floor action on either the Department of Labor title of H.R. 4560, or other appropriating legislation, increasing the Employment and Training Assistance appropriation by $98.6 million and earmarking this amount for activities under the Trade Act.

I have enclosed draft language which I believe would achieve the desired results. I am requesting that you facilitate the introduction of the suggested language. However, we would have to oppose such an amendment unless offsetting reductions are made elsewhere in H.R. 4560, or such other appropriating legislation, that do not reduce any item below the amount requested by the President.

Sincerely,

RAYMOND J. DONOVAN.

Enclosure.

EMPLOYMENT AND TRAINING ASSISTANCE

For expenses necessary to carry into effect the Comprehensive Employment and Training Act, as amended, sections 236, 237, and 238 of the Trade Act of 1974, as amended (19 U.S.C. 2101), section 51 of the Internal Revenue Code of 1954, as amended (26 U.S.C. 51), sections 210, 211, and 212 of Public Law 95-250, and the Veterans' Employment and

Readjustment Act of 1972, as amended (38 U.S.C. 2003A), including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Comprehensive Employment and Training Act, as amended, $3,212,728,000 plus reimbursements, including $2,001,000 for the National Commission for Employment Policy and $98,560,000 for activities authorized by sections 236, 237, and 238 of the Trade Act of 1974, as amended: *Provided*, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: *Provided further*, That an amount not to exceed $41,318,000 shall be made available for Native American Employment and Training Programs authorized by section 302 of the Comprehensive Employment and Training Act, as amended, from amounts provided under Public Law 96-369, as amended, obligated under sections 233 (c) and (d) of the Comprehensive Employment and Training Act, as amended and remaining unexpended.

Mr. DANFORTH. Madam President, this is indeed a moderate request, Yet, it offers an opportunity to thousands of workers in the form of job training, job search and relocation. The Department of Labor estimates that with the $98.6 million 21,446 workers could be trained, 2,400 workers could be relocated, and 16,666 workers could benefit from job search assistance.

Do not think for a moment that the demand is not there. In fiscal year 1981, an estimated 18,000 TAA recipients received training. Of these, 16,000 had to pay for the training on their own.

Madam President, the TAA program already has undergone an 80-percent funding cut. The remaining funds should be used in the most efficient way possible—to retrain and relocate workers displaced by imports.

Trained workers are needed to increase the productivity and competitiveness of our industries.

If indeed we want to take people who are permanently displaced and get them permanently adjusted, providing these training funds is the best chance we have.

Madam President, in a nutshell, here is the situation we have with this amendment:

The trade adjustment assistance program traditionally has been geared to providing transfer payments of its entitlement program, geared to provide payments to workers who had been laid off because of foreign imports. Under the existing state of the law—at least, the laws that existed prior to the reconciliation bill—that program was going to spend an estimated $1.5 billion in fiscal year 1982.

The administration made the decision that the program was getting out of hand and that it had to be recast substantially. The administration decided to turn trade adjustment assistance from what primarily had been a cash payment entitlement program for workers who were laid off to a much greater emphasis on retraining.

The projected change in the total cost of the trade adjustment assistance to be accomplished by the administration's proposed changes was a reduction from the $1.5 billion which had been estimated to about $300 million; and of that $300 million, a little more than one-third was to be used for retraining. That was the situation that the Finance Committee understood to exist at the time we dealt with the reconciliation package, and it was the situation that was understood by the President when he submitted his budget.

Now we find that in the measure that is before us, in the reconciliation bill, the amount for retraining is not there. Therefore, the effect of not having it there is that not only do we not stay on target in reducing to 20 percent of the original program, the trade adjustment assistance program, but also, in essence, we gut the whole thrust of the administration's program. So what is at stake is the program of the administration in trade adjustment assistance.

Madam President, the last thing I want to do is to stand in the Senate today and ask for more money in this resolution, but here is a case of gutting the administration's own program, which, in essence, was a money-saving program.

Mr. SCHMITT. Madam President, the Subcommittee on Labor, Health, Human Services, and Education and the full Committee on Appropriations did not ignore the problem brought to us by this amendment of the Senator from Missouri.

In fact, we were acutely aware in our initial deliberations of the fact that the administration had not requested at that point moneys under the Reconciliation Act provisions to which the Senator has referred.

Even now, even though the President's September request included this $98.56 million for retraining, we do not have before us any justifications and specifically any program details on how it is going to be administered and how these funds would be utilized.

In the absence of specific hearings on this subject that would deal with those types of plans and procedures, the committee would have, in effect, been writing a blank check to the Labor Department and almost certainly acquiescing to significant duplication and overlap by that department in their training programs.

Several other Senators with other programs have made entreaties to the committee and to me personally and the ranking minority member, Senator PROXMIRE, to fund programs that have been authorized under reconciliation, for which it has been impossible to schedule hearings in the rush of events in the last few weeks and months. It has been impossible to schedule hearings to find out the details of how these programs would operate, which is the normal procedure of the Appropriations Committee and its subcommittees.

So it was the conclusion of the Appropriations Committee that the recommendation of the subcommittee was a good one and that we should proceed to have hearings at the earliest possible time but that we should not fund this program until such hearings had been conducted.

We all know the reconciliation process moved very, very rapidly without an extensive hearing record of its own, and we think that for those programs substantially altered in size or scope under reconciliation, the Appropriations Committee does have an obligation to Congress, and to the Senate specifically, to conduct a thorough examination through formal hearings.

As a matter of fact, we do not have information from the Labor Department on where the program will be administered, whether it be through State employment service offices or by CETA prime sponsors, or out of some mechanism derived from the Secretary's discretionary fund.

Madam President, the committee, though, was not completely blind to the potential needs for retraining of workers dislocated by adverse trade situations that have developed between us and our "allies."

In fact, the committee report in the Labor-HHS bill, which is referenced by this continuing resolution, authorizes the use of part of the $47 million in the Secretary's discretionary funds for trade retraining activities.

No amount was earmarked and so it is up to the discretion of the Secretary to move forward with this program, and if he feels as strongly as his letter to the chairman of the Appropriations Committee (Mr. HATFIELD), indicates then I suspect that he would want to do that. In addition, the Senate regular bill provides $1.2 billion which will be the operative amount under the continuing resolution, since the House amount is somewhat higher for retraining activities under title II, A, B, C of CETA.

I do not want to mislead my colleagues that this is entirely a substitute for what the Senator from Missouri is asking for, because this title of CETA deals with disadvantaged workers. But I think what should be our immediate concerns are those dislocated workers who in fact are disadvantaged.

The reason I say that is in reference to a report, the seventh annual report by the National Commission for Employment Policy, entitled the Federal Interest in Employment and Training, where they make the following conclusions:

The data presented in this paper fail to provide strong support for any such action.

And that is action for the use of Federal employment and training resources relative to disadvantaged workers.

Among the key findings contributing to this conclusion are the following:

Defining economic dislocation as we have, the overall magnitude of the dislocated worker population is not strikingly large. This finding holds whether we look at the number of dislocated workers, that number as a proportion of the labor force, or that number as a proportion of the unemployed.

The category of dislocated worker itself is at best a weak predictor that an unemployed person will suffer long periods of unemployment, special difficulties becoming reemployed, or extreme economic hardship while unemployed. Alternative targeting criteria such as workers from low-income families or workers experiencing unemployment of long duration identify such persons much more effectively.

To the extent that dislocated workers do experience unusually long periods of unemployment, the causes of this long duration

generally reflect past and present affluence rather than past or present distress. These "disabilities of affluence" include geographical immobility arising from homeownership; financial incentives to wait inordinate periods for possible recalls from layoffs, created by high wages and generous fringe benefits enjoyed on their previous jobs; and lack of financial pressure to seek immediate employment, because of generous coverage by wage replacement programs and the presence of other earners in the family.

Madam President, this October 1981 report concludes with the following paragraph:

Such activities—ad hoc, short-term interventions in local "crisis" situations and longer term regional economic development initiatives—may be appropriate responses to the problems of workers dislocated by economic change. Creation of a major ongoing Federal program of employment and training targeted on dislocated workers, or substantial retargeting of existing Federal activities toward this group, does not seem an appropriate response to the nature and magnitude of the problem described in this paper.

Madam President, I ask unanimous consent to have printed in the RECORD this entire section of this report to which I am referring.

There being no objection, the section of the report was ordered to be printed in the RECORD, as follows:

[From the Seventh Annual Report: The Federal Interest in Employment and Training]

IMPLICATIONS FOR THE USE OF FEDERAL EMPLOYMENT AND TRAINING RESOURCES

Should workers dislocated by economic change become a new, high-priority target group for Federal employment and training programs? Are their needs sufficiently urgent, and the potential returns to that investment sufficiently high, to justify serving their needs at the expense of disadvantaged workers who currently are the main focus of such activity?

The data presented in this paper fail to provide strong support for any such action. Among the key findings contributing to this conclusion are the following:

Defining economic dislocation as we have, the overall magnitude of the dislocated worker population is not strikingly large. This finding holds whether we look at the number of dislocated workers, that number as a proportion of the labor force, or that number as a proportion of the unemployed.

The category of dislocated worker itself is at best a weak predictor that an unemployed person will suffer long periods of unemployment, special difficulties becoming reemployed, or extreme economic hardship while unemployed. Alternative targeting criteria such as workers from low-income families or workers experiencing unemployment of long duration identify such persons much more effectively.

To the extent that dislocated workers do experience unusually long periods of unemployment, the causes of this long duration generally reflect past and present affluence rather than past or present distress. These "disabilities of affluence" include geographical immobility arising from homeownership; financial incentives to wait inordinate periods for possible recalls from layoffs, created by high wages and generous fringe benefits enjoyed on their previous jobs; and lack of financial pressure to seek immediate employment, because of generous coverage by wage replacement programs and the presence of other earners in the family.

Although the magnitude of the dislocated worker population is not large relative to the entire U.S. labor force, it is large in relation to the population served in current Federal adult employment and training programs. For example, in fiscal year 1979, 1,183,000 persons were served under titles II (B) and II(C) of the Comprehensive Employment and Training Act (CETA), one of the main existing vehicles for combatting adult structural unemployment.[20] The estimates of the dislocated worker population presented earlier in this report ranged from 90,000 to 890,000. Thus, these estimates range from 8 percent to 75 percent of the population served by CETA parts II(B) and II(C).[21] If such programs, currently reserved primarily for disadvantaged workers, were opened to dislocated workers, the extent of displacement of resources from disadvantaged workers might well be substantial.

Such negative conclusions, however, leave unaddressed three dislocated-worker problems which our empirical data suggested were possibly serious enough to require a Federal response:

Economic dislocation defined in terms of regional economic decline;

The uniquely massive unemployment problems of the motor vehicle manufacturing industry; and

The high levels of unemployment in a local area immediately following a mass layoff.

With respect to the first of these problems, the reemployment difficulties of workers arise largely from their geographical immobility in combination with lack of local demand for workers of any type. Such problems generally are not addressed effectively by employment and training initiatives; rather, they typically require locationally focused economic development efforts. Such programs have been undertaken in the past by such Federal agencies as the Economic Development Administration and the U.S. Department of Housing and Urban Development.

As for the second problem, the uniqueness of the automobile industry situation may suggest an ad hoc approach. A special initiative for this industry alone could be established either by explicit congressional action or by executive branch action to mobilize various discretionary funds.

Alternatively, a Federal system could be created to, in effect, institutionalize ad hoc aid. This system could be applied first to the automobile industry but then be available when such large-scale problems arise in the future and when they recur in local areas in the wake of mass layoffs. Such a system might involve intensive employment placement and retraining efforts for a limited period of time (e.g., 6 months) to supplement ongoing services (CETA prime sponsors, the Employment Service, and others). The Canadian Government's Manpower Consultative Service is a model of such a system in operation and merits examination for its applicability to the American situation.[22]

Such activities—ad hoc, short-term interventions in local "crisis" situations and longer term regional economic development initiatives—may be appropriate responses to the problems of workers dislocated by economic change. Creation of a major ongoing Federal program of employment and training targeted on dislocated workers, or substantial retargeting of existing Federal activities toward this group, does not seem an appropriate response to the nature and magnitude of the problem described in this paper.

[20] This figure encompasses classroom training (549,425 individuals), on-the-job training (156,787 individuals), and work experience (391,243 individuals). Public service employment is excluded. See *Employment and Training Report of the President* (Washington, D.C.: U.S. Government Printing Office, 1980), p. 351.

[21] Of course, many of the dislocated workers would probably not elect to participate in an employment and training program, particularly if participation were not required to receive wage replacement payments such as Unemployment Insurance.

[22] The Canadian system is described in *Workers' Adjustment to Plant Shutdowns and Mass Layoffs: An Analysis of Program Experience and Policy Options* (Washington, D.C.: ICF, Inc., forthcoming), especially chapter 4.

Mr. DANFORTH. Madam President, could I just ask the Senator to yield for a point of clarification?

Mr. SCHMITT. I am happy to yield to my friend from Missouri.

Mr. DANFORTH. It is my understanding that the Senator from New Mexico takes the position that this is an untested new program. I simply point out that that is not in fact the case. This is additional money for an established program, the established program being the Employment and Training Administration of the Department of Labor. It is new with respect to an alternative to the existing entitlement program under trade adjustment assistance. But it is the utilization of an existing and time-honored program in the Department of Labor to actually provide training.

Furthermore, the total appropriation for the employment and training assistance program in the Department of Labor is some $123 million under the amount that was requested by the Administration in September. So, in fact, there is no other pocket in this program which is available to provide for trade adjustment assistance training.

Mr. MOYNIHAN addressed the Chair.

Mr. SCHMITT. Madam President, if the Senator will yield so I can complete my response to that question, and the Senator from New Mexico does have the floor at this point, the Senator from Missouri may be correct. We have had no indication from the Secretary that that, in fact, is what he plans to do relative to this specific initiative that they are asking for.

I realize, like every other program in this budget that we are all very interested in, the discretionary programs, there are funds less than what individuals and groups, in fact the whole Senate, would desire to have.

I would remind him that the regular Labor-HHS money bill, the bill to which this resolution is referenced, is estimated by the Office of Management and Budget as being $3.2 billion over the September request of the President in budget authority, and $2.6 billion over in outlays.

So even though the administration may have requested this increase, they requested it in the face of a letter that I have right here from Mr. Stockman that says, "We are in trouble with respect to the total amounts in this bill."

Now, Madam President, I will conclude finally by saying that the House regular bill did not include the President's request for the $98.56 million. In fact, a House floor amendment to add $20 million, only $20 million, for trade retraining activities was defeated.

So the difficulties of retaining the amount asked for by the Senator from

Missouri in conference should be obvious, on top of our already untenable position with respect to the total budget proposals contained in the committee bill.

With that I would be happy to yield——

Mr. PROXMIRE. Madam President, will the Senator yield briefly to me?

Mr. SCHMITT (continuing). To the Senator from Wisconsin then we can yield briefly to the Senator from New York.

Mr. PROXMIRE. I would just like to commend the distinguished Senator from New Mexico. He has one of the most difficult and painful jobs in the Senate. There is nothing harder than to hold down spending on health and human services, education, and he supports all of these things, he really does, and he has made a gallant fight to try to handle this as fairly as he possibly can.

Now he is told by the Office of Management and Budget, as he has just told us, that this is $3.2 billion in budget authority and $2.6 billion in outlays over the administration's position, their request.

I think the case made by the Senator from Missouri, and I sure by the Senator from New York and others, will make a very powerful case for this, and it is very compelling. This is most appealing.

But I suggest that if we do this, we should take the money out of something else—hard to do but something else—in this bill. That is what the Senator from New Mexico has had to do, and do it for weeks now, and he has done a top-flight job. Maybe we cannot win on this. It has some very impressive sponsors and cosponsors. But if we are going to really mean business about holding down the budget, this is the kind of restraint that, it seems to me, we have to have.

Mr. SCHMITT. Madam President, will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. SCHMITT. He brings up a very important point, one which I think broke the hearts of many people last night when, after a very short debate—but where the issues were obviously very clear—we turned down Senator KENNEDY'S amendment for $335 million additional for a program that we know absolutely needs additional assistance, and that is the youth unemployment programs.

We just cannot do it. We just cannot continue to pile money into a bill that is already going to be subject possibly, and I think quite likely, to a Presidential veto, unless we can figure out some way to reduce the growth and cap the growth of the entitlement programs.

But to now look at almost $100 million as an add-on for dislocated workers who have been shown in a study by the Commission with which the Secretary of Labor is associated, to not need retraining at a significantly high level compared to the young people, the unskilled young people, we were talking about last night, seems to me to be the height of folly when added to the total budgetary difficulty we have today.

I appreciate the Senator from Wisconsin bringing up that point.

Mr. MOYNIHAN. Madam President, first of all I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MOYNIHAN. Madam President, I join my colleague from Missouri in an amendment to correct a truly unfortunate oversight that has been made in this continuing resolution. Although this administration has requested $98.56 million for training, job search, and relocation assistance for workers in the trade adjustment assistance program, no such funds are included in this joint resolution. Our amendment would simply reinstate these moneys.

I think it best to let the administration explain. I have with me a letter from Secretary of Labor Donovan to the chairman of the Senate Appropriations Committee. He writes:

> In the Administration's original March budget for Fiscal Year 1982, no funds were specifically requested for these trade activities, since these activities had previously been funded by title III of the Comprehensive Employment and Training Act. However, the Omnibus Budget Reconciliation Act of 1982 provided a specific authorization for trade training and related activities and therefore necessitates the specific funding of these trade activities within our appropriations.

He continues:

> In the President's September budget amendments, which reflected an across-the-board 12 percent reduction in most Department of Labor accounts, there was included an amount of $112 million in the Employment and Training Assistance account for training, job search and relocation for trade adjustment assistance recipients. With the 12 percent reduction, this amount is reduced to $98.6 million.

Alas, Madam President, the administration's September budget request for these training moneys arrived after the Labor Subcommittee had marked up the appropriation, and therefore was never considered by the committee. Such were similar circumstances facing the House, and as such no money was appropriated by that body as well.

It is no surprise then, that the committee's final appropriation level for employment and training assistance for the Labor Department falls $123 million under the level requested by the administration in September. This body could add the $98.6 million for TAA training requested by the administration without exceeding the level requested by the President in September.

In fact, Secretary Donovan has requested that the continuing resolution be amended to include these funds.

> It is important that the Department have resources to provide training, job search and relocation assistance to those persons displaced from employment due to the impact of trade. Without specific appropriations, we are not able to provide this assistance. On behalf of the Administration I am therefore requesting that language be provided in floor action on either the Department of Labor title of H.R. 4560, or other appropriating legislation, increasing the Employment and Training Assistance appropriation by $98.6 million and earmarking this amount for activities under the Trade Act.

While Secretary Donovan's letter indicates that the administration would want an offsetting budget reduction somewhere else in the continuing resolution, his letter makes clear the administration's commitment to TAA training.

Indeed, retraining workers who lose their jobs because of imports is the very heart of the TAA program. The TAA program does not just compensate these workers, but more importantly invest in assisting this experienced work force to adjust to new competitive conditions. It is simply good economics. It is why this Congress has been committed to the TAA program for over 18 years.

The changes we made in the Budget Reconciliation Act brought the total cost of the TAA program for fiscal year 1982 down from $1.5 billion to slightly over $300 million. While this body knows that I had serious misgivings about some of these changes, I must emphasize that this program has already undergone an 77-percent funding cut. It was the stated intent of the administration and the understanding of members of the Finance Committee when this drastic reduction was made that over one-third of the remaining funds would be spent on retraining workers in the TAA program.

If the $98.56 million requested by the administration for this training assistance is not provided for in this continuing resolution, this Senate would in effect cut the TAA program by 84 percent and, I am devastated to think, undermine the very purpose of the new reforms that we made to the program just a month or two ago.

I remind this body that an understanding was reached with the American labor movement at the time that the Tokyo round of multilateral trade negotiations was considered by the Congress. The understanding was that trade adjustment assistance would be available to ease the shock of shifting economic activities brought about by American national policy to open our domestic markets to free trade.

We have an obligation to those workers and would at least not be breaking that obligation if this amendment can be accepted and adequate funds for training assistance can be provided.

I would like to respond to three points made by my friends from Wisconsin and New Mexico.

First of all, Madam President, we are looking at a 84-percent budget cut for fiscal year 1982. This is not 12½ percent or 4¼ or 15⁹⁄₁₀ths. The request of President Carter was $1.5 billion and it is reduced now to $238 million.

No program in this budget that I know, of this magnitude and consequence, will have been reduced by this exorbitant amount. Decimated is not the word—decimated would be a 10-percent cut. What is the opposite, at the other end of the spectrum from decimated? Destroyed and betrayed. Madam President, this reduction breaks the word of the American Government to the American workers. These men are out of work in

consequence of policy decisions by the American Government to put them out of work through changes in tariffs.

This Congress gave the President the right to make such a policy decision on condition that persons so displaced; first, would have unemployment insurance for a longer period; but second, would be retrained.

Madam President, I assert no larger competence in this field than many of the Members of this body, but I was an Assistant Secretary of Labor in the administration of President Kennedy when the Manpower Development and Training Act of 1962 was adopted, and the training program of the Federal Government, as we know it, began.

They have had widely varied degrees of success, and correspondingly, of failure. They have invariably been most effective when trained workers with an attachment to the work force are retrained. Those are your optimal targets for such programs. That is where your highest, clearest, most immediate benefits come. This is what we are taking out of this budget, the training.

It is one thing to take a person in his fifties, abolish his job because of tariff policy, give him 52 weeks of unemployment insurance, and then what? They do not need unemployment insurance. They will not use it to get a job. Retraining is what this is all about.

I do not speak to the present administration. This President made no such commitment, but the Presidency did.

The Trade Adjustment Act would not have passed the Senate without this commitment. I think the Senator from Missouri would agree.

Mr. DANFORTH. I wonder if the Senator from New York will yield, Madam President?

Mr. MOYNIHAN. I would be happy to yield.

Mr. DANFORTH. The Senator from New York and I are both members of the Committee on Finance, and my recollection of the deliberations in the Committee on Finance with respect to trade adjustment assistance in the reconciliation bill was essentially this: The administration took the position, like we now have a trade adjustment assistance program which is too expensive, it is essentially an entitlement program, that we want to change that. We want to reduce the cost to about 20 percent of the original program, and we want to do that by substituting for most of the entitlement program a retraining program.

Mr. MOYNIHAN. That is correct.

Mr. DANFORTH. And it was the position of the Finance Committee, reluctantly on the part of some of us, that fine, we agree to the substitute. Now we find out that the Appropriations Committee kills the substitute.

Mr. MOYNIHAN. Exactly. And why did we agree? I do not want to speak for others, but I think I can speak for the Senator from Missouri and myself. Retraining is the surest approach to the displacement of import-injured workers from their previous jobs. These are already trained workers. They are employed. They have attachments to the labor force.

I just want to say to the Senator from New Mexico, who is in no way responsible for this, but the American workers, in the form of the trade unions that represent them and that speak in these Halls with the authority of their membership, undertook to accept and support the Trade Agreements Act of 1979, that was the result Tokyo round of multilateral trade negotiations, on the condition that this adjustment assistance would be made available. It was the last moment, I fear, when the American labor movement will be for a trade expansion bill. And they did it because a commitment was made to them. If that commitment is broken, I fear an economic policy that begins with the Smoot-Hawley tariff and the crash of the 1930's and then with Cordell Hull revived. Accordingly, every President from Franklin D. Roosevelt on—Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter—have pursued this commitment.

Are we going to go break that tradition on the floor of the Senate by breaking our commitment? I hope not. I see the Senator from Delaware, our distinguished colleague from the Finance Committee, has risen. I am happy to yield to him.

Mr. ROTH. I appreciate very much the Senator yielding to me. I would just like to reaffirm what the Senator said with respect to the Trade Act of 1979. As the Senator may recall, the distinguished chairman of the Subcommittee on Trade, Senator Ribicoff, and myself, as the ranking member of that subcommittee, worked very hard to get as broad approval as we could of that legislation. I am sure the Senator also will recall at that time that there was a great deal of concern that it would prove impossible to get the Congress to adopt the Tokyo round.

Mr. MOYNIHAN. If my distinguished friend would allow me to interrupt, it seemed an altogether hopeless cause.

Mr. ROTH. No question about it. And one of the reasons I think we succeeded in getting the adoption—and I must say it was in an afternoon with very little debate—was that we did make commitments to the labor movement that, in return for their support, we were going to do something about trade adjustment. And for that reason, I am strongly in support of what the distinguished Senator from Missouri and the distinguished Senator from New York are doing. I think we have made a commitment. I think we should keep that commitment. Like the distinguished Senator from New York, I am very concerned that if we are going to continue on the road of liberal trade policies, we have got to make sure that the workers that are impacted are taken care of.

I thank the Senator for yielding to me.

Mr. MOYNIHAN. Madam President, if I may just make one last comment. The role of the Senator from Delaware in bringing that legislation about was singular. And a man of his sense of honor cannot but be devastated by the thought that a commitment he made to insure that adjustment assistance would be available, a commitment he made with the understanding that the Senate was behind him, should turn out to be so fragile. We are a stronger institution than that. We should be careful about how we cast our vote on this occasion.

TRAINING FOR TRADE ADJUSTMENT

Mr. ROTH. Madam President, I rise in support of the amendment offered by my colleague from Missouri to include in the continuing resolution the $98.56 million in training funds requested by the administration for the trade adjustment assistance (TAA) program.

Madam President, during Finance Committee consideration of the Omnibus Reconciliation Act of 1981, I pressed strongly for the development of a trade adjustment assistance program that would enable workers to retrain and find jobs in other, perhaps more advanced sectors of our economy. I supported a program that would emphasize adjustment over assistance. As I have argued repeatedly in the past, I argued during those Finance Committee hearings that much of labor's support for the free trade policies of the United States is based on the availability of an adjustment program that will help displaced workers get back on their feet.

During the hearings, I was promised by the administration that its revised TAA program would emphasize adjustment over assistance. I was promised a program that would help displaced workers get back on their feet.

The administration offered a plan to provide over $100 million in additional training money for TAA for fiscal year 1982. While this figure was eventually reduced to less than $99 million to comply with the President's September budget request, it still represented a commitment to labor. It represented a commitment to help labor adjust to rapidly increasing imports with a positive program of training, job search, and relocation.

Madam President, I believe Congress should agree to make such a commitment, as well. Congress should include the $99 million requested by the administration for TAA training.

This funding is critical. Worker displacement due to increasing imports is not a problem that will simply go away if we ignore it. Only last week, 3,500 workers in the Newark, Del., Chrysler plant were laid off. While I hope this serious situation is a temporary one, it serves as further proof of the precarious condition of our automotive industry. It is also proof of the crying need to have a program in place that will insure a stable environment for workers should they be permanently displaced by imports.

Madam President, this is not just a question of narrow import-related interests. Rather, we are facing a policy decision here in Congress over whether we want to take positive action to reverse the productivity decline in this country. While the Government should not in any way take over the role of management and workers in improving the output and efficiency of our plants and factories,

Government can take some constructive steps to set the tone for productivity enhancements and long-term job stability.

An aggressive, albeit modest, program of training for worker adjustment to changed worldwide market conditions under TAA would set such a positive tone.

Surely, Madam President, we must establish priorities for the limited funds available for Government plans. I believe, however, that one of those priorities must be training under TAA.

I therefore urge my colleagues to support this amendment to reinstate nearly $98.6 million in TAA training money.

Mr. SCHMITT addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. SCHMITT. Madam President, the Senate and the Congress as a whole has decided, under the Omnibus Reconciliation Act, to reduce trade adjustment payments by sequencing them after those unemployment benefits paid through the unemployment trust fund. I think that was a considered decision by the Congress in which the Senate concurred and has at least reduced this ever-increasing drain on the Treasury that trade adjustment assistance, paid on top of unemployment benefits, had caused.

In addition, Madam President, I bring up once again the fact that we do not know what the size and the scope of this program is going to be. I call my colleagues' attention to the fact that previously the employment and training administration for these kind of programs was spending about $5 to $10 million out of discretionary funds available to the Secretary. And we have continued, through report language, to encourage that that be done. But we do not know how they are going to expand almost 10 times that amount if the request of the Secretary of Labor is agreed to by the Senate through the passage of the amendment offered by the Senator from Missouri.

I also would remind my colleagues who are here and may be listening that the impact of this is not national. It is confined primarily to those States which are experiencing some serious dislocations as a consequence of the downturn principally in the automobile industry but related supporting industries.

Again, there are provisions in law and in this bill which provide for not only unemployment compensation for those that have not yet found employment, but for retraining of those who are disadvantaged. And the report of the National Commission for Employment Policy, which I put into the RECORD, did not conclude that dislocated workers of this type are generally or even specifically in need of retraining activities; nothing to the extent that youth who have never been employed or only marginally employed need such help.

Now, I would fully expect that in the course of hearings on this subject which the Subcommittee on Labor, Health and Human Services and Education will hold, that we will see what the administration has in mind, how they plan to expand this program of retraining over and above what they can do right now with existing authority. And if they make the case that I suspect they will try to make and if they can also explain the discrepancy between the conclusions of the National Commission for Employment Policy and the conclusion implicit in the letter from the Secretary of Labor relative to this subject, then I suspect we are going to see some increase in funds made available for retraining.

But until that is done, I think it would be terribly unwise for the Senate to proceed to essentially again write a blank check of almost $100 million for retraining for which specific justification has not yet been specifically provided.

Mr. BRADLEY. Madam President, I rise in support of the Danforth amendment to reinstate $98 million for the training of workers who have lost their jobs because of competition from abroad.

This is not a regional issue, as the Senator from New Mexico has tried to paint it; this is a national issue. The question is whether we will continue to be able to compete on the cutting edge of change in a growing world economy or whether pressures will begin to grow in this country which will push us further and further to the brink of the protectionist abyss. It is that simple.

We operate in a world economy which was organized in the post-World War II years upon the principles of free trade and the free flow of capital. That system has worked exceedingly well. Since about 1971 we have had a lot of stresses on that system ranging from protectionist pressures to increased competitiveness of our allies to floating exchange rates to oil shock.

But the point is there is still a commitment on the part of most Americans, working people and managers, to look to the future with belief that America can continue to compete and can continue to remain on the cutting edge of change.

If we are to do that, we will find some of our workers who will be displaced because their industries, as a part of the world economy, will have lost their competitiveness.

The question that faces our country, not a region but our country, is whether we will be able to assure those workers—not their institutions but those workers—some reason to believe that they can get a job in a growing sector of the economy.

The traditional response—and this has been a response in both Republican and Democratic administrations—has been to subsidize the dying institution, to protect the worker's job in an institution that has lost its competitiveness, thereby assuring to most American consumers higher prices.

Let me say that I think that route is approaching a dead end and that we have to focus on the individual who finds himself at age 50 and 55 caught in a dying industry. What do we do with that individual, not what do we do with a dying company. The kind of an answer has to be that we allow the kind of assistance that will allow that individual to move to a growing sector of the economy.

This amendment is very modest. The Senator from New Mexico made the point, "How will they be able to spend $98 million when last year they only had $12 million and it was spent but was not spent fully?"

I would simply point out that last year there were 18,000 Amercans who were on trade adjustment assistance and 16,000 of them had to pay for their retraining themselves.

In my view, the Government has a role in assuring that skills are acquired. If this transition is not made, you will find those workers and their unions arguing more and more vehemently for trade barriers, first.

Second, they will be arguing more and more for Government subsidies to their company or institution.

This amendment says very clearly that there is another route, that we believe that that route is essential to maintaining U.S. competitiveness and to assure that workers have some opportunity for growth in a decade where that growth is essential for all of us to prosper.

So, Madam President, I rise in support of the amendment. I would hope my colleagues would not be put off by the argument that yesterday we rejected the human capital amendment that dealt with young minority students in our cities and, therefore, today we should reject the human capital amendment that deals with older workers.

These are two separate problems. They are each equally pressing. Today's merits the Senate's affirmative vote. I hope the Senator from Missouri will see fit to vote in due course.

(Mr. HEINZ assumed the chair.)

Mr. DANFORTH. Mr. President, I do not have very much more to say except this: This program is not Senator BRADLEY'S program, Senator DANFORTH'S program, Senator ROTH'S program, or Senator MOYNIHAN'S program. We are not arguing for appropriations for some new innovation on our part, nor are we arguing that some programs should be expanded beyond the request of the Reagan administration.

We are here arguing for the Reagan program. We are asking that the trade adjustment assistance program suggested by the administration, supported by its Secretary of Labor, requested in its own budget, requested in its letter to Senator HATFIELD, of the Appropriations Committee, be funded.

The administration asked the Congress to substitute one kind of program for another. We said, "Fine. Change the existing trade adjustment assistance program and substitute your version," which is a training program.

Now we are saying, "Scrap that as well, unless we appropriate the funds to do it."

Mr. President. if no one else cares to speak on the subject, I move adoption of the amendment.

Mr. SCHMITT. Mr. President, I do not know of anyone else who wishes to speak on this subject. If there is nobody, I move to lay the amendment on the table.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The

question is on agreeing to the motion to lay the amendment of the Senator from Missouri on the table.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. NICKLES) is necessarily absent due to a family emergency.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. NICKLES) would vote "yea."

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Hawaii (Mr. MATSUNAGA) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 49, nays 46, as follows:

[Rollcall Vote No. 400 Leg.]

YEAS—49

Abdnor	Gorton	Percy
Andrews	Grassley	Pressler
Armstrong	Hatch	Proxmire
Baker	Hatfield	Quayle
Boschwitz	Hawkins	Rudman
Byrd, Harry F., Jr.	Hayakawa	Schmitt
	Helms	Simpson
Chiles	Hollings	Stafford
Cochran	Humphrey	Stennis
Cohen	Jepsen	Stevens
D'Amato	Kasten	Symms
DeConcini	Laxalt	Thurmond
Denton	Lugar	Tower
Domenici	Mattingly	Wallop
East	McClure	Warner
Exon	Moynihan	Zorinsky
Garn	Murkowski	

NAYS—46

Baucus	Ford	Mitchell
Bentsen	Glenn	Nunn
Biden	Hart	Packwood
Boren	Heflin	Pell
Bradley	Heinz	Pryor
Bumpers	Huddleston	Randolph
Burdick	Inouye	Riegle
Cannon	Jackson	Roth
Chafee	Johnston	Sarbanes
Cranston	Kassebaum	Sasser
Danforth	Kennedy	Specter
Dixon	Levin	Tsongas
Dodd	Long	Weicker
Dole	Mathias	Williams
Durenberger	Melcher	
Eagleton	Metzenbaum	

NOT VOTING—5

Byrd, Robert C.	Leahy	Nickles
Goldwater	Matsunaga	

So the motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. SCHMITT. Mr. President, I move to lay that motion on the table.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays.

Mr. BAKER. Mr. President, on what?

The PRESIDING OFFICER. On the motion to lay on the table.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the motion to lay on the table the amendment of the Senator from Missouri was agreed to.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ZORINSKY (after having voted in the affirmative). Mr. President, on this vote I have a pair with the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "aye." I withdraw my vote.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Oklahoma (Mr. NICKLES) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. NICKLES) would vote "yea."

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Hawaii (Mr. MATSUNAGA) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

Mr. MOYNIHAN. Mr. President, may we have regular order?

The PRESIDING OFFICER. Are there any other Senators who wish to vote?

The result was announced—yeas 47, nays 47, as follows:

[Rollcall Vote No. 401 Leg.]

YEAS—47

Abdnor	Garn	Murkowski
Andrews	Gorton	Percy
Armstrong	Grassley	Pressler
Baker	Hatch	Proxmire
Boschwitz	Hatfield	Quayle
Byrd, Harry F., Jr.	Hawkins	Rudman
	Hayakawa	Schmitt
Chiles	Helms	Simpson
Cochran	Hollings	Stafford
Cohen	Humphrey	Stennis
D'Amato	Jepsen	Stevens
DeConcini	Kasten	Symms
Denton	Laxalt	Thurmond
Domenici	Lugar	Tower
East	Mattingly	Wallop
Exon	McClure	Warner

NAYS—47

Baucus	Ford	Mitchell
Bentsen	Glenn	Moynihan
Biden	Hart	Nunn
Boren	Heflin	Packwood
Bradley	Heinz	Pell
Bumpers	Huddleston	Pryor
Burdick	Inouye	Randolph
Cannon	Jackson	Riegle
Chafee	Johnston	Roth
Cranston	Kassebaum	Sarbanes
Danforth	Kennedy	Sasser
Dixon	Levin	Specter
Dodd	Long	Tsongas
Dole	Mathias	Weicker
Durenberger	Melcher	Williams
Eagleton	Metzenbaum	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Zorinsky, for.

NOT VOTING—5

Byrd, Robert C.	Leahy	Nickles
Goldwater	Matsunaga	

So the motion to lay on the table was rejected.

Several Senators addressed the Chair.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPRESSION OF SUPPORT FOR THE PRESIDENT'S PEACE INITIATIVE

Mr. BAKER. Mr. President, I ask unanimous consent that the pending motion to reconsider be temporarily laid aside so that the Senate may proceed to the consideration of a resolution passed by the House, House Concurrent Resolution 224, whch is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (H. Con. Res. 224) to express the support of the Congress for the President's initiatives for peace.

Mr. BAKER. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, it is my hope that the debate on this resolution can be very brief. It has been passed by the House of Representatives overwhelmingly. I think it would be a major contribution by the Senate to the cause of peace and the furtherance of the effort to negotiate an accord on arms limitation and reduction if the Senate promptly goes on record in support of this resolution as passed by the House of Representatives. I urge Members who wish to make statements to put their statements in the RECORD if they wish to do so and if it is possible for them to do so, so that we can proceed to a vote on this measure as promptly as possible.

Mr. JACKSON. Will the Senator yield?

Mr. BAKER. I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I will just take a moment to say that I commend the President of the United States for his speech of yesterday. I think he has addressed the central issue facing the Western World by his far-reaching proposals for the mutual reduction of nuclear weapons in a stabilizing manner, based on sensible methods of verification.

I believe the American people are now determined to fortify our defenses and enhance deterrence. But as I have often said, we do this because the defense of freedom leaves us no alternative. We are a people of peace. We do not rejoice in devoting our resources and talents to the building of armaments. We would far rather participate in programs for improving the quality of life and ending poverty and disease for people everywhere. This is the basic truth that President Eisenhower conveyed in his historic address of April 16, 1953, and that President Reagan has again emphasized in his call for serious mutual arms reductions.

The unity of this country behind the President's initiative is very, very im-

portant. I see his speech as the kickoff of an effort that is bound to take hard bargaining, patience, and time. The endeavor must be pressed month after month, year after year, if necessary. I want to say that I shall do everything I can to assist the President in his drive on behalf of what all people yearn for, and that is the mutual, balanced reduction and the eventual removal of all nuclear weapons.

Mr. STENNIS. Will the Senator yield to me?

Mr. JACKSON. Yes.

Mr. STENNIS. I heartily agree with the substance of his statement. I also commend the President for the start he has made in what I think is the most important business before him.

Mr. BAKER. Mr. President, I yield to the distinguished chairman of the Foreign Relations Committee.

Mr. PERCY. Mr. President, yesterday hundreds of millions of people in America and around the world were witness to a speech of historic dimensions. Speaking via a global radio and television hookup, President Reagan outlined a bold four-point agenda affirming America's commitment to the pursuit of peace and meaningful arms reduction agreements. The thrust of the President's address is remarkably straightforward: The United States proposes substantial, militarily significant reductions in conventional, intermediate-range nuclear, and strategic forces, with equal ceilings for similar types of weaponry and adequate provisions for verification.

I join my colleagues in applauding the President's announcement that the NATO alliance is prepared to forgo the deployment of new land-based intermediate-range missiles in Europe, provided the Soviets agree to scrap their enormously hostile and destabilizing force of SS–20, SS–4, and SS–5 missiles. Taken in full consultation with our NATO allies, this decision should once and for all reassure the people of Europe and the world that the United States is committed to the twin goals of security and stability in its relationship with the Soviet Union.

In my judgment, this eminently reasonable NATO offer will appropriately test the Soviets' self-declared dedication to a peaceful and harmonious relationship with the Western Alliance. I can only hope that the Soviet Union will in time recognize and act on this historic opportunity to reverse what otherwise could prove to be another costly spiral in the nuclear arms race.

To my regret, we have already heard scattered accusations that there is no substance to the President's proposal on European-based nuclear missiles, that the United States is more interested in scoring a public relations triumph than in decreasing the level of weaponry deployed in Europe. Some nay-sayers have even gone so far as to suggest that it is somehow not fair to ask the Soviet Union to dismantle its deployed missiles.

To those making these accusations, I would ask where is the fairness in the Soviet's deliberate effort to intimidate NATO with a massive missile force whose mission in war would be none other than the total nuclear devastation of Western Europe? What is fair about the Soviet Union deploying hundreds of modern SS–20 missiles during a period when NATO has not deployed a single new intermediate-range nuclear missile on European soil and when, in fact, NATO has unilaterally withdrawn 1,000 nuclear warheads?

Mr. President, I would suggest that it is incontestably fair for the NATO alliance to insist that no such missiles are needed on either side. There is a marvelous simplicity to the concept of reducing weapons of this type to the level of zero. How ironic and misguided that some leaders of the nuclear disarmament movement in Europe have chosen to defend the Soviet Union and speak out against a proposal that would provide, for the first time in history, for the total elimination of a particular type of deployed nuclear weaponry.

Mr. President, I am confident that the overwhelming support being afforded this resolution in the House and the Senate will send a message to Moscow. That message is that the U.S. Congress stands firmly behind the NATO theater nuclear force proposal and would quickly approve any agreement that incorporates its terms. Let there be no mistake, we in the Congress regard this proposal as serious, constructive, and enormously promising.

One other element in the President's address deserves special note and commendation. The President's announcement yesterday that he has directed Secretary Haig to begin the new strategic arms reduction talks (START) as soon as possible in the new year is good news indeed. While we must not underestimate the difficulty of the negotiations that lie ahead, I fully expect that the President will achieve an agreement with the Soviet Union that will, for the first time in the nuclear age, provide for genuine reductions in the awesome strategic weaponry deployed by both sides. In concert with the President's initiatives on the mutual and balanced force reductions talk and the conference on disarmament in Europe, the proposals on TNF and START establish a sound blueprint for promoting arms control and preserving the peace.

Mr. President, for 10 years on the Senate Foreign Relations Committee, serving under or with Democratic Presidents, I have urged bipartisan foreign policy. I think the statements just made by our distinguished colleagues on the other side of the aisle, including the brilliant and immediate response by the distinguished minority leader, Senator ROBERT BYRD of West Virginia, is the essence of the best of the U.S. Senate.

In commending the President on the initiative, creativity, and boldness with which he has moved forward the distinguished assistant minority leader, Senator CRANSTON, continues his leadership in the Senate for so many years now in the area of arms reduction and arms control. I am proud of the dedication Senator LARRY PRESSLER, chairman of the Subcommittee on Arms Control of the Senate Foreign Relations Committee, has for this cause. We thank our distinguished colleagues for the bipartisan spirit in which they have approached the brilliant arms control initiative undertaken by the Reagan administration.

Mr. BAKER. Mr. President, I yield to the distinguished ranking minority member of the Foreign Relations Committee.

Mr. PELL. Mr. President, I join in endorsing the President's speech which changed the climate. I hope it is a precursor of good things and successful negotiations to come. President Reagan has made a correct and commendable decision to seek the total elimination of Soviet and NATO long-range theater nuclear weapons in Europe in the forthcoming negotiations with the Soviets.

This decision, if pursued vigorously in the negotiations beginning later this month, will help us regain the high ground from the Soviet Union in demonstrating that the danger of nuclear war can be reduced through arms control. In particular, the President's proposal underscores the critical fact that the nuclear weapons problem in Europe is a mutual one—the NATO program to deploy 572 long-range cruise missiles and Perishing-2 missiles was conceived in response to the Soviet deployment of SS–20 and other new missiles aimed at Western Europe—and the only way to prevent a dangerous nuclear arms race in Europe is through mutual reductions and not through unilateral reductions in NATO's deployments which have yet to take place.

The President's decision comes at a time of a rising tide of concern, not only in Western Europe but also in our own country, that nuclear war is becoming more likely. Last week, meetings sponsored by the union of concerned scientists at 151 college campuses across the country revealed how deeply Americans fear that a nuclear holocaust destroying life as we know it could really happen.

For some time I have feared that we were on a collision course of military competition with the Soviet Union highly reminiscent of the military buildup that preceded World War I, the war that nobody wanted but which came anyway and dramatically changed the history of the world. The buildup currently underway threatens to change future history even more dramatically if not curbed now.

It is my hope that the proposals set forth by President Reagan today will reverse the unimaginably dangerous course that we are on now. In this connection, I am delighted that President Reagan linked his proposals for the elimination of long-range nuclear weapons in Europe to proposals to resume SALT negotiations at an early date, to reduce conventional forces in Europe, and to take other measures to reduce the risks of surprise attack.

These are commendable objectives, and I support them; but they must be pursued realistically with a view toward achieving meaningful results and not just to score a propaganda victory. As a first step toward achieving eventual reductions in strategic weapons, I urge the President to go beyond what he said to-

day and propose a mutual freeze—by both the United States and the Soviet Union—on further production and deployment of strategic nuclear weapons pending the conclusion of more time-consuming negotiations to make substantial reductions in these weapons.

As Archbishop John R. Roach, president of the National Conference of Catholic Bishops said yesterday, "the most dangerous moral issue in the public order today is the nuclear arms race." I wholeheartedly agree with that. Now is the time to say "no" to nuclear war and to make superhuman efforts to insure that a nuclear weapon is never again exploded. The future of our children and grandchildren demands no less.

Mr. NUNN. Mr. President, I wish to join those who are complimenting the President's speech. I think it was a very fine speech. I think it was well thought out. I particularly applaud the relationship that he has clearly explained between strategic nuclear forces, theater nuclear forces and conventional forces. He made it clear that all of those forces are important. He made it very clear that you cannot negotiate the strategic weapons in a vacuum and separate those from theater and conventional forces.

So I join those who commend the President for an excellent presentation for this country and for the world.

Mr. BAKER. Mr. President, may I say that on yesterday I discussed this resolution with the distinguished minority leader, who is necessarily absent today. He indicated to me that he wished to join in support of this measure as it was passed by the House of Representatives.

I would note for the record that House Concurrent Resolution 224, which was passed by the House, was sponsored by the distinguished chairman of the Foreign Affairs Committee and was offered on behalf of himself for the Speaker and a number of other Members on both sides of the aisle.

Mr. President, I appreciate the statements of bipartisan support of this resolution. I urge its adoption.

Mr. PRYOR. Mr. President, I wish to take this occasion to commend President Reagan for taking yesterday a bold and courageous four-point approach to United States-Soviet arms negotiations. It is encouraging to see the favorable response the President's announcement has brought from all quarters of the world, both in this country and abroad.

The President's four points are these:

First, a proposal under which the United States would drop its plans to deploy 572 new cruise and Pershing II missiles in Europe, on the condition that the Soviets dismantle the 600 SS-20, SS-4, and SS-5 intermediate-range missiles deployed in the western Soviet Union.

Second, the President suggested to President Brezhnev that the United States and the Soviet Union resume strategic arms talks in January. He noted, in addition, that these talks will be called START—with emphasis on reduction—rather than SALT—or limitation talks.

Third, a proposal calling for a reduction in nonnuclear forces throughout Europe.

And finally the President renewed our call for an international conference to reduce the risk of surprise attacks or of a war arising from miscalculation.

Mr. President, these are all commendable points. They are substantive and meaningful. What is even more heartening to me is the manner and spirit of the President's proposal. He made his suggestion in a personal letter to President Brezhnev some 24 hours before the speech was delivered. In taking this step, President Reagan made a historic move:

He broke a 20-year pattern in which Washington and Moscow have moved only through diplomatic channels.

He proposed a radical change in dialog between the major two powers in the world.

He made extraordinary efforts to reach Europeans who recently have shown concern over the proliferation of nuclear weapons—an effort that needed to be made.

I also wish to commend President Reagan for taking the high road in his first major foreign policy address. This speech was the first Presidential address ever beamed live by satellite by the American Government to the countries of Western Europe. The President has let the world know that the United States is serious about the pursuit of peace, that we are not characterized entirely by increasingly bloated defense budgets, that we are still led by those passions for justice and security and freedom and peace that settled our country in the first place.

These are positions of strength and courage. Let me quote from President Reagan's speech of yesterday:

> There is no reason why people in any part of the world should have to live in permanent fear of war or its specter.

He said:

> I believe the time has come for all nations to act in a responsible spirit that doesn't threaten other states. I believe the time is right to move forward on arms control and the resolution of critical regional disputes at the conference table.

We are entering the first stage of talks on November 30 in Geneva. Then, on January 26 and 27, Secretary Haig and Foreign Minister Gromyko will hold their first round of negotiations on strategic weapons, also in Geneva. I hope the support and encouragement of the world will be with these negotiators as their crucial talks begin. An anxious and waiting world hangs on their decision.

Mr. NICKLES. Mr. President, the foreign policy speech by President Reagan yesterday demonstrated one more time his strong leadership ability by telling Russia and the world that the United States is serious in its commitment to world peace and defusing the madness of the present arms race.

The offer to cancel the deployment of Pershing II and ground-launch Cruise missiles in Europe if the Soviets will dismantle their SS-20, SS-4, and SS-5 missiles will reassure our European allies and challenge the Russians to prove their claims of amassing tremendous military arms supply simply for defensive reasons.

The irrefutable fact voiced by President Reagan is that the United States has always strived for world peace. When at our military heights after World War II, we never attempted to dominate the world. Instead, we provided assistance to all our allies and even our former enemies to rebuild their countries. We continue today to contribute to economic independence for developing countries all over the world.

I wish I could believe that Soviet Russia would respond in good faith to the President's positive initiatives to achieve the necessary steps to lasting world peace. Hopefully, the United States and Russia will sit down at the conference tables early next year and come to agreement for bilateral arms reductions of equal level and with true verifiability.

Mr. President, I strongly support this resolution which demonstrates the strong resolve of the U.S. Senate to stand behind the President in his constructive attempts toward world peace.

Mr. RANDOLPH. Mr. President, the arms reduction proposals outlined by President Reagan on Wednesday merit the support of the Congress and the citizens of our Nation.

In significant degree, the Chief Executive's plan will relieve the anxieties of the American people and our European allies who for 10 months have heard only about increases in defense spending, weapons stockpiling, and references to so-called limited nuclear war. The President said:

> I understand their concerns. Their questions deserve to be answered.

President Reagan reaffirmed America's commitment to continuing what he termed "the longest European peace in this century." He further pledged his administration, himself, and our country to achieving arms-reductions agreements based on the principles outlined throughout his proposal to the Soviets. He asked them to share our commitment and to match their often-repeated professions of concern for peace by positive action.

The President stated that the American concept of peace goes well beyond the absence of war.

Having heard his statement of foreign policy with regard to arms reductions and an end to the unhealthy and unconscionable competition between the two world powers, let us support the President as he and his negotiators go to the bargaining table. This is not a time for suspicion that his proposals were merely for propaganda purposes. Ths is a time for hope and cooperation.

It will not be easy—and the President knows this. He also knows he has made a sincere start toward a renewal of our country's commitment to world peace.

Thus, it is a privilege to support the pending resolution.

THE FINEST SPEECH OF THE REAGAN PRESIDENCY

Mr. EAGLETON. President Reagan has, in my opinion, delivered the finest speech of his Presidency. He waited 10 months into his term to deliver a major foreign policy address and he selected as his topic the foremost concern of our

age: the containment and control of nuclear arms so as to avoid the incineration of mankind.

Geopolitically, the President spoke in the nick of time. A rapidly accelerating body of world opinion was developing that the Reagan administration was blustering recklessly down a bellicose road in quest of a nuclear arms buildup.

In casual, imprudent remarks both President Reagan and Secretary Haig left the impression that nuclear war had somehow become thinkable.

On October 16, 1981, President Reagan made the remark that a limited nuclear war could be fought in Europe "without bringing either one of the major powers to pushing the button."

On November 4, 1981, Secretary of State Haig stated:

For example, there are contingency plans in the NATO doctrine to fire a nuclear weapon for demonstrative purposes to demonstrate to the other side they are exceeding the limits of toleration in the conventional area.

The United States should never forfeit its leadership role in pursuing a rational nuclear arms control policy.

President Reagan's speech begins to rectify the inattention and the offhanded miscues of the past 10 months.

The current Soviet "peace offensive" has convinced many in Western Europe that the United States is the obstacle to arms limitation. The drift toward neutralism has been noticeable and disturbing. True Soviet intentions with respect to nuclear weapons are questionable, but there is no question that the statements of the Reagan administration, until yesterday, gave the Soviets a "window of opportunity" in the battle of world opinion.

However, as the New York Times points out, "A speech is not a policy." The true test of the policy will be the vigor with which the administration pursues the precepts of President Reagan's speech initially at Geneva in the negotiations over theater nuclear weapons in Europe and subsequently in negotiations with the Soviets over limiting or reducing strategic nuclear weapons.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Oklahoma (Mr. NICKLES) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. NICKLES) would vote "yea."

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Hawaii (Mr. MATSUNAGA) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY), the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from West Virginia (Mr. ROBERT C. BYRD) would each vote "yea."

The PRESIDING OFFICER (Mr. KASTEN). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 402 Leg.]

YEAS—95

Abdnor	Ford	Mitchell
Andrews	Garn	Moynihan
Armstrong	Glenn	Murkowski
Baker	Gorton	Nunn
Baucus	Grassley	Packwood
Bentsen	Hart	Pell
Biden	Hatch	Percy
Boren	Hatfield	Pressler
Boschwitz	Hawkins	Proxmire
Bradley	Hayakawa	Pryor
Bumpers	Heflin	Quayle
Burdick	Heinz	Randolph
Byrd, Harry F., Jr.	Helms	Riegle
Cannon	Hollings	Roth
Chafee	Huddleston	Rudman
Chiles	Humphrey	Sarbanes
Cochran	Inouye	Sasser
Cohen	Jackson	Schmitt
Cranston	Jepsen	Simpson
D'Amato	Johnston	Specter
Danforth	Kassebaum	Stafford
DeConcini	Kasten	Stennis
Denton	Kennedy	Stevens
Dixon	Laxalt	Symms
Dodd	Levin	Thurmond
Dole	Long	Tower
Domenici	Lugar	Tsongas
Durenberger	Mathias	Wallop
Eagleton	Mattingly	Warner
East	McClure	Weicker
Exon	Melcher	Williams
	Metzenbaum	Zorinsky

NOT VOTING—5

Byrd, Robert C.	Leahy	Nickles
Goldwater	Matsunaga	

So the concurrent resolution (H. Con. Res. 224) was agreed to.

The preamble was agreed to.

The resolution (H. Con. Res. 224), with its preamble, is as follows:

H. CON. RES. 224

Whereas President Ronald Wilson Reagan has called upon Soviet leader Leonid Brezhnev to engage in Strategic Arms Reduction Talks (START);

Whereas the President's willingness to cancel deployment of Pershing II and ground-launch cruise missiles if the Soviet Union dismantles its SS-20, SS-4, and SS-5 missiles is a dramatic and bold step toward real nuclear arms reduction;

Whereas the President's call for "equality at lower levels of conventional forces in Europe" is a necessary part of his goal of reducing the threat of war;

Whereas the President's invitation to President Brezhnev to join in a conference that would "develop effective measures that would reduce the dangers of war arising out of uncertainty and miscalculation" demonstrates this Nation's belief in the need for mutual restraint between the superpowers; and

Whereas the President's goal of "mutual reduction of conventional, intermediate range nuclear and strategic forces" is in the great American tradition of seeking and keeping the peace through realistic methods; Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress expresses its commendation of and support for the President's initiatives for peace and reaffirms its desire to work with him so that the threats of nuclear war can be reduced and, perhaps, eliminated in our lifetime.

DEFENSE APPROPRIATIONS

Mr. HATFIELD. Mr. President, I have been authorized by the Committee on Appropriations to offer the committee's recommendations on the Defense appropriations bill for fiscal year 1982 as reported in S. 1857, as amendments to the House-passed bill on defense appropriations, H.R. 4995, wherever they differ from the House allowances and provisions.

I do so now, and I ask unanimous consent that they be printed with the Senate committee recommendations in line type and italicized.

Mr. President, the purpose of this request is simply to get the traditional appropriations process back on track. The committee had to report a Senate bill for defense appropriations, S. 1857, because there was no House-passed bill at the time we marked up. The House bill was passed by that body last night and is now on the Senate calendar. Shifting our recommendations to the House-passed bill will permit us to take up that measure instead of the reported Senate bill when the time comes for the Senate to act.

This action in no way amends the House bill or changes the committee's reported recommendations. It merely consolidates them in one bill to be printed and available to all Senators when we do take up defense appropriations. The bill will remain subject to all the usual procedures, including adoption of the committee amendments.

Mr. PROXMIRE. Mr. President, will the distinguished manager of the bill yield?

Mr. HATFIELD. Yes.

Mr. PROXMIRE. As I understand it, this was strictly an adjustment for the fact that the House has acted.

Mr. HATFIELD. That is right.

Mr. PROXMIRE. We would still have the lower of the House- or the Senate-passed bill in this case?

Mr. HATFIELD. The Senator is correct.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Oregon? The Chair hears none, and it is so ordered.

SECOND CONTINUING APPROPRIATIONS, 1982

The Senate continued with the consideration of House Joint Resolution 357.

Mr. HATFIELD. Mr. President, I ask that we temporarily set aside the motion to reconsider the matter which was pending, in order to take up a technical amendment and another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I yield to the Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the name of the Senator from Michigan, Mr. RIEGLE, be added as an original cosponsor of the amendment that has just been laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as a comanager of the bill, I set aside the pending technical committee amendment in order to receive a technical

amendment by the chairman of the Subcommittee on HUD, Mr. GARN.

UP AMENDMENT NO. 663

(Purpose: Technical correction in the contract authority amount available for HUD's Assisted Housing Program)

Mr. GARN. Mr. President, on September 24 and 25, when the first continuing resolution (H.J. Res. 325) was being considered in the Senate, I described the conference agreement reached on the HUD-independent agencies appropriations bill (H.R. 4034). Since then, the President has announced his second round of budget reductions. The adoption of these recommendations would result in numerous changes in the conference agreement on H.R. 4034. In fact, most of the administration's proposals have been incorporated in the measure now before us. At the same time that we are recommending these changes, we also want it to be understood that the terms and conditions, including specific earmarkings, contained in the conference agreement and the statement of managers (H. Rept. 97–222), still represent the legislative history and intent. The committee expects the agencies funded through H.R. 4034 to act accordingly.

Mr. President, I would like to highlight some of the more significant changes being proposed in the conference agreement.

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ANNUAL CONTRIBUTIONS

The conference agreement provided $17,939,370,000 in budget authority and $916,233,800 in contract authority for assisted housing. The amended conference agreement would reduce budget authority to $17,373,528,040 and reduce contract authority to $885,735,427. However, the new and existing housing mix would be essentially the same as contained in the conference agreement, rather than the September request.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

(LIMITATION ON DIRECT LOANS)

The conference agreement provided a loan limitation of $830,848,000 for the section 202 housing program for the elderly or handicapped program. While the administration's proposal would reduce the loan limitation to $728,746,000, the amended conference agreement would retain funding at $830,848,000.

In March, the request by the administration was $830,848,000 which was the same as that available in fiscal year 1980 and fiscal year 1981. Due to inflation, however, the number of units would decrease from 18,000 in fiscal year 1981 to 17,200 under the March level. The 12 percent reduction proposed by the administration would further reduce the number of units to 15,100.

Data compiled in August 1979 indicated that the potential eligibility for section 202 of individuals 62 years or older is over 9.3 million. In fact, during fiscal year 1981, HUD received over 1,200 applications totaling $33 billion for approximately 75,000 units.

PAYMENTS FOR OPERATION OF LOW-INCOME

The conference agreements provided $1,204,600,000 for the operation of low-income housing projects. As proposed by the administration, the amended conference agreement would reduce funding to $1,060,048,000. If this amount proves unsatisfactory, I will consider providing supplemental appropriations at a later date. I should note that the $148,000,000 supplemental for fiscal year 1981 operating subsidies added by the Congress has been maintained in the amended conference agreement.

The provision of an additional $148 million for public housing operating subsidies for fiscal year 1981 is intended to alleviate the distressed financial situation of many public housing authorities. The committee also wants to remove any ambiguity as to its intention that the amounts appropriated shall be obligated and made available to PHA's within the shortest time possible. Therefore, it has included language which assures that any amounts which the Secretary is unable to obligate to specific PHA's within 45 days after enactment of this joint resolution are deemed obligated by law in any case. The Department is directed to distribute the obligated funds to the housing authorities with a minimum of delay to avoid further depletion of PHA reserves.

TEMPORARY MORTGAGE ASSISTANCE PROGRAM HOUSING PROJECTS

The conference agreement deleted language proposed by the Senate which would have provided $75,960,000 for the temporary mortgage assistance program. The amended conference agreement would reinstate the language proposed by the Senate, thereby permitting possible savings in the FHA fund during fiscal year 1982.

COMMUNITY PLANNING AND DEVELOPMENT

The conference agreement provided $3,666,000,000 for community development block grants. The amended conference agreement would reduce funding to $3,450,000,000.

The conference agreement also contains a $225-million loan limitation for the section 108 loan guarantee program administered by HUD in fiscal year 1982. This program has enabled dozens of communities in the past to leverage their community development block grant funds through federally guaranteed taxable obligations to finance acquisition of real property for use in local housing or economic development projects.

The committee believes that this program combines many of the best aspects of a Federal-local partnership for private development in our cities. The notes are issued locally. Each participating community must pledge as collateral for the loan guarantee future proceeds under the CDBG program. Thus, even if the local program fails to generate enough income to cover the balance of the loan, the Federal Government incurs no additional costs because the community must pay the balance from its CD funds. This encourages realistic appraisals at the local level of risk. In effect, the program helps local communities help themselves to develop programs to generate private reinvestment through short-term loans.

The administration announced on November 5 its intention to terminate this program in fiscal year 1982. The committee notes that it has retained the $225 million ceiling to assure that applications will be accommodated up to that level on the basis of merit. The committee would view any arbitrary administrative restriction of this loan guarantee program as counter to the intent and custom of Congress in establishing ceilings.

Finally, the conference agreement also provided $500,000,000 for urban development action grants. The amended conference agreement would reduce funding to $440,000,000.

TITLE II—INDEPENDENT AGENCIES

ENVIRONMENTAL PROTECTION AGENCY

The conference agreement provided $583,747,000 for EPA's salaries and expenses. As proposed by the administration, the amended conference agreement would reduce funding to $512,837,000. The conference agreement also provided $421,840,500 for EPA's abatement, control, and compliance. The amended conference agreement would reduce funding to $377,194,200.

The committee intends that the $12,937,200 added above the request for abatement, control and compliance be used as follows:

To fund the conference report earmarkings	$7,912,500
Stationary source enforcement	2,035,900
Environmental emergency response and prevention	525,000
Pesticide certification and training	1,050,000
Energy review and permitting	1,413,800
Total restoration	12,937,200

Although the administration has proposed reducing the funds available for the hazardous substance response trust fund by $24,000,000, the level proposed in the Senate amendment retains the original conference agreement of $200,000,000. Currently, EPA estimates that between 10,000 to 15,000 sites will require specialized assessments or investigations to determine if a significant public health problem exists and 1,000 to 2,000 of these sites may prove to be major health or environmental problems. The 12-percent reduction proposed by the administration could reduce the number of sites where immediate removal action is planned from 125 to 110; reduce site inspections from 1,500 to 1,000. And reduce site investigations from 300 to 200.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The conference agreement provided $4,973,100,000 for NASA's research and development. While the administration has proposed reducing funding to $4,591,900,000, the amended conference agreement provides $4,791,900,000.

The proposed 12-percent cut by the administration of $311 million comes on top of the March reduction of $603.5 million. Cuts of this magnitude would fundamentally change the character of NASA through the elimination of the space science and applications programs. In providing an additional $200,000,000 above the administration's proposal, the amended conference agreement would continue to provide $70,000,000 for programs earmarked in the original conference agreement (H.R. 97–222, page 9). The remaining $130,000,000 would go for aeronautics, space sciences, space and

terrestrial applications, and space technology.

In addition, the conference agreement provided $1,114,300,000 for NASA's research and program management. While the administration has proposed reducing funding at $1,083,300,000, the amended conference agreement provides $1,099,300,000.

FEDERAL EMERGENCY MANAGEMENT AGENCY

The conference agreement provided $134,789,000 for State and local assistance. As proposed by the administration, the amended conference agreement would reduce funding to $122,134,320. In addition, the conference agreement also provided $65,456,000 for emergency planning and assistance. As proposed by the administration, the amended conference agreement would reduce funding to $65,087,440. However, in accepting the administration's recommendation, the committee did not agree that FEMA's fire research effort at NBS should be terminated and, therefore, directs that FEMA make $4,000,000 available for this effort as envisioned in the March budget revisions.

NATIONAL SCIENCE FOUNDATION

The conference agreement provided $1,040,000,000 for NSF's research and related activities. The administration has proposed reducing funding to $897,688,000, a 12-percent reduction from the March request of $1,020,100,000. The amended conference agreement would provide $950,000,000. Providing $52,300,000 over the administration's proposal, would result in the awarding of 9,446 grants or an increase of 457 grants over the requested level and a decrease of 879 grants below the March level. This level of funding would maintain NSF's research and related activities at slightly above the fiscal year 1981 level.

In addition, the conference agreement provided $27,450,000 for science education and engineering activities. The administration has proposed reducing funding to $8,712,000, a 12-percent reduction from the March request of $9,900,000. The amended conference agreement would reduce funding to $20,000,000. Providing $11,288.000 above the administration's proposal, would result in the awarding of 2,222 grants or an increase of 1,206 over the request level and an increase of 1,106 grants above the March level.

VETERANS ADMINISTRATION

The conference agreement provided $12,881,600,000 for compensation and pensions. As proposed by the administration, the amended conference agreement would increase funds to $13,824,000,000. This increase, which usually is transmitted as a supplemental, covers the full year costs of the activities under this account.

The conference agreement also provided $1,638,300,000 for readjustment benefits. As proposed by the administration, the amended conference agreement would increase funds to $1,938,800,000. As indicated before, this increase also covers the expected full year costs of this account.

In addition, the conference agreement provided $6,966,418,000 for medical care. Although the administration has proposed reducing funding to $6,669,491,000, the amended conference agreement would retain funding at $6,966,418,000.

Furthermore, the conference agreement provided $659,512,000 for the VA's general operating expenses. The administration has proposed reducing funding to $603,728,000. The amended conference agreement, however, would retain funding at $659,512,000. If the proposed reduction were taken, the results would be to reduce payments to State approval agencies; consolidate regional offices; and close the St. Paul Data Processing Center.

Finally, the conference agreement provided $434,603,000 for the construction of major projects. As proposed by the administration, the amended conference agreement would reduce funding to $378,338,000.

NATIONAL INSTITUTE OF BUILDING SCIENCES

The conference agreement provided $1,500,000 for the salaries and expenses of the National Institute of Building Sciences, rather than $500,000 as proposed by the administration and the House. While the administration has proposed a 12-percent reduction from the March request of $500,000, the amended conference agreement would retain funding at $1,500,000.

A final $1,500,000 appropriated in fiscal year 1982 will save administrative costs for the Institute, the executive branch, and the Congress. In addition, with a final appropriations of $1,500,000, the Institute will have adequate resources to achieve permanent funding.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

The conference agreement provided $1,344,000 for the Consumer Information Center, as proposed by the Senate, rather than $1,314,000 as proposed by the House and the administration. The additional $30,000 would be used to conduct a study to determine the feasibility of charging customers a handling fee on free publications. While the administration has proposed a 12-percent reduction from the March request level, the amended conference agreement would retain funding at $1,344,000.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

The conference agreement provided $14,450,000 for payments to the Neighborhood Reinvestment Corporation, rather than $14,950.000 as proposed by the Senate and the administration. While the administration proposed a 12-percent reduction from the March request of $14,950,000, the amended conference agreement would retain funding at $14,450,000.

A further reduction of $1,294,000 would result in the elimination of 10 new neighborhood programs as well as 4 new NHS program starts with an estimated reduction of $40,000,000 in private investments. In addition, there would be a reduction in training and assistance which help maintain the effectiveness of existing programs.

CONSUMER PRODUCT SAFETY COMMISSION

The conference agreement provided $32,983,000 for the salaries and expenses of the Consumer Product Safety Commission. While the administration has proposed reducing funding of $29,025,000, the amended conference agreement will retain funding at $32,983,000.

The January budget request was for $44 million and 880 FTE. The March request reduced CPSC's budget to $32,983,000 and 697 FTE. A further 12-percent reduction as proposed in September would leave only 219 FTE.

Mr. President, I send to the desk a technical amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes an unprinted amendment numbered 663.

Mr. GARN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 7 strike "$885,357,427" and insert "$897,177,848."

Mr. GARN. Mr. President, the technical amendment I have sent to the desk is merely a change in a number. HUD, in providing the committee with information on the administration's September budget, made an error. This amendment provides the amount requested by the administration for contract authority and corrects a previously calculated number for contract authority that was in error. The amendment provides that the anticipated 142,000 housing units will be reserved. Without the amendment, approximately 1,400 of these housing units would not be reserved.

Mr. HATFIELD. There is no objection, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 663) was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, exercising my responsibility as a comanager of the bill, I set aside the pending committee amendment in order to yield to the Senator from Alaska to present another amendment.

UP AMENDMENT NO. 664

(Purpose: Relating to the "pay cap" on Federal salaries)

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 664.

Mr. STEVENS. Mr. President, I ask

unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 101 insert the following new subsection:

( ) Notwithstanding those provisions of section 305 of H.R. 4120 made applicable by subsection (k) of this section, nothing in such provisions shall (or shall be construed to) require that the rate of salary or basic pay, payable to any individual for or on account of services performed after November 30, 1981, be limited or reduced to an amount which is less than—

(A) $59,560.00, in case such individual has an office or position the salary or pay for which is (I) fixed at a rate which is equal to or greater than the rate of basic pay for level III of the Executive Schedule under section 5314 of title 5, United States Code, or (II) limited to a maximum rate which is equal to or greater than the rate of basic pay for such level III (or to a percentage of such maximum rate) by reason of any provision of law (other than any of the provisions of section 305 of H.R. 4120 made applicable by subsection (k) of this section) or congressional resolution;

(B) $58,500.00, in case such individual has an office or position the salary or pay for which is (I) fixed at a rate which is equal to or greater than the rate of basic pay for level IV of the Executive Schedule under section 5315 of title 5, United States Code, or (II) united to a maximum rate which is equal to or greater than the rate of basic pay for such level IV (or to a percentage of such maximum rate) by reason of any provision of law (other than any of the provisions of section 305 of H.R. 4120 made applicable by subsection (k) of this section) or congressional resolution; or

(C) $57,500.00, in case such individual has an office or position the salary or pay for which is (I) fixed at a rate which is equal to or greater than the rate of basic pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, or (II) limited to a maximum rate which is equal to or greater than the rate of basic pay for such level V (or to a percentage of such a maximum rate) by reason of section 5308 of title 5, United States Code, or any provision of law (other than any of the provisions of section 305 of H.R. 4120 made applicable by subsection (k) of this section) or congressional resolution.

The PRESIDING OFFICER. Before the Senator proceeds, the Senate will come to order.

UP AMENDMENT NO. 665

Mr. STEVENS. Mr. President, I now send to the desk an amendment to that amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 655 to his unprinted amendment numbered 664.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

a. Insert before "Notwithstanding" a "(1)".

b. Insert after the phrase "which is less than" the following:

(1) an amount which is equal to 104.8 percent of the rate (or maximum rate, if higher) of the salary or basic pay payable for such office or position for November 30, 1981, or

(2) if greater, an amount equal to whichever of the following is applicable:

(A) $72,972.00, in case such individual has an office or position the salary or pay for which is (I) fixed at a rate which is equal to or greater than the rate of basic pay for level I of the Executive Schedule under section 5312 of title 5, United States Code, or (II) limited to a maximum rate which is equal to or greater than the rate of basic pay for such level I (or to a percentage of such maximum rate) by reason of any provision of law (other than any of the provisions of section 305 of H.R. 4120 made applicable by subsection (k) of this section) or congressional resolution;

(B) $63,574.30, in case such individual has an office or position the salary or pay for which is (I) fixed at a rate which is equal to or greater than the rate of basic pay for level II of the Executive Schedule under section 5313 of title 5, United States Code, or (II) limited to a maximum rate which is equal to or greater than the rate of basic pay for such level II (or to a percentage of such maximum rate) by reason of any provision of law (other than any of the provisions of section 305 of H.R. 4120 made applicable by subsection (k) of this section) or congressional resolution:

c. Strike the "(A)" and insert in lieu thereof "(C)".

Strike the "(B)" and insert in lieu thereof "(D)".

Strike the "(C)" and insert in lieu thereof "(E)".

d. At the end thereof, add the following:

(2) If the amount of salary or basic pay, payable on account of services performed for any period by an individual in any office or position, is by reason of the provisions of paragraph (1) of this subsection increased over the amount of salary or basic pay which would have been payable on account of such services if such paragraph (1) had not become law, then, notwithstanding any other provision of law, beginning with the first day of such period the rate of salary or basic pay (as the case may be) for such office or position—

(A) shall be the amount payable for such services in such office or position, as increased by reason of the provisions of paragraph (1) of this subsection, and

(B) shall not be subject to any increase (other than the increase brought about by reason of the provisions of paragraph (1) of this subsection) by reason of salary adjustments which became effective prior to the date this joint resolution became law under the Federal Pay Comparability Act of 1970, the provisions of subchapter 1 of chapter 53 of title 5, United States Code, relating to pay comparability, or any related provisions of law.

Mr. STEVENS. Mr. President, the basic amendment I have offered is the amendment that the Senate agreed to previously on executive pay. As a matter of fact, on several occasions we have adopted an amendment and sent it to the House to trv to correct the situation that exists in the executive branch concerning premature retirements and the massive exodus due to resignations at midlevel and in Government career.

In this connection, I call the attention of Members of the Senate to two editorials which I have asked to be placed on the desk of each Senator. One is an editorial from the New York Times of November 18, entitled "Top Officials Need A Raise," and the second is from this morning's Washington Post, entitled "Free the Federal Hostages," both of which discuss this basic amendment.

In the past, when we have taken this amendment to the House, we have attempted to work out a situation whereby the two levels that are not covered by this amendment, executive levels I and II, would be included. In the last month of the 1980 session, we actually obtained an agreeemnt and brought it back to the floor, and it was defeated in the Senate.

Last time, we again took the amendment to the House, and we had repeated votes in conference. We were unable to get the House to agree to our amendment unless we attempted to put on that amendment the second amendment which is here now, which also adjusts congressional salaries.

So, the second amendment is the congressional pay raise. The second amendment is an amendment to my amendment on executive pay. What I seek is an expression of the Senate as to whether the Senate is willing now to consider a raise in congressional pay. It is a subject that has been discussed, and there is no question that it is a valid subject to have discussed, and I intend to vote for my amendment to the basic amendment.

However, I also want to establish the record, before we go to the House from the Senate on the basic amendment, as to the sentiment here, as to whether we will or will not accept a pay raise for Congress this year.

Mr. LONG. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. LONG. What is the amount of the increase?

Mr. STEVENS. It is the basic raise advocated in the President's budget. It is a request from the administration for a 4.8-percent cost-of-living adjustment.

Mr. PROXMIRE. Mr. President, as I understand it, the editorial in the Post—I have not had a chance to read the one in the Times—recommended that we separate congressional pay from the executive branch pay. They argued that there are many arguments in favor of congressional pay but it was complicated and it should be considered separately.

The Senator, as I understand it, is offering two amendments. The second amendment would provide for an increase in congressional pay; and if we agree with the viewpoint that that should be treated separately, we should vote "No" on that, I take it. If we feel that we can approve the increase in congressional pay, we vote "Aye."

Mr. STEVENS. The Senator is correct.

The reason I have offered it in this manner is to avoid the problem of having a vote on the pay raise for the executive branch and the Members of Congress, so that the former might lose, too. This separates the two issues, as has been suggested.

I have had discussions with members of the White House and the executive branch, and I intend to go into some of this. There is no question that the administration stands behind this budget. The budget request is that there should be a 4.8-percent pay raise for the members of the executive branch and for

Congress, those people who have not had it in the past.

Mr. President, we talk about indexing entitlements and indexing other things. I want Senators to know that we did index pay for the executive branch and we did index pay for the Members of Congress. The mechanism for that indexing was a report to be made to Congress each year by the President, yet the Congress has disapproved it. In fact, Congress has disapproved that pay raise for itself in all the years it has been suggested, but one. As a consequence, Congress has put a pay cap not only on itself but also on the executive branch, because we are tied to the level of executive II. What I am trying to do is to separate them. Let us have a vote on whether or not congressional pay should be raised, and at the same time, after that, let us once again address the question of whether we are going to solve this difficult problem of the executive branch.

Mr. PROXMIRE. If we do not provide the 4.8 increase for Members of Congress but do provide it for some people in the executive branch, would there be any effect on the budget? Would this require additional funds, or would they have to make the pay increase within the budgetary limitations they have?

Mr. STEVENS. I am pleased that the Senator has raised that question.

Mr. President, I shall ask unanimous consent to have printed in the RECORD the letter I received from the Comptroller General of the United States in which he has pointed out that there is no cost or virtually no cost, let us put it that way, to the amendment to adjust executive salaries because of the problem of resignations and early retirements and the increased compensation that people get in retirement because retirement pay for retired Federal executives is indexed and is not capped. The interesting thing is, and I will have a chart here in a minute to show to Members of the Senate, Members of the Senate who retired in 1977 are in much better position really than those who are still here as their pay is increasing on a cost-of-living adjustment that is indexed, and we have not been indexed in that whole period.

Similarly, the real problem is the executive branch is that there is an incentive to retire. There is 4.8-percent adjustment for a person who is at a level to achieve it right now to take it. It is not capped. But if that same person retired, he would get the full 9- or 10-percent cost-of-living adjustment. A person who is under the pay cap now at $50,112, if that person retires, he automatically gets the indexing of the annual year cost-of-living adjustment, so that he can get out from under the cap today by retiring; whereas, we cannot lift the cap to give him an incentive to stay.

Mr. President, I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., November 10, 1981.

Hon. TED STEVENS,
Chairman, Subcommittee on Civil Service, Post Office, and General Services, Committee on Governmental Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: This letter is in response to your request that we evaluate your proposal to raise the "pay cap" for Federal career executives by 14.7 percent to $57,500. Your proposal also would raise the pay limitations for Executive Level III and IV positions to $59,500 and $58,500, respectively. Salary levels for Members of Congress, Cabinet officials, and equivalent positions in the executive, legislative, and judicial branches would not be changed.

While your proposal to raise but not lift entirely the pay restrictions for career executives and certain other Federal executives, excluding Members of Congress, would not fully alleviate the critical pay compression problem, it would provide a much-needed measure of relief. Moreover, if it encourages affected executives to delay their retirements for 3 years, the savings would offset virtually all of the additional salary costs involved.

The proposed raise would relieve some of the existing pay compression among career executives and senior managers, provide needed pay increases to most Federal executives, and preserve the small but important pay distinctions among the various executive levels. Raising the pay limitations and allowing a portion of the scheduled pay increases to become effective should have a positive effect on the Senior Executive Service (SES); the recruitment, retention, and morale of Federal executives and senior managers; and, ultimately, the management and operation of Government programs.

In our opinion, the executive pay dilemma is one of the most critical but perhaps least understood and appreciated problems facing the Government today. Since March 1977, the executive pay ceiling has been increased by only 5.5 percent. During that same period, retired Federal executives received annuity cost-of-living adjustments totaling 55 percent; Federal white-collar pay rates have been increased by 38 percent; and private sector executive pay has gone up about 40 percent.

Federal executives have been denied scheduled increases totaling 22.4 percent in the last 3 years. Executives were due pay raises of 7.02 percent, 9.1 percent, and 4.8 percent in October 1979, October 1980, and October 1981, respectively, but appropriation act language prohibited payment of these scheduled increases. The current appropriation restriction on the payment of the legal salaries of career executives and other top Federal officials expires on November 20, 1981. If the restriction is not reimposed, executive salaries, including those for Members of Congress, will rise by 22.4 percent to their legal levels.

Because of appropriation act pay restrictions, about 46,000 career executives at eight different levels of responsibility now receive the same salary—$50,112.50. As we stated at your Subcommittee's September 14, 1981, hearing on "Government Brain Drain," this absurd situation creates a multitude of recruitment, retention, morale, and other problems. If allowed to continue, executive pay compression and its resulting adverse effects threaten to undermine the SES and other important reforms the Congress mandated in the Civil Service Reform Act of 1978. More critically, the effective management and operation of Government programs is at stake.

The Government is losing its most valuable, experienced career executives at a time when our country can least afford it. Experienced Federal executives at the peak of their managerial career are retiring at alarmingly high rates; 3,137 top executives retired in 1980, compared with only 508 in 1977. Besides the lost expertise and continuity, such retirements are very expensive. Not only must executives' retirement annuities be paid for a longer period, but salaries must be paid to their replacements as well. Thus, for each executive who retires, the Government must actually pay two persons—the retiree and his or her replacement—to get one job done.

We estimated the cost effects of raising the pay cap for the 34,000 Federal executives and senior managers who at September 30, 1981, were at the $50,112.50 pay ceiling. Raising the pay cap from $50,112.50 to $57,500 would result in a pay raise averaging about 11 percent for that group. A basic premise was that an 11 percent pay increase would cause executives to defer their retirement for 3 years. Conversely, with no immediate pay raise, we assumed that retirement-eligible executives wolud retire and be replaced.

According to our analysis, raising the pay cap to $57,500 would be cost effective. The net estimated present value of the additional salaries and retirement annuities, including income tax considerations, that would be paid over the remaining lifespans of the 34,000 executives and their replacements would be only about $230 million. The net additional long-range cost would represent an increase of less than 1 percent over the total cost if the cap is not raised. Granting the raise would reduce Federal outlays for the first 3 years because executives at the pay cap would not retire and replacement salary costs would be avoided.

Our analysis did not consider several other important factors such as the value of executives' experience, training, and morale, but if quantifiable, they would serve to enhance the cost effectiveness of raising the pay cap.

We trust that this letter is responsive to your request and will assist the Congress in evaluating the merits and cost effectiveness of lifting or raising the executive pay cap.

Sincerely yours,

CHARLES A. BOWSHER,
Comptroller General.

Mr. STEVENS. Mr. President, let me state that and I will welcome the comments of my distinguished colleague from Virginia who I understand wishes to cosponsor the basic amendment but not the amendment to the amendment, and I ask unanimous consent that he be listed as a cosponsor of the basic amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, will the Senator yield for a question?

Mr. STEVENS. I yield. I see my friend on his feet.

Mr. BIDEN. Could it be interpreted that a vote against the pay raise for Congress would be a vote to encourage Senators to retire? Could it be interpreted that way because as I understand it, the Senator just said that if in fact a Senator were to retire today he or she would get out from under this cap. Is that correct? That may be one way for Democrats to get back in the majority if we can encourage a number of Senators to retire.

Mr. STEVENS. I say to my friend, the amazing thing is those of us who have

this retirement, and I am one of them, by the way—I am at that age where I could retire with 20 some odd years in Government.

Mr. BIDEN. I am being facetious. I have a serious question.

Mr. STEVENS. We now have this situation strangely that Members should consider: Does the Senate realize that for the first time since reconstruction days there are 54 Members of this body who have not been reelected? There are 54 Members who have served 5 years or less. A majority of the Senate is in its first term. Let us put it that way.

The disincentive of pay is here as well as in the executive branch because we have had a higher number of resignations and retirements in the last 10 years than in the prior history of the Senate.

It is an interesting thing, but it is true, and I will be glad to document that for the Senator if he wishes.

Mr. BIDEN. I do not doubt it. It was a very interesting comment.

Mr. STEVENS. It is.

I assure the Senator that I do not believe that is enough incentive for me to retire and give him a chance at my seat.

But I do think this, Mr. President, and again I wish to yield to my good friend and will in just a minute, that the Senate must address the problem of the executive branch.

Here we are increasing the expenditures of the Department of Defense literally by billions of dollars and yet the Department of Defense is increasingly being run from the level of grade 14. I have two charts here that I invite Members of the Senate to come by and look at, or I will have them copied if they wish.

Here is the inner grade pay compression within the Department of Defense. Here is a chart that has been prepared. It is a chart showing the flow of command, one might say, in two areas of the Department of Defense; it shows that the same rate of pay is received by the research psychologist or a research analyst that is being received by the Chairman of the Joint Chiefs of Staff, and we can go through 10 levels of the Department of Defense in terms of responsibility.

What incentive is there for a person here who has reached a level of compression grade 14, step 10 to ever accept a promotion to accept the increased problems?

In our committee we had hearings on the effects on the FBI. An agent transferred from Las Cruces, N. Mex., to New York City, actually faces a reduction in compensation as far as his total take-home pay for his family when one considers the commuting cost, the increased cost of his housing in the New York area, the longer hours that he spent working at a job of more intense responsibility. His family suffered and he suffered. Yet he could get no increase in compensation by taking that increased responsibility.

I think the worst problem we face is in the area of scientific and technical competence. Here is a functional pay compression chart that demonstrates 13 levels under the Assistant Secretary of Research, Development and Logistics in the chain of command of the Department of Defense, and if Senators examine this, they will find some of them vacant, and it is obvious why. It is because the person down here at the bottom of the chart receives the same pay as grade 14 step 10 as the person at the top, the principal Deputy Assistant Secretary for Research and Development, and, incidentally, the job is vacant and has been vacant for some time. Obviously, this is why we have had a brain drain and we have had a period of time with this massive hemorrhage as far as the midlevel career people who are retiring. They know they can get promotions and they can get increased compensation in the private sector and take care of the needs of their developing families, their young families, which they cannot expect to achieve in the Department of Defense.

I am not saying all these people retiring are receiving $50,000. Do not misunderstand me. They are the people who reached the level of $35,000 and $40,000, and they see that if they stay for 10 or 15 or 20 years more they would get an increased compensation over that period of time of $10,000, where most of them can go into the private sector now and get the increase of $10,000.

I really think that it is time that we address this problem.

And let me address the second one just briefly and tell Senators that the first vote I cast in the Chamber in 1969 was a vote on the new bill that changed the salary structure, and I was an appointed Senator and everyone said, "If you vote for that you will never come back."

I wish to tell Senators I do not think with all of the hullabaloo around it people really are as concerned about the votes for increased compensation for Members of Congress as they are concerned with the results of what we do.

I think it is time for us to recognize that we are a changing, evolving body, and there is disincentive for continuation of service here.

I can name any number of people who came to the Senate with me who have already voluntarily retired, and each one of them is receiving in terms of compensation more money than Senators are now.

That is a fact. There is a disincentive here now to come to the Senate because we still live under a pay cap, and apparently until we change it we will continue to live under a pay cap. We will have a continually depressed rate of compensation as compared to the rest of the economy.

I do not know of any way to defend it in terms of the actions of the Congress in the past except to say we have linked together the rate of compensation in the executive branch and the rate of compensation of the Members of Congress, and I am asking you today to uncouple that, to vote first on the Members of Congress and then to vote on the executive pay change, and I hope——

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. STEVENS. I will yield for a question.

Mr. MATHIAS. I really want the Senator to yield for a comment because I think the Senator from Alaska has taken a courageous position here and not an easy position.

What is clear is that you can hire cheaper people, there is not any doubt about that, whether you are talking about the civil service or whether you are talking about the Congress. You can hire people cheaper than at the present rate, let alone the rate after some decent cost-of-living adjustment.

But whether you get better people or whether you get people who are as good or whether you get the kind of quality that the American people expect in their public servants is another thing.

What I hear the Senator from Alaska saying is that the American people do not necessarily want cheaper employees. They want qualified and competent employees, and if they are going to get them there has to be comparability with the private sector market, and that is all he is saying.

Mr. STEVENS. That is all.

Mr. MATHIAS. I think, it seems to me, if we are deaf to his argument the losers here are going to be the American people whose business has to be handled by less competent, less qualified, and less experienced people. So let us pay the bill and get the service we are paying for.

Mr. STEVENS. Let me just say one more thing and then I will yield the floor.

The effect of the second amendment, I call your attention to the fact that it wipes out the accrued 25-percent increase in congressional salaries which would take place if this continuing resolution is not enacted by midnight on November 20th. The pay cap expires on November 20th. The accrued increases that Members of Congress are entitled to are approximately 25 percent. This amendment says the cost-of-living increase granted to those Government employees who are not capped, the 4.8 percent, will be extended to Members of Congress. But all of those in the past are wiped out, that they can never come into effect if there is a period when a continuing resolution is not passed at the precise time as required by the preceding continuing resolution.

I hope the Senate realizes that that is a substantial change, one I think that makes sense if we are to grant the 4.8-percent pay increase, and I hope the Members of the Senate will consider very seriously the impact of their vote on the congressional pay increase as far as the House is concerned in view of their past rejection on at least three occasions of the adjustment, the cost-of-living adjustment, for the executive branch. They have refused to do it unless we made some provision for a cost-of-living adjustment for Members of Congress.

Mr. President, I yield to the Senator from Virginia.

Mr. WARNER. Mr. President, I wish to commend my distinguished colleague from Alaska and to join him as cosponsor of his amendment in the first degree.

I can speak with some firsthand experience with respect to the Department of Defense, having served in that Department for over 5 years in two of the senior policy level positions.

I worked right alongside the individuals, many of whom have left already, regrettably, as a consequence of this pay compression problem.

Frankly, I have maintained associations with the remainder, a constant dialog, in the 3 years I have been in the Senate, and I have joined in every opportunity to see what we can do to remove this pay compression because they have informed me, and I have clearly verified their cases, that we are suffering more in terms of our national defense through the departure of these valuable people, particularly in the technical areas and in the areas of intelligence, than we are in cuts in dollars for programs in national defense. We are losing the talent we need to make America's defense work.

Mr. President, the intelligence field is not the only area of Government service where this problem exists. In every area of Government management we face a crisis. At a time when we talk of increasing incentives for effective, imaginative management, when we are preoccupied with problems of the economy, energy, and defense, we are losing our best managers. Further, we are failing to attract the most qualified people to higher executive service.

Since 1977, the highest level Federal executives have received only a 5.5-percent pay increase. Other white-collar Federal employees have received increases totaling 3.5 percent. Yet, the cost of living has risen 55.2 percent.

Time and time again, when I meet with senior level Federal managers and when I talk with individuals who have been asked to accept service in the senior levels of our Government—because of their particular expertise I am told: "Do something about the salary, and I may consider it."

We ask these people to live in the third most expensive city in the country. We ask them to devote 14 to 20 hours a day in service to their country. We ask them to accept a salary well below what they could earn at a comparable job in other sectors of the economy. And we further restrict them by limiting their outside income.

Recently I received several letters from my constituents expressing their concern and frustration at their plight as senior level Federal managers. I share their comments for the edification of my colleagues.

From Falls Church a man writes:

Senator, you must not allow this unfair situation to continue. During the past four years we have been voted COLA's totalling 21.6 percent, but have been denied every cent, while other employees—including Congressmen have been given relief.

From Hume, Va., a man writes:

The country apparently wants and is going to get less government, but I think what it does get should be the best available. In my 36 years in government, I have never seen morale so low, and I am in defense. Unless a substatial increase is provided in the pay ceiling, we are going to end up with a very mediocre civil service, whatever size it may be.

Finally, from Herndon, Va., comes the following:

Since 1977, the purchasing power of the senior executives has fallen by 32 percent. During the same time the private sector executive salaries have increased by 49 percent. A New York executive recruiting firm . . . pointed out that if one's gross income in 1981 is $50,000, the annual raise needed just to keep pace with inflation is $7,610. Retirement rates of career employees at the pay ceiling who were eligible to retire in 1980 soared to 67 percent. It is higher in the fields of engineering, science and medicine. Recruiting qualified persons from the private sector to fill these vacancies is next to impossible.

Mr. President, George Washington, himself a man of means, in his annual message of 1796 urged Congress to improve the pay scale for officers of the United States, lest we—

Contract the sphere within which the selection of characters for office is to be made, and . . . proportionately diminish the probability of a choice of men able as well as upright.

Otherwise, he feared, we would,

Virtually exclude from public trust, talents and virtue unless accompanied by wealth.

President Washington's words were as true then as they are today. I urge my colleagues to listen to Washington's wisdom and support this amendment.

● Mr. CHAFEE. Mr. President, a pay raise for Members of Congress is inappropriate and unwarranted. Just 2 months ago, Members of Congress voted themselves benefits over and above their salary. I do not believe that these changes—lifting the limit on outside earned income and removing the $3,000 tax deduction—would have been made had Members known that they would be receiving a pay raise.

We are now debating budget cuts for many Government programs, and, unless we act soon, will be facing the inability of the Federal Government to pay its bills. Voting ourselves a pay raise under these conditions is unconscionable.

I do, however, support a pay for the Federal executives whose salaries have been capped by congressional fiat.

The loss of qualified and experienced personnel in the Federal work force is a severe—and no longer quiet—crisis.

The artificial pay cap placed on high-level Federal executives causes a number of problems. First, it is difficult to attract top-notch people to Government service.

Since 1977, Federal level executive pay has increased 5.5 percent. During this same period, comparable private sector pay has increased by 25 percent. general schedule civil service pay has increased by 32 percent, and the Consumer Price Index has gone up 45 percent.

Second, it inhibits ambition. Seven grades of high-level civil service are now paid the same. Each year the pay cap is in effect, more grade levels bump up against the pay ceiling. Without the incentive of a pay raise, these people are becoming increasingly reluctant to accept the additional responsibility or the need to relocate that a promotion may bring.

Finally, the pay cap provides an incentive for executives to retire early. As of March 1980, 75 percent of Federal executives who were at the pay cap, and who were eligible for retirement, did so. This results in an incalculable loss of both experienced and knowledgeable talent within the Federal Government. In addition, it costs the Federal Government a significant amount of money.

For each Federal executive who retires, the taxpayers must not only pay for a replacement—who may or may not be as skilled and experienced—but they also pay the pension of an executive who in many cases would prefer to have remained on the job. And all because Congress is unwilling to grant these people the pay raise that a variety of commissions and studies have documented that they deserve.●

Mr. PROXMIRE. Mr. President, I want to ask my friend from Alaska—I do not want to detain the Senate any longer—but as I understand it this year we have already acted to lift the honoraria limitation?

Mr. STEVENS. Yes.

Mr. PROXMIRE. No. 2, we also acted to eliminate the $3,000 limitation on expenses Members of Congress incur in Washington?

Mr. STEVENS. Yes.

Mr. PROXMIRE. Those have been the expenses which have been construed by some to be worth $10,000 or $12,000—maybe that is an exaggeration, but it is a substantial amount?

Mr. STEVENS. It is an exaggeration. It would be about $15,000 maximum as a deduction, which has the equivalence of what, $5,000 in terms of actual impact. But I agree we have acted on that also.

Mr. PROXMIRE. We acted on the $5,000 then or $6,000, whatever it is, plus lifting the honoraria and on top of that we have a 4.8-percent increase in our pay that would go into effect when?

Mr. STEVENS. December 1.

Mr. PROXMIRE. December 1.

It seems to me, Mr. President, that this is excessive under the circumstances, and I hope we will not approve the second amendment I think the amendment the Senator from Virginia just spoke in favor of makes sense, and I certainly will vote for that. But to move ahead with our own pay under the circumstances, with a very short debate, and having already acted so favorably on our income earlier this year seems to me to be excessive.

Mr. STEVENS. I want to say this: to a new Member of the House or Senate the honoraria are meaningless. They do not even get a request to make such appearances at a dinner for a while.

So far as expenses away from home, that, too, is not as important until you have moved your family and have been here for a while. So, I think the pay increase has more to do in attracting new qualified people to the Congress more than anything else that I know.

Mr. President, I ask for the yeas and nays on the amendment to the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Is it in order, Mr. President, to also ask for the yeas and nays on the basic amendment?

The PRESIDING OFFICER. That would require a unanimous-consent request.

Mr. STEVENS. I do ask unanimous consent that we have a rollcall vote. I ask unanimous consent that it be in order to order a rollcall vote on the basic amendment, the amendment in the first degree.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STEVENS. I now make that request.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WARNER. Mr. President, I thank my distinguished colleague from Wisconsin for his support of the basic amendment.

I think here is one statistic that each Member should bear in mind before he casts his vote on the basic amendment, and that is that since 1977 the highest-level Federal executives received only a 5.5-percent pay increase. Other white collar Federal employees have received increases totaling 33.5 percent in that same period of time.

Mr. President, I yield the floor at this time.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Oklahoma (Mr. NICKLES) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. NICKLES) would vote "nay."

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Hawaii (Mr. MATSUNAGA) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present, and voting, the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Hawaii (Mr. MATSUNAGA) would each vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 5, nays 90, as follows:

[Rollcall Vote No. 403 Leg.]

YEAS—5

D'Amato	Mathias	Stevens
Inouye	Murkowski	

NAYS—90

Abdnor	Ford	Moynihan
Andrews	Garn	Nunn
Armstrong	Glenn	Packwood
Baker	Gorton	Pell
Baucus	Grassley	Percy
Bentsen	Hart	Pressler
Biden	Hatch	Proxmire
Boren	Hatfield	Pryor
Boschwitz	Hawkins	Quayle
Bradley	Hayakawa	Randolph
Bumpers	Heflin	Riegle
Burdick	Heinz	Roth
Byrd, Harry F., Jr.	Helms	Rudman
	Hollings	Sarbanes
Cannon	Huddleston	Sasser
Chafee	Humphrey	Schmitt
Chiles	Jackson	Simpson
Cochran	Jepsen	Specter
Cohen	Johnston	Stafford
Cranston	Kassebaum	Stennis
Danforth	Kasten	Symms
DeConcini	Kennedy	Thurmond
Denton	Laxalt	Tower
Dixon	Levin	Tsongas
Dodd	Long	Wallop
Dole	Lugar	Warner
Domenici	Mattingly	Weicker
Durenberger	McClure	Williams
Eagleton	Melcher	Zorinsky
East	Metzenbaum	
Exon	Mitchell	

NOT VOTING—5

Byrd, Robert C.	Leahy	Nickles
Goldwater	Matsunaga	

So Mr. STEVENS' amendment (UP No. 665) was rejected.

Mr. STEVENS. Mr. President, I am saddened by that result because of the feeling that I know exists in the Congress about decoupling executive pay and congressional pay. But I hope now that the Members of the Senate, having given this overwhelming signal that we will not raise congressional pay, will join us now in giving an overwhelming signal to the House that we do want pay increase in the executive structure. A number of people are leaving; there are resignations and retirements. It is really overwhelming, the problems being faced. I know some Members in the past have voted against this amendment but I plead with Members to vote for the executive pay decoupling on this second amendment.

Mr. BAKER. Mr. President, I support the first-degree amendment. I oppose the second-degree amendment. I do not think it is institutionally possible for Congress to adjust its salary, at least at the moment, but I think we have to get on with the business of making it possible to retain competent people in the upper levels of Government. Therefore, I urge Members to support this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. PROXMIRE. Mr. President, let me just say a quick word on this.

I enthusiastically support the Stevens amendment. I think we should recognize that it is not going to cost the Federal Government a nickel. The Senator from Alaska has pointed out that we shall lose money, actually lose money, if we do not pass this kind of amendment to retain the people we have. Otherwise, they retire; they get more when they retire and we have to hire others to take their place. The logic is very clear for supporting the Stevens amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Oklahoma (Mr. NICKLES) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. NICKLES) would vote "nay."

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Hawaii (Mr. MATSUNAGA) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting the Senator from Hawaii (Mr. MATSUNAGA) would vote "yea."

I further announce that if present and voting, the Senator from West Virginia (Mr. ROBERT C. BYRD) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 54, nays 41, as follows:

[Rollcall Vote No. 404 Leg.]

YEAS—54

Andrews	Hart	Packwood
Baker	Hatch	Pell
Baucus	Hatfield	Proxmire
Bentsen	Hayakawa	Quayle
Boschwitz	Hollings	Randolph
Chafee	Inouye	Rudman
Cochran	Kassebaum	Sarbanes
Cohen	Kennedy	Specter
Cranston	Laxalt	Stafford
D'Amato	Long	Stevens
Danforth	Lugar	Symms
Denton	Mathias	Thurmond
Dole	McClure	Tower
Durenberger	Melcher	Tsongas
Eagleton	Metzenbaum	Wallop
Garn	Moynihan	Warner
Glenn	Murkowski	Weicker
Gorton	Nunn	Williams

NAYS—41

Abdnor	Domenici	Kasten
Armstrong	East	Levin
Biden	Exon	Mattingly
Boren	Ford	Mitchell
Bradley	Grassley	Percy
Bumpers	Hawkins	Pressler
Burdick	Heflin	Pryor
Byrd, Harry F., Jr.	Heinz	Riegle
	Helms	Roth
Cannon	Huddleston	Sasser
Chiles	Humphrey	Schmitt
DeConcini	Jackson	Simpson
Dixon	Jepsen	Stennis
Dodd	Johnston	Zorinsky

NOT VOTING—5

Byrd, Robert C.	Leahy	Nickles
Goldwater	Matsunaga	

So the amendment (UP No. 664) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, in order to clear the situation for the Sena-

tor from Alaska to offer a minor amendment that has been cleared on all sides, I ask unanimous consent that the pending motion by Mr. BRADLEY to reconsider be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as comanager of the bill I set aside the technical amendment pending on the committee amendment in order to receive an amendment from the Senator from Alaska.

UP AMENDMENT NO. 666

(Purpose: to obtain from the General Services Administration the services of a professional archivist)

Mr. STEVENS. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 666.

At the appropriate place in the resolution, insert the following:

SEC. . For each fiscal year (beginning with the fiscal year which ends September 30, 1982), the Secretary of the Senate is authorized to expend from the contingent fund of the Senate such amount as may be necessary to enable the Secretary to obtain from the General Services Administration the services of a professional archivist. Such services shall be obtained on a reimbursable basis and shall not be obtained except with the consent of the General Services Administration and the Committee on Rules and Administration.

Mr. STEVENS. Mr. President, this is a technical amendment. It is in the legislative portion of the bill.

I have discussed it with the chairman of that committee. I understand it has been cleared on both sides. I hope he will agree with this.

It does give the Secretary of the Senate the right to use existing funds to pay a trained archivist from the Archives to deal with the official papers of the Senate strictly on a reimbursable basis with the consent of the head of the Archives and the Rules Committee.

Mr. MATTINGLY. Mr. President, it has been approved by both the majority and minority leaders of the legislative branch.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (UP No. 666) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent once again to lay aside the pending motion for reconsideration in order to take up another amendment.

The PRESIDING OFFICER (Mr. JEPSEN). Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as floor manager of the bill, I set aside the pending committee amendment in order to take up an amendment by the Senator from Nevada.

UP AMENDMENT NO. 667

Mr. CANNON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment wil be stated.

The assistant legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) proposes an unprinted amendment numbered 667.

Mr. CANNON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution, add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, the funds made available by this joint resolution shall not be subject to any limitation contained in section 324 (amendment 99) as set forth in the conference report and the joint explanatory statement of the committee of conference on the Department of Transportation and Related Agencies Appropriations Act, 1982 (H.R. 4209), filed in the House of Representatives on November 13, 1981 (H. Rept. No. 97-331).

Mr. CANNON. Mr. President, this is an amendment to the adoption in the resolution of the conditions agreed to in the DOT appropriation conference report. Included in that conference report is a provision which tells the Civil Aeronautics Board they must, let me repeat, must provide U.S. airlines antitrust immunity for joining an international cartel to engage in ratesetting by agreement among companies. I want to be sure that each Senator understands that this resolution at present demands cartel pricing.

This is a clear case of unwarranted and uninformed legislating in an appropriation bill. Worse yet is the fact that it is being done by a committee which has not held one day of hearings on the subject and has no expertise whatsoever in international aviation.

The real issue on the vote, however is not the arguments over the merits of this CAB order. Indeed the order is not effective until January 15, and the new CAB chairman has said he intends to review the issues involved in the case before that time. The question we must ask ourselves is, Can the Appropriations Committee do whatever it pleases in other committees' jurisdictional areas? I intend to say they must stick to appropriations and not legislatively expound on some other subject.

The Commerce Committee and the Aviation Subcommittee have not acted on this individual order because the CAB has been properly exercising its authority in this complex case. The CAB has devoted 4 years of careful consideration by experts. The appropriations conference took less than a few minutes to negate what had taken the experts years to decide, and they ask the Senate to endorse their conclusion.

This restriction on the CAB is opposed by the administration, it is opposed by the CAB, it is opposed by the chairman of the Commerce Committee which does properly have jurisdiction, it is opposed by the chairman of the House Aviation Subcommittee, and it should be opposed by all those who believe in free market competition. But, most important, this amendment should be supported by all Senators who believe in committees of the Senate confining their legislative activities to areas under their jurisdiction and expertise.

Mr. President, I yield the floor.

Mr. PACKWOOD. Mr. President, I wonder if the Senator from North Dakota will yield for two or three questions that I wish to propound?

Mr. ANDREWS. I am glad to yield to my colleague.

Mr. PACKWOOD. I wish to make sure I understand what this amendment does before I speak further.

The Civil Aeronautics Board at the moment, am I correct, has an order outstanding that will go into effect on January 15 prohibiting U.S. airlines, and I use that in the generic sense, from participating in the price-fixing mechanism of the International Air Transport Association?

Mr. ANDREWS. The Senator is correct.

Mr. PACKWOOD. And this portion of the bill, would prohibit the Civil Aeronautics Board from, in essence, putting into effect that order.

Mr. ANDREWS. The Senator is correct.

Mr. PACKWOOD. I ask what the reasoning of the Appropriations Committee was for this inclusion?

Mr. ANDREWS. I point out to my colleague that as a member of the Subcommittee on Appropriations I have to inform the Senator that this was a provision not of the Senate bill but of the House bill. This was put in as a floor amendment in the House of Representatives. When we went to conference with the House of Representatives, as we pointed out in our conference report, we were faced with this amendment that was an accomplished fact in the House version.

We then took the amendment in the conference report because the House was determined to retain this amendment, however, we put in language that certainly should give the Senator from Oregon and the Senator from Nevada total confidence in our deferring to the appropriate authorizing committees. We say in the conference report that we go along with the House language that none of the funds shall be used to implement the order, and then we add this language, and this is the only language that I had anything to do with adding:

Provided, That this limitation may be terminated by an appropriate resolution adopted by the House Public Works and Transportation Committee or the Senate Commerce Committee.

When you are faced with a conference with the gentlemen from the other body, Mr. President, and they decide they want to stick by an amendment that was adopted on the floor in that other body, and you are able to modify that amend-

ment by saying it will be terminated through a simple vote of either the House authorizing committee or the Senate authorizing committee, I think the Senate conferees made a darned good deal.

I would like to point out to my colleague and good friend from Nevada that under this conference agreement he has only to convene his Senate Commerce Committee, get a simple majority vote negating this, and he has overcome the language the House put in.

When you are trading horses for horses I think we got about two for one in that particular agreement, and I think the authorizing committee is totally supported in this conference agreement.

I would like to point out one other thing: That the Secretary of Transportation at the present time, Mr. Drew Lewis, has said that he has concern about not allowing the American airlines to participate in IATA. I might also point out to my colleagues from both sides of the political aisle that his predecessor, Brock Adams, the former Secretary of Transportation, in an article in today's Washington Post, points out the disadvantage to American airlines by not being allowed to participate in IATA. This is indeed an issue that is of considerable importance, but we have protected, I would point out to my friend from Oregon, the prerogatives of the Senate authorizing committee by the language I just read which we had inserted into the conference report.

Mr. PACKWOOD. Mr. President, if I could continue on, I appreciate the answer to the question by the Senator from North Dakota. I am overwhelmed by the generosity of the Appropriations Committee that is giving to the Commerce Committeee the right to do that which it already has the right to do absent this legislation.

For 3 years the Civil Aeronautics Board has been working on the issue as to whether or not American consumers who fly are better served by American airlines' participation—and again I do not mean that in the name of an individual airline but all airlines generically—in participation in an international fare price-fixing device or whether the consumers are better served by the competition that this order will move them toward.

The Senator from North Dakota made reference to the Secretary of Transportation having some concern. Indeed he has some concern, but not enough, that the administration is going to attempt to stop this order. This order is going through. The Commerce Committee is well aware of the situation. It is one that we have followed for a lengthy period of time. There are a few airlines in this country that fly international routes that like the price-fixing mechanism of the International Air Transport Association. The only time that association ever manages to lower transatlantic fares is when some charter airline comes along and lowers the fares, and they have to lower them, the rest of the airlines, to meet this competition.

Mr. President, not only is this, in essence, legislating on an appropriation bill, although I am not going to raise that point of order because I realize it says "No money shall be used for" et cetera, et cetera, but, in essence, it is legislating on an appropriation bill. In essence, it is legislating an issue that the Commerce Committee watches closely, is well aware of, and we have decided not to act to stop the Civil Aeronautics Board from issuing this order because we think they are going in the right direction, and the direction is that consumers will be treated better and will get lower fares and better service if this order is issued than if it is not.

So, for a variety of reasons, whether it be the committee's jurisdiction, whether it be conspiracy in price-fixing or whether it be a concern for the consumers in the amount of money they pay to fly principally on transatlantic routes, I would urge that you support the amendment of the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. As the chairman of the Aviation Subcommittee, it grieves me to have to disagree with the ranking minority member of the Commerce Committee, whose expertise in aviation matters I regard highly.

But I am supportive of the Transportation Subcommittee's approach, and I agree with the Senator from Oregon that that right does exist.

On the other hand, they have very carefully spelled that out, if indeed there is a problem.

Unfortunately, the competition in and freedom of trade routes do not exist in the international market as it does in our domestic market, and until we can give some careful thought to working out agreements in a better way than so far we have, by just opening the door, I believe we need to adopt the approach which will give us more time to carefully study the effect of the competition in the international market.

It is true that there are some carriers that are quite concerned because they have been losing a great deal of money in the competition that exists. Many of our foreign competitors enjoy a freedom which we do not enjoy, and I think this is an approach that at this time will be beneficial to our own international aviation industry.

Mr. CANNON. Mr. President, if I may respond very briefly, the statement was made concerning Mr. Lewis, the Secretary of the Department of Transportation. I have here a letter signed by Judith T. Connor, Assistant Secretary for Policy and International Affairs, dated November 9, 1981, which says:

> Since the board took action on the President's letter of September 11, 1981, postponing the effective date until next January 15, the Levitas amendment would appear to be unnecessary at this time. Therefore, this department requests the deletion of the amendment from the bill to be reported by the conference.

The Levitas amendment is the amendment that is in question here.

Also a letter from Dan McKinnon, Chairman of the CAB, dated November 10, 1981:

> The Board is working with DOT and the State Department to assure our aviation policy will best serve the overall public interest. Adoption of the Levitas amendment will tie the hands of the Board and the administration in setting our international aviation policy at a time when we must preserve our flexibility to deal with our trading partners.
>
> We ask you to join the Board and the administration in opposing the Levitas amendment and allowing the process of international aviation policy formation to take the carefully considered course that it should.

That pretty well explains what the position of the administration is, Mr. President, and I simply say that what we are talking about here now is the jurisdictional aspect, and the amendment should be defeated on that ground and not try to decide a policy matter where no hearings—no hearings, I repeat—have ever been held by either House through a committee that has jurisdiction in this matter to justify this action.

Mr. ANDREWS. Mr. President, again let me urge the defeat of this amendment. I am glad my colleague from Nevada has a letter from the administration saying we should oppose the Levitas amendment. I find it a little strange that the administration writes to someone who is not a conferee on that particular point to take out the Levitas amendment, and sent no letter whatsoever to those of us who are conferees.

In fact, the conversation that I had, Mr. President, with the Secretary of Transportation was that what we had done is not inconsistent with the administration's desires and the administration's decision.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. ANDREWS. I yield.

Mr. CANNON. The letter was not a letter to me. It was to Norman Y. Mineta, Subcommittee on Aviation of the Committee on Public Works and Transportation in the House.

Mr. ANDREWS. Again, when the administration is taking a position on an amendment that has been put on an appropriation bill it seems strange that they would write to a House member of the legislative committee. No one gave us this position. The only position that we have is one from the administration saying they felt what we achieved in conference is an excellent way of resolving the situation.

The last letter we had from the administration comes from the spokesman for the administration, Mr. David Stockman. Granted, it was written back in the middle of September. He pointed out that the administration has not yet developed a position on the CAB's action.

Let me point out, however, Mr. President, to my colleagues, that this administration bill we are now considering is one that includes many facets of our Government operation. I have no doubt, Mr. President, that we are going to be debating the resolution into the wee small hours of tomorrow morning.

I might point out to my colleagues that this language that is being objected to by my good friend from Nevada and my good friend from Oregon did not originate with those of us in the Senate Appropriations Committee. In deference to the House Appropriations Committee, it did not originate with the members of the House Appropriations Committee. It was an

amendment put on in debate on the floor of the House. And it was an amendment tenaciously held to by the conferees that sat across the table from us during that conference.

Now, if we want to delete the action that we took and change it, that will give us another hour, hour and a half, 2 hours worth of conversation with our House conferees when we eventually take this continuing resolution to them in conference.

What for? That is the thing that bothers me. Why, Mr. President, do we need this amendment when we quite carefully put into the conference report the language I mentioned a moment ago, that this limitation may be terminated by an appropriate resolution adopted by the House Public Works and Transportation Committee or the Senate Commerce Committee?

Might I point out again to my good friends and colleagues from Oregon and Nevada: Go back to your Senate Commerce Committee, hold a simple majority vote, if the votes are there in the authorizing committee where you do in fact have the expertise, and you resolve the problem. We are not bound by the language of the authorizing committee. We got, I think, a darn good bargain with our colleagues on the other side of the aisle.

Perhaps, I am ill-advised or not quite totally informed, but it is difficult, Mr. President, for this Senator, as one of those conferees—and I am sure that feeling is shared by my other colleagues who were in that conference from both sides of the political aisle—to understand what we would gain by adopting this amendment, other than to exacerbate one more point of difference between ourselves and the House conferees when we finally take this overall bill back to conference.

Mr. President, since protection is here very clearly set out for the proper authorizing committee and since it is a modification of an amendment adopted by the other body on the floor, I would urge my colleagues to vote against the amendment so we do not have this bill further cluttered up with an amendment that will do I think little good and raise considerable problems.

Mr. PACKWOOD. Mr. President, I am not struck by the logic of the argument that this amendment should be turned down to ease the burden of the conferees. Under that theory, the best thing the Senate Appropriations Committee could do would be to adopt the House appropriation bill and the conference would take almost no time at all. We would not even have to have a conference—do not let this Senate work any will; do not make any differences with the House; do not make any differences with the Senate Appropriations Committee. The principal function of this body is to make the conference easier. Well, that is not the principal function of this body. And of all the arguments that have been raised, I would hope that would not be the one to dissuade this Senate to vote against this amendment.

Mr. ANDREWS. Mr. President, maybe I did not make myself clear. I have stressed twice what the agreement was which we made with the House. I am not saying that we have to yield to the House position. But might I point out to my colleagues that if we strike the language we put in, we go back to conference with no guarantees whatsoever that we can get as good a deal as we got in this particular conference.

The thing that amazes me is why my colleagues on the Senate authorizing committee would object to the total protection they are given by the accommodation, Mr. President, we were able to strike with our colleagues from the House.

If this amendment, as proposed, is adopted and we go back to conference, there is no guarantee whatsoever that we can achieve the protections of the Senate legislative committee that is in the language that is being objected to now by the members of that Senate legislative committee.

That is the concern that this member of the conference has and that is the concern I would point out to my colleagues.

Mr. PACKWOOD. Will the Senator yield?

Mr. ANDREWS. I am glad to yield.

Mr. PACKWOOD. Was this language from the House in the continuing resolution?

Mr. ANDREWS. This language from the House was in their House-passed bill on the transportation appropriations. We have folded into the continuing resolution the complete text of the conference held between the House and the Senate conferees in the Subcommittee on Transportation. This is in that conference report. It does reflect agreements that we were able to work out in conference and stands as it would have stood as a conference report had we brought it back on that separate individual appropriations bill.

Mr. PACKWOOD. But it was not in the continuing resolution as it came to us?

Mr. ANDREWS. It is folded in by reference to the conference report on the transportation appropriations bill.

Mr. PACKWOOD. I want to know about the language of the amendment, as to whether it is in the continuing resolution as it came from the House.

Mr. ANDREWS. No, it is not.

Mr. PACKWOOD. It is not in the continuing resolution.

Mr. ANDREWS. Because, might I point out to my colleague, the conference had not been held in time for the House to put it in the continuing resolution. Had the conference on the transportation subcommittee been held on a day early enough to have it included in the continuing resolution, it would have been included in their text of the continuing resolution.

Mr. PACKWOOD. I want to make sure I understand this. If this amendment passes, and is stricken from this bill and you go to conference with the House on the continuing resolution, will this language be in either bill?

Mr. ANDREWS. The Senator's amendment would be a subject of the conference which could be changed by the conferees.

Mr. PACKWOOD. But that language is not in their continuing resolution. And if this passes it will not be in our continuing resolution.

Mr. ANDREWS. Under the unique situation that we are handling this continuing resolution, given the problems of time——

Mr. PACKWOOD. I want to know about conferenceability when it would not be in either resolution.

Mr. ANDREWS. Conferenceability, in my judgment, would be that conferees can do most anything they set their minds to, as my colleague and good friend knows. It is my feeling we would have considerable jeopardy going to that conference.

Mr. PACKWOOD. Are we agreed that it is not in the resolution as it came from the House?

Mr. ANDREWS. It is not in the resolution that came from the House because the conference had not yet been held.

Mr. PACKWOOD. Then, Mr. President, I would like to rest my case on the hope that we stick with the rules that bind conferees, which is when there is nothing in either bill touching on the subject from either House, the conferees do not add language beyond the parameters of what their House has done. This language, this amendment is not in the continuing resolution. And if we defeat it here, it will not be in our continuing resolution. And I would make the point that it is not subject to conferenceability in that circumstance.

Mr. ANDREWS. Mr. President, in conclusion—and I know the Senate wants to vote—let me make this point: The Senator's amendment would be a part of our continuing resolution as it went to conference. It would, therefore, be a conferenceable item. I think we struck a good deal in the original conference. I think the Senator's committee was well protected. During this debate, no one has pointed out where we failed to protect the interests of the Senate Commerce Committee. And I would hope that the amendment would be voted down because I think it would extend the time of the conference and make a more difficult situation out of one that I think has been resolved.

Mr. D'AMATO. Mr. President, as a member of the Transportation Subcommittee and a Senate conferee on the transportation appropriations bill, I must speak out against this amendment.

The transportation appropriations bills which have been passed by both the Senate and the House would prohibit the enforcement of a CAB order dealing with American carriers' participation in the International Air Transport Association. The International Air Transport Association consists of 114 carriers from 90 countries. The reason both the Senate and the House took action to prohibit the enforcement of the CAB order, which prevents our carriers from participating in this conference, is to help our international carriers which are presently suffering staggering losses.

Why must our carriers be able to participate in this association? The answer is simple. They need to participate to survive. Pan Am has lost over $320 million in the first 9 months of 1981. Its

problems are illustrated by the fact that it needed to sell property in New York and a hotel chain to minimize its losses. Participation in this association will allow our carriers to assure that they recover their fair share of their costs, particularly on interlined routes. For example, airlines frequently interline passengers; that is, one airline will take a passenger part of the way, where the other airline will pick him up and take him to his final destination. At the IATA conference, the percentage of the interlined fare which will go to each carrier is discussed. The fact is that when TWA did not participate in this conference, out of a $500 fare which was interlined with KLM Airline, TWA recovered only $50; this in spite of the fact that TWA took the passenger across the Atlantic while KLM transported the passenger a far shorter distance.

IATA is not a price-fixing cartel. No member is forced to accept any fare. In fact, the CAB still retains the authority to approve fares, and can disapprove them if they feel they are unreasonable.

Mr. President, in the report that accompanies our transportation appropriations bill, we specifically state that:

> The free market of our U.S. environment does not exist in international markets—and while our own international carriers are in dire financial straights, not withstanding their efficiency edge, foreign carriers continue to expand and acquire equipment.

While foreign carriers are subsidized by their governments, what this amendment proposes to do is to affirmatively hinder our own international carriers.

The Senate authorizing committee has neither held hearings on this issue nor reached a concensus on this matter. The fact that an amendment is coming to the floor today without a committee position indicates a lack of concensus. Mr. LEVITAS, chairman of the Subcommittee on Investigations and Oversight of the Public Works and Transportation Committee has conducted extensive hearings on this subject. It was he who introduced the measure in the House which would prohibit the CAB from enforcing its order.

I fully support the efforts of the Senate Commerce Committee to hold hearings on this issue and take testimony from our beleaguered international carriers which are in terrible financial shape. Until that occurs, and until this country develops a coherent international aviation policy, we must let the determination of the Appropriations Committee stand. We must defeat this measure.

Mr. PACKWOOD. I would hope, Mr. President, that if this Senate strikes this down it will infinitely improve our bargaining position with the House and they have nothing. And if you struck this down, and I would hope on this Senate floor this amendment passes, that indeed our conferees would stand firm and they would say the Senate does not want this in; that our floor has acted; your resolution does not have it at all; and they would pass it.

Mr. CANNON. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The question is on agreeing to the amendment of the Senator from Nevada. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote "nay."

The PRESIDING OFFICER (Mr. MURKOWSKI). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 60, nays 35, as follows:

[Rollcall Vote No. 405 Leg.]

YEAS—60

Armstrong	Garn	Nickles
Baker	Glenn	Nunn
Baucus	Gorton	Packwood
Bentsen	Hart	Pell
Biden	Hayakawa	Percy
Bradley	Heflin	Pressler
Bumpers	Helms	Proxmire
Byrd, Harry F., Jr.	Hollings	Pryor
Cannon	Huddleston	Quayle
Chafee	Inouye	Riegle
Chiles	Jackson	Roth
Cohen	Kennedy	Sarbanes
Cranston	Levin	Simpson
DeConcini	Long	Stennis
Denton	Lugar	Symms
Dixon	Matsunaga	Thurmond
Dodd	Mattingly	Tsongas
East	Melcher	Williams
Exon	Metzenbaum	Zorinsky
Ford	Mitchell	
	Murkowski	

NAYS—35

Abdnor	Grassley	Randolph
Andrews	Hatch	Rudman
Boren	Hatfield	Sasser
Boschwitz	Hawkins	Schmitt
Burdick	Heinz	Specter
Cochran	Jepsen	Stafford
D'Amato	Johnston	Stevens
Danforth	Kassebaum	Tower
Dole	Kasten	Wallop
Domenici	Laxalt	Warner
Durenberger	Mathias	Weicker
Eagleton	McClure	

ANSWERED "PRESENT"—1

Humphrey

NOT VOTING—4

Byrd, Robert C.	Leahy
Goldwater	Moynihan

So Mr. CANNON's amendment (UP No. 667) was agreed to.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will please come to order.

Mr. CANNON. Mr. President, will the Senator yield so I can make a motion to reconsider?

Mr. HATFIELD. I yield.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, as we have been trying to move in an orderly way through these amendments, I have at this time about 24 amendments that I know of. We are trying to list these amendments in accordance with the requests made by the movers of the amendments.

So at this time I again ask unanimous consent that we temporarily lay aside the pending motion for reconsideration, in order to proceed with other amendments.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HATFIELD. Mr. President, as a comanager of the resolution, I hereby lay aside the pending committee amendment, in order to clear the deck for other amendments.

I yield to the Senator from Connecticut (Mr. WEICKER), who is next on the list. He is to be followed by Mr. METZENBAUM, then Mr. BYRD, Mr. PELL, Mr. DURENBERGER, Mr. SASSER, Mr. BRADLEY, Mr. BUMPERS, Mr. HATCH, Mr. SPECTER, Mr. DECONCINI, Mr. JEPSEN, and Mrs. HAWKINS. Those are the names I have received thus far.

Mr. LEVIN. Mr. President, will the Senator yield before yielding to the Senator from Connecticut?

Mr. HATFIELD. For what purpose?

Mr. LEVIN. For the purpose of adding an amendment to that list.

Mr. HATFIELD. I cannot hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. LEVIN. Mr. President, I think others in the Senate should be informed of this, in all fairness.

I do intend to offer an amendment which would transfer the money we have in the bill, the DOD bill, the number of which is in this bill, from the B–1 bomber to readiness accounts, particularly restoring the Indian Ocean presence, restoring the Army.

I expect to debate that amendment at great length, and in the event it is tabled, I would make the same arguments on the bill itself.

I thought it only fair to my colleagues to know in advance that the issue raised here is really the basic issue of whether the continuing resolution can, in fairness to the country and the Senate, be for a full year. That will be extensive debate, and I want to warn as many of us as are on the floor and can hear that I intend to do that when my turn comes.

Mr. HATFIELD. Then, the Senator is requesting a position on this pecking list?

Mr. LEVIN. I am.

Mr. HATFIELD. I also say, for the information of Senators, that the latest information I have from the leadership is that, considering the constriction of time under which we are working, we will pursue and persevere and finish this continuing resolution tonight, tomorrow morning, or whenever; because, as we act upon these amendments this afternoon and all day today, we are sending them to the House staff people, so that we can have the paperwork done in the morning,

in order to go to conference with the House on this continuing resolution tomorrow afternoon, and thereby await House action and, following that conference, take the final action on the Senate floor, which we hope will not be pressing us against the midnight hour.

Mr. LEVIN. I understand what the Senator is saying, in his usual genteel way, and I accept it. I am saying, in the same genteel way, that because of the impact of that process on our appropriations process, I intend to do what I can, as one individual, to stop this from happening—what the Senator has just described—so that we can preserve the historic appropriations process in Congress, and not ship the purse down Pennsylvania Avenue to the White House.

Mr. HATFIELD. I urge the Senator to seek a seat on the Appropriations Committee at the first opportunity. We would welcome his kind of service.

Mr. PRYOR. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. PRYOR. I thank the distinguished chairman for yielding. I, too, should like to have on the list an amendment that I plan to offer to this measure.

Mr. HATFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATFIELD. For what purpose does the Senator from Arkansas wish me to yield?

Mr. PRYOR. I should like to inform the distinguished chairman and my colleagues that I also have an amendment, which will deal with disapproval of the MX missile. I do not know how much debate this is going to take, but I do think that the MX missile decision, as of October 1, needs a full debate, one that assures that both sides are heard on this issue.

I do have an amendment that will be at the desk at the proper time asking disapproval of the MX missile.

Mr. HATFIELD. All right. I will reserve a slot for that amendment.

Mr. GLENN. Mr. President, will the Senator yield for a question?

Mr. HATFIELD. I yield.

Mr. GLENN. Mr. President, with regard to the Levin question, there was a mood around here awhile ago, as I understand it, to try to get an agreement on a date certain beyond which we would not go because the Department of Defense appropriations bill passed separately would then supersede the continuing resolution.

My question is, Was there an agreement arrived at pursuant to that?

Mr. HATFIELD. No, there has not been an agreement arrived at.

Mr. LEVIN. Mr. President, will the Senator from Oregon yield on that point?

Mr. HATFIELD. I am happy to yield for a question.

Mr. LEVIN. I wish to respond to the Senator from Ohio. I do not believe an agreement has been reached. I think an agreement will be reached on this point. It will not, however, eliminate the basic problem which is that unless these issues are resolved on the continuing resolution, because there will be a continuing resolution, as projected, that goes clear around, it will not make any difference what we do on the appropriations process. We will be substantially stripped of legislative power in the appropriations process.

So I wish to assure the Senator from Ohio that I am not going to stand in the way of that agreement being reached on the DOD appropriation bill coming up next Monday.

I hope it does, but that does not answer the basic problem that has been outlined here for the last 2 days.

Mr. GLENN. Even though in the appropriations process once we pass that bill it would supersede the continuing resolution?

Mr. LEVIN. That assumes that the appropriations process becomes law.

If the amendment which was originally designed by Senator HOLLINGS and others is adopted which says that no money for the MX or the B–1——

The PRESIDING OFFICER. There is entirely too much conversation in the well.

Mr. HATFIELD. Mr. President, when we get the amendment up and begin the debate at that point we could expedite, I think, the whole process.

I now yield to the distinguished Senator from Connecticut who has three in one, I believe, to be followed back to back.

Mr. MATHIAS. Mr. President, will the Senator from Connecticut yield?

Mr. WEICKER. Mr. President, I yield a minute here to our distinguished colleague from Maryland.

UP AMENDMENT NO. 668

(Purpose: To appropriate $60,000,000 for the reconstruction, resurfacing, restoration, or rehabilitation of the Woodrow Wilson Bridge.)

Mr. MATHIAS. Mr. President, on behalf of the Senator from Maryland (Mr. SARBANES), the Senator from Virginia (Mr. WARNER), and myself, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Maryland (Mr. MATHIAS), for himself, Mr. SARBANES, Mr. WARNER, and Mr. HARRY F. BYRD, JR., proposes an unprinted amendment numbered 668.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the Joint Resolution, add the following:

SEC. . (a) Notwithstanding any other provision of this joint resolution, there is appropriated out of the Highway Trust Fund $60,000,000 to be available until expended for the reconstruction, resurfacing, restoration, or rehabilitation of any bridge on the Interstate System which is owned by the United States Government and which is located in two States and the District of Columbia. Such sum shall be available for obligation in the same manner and to the same extent as if such funds were apportioned for the Interstate System under chapter 1 of title 23, United States Code. The Federal share of the cost of any project for such reconstruction, resurfacing, restoration, or rehabilitation shall be 100 per centum.

(b) The Secretary of Transportation may approve any project for the reconstruction, resurfacing, restoration, or rehabilitation described in subsection (a) whenever the two States concerned and the District of Columbia submit to such Secretary for approval appropriate plans, specifications, and estimates for such project. The Secretary of Transportation shall, prior to approval of such project, enter into an agreement with such States and the District of Columbia for future maintenance and rehabilitation of the bridge.

(c) In making any revised estimate of the cost of completing the Interstate System, which estimate is required by section 104(b)(5)(A) of title 23, United States Code, to be transmitted to the Congress after the date of enactment of this Act, the Secretary of Transportation shall not include any costs for any bridge eligible for approval under subsection (a). The Secretary shall reduce apportionments made under section 104(b)(5) of title 23, United States Code, to such States or District by an amount, if any, equal to amounts apportioned under such section to any such State or District with respect to any such bridge for any fiscal year ending before October 1, 1981. The reduction, if any, made by the preceding sentence for each State or the District shall be made out of apportionments under such section to such State or the District, beginning with the apportionment for the fiscal year ending September 30, 1983, and shall be made, in equal shares, over the number of fiscal years in which apportionments described in the preceding sentence were made.

Mr. MATHIAS. Mr. President, I would like to offer an amendment to the continuing resolution which would authorize the Federal Government to provide the funding for the reconstruction of the Woodrow Wilson Bridge across the Potomac River. The bridge, as everyone knows, connects the Maryland and Virginia sides of Interstate 95, the major north-south artery along the heavily traveled east coast.

Under normal circumstances, I would not attempt to add an amendment of this nature to a continuing resolution, but the urgency of the situation requires immediate action. The potholes on the bridge are so bad that unless the bridge is reconstructed, it will have to be closed. You can actually look down through some of them and see the Potomac River flowing to the Chesapeake Bay. If we do not take action now, interstate truck traffic will have to be curtailed from Maine to Florida, causing east coast interstate commerce to suffer major dislocations.

My legislation is consistent with the will expressed at one time or another by both Houses of Congress for 100 percent funding. During the 96th Congress, the House included a similar measure in the Surface Transportation Act of 1981, which never achieved final passage in the Senate. In the 97th Congress, the Senate has already included the measure in the Federal Highway Improvement Act of 1981, which has passed the Senate but is not expected to be taken up by the conference in time to solve the problem.

Present cost estimates for the total project are $60 million, but it is important to note that this amendment will not appropriate new funds. It simply authorizes the release of funds from the highway trust fund.

The bridge is owned by the Federal Government. In fact, it is the only fed-

erally owned interstate bridge. The responsibility, therefore, for keeping this vital link in the interstate system open and safe devolves on the Federal Government.

The States of Maryland and Virginia and the District of Columbia have no legal responsibility to invest local funds into this reconstruction project. They have shown their good faith, however, by sharing the maintenance cost over the years. And over and above the call of duty, they have also put up the design money so the reconstruction project could proceed without delay.

When the bridge first opened in 1961—I can remember it well because it was during my first term in Congress—it represented a landmark in the Interstate Highway System at a time when the system was in its infancy. Since then, it has proved to be a linchpin of the east coast Interstate System, and that is the problem. Traffic on the Woodrow Wilson Bridge has grown at such a fast pace during these 20 years that it now carries 104,000 vehicles daily, including both commuters and long-distance travelers. Twenty years ago, it carried 20,000 to 25,000 vehicles daily. This heavy use has taken its toll. The structure has significantly deteriorated throughout the concrete deck portion and has become a safety hazard. Hence, the need for the legislation, which will bring the bridge up to the standards of safety and design applicable to all bridges under the Interstate Highway System.

If we do not act swiftly, I am afraid that we could be faced with a major disaster in the very near future. If any of my colleagues have any doubts, I invite you to take a trip over this federally owned bridge with me anytime. I urge my colleagues to approve this amendment.

Mr. President, this amendment simply repeats what the Senate already did the other day in providing for the repair of the Woodrow Wilson Bridge.

I am offering it to the continuing resolution reluctantly, but I feel that it is urgent that we do so because we might lose a Member of the Senate due to holes in the bridge.

One can look down and see the Potomac River flowing gently and serenely to the Chesapeake Bay. I would not like to see a Member of the Senate following the course of the river.

So under those urgent conditions, we are offering this amendment. It simply repeats what the Senate did by authorizing the repair of the bridge.

Mr. WARNER. Mr. President, I join with my colleague and we appreciate the indulgence of our colleagues here. This is a life and death situation.

Mr. SARBANES. Mr. President, I am pleased to join in cosponsoring the amendment offered by my colleagues, Senators MATHIAS and WARNER, to provide the funds necessary to begin the urgently needed reconstruction of the Woodrow Wilson Bridge. This amendment incorporates the essential features of S. 459, legislation which I introduced earlier this year and which was included in the highway bill recently passed by the Senate.

The Woodrow Wilson Bridge connects the Maryland and Virginia segments of I-95 and serves as a vital link in the Interstate Highway System. Since the bridge first opened in 1961, traffic over the bridge has increased from 21,000 cars and trucks daily to over 100,000 daily. This heavy use has caused significant deterioration in the roadbed and substructure. It has now reached the point that the condition of the bridge is a matter of serious safety concern. In fact, due to its badly weakened condition, the bridge may have to be closed to heavy truck traffic before the end of this winter. Should this occur, the current truck traffic would have to be rerouted, resulting in a disruption of commerce up and down the east coast.

The Federal Government is sole owner of the Woodrow Wilson Bridge and, as such, clearly has ultimate responsibility for it. Since the bridge was opened, the jurisdictions of Maryland, Virginia, and the District of Columbia have carried out an agreement to assume joint responsibility for routine maintenance and operation of the bridge. Thus while the Federal Government has retained ownership of the bridge and ultimate responsibility for it, the three local jurisdictions have expended more than $450,000 annually for routine repairs and operating expenses. The bridge can, unfortunately, no longer be sustained with routine maintenance, but needs instead to have its deck totally rebuilt.

The amendment before us provides for an undertaking by the Federal Government to bring the federally owned Woodrow Wilson Bridge up to the standards of safety and design applicable to all bridges in the Interstate Highway System. In light of the serious safety problems already existing, and considering the pressing need for the bridge to remain open, I would urge that this amendment be enacted promptly so that the urgently needed rehabilitation work can begin.

Mr. ANDREWS. Mr. President, the logic and eloquence of our three fellow Senators is totally convincing, but let me add one other thing.

We checked this out with the Transportation Department and the Department of Transportation earlier today told me as we restructured the amendment it fits in fully with the program of the Department.

We have no objection to the acceptance of the amendment.

Mr. MATHIAS. We are grateful to the Senator.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. PROXMIRE. Has this a dollar figure?

Mr. MATHIAS. Yes; $60 million.

Mr. PROXMIRE. $60 million.

Mr. MATHIAS. Yes.

Mr. PROXMIRE. Is this an additional $60 million?

Mr. MATHIAS. No; this is no additional budget cost because it comes out of the highway trust fund. It is purely the designation out of the fund.

Mr. ANDREWS. Might I assure our colleague there is no additional cost in this bill. This is an earmarking of highway funds for an emergency situation.

This bridge, might I point out to my colleague from Wisconsin, is a unique structure. It is the only bridge on the Interstate Highway System that is still owned by the Federal Government because of the importance of evacuation and movement around the Capital area. Therefore, there is a special relationship. The need is urgent.

As our colleague from Maryland points out, he would not want to lose one of his colleagues. I suspect more importantly, he would not want to lose one his constituents. Neither would we.

So, there is no additional cost.

The Senator from Florida (Mr. CHILES) agrees that this is a needed project. We hope we can have the concurrence of our friend from Wisconsin.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Senator from Virginia (Mr. HARRY F. BYRD, JR.) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. May we have a vote?

Mr. HATFIELD. I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland.

The amendment (UP No. 668) was agreed to.

Mr. MATHIAS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I ask for the attention of our colleagues as I intend to send to the desk three amendments.

The PRESIDING OFFICER. The Senate will please come to order. Conversation in the well will please cease.

The Senator from Connecticut.

Mr. WEICKER. Mr. President, I shall send to the desk three amendments. The first deals with special education grants to the States.

The PRESIDING OFFICER. The Senate will please come to order.

The Senator from Connecticut.

Mr. WEICKER. The second deals with vocational rehabilitation, and the third deals with low-income energy assistance.

It is my intention to discuss these amendments, spending only a few minutes on each. Certainly anyone else desiring to speak can also do so. Then I shall ask for the yeas and nays and when the yeas and nays occur that they occur back to back on these three amendments.

UP AMENDMENT NO. 669

(Purpose: To increase the appropriation for State grants for Education of the Handicapped Act)

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is the Senator asking that they be considered en bloc?

Mr. WEICKER. No.

I first ask that the amendment relat-

ing to special educational grants to the States, some additional $69 million, be stated.

Mr. SCHMITT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHMITT. Is there a unanimous-consent request made that these amendments be considered en bloc?

Mr. WEICKER. No.

The PRESIDING OFFICER. There has been no unanimous-consent request that they be considered en bloc. The Senator has not made that request.

Mr. WEICKER. I do not wish them to be considered en bloc.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), for himself, Mr. STAFFORD, Mr. HATCH, Mr. RIEGLE, Mr. KENNEDY, Mr. RANDOLPH, Mr. WILLIAMS, Mr. JACKSON, Mr. PELL, Mr. HUDDLESTON, Mr. LEVIN, Mr. BAUCUS, Mr. LEAHY, and Mr. CRANSTON, proposes an unprinted amendment numbered 669.

Mr. WEICKER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, there is appropriated $69,800,000 for section 611 of the Education of the Handicapped Act which is in addition to amounts appropriated under this joint resolution which would otherwise be made available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981, for such section 611.

Mr. WEICKER. Mr. President, I offer this amendment on behalf of Senators STAFFORD, HATCH, RIEGLE, KENNEDY, RANDOLPH, WILLIAMS, JACKSON, PELL, HUDDLESTON, LEVIN, BAUCUS, LEAHY, and CRANSTON.

My amendment seeks to increase the funding level for the special education basic State grant program from the Appropriations Committee recommendation of $900 million, to the level contained in the budget reconciliation bill of $969.8 million, as an increase of $69.8 million.

Public Law 94–142, the Special Education for All Handicapped Children Act, requires States to provide handicapped children with a free, appropriate education. The special education basic State grant program authorizes Federal funds for State and local grants to help the States pay for the excess cost of providing this special education, and I emphasize the word "help."

While Public Law 94–142 is a Federal law requiring that disabled youngsters receive the special education services they require to grow to their full potential, the fact remains that in this fiscal year the Federal Government paid for less than 9 percent of the cost of those special education services.

Even with my amendment we will be lucky to hold the line at 8 percent of the cost. Without my amendment, the result will be increased costs to the local and State school systems and probably a reduction in the even now less than complete services provided handicapped schoolchildren.

The Public Law 94–142 program currently serves 3.9 million handicapped children, however the Department of Education estimates that there are upward of an additional 3 million disabled youngsters that require special education services. These children are either unserved or underserved; either not in school at all, or in a regular classroom and not receiving the special education they need.

While the paramount goal of Congress in enacting Public Law 94–142 was to make an appropriate education available to every handicapped child in the United States, most local education agencies interviewed in a recent GAO study admitted that they are not meeting these objectives due to a shortage of funds.

What a tragedy. What a waste of human talent. Are we going to say to the third, fourth, and fifth graders of today who are unserved and underserved that they must put their progress on hold until some time maybe in the future when Congress might have more money?

Let us consider President Reagan's recent remarks about this program:

The implementation of Public Law 94–142 was perhaps the greatest stride made to date toward a workable plan for the education of handicapped children. As President, I will work to insure that the Education for All Handicapped Children Act is a success.

We have come a long way since Congress enacted Public Law 94–142 in 1975, but it is not far enough. The strides we have taken are only a beginning, and we must continue to maintain our level of commitment to the disabled youngsters in our Nation.

Nearly a decade of progress in protecting the rights of handicapped children is seriously threatened if we agree to accept the funding being proposed for this program by the Appropriations Committee.

How can we turn our backs on the 3 million children waiting to be served, particularly in this, the International Year of the Disabled?

While $69.8 million does not even come close to meeting the purchase price of one single tank today, it will allow 325,000 more handicapped children to receive educational services next year. That is a little more than a quarter of a million children that will come a little closer to becoming taxpaying, contributing members of our society.

This small investment now will reap vast savings later in decreased institutionalizations and dependency on expensive welfare programs for this population.

Mr. President, we must all work together to see that our Nation's handicapped children find a productive and secure role in the American mainstream. Voting for the higher funding level that Congress supported in the reconciliation budget bill for Public Law 94–142 will insure that we do so.

In essence, Mr. President, what this does is to provide the States with the barest possible funds to enable them to continue their special education programs. Everyone of my colleagues knows that as we go into the competition for these reduced appropriations, the scramble for funds at the State and local level will be fierce. The people who are going to suffer are those in the minority, and in this sense "minority" means those who are mentally retarded, those who are the beneficiaries of the special education programs in their communities.

We have mandated something that even now we only pay a small percentage of the cost. It would be intellectually far more honest if we took Public Law 94–142 off the books. But do not leave the law on the books, funded at a level which is gong to be devastating to those who are the intended beneficiaries.

Let me say one thing more and then I will sit down on this amendment. These people cannot wait. It is not a matter of once the economy straightens out everything will be all right for them in a year or two.

The majority of the people benefited from these funds, if you let a year go by, if a week goes by or a month goes by, you have stopped the course of their existence for the rest of their lives.

So I hope we will bring the funding to the level that was approved and negotiated out, I might add, between the committee and the administration as it occurred in the reconciliation bill.

I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

Mr. SCHMITT. Mr. President, I did not know that the Senator from Connecticut had relinquished the floor.

The Senator from Connecticut knows that the subcommittee, as well as the full Appropriations Committee, has been very much aware and very much concerned about the basic grant program for education of the handicapped. We demonstrated this support, I believe, by recommending an appropriation of $900 million for this program, and we did that in the face of a total Labor, Health and Human Services, and Education budget which the administration has said officially is $3.2 billion over in budget authority and $2.6 billion over in outlays relative to the President's September request.

This overage is one of the major reasons why we are facing the threat of a Presidential veto on this continuing resolution, and potentially on the regular bill as we bring it forward in the legislative process.

As the Senator from Connecticut knows, I tried diligently to work out an arrangement within our committee where we could gain some control over discretionary programs of this kind by providing some very modest caps on entitlement programs. If the Senator has an enemy in this process it is the entitlements, and their unrestrained growth, which has made it impossible for my subcommittee, and for the full Appropriations Committee, to move to

the limit of its desires in the discretionary programs such as the basic State grant program.

The $900 million recommendation that is in the bill is an increase of $24.5 million above the fiscal 1981 level, an increase of $162.4 million above the amount that the March budget request would have been had this program not been included in the block grant; and an increase of $250.912 million above the administration's revised September budget request.

Mr. President, as you can see, and I hope our colleagues are aware, any way you look at the committee recommendation it is a substantial increase and a substantial commitment to the basic State grant program for the handicapped.

Let us put this a little bit in individual perspective, that is individual perspective relative to the student. The committee recommendation of $900 million will provide an average grant of roughly $225 per student for an estimated 4 million handicapped students. The revised recommendation as proposed by the Senator from Connecticut, adding $69.8 million to this total, would provide an average grant of roughly $242.50 per student; in other words, each student might receive an additional $17.50.

The committee recommendation, and another way to look at this, of $225 average per student represents 9.8 percent of the excess cost of the education of a handicapped child. The revised amount proposed by the Senator from Connecticut's recommendation of $242.50 would cover 10.6 percent of this excess cost, on the average.

The Weicker amendment adds a few dollars spread over the entire country, and for some individual children it could be significant. But it cannot be considered significant in the overall picture of handicapped education in the United States.

The Appropriations Committee is committed to this program. I hope Congress is committed to giving us the latitude to fund programs like this at a level that can be justified. But right now we have a different problem. At a time of balancing many, many different, competing interests, all with their very, very obvious desirability, it is the position of the Senator from New Mexico and, I believe, of the Appropriations Committee, that we have gone as far as we can go at this time on this particular program.

Mr. PROXMIRE. Mr. President, will the Senator from New Mexico yield?

Mr. SCHMITT. I yield.

Mr. PROXMIRE. Mr. President, I think all of us greatly admire the distinguished Senator from Connecticut. He certainly is a great champion of these causes. Nobody has worked harder for them than he has.

But let me point out the figures here that I think we ought to underline. The fact is that this is one of the very, very few programs that is increased in this budget, and it is increased from $874 million in fiscal 1981 to $900 million.

The President recommended $649 million, and this is an increase, the committee's recommendation is an increase, of almost 40 percent—think of that, 40 percent—of what the President recommended.

The distinguished Senator from Connecticut's amendment would make it about 50 percent over what the President recommended.

We have to, at the same time recognizing the great appeal of this kind of a program, recall that this entire effort by the Federal Government is only a few years old. It only goes back 5 years or more, and we have gone from nothing to almost $1 billion during that short period of time.

While I think my friend from Connecticut, of course, makes a very appealing case, and if the Federal Government has any responsibility, it should be to help the people who cannot help themselves—and this is certainly one of those programs—still we have enormously increased this program in the past. We go substantially higher than it was last year, and it represents an enormous increase, the biggest increase perhaps in the budget, certainly one of them, over the President's request.

Under the circumstances, I would certainly support the manager of the bill, the Senator from New Mexico, in his opposition to the amendment.

Mr. WEICKER. Mr. President, only figures that should be before this body are the following figures, which are that this program under Public Law 94-142 currently serves 3.9 million handicapped children. The Department of Education estimates there are upward of an additional 3 million children who are either not being served or are underserved. All my amendment does is to assure that 325,000 of those 3 million will be served.

Now at the present time, the Federal Government pays for less than 9 percent of the cost of these special education services. What do you think is going to happen under the present scheme of things when matters have to be resolved by the local school boards? You know very well who is going to be left standing out in the cold outside the schoolhouse. They already are, at too great an extent.

All this does is bring it to the reconciliation level, which, I might add, was the agreement arrived at between a group of Senators and the administration.

I would like to read to you the President's promise which was made during the course of the recent campaign.

I quote Ronald Reagan:

> The implementation of Public Law 94-142 was perhaps the greatest stride made to date toward a workable plan for the education of handicapped children. As President, I will work to insure that the Education for All Handicapped Children Act is a success.

Now it is not just his responsibility. It is ours also. Otherwise, take the law off the books, which will be obviously even a greater tragedy.

I plead with you, in the moneys that we allocate around here, I think this is a crucial program and the children it serves cannot wait.

I did everything I can to plead with the chairman of the subcommittee as to the need involved in this area. It was rebuffed at every turn. You will notice there is no early education money. It was knocked out. Do you know what that means? If a child does not get that education, you have permanently set the course of their life. Whatever knowledge or ability they have to perform is determined when they are 2, 3, 4, 5, 6 months old. And after reaching 5 and 6 years, the learning process diminishes.

We had to pick only a few areas so I could stand the greatest chance of success, and that is why I now come to you with a request for this money, which is divided among all of the States. These funds go to that segment of our society, the young people, and especially those who need our special care, that need the dollars the most. My gosh, this amount is not enough to buy even one landing gear on one of our more sophisticated flying machines.

I am sorry it could not be worked out in committee, but it could not because we always had to come to some bottom line figure. I do not care if there was only one life involved in this program, I would still be out here fighting just as hard. It is 325,000 lives, and even there we are falling short.

So I hope that my colleagues will see fit to pass this amendment.

Mr. SCHMITT. Mr. President, I am sorry that the Senator from Connecticut thinks that he has been rebuffed on these issues. If there is anyone that I tried to work with, and who in fact influenced the totals of the committee in the areas of his interest, it is the Senator from Connecticut, because I, and everyone else involved in this process, am sympathetic with what he is trying to do.

Rebuff, no. I think that is an unfortunate choice of words. But realistic about other competing interests of education, of student financial aid, of low-income energy and many, many other discretionary programs, there was no rebuff, just a balance.

The full amount for preschool incentive grants was provided, $25 million. The full amount authorized in reconciliation. That is the 1981 level. This is precisely the kind of program the Senator from Connecticut has in mind when he speaks of programs to aid very young, handicapped children. There was, throughout the committee's and the subcommittee's consideration, great consideration for the problems raised by the Senator from Connecticut.

I do not believe that the Senator is entirely accurate that there would be over 300,000 new enrollees in the program under the conditions of his amendment. I may have misunderstood. I believe that eligibility of students for this program is determined first, and then the grants are distributed on the basis of grant money available.

As far as a reconciliation level is concerned, Mr. President, there is no way that the Appropriations Committee, under the budget allocations given the individual subcommittees and under the constraints of the budget resolution, is going to be able to fund up to the reconciliation level in every program. We just cannot do that. Even having not done that, I repeat, Mr. President, relative to the September budget, the administration has officially said we are $3.2 billion

over in budget authority, $2.6 billion over in outlays.

I hope that the Senator from Connecticut, having made once again his points in such an excellent and articulate way, would recognize that the subcommittee is on his side. It has been on his side. He has, in fact, done far better than almost any other interest in our budget. I hope that he would withdraw his amendment and accept the fact that the sympathy is there and in the long run if we can gain control of the entitlement growth, these programs will do a lot, lot better than they will under the present circumstances.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I rise to support all three of Senator WEICKER's amendments.

I am pleased to be a cosponsor of the bi-partisan amendment offered by Senator WEICKER to insure minimally adequate funding levels for two of the most critical Federal programs which serve our Nation's handicapped members—the Education for all handicapped children act and the Vocational Rehabilitation Act.

Senator WEICKER's amendments are necessary to prevent denial of critical services to thousands of handicapped people.

Under Senator WEICKER's amendments funding for special education and vocational rehabilitation is still below the levels agreed to during reconciliation and which received the bi-partisan support of the overwhelming majority of the Labor and Human Resources Committee.

The $69.8 million addition to special education is necessary to maintain the 11 percent Federal share of the States' extra costs to provide a free, appropriate education to their handicapped children.

Without these additional funds, the Federal share will fall to somewhere around 8 percent.

We cannot afford to gamble that State and local school systems will pick up the slack.

The stakes of the gamble are too high. At risk are the lives of the 4 million handicapped children who, prior to enactment of the Special Education Act, were left unserved or inadequately served by State and local school systems.

Failure by the Federal Government to insure that every handicapped child is extended the same educational opportunities afforded to nonhandicapped citizens would have disastrous results:

It is clear that special education programs can mean the difference between an adult able to contribute to society and a person who is a burden to society. Research has revealed that failure to shoulder the cost of providing necessary services during the developmental years when significant changes are possible will result in increased costs in later years as handicaps intensify, dependency becomes a pattern and institutionalization is often the end result. The average cost of institutionalization is now $25.000 per year per person. The average cost of providing a year of special education services to a handicapped child is approximately $200.

I am very familiar with the special education programs. My own State of Massachusetts is one of the few States in this country that has mandated special education programs for the handicapped and the mentally retarded. It is a costly program. And yet, Mr. President, we can say that the people of the Commonwealth of Massachusetts, time in and time out, have refused to turn their backs on that program.

Once these programs are out and working and really benefiting the people and once people within these communities see how these children have developed, how they have been able to keep these children out of institutions, how the children themselves have been able to develop and be productive and useful members of the society, the value of the program becomes apparent to not only the families but to the communities.

The Senator from Connecticut has, I believe, outlined the case for these programs and what the implications will be without the Senator from Connecticut's amendment on special education. Senator WEICKER's proposed addition of $44.7 million to the vocational rehabilitation program is necessary to reduce the number of people who will be denied specialized job training and placement in remunerative employment.

Even with the amendment, it is estimated that 40,000 fewer handicapped people will be served during fiscal year 1982 then were served during fiscal year 1981.

But without the amendment, that figure will more than triple and over 125,000 disabled people will be denied the opportunity to become productive members of this society. The facts are clear. An adequate Federal investment yields greater income to Federal, State and local governments: An inadequate Federal investment results in greater costs for these governments.

According to the Rehabilitation Services Administration, the estimated total tax returns and savings to the Federal Government in fiscal year 1979 as a result of the vocational rehabilitation program was $270,600,000.

Further, our 1979 investment in the vocational rehabilitation program will be paid off in 4 years.

Finally, RSA estimates that the lifetime earnings for persons rehabilitated in fiscal year 1979 has increased by $11 for every $1 spent through the vocational rehabilitation program.

It is clear that an adequate Federal investment in the special education and vocational rehabilitation programs leads to a substantial savings over the long run in financial and human costs.

I think there are very few Members of the Senate that have had the opportunity, as I have, to talk to many of these young people who have benefited from the special kind of skills they have been able to acquire from this kind of vocational training and find that they are gainfully employed and able to provide for themselves, continue their education, and, in many instances, be outstanding students and outstanding members of their communities—opportunities that would have been denied them if it were not for the programs supported by the Rehabilitation Act.

Now, we can say—and I hear the argument made here on the floor of the Senate—that we are only cutting these programs back a little bit from our reconciliation levels. But the fact remains, Mr. President, that in many States that have developed effective programs, there are inefficient resources to insure that these programs would continue.

Mr. SCHMITT. Will the Senator yield just for a point of clarification?

Mr. KENNEDY. Yes.

Mr. SCHMITT. We are not cutting back these programs. We have added $24.5 million to the fiscal year 1981 level. This is a program that has fared fabulously compared to other programs in our budget. I just wanted to make that point clear.

Mr. KENNEDY. The fact is, in the real terms, we see reductions.

I am familiar with the fact that in the handicapped area the ax has not swung as deeply as it has in other areas which affect, in many instances, the same families.

What we have heard a great deal about is that they were going to do an evaluation of these programs, support the programs that are effective, and then cut back on the programs that are ineffective.

That has not been done, I daresay, effectively. What we have seen on the authorizing committee in our review of these programs is that they are effective and they are providing important opportunities for the individuals who benefit from them. The fact remains that unless the amendment of the Senator from Connecticut is accepted in order to maintain these programs, there will have to be additional taxes at the local or State levels, and I do not think there are many of us who are confident that that will take place.

I saw an article the other day that indicated there was not one Governor in this country who was advocating additional taxes, and I do not believe there are many mayors who are prepared to do so either. The people who will suffer are the ones who are the beneficiaries of these programs.

The final point that I would like to make, Mr. President, is on the fuel assistance amendment of the Senator from Connecticut.

I was here on the floor of the Senate when we heard all of the comments made that we would provide up to 25 percent of the windfall profit tax to benefit people, particularly the elderly, who live in the northern tier of States from being severely and adversely impacted by the cold weather. That was a commitment that was made by the Congress and by the President. Since the time that that legislation was passed, this body has been in full retreat.

The Senator from Connecticut, in his amendment, is at least trying to insure that the retreat will not be as dramatic and will not be as cruel and severe as it otherwise would be. Without his amendment, I understand that the effective

reduction would be approximately 40 percent in terms of reduction in real terms. That is what we have to talk about, real terms, not just dollars, because we know how the numbers can be altered. We have different estimates on the rates of inflation, but when we talk about the numbers of individuals who will be covered, we know what the loss will be in real terms to many individuals unless the amendment of the Senator from Connecticut is agreed to. I am hoping it will be, and I urge my colleagues to support it.

Mr. KENNEDY. One of the first targets of the Reagan budget-cuts was the low-income energy assistance program. Last year, this program helped 125,000 Massachusetts families meet the rising cost of winter fuel bills. Last year, $1.850 billion was spent nationally for energy assistance. Despite the fact that only half the eligible families in Massachusetts could be served with these funds, cuts have been proposed this year.

This year the administration asked for only $1.4 billion, ignoring the rising costs of energy. Just last July, Congress rejected this request and authorized $1.875 billion to be spent this winter in order to maintain the low-income energy assistance program at roughly last year's level. This level would mean over $75 million in direct assistance for 400,000 elderly and needy citizens in Massachusetts.

But the resolution reported by the Appropriations Committee ignores the congressional mandate of last July. The resolution before us would cut $225 million from the level authorized in reconciliation. The impact on Massachusetts' citizens would be devastating. The $10 million in lost aid would mean another 15,000 families would be without fuel assistance this winter. A third of these households have elderly residents.

This program has made an enormous difference in the lives of families in Massachusetts. I have visited homes in winter where blankets and newspapers were the chief means of keeping warm. The fuel assistance program has enabled our low-income and elderly citizens to live without fear of having their electricity and gas cut off.

It is unconscionable to accept reductions in the fuel assistance program just 3 months after we voted to give $33 billion in tax breaks to the rich and powerful oil companies. We cannot stand by while the heart is cut out of fuel assistance to the poor and elderly. I hope my colleagues will once again reject cutbacks in this vital program and support the Weicker amendment.

Mr. RANDOLPH. Mr. President, I am grateful to the chairman of the subcommittee handling this legislation. I am in support of the three amendments.

Mr. President, as a cosponsor of the amendment offered by the diligent Senator from Connecticut (Mr. WEICKER) I support the increase in funding for this vitally important program. The needs of handicapped children have too often been overlooked in this Nation's history; Public Law 94–142, the Education for all Handicapped Children Act, has attempted to address this continued neglect. The $69,800,000 provided by this amendment will result in improved special education services to the handicapped children of this country and will assist in locating many handicapped girls and boys who are not presently being served.

Mr. HATCH. Mr. President, I would like to speak in support of Senator LOWELL WEICKER'S amendment to increase appropriations to reconciliation levels for education of the handicapped and rehabilitation State grants. Both of these programs merit restoration of funding and deserve our careful consideration.

The education of the handicapped State grants finance part of the extra cost to State agencies for expenses incurred in educating handicapped children aged 3 to 21. Under current funding level, it cost each taxpayer only $6.86 this last year to educate nearly 4 million handicapped youngsters. In my mind this is not excessive. Besides, by partially supporting special education and related services, the Federal Government saved at least $15,000 per student or $60 billion total this last year by not institutionalizing these children plus they have the opportunity of becoming contributing members of society and possible future taxpayers.

The current Federal share for State grants is 11 percent. Without this amendment, it will fall to 8 percent and the difference will have to be made up by State and local school systems which are already facing serious financial difficulties.

Rehabilitation State grants finance training of disabled adults for employment in either a competitive or sheltered workshop environment. Even with the increase proposed, rehabilitation agencies will only be able to serve 1.000,976 persons, which is 38,429 fewer disabled than in fiscal year 1981 for a 3.7-percent decrease in services.

Based on allocations of $854,259, which is the Senate appropriations figure, 125,-300 fewer disabled will be served in 1982, which represents a 12.05-percent decrease in clients. This would be a serious mistake, since for every $1 invested by the Federal Government in the past for rehabilitation, $10.80 has been returned when the disabled became taxpaying employees.

Because of these and many other justifications that I do not have time to mention, I encourage my colleagues to vote affirmatively to accept Senator WEICKER'S amendment to restore funding for rehabilitation and education of the handicapped State grants. Without these additional moneys, our Nation will likely overlook some important needs of its largest minority—our 36 million handicapped individuals.

EDUCATION FOR THE HANDICAPPED

● Mr. RIEGLE. Mr. President, I rise in support of the amendments offered by the Senator from Connecticut to restore funding for education for the handicapped and for vocational rehabilitation programs to the levels passed by this Congress in the Omnibus Budget Reconciliation Act. These amendments offer the handicapped and disabled an opportunity to overcome their dependence by gaining knowledge and skills to achieve some independence and become more productive citizens.

When the Congress passed Public Law 94–142, we made a commitment to handicapped children and their parents to assist States in providing free adequate public education for all handicapped children who were previously forgotten and discriminated against in our public schools. We have achieved many successes since its enactment, yet we have such a long way to go before the goals of Public Law 94–142 are fully realized. During the last Congress in oversight hearings held by the Handicapped Subcommittee, we heard over and over that the cost of implementation was high and States were simply financially unable to meet the needs of all handicapped students as required by law.

The Weicker amendment would also restore funding for vocational rehabilitation to the level established in reconciliation. I fully support this effort. Vocational rehabilitation programs provide essential services to thousands of disabled and handicapped citizens throughout our country. Their goal is to provide a vehicle by which these individuals can receive support and assistance in their efforts to return to work and become active productive members of their communities.

With the help of counseling, vocational guidance and training, handicapped individuals are afforded the opportunity to establish their independence, develop skills and offer valuable contributions to our society. As a consequence, we all benefit from these programs, which have also proven cost-effective as they encourage self-sufficiency and often eliminate the need for costly institutionalization.

I urge my colleagues to supoprt both of these amendments.●

HANDICAPPED EDUCATION PROGRAMS

● Mr. STAFFORD. Mr. President, I rise to support of Senator WEICKER'S amendment to increase the State grant funding in the Education of All Handicapped Children Act from $900 million to $969 million. The additional $69 million will bring the appropriation up to the March reconciliation levels.

It is the Nation's responsibility to provide equal educational opportunities for its children and they should not become a victim of reducing Federal spending. It has always been my view that providing Federal funds to help educate our young people represents the best investment we can make with our dollars.

We must all have a clear understanding that handicapped children have a right to education at public expense, without reservation. Handicapped children have always had the same right as their nonhandicapped peers. But, it has taken a long time to win broad acceptance of that fact.

In 1954, in the historic decision in the case of Brown against the Board of Education, the U.S. Supreme Court said, in part:

In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity . . . is a

right which must be made available to all on equal terms.

That, of course, was part of the decision in the landmark antisegregation case. But, it should be noted here that the Supreme Court made no qualification by race. The Court said: "Any child."

Between that time and 1975, when the Congress was writing the Education of All Handicapped Children Act, courts had acted in 27 States to specifically guarantee the protection under law implicit to handicapped children in the Brown case.

This legislation is designed to support the right of handicapped youngsters to an equal educational opportunity. Mrs. Donna Carpenter of Barre, Vt. in testifying before the Subcommittee on the Handicapped last year stated the following:

My son happens to be the first retarded child to be integrated into a regular classroom there. This setting which is the most appropriate and least-restrictive placement for our child is a model of which we are extremely proud. We owe this success to a finely tuned educational plan with all component parts in place, the availability of funds to implement the plan and the desire of our school personnel to make it work. In fact, as Jeremy looks ahead to entering a second-grade classroom this fall, with the support system in place, his individualized education plan ready, his education is not markedly different from that of his older brother.

Through the implementation of the act progress is being made. The number of children served now surpasses 3.8 million, according to the Department of Education's report to Congress on the implementation of Public Law 94–142: The Education of All Handicapped Children Act, 1980. The report states that between 1978–79 and 1979–80 school years, 43 States reported increases in the number of handicapped children in their annual child count. According to the report, there is increasing evidence that significant numbers of unserved handicapped children are to be found in regular classrooms in the Nation's 16,000 school districts. A national survey is presently being conducted to determine how many children are waiting to receive special education services. Because of the emphasis to place handicapped children in a public school classroom, where appropriate, out-of-school placements tended to decrease as new public school programs were created.

Back in 1976, the estimate was that only 40 percent of Vermont's handicapped children were being served. Today, the State says it is serving 99.94 percent of all its handicapped children. Youngsters served by special education programs make up 11.9 percent of Vermont's school-age population. In time, Vermont and all States, will be serving 100 percent of their handicapped students.

The benefits of this program far outweigh the amount of money the Federal Government puts into it. With the ability to share classrooms and educational adventures, handicapped children and their peers receive more than just academics. Education is a total learning process; it is a humanistic approach. Friends mean just as much to a handicapped child as anyone else. We can no longer restrict these children to friends who are handicapped or leave them without friends. To be a contributing member of society starts at school through the experiences we have and the people we meet. By integrating handicapped children into public school their nonhandicapped peers perceive them as individuals. Able-bodied children can learn to accept people with limitations.

Mr. President, I urge my colleagues to support this amendment. One cannot measure human progress in terms of dollars.

Mr. President, I ask unanimous consent that the following two letters be included in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CAMBRIDGE, VT.,
June 8, 1981.

DEAR SENATOR STAFFORD: It has come to my attention that the education of my sister and many other children is under serious threat of extinction through President Reagan's plan to repeal PL 94–142. This bill has helped with my sister's education without which my sister would never learn to talk correctly.

You see this bill has enabled Julie my sister to start to learn to talk over again. She was born 80% deaf in one ear and 75% deaf in the other. Thus she learned to talk the way she heard sounds. Now with the help of PL 94–142 she is starting to talk over again with the help of the Ira Allen Essencial Early Education Center who depend almost totally on the funds provided by the Government. Without EEEC Julie might never learn to talk.

I know the pressure you must feel to vote this way or that, but please, for the sake of my sister and those like her who could not afford private teachers, vote down the ask for repeal.

My family could not afford to send Julie to private schools due to the fact that there are 12 children in my family. My father is only a chemistry professor at St. Mike's College in Winooski and he doesn't make enough money to pay for our taxes and food and mortgage, much less to send Julie to private school.

I have met Julie's classmates, all of whom are good little kids and many of whom need EEEC more than she does.

One of Julie's classmates is 7 years old and is confined and strapped to a wheelchair because of multiple sclerosis (MS). Two more of her classmates are severely mentally retarded. Julie is the one with the least physical problems, but she needs her teachers just as the rest do. The other children's families are not well off and need the EEEC to help their children live as normally as possible.

Please help us defeat the ask for a repeal.

Thank you for your time,

Your Fellow Vermonter,

MARY JANE KILLNER.

P.S.—I'm only 14 years old and all 12 of us live at home. I am the oldest girl. I have three older brothers and three younger. I also have five younger sisters, of whom Julie is the youngest. God Bless.

JUNE 10, 1981.

DEAR SENATOR: I am 9 years old and physically handicapped. In school I learn lots of neat things. I am also learning to be independent. I want to grow up to be a useful, taxpaying adult.

Please don't do away with 94–142.

Thank you,

SCOTT KIEFER,
Silver Spring, Md.●

The PRESIDING OFFICER (Mr. HUMPHREY). The Senator from Tennessee.

Mr. BAKER. Mr. President, it is my understanding that there is a series of three amendments to be offered by the Senator from Connecticut and this is the first one. There are two others. What are they on?

Mr. WEICKER. Vocational rehab and low-income energy assistance.

Mr. BAKER. There are no time limitations on any of those, but I would like to propose, Mr. President, and I have discussed this with the acting minority leader, that the vetoes be stacked on those three amendments; that each in turn, be set aside temporarily until all three have been debated, and that thereafter the first vote be 15 minutes and the two succeeding votes be 10 minutes each without, of course, intervening debate, point of order, motion, or other procedures.

Mr. SCHMITT. Reserving the right to object, I wonder if the distinguished majority leader could protect the right of the committee—and I am not saying we are prepared to do so—to offering tabling motions.

Mr. BAKER. Mr. President, the request was for the votes to occur in sequence.

Mr. CRANSTON. Will the Senator yield?

Mr. BAKER. Yes.

Mr. CRANSTON. It might be helpful for Senators who may want to get something to eat to agree on a time certain.

Mr. BAKER. Would the Senator from Connecticut be willing to agree to a time of 7 or 7:30 for the vote?

Mr. WEICKER. I am prepared to say that we will start the voting at 6:30.

Mr. BAKER. All right. Mr. President, I ask unanimous consent that the votes occur in the sequence I have just described beginning no earlier than 6:30.

Mr. SCHMITT. Mr. President, I cannot preclude the comments others may wish to make. That is 25 minutes from now, and we have two more amendments to discuss. I have no great amount of remarks to present yet, but I think 6:30 is pretty early.

Mr. CRANSTON. Why not make it 6:45? That will insure sufficient time.

Mr. WEICKER. All right, although I am prepared to spend no more than 5 minutes on each amendment, if that. I do not know how many there are who care to talk, but I do not want to waste time, especially if it is going to be a long evening anyway.

Mr. BAKER. Mr. President, I change my request to not later than 6:45.

Mr. President, before the Chair rules, I also ask unanimous consent that the time on the amendments be equally divided between the author of the amendment and the distinguished acting minority leader and his designee. Well, I guess it would be the manager of the bill and the acting minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Will the Senator yield me a few moments on the pending amendment?

Mr. WEICKER. I yield.

Mr. CRANSTON. I am delighted to

join in supporting the pending amendment by the Senator from Connecticut, which I have cosponsored, to increase, from $900 million to $969.8 million, the appropriation for the State grant program under Public Law 94–142, the Education of All Handicapped Children Act. This amendment would provide a funding level equal to that already agreed to under the Omnibus Reconciliation Act of 1981.

Under the Reconciliation Act we have already slashed billions of dollars from effective and critical social programs. As a result of fundamental flaws in the administration's economic policies, the President has asked for immediate, deeper cuts in these programs only months after proposing his initial budget targets.

In the area covered by the amendment by the Senator from Connecticut, the Federal Government clearly has an essential role to play. In providing funding for the education of handicapped students, the Federal Government is preserving its role as guarantor of minority rights. Nothing is more essential to the rights that we seek to ensure for all Americans than that of a basic education. Because there are handicapped children whose educational needs differ from nondisabled children, efforts must be undertaken to assure that this difference does not result—as it unfortunately has for too many years—in the lack of a fundamental education.

Mr. President, it is important that handicapped children do not have the additional handicap of an inadequate education. While there are many problems that continue to plague us in fully achieving the goals of the education of the all Handicapped Children Act, reducing the level of funding roughly of $50 million below the fiscal year 1981 appropriation—in real terms—which would be the result under the continuing resolution if this amendment fails—is not the way to solve these difficulties. Such a reduction would compound them.

Although there are areas in the Federal budget that can and must be cut, I strongly oppose the notion that it is necessary to cut essential programs like this one.

I would emphasize that grants for the education of handicapped children go directly into much-needed service programs to assist disabled children. These are not funds for nonessential activities rather, as I have already stated, these are funds for basic education.

Mr. President, I would also like to emphasize that the increase in funding proposed by my colleague from Connecticut is not an increase above that already agreed to in the Reconciliation Act.

In conclusion, I urge all of my colleagues—during this, the next to last month in the international year of disabled persons—to support this important amendment.

Mr. WEICKER. I thank my distinguished colleague from California for his very moving and very accurate remarks.

Mr. President, if there are no further Senators who desire to speak on this amendment, it is my intention to ask that we lay this amendment aside temporarily so that I may offer my second amendment on vocational rehabilitation.

UP AMENDMENT NO. 670

(Purpose: To increase the appropriation for States under section 100(b)(1) of the Rehabilitation Act of 1973)

Mr. WEICKER. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside and I now ask that my amendment relative to vocational rehabilitation, which is at the desk, be read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), for himself, Mr. STAFFORD, Mr. HATCH, Mr. RIEGLE, Mr. KENNEDY, Mr. RANDOLPH, Mr. WILLIAMS, Mr. PELL, Mr. HUDDLESTON, Mr. LEVIN, Mr. BAUCUS, Mr. LEAHY, Mr. CRANSTON, and Mr. THURMOND proposes an unprinted amendment numbered 670.

Mr. WEICKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following new section:

Sec. . Notwithstanding any other provision of this joint resolution, the first paragraph relating to funds made available under this joint resolution which would otherwise be available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981, for rehabilitation services and handicapped research (contained in such reported bill on page 52, lines 2 through 10) is amended to read as follows:

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, as amended, and the International Health Research Act of 1960, $991,845,000, of which $892,865,538 shall be for allotments under section 100(b)(1), $6,134,462 shall be for activities under section 110(b)(3), $650,000 shall be made available to the Navajo Tribal Council for activities under section 130, and $18,000,000 shall be for activities under section 711 of the Rehabilitation Act of 1973.

Mr. WEICKER. Mr. President, I offer this amendment on behalf of myself and Senators STAFFORD, HATCH, RIEGLE, KENNEDY, RANDOLPH, WILLIAMS, JACKSON, PELL, HUDDLESTON, LEVIN, BAUCUS, LEAHY, CRANSTON, and THURMOND.

My amendment sees to increase the basic State grants for vocational rehabilitation from the Appropriations Committee level of $854,259,000 to $899,000,000—an increase of $44,741,000.

Mr. President, vocational rehabilitation is a program which provides job training and other services to disabled adults to allow them to take their place in the working, producing segment of our society. It is a program half a century old which most simply stated works both in human and economic terms.

On the human side, let us for a moment consider the recent words of President Reagan's now confirmed choice for U.S. Commissioner of Rehabilitation Service, George A. Conn. Mr. Conn, himself disabled spoke with knowledge and conviction when he said:

> Never again can we expect disabled Americans to accept less than participation relative to the disabled individual's potential in any of life's daily activities. The long, difficult search for equity of opportunity will continue, grow, gain maturity, assume a responsible posture and contribute to the common good of this society beyond our most optimistic expectations.
>
> While there may be situations which appear to be setbacks along the way, there is no turning back. Our task is to utilize the best of modern techniques to improve habilitation, rehabilitation, placement, follow-up and evaluation services for disabled persons so that they may realize their greatest potential.
>
> And, having accomplished this, these citizens will have gained the dignity that comes with self-sufficiency independence and sound renumerative occupational experience.

Mr. President, can there be any doubt that what Mr. Conn says is accurate? Of course not, yet unless this amendment is approved, more than 120,000 disabled citizens will not receive vocational rehab services in fiscal year 1982. The "dignity" that Commissioner Conn speaks of will instead be the indignity that comes from dependence and unrealized potential.

If the loss in human terms is appalling, so also is the economic loss. It is estimated that, for every dollar spent in vocational rehabilitation, $11 will be earned by the person rehabilitated. In addition, the Congressional Budget Office estimates that an average $73 million a year is saved each year in AFDC, SSI, and State general assistance payments for persons rehabilitated in any one year. This figure does not include savings in medicaid and food stamps which obviously also occur.

My amendment will bring the amount appropriated for vocational rehabilitation State grants up to the level authorized in the Omnibus Reconciliation Act. It will not keep the program funded at last year's levels, as $120 million in SSI and SSDI payments for vocational rehabilitation will be lost. It will, however, allow us to do the very best we can under the Reconciliation Act to put disabled Americans to work and to allow them to be participating, contributing members of society—not just for their own good but for our own as a government and as a people.

I urge my colleagues to support this amendment.

Mr. President, let me say that vocational rehabilitation is a program which, fulfills the philosophy of the present administration in the sense that it is money spent in order to have those who are disadvantaged or disabled take their place within our society, be able to earn their way in that society and not be on the Federal dole. This program, as the one previously discussed, represents money invested that comes back manyfold in terms of what these very special people can produce within our society. If we do not want to spend this money, then, believe me, the cost of maintaining these individuals will be far greater, in the long run. That is one of the objections I have to much of the budget cutting that is being considered.

I understand budget cutting as long as the cuts are real to the extent that

what we cut today really means fewer expenditures tomorrow. But what we are doing here is illusory. We are taking a cut today and guaranteeing greater costs in the future. I hope that with the vocational rehabilitation program as with the special education program, we shall instead make the necessary investment.

Mr. President, I want to raise one point in the course of my debate with the distinguished Senator from New Mexico. I realize the difficult choices he had to make, but constantly, during the course of the debate in the Committee on Appropriations, the point was made that we, as members of that committee, had to look at the entire scope of appropriations rather than at individual programs. Yet, I think there are some choices to be made here on the floor as to what programs are important in our society.

Vocational rehabilitation is not a welfare program, Mr. President. It is not a handout program. It is a program that sets people on their own feet, gives them their rightful place within our society, enables them to earn their own way. In the course of doing that, it gives each one of us justifiable pride in how we view our neighbor in this country.

I urge my colleagues, again. to adopt this amendment. Again, Mr. President, let me say that, in the course of the discussions in the committee, it might have been possible to compromise out a million or two more. But that would not have done the job. I was never interested in just saying, "Well, I obtained some more money for vocational rehab," not if obtaining the additional dollars meant, say, cutting special education. I recognize the budgetary restraints and we tried to fall well within them. However, if anything meaningful is to be done in vocational rehabilitation, it has to be done at the levels I recommend in this amendment. I urge its adoption.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. SCHMITT. Mr. President, the committee allowance now in the bill is the same as the House allowance, and maintains last year's level of $854 million for the vocational rehabilitation program. It provides vocational rehabilitation services to approximately 1 million handicapped individuals.

This again, Mr. President, is one of the very few programs not being cut below last year's appropriation, despite the budget request for only $768 million. That is, the committee's recommendation is already $86 million over the President's request.

Again, I think the commitment of the committee to the needs of the handicapped, for education as well as rehabilitation, is very clear. Unlike almost all other discretionary programs, these programs related to the handicapped have been held at or above the 1981 level.

There is nothing, Mr. President, to prevent States from increasing their share of funding contributions to this program. Right now, the Federal Government pays 80 percent of the cost, including the salaries of State employees who have administered the program. I ask you, if an additional $45 million, as proposed by the Senator from Connecticut—potentially less after conference because, again, we will be above the House if this amendment is accepted—and spread out among 50 States is going to make a substantial impact, will it make anywhere near the impact that could be made by reducing the administrative overhead costs of this program, improving efficiency and effectiveness, and attempting to serve more people at the current funding levels?

This is one program, Mr. President, where there is no income test. I am not saying there should be; nevertheless, we must realize that, unlike most of the programs that we are talking about in this budget, which are aimed at serving the disadvantaged, this program does serve even those who can afford to serve themselves.

This is not the only program providing vocational rehabilitation services for the handicapped. The Senate should remember that fact. In 1980, 88.5 percent of the CETA vocational training funds were spent for the handicapped, an increase from 6.6 percent in 1979. For all of CETA, this means about $320 million will be spent for training of the handicapped in fiscal 1982.

This is based on the Senate recommendation and is over and above the $854 million under discussion here specifically for vocational rehabilitation. Mr. President, that means that well over $1.1 billion is in this bill for vocational rehabilitation for the handicapped.

In addition, Mr. President, the committee recommended $680 million for State employment service agencies, which, by law, must give priority consideration to vocational counseling, referral to training, and placing handicapped individuals in permanent jobs.

Finally, Mr. President, I recite those facts relative to the committee's numbers to make it clear to our colleagues that the committee has not been oblivious to the needs of the handicapped and their vocational rehabilitation any more than we have been oblivious to the needs of the handicapped for education.

We have done far more than we have been given credit for by the submission of these amendments—and this in the face of a budget which is $3.2 billion over the President's September request in budget authority and $2.6 billion over the President's request in outlays.

Mr. CRANSTON. Mr. President, I support the amendment offered by my colleague from Connecticut (Mr. WEICKER), which I join in sponsoring, to increase from $854.3 million to $899 million, the appropriation level for the basic State grant program under the Rehabilitation Act of 1973. This amendment would provide a funding level equal to that already agreed to under the Omnibus Reconciliation Act of 1981.

In the area of providing rehabilitation services and counseling covered by this amendment as was the case in the Senator from Connecticut's earlier amendment on special education, the Federal Government clearly has an essential role to play. The Federal Government, in assisting the States to provide vocational rehabilitation counseling to disabled persons, is helping to assure the reality of the American ideal of equal opportunity for all of its citizens. The goal of assuring each and every American the rights to achieve self-sufficiency, and to contribute to a productive society on as equal a basis as possible in the workplace, represents one of the best examples of the critical role the Federal Government must continue to play.

Under the basic State grant program, States contribute a 20-percent match to the Federal allotment for providing essential services to help physically and mentally handicapped persons to become gainfully employed. If this amendment fails, States will receive an amount considerably less than the fiscal year 1981 appropriation—before taking inflation into consideration. Even though the amount contained under the continuing resolution for this basic State grant program is comparable to the amount appropriated last year, because State departments of rehabilitation received funds under two major programs in fiscal year 1981, but essentially only one in fiscal year 1982, the funds available to these State departments will be significantly reduced. Under the social security rehabilitation programs, the States received an additional amount of $124 million during fiscal year 1981 for providing basic rehabilitation services to Social Security Administration beneficiaries. These programs were repealed under the Reconciliation Act and replaced with new programs that almost eliminate entirely funds from this source for the State vocational rehabilitation agencies.

Mr. President, I also emphasize that the increase in funding proposed by my colleague from Connecticut is not an increase above that already agreed to in the Reconciliation Act. In conclusion, I urge all of my colleagues—during this, the next to last month in the international year of disabled persons—to support this important amendment.

Mr. WEICKER. Mr. President, I think it is necessary to point out why we return to these reconciliation figures and why this is an entirely different situation from that presented anywhere else in the budget.

The fact is that when it came to education and the various health care programs and special education programs and rehabilitation programs, it was necessary for the administration to sit down and compromise on the various differences between themselves and members of the Committee on Labor and Human Resources. Those negotiations went on for several weeks. Without them, no bill would have been reported. The specific beneficiaries were the education budget and the budgets which are under discussion here by virtue of amendments today.

So when the Senator from New Mexico says that we cannot fund these programs at the reconciliation levels, I would agree with him. I would not expect it to be done for everybody, but I would expect it for these programs because nobody else, or no other portion of the budget, went through the process that these portions went through several months ago.

When it comes to the adequacy of the amounts, they are not adequate. Never mind the inflation factor. We have cited the figures as to what is needed by the people involved, and they fall far short of what is going to be able to do the job.

So I say to the Senator that I am sorry you are discomfited by the fact that I say that these people and these programs have been rebuffed; they have been. You cannot have it both ways. If you want to balance the budget and you want to do it at the expense of these people, then so be it. You have your balanced budget.

I say the same thing to the rest of my colleagues. You cannot have it both ways.

These are expensive programs at the very outset, in terms of rehabilitation, in terms of special education. They are expensive at the outset. But in terms of total return, a dollar return, not even a human return, they are very inexpensive. There are no offsets in these amendments I have proposed.

I recall being in a debate with my good friend from North Carolina, Senator HELMS, several months ago, in which he tried to achieve additional funds for Gallaudet College—a very worthwhile amendment. I pointed out to him at that time that the tragedy of putting the disadvantaged and the disabled of this Nation into the arena and having them fight among themselves for the scraps being doled out by Congress and by the President is demeaning to all of us. I do not intend to do that here.

I do not intend to see those who need vocational rehabilitation and special education get their assistance at the expense of somebody else in the Nation who needs our special care.

If an additional $44 or $69 million unbalances the budget—and I think my colleagues know full well this is not what is unbalancing the budget—so be it.

I already have heard in Connecticut: "Well, Senator, you're being fiscally irresponsible. You're not going along with the President. You're not balancing that budget."

Well, I suppose that in this particular instance, it certainly is not part of the balancing act. But I am the one who has to go to those schools. I am the one who has to go to the hospitals. I am the one who has to talk to these people, and I cannot give them two messages, and I am not going to do it.

So, if every now and then I get nailed at a chamber of commerce meeting, believe me, it is far more rewarding to see what can be done to bring about useful lives in the schools and the other places where these very special people with their various infirmities convene.

No, I had a choice to make when this new round of budget cuts came up. It was to either accept a pittance and go along with the subcommittee, or whether to take a stand; and I felt I would rather take a stand. I might lose in the committee but let us get the matter out here on the floor and maybe even if there is a loss here, and I am not sure we are going to lose on all these amendments, but let the case be stated clearly in terms of when the American people have to pass upon what it is that we did.

In the case of those who are the beneficiaries of these programs, I am delighted to unbalance the budget in order that there might be some balance as to the worth of lives in this Nation.

Mr. SCHMITT. Mr. President, other members of the subcommittee and of the full committee made a different decision than the distinguished Senator from Connecticut, and that was to try to serve to the best of our ability all the interests that come under the jurisdiction of the Labor and Health and Human Services and related agencies appropriations bill.

If the Senator from Connecticut is trying to get me to take offense at his remarks, I will not.

I did not in the committee when similar remarks were made about the motivations and integrity of our efforts. I just would hope that he and others would remember that it is inflation that is the cruel hoax that is being played on the handicapped and all in this country, particularly those who can least afford to care for themselves.

We have allowed an unrestrained growth in the Federal budget and particularly in those areas of so-called entitlements, in the availability of loan guarantees and a variety of other low-interest loans, some with very great merit, but we have, as some have said recently, hemorrhaged for a decade or more until now we have imposed on the handicapped and we have imposed on all of our citizens an almost unbearable burden of inflation which is translated into absolutely unbearable burdens of high interest rates for many of these people.

There is where we have the problem but even in the face of that, the committee has recognized the unique needs of the handicapped. And I have said it before and I will say it again, in so recognizing we have stayed at or above the fiscal year 1981 levels, and we have ignored the well-meaning and understandable attempts of the administration to reduce these programs to even lower levels than those for 1981.

The administration is concerned and I guess overall we would have to say more concerned than Congress about inflation because they have asked us to do more than we have been willing to do. But in these areas we differed with their judgment, and I think correctly differed with their judgment, and in spite of the unfortunate remarks of the Senator from Connecticut about the motivations of the members of the subcommittee and the full Appropriations Committee we did take into account the very, very special needs of the handicapped.

I hope that our colleagues will recognize that and allow this committee and allow this subcommittee chairman to move forward to try to obtain the very best funding levels for these programs as can be obtained in our deliberations with our colleagues from the other body.

Mr. RANDOLPH. Mr. President, as a cosponsor of the amendment to increase funding for the rehabilitation State grant program to the reconciliation level of $899 million, I emphasize that this vital program is very cost-effective.

I join with the able chairman of the Subcommittee on the Handicapped, Senator WEICKER, in stressing the value of the vocational rehabilitation program. A recent study by the Rehabilitation Services Administration indicates that for every dollar spent on rehabilitating a handicapped individual, $11 is returned to the Nation's economy.

Information from the Rehabilitation Services Administration indicates that expenditures for vocational rehabilitation are associated with offsetting savings in public assistance effort. This program assists handicapped persons and benefits our society as a whole.

VOCATIONAL REHABILITATION PROGRAMS

● Mr. STAFFORD. Mr. President, I rise in support of Senator WEICKER's amendment to increase the State grant funding in the Vocational Rehabilitation Act from $854 to $899 million. The additional $45 million will bring their allocation up to the March reconciliation level.

The Vocational Rehabilitation Act was first enacted in 1920. The purpose was to provide services to those people who had been injured in industrial accidents. The object is to get disabled workers back into the work force.

World War II, Korea, and Vietnam sent home thousands of young men with only one arm or leg each or paralyzed or blinded. Where is their future? Between the programs for veterans and the Vocational Rehabilitation Act these young men have an opportunity to again become useful, contributing, tax-paying citizens.

Over the years, as the act has been amended so that those who have birth defects, polio, or suffer severe injury from an accident are able to receive services. During fiscal year 1980, over 277,000 disabled persons were rehabilitated, according to the annual report to the President and the Congress on Federal Activities Related to the Administration of the Rehabilitation Act of 1973, as amended.

The report states that:

In the first year after closure, persons rehabilitated in fiscal year 1979 are expected to pay an estimated $88.8 million more in social security payroll taxes than they would have paid without the intervention of rehabilitation services. In addition, an increase of Federal income tax payments of $99.3 million is projected for the first year, as are $14.2 million in State and local income taxes and $28.5 million in State and local sales tax receipts.

Further, a decrease in dependency on public assistance of $39.8 million will be effected in the first year after rehabilitation. Since the projected cost of services for all cases closed in fiscal year 1979 was $1,072,000,000 it will take only four years for the investment in rehabilitation to be totally paid off.

Mr. President, this is a cost-effective program. By increasing the funding we are also increasing the investment the Federal Government has made. This investment is not only reflected in the statistics I have stated but also in human living.

Self-esteem, independence, increased mobility are only part of the gains made by using the VR process. Stress and burden are lifted from the shoulders of family members as the disabled person achieves the ability to care for himself.

We are seeing an increase in the number of disabled individuals in the work force, many of whom are professionals. These people, through the VR program,

have fought to attain their goal as taxpaying citizens and participating members of their communities.

Mr. President, I would like to read the following letter from Mr. Nancy Pagenstecher of Ohio.

MENTOR, OHIO,
October 28, 1981.

DEAR SENATOR STAFFORD: I would like to voice my opinion on the proposed cuts for vocational rehabilitation. As a handicapped person myself, who was helped by the Bureau of Vocational Rehabilitation, I am very much against these proposed cuts. Instead, I feel this agency should be allotted the maximum appropriation allowed by law so as to allow for continuation of quality services to the handicapped. It seems to me that this agency is accomplishing what the President claims to be working toward—getting individuals back to work so they will become tax paying citizens. It seems such a minor investment to rehabilitate someone when they will ultimately work many years and become tax paying citizens as a result. I hope you will give this matter serious consideration.

Respectfully,
NANCY G. PAGENSTECHER.

Most of us are ordinary people living ordinary lives in the general scheme of things. The handicapped person is an extraordinary individual trying very hard to live an ordinary life.

Mr. President, I urge my colleagues to join in agreeing to this amendment.●

Mr. WEICKER. Mr. President, if there are no further Senators desiring to speak on this amendment, I ask unanimous consent that it be temporarily laid aside and that my amendment dealing with the low-income energy assistance be read.

The PRESIDING OFFICER. Does the Senator wish to request the yeas and nays before it is laid aside?

Mr. WEICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. The yeas and nays have been ordered on the first amendment, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. WEICKER. I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the amendment is laid aside.

UP AMENDMENT NO. 671

(Purpose: To increase the appropriations for low-income assistance payments program for fiscal year 1982)

The PRESIDING OFFICER. The third amendment will be stated.

The bill clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), for himself, Mr. STAFFORD, Mr. HEINZ, Mr. COHEN, Mr. CHAFEE, Mr. DURENBERGER, Mr. EAGLETON, Mr. LEAHY, Mr. PELL, Mr. KENNEDY, Mr. RIEGLE, Mr. DODD, Mr. TSONGAS, Mr. MOYNIHAN, Mr. BRADLEY, Mr. LEVIN, Mr. MITCHELL, Mr. WILLIAMS, and Mr. RANDOLPH, proposes an unprinted amendment numbered 671.

Mr. WEICKER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, there is appropriated $200,000,000 for low-income home energy assistance program which is in addition to amounts appropriated under this joint resolution which would otherwise be made available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981, for such program.

Mr. WEICKER. Mr. President, I offer this amendment on behalf of myself and Senators STAFFORD, HEINZ, COHEN, CHAFEE, DURENBERGER, EAGLETON, LEAHY, PELL, KENNEDY, RIEGLE, DODD, TSONGAS, MOYNIHAN, BRADLEY, LEVIN, MITCHELL, WILLIAMS, and RANDOLPH.

Mr. President, my amendment will increase the fiscal year 1982 appropriation for the low-income energy assistance program by $200 million. This amendment restores the $200 million cut recommended by the committee and will bring this program back to the fiscal year 1981 level.

I had planned to offer this amendment when H.R. 4560, the fiscal year 1982 Labor-HHS-Education bill, reached the Senate floor. As it looks now, the full Senate will not have the opportunity to consider H.R. 4560 before Thanksgiving—if at all. With the cold winter months rapidly approaching, I think it is essential that we consider this issue today.

I will be brief, but I would like to relate some statistics to my colleagues. From January 1975 through February 1980, the price of fuel oil rose 158 percent while the price of natural gas and electricity rose 155 percent and 70 percent, respectively. All three have dramatically exceeded the rise in the Consumer Price Index for the comparable period of time.

Americans are projected to spend even more on home energy this year. The average low-income household, depending on price trends, weather conditions, and conservation practices, can expect to spend, on the average, from $1,100 to $1,900 on home heating expenses during the 1981–82 heating season. Even with Federal and State energy assistance, low-income households can expect to pay 14 percent of their income, as compared to 4 percent spent by other households, on home energy costs.

Our Nation can ill afford to accept the Appropriations Committee recommendation to reduce Federal support for this program by $200 million. This program provides essential services to the elderly, poor, and disabled of our Nation. By reducing funding, we will be jeopardizing the lives of those who are most deserving of our support.

Mr. President, even with the funds provided by my amendment this program is going to fall far short of the number of eligible low-income households that are burdened with disproportionately high energy costs. If we wanted to reach last year's program level, in terms of the number of people served, CBO estimates that we would have to add some $500 million.

Mr. President, I would like to know how you are going to explain a balanced budget to someone who has just frozen to death in his home.

This has gotten to be absolutely ridiculous. This obsession with a campaign slogan is not reality. No budget is going to be balanced; not in the years 1981, 1982, or 1983, and now we are told because this whopping individual tax deduction was given we are going to be $60 or $70 billion off in 1984.

My concern right now is what is going to happen from this point in November to next spring as far as lives are concerned.

Now we are going to hear and I have heard it all before in the Appropriations Committee how there is some big abuse that was involved with the program, someone applied that should not have gotten it. I have no doubt about that.

But I know that the vast majority of the people who applied for assistance under this program were legitimate recipients.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired. The remaining time belongs to the Senator from New Mexico.

Mr. SCHMITT. Mr. President, how much time is remaining to the Senator from New Mexico?

The PRESIDING OFFICER. Six minutes and 42 seconds.

Mr. SCHMITT. I yield 2 minutes to the Senator from Connecticut if he wishes to continue.

Mr. WEICKER. The Senator from New Mexico is very kind. I would appreciate it if he would yield 2 minutes to the Senator from Minnesota.

Mr. SCHMITT. I yield 2 minutes to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I thank the Senator from New Mexico for yielding, and I thank the Senator from Connecticut for bringing up this amendment today.

Mr. President, I rise to speak in support of the amendment offered by the Senator from Connecticut.

There have been changes in our fuel assistance programs as a result of reconciliation that make this amendment essential for the coming winter. I refer of course to the fact that we no longer have a weatherization program, per se. When I am back home and speak with my constituents on the subject of energy prices, it is most often the weatherization efforts funded by the Federal Government, from our commitment to use the windfall profit tax to return doubled oil prices to those who pay them, that receive the praise.

People do not want to have to depend on the Federal Government in order to be able to pay their fuel bills. But decontrol and the price spirals of the last decade have made it necessary in so many cases. I think of the elderly couples in the rural parts of my State who are living in housing constructed 50 and 60 years ago and built to a size that would accommodate large families. They have raised their families and remain there on

the homestead to enjoy their retirement. But fuel prices are literally robbing them of their security. They are being forced out of the homes because the fixed income that they had counted on to meet their needs is not sufficient to pay the heating bill.

That, Mr. President, is a national tragedy and it is one that we in the Senate have consistently promised to remedy. The best remedy is not the low-income assistance program but weatherization. The elderly of our Nation do not want to watch over Congress in November each year to find out if they will be able to stay in their homes through one more winter. They want independence and weatherization makes that possible.

Fortunately, the Reconciliation Act passed in July authorizes use of the funds appropriated for low-income energy assistance on weatherization projects as well; 15 percent of whatever amount appropriated can be devoted to weatherization under the plan submitted by the State. If the Weicker amendment carries we will have substantially restored the mix of weatherization and energy assistance programs that we had in the last fiscal year.

I think that is a good result. It means that we can continue to provide energy independence for the elderly and low-income families. It means that our national requirement for heating oil can be reduced even further. And it means that the Senate will have honored the commitment that we made when oil prices were decontrolled. That commitment was based on the windfall profit tax. We promised the Nation that to the extent the revenues flowing from decontrol were not necessary to encourage further exploration and production, they would be returned to the Treasury and through the Treasury to energy consumers to help them be less dependent on high price fossil fuels and to assist those who could not afford decontrol.

That is a commitment that we can honor here this afternoon by passing the Weicker amendment. I urge my colleagues to vote for this amendment.

Mr. SCHMITT. Mr. President, I yield to the Senator from Maine.

Mr. COHEN. Mr. President, I rise in support of the amendment offered by my good friend from the State of Connecticut, Senator WEICKER, that will restore funding for the low-income energy assistance program to last year's level.

While I am fully cognizant of the fiscal context within which we will consider the continuing appropriations resolution today, I would emphasize that the elderly and low-income residents of Northern States, such as Maine, view this program with immediate, even life and death concern.

As a representative from New England, I am acutely aware of the energy situation we face throughout the country. Severe climate, energy-wasteful housing stock, and dependence on foreign oil all combine to make the cost of fuel in New England the highest in the Nation.

Last winter, the price of home heating oil soared from $1 per gallon to $1.40—all in a matter of 3 months. The rise in energy costs has hit all American families, but the elderly and low-income individuals living on fixed incomes have suffered the most.

As a member of the Senate Special Committee on Aging, I have heard firsthand of the hardships our elderly citizens have experienced in trying to meet their winter heating bills. We must all be conscious of the costs incurred by Federal programs.

But to subject the low-income energy assistance program to a substantial funding reduction is to victimize elderly Americans by contributing to their fears, anxieties, uncertainties, and perhaps to the destruction of their health and spirit. I cannot justify to the older residents of Maine, nor to myself, the introduction of more anxiety into their lives.

At a time when a single dollar cannot purchase even a gallon of heating oil, our elderly and low-income residents must strive to reduce their expenditures on basic necessities throughout the year, so that some small savings may be available when temperatures drop and furnaces are fired. Those savings are undertaken at risk to personal health, but the pennies are saved in order to preserve some personal dignity and self-sufficiency when winter arrives.

In recognition of the desperate plight of many elderly and low-income Americans, Congress appropriated $1.85 billion last year to assist these individuals in meeting their energy costs. This has been helpful, but it has not been enough.

Over 54,000 Maine households received Federal energy assistance last year, and the number of eligible families is expected to increase this year. If the committee recommendation is accepted, fewer families will receive assistance this winter and, for those families fortunate enough to receive aid, the benefit levels will be greatly reduced.

The average energy expenditure for Maine households served by the home energy assistance program last year was $1,773. If benefit levels are cut in half from an average of $454 last year to $224 this year, even those families receiving assistance will suffer extreme hardship—$224 may only keep them warm for a few weeks in the dead of winter.

I am deeply concerned about the prospects this winter for our poor and elderly households in this Nation. Winter has already arrived in the northern reaches of my State. Furnaces are already relieving the chill of night. We need to provide the necessary funding to prevent the hardships that are just around the corner.

There is no question that energy assistance is a crisis program. I ask my colleagues to consider this amendment in that context, and not solely in the context of national austerity.

LOW-INCOME HOME ENERGY ASSISTANCE

● Mr. DENTON. Mr. President, I rise in opposition to the amendment. This amendment would increase the appropriations level of the low-income home energy assistance program by $200 million over the Appropriations Committee's recommendation and by a full $450 million over the President's budget request. We simply must not permit such increases to drive this country further toward economic disaster. Every Senator here knows we are faced with a trillion dollar debt—$1 trillion.

I do not like cutting the funding level of worthwhile programs that assist the economically disadvantaged any more than anyone else in this Chamber does. Nevertheless, Mr. President, if this country goes broke because of continued deficit spending, the Government that is supposed to assist the disadvantaged will be disadvantaged itself. A bankrupt country cannot provide for the needs of its poor or anyone else for that matter.

I believe we must and will continue to assist our poor and elderly with their home energy needs. However, we cannot lose sight of the forest for the trees. I am not convinced that $1,850,000,000 is necessary for the low-income home energy assistance program in light of the economic conditions which we face today.

LOW-INCOME ENERGY ASSISTANCE PROGRAM

● Mr. RIEGLE. Mr. President, I am pleased to be a cosponsor of the Weicker amendment restoring the appropriations for low-income energy assistance to $1.875 billion—a level adequate to provide needed assistance to low-income households in meeting energy costs this winter.

The low-income energy assistance program is vital to poor, disabled and elderly citizens of this country. These individuals, struggling to make ends meet on fixed incomes, cannot hope to keep pace with rising home energy costs. Without adequate funding for the low-income energy assistance program and a forecast for a harsh winter in many parts of this Nation, the lives of citizens with limited resources could well be in jeopardy. Unlike other Americans, the poor cannot further conserve energy consumption without affecting their health. Most live in older, nonweatherized homes and have no resources for insulation.

Mr. President, my own State of Michigan can anticipate the loss of $12 million in funding for low-income energy assistance if the present committee figures are sustained. Michigan's low-income citizens are already experiencing great hardship as a result of the severe recession in my State, as well as deep cuts to social service programs upon which these people depend.

Using February 1981 prices, an average low-income Michigan household will spend $695 annually for gas home energy or $1,534 for oil home energy. This is likely to increase somewhere above $1,900 by this winter. In the single coldest month, a low-income Michigan household will spend roughly $260 per month for home energy. Cuts in essential energy assistance programs can only further the deprivation and suffering of poor, disabled, and elderly citizens in Michigan.

I urge my colleagues to join me in support for the Weicker amendment. We cannot allow the quality of life of our Nation's low-income people to be eroded or severely jeopardized by the change of seasons.●

● Mr. STAFFORD. Mr. President, I rise as a cosponsor of the pending amendment to support the restoration of $200 million to the low-income energy assistance program.

It is essential that the Congress continue adequate funding for this Federal program designed to help keep needy Americans warm in the frigid winter weather that surely lies just a few short weeks ahead.

In simple terms, the emergency energy assistance program is designed to help needy persons meet the skyrocketing cost of fuel.

The Senate has already agreed to authorize $1.875 billion for the emergency energy assistance program in fiscal year 1982.

The House of Representatives has approved $1.825 billion for the program.

Mr. President, the amount of funding for the program is the most important issue and the most vital one to needy and elderly Vermonters and those needy and elderly who live in other New England and northern tier States, for we know we can count on long, cold winters in our part of the country.

We also know that we can count on high energy costs. The price of fuel oil, electricity, and natural gas has skyrocketed well beyond the inflation rate for other items on the Consumer Price Index.

And, we are told that the price of home energy will continue to rise at excessive rates in the future.

We all recognize that the cost of essential home energy imposes a disproportionately larger burden on households with fixed incomes, with low incomes and even with middle incomes.

In some cases the costs associated with essential home energy can reach half the total income of a low-income family.

The Northeast-Midwest Congressional Coalition has compiled estimates that the average household energy bill in New England last year was $1,325. That is more than a threefold increase over the 1970 average cost of $386.

That is the highest average for any region in the Nation, and we all know that cost will be going up this winter.

Thus, it is vital that the Senate continue to provide adequate help to needy families to meet those essential energy costs.

Even in this time of tight Federal budgets, Congress must recognize the need to make available enough money to assure that no Vermonter, or any other American, will have to run the risk of freezing this winter.

I shall continue to vote Federal spending cuts wherever possible, but I cannot believe the American taxpayer wants to achieve those spending cuts at the expense of the health and well-being of those who are less fortunate.

Mr. President, I urge my fellow Senators to support this amendment to restore the $200 million to the emergency fuel assistance program.●

● Mr. WILLIAMS. Mr. President, I support the amendment to increase appropriations for the low-income energy assistance program for fiscal year 1982.

Price increases for home energy over the past few years have caused a hardship for some low-income households, particularly those who heat with oil. The OPEC price increase has caused dramatic price increases over the past months, and it has become apparent that efforts to offset home energy price increases for low and fixed income households need to be expanded to avoid the cruel choice between heating and eating for many of these households. The rapid rise in home energy costs have far outpaced any increases in income available to low-income households.

The Low Income Energy Assistance Act, which I sponsored was passed just last year. The services provided were specifically targeted to those individuals most in need—the very same individuals this administration claims it will continue to protect. I would submit that the administration's "social safety net" has become seriously tattered and is most assuredly in need of substantial repair.

To those who would uncritically endorse the wholesale elimination of, or drastic reductions in Federal programs, I say, let us take a closer look and exercise the greatest and most careful judgment, before we emasculate programs that provide vital services that are essentially the difference between life and death.

I have consistently expressed my support for devising a program for economic recovery and am firmly committed to achieving that goal. However, I am gravely concerned that we not devise confused and chaotic methods to accomplish those goals.

I would urge my colleagues to exercise some forethought in this instance and to remember we are not dealing only with dollar figures. We are dealing with human lives.●

Mr. PELL. Mr. President, I support the amendment offered by my colleague from Connecticut, Senator WEICKER, to bring the funding for the low-income energy assistance program up to the level approved by the House of Representatives.

Double digit annual increases in the cost of home heating have reached levels that the average American can no longer bear. Last year $1.85 billion was appropriated for this program and 50 million people, predominantly senior citizens, were served. This year even more families will need protection to brace themselves against the economic effect of oil decontrol, and new oil price increases.

According to the Congressional Budget Office it would require approximately $2.3 billion to maintain the current levels of assistance, in real terms. However, the continuing resolution would reduce the current appropriation by $200 million.

This would be a 12-percent reduction from last year's appropriation, which means that this year while the price of home energy will be more than 25 percent higher, the elderly, the poor and moderate-income workers could have their purchasing power under this program reduced by 37 percent.

Mr. President, my State is at the very end of the energy supply pipeline, and 70 percent of all its homes are heated with oil, the most expensive and uncertain energy source.

If funding for the heating assistance program is reduced, some unlucky State official in Rhode Island will have to make a series of painful choices to determine which beneficiaries are "most" in need. This is a cruel and heartless choice which should never have to be made. The individuals who are victims of this process are the same people that will also be losing food stamps, health care services and other Federal assistance.

I wonder how much these individuals can take, Mr. President, and how much Congress expects them to take. I want to commend the Senator for his leadership on this issue and hope that my colleagues will support this amendment.

Mr. SCHMITT. Mr. President, as recently as fiscal year 1979 the program under consideration had a total of only $200 million allocated to it. The growth of this program has obviously been astronomical, since we are dealing now with a committee recommendation of $1.65 billion.

The need is clearly there, but Mr. President, the program is not being efficiently administered, and I should also add that the committee has put $250 million above the President's request into this program in spite of what have been the problems in this program.

It is not an entitlement program. The States can use their allocation however they choose and target those with the greatest need. But, unfortunately, there are in some instances reported, and the Senator from California will make mention of these later, these funds are going for nonenergy costs and payments.

States should be able and willing to augment the Federal payment for low-income energy assistance, to improve their management, and to see to it that the people about whom the committee is concerned, about whom the Senator from Connecticut, the Senator from Minnesota, the Senator from West Virginia, and the Senator from Maine are all concerned, to make sure those people are well served.

There is no question that a problem exists. The problem is they are not being served efficiently, and many are not getting the assistance they need.

Most States have laws prohibiting utility companies from shutting off the heat in anyone's home during the winter months. So no one will freeze to death as a result of the funding in this program, which is still $250 million higher than the President's request.

The subcommittee and the full committee have not been oblivious to the needs of the handicapped, or of those who cannot afford energy costs. I hope our colleagues in the Senate will support the committee position on all three amendments.

MOTION TO TABLE UP AMENDMENT NO. 669

Mr. President, at this time I would like to move to table the first amendment of the Senator from Connecticut, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. WEICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. First of all, do we have the yeas and nays on the third amendment?

The PRESIDING OFFICER. We do not.

Mr. WEICKER. I ask for the yeas and nays on the third amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Now, Mr. President, what was the unanimous-consent agreement?

The PRESIDING OFFICER. The motion to table is pending.

Mr. WEICKER. My parliamentary inquiry is what was the unanimous-consent request agreed to?

The PRESIDING OFFICER. The agreement was for back-to-back votes in relation to the three amendments.

Mr. SCHMITT. Mr. President, if the Senator from Connecticut will yield on his parliamentary inquiry, I asked the majority leader specifically to reserve my right to make a tabling motion.

Mr. WEICKER. Does the unanimous-consent request include votes on the amendments or does it make provision for tabling motions?

The PRESIDING OFFICER. The unanimous-consent request made provision for the tabling of amendments, tabling motions in relation to the amendments.

Mr. WEICKER. I am sorry, I did not understand.

The PRESIDING OFFICER. By specifying the vote in relation to an amendment the right to table is preserved.

Mr. WEICKER. Is it the position of the Chair that the tabling motion of the Senator from New Mexico is in order?

The PRESIDING OFFICER. It is in order.

Mr. WEICKER. I thank the Chair.

The PRESIDING OFFICER. There is a sufficient second.

The yeas and nays were ordered.

Mr. SCHMITT. Mr. President, I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the amendment (UP No. 669) proposed by the Senator from Connecticut. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey (Mr. BRADLEY), the Senator from West Virginia (Mr. ROBERT C. BYRD), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY), the Senator from New York (Mr. MOYNIHAN), the Senator from New Jersey (Mr. BRADLEY), and the Senator from West Virginia (Mr. ROBERT C. BYRD) would vote "nay."

The PRESIDING OFFICER (Mr. SPECTER). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 39, nays 56, as follows:

[Rollcall Vote No. 406 Leg.]

YEAS—39

Abdnor	Gorton	Percy
Andrews	Grassley	Proxmire
Baker	Hatfield	Quayle
Boren	Hayakawa	Roth
Byrd, Harry F., Jr.	Helms	Schmitt
Cohen	Inouye	Simpson
Danforth	Johnston	Stennis
Denton	Kasten	Stevens
Dixon	Laxalt	Symms
Domenici	Lugar	Tower
East	Mattingly	Wallop
Exon	McClure	Warner
Garn	Murkowski	
	Nickles	

NAYS—56

Armstrong	Glenn	Mitchell
Baucus	Hart	Nunn
Bentsen	Hatch	Packwood
Biden	Hawkins	Pell
Boschwitz	Heflin	Pressler
Bumpers	Heinz	Pryor
Burdick	Hollings	Randolph
Cannon	Huddleston	Riegle
Chafee	Humphrey	Rudman
Chiles	Jackson	Sarbanes
Cochran	Jepsen	Sasser
Cranston	Kassebaum	Specter
D'Amato	Kennedy	Stafford
DeConcini	Levin	Thurmond
Dodd	Long	Tsongas
Dole	Mathias	Weicker
Durenberger	Matsunaga	Williams
Eagleton	Melcher	Zorinsky
Ford	Metzenbaum	

NOT VOTING—5

Bradley	Goldwater	Moynihan
Byrd, Robert C.	Leahy	

So the motion to lay on the table UP amendment No. 669 was rejected.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SCHMITT. Mr. President, I ask unanimous consent, if it is agreeable to the Senator from Connecticut, that we vitiate the order for the yeas and nays and agree to the amendment by voice vote.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

The question is on agreeing to the amendment.

The amendment (UP No. 669) was agreed to.

(Later the following occurred:)

Mr. WEICKER. Mr. President, on the first amendment dealing with special education, I did not move to reconsider after the voice vote, and I ask unanimous consent that I may be permitted to do so now.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 670

The PRESIDING OFFICER. The question is on agreeing to amendment No. 670. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG. Mr. President, on this vote, I have a pair with the Senator from New York (Mr. MOYNIHAN). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. STEVENS: I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey (Mr. BRADLEY), the Senator from West Virginia (Mr. ROBERT C. BYRD), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) and the Senator from West Virginia (Mr. ROBERT C. BYRD) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 55, nays 39, as follows:

[Rollcall Vote No. 407 Leg.]

YEAS—55

Armstrong	Hawkins	Packwood
Baucus	Heflin	Pell
Biden	Heinz	Pressler
Bumpers	Hollings	Pryor
Burdick	Huddleston	Randolph
Cannon	Humphrey	Riegle
Chafee	Inouye	Sarbanes
Chiles	Jackson	Sasser
Cochran	Jepsen	Specter
Cranston	Kassebaum	Stafford
D'Amato	Kennedy	Stennis
DeConcini	Levin	Stevens
Dodd	Mathias	Thurmond
Durenberger	Matsunaga	Tsongas
Eagleton	Melcher	Weicker
Ford	Metzenbaum	Williams
Glenn	Mitchell	Zorinsky
Hart	Murkowski	
Hatch	Nunn	

NAYS—39

Abdnor	East	Nickles
Andrews	Exon	Percy
Baker	Garn	Proxmire
Bentsen	Gorton	Quayle
Boren	Grassley	Roth
Boschwitz	Hatfield	Rudman
Byrd, Harry F., Jr.	Hayakawa	Schmitt
Cohen	Helms	Simpson
Danforth	Johnston	Symms
Denton	Kasten	Tower
Dixon	Laxalt	Wallop
Dole	Lugar	Warner
Domenici	Mattingly	
	McClure	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Long, against.

NOT VOTING—5

Bradley	Goldwater	Moynihan
Byrd, Robert C.	Leahy	

So Mr. WEICKER's amendment (UP No. 670) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 671

The PRESIDING OFFICER. The question is on agreeing to amendment

No. 671. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey (Mr. BRADLEY), the Senator from West Virginia (Mr. ROBERT C. BYRD), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) and the Senator from New York (Mr. MOYNIHAN) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 41, nays 54, as follows:

[Rollcall Vote No. 408 Leg.]

YEAS—41

Biden	Hatfield	Mitchell
Bumpers	Hawkins	Pell
Burdick	Heinz	Randolph
Cannon	Hollings	Riegle
Chafee	Huddleston	Rudman
Cohen	Humphrey	Sarbanes
Cranston	Inouye	Sasser
D'Amato	Jackson	Specter
Dixon	Kennedy	Stafford
Dodd	Levin	Stevens
Durenberger	Mathias	Tsongas
Eagleton	Matsunaga	Weicker
Ford	Melcher	Williams
Hart	Metzenbaum	

NAYS—54

Abdnor	Garn	Nunn
Andrews	Glenn	Packwood
Armstrong	Gorton	Percy
Baker	Grassley	Pressler
Baucus	Hatch	Proxmire
Bentsen	Hayakawa	Pryor
Boren	Heflin	Quayle
Boschwitz	Helms	Roth
Byrd, Harry F., Jr.	Jepsen	Schmitt
	Johnston	Simpson
Chiles	Kassebaum	Stennis
Cochran	Kasten	Symms
Danforth	Laxalt	Thurmond
DeConcini	Long	Tower
Denton	Lugar	Wallop
Dole	Mattingly	Warner
Domenici	McClure	Zorinsky
East	Murkowski	
Exon	Nickles	

NOT VOTING—5

Bradley	Goldwater	Moynihan
Byrd, Robert C.	Leahy	

So Mr. WEICKER's amendment (UP No. 671) was rejected.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, the Senator from Ohio (Mr. METZENBAUM) is the next on the list here of amendments to be offered.

Therefore, I ask unanimous consent that we temporarily set aside the pending motion to reconsider by Mr. BRADLEY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I state the proposition that as a comanager of the bill I will set aside temporarily the pending committee amendment in order to provide the clear road for other amendments to be offered.

Mr. BAKER. Mr. President, will the Senator permit me to make an inquiry first?

Mr. HATFIELD. Yes.

Mr. BAKER. Mr. President, it is 7:40 p.m. almost, and it is pretty clear to me that there is little hope that we can finish this bill in the immediate future and that we will be very late tonight.

First, I wish to put Senators on notice that we will be in for a long, long time and, second, to suggest so we can try to arrange some time for the convenience of Members, for instance, to eat or to take care of other duties for an hour or thereabouts, perhaps we could identify two or three amendments and sequence them and stack votes until a time certain.

I wonder if the managers of the bill will be agreeable to considering some such arrangement.

Mr. HATFIELD. Mr. President, I say to the leader that I am very pleased to provide that window for Members to do if that is all right with the minority, and I have no reason to understand otherwise.

Mr. METZENBAUM. Mr. President, I do not think that the Senator from Wisconsin is in the Chamber. I think he went out for a bite to eat.

I am certain he will have no objection to that procedure of stacking the votes.

About what time would that be? Would that be around 8:30 p.m.?

Mr. BAKER. Mr. President, since we do not know what amendments are going to be proposed, and there is an unofficial list, rather than try to make that firm, let me do this, if the Senator will yield to me still further:

Mr. President, I ask unanimous consent that any rollcall votes that are ordered between now and 8:45 p.m. be stacked to occur in sequence without intervening motion, debate, appeal, or point of order, and that the first vote be 15 minutes in length and subsequent votes be 10 minutes in length each.

Mr. FORD. Mr. President, will the majority leader make that 9 p.m.?

Mr. BAKER. Mr. President, let me change the request until 9 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair and thank all Senators.

Mr. FORD. I thank the majority leader.

SECTION 18 AND UMTA SECTION 5 PROGRAMS

Mr. STAFFORD. Mr. President, I want to clarify a matter with the distinguished chairman of the Transportation Subcommittee (Mr. ANDREWS). My inquiry is with regard to the funds for the section 18 and UMTA section 5 programs. It is my understanding that during consideration of the continuing resolution, the Appropriations Committee included language which clearly directs the funds available in these two programs to be equally divided so that one-half the sums appropriated for each program shall be apportioned and allocated on the basis of 1970 census data and one-half the sums appropriated for each program shall be apportioned and allocated on the basis of 1980 census data. I inquire of the distinguished Senator whether my understanding of the language as contained in the continuing resolution is correct.

Mr. ANDREWS. The distinguished Senator from Vermont (Mr. STAFFORD) is correct in his understanding of the language in the continuing resolution regarding the apportionment and allocation of the sums appropriated for the section 18 and section 5 programs.

Mr. STAFFORD. I urge my distinguished colleagues on the Appropriations Committee to make every effort to retain this language and I thank the distinguished chairman of the subcommittee (Mr. ANDREWS) for his attention to this matter.

Mr. HATFIELD. I would be glad to yield to the Senator from Ohio who has been a patient man in yielding to other Senators and letting them go ahead of him, and I am very appreciative of it.

UP AMENDMENT NO. 672

(Purpose: To increase the appropriations for the Dual Benefits Payments Account under the Railroad Retirement Act of 1974)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) for himself, Mr. ROTH, Mr. SARBANES, Mr. KENNEDY, Mr. MOYNIHAN, Mr. PRYOR, Mr. BURDICK, Mr. WILLIAMS, Mr. RIEGLE, Mr. BRADLEY, Mr. MELCHER, and Mr. PELL proposes an unprinted amendment numbered 672.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, there is appropriated an additional $90,000,000 for the payment of windfall benefits, as provided under section 15(d) of the Railroad Retirement Act of 1974, which, together with the amounts appropriated under this joint resolution which would otherwise be made available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, for the payment of such benefits, shall be the maximum amount available for payments through September 30, 1982.

Mr. METZENBAUM. Mr. President, the amendment I have offered today, along with the cosponsors I have enumerated is designed to correct an injustice inflicted by the Congress upon 400,000 retired railroad employees. Two months ago, these retirees found their monthly retirement checks reduced by an average of $20.

Specifically, our amendment would add $90 million to the dual benefit payments account under railroad retirement and restore the cut that these retirees have suffered. This cut in benefits is a result of failure by the Congress to appropriate for fiscal year 1982 the total amount needed to fully fund the benefits promised to them in 1974 by the Congress, when changes were made in the Railroad Retirement System.

Prior to 1974, railroad employees could be insured under both railroad retirement and social security. The benefits that these working people built up were part of the total compensation package offered through their employment and were considered deferred wages.

For many of them, the combined benefits derived from the two plans were bigger than they would be had the employees paid into a single pension system.

This difference between the combined benefit received from both systems, and the amount that would have been received had the benefit been calculated on combined earnings under social security has been called a windfall.

The 1974 act was designed to eliminate any further opportunity to qualify for windfall, but the employers and retirees already eligible to receive benefits from both systems had their rights grandfathered. This component was to be financed by Federal Government general revenues.

In the last few years, OMB has clearly ignored congressional intent by failing to request the appropriations required to fully fund this account. The shortfall which resulted was made up from the general railroad retirement account. This procedure has created a serious drain on the entire railroad retirement system.

During the budget reconciliation, Congress made several changes in the railroad retirement fund. These changes were primarily aimed at insuring the fund's solvency, they included cost saving provisions amounting to $400 million in fiscal year 1982. In addition to these changes, Congress provided for paying the "windfall" benefit from a specific "dual benefits payments account" and stopped the practice of funding the shortfalls to the windfall account through the general retirement fund. The total cost to fully fund the account is $440 million. This bill, however, provides only $350 million, a $90 million shortfall.

The Railroad Retirement Board has assumed an appropriation of $350 million and reduced benefits accordingly. We cannot fault the Board for acting accordingly. They cannot spend money they do not have. But it is a fact, Mr. President, that this action has imposed severe hardship on many older Americans, whose average incomes amount to slightly over $300 per month—a little more than $3,600 per year. That does not leave a margin, and for them a $20 monthly cut is truly harmful.

The following are examples of what the cuts mean to some retirees:

WOMAN—PINE HILL, NEW JERSEY

I think this is a very unfair thing to do to a retiree who is a cripple and on a small pension like I am. I know this applies to many more beside myself. I think something should be done about this and the cuts should be restored to the retirees.

WOMAN—ORLANDO, FLORIDA

I think it is a cowardly act for them to cut the pensions of us defenseless senior citizens, and I hope they never get voted into office again, as I need this money for doctors and medicine as I have heart trouble, phlebitis and labyrinthitis.

MAN—ABILENE, TEXAS

I know that $25.71 a month doesn't seem like much to people making a large salary or people who are able to work to make up for this decrease but neither my wife nor I am able to seek any kind of employment to help make up for this loss.

Food, medicine, heat and gasoline, which are so vital to people our age, keep increasing in price. They cost just as much for us as they do for working people.

I understand that some widows in their 80's and 90's are having their retirement benefits reduced. They hardly make enough to get by on now. It certainly seems unfair that nothing is being done to help them to have a better living.

MAN—STRASBURG, PENNSYLVANIA

My wife and I are on fixed incomes. I am handicapped with partial paralysis in both hands. My wife and I need our railroad retirement pension check in full.

MAN—ARCADIA, CALIFORNIA

A little note from the Railroad Retirement Board which is quite disturbing due to the fact we also recently received a note from our landlord of a $75.00 increase in our rent.

And food and clothing continues to rise. I don't know how the powers that be expect us to get by. Also medical fees are sky high.

MAN—SAN LEANDRO, CALIFORNIA

If I was to go down to Santa Barbara and Reagan's ranch and steal one of his horses I would be put in jail and they would forget where they left the key, but they can deliberately and without any question steal from the poor retired people.

MAN—TACOMA, WASHINGTON

As you can see, from the enclosed letters, my wife and I are already victims of the President's juggling act, in his efforts to balance the national budget.

Please do all you can to see that this appropriation is restored, in full, for the next fiscal year, or at least not reduced any more. Thank you.

Mr. President, the fact is that by reducing benefits, we are breaking a solemn promise made by the Congress to those who are today drawing railroad retirement. And as usual, we are placing the burden of budget cuts upon those who can least afford to bear them.

Mr. President. the Congress has acted to shore up the financially troubled Railroad Retirement Fund. We have prevented the creation of new categories of beneficiaries. We accomplished this task with the support of labor and management. And now, Mr. President, we must correct this injustice that has been inadvertently inflicted on the retirees.

I urge my colleagues to join with me in restoring legitimate benefits to these retirees by adding $90 million to the account.

I yield to the Senator from Delaware.

Mr. ROTH. Mr. President, I thank the distinguished Senator from Ohio for yielding to me.

I am very pleased today to be able to join him as a principal sponsor of this important amendment. Like the Senator from Ohio, I am deeply concerned that we maintain a commitment to the railroad retirees. It is a commitment that I feel was made by Congress solemnly, and one that we should maintain this year.

I have been one who has worked hard for reductions in the Federal budget as well as the tax cuts which were accomplished in recent months. We have taken monumental strides toward righting this Nation's economy and hopefully we will soon be seeing the results of these efforts.

One of our most difficult problems has been the need to strengthen the social security program, so that the basic pension program is protected and the financial stability of the trust fund is insured. But in addressing this issue we have recognized our commitment to current and future retirees. We have understood that we cannot place the burden of curing our economic ills on the backs of our senior Americans.

I believe that the issue which we discuss today is one which involves similar commitments. The activity of the Congress in legislating a railroad retirement system over the last several decades, including the Railroad Retirement Act of 1974 and subsequent appropriations, has created an obligation to assist in the resolution of short- and long-term problems facing the Railroad Retirement Trust Fund. While steps have been taken which will help restore the continued stability of the system, a reduction of appropriations to fund current pensions has resulted in reduced monthly income to many retirees who have come to depend on these minimal benefits.

We are generally talking about total retirement benefits of a very few hundred dollars per month, and though reduction applies to only one segment of that total pension, the loss of some $20 to $25 per month can impose severe hardship on fixed income retirees dealing with the difficult economic conditions that we are working so hard to improve.

I cannot agree to reduce the pensions of senior citizens while we are spending billions of dollars for farm supports and unnecessary public works projects.

I think the vote today is one of fulfilling commitments and, in that vein, I urge the Senate's adoption of this amendment.

Mrs. KASSEBAUM. Mr. President, Congress in 1974, having decided to protect those individuals already entitled to dual benefits, before correcting future dual benefit programs, while correcting future dual benefit programs, is committed to uphold the agreement that was entered into at that time. I will be supporting this measure for that reason.

Mr. President, I want to add my support to the amendment offered by the Senator from Ohio, Mr. METZENBAUM. This amendment addresses the plight of approximately 400,000 railroad retirees who faced a loss in retirement income on October 1 when a 21-percent reduction

in so-called windfall benefits went into effect.

It is important to point out that this is a fixed group of retirees—limited to individuals who were qualified both for railroad retirement and for social security benefits prior to 1974. Railroad retirement law changes made in 1974 prevent other retirees from receiving similar windfalls.

When Congress agreed to establish a separate account for the payment of windfall benefits to individuals "grandfathered" under the 1974 act, it was naturally assumed that sufficient funds would be appropriated to provide full payment of benefits. Unfortunately, this has not proven to be the case, and appropriated amounts fall approximately $90 million short of the amounts needed. I feel strongly that Congress should hold up its end of the agreement made in the 1974 law. Having decided to protect those individuals already entitled to dual benefits while correcting future dual entitlement programs, Congress should meet its commitment.

For the most part, we are talking about a group of older individuals who have relied on the Railroad Retirement System for many years. We are talking about a group which will be shrinking, not growing, in size. We must live up to the promises we have made to these retirees, and the Metzenbaum amendment offers us an opportunity to do so.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. SCHMITT. Mr. President, the $350 million recommended by the committee and by the House for railroad retirement benefits is the full amount of the President's March budget request and the same as last year's appropriations.

Despite the fact that the President has now revised his budget request downward to $308 million for these retirement benefits, no further cutback has been recommended by the full committee.

Unless the President revises his budget request it will be difficult for Congress to raise the appropriation above the current level without further increasing the possibility, which we already face with this bill, of a veto.

This particular benefit has been named a windfall benefit, and even though I am sure the Senator is correct that some individuals have become accustomed to it, nevertheless, it was an unintended benefit enhancement over and above the regular railroad retirement benefit, and the social security.

This benefit was originally intended for low-income workers not highly paid railroad workers. When Congress revised this act it agreed to phase out the so-called windfall to railroad retirees.

Had they been covered by social security or any other private pension plan, railroad workers would not be receiving a high level of benefits strictly attributed to this specific windfall.

Both social security and regular railroad retirement benefits have been increasing based on changes in the Consumer Price Index. The 21-percent reduction in railroad benefits is partially offset, therefore, by other retirement income. The average reduction in total benefits is only 6 percent, not 21 percent, for these retired railroad workers.

In many of these so-called windfall benefit cases not only the former wage earners but their spouses are drawing both regular railroad and windfall benefit checks. The average benefit payment to a spouse is $216 over and above whatever the retired railroad worker may be receiving.

This is probably the only pension program, private pension program, Mr. President that is subsidized at the taxpayer's expense. Congress should concentrate on phasing out Federal funding for railroad retirement and putting it on a sound trust-funded basis paid for by the beneficiaries.

I have been a strong supporter of that concept and will continue to believe that the only solution to the basic problem of railroad retirement benefits is to find a trust fund mechanism that can be paid for by workers and by associated means within their industry.

A new provision in the reconciliation legislation, Mr. President, forces a cutback in railroad retirement benefits, and this is not a requirement of the appropriations bill. The authorizing committees could recommend repeal of this provision so that trust funds can once again be used to overcome the deficit in Federal funds for the so-called windfall benefit payments. Alternatively, the authorizing committees could give the railroad board the option of continuing to use trust funds to maintain current benefit levels.

Finally, Mr. President, we should recognize that the 1974 Railway Retirement Act was passed in a totally different fiscal environment than that which faces us today. We may no longer be able to afford the full level of these extra benefits over and above the regular social security benefits that are now being paid to retired railroad workers.

So, Mr. President, I think the committee's position that is referenced in the continuing resolution is the correct one, and I hope we can find a way to ease this transition.

However, at this point the committee would have to oppose this $90 million add-on to a bill already $5.2 billion over in budget authority and $2.6 billion over in outlays.

Mr. MELCHER. Mr. President, as a cosponsor I strongly support the amendment of the Senator from Ohio and commend him for his championship of the 400,000 elderly retired railroad workers who have had their retirement incomes cut as of October 1 of this year. Hundreds of Montanans are deeply disturbed by these cuts, and rightly so.

The Budget Reconciliation Act, in the language relevant to railroad retirement, should reassure the retirees that in the long run their basic pensions are secure. However, the one provision of this otherwise very good railroad retirement amendment, which prohibits transfer of funds to pay so-called windfall benefits when the appropriation for this purpose is inadequate, has resulted in a shocking and sad surprise to hundreds of thousands of retired railroad workers and their spouses. With only a few days warning of the cut of 21 percent in the so-called windfall benefits these senior citizens found their checks reduced. They cannot understand why, with cost-of-living increases coming to others on social security, Federal, or military retirement, their retirement checks are cut back.

This amendment will bring a happier Thanksgiving and a better New Year to 400,000 railroad retirees. Their pensions are meager enough as it is, without adding insult to injury by the cuts that were made in their retirement checks. This amendment is essential to restore their full retirement benefits.

Mr. EAGLETON. Mr. President, I rise in support of the amendment of the Senator from Ohio to restore full benefits to railroad retirees.

As many of my colleagues will remember prior to the Railroad Retirement Act of 1974, railroad employees could earn independent social security and railroad retirement benefits. In 1974, Congress placed the Railroad Retirement and Social Security Trust Funds in the same financial position they would have occupied had railroad service been covered by social security, eliminating the possibility of future retirees receiving benefits under both accounts.

However, those entitled to both benefits before 1975 were exempted from the change and Congress authorized annual appropriations from general revenues from 1976 to the year 2000 to finance the cost of phasing out the original dual benefit. In past years, the Office of Management and Budget clearly ignored congressional intent by failing to request the full amount of general revenue necessary to fund the dual benefit, thus creating a serious drain on the Railroad Retirement Trust Fund.

The Omnibus Budget Reconciliation Act, passed earlier this year, made a number of changes in the Railroad Retirement system designed to put the Trust Fund on a more sound financial footing. The major change in the benefit structure was the removal of the obligation to pay dual benefits from the main Railroad Retirement Trust Fund, and the creation of a separate dual benefits payments account to be funded by an annual appropriation.

It is the funding level of that dual benefits payments account which is the subject of the instant amendment.

Two months ago, 400,000 railroad retirees were notified that their dual benefits were reduced by 21 percent, as a result of failure by the administration to request funds sufficient to fund fully that account. The continuing resolution before us perpetuates this injustice by failing to provide the necessary appropriation to fund the dual benefits payments account.

The Metzenbaum amendment will insure that the full benefits to which railroad retirees are entitled will be paid. I

urge all of my colleagues to join with me in support of this amendment to protect the retirement benefits of current railroad retirement recipients.

Mr. BRADLEY. Mr. President, I rise in support of this critical amendment to restore $90 million to the dual benefits payment account.

To see why the dual benefits payment account should not be underfunded, it is essential to review the history of these retirement benefits. Prior to 1975, railroad employees could receive both social security and railroad retirement benefits if they engaged in employment covered by the two systems.

Since one individual could receive both benefits at the same time, many considered this an unearned enrichment, a windfall. To reduce the cost of the program, Congress passed the Railroad Retirement Act of 1974.

That act coordinated the two types of benefits to eliminate duplications.

Unfortunately, even with the reduction in benefits, the benefit payments, which were intended to be funded with general revenues, grew substantially more than estimated.

Reforms were adopted this year to assure the solvency of the Railroad Retirement System. Congress decided to limit the windfall benefits to the annual congressional appropriation by establishing the dual benefits payment account. The Railroad Retirement Board must prorate the windfall payments from the new account to fit the moneys appropriated to it.

To fund the current dual benefit payments would require an appropriation of $440 million, but the responsible committees in Congress have recommended an appropriation of only $350 million. It is estimated that this will require the Railroad Retirement Board to reduce benefits by over 20 percent.

Mr. President, substantial reductions have already been made in the system over the past 7 years. Congress understood that benefits would be reduced when we changed the method of computing railroad retirement benefits, but I do not believe Congress intended to reduce benefits by merely underfunding the dual benefits payment account.

Current retirees have earned these dual benefits. I urge the Senate to adopt this amendment and not unfairly and precipitously reduce these needed benefits.

Mr. HATCH. I ask unanimous consent that I be joined as a cosponsor on this amendment offered by Senators ROTH and METZENBAUM.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I rise in support of the amendment offered by the distinguished Senator from Delaware (Mr. ROTH) and the distinguished Senator from Ohio (Mr. METZENBAUM) adding $90 million to the windfall benefits appropriation for the railroad retirement trust fund. Without this amendment, Congress will be appropriating $350 million to fund this account, which currently provides benefits to over 385,000 retirees and dependents.

The problem, as has been dramatically shown over the last 2 months, is that the current appropriation level is not adequate to fully fund the benefits which retirees are entitled to under the law. In October and November, annuitants sustained a 21 percent cut in the windfall benefits component of the pension checks. For many individuals, particularly elderly widows, this was a substantial and almost unconscionable loss of income. Many can barely make it through the month on their meager income.

I realize of course that the administration early this year did recommend funding only to the $350 million level. And indeed the Budget Committee, in supporting the President's program, adopted this level. Likewise, the Appropriations Committees of both Houses in light of the action of the Budget Committee have felt compelled to limit appropriations short of the full funding level of $440 million.

However, in fairness to the administration and the Budget and Appropriation Committees, it must be stressed that there were very significant events intervening the last 9 months which in a real sense unintentionally frustrated the legitimate expectations of all concerned—the retirees, the administration, the Budget and Appropriations Committees. This summer, in the context of the Omnibus Reconciliation Act of 1981, the Congress substantially restructured the railroad retirement system. This was done to prevent inevitable bankruptcy of the trust fund.

Major changes in benefits and in funding, agreed to by both representatives of labor and the railroad industry, were made to make the trust fund financially solvent. One of the critical changes was to create a separate windfall benefits account into which the annual appropriations would be placed. Windfall benefits could only be paid from this account. If Congress did not appropriate adequate funds, then this benefit component would invariably have to be cut in a given fiscal year.

Previously Congress since 1977 had not been fully funding the windfall benefits component. However, retirees entitled to such benefits never actually suffered any loss in a given year. This was because the trust fund simply drew upon other funds available under the railroad retirement trust fund. As one can readily see, of course this would have the effect of further accelerating the drain on the trust fund as a whole.

By creating a separate windfall benefits account this last summer, such drawing upon other parts of the trust fund is no longer possible. In a real sense, by creating this separate account Congress must now directly face the question each year whether to fully fund the windfall benefits account. That question under the current congressional budget procedures must be faced early each year, when the administration begins to formulate budget requests, and when the budget committees begin developing the first concurrent budget resolution, which sets the spending ceilings for all Federal programs.

When this process was begun this past spring for fiscal year 1982, the old law was in effect—and the reasonable expectation of all the parties, based on past practice, was that windfall benefits would not be cut even if Congress did not provide a full appropriation. In midstream, however, the law was changed. Yet at the time the railroad retirement law was changed this summer no provision was made for allowing under the Budget Act ceilings an increase in appropriation to the full level of $440 million.

In short this amendment enables Congress to untie its hands and to not allow retirees and widows to suffer a loss in needed income. I realize that the administration has embarked upon a difficult and thankless task of attempting to balance the budget and to restore the economic well-being of this Nation. And this has meant reductions in spending in many areas.

However, I think the Congress has done a responsible job throughout this past year in avoiding cuts of replacement income being provided to current beneficiaries. Without this amendment, current beneficiaries will suffer such a cut. I therefore believe that in this area of fiscal readjustment we must not reduce the current level of windfall benefits being paid to retirees. The amendment should be adopted.

Mr. NICKLES. Mr. President, I plan to vote against this amendment which would increase by $90 million Federal funding of railroad dual windfall benefits. I urge my colleagues to join me in defeating this amendment and would hope that they would consider the following facts when deciding.

First, proponents of this amendment allege that the fiscal year 1982 reduction in windfall benefits was an inadvertent injustice that was not anticipated when the Railroad Retirement Act Amendments were passed as part of the Omnibus Budget Reconciliation Act of 1981. Nothing could be further from the truth.

As with all legislation in the reconciliation bill, Congressional Budget Office projections were required. All parties involved in the railroad retirement amendments had those figures available to them. The Congressional Budget Office broke the railroad retirement package down item by item. One item was clearly marked "Windfall Benefits Separation/Limiting Benefits to Appropriations" and showed the following outlay reductions:

[In millions]

Fiscal year 1982	—$90
Fiscal year 1983	—68
Fiscal year 1984	—41

I have here a letter with attachments which was jointly signed by rail labor and management chief negotiators on railroad retirement—Ollie M. Berge for labor and Charles Hopkins for management. The letter was dated July 21, 1981, and was sent in response to a request by several Senators and myself. The letter urges our endorsement of the comprehensive package of amendments put together by the House Democrats and states that immediate passage is necessary to prevent the financial collapse of the railroad retirement system.

Attached to that letter is their esti-

mates of the savings when their package was enacted. Again, this is an item-by-item breakdown. One item reads "Windfall Benefits Separation/Limiting Benefits to Appropriations." They show the following savings in outlays which are even higher than CBO's:

[In millions]

Fiscal year 1982	−$96
Fiscal year 1983	−96
Fiscal year 1984	−91

I want the point to be made clearly, Mr. President, that both CBO figures and rail labor-management figures are based on a maximum funding to the windfall account of $250 million. The only reason, Mr. President, that rail labor-management wanted a separate windfall benefits account was because they knew that windfall appropriations would not exceed $350 million. If windfalls were going to be fully funded, there would be no reason to set up a separate account since with full funding the retirement funds would have no slack to pick up.

Let me read a few pertinent quotes from that rail labor-management letter and its attachments:

Passage of the present bill will save the system for its millions of present and future beneficiaries and will do so not at public expense but at the expense of railroad employees and employers. It also is compatible with and indeed promotive of the budget reconciliation targets.

The rail retirement system faces many of the same problems as the Social Security program. A much larger number of beneficiaries than active employees burdens the system. This is the reason that additional taxes and curtailed benefits are proposed for railroad employees, as is also the case for workers covered by the Social Security System. The sacrifices of rail labor and management incorporated in this legislation for railroad pensions should keep the system financially sound.

To the contrary, the proposal controls the overall rate of benefit escalation. There are some benefit liberalizations, including a new future benefit formula. However, there are constraints imposed in other areas such as windfall separation and survivor benefits by over $300 million in FY 1982. This overall benefit restraint will strengthen the retirement fund. That restraint will mean reduced budget outlays, as projected by the Congressional Budget Office.

And finally, one of the reasons rail labor-management supports the Dingell bill is because it:

Places dual benefits (or windfall) in an account that is separate from the basic railroad retirement system and thereby ends the drain on the system resulting from the annual shortfall in the windfall appropriations by Congress and automatically limits windfall benefits to whatever level is consistent with the annual appropriations.

Mr. President, these quotes clearly indicate that rail labor-management knew that enactment of the package they endorsed would result in this reduction of windfall benefits. Rail labor is playing a two-face role, Mr. President. They were here this summer saying we know Congress will not increase its appropriation, so please set up a separate account so that we do not have to make up the difference. Now they tell their members, "well when we agreed to that package we expected Congress to fully fund windfalls—so write Congress."

Now, Mr. President, let me move on to a second factor which must be considered. What did rail labor gain by agreeing to this windfall reduction. There were offsetting benefit increases. First, a permanent tier II COLA was enacted. Less than 5 percent of collectively bargained agreements include such a permanent COLA. Second, a new tier II benefit computation formula was adopted. Third, rail labor-management desperately fought for the Railroad Retirement Board to be given borrowing authority against the financial interchange. This also was enacted. Lastly, they were given early action on their legislation to prevent their fund insolvency, which was anticipated forthcoming in April of 1982.

Mr. President, I also wish my colleagues would consider the following remarks from William Adams, chairman of the Railroad Retirement Board in a letter dated January 14, 1981, to the Honorable THOMAS O'NEILL, JR., Speaker of the House of Representatives:

When Congress restructured railroad retirement benefits in 1974 into (1) a social security equivalent, (2) an industry pension, and (3) a windfall component, the cost to the general taxpayer of subsidizing railroad windfalls was estimated to require 25 level, annual appropriations of $250 million, for a total subsidy of $6.25 billion. In the 1976 Railroad Retirement Board 13th Actuarial Valuation, the windfall costs were reestimated at $363 million annually, a 45 percent increase in two years. In the 1979 14th Actuarial Valuation, the latest reestimate, windfall costs were projected at $500 million annually—twice the initial 1974 estimate. Since the $500 million estimate does not assume any inflation after 1980, the estimated cost is virtually certain to increase again in the Board's next Actuarial Valuation, scheduled for 1982.

It is apparent that without a change in existing law limiting the cost of windfall benefits, there will be an ever-increasing drain on the general fund of the Treasury.

Sound public policy dictates that there be a ceiling on the amount of dollars flowing from the general taxpayer to pay the cost of the windfall benefits. The $350,000,000 ceiling set forth in the draft bill being submitted is a full 40 percent greater than the $250,000,000 contemplated at the time of the 1974 legislation and is the maximum amount the Administration believes should be made available from the general fund of the Treasury for this purpose.

Mr. President, we are already overfunding windfalls by $100 million annually over and above the price tag Congress bought when it agreed to fund windfalls. The current $350 million annual appropriation amounts to a taxpayer subsidy of $700 per year per current rail worker, the amount annually required from either labor or management to fund the $350 million windfall if Congress did not.

Let me add, Mr. President, that when Congress adopted the Railroad Retirement Act of 1974, an amendment was offered and accepted to make windfall appropriations on a level funding basis rather than current need. Thus under that commitment, everyone understood that for periods of time windfalls would be underfunded and the railroad retirement fund would make up the difference and in the later years windfalls would be overfunded. Windfalls were not substantially draining the railroad retirement fund. The fund was paying out monthly over $200 million more in benefits than taxes taken in. Windfall required $90 million a year.

Because of irresponsible action by rail labor-management their fund was in serious jeopardy and once again Congress is asked to help them out. From 1970 to 1980 the following percentage changes have occured:

[In percent]

RR Workforce	−17
Number of Beneficiaries	+3.4
Benefit Paid	+188
Balance in Amount	−40.3

Who are these individuals who are experiencing these small reductions. A 21 percent cut sounds big, but lets look more closely. A railroad retirement check can be made up of four components—a social security equivalent, a private pension component, a supplemental annuity, and a windfall. Only windfalls are affected here. Railroad retirement checks range from an average spouse only amount of $240 a month to a maximum for retiree and spouse with maximum service to $1,557 a month. An employee average windfall is $111, a spouse's $92 and a survivor's $47. The average reduction in a monthly check currently experienced since October 1, 1981, is employee $23, spouse $19 and survivor $10.

If anyone thinks that is overly harsh let me add this caveat. All components of a railroad retirement check are tax-free benefits. How many other retirees receive, tax-free, their private pension portion of their retirement pay?

These are not deferred wages these individuals are having cut back. These are benefits arising as a result of a quirk in law which allowed one to receive benefits under two retirement systems. You moonlight outside of railroad, earn a minimum of social security quarters and receive the minimum social security benefit amount as a windfall above and beyond your social security equivalent portion of your retirement check. Once again, Mr. President, we have another example of reduce the Federal budget as long as it does not affect me.

Mr. President, with all this in mind, I urge my colleagues to join me in opposing this amendment. The House funded this at $350 million; an amendment to increase funding failed at the Senate Appropriations Committee and they also agree to fund at $350 million. Let the Senate now confirm those two previous actions by holding to $350 million, a full $100 million over our original price tag, by defeating this amendment.

Thank you, Mr. President.

● Mr. WILLIAMS. Mr. President, I strongly support the amendment by the Senator from Ohio, which I am pleased to cosponsor. This amendment is intended to correct a serious wrong that has been inflicted on hundreds of thousands of our railroad retirement pensioners.

In the past several weeks, about 400,000 railroad retirees have learned, to their horror, that their retirement checks un-

der the Federal railroad retirement system are being drastically cut as a result of actions taken by this Congress and the administration in the budget reconciliation process. Two out of every five people receiving railroad retirement benefits have been made the victims of a 21-percent cut in their so-called "windfall dual benefits"—the amount paid to retirees who were insured for social security benefits before 1975. From my State of New Jersey, and from across the country, we have heard an outcry of pain from our railroad retirees who are suffering from these serious cuts in benefits.

Indeed, a serious injustice has been inflicted on these retirees. Prior to 1974, individuals engaged in covered employment under both the Railroad Retirement Act and the Social Security Act were entitled to benefits under both acts. In 1974, Congress eliminated dual-benefit coverage, but authorized annual appropriations through the year 2000 for so-called "dual windfall benefits" for railroad retirees who had retired prior to 1974 to partially compensate them for their loss in benefits. Congress made a commitment to these retirees to fully fund these "dual windfall benefits."

Now, as a result of actions taken by us during the budget reconciliation process, we have inadvertently reneged on this commitment. These changes in the railroad retirement system were addressed primarily at restoring the solvency of the general retirement fund. However, in addition to these changes, Congress provided that the windfall dual benefit would be paid out of a specific dual benefits payments account and stopped the practice of borrowing from general funds to fund the windfall dual benefits. Regrettably, this fund is currently appropriated at only $350 million, while total cost to fully fund the account is $440 million. As a result, the retirement benefits of hundreds of thousands of our railroad retirees have been severely cut.

We must take immediate action to redress the injustice that has been inflicted on our railroad retirees. We must take immediate action to live up to the commitment that we made these railroad retirees in 1974 and fully fund the dual benefits payments account. It is right and proper that we take action today to restore the benefits to which our railroad retirees are lawfully entitled. For these reasons, I strongly urge the adoption of this amendment.●

Mr. SCHMITT. Mr. President, I yield to the distinguished Senator from Oregon. I may be right back.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, we have now completed the discussion on the Metzenbaum amendment and are ready to move on to another amendment. The deck has already been cleared with my first request on the matter of setting aside the Bradley motion to reconsider and the committee technical amendment in order to keep the sequence of these amendments going until 9 o'clock.

Mr. METZENBAUM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. METZENBAUM. Mr. President, is it necessary for us to make any special arrangement or special order in order to see to it that this will be the first vote at 9 p.m.?

The PRESIDING OFFICER. No, there is not. That will be the regular order established earlier this evening.

Mr. METZENBAUM. I thank the Chair and I thank the manager of the bill for his cooperation.

Mr. HATFIELD. Mr. President, I now yield the floor to the distinguished Senator from Virginia for an amendment that he and I earlier discussed and I believe he has yet to submit for formal consideration.

The PRESIDING OFFICER. The Senator from Virginia.

UP AMENDMENT NO. 673

(Purpose: To limit certain budget authority to the budget estimates)

Mr. HARRY F. BYRD, JR. Mr. President, I send to the desk an amendment on behalf of myself and the Senator from Oklahoma (Mr. NICKLES) and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, JR.), for himself and Mr. NICKLES, proposes an unprinted amendment numbered 673.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add a new section:

SEC. . Notwithstanding any other provision of this joint resolution, the appropriations, funds or other authority for projects or activities covered by this joint resolution which are funded under appropriations bills exceeding the budget estimates in budget authority shall not be in excess of the budget estimates as of November 20, 1981, until such appropriations bills are enacted; except that this section shall not operate to reduce funding for those activities described in Sections 401(c)(2)(C), 401(d)(1)(A) or 401(d)(1)(B) of the Congressional Budget Act of 1974 below any levels which may be established in an appropriations bill prior to its enactment.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator from Oregon and the Senator from Virginia discussed this amendment earlier. So I will be very brief.

What it does is this: It specifies that, until an appropriation bill becomes law, the budget estimate submitted by the President prior to November 20, 1981, that that budget estimate shall be the prevailing figure for the particular department involved until such time, and only until such time, as the appropriation bill becomes law.

Now the adoption of this amendment would be an action of the Congress, just as much as any other vote of the Congress. The resolution, as amended by this proposal, would be the will of the Congress, arrived at after debate.

Second, the amendment grants no new power to the President. The Congress under my proposal would set both the budget authority in this resolution and, just as important, the budget authority in all subsequent appropriation bills. The power of the President would remain just as it is now, to sign or veto. He has that power now. He would have no additional power under this amendment.

The purpose of the amendment is to seek a lower figure, lower spending figure, than the present resolution. The President feels that the total figure is too great. He has indicated the possibility of a veto.

This proposal is an effort to solve the dilemma in which the Congress finds itself. The appropriations bills should have become law almost 2 months ago. The deadline was September 30.

This proposal protects and preserves the appropriations process. It should be acceptable to the Congress as a whole because it assures the opportunity for careful scrutiny at each step of the legislative process—committee action, votes by each House, conference and final action on conference reports. It should be acceptable to the President because he can examine each appropriation on its merits. Clearly, there would be no incentive for a veto of this resolution if the pending amendment were adopted.

I say again, Mr. President, that what the amendment does is to specify that until an appropriation bill becomes law, that the budget estimate as submitted by the President will be the prevailing figure. But as soon as the appropriation bill is enacted into law for that particular department, then the figure in the appropriation bill would be the prevailing figure.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, we had a very delightful colloquy this morning on this issue and put it in an historic context. I think the Senator has made a very eloquent case for this.

I would only summarize my opposition to the amendment on the basis that it seems to me we ought to maintain the reference in the continuing resolution to a congressional action—that is to say, a House-passed bill, a Senate-passed bill, a conference report, whatever it might be—rather than yielding the reference level to the executive branch of Government. Otherwise, it seems to me we have sort of abandoned or we have given up, yielded, our basic role in the whole budgetary process. I think that would be my summarized position.

Mr. HARRY F. BYRD, JR. Will the Senator yield?

Mr. HATFIELD. I am happy to yield.

Mr. HARRY F. BYRD, JR. The President's figure would prevail only until the budget process was completed; namely, the appropriation bill was enacted into law. And it would prevail only if the President's figure is lower than the appropriation bill.

In summary, I would say that it seems to me that it does preserve the appropriations process because, as soon as the appropriation bill becomes law, then the figure in that appropriation bill is the prevailing figure and the President's budget estimate is no longer in that position.

Mr. HATFIELD. I thank the Senator for his further clarification.

Mr. President, I yield the floor at this time to the Senator from Florida, for the purpose of presenting an amendment.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 635

(Purpose: To prohibit the obligation or expenditure of funds for the detention of certain aliens at facilities in the State of Florida)

Mrs. HAWKINS. Mr. President, I call up my amendment No. 635 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Florida (Mrs. HAWKINS), for herself and Mr. CHILES, proposes amendment numbered 635:

At the bottom of page 26, add the following:

SEC. 124. None of the funds appropriated by this joint resolution may be obligated or expended after March 1, 1982, for the detention of any entrant, any applicant for political asylum or for refugee status, or any other alien which would cause the total number of aliens to exceed five hundred and twenty-five at the facility known as Krome North, located in the State of Florida, or to exceed five hundred an twenty-five at the other facility in the State of Florida for the detention of aliens awaiting exclusion, deportation, or resettlement which is not used for such purpose on the date of enactment of this joint resolution.

Mrs. HAWKINS. Mr. President, the amendment that I have called up will place a cap, effective March 1, 1982, on the number of illegal aliens that can be detained at the Immigration and Naturalization Service (INS) facility known as Krome North. I have a number of reasons for offering this amendment:

First, the overcrowding at the facility has caused pitiful conditions; second, the facility has become a symbol to the people of south Florida of an immigration policy that is ineffective; and third, while long-term solutions are on the horizon, Florida needs help now and cannot wait for any solutions that may or may not materialize. Some of my colleagues from Florida and I have made these points before.

The result was that the Senate adopted identical language in another appropriations bill, and the House adopted similar language in one of their appropriations bills. I am offering this amendment again today to this continuing resolution because the need for this kind of action is great and because it will not add or subtract 1 cent from this appropriations bill.

I will not repeat all of my earlier remarks on this amendment. However, I believe that it would be beneficial to quickly review the conditions in Krome North, and in south Florida that necessitate prompt action on this amendment.

Krome North is an old nike missile site that was converted into a detention facility by the INS in order to cope with the large number of aliens that have been illegally entering Florida. This facility was designed to hold 525 detainees. However, currently it is holding roughly 1,110. These overcrowded conditions have led to breakdowns in the water and sewage systems giving rise to unhealthy and unsanitary conditions.

This facility is predominantly populated by Haitians who are generally characterized as an obedient people, but several months ago the overcrowding and unsanitary conditions at the camp led to riots and demonstrations. I believe that these pitiful conditions cannot be allowed to persist. The camp's population must be returned to its designed level.

The conditions that the recent influx of Cubans and Haitians have imposed on south Florida are equally bleak. Most people do not realize that Dade County, in south Florida, including the city of Miami, has been more heavily affected by an increase in the alien population than any other county in the country.

One out of every nine people currently living in Dade County entered the country within the last year and a half. The results of this massive influx have been devastating. Housing is impossible. Police and fire departments are overworked. Sewer, water, and electric systems are strained.

Jails and schools are filled beyond capacity. Unemployment is high. Tourism, an essential industry in south Florida, is down 20 percent, and crime has skyrocketed. In the city of Miami from 1979–80, robberies were up 103 percent, murders were up 59 percent, auto thefts were up 68 percent, and the rest of the crime statistics were equally appalling; 1981 statistics indicate that the crime rate in some categories has gone even higher. Headlines note Miami is now the murder capital of the world.

In south Florida, the Krome North detention facility has come to symbolize the national policies that have allowed these conditions to develop.

Not long ago on a church sign in Miami I saw the following words: "Why has the United States abandoned Miami?" Merely announcing the lowering of the population of the camp down to 525 would send a signal to the people of south Florida that they have not been abandoned, that the Senate is willing to take effective action to remedy some of the problems facing the area.

Attorney General William French Smith has been most helpful in appealing judicial opinions that hindered relocating the illegals.

I know that the INS is working to have a permanent detention facility constructed at Fort Drum, N.Y. My amendment allows for a reasonable amount of time for INS to arrange for alternate space for the overflow from Krome North. Neither I nor the people of Miami would want this overflow released on the streets of Miami, as Deputy Attorney General Edward C. Schmults said he would be forced to do if required to implement the cap immediately. It is my hope and INS's expectation to have this permanent facility constructed by the effective date of this amendment.

So I would ask for your support on this amendment because it would restore humane conditions to Krome North, because it would show this Congress resolve to tackle difficult immigration problems, because it provides the INS with sufficient time to find additional space for the Krome North overflow, because this amendment has been accepted by the Senate before, and because it will not affect the funding levels in this appropriations bill.

Mr. HATFIELD. Mr. President, the amendment offered by the Senator from Florida is one which has been considered by the Appropriations Committee and was incorporated in the State, Justice, Commerce appropriations bill.

Because action on that bill has not been completed, I understand her reason for attaching it to the continuing resolution. There is no objection. Therefore the committee will accept it as part of the continuing resolution.

The PRESIDING OFFICER (Mr. HATCH). The question is on agreeing to the amendment.

The amendment (No. 635) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. HAWKINS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, at this time I yield the floor to the Senator from Minnesota for a matter he wishes to raise.

Mr. DURENBERGER. Mr. President, I first suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SCHMITT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHMITT. Mr. President, the distinguished junior Senator from California, Senator HAYAKAWA, is with us and has an amendment which he wishes to propose at this time. I yield to him for that purpose.

UP AMENDMENT NO. 674

(Purpose: To assure that funds made available for the Low-Income Home Energy Assistance program are specifically used to make payments in accordance with section 2605(b) (1) and (2) of the Omnibus Budget Reconciliation Act of 1981)

Mr. HAYAKAWA. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from California (Mr. HAYAKAWA) proposes an unprinted amendment numbered 674.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution, add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, each State shall establish such fiscal control procedures as are necessary to assure that the funds made available under this resolution for the low-income energy assistance program are used for payments in accordance with section 2605(b) (1) and (2) of the Omnibus Budget Reconciliation Act of 1981 and that each eligible household receiving such payments does not use the payments for any other purpose than the purpose described in section 2602(a)".

Mr. HAYAKAWA. Mr. President, my amendment would remedy a serious abuse that has arisen under the low-income energy assistance or LIEAP program. Funding for this program is, of course, included in the bill before us. Currently, the statute permits the various States to disburse this money directly to recipients, with no assurances that they will actually use it for their energy bills. This has resulted in the use of these funds in a manner never intended by Congress.

For example, the California State Office of Economic Opportunity (OEO) recently released a plan for the 1981–82 low-income energy assistance plan. As currently designed, an eligible household may now receive a direct energy assistance payment of up to $400, spend none of this money on energy bills, and allow a shut off situation to develop. Threatened by a shut off, this same recipient can apply for energy crisis intervention assistance from the OEO and receive an additional $200; no strings attached. There is no provision requiring that any of this money will be used to pay overdue utility bills. Moreover, under the regulatory policies of the public utilities commission, it is difficult to shut off such customers.

Clearly, this program is being abused. There have been reports in several States of recipients cashing their LIEAP checks at liquor stores. In some cases payments have continued to be sent long after the recipient was reported deceased.

This amendment, Mr. President, is to make possible a cure of this abuse and this waste of money, money that is intended for low-income energy assistance but is often used in liquor stores, not to say brothels.

I do not say this lightly because there is documentary evidence of this latter fact.

The problem, Mr. President, is that the States are not required, or able, to account for the ultimate disbursal of these funds. Last year in California, for example, the State OEO spent almost $70 million, ostensibly to help the needy pay their fuel bills. Today, not one dime of that money can be accounted for.

The Washington Post of November 1, 1981, cited similar problems in Maryland. I would like to quote from that article:

The state of Maryland has offered nearly $2 million in excess federal energy assistance funds to needy families who will be able to spend the money—originally meant to pay household fuel bills—on anything they want.

The amendment I offer today will correct this situation. I am sure that my friend from New Mexico agrees that money appropriated by the Congress should be spent for the purpose intended. This amendment assures that funds are disbursed in a direct and accountable manner, but in no way imposes an obligation that the States use any particular method of disbursement.

I am certain that my colleagues will agree that in a time of fiscal austerity, we must be particularly mindful that every dollar appropriated by Congress reaches its proper destination. I urge your approval of this amendment.

I understand there is no objection to the amendment on either side. I yield the floor.

Mr. SCHMITT. Mr. President, the Senator from California has, on numerous occasions, brought this particular situation to the attention of the Appropriations Committee, and to the Senator from New Mexico specifically.

The problems that he has mentioned coincide with other problems that have come to light in other States.

I have talked with a number of Senators, including the distinguished Senator from Kansas, the chairman of the Finance Committee, and I think there is general agreement that this amendment should be accepted.

I congratulate the Senator on his initiative.

Mr. HAYAKAWA. I thank the distinguished Senator from New Mexico.

Mr. SCHMITT. Mr. President, I move that the amendment be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 674) was agreed to.

Mr. SCHMITT. I move to reconsider the vote by which the amendment was agreed to.

Mr. HAYAKAWA. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 675

(Purpose: To eliminate funds for MSHA coverage of independent construction contractors on surface of mine sites and of state and county governments)

Mr. HATFIELD. Mr. President, Senator SASSER is next up but because he is not here, I am going to continue the practice of urging the Chair to recognize Senators who have amendments that we believe will be adopted and therefore not require a record vote. I ask the Chair to recognize the Senator from Montana (Mr. MELCHER).

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an unprinted amendment numbered 675.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

"*Provided further,* That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer or enforce any standard, rule, regulation or order under the Federal Mine Safety and Health Act of 1977 with respect to any independent construction contractor who is engaged by an operator for the construction, repair or alteration of structures, facilities, utilities or private ways or roads located on (or appurtenant to) the surface areas of any coal or other mine, and whose employees work in a specifically demarcated area, separate from actual mining or extraction activities; and provided further that no funds shall be obligated or expended to prescribe, issue, administer or enforce any standard, rule, regulation or order under the Federal Mine Safety and Health Act of 1977 on any State or political subdivision thereof.

Mr. MELCHER. Mr. President, this amendment has nothing to do with commerical sand, gravel, and stone. It neither adds nor deletes funds.

It corrects an aberration on the Labor Department's interpretation of the law which contends that independent construction contractors engaged in surface construction on a mine site are covered by the Mine Safety and Health Act.

These contractors and their employees are covered by OSHA for similar work on nonmine property. Under the present interpretation, they are thus covered primarily by OSHA, and also by MSHA, if they have a contract to build a garage, office building, road, and so forth, on a mine site. This is ridiculous and wasteful.

The purpose of the amendment is threefold:

First. To provide proper protection to construction workers against construction hazards which MSHA inspectors are not trained to recognize and,

Second. To eliminate the current double regulation of independent construction contractors who currently are regulated by OSHA and MSHA. The amendment would restrict coverage to OSHA only.

Third. To eliminate coverage of county road crews.

My amendment will not eliminate all safety and health protection from surface construction workers as some claim. They will be under the protection of OSHA. The courts have so ruled several times in similar circumstances.

Neither will the amendment require mine operators to be under the jurisdiction of OSHA as well as MSHA, as a similar provision in the House Labor-Human Health Services appropriations bill does, since it applies to independent construction contractors engaged by a

mine operator, but not to work performed by the mine operator's employees.

One other important benefit of this amendment is to relieve MSHA inspectors of the current diversion from their duty to inspect mines, while they try to regulate surface construction for which they have neither guidelines from MSHA nor any expertise. Their job is mine inspection, not construction inspection.

This amendment further withholds funds from MSHA to eliminate their present practice of harassing county commissioners and road crews who are responsible for repair of county roads.

These county and city, or townships workers are not miners by any stretch of the imagination. Most spend only a few days or weeks repairing rural roads. The safety record on this type of work is very good.

MSHA personnel should be doing their crucial jobs protecting real miners and stop wasting their valuable time on county employees who work only incidentally with sand and gravel for a small part of the year.

This amendment is supported by the Associated General Contractors, the Building Trades AFL–CIO, National Association of Counties, American Mining Congress, and is not opposed by the United Mineworkers or the Steelworkers.

Mr. President, what this amendment does is take MSHA out of the business of having to look at a construction job on the mine site. It would mean that the contractor and the workers there would be subject to OSHA. That fits because those workers are subject to OSHA on every other job that they are on except where they might be building a building on a mine site or mining property. It has nothing to do with the mining of anything, it has nothing to do with underground; it is on the surface.

Mr. President, we have had a bill introduced a number of times, sponsored by a sizable number of Senators—Senators BUMPERS and GOLDWATER, FORD, CHILES, HATFIELD, PRYOR, BURDICK, BAUCUS, BOSCHWITZ, CANNON, WALLOP, MCCLURE, MELCHER, SYMMS, ABDNOR, NUNN, and BOREN. What the amendment seeks to do is take these workers and those contractors out from under a different set of regulators when they happen to be building on a minesite.

The amendment that I offer, Mr. President, as far as I know, has no enemies at all. I think it is a good, straightforward step. I hope the Senate can accept it.

Mr. SCHMITT. Mr. President, the distinguished Senator from Montana has, indeed, found the universal amendment, the one for which I also know of no opposition, the one which everyone supports that I am familiar with in my mining State of New Mexico, as well as his of Montana and many others throughout the country. It does not make any sense to this Senator, nor do I believe it makes any sense to the Senate, to have two agencies overseeing the regulation of these mine properties.

I am happy on behalf of the committee to accept the Senator's amendment and move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment (UP No. 675) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHMITT. I move to lay that motion on the table.

Mr. President, if I may have the attention of the Senators from Montana, I am advised by the staff that we may need to revise some of the language in the amendment to make it conform with the language of the continuing resolution. I ask unanimous consent that I may do that without in any way vitiating the vote.

Mr. MELCHER I have no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion to lay on the table was agreed to.

UP NO. 676

(Purpose: To provide that provisions relating to payment for ineffective drugs contained in H.R. 4560 shall be incorporated into the continuing resolution only for the period ending March 31, 1982)

Mr. DURENBERGER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Minnesota (Mr. DURENBERGER) for himself and Mr. BAUCUS, proposes an unprinted amendment numbered 676:

At the end of the joint resolution add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, the provisions of section 210 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1982 (H.R. 4560), as passed by the House of Representatives on October 6, 1981, and the provisions of section 209 of such Act as reported by the Senate Committee on Appropriations on November 9, 1981, shall be applicable only during the period ending March 31, 1982, with respect to sums appropriated pursuant to this joint resolution.

LESS THAN EFFECTIVE DRUGS

Mr. DURENBERGER. Mr. President, as part of the Omnibus Reconciliation Act of 1981, section 2103, the Senate Finance Committee accepted a House provision prohibiting payment under part B of medicare and the use of Federal matching funds under medicaid for prescription drugs that have not been determined by the FDA to be effective. The change went into effect on October 1, 1981, and applies to about 125 prescription drugs.

There has been much confusion and misinformation surrounding section 2103. So much so, that a rider was added to the House appropriations bill, offered by Representative BLILEY, which would not allow funds for the implementation or enforcement of the provision. By reference, the continuing resolution before us incorporates the Bliley amendment.

The amendment I offer today on behalf of myself as chairman of the Subcommittee on Health of the Committee on Finance and Senator MAX BAUCUS, ranking minority member of that subcommittee, would provide that the Bliley amendment shall not be incorporated into the continuing resolution.

I wish initially to point out that the Finance Committee acceptance of section 2103 was not done simply in the rush to complete action on the Reconciliation Act, as has been suggested by supporters of the appropriations action.

Mr. President, the issue simply boils down to this: When there is not enough money to go around, we should not be using our limited health care dollars for drugs which have not been demonstrated to be effective.

This issue has a long history. In 1971, HEW issued regulations prohibiting expenditure of Federal funds under its direct care programs for less than effective drugs. This means that the Department does not pay for these drugs in its own health care facilities, which include Public Health Service and Indian Health Service hospitals and clinics. The Defense Department and the Veterans' Administration have also followed this policy.

In 1972, 1974, 1979, and again in 1980, GAO recommended regulations to preclude the purchase of drugs judged to be ineffective or possibly effective under medicaid. In 1974, GAO estimated that approximately $40 million was spent on these drugs. Two previous Secretaries of the Department of Health, Education, and Welfare, including Caspar Weinberger in 1975, told Congress that reimbursement should be stopped. Two previous Surgeons General and two previous FDA Commissioners also recommended termination of reimbursement.

I wish to make it clear, Mr. President, that section 2103 does not take the drugs in question off the market; it merely says we are not going to use Federal tax dollars to pay for them under medicare and medicaid. Moreover, for every less than effective drug not paid for as a result of section 2103, there is a substitute drug which has been proven effective and which can be paid for.

As I am sure my colleagues are aware, drug coverage under the medicaid program is optional. The States may choose not only whether to provide drugs but also what specific drugs they will cover. Pharmacies and pharmacists are familiar with the formularies many States prepare which list exactly what drugs are covered. In some six States and the District of Columbia, the drugs determined to be less than effective by FDA are already excluded from coverage; in other States, only certain high-cost drugs are covered.

What I am suggesting, Mr. President, is that limiting payment to certain drugs is not a new practice; it is one that has been in place for years.

Drugs affected by this provision, and those already excluded from payment under the medicaid program in many States, are not being taken off the market. We are simply saying we are not

willing to use limited Federal dollars to pay for them.

One additional point: The provision included in the reconciliation bill which we are supporting with this amendment will have little effect on the medicare program. As I am sure my colleagues are aware, the provision relates only to part B of the medicare program, which primarily covers physician services and outpatient care rather than hospital care. Under part B, medicare currently does not, under almost all circumstances, pay for outpatient drugs. Thus, this provision has little or no effect on medicare beneficiaries.

This happened because the committee that approved the measure did not have jurisdiction over medicare part A and, thus, that matter was not in conference when the medicaid and medicare part B provision was accepted.

We could fix that right now with a simple amendment, but I do not believe that the continuing resolution is the proper forum for such an action, just as I do not believe that the Bliley amendment belongs on the appropriations bill.

Mr. President, perhaps the most succinct appraisal of this whole matter was stated in a letter to me from Bill Hutton, executive director of the 3.5-million-member National Council of Senior Citizens:

The Council strongly favors enforcement of the ban on ineffective drugs under medicare and medicaid. Both the National Academy of Sciences and the Food and Drug Administration have determined that these drugs do not work. The drug manufacturers have had 19 years to prove they work and have failed to do so, and there are substitutes for all these drugs that have been proven effective. It is time for the government to stop wasting its money on ineffective drugs and to stop endangering the health of millions of medicare and medicaid recipients, including our members. Six states and the District of Columbia have already banned these drugs from their medicaid programs, and I urge the Senate to uphold the ban on these drugs and reject the Bliley amendment.

A similar letter was received from the 10.5-million-member American Association of Retired Persons/National Retired Teachers Association. They stated:

By maintaining reimbursement for these less than effective drugs, medicare and medicaid beneficiaries may be denied the opportunity for more effective drug treatment. Substitute drugs with proven effectiveness are available so patients would be able to received needed drug treatment; moreover, the long-term savings achieved by treating a patient with a drug of proven effectiveness may well be substantial.

Mr. President, I trust that the Members of this body will agree on the commonsense approach of section 2103 and will support our amendment.

Mr. President, I ask unanimous consent that the letters from representatives from each of the organizations I referred to, along with responses made to the various arguments against section 2103, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL OF SENIOR CITIZENS,
Washington, D.C., October 22, 1981.

Re: Bliley Amendment to Continue Medicare and Medicaid Payments for Ineffective Drugs.

Hon. DAVID DURENBERGER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DURENBERGER: I understand that the Senate is considering an amendment to the appropriations bill for the Department of Health and Human Services that is similar to the Bliley amendment that passed the House of Representatives on October 6, 1981 (Section 210 of H.R. 4560). This amendment would prohibit enforcement of Section 2103 of the Omnibus Budget Reconciliation Act of 1981 which stops payment under Medicare Part B and Medicaid for ineffective drugs.

On behalf of the 3,500,000 members of the National Council of Senior Citizens, I urge you to reject the Bliley amendment. The Council strongly favors enforcement of the ban on ineffective drugs under Medicare and Medicaid. Both the National Academy of Sciences and the Food and Drug Administration have determined that these drugs do not work. The drug manufacturers have had 19 years to prove they work and have failed to do so, and there are substitutes for all these drugs that have been proven ineffective. It is time for the government to stop wasting its money on ineffective drugs and to stop endangering the health of millions of Medicare and Medicaid recipients, including our members. Six states and the District of Columbia have already banned these drugs from their Medicaid programs, and I urge the Senate to uphold the ban on these drugs and reject the Bliley amendment.

Sincerely,

WILLIAM R. HUTTON,
Executive Director.

NATIONAL COUNCIL OF SENIOR CITIZENS,
Washington, D.C., November 13, 1981.

Hon. DAVID DURENBERGER,
Chairman, Subcommittee on Health, Senate Finance Committee, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR DURENBERGER: The National Retired Teachers Association and the American Association of Retired Persons urge you to be actively involved in striking the "Bliley Amendment" from H.R. 4560, the Labor-HHS Appropriations bill, when it is considered on the Senate floor. The "Bliley Amendment" reverses Section 2103 of the 1981 Omnibus Budget Reconciliation Act which terminates reimbursement under Medicare Part B and Medicaid for "DESI" drugs.

Section 2103 denies reimbursement only for those pre-1962 drugs (approved when safety but not efficacy was required) which have been determined by the National Academy of Sciences and the FDA to be less than effective for all indications, for which a Notice of an Opportunity for a Hearing (NOOH) has been published), and where no compelling justification for its medical need exists.

By maintaining reimbursement for these less than effective drugs, Medicare and Medicaid beneficaries may be denied the opportunity for more effective drug treatment. Substitute drugs with proven effectiveness are available so patients would be able to receive needed drug treatment; moreover, the long-term savings achieved by treating a patient with a drug of proven effectiveness may well be substantial.

Again, NRTA–AARP urge that an amendment to strike the Bliley Amendment be offered on the Senate floor when H.R. 4560 is considered.

Sincerely,

PETER W. HUGHES,
Legislative Counsel.

RESPONSES TO ARGUMENTS MADE AGAINST SECTION 2103

1. Medicare and Medicaid beneficiaries will be discriminated against by being denied access to drugs available to other citizens.

Response: For every ineffective or possibly effective drug not paid for as a result of section 2103, there is a substitute drug which has been proven effective and which can be paid for. As Bill Hutton, Executive Director of the 3.5 million member National Council of Senior Citizens said:

"The Council strongly favors enforcement of the ban on ineffective drugs under medicare and medicaid. Both the National Academy of Sciences and the Food and Drug Administration have determined that these drugs do not work. The drug manufacturers have had 19 years to prove they work and have failed to do so, and there are substitutes for all these drugs that have been proven effective. It is time for the government to stop wasting its money on ineffective drugs and to stop endangering the health of millions of medicare and medicaid recipients, including our Members. Six states and the District of Columbia have already banned these drugs from their medicaid programs, and I urge the Senate to uphold the ban on these drugs and reject the Bliley amendment."

The National Retired Teachers Association-American Association of Retired Persons also opposed the appropriations rider that would permit the continuation of payment for less than effective drugs. As Peter Hughes, Legislative Counsel for the 10.5 million member organization stated:

"By maintaining reimbursement for these less than effective drugs, medicare and medicaid beneficiaries may be denied the opportunity for more effective drug treatment. Substitute drugs with proven effectiveness are available so patients would be able to receive needed drug treatment; moreover, the long-term savings achieved by treating a patient with a drug of proven effectiveness may well be substantial."

In addition, there is nothing in section 2103 which would prohibit States or individuals from purchasing less than effective drugs on their own.

2. Drug companies will be denied due process inasmuch as the FDA has not yet made a final determination that the drugs in question should be removed from the market.

Response: Government plays two roles with respect to these less than effective drugs. As a regulator, Government decides whether or not drugs should be available on the market. In this case, the drug companies have already had 19 years to develop and submit data to convince the FDA that the drugs in question are effective.

As a prudent purchaser Government must decide what items and services it should finance from its limited funds. It is time the Government exercised its discretion by limiting its payments to the proven alternatives which have been determined to be effective.

This action by the Congress is certainly not without precedent. Both the medicare and medicaid laws authorize the establishment of safeguards against inappropriate care. Both the State and Federal Governments have administratively evaluated medical services and items and based decisions not to pay for them on finding them to be less than effective.

3. FDA has changed its preliminary finding on ineffectiveness 152 times.

Response: Section 2103 applies only to drugs for which a Notice of Opportunity for Hearing (NOOH) has been issued. Of the 900 NOOH drugs for which a final determination has already been made, only 15 have been upgraded to "effective."

4. The Department of Health and Human Services (HHS) doesn't know which drugs are

affected; and physicans and pharmacists would be burdened with lengthy lists.

Response: On October 30, 1981, the Department of HHS provided States and medicare carriers and intermediaries with a list of drugs for which payment would be denied. Both the State medicaid programs and medicare now restrict the items and services they will pay for. For example, virtually every State maintains a formulary of the drugs for which it will pay or lists drugs which are not reimbursable. Under section 2103, the drugs in question would simply be added to these lists.

5. The Department of HHS has consistently opposed this type of provision.

Response: Two previous Secretaries of the Department, including Caspar Weinberger in 1975, told Congress that reimbursement should be stopped in the manner carried out by section 2103. Two previous Surgeon Generals and two previous FDA Commissioners also recommended similar termination of reimbursement. In 1971 HEW issued regulations prohibiting expenditure of Federal funds under its direct care programs (e.g., PHS and Indian Hospitals) for less than effective drugs. This policy has also been applied by the Defense Department and the Veterans Administration.

6. CBO indicated that there are no savings related to section 2103.

Response CBO's position is that no data is available to enable it to determine the cost and savings that would occur due to the substitution of effective drugs for less than effective drugs.

But apart from the question of the specific level of savings that might or might not occur, it is not unreasonable to surmise that ineffective medicine costs more in the long run than effective medicine. In November of 1979 GAO, in repeating its recommendation, stated:

". . . If our recommendation was implemented Federal Medicaid funds would be more effectively used and the health care of medicaid recipients would be improved through the substitution of drugs having evidence of effectiveness for drugs having little or no evidence of effectiveness."

Mr. DURENBERGER. At this time, Mr. President, I yield to my distinguished colleague and friend (Mr. BAUCUS) who is the ranking minority member on the subcommittee.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I very much appreciate the efforts on the part of the Senator from Minnesota.

Mr. President, I am pleased to join my distinguished colleague, the chairman of the Finance Committee's Subcommittee on Health, in opposing the provision of the continuing resolution that would prohibit enforcement of section 2103 of this year's Reconciliation Act.

Section 2103 bars Federal payment for less than effective drugs under medicaid and part B of medicare. It has already been put into effect.

Mr. President, it has been argued that section 2103 was adopted in haste—that it was poorly thought out and poorly conceived. Nothing could be further from the truth.

To begin with, the some 125 drugs for which Federal reimbursement would be withheld have been under review since the early part of the 1960's. They were found to be less than effective, first, by the National Academy of Sciences and then by the Food and Drug Administration.

By 1971, the drugs in question were barred from PHS hospitals and Indian hospitals and clinics. Shortly thereafter, the VA and the Defense Department followed suit by prohibiting their use.

In 1972, 1974, 1979, and again in 1980, GAO recommended that these same drugs should be barred from Federal reimbursement. Two previous Secretaries of HEW, including Casper Weinberger in 1975, told Congress that they believed that reimbursement should be stopped. Two previous Surgeon Generals and two previous FDA commissioners also recommended termination of reimbursement for these unproven drugs.

In passing section 2103, the Congress acted as a prudent consumer should—it put a stop to the use of scarce Federal dollars for the purchase of drugs that are less than effective. And, for every drug affected by section 2103, there is a substitute which has been proven effective and which can be paid for.

Mr. President, senior citizens themselves see the issues very clearly, as the letters which my distinguished chairman just read show. As Bill Hutton of the 3.5-million member National Council of Senior Citizens pointed out:

It is time for the government to stop wasting its money on ineffective drugs and to stop endangering the health of millions of medicare and medicaid recipients.

Mr. President, in these days of fiscal austerity, when we find it necessary to eliminate benefits that older people need and want, does it make any sense to continue paying for drugs which have failed to prove their value in the almost two decades they have had to do so?

I urge the Members of this body to join us in voting to amend the continuing resolution to prevent it from interfering with the enforcement of section 2103.

Mr. President, today there are 18,000 drugs which are available on the market and which are reimbursable by medicaid and medicare. The question here is very simple. It is whether 125 of those 18,000 drugs which are not effective and not found to be effective by FDA should also be reimbursable by medicare and medicaid. To ask the question is to answer it, in these days when we are trying to balance the budget and cut down on waste in Government, and it seems to me that those 125 of 18,000 should not be reimbursable.

There are drugs available among the remaining 18,000 to take care of the same needs supposedly addressed by the 125 drugs.

In addition, these 125 have been reviewed for the last 19 years, and for 19 years the pharmaceuticals have not yet been proven to FDA satisfaction to be effective.

Previous to that, Secretary Weinberger, the Secretary of HEW, ruled that these kinds of drugs should not be reimbursable. GAO stated many times—in 1972, 1974, 1979, and 1980—its recommendation that these drugs should not be reimbursable.

The Senator from Minnesota has listed the organizations that are in favor of this amendment.

The hour is late, and the arguments are many. I thank the Senator for his efforts here, because they are very worthwhile.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. DURENBERGER. I yield.

Mr. DOLE. Mr. President, the Senator from Kansas supports the action of the distinguished Senator from Minnesota (Mr. DURENBERGER), and applauds his willingness to resolve this particular issue.

While I believe that the Federal Government, as a payor, should not pay for drugs not determined to be effective, I recognize the difficulties in disseminating information to the States and to the druggists in those States, and I agree that additional time for implementation is reasonable.

The distinguished Senator from Virginia (Mr. WARNER), the Senator from Pennsylvania (Mr. SPECTER), and Senators DURENBERGER and BAUCUS ought to be thanked for their efforts to resolve this matter.

INEFFECTIVE DRUGS

● Mr. KENNEDY. Mr. President, I rise in support of the amendment of the distinguished chairman and ranking minority member of the Finance Committee's Health Subcommittee.

I find it ironic that the issue of whether or not the medicare and medicaid programs will continue to pay for ineffective drugs is being debated at all in this body.

Throughout the debate on the budget—in committees, on the Senate floor, in conference—we constantly hear the refrain—we have got to cut the budget, we have got to cut out waste, we have got to cut back the size of the Federal Government even if it means some people will get hurt in the process.

And we have cut the budget—with a vengance.

We have cut out $200 million in low income energy assistance.

We have drastically reduced support for education programs, school lunches, and health services.

We have reduced the growth in the Federal share of medicaid at a time when health care costs are skyrocketing.

And yet here we are arguing over whether limited Federal dollars should be spent on ineffective drugs.

Both the National Academy of Sciences and the Food and Drug Administration have determined that these drugs are less than effective.

If evidence does exist that would prove efficacy, the drug companies have had 19 years to provide FDA with that evidence.

The Federal Government does not pay for these drugs in their direct patient care programs. The Department of Defense and Veterans' Administration hospitals do not purchase or prescribe these drugs. Neither does the Indian Health Service. Why should the medicare and medicaid programs pay for ineffective drugs?

More importantly, why should medicare and medicaid beneficiaries—the aged and the poor—be treated with ineffective drugs when, for each of these drugs, there is a drug product that is effective?

I urge adoption of the amendment.●

Mr. SCHMITT. I understand that the parties who are particularly interested in the so-called Bliley amendment have reached a compromise, and that compromise is represented by the amendment before the Senate. Before moving the amendment, however, I understand that the Senator from Virginia may wish to make a few remarks.

Mr. WARNER. Mr. President, I congratulate the proponents of this amendment. I wish to clarify that these drugs will be reimbursed—the category mentioned here will be reimbursed—through March 31, 1982, but not a day longer.

Mr. DURENBERGER. The Senator is correct in that assumption.

Mr. WARNER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment (UP No. 676) was agreed to.

Mr. SCHMITT. I move to reconsider the vote by which the amendment was agreed to.

Mr. DURENBERGER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I ask the Chair to recognize the Senator from Tennessee (Mr. SASSER) for the purpose of offering an amendment.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

UP AMENDMENT NO. 677

(Purpose: To provide for the reduction in funds appropriated or otherwise made available by this Act for payments not required by law)

Mr. SASSER. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Tennessee (Mr. SASSER) for himself and Mr. PRYOR proposes an unprinted amendment numbered 677.

Mr. SASSER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

To the committee amendment, add the following:

SEC. . (a) The total funds appropriated or otherwise made available by this Act for payments not required by law shall be reduced by three per centum, except for those projects or activities provided for under the Defense and Military Construction Acts, and except for the Social Security Administration account entitled "Limitation on Administrative Expenses", veterans' medical care, and the Food Stamp Program.

(b) In carrying out subsection (a), the amount appropriated or otherwise made available by this Act for any program, project, grant, or activity under which payments are not required by law shall not be reduced by more than one per centum.

(c) In carrying out subsection (a), the amount appropriated or otherwise made available by this Act to pay salaries, benefits, and related expenses of Federal employees classified under Schedule A, B, or C and excepted from the competitive service under section 3302 of title 5, United States Code, shall be reduced by 33 per centum.

(d) Any reductions in the amounts appropriated or otherwise made available by this Act which are necessary to carry out subsection (a) and which are in addition to the reductions described in subsections (b) and (c) shall be made from amounts available for—

(1) official reception and representation activities;

(2) publicity or propaganda activities designed to influence legislation pending before the Congress or the legislature of any State;

(3) advertising or public relations activities;

(4) consultant services;

(5) chefs or personal cooks;

(6) chauffeurs;

(7) limousines; and

(8) travel.

Mr. SASSER. Mr. President, my amendment provides for an across-the-board cut in the continuing resolution for payments not required by law. This amendment would reduce Federal spending authorized by this resolution by several billion dollars.

The amendment specifically prohibits cuts in entitlement programs. Expenditures for entitlements are required by law. Under my amendment, veterans' benefits would be protected. The Social Security Administration is protected. Revenue sharing payments are protected. There are no cuts in the Department of Defense appropriations. The amendment protects the much touted "safety net."

My amendment responds to the need to cut spending in this resolution, I think, in a very responsible way. The amendment instructs the executive branch to live up to its rhetoric and cut and reduce Federal spending where it should be cut, in the fat in the budget, in the fraud, waste, and abuse.

The amendment stipulates that no single program can be cut more than 1 percent. The remainder of the cuts would come from those areas where we find the greatest waste and the greatest abuse in Federal spending.

The amendment would require, for example, that political employees in the executive branch be reduced by one-third. The administration has indicated an approach which provides for large reductions in civil service employees. As many as 75,000 civil service employees are going to be terminated. Most of those employees have faithfully and efficiently performed their duties in departments and agencies of the executive branch. My amendment merely adds some equity to the policy of this administration.

If we are going to reduce the number of Federal employees who fall under civil service, it only stands to reason that we should also have a reduction in the number of those employees who are not protected by civil service but who are essentially political appointees.

My amendment also says that the remainder of the reductions should be taken from the big ticket items in the budget, such as travel. We held hearings not too long ago—as a matter of fact, last year—in the Legislative Appropriations Subcommittee of the full Appropriations Committee. At that time, we learned that enormous sums are being expended for Federal travel. Taking the average length of a trip and the average aid fare for that trip, we calculated that, using those figures, more than 20,000 Federal employees could be in the air 365 days a year, including Christmas and other holidays. We calculated that this number of Federal employees would fill every seat on the Lockheed 1011 fleet presently operating in this country. We reviewed many travel vouchers and concluded that there is great abuse in the Federal travel program.

Mr. President, my amendment also mandates a cut in Government consultants. The distinguished Senator from Arkansas (Mr. PRYOR) has spoken long and eloquently on this floor about the continuing and expanding problem related to the abuse of Government consultants. He has documented that billions of dollars that are expended every year for consultants who produce voluminous reports that simply gather dust on the shelves in agencies and departments around Washington.

My amendment also is directed at the public relations activities of the various agencies of Government. We are all familiar with the films that are made by the various agencies, and their efforts to use public relations techniques to advance their aims and objectives. Perhaps that would not be so reprehensible if the taxpayers were not footing the bill.

There are other frivolous activities, and perks of the Cabinet Secretaries and high-ranking officials, such as cooks, chauffeurs, and that sort of thing. My amendment mandates cuts in those areas as well.

So, Mr. President, I think my amendment is a realistic one. We can cut Federal spending, and I think we can cut it in a fair and equitable manner. We can cut Federal spending and still protect the so-called safety net and still allow for substantial increases in the defense budget.

Under my amendment, spending in the Department of Defense will still remain at the highest point in history, approximately $200 billion, a $25 billion increase over fiscal year 1981.

Mr. President, during the political season last year we were told and the American people were told that the Federal budget could be balanced and it could be balanced by cutting out waste, fraud, and abuse.

The President said that $25 billion or more could be cut from this budget in fraud, waste, and abuse. In September 1980 the President said that fraud, waste, and abuse accounted for more than 10 percent of all the Federal spending.

Mr. David Stockman in the amazing revelations that he made in a recent magazine article indicated that $20 to $30 billion in waste and fat could be cut from the defense budget alone. As I recall he characterized the Pentagon as a swamp of waste.

Mr. President, our amendment goes to the heart of waste in Federal spending, travel and consultants, and other areas which are the subject of the most abuse.

This amendment cuts Federal spending and still preserves congressional priorities. The amendment gives the ad-

ministration the opportunity to fully embrace the rhetoric that it used in the past and mandates cuts to the budget in the most equitable manner.

Mr. President, I think all the Members of this body want to cut waste and inefficiency in Federal spending. I think all of the Members of this body on both sides of the aisle want to balance the budget, and I think all of the Members of this body on both sides of the aisle want a national defense as strong as this country needs, a national defense that can fully meet the defense needs not just of this country but of the free world.

This amendment provides for a cut in Federal spending. The amendment provides progress toward a balanced budget. The amendment provides for a stronger national defense.

I think it is important that we point out again that this amendment does not make a reduction in the crucial areas of defense spending.

I reiterate that the Social Security Administration is protected. And there will be no cut in veterans' benefits under this particular amendment. I am sure that all of my colleagues have been inundated by letters, calls, and requests from veterans' organizations and pleas from veterans and their families that no further cuts take place in veterans' benefits. This amendment protects the Veterans' Administration.

Mr. President, I send to the desk a modification of my amendment.

The PRESIDING OFFICER (Mr. ABDNOR). The amendment is so modified.

The modified amendment is as follows:

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SEC. . (a) The total funds appropriated or otherwise made available by this Act for payments not required by law shall be reduced by three per centum, except for these projects or activities provided for under the Defense and Military Construction Acts, and except for the Social Security Administration account entitled "Limitation on Administrative Expenses", veterans' medical care, and the food stamp program.

(b) In carrying out subsection (a), the amount appropriated or otherwise made available by this Act for any program, project, grant, or activity under which payments are not required by law shall not be reduced by more than one per centum.

(c) In carrying out subsection (a), the amount appropriated or otherwise made available by this Act to pay salaries, benefits, and related expenses of Federal employees classified under Schedule A, B, or C and excepted from the competitive service under section 3302 of title 5, United States Code, shall be reduced by 33 per centum.

(d) Any reductions in the amounts appropriated or otherwise made available by this Act which are necessary to carry out subsection (a) and which are in addition to the reductions described in subsections (b) and (c) shall be made from amounts available for—

(1) official reception and representation activities;

(2) publicity or propaganda activities designed to influence legislation pending before the Congress or the legislature of any State;

(3) advertising or public relations activities;

(4) consultant services;

(5) chefs or personal cooks;

(6) travel.

(7) limousines; and

(8) travel

Mr. HATFIELD and Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

Mr. HATFIELD. Who has the floor?

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

Mr. SCHMITT. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHMITT. Does the Senator retain the right to the floor upon modifying an amendment?

The PRESIDING OFFICER. The Senator has the right to retain the floor.

Mr. SASSER. Yes.

Mr. President, I wish to point out that this amendment does not disrupt or reduce revenue sharing payments. State and local governments all across this country are in severe distress.

Mr. HATFIELD. Will the Senator yield for a question?

Mr. SASSER. I yield to the distinguished chairman.

Mr. HATFIELD. What I am really trying to do is get a copy of the modification and see what we have been talking about. It has been difficult to know what the subject matter is. We had to go to the desk to get a copy of the amendment and now the modification. I am anxious to find out what the Senator's proposal is.

Could the Senator provide us with a copy of the modification?

Mr. SASSER. Yes.

Mr. President, I am delighted to provide the distinguished chairman a copy of my modified amendment.

Mr. HATFIELD. I thank the Senator for providing us with a copy of the amendment.

Mr. SASSER. Mr. President, I yield to the distinguished Senator from Arkansas.

Mr. PRYOR. Mr. President, I appreciate my very distinguished friend from Tennessee yielding to me at this point in this debate on the Sasser amendment. I am very pleased to announce that I have the great privilege of joining my friend from Tennessee as one of the cosponsors of this particular amendment.

I do not think there is ever a weekend or a time that any of us in this body go back home, back to our respective States and hometowns and traveling out in the hustings that we have to do but that we do not hear from our constituents saying cut the waste and fat out of Government.

It goes without saying we can see, even during these particular and very tight economic times that we are faced with at this moment in this Nation's history how very tight the budgetary restraints might be, how very concerned the people of this country are with balancing the budget and moving this Nation back into a period of firm economic soundness upon which this country was founded.

Still that being the fact I think that it goes without saying that most of the citizens of America still support those programs which fill and which touch human needs, those programs which help the disabled, the elderly, the veteran, the sick, and the afflicted.

Mr. President this amendment offered by the Senator from Tennessee (Senator SASSER) I think is precisely that amendment and precisely that vehicle.

This body can choose this evening in going forward and carrying out the true mandate of the people of this country, to cut out the waste and cut out the fat.

Just about a year ago, as I recall, there was a very splendid book published entitled "Fat City."

"Fat City," without any elaboration on that book or any further elaboration on the title or the implication of that title, clearly is an indication that our own Nation's Capital is "Fat City" itself. We are the "Fat City." We make up the "Fat City." We are responsible for the "Fat City." And today "Fat City" has become the No. 1 target of the average taxpayer of America because the average taxpayer is mad, he is infuriated, and he sees day after day and week after week waste, fraud, and abuse.

Finally, Mr. President, I think that this particular amendment offered by the Senator from Tennessee answers that great call from our fellow citizens to do something about the fat that we have in our Federal Government.

I think the passage of the Sasser amendment will send a very small, a very direct, and a very loud signal across this country not only to the taxpayers but also to the bureaucracy, to the agencies, to the departments that we are sick and tired of what we call waste, fraud, and abuse.

I think, too, Mr. President, that we can look—I see my friend from Wisconsin on his feet, also the Senator from Tennessee.

Mr. SASSER. Mr. President, I would like to commend the distinguished Senator from Arkansas for the statements he has made this evening. I would also like to commend the Senator from Arkansas and call the Senate's attention to the diligent work he has done during the time that he served in this body to root out waste, fraud, and abuse wherever he has found it, and particularly in the field of Government consultants.

The Senator from Arkansas has held some very timely, perceptive, and thought-provoking hearings into the problem of excessive abuse of Government consultants by the various agencies of Government, and I wish to take this opportunity to commend him for that.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SASSER. I will yield for a question to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. I want to ask my good friend from Tennessee if he has had an opportunity to read "The Fleecing of America?"

Mr. SASSER. I say to my distinguished friend from Wisconsin that I have read that book, indeed. As a matter of fact, it became a bestseller at one bookstore in my State, in Nashville, Tenn., and I appreciate the author mentioning in that publication some of the efforts of the junior Senator from Tennessee.

Mr. PROXMIRE. Yes indeed, and I want to tell the Senator that I certainly intend to support his amendment.

But I would like to ask, as I understand it, the Senator is proposing a reduction

of 3 percent, with some exceptions, and then in paragraph (b) he says:

> The amount appropriated or otherwise available by this Act for any program, project, grant, or activity under which payments are not required by law shall not be reduced by more than 1 per centum.

Then he says to carry out the provisions of subsection (a) to make it necessary to make it a 3-percent overall cut, he provides for a 33-percent reduction in certain salaries, benefits, and related expenses that apparently apply to personnel which are politically appointed; is that correct?

Mr. SASSER. That is correct.

Mr. PROXMIRE. Then, in addition to that, he would take the rest out of a whole series of widely abused expenditures by the Federal Government; is that right?

Mr. SASSER. That is correct.

Mr. PROXMIRE. Out of official reception and representation activities; publicity or propaganda activities designed to influence legislation—in other words, lobbying; advertising or public relations activities; consultant services; chefs or personal cooks; chauffeurs, and limousines, and I think nobody has more vividly dramatized the abuse of travel. The Senator from Tennessee was the one who pointed out that at any one time there are what, thousands—

Mr. SASSER. 20,000.

Mr. PROXMIRE. 20,000 Federal employees who are in the air paid for by the taxpayers.

So I think this is an amendment obviously designed to reduce waste in the Federal Government.

But I wonder if the Senator can tell me what happens if (b), (c), (d) do not add up to 3 percent? Where do we get the additional 3 percent and where is the adjustment made by the executive branch?

Mr. SASSER. I thank the distinguished Senator from Wisconsin for his support for this amendment and I thank him for his fine comments.

I believe that (b), (c), and (d) under this amendment will reach the desired level.

Mr. HATFIELD. Mr. President, will the Senator yield for a question, if the Senator from Wisconsin has finished?

Mr. SASSER. I yield to the distinguished chairman for a question.

Mr. HATFIELD. I want to say to the Senator from Tennessee, as he knows the Appropriations Committee held some early hearings on some of these matters in the use of consultants and others in which there has been fairly well-demonstrated abuse and over-use, and I appreciate the Senator's interest in these.

But I must say I am a little puzzled as to precisely how this would work out and, therefore, if I could just ask a few questions: As I understand the Senator's section (a) of his amendment he is seeking a 3-percent reduction from the appropriation level with exceptions which would be—what would be the base that the Senator is using, 3 percent of what?

Mr. SASSER. I say to the distinguished chairman we would be reducing 3 percent of as much as $200 billion.

Mr. HATFIELD. Of $200 billion?

Mr. SASSER. $200 billion.

Mr. HATFIELD. That would be about $6 billion, would it not? Three percent would be a $6 billion figure that the Senator is attempting to achieve.

Mr. SASSER. Three percent would be $6 billion approximately.

Mr. HATFIELD. Approximately $6 billion.

I understand, therefore, that in section (b), section (c), and section (d) is how he is going to collect or how he is going to find the $6 billion; is that correct?

Mr. SASSER. That is correct.

Mr. HATFIELD. What is the figure the Senator has on those subsections? For instance, I looked at subsection (c) and it says "under Schedule A, B, or C and excepted from the competitive service under section 3332 of title 5, United States Code, shall be reduced by 33 per centum."

What figure will that give the Senator toward his $6 billion target?

Mr. SASSER. I beg the distinguished chairman's pardon, I did not hear the question.

Mr. HATFIELD. I am asking how the $6 billion is going to be achieved by his subsections (b), (c), and (d). Our rough computations on those would indicate that you cannot get $6 billion out of those subsections, but I would like to prove it one way or the other.

What is the target figure under each of these subsections? What do you get out of (c) and (d)? How many dollars out of each one?

Mr. SASSER. I say to the distinguished chairman that it is our view that we can get the remaining 2 percent which could be as much as $4 billion out of (b), (c), and (d) and I might say that in the field of Government——

Mr. HATFIELD. How much? I am sorry, I did not hear it.

Mr. SASSER. Approximately $4 billion out of (b), (c), and (d).

Mr. HATFIELD. Can the Senator identify how much out of each of those subsections where he is going to get the other $2 billion?

Mr. SASSER. I would say to the distinguished Senator from Oregon that the total of travel and consultants and the other items listed in my amendment could be in excess of $18 billion.

Mr. HATFIELD. You mean including defense or excluding defense?

Mr. SASSER. Excluding defense. The total travel and consultant portion and the other items could approximate somewhere in the neighborhood of $18 billion.

Mr. HATFIELD. As I say I am merely trying to get a grasp of how the Senator computes his goal of $6 billion because we have made some very rough, quick estimates here on these various subsections, and I must say very frankly, and I emphasize they are rough estimates, that we do not find anywhere in the neighborhood of $6 billion and, therefore, I think the Senator, in preparing this amendment, maybe out of his raw data or his homework, would have the figures that would indicate what each of these subsections would produce in order to achieve his basic goal in section (a). That is my question.

Mr. SASSER. I would say to the distinguished Senator from Oregon that the President of the United States has said himself that we could cut $25 billion out of this budget in fraud, waste, and abuse. In September 1980 the President said that fraud, waste and abuse accounted for about 10 percent of our Federal spending. I am confident that we can find $6 billion out of fraud, waste, and abuse in this budget and in this continuing resolution, excluding the various entitlement programs, and excluding cuts in the Department of Defense.

Mr. HATFIELD. Would the Senator yield further for a question? We could probably trade estimates all evening. In order to get this somewhat to a head, does the Senator have any documentation for these statistics or for these figures?

Mr. SASSER. I say to the distinguished Senator from Oregon that, based on the object class analysis furnished us by the Office of Management and Budget, we are confident that these savings can be realized.

I would say, that based on my own hearings into waste and abuse in Federal travel, I am confident that a 3-percent reduction can be achieved in the spending identified in my amendment.

Mr. HATFIELD. I agree with the Senator from Tennessee that $6 billion could very easily be wrung out. It could be wrung out of the defense budget alone, in my view, if we included that.

Mr. SASSER. I do not disagree with the distinguished Senator from Oregon.

Mr. HATFIELD. But the point is that when the Senator in section (a) excludes those various accounts from having the 3 percent applied and identifies through (b), (c), and (d) how he is going to achieve $6 billion, it seems to me that it is an impossibility. I would certainly feel much better if the Senator had not excluded these various accounts at the 3-percent level. I really think that from the data that I have seen it would take nearly a 5-percent level to get the $6 billion figure. But, again, we are obviously trading estimates.

Mr. President, we have amendments left. Therefore, unless the Senator has any closing comments to make on this, I am going to make a motion to table.

Mr. BAUCUS addressed the Chair.

Mr. HATFIELD. Does the Senator wish for me to yield? Who has the floor, Mr. President?

Mr. SASSER. I have the floor.

The PRESIDING OFFICER. The Senator from Tennessee had the floor, but he yielded to the Senator from Oregon.

Mr. SASSER. I yielded to the Senator from Oregon for a question. I yield to the Senator from Montana.

Mr. BAUCUS. I thank the Senator for yielding.

I want to make two very quick points here. The question, it seems to me, is not whether the percentage cut amounts to $6 or $4 billion. To me, that is, frankly, irrelevant. The question is whether the amendment makes sense; that is, is it in the neighborhood of the kind of cut that we want to achieve here?

I think that the percentage level does make sense. It is a question of policy, not whether the percentage cut amounts to a certain specific figure.

The second point I want to make is

based upon my own personal experience. I served 4 years in the Appropriations Committee in the House. During that time, I was very, very frustrated with the inability of Congress to find the fat and the waste in Government. OMB would come up with its people, and the various agencies would come up with their personnel. They would have all the computers and all the Federal employees at their disposal, game planning for the questions we were going to ask. We were simply mismatched. We had no idea where to find the fat and waste. It is clear to me that there is a lot of fat and waste, because OMB and the agencies tend to protect it.

A month ago, a retired military officer came up to me and told me that, based upon his experience, there are net savings that could be achieved in the Defense Department. He was a head of a major program in the Defense Department and he told me he and his people were able to fool OMB. He said his people were able to fool the Congress whenever the Congress would barely scratch the surface in this area. In his judgment, nothing had changed.

I know the Defense Department is exempted from the amendment offered by the Senator from Tennessee. I think we can fairly extrapolate from even that one example, even though it is only one example. We do know there is this kind of waste. And this is the kind of amendment that is geared to rooting out a lot of that waste and inefficiency.

Further, Mr. President, I think that the OMB would be doing our country a much greater service if it would spend the time—it is not glamorous work, it is very difficult work—but spend the time trying to find all this nonsense that we know occurs, rather than spending time coming up here on Capitol Hill asking us to cut programs.

It is politically expedient to cut programs. It gets headlines. It gets under people's skin when they hear about certain programs that do or do not make sense. It is not glamorous, it does not get headlines for OMB to root around in these agencies to undertake the very difficult and nitty-gritty work that must be undertaken to achieve the kind of savings that I think are appropriate and can be achieved.

It is for those reasons I think the Senator is doing us a big service here tonight by trying to focus truly on a lot of the nonsense that occurs in the budget. I hope the Senate agrees to his amendment.

Mr. CRANSTON. Will the Senator yield?

Mr. SASSER. I yield to the distinguished Senator from California.

Mr. CRANSTON. I rise to compliment the Senator from Tennessee on a very ingenious and, I think, constructive amendment. I basically oppose these across-the-board cuts, because I do not think that is the wise way to make saving. This is not a typical across-the-board cut and, therefore, I can support it.

I am glad to see the emphasis on removing or reducing the Federal payroll by getting at the political appointees and taking on such matters as official reception and representation activities; publicity or propaganda activities designed to influence legislation pending before the Congress or the legislature of any State; advertising or public relations activities; consultant services; chefs or personal cooks; chauffeurs; limousiness; and travel.

That is a very fine area to strike out at. The Senator wisely protects all major programs by making certain that they will not be reduced by more than 1 percent. Certainly, there can be a 1-percent cut that will not do damage to any major program. Therefore, I am delighted to support the Senator's amendment and I praise him for bringing it up.

Mr. SASSER. I thank the distinguished Senator from California for his comments.

Let me just add that, with regard to cutting those who seek to influence legislation who work for the executive branch of Government, I am sure that many of my colleagues have had the experience of being lobbied ad infinitum by the representatives of the various Federal agencies. I am sure my colleagues who serve on either the Appropriations Committee or the Budget Committee have had that experience.

I well remember instances when we could hardly get into the Appropriations Committee room, because it was so crowded with lobbyists or legislative liaison groups, or whatever they call themselves, who work for the various agencies of Government. We have the ironic situation of the elected representatives of the taxpayers being lobbied at taxpayers' expense by persons on the Federal payroll trying to get more of the taxpayers' money for their particular programs.

I am sure our distinguished chairman of the Appropriations Committee has noticed this and has been struck, as I have, by the irony of this. And the taxpayers are the ones that are footing the bill for the whole process.

Mr. President, I ask unanimous consent that Senator DECONCINI be made a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I now move to table the amendment.

Mr. BAUCUS. Mr. President, will the Senator yield?

Mr. HATFIELD. For what purpose?

Mr. BAUCUS. Further discussion of the amendment.

Mr. HATFIELD. We have a unanimous-consent agreement entered into that we would begin stacking the votes to accommodate Senators at 9 o'clock and that those votes would begin at 9 o'clock. I would be very happy to yield to the Senator for a minute. But I would have to make my motion before 9 o'clock in order to keep this stacked. The Senators from Washington and Virginia want a minute for another matter, a privileged matter. So I would have to ask the Senator to accommodate the timeframe. I could yield 30 seconds to the Senator from Montana in order to yield to the Senators from Washington and Virginia.

Mr. CRANSTON. Mr. President, I ask unanimous consent that we extend the time by, say, 3 minutes to allow Senators to speak briefly and to bring up this conference report.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. HATFIELD. Mr. President, under that extension, I yield 2 minutes to the Senator from Montana for the purpose of any remarks.

Mr. BAUCUS. I thank the Senator. If there are other Senators who wish to speak during this 3-minute interval, I would be more than willing to accommodate them.

Mr. HATFIELD. Mr. President, I ask unanimous consent that I may yield 1 minute to the Senators from Washington and Virginia for a privileged motion and then I would ask that the Senator from Montana be recognized for the remaining period of time.

Then I ask that the Senator from Montana be recognized for the remaining period of time, sufficient for me to make a tabling motion on the amendment offered by the Senator from Tennessee and the Senator from Arkansas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I ask unanimous consent that the present business be temporarily laid aside and that the Senate proceed to the consideration of the conference report on H.R. 3413.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION OF APPROPRIATIONS TO THE DEPARTMENT OF ENERGY FOR NATIONAL SECURITY PROGRAMS—CONFERENCE REPORT

Mr. WARNER. Mr. President, I submit a report of the committee of conference on H.R. 3413 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3413) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 18, 1981.)

Mr. WARNER. Mr. President, the conference report before the Senate authorizes vital national defense programs of the Department of Energy. These programs include the research and development, testing, production, and maintenance of our nuclear weapon stockpile. Our strategic deterrent policy depends on a credible, yet safe and reliable weapons inventory.

The conferees agreed to a total authorization of $5.120 billion, which is $44.9 million less than the amount authorized by the Senate and $55.65 million more than the amount authorized by the House. Let me highlight a few issues from the Statement of Managers:

SPECIAL NUCLEAR MATERIALS PRODUCTION AND SPECIAL ISOTOPE SEPARATION

A shortage of special nuclear materials may occur between 1985 and 1990 unless additional measures are taken to remedy the problem of declining productivity of the aging reactors at the Richland, Wash., and Savannah River, S.C., plants. At these production facilities, serious efforts are underway to replace and upgrade obsolete equipment and facilities, to convert the N-reactor at Richland to the production of weapons grade material, to upgrade and restart the Purex processing plant at Richland, and the L-reactor at Savannah River, and to train the required operating personnel.

Even if these efforts are completely successful, additional sources of plutonimum may be required. One candidate source is the construction of one or more replacement production reactors. A second possible source is a special isotope separation process to enrich materials for weapons use.

The conferees believe that because of potential economies, the special isotope separation program should be accelerated. The recommended funding for operating expenses for special isotope separation was increased from $21.8 million to $30 million to accelerate the programs at both the Los Alamos and Lawrence Livermore National Laboratories toward the demonstration phase. Under the conferees' recommendation, the atomic vapor isotope separation program at the Livermore Laboratory would receive $17 million and the molecular isotope separation program at the Los Alamos Laboratory would receive $13 million. The Los Alamos Laboratory would be expected to proceed with the design and installation of a pilot plant which could utilize existing facilities at the Savannah River plant.

The conferees agreed to authorize additional funds for an advanced isotope separation laboratory to be built at the Livermore Laboratory. This laboratory was initially authorized, and funds appropriated, in fiscal year 1981. No funding was requested for fiscal year 1982. This facility, which could be in operation by 1983, is absolutely essential if the atomic vapor process is to reach the demonstration stage.

INERTIAL CONFINEMENT FUSION

The conferees were concerned that the $104.7 million requested for operating expenses for the inertial confinement fusion (ICF) program would not permit orderly progression of this important research and development effort. The Congress has authorized and appropriated well over a billion dollars and made large investments in facilities and equipment for this program. Three large facilities are nearing completion. The proposed 25-percent decrease from the fiscal year 1981 funding level would force severe reductions in the scientific and engineering teams involved in the design and operation of these important facilities.

No reasons have been offered to the Congress for this precipitous decision to curtail the development of ICF as a laboratory method for simulating the effects of nuclear weapons. It should be noted that a severe curtailment of the weapons-related ICF program, as proposed, will eliminate any chance that ICF could be developed as a future energy source.

The conferees authorized $142.3 million for ICF operating expenses for fiscal year 1982. Furthermore, the conferees believe that $50 million should be appropriated to permit completion on schedule of the NOVA facility at the Lawrence Livermore National Laboratory. The NOVA facility will be the most powerful ICF system in operation for many years and should provide the data which substantiates the efficacy of ICF as a laboratory simulation system and as a potential energy system.

DEVELOPING THE DEPARTMENT OF ENERGY DEFENSE PROGRAMS BUDGET

The conferees felt that the present method used to develop the Department of Energy (DOE) defense programs budget is unsatisfactory. Under current practices, defense programs must compete for funding directly with all other activities of the Department of Energy. At the Office of Management and Budget (OMB) the same competition prevails, since budget oversight for DOE defense programs is controlled by the Associate Director of OMB for Energy. There appears to be little, if any, effort to match DOE defense requirements with other defense requirements. As a result, DOE defense programs are annually underfunded.

Although these concerns were noted last year in Senate Report No. 96-920, no action has been taken or an explanation given why the OMB Associate Director for National Security Programs does not also have oversight of the DOE defense programs budget, or why the control remains misplaced with the Associate Director for Energy.

The Director of the Office of Management and Budget has been requested to provide the Committees on Armed Services of the Senate and House of Representatives within 90 days, after the date of enactment of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1982, his findings relative to this important issue, together with plans for any changes to the current programing and budget review processes.

Mr. President, I urge my colleagues to support this conference report.

Mr. JACKSON. Mr. President, I join in the statement just made by the distinguished Senator from Virginia. The report is a unanimous one. I move adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. WARNER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SECOND CONTINUING APPROPRIATION, 1982

The Senate continued with the consideration of House Joint Resolution 357.

UP AMENDMENT NO. 677

Mr. HATFIELD. Mr. President, I yield 1½ minutes to the Senator from Montana and retain 30 seconds for my motion.

Mr. BAUCUS. Mr. President, I would first like to urge adoption of the amendment based in part upon personal experiences I have had with various Federal agencies which I think are wasting a lot of their advertising budget.

I asked my staff, for example, several months ago to go to one agency, in this case it was HUD, and spend 2 hours to find examples of all the pamphlets they distribute.

They went down there unannounced, with no preparation, and found a carton which they filled up with pamphlets, weighing 40 pounds, a lot of crazy pamphlets.

I went through them. One, for example, said how to find an apartment in Poland. You read it through and you find out that it does not address that question. We all know the way to find an apartment in Poland. It is easy. Go to Poland and look for an apartment.

I will just tell the Members of the Senate that these projects can be cut drastically. They are counterproductive and wasteful. I think we should spend a greater part of our time trying to cut these budgets rather than cutting programs.

Mr. President, it is for that reason that I urge adoption of the amendment. I thank the Senator for yielding.

Mr. HATFIELD. Mr. President, I now move to table the Sasser amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to vote on UP amendment No. 672, offered by the Senator from Ohio.

Mr. HATFIELD. That is the Metzenbaum amendment.

The PRESIDING OFFICER. The Senator is correct. That will be followed by a vote on UP amendment No. 673, offered by the Senator from Virginia, Mr. HARRY F. BYRD, JR.

Mr. HATFIELD. And then, Mr. President, that is to be followed by what?

The PRESIDING OFFICER. That vote will be followed by a vote on the tabling motion of the Sasser amendment.

Mr. HATFIELD. In other words, under the previous order we have three votes stacked up to begin immediately. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD. A further inquiry. Are these 15-minute votes?

The PRESIDING OFFICER. The Chair will state, under the previous order the first vote will be a 15-minute vote and the two succeeding votes will be 10 minutes each.

Mr. HATFIELD. A further inquiry, Mr. President. I understand included in the unanimous-consent agreement were two 10-minute votes, back to back.

The PRESIDING OFFICER. The Senator is correct.

Mr. CRANSTON. Mr. President, may I inquire if that was not the order on the previous rollcalls but not the current rollcalls, that there be shortened rollcalls after the first one?

The PRESIDING OFFICER. The Chair will state to the Senator from California that the Journal will show it is for this series of rollcalls also.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I suggest that we begin the vote.

UP AMENDMENT NO. 672

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio (UP 672). The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey (Mr. BRADLEY), the Senator from West Virginia (Mr. ROBERT C. BYRD), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from New Jersey (Mr. BRADLEY), and the Senator from West Virginia (Mr. ROBERT C. BYRD) would each vote "yea."

The PRESIDING OFFICER (Mr. GARN). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 61, nays 34, as follows:

[Rollcall Vote No. 409 Leg.]

YEAS—61

Andrews	Glenn	Metzenbaum
Baucus	Grassley	Mitchell
Bentsen	Hart	Nunn
Biden	Hatch	Pell
Boren	Hawkins	Pressler
Bumpers	Heflin	Proxmire
Burdick	Heinz	Pryor
Cannon	Hollings	Randolph
Chafee	Huddleston	Riegle
Chiles	Inouye	Roth
Cranston	Jackson	Sarbanes
D'Amato	Jepsen	Sasser
DeConcini	Johnston	Specter
Dixon	Kassebaum	Stennis
Dodd	Kasten	Stevens
Domenici	Kennedy	Tsongas
Durenberger	Levin	Weicker
Eagleton	Long	Williams
Exon	Mathias	Zorinsky
Ford	Matsunaga	
Garn	Melcher	

NAYS—34

Abdnor	Gorton	Percy
Armstrong	Hatfield	Quayle
Baker	Hayakawa	Rudman
Boschwitz	Helms	Schmitt
Byrd, Harry F., Jr.	Humphrey	Simpson
	Laxalt	Stafford
Cochran	Lugar	Symms
Cohen	Mattingly	Thurmond
Danforth	McClure	Tower
Denton	Murkowski	Wallop
Dole	Nickles	Warner
East	Packwood	

NOT VOTING—5

Bradley	Goldwater	Moynihan
Byrd, Robert C.	Leahy	

So the amendment (UP No. 672) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 673

The PRESIDING OFFICER (Mr. GARN). Under the previous order, the Senate will proceed to vote on UP amendment No. 673. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey (Mr. BRADLEY) and the Senator from West Virginia (Mr. ROBERT C. BYRD) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia (Mr. ROBERT C. BYRD) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 23, nays 73, as follows:

[Rollcall Vote No. 410 Leg.]

YEAS—23

Armstrong	East	Kasten
Bentsen	Grassley	Long
Byrd, Harry F., Jr.	Hatch	Mattingly
	Hayakawa	Nickles
Chiles	Heflin	Proxmire
DeConcini	Helms	Quayle
Denton	Humphrey	Symms
Dole	Johnston	Warner

NAYS—73

Abdnor	Gorton	Pell
Andrews	Hart	Percy
Baker	Hatfield	Pressler
Baucus	Hawkins	Pryor
Biden	Heinz	Randolph
Boren	Hollings	Riegle
Boschwitz	Huddleston	Roth
Bumpers	Inouye	Rudman
Burdick	Jackson	Sarbanes
Cannon	Jepsen	Sasser
Chafee	Kassebaum	Schmitt
Cochran	Kennedy	Simpson
Cohen	Laxalt	Specter
Cranston	Levin	Stafford
D'Amato	Lugar	Stennis
Danforth	Mathias	Stevens
Dixon	Matsunaga	Thurmond
Dodd	McClure	Tower
Domenici	Melcher	Tsongas
Durenberger	Metzenbaum	Wallop
Eagleton	Mitchell	Weicker
Exon	Moynihan	Williams
Ford	Murkowski	Zorinsky
Garn	Nunn	
Glenn	Packwood	

NOT VOTING—4

Bradley	Goldwater	Leahy
Byrd, Robert C.		

So the amendment of Mr. HARRY F. BYRD, JR. (UP No. 673) was rejected.

UP AMENDMENT NO. 677, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on agreeing to the motion to lay on the table UP amendment No. 677, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey (Mr. BRADLEY) and the Senator from West Virginia (Mr. ROBERT C. BYRD) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia (Mr. ROBERT C. BYRD) would vote "nay."

The PRESIDING OFFICER (Mr. HATCH). Are there any other Senators wishing to vote?

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 411 Leg.]

YEAS—52

Abdnor	Grassley	Percy
Andrews	Hatch	Pressler
Armstrong	Hatfield	Quayle
Baker	Hawkins	Roth
Boschwitz	Hayakawa	Rudman
Chafee	Heinz	Schmitt
Cochran	Helms	Simpson
Cohen	Jepsen	Specter
D'Amato	Kassebaum	Stafford
Danforth	Kasten	Stevens
Denton	Laxalt	Symms
Dole	Lugar	Thurmond
Domenici	Mathias	Tower
Durenberger	Mattingly	Wallop
East	McClure	Warner
Garn	Murkowski	Weicker
Glenn	Nickles	
Gorton	Packwood	

NAYS—44

Baucus	Exon	Metzenbaum
Bentsen	Ford	Mitchell
Biden	Hart	Moynihan
Boren	Heflin	Nunn
Bumpers	Hollings	Pell
Burdick	Huddleston	Proxmire
Byrd, Harry F., Jr.	Humphrey	Pryor
	Inouye	Randolph
Cannon	Jackson	Riegle
Chiles	Johnston	Sarbanes
Cranston	Kennedy	Sasser
DeConcini	Levin	Stennis
Dixon	Long	Tsongas
Dodd	Matsunaga	Williams
Eagleton	Melcher	Zorinsky

NOT VOTING—4

Bradley	Goldwater	Leahy
Byrd, Robert C.		

So the motion to lay on the table UP amendment No. 677, as modified, was agreed to.

Mr. HATFIELD. Mr. President, let me update the situation as to where we are.

In a moment, I will ask the leader to return to morning business for a couple of minutes for the Senator from Wisconsin to place material into the RECORD. Then, upon returning to the bill, it would be my intention to ask the Chair to yield to the Senator from Kansas (Mr. DOLE) and the Senator from New York (Mr. D'AMATO) to resolve the one technical committee amendment we have had set aside before we could ever accept any other amendments. We adopted all these

committee amendments en bloc with one exception. That one exception was one which related to industrial revenue bonds. That matter can be, I understand, taken care of—Mr. President, I will retrace my steps a moment.

Mr. President, I have just been given updated information. It has not quite been resolved. Therefore, Mr. President, rather than yielding for that purpose, I ask the Chair, with the order we have tried to maintain here, that the Senator from Rhode Island (Mr. PELL) be recognized as the next Senator to offer an amendment. We will then have to go through that process of setting aside the technical amendment and the motion to reconsider on Mr. BRADLEY to get to Mr. PELL.

Before we do that, Mr. President, I would like to yield at this time to the leader for the purpose of returning to morning business.

Mr. BUMPERS. Will the Senator yield?

Mr. BAKER. I yield.

Mr. BUMPERS. I understood that I was next. Will I be next after morning business?

Mr. HATFIELD. At the time I indicated to the Senator from Arkansas that he would be next it was prior to the time of 9 o'clock. Senator PELL at that time was off the Hill. We had retained him in that place. We thought we were going to have more time to take up another amendment in that time. The Senator from Arkansas would follow. Mr. PELL will be followed by Mr. BRADLEY and Mr. BRADLEY will be followed by Mr. BUMPERS.

Mr. DECONCINI. Does the Senator have me listed there?

Mr. HATFIELD. We have Mr. DECONCINI after Mr. SPECTER. The same list has been given to the ranking minority leader and the Democratic leadership so that everyone has the same list. We are all working from the same list.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past the hour of 10:10 p.m., during which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

INITIAL SUCCESS OF MILWAUKEE COUNTY'S WORKFARE PROGRAM

Mr. PROXMIRE. Mr. President, can we devise efficient programs to require welfare recipients to work to earn their welfare?

Last Sunday's edition of the Milwaukee Journal contained a fascinating article evaluating the revised Milwaukee County work relief program designed to do just this.

While the program does have its problems and critics, Milwaukee County's workfare program appears to be succeeding to a substantial degree. It is letting welfare recipients earn their grants and at the same time gain valuable job experience.

The present program has been operating only since July when it replaced another type of workfare program in the county. Over this short period of time, the program has placed 316 people in either government or nonprofit jobs. This is a fine record of achievement given the fact that unemployment in Milwaukee County has been rising steadily as the entire Nation slips into a recession.

I have personally attended meetings where Milwaukee County officials assign jobs to welfare recipients under the county's previous workfare program and can heartily agree with the comments of the county administrator who said that work relief programs encourage a work-ethic mentality and a feeling of self-esteem in the participants.

It is encouraging to note that almost 50 people who had been in the program now have full-time jobs and are off welfare.

The county intends to have the program grow from 1,000 job slots in 1981 to 3,500 in 1982.

Critics of the program have charged that its administrative procedures have been faulty, the experience for workers demeaning, and the monetary incentives for workers slight.

However, when I worked with the program, I heard few complaints. People were glad to get a job. And certainly, the discipline of reporting to work regularly to earn their welfare checks, provided a discipline and a dignity that did them more good than harm.

Mr. President, last March I introduced legislation that would require all able-bodied persons of working age—except mothers with small children—to work as a condition of receiving welfare.

I believe the initial success of of Milwaukee County's new workfare program demonstrates the wisdom of pursuing this approach to welfare reform.

I ask unanimous consent that the article on work relief from the Milwaukee Journal of November 15, 1981 be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WORK RELIEF: EARNING ITS KEEP?

(By Kevin Merida)

From the point of view of its administrators, Milwaukee County's five-month-old Work Relief Program for general assistance recipients is succeeding: It is letting welfare recipients earn their grants and gain valuable job experience.

From the standpoint of critics, including some workers and employers who have been active in the program, its administrative procedures have been slow, the experience for workers demeaning and the monetary incentive for the workers slight.

There are other points of view about work relief, some favorable, some not.

Labor unions, for example, have been alert to keep employers from using work-relief employes for union jobs. The program's own rules say no worker in the program may "replace a regular worker."

That rule makes a mockery of the program from the point of view of some community activists.

Thus, Joseph Volk of the private advocacy group Community Advocates said:

"It's just basically make-work. . . . It's doing . . . things like cleaning the floor after the janitor has already done it."

But the view from the top is quite different.

CHIEF IS SATISFIED

Jamilla Connor, who heads the program for the Department of Social Services, says the program has been very effective. She credits it with encouraging "a work-ethic mentality . . . self-esteem" in participants.

She points out that almost 50 people who have been in the program now have full-time jobs. Not all those jobs are with the individual's work-relief employer.

Moreover, supporters say, the proportion of participants who get off welfare, the so-called termination rate, is high—43 percent. That is considerably higher than the 25 percent level that was expected when the program began in July. That success, of course, is right in line with one of the main goals of the program—to reduce the welfare rolls.

"Naturally, you're not going to find a whole lot of jobs out there. Times are tight," says Connor. "But we do try to match employees and their skills. . . . [Participants] welcome the chance to get placed in a work-type situation."

FOUR OUT OF FIVE ELIGIBLE

Thomas Doyle is assistant director of the program, and he also is upbeat about it.

"For the most part, the agencies have been very pleased with our matches," he said.

All general assistance applicants who meet the program's eligibility criteria and are medically able to work—about four out of five applicants, according to officials—are referred to the program's headquarters at 6th and Walnut Sts.

If those who are found to be physically fit later refuse an offered job, they almost certainly will not receive general assistance. There may be some second referrals and occasional legitimate reasons for missing appointments, but Joseph Breiner of the Department of Social Service's financial-aid division says:

"For the most part they would be terminated from the money payments."

It should be noted here, however, that only a small percentage of those who apply for general assistance get jobs through the program. Jobs are scarce and, when an applicant gets none, he gets the usual money payments.

LIMITED TO NEW FILINGS

The program has been operating only since July—when the county's troubled Work Assistance Program was terminated—and it is only applicants who have applied for aid since then who have been referred to it. This leaves out most of the general assistance population, who are still collecting cash grants.

That has been the occasion of some resentment from those who have to work for their grants.

The latest welfare statistics indicate that more than 3,200 people were added to the general assistance rolls from the time the program began through Sept. 30. But just slightly more than half that number were referred to the program. This apparent procedural slowness has been used to argue that the program is administratively cumbersome.

Kenneth Ramminger, acting director of the department, replies:

"I think their processing has been as fast as their capability. I guess what we're saying is the job is being done well. It's better to do the job well than to force things for the sake of volume."

After the initial appointment at the program office—for which the wait may be more than a few weeks—general assistance recipients are given tests to determine educational level, job skills and physical strength among other things.

8–15 HOURS A WEEK

They are then referred to one of the more than 50 agencies and government offices that have agreed to participate in the program. Now, if the candidate is successful in an in-

terview with the potential employer, he begins working 8 to 15 hours a week, depending on the amount of his general assistance grant.

But those hired are not paid wages.

Instead, what the program does is give welfare recipients an opportunity to work for their general assistance checks. It is what bureaucrats call an abatement program: By working, the recipient repays the county for its assistance.

By the same token, general assistance recipients who do not work are, in law at least, incurring a debt they could be forced to pay. Welfare officials concede that seldom happens.

Another catch is that the abatement—repayment—is figured at a rate of $2.70 an hour, which is below the minimum wage.

CHEAP LABOR POOL

Some community activists say the concept of abatement is merely a smokescreen behind which the county provides itself and other agencies with cheap labor. More than half of the employing groups are county departments and institutions, and these represent 40 percent of the total number of job slots obtained for the program in 1981.

Welfare advocates have warned that the county is sure to face a lawsuit challenging the below-minimum-wage repayment rate. However, under the budget now adopted for 1982, an expanded Work Relief Program will use an abatement rate of $3.35 an hour—the present federal minimum wage—as of Jan. 1.

Under the budget, which was adopted by the Milwaukee County Board last week, the program will grow from 1,000 job slots in 1981 to 3,500 in 1982 at a cost to taxpayers of about $2 million for administrative expenses. Under the plan, the county is to find employers for 2,000 of the slots. The 1,500 other slots will be provided by DePaul-Sertoma Industries, which now uses 60 work-relief people in a metals reclamation project.

Both Connor and Doyle say there have been no complaints from employers or complaints about employers.

JOB CONTENT DEFENDED

Both also reject the characterization of the jobs as make-work.

"It's not just all menial tasks," said Connor. "There are a lot of jobs where the job skills are not important, and there are a lot of jobs where the job skills are very important. But the training and experience are always meaningful."

The latest statistics on the program—current through Nov. 6—show how effective it is in warding off potential general assistance recipients.

Of the 1,734 eligible general assistance applicants referred to the program since July, 677—only 39 percent—were actually placed in jobs.

Of that same eligible number, 204—almost 12 percent—decided they did not want to go through with the process and did not show up for an initial appointment with a caseworker.

Another 509, or 29 percent, did not show up for the next phase—the skills appraisal, which includes the tests mentioned earlier.

In addition, 101 people did not show up for job interviews and were either dropped from the program or are now in the process of being dropped.

ONLY 316 WORKING

What this means is that, as of Nov. 6, there were 316 people working in a program that was budgeted for 1,000 slots in 1981. Another 183 people were still being processed.

When the program started, officials predicted that they would have filled 775 job slots by now. Obviously, the program has fallen way short.

"You have to look at the whole picture when you assess the program," said Doyle. "A lot of people say you've only got 300 working. Well, 300 is not bad. . . . If you meet the goal of the program, that's good."

For some agencies, the program has been rather a gift. Since the program is financed with county dollars, employers spend nothing for the extra help they get. All these employers are either non-profit agencies or government offices.

"NICE TO HAVE AROUND"

Curative Workshop's Conrad Linski, who coordinates the program there, has been pleasantly surprised.

"I thought it would be worse," he said. "I'm really surprised. . . . It's a nice thing to have around but not a necessity."

Linski said work-relief employes filled the void left when Curative laid off 50 Comprehensive Employment and Training Act (CETA) workers in February. Most of the employes are cutting grass and doing other yard and custodial work.

Officials at the Veterans' Administration Medical Center and DePaul-Sertoma Industries—the program's two largest users among non-profit agencies—give the program mixed grades.

At DePaul, which has participated in similar work projects for more than a decade, the turnover rate is high. But officials are generally pleased. At the Veterans' Administration facility, the jury is still out on the program, an official said.

As of Nov. 6, the two agencies had a total of 96 work-relief employes; 60 at DePaul, and 36 at the VA Center. However, while the latest program statistics showed that DePaul's program was at capacity, the VA center still had not filled 94 anticipated slots for this year.

James Roseborough, the coordinator for the program at the medical center, was asked to explain.

"I'm not really sure," he said. "I really wouldn't be able to answer that."

For some agencies, the program has been a headache. It has meant more administrative work than results have justified. High turnover and absenteeism have been big problems.

"Quite frankly, we haven't been satisfied," said Paul Brancheau, an assistant vice president at Mount Sinai Medical Center.

Mount Sinai has contracted with the county to make 34 slots available this year, but as of Nov. 2 it had not hired a single person.

ABSENCES PILE UP

At Goodwill Industries, the biggest problem has been absenteeism. Alice Fletcher, Goodwill's program coordinator, laid the blame on the abatement concept.

"There's less incentive because it's an abatement program," she said. "That ruins their chances to present a good picture to the employer who may possibly have a full-time job for them."

Fletcher estimated that 10 to 15 of the 35 people who had filled job slots there under the program had been terminated. She said employes would come to work a few days but then start missing days.

Seymour Gray, a legal aide at the institute, said his group chiefly objected to the abatement concept.

"The reason they went for an abatement program is that they didn't have the money to pay people minimum wage as regular workers," he said.

Volk, of Community Advocates, noted that the earlier program had had a training component. And Volk spoke of serious administrative and communications problems in the new program.

"What we're doing," Volk said, "is adding another bureaucracy for people to get lost in, and they're getting lost."

SKOKIE: THE NIGHTMARE LINGERS ON

Mr. PROXMIRE. Mr. President, on Tuesday evening, a television movie was aired entitled "Skokie." This program dealt with events surrounding a 1978 attempt by the American Nazi Party to march through Skokie, Ill., a predominantly Jewish neighborhood.

"Skokie" raised many noteworthy issues. Included among them were controversies surrounding the first amendment rights of freedom of speech and assembly. The movie depicted the dilemma facing survivors of the holocaust who now must decide whether to permit Nazis to march through their neighborhood, or attempt to stop that march, possibly violating the same rights which 40 years earlier were denied to them.

All of these issues are raised in the shadow of the holocaust, which stands as the most horrifying example of genocide in human history. Underlying the entire movie is the central theme that for the survivors of the holocaust, the horror never ends. Even after 40 years, the memories are almost alive, the deep scars remain ever sensitive.

One can only try to imagine the life of a holocaust survivor. Random events conjure up horrifying nightmares, nightmares all the more frightening because they are real. As "Skokie" accurately depicts, a child's innocent question: "How did Grandma die?" instantly brings back memories of innocent men, women, and children stripped of all dignity and herded like cattle into the gas chambers.

Mr. President, we know how Grandma died. Six million innocent people were murdered in the most calculated, vile example of man's inhumanity toward his fellow man. Yet the memories of this genocide remain. They are passed down from the survivors to their children and even to their grandchildren, whose lives should not be darkened by such shadows.

"Skokie" brought home the fears as well as the memories which yet linger for the survivors of the holocaust. Such feelings persist while these people live under the most democratic and representative government that the world has known. What then, can we possibly imagine, must be the feelings of those who now suffer torture, persecution, and even death at the hands of contemporary oppressors.

Mr. President, nothing can bring back the lives of the victims of the holocaust, or the other acts of genocide which have occurred. Nor is it possible to end the perpetual nightmares of those who somehow survived. However, this Nation can make a firm commitment to help assure that such an event never occurs again. By its ratification of the Genocide Convention, the United States will help to insure that no other generation is witness to an Auschwitz or a Dachau, that no other people have to live with the nightmares which never end.

POSSIBLE BRIBERY ABROAD

Mr. PROXMIRE. Mr. President, I wish to bring to the attention of my colleagues

an article appearing in the New York Times today setting forth the testimony from the Justice Department that it has under investigation 54 cases of possible bribery abroad by American corporations, five of which involve possible payment of bribes to foreign heads of state.

The Foreign Corrupt Practices Act passed unanimously in 1977 by Congress prohibits bribes to foreign officials by American companies to gain business.

Mr. President, this revelation comes at the time when the Reagan administration is making an effort to cut the heart out of the Foreign Corrupt Practices Act. S. 708 which is on the Senate Calendar would make changes in the FCPA which make it more likely that such bribes would occur and that raises serious questions that these investigations will be compromised by the Justice Department.

Bribery is bad business. It destroys the free market; it tarnishes our image as a democracy and has severe foreign policy implications. No good management needs to bribe to gain business.

We need to keep a good strong bribery bill on the books. I hope the Senate will reject S. 708.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIFTY-FOUR CASES OF POSSIBLE BRIBERY ABROAD

(By Jeff Gerth)

WASHINGTON.—Justice Department officials told a House panel today that they were investigating 54 cases of possible bribery of foreign officials by American companies. Five of the cases, they said, involve the heads of foreign governments.

At the same time, Justice Department lawyers and officials from the Securities and Exchange Commission testified that prosecutions under the Foreign Corrupt Practices Act of 1977, which prohibits bribery of foreign officials, had been sparse in recent years, although investigations were continuing in a number of cases.

The disclosures came before the Telecommunications, Consumer Protection and Finance Subcommittee of the House Committee on Energy and Commerce. The subcommittee is holding oversight hearings on the antibribery law. Business lobbyists have called the House hearings a "roadblock" to passage of a bill, approved in September by the Senate Banking Committee, that would weaken the 1977 act's bribery ban.

In addition to the five cases involving the possible payment of bribes to foreign heads of state, the Justice Department told the subcommittee it was studying cases involving reported payments to one vice president or deputy prime minister, two aides to a president or prime minister, two members of a royal family, 22 agency chairmen, directors or cabinet ministers and 23 agency subdirectors or deputy cabinet ministers.

The Justice Department noted that none of the investigations "concerns an alleged payment which is known to be legal in the foreign country in which it was made."

The Justice Department declined to identify the foreign officials and countries involved or the American corporations that might have made illegal payments.

The department did say, however, that the payments under investigation ranged from $5,000 to $35 million. All were made since 1977 as American corporations sought foreign contracts.

The corporate community and the Reagan Administration have made changing the 1977 law a major priority. The Administration wants to narrow the range of payments that would be outlawed and to lessen the standards that would apply in responsibility for payments. But the testimony at today's hearing, according to Congressional aides, seemed to complicate the prospects for quick Congressional revision of the act.

Jonathan C. Rose, the Assistant Attorney General for legal policy, has announced support of the Senate bill. But he said at today's hearing that parts of that bill, in detailing allowable "facilitating payments," were ambiguous.

In a statement for the subcommittee, Mr. Rose said the 1977 act needed to be amended and clarified because of "overly broad" language and ambiguities. This argument has frequently been made by other Administration officials and business lobbyists.

The Foreign Corrupt Practices Act was passed in the wake of widespread disclosures by hundreds of American corporations that they had made questionable payments, including bribes, to foreign officials to obtain business abroad. These disclosures had serious foreign policy implications, especially in friendly countries such as Japan.

In the last few years, however, business groups have called the legislation burdensome, ambiguous and an impediment to competing for foreign trade. In response to these complaints, the Justice Department and S.E.C. have issued guidelines to clarify and limit enforcement of the act.

Statistics introduced at today's hearing illustrate the limited enforcement of the 1977 law.

For example, Mr. Rose noted that the Justice Department had brought only two public prosecutions under the Foreign Corrupt Practices Act—one a civil injunctive action and the other involving a guilty plea by a corporation to a criminal violation. Mr. Rose explained that the paucity of prosecutions arose from the complexities of the cases and difficulties of obtaining evidence from foreign countries.

THE VOTING RIGHTS ACT

Mr. COCHRAN. Mr. President, once again, I come before this body to discuss S. 1761, legislation I have introduced to amend the Voting Rights Act of 1965. My bill provides a new preclearance procedure whereby a political subdivision would petition the local Federal district court for a declaratory judgment in order to preclear electoral changes. I have proposed that this procedure be applicable to all 50 States so that the voting rights of all citizens will be protected.

As my colleagues are aware, electoral changes are now precleared by the Voting Section of the Department of Justice. But many of you may not be aware of the mechanics of this procedure or of the many inadequacies with which it is fraught.

Historically, Congress intended that electoral change proposals would be precleared through the Federal District Court for the District of Columbia, which would issue a declaratory judgment if the change were not discriminatory in its purpose or effect. The administrative procedure was added, really as an afterthought, to provide a prompt process for preclearing simple electoral changes. No one anticipated that the administrative procedure would become the main avenue for preclearance. Little attention was given to delineating which changes should be submitted to the court and which to the Department or to the problems that would develop.

In 1977, the General Accounting Office conducted a study of the Voting Section and the preclearance procedure. Its findings were published in its report, "Voting Rights Act—Enforcement Needs Strengthening," in 1978. Additional analysis of the departmental procedure is contained in "Compromise Compliance: Implementation of the Voting Rights Act" by H. Ball, D. Krane, and T. Lauth. I am aware of no more recent or extensive study of the administrative procedure than these.

The Voting Section of the Department of Justice is composed of two units—the Submission and the Litigative Staff—which employed, at the time of the GAO study, 14 attorneys, 13 paraprofessionals, and 2 staff assistants. The Submission Unit, which is the unit responsible for the review of electoral change submissions, consists of one attorney, a paraprofessional director, and 11 paraprofessional positions filled with law students, college graduates qualified for GS 5–10 level jobs, and others. These paraprofessionals, possessing little or no legal training nor demographic or statistical skills, review the preclearance submissions and make the determination whether or not the proposed change has a discriminatory purpose or effect.

The paraprofessional is trained to spot such troublesome changes as at-large elections, redistricting, and changes in the location of polls. Often his investigation is accomplished by telephone calls to onsite persons. Additional information is gathered from minority groups or individuals. The determination by the paraprofessional is then reviewed by the supervising staff.

This procedure of review and determination by paraprofessionals prompted Justice Powell to state:

> No senior officer in the Justice Department—much less the Attorney General—could make a thoughtful, personal judgment on an average of twenty-five preclearance petitions per day. Thus, important decisions made on a democratic basis . . . are finally judged by unidentifiable employees of a federal bureaucracy, usually without anything resembling an evidentiary hearing. (446 U.S. 205 n. 17).

The procedure has also been described by Prof. Howard Ball as a "dual track" process. The first track consists of the review of the submissions and a determination by the paraprofessional, who consults interested persons and minority groups for information concerning the submission. The second track consists of the discussions between the supervising attorney and officials from the submitting jurisdiction. Local attorneys contact the Department of Justice prior to formal submission, which leads to informal approval without local minority participation.

Other problems in the procedure have been identified by the General Accounting Office. In its review, the GAO found that decisions on submissions were being made by the Department without all the data required by the Federal regulations.

Fifty-nine percent of the 271 submission files reviewed did not contain the required data. The GAO also reported that some submission files could not be located and that data inaccuracies limited the use of the Department's computer system.

The GAO was critical of the Department's procedures for soliciting the views of interest groups and individuals. The review of submission files revealed that only 55 percent contained comments by interested groups or persons and only 1 percent of those commenting were advised of the review decision. Interviews with black leaders indicated that 35 percent had no knowledge of the Department's preclearance procedures, 90 percent were not on the mailing list, and 80 percent had rarely or never been consulted by Department personnel.

The GAO cited the Department's difficulty in complying with the 60-day review period as another deficiency and recommended that procedures be developed to insure the prompt review of submissions. The GAO based its recommendations on its finding that, in 6.8 percent of the submissions reviewed, a department decision was not rendered until at least 100 days from the initial receipt of the submission. The GAO further found that over 50 percent of the requests for additional information were made on the 60th days after receipt. A request for additional information tolls the 60-day period. Upon receipt of the requested information, the 60-day period begins to run anew. Over 70 percent of the requests for additional information were made at least 55 days after receipt, and only 2 percent were made within 30 days.

Finally, the GAO was critical of the Department's failure to develop formal procedures for identifying jurisdictions not submitting voting changes, informing jurisdictions of their responsibilites to preclear, and determining whether jurisdictions are implementing election laws over the Department's objection.

Mr. President, certainly these problems and deficiencies in the administrative preclearance procedure that I have just cited justify the consideration by this body of an alternative mechanism for insuring the voting rights of our citizens. Complex legal determinations are being "processed" by paraprofessionals who lack legal or other special skills and many times, the factual data required by the regulations. Files have been lost and computer data is inaccurate. Minority participation is minimal and a "dual track" system seems to limit further the opportunity for minority groups or persons to have input into the preclearance procedure. Review of submissions extends well beyond the 60-day period permitted, and requests for information have become a tactic for further delay.

Mr. President, what was envisioned as a system for prompt preclearance of simple submissions has become a quagmire of voluminous submissions requiring the collection and evaluation of complex political, social, and legal data with personnel too limited in number and skills to adequately and properly do so. But additional personnel alone, I submit, cannot resolve the problems of administrative preclearance.

What is required is the expertise of our Federal court system, and I propose that we utilize it. My proposal would provide an expedited procedure in Federal district court for the review of preclearance submissions.

Federal judges, experienced in the review and evaluation of complex issues, would determine whether or not a proposed electoral change has a discriminatory purpose or effect. The Department of Justice, served with process as the defendant in the declaratory judgment action, would still have 60 days to review the submission and interpose an objection, or make a request for additional information. Interested persons or groups would be notified of the submission and permitted to intervene as a matter of right. While many of these provisions are the same as the current administrative practice, the difference is that they will be supervised by the court.

Mr. President, I urge my fellow Senators to give careful consideration to my proposal. If the Judiciary Committee holds hearings, I hope the Members will undertake a review of the current administrative procedures and the new procedure that I have offered.

AMERICAN HISTORY MONTH

Mr. BENTSEN. Mr. President, on March 17 I introduced Senate Resolution 98 which designates February "American History Month" and requests that the President call upon Americans across this great land to celebrate our Nation's history with appropriate programs, activities, and ceremonies. February has long been considered historically significant because the birthdays of two of our most revered Presidents, George Washington and Abraham Lincoln, are celebrated during that month. In 1982 we will commemorate the 250th anniversary of the birth of George Washington and, in my view, that is an especially compelling reason for the Senate to pass this resolution.

The study and appreciation of American history enables each of us to become more aware of this Nation's rich past and the lives of those individuals who crafted the fundamental principles which govern us today. Setting aside February as "American History Month" will provide all Americans a time for reflection, celebration, and renewal of the ideals that have shaped this democracy; and it will insure that contributions of generations that have gone before will be remembered.

Mr. President, I want to thank my colleagues for joining with me to secure passage of Senate Resolution 98.

MORE INSANITY IN THE NAME OF PREDATOR CONTROL

Mr. CRANSTON. Mr. President, I am disappointed and dismayed to note that the U.S. Fish and Wildlife Service has announced its return to two discredited policies of predator control, and its failure—implicit in its announcement—to provide any new directions for the animal damage control program. The Service wants toxic collars on sheep, field testing of the deadly poison known as compound 1080, and reinstatement of an abandoned policy of permitting the gassing or shooting of entire dens of coyotes.

The Reagan administration's attempt to revitalize the livestock industry by killing more coyotes and doing more research on deadly poisons simply dodges the real issue and constitutes an affront to both sides.

The ruination of the livestock industry is coming about through inflation, foreign competition, and shifting economic pressures—not coyotes. A vital, but ailing American industry needs a real program for economic recovery not a program for the indiscriminate slaughter of coyotes, as well as birds or other animals that may feed off the poisoned carcasses.

Those who believe that stronger predator control measures should be advanced will also be disappointed, for different reasons.

Compound 1080—which the administration now proposes for use in sheep collars and for field trials in Texas and Montana—was banned by President Nixon in 1972. Even when 1080 was used virtually without restriction, U.S. Forest Service data shows that the compound did not solve predator problems.

It is wasteful, nonproductive, and wrong to try to reverse the clock on a predator control method that has been thoroughly examined and subsequently rejected by the executive branch, the Environmental Protection Agency, and the public.

The administration will also permit denning—a practice banned for 2 years—wherein entire dens of coyotes are destroyed with carbon monoxide gas or by gunfire. This is simply a license to exterminate a species. Every available evidence says that control programs should be focused on the offending individual rather than on the species as a whole.

Nowhere in the administration's announcement is there mention of nonlethal, non-capture predator control methods, appropriate livestock husbandry techniques, shepherds and guard dogs, other forms of assistance to the livestock industry.

With this move, we have simply stepped back in time. And the livestock industry is once again the loser.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:07 a.m., a message from the House of Representatives, delivered by

Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with amendments:

S. 1551. An act to amend title 5, United States Code, to extend the period within which physicians comparability contracts may be entered into, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 203. A concurrent resolution requesting certain reports relating to the Tennessee Valley Authority Act of 1933 and prohibiting certain transactions by the Board of Directors of that Authority.

ENROLLED BILLS SIGNED

At 10:41 a.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the Speaker has signed the following enrolled bills:

S. 815. An act to authorize appropriations for fiscal year 1982 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes; and

S. 1133. An act to amend the National Advisory Committee on Oceans and Atmosphere Act of 1977 to authorize appropriations to carry out the provisions of such act for fiscal year 1982, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore (Mr. THURMOND).

At 1:27 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3414) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 224. Concurrent resolution to express the support of the Congress for the President's initiatives for peace.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4482. An act to establish a U.S. Court of Appeals for the Federal Circuit, to establish a U.S. Claims Court, and for other purposes; and

H.R. 4995. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes.

ENROLLED BILL SIGNED

At 4:41 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the Speaker has signed the following enrolled joint resolution:

H.R. 3454. An act to authorize appropriations for fiscal year 1982 for the intelligence and intelligence-related activities of the U.S. Government, for the intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, and for the Central Intelligence Agency Retirement and Disability System, to authorize supplemental appropriations for fiscal year 1981 for the intelligence and intelligence-related activities of the U.S. Government, and for other purposes.

HOUSE BILLS PLACED ON THE CALENDAR

The following bills were read twice by unanimous consent, and placed on the calendar:

H.R. 4482. An act to establish a U.S. Court of Appeals for the Federal Circuit, to establish a U.S. Claims Court, and for other purposes.

H.R. 4995. An act making appropriations for the Department of Defense for the fiscal year ending Septembr 30, 1982, and for other purposes.

HOUSE CONCURRENT RESOLUTION REFERRED

The following concurrent resolution was read, and referred as follows:

H. Con. Res. 203. A concurrent resolution requesting certain reports relating to the Tennessee Valley Authority Act of 1933 and prohibiting certain transactions by the Board of Directors of that Authority; to the Committee on Environment and Public Works.

ENROLLED BILLS PRESENTED

The Secretary reported that on today, November 19, 1981, he had presented to the President of the United States the following enrolled bills:

S. 815. An act to authorize appropriations for fiscal year 1982 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes; and

S. 1133. An act to amend the National Advisory Committee on Oceans and Atmosphere Act of 1977 to authorize appropriations to carry out the provisions of such act for fiscal year 1982, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations, without amendment, and unfavorably:

S. Con. Res. 48. A concurrent resolution disapproving the proposed sale to Pakistan of F-16 aircraft (together with minority views) (Rept. No. 97-276).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN:

S. 1868. A bill to amend the Trade Act of 1974 with respect to trade adjustment assistance for workers; to the Committee on Finance.

By Mr. D'AMATO (for himself and Mr. JOHNSTON):

S. 1869. A bill to amend the Public Utility Holding Act of 1935 to simplify its administration and to remove restrictions no longer necessary to the protection of investors and consumers; to the Committee on Banking, Housing, and Urban Affairs.

S. 1870. A bill to amend the Public Utility Holding Company Act of 1935 to improve financial performances in the electric and gas utility industries by removing unnecessary impediments to the exercise of sound and prudent business judgment by utility executives; to the Committee on Banking, Housing, and Urban Affairs.

S. 1871. A bill to amend section 2 of the Public Utility Holding Company Act of 1935; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GARN (for himself and Mr. HATCH):

S. 1872. A bill to amend the Act establishing the Capitol Reef National Park in the State of Utah to provide for a grazing phase-out schedule, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHILES:

S. 1873. A bill to designate components of the National Wilderness System in the State of Florida and to prohibit the issuance of phosphate mining leases in the Osceola National Forest; to the Committee on Energy and Natural Resources.

By Mr. THURMOND:

S. 1874. A bill to amend section 376 of title 28, United States Code, in order to reform and improve the existing program for annuities for survivors of Federal Justices and judges; to the Committee on the Judiciary.

By Mrs. HAWKINS (for herself and Mr. CHILES):

S. 1875. A bill to grant the consent of Congress to Harbour Island, Incorporated, Tampa, Florida, to construct and maintain two fix-span bridges in and over Garrison Channel, Tampa, Florida; to the Committee on Environment and Public Works.

By Mr. HATFIELD:

S. 1876. A bill to amend the Federal Highway Beautification Act to permit the States to allow business and residential directional signs on Interstate and primary systems; to the Committee on Environment and Public Works.

By Mr. DOMENICI (for himself and Mr. SCHMITT):

S. 1877. A bill to provide for the reinstatement and validation of United States oil and gas lease numbered NM-12846; to the Committee on Energy and Natural Resources.

By Mr. HEINZ:

S. 1878. A bill to direct the Secretary of the Interior to offer lifetime leases to certain individuals leasing dwellings in the Delaware Water Gap National Recreation Area, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRANSTON (for himself, Mr. HUDDLESTON, Mr. DODD, Mr. WILLIAMS, Mr. SARBANES and Mr. RIEGLE):

S.J. Res. 129. Joint resolution directing the Depository Institutions Deregulation Committee to pursue policies to promote safety and soundness of financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOYNIHAN:

S. 1868. A bill to amend the Trade Act of 1974 with respect to trade adjustment assistance for workers; to the Committee on Finance.

TRADE ADJUSTMENT ASSISTANCE AMENDMENTS OF 1981

● Mr. MOYNIHAN. Mr. President, I rise to speak on two bills I am introducing—one today and another I introduced yesterday with my distinguished colleague, Senator DANFORTH—concerning the

trade adjustment assistance (TAA) program. Some 18 years ago this Congress made a commitment to protect workers who lose their jobs because of imports, a commitment to assist them in adjusting to new, competitive conditions. However, in recent months this body has cut the budget of this program by a devastating 77 percent and accepted severe substantive changes that for all practical purposes have put an end to the TAA program, and alas, to our obligation to those workers who lose their jobs as a direct result of our Federal trade policies.

The first of these bills fulfills a commitment that Senator DANFORTH and I made during the debate over the Budget Reconciliation Act. At that time, my distinguished colleague and I introduced an amendment to postpone the effective date of a provision that would have changed the contributed importantly standard for adverse trade impact certification to a far more restrictive standard of substantial cause. While neither the administration, the Congressional Budget Office, nor the Department of Labor had made an estimate of the number of workers who would lose their eligibility for TAA benefits if the Congress accepted this change, the CBO report was clear:

> The changes in certification procedures proposed by the administration would unambiguously reduce TAA participation.

Senator DANFORTH and I were able to secure only a 6-month postponement of this unnecessarily harsh and restrictive standard. As we promised then, however, we are now introducing legislation to insure that the contributed importantly standard stays in place for good. Indeed, even without specific estimates, we have witnessed before the exceeding restrictiveness of the substantial cause test. This is the same standard that is used in escape clause cases to determine import injury to industries under section 201 of the 1974 Trade Act.

Of the 29 industry petitions for import relief under the escape clause since 1977, the ITC determined that imports were a substantial cause of injury in only 18 of them. Of these, however, the President accepted only one of the ITC recommendations for relief.

What is more, without any change in the current contributed importantly standard, the Labor Department is now certifying TAA petitions at one-fifth the rate in 1975. Only 10 percent of the petitions to the Labor Department for TAA eligibility are currently certified.

In effect, the administration's plans to impose more restrictive criteria would only limit the pool of experienced workers who could take advantage of the opportunities for adjustment under the TAA program.

Mr. President, this bill, however, concerns only one of the many serious, substantive changes that the administration proposed and this Congress accepted in a well-intentioned effort to cut TAA costs. Admittedly, the costs of this program during the auto crisis were extraordinarily high. A $200 million program suddenly rose to levels of $1 and $2 billion. But what is alarming is that by its recent actions, this Congress has begun to challenge the very rationale of this program, to deny any responsibility of the Government to compensate and assist workers when they are injured by Federal policies.

Indeed, the administration estimates that 67 percent of the workers who would have been eligible for benefits under the old program will not be eligible under the administration's program that this body recently agreed to write into law.

Successful passage of our bill to retain the current certification standard is clearly not enough. Under this standard, only 17,000 workers have been certified for TAA since the start of this year. In contrast, the average number of workers certified in every other year since the program began in 1975 has been 204,820. This difference in the number of workers certified is incomprehensible, and I submit, an outrage. Indeed, this evidence must cause us to sympathize with the sentiments of those affected by the new law, such as Lane Kirkland, president of the AFL–CIO. In his testimony before the Trade Subcommittee he argued:

> The AFL–CIO believes that the United States needs an improved trade adjustment assistance program for workers injured by imports. Experience for the past 20 years underscores the urgency of improving benefits for those who lose their jobs from this cause. The current budget would effectively end trade adjustment assistance. The paltry sum now available in the budget amounts to another broken promise to those who pay the price of trade liberalization.

Moreover, the Senate Finance Committee never had the opportunity to consider extensively the administration's TAA proposals. The distinguished chairman of the Trade Subcommittee, however, has announced hearings on the TAA program to be held on December 7, 1981. For the purposes of these hearings, I am introducing a more comprehensive TAA bill in order that the most egregious, but seemingly unnoticed changes to the TAA program that were recently adopted will be addressed.

The first provision of my bill is the same that I have already discussed. It retains the contributed importantly standard beyond the 180-day postponement provided for in the Budget Reconciliation Act.

The second provision entitles workers to the job search, relocation, and training assistance provided for in sections 236, 237, and 238 of the Trade Act of 1974. Indeed, the stated intent of the administration's proposals to alter the TAA program was to shift the program's traditional emphasis on cash benefits for workers displaced by imports toward a much stronger emphasis on retraining.

The object was to reduce the class of workers eligible for any benefits (cash or training) by tightening eligibility criteria and then spending $112 million on retraining these workers. To date, however, no funds have been appropriated for TAA training, and in effect, the very thrust of the administration's program has been negated. If this administration and this Congress are genuinely serious about strengthening the training aspects of the program, we must eliminate any barrier that may thwart the availability of this training money. We therefore must make training an entitlement.

The third provision of this bill extends the coverage of the TAA program to suppliers of independent parts and services. If the workers in a firm are certified for TAA, it defeats the entire purpose of adjustment to deny TAA assistance to those workers in firms which provide parts or service to that import injured firm, and as a result, are indirectly, but seriously injured by imports as well. There is an issue of equity here, as well as of economics. In effect, we must help the entire industry adjust to reap the full benefits of free trade.

The fourth provision of my bill exempts from the calculation of the 26-week-work eligibility requirement the weeks a worker has been on workman's compensation or has been unjustifiably laid off, but later compensated. I think this provision is simply fair, commonsense. A worker who has been unjustifiably fired is not unwilling to work, he is just unable to do so. Accordingly, he should be eligible for TAA assistance.

The last provision is one I really do not think was clear to this body when we accepted the administration's TAA program. Consider if you will a worker who has lost his job because of imports, but who has yet to enter a training program. Under the new law, if he is offered a minimum wage job or above after his first 26 weeks of unemployment compensation he loses his eligibility for all his TAA benefits, both cash benefits as well as training assistance. I do not know of a skilled laborer who could not be offered a minimum wage job. The catch here, then, is that it is possible under the law as written that no one who was eligible for TAA would ever receive TAA assistance.

These are the provisions with which those who are hurt by imports are most concerned. We need to hear from them in the upcoming hearings, and we need to hear from the administration if and how they intend to address these problems under the new law. I look forward with interest to hearing this exchange.

I would remind this body that an understanding was reached with the American labor movement at the time that the Tokyo round of multilateral negotiations was considered by this body. The understanding was that trade adjustment assistance would be available to ease the shock of shifting economic activities brought about by American national trade policy. In large part, we have already reneged on this obligation. I would hope, however, that this body will be receptive to carefully reviewing the recent changes that we so quickly put in place, to hearing from those who are affected by these changes, and surely to considering such proposals as I have just laid out.

Mr. President, I thank the Chair and ask unanimous consent that both bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2514(a)(2)(A) of the Omnibus Budget Reconciliation Act of 1981 (relating to the effective date of amendments relating to group eligibility requirements for adjustment assistance for workers under the Trade Act of 1974) is amended by striking out "the 180th day after the date of the enactment of this Act" and inserting in lieu thereof "October 1, 1983".

S. 1868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Trade Adjustment Assistance Amendments of 1981".

GROUP ELIGIBILITY REQUIREMENTS

SEC. 2. (a) Section 222 of the Trade Act of 1974 (19 U.S.C. 2272), as amended by section 2501 of the Omnibus Budget Reconciliation Act of 1981, is amended—

(1) in paragraph (3), by striking out "were a substantial cause of" and inserting in lieu thereof "contributed importantly to", and by striking out "of such decline" and inserting in lieu thereof "to such decline"; and

(2) by amending the last sentence to read as follows:

"For purposes of paragraph (3), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.".

(b) The amendments made by subsection (a) shall be effective with respect to all petitions for certification filed under section 221 of the Trade Act of 1974 on or after the 180th day after the date of the enactment of the Omnibus Budget Reconciliation Act of 1981.

ENTITLEMENT TO TRAINING

SEC. 3. (a) Section 236(a)(1) of the Trade Act of 1974 (19 U.S.C. 2296(a)(1)) is amended by striking out "the Secretary may approve such training" and inserting in lieu thereof "the Secretary shall approve such training".

(b) The amendment made by subsection (a) shall be effective with respect to determinations regarding training under section 236 of the Trade Act of 1974 that are made on or after the date of the enactment of this Act.

WORKER COVERAGE FOR SUPPLIERS OF ESSENTIAL PARTS OR SERVICES

SEC. 4. (a) Section 222(3) of the Trade Act of 1974 (19 U.S.C. 2272(3)), as amended by section 2 of this Act, is further amended by inserting ", or with respect to the production of which such workers' firm or appropriate subdivision thereof provides essential parts or essential services," after "subdivision thereof".

(b) The amendment made by subsection (a) shall be effective with respect to petitions for certification filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

TREATMENT OF WORKMEN'S COMPENSATION AND BACK PAY TIME FOR PURPOSES OF WORKER QUALIFICATION

SEC. 5. (a) Section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D);

(3) by inserting after subparagraph (B) the following:

"(C) does not work for any reason, but with respect to which such worker is subsequently awarded back-pay; or";

(4) by striking out clauses (i) through (iii); and

(5) by striking out "not more than the following number of weeks may be treated as such weeks of employment under this sentence:" and inserting in lieu thereof "not more than a total of 3 weeks may be treated as such weeks of employment under subparagraphs (A) and (D).".

(b) The amendments made by subsection (a) shall be effective with respect to weeks beginning on or after the date of the enactment of this Act.

SUITABLE WORK STANDARD FOR TRA ELIGIBLE WORKERS RECEIVING EXTENDED BENEFITS OR TRA

SEC. 6. (a) Section 202(a)(3)(C) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended—

(1) by striking out "(C) For purposes" and inserting in lieu thereof "(C)(i) Except as provided in clause (ii), for purposes"; and

(2) by adding at the end thereof the following new clause:

"(ii) For purposes of this paragraph the term 'suitable work' means, with respect to any worker who would be eligible for a trade readjustment allowance under the Trade Act of 1974 but for the fact that he is eligible for extended compensation under this Act, work of a substantially equal or higher skill level than the worker's past adversely affected employment (as determined for purposes of the Trade Act of 1974), and wages for such work at not less than 80 percent of the individual's average weekly wage for his most recent base period.".

(b) Section 231(a)(4) of the Trade Act of 1974 (19 U.S.C. 2291(a)(4)) is amended by striking out "202(a)(3)" and inserting in lieu thereof "202(a)(3)(ii)".

(c) The amendments made by subsections (a) and (b) shall be effective with respect to weeks of unemployment beginning on or after the date of the enactment of this Act.●

By Mr. D'AMATO (for himself and Mr. JOHNSTON):

S. 1869. A bill to amend the Public Utility Holding Company Act of 1935 to simplify its administration and to remove restrictions no longer necessary to the protection of investors and consumers; to the Committee on Banking, Housing, and Urban Affairs.

S. 1870. A bill to amend the Public Utility Holding Company Act of 1935 to improve financial performance in the electric and gas utility industries by removing unnecessary impediments to the exercise of sound and prudent business judgment by utility executives; to the Committee on Banking, Housing, and Urban Affairs.

S. 1871. A bill to amend section 2 of the Public Utility Holding Company Act of 1935; to the Committee on Banking, Housing, and Urban Affairs.

LEGISLATION TO AMEND THE PUBLIC UTILITY HOLDING COMPANY ACT

● Mr. D'AMATO. Mr. President, I am pleased today to be introducing with my distinguished colleague from Louisiana (Senator JOHNSTON) three bills which are intended to reduce the barriers to diversification which the Public Utility Holding Company Act has imposed on gas and electric holding company systems.

It is important at this point to make clear that I am not committed to any or all of these proposals at this time, but they raise legitimate and timely concerns which merit the serious consideration of the Senate.

Our Nation's utility systems are experiencing serious financial difficulties. Despite considerable rate increases over the past decade, the industry has had difficulty raising needed capital on reasonable terms. The common stocks of utility companies are selling well below their book values, and lowered bond ratings have resulted in higher interest charges that are ultimately passed on to consumers.

The three measures which I am sponsoring are indicative of the view held by the different segments of the utility industry that the Public Utility Holding Company Act is a major impediment to meaningful attempts to improve the economic well-being of the utility industry. Many in the industry believe that broader authority to diversify into nonutility operations through a holding company structure would improve their overall profitability, and thereby benefit both investors and consumers.

S. 1869, S. 1870, and S. 1871 are designed to permit this to occur:

S. 1869 would remove the Securities and Exchange Commission's authority to deny exemptions from the act where the holding company meets certain standards for exemption and would expand the types of holding company systems that could qualify for such exemptions.

S. 1870 removes the requirement for prior approval by the SEC of acquisitions of nonutility businesses by registered holding companies and changes the standards for determining when the SEC could require divestiture of such businesses. The bill also amends the act's procedures for SEC review of financing decisions, the scope of the SEC's authority over financing and investment decisions, and provisions relating to the regulation of service, sales, and construction contracts.

S. 1871 redefines the term "public utility company" as used in the act to exclude a broader class of gas utility systems from regulation under the act.

PURPOSES OF THE PUBLIC UTILITY HOLDING COMPANY ACT

The Public Utility Holding Company Act of 1935 was enacted to eliminate numerous abusive practices in which the huge and powerful utility holding company systems of the 1920's engaged. These practices were found to harm investors and consumers but to be outside the reach of effective State regulation. The act authorized the Securities and Exchange Commission to require holding company systems to adopt integrated, simplified structures, and to prevent the recurrence of abusive practices through the regulation of financing, acquisitions and dispositions of assets, service arrangements, and conflicts of interest.

By all accounts, many of these purposes have been accomplished. Yet the continuing need for the act's burdensome requirements has never fully been addressed. It has been suggested that the removal or relaxation of some of the act's provisions would assist utilities in improving their financial condition. In addition, certain amendments might remove artificial incentives to structure utility systems in ways which avoid regulation under the act. Today, only 12 utility systems are in fact so regulated.

THE ISSUES TO BE ADDRESSED

The proposed amendments to the act may be the appropriate vehicles to re-

duce the present burdens on profitability and stability. We cannot fail to address the bills I have introduced because of the very fragile condition of many of our utilities and the impact their condition may have upon the energy production of this Nation.

The recent performance of the utility industry has raised the need for utilities to explore the possibilities of diversification. For the industry as a whole, prices are constantly going up, fueled by higher production costs and spiraling interest rates. Many believe that the industry is currently experiencing its worst financial problems in 40 years and should be classified in critical condition. Soaring construction costs, which have been estimated to be as high as $500 billion through the end of the decade, have become coupled inextricably with declining sales growth. As a result, returns can be expected to continue their downward trend.

Decreased returns and profits lessen the ability of utilities to convert from oil to coal, and to nuclear energy power generating facilities. And the projects must proceed if we are to provide the necessary energy to operate an expanding economy and reduce our dependence on imported oil. Recent events in the Middle East have illustrated only too vividly the volatility of that region and the possibility of a future cutoff of their petroleum. Our energy policy must not only recognize the need to encourage the development of alternate energy sources, but also address the need to revitalize a faltering utility industry right here at home.

Diversification may very well be the proper method for utilities to raise capital for their energy production facilities. However, many important issues must be addressed. How would diversification affect investors and consumers? Will possible unwise and imprudent investments in other industries lead to yet higher utility rates for consumers? What are the implications of our Nation's energy policy? Will diversification be able to provide the necessary capital for the future construction requirements of the utilities? What role should the Federal Government play in an area where State regulation has become so pervasive?

I trust these bills will be the focal point for a discussion of the issues I have raised and hope that we begin this debate with all deliberate speed. If we do not, we may very well be caught in a situation without the available energy resources to meet our domestic needs.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bill were ordered to be printed in the RECORD, as follows:

S. 1869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Public Utility Holding Company Act Amendments of 1981".

FINDINGS AND STATEMENT OF PURPOSES

SEC. 2. (a) The Congress hereby finds that—

(1) business, market, and regulatory developments over the forty-six year history of the administration of the Public Utility Holding Company Act of 1935 have rendered certain of the provisions of the Act—

(A) unnecessarily restrictive of business activity; or

(B) duplicative of a broad range of regulatory controls administered by State and Federal authorities under a number of other laws; and

(2) an adequate basis exists for lessening the regulatory control of, and burden on, registered holding companies and subsidiary companies and subsidiary companies thereof, consistent with the protection of investors and consumers.

(b) The purposes of this Act are—

(1) to remove restrictions on business activity no longer necessary or appropriate in the public interest; and

(2) to simplify and allow for greater flexibility in the administration of the remaining requirements of the Public Utility Holding Company Act of 1935.

DEFINITIONS

SEC. 3. Section 2(a) of the Public Utility Holding Company Act of 1935 is amended—

(1) by amending paragraph (18) thereof to read as follows:

"(18) 'Utility assets' means the facilities, in place, of any electric utility company directly employed in, and the primary function of which is, the production, transmission or distribution of electric energy, or the facilities, in place, of any gas utility company directly employed in, and the primary function of which is, the transportation or distribution of natural or manufactured gas or the production of manufactured gas."; and

(2) by adding at the end thereof the following new paragraph:

"(30) 'Unsound financial practice' means a financial practice which the Commission determines would result in an unreasonable risk to investors or consumers, giving due consideration to the financial practices of public-utility companies and holding-company systems which are not subject to regulation under section 6 and section 7 of this title.".

REFORM OF SECURITIES ISSUANCE CONTROLS

SEC. 4. Section 6 and 7 of the Public Utility Holding Company Act of 1935 are amended to read as follows:

"REGULATED SECURITY TRANSACTIONS BY REGISTERED HOLDING AND SUBSIDIARY COMPANIES

"SEC. 6. (a) Except in accordance with a declaration effective under section 7, it shall be unlawful for any registered holding company or subsidiary company thereof, by use of the mails or any means or instrumentality of interstate commerce, or otherwise, directly or indirectly—

"(1) to issue or sell any security of such company; or

"(2) to exercise any privilege or right to alter the priorities, preferences, voting power, or other rights of the holders of an outstanding security of such company, unless the issue, sale, renewal or guaranty of, or assumption of liability on, such security is exempted from this subsection under, or pursuant to the authority of, subsection (b) of this section.

"(b)(1) The provisions of subsection (a) shall not apply to—

"(A) the issue, sale, renewal or guaranty of, or assumption of liability on, a note or draft (including the pledge of any security as collateral therefor) by a registered holding company or subsidiary company thereof if such note or draft—

"(i) is not part of a public offering,

"(ii) matures or is renewed for not more than nine months, exclusive of days of grace, after the date of such issue, sale, renewal, or assumption of liability thereon, and

"(iii) aggregates (together with all other then outstanding notes and drafts of a maturity of nine months or less, exclusive of days of grace, as to which such company is primarily or secondarily liable) not more than ten per centum of the aggregate of the capital surplus and retained earnings and the principal amount of the other securities of such company then outstanding;

"(B) the issue, by a registered holding company or subsidiary company thereof, of a security issued pursuant to the terms of any security outstanding on January 1, 1935, giving the holder of such outstanding security the right to convert such outstanding security into another security of the same issuer or of another person, or giving the right to subscribe to another security of the same issuer or another issuer;

"(C) the issue, sale, renewal or guaranty of, or assumption of liability on, a security by a subsidiary company of a registered holding company if—

"(i) such subsidiary company is a public-utility company,

"(ii) such issue, sale, renewal or guaranty of, or assumption of liability on, a security is issued for the purpose of financing the business of such subsidiary company, or in connection with the financing of the business of another subsidiary company in the same holding-company system, and

"(iii) such issue, sale, renewal, guaranty or assumption of liability is expressly authorized by the State commission of the State in which such public-utility company subsidiary company is organized and doing business;

"(D) the issue, sale, renewal or guaranty of, or assumption of liability on, a security by a subsidiary company of a registered holding company if—

"(i) such subsidiary company is not a public-utility company, a holding company, or an investment company, and

"(ii) such issue, sale, renewal, guaranty assumption of liability is issued for the purpose of financing the business of such subsidiary company, or in connection with the financing of the business of another subsidiary company in the same holding-company system;

"(E) the issue, sale, renewal or guaranty of, or assumption of liability on, any security by a registered holding company or subsidiary company thereof which issue, sale, renewal, guaranty or assumption of liability occur pursuant to a plan filed and made part of a declaration effective under section 7; or

"(F) the guaranty of, assumption of liability on, a security of a subsidiray company by its registered holding company which is not itself a public-utility company, if the aggregate of the principal amount and par value of the securities which are the subject of all such guarantees and assumptions of liability is not more than ten per centum of the aggregate of capital, capital surplus and retained earnings and the principal amount of the other securities of such registered holding company then outstanding.

"(2) Notwithstand the exemptions provided in paragraph (1) of this subsection, the Commission may, by rules or regulations, establish such requirements with respect to the consolidated security structure of a registered holding company system as are necessary to prevent an unsound financial practice.

"(3)(A) In addition to the exemptions provided in paragraph (1) of this subsection, the Commission may, by order, upon application by a registered holding company or subsidiary company thereof, exempt from the provisions of subsection (a) the issue, sale, renewal, or guaranty of, or assumption of liability on, any security if the Commission determines the application of subsection a) to such issue, sale, renewal, guaranty, or assumption of liability is not necessary or appropriate in the public interest or for the protection of investors or consumers.

"(B) The Commission's order under this paragraph granting any such exemption may impose such terms and conditions as the

Commission find are necessary to prevent an unsound financial practice.

"(4) Within ten days, or whatever longer period the Commission prescribes by rule or regulation, after any issue, sale, renewal or guaranty of, or assumption of liability on, any security exempted from the application of subsection (a) by or under authority of this section, such registered holding company or subsidiary company thereof shall file with the Commission a certificate of notification in such form as setting forth such information as the Commission may be rules and regulations or order prescribe as necessary or appropriate in the public interest or for the protection of investors or consumers.

"DECLARATIONS BY REGISTERED HOLDING AND SUBSIDIARY COMPANIES IN RESPECT OF SECURITY TRANSACTIONS

"SEC. 7. (a) A registered holding company or subsidiary company thereof may file a declaration with the Commission, regarding any of the acts enumerated in subsection (a) of section 6, in such form and together with such information as the Commission may prescribe by rules and regulations or order.

"(b)(1) Except as otherwise provided in this subsection, a declaration filed under this section shall become effective on the 20th day after the filing thereof unless the Commission prior to such effective date shall have issued a preliminary order to the declarant, together with a statement of its reasons—

"(A) disapproving such declaration, or

"(B) approving such declaration subject to terms and conditions.

If the declarant files notice with the Commission of its acceptance of a preliminary order subject to the terms and conditions imposed by the Commission, such preliminary order shall become final without further order or proceeding or opportunity for hearing, and the declaration shall become effective pursuant to such order upon the filing of such notice.

"(2) Within a reasonable time after the issuance of a preliminary order under paragraph (1) and after an opportunity on the part of the declarant for hearing upon such preliminary order, unless the declarant files with the Commission, notice of the withdrawal of its declaration or notice of its acceptance of such preliminary order, the Commission shall enter a final order, together with a statement of its reasons—

"(A) approving such declaration,

"(B) disapproving such declaration, or

"(C) approving such declaration subject to terms and conditions.

"(3) A declaration filed under this section may be in the form of a plan which may provide for the issue, sale, renewal or guaranty of, or assumption of liability on, securities at such times as the declarant may determine to be appropriate over, or within, a period of twelve months or such longer period as the Commission may allow.

"(4)(A) Amendments to a declaration may be made with the consent of the Commission or upon such terms and conditions as the Commission may, by rule or regulation, prescribe as consistent with the purposes of this section.

"(B) If an amendment to a declaration is filed prior to the 20th day after the filing of such declaration, unless the Commission shall at the time such amendment is filed, consent to the filing thereof, the declaration shall not become effective until the later of the 20th day after the filing of such declaration or the fifth day after the filing of such amendment.

"(5) The Commission may, by order, without requirement for an opportunity for hearing, upon application, having due regard for the public interest and the interest of investors and consumers, permit a declaration to become effective at a date earlier than the date upon such declaration would otherwise become effective pursuant to paragraph (1) or subparagraph (B) of paragraph (4) of this subsection.

"(C) If a State Commission or State securities commission, having jurisdiction over any of the acts enumerated in subsection (a) of section 6, shall inform the Commission that State laws applicable to an act which is the subject of a declaration filed under this section have not been complied with, the Commission shall not permit such declaration to become effective unless and until the Commission is satisfied that such compliance has been effected."

"(d)(1) Except as provided in subsection (c), the Commission shall permit to become effective a declaration regarding the issue, sale, renewal or guaranty of, or assumption of liability on, a security unless it determines that the acts which are the subject of the declaration involve an unsound financial practice.

"(2) If the Commission issues an order under subsection (b), disapproving a declaration regarding the issue, sale, renewal or guaranty of, or assumption of liability on, a security or approving such a declaration subject to terms and conditions, the Commission's order shall specify the unsound financial practice which it determines to be involved in the acts which are the subject of such declaration.

"(3) The Commission's authority to impose terms and conditions under this section with respect to a declaration regarding the issue, sale, renewal, or guaranty of, or assumption of liability on, a security shall be limited to those terms and conditions which it finds are necessary to prevent the unsound financial practice required to be specified in the Commission's order.

"(e) Except as provided in subsection (c), the Commission shall permit to become effective a declaration regarding the exercise of any privilege or right to alter the priorities, preferences, voting power, or other rights of the holders of an oustanding security, unless the Commission finds that such exercise of such privilege or right will result in an unfair or inequitable distribution of voting power or is otherwise detrimental to the interest of investors or consumers, giving due consideration to the practices of public-utility companies and holding-company systems which are not subject to regulation under section 6 of this title and this section.".

ELIMINATION OF PRIOR COMMISSION APPROVAL OF DIVERSIFIED BUSINESS ACTIVITY

SEC. 5. The Public Utility Holding Company Act of 1935 is amended—

(1) in section 9(a)(1)—

(A) by inserting "of a public-utility company" after "securities"; and

(B) by striking out "or any other interest in any business";

(2) in section 10—

(A) by inserting "For purposes of section 9—" before "(a)";

(B) by striking out ", or of any other interest in any business," in subsection (a);

(C) by striking out "; and" at the end of paragraph (2) of subsection (a) and inserting in lieu thereof a period; and

(D) by striking out paragraph (3) of subsection (a) in its entirety;

(3) in section 10(c)(1), by striking out ", or of any other interest,";

(4) in section 11(a)—

(A) by striking out "necessary or", and

(B) by striking out "the operations of";

(5) in section 11(b)—

(A) by amending paragraph (1) to read as follows:

"(1) To require by order, after notice and opportunity for hearing, that each registered holding company, and each subsidiary company thereof, shall take such action as the Commission shall find necessary to limit the operations of the holding-company system of which such company is a part to a single integrated public-utility system, and to such other businesses as are appropriate to such integrated public-utility system: *Provided however*, that the Commission shall permit a registered holding company to continue to control one or more additional integrated public-utility systems, if, after notice and opportunity for hearing, it finds that—

"(A) each of such additional systems cannot be operated as an independent system without the loss of substantial economies which can be secured by the retention of control by such holding company of such system;

"(B) all of such additional systems are located in one State, or in adjoining States, or in a contiguous foreign country; and

"(C) the continued combination of such systems under the control of such holding company is not so large (considering the state of the art and the area or region affected) as to impair the advantages of localized management, efficient operation, or the effectiveness of regulation.

The Commission shall permit as appropriate to one or more integrated public-utility systems the retention of an interest in any business (other than the business of a public-utility company as such) whether or not functionally related to the business of the integrated public-utility system or systems, unless the Commission shall determine, based upon specific factual findings, that such interest is material to such system or systems and its retention is detrimental to the protection of investors or consumers."; and

(B) by adding at the end thereof the following new paragraph:

"(3) Notwithstanding any other provisions of this title, the Commission shall permit a registered holding company to retain any combination in existence on May 1, 1981, of gas utility systems and electric utility systems unless the Commission finds, after notice and opportunity for hearing, that the combination of systems fails to satisfy the requirements of clauses (B) and (C) of paragraph (1).".

MODIFICATION OF CONTROLS ON INTER-COMPANY TRANSACTIONS

SEC. 6. The Public Utility Holding Company Act of 1935 is amended—

(1) in section 12—

(A) by striking out in subsection (b) "It shall be unlawful for any registered holding company or subsidary company thereof" and inserting in lieu the following: "Except in the case of a transaction which is expressly authorized by the State commission of the State in which such registered holding company or such registered holding company or such subsidiary company is organized and doing business as a public-utility company, it shall be unlawful for any registered holding company which is a public-utility company or for any public-utility company subsidiary of a registered holding company";

(2) by striking out in subsection (d) "It shall be unlawful" and inserting in lieu the following: "Except in the case of a sale of utility assets used or operated by a public-utility company subsidiary expressly authorized by a State commission with jurisdiction to regulate such subsidiary company, it shall be unlawful"; and

(3) by striking out in subsection (f) "It shall be unlawful for any registered holding company or subsidiary company thereof" and inserting in lieu the following:

"Except in the case of a transaction which is expressly authorized by the State commission of the State in which such registered holding company or such subsidiary company is organized and doing business as a public-utility company, it shall be unlawful for any registered holding company which is a public-utility company or for any public-utility company subsidiary of a registered holding company"; and

(2) in section 13, by adding at the end thereof the following new subsection:

"(h) In the exercise of its authority under this section, the Commission—

"(1) shall not determine the permissible cost to be charged to an associate company by any subsidiary company of a registered holding company by taking into account any earnings fairly and equitably attributable to transaction with, the performance of services for, or sale of goods to, any person which is not an associate company; and

"(2) notwithstanding any other provisions of this title, may, by order, upon application by a registered holding company or any subsidiary company thereof, if it determines that such action is consistent with the public interest and the interest of investors and consumers, permit a subsidiary company of a registered holding company to perform any—

"(A) sales contract;

"(B) service contract (other than a contract for the performance of traditional management services); or

"(C) construction contract for an associate company at a price (or pursuant to a method of pricing which results in a price) which may be in excess of such subsidiary company's costs, provided such price is equal to or less than the price of comparable contracts performed by persons who are not associate companies or equal to or less than the market of such goods.".

CONFORMING CHANGE TO SECURITIES ISSUANCE PROCEDURES

SEC. 7. Section 20(c) of The Public Utility Holding Company Act of 1935 is amended by striking out "Orders" in the last sentence and inserting in lieu thereof "Except as provided in section 7, orders".

S. 1870

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Diversification Amendments to the Public Utility Holding Company Act of 1935".

FINDINGS AND STATEMENT OF PURPOSE

SEC. 2. The Congress hereby finds that—

(1) the electric and gas utility industries in the United States, once strong and stable, are now experiencing serious and intractable financial difficulties, the consequences of which threaten the existence of these vital national resources, together with the citizens and industry of the United States dependent thereon;

(2) while there may be a number of alternatives available to remedy the financial difficulties confronted by the electric and gas utility industries, it is in the best interests of investors and consumers to encourage the most expeditious of the financial remedies available;

(3) the diversification of a business portfolio, when done prudently, is recognized as both a technically and operationally sound means of improving corporate financial performance by spreading or countering business risk;

(4) prudently managed diversification into nonutility businesses is a normal business practice that could substantially improve the financial performance of certain electric and gas utilities;

(5) it is in the public interest to remove unnecessary and unintended impediments to the exercise of sound and prudent business judgment by utility executives;

(6) the Public Utility Holding Company Act of 1935 (P.L. 74-333) was intended to correct abuses in the manner in which the utility industry was then conducting its affairs; the legislative intent was not, however, to prevent or in any way interfere with those normal and prudent business practices the benefits of which would accrue to both investors and consumers;

(7) certain provisions of the Public Utility Holding Company Act of 1935 nevertheless act to increase, rather than decrease, business risk in a manner that is detrimental to the interests of investors and consumers by effectively discouraging diversification by electric and gas utilities into nonutility businesses; and

(8) the amendment of the Public Utility Holding Company Act of 1935 to provide for the establishment of a new exemption for holding companies with a subsidiary public-utility company meeting certain defined criteria and the establishment of definitive exemptions would be consistent with the public interest and the interests of investors and consumers and would eliminate those provisions which inhibit normal and prudent business practices and result in increased risk to investors and consumers.

STATEMENT OF PURPOSES

SEC. 3. The purposes of this Act are—

(a) to remove technical restrictions imposed by the Public Utility Holding Company Act of 1935 on those utilities prudently operating in the best interests of their investors and consumers that find it desirable and beneficial to diversify their business activities;

(b) to provide a new exemption under section 3 for a holding company with one subsidiary public-utility company that operates in one or more States contiguous to the State in which such subsidiary public-utility company is organized;

(c) to provide an exemption for holding companies created by companies that are presently exempt under section 3(a)(2) of the Public Utility Holding Company Act of 1935; and

(d) to provide definitive exemptions in subsection (a) of section 3 so as to reduce the risk of the exercise of prudent business judgment related to diversification by such utilities.

AMENDMENTS TO THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

SEC. 4. The Public Utility Holding Company Act of 1935 is amended to read as follows:

"POWER TO MAKE PARTICULAR EXEMPTIONS REGARDING HOLDING COMPANIES, SUBSIDIARY COMPANIES, AND AFFILIATES

"SEC. 3. (a) The Commission, by rules and regulations upon its own motion, or by order upon application, shall unconditionally exempt any holding company, and every subsidiary company thereof as such, from all provisions of this title, except paragraph (2) of subsection (a) of section 9, if—

"(1) such holding company, and every subsidiary company thereof which is a public-utility company from which such holding company derives, directly or indirectly, any material part of its income, are predominantly intrastate in character and carry on their business substantially in a single State in which such holding company and every such subsidiary company thereof are organized;

"(2) such holding company is predominantly a public-utility company whose operations as such do not extend beyond the State in which it is organized and States contiguous thereto;

"(3) such holding company is only incidentally a holding company, being primarily engaged or interested in one or more businesses other than the business of a public-utility company and (A) not deriving, directly or indirectly, any material part of its income from any one or more subsidiary companies, the principal business of which is that of a public-utility company, or (B) deriving a material part of its income from any one or more such subsidiary companies, if substantially all the outstanding securities of such companies are owned, directly or indirectly, by such holding company;

"(4) such holding company is temporarily a holding company solely by reason of the acquisition of securities for purposes of liquidation or distribution in connection with a bona fide debt previously contracted or in connection with a bona fide arrangement for the underwriting or distribution of securities;

"(5) such holding company is not, and derives no material part of its income, directly or indirectly, from any one or more subsidiary companies which are, a company or companies the principal business of which within the United States is that of a public-utility company; or

"(6) such holding company has only one subsidiary public-utility company and such subsidiary public-utility company's operations as such do not extend beyond the State in which it is organized and States contiguous thereto.

"(b) If a holding company otherwise qualifies for an exemption pursuant to subsection (a) of this section, that exemption shall not be affected by the ownership by a public-utility subsidiary of such holding company of a public-utility company provided that the ownership of such public-utility company by the public-utility subsidiary of such holding company is exempt pursuant to paragraph (2) of subsection (a) of this section.

"(c) The Commission, by rules and regulations upon its own motion, or by order upon application, shall exempt any subsidiary company, as such, if a holding company from any provision or provisions of this title, the application of which to such subsidiary company the Commission finds is not necessary in the public interest or for the protection of investors, if such subsidiary company derives no material part of its income, directly or indirectly, from sources within the United States, and neither it nor any of its subsidiary companies is a public-utility company operating in the United States.

"(d) Within a reasonable time after the receipt of an application for exemption under subsection (a) or (c), the Commission shall enter an order granting, or, after notice and opportunity for hearing, denying or otherwise disposing of such application. The filing of an application in good faith under subsection (a) by a person other than a registered holding company shall exempt the applicant from any obligation, duty, or liability imposed in this title upon the applicant as a holding company until the Commission has acted upon such application. The filing of an application in good faith under subsecton (c) shall exempt the applicant from any obligation, duty, or liability imposed in this title upon the applicant as a subsidiary company, until the Commission has acted upon such application. Whenever the Commission on its own motion, or upon application by the holding company or any subsidiary company thereof exempted by any order issued under subsection (a), or by the subsidiary company exempted by any order issued under subsection (c), finds that the circumstances which gave rise to the exemption no longer exist, the Commission shall by order revoke such order.

"(e) The Commission may, by rules and regulations, conditionally or unconditionally exempt any specified class or classes of persons from the obligations, duties, or liabilities imposed upon such persons as subsidiary companies or affiliates under any provision or provisions of this title, and may provide within the extent of any such exemption that such specified class or classes of persons shall not be deemed subsidiary companies or affiliates within the meaning of any such provision or provisions, if and to the extent that it deems the exemption necessary or appropriate in the public in-

terest or for the protection of investors or consumers and not contrary to the purposes of this title.".

S. 1871

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(a)(5) of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79b(a)(5)) is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", except a gas utility company—

"(A) which owns or operates no facilities described in paragraph (4) of this subsection other than facilities used for the distribution at retail of natural or manufactured gas wholly within a single State; or

"(B) the intrastate gas utility rates of which are subject to regulation by a State authority or authorities of contiguous States.

The exception contained in the preceding sentence shall apply to a gas utility company only if every compay which controls, directly or indirectly, such gas utility company either is the issuer of a class of securities registered pursuant to section 12 of the Securities Exchange Act of 1934, or is controlled, directly or indirectly, by such an issuer.".●

● Mr. JOHNSTON. Mr. President, under the Public Utility Holding Company Act of 1934 (PUHCA), the Securities and Exchange Commission (SEC) regulates the essential financial decisions of public utility holding companies and their subsidiaries, including both electric and gas retail distribution companies and nonutility subsidiaries.

The act requires those companies to obtain prior SEC approval of most financing activities including securities issuances and other assumptions of liability, and of significant investment decisions including acquisition of all other businesses and disposition of utility company securities and assets.

Congress armed the SEC with these extraordinary powers to direct the financial affairs of these private companies because in 1935 their complex and diverse structures rendered ineffectual attempts by States to regulate them.

Moreover, the then untried Federal securities laws seemed inadequate to prevent the re-creation of the abusive financial practices that inlay the then existing utility holding company structures.

In contrast to the formidable and somewhat mysterious holding company structures of the past, a holding company system today is a straightforward business management device, the primary function of which is to manage, operate, and provide services to public utility companies. It functions in an ordered and commercial setting, subject to the well-established regulatory schemes of State and Federal laws governing corporations generally and public utilities specifically.

The SEC's administration has accomplished many of the fundamental objectives of the act; holding company systems have been integrated and greatly simplified. Today only a small number remain subject to plenary regulation under the act.

However, those companies still subject to SEC jurisdiction must accommodate both the planning and substance of their financial and investment decisions to the constraints of prior SEC review.

For these companies, regulation under PUHCA substantially limits the scope of management discretion by affirmatively prohibiting the pursuit of certain investment opportunities, and by effectively precluding the exercise of financing options that cannot await the conclusion of SEC review procedures.

The bills we are introducing today would substantially relax the extent to which utility holding companies would be subject to the plenary authority of the SEC. We do not pretend that the substance of these bills is or should be the final word on this matter.

They do clearly indicate, however, that the Public Utility Holding Company Act has outlived its usefulness. While it accomplished its intended objectives in the economic climate of the 1930's, in the world of the 1980's it does little more than stifle the independent business discretion of those it seeks to regulate.

I commend these bills and their desired goals to the Senate for comprehensive review.●

By Mr. GARN (for himself and Mr. HATCH):

S. 1872. A bill to amend the act establishing the Capitol Reef National Park in the State of Utah to provide for a grazing phaseout schedule, and for other purposes; to the Committee on Energy and Natural Resources.

CAPITOL REEF NATIONAL PARK

● Mr. GARN. Mr. President, I am today introducing a bill to amend the Capitol Reef National Park enabling statute, which would amend the grazing phaseout provision of that law. On December 18, 1971, Congress enacted Public Law 92-207 designating the recently enlarged Capitol Reef Naitonal Monument as a national park. In the last 90 minutes of his term, President Lyndon Johnson had issued a proclamation enlarging the monument to 245,229 acres, about six times its original acreage. It is accurate to say that the ranchers, local officials and others directly affected by this action had an inadequate opportunity to comment at that time.

Public Law 92-207 provides for a phaseout of livestock grazing following expiration of the then-current permits and one period of renewal. Implementation of this provision has taken the form of a schedule calling for one 10-year renewal for holders of 10-year permits and 10 1-year renewals for holders of 1-year grazing permits. These permits would be terminated between May 31, 1982 and May 31, 1992.

The grazing provision contained in this law was that accepted by the Senate-House conference on the bill. Earlier the Senate had rejected this method of grazing phaseout and had instead passed a provision which would have allowed permit renewal for up to 25 years from the date of enactment and thereafter during the lifetime of the permit holder and the lifetime of his heirs or successors. It is readily apparent, Mr. President, that the grazing phaseout ultimately enacted was much harsher than the one originally intended by the Senate.

My purpose, therefore, in introducing this bill is to address some serious inequities in this grazing phaseout schedule before they are forced to occur.

First, from the perspective of the permit holders, 45 ranching families would be directly affected by the termination of grazing. For many of these ranchers, termination would fall at or near the midpoint of their productive ranching careers. Furthermore, a large percentage would be forced to sell their livestock and perhaps their base operating land and facilities under forced sale conditions, at a significant loss.

Second, from the viewpoint of the local economy, the counties around Capitol Reef are among the more depressed in the State of Utah and the Nation. Wayne and Garfield counties, furthermore, are more dependent on livestock grazing than almost any area in the State. Therefore, the elimination of grazing as presently scheduled is certain to add serious strain to the local economy as well as the hardship of the individuals concerned.

Let me briefly address the question of the park itself. Going back to the establishing act of August 25, 1916, we read that the Secretary of Interior may allow grazing within any national park, monument, or reservation if it is not detrimental to the primary purpose for which the unit was created. The expansion of the boundaries of Capitol Reef National Monument referred to above encompassed significant amounts of land which have historically been used for livestock grazing. Now these lands are within the boundaries of Capitol Reef National Park. The park also includes a fruit-producing area which Park Service officials have had the wisdom to preserve intact and in operation, owing to its historical value. Considering that livestock grazing in the Capitol Reef actually predates the fruit production concern, it would seem consistent to take another look at the way Congress has provided for the termination of this historic activity. As for the primary purpose of the park, there appears to be no inherent resource conflict between scenic or scientific values at the park and livestock grazing. Livestock are placed on the range November 1 of each year, after most of the park is closed to tourists, and are removed by May 31, prior to major usage by tourists. And the tourists who actually do get to see the cattle being trailed out of the park seem delighted to view this historical part of the Old West in action. Finally, the "waterpocket fold," the unique formation for which the park was established, is not susceptible to damage by livestock grazing, to my understanding, owing to natural barriers and existing management programs.

In assessing the conditions at Capitol Reef in the context of the overall situation of grazing in national parks, one final inequity surfaces. The grazing phaseout imposed on this park is substantially harsher than that set up for other parks where grazing has historically occurred. The rate of phaseout originally passed by the Senate was identical

to the schedule established for Grand Teton National Park, for example.

As I pointed out earlier, that proposal would have allowed a permitholder to renew his permit for a period of 25 years from the date of establishment of the park, and thereafter during the lifetime of the permitholder and the lifetime of his heirs.

This approach to phasing out of livestock grazing is fair and humane. It recognizes grazing for its historical longevity and for its value as the livelihood to individuals pursuing that way of life. It recognizes the family nature of the operation of ranching, which played such an important role in the old West and still characterizes the family life of a large number of Utahns today.

Mr. President, I cannot see that grazing as a historical activity is any less valuable in Capitol Reef than it is in other parks. I cannot believe that grazing is less important to those doing it in the Capitol Reef area than it is to ranchers in other park areas. I also cannot believe that the negative—for park purposes—impact of grazing in other areas can be any less than it is in Capitol Reef.

It should also be pointed out, Mr. President, that the only alternative remaining if we do not reevaluate and change the present phaseout schedule, is for the Federal Government to go in and fence off the park area. That could mean up to 150 miles of fencing at upward of $3,000 to $4,000 per mile, and I am sure that the merits of the situation will show that solution to be ridiculous.

Mr. President, the House-Senate conference on the fiscal year 1982 Interior and related agencies appropriations bill recently concluded. In these deliberations, the House and Senate agreed to a 1-year moratorium on the grazing phaseout at Capitol Reef, which is scheduled to begin in May 1982.

I have every confidence that this provision will become law, and let me emphasize what its purpose is. This 1-year moratorium will enable the Congress to take another look at the Capitol Reef grazing situation, without the threat or pressure of an imminent phaseout of grazing. It buys us time to calmly and thoughtfully consider a new and better approach.

By no means is the appropriations bill language intended to circumvent the authorizing committee's jurisdiction. We have simply obtained some time in which the authorizing committee will be able to look at the situation I have described here and see whether it is not in the best interests of everyone concerned to amend the grazing phaseout now contained in the statute. I believe that my submission of this bill demonstrates that the Appropriations Committees of the House and Senate acted in good faith.

In light of these circumstances, Mr. President, I am proposing that the enacting statute for Capitol Reef National Park be amended to replace the present grazing phaseout provision with the provision originally contained in the Senate bill considered in the 92d Congress and which is in effect for Grand Teton National Park.

I am convinced that my bill would provide a fair and equitable solution to the full range of concerns which are at issue here, and I urge my colleagues in the Senate to give it careful and, ultimately, favorable consideration.●

By Mr. CHILES:

S. 1873. A bill to designate components of the National Wilderness System in the State of Florida and to prohibit the issuance of phosphate mining leases in the Osceola National Forest, Fla.; to the Committee on Energy and Natural Resources.

FLORIDA WILDERNESS ACT OF 1982

● Mr. CHILES. Mr. President, today the House Interior Subcommittee on Public Lands and National Parks voted to report to the full Interior Committee legislation to prohibit phosphate mining in the Osceola National Forest in Florida. This is an issue I have been very much interested in, and I am extremely pleased that the House has taken this first important step forward in making sure the Osceola is protected from the damages associated with phosphate strip mining. I am introducing the legislation approved by the House subcommittee today, so that the Senate can begin to work hand in hand with the House on this matter which is so critical to the State of Florida.

At the present time the Department of the Interior is reviewing 41 preference right lease applications for phosphate mining covering 52,000 acres of the forest. If approved, Mr. President, mining could take place on almost one-third of the forest's acreage. Environmental studies have pointed to the adverse impact of strip mining on water resources, timber production, and swampland preservation.

In addition, phosphate mining would significantly impact existing uses of the forest for recreation activities and would pose serious threats to wildlife habitats and populations found in the forest. The Florida Congressional Delegation, the State of Florida, local and regional agencies, and countless citizens of my State are opposed to this mining. Yet, in spite of the wide-based and intense opposition, the administration has made clear its intent to push forward in issuing these leases.

It is for this reason quick action by the House and Senate is necessary in order to insure the continued use and protection of this small, but valuable forest resource in my State. The vote today by the House subcommittee to approve this legislation sets the stage for further action in that body. It also sends a clear signal to the Senate that momentum is building in opposition to the administration's plan. I hope the Senate will follow the House example in this regard.

Earlier this year, I introduced legislation in the Senate to accomplish the goal of protecting the Osceola National Forest from strip mining. This bill, S. 1138, is pending in the Senate Energy and Natural Resources Committee. Since this legislation was introduced, the House subcommittee has had the opportunity to hold a hearing on the leasing question and to explore a variety of proposals designed to prevent strip mining in the Osceola National Forest. The bill approved by the subcommittee today represents a consensus on a number of issues, and I am pleased that it incorporates some of the provisions of my bill, S. 1138.

In brief, Mr. President, this bill prohibits phosphate mining in the Osceola National Forest and sets forth a procedure for resolving the pending lease applications so that the companies are treated fairly.

Under the provisions of the bill I am introducing today, the Secretary of the Interior is authorized to determine which of the lease applicants are entitled to a lease. Those lease applicants who are found to have a lease right could then exercise a number of options in lieu of being issued the phosphate mining lease. The company could exchange lease rights to lands in the Osceola for leases on other public lands. Or, the company could ask that the lease application be suspended until such time as Congress agrees to open up the Forest for mining. Or, the company could receive a monetary credit in the amount determined to the value of the lease right which could be used for bidding rights, bonus rental or royalty payments on other mineral leases. In addition, in lieu of the options outlined above, the Secretary of the Interior may also offer to purchase the lease right from the applicant.

Mr. President, I have come before the Senate on a number of occasions to discuss the controversy surrounding phosphate mining in the Osceola National Forest. It is time Congress acts to put to rest the question of mining in the forest. Congress has a responsibility to encourage an effective management policy for the Osceola that recognizes the multiple uses and rich natural resources associated with the forest. In addition, it is important that the pending lease applications for phosphate mining be settled in a timely manner. This bill seeks to achieve both these goals and parallels the proposal under active review by the House of Representatives.

The issues surrounding phosphate mining in the Osceola National Forest are numerous and complex. I realize the Senate committee may have additional recommendations on how best to address the leasing question. I am certainly open to additional suggestions.

It is my hope, however, now that we see the ball rolling in the House, that the Senate as well will begin moving on this important matter. I hope this bill will set the stage for resolving the long-lived controversy of strip mining in the Osceola National Forest.●

By Mr. THURMOND:

S. 1874. A bill to amend section 376 of title 28, United States Code, in order to reform and improve the existing program for annuities for survivors of Federal justices, and judges; to the Committee on the Judiciary.

JUDICIAL SURVIVORS ANNUITIES REFORM ACT OF 1981

Mr. THURMOND. Mr. President, today I offer legislation entitled the Ju-

dicial Survivors Annuities Reform Act of 1981. This bill is intended to amend section 376 of title 28 of the United States Code to more equitably adjust provisions dealing with annuities for the families of deceased judges. The thrust of this legislation is to update those sections which affect children and to upgrade spousal annuities by increasing the "ceiling" amount and creating a "floor" amount.

At present, the annuities for children of deceased judges are determined by statutorily designated dollar figures. Needless to say, as time passes, fixed statutory figures become increasingly inadequate. In response to the situation, this measure would eliminate these dollar figures and would substitute instead a formula based upon a percentage of the salary of the judicial officer for a 3-year-high period.

This proposal will leave intact the two "classes" of children presently found in the law—a class of those in which the spouse is receiving an annuity and a class of those in which the spouse is not receiving an annuity or is deceased. Moreover, the age limitations for children would remain the same—age 18 for unmarried children except for those unmarried children between ages 18 and 22 who are full-time students.

However, by the provisions of this bill, the amounts available for children's annuities would increase depending upon the salary of the particular judicial officer. For example, under the present law, if there are three surviving children in the first class—an existing spousal annuity—each child would receive a monthly grant of $129. Following the same example, each of the three children in the second class—no spousal annuity—would receive $155 each month.

Under the new proposal, the annuity amounts would vary according to the judicial salary and the number of children. The three surviving children of a district judge in either class would each receive annuities equaling $390 per month.

The second major amendment in this bill addresses the computation of annuities for surviving spouses. At the present time, a formula based upon a 3-year high salary average and the years of service with a factoring figure of 0.0125 is utilized to determine the annuity. The maximum annuity amount is 40 percent, and this is achievable after 32 years of creditable service. There is no "floor" or minimum amount.

The proposal I offer today would increase the factoring figure utilized in the formula to 0.0150 to allow annuities to contemplate higher costs in these inflationary times. Moreover, this bill will raise the "ceiling" or maximum amounts on annuities to 50 percent of the judicial salary. In order for a spouse to receive this maximum benefit, the judicial officer will have to serve for slightly more than 33 years.

Most importantly, this bill will create a floor of 30 percent of the judicial officer's salary which will vest after 3 complete years of creditable service. This "floor" feature is especially important to our judges who during the past two decades have assumed their positions at the average age of 51. Inadequate annuity amounts for survivors whose spouses die in the early years of judicial service constitute the problem most in need of a remedy.

Naturally, in order to partially offset the costs of the program and to maintain its actuarial integrity, it will be necessary to increase the percentage of judicial contribution. This measure requires that participating judges contribute 5 percent of their salary to the program.

Finally, I think that it is important to note that this program is not mandatory. It is a voluntary program, and due to the costs to the individual, it is more likely that it will appeal to older judges for whom the cost of life insurance may be prohibitive. The surviving spouses and children of deceased judicial officers are the real beneficiaries of this measure, and they deserve our consideration, which will be fully given when we inquire into all aspects of this proposal during hearings on this subject.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Judicial Survivors' Annuities Reform Act of 1981."

SEC. 2. (a) Subsections (b) and (d) of section 376 of title 28, United States Code, are amended by striking out "4.5 percent" each place it appears and inserting in lieu thereof "5.0 percent".

(b) Subsection (c) of section 376 of title 28, United States Code, is amended by striking the first sentence and inserting in lieu thereof the following: "There shall also be deposited to the credit of the "Judicial Survivors' Annuities Fund," in accordance with such procedures as may be prescribed by the Comptroller General of the United States, amounts required to maintain the actuarial balance of the program as such amounts are actuarially determined on an annual basis in accordance with the provisions of Pub. L. 95–595 (31 U.S.C. § 68a)."

(c) Subsection (h)(1)(B) of section 376 of title 28, United States Code, is amended by striking clauses (i) and (ii) and inserting in lieu thereof:

"(i) 10 percent of the average annual salary amount determined in accordance with the provisions of subsection (1) of this section; or

"(ii) 20 percent of such average annual salary amount, divided by the number of children;"

(d) Subsection (h)(1)(C) of section 376 of title 28, United States Code, is amended by striking clauses (ii) and (iii) and inserting in lieu thereof:

"(ii) 20 percent of the average annual salary amount determined in accordance with the provisions of susbection (1) of this section; or

"(iii) 40 percent of such average annual salary amount, divided by the number of children;"

(e) Subsection (1) of section 376 of title 28, United States Code, is amended:

(i) by striking out "1¼ percent" and inserting in lieu thereof "1.5 percent"; and

(ii) by striking out the existing proviso and inserting in lieu thereof:

Provided, That such annuity shall not exceed an amount equal to 50 percent of such average annual salary, nor be less than an amount equal to 30 percent of such average annual salary, and that any amount determined in accordance with the provisions of this subsection shall be reduced to the extent required by subsection (d) of this section, if applicable.

(f) Subsection (h)(2) of section 376 of title 28, United States Code, is amended by striking out the period following "remarriage" and adding "prior to the attainment of sixty years of age.".

SEC. 3. The benefits conferred by this Act shall immediately become available to any individual becoming eligible for an annuity under section 376 of title 28, United States Code, on or after the date upon which this Act becomes effective. *Provided,* That although the rights of any judicial official electing to come within the purview of section 376 of title 28, United States Code, on or after the date upon which this Act becomes effective, shall be determined exclusively under the provisions of that section as amended by this Act, nothing in this Act shall be interpreted to cancel, abrogate or diminish any rights to which an individual or his or her survivors may be entitled by virtue of that individual having contributed to the judicial survivors annuity fund before the date upon which this Act becomes effective.

SEC. 4. At any time within one hundred and eighty days after the date upon which this Act becomes effective, any judicial official who has been participating in the judicial survivors annuity program created by the Act of October 19, 1976 (90 Stat. 2603) shall be entitled to revoke his or her earlier election to participate in that program and thereby completely withdraw from participation in the program as reformed by this Act: *Provided,* That (a) any such revocation may be effected only by means of a writing filed with the Director of the Administrative Office of the United States Courts, (b) any such writing shall be deemed to have become effective no sooner than the date upon which that writing is received by the Director, (c) upon receipt of such a writing by the Director, any and all rights to survivorship benefits for such judicial official's survivors shall terminate, and all amounts credited to such judicial official's individual account, together with interest at 3 percent per annum, compounded on December 31 of each year to that date of revocation, shall thereafter be returned to that judicial official in a lump-sum refund payment, and (d) any judicial official who effects such a revocation and who subsequently again becomes eligible and elects to join the judicial survivors annuities program created by this Act under the provisions of section 376 of title 28, United States Code, as amended by this Act, shall be permitted to do so only upon the redeposit of the full amount of the refund obtained under this section plus interest at 3 percent per annum, compounded on December 31 of each year from the date of the revocation until the date upon which that amount is redeposited. Any judicial official who fails to effect a revocation in accordance with the right conferred by this section within one hundred and eighty days after the date upon which this Act becomes effective shall be deemed to have irrevocably waived the right to that revocation.

SEC. 5. This Act shall become effective on the first day of the third month following the month in which it is enacted.

By Mrs. HAWKINS (for herself and Mr. CHILES):

S. 1875. A bill to grant the consent of Congress to Harbour Island, Incorporated, Tampa, Fla., to construct and maintain two fix-span bridges in and over Garrison Channel, Tampa, Fla.; to

the Committee on Environment and Public Works.

GARRISON CHANNEL, TAMPA, FLA.

● Mrs. HAWKINS. Mr. President, I rise today to offer legislation that allows Harbour Island Incorporated to construct and maintain two fix-span bridges in and over Garrison Channel in Tampa, Fla. These bridges will enable the planned development of a billion-dollar residential and commercial project on Seddon Island which is an integral part of plans already underway for the revitalization of the downtown Tampa area. By releasing the Federal Government from its responsibility for Garrison Channel, Federal taxpayers will be saved the cost of maintaining the channel. At the same time the city of Tampa will benefit from the creation of an estimated 6,000 new permanent jobs and the addition of approximately $28 million to the city's ad valorum tax rolls. Private citizens, the business community, and local government agencies are united in support of the Seddon Island Development. Mr. President, this bill will materially help the people in Tampa and at the same time reduce the Federal budget. I urge its speedy passage.●

By Mr. HATFIELD:

S. 1876. A bill to amend the Federal Highway Beautification Act to permit the States to allow businesses and residential directional signs on Interstate and primary systems; to the Committee on Environment and Public Works.

HIGHWAY BEAUTIFICATION ACT OF 1981

● Mr. HATFIELD. Mr. President, I would like to speak on behalf of the State of Oregon and introduce an amendment to the Highway Beautification Act of 1965. It has recently come to my attention that the U.S. Department of Transportation seeks to withhold some $10 million in highway funds from the State of Oregon because the erection of 14 road signs statewide does not comply with Federal specifications under the 1965 act. Oregon has made every effort to keep its lands litter-free, its water purified and its esthetic quality incomparable.

In that light, I find this action by the Department of Transportation slightly mystifying. In response, I am introducing this amendment to the Highway Beautification Act which will allow States to erect business and recreational directional signs or displays which conform to DOT specifications. With this small change, we can protect the 10-percent share of Oregon's Federal highway funds which are presently threatened.

Mr. President, in 1971 the voters of Oregon overwhelmingly supported a referendum to place a deposit price of 5 and 10 cents on all soda and beer cans or bottles. Since enactment in 1972, our roads, parks, and various recreational resorts are virtually litter-free.

Oregon was the first State to enact such a law, and since then, six others have followed suit. We also have constant support by volunteer organizations throughout the State to keep our highways beautified. It is not uncommon to drive into Oregon's scenic mountain ranges and see teams of volunteers toting plastic garbage bags down the highways, trying to preserve the cleanliness of our State highways. The Willamette River "cleanup" is another example. Due to pollutants, farm runoff and the deteriorating sewage systems of the latter 1950's, the Mid-Willamette Valley's major waterway became a health hazard. Sparked by State and local government concern about a biologically safe water system, a stringent 10-year program was quickly mandated and adopted. Today, due to this action, waterskiing, swimming and fishing for freshwater trout are common practices on the Willamette.

Mr. President, I could continue to speak about all the programs the State and local governments of Oregon have enacted to preserve its beauty, but I think my point is clear. Oregon is, and will continue to be, a prudent manager of its natural beauty. Federal intervention on this scale will do little good and could cause much harm to State efforts to protect its highway environment.

At this time I would like unanimous consent to enter the following letter into the RECORD. In it, Secretary of Transportation Drew Lewis agrees that "several States are experiencing problems in administering certain provisions of this program, similar to the State of Oregon." And one source tells me that Oregon may be one of the only two States that are even close to complete compliance.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., April 15, 1981.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR MARK: Thank you for your recent letter requesting advice relative to an inquiry from Representative Mary Alice Ford of the Oregon House Committee on Transportation concerning Oregon House bill 2045 and possible imposition of the 10-percent penalty provision of the Federal Highway Beautification Act of 1965, as amended.

First, let me assure you that we are committed to alleviating the difficulties that are associated with the highway beautification program. Several States are experiencing problems in administering certain provisions of this program, similar to the State of Oregon. We are well aware of Oregon's sentiments regarding the future direction of the highway beautification program as a result of testimony provided by State officials during the program reassessment effort that is currently underway.

Presently we are awaiting a report from the National Advisory Committee on Outdoor Advertising and Motorist Information which was established to conduct the reassessment. As a part of this effort, you can be assured that every consideration will be given to the comments which were provided by the State of Oregon.

Specifically, the State of Oregon has allowed the erection of two classes of signs ("business identification" and "residential directional") in nonconforming areas, which are in violation of existing Federal law. The Federal Highway Administration has been working with the State on this problem since 1978, and has done everything administratively possible to resolve the issue without success.

The Oregon Legislature is presently considering legislation concerning both the "business identification" and "residential directional" classes of signs in the form of House bills 2983 and 2045, respectively. If these bills continue to allow the erection and maintenance of these types of signs in areas adjacent to Interstate and primary highways, they will not resolve the existing problem of compliance with Federal law, but will be in conflict with it.

While we are sympathetic to the problems confronting the State of Oregon, we have no choice but to enforce the existing law. Until such time as any recommended administrative and legislative changes to this program are effected, the 10-percent penalty provision is a reality.

I appreciate the opportunity to clarify this matter for you.

Sincerely,

DREW.

Mr. HATFIELD. Mr. President, this is not an unprecedented amendment. In the first session of the 96th Congress, the distinguished Senator from Vermont (Mr. STAFFORD) sponsored S. 344. That bill would have established "a statewide system to control the erection and maintenance of outdoor advertising signs, displays and devices adjacent to the interstate and primary systems." Unfortunately, S. 344 died in the waning days of Congress.

Mr. President, I would like to ask unanimous consent that the bill and a letter of transmittal be inserted at this point in the RECORD.

There being no objecion, the bill was ordered to be printed in the RECORD, as follows:

S. 1876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, The Federal Highway Beautification Act, Section 131 of title 23, United States Code, is amended as follows:

(1) By adding immediately after subsection (o) the following new subsection:

(p) A State may allow activities not visible from the main travelled way of a highway on the Interstate System or the primary system to erect signs, displays or devices adjacent to such highway which, at a minimum, conforms to the size, lighting, and spacing standards promulgated by the Secretary for directional signs under subsection (c)(1) of this section, identifying the location of the activity, if the activity is not able to advertise its presence through a sign permitted under subsection (c)(3) of this section."

(2) By relettering existing subsections (p) and (q) of such section as (q) and (r), respectively, including any reference thereto.●

By Mr. DOMENICI (for himself and Mr. SCHMITT):

S. 1877. A bill to provide for the reinstatement and validation of U.S. oil and gas lease numbered NM–12846; to the Committee on Energy and Natural Resources.

REINSTATEMENT AND VALIDATION OF AN OIL AND GAS LEASE

● Mr. DOMENICI. Mr. President, Federal oil and gas lease NM–12846 is an 800-acre lease, 320 acres of which are part of a Federal land working interest unit called the Quail Unit, comprising 3,840 acres in Lea County, N. Mex. Getty Oil Co. is the unit operator with Gulf and 11 other parties participating. On December 12, 1980, prior to the end of the primary term, drilling was begun on lease NM–12846. The well was drilled to a depth of 15,200 feet and completed as a producing well at a total cost of $2,455,266. Through

a clerical and computer error, Gulf failed to pay the rental due by January 2, 1981. Upon discovery of the failure to pay rental, Gulf tendered the late rental check which was duly accepted and cashed by the BLM. Notice of termination was received on October 19, 1981, and Gulf appealed the decision of the BLM on October 21, 1981.

Strong equitable reasons exist for reinstatement. Development of the lease commenced well before the end of the primary term; the Quail Unit was formed on September 1, 1980; actual drilling commenced on December 12, 1980; more than $2 million was expended in development and the failure to promptly pay the rental on January 2 resulted from clerical and computer error.

Public Law 90–245 enacted on May 12, 1970, provided certain authority to the Secretary of the Interior to reinstate Federal oil and gas leases which had terminated for failure to pay the full amount of the rental or failure to pay it timely. In granting new authority to the Secretary, the House Committee on Interior and Insular Affairs recognized that by limiting reinstatement to those cases wherein the full amount of the rental due, including any back rental must be paid or tendered within 20 days of the due date of the lease, some otherwise deserving cases might not be reinstated under this legislation.

The committee was concerned about "intentional" mistakes, that is "* * * whereby unethical operators could knowingly underpay or submit rentals late and thereby gain additional time while an oilfield 'play' is developing." The committee concluded that, "[I]n balancing the advantage of a more liberal relief provision against the committee's desire to reduce the incentive for 'intentional' mistakes, the latter course was chosen. In the event truly deserving cases arise that cannot meet the 20-day provision recourse to private relief legislation may be necessary." This is one of those "truly deserving cases."

The rental amount here involved is $400. A small sum compared to the expenditure involved in establishing the Quail Unit and the more than $2 million expended in the drilling of the well.

Mr. President, I have been asked by a New Mexico investor to examine the equities of this case. After looking at it carefully, I feel this legislation is necessary to insure that a slight, inadvertent oversight does not result in a loss of millions.●

By Mr. HEINZ:

S. 1878. A bill to direct the Secretary of the Interior to offer lifetime leases to certain individuals leasing dwellings in the Delaware Water Gap National Recreation Area, and for other purposes; to the Committee on Energy and Natural Resources.

LEASING OF DWELLINGS IN THE DELAWARE WATER GAP NATIONAL RECREATION AREA

● Mr. HEINZ. Mr. President, today I am pleased to introduce this bill which seeks to delay the pending eviction faced by 142 tenants currently living within the Delaware Water Gap National Recreation Area. The bill would create a uniform and comprehensive lease-back policy for all residents who now lease their homes from the National Park Service.

The Delaware Water Gap National Recreational Area was originally conceived as a complement to the Tocks Island dam project, and was later incorporated into the wild and scenic rivers system in 1978. In the course of acquiring land for the Tocks Island project and the surrounding recreational area, the National Park Service forced residents to sell their property and leave the area. Of the remaining tenants who lease their residences from the Park Service, there are approximately 15 residents with life estate rights, 70 year-round residents with 5-year special use permits, and 142 seasonal residents who hold 2-year special use permits which expire on December 31, 1981.

After striving for 2 years to reach an equitable and workable solution with the National Park Service and the Department of the Interior, I am seeking a legislative solution to establish a uniform lease-back policy which would permit all of the current residents to continue to lease their residences under a life estate arrangement. The bill would also give ample time to residents to undertake any necessary corrective measures to conform their homes to minimum health and safety standards.

If no legislative action is taken to implement a uniform lease-back policy in the Delaware Water Gap National Recreational Area, the evictions will go ahead as planned, subjecting many of these residents to an abrupt termination of their lifetime seasonal retreats. The current policy set forth by the National Park Service does not provide ample time to bring the seasonal residences up to the health, safety, and building standards which are required. Furthermore, it is uncertain as to whether any of the year-round residents will be able to renew their 5-year leases.

I urge my colleagues to give prompt consideration to this bill.●

By Mr. CRANSTON (for himself Mr. HUDDLESTON, Mr. DODD, Mr. WILLIAMS, Mr. SARBANES, and Mr. RIEGLE):

S.J. Res. 129. Joint resolution directing the Depository Institutions Deregulation Committee to pursue policies to promote the safety and soundness of financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

DEPOSITORY INSTITUTIONS DEREGULATION COMMITTEE

Mr. CRANSTON. Mr. President, I am delighted to be joined by Senators HUDDLESTON, DODD, WILLIAMS, SARBANES, and RIEGLE in introducing this joint resolution directing the Depository Institutions Deregulation Committee (DIDC) to pursue policies to promote the safety and soundness of financial institutions during the mandated interest rate deregulation process.

The Depository Institutions Deregulation Committee was established last year as part of the Depository Institutions Deregulation Act of 1980. It was created by Congress to oversee the orderly phaseout of deposit interest rate ceilings imposed on financial institutions. When Congress created the DIDC, we realized that it would have the difficult task of formulating a deregulatory schedule that balanced the need for more competitive interest rates for savers with the requirement that the fiscal integrity of financial institutions during the phaseout period be maintained.

The excessive actions taken by the DIDC as a result of its meeting of September 22, 1981, upset this delicate balance. At a time when over 60 percent of the Nation's savings institutions are operating in the red, the DIDC increased the passbook rate by 50 basis points; adopted a new 4-week averaging computation formula that increased money market certificate rates; and removed IRA-Keogh account interest rate ceiling for new 1½ year certificates beginning December 1. In addition, the DIDC authorized penalty free transfers from existing IRA-Keogh accounts into new certificates.

All of the DIDC's actions would significantly increase the cost of funds to all depository institutions. Although the increase in the passbook rate was subsequently rescinded, it would have cost thrift institutions three-quarters of a billion dollars in earnings each year. However, the increase in interest rates was so small that no new funds would be attracted to these accounts.

The seriousness of this problem was highlighted during the hearing on October 19, 1981, in the Senate Banking Committee, in which Secretary of the Treasury Donald Regan testified. I asked Secretary Regan at the hearings what new information he and other members of the DIDC used as a basis for their vote to increase the passbook rate when previous requests for increases had been repeatedly considered and turned down by the DIDC because of the severe earnings problems of thrift institutions. His reply was as follows:

Secretary REGAN. I was convinced at that time that something had to be done to stanch the flow of funds out of the thrift institutions. They were losing funds out of passbook savings rapidly. The reason had to be that they were not paying competitive interest rates, and while there was a certain basic amount that probably would stay in the institutions, gradually most of it would erode, as more and more people came to realize that 5½ percent or 5 percent does not not compete effectively with 15 percent. And in an effort to make them more competitive, I wanted to take the first step, however small. And a half a percentage point increase was a small step in that direction of making them more competitive in interest rates.

We have been told that the money for all savers certificates is not coming out of the money market funds to the extent that we initially assumed it would. Later this may turn out to be a false blip or something of that nature, but at least the initial indications are that in the first week of all savers, money market funds increased rather than decreased.

To put it mildly, I'm confused as to what is going on there. I can find no one who has made any detailed study of where the money is coming from. So we decided, "We can always revisit this question. We are going to have further meetings of the DIDC, so let's back off now to see what is going on and find out if most of that ASC money is coming from passbook savings, so that the half-

percent increase isn't going to stanch that flow."

I was extremely dismayed to learn that the DIDC took such a precipitious action without a firm understanding of the market forces governing the flow of deposits from passbook accounts to all savers certificates. This action seemed to have been taken without due consideration of the possible negative impact on the already ailing thrift industry and was based upon a lack of substantive data.

In view of this I am introducing this resolution directing the DIDC not only to review its rule creating the new IRA-Keogh account, but to refrain from all actions that increase the cost of funds to depository institutions until economic conditions improve as unanimously agreed to by the deregulation committee. The resolution also mandates the DIDC to work toward a deregulation framework that is conducive to the continued viability of all depository institutions and, in particular, the thrift industry.

I am also concerned about the wisdom of creating a new IRA-Keogh account, without market interest rate limitations. The rules governing the new IRA-Keogh accounts could lead to an interest rate war similar to the one that the financial markets experienced in 1973 when the precurser of the DIDC—the coordinating committee—authorized a 4-year certificate with a minimum denomination of $1,000 and no interest rate ceilings. This so called "wild card" certificate clearly contributed to the mortgage credit crunch which began in the fall of 1973 and continued until the spring of 1974.

The FDIC attributed the failure of a commercial bank to wild card certificates and also discovered that these accounts hampered efforts to accomplish a supervisory merger of the failed institutions. These wild cards have just as serious impact on small banks as thrifts. Congress has had to step in before to control "wild card" certificates in the past, and we do not want this kind of situation to happen again.

Therefore, I am introducing this resolution to require the DIDC to consider setting a market rate ceiling on IRA-Keogh accounts so that an orderly market transition is encouraged when financial institutions begin to offer these new accounts. I am in no way suggesting that consumers should receive less than market rates; my concern is that bidding up over market rates in these IRA-Keogh accounts would be damaging or destructive to the economic health of depository institutions.

Perhaps a review of the less than stellar history of the DIDC will underscore my assertion that many of the DIDC's actions are not well thought out. In May of 1980 the DIDC, with Paul Volcker as its chairman, raised the ceilings on 6-month money market certificates by 25 basis points and on 2½-year small saver certificates by 50 basis points. These actions provided little return for the small saver while these actions alone cost savings and loan associations roughly $475 million.

In June of 1981, under the chairmanship of Secretary Regan, the DIDC acted to further speed up the deregulation process by removing a 12-percent cap on the small savers certificate. Even more significant, the DIDC proposed removing all interest rate ceilings on certificates with maturities of 4 years or more. The U.S. League of Savings Associations challenged this action in the courts, and the courts decided that the DIDC had exceeded its authority. Nevertheless, the fact that the DIDC attempted to take this action while thrifts were experiencing unprecedented earnings and liquidity pressures underscores its lack of concern for thrifts and the housing market they serve.

One of the most recent actions that the DIDC took was to allow brokering of deposits in connection with all savers certificates by Wall Street firms. Under the arrangement, brokerage firms were allowed to market ASC's across the country with the resulting deposits flowing only to a few large institutions. Permitting savers to open ASC accounts with brokerage houses circumvents the will of Congress that local financial institutions and the local mortgage markets were to be the beneficiaries of this program. Although my resolution does not speak to the ASC brokering problem, I believe that the DIDC's regulatory interpretation is unwise and that the DIDC should assess what harm may have ensued from this policy.

It appears that the DIDC has attempted to speed up the deregulation process without adequate regard for the safety and soundness of thrift institutions. If the viability of the Nation's thrift institutions is to be maintained and if credit is to begin flowing back to the depressed housing industry, the DIDC must be more responsive to the thrift industry and evaluate more carefully the impact of its decisions on the mortgage market.

I am pleased to announce that Richard Pratt, Chairman of the Federal Home Loan Bank Board, is in full agreement with this resolution. In fact, in his capacity as a member of the DIDC, he not only has requested a review of the rules governing the IRA-Keogh accounts, but has publicly spoken out on the lack of concern for the thrift's problems by the DIDC. It is my hope that through the actions taken by Chairman Pratt, and through those of us introducing this resolution, that a greater sensitivity will be fostered on the part of other members of the DIDC. The DIDC must deliberate more fully on the impact of its actions on the thrift industry.

I strongly urge my colleagues to join me in supporting this resolution. I ask unanimous consent that the joint resolution be printed in the CONGRESSIONAL RECORD following this statement.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S. J. RES. 129

Whereas the Congress established the Depository Institutions Deregulation Committee to provide for the orderly phase-out of the limitations on the maximum rates of interest and dividends which may be paid on deposits and accounts at depository institutions;

Whereas the Congress, in establishing the Depository Institutions Deregulation Committee, has required the Committee to carry out its responsibilities with "due regard for the safety and soundness of depository institutions"; and

Whereas persistently high interest rates have produced severe strains within certain elements of the financial system and disrupted the flow of funds for home mortgage finance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Depository Institutions Deregulation Committee shall—

(1) review its rule creating a new IRA-Keogh account with a minimum maturity of 1½ years. The Depository Institutions Deregulation Committee shall consider setting a ceiling on such accounts tied to a money market interest rate.

(2) refrain from all further actions which increase the cost of funds to depository institutions until the Depository Institutions Deregulation Committee unanimously finds that stability is restored to financial markets, or until December 31, 1982, whichever is earlier; and

(3) work toward establishing a deregulation framework conducive to the long term viability of all depository institutions, particularly those serving the mortgage markets and credit needs of local communities.

● Mr. HUDDLESTON. Mr. President, I am pleased to be joining with other Senators today to introduce legislation directing the Depository Institutions Deregulation Committee (DIDC) to reconsider actions taken at their September 22 meeting and to refrain from all further actions which increase the cost of funds to depository institutions.

Under normal circumstances, I would be reluctant to ask my colleagues to interfere with the decisions of a regulatory agency. But the DIDC has demonstrated, time and again, such utter disregard for the mandate given to it by the 96th Congress, as well as for orderly rulemaking procedures, that we cannot continue to ignore its performance. More importantly, the DIDC has become a contributing factor to the precarious situation we find in our national economy, particularly the instability among our financial institutions and the punishing interest rates which deny credit to home buyers, farms, and small businessmen.

The DIDC was created by title II of Public Law 96–221, the Depository Institutions Deregulation and Monetary Control Act. Its voting members are the Secretary of Treasury (the current chairman), and the Chairmen of the Federal Reserve Board, Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, and the National Credit Union Administration; the Comptroller of the Currency (an employee of the Treasury and a member of the FDIC) sits in a nonvoting status. The committee meets quarterly and is charged with "the orderly phase-out and the ultimate elimination of the limitation on the maximum rates of interest and dividends which may be paid on deposits and accounts as rapidly as economic conditions warrant" over a 6-year period ending in March 1986. Further, we instructed the DIDC to "work toward providing depositors with a market rate of return on their savings with due re-

gard for the safety and soundness of depository institutions." Later, we said "the Deregulation Committee shall not increase such limitations above market rates during the 6-year period."

On September 22, the committee took the following actions: First. By a 3-to-2 vote, it raised the regular (passbook) savings rates at commercial and savings banks, and savings and loan associations, by 50 basis points (one-half of 1 percent). The action would clearly raise costs to institutions and their borrowers—by an estimated $2 billion—but, in the virtually unanimous opinion of all concerned, do nothing to add to the volume of savings (since convenience passbook rates are far below market rates of interest). Chairman Volcker of the Federal Reserve warned that:

> The impact on (bank and S&L) earnings in this case seems so severe (that) the safety and soundness of these institutions would be jeopardized.

Chairman Pratt of the FHLBB (which supervises most thrift institutions) added:

> We see no factors which would offset that and given the situation of the industry today, I think it would be a dangerous experiment.

Several days ago, Secretary Regan "changed his mind" and concluded that:

> The likely benefits to depositors now appear to be outweighed by the probable adverse effects (in terms of increased costs) to the depository institutions.

Accordingly, he reversed his vote, and this 50-basis-point passbook increase has been "postponed indefinitely".

Second. Created, effective December 1, a new account for IRA/Keogh depositors with a minimum maturity of 18 months, fixed or floating interest rates, an invitation to waive early withdrawal penalties for existing savers "rolling into" these accounts, and—most significantly—no interest rate limit.

Because of the changes in eligibility and annual deduction limits for these retirement savings programs, adopted as part of our Economic Recovery Tax Act of 1981, the potential audience for IRA/Keogh will increase next year by 48 million taxpayers. Under current rules IRA/Keogh customers may choose from a wide variety of certificates to fund their retirement trusts, including all of the market-related accounts. The authorization of a new ceiling-free account is, therefore, probably unnecessary.

But more importantly, creation of a new no-ceiling account invites sky-high bidding among depositories—the kind of ruinous rate wars experienced in the roaring twenties, briefly in 1973, or most recently in the competition for so-called retail repurchase agreements—where rates of 40 percent and 50 percent were offered for a brief period to entice savers into longer term accounts. Many financial institutions, particularly those smaller banks and thrift institutions serving hometown credit needs, are in no position to engage in unbridled rate warfare at the present time. Yet they are faced with a dilemma: Meet the competition or lose the customer. IRA/Keogh accounts are systematic and stable deposits under normal circumstances. They are also ideal sources of funds for longer term credit, such as home mortgages. To be squeezed out of the market for these accounts by a marketing free-for-all at the end of this year will do permanent damage to the supply of savings for the less well-heeled depositories meeting everyday consumer credit needs.

Third. Adoption of a new and higher ceiling rate for the popular six-month money market certificate accounts—which today account for $486 billion in deposits—in weeks when there is a decline in the index rate. This is accomplished by averaging the four preceding Treasury auction results for 26-week bills in such weeks. The use of this "moving average" presumably will help banks and S. & L.'s compete better with unregulated money market funds offered by securities firms; however, the higher rate permitted will still not approach the Wall Street rates on those uninsured investments in most situations. Furthermore, it is estimated that this seemingly technical adjustment would have cost the S. & L. associations $300 million in earnings if it had been in effect during the first 8 months of 1981.

Even with the postponement of a cost-increasing passbook account increase, the cumulative impact of these changes could well negate the assistance we sought to provide the depository institutions, and their agricultural and residential mortgage credit customers, through enactment of the all savers certificate as part of the tax bill last summer. The damage of high interest rates and the plight of the thrift business, with its "borrow short-lend long" asset-liability imbalance, were thoroughly described in our 6-hour debate the evening of July 16. We sought, through all savers, to lower the cost of funds to institutions and thereby to their mortgage and farm loan customers. Now, through the actions of the majority of appointees serving at the DIDC, our efforts were undermined and perhaps destroyed in 2 hours September 22.

The flip-flop by the Treasury Secretary on the passbook accounts ceiling is representative, unfortunately, of the procedural practices and confusion which have characterized the DIDC since its creation.

At its very first meeting May 28, 1980, the committee adopted a rate schedule for MMC accounts of Byzantine complexity without notice or an opportunity for public comment—and then set an effective date 5 days hence for implementation. A U.S. district court subsequently ruled that those actions violated the Administrative Procedures Act and ordered the committee to provide an appropriate notice and comment period. More recent actions, such as the IRA/Keough instrument described above, followed invitations to comment on markedly different proposals.

The latest procedural fiasco involved the all savers certificates. On September 3 the DIDC issued regulations which stated that:

> Any brokers' or finders' fees paid in connection with an ASC must be included as part of the yield on the deposit.

Then, on October 1—in an informal decision made by staff on, apparently, a 2-to-2 vote, with one abstention—"bona fide brokers," such as Wall Street firms, were exempted from the restriction. As a result, the major securities firms—with their nationwide sales networks—are soliciting all savers depositors for a handful of depository institutions—despite the clear decision by Congress that the all savers instrument was to be sold through all qualified depository institutions and not through securities dealers.

As my distinguished colleague from Wisconsin (Mr. PROXMIRE) observed in a letter to the DIDC:

> The brokerage ruling certainly was important enough for a formal vote of the DIDC.

He also noted:

> I raised the question because of adverse consequences that may be occurring by virtue of brokers seeking All Savers Certificates to the intent of All Savers, which is to re-disadvantage of smaller community savings and loan associations (because of) the fee basis of such brokerage, which goes contrary to the intent of All Savers, which is to reduce costs to thrifts.

Such procedural horseplay makes a mockery of the regulatory process—not to mention the intent of Congress in developing this tax incentive for savings at depository institutions.

To compound the problems described above, the DIDC has plans for accelerating the deregulation process further—despite the growing evidence with each passing day of strains on our financial system and the persistence of high interest rates. At their September 22 meeting, they also agreed to issue for comment a variety of proposals for new savings instruments, including some entirely without rate ceilings and others on a variable rate basis. Significantly, the committee issued these for 30 day, rather than the customary 60 day, comment so that they might be placed on the agenda for the next scheduled meeting.

The first proposal would attempt to circumvent a judicial decision last summer that the DIDC cannot, under Public Law 96-221, ignore preservation of a housing differential on accounts in existence in December 1975. Commenting on conference report language, U.S. District Judge Gerhard Gesell observed: "Congress rarely speaks in such unmistakable terms." It would create a schedule for phasing-out rate ceilings beginning with a new no-limit 3½-year account next February. Again, the prospect looms for unbridled and debilitating rate competition among banks, savings banks and savings and loan associations.

Then, after a delay of almost a month, the committee issued for shortened comment three possible instruments to compete with the money market funds: First, a no-ceiling transaction account with $5,000 minimum—which would revert to a NOW account if the balance fell below that minimum—and withdrawals permitted in $500 units; second, an account indexed to 13-week Treasury bill rates—either fixed at time of issue, or floating daily or weekly—with $10,000 investment required, and no additions or

withdrawals permitted during the initial 91 days, though withdrawals could be made with 14-day notice thereafter; and third, a $25,000 minimum, ceiling-free account, with 1-day withdrawal notice. With tongue firmly planted in my cheek, I remind my colleagues that these actions emanate from a deregulation committee.

Certainly, the possibility for more "wild card" and "hot money" savings plans is disturbing. It could offset any benefits depository institutions and their borrowers might get from a lowering of today's interest rate levels. If there is no improvement in the interest rate climate between now and December, it could worsen an already dire situation.

The financial illness of savings and loan associations and mutual savings banks—the so called thrift institutions which specialize in home finance—is well known. The overwhelming majority of these companies, according to the Federal Home Loan Bank Board, are suffering negative earnings and $25 billion in deposit outflows have occurred in the first 8 months of the year.

With the thrifts operating unprofitably and losing deposits, and excessively high mortgage rates, the businesses which are dependent on mortgage credit—principally home builders and realtors—are in desperate shape. Housing starts were at a 918,000 annual rate level in September, home sales declined to a 2.07 million rate. These are at or near post-war lows. The National Association of Realtors reports that, on a per capita basis, the September real estate sales numbers are the worst ever recorded. The decline in housing activity shows up, as well, in data about unemployment in the construction trades—over 17 percent—lumber mill closings, and decreased sales by the thousands of businesses which provide supplies and furnishings for homes.

Complaints about the DIDC are not restricted to thrift institutions. Its senseless and costly decisions, like the passbook increase, impact upon commercial banks, too—particularly those independent banks serving communities across America. Its decision last December to set the bill paying—and reservable—NOW account rate at the same level as the banks' regular savings rate has exposed bankers to unnecessary reserves' liabilities. Ironically, one of the voting members of the DIDC is the National Credit Union Chairman. Credit unions, however, are not bound by the DIDC rules.

After voting for a one-half of 1 percent increase for banks and S. & L.'s, the NCUA chairman then approved a full 5-percent increase in the share account ceiling for credit unions; while the DIDC's ceiling-free IRA/Keogh instrument was set for implementation December 1—the credit unions were given a 1-month head start when their new account was approved for November 1. Banks and S. & L.'s will be allowed to roll over existing IRA/Keogh customers without penalty to the new account; credit unions, however, have now been authorized to execute such rollovers from any account, not just existing retirement-oriented accounts.

Mr. President, I could expand this description with further comments about other questionable decisions by the DIDC. But, it should be clear that many of their actions have been taken with scant regard for "the safety and soundness of depository institutions" and the "orderly phase-out" over 6 years' language of Public Law 96–221.

It is time we intervened to examine the performance of this group of regulatory officials. That is what this resolution will accomplish. I urge its early consideration by the distinguished Senator from Utah (Mr. GARN) and his colleagues on the Committee on Banking, Housing and Urban Affairs. And I invite support from other Senators concerned about the impact of DIDC decisions on the stability of our financial system and on our battle against high interest rates.●

ADDITIONAL COSPONSORS

S. 46

At the request of Mr. THURMOND, the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 46, a bill to amend title 5 of the United States Code to permit present and former civilian employees of the Government to receive civil service annuity credit for retirement purposes for periods of military service to the United States as was covered by social security, regardless of eligibility for social security benefits.

S. 1215

At the request of Mr. KASTEN, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 1215, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 1701

At the request of Mrs. HAWKINS, the Senator from Nevada (Mr. CANNON), and the Senator from Nebraska (Mr. ZORINSKY) were added as cosponsors of S. 1701, a bill to amend title 28, United States Code, to authorize the Attorney General to acquire and exchange information to assist Federal, State, and local officials in the identification of certain deceased individuals and in the location of missing children and other specified individuals.

S. 1735

At the request of Mr. ANDREWS, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 1735 a bill to provide for the use and distribution of funds awarded the Pembina Chippewa Indians in dockets numbered 113, 191, 221, and 246 of the Court of Claims.

S. 1808

At the request of Mr. PACKWOOD, the Senator from Michigan (Mr. RIEGLE), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 1808, a bill to authorize an Under Secretary of Commerce for Economic Affairs.

SENATE CONCURRENT RESOLUTION 33

At the request of Mr. PRESSLER, the Senator from Arkansas (Mr. PRYOR), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Mexico (Mr. SCHMITT), the Senator from West Virginia (Mr. ROBERT C. BYRD), and the Senator from Utah (Mr. GARN) were added as cosponsors of Senate Concurrent Resolution 33, a concurrent resolution disapproving the Federal Trade Commission Trade Regulation Rule relating to the sale of used motor vehicles.

SENATE CONCURRENT RESOLUTION 45

At the request of Mr. GRASSLEY, the Senator from Michigan (Mr. LEVIN), the Senator from Colorado (Mr. HART), the Senator from Maine (Mr. COHEN), the Senator from North Carolina (Mr. EAST), the Senator from Alabama (Mr. DENTON), and the Senator from New Hampshire (Mr. HUMPHREY) were added as cosponsors of Senate Concurrent Resolution 45, a concurrent resolution expressing the sense of the Congress with respect to the rights of the people of Afghanistan.

SENATE RESOLUTION 239

At the request of Mr. CRANSTON, the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of Senate Resolution 239, a resolution disapproving the proposal to defer budget authority for Veterans' Administration health-care facility construction while the Administration "considers alternative methods for providing readily available quality medical care for eligible veterans."

UP AMENDMENT NO. 668

At the request of Mr. MATHIAS, the Senator from Virginia (Mr. HARRY F. BYRD, JR.) was added as a cosponsor of UP Amendment No. 668 proposed to House Joint Resolution 357, a joint resolution making further continuing appropriations for the fiscal year 1982, and for other purposes.

UP AMENDMENT NO. 671

At the request of Mr. WEICKER, the Senator from Pennsylvania (Mr. HEINZ), the Senator from Maine (Mr. COHEN), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Missouri (Mr. EAGLETON), the Senator from Vermont (Mr. LEAHY), the Senator from Rhode Island (Mr. PELL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Michigan (Mr. RIEGLE), the Senator from Connecticut (Mr. DODD), the Senator from Massachusetts (Mr. TSONGAS), the Senator from New York (Mr. MOYNIHAN), the Senator from New Jersey (Mr. BRADLEY), the Senator from Michigan (Mr. LEVIN), the Senator from Maine (Mr. MITCHELL), the Senator from New Jersey (Mr. WILLIAMS), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of UP Amendment No. 671 proposed to House Joint Resolution 357, a joint resolution making further continuing appropriations for the fiscal year 1982, and for other purposes.

AMENDMENTS SUBMITTED FOR PRINTING

RECOVERY OF CERTAIN COSTS OF THE CORPS OF ENGINEERS

AMENDMENT NO. 636

Ordered to be printed and referred to the Committee on Environment and Public Works.

Mr. STAFFORD (by request) proposed an amendment to the bill (S. 809)

to require recovery of certain expenditures of the U.S. Army Corps of Engineers for operation, maintenance, and construction of deep-draft channels and oceans and Great Lakes ports of the United States and to authorize such construction in specified circumstances.

DEEP DRAFT CHANNELS AND PORTS

● Mr. STAFFORD. Mr. President, the Subcommittee on Water Resources yesterday reported S. 1692 to the full Committee on Environment and Public Works. This is important legislation to foster port improvements and maintenance on a cost-sharing basis. We hope to consider the bill in full committee on December 2, 1981.

The administration supports legislation that goes further toward non-Federal cost sharing on such work. Earlier this year, I was pleased to introduce the administration's harbor bill as S. 809. Since that time, the administration has submitted a slightly redrafted version of that legislation, which I am pleased to submit today as an amendment to S. 809.

I am confident that this redrafted administration proposal will prove helpful to the committee in its deliberations on the overall issue.

Mr. President, I ask unanimous consent that a copy of the amendment, together with its transmittal letter, be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

"That as a condition for operation and maintenance by the U.S. Army Corps of Engineers (hereinafter referred to as the Corps) of deep draft channels or ocean or Great Lakes ports of the United States on or after October 1, 1982, and for the construction or rehabilitation of navigation projects by the Corps to improve deep draft channels and ports which receive initial construction funding on or after October 1, 1981, an appropriate non-Federal public body shall agree with the Secretary of the Army (hereinafter referred to as the Secretary) to reimburse the Federal government for expenditures by the Corps for such work and shall agree to hold and save the United States harmless from liability for damage arising out of such activities, except to the extent that such damage is caused by the fault or negligence of the United States or of its contractors. Reimbursements for operation and maintenance expenditures required by this section shall be made to the Secretary, on behalf of the United States, no later than September 30, 1983, and annually thereafter, and, as approved by the Secretary, may be scheduled and periodically adjusted to result in the repayment of actual operation and maintenance costs. Payments may be scheduled to reflect five year projections deemed reasonable by the Secretary, with subsequent corrections for actual expenditures.

"SEC. 2. For purposes of this Act, "deep draft channels or ocean or Great Lakes ports of the United States" shall mean waterway channels or ocean or Great Lakes ports of the United States with an authorized depth of more than fourteen feet, except for entrance channels providing access solely to harbors with an authorized depth of fourteen feet or less, channels administered by the Saint Lawrence Seaway Development Corporation, and the Bonneville Lock and Dam project on the Columbia River.

"SEC. 3. (a) The entire amount of the Federal construction or rehabilitation expenditures to be reimbursed pursuant to the requirements of this Act, including interest during construction, shall be reimbursed within the life of the project but in no event to exceed fifty years after the date the project becomes available for use, as determined by the Chief of Engineers. Payments required by this section shall be initiated no later than one year after the project becomes available for use. The interest rate used for purposes of computing interest during construction and interest on the unpaid balance shall be determined by the Secretary of Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States during the period expenditures are made. The interest rate on the unrecovered balance shall be updated every 5 years to reflect the average market yield at that time on outstanding marketable obligations.

(b) This Act shall not be construed to prohibit non-Federal public bodies from securing financing through means other than provided for in this Act.

"SEC. 4. Agreements with non-Federal public bodies to carry out obligations required by this Act may relate the timing and extent of such obligations to projects or to separable units, features, or segments of such projects as the Chief of Engineers determines to be reasonable and otherwise within the requirements of this Act and the authorizations for the improvements concerned. Such agreements may reflect that they do not obligate future State legislative appropriations for their performance or payment when obligating future appropriations or other funds would be inconsistent with State constitutional limitations.

"SEC. 5. (a) On or after October 1, 1982, and in accordance with the provisions of this section and any regulations promulgated by the Secretary pursuant to this section, an affected non-Federal public body may provide for the recovery of its reimbursement obligations pursuant to this Act (including its administrative expenditures incurred therefor) by the collection of fees for the use of the project by vessels in commercial waterway transportation notwithstanding any prior law to the contrary, such fees may include, but are not limited to, tolls imposed as a condition of use of any project, waterway or waterway segment.

"(b) For purposes of this section:

"(1) The term "commercial waterway transportation" means any use of a vessel in any deep draft channel or ocean or Great Lakes port of the United States as defined in this Act—

"(A) in the business of transporting persons or property for compensation or hire, or

"(B) in transporting persons or property in the business of the owner, lessee, or operator of the vessel.

"(2) Fees are not authorized to be collected for:

"(A) Vessels owned and operated by the United States or any other Nation or political subdivision thereof and not engaged in commercial service; or

"(B) Vessels used by a State or political subdivision thereof transporting persons or property in the business of the State or political subdivision.

"(c) The Secretary, in consultation with the Secretaries of State, Commerce, Transportation, Treasury, Energy, and Agriculture, the Attorney General of the United States, and the Director of the Office of Management and Budget, may promulgate, and may from time to time revise, regulations and guidelines to govern the programs of non-Federal fee collection that may be undertaken pursuant to the authority of this section.

"SEC. 6. This Act shall not be construed to prohibit or otherwise interfere with any Department of the Army or other Federal authority to operate, maintain, or improve any navigation project for purposes of Coast Guard navigation requirements, Department of Navy transportation requirements, or any other national defense transportation requirements. Moreover, this Act shall not be construed to require any non-Federal contribution for navigation costs assigned by the Secretary to vessels owned and operated by the United States or any other Nation and not engaged in commercial service. The Secretary, in consultation with other concerned agencies, shall establish guidelines and determine any cost assignments that are necessary to carry out this section.

"SEC. 7. Money paid to the Secretary, pursuant to this Act, shall be deposited in the general fund of the Treasury.

"SEC. 8. (a) Provided that an appropriate non-Federal public body agrees, without benefit of the deferred payment provisions of Section 3(a) of this Act, to reimburse the Federal Government for all of its construction costs of a project on an annual basis during construction and to begin such reimbursements not later than one year after construction is initiated, the Secretary, acting through the Chief of Engineers, is authorized to study, design, construct, and rehabilitate such a project to improve deep draft channels and ocean and Great Lakes ports of the United States as defined in section 2 of this Act and to operate and maintain such channels and ports, at such depths and dimensions and with such dredged material disposal and other related facilities, as the Secretary determines to be justified to insure the safe and efficient conduct of national defense and commercial waterway transportation. Such improvements may be provided and maintained as a Federal project pursuant to laws and policies then in existence and without a requirement for any further congressional authorizations.

"(b) Before ports or waterway improvements subject to any treaty with the Government of Canada are approved for implementation by the Secretary, the Secretary of State shall consult with the Government of Canada. Such consultation sahll include environmental impacts and financing, especially recovery of costs by non-Federal public bodies by the collection of fees or tolls.

"(c) There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this section."

DEPARTMENT OF THE ARMY,
Washington, D.C.

HON. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: On March 25, 1981 Acting Assistant Secretary Rogers transmitted proposed legislation for recovery of certain expenditures of the U.S. Army Corps of Engineers for operation, maintenance, and construction of deep draft channels and ocean and Great Lakes ports of the United States and to authorize such construction in specified circumstances. We have since that date given further consideration to this matter and have revised our previous draft to modify implementation and clarify certain points raised by other interested parties.

This revised proposal is a part of the Department of the Army's Civil Works legislative program for the 97th Congress. The Office of Management and Budget advises that enactment of this proposal would be in accord with the program of the President. The Department of the Army recommends that the revised draft be enacted by the Congress.

PROPOSED LEGISLATION

The purpose of the proposed revised legislation is the same as our original proposal; that is, to provide for the full recovery of certain operation, maintenance, and construction costs of the U.S. Army Corps of

Engineers for deep draft ports and their connecting channels. For the most part our revisions are technical in nature and are intended to make the bill more workable and acceptable. One change that should be noted, however, is that recovery of construction and rehabilitation costs would be applied to projects which receive initial construction funding on or after October 1, 1981, rather than October 1, 1982 as originally proposed. This would eliminate pressure to provide funding in fiscal year 1982 for projects in order to avoid reimbursement obligations under the proposed cost recovery program. In addition we have made clear in the language of the bill that tolls, which have previously been prohibited, would be authorized.

The revised bill is designed to insure an effective and fair system of cost recovery for all deep draft navigation improvements. Its enactment would put an end to federal subsidy of such navigation projects. Accordingly, any previous agreements with non-Federal public bodies which are founded on a different sharing of costs and responsibilities than are envisioned in this bill will have to be revised.

COST AND BUDGET DATA

Enactment of the enclosed legislation would require reimbursement to the Federal Government for navigation expenditures by the U.S. Army Corps of Engineers for operation, maintenance, and construction or rehabilitation activities on the deep draft channels and ocean and Great Lakes ports of the United States which are not related to defense or to non-commercial governmental use. This would result in significant savings to the Federal Government.

ENVIRONMENTAL AND CIVIL RIGHTS IMPACT CONSIDERATIONS

Enactment of the enclosed legislation will have no significant environmental or civil rights impacts. Individual Federal activities that occasion the reimbursements required by this Act will only be undertaken after any necessary assessment and review of their impacts.

Sincerely,

WILLIAM R. GIANELLI,
Assistant Secretary of the Army.●

RECOVERY OF CERTAIN COSTS OF COMMERCIAL WATERWAY TRANSPORTATION

AMENDMENT NO. 637

(Ordered to be printed and referred to the Committee on Environment and Public Works.)

Mr. STAFFORD (by request) submitted an amendment intended to be proposed by him to the bill (S. 810) to provide for the recovery of capital costs and operations and maintenance costs assignable to commercial waterway transportation for certain U.S. Army Corps of Engineers inland waterway projects.

COMMERCIAL INLAND WATERWAY TRANSPORTATION

Mr. STAFFORD. Mr. President, on behalf of the administration, I am today submitting revisions to S. 810. I am hopeful that this bill will receive consideration from the Committee on Environment and Public Works early in the next session of the Congress, once we have received and evaluated the administration's study of the impact of user charges required under section 205 of Public Law 95–502.

I ask unanimous consent that a copy of the amendment, as well as the transmittal letter, be printed at this point in the RECORD.

There being no objection, the amendment and letter were ordered to be printed in the RECORD, as follows:

Strike all after the enacting clause and insert in lieu thereof the following: "That as used in this Act, the term—

"(a) "commercial waterway transportation" means any use of a vessel on the inland waterway system of the United States—

"(1) in the business of transporting persons or property for compensation or hire, or

"(2) in transporting property in the business of the owner, lessee, or operator of the vessel (other than fish or other aquatic animal life caught on the voyage);

"(b) "Corps" means Army Corps of Engineers;

"(c) "Inland waterway system" means all inland and intracoastal waterways of the United States described in Section 206 of the Inland Waterway Revenue Act of 1978 (P.L. 95–502), as amended by Section 106 of this Act;

"(d) "Secretary" means the Secretary of the Army; and

"SEC. 2. (a) The Secretary in consultation with the Secretary of Transportation, shall prescribe a system of user fees to be levied on commercial waterway transportation on the inland waterway system pursuant to this Act.

"(b) The schedule of user fees authorized under this section shall be readjusted at least every 5 years on the basis of (1) the anticipated expenditures of the Corps on behalf of the inland waterway system and various segments thereof; (2) corrections for actual expenditures and reimbursements; (3) the expected volume of commercial traffic; (4) seasonal and other repetitive peak demands for use of the inland waterways; (5) congestion at various points; and (6) any other factors that the Secretary finds reasonable and equitable.

"(c) The Secretary, in prescribing a system of user fees under this section, is authorized to utilize, but is not limited to, one or more of the following mechanisms as a way to recover costs of the Corps from the users of the system: (1) license fees; (2) charges based on ton-miles over a given segment; (3) lockage fees; (4) tolls; and (5) charges based on capacity of cargo vessels over various segments of the inland waterway system.

"(d) User fees starting October 1, 1981 shall be adequate to recover 100 percent of anticipated operation and maintenance expenditures of the Corps assigned to commercial waterway transportation, plus an amount necessary to provide for the recovery of capital expenditures with interest, for rehabilitation or replacement of existing structures completed after October 1, 1981, over a period of no more than 50 years, less anticipated collections by the tax on fuel used for commercial transportation on inland waterways pursuant to Section 4042 of the Internal Revenue Code of 1954, as amended.

"(e) User fees on new or modified waterways completed for through traffic after October 1, 1981, shall be phased to provide for the full recovery of operation and maintenance and construction costs of the Corps, with interest, over a period of no more than 50 years from the date of initial movement of through traffic.

"(f) User fees collected under this section shall be credited to the Inland Waterways Trust Fund established by Section 203 of the "Inland Waterways Revenue Act of 1978" (P.L. 95–502).

"SEC. 3. Failure to pay any user fees prescribed under this Act shall subject the violator to a fine of not more than $10,000 for each day the waterway is used in violation of this Act and shall be grounds for prohibiting the violator from operating on any portion of the inland waterway system or using any lock on the inland waterway that is operated and maintained by the United States during the period of time the violator has failed to pay the fees prescribed by this Act. Such fine shall be collected and credited to the Inland Waterways Trust Fund.

"SEC. 4. Expenditures by the Corps for operation and maintenance and for construction and rehabilitation of inland waterways projects subject to reimbursement under this Act shall be assigned to commercial waterway transportation as follows: (1) for projects authorized only for navigation, 90 percent of costs remaining after subtracting any specific costs for recreation are to be assigned to commercial waterway transportation; (2) for multiple-purpose projects for which costs have been assigned to navigation, costs assigned to commercial waterway transportation will be in accord with that assignment; (3) for all other multiple-purpose projects providing navigation benefits but for which there have been no cost assignments, costs assigned to commercial waterway transportation will consist of all specific navigation costs, plus 10 percent of joint costs except that costs assigned to commercial waterway transportation for the Mississippi River and Tributaries Project will be 25 percent of total project costs. Expenditures on construction and rehabilitation for the Mississippi River and Tributaries Project will be considered maintenance.

"SEC. 5. Section 4042 of the Internal Revenue Code of 1953 is amended by:

"(a) striking all of subsection (a) and adding in lieu thereof the following:

" "(a) In general—There is hereby imposed a tax on any liquid sold by any person to an owner, lessee, or other operator of a vessel, for use as a fuel in such vessel in commercial waterway transportation." (b) striking all of subsection (b) and adding in lieu thereof the following:

" "(b) Amount of Tax—The tax imposed by the following table:

If the use occurs—	
After September 30, 1980 and before October, 1981	4 cents a gallon
After September 30, 1981	15 cents a gallon

Beginning January 1, 1983, and annually thereafter the 15 cents a gallon tax will be adjusted to the nearest cent by the percentage change in the Implicit Price Deflator for the Gross National Product during the preceding fiscal year as reported by the Department of Commerce." and,

"(c) deleting subsection (e).

"SEC. 6. Section 204(a) of the Inland Waterways Revenue Act of 1978 is amended by deleting its existing provisions and substituting in lieu thereof the following:

" "(a) IN GENERAL.—Amounts in the Trust Fund shall be available as provided by appropriations Acts for making capital improvement and operation and maintenance expenditures on the inland and intracoastal waterways of the United States.

"SEC. 7. Section 206 of the Inland Waterways Revenue Act of 1978 is amended by striking all of Section 206 and inserting in lieu thereof the following:

" "SEC. 206. INLAND AND INTRACOASTAL WATERWAYS OF THE UNITED STATES

For purposes of Section 4042 of the Internal Revenue Code of 1954 (relating to tax on fuel used in commercial transportation on inland waterways) and for purposes of Section 204 of this Act, the following inland and intracoastal waterways of the United States are described in this section:

" "(a) the Mississippi River and its natural and man-made tributaries upstream from Baton Rouge, Louisiana;

" "(b) all waterways of the United States and their tributaries with an authorized

depth of 14 feet or less emptying into the Gulf of Mexico west of the Mississippi River;

" "(c) the Gulf Intracoastal Waterway from St. Marks River, Florida, to Brownsville, Texas;

" "(d) the Apalachicola River and its tributaries upstream from its junction with the Gulf Intracoastal Waterway;

" "(e) the Columbia River and its tributaries upstream from a point immediately below the Bonneville Lock and Dam project;

" "(f) the Pearl River and its tributaries upstream from the junction of the West Pearl River with the Rigolets; and,

" "(g) the Mobile River and its tributaries, including the Tennessee Tombigbee Waterway project, upstream from the Mobile Harbor project;

" "(h) the Atlantic Intracoastal Waterway between Norfolk, Virginia, and Miami, Florida, via both the Albemarle and Chesapeake Canal and Great Dismal Swamp Canal Routes;

" "(i) the portions of the Willamette River and its tributaries with authorized depths of 14 feet or less."

"SEC. 8. The interest rate used pursuant to this Act shall be determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States during the period expenditures are made. The interest rate on the unrecovered balance shall be updated at least every 5 years to reflect the average market yield at that time on outstanding marketable obligations.

"SEC. 9. There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this Act."

DEPARTMENT OF THE ARMY,
Washington, D.C., July 15, 1981.

Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: On March 25, 1981 Acting Assistant Secretary Rogers transmitted proposed legislation for recovery of costs assignable to commercial waterway transportation for certain Corps of Engineers inland waterway projects. We have since that date given further consideration to this matter and have revised our previous draft to modify implementation and clarify certain points raised by other interested parties.

This revised proposal is a part of the Department of the Army's Civil Works legislative program for the 97th Congress. The Office of Management and Budget advises that enactment of this proposal would be in accord with the program of the President. The Department of the Army recommends that the revised draft be enacted by the Congress.

PROPOSED LEGISLATION

The purpose of the proposed revised legislation is the same as our original proposal; that is, to provide for the full recovery of certain capital and operation and maintenance costs of the U.S. Army Corps of Engineers for most inland waterways with authorized depths of 14 feet or less. The primary modification we are proposing is to limit cost recovery to major navigation channels handling the bulk of the nation's commercial barge traffic. This will provide for recovery of about 90 percent of the Corps of Engineers' operation and maintenance expenditures assigned to commercial shallow draft navigation.

We have also proposed an increase in the fuel tax imposed in the Inland Waterways Revenue Act of 1978 to 15 cents a galion beginning October 1, 1981. The fuel tax would be subject to subsequent adjustments based on fluctuations of the Gross National Product and, to simplify collection, would be imposed at the pump rather than through returns filed by barge owner-operators. This increase will cover a significant portion of the Corps of Engineers' expenditures on some projects and collection of the tax at the pump will greatly simplify collection procedures.

In addition the bill contains other changes intended to improve the bill's acceptability and workability and to insure an effective and fair system of cost recovery for shallow draft commercial navigation improvements. Its enactment would put an end to federal subsidy of such navigation projects. Accordingly, any previous agreements with non-Federal public bodies which are founded on a different sharing of costs and responsibilities than are envisioned in this bill will have to be revised.

COST AND BUDGET DATA

Enactment of the enclosed legislation would require reimbursement to the Federal Government for navigation expenditures by the U.S. Army Corps of Engineers for waterway transportation on the inland and intracoastal waterways of the United States. This would result in significant savings to the Federal Government.

ENVIRONMENTAL AND CIVIL RIGHTS IMPACT CONSIDERATIONS

Enactment of the enclosed legislation will have no significant environmental or civil rights impacts. Individual Federal activities that occasion the reimbursements required by this Act will only be undertaken pursuant to existing or future congressional authorizations and after any necessary assessment and review of their impacts.

Sincerely,

WILLIAM R. GIANELLI,
Assistant Secretary of the Army.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of public hearings before the Committee on Energy and Natural Resources on S. 1867, the Reclamation Reform Act of 1981. The hearings will be held on Thursday, December 10, and Friday, December 11, beginning at 9 a.m. in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, room 3104, Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding these hearings you may wish to contact Mr. Gary Ellsworth of the committee staff at 224–7146.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. COHEN. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Select Committee on Indian Affairs on S. 1370, a bill to authorize the Secretary of the Army to acquire a subordination, by condemnation or otherwise, in such interests in the oil, gas, coal, or other minerals owned by the Osage Tribe of Indians needed for Skiatook Lake, Osage County, Okla.; and, S. 1779, a bill to authorize the exchange of certain land held in trust by the United States for the Navaho Tribe, and for other purposes.

The hearing is scheduled for November 23, 1981, beginning at 9:30 a.m. in room 5302, Dirksen Senate Office Building. For further information regarding the hearing, you may wish to contact Timothy Woodcock, staff director, or Peter Taylor, general counsel of the Select Committee on Indian Affairs at 202–224–2251. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Select Committee on Indian Affairs, U.S. Senate, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

THE REAGAN PLAN FOR ARMS REDUCTION

● Mr. D'AMATO. Mr. President, President Reagan's speech yesterday outlining his plan for arms reduction should give hope to people throughout the world. The United States, and particularly this administration, genuinely seeks to reduce the threat of nuclear war.

An era of peace was initiated in 1945 when this Nation embarked upon a policy of economic recovery and deterrence to war. Ours is a defensive policy, not one that is offensive in design. We truly seek no territory, and no empire. We seek to live in peace.

All the same, it would be foolhardy, given the evidence the President presented this morning, to unilaterally disarm our strategic and tactical forces. But the proposal by the President that the United States not deploy Pershing II missiles and ground launch intermediate range weapons in Europe if the Soviet Union removes its SS–4, SS–5, and SS–20 missiles is a fair and judicious one.

The United States and the Soviet Union must work together to reduce the risk of war. The President's proposal that the United States abandon plans to deploy the Pershing II and ground launch intermediate range weapons in Europe in return for the Soviet Union's removal of their SS–4, SS–5, and SS–20 missiles, is a fair and judicious one.

The possibility that arms reduction talks can begin gives hope that substantial progress can be made in the next few years to limit the potential for nuclear war.

The present danger is real. We must have an adequate defense because, as our President has said, an imbalance exists between the United States and the Soviet both in conventional and nuclear weapons.

Our defense policy can be realized in two ways. The first is the best way—through the reduction of nuclear arms. I believe that the President will be successful because the Soviet Union appreciates the fact that this Nation may also choose the second way to assure the defense of the people of the United States and Western Europe. We could choose to develop a threat comparable to that with which the Soviet Union has deployed.

What is most important today is that the President is genuinely seeking a balance of forces at lower levels than we have today. President Reagan should be commended for his expression of hope for peace, and for his willingness to engage in arms talks. These efforts should be supported by all Americans.●

TACKLING THE JAPANESE JUGGERNAUT IN ITS BACKYARD

● Mr. BENTSEN. Mr. President, it is difficult to comprehend the paralysis which overcomes American executives when I ask why they do not invest in Japan. I hear no end of excuses ranging from cultural differences to regulatory barriers to the fear of being unfairly undersold. Yet, I am becoming more and more convinced that the Japanese have created a psychological barrier to protect their market which is far more smoke than steel.

As my son would say, they have "psyched us" into believing that only firms foolishly willing and able to gamble tens of millions of dollars and thousands of man-hours should invest in Japan itself. The reality is somewhat different and therein lies one of the keys to our generally dismal performance in recent years in the competition for world markets.

The incentive structure of higher corporate executives discourages risk taking and a longer term approach to corporate investment decisions. The next quarter is far more important to the hired guns peopling executive suites across our Nation than next year. That philosophy in combination with the perceived barriers to doing business in Japan has held United States direct investment in Japan to a trickle—and almost all of that by a handful of multinationals. That is a deadly combination for it may guarantee a perennial second class status to American firms producing goods in direct competition with Japanese firms. Our firms are always one step removed from the major marketplace first tackled by their Japanese competitors—the Japanese market itself.

Very real and major problems do confront U.S. firms seeking to invest in Japan. The barriers are unlike any they will have encountered in Europe. Yet, I am concerned that our firms seem beaten even before they begin. They give up hope of grabbing a share of the Japanese market without a struggle, and then lament the Japanese juggernaut as they are gradually forced to take a smaller and smaller market share worldwide.

U.S. business can and must face up to the challenge of Japanese productivity and quality. It must realize that competing in Japan with Japanese firms is the surest way to maintain its market position.

Sounds impossible? Well, it is not. There are American entrepreneurs who are bearding the lion in his den today. One of these modern pioneers is Dr. Sheldon Weinig, president of Materials Research Corporation.

Dr. Weinig gave a speech on November 18 to the Japan-American Society in Houston in which he reviewed his own company's success in moving into the Japanese market. And, I believe his comments are instructive to us all.

Mr. President, I ask that the speech be printed in the RECORD.

The speech follows:

HOW CAN AMERICAN MID-RANGE COMPANIES SUCCESSFULLY INVEST IN AMERICA?

(By Sheldon Weinig, D.Sc.)

When asked about the economy these days, I generally answer: "the funeral in Europe is next Tuesday. The United States is paralyzed by staggering interest rates and budgeting uncertainty. The good news/bad news is Japan where we have never done better."

The Japanese success story continues and when we observe the number of articles, books and television programs on the subject, we really feel that we are competing against an invincible economic giant.

To further exacerbate the matter, once some special trait of Japanese success is identified, we are then bombarded with the "how to" books and seminars.

These run the gamut from Elizabeth Barrett Browning's "How Many Ways Do I make a Quality Circle, Let Me Count the Ways", to the pragmatic manager of a computer peripheral house in Phoenix who, not knowing what particular Japanese trait would work, had his employees meet in the morning for the traditional circle, changed the country-western music played in the factory to Japanese music, and then had the company cafeteria serve sushi instead of hamburgers. The causal relationships are not clear.

My favorite is a seminar sponsored by Arthur Anderson, the prestigious accounting firm. I will quote from their brochure: "The Japanese have achieved a formidable and competitive advantage over other countries in manufacturing low-cost, high-quality products in the world marketplace. Despite the tremendous disadvantages of remote location and lack of raw material and energy resources, Japan has become one of the most successful manufacturing countries in the world. This competition has contributed to the trade balance of the United States falling into a deficit, our dollar weakening, our workers losing jobs, our international trade dominance diminishing, and the ascendency of the Republican Party."

I will try not to add another grain of sand to the beach. My subject today is business investment in Japan. This aspect of the U.S.-Japanese equation concerns the advisability and practicality of a U.S. mid-range company making a serious business investment in Japan without having a name or financial position like IBM, Dow or Texas Instruments.

Why bother making a business investment in Japan? Many U.S. companies have conceded the entire far eastern market to Japanese companies. In some cases, the concession was not-so-subtly encouraged by the Japanese. Companies have been discouraged from entering the Japanese market by various devices, of which protective tariffs have been the least onerous. In fact, the most effective barrier to investment in Japan is the inability to penetrate the "Old Boy Network".

Other companies export to Japan, but do not make further investments. Perhaps they believe that the United States has an inherent birthright to world technical leadership and, therefore, all they have to do is continue to export their products.

For those industries engaged in technology that is being pursued by the Japanese, to not invest and not become involved in technological and commercial intercourse is to flirt with the possibility of blind side surprise and subsequent disaster. The failure road is strewn with a large number of U.S. companies who believed they had an invincible technological lead and, therefore, didn't have to be concerned about foreign competition.

In electronics, the size of the Japanese market and the Miti coordinated thrusts into specific areas mitigate against technical dominance by a U.S. company that isn't also an integral part of the Japanese domestic scene. In other words, to retain technical leadership, you must be a part of each major segment of your marketplace. U.S. electronic companies must be technologically involved in the Japanese marketplace. Conversely, Japanese electronic companies have become technologically enmeshed in the U.S. marketplace.

It is easy to blame the Japanese for the lack of American investment in Japan, but I'm afraid that most of the blame must be accepted by American businessmen. Let's face it; given the choice between three and a half hours on the Concorde to Paris or London versus fourteen to sixteen hours nonstop New York to Tokyo, the choice is obvious. The combination of Japanese discouragement—subtle or overt, a foreign environment, and a preference for comfort has not brought out the best in the American industrialist.

Myths for all situations have been developed concerning business investments in Japan, and our first task will be the separation of the myths from the realities.

Even if a company wanted to begin only modest commerce in Japan, it would fall prey to the first myth—that a foreign company can do business in Japan only through a trading company. The trading company is generally part of the "old boy network" and, although sometimes effective for companies in commodity type businesses, is a poor substitute for selling high technology products.

Fact: The trading company works as an effective barrier between you and your customers. I have likened trading companies to making love through three blankets. In the parlance of politics, there is no "touching the skin". Since you have chosen to be represented rather than represent yourself, you never have the benefit of direct interaction with your customer and your marketplace.

MRC succumbed to all the above. Despite an aggressive European program which resulted in six subsidiaries and a major manufacturing center in Toulouse, France, our total Japanese investment was a trading company relationship. We deprived ourselves of an early and meaningful business position in Japan, the world's fastest growing electronics marketplace.

Finally, stark reality confronted us! MRC serves the electronics and telecommunications market. We manufacture the basic metals, ceramics and equipment used in the production of integrated circuits. The industry has shifted from almost total U.S. domination to 45 percent U.S. and 35 percent Japan. Our greatest potential market was Japan.

Therefore, we made a decision. Step one: MRC would establish a Japanese company and commence direct sales and service. Step two: We would make an immediate investment in a plant for manufacturing equipment products in Japan. Step three: A joint venture with our trading partner would overcome some disadvantage of size. They, however, assured us that our idea was neither feasible nor possible. We persisted and they finally agreed to become our 20 percent joint venture partner.

The first organizing step came close to aborting the entire adventure before it even got started.

We have all read statistics on the legal population in the United States as compared with Japan. The number is one in ten thousand in Japan and one in four hundred and fifty in the United States (although I expect it is every other person in New York). But these are only statistics. Let me tell you about the real world.

We retained an American-style Japanese law firm and asked our partners who would be their counsel. They told us to send the papers to their managing director for review. We were surprised. Normally, our lawyers would deal with their lawyers. However, we did not pursue the matter, believing that ultimately they would send the papers to their lawyers.

Our attorneys gave birth to the typical American document (1½ lbs), and then we really had problems. Our partners conveyed their complaints through us without benefit of lawyers and we literally had to negotiate in behalf of their interests with our counsel. Tens of thousands of dollars later and an exhausted executive team, and law notwithstanding, the formal signing of the documents had to wait for the correct lucky day before the deal could finally be sealed.

Following the ceremonial dinner honoring the occasion, the president of the Japanese company gave vent to his feelings regarding lawyers and American contractual arrangements; but surprisingly, he was most angry with me. "Why, after our long business relationship, did we need lawyers? And if we did, why was the document so long and complicated in its 'what if' clauses? Surely an agreement could have been written in two or three pages."

How could I explain to him public company corporate life and the responsibility to the board of directors and stockholders? How could I explain to our stockholders a major corporate investment in a foreign country based on friendship?

There were, and I am sure will be, many other problems relative to the use of lawyers. The Japanese use lawyers only for extraordinary situations. U.S. executives are trained in the use and abuse of law; the Japanese are not. Many U.S. business procedures have been written in the shadow of lawyers' offices. We live with the constant threat of litigation.

Consider the standard form of purchase order and acknowledgement used in the United States. It is a series of threats and warnings. In Japan, the vendor-vendee relationship is based on a feeling of "you need us and we need you and neither of us needs lawyers".

The legal dilemma is not a myth, but is a business-cultural difference of extraordinary complexity. I believe the extremes will be moderated with time and experience on both sides, but under no circumstances should it be considered as a trivial problem.

The most interesting areas of mythology deal with personnel and the problems of hiring. "You will not be able to hire Japanese nationals to work for an American company because you can't transfer retirement benefits; there are excess personal benefits (carfare, vacation house, etc.) that you won't understand; and, finally, you will destroy their careers as they can never return to a Japanese company after working for foreigners."

Most of this is decoration. The Japanese are superb in the camouflage of personal feelings, especially displeasure. The real underlying problem is suspicion and fear relative to the unpredictability of the American or foreign company. We invested long hours attempting to understand this problem. We believe it is resolvable, however, with a fair and carefully-thought-out approach.

There were ten engineers employed by the trading company and assigned to MRC Business. It was our desire to have them all become fulltime employees of the joint venture. We met with them, and although all of them understood English, we insisted on an interpreter. We suggested that we would go halfway toward them if they would come halfway to us.

We had no vacation facilities in Japan; we were not interested in off-business hours meals, etc.; but we could arrange vacations in the United States contiguous with their training; we have developed an excellent pension program and, of course, stock participation. We offered fifteen percent salary increases to compensate for their "lost" benefits.

Eight out of ten joined the company. The two oldest did not come with us, but under Japanese custom they were loaned to us until we could hire their replacements.

The next myth was absolute assurance that it would take one to two years to find replacements for the two engineers who did not join us. Fact: We hired their replacements in 90 days.

Another interesting myth is that lifetime employment has a universality of good associated with it that results in total dedication and superb workmanship. When the lifetime employment policy is discussed, two aspects are described as being very important.

The first is the "lack of job descriptions," which is extolled as an excellent example of flexibility. Then we are told about the lockstep advancement in both salary and promotion, and this is proposed as an excellent example of inflexibility. Even the Japanese are questioning the entire concept. An executive recently stated, "the Japanese seniority system offers security and creates a harmonious atmosphere, but it may also reduce incentives to do creative work."

Another problem is that the security is shortlived as the workers are forced to retire in their fifties. This has given rise to the highest savings rate in the world—not out of desire, but fear for their old age.

Once again, we see evidence of camouflage, intended or not. The picture is of a harmonious mass of workers and managers meeting, singing, exercising, eating, etc., all happy with a lockstep salary and promotion program. It isn't true; the senior management who directed the phenomenal Japanese technological and economic success of the last decade are not part of the harmonious mass. They are the leading edge of the bell-shaped distribution curve. The leaders, mavericks, adventurers—they are all out there and they are very much responsible for the extraordinary success story.

Maybe the biggest myth is that "Japan is against all foreign company investment regardless of the business". We decided to step directly up to this myth—or reality, we weren't sure. MRC retained a public relations firm and had them organize a press conference at the American Club in Tokyo. We described MRC and explained the reasons why we wanted to open a company in Japan for sales, service and manufacturing. We then explained that benefits would result for both Japan and MRC through the formation of the business. "Therefore, hang out welcome signs for us, not roadblocks." By the time I returned to New York, the first letter had arrived from the governor of a prefect in Japan stating, "welcome". There were many others.

We returned to Japan to visit plant sites and to discuss financial arrangements. We clearly stated our position relative to financing and found significant room for negotiation and real flexibility in local Japanese government.

Why was the reception from local government so positive? They want manufacturing plants for the same reasons we do in the United States. Their young people are educated locally and if they find no opportunities, they go off to the big cities.

What did we discover as a mid-range company is that investing in Japan is difficult but possible. What is the larger picture relative to the deteriorating relationship between the United States and Japan, its most important trading partner?

While we in the United States are embroiled in a budget and tax battle that has virtually paralyzed parts of our industrial complex, the Japanese continue to expand their markets and technologies.

Further, the demand upon her manpower and productivity base for defense-related expenditures has been relatively light because of the Japan-U.S. security agreements which place strict limits on defense. Finally, by a series of protective measures, real and imagined, Japan has kept foreign investment to a minimum.

The Japanese have a national industrial strategy and this has enormous influence relative to government policy and private sector investment. Although we cannot interfere with their way of life, we do have to insist on an open environment for investment. We must treat our investment differently in Japan because quarterly profits per share are not significant and the rate of return on capital for U.S. companies is two to three times greater than that for Japanese corporations.

However, investment must be at many levels, not just in business. For example, there are less than 500 American students studying in Japan, mostly on their own money, whereas there are 12,000 Japanese students in the United States, mostly supported by industry.

If the United States is to continue as a major economic and technological power during the 1980s, then it must not only invigorate its domestic economy, but it also must treat the world as a place of opportunity relative to the marketing of its products and the investment of its capital. We have lost this spirit of adventure.

The bottom line is not written. But we are not afraid to compete as long as we can separate the myths and camouflage from reality. The Japanese abilities, coupled with the difficulty of any foreign operation, are challenge enough.●

IMPORTS OF LIBYAN OIL

● Mr. HART. Mr. President, last month, the Senate debated and narrowly defeated my proposal to ban American imports of Libyan oil. Many Senators clearly believe the United States should not be involved in the production, shipment, and sale of Libyan oil. Some, however, question whether a unilateral American withdrawal from Libyan oil operations would be effective. They argue that American technicians operating sophisticated oil production equipment in Libya could be replaced with new technicians from France and Italy and that other oil-importing nations would snatch up any Libyan oil supplies the United States refused to accept.

These arguments are contradicted by Libya's reaction to the recent decision by the Exxon Corp. to withdraw from all of its oil operations in Libya. As Youssef M. Ibrahim, reporter for the Wall Street Journal, points out today, just the threat of a complete withdrawal of American oil companies from Libya—even a unilateral effort—has caused Colonel Qadhafi to reevaluate his oil pricing strategy. Qadhafi recently offered to lower the price of Libyan crude for some American oil companies. Without doubt, this has been prompted by the loss of markets for Libyan oil and the threat that even more markets would be lost unless American companies were enticed to stay in Libya.

I ask that Mr. Ibrahim's article be printed in the RECORD, and I urge my colleagues to read it carefully.

The article follows:

LIBYA MIGHT CUT CRUDE OIL PRICE BY MORE THAN $1

(By Youssef M. Ibrahim)

In a conciliatory move aimed at spurring buying by U.S. petroleum companies, Libya yesterday offered to reduce the price of its oil.

Oil industry sources said that, after months of resisting any concessions on price, the Libyans notified companies that are part of the Oasis Group that Libya will cut the average price of its crude by more than $1 a barrel, to about $36 a barrel. Members of the Oasis Group are Conoco Inc., a unit of Du Pont Co.; Marathon Oil Co.; and Amerada Hess Corp.

The move coincides with what appears to be a broader attempt by Libya to defuse its confrontation with the oil companies and Western governments.

In addition to the price reduction offer, the Libyans are also said to have completed their withdrawal from neighboring Chad, whose occupation by Libya was strongly opposed by the U.S. and France. And oil industry executives reported that Libyan officials have said they hope to negotiate a settlement with Exxon Corp., which last week announced it was withdrawing from its oil and natural gas concessions in Libya.

LIBYA FEARS WITHDRAWALS

Oil industry sources widely believe that Mobil Corp. plans to follow Exxon in departing Libya, although Mobil yesterday continued to insist that its involvement in the Libyan oil industry was "still under review." Libyan officials, in the view of the industry, have been clearly alarmed by the prospect of further defections by other oil companies that are instrumental in pumping and marketing Libya's oil.

The new Libyan oil prices are competitive with those of Nigeria, whose comparable quality oil previously had a $1 edge on Libya.

Oil industry sources said the Libyan price-cut offer still hasn't been accepted by all the American petroleum companies still operating in the North African country, most of whom have adopted a very tough stance over the past six months. The sources suggested the companies will press the Libyans for further price concessions.

"It's very encouraging," said one senior U.S. oil company official. "It shows some concern on their (the Libyans') part, but it isn't as profitable as we hope. We will continue to talk," the official added.

Oil industry sources believe the decision by Exxon to abandon its 25-year relationship with Libya and end its operations there has seriously shaken Libyan officials.

ASSURANCE OF SUPPLIERS

Over the past two days, the National Oil Co. of Libya, which oversees all oil industry activities in the country, has been sending telexes to equipment suppliers, notifying them that it will pick up contracts arranged with Exxon.

"In case Esso Standard Libya (Exxon's Libyan affiliate) . . . fails to fulfill its obligations, we want to assure you upon instructions of the National Oil Co. (of Libya) that we will advance you the funds," one such telex to an American supplier read, according to an official at the supplier concern.

The telexes were coupled with assurances by Libyan officials that they hope to negotiate a settlement with Exxon, industry sources said.

The Libyan price cut is attracting especially wide attention in the oil industry because of the political facts that seem to surround it.

Among other things, oil industry sources observed, there is a strong belief among some officials that Exxon's decision to pull out of Libya—and the possible duplication of this gesture by Mobil—has to some extent been instigated by Saudi Arabia, which has severed its diplomatic relations with Libya after several belligerent exchanges with the Libyan leader, Col. Muammar Qadhafi.

Both Exxon and Mobil have enormous stakes in Saudi Arabia through their partnership in the Arabian American Oil Co. Aramco pumps and markets much of Saudi Arabia's 8.5 million-barrel-a-day production.

Last week, when it confirmed its decision to withdraw from Libya, Exxon wouldn't explain its action. But industry sources believe the decision was motivated by the poor profitability of operations in Libya, pressure from the U.S. government on all American companies operating in Libya to trim operations there, and increasing harassment of Exxon employees in the Brega oil terminal by Libyan security forces, who have been after the housing facilities occupied by the Exxon expatriates working there.

Exxon's pullout could cost the company more than $400 million—for just its wholly owned liquefied gas plant there and other equipment—unless the company can negotiate compensation from the Libyans. The value of the concessions themselves could add many more millions to the potential loss.

Libya's conciliatory price attitude represents a dramatic turn of events for a country that over the past 10 years has generally dictated to oil companies operating there.

Benefitting from a comfortable oil surplus on world markets and a drop in demand from the ailing Western economies, the oil companies seem to have zeroed in on Libya, whose oil, until recently, was the most expensive in the Organization of Petroleum Exporting Countries.

"It is time for the industry to do anything it likes and that's what they are doing in Libya," remarked Herman Franssen, chief economist of the International Energy Agency, a 21-nation organization based in Paris.

CONTRACTS ABANDONED

Over the past six months, U.S., Italian, French and other Western buyers have walked away from more than a million barrels a day of Libyan oil. As a result, Libyan production fell from a high of 1.7 million barrels a day in January to less than 750,000 barrels a day. Oil industry sources say the Libyan economy is beginning to feel the pinch, and there are reports that Libyan officials are sounding out world financial markets for loans.

The Libyan situation has been complicated by a gathering storm of anger in the U.S. against alleged Libyan terrorist activities. France also has exerted military pressure on Libyan troops in Chad by aiding opponents of the Libyan occupation with arms and ammunition. From a Libyan point of view, the withdrawal of oil buyers came as a final blow in what appears to be an international abandonment of the country.●

FOOD SAFETY LAWS

● Mr. GARN. Mr. President, a few years ago, when I was proposing amendments to the Endangered Species Act, I was widely accused of trying to gut the act. Today we see the same thing being said about some of our colleagues who are struggling with the Clean Air Act. I think it is fair to anticipate that the same thing will be said when the Senate undertakes modifications in the Nation's food safety laws.

Those charges were not true then, and they are not true now. The fact is that we have developed, in so many cases, a rigid regulatory structure which simply fails to reflect the real world in which real people live, work, and have their being. The abstractions of legislation do not always meet the reality of daily life. That is especially true when the legislators have not had experience with the kinds of things being regulated, and may be even more true when the staffs of those legislators have never had a real job in their lives.

My colleague from Utah, Senator ORRIN HATCH has recently treated the question of the food safety laws in an article in the Washington Post. I very much appreciated his comments, particularly when he said that "the basic purpose of the Delaney clause represents sound public policy." I agree with him; I said the same thing about the Endangered Species Act, and about the Clean Air Act. The problem is that the rigidity of the Delaney clause runs up against a technology so keen and efficient that carcinogens can be found anywhere, in quantities so small that they cannot be believed. It is not uncommon now to measure carcinogens in parts per quadrillion. I do not want to get into a debate over the threshold effect but I would like to point out that concentrations that small are simply a fact of life on this planet, and it is foolhardy to ban from consumption anything with levels of that sort in it. And yet, that is what the Delaney clause does.

Mr. President, we will have an interesting time with the food safety laws in this Congress, but I believe we will be better prepared for it if we take a look at the outline of the problem given to us by Senator HATCH. I accordingly ask that his article, from the Post of November 10, be printed in the RECORD.

The article follows:

SACCHARIN, BACON AND THE LAW

(By ORRIN G. HATCH)

There is quiet on the food safety front. No imminent crises. No public alarms. No important food substances about to be removed from our dinner tables. On July 25, Congress eagerly agreed for the third time in four years to keep the Food and Drug Administration from banning saccharin during the next two years. In addition, the scientific evidence on nitrites has been re-examined and initial fears about its potential toxicity have been assuaged, allowing bacon to remain on our breakfast tables, at least for the moment.

Yet it is an uneasy quiet. The momentous task of re-examining the broader questions of food safety policy remains. Four years ago, amid the tumultuous public reaction against the proposed saccharin ban, Congress defused the situation by postponing revision of the food safety laws pending a study by the National Academy of Sciences. This study has since been concluded, and the NAS has recommended an overhaul of current food safety laws. In the view of NAS, "the law has become complicated, inflexible and inconsistent in implementation . . . [and] is inadequate to meet changing and increasing problems of food safety." Under the Carter administration, the FDA's Task Force on Food Safety advocated significant revision of the statute. The General Accounting Office recently completed a survey of former FDA commissioners that revealed a strong consensus for major reform.

But what reform? I recently introduced S1442, the Food Safety Amendments of 1981, as one way to revise and update these laws.

Unfortunately, past debate on food safety has been less than dispassionate. Too many consumer groups and food processors have been raining invective on each other.

At the center of this storm rides the Delaney Clause, a 1958 amendment requiring a ban on any substance shown to induce cancer in man or animals, regardless of any benefits associated with its use. No exception is made for substances found in such infinitesimal amounts as to present the most insignificant risk to humans.

Combatants in earlier battles of the food safety war have been fighting either for the Delaney Clause or against it. But what is needed, in fact, is some fine tuning.

The basic purpose of the Delaney Clause represents sound public policy—no substance should be added directly to food if it is a carcinogen. But how should substances like saccharin be regulated? Applying a rigid, inflexible rule to a substance that has been in use for decades and for which there are no available substitutes is shortsighted at best. For diabetics and others who cannot eat sugar, cutting off their only viable substitute sweetener is unfair.

Reasoned decision-making is even more crucial in matters affecting the supply and marketing of our basic foods. Natural nutrients found in familiar foods such as potatoes, onions and black pepper have been implicated as potential carcinogens. Essential nutrients such as selenium, Vitamin D and calcium, substances required in our human diet, act in high doses as carcinogens. The logical extension of implementing the current law would lead to FDA's banning these most basic foods.

Fortunately, the FDA has chosen the more prudent course of action and ignored the statute. Yet the law should not be merely an option or a suggestion that a federal agency can accept or reject with impunity. Laws are normative, which means they not only tell us what we can and cannot do, but set standards reflecting what a consensus of us in the community considers reasonable policy.

Right now, the Delaney Clause as a law that provides for summarily banning foods without any recourse or appeal is not reasonable.

Our revision of law should keep pace with scientific advancements. Scientists can now detect traces of potentially harmful substances at parts per trillion—a million-fold increase in analytical sensitivity compared with the methods available more than 20 years ago, when the Delaney Clause was conceived and the law last examined. Traces of such substances are being found throughout our food supply in very minute quantities. Attempting to eliminate all these food substances threatens the quantity of our national food inventory while promising only the most nominal impact in our common cause to improve the public health.

Keeping our food supply safe is of the highest priority. Yet some degree of risk is inherent. Zero risk has proved to be impossible to achieve. The FDA must focus its resources on eliminating those risks that have a potential for actually harming humans. Trivial or speculative risks should not be regulated.

Revision of the food safety law is only the first step in assuring the American people a safe and plentiful food supply. Increasing our knowledge by supporting research in the fields of nutrition and disease prevention is of equal importance. Only if sound and reliable information is available can consumers, industry and the FDA make informed and rational decisions.●

SUCCESSOR GENERATION PROBLEM

● Mr. LUGAR. Mr. President, we are all aware of the importance of maintaining and expanding the many close connections which unite us with the nations of West Europe. At this critical period, it is more important than ever to remind each other of the shared values which distinguish the West from totalitarian regimes which are fundamentally opposed to these values.

In this regard, the Governments of West Germany and the United States have agreed to explore ways in which young people can become better acquainted with the values and the historical experience which unifies the nations of the West. This has become known as the successor generation project.

On November 3 the Congress was privileged to welcome the German representative for this project, Dr. Hamm-Bruecher. In introducing Dr. Hamm-Bruecher, Senator HEINZ offered an excellent summary of the situation which has brought into existence the successor generation project. I commend his thoughtful comments to my colleagues, and ask that they be reprinted in full.

The speech follows:

REMARKS OF SENATOR JOHN HEINZ

Mrs. Hamm-Bruecher, distinguished panelists, friends:

On behalf of my cosponsors—the Atlantic Council of the United States, Senators Cohen, Nunn, Lugar, and Boschwitz, and Representatives Fenwick and Leach—I want to welcome all of you here this afternoon for our "Conference on the Long-Term Challenge to German-American Partnership and Security." This challenge, called the "Successor Generation Problem" by some, has deeply concerned me because of its magnitude and its potential to disrupt not only German-American friendship, but also the harmony of the entire Atlantic community.

Although I have felt vaguely uneasy about the tensions that developed between the U.S. and Europe over the Vietnam War in the 1960s and early 1970s, only in the last few years have I begun to comprehend fully the dynamics at work. I want to thank the Atlantic Council Working Group on the Successor Generation for their outstanding contribution to our understanding of these dynamics—the policy paper entitled, The Successor Generation: Its Challenges and Responsibilities.

As one who was less than a year old when the Second World War broke out in Europe, I am a member of the Successor Generation myself. Yet, at the same time, I am old enough to remember by vivid impressions of the Yalta Conference, the Marshall Plan, the Berlin Blockade, the Hungarian Revolution in 1956, the building of the Berlin Wall in 1961. I am proud of the fact that the United States and the Federal Republic of Germany stood as one in our steadfast opposition to Soviet efforts to extinguish basic human rights. German-American partnership was and still is the linchpin of the free world's economic and political, as well as military security.

But I believe that events in Europe today potentially threaten the partnership that has been the bedrock of peace since 1945, the partnership that has helped keep the free world free. The conference today is part of a major effort to discover what we can do about erosion of support for that partnership among the Successor Generation on both sides of the Atlantic.

I believe that current developments affecting the Atlantic Alliance present both a challenge and an opportunity. The challenge is to adapt the Alliance to meet the new conditions of a new generation. And the opportunity is to build a better and more permanent relationship upon our shared moral and political values.

The demonstrations of recent weeks in West Germany and other Western European countries have dramatized the concerns of the Successor Generation.

Some members of this vocal minority cry out against the deployment of nuclear weapons. Some cry out against materialism. Some cry out against an economic system that doesn't seem to be producing enough new jobs. The cries come from the political left, from the Protestant churches, from environmentalists, from the economically dissatisfied, and from the broad category of searching idealists. While many of those involved in this movement have opposed both U.S. and Soviet policies, it is also unfortunately true that many seem to focus on U.S. policy as the cause of their evils.

It's difficult for Americans to understand what it's like to live with the immediate threat of war—a third war in a single century on your own soil. It's no wonder that there is deep concern in Germany lest the Soviets view Germany as a lance pointing eastward.

But to Americans it seems as though things have somehow got turned around. The German Successor Generation seems to be suffering from a sort of historical amnesia, a loss of historical perspective. While American policy is the focus of dissatisfaction, the Soviet Union, which still oppresses West Germany's Polish, East German, and Czechoslovakian neighbors, and which just two years ago invaded Afghanistan, is made to look benign. Why is it that the German Successor Generation sees America as part of the problem, not as part of the solution?

After World War II, the sharing of ideas was built on Atlantic consensus just as surely as did political, economic, and military cooperation. As one observer has said, "the bricks in the edifice were guns and money and technology, but the mortar holding it together remained the common heritage and values of western civilization."

This common heritage and the network of human contacts that have grown out of it have produced a belief in democratic institutions and the free enterprise economic system—a belief that our shared values were so precious that we must be prepared to protect them if necessary, but also a belief that the surest way to avert war is to be strong enough to discourage it.

Surely what unites us—our shared devotion to democracy and individual freedoms—is greater than what divides us.

I believe—and I'm confident that I speak for our panelists—that we must do all we can to maintain those values and that strength.

Our task is to channel the Successor Generation's idealism and energy into strengthening the values and institutions that bind us together.

Our meeting today is to begin this task on our side of the Atlantic just as Dr. Hamm-Bruecher has begun it on the other side. I hope you will join with us in that effort.●

A PIONEERING OREGONIAN

● Mr. PACKWOOD. Mr. President, on October 2, 1981, Mr. Alfred A. Aya—a pioneering Oregonian—died at the age of 102. His life and activities are part of Oregon's history.

I ask that this brief account of his accomplishments be printed in the RECORD.

The account follows:

ACCOMPLISHMENTS OF MR. AYA

Death came quietly in San Francisco's early morning on 2 October to Mr. Alfred A. Aya, pioneering Oregonian. He was born 15 June 1879 in Albert Lea, Minnesota, to immigrant German parents whose family name was originally von Ay, deriving from the town of Ay in Alsace-Lorraine. When he was 10 years old, his family moved to Eugene, Oregon, where he continued his formal edu-

cation until graduation from the University of Oregon Law School in 1903.

He was a member of the legal fraternity, Phi Delta Phi and, as Valedictorian of his graduating class, delivered an address concerning weaknesses of circumstantial evidence.

He practiced law in Portland until 1909, then turned full attention to various industries with which he had become associated. In 1910, as President and General Manager of the La Pine Townsite Company, he founded the Central Oregon town of La Pine and promoted awareness of Oregon's need for more industries, greater population—and particularly the need for hardy people willing to settle in undeveloped areas and help realize potentials he felt similar to many in Switzerland. He was President of the La Pine State Bank, the La Pine Commercial Club, and publisher of the La Pine newspaper. In these activities, he was instrumental in organizing the Oregon State Chamber of Commerce—and became one of its early Directors.

Living in La Pine at this time, he met Grace M. Honeyman who was on a sightseeing tour with her father, Mr. Thomas D. Honeyman, President of Honeyman Hardware Company owned by that pioneering Scottish family in Portland.

Following this chance meeting, Mr. Aya pursued his courtship by travelling to and from Portland—though La Pine was then 125 miles from the nearest railroad. When the time came to obtain her father's permission to marry, Central Oregon was heavily snowbound, and Mr. Aya travelled considerable distance on skiis out of La Pine on his way to Portland. Enroute, a snapping ski pole broke one of his ribs, but he continued on to his destination. His fortitude was rewarded, and in June 1914 they were married.

He and his wife raised their first two children while living in La Pine. Their first child, Barbara, is now Mrs. Clarence Wilkins of Vacaville, California. Their second child is Mr. Roderick Honeyman Aya, recently retired Division Manager—Federal Taxes, American Telephone & Telegraph, living in Rowayton, Connecticut.

In 1918, Mr. Aya moved his family to Portland where Swift & Company, of Chicago, engaged him to develop their extensive industrial property in North Portland. For that purpose, he was sent to study cargo handling facilities of the Port of New York—toward developing Swift & Company's North Portland's Columbia River frontage as the Pacific Coast's only direct seaport for shipment of livestock products. Mr. Aya brought about construction of the necessary deep water channel up the Columbia past the mouth of the Willamette River, then the only route for ocean cargo out of the Portland complex.

Having many interests at the time, he was active in political circles, the Portland Ad Club, the Portland Press Club, the Realty Board, the Portland Chamber of Commerce, a Charter Member of Portland's Waverley Country Club, Vice President of the Oregon Manufacturer's Association, Vice President and General Sales Manager of Columbia Tire Corporation, promoter of the Pacific International Livestock Exposition, and President of the North Portland Manufacturer's Club.

During the early 1930's, Mr. Aya pursued various activities including development of an electric furnace for smelting precious metal ores. Specially designed electrodes enabled use of continuous electric arc for this process.

In the mid-1930's, he provided advertising and legal counsel to Honeyman Hardware Company, Portland, and conducted limited private law practice.

He began his final career in 1944, at age 65, becoming an Associate of J. Henry Helser Company, Investment Managers, headquartered in Portland. After World War II, when Mr. J. Henry Helser returned from service in the U.S. Third Army, Mr. Aya moved to San Francisco to develop the firm's activities in California.

He served as Senior Associate in J. Henry Helser Company until he retired at age 79 in 1958.

After 52 years of marriage, Mrs. Aya, at 73, passed away in January 1966. Mr. Aya continued to maintain the household in San Francisco together with his youngest son, Alfred A. Aya, Jr., of Pacific Telephone's Corporate Research Division. Mr. Aya leaves his three children, several grandchildren and great grandchildren.●

POLITICAL ECONOMY OF THE B-1 BOMBER

● Mr. RIEGLE. Mr. President, a study has been prepared called the Political Economy of the B-1 Bomber." This study demonstrates the disproportionate burden that Michigan and other States would bear if Congress does approve funding for the B-1. The author of the report is Dr. James R. Anderson, of the Employment Research Associates in Lansing, Mich. I ask that the results of the study be printed in the RECORD.

The material follows:

TABLE I.—ALLOCATION OF B-1 TAX BURDEN AND PROGRAM SPENDING BY STATE

[Dollar amounts in millions]

State	B-1 outlays	B-1 tax burden	Net gain or loss
Alabama		$517.4	−$517.4
Alaska		115.4	−115.4
Arizona	$342.3	394.0	−51.7
Arkansas		274.6	−274.6
California	12,286.3	4,620.8	+7,665.5
Colorado	76.5	505.5	−429.9
Connecticut	421.9	696.5	−274.6
Delaware		119.4	−119.4
Florida	537.3	1,524.3	−987.0
Georgia	819.9	752.2	+67.7
Hawaii		175.1	−175.1
Idaho		131.3	−131.3
Illinois	577.1	2,451.7	−1,874.6
Indiana	151.2	975.1	−823.9
Iowa	67.7	525.4	−457.7
Kansas	1,273.6	425.9	+847.7
Kentucky		509.4	−509.4
Louisiana		612.9	−612.9
Maine		147.3	−147.3
Maryland	1,333.3	847.7	+485.6
Massachusetts	748.2	1,042.8	−294.6
Michigan	362.2	1,858.7	−1,496.5
Minnesota	43.8	740.3	−696.5
Mississippi	59.7	274.6	−214.9
Missouri	27.9	819.9	−792.0
Montana		127.4	−127.4
Nebraska		270.6	−270.6
Nevada		155.2	−155.2
New Hampshire	59.7	155.2	−95.5
New Jersey	1,631.8	1,568.1	+63.7
New Mexico	51.7	175.1	−123.4
New York	3,426.8	3,343.2	+83.6
North Carolina		800.0	−800.0
North Dakota		103.5	−103.5
Ohio	7,422.7	2,005.9	+5,416.8
Oklahoma	1,393.0	465.7	+927.3
Oregon	95.5	473.6	−378.1
Pennsylvania	234.8	2,097.5	−1,862.7
Rhode Island		159.2	−159.2
South Carolina		398.0	−398.0
South Dakota		95.5	−95.5
Tennessee	1,078.6	644.8	+433.8
Texas	1,006.9	2,435.8	−1,428.9
Utah	107.5	191.0	−83.5
Vermont	139.3	67.7	+71.6
Virginia	47.8	919.4	−871.6
Washington	3,824.8	776.1	+3,048.7
West Virginia	55.7	274.6	−218.9
Wisconsin	99.5	792.0	−692.5
Wyoming		91.5	−91.5
District of Columbia		155.2	−155.2
Total	39,800.0	39,800.0	

STATES IN ORDER OF NET LOSS OR GAIN OF TAXES IN BUILDING THE B-1 BOMBER

[In millions of dollars]

State	Net loss of tax money	Net gain of tax money
1. Illinois	−1,874.6	
2. Pennsylvania	−1,862.7	
3. Michigan	−1,496.5	
4. Texas	−1,428.9	
5. Florida	−987.0	
6. Virginia	−871.6	
7. Indiana	−823.9	
8. North Carolina	−800.0	
9. Missouri	−792.0	
10. Minnesota	−696.5	
11. Wisconsin	−692.5	
12. Louisiana	−612.9	
13. Alabama	−517.4	
14. Kentucky	−509.4	
15. Iowa	−457.7	
16. Colorado	−429.9	
17. South Carolina	−398.0	
18. Oregon	−378.1	
19. Massachusetts	−294.6	
20. Arkansas	−274.6	
21. Connecticut	−274.6	
22. Nebraska	−270.6	
23. West Virginia	−218.9	
24. Mississippi	−214.9	
25. Hawaii	−175.1	
26. Rhode Island	−159.2	
27. District of Columbia	−155.2	
28. Nevada	−155.2	
29. Maine	−147.3	
30. Idaho	−131.3	
31. Montana	−127.4	
32. New Mexico	−123.4	
33. Delaware	−119.4	
34. Alaska	−115.4	
35. North Dakota	−103.5	
36. New Hampshire	−95.5	
37. South Dakota	−95.5	
38. Wyoming	−91.5	
39. Utah	−83.5	
40. Arizona	−51.7	
41. New Jersey		+63.7
42. Georgia		+67.7
43. Vermont		+71.6
44. New York		+83.6
45. Tennessee		+433.8
46. Maryland		+485.6
47. Kansas		+847.7
48. Oklahoma		+927.3
49. Washington		+3,048.7
50. Ohio		+5,416.8
51. California		+7,665.5

●

SENATOR SARBANES SALUTES 75TH ANNIVERSARY OF THE CATHEDRAL OF THE ANNUNCIATION

● Mr. SARBANES. Mr. President, this week, Archbishop Iakovos, primate of the Greek Orthodox Church of North and South America, will be in Baltimore to help celebrate the culmination of the 75th anniversary of the founding of the Greek Orthodox Cathedral of the Annunciation, first Greek Orthodox Church to be established in Maryland.

Seventy-five years ago through the visionary efforts of a small but determined group of Greek imigrants, orthodox Christianity first took root in Maryland. These heroic pioneers and their successors achieved this vision because they willingly made the sacrifices necessary to preserve their faith and built a viable religious community. Over the years the Cathedral of the Annunciation has been the center of religious life in Baltimore and throughout Maryland for thousands of faithful parishioners.

In the year 1906 when the State of Maryland formally granted a charter to the Greek Orthodox Church of Evangelismos, the parish consisted of 68 families. Today more than a thousand fami-

lies worship, are comforted and receive the sacraments from Father Constantine Monios, dean of the cathedral and assistant pastor, Father Mark B. Arey.

The establishment of Greek Orthodox Churches, in Baltimore and elsewhere throughout the country indicated to many Greeks that their future was to be found in the United States. These early pioneers, like my own father and mother, dedicated themselves to the founding and building of their churches even before they had homes and possessions. Those who came after have preserved those timeless values—strong family, hard work and love of church—which have not only perpetuated a venerable spiritual tradition but have also contributed significantly to the diversity and strength of this great country.

Over the years the Greek-American community has played an important role in the growth, stability and the revitalization of downtown Baltimore. I ask that a brief history prepared by parishioners of the Cathedral of the Annunciation, of which I am proud to be a member, be printed in the RECORD.

The history follows:

A BRIEF HISTORY OF THE GREEK ORTHODOX CATHEDRAL OF THE ANNUNCIATION

Greek families began to arrive in Baltimore in large numbers in the 1880's. The thirst for Orthodox worship came with them. One of these early Greek immigrants, Christos Sempeles, yearned to foster a worshiping community in his new land. Mr. Sempeles quickly established himself in the confectionery business with his brothers at Centre Market and was able to provide funds to establish the first Greek Orthodox place of worship at Bond and Gough Streets. He could not receive enough support from his fellow immigrants and the attempt failed.

From 1893 to 1905, as the need for an established center of worship became more pronounced, the sacraments of the Orthodox were celebrated only on the occasion of visits by Greek Orthodox priests. Two of the earliest priests known to visit Baltimore were Father Papaconstantinou and Father Theodore Prussianos. On Sunday, March 18, 1906, a Divine Liturgy was celebrated at the Union Hall on Fayette and Gay Streets. The records show that 150 Greek Orthodox attended that historic Liturgy. The name "Evangelismos" (Annunciation) was chosen and the first full time priest, Father Constantine Douropoulos, was assigned to the new parish in 1908. In October, 1909, a church was purchased at the corner of Homewood and Chase Streets.

Church membership increased immediately and church related activities thrived. In order to preserve the Greek language a Greek school was established in 1912, and the first youth organization, the Greek-American Athletic Association, was founded in 1915. A portion of Woodlawn Cemetery known as the "Greek Circle" was purchased in 1916.

Throughout the early years the internal affairs of Greece still greatly influenced the immigrant generation. The struggle of the Royalists and the Venizelists, following the end of World War I, in Greece had a dramatic effect on the Greeks in America. The establishment of Holy Trinity Greek Orthodox Church at Broadway and Monument Streets was a direct result of the political conflict in Greece. This parish existed for a period of seven years until in 1929, the two congregations came together again and the Annunciation community continued its life at Homewood and Chase.

As the congregation grew, the church structure at Homewood and Chase became inadequate to serve the spiritual, educational, and social life of the parish. Plans were formulated early in the 1930's to enlarge the church structure. These plans failed to materialize because another avenue appeared. A larger, more magnificent church at the corner of Maryland Avenue at Preston Street became available. Even though plans were underway to demolish the then vacant former Congregationalist Church and build a gasoline station on the site, an appeal by several families of the parish to Mayor Howard Jackson was successful and the church was purchased for $40,000. The original construction cost of the church in 1889 was $137,000.

The official purchase of the church was made in March, 1937 and the first Divine Liturgy was celebrated there on April 23, 1937. His Eminence, Archbishop Athenagoras, Primate of the Greek Orthodox Archdiocese of the North and South America, consecrated the church on May 8, 1938.

As the Woodlawn Cemetery property was no longer adequate, a 14-acre tract of land on Windsor Mill Road was purchased as a Greek Orthodox Cemetery in October, 1943.

In 1959 a major renovation of the undercroft area of the church building took place and the three-level educational wing was completed. In 1965 the sanctuary was refurbished and redecorated and the new iconastasion installed. Throughout the entire history of the Annunciation, renovations and restoration helped preserve the building and add greater space for parish life and activities.

Perhaps one of the most significant milestones in the life of the Annuncation parish occurred in March of 1975. His Eminence, Archbishop Iacovos proclaimed the Annuncation parish the Cathedral of the State of Maryland. In an impressive ceremony this title was bestowed by Metropolitan Silas during an archpastoral visit here.

As the Cathedral continued to grow it became evident that in order to meet its responsibilities as the center of Orthodoxy in Maryland and to better serve the needs of its parishoners additional physical facilities were required. In 1978 five townhouses on Preston Street was acquired with the hope that they would be converted into a cultural and social center. Responding to the need for a parking facility, the Brooks-Huff property on Maryland Avenue was acquired. The Chapel of Holy Wisdom in the educational wing of the Cathedral was completed in February of 1981. During this year major renovations are taking place in the Cathedral interior. The Chapel of the Holy Resurrection at the Greek Orthodox Cemetery will be constructed in 1981.

The life of a parish is not reflected in the development of physical facilities alone. The physical facilities merely reflect the needs and achievements of those who worship and live the life of this Cathedral. From the time of its founding the Cathedral has been the fountainhead of Orthodox life in this city and State. It has been a leader in spiritual, liturgical, musical, ecumenical, and humanitarian activities.

The Cathedral Philoptohos has responded to the needs of the faithful for forty-five years. The education of our parishioners has been accomplished through our religious instruction both for the children and adults of our community. The Theodore J. George Library, judged by many as the most comprehensive in the Archdiocese, will soon be in its new home and will house 10,000 volumes. In order to respond to the critical area of social services a committee dedicated to this work has founded the Blood Bank, has arranged Cooley's Anemia testing programs, assists the elderly and those who turn to the Cathedral for assistance in social service related programs.

With the blessing and support of our Cathedral both St. Nicholas and St. Demetrios parishes were established. These parishes, along with our Cathedral now serve thousands of Greek Orthodox families. The story continues. We mark the Seventy-Fifth Anniversary of the founding of the Cathedral parish as one of the leading and largest parishes in the Archdiocese.●

SENATOR HUDDLESTON TESTIFIES ON IMMIGRATION

● Mr. HUDDLESTON. Mr. President, I ask that my testimony today before the House Subcommittee on Immigration, Refugees and International Law be printed in the RECORD.

The testimony follows:

TESTIMONY OF SENATOR WALTER D. HUDDLESTON BEFORE THE HOUSE SUBCOMMITTEE ON IMMIGRATION, REFUGEES, AND INTERNATIONAL LAW, NOVEMBER 19, 1981

Thank you, Mr. Chairman, and members of the Subcommittee. I'd like to express my great appreciation to you for all of the work that you, Mr. Chairman, and your Subcommittee have done in the vital area of immigration. It was not long ago that very few people cared about immigration. Today, this Subcommittee not only cares about immigration, but is taking positive steps to do something about it.

As we all know, demands on a Member of Congress' time are unending; these demands make the level of expertise developed by this Subcommittee all the more impressive. So it is extremely gratifying to me to see so many people recognizing the danger that uncontrolled immigration poses to our country. I think that we have found a consensus in Congress on the framework for a solution to our immigration problems, and I am quite pleased to be working with this Subcommittee and its Senate counterpart in seeing that skeleton fleshed out.

My greatest concern, Mr. Chairman, is with the lack of control over immigration. I see immigration reform as a two-step process. The first step is stabilization, getting control over immigration. The second step is real immigration reform. I believe that we cannot move to comprehensive immigration reform without first controlling our borders.

Last year we admitted more people to the United States than in any other year in our history. More than 800,000 persons were admitted legally, and at least that number came illegally. Close to one million illegal immigrants were apprehended, and another 900,000 ineligible aliens were turned away at ports of entry. Estimates of the illegal immigrant population in the United States have risen from 3.5 to 6 million four years ago, to perhaps 8 or 10 million today. Yet the Immigration and Naturalization Service is demoralized, underfunded and lacking leadership.

How did we get to this state of affairs? For fifteen years, from 1965 to 1980, Congress passed no major immigration legislation. We thought the 1965 legislation would make our immigration laws humane and less discriminatory, without increasing immigration. Now we can see that the real effect of the 1965 law was to send immigration spiraling out of control.

For fifteen years, the members of the House Judiciary Committee were the only ones who wanted to do something about our immigration problems. Others chose to ignore the problems for fear of appearing insensitive or because the problems were thought to be too far in our future. While the House struggled to make us aware of the worsening situation, both legal and illegal immigration continued to mount.

Then in 1979, we awoke to find what has

turned into a ceaseless flow of "boat people," Southeast Asians who placed themselves in mortal danger in hopes of being resettled in the United States. We resettled hundreds of thousands, far more than the rest of the world combined. And we are continuing to accept thousands of refugees each month, not just from Southeast Asia, but from all around the world. We have spent more than $4 billion on refugee assistance in the last two years.

To help these refugees, Congress passed the first major change in our immigration laws since 1965, the Refugee Act of 1980. Most of us here today were part of that effort. But even this major loosening of our immigration laws was not enough to meet the unending demand. The number of refugees has risen to 16 million worldwide, and all of our efforts, and those of the United Nations High Commission for Refugees, seem unable to reduce the number.

In May, the Attorney General, under pressure to admit Southeast Asians who did not qualify as refugees, suspended enforcement of parts of the Refugee Act, just as Attorney General Civiletti the year before had ignored the Act in order to admit Cubans and Haitians. This decision was wrong. It angered Southeast Asian countries, caused us embarrassment in the Asian press, and was not in accord with the policies established by Congress.

Americans are the most generous people on this planet in admitting refugees and immigrants. But as Americans continue their historical generosity in the face of unending pleas for entry, they have become increasingly concerned by the lack of control in immigration. Senator Alan Simpson, Chairman of the Senate Subcommittee on Immigration, calls this process "compassion fatigue."

Resentment has turned to violence between Americans and new immigrants in Colorado and Texas. In Florida, researchers found that at least part of the cause for last year's Miami riots was resentment over large numbers of new Cuban entrants receiving massive government aid. Two-thirds of Americans wanted a complete suspension of immigration until unemployment fell below five percent, according to a November 1980 Gallup-Newsweek poll. Think of the resentment which will exist in 1982 when unemployment is expected to be over 9 million.

Some people blame the Cuban exodus of last year for the "great awakening" of the immigration reform movement. I think that the American people have been concerned over uncontrolled immigration for much longer.

A 1977 Roper poll found that 91 percent of those polled wanted "an all-out effort" to stop illegal immigration, and 75 percent wanted legal immigration reduced below 400,000 per year. In 1980, that poll was repeated; again 91 percent wanted all-out action on illegal immigration, and the number calling for decreased legal admissions rose to 80 percent. In such a climate, comprehensive immigration reform is difficult. We must regain control over immigration before we can hope to completely reform it.

Fortunately, as this hearing shows, we are finally moving in that direction. The Reagan Administration has presented its proposals, the two Subcommitees are hard at work, and many of the bills you will hear about today, including S. 776, the Immigration and National Security Act of 1981, are being seriously considered as models for immigration control laws.

Our task is not complete, however, since we have formed only an outline of the necessary steps, the details have not yet been worked out. We must reconcile the differences in our approaches in a manner which will retain the effectiveness and fairness of each, while minimizing the cost and burden of each.

But we can take heart in the emergence of a growing consensus in Congress on the following elements:

First, we must control all legal admissions to the United States. Several mechanisms have been proposed, including a strict statutory ceiling on admissions, a flexible statutory ceiling under Executive control, Congressional control over a flexible ceiling, and a temporary ceiling reset by Congress every year or two.

Second, we must control illegal entry to the United States, both directly and by those who would abuse the terms of their visas. This effort will have many parts, since illegal immigration is a complex phenomenon. Some of those parts will include a prohibition against the employment of illegal immigrants in American jobs, coupled with a method for determining who is eligible to work; increased immigration law enforcement both in the interior of the U.S. and along our borders; and swift, fair, and final adjudication of immigration status, consistent with the due process requirements established by Congress.

Third, we must have a humane solution for those illegal residents who have become deeply attached to this country. This effort, perhaps the most controversial of all three, will include some legalization of status for some illegal residents, and temporary worker status for others. I might point out a new concept that is gaining favor, of a synthesis between these two points.

By linking guestworkers and amnesty we could solve most of the problems each idea alone would cause, while avoiding the creation of many new problems. We could be generous in granting permanent residence to long-term residents, reserving temporary worker status for illegal residents who entered recently. Thus we could avoid rewarding most illegal residents for breaking the law, and also avoid bringing in large new groups of foreign workers.

I would like to address two parts of S. 776 which cover aspects of these larger areas I feel deserve special note. The first is the ceiling on legal admissions, and the second is the Fair Hiring system, the system to verify the eligibility of an applicant for employment.

The ceiling I proposed in the INS Act is simple and effective. It would set a ceiling in law, which could be flexible in emergencies, but would otherwise include all categories of admissions. I have suggested a ceiling of 350,000 per year. That level of 350,000 per year is sometimes described as too low, but I think that it is very generous. It is more than the admissions for permanent resettlement of the rest of the world combined. It is higher than the average admissions over the last 60 years, and represents an increase in the statutory level of visas of 80,000 per year. It will mean a U.S. population in the year 2000 of about 245,000,000 people, and in the year 2030 a population of 260,000,000, assuming fertility remains low and no illegal immigrants enter.

If the need arises to admit more people in a given year than the 350,000 ceiling, the President can adjust the internal limits in the system, to waive the per country limitation, for example, or the limit on the number in any preference. If this is not enough, he can borrow visas from the next year's ceiling.

This means that the President could conceivably admit 700,000 persons in one year, even under the ceiling, but we would balance that off the next year. I believe that this flexible ceiling offers a practical solution that is generous yet controlled.

The other area I would like to touch on today is the Fair Hiring system, also called the Employment Verification system. I call it the Fair Hiring system because that is what we are trying to produce: fairness in hiring, including fairness to American employers trying to determine who is eligible to work, and fairness to American minority workers, understandably anxious that they not bear an unnecessary burden.

The Fair Hiring system I proposed in the Immigration and National Security Act is one which I think will give the most effective coverage of the work force with the least burden and the least cost. It is a three-phase system, using both improved Social Security cards and a telephone verification system for the applicant's Social Security number. The system gradually becomes more effective and secure, while minimizing high start-up costs.

The electronic technology to make such a system reliable and inexpensive has only recently become available. But such a system offers benefits that no other system, even the more commonly discussed eligibility card system, has.

This system is the only one which will provide absolute security for the American employer from inadvertent or erroneous government prosecution, while placing no burden on the employer. The employer acts only as a conduit for information, and does not have to judge who is eligible for employment. The unique transaction code provided to the employer, just like in a credit card purchase, provides an absolute defense for the complying employer.

And the Fair Hiring system I proposed is the only system that gives absolute protection against minority American workers. All such systems to verify employment can be made non-discriminatory by requiring every job applicant to do the same thing, regardless of appearance or ancestry.

But the electronic system is the only one which creates a record of each transaction that can be used to determine whether in fact an employer is checking the eligibility of all applicants or only those who appear suspicious.

The only serious objections to the electronic system that I have heard involve cost and reliability. New technology is far less expensive than even just a few years ago, since new mini-computers can carry out the tasks we would require here. And, under my system, the cost is delayed and spread out, since the system is introduced gradually.

As for reliability, I would point out that the wide use of such technology by banks, credit card companies and other financial institutions indicates their faith in the systems. The large credit card companies process almost 30 million transactions a month, and even banks are now using electronic bill-paying machines for their customers' convenience. The United States is unique in having the national communications network which would allow us to expolit this new technology.

Mr. Chairman, I would like to close my remarks today with my own personal view of the immigration problem. For 15 years we have ignored our immigration problems. We have pretended that they are too far off to affect us personally.

But my real worry is for our less fortunate citizens. It is our low-income and minority citizens who have borne the brunt of competition with immigrants. They are the ones who need help. It is time that we helped the poor of our own inner cities, our rural poor, our malnourished and under-educated children, our own ghettos and barrios. Our unemployment and child mortality rates are as high as many third-world nations. It is time that we answered these cries for help.

It is not who the new immigrants are that concerns me; I happen to believe that a multi-ethnic, multi-cultural society is one of America's greatest strengths. But the numbers are just too large.

We cannot accept everyone in this world, nor even a fraction of those who want to come here. Telling ourselves that we have no problems if we just admit more is a

delusion that will not cause the demographic and economic problems of the world to vanish. We cannot create a budget on the hopes that we will win a sweepstakes; nor should we plan for immigrant admissions as though we will be miraculously saved from our own actions in time to save our children's future.

It is time that Congress acts to regain control of immigration. The 97th Congress must act on these immigration control proposals if we are to avoid a tremendous backlash, which could permanently endanger the most generous immigration policies on earth. I stand ready to act on these proposals, and I hope that this Subcommittee, which has done so much work this far, will do so as well.

Thank you, Mr. Chairman.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36 (b) of the Arms Export Control Act requires that Congress receive prior notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during whicn the sale may be prohibited by means of a concurrent resolution. The provision stipulated that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. The classified annexes referred to in several of the covering letters are available to Senators in the office of the Foreign Relations Committee, room 4229 Dirksen Building.

The notifications follow:

DEFENSE SECRETARY ASSISTANCE AGENCY,
Washington, D.C., November 17, 1981.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 82-01, concerning the Department of the Air Force's proposed Letter of Offer to Turkey for defense articles and services estimated to cost $71 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

You will also find attached a certification as required by Section 620C(d) of the Foreign Assistance Act of 1961, as amended, that this action is consistent with Section 620C(b) of that statute.

Sincerely,

ERICH F. VON MARBOD,
Director.

[TRANSMITTAL No. 82-01]

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act)

(i) Prospective Purchaser: Turkey.

(ii) Total Estimated Value:

	(*Millions*)
Major Defense Equipment*	0
Other	$71
Total	71

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: Cooperative logistics supply support (FMSO II) for follow-on spares and supplies in support of C-130H, F-4E, F/RF-5A, F-100C/D/F, RF/F-104G, T-33, T-37C, and T-38 aircraft and other systems and subsystems of U.S. manufacture.

(iv) Military Department: Air Force (KBL).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: November 17, 1981.

POLICY JUSTIFICATION

TURKEY—COOPERATIVE LOGISTICS SUPPLY SUPPORT

The Government of Turkey has requested the purchase of cooperative logistics supply support (FMSO II) for follow-on spares and supplies in support of C-130H, F-4E, F/RF-5A, F-100C/D/F, RF/F-104G, T-33, T-37C, and T-38 aircraft and other systems and subsystems of U.S. manufacture at an estimated cost of $71 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Turkey in fulfillment of its NATO obligations; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

Turkey needs these logistics support systems to maintain the readiness of the Turkish Air Force weapon sytsems of U.S. origin. The cooperative logistics support will be provided in accordance with, and subject to the limitations on use and transfer provided for under the Arms Export Control Act, as embodied in the terms of sale. This sale will not adversely affect either the military balance in the region or U.S. efforts to encourage a negotiated settlement of the Cyprus question.

Procurement of these items and services will be from the many contractors providing similar items and services to the U.S. forces.

Implementation of this sale will not require the assignment of any additional U.S. Government or contractor personnel to Turkey.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

U.S. DEPARTMENT OF STATE,
Washington, D.C., October 2, 1981.

Pursuant to section 620C(d) of the Foreign Assistance Act of 1961, as amended (the Act), and the authority vested in me by Department of State Delegation of Authority No. 145, I hereby certify that the provision to Turkey of cooperative logistics supply support for US-origin aircraft and other system of US manufacture is consistent with the principles contained in section 620C(b) of the Act.

This certification will be made part of the certification of the Congress under section 36(b) of the Arms Export Control Act regarding the proposed sale of the abovenamed articles and is based on the justification accompanying said certification, and of which such justification constitutes a full explanation.

JAMES L. BUCKLEY.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 19, 1981.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 82-03, concerning the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $175 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

ERICH F. VON MARBOD,
Director.

[TRANSMITTAL No. 82-03]

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act)

(i) Prospective Purchaser: Pakistan.

(ii) Total Estimated Value:

	(*Million*)
Major Defense Equipment*	$114
Other	61
Total	175

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: Sixty-four M109A2 155 mm self-propelled howitzers, 40 M110A2 8-inch self-propelled howitzers, 75 M198 155 mm towed howitzers, ammunition, spare parts, training, and technical assistance.

(iv) Military Department: Army (VAU, VBI, VAT, VAP, and VAL).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Included in report for quarter ending September 30, 1981.

(viii) Date Report Delivered to Congress: November 19, 1981.

POLICY JUSTIFICATION

PAKISTAN—HOWITZERS

The Government of Pakistan has requested the purchase of 64 M109A2 155 mm self-propelled howitzers, 40 M110A2 8-inch self-propelled howitzers, 75 M198 155 mm towed howitzers, ammunition, spare parts, training, and technical assistance at an estimated cost of $175 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet invasion of Afghanistan.

The Government of Pakistan requires these howitzers to upgrade and standardize existing artillery as a part of Pakistan's overall force modernization plan.

The sale of this equipment and support will not substantially alter the overall military balance in the region.

The prime contractor for the M109A2 155 mm self-propelled howitzers and M110A2 8-inch self-propelled howitzers will be the Bowen-McLaughlin-York Company of York, Pennsylvania. The Rock Island Arsenal of Rock Island, Illinois, will produce the M198 155 mm towed howitzers.

Implementation of this sale will require the assignment of sixteen additional U.S. Government or contractor personnel for each program to provide Quality Assurance Teams during item deliveries and Mobile Training Teams for 60 days to train a cadre in the operation and maintenance of the howitzers.

There will be minimal impact on U.S. defense readiness as a result of this sale. Initially, 40 M109A2 howitzers will be diverted from U.S. Army production to satisfy Pakistani delivery schedules with payback from subsequent production financed by Pakistani funds.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 19, 1981.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the

Arms Export Control Act, we are forwarding herewith Transmittal No. 82-04 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $117 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

ERICH F. VON MARBOD,
Director.

[TRANSMITTAL NO. 82-04]

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act)

(i) Prospective Purchaser: Pakistan.

(ii) Total Estimated Value:

	(*Million*)
Major Defense Equipment*	$102
Other	15
Total	117

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: One hundred M49A5 tanks and 35 M88A1 recovery vehicles with related ammunition, spare parts, and ancillary equipment.

(iv) Military Department: Army (VAQ, VAM, and VAR).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed To Be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending September 30, 1981.

(viii) Date Report Delivered to Congress: November 19, 1981.

POLICY JUSTIFICATION

PAKISTAN—M48A5 TANKS AND M88A1 RECOVERY VEHICLES

The Government of Pakistan has requested the purchase of 100 M48A5 tanks and 35 M88A1 recovery vehicles with related ammunition, spare parts, and ancillary equipment at an estimated cost of $117 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet invasion of Afghanistan.

The Government of Pakistan requires these tanks, accompanying support equipment, and recovery vehicles to upgrade and standardize existing armor as a part of Pakistan's overall force modernization plan.

The sale of this equipment and support will not substantially alter the overall military balance in the region.

The prime contractor for the M88A1 recovery vehicle will be the Bowen-McLaughlin-York Company of York, Pennsylvania. The M48A5 tanks will come from reserve component stocks.

Implementation of this sale will require the assignment of U.S. Government personnel to Pakistan as follows: M48A5 tanks—a Quality Assurance Team of seven U.S. Government personnel in-country for 14 days after arrival of the first increment of tanks; M88A1 recovery vehicles—a Quality Assurance Team of five U.S. Government personnel in-country for 28 days after arrival of the first increment of recovery vehicles. No contractor representatives will be required.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 19, 1981.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 82-05 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $21 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

ERICH F. VON MARBOD,
Director.

TRANSMITTAL NO. 82-05

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act)

(i) Prospective Purchaser: Pakistan.

(ii) Total Estimated Value:

	(*Million*)
Major Defense Equipment*	$20
Other	1
Total	21

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: Twenty-four M901 Improved-TOW vehicles, 1,005 I-TOW missiles, related spare parts, training, and technical assistance.

(iv) Military Department: Army (VBC and VAY).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 September 1981.

(viii) Date Report Delivered to Congress: November 19, 1981.

POLICY JUSTIFICATION

PAKISTAN—M901 IMPROVED-TOW VEHICLES AND IMPROVED-TOW MISSILES

The Government of Pakistan has requested the purchase of 24 M901 Improved-TOW (I-TOW) vehicles (ITV's), 1,005 I-TOW missiles, related spare parts, training, and technical assistance at an estimated cost of $21 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet invasion of Afghanistan.

The Government of Pakistan requires this equipment to assist in the upgrade of its overall force modernization plan. The ITV's will provide a very modest number of highly mobile, armor protected anti-tank weapon systems.

The sale of this equipment and support will not substantially alter the overall military balance in the region.

The prime contractors will be the following: M901 ITV's—Emerson Company of St. Louis, Missouri; I-TOW missiles—Hughes Aircraft Company of Canoga Park, California.

Implementation of this sale will require the assignment of ten U.S. Government personnel in Pakistan for 90 days to provide training for a cadre in operations, employment, and maintenance, to include direct support and limited general support of the ITV's. Additionally, a Quality Assurance Team of seven U.S. Government personnel will be required in Pakistan for 14 days after arrival of the first increment of ITV's.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., Nov. 19, 1981.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 82-06 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $82 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

ERICH F. VON MARBOD,
Director.

[TRANSMITTAL NO. 82-06]

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act)

(i) Prospective Purchaser: Pakistan.

(ii) Total Estimated Value:

	(*Million*)
Major Defense Equipment*	$51
Other	31
Total	82

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: Ten AH-1S attack helicopters including the TOW missile system and spare parts, training, and technical assistance.

(iv) Military Department: Army (VBA).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 September 1981.

(viii) Date Report Delivered to Congress: November 19, 1981.

POLICY JUSTIFICATION

PAKISTAN—AH-1S HELICOPTERS

The Government of Pakistan has requested the purchase of ten AH-1S attack helicopters including the TOW missile system and spare parts, training, and technical assistance at an estimated cost of $82 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet invasion of Afghanistan.

The Government of Pakistan requires this equipment to upgrade its existing structure as part of Pakistan's force modernization plan. The AH-1S helicopters will provide a modest air mobile anti-tank capability.

The sale of this equipment and support will not substantially alter the overall military balance in the region.

The prime contractor will be the Bell Helicopter Company of Fort Worth, Texas.

Implementation of this sale will require the assignment of ten U.S. Government personnel to Pakistan for a period of 20 days to perform a site survey. Additionally, five U.S. Government technical representatives will be required in Pakistan for 24 months in support of the system.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36 (b) of the Arms Export Control Act requires that Congress receive prior notification of proposed arms sales under that act in excess of $25 million, or in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that two such notifications have been received—one on November 17 and one on November 18, 1981—and I ask to have them printed in the RECORD.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, room 4229, Dirksen Building.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 17, 1981.

Dr. HANS BINNENDIJK,
Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a NATO country for major defense equipment tentatively estimated to cost in excess of $7 million.

Sincerely,

ERICH F. VON MARBOD,
Director.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., November 18, 1981.

Dr. HANS BINNENDIJK,
Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country for major defense equipment tentatively estimated to cost in excess of $7 million.

Sincerely,

ERICH F. VON MARBOD,
Director.●

DENTON RESPONDS TO PRESIDENT'S SPEECH

● Mr. DENTON. Mr. President, President Reagan's proposal is perfectly reasonable and will be a significant step toward world peace if it is implemented.

The proposal is timely. For years, the Soviet Union, with the greatest war machine on Earth, has painted the United States as an imperialist power while our leaders have remained silent. It is overdue for our President to speak up, to illuminate the Soviets' record and compare it with ours.

As the President pointed out, this Nation has time and time again been magnanimous, not selfish. After World War II, when the United States could have dominated the world with its nuclear superiority, it helped rebuild the other industrial powers, even those that had been our enemies.

President Reagan's disarmament proposal is in keeping with that record and with our peace-loving tradition. It is realistic in that his politics recognize that a just peace can be negotiated only from a position of restrained but usable strength.

Throughout our history, we respected, and acted for, the right of all peoples to live in peace. The Soviet Union maintains that it respects the same principle. The time has come for its leaders to prove it by concrete actions.●

COAL: REMARKS OF JOSEPH A. McELWAIN

● Mr. BAUCUS. Mr. President, few of us doubt that coal will continue to become more important as a component of our country's energy mix over the next 30 years. And, few of us doubt that increased dependence upon coal requires increased awareness of the problems the coal industry faces if it is to utilize coal in an economic, efficient, environmentally acceptable way.

Recently, Mr. Joseph A. McElwain, chairman and chief executive officer of the Montana Power Co., made some thought-provoking comments on coal's potential. In brief, he examined the promise many believe to be associated with coal development, and he pointed out that with coal's great potential coexist great potential problems—problems that need to be recognized, addressed, and solved.

Mr. McElwain is an able utility executive and a thoughtful spokesman on these issues. I believe everyone who is concerned about electricity production and coal development can benefit substantially from reviewing the facts, figures, and comments he has concisely presented in his remarks. While I have not hesitated to disagree with the utility industry and do not share all of the views presented in Mr. McElwain's speech, I do believe it is important to recognize industry expertise and listen when spokesmen as able as Mr. McElwain have something important to say.

Accordingly, I ask that Mr. McElwain's remarks be included in the RECORD.

The remarks follow:

REMARKS OF JOSEPH A. MCELWAIN

We are accustomed to hearing coal characterized as this country's ace in the hole. The characterization falls short. To see coal as anything less than a royal flush indicates the viewer is not playing with a full deck.

If we take an objective look at the energy cards we have to play, I think it is abundantly clear that petroleum and natural gas will never fill a full house again. When they're all dealt out during the next 20 or 30 years, we cannot expect the supplementary sources of energy like solar and geothermal to make up more than a straight. Nuclear power's hand may not turn out to be nearly as strong as we once thought it would be. The impediments seem less surmountable with each month that passes, beginning with the hysteria generated by Three Mile Island, the real problem of cleaning it up, the history of cost escalation, the quandary over waste disposal, the unknowns of decommissioning and, most recently, the discovery of rust and brittle steel in 17 of our nuclear electric plants. The political and technical problems of nuclear power may cause that technology to be dealt out of any large part of our energy future.

Without doubt, we'll need all the players and all the cards, but coal must come out with the top hand if we're to lick our energy problems.

It is possible to cite a host of learned studies and reports reaching that same conclusion. It is possible, but it is not necessary. The coal industry is a common sense industry and common sense says you go with what you have. And we have plenty of coal. That is, we have plenty of coal, but not enough to waste.

We all are fond of boasting that the United States is coal rich—that we have between 200 and 500 years of recoverable coal reserves to bail this country out of its winter of energy discontent. That may or may not be true.

Almost every estimate of proven coal reserves we read takes as its base an excellent U.S.G.S. report published in 1975. That report, estimated our demonstrated reserves at 434 billion tons. Some 283 billion tons were identified as recoverable. The latter figure assumed a 57 percent recovery rate of underground coal and 80 percent recovery from surface mining. At least one study has suggested the recovery rate might be more nearly 33 percent and that losses in handling and cleaning could drive our ultimate reserve base of product fuel to something on the order of 120 billion tons.

I do not profess to be qualified to judge the accuracy of the various estimates of coal reserves. I think it is safe to say that if one accepts the figure of 120 billion tons, exploration of inferred and speculative reserves easily could multiply that figure by three or four. It also is conceded that in situ burning of coal could double the reserve figure. All of these imponderables make me think, nonetheless, that we cannot afford to be blasé about the extent of our reserves or how we use them. It is possible that, indeed, we have a lot less coal than we think—particularly when we crank in the institutional, environmental and regulatory constraints on mining.

Which leads us to the conclusions that our royal flush is even more precious than we thought: that if the coal industry is to fulfill its mission, then we must work smarter than we ever have before. The challenge of our lifetimes may be to bridge the energy gap of the next 30 years, to take up the slack left by diminishing oil and gas supplies until other energy forms can assume their long-term places gradually.

The figures tell us that gargantuan task will make deep inroads into all of our resources—financial, technological and managerial, as well as the base resource of coal.

Looking at some six studies completed in the last couple of years, during the remainder of this century the coal industry will be busy—very busy. The best minds assembled by groups ranging from the Office of Technology Assessment to the National Coal Association—tell us that by 1990 we'll be producing between 1.2 and 1.4 billion tons of coal annually. If that comes to pass, we'll have almost doubled our 1980 production of 734 million tons. The figure is stagger-

ing—and it's more staggering when we look at the range of 1.5 to 2.3 billion tons projected for the year 2000.

The opportunities for our industry are incredible. We are truly entering the coal era. We are doing it at a time when the resource we produce is assuming critical importance to the health of our economy, the well-being of the American people and the security of their Nation. For coal, aided by all the other energy resources at our command, is the transition fuel for the last twenty years of this century and the initial years of the next. With it, we will make the transition from oil and gas and make it without our economy staggering, stuttering and halting. Without it, the state of our Nation would be imperiled as it would by global conflict.

Coal will be carving out a lot of work in our energy world. From electric generation to liquid fuels, coal will be the fuel of abundance. A quick outline of the prospective coal markets should suffice to describe the dimensions of our challenge and opportunities.

Any list of coal markets begins with a discussion of electricity, for that form of energy promises to assume major proportions as we switch from oil and gas. Most experts long since have concluded that electricity will constitute half of our total energy mix by the year 2000. The National Electric Reliability Council projects a 38 percent increase in electric demand by 1990. NERC says coal will provide almost 53 percent of the Nation's total electric generation then.

In terms of market, and assuming we double our nuclear capability by 1990—which appears unduly optimistic—mining to support electric generation will increase from more than 584 million tons this year to 881 million tons in 1990. That new increment of coal will fuel 198 units of new generation totaling in excess of 100,000 megawatts of capacity. Another 6000 megawatts of power converted from oil to coal will make up the remainder of the market.

The transfer from oil and gas to coal also may be reflected strongly in the need of industry for process heat. From a market of 60 tons in the mid-1970s, the Department of Energy has projected coal demand to reach 315 million tons by 1990.

By the mid to late 1980s—depending on the timing of natural gas price deregulation—we also may be looking at a significant use of coal as a chemical feed stock.

One more large market may be expected to develop in the 1980s and 1990s. On a global scale, coal comprises about 25 percent of energy consumption. With the rest of the world on the transition path from oil and gas, it is estimated that coal will have to supply one-half to two thirds of the additional energy the world requires during the next 20 years. Even under moderate energy growth assumptions, world coal production will increase two and a half to three times and world trade will exceed the 1979 level by 10 to 15 times. Giving those figures a national context, the first thing to say is that the United States easily could become the Saudi Arabia of coal's OPEC equivalent.

If large quantities of coal are permitted to move over the international trade lanes, the U.S. has the capability of moving into the market in the largest way. By the year 2000, the world market is projected to require something on the order of 672 million to 856 million tons annually. Various estimates have the U.S. supplying between 150 million and 500 million tons of that demand. Our largest markets most likely would be Western Europe, Japan and other East Asian nations.

So coal looms large in the future of the world and the future of our nation. Yet I would not suggest the future is devoid of problems posed by the demand for coal. Some interests would insist the problems are so grave there are no solutions. By and large, those interests are not the ones who have been solving the problems for a decade or more. By and large, they are not the ones who have taken the time to ponder the problems of energy insufficiency, or to devise practical alternatives to the use of coal.

Fortunately, the people in this room and others have been working on the problems and solving them for more than 10 years. Their success in the restoration of mined land, emission controls and all the other areas of critical concern is testied to by a single, comprehensive statement from the Congressional Office of Technology Assessment.

I quote:

"With the possible exception of carbon dioxide pollution, all the significant problems associated with substantially increased coal used appear to be solvable." End quote. The problems are solvable. Who was saying that 10 years ago?

It is not my intent to belittle the challenges of producing and using coal in environmentally acceptable ways. Nonetheless, I believe that the track records of both the coal and utility industries indicate good faith and full competence to address those challenges successfully.

In fact, sometimes we find ourselves rather far afield as we seek solutions not only to environmental problems but the dilemmas of transport and coal utilization. We know that rail, water transport and trucks have specific applications for moving coal—as do, in a sense, electric transmission lines. But none of those is possible or feasible in all cases.

More recently we have begun to turn to coal slurry pipelines, whose application also is limited—particularly by the availability of water. In the not too distant future, we'll see new wrinkles on the slurry pipeline. Oil and processed coal may be slurried into a high Btu product and piped to generating stations formerly dependent on high-priced oil. By the end of the 1980's, we could be shipping coal-derived methanol mixed at the mine with powdered coal. After transport in slurry form, the two fuels will be separated out for vehicle fuel and boiler fuel, respectively.

Beyond transport, much of the threshold technology we are working on today will make two significant contributions.

First, it will permit us to improve our environmental performance in new and exciting ways. For instance, the evidence today suggests our nation and the world has an acid rain problem. The connection between that problem and the burning of coal at best is tenuous. But should circumstantial evidence turn hard with more research, the new technologies should be in place to alleviate the problem and avoid throwing our energy production abilities into a tailspin.

Second, harkening back to the possibility that our coal reserves are not quite so vast as we think, the new technologies will improve the efficiency with which we use coal.

The consequences—in addition to improved environmental performance—include the ability to stretch out our coal supplies and to produce electricity more cheaply for our customers.

In that considerable arsenal of new and enhanced technologies, my particular favorite is magnetohydrodynamics, commonly called MHD. It is a favorite because it has the greatest potential efficiency of all the embryo technologies.

Of several promising technologies it is the only one that creates electricity in a direct conversion process. The result is a great leap in efficiency—from around 35 percent with the contemporary coal-fired plant to the neighborhood of 50 percent at a lower cost. In essence, with MHD we will be able to wring 50 percent more work out of a ton of coal. In so doing, we will match or improve upon the environmental mitigation capabilities of other prospective technologies as well as substantially alleviate transport problems.

In a relatively few years, MHD has advanced rapidly from the research stage to the engineering development phase. In that period, the need for new technical breakthroughs has been eliminated. That is a significant accomplishment for a technology that just a few years ago was no more than an unfunded gleam in the engineers' eyes.

The milestones recorded in the research stage include encouraging results demonstrating high energy extraction capabilities from the generator; the successful production of large-scale super-conducting magnets necessary to the process; combined-cycle system tests that indicate strongly that MHD will meet or better stringent environmental standards; successful operation of the coal combustor and, most recently—in the last few weeks—a clear demonstration that the MHD generator will function for extended periods of time under the high temperature conditions required by the technology.

The latter milestone has led AVCO Corporation working under contract to the Department of Energy—to announce that construction and operation of commercial MHD electric power generators is possible.

If MHD is accorded adequate support from government and industry, I have no doubt that it will advance to the commercial demonstration plant stage by the early 1990s.

MHD, of course, does not stand alone. It is anticipated that atmosphere fluidized-bed combustion plants will be available yet this decade for applications in small power plants and small-scale industrial uses.

Pressurized fluidized bed combustion should be ready for large plants in the 1990s, holding out the promise of improved efficiency and better environmental performance.

Also on tap in the 1990s will be combined gas and steam turbines that may lift the efficiency of coal burning in industrial cogeneration and utility plants to about 45 percent.

By the end of the century, 45 percent efficiency may be attained by fuel cells in relatively small applications. Fuel cells also offer exceptionally efficient, clean burning.

The 1980s and 1990s also promise to see coal assume an important part in replacing liquid and gaseous fuels through coal gasification and liquefaction.

The list of potential applications goes on and on. Collectively, it suggests that coal is just beginning to come into its own. It will, of course, take more than talking and hocus-pocus to go from predictions and projections to reality.

But I believe there is abroad in this country, as there has not been since the Arab oil embargo, a will to accomplish. I believe there is an impetus to re-examine regulatory excesses and to address and solve problems. I believe that decisionmakers realize that only through broad and intelligent use of coal can our nation expect to stay afloat.

There even is a realization that coal is not an alterative; it is a necessity. Economists have been reviewing the figures and concluding that economic growth and growth in the electric supply are in lock-step and that without coal to produce more energy whatever the form, the direction will be down rather than up.

I think our elected leaders know that a shrinking or stagnant economy is not an acceptable political course. I think they know the nation needs the employment growing supplies of energy will power—as well as the nearly 200,000 new jobs in coal mining that are forecast by 1985.

You and I face awesome responsibilities and challenges as we move toward fulfilling our nation's needs. In the 1980s, the 1990s and in the infant years of the new century, we will be tested and we will respond. We will prove that, indeed, coal is not only our ace in the hole but it is king, queen, jack and 10 as well.●

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SECOND CONTINUING APPROPRIATIONS, 1982

The Senate continued with the consideration of the joint resolution.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the motion to reconsider be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as comanager of the bill, I would set aside the one committee technical amendment in order that Mr. PELL may offer his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 678

(Purpose: To increase the appropriations for Pell Grants and Supplemental Education Opportunity Grants)

Mr. PELL. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Rhode Island (Mr. PELL), for himself, Mr. MOYNIHAN, Mr. RANDOLPH, Mr. EAGLETON, Mr. KENNEDY, Mr. RIEGLE, and Mr. STAFFORD, proposes an unprinted amendment numbered 678.

Mr. PELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, there is appropriated $160,000,000 for subparts 1 and 2 of part A of title IV of the Higher Education Act of 1965—

(1) of which $80,000,000 shall be available for Pell Grants under such subpart 1, and

(2) $80,000,000 shall be available for Supplemental Educational Opportunity Grants under such subpart 2, which are in addition to the amounts appropriated under this joint resolution which would otherwise be made available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981, for such grants.

Mr. PELL. Mr. President, this amendment is cosponsored by Senators MOYNIHAN, RANDOLPH, EAGLETON, KENNEDY, RIEGLE, and STAFFORD.

Mr. President, the amendment I offer today will provide $160 million in additional funding for student financial assistance; $80 million would be provided in additional funding for the basic educational opportunity grant program. This would fund the grant program at $2.454 billion. The other $80 million would restore funding for the supplemental educational opportunity grant program to the level contained in the Budget Reconciliation Act. It would maintain funding for the SEOG program at $370 million, a level that has been in effect for the past 3 years.

With respect to the basic grant program, the figure contained in the continuing resolution in referencing the Labor-HHS-Education appropriations bill as approved by the full Appropriations Committee would eliminate up to 600,000 currently eligible basic-grant students. The amendment I am offering would enable this program to serve up to an additional 300,000 students, for a total of about 2.6 million students nationwide in the 1982–83 school year.

The small increase I am seeking in the basic grant program would have a very dramatic and beneficial impact when considered at the State level. In my own home State of Rhode Island, for instance, it would provide an additional 1,700 grants, which would go largely to students from middle-income families who bear the major part of the tax burden in our Nation and who have been particularly hard-pressed to make ends meet because of the ravages of inflation.

Last year some 16,000 Rhode Island students received basic grants. Approval of this amendment will not mean an increase in the number of recipients, but it will, I am hopeful, help maintain the program at about the current level of participation. It is a no-growth amendment, and is intended to provide at least some protection to those already eligible to participate in this program, as well as those who can meet the new, more restrictive program requirements.

I would also point out that approval of my amendment with respect to the basic grant program would mean funding that program at $196 million less than the authorization figure of $2.65 billion contained in the Budget Reconciliation Act. In fact, this amount represents a cut of more than 7 percent from the reconciliation figure.

Mr. President, this grant program is widely considered the foundation for all student financial assistance. It is the primary program of student aid for millions of young Americans who seek to fulfill the dream of a college education that otherwise would be beyond their reach. It is literally the one program that insures that the doors of educational opportunity will remain open for students from low-and middle-income families.

In regard to the $80 million for the SEOG program, failure to provide this amount will mean that about 139,000 students will be dropped from this program. The effect at the State level would be equally dramatic. In my own home State of Rhode Island, almost 1,800 students would be dropped from the SEOG program unless we appropriate the additional $80 million.

Protection of these students is critically important. As conceived and administered, the SEOG program provides grants of up to $2,000 for students with exceptional financial need. It serves as a supplement to every other program of student aid, and is designed to fill the gap that could exist between the cost of a postsecondary education, on the one hand, and the regular grant and loan programs available to the student, on the other. In many instances, the SEOG program literally makes the difference in determining whether or not a student will be able to pursue a college education at the institution that best meets the student's educational needs.

The importance of the SEOG program is further underlined when you look at what has occurred to other student aid programs. The national direct student loan program has been reduced from $286 to $186 million, borrowing in the guaranteed student loan program has been reduced by one-third. Pell grants will be cut, and other Federal student assistance programs have been held at level funding for at least the past 3 years. All of this has taken place at the same time that the costs of a postsecondary education have outstripped the rate of inflation.

Mr. President, both elements of my amendment are of critical importance to the education of young people throughout our Nation. I would hope, therefore, that my colleagues would join me in supporting this amendment.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATFIELD. Mr. President, may I ask the Senator to yield for a question?

Mr. PELL. Certainly, Mr. President.

Mr. HATFIELD. Will the Senator indicate again the total amount that this represents?

Mr. PELL. The total amount is $160 million divided evenly, 50–50, between the SEOG—the supplemental educational opportunity grants—which will be maintained at the present level, which is what they have had for the last 3 years; the other $80 million would go into the basic grant program, which would protect 300,000 students who would otherwise be dropped from participation in this program.

Mr. HATFIELD. The total would be $160 million.

Mr. PELL. Yes, Mr. President.

Mr. HATFIELD. Mr. President, I know that the subcommittee chairman (Mr. SCHMITT) who is in charge of this particular issue, wants to be heard. Meanwhile, I am happy to yield to the Senator from Wisconsin if he wishes to speak.

Mr. PROXMIRE. Mr. President, there is no one who has done more for education than my good friend from Rhode Island. This is a matter in which he has particular expertise and interest. I certainly understand and appreciate what he is trying to do.

I must resist his proposal, however, Mr. President. The reason is that this Health and Human Services and Education part of the appropriations bill is already $3.2 billion over the President's request. We are doing all we can to put together a resolution that will not be vetoed by the President. It is critical that we do that.

For that reason, Mr. President, I unfortunately must oppose my good friend from Rhode Island, although I fully appreciate the merit of providing as much assistance for young people going to college as we can provide. For that reason, as I say, I unfortunately have to oppose this amendment.

Mr. EAGLETON. Mr. President, I am pleased to support the amendment of the distinguished Senator from Rhode Island

to increase the funding for Pell grants and supplemental educational opportunity grants.

The continuing resolution, in referencing the Labor-HHS-Education appropriations bill and approved by the full Appropriations Committee, will eliminate up to 600,000 currently eligible students from the Pell grant program. Under the present program parameters, students from families with annual incomes of more than $18,000 would be virtually eliminated from participation. Under the continuing resolution, SEOG's will be cut by 22 percent, eliminating some 140,000 students from this program.

Mr. President, I would remind my colleagues that student aid programs have undergone three rounds of cuts since the Reagan administration took office in January: First, rescissions from the fiscal year 1981 budget; second, reductions in program ceilings imposed by the Omnibus Reconciliation Act; and third, further reductions below the reconciliation levels in this continuing resolution.

In 1978, Congress passed the Middle-Income Student Assistance Act, broadening eligibility under the Pell grant program to include students from families with an annual income of up to $25,000.

Although Federal assistance, in the form of grants, loans, and work-study opportunities, has been increased in the last decade, it has not kept pace with rising college costs and the concomitant rising demand for aid. Limited Federal dollars in the Pell grant program were, prior to 1978, targeted exclusively to low-income students. Middle-income families, who do the work of our society, and bear the brunt of the tax burden in our country, found themselves increasingly unable to get any kind of assistance for their children's higher education. Colleges found themselves increasingly facing student bodies made up of the able poor, who could get the full cost of their education paid by various aid programs, and the wealthy, who could afford to pay their own way.

If we do not adopt this amendment to partially restore the Pell grant program, we are in effect reneging on those middle-income students.

Similarly, with the SEOG program. It plays an essential role in the total picture of student assistance in permitting the enrollment of deserving students attending higher priced public and private colleges and universities for whom eligibility under other programs is limited.

Let me illustrate the impact of the lower figure provided in this continuing resolution on a typical SEOG student at a higher priced institution in Missouri.

A student from a family whose annual income is around $25,000, would have a need for $8,000 in aid, under the federally determined needs analysis which would first require a family contribution of $2,500. This student could probably get about $400 under the Pell grant program, $400 under the State grant program, and another $2,500 in institutional support. Under the two loan programs, this student could expect to receive a direct loan of $900, and a guaranteed loan of $1,600. This same student could earn another $1,200 under the college work-study program.

But under this extensive package of student assistance, that student would still be short $1,000. That is where the SEOG comes into play. It is central to the packaging of financing help from all applicable sources to meet the needs of lower middle-to middle-income students.

Mr. President, if we do not adopt the Pell amendment today, many promising careers will undoubtedly be abandoned because of inability to seek further education whether at a college or university or in a trade or technical school. If this amendment is not adopted, not only do these deserving young people lose, the Nation loses.

Mr. DENTON. Mr. President, there is some ambiguity as to how the three criteria should be used to determine institutional eligibility in parts A and B of the institutional aid programs authorized by the Higher Education Act, as amended in 1980. I would like to ask my distinguished colleague from Rhode Island if it is his belief that these three criteria—substantial percentage of students receiving financial aid, high average student awards, and low education and general expenditures—were intended by Congress to be used in the aggregate to determine eligibility, rather than that each should be used separately to exclude an institution from eligibility—the effect of which would be to deny eligibility to an institution that failed to meet any one criteria.

Mr. PELL. That is my understanding of Congress intent. We expected that the language meant that the three criteria should be taken together to determine eligibility.

Mr. HATFIELD. Mr. President, I shall have to join the distinguished ranking minority member of the Committee on Appropriations (Mr. PROXMIRE) in indicating my serious reservation about this add-on. I know that the Senator from Rhode Island has been an extraordinary leader in this area of education, but I believe that, with the budgetary restraints and reductions we have had to make, this would represent a very difficult figure to deal with, both in the conference and later on, perhaps, with getting the signature of the President on the bill.

I think, with those comments, we are ready to go to a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island. The clerk will call the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from West Virginia (Mr. ROBERT C. BYRD) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia (Mr. ROBERT C. BYRD) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 38, nays 59, as follows:

[Rollcall Vote No. 412 Leg.]

YEAS—38

Baucus	Heflin	Pell
Biden	Heinz	Pressler
Bradley	Hollings	Pryor
Bumpers	Huddleston	Randolph
Burdick	Jackson	Riegle
Cannon	Kennedy	Sarbanes
Chafee	Levin	Sasser
Cranston	Mathias	Specter
D'Amato	Matsunaga	Stafford
Dodd	Melcher	Tsongas
Eagleton	Metzenbaum	Weicker
Ford	Mitchell	Williams
Hart	Moynihan	

NAYS—59

Abdnor	Exon	McClure
Andrews	Garn	Murkowski
Armstrong	Glenn	Nickles
Baker	Gorton	Nunn
Bentsen	Grassley	Packwood
Boren	Hatch	Percy
Boschwitz	Hatfield	Proxmire
Byrd, Harry F., Jr.	Hawkins	Quayle
	Hayakawa	Roth
Chiles	Helms	Rudman
Cochran	Humphrey	Schmitt
Cohen	Inouye	Simpson
Danforth	Jepsen	Stennis
DeConcini	Johnston	Stevens
Denton	Kassebaum	Symms
Dixon	Kasten	Thurmond
Dole	Laxalt	Tower
Domenici	Long	Wallop
Durenberger	Lugar	Warner
East	Mattingly	Zorinsky

NOT VOTING—3

Byrd, Robert C.	Goldwater
Leahy	

So the amendment (UP No. 678) was rejected.

Mr. HATFIELD. Mr. President, I ask unanimous consent that we temporarily lay aside the motion for reconsideration by Mr. BRADLEY in order to take up another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as comanager of the bill I set aside the technical committee amendment in order to clear the decks for consideration of further amendments.

Mr. President, I ask that the Chair recognize the Senator from Massachusetts (Mr. KENNEDY).

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

UP AMENDMENT NO. 679

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numbered 679.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, strike lines 16 through 21 and insert the following new section:

SEC. 107. Notwithstanding any other provisions of this joint resolution and the provisions of sections 720(b) and 722(a)(1) of the Public Health Service Act, $35,790,000 is appropriated and shall remain available until expended for grants for the construction or expansion of two teaching facilities under section 720(a)(1) of such Act.

Mr. KENNEDY. Mr. President, I rise to offer this amendment. It is basically

designed to improve our health teaching facilities.

I believe the chairman of the Appropriations Committee, Senator HATFIELD, is familiar with the amendment and its objective of improving substantially the health care delivery systems in different parts of our country.

I hope that the committee will be willing to accept it.

Mr. HATFIELD. Mr. President, the Senator is correct. We have discussed this amendment and it has been cleared with both the minority and the majority.

Therefore, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (UP No. 679) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, once again I repeat the all too familiar litany.

I ask unanimous consent to lay aside temporarily the motion to reconsider offered by Senator BRADLEY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as a comanager of the bill I set aside the technical amendment that is now being held and ask the Chair to recognize for the purpose of a brief colloquy the Senator from South Carolina (Mr. HOLLINGS).

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

DEFENSE APPROPRIATIONS

Mr. HOLLINGS. Mr. President, I thank the distinguished chairman and the distinguished chairman of our committee.

Mr. President, quickly what we have had is quite a group of Senators within the Defense Appropriations Subcommittee and the Armed Services Committee who have a basic concern that in this particular bill we enact the strategic defense policy of this Nation for the next 30 years in a continuing resolution under a crunch of 19 amendments pending now without sufficient time to debate such issues as the B–1, the MX, and several others within the Defense appropriations bill.

The distinguished chairman himself had to withhold his MX amendment because of the crunch of time and did not even get a chance to offer it within the committee.

Pursuant to that concern we had prepared an amendment to have the continuing resolution continue the funding for, say, the B–1 and MX at the 1981 levels until the enactment of the Defense Appropriations Act of 1982.

Both the majority leader, Senator BAKER, and our chairman of the subcommittee——

Mr. GLENN. Mr. President, may we have order so we can hear the Senator?

The PRESIDING OFFICER. May we have order in the Senate?

Mr. HOLLINGS. Mr. President, our majority leader, Senator BAKER, and the chairman of our subcommittee, the Senator from Alaska (Mr. STEVENS), assured us that it is their intent to call for consideration the defense appropriations bill, that has already been reported I know, on November 30. That is the Monday after Thanksgiving.

I note that the continuing resolution contains on page 3 at lines 19 and 20, "A bill that has been reported but not enacted under this particular resolution will be deemed to have been passed by that body or by that House."

So in reality when we adopt a continuing resolution we are adopting ipso facto the Defense Appropriations Act for whatever period of time that the continuing resolution continues to.

Having said that and having had that assurance, and because there are many other Senators who wish to be heard, we wanted to hear from our leader on this score, the distinguished Senator from Georgia and others, who had that same concern.

I wish to thank Senator BAKER and Senator STEVENS for that assurance because it will take between now and that particular time to get the accurate figures, let us say, on some of the cost amounts of the B–1 and perhaps for the MX so we can discuss that intelligently.

We are not trying to filibuster. We are not trying to harm or inhibit in any way the enactment of the Defense Appropriations Act, but we want sufficient time to debate and consider it in the most deliberative body in the world. It just cannot be properly considered in this fashion.

I also wish to thank the Senator from Texas, the chairman of the Armed Services Committee, for his consideration on this matter.

I have that assurance I take it, that we will consider the DOD appropriations bill for 1982 on November 30?

Mr. STEVENS. Mr. President, the Senator has my assurance that we are scheduling it, and it is up to the majority leader to ask for a consent agreement. But we have sought now and have asked for clearance on both sides for the purpose of taking up the defense authorization bill on November 30. That has not been cleared on your side of the aisle, if you will check it, but sometime this evening it is my understanding, when it has been appropriately cleared, the majority leader will make the request for the unanimous consent to schedule that to Commence on November 30. That is the understanding. It is our desire and it is just not my privilege to make that particularly, but it has not yet been cleared on your side. I cannot make the request yet, but that is our understanding. You and I have an agreement. The leader has indicated, Senator TOWER of the authorizing committee has indicated, he has cleared it. But it is not totally cleared, and I cannot make the request.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. STEVENS. Yes.

Mr. TOWER. As far as I know it is pretty well cleared on this side of the aisle. All that is required now—this is not certain, but as far as I can understand, all that is required now—is clearance on the Democrat side of the aisle and we will be scheduled for November 30.

Mr. HOLLINGS. Very good.

Mr. LEVIN. Mr. President, will the Senator yield?

Mr. HOLLINGS. I would be glad to yield.

Mr. LEVIN. I would hope the appropriation bill can be brought out like other appropriation bills for debate. I support the assurances the Senator from South Carolina has received from the Senator from Texas and the Senator from Alaska and others. But just so long as the position I have taken is clear to everybody, there will be an amendment offered relative to the B–1 before this debate is over, because the assurance that we will get to an appropriation bill does not solve the problem in this continuing resolution in what it creates for all appropriation bills, and that is it runs to the end of the fiscal year, and this Senate could adopt an appropriation bill in the area of defense and not have the usual powers that it has with all appropriation bills because there could not be a conference called, because the President could veto that bill and know there is a continuing resolution in place that he can fall back on, all the problems outlined yesterday by Senator STENNIS, Senator PROXMIRE, and Senator ROBERT C. BYRD about the evils of a continuing resolution that runs to the end of the fiscal year, which are not solved by agreeing to bring up the DOD appropriation bill any more than they are solved by Senator BAKER's assurances and Senator HATFIELD's assurances, which I take at full faith, that they will bring out all the other appropriation bills.

This is not the time that I wish to debate, which I am going to do later, the evils of the continuing resolution which runs to the end of the fiscal year. I am going to save that to the end of this debate, close to the end of the process. But I will be using as a vehicle to illustrate those evils an amendment which transfers the money from the B–1 account to the readiness account, which transfers the money to the Indian Ocean readiness, which transfers the money to restore the cut in the authorized strength of the Army, which restores some of the refueling tankers which were cut in order to get our planes to the Indian Ocean.

So while I commend the Senator from South Carolina and the others who are participating in getting that DOD authorization bill to the floor, it does not in any way solve the underlying problems of the continuing resolution running for the entire fiscal year, and I am going to be introducing before the end of the debate a resolution to transfer B–1 funds to the operation and maintenance account and the readiness account because I think unless we do that on this continuing resolution we are half a Senate. We do not have the usual powers of the Senate because of the way this continuing resolution is before us.

One other point before I yield, Mr. President. If we do bring that continuing resolution deadline forward by 6 months to February or March, that solves my problem. I will not be offering the B–1 amendment because the B–1 amendment I am going to offer is used as an illustra-

tion of the evils of a continuing resolution which undermines the appropriation process that has historically belonged to the Congress, and for no other purpose.

I would rather debate it a week from next rather than now. That is the time to debate it. The trouble is we will be debating it with half our traditional power, half of it gone, as outlined yesterday by Senators STENNIS, PROXMIRE, and ROBERT C. BYRD, and about which so many other Members in this Chamber feel so deeply.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. LEVIN. I do not have the floor.

Mr. STEVENS. Mr. President, the difficulty with what the Senator from Michigan says is that the date of March would not make any difference either because as a practical matter if you are right, the amount could be committed before the end of the year anyway.

But the Senator is wrong because there is every incentive to go to a conference with the defense bill.

The House has now included the B–1 and the MX and the major weapons systems, and so has the Senate bill. The differences between the two Houses are the differences in the individual procurement accounts that affect particularly congressional districts, and the imbalance between the two appropriation bills is in procurement of smaller items not in the major procurement items.

This bill is going to come before the Senate before the end of the year because we know they have to be resolved. The Department of Defense is not going to resolve conflicts like that. We can stand and argue about the B–1 all night, if that is what you want. As a matter of fact, I am constrained to say that I really think your side of the aisle does not want this bill to get to conference in time that it can get to the President, to see whether the President wants to sign it, so we can prevent the problems of the antideficiency act and all the other things we have to research Saturday morning.

If we really want to get this bill finished tonight, we can get it finished without talking ad nauseam about the B–1 because we are going to debate the B–1 in connection with the authorization that has already come out from the authorizing committee on November 30. We are going to make you that commitment tonight.

The things you argue about are in the authorization bill. The things you want to change in terms of readiness levels, force levels, the steaming hours, and so forth, the ceilings are set in the authorization bill. We did not set the ceilings in the appropriation bill.

Mr. LEVIN. They are in the appropriation bill.

Mr. STEVENS. In the authorizing bill we fund the levels and in a couple of instances we go above it. We do not make the allocations you suggest. They are set by law. You voted on them, everybody has voted on them. The President signed it or it is going to be law, this one has not been signed yet, I beg your pardon, but it will be law soon.

Mr. LEVIN. Mr. President, if the Senator will yield——

Mr. STEVENS. Yes.

Mr. LEVIN (continuing). We could get to a conference probably by tomorrow morning if we wanted to give up the traditional powers of the Congress to appropriate, which we are doing in a continuing resolution which runs the whole year. We are removing some traditional powers from the Congress. You are right, if you wanted to accept that you probably could get to a conference tomorrow morning. I, for one Senator, am not willing to accept that without as much opposition as I know how to muster. The B–1 is but an illustration of the inherent defects of a continuing resolution which runs for the entire year.

Mr. STEVENS. Mr. President, the trouble is—I do not know why you do not go over to the other body and argue with the majority over there. They set the date. It was set on the other side. As a matter of fact, there was an enormous argument on this side as to whether we should take that date. I am one who argued we should take it because it made sense. Do you know that when we went home for the 1980 elections we went home without passing 13 out of 14 appropriations bills?

We tried all year to catch up with those through supplementals, rescissions, and referrals. We have not been able to get to the 1982 bills, and now we are facing the problems of trying to get a bill that will carry us over to September 30, 1982, so when we come back in January we can get to 1983 maybe, and someday we can catch up.

We have departments and agencies of Government that have not had an appropriation bill for years, and the problem is we are trying to iron that out and find a bridge. We agreed that the House was right on this one, that we should go to September 30. We will debate that later.

I hope we can get to some of these amendments you are talking about. If you want to start debating all night, and it is apparent to me that that is what some people want, I wish you would say it. I wish you would say you do not want the President to have the opportunity to veto the bill and give us a chance to work out a compromise before the deadline tomorrow night because that is what I think is underway here.

Mr. LEVIN. I would be happy to say that on behalf of one Senator.

Mr. STEVENS. That is what I thought.

Mr. LEVIN. I would be happy to say that.

Mr. STEVENS. We should not kid one another that we are sitting around here trying to work things out because really there is a delaying process underway, and that process is to prevent the President of the United States from having an influence in this debate, and the debate is precisely what you say should be the spending levels until September 30 of next year. But as far as defense is concerned you are wrong to think that what you are doing in terms of this amendment will be to change the appropriations bill or the authorization bill you will be debating on November 30. You are trying to change the conference report that is on the authorization bill, that is on its way to the President.

Mr. LEVIN. I am trying to change the appropriation allocations.

Mr. STEVENS. No, you know we funded basically like the authorizations, and you know it and everybody else.

Mr. LEVIN. The Senator asked me the question of whether it is my purpose—I cannot speak for anybody else, and I do not think I can speak for anybody else, but let me reiterate what the purpose is.

Many, if not most, Members of this Chamber believe that there is a radical change taking place in the appropriations process when we adopt for all the Government agencies and all their programs a continuing resolution which runs to the end of the fiscal year.

Now, I am making that allegation. I am going to object as long as I can to that. The B–1 amendment, which I am going to offer, is simply an illustration of how this Senate can act if we decide to act to transfer money, if we decide to, to the Indian Ocean presence which has been cut 25 percent.

Mr. TOWER. Will the Senator yield?

Mr. LEVIN. Not quite yet.

Mr. STEVENS. I think I have the floor.

Mr. LEVIN. If I could finish this sentence.

Mr. STEVENS. What is the question? I yielded to you for a question.

Mr. LEVIN. I am answering your question. My answer to your question is that the purpose of the extended debate which I am going to engage in as one Senator has everything to do with the powers in this Senate and the powers in the Congress.

Mr. STEVENS. I will not yield any further for that, because the Senator is wrong. And the September 30 date, as I understand it, came from the House.

Mr. LEVIN. And they were wrong.

Mr. STEVENS. It was set for the purpose of trying to catch up finally with this process of not doing our work before we go home.

Mr. LEVIN. But it takes the pressure off.

Mr. STEVENS. Before we go back home once again and tell the American public that the Congress is unable to cope with the problems of financing the Government of the United States and, therefore, we are going to let all the loose ends go until we get back. Now, that is wrong. I think we agreed with the House that it is wrong. It is time for us to say this bill—unless we complete these bills in between time—and I give you my assurance that it is my intention to finish the Defense appropriation bill before we go home at Christmas. I think we will be forced to do that because I tell you that the changes that we have made in the bill as they affect some of the appropriations accounts, although they are small changes, drastically affect the employment level potential in very many congressional districts. We do have to iron this out as to where the balance comes in spending the amount of money we have got in the Defense appropriations bill.

Mr. LEVIN. And all the assurances in the world that appropriations bills will be brought at their face value do not solve the underlying problem; and that is that after we adopt the appropriations bills, I am assuming they are going to be brought forward, we do not have the tra-

ditional powers of the U.S. Congress. The President can veto any appropriation bill and know that there is a continuing resolution which has the lowest cover.

Mr. STEVENS. Mr. President, I will not yield any further for that dialog. I assume it is going to take place and I imagine we will have an interesting discussion at 4 to 5 a.m., maybe, depending on how long we want to run this.

It is getting to be a point where it is pretty obvious to this Senator that he is not going to see his little daughter tonight, and I do not know why, frankly. I do not know why, because I think we ought to be able to find some way to stop kidding ourselves about these procedures. There are amendments that are ready to be offered. I am prepared to offer an amendment.

Mr. SARBANES. Will the minority whip yield for a question?

Mr. NUNN. Will the Senator yield?

Mr. SARBANES. Will the Senator from Alaska yield?

Mr. STEVENS. I have promised to yield to the Senator from Georgia, then I will yield to the Senator from Maryland.

Mr. NUNN. Mr. President, just a brief observation. We seem to have flip-flopped completely, because what we have here is we have two major strategic weapons systems, the MX and the B–1, that are in this continuing resolution. Now, the further dilemma is that in the authorization bill we had already passed the authorization bill that was in conference before the President came up with his strategic program. This means that we did not debate either one of these systems on the authorization bill. And here we are at 11 p.m., tomorrow night at 12 p.m. the Government closes down, and unless something is done along the line suggested by the Senator from South Carolina, which I agree with, then we are in the dilemma, not having debated two major systems that will affect our strategic security for the next 30 years on the authorization bill, we are being forced to either fund these in the continuing resolution or if we extend the debate, to close down the Government.

Now, we will look back and say that was a real dilemma unless something was done, it was my understanding 2 days ago or yesterday that the Senator from Alaska was very concerned that if the MX and the B–1 were taken out of this continuing resolution and awaited the appropriations bill, which he now assures us will come up a week from Monday, that that would endanger the MX and the B–1, because there might be people on the House side who would refuse to go to conference knowing that if they did not go to conference there would be no appropriation bill and knowing if there were no appropriation bill there would be no MX and B–1.

Now, we have the reverse situation. The Senator from Michigan is understandably concerned, because he feels that if we put the MX and B–1 in the continuing resolution, where they are now, that that will do away with the incentive, first of all, for the Senate and the House to pass an appropriation bill.

Mr. STEVENS. Will the Senator let me answer that question?

Mr. NUNN. And second, it will do away with the incentive of the President to sign an appropriation bill if the MX or the B–1 were taken out of it. So what we have got is a totally reverse role.

I wanted to make a suggestion. I wanted to suggest to the Senator from Alaska and the Senator from Michigan a way out of this situation is that we do a couple of things. First of all, that we take the suggestion of the Senator from South Carolina, agreed to by the Senators from Alaska and Texas, and that we agree that we will have the defense bill come up a week from Monday, the defense appropriation bill.

Second, that we take the suggestion of the Senator from Michigan and make the dates of the continuing resolution expire on March 30, which is what the President of the United States requested, and which treats this like a continuing resolution rather than distorting the whole appropriation process.

One other solution, which I do not think solves the problems of either side completely——

Mr. TOWER. Will the Senator yield for a question?

Mr. STEVENS. I believe I have the floor and I do want to get on with this amendment. I thought we could accelerate the process. I yielded to the Senator for a question. I would like to know what is the question?

Mr. NUNN. I am proposing the solution. If the Senator wants to stay all night, then I will sit down. You have the floor. If you do not want a constructive suggestion, you solve the problem.

Mr. STEVENS. Mr. President, I say to my friend that it is unacceptable. As chairman of the committee, I am unwilling to recommend that the Defense appropriation bill be the only bill that has a termination date between now and September 30, because it would be a Christmas tree.

Mr. NUNN. That is not what I am suggesting. If the Senator wants to solve the problem, then I leave it to him to solve it. I was making a constructive solution, proposition. If the Senator will not yield enough time to make it, then I will give him back the floor.

Mr. STEVENS. I am not in a position to take the solution that the Senator suggests.

Mr. NUNN. The Senator does not want to listen, obviously.

Mr. STEVENS. Because we are prepared to meet the objectives that were outlined by the Senator from South Carolina, which I assumed that my friend from Georgia agreed to; and that is that we are committed to bring up the bill—the Senator from Tennessee, the majority leader, is here. I would be happy to yield to him to get that commitment now, if you would like. But to go beyond that, I am not empowered to make such a commitment.

I yield to the Senator and I ask unanimous consent that I can yield to the Senator for the purpose of making the commitment. I am still obligated to yield to the Senator from Maryland, I might say to my good friend from Tennessee. But I would like that commitment, if we could.

Mr. BAKER. Mr. President, could we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BAKER. Mr. President, I have the highest regard for the distinguished Senator from Alaska, the majority whip; the distinguished Senator from Michigan; the distinguished Senator from Georgia; and all the other Senators who have been involved in this B–1–MX conversation.

But, Mr. President, it is 11 p.m. There are 15 amendments remaining. Really, I have no desire to stay all night. But, my friends and colleagues, we have no alternative except to finish this bill because tomorrow midnight is hurtling down on us and tomorrow midnight, indeed, the Government will stop, or large chunks of it will. And I hope all of my colleagues and much of the gallery will restrain their applause at that prospect.

But, Mr. President, we must timely finish this. This is not the time, I humbly suggest, to get involved either in a prolonged and heated debate on the MX or the B–1, or to try to devise in detail techniques by which we can resolve this problem.

Let me make this commitment to my friend from Georgia, for whom I have such great respect, the Senator from South Carolina, the Senator from Michigan, and, of course, the Senator from Alaska: I promise, to the extent that the Senate will permit me to do so, that we will take up the Defense appropriation bill. I am prepared and I am ready to ask unanimous consent to set that bill for consideration by the Senate on November 30. That is a date that was arrived at after considerable conversation.

That is the date that was arrived at after considerable conversation. I am prepared to do that, Mr. President, whenever I am advised that the process referred to has been completed. I will do it in any event, but I am prepared to do it.

The second thing is I am prepared, Mr. President, to sit down with any Member of the Senate and find out how we get on with the business of passing this continuing resolution.

I support passage of the continuing resolution. I support the amendment which is at the desk and which I will call up and offer dealing with a further cut in the level of funding. I am bound by the terms. But I am not blind to the possibility of discussing any concerns that anyone else has that we may ameliorate before that amendment is taken up and finally dealt with.

My hope and admonition, Mr. President, is that we will not spend a great deal more time on this tonight but, rather, get on with the 15 or so amendments we have to deal with. I am prepared now to sit down with the Senator from Georgia or the Senator from South Carolina and try to work this out. I think I detect an effort and spirit to try to compromise. If the Senator from Michigan and the Senator from Alaska will permit me and the Senator from Georgia, the Senator from South Carolina, and the Senator from Arkansas will agree, we will find a corner some place and see what we can do to try to work it out.

In the meantime, I urge that we get on with the business at hand.

Mr. STEVENS. I am prepared to yield to the Senator from Maryland and the Senator from Texas for a question before I proceed with the amendment.

Mr. SARBANES. The question I pose to the Senator from Alaska, in view of the comments he was making about trying to get the Government on course and not deal with a situation where we are simply carrying a department on and on and on, is why those appropriation bills that were ready for final action were not acted upon prior to the continuing resolution being before us this evening.

The HUD appropriation bill had a conference report adopted in the House on the 15th of September, and there are three or four other bills on which the conference has acted, all of which could have been acted upon by us in final form and it would have taken those departments out of the continuing resolution and established them on a permanent basis for the rest of the fiscal year.

Mr. STEVENS. The Senator has a good question. We have been going full schedule. I think the chairman of the Appropriations Committee has done an admirable job under the circumstances that I outlined. We are still trying to solve some of the problems from fiscal 1980 and fiscal 1981. We have five bills through conference. As I understand it, this is the sixth one. We have our bill coming to the floor, the defense bill coming to the floor, on November 30.

I might again point out that there were 13 bills in the condition the Senator mentioned when we went home for the election in 1980. They were not moved because of considerations that I do not know, why they were not moved, but they were considerations which guided the majority at the time. There are some considerations here that are guiding the majority. We are trying to find our way around the problems that we face in terms of this budget and trying to get through the 1981 bills which were never finished in the last Congress, trying to get to the 1982 bills. Now I say we are trying to clear the decks. At least let us get started on the 1983 bills. I yield to my friend from Texas for a question or whatever statement he has.

Mr. SARBANES. The Senator has not answered the question.

Mr. STEVENS. I have to my satisfaction. I really have to get on. I took this to try to start on another amendment and I got stuck in a conversation. My friend, the chairman of the committee, would like me to get on with the subject. We will get back to this debate later tonight.

Mr. SARBANES. But we passed on the appropriations bills and they should not be included in this continuing resolution.

Mr. STEVENS. They are included, each one of them, by reference, and will be solved in the normal process as we go through. It is the same thing as passing. I yield to my friend from Texas.

Mr. TOWER. I just want to try to get back to what we were on a few minutes ago.

The Senator from Michigan wants to offer an amendment which, to my understanding, would transfer the funds earmarked for the B–1 to various readiness efforts that he would identify, I suppose, in his amendment. The Senator from Arkansas would like to offer an amendment tonight which would delete the fund for the MX basing mode. Am I correct?

Mr. PRYOR. The Senator from Texas is basically correct. It may go a little further than that, once I offer the amendment.

Mr. TOWER. What I am about to suggest is could we perhaps agree on controlled time and agree on a time certain to vote on those issues tonight?

Mr. PRYOR. I could only answer in the negative, I will say to my friend from Texas. We are talking about a 30-year commitment on our whole strategic weapons system.

Mr. TOWER. May I point out to the Senator from Arkansas we have agreed on this side to take up the defense appropriation bill next Monday.

Mr. STEVENS. A week from Monday.

Mr. TOWER. The clearances are through on this side but not on the Democratic side. It is my understanding that this is what the Senator from South Carolina and the Senator from Georgia would like to do, to take this bill up Monday week.

Mr. PRYOR. I would like to point out the fallacy in us believing that on November 30 when we take up the defense appropriation bill that will cure our problem. Here is the scenario that worries me deeply: One, if we in a continuing resolution which expires on September 30, 1982, include funds for MX, B–1, and the next step, if we include funds there that then go until November 30—please let me finish.

Mr. STEVENS. Mr. President, do I have the floor? Mr. President, I do not yield any further if I have the floor. This conversation could go on all night.

The PRESIDING OFFICER (Mr. JEPSEN). The Senator from Alaska has the floor.

Mr. STEVENS. I will ask my good friend from Oregon if it is possible for him to clear the amendment I started to clear a minute ago. He has sort of a pecking order. I wanted to see if I could move in because the Member that was up next was not here.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, may we have order?

Mr. President, may we have order?

The PRESIDING OFFICER. The Chair will respectfully ask Senators who are trying to resolve whatever they are trying to resolve to please do it in the cloakroom.

The Senator from Oregon may continue.

Mr. HATFIELD. Mr. President, to answer the question posed by the distinguished Senator from Alaska, I regret that his position on the pecking order is not at this particular time, so he can rest for a few moments.

Mr. President, I ask unanimous consent that the motion to reconsider by the Senator from New Jersey be temporarily set aside so that the Senator from New Jersey may offer an amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is so ordered.

Mr. HATFIELD. Now, Mr. President, as comanager of the bill, I would set aside the technical amendment of the committee in order for the Senator from New Jersey to be recognized for the purpose of offering an amendment.

The PRESIDING OFFICER. Is there any objection? The Chair hears none. Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, I shall gladly yield my place in this line of amendments and choose not to offer the amendment at this time.

Mr. HATFIELD. Mr. President, now that the Senator from New Jersey has yielded, I repeat the same unanimous-consent request that the motion to reconsider be temporarily set aside so the Senator from Arkansas may offer an amendment.

The PRESIDING OFFICER. Is there any objection?

The Chair hears or sees none. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as comanager of the bill, I ask unanimous consent to set aside the committee's technical amendment in order for the Senator from Arkansas to proceed to offer an amendment.

The PRESIDING OFFICER. Is there any objection? Without objection, it is so ordered.

UP AMENDMENT NO. 680

(Purpose: To appropriate the sum of $362 million for the Maternal and Child Health Care Block Grant Act)

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS), for himself, Mr. CHAFEE, Mr. SARBANES, Mr. PRYOR, Mr. PELL, Mr. KENNEDY, Mr. LEVIN, and Mr. CRANSTON proposes an unprinted amendment numbered 680.

At the appropriate place in the joint resolution add the following new section:

"Notwithstanding any other provision of this joint resolution there is appropriated the sum of $362,000,000 for the Maternal and Child Health Care Block Grant Act."

Mr. BUMPERS. Mr. President, this amendment restores $30 million to the maternal and child health care program, which is a block grant. It is essentially a screening program for mothers for prenatal and perinatal care, for crippled children's clinics, congenital children's defects, an so on. The House adopted an amount of $331 million. The reconciliation bill contained $373 million.

I think that the Senator from New Mexico, who is the distinguished chairman of the Subcommittee on Health and Human Services, agreed to accept this. My original intent was to offer an amendment to restore the level of funding for this program to the reconciliation level in the hope that we can get the House to split with us between the $373 million and their figure of $331 million. But I know that the Senator from New Mexico is as committed to the continuation of this program as I am.

By accepting this, he has just deprived this body of hearing one of the most

eloquent speeches it will ever have the chance to hear. In the interest of time, I shall forego that and yield the floor.

Mr. SCHMITT. Mr. President, if I had known, if I had just known that I was depriving us of another one of the eloquent speeches of the distinguished Senator from Arkansas and the former Governor of that great State, having had dinner with him once not too many years ago, when I was regaled with one of those speeches, the first in a series of many that I hope will not end in the near future, at any rate—had I known that, I would never have accepted or indicated my acceptance of the Senator's amendment. However, having done so and not wanting to renege on that commitment, I say only that he is correct.

In my commitment to this program, Mr. President, I would have liked to see us go to the reconciliation level and, in fact, had strongly considered that as part of the package, a somewhat broader package, that we discussed prior to the full committee markup that would have included some caps on the growth of entitlements so, once again, we could begin to take advantage of the discretionary programs such as this that are of such great value to the American people.

However, Mr. President, that has not been possible as yet to negotiate. I never give up hope. I think this is a reasonable compromise between us in a very, very important program, and I shall be happy to go to conference with this number.

Mr. CHAFEE. Mr. President, I wonder if the Senator from Arkansas will yield to me 1 minute?

Mr. BUMPERS. I do not have the floor, Mr. President.

Mr. SCHMITT. I shall be happy to yield, Mr. President, since there is no time agreement.

MATERNAL AND CHILD HEALTH CARE BLOCK GRANT

Mr. CHAFEE. Mr. President, I join my distinguished colleague from Arkansas in introducing an amendment to restore funding for the maternal and child health care block grant.

Fiscal responsibility has been our guide this year; we have had to make painful cuts in valuable programs in an effort to tame Federal spending—all with the aim of returning vitality to the Nation's economy. A healthy economy is critically important; so is a healthy population. Adequately funding maternal and child health will contribute to both.

The maternal and child health care block grant suffered enormous cuts earlier this year. In 1981, the program was funded at $456 million. Yet, it was authorized at just $373 million in the reconciliation package. Now, the Senate Appropriations Committee and House of Representatives seek to cut the program even further.

Mr. President, this is not a program which experiments with the taxpayers' money or which gives lavish handouts to undeserving recipients. This is a program which directly benefits mothers and children—and which indirectly benefits all of us.

It indirectly benefits all of us because it is enormously cost effective. Simply put, its emphasis on preventive health saves dollars. It directly benefits mothers and children by providing desperately needed services to them.

Under the maternal and child health care program, approximately 1 million children receive checkups, immunizations, and other basic health services for hemophilia, genetic disorders, lead-based paint poisoning, and other disabling conditions. Under the program, an estimated 1 million mothers receive prenatal and perinatal services. These services go primarily to poor families who are not eligible for medicaid and who would likely be without any care were it not for this program. Maternal and child health care programs assist in identifying pregnant mothers who are at high risk and have a direct impact on the number of children born with handicaps and on the development of preventable diseases.

Studies have shown direct correlations between infant mortality rates and levels of care provided for mothers. And, MCH directly affects those levels of care. The infant mortality rate in this country is an outrage—and an embarrassment. One out of 72 babies born in America dies. One out of 72. In the District of Columbia, that figure is 1 out of 33 among nonwhites. We can directly influence those rates, save the lives of American babies, and lessen the misery of thousands of families by putting our support behind this program.

What are the consequences of not adequately funding maternal and child health, Mr. President?

In my own State of Rhode Island—which, I believe, operates one of the best programs in the Nation—the effects of proposed cutbacks would be devastating. And Rhode Island's case is representative of the Nation's. In Rhode Island alone, several thousand fewer women would receive pre- and peri-natal care. Thousands of children would not receive "well care" or home health care or be able to participate in a lead-poisoning program. Do we want to go back to the days when hundreds of thousands of children suffered brain damage because they ingested lead-based paint and were not adequately screened or treated? I do not believe that we do, especially when such horrid effects can be prevented.

If the costs in human terms are not convincing enough evidence that maternal and child health warrants our help, then the dollars and cents figure will make the point.

In 1977, GAO reported that the cost of genetic screening at birth, along with early treatment of seven common disorders, was less than one-eighth the cost of caring for an impaired child over a lifetime.

In Texas, a recent study showed that each $1 spent on preventive care for children resulted in an $8 savings in long-term costs. Basic vaccinations—which as many as 40 percent of young American children still do not receive—are enormously cost-effective. The Center for Disease Control has estimated that the $180 million we spent on the measles vaccination program between 1966 and 1974 saved $1.3 billion in medical and long-term care costs. This says nothing of the reduction in instances of deafness, retardation, and other crippling effects that has occurred.

Maternal and child health dollars are not only dollars well-spent; but they are dollars which we cannot afford not to spend. I urge my colleagues to support this amendment.

Mr. President, I must say it seems to me so wise that the distinguished Senator from New Mexico is accepting this, because this is one of the outstanding programs. Unfortunately, it has been cut and I am delighted we are going to restore it to the funds suggested. I would like to see it go higher, but we are delighted to see it go that far.

Mr. CRANSTON. Mr. President, I am a cosponsor of and strongly support the amendment of the Senator from Arkansas (Mr. BUMPERS) and the Senator from Rhode Island (Mr. CHAFEE) to provide funding for the maternal and child health care block grant at the level authorized in the reconciliation bill.

Mr. President, this program is critical to the health and well-being of millions of low-income mothers and children throughout this Nation. It is a source of essential immunization and basic health services for infants and young children, and vital prenatal and delivery services for pregnant women.

The importance of maternal and child health care—both for those directly affected and for our Nation—cannot be over-estimated. During the last Congress, I chaired hearings on efforts needed to improve pregnancy outcome and reduce infant mortality. The overwhelming testimony at that hearing indicated that the single most important step we could take to prevent poor pregnancy outcome and decrease infant mortality would be to insure that every pregnant women received proper prenatal, delivery and postnatal medical care. The level of funding for the maternal and child health program approved in the reconciliation bill already represented a reduction in the amount of money available in fiscal year 1981 for these programs—further reductions are simply unconscionable.

Mr. President, the health and well-being of the children of this Nation should be of the utmost importance for every Member of this body. The future of our children represents the future of this Nation. By depriving these children of adequate health services, we deprive them of the opportunity to grow up strong and take their places as productive members of our society, and simply increase the need for costly remedial health services at a later date.

I urge support of the amendment of the Senators from Arkansas and Rhode Island which would simply restore funding for this important program to the level approved in the reconciliation bill.

Mr. KENNEDY. I rise in support of the amendment of the Senator from Arkansas.

All of us are aware of the importance of maternal, infant, and child health care services to healthy children and, ultimately, healthy and productive adults.

These services promise significantly reduced infant mortality, birth defects, mental retardation and other preventable handicapping conditions. They promise improved health status for handicapped children.

The effectiveness of prenatal care in

reducing illness or death in early infancy is well documented.

In 1977, neonatal and early infant death rates were four times higher for patients with no prenatal care.

Without prenatal care a pregnant woman is three times as likely to have low birth weight child.

Seventy-five percent of the risks associated with low birth weight can be identified in a first prenatal visit.

Screening programs for newborns and children can identify preventable or treatable handicapping conditions.

A 1977 GAO report found that the cost of screening at birth plus early treatment for seven common disorders was less than one-eighth the projected lifetime cost of caring for an impaired child.

The maternal and child health program is the principal means by which poor or geographically isolated pregnant women and children gain access to needed health services. Further cutbacks in the funding for this critical health care program will only serve to increase health care costs unnecessarily for the treatment of medical conditions that are preventable or curable at birth.

In my own State of Massachusetts the 18-percent reduction in the authorized level will have a considerable impact on services: more than 1,000 handicapped children will no longer be served in special handicapped clinics; 13,000 less children will be screened for lead paint poisoning, a particular problem in older cities; and hospital care for handicapped children will be slashed by nearly $50,000.

Further cutbacks will only exclude more mothers and children from access to essential services.

I urge adoption of the amendment.

Mr. SARBANES. Mr. President, I am very pleased to join the Senator from Arkansas and the Senator from Rhode Island as a cosponsor of this amendment to bring the maternal and child health care block grant up to the funding level in the Reconciliation Act.

The authorized figure of $373 million in the Reconciliation Act still means a cut of 17 percent from last year's funding figures. However, under the continuing resolution, the lower House-passed figures of $331 million would apply, which means a sharp curtailment in services provided by this very worthwhile program.

Earlier this week, I visited the John F. Kennedy Institute in Baltimore, which annually serves 5,500 handicapped children suffering from mental retardation, physical handicaps, or other disabilities caused by genetic, prenatal, or post-birth damage to assess how the administration's cuts will affect their services. Since the institute opened in 1967, 40,000 children and their families have been helped toward independence.

If the cuts go though as recommended by the administration, the Kennedy Institute and other programs that diagnose handicapped children and provide preventive and primary care will have their funds severely cut. This is a penny-wise and pound-foolish policy. The maternal and child health care funds prevent institutionalization of many handicapped children by teaching them and their families skills to enable the children to become and remain independent. This not only allows the family to remain intact and the child to have his or her own dignity, it also makes financial sense. Between $18,000 and $28,000 in State and Federal funds a year is saved for each child who avoids institutionalization.

During the visit to the Kennedy Institute, the doctors, professionals, and State officials unanimously agreed that the maternal and child health care program is very cost effective. This program catches many serious handicaps by early diagnosis and allows for remedial steps to be taken before complete deterioration or death occurs. Without early diagnosis, adequate health care, and rehabilitation, it will cost more in the future to care for the resultant severe health problems and a lifetime of institutional care.

The Kennedy Institute not only cares for and rehabilitates the newborn and the very young, it also conducts classes that enable school-age children to enter or return to public schools. Ninety percent of the children who go through a 1- to 2-year stay at the Kennedy Institute go on to public school and continue on their way to being an independent and contributing member of our society. Their independence is many times a long-fought battle over seemingly insurmountable physical and mental impairments. These battles are made possible with the assistance from the maternal and child health care program.

A cut of 50 percent in the funds of institutions and programs such as the Kennedy Institute will severely limit the ability to provide adequate service to the millions of handicapped children in need. Private sources of funds are of course being explored. The Kennedy Institute has strong support from the private and business sector of the community—but it cannot meet the gap caused by the immediate and severe reduction in Federal funds.

This program must continue as a combined effort among the Federal and State governments, the private sector, the community, and the family. Without this partnership and adequate funding for the maternal and child health care program, we will not be able to meet the needs of our children. I therefore urge the adoption of this amendment.

Mr. BRADLEY. Mr. President, earlier this year, Congress created a new maternal and child health block grant by consolidating seven programs which provide health services to mothers and children. The maternal and child health program, first authorized by Congress in 1935 under title V of the Social Security Act, is the central core of the new block grant. This block grant also includes the supplemental security income disabled children's program, lead-based paint poisoning prevention, sudden infant death syndrome, the genetic diseases program, hemophilia, and adolescent pregnancy services.

Acting under budgetary pressure, Congress reduced the funding for the new block grant for fiscal year 1982 to $373 million, 17 percent below the 1981 level for the component programs. If the provisions of the continuing resolution now before the Senate remain unchanged, funding for the maternal and child health block grant would be cut even further, to the $331 million approved by the House.

Mr. President, I believe that it would be irresponsible of the Senate to allow funding to fall to this highly inadequate level. I am therefore pleased to cosponsor the amendment offered by Senator BUMPERS to restore moneys for these essential health services.

It has often been observed that our children are our future. Yet what do our rhetorical commitments to our children mean when 1 in every 72 infants—and 1 in every 47 nonwhite infants—dies each year? When an estimated 9 million children have no regular source of primary health care? When two out of every five children are not fully immunized against one or more of the major childhood diseases we know how to prevent? And when 1 in 17 pregnant women—1 in 10 black mothers—and one in four mothers under the age of 15—receive either no prenatal care at all or none until the last 3 months of pregnancy?

While the health status of American children has improved dramatically in recent decades, not all groups have shared equally in this progress. Sharp disparities persist in both health status and the use of health services according to family income, ethnic background, parental education and geographic location. These disparities highlight the continuing relevance of these maternal and child health programs. These programs support a network of clinics in most countries across the country to which low-income families can go for routine preventive health care for their children.

A million children get checkups, immunizations, dental care and other basic health services through the title V maternal and child health program. Nearly a million mothers receive prenatal and delivery services under title V. Another 3 million children receive services related to hemophilia, genetic disorders, other handicapping conditions and sudden infant death syndrome.

Mr. President, the dollars spent on prenatal care and preventive health services for children are dollars well-spent. The provision of adequate prenatal care to high-risk women has its payoff in the funds not spent later for the care and possible institutionalization of children born with handicapping conditions that could have been prevented. Providing low-income families with access to comprehensive primary and preventive services has its payoff in the reduction in future hospitalization costs, as a recent Federal study has demonstrated.

Because preventive services and the provision of primary care require current expenditures, such programs are vulnerable in times of budget-cutting pressures. Such is the situation we face today. In the name of fiscal necessity, we are being urged to follow a course which will almost surely result in greater costs later—for the hospitalization and medical care that might have been made unnecessary had an ounce of prevention been provided. This amendment is that ounce of prevention.

Mr. President, improving the health of today's children not only immediately enhances the quality of their lives, it also expands their potential for signif-

icant contributions to the Nation as adults.

I join in urging my colleagues to support this amendment to restore funds for these vital maternal and child health programs.

I compliment the Senators for offering the amendment. I think it is very critical.

Mr. BUMPERS. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 680) was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHMITT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 681

(Purpose: To provide funds for health promotion and disease prevention activities, and for activities under the Developmental Disabilities Assistance and Bill of Rights Act of 1981)

Mr. HATFIELD. Mr. President, as comanager of the bill, I ask unanimous consent to set aside the committee technical amendment in order to entertain another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I ask the Chair to recognize the Senator from Utah for the purpose of offering an amendment.

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes an unprinted amendment numbered 681.

Mr. HATCH. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, beginning with line 19, strike out through line 2 on page 26, and insert in lieu thereof the following:

SEC. 123. Notwithstanding any other provision of this joint resolution, funding for sections 501 (a), (b), and (c) of the Refugee Education Assistance Act of 1980 shall be at the levels and under the terms and conditions of the Labor-Health and Human Services Education Act, 1982, as passed by the Senate.

SEC. 124. (a) Notwithstanding any other provision of this joint resolution, there are appropriated to the Department of Health and Human Services $61,180,000 for activities under the Developmental Disabilities Assistance and Bill of Rights Act of 1981, and $1,754,000 for health promotion and disease prevention activities of the Office of the Assistant Secretary for Health.

(b) The amounts appropriated in subsection (a) are in substitution for and not in addition to any amount appropriated under this continuing resolution for the activities referred to in such subsection.

Mr. HATCH. Mr. President, this amendment restores $8.43 million to the appropriations levels for the developmental disabilities program bringing it to the reconciliation mark of $61,180,000 and funds the Office of Disease Prevention and Health Promotion within the Department of Health and Human Services by providing $1,754,000 instead of the $1 million level under the continuing resolution.

The Developmental Disabilities Act was originally passed in order to coordinate and provide services where necessary for the more severely handicapped persons of our Nation. This law is a vehicle to help eliminate gaps in services with emphasis on providing services to rural and underserved regions.

The Office of Disease Prevention and Health Promotion in the Office of the Assistant Secretary for Health is responsible for disease prevention policy and planning efforts, and also coordinates prevention-related activities in all DHHS agencies.

Mr. President, I think this is a worthy amendment. I really hope all of my colleagues will consider helping these people, because I believe that without this $8.43 million, the developmental disabilities program will be severely hampered and severely injured. I am hopeful that the manager of the bill may accept this amendment.

Mr. SCHMITT. Mr. President, may I just very briefly suggest the absence of a quorum so we may see a copy of the amendment?

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily set aside this amendment in order to proceed with another amendment so we not lose time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, the Senator from Pennsylvania (Mr. SPECTER) is in the Chamber. I ask unanimous consent that the motion to reconsider of the Senator from New Jersey be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as a comanager of the bill, I ask unanimous consent to set aside the committee technical amendment and ask the Chair to recognize the Senator from Pennsylvania (Mr. SPECTER) for the purpose of offering an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I wonder if we might defer this amendment until the arrival of Senator ROBERT C. BYRD, who is interested in this amendment. I understood that he was to be back in the Chamber shortly.

Mr. HATFIELD. He is here. May I have the attention of the Senator from Pennsylvania? The Senator from West Virginia is present.

UP AMENDMENT NO. 682

(Purpose: To amend H.J. Res. 357 to maintain existing enforcement authority of the Mine Safety and Health Administration)

Mr. SPECTER. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SPECTER), on behalf of himself, Mr. RANDOLPH and Mr. ROBERT C. BYRD, proposes an unprinted amendment numbered 682:

At the end of the joint resolution, add the following new section.

SEC. Notwithstanding any other provision of this joint resolution, the Mine Safety and Health Administration shall continue during the term of this joint resolution to have the same enforcement authorities which where vested in it on the last day of the Fiscal Year, 1981.

Mr. SPECTER. Mr. President, the purpose of this amendment is to leave with the Mine Safety and Health Administration (MSHA) the jurisdiction over surface stone, sand, gravel, clay, and colloidal phosphate mines.

We had thought that this issue had been resolved in the Appropriations Committee, but I am now advised that there is a question as to whether these mines remain under the jurisdiction of MSHA. Therefore, I offer this amendment, so that there may be no disagreement as to the status of these mines.

Under the current arrangement, it may be that these mines would no longer be under the jurisdiction of MSHA, and some may believe that they would then fall to the jurisdiction of OSHA; but that, in fact, is not so. The status of the House language, in fact, would remove these mines from MSHA, but they would not be covered by the appropriate OSHA legislation.

Indeed, in addition to excluding the sand and gravel mines, which employ about one-third of the 39,500 surface mining work force, there would be excluded another one-third of the work force of some 37,500 people employed in such surface stone mining operations as limestone, granite, and slate mines.

There is a major health hazard which is connected with these mines, which has caused the deaths of some 26 people from January 1, 1981, through November 6, 1981.

There has been some dispute on this issue in deliberations in the Appropriations Committee, and I have the up-to-date statistics provided by the Mine Safety and Health Administration of the U.S. Department of Labor, which details the deaths and the individuals. I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 1, 1981–NOVEMBER 6, 1981

Sand and gravel (one contractor)	7
(Surface) stone (two contractors)	16
(Surface) clay	3
Total metal	26
Total nonmetal	74

Between 1978 and June 1981, 139 surface sand, gravel, stone workers have been killed.

FACILITIES AT SAND AND GRAVEL, SURFACE STONE AND CLAY MINES, 1981

Date, number killed, and place (city, State):

January 7, 1981, 1, Blue Ridge, Va.
February 14, 1981, 1, Lecanto, Fla.
February 17, 1981, 1, Nazareth, Pa.
April 10, 1981, 1, Gantts Quarry, Ala.
April 27, 1981, 1, Jamestown, S.C.
May 10 1981, 1, San Manuel, Ariz
May 17, 1981, 1, Mobile, Ala.
May 27, 1981, 1, Billings, N.Y.
June 18, 1981, 1, Ragland, Ala.
June 16, 1981 (died July 1), 1, Trona, Calif.
July 7, 1981, 1, McIntyre, Ga.

July 7, 1981 (died July 17), 1, Wausau, Wis.
July 7, 1981, 1 Bethel, Mo.
July 21, 1981, 1, Aberdeen, Miss.
July 28, 1981, Lilesville, N.C.
July 31, 1981, 1, Great Bend, Kans.
August 24, 1981, Irwindale, Calif.
August 31, 1981, Hooksett, N.H.
September 3, 1981, Ray's Community, Ala.
September 17, 1981, Waco, Tex.
September 22, 1981, 1, Morehead, Ky.
October 7, 1981, 1, Eckerty, Ind.
October 11, 1981 (died October 12, October 25), 2, Ft. Worth, Tex.
October 22, 1981, 1, Upton, Wyo.
October 22, 1981, Richmond, Ind.

Mr. SPECTER. Mr. President, the National Limestone Institute is in favor of retaining jurisdiction in MSHA, and this is set forth succinctly in a letter dated November 18, 1981, from James H. Williams, president of the National Limestone Institute, Inc., which says in pertinent part:

This industry wants relief from over-regulation springing from the Mine Safety and Health Act, but it does not choose to accept on blind faith that the transfer to OSHA, an already monetarily and functionally over-extended regulatory agency, will provide the necessary relief we seek. Until the Secretary of Labor, who has administrative authority over both MSHA and OSHA and who would be responsible for implementation of the intra-departmental transfer, demonstrates the Administration's support for transfer and demonstrates that OSHA will provide the type of even-handed regulation we all seek, Congressional action on the transfer proposal is not prudent nor in the long-term best interest of the industries it seeks to assist.

I ask unanimous consent to have this letter printed in the RECORD in full:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL LIMESTONE INSTITUTE, INC.,
Fairfax, Va., November 18, 1981.

TO MEMBERS OF THE U.S. SENATE: During consideration of the Continuing Resolution, you will be asked to consider a legislative amendment proposing intra-departmental reorganization, and you will be asked to make this reorganization without knowing the Administration's position on the matter or how the Administration intends to implement it. In addition, there is deep division as to its long-term merits within the industries which would be affected by this reorganization.

The proposed Bumpers Amendment seeks to transfer regulatory jurisdiction over health and safety matters for the surface crushed stone industry from the Mine Safety and Health Administration to the Occupational Safety and Health Administration, by defunding MSHA's regulatory activity over this industry. The Administration has not testified on this proposal, but the input they have had, through contacts with the Senate and House Appropriations Committees (and Senate and House Labor Committees) has raised significant, negative questions on the implementation of such an intra-departmental reorganization. In addition, the Senate Appropriations Committee, during considerating of the 1982 Labor HHS Appropriations Bill, defeated the Bumpers Amendment by a vote of 16 to 11.

This industry wants relief from over-regulation springing from the Mine Safety and Health Act, but it does not choose to accept on blind faith that the transfer to OSHA, an already monetarily and functionally over-extended regulatory agency, will provide the necessary relief we seek. Until the Secretary of Labor, who has administrative authority over both MSHA and OSHA and who would be responsible for implementation of the intra-departmental transfer, demonstrates the Administration's support for transfer and demonstrates that OSHA will provide the type of even-handed regulation we all seek, Congressional action on the transfer proposal is not prudent nor in the long-term best interest of the industries it seeks to assist.

It is absolutely shocking that the Congress would proceed to effect administrative reorganization of this magnitude *without first knowing* the position of the Department in which the reorganization would take place and, more importantly, how OSHA would specifically regulate our industry once given that responsibility.

We strongly urge you to oppose passage of the Bumpers Amendment to the Continuing Appropriations Bill.

Sincerely,

JAMES H. WILLIAMS,
President.

Mr. SPECTER. Mr. President, I have a letter from the Honorable James J. Donovan, Secretary of the U.S. Department of Labor, dated November 19, 1981, which sets forth the agreement of the Department of Labor that these mines should remain under the jurisdiction of MSHA. I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD in full, as follows:

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, D.C., November 19, 1981.

Senator ARLEN SPECTER,
U.S. Senate, Washington, D.C.

DEAR SENATOR SPECTER: In response to your inquiry concerning the variety of proposals introduced amending the Federal Mine Safety and Health Act of 1977, I would like to provide you with some general considerations which the Administration believes are important in improving mine safety and health.

It must be understood from the outset that the basic purpose of the Mine Act—the protection of the health and safety of the nation's miners—is the Administration's paramount concern. However we believe that the regulatory role of the Federal Government has too often proven to be an obstacle to effective safety and health efforts. Together we must work to create an atmosphere that will better promote safety and health in our Nation's mines.

Along this line, a significant component of the Federal enforcement scheme under the Mine Act has been the statutory requirement for the imposition of mandatory civil penalties for every violation under the Act. There has been considerable criticism of this inflexible approach to monetary fines. We believe that a reexamination of the current civil penalty system is in order to determine how it could be reconstituted in a way which would effectively recognize an operator's actual safety and health record and provide more effective incentives to reduce injuries and illnesses.

Additionally, in carrying out the Department's responsibilities, the agency must have the flexibility to direct its enforcement capability toward those operations which pose significant threats to health and safety and away from areas which have been shown to present few risks. We have found that a relatively small percentage of all mining operations generally account for a high percentage of all mining injuries. It would appear that a greater degree of flexibility in utilizing existing enforcement resources could yield tangible health and safety benefits and could provide additional incentives for mine operators to improve safety and health conditions.

As enforcement alone is clearly not the key to improved health and safety, a necessary adjunct to our enforcement program will be concerted attempts to encourage further cooperative endeavors among industry, labor and MSHA. There are at least three areas needing attention.

First, we must find ways to provide the government's valuable assistance to industry without the constant threat of enforcement action. Programs like the recently initiated Compliance Assistance Visits (CAV) must be continued and expanded. Consultative approaches to health and safety problems, such as the Mine Safety Analysis program in effect in the Commonwealth of Kentucky should be carefully examined for possible application on a nationwide basis.

Second, we must explore the possibility of further expanding the cooperative efforts between MSHA and the States in order to make optimum use of the resources which both have to offer in the mine safety and health arena.

Third, we must reexamine the training requirements mandated by the Mine Act. While we believe that health and safety training is essential to a comprehensive health and safety effort, and that Section 115 has been implemented successfully in many areas, it is apparent that more flexibility is required in other areas.

We recognize that there are other substantive issues presented in pending legislation which should be addressed. One is the effort to exempt surface stone, sand, gravel, colloidal phosphate and clay operations from MSHA's jurisdiction. Sand and gravel and surface stone operations are more hazardous than surface bituminous coal operations. In each year since 1974, sand and gravel and stone mines have accounted for approximately one-half the fatalities in the metal and nonmetal mining industry. For example, over the last three years the fatality rate in sand and gravel mines averaged almost three times the fatality rate in surface bituminous coal mines. In our view, these statistics demonstrate the hazardous nature of the sand and gravel and surface stone segments of the mining industry.

Eliminating MSHA's authority to inspect these operations would effectively exclude a substantial portion of this hazardous industry from any regular Federal health and safety inspections. OSHA is currently subject to certain provisions in its appropriations bill which exempt most work places employing 10 or fewer employees. The exclusion would apply to 86 percent of sand and gravel mines and 66 percent of surface stone mines. Thus most of this portion of the mining industry would be all but totally exempt from federal safety and health inspections. In transferring that responsibility to OSHA, it must also be recognized that OSHA's resources are being concurrently reduced.

We look forward to working with you and other interested members, as well as the affected persons in the mining industry, in our mutual efforts to improve safety and health conditions in the Nation's mines.

The Office of Management and Budget advises that it has no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

RAYMOND J. DONOVAN.

Mr. SPECTER. Mr. President, I shall read only two paragraphs which are the relevant portion. Mr. Donovan's letter states as follows:

We recognize that there are other substantive issues presented in pending legislation which should be addressed. One is the effort to exempt surface stone, sand, gravel, colloidal phosphate and clay operations from MSHA's jurisdiction. Sand and gravel and surface stone operations are more hazardous than surface bituminous coal operations. In each year since 1974, sand and gravel and stone mines have accounted for approximately one-half the fatalities in the metal and nonmetal mining industry. For example, over the last three years the fatality rate in sand and gravel mines averaged almost three times the fatality rate in surface bituminous coal mines. In our view, these statistics demonstrate the hazardous nature of the sand and gravel and surface stone segments of the mining industry.

Mr. Donovan then concludes with the statement:

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the administration's program.

In essence, there is a pressing need, from the point of view of safety, to have this jurisdiction retained in MSHA, as demonstrated by the conclusive statistical data. The retention of jurisdiction is supported, as noted, by the administration.

I yield the floor.

Mr. BUMPERS. Mr. President, first of all, let me say that the way this bill reads right now is not only the way it should read, but also, it is precisely the way the Senate has passed it twice, and it is precisely the way the House has passed it twice.

For some reason or other, like Rasputin, it seems to be coming back to haunt us. But let me give the Senate the reasons why it is good law.

In 1977, when the U.S. Congress passed the Mine Safety and Health Act, we passed it with the intention of protecting coal miners in this country. It is not that there are not other occupations that are hazardous, but we were trying to protect deep-mined-coal miners primarily and secondarily surface-coal miners.

Mr. President, like all good new administrations and agencies, the Mine Safety and Health Administration, with a great deal of fervor and dedication, rushed out and drafted several volumes of regulations.

They started regulating the digging of cable trenches by the telephone companies. Somehow or other, they even started regulating the harvesting of pineapples in Hawaii. They started regulating a kitty litter operation in Tennessee. They even started regulating a plant in Tennessee that has 200 employees, because it was within a quarter mile of a quarry.

Mr. President, may we have order? I would rather talk to an empty Chamber than a Chamber that is busy talking about something else.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BUMPERS. It was a classic case of a bunch of bureaucrats overstepping all the bounds of reason, far beyond anything Congress ever intended for them.

And these people were rightfully incensed and they came up here and they asked some of us to give them a little relief, and so we did.

We offered this amendment here the first time I believe in 1979 to exempt people in the crushed-stone business, in the clay business, in the colloidal phosphate business and sand and gravel business.

Mr. President, what this does is simply remove the jurisdiction for occupational safety of these industries from the Mine Safety and Health Administration over to the Occupational Health Administration.

They are not going to be left to their own devices. They are going to be protected and this will automatically occur.

But one of the points I make first off is the Senator from Pennsylvania has said that the Limestone Institute does not want in on this; they do not want to be transferred to OSHA.

Let me tell the Senators something. Of all the limestone operators in this country, the Limestone Institute only represents about 25 percent of them and the other 75 percent do want to be included in this amendment.

But let us look at the safety record of these people.

Sand and gravel operators in this country have a better safety record, a smaller number of injuries and accidents than the residential building construction industry, the repair garage trade, Sears, Roebuck and all other general merchandise stores, motor vehicle body manufacturers, and a whole host of others.

The stone industry has a better safety record than plumbers, the heating and air-conditioning industry, the painting industry, the mason industry, and a whole host of others. Why would we want to regulate those people the same way we regulate people who go down in the bowels of the Earth, a mile down into the bowels of the Earth to mine coal? Talk about apples and oranges. This is a classic case of it.

Everyone here weeps tears everyday about small business. We have 7,600 sand and gravel operators in this country and 6,000 of them employ fewer than 10 people.

Are we going to regulate those people who have a little barge out in the Arkansas River, sucking sand off the floor of the river, the same way we would people who go a mile into the bowels of the Earth to mine coal? Does that make sense? If it does, vote for the amendment of the Senator from Pennsylvania. If it makes sense to regulate an industry that has a better safety record than Sears, Roebuck, the same way we would people who go down to the bowels of the Earth a mile to mine coal, vote for the Senator from Pennsylvania. If Senators think that is nonsense, vote against it.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. BUMPERS. I am happy to yield.

Mr. LONG. Are we to understand that this Mine Safety Act applies to one simply digging gravel out of the stream?

Mr. BUMPERS. Absolutely.

Mr. LONG. I just asked the question.

Mr. BUMPERS. Let me correct that to say the way the bill reads now it will not, but if we adopt the amendment of the Senator from Pennsylvania, it will put them right back under the Mine Safety and Health Administration.

Mr. LONG. In the State of Louisiana, the parish where I live is bounded by the Amelia River. Most of the year you can wade across and it never gets up to your knees, but a huge amount of gravel is mined from that river. They just dig it out. They just pump it out. And no one gets down and digs it by shovel and no one comes into contact with it.

Am I to understand that under this amendment the Mine Safety Act would apply to simply digging that gravel up and putting it on the truck?

Mr. BUMPERS. The Senator is dead right.

Mr. LONG. No one goes underground; they do not have to blast anything. The machine just digs the stuff up and puts it on the truck.

Mr. BUMPERS. The Senator is dead right.

So far in 1981 they had nine deaths in that business. I want to get that in the RECORD. I am not going to bore Senators with it, but I can tell Senators that two of them were electrocuted standing in water and holding a hot wire and two others fell overboard and drowned, and all the regulations on the Earth are not going to keep that kind of accident from happening. In spite of that they have a better safety record than hotels and motels.

Mr. LONG. It seems that a person would be in greater danger if he just went out in the woods looking for pine nuts because a limb might fall on his head.

Mr. BUMPERS. The Senator is dead right, and he can understand why those people got properly agitated when all of a sudden they are faced with this regulation when they have been taking sand and gravel out from little streams in Louisiana and Arkansas all their life.

Mr. SCHMITT. And New Mexico.

Mr. BUMPERS. And New Mexico.

Mr. SCHMITT. We do not have a stream, if the Senator will yield.

Mr. BUMPERS. There are small streams, a lot of them. So some of the bigger operators have the barges out in the middle of the river with a tunnel to the shore so they can tunnel the sand from the barge to the shore. That is just what happened and Congress never intended it and I have been trying to get it corrected for the last 3 years. Finally, I got it down and now the Senator from Pennsylvania is trying to undo it.

Mr. LONG. Will the Senator yield?

Mr. BUMPERS. I yield.

Mr. LONG. Is that not the kind of thing Ronald Reagan promised trying to save us from putting Government on our back where it was never intended?

Mr. BUMPERS. I do not know anyone in this body who would holler louder amen than the President of the United States.

Mr. President, I yield the floor.

Mr. SCHMITT. Mr. President, I believe the distinguished Senator from Oklahoma wishes to make a comment. I yield to him at this point.

Mr. NICKLES. Mr. President, I rise to support this amendment offered by my colleagues, Senator BUMPERS and Senator SCHMITT. I want to take this opportunity to explain my support, to remind my colleagues of the recent history of this MSHA transfer provision, and to address the concerns of opponents of this amendment.

The Labor Subcommittee has already conducted hearings on and has reported favorably a transfer bill, S. 351. During the course of those hearings I heard the horror stories of small family-run sand and gravel mines and stone quarries being forced out of business due to inappropriate and unnecessary regulation and inspection. The Federal Mine Safety and Health Act of 1977 was written for and by the coal mining industry and is interpreted and enforced by a coal-dominated bureaucracy called MSHA. The act and its regulations are counterproductive when applied to the noncoal mining industries that this amendment is designed to transfer from MSHA to OSHA.

What is wrong with the MSHA statute that makes it so offensive to these noncoal industries? Major problems with the statute include:

First, two annual mandatory inspections of surface mines regardless of the safety record of the company.

Second, mandatory training requirements regardless of whether your employee is seasonal, or if compliance would take away one-fourth of your work force.

Third, mandatory citations regardless of an operator's cooperation or attempts to abate a hazard, no notices can be issued.

The industries which we would be transferring here are small in scale and are located in every community throughout the country due to the fact that the value of the commodity produced does not justify transportation costs over great distances. For example, of the approximate 7,600 sand and gravel operations, over 6,000 employ less than 10 people and 3,000 of those employ only 1 to 4 people. How can these small operators afford to comply with a statute that was not designed for their companies?

As a case in point, let me briefly quote from the testimony of W. Dave Amis, president of Amis Materials Co., in Oklahoma City. Mr. Amis was testifying on behalf of the National Crushed Stone Association, before the Labor Subcommittee in March of this year.

> My company operates a small crushed stone quarry at Stringtown, Atoka County, Oklahoma. We employ 20 to 25 persons, 5 of whom actually work in the quarry itself.
>
> Our crushed stone products are supplied to both the public and the private sectors. We produce approximately 50,000 tons of material a month.
>
> Since we started operating the quarry in October, 1977, we have never had a serious accident or fatality. In 1978, and again in 1979, we received awards from the Mine Safety and Health Administration (MSHA) of the Department of Labor for no lost time accidents during each of those years.
>
> In the face of this, we have had seven MSHA inspections which have resulted in numerous citations and subsequent penalties.
>
> The experiences of my company and those of others all over the country point up the one principle reason for NCSA's position in this issue . . . the Act is not working. It is not achieving what Congress intended for it to achieve, at least as far as the crushed stone industry is concerned. One glance at the disabling injury frequency rates from 1974 through 1977, just prior to the enactment of the 1977 Act, shows a regular, stair-step decline in injuries from 20.60 injuries per million man hours worked in 1973 to 16.69 injuries per million man hours worked in 1977. This represents a reduction of 20 percent. In its first year, the 1977 Act more than erased the safety advances of the four years previous for the crushed stone industry and for other metal and nonmetal commodities with a 25 percent increase in the disabling injury frequency rate.
>
> Crushed stone quarries are not the same as coal mines. There are vast differences in the hazards faced by coal miners and those faced by quarry workers.
>
> The work environment and the techniques and equipment used are much more like those found in the construction industry which is under the Occupational Safety and Health Act.
>
> When the Act was being considered in the 95th Congress, industry arguments that provisions of the 1969 Coal Act should not be applied to quarries because quarries were totally unlike coal mines were turned aside or forgotten as news came out of the dreadful events of the Scotia, Kentucky underground coal mine explosions and deaths.

This amendment that we have before us today was passed by the House of Representatives on October 6 of this year by a recorded vote of 254 yeas to 165 nays—an 89-vote margin. The amendment was also passed by the Labor-HHS Appropriations Subcommittees. Then at full committee this transfer provision was stripped out.

Let be add further that last year this amendment passed the Senate floor twice. On July 29, 1980, as a rider to the ERISA Reform Act the amendment passed 52 to 37. Then again on December 10, 1980, as an amendment to the 1981 continuing resolution the transfer passed 44 to 35. Also in the last Congress the transfer passed the House as an amendment to the Labor-HHS appropriations bill. At conference on the 1981 continuing resolution, the conferees initially supported the MSHA transfer, but it was subsequently dropped along with several Senate amendments as a result of the fight over congressional pay increases in that conference.

All of the above overwhelmingly indicates congressional support for this MSHA transfer. It is now time for Congress to complete action on this transfer and provide relief to these noncoal industries.

Our Labor Subcommittee guards its jurisdiction. We do not readily and willingly offer support to legislative efforts by others in areas within our jurisdiction which bypass the subcommittee. However, this transfer is so vitally needed now that as chairman of the Labor Subcommittee, I wholeheartedly endorse this transfer amendment. My hope is that the Senate will permanently enact this transfer into law this Congress with passage of either S. 351 or H.R. 1603.

Last, let me briefly address the concerns of opponents of this legislation. Their arguments are twofold. First, they claim that by denying MSHA funding to enforce standards against these industries that the result would be an exclusion from all safety and health authority rather than a transfer to OSHA jurisdiction. This is clearly erroneous. I refer my colleagues to the December 10, 1980, RECORD, pages 33273 and 33274. There one will find cites to and discussions of three Federal circuit court decisions which rule that OSHA would have enforcement jurisdiction in the case of a denial of funds from MSHA.

Second, the argument is made that although safety statistics indicate that these noncoal industries are safer in terms of nonfatal disabling injury rates that they are nevertheless dangerous operations since their fatality rates are higher. Let us look more closely at these fatality statistics.

I refer my colleagues again to the December 10, 1980, RECORD, page 33338 Therein our colleague, Senator BUMPERS, examined what constituted a mining fatality in the sand and gravel industry. You will find that such things as a motorcycle accident when arriving for work and drownings resulting from failure to wear provided lifejackets are considered mining fatalities.

As of October 11, 1981, there have been six surface sand and gravel fatalities. Three of those resulted from drownings, two occurred as a result of accidents with a construction front-end loader and a conveyer belt, and the sixth fatality resulted from a miner, while driving an auto over a railroad crossing, being hit by a train. Thus any fatality occurring on the site of a quarry or surface mine is considered a mining fatality regardless of the cause. This distorts the fatality incident rates.

I am convinced, Mr. President, that when this issue is carefully examined one must reach the conclusion that these noncoal industries would be better served and safer under OSHA than under MSHA. I hope my colleagues will join me in supporting the Bumpers-Schmitt amendment. Thank you, Mr. President.

Mr. President, briefly, I think it is important to let most of our colleagues remember why there is a very strong urge that a lot of small companies want to get out from the jurisdiction of MSHA. Comparing MSHA to OSHA there is a lot of difference. MSHA mandates two annual inspections of surface mines regardless of their safety record. Those mandatory training requirements are regardless of whether your employee is seasonal, or if compliance would take away one-fourth of your work force.

They also have mandatory citations, regardless of amount of efforts that you try to have in compliance. Unlike OSHA where you might have a voluntary business and without a fine, you have mandatory penalties and citations which have a very distasteful position with the employers.

It is also alluded by some who said if we take them away from MSHA they will not be covered by OSHA.

Mr. President, that is not correct. I refer my colleagues to December 10, 1980, in the RECORD where we find that discussions of three Federal circuit court decisions which ruled that OSHA would have enforcement jurisdiction in the case of a denial of funds from MSHA.

Mr. President, I think our colleague from Arkansas, Senator BUMPERS, did an excellent job stating the fact that the safety record of the small mines is not that detrimental. I think we can do a good thing for the small business community by defeating the Specter amendment.

Mr. SCHMITT. Mr. President, I think the Senator from Arkansas, the Senator from Louisiana, and the Senator from Oklahoma would all be interested. As I peruse the letter recently received by the Senator from Pennsylvania from Secretary Donovan, I really do not see a position taken by the Department of Labor.

I do see a report and analysis of some of the problems just alluded to by the Senator from Oklahoma that exist within the Mine Safety and Health Act and regulations, and he does indicate his belief that there are problems in sand and gravel mines. Whether we agree with his figures or not is probably not the issue tonight, but I do think it is important that we understand there is no position taken by the Department by this question in this letter.

Most importantly I think it is clear that through the debate we have had on the floor of the U.S. Senate on two different occasions the Senate has remained convinced that these provisions should remain and that this industry should be exempt from the Mine Safety and Health Administration. I think that is the most important fact.

We have all been through it once before and I have no need to occupy the time of the Senate any further.

I know of no other speakers.

Mr. RANDOLPH. Mr. President, I ask the able Senator from New Mexico—my attention was diverted—is he favoring the amendment offered by the Senator from Pennsylvania (Mr. SPECTER)?

Mr. SCHMITT. No, as much as I hate to not agree with any colleague offering an amendment, I cannot favor the amendment offered by the Senator from Pennsylvania.

Mr. RANDOLPH. The Senator would not be terribly upset if the Senator from West Virginia would support the amendment of the Senator from Pennsylvania?

Mr. SCHMITT. The Senator from West Virginia knows that I would not be terribly upset by any action he might take.

Mr. RANDOLPH. Or if the minority leader, Senator ROBERT C. BYRD, would support the amendment, would the Senator be upset?

Mr. SCHMITT. No; I really cannot say I would be upset with the distinguished junior Senator from West Virginia either.

Mr. RANDOLPH. This is a vital safety matter that is, at this late hour, being discussed in the Senate. It is a complex problem, and it involves life and death.

I want to say that for a long time, not a brief period, this has been a matter of concern within the Labor and Human Resources Committee. Over and over again we have discussed this issue. We have worked on it. Very frankly, I would say, although I must be very careful about this assessment, that the membership of the committee would possibly be in favor of the pending amendment offered by our colleague from the Commonwealth of Pennsylvania.

Having said that I must go further and say that this is a matter of committee consideration now, both the Subcommittee on Labor and the Committee on Labor and Human Resources.

I know there was a "Dear Colleague" letter which was, I believe, distributed by the Senator from Pennsylvania; is that correct?

Mr. SPECTER. Yes, it was.

Mr. RANDOLPH. Senator SPECTER, I believe that was yesterday, is that correct?

Mr. SPECTER. Two days ago.

Mr. RANDOLPH. I am not certain whether you have referred to it tonight, because I was otherwise involved at the outset, but did you go into the matters that were discussed in your communication?

Mr. SPECTER. Yes, I did.

Mr. RANDOLPH. I thank you very much.

I am wondering if Members have read that letter from the Senator from the Commonwealth of Pennsylvania, who tonight has reiterated the strong arguments against this change in safety jurisdiction.

I have no desire at this hour to continue the discussion, except to say that I have the highest respect for the judgment and conscience of those Senators who have spoken.

Having said that, I think it will be unwise at this time not to support the amendment of my colleague from the other side of the aisle, who is very familiar with mining industry operations both from the standpoint of management and labor, and the conditions of health and safety. These are matters with which we have been very closely associated in the mining States of this country.

Mr. PROXMIRE. Mr. President, will the Senator from Pennsylvania yield? Was it not the position of the Appropriations Committee to support the amendment of the Senator from Pennsylvania? Did he not offer the amendment in the committee and did not the committee vote by a majority vote after discussion to support his position?

Mr. SPECTER. Yes.

Mr. PROXMIRE. Did he not bring out the fact that the sand and gravel industry is a hazardous industry; that the fatalities are substantial?

Mr. SPECTER. Right. As a matter of fact, the issue was contested at that time by the distinguished Senator from Arkansas (Mr. BUMPERS) who challenged the issue of fatalities. Various statistics were cited at that time.

In preparation for the presentation this evening, I have supplemented the statistics available before the full committee and have before me an enumeration of 26 deaths which were caused by these kinds of mining operations. I will not disagree with the distinguished Senator from Louisiana (Mr. LONG) that there may be circumstances of some kind of gravel mining that do not pose the hazard. However, that does not deny the

basic fact that there are enormous hazards, as evidenced by the details of the 26 deaths in 10 months during this year.

Mr. PROXMIRE. I thank my good friend and I support his amendment.

Mr. BUMPERS. Mr. President, if I may just make a statement, the Appropriations Committee which has, I believe, 28 or 29 members did vote—I did not realize it was coming up—did vote 7 to 5 in favor of the amendment of the Senator from Pennsylvania, which was less than half the membership voting. If we had taken a rollcall vote and voted proxies I think it might have been quite different.

But I do want to point out that in 1981, so far this year, we have had seven deaths——

Mr. SPECTER. Mr. President, will the Senator yield for a question?

Mr. BUMPERS. Yes.

Mr. SPECTER. Where did the Senator get these statistics? Senator ROBERT C. BYRD had a handful of proxies, and I think the number was much larger and more substantial in support of the amendment by the full committee. I wonder if the committee records are available to show the precise tally?

Mr. BUMPERS. I know there was not a rollcall because the Senator from New Mexico had 11 proxies, and he chastised me for not having a rollcall.

Mr. PROXMIRE. The vote was 16 to 11 in favor of the Senator from Pennsylvania's amendment. In other words, there were 16 members of the 29-member committee who voted. It was a majority.

Mr. SPECTER. It was a rollcall vote, and I think the Senator from Wisconsin is correct in his recollection of the 16 to 11 tally.

Mr. NICKLES. Mr. President, will the Senator yield?

Mr. SCHMITT. Maybe a more critical vote is the vote of 52 to 37, which is the vote in favor of the Senator's amendment the last time it was considered on the floor.

Mr. BUMPERS. It was even greater than that. That was in 1980. It was even bigger than that in 1979. Maybe I should stand corrected on the Appropriations Committee. I thought we had a hand vote because I remember Senator SCHMITT saying to me, he chastised me for not voting proxies, and I should have asked for a rollcall, that he had the proxies.

Mr. HATCH. Mr. President, will the Senator from Arkansas yield?

Mr. BUMPERS. I would be happy to.

Mr. HATCH. It is my understanding that the Senate has voted twice on this in favor of the Senator from Arkansas' position, once in the ERISA Multiemployer Pension bill July 30, 1980. The amendment, offered by the Senator from Wyoming (Mr. WALLOP), was adopted by a vote of 52 to 37 by the full Senate.

Then when Mr. BUMPERS himself, the Senator from Arkansas, offered an amendment to the continuing resolution on December 10, 1980, that vote was approved 44 to 35; am I correct?

Mr. BUMPERS. The Senator is correct.

SEVERAL SENATORS. Vote! Vote!

Mr. SPECTER. Mr. President, by way of very brief reply on certain of the factual matters which have been alleged, it is not so that there will be a transfer of jurisdiction to OSHA from MSHA. The amendment only denies the use of MSHA funds to enforce standards in these activities.

There is currently pending in the Labor and Human Resources Committee S. 351 which would transfer enforcement responsibility for the surface mines from MSHA to OSHA, and that has not been acted upon.

The statistics are plain that the fatality rates in these kinds of mines are substantially higher than for coal surface mines and metal surface mines, higher for the construction industry with which it is frequently compared, and that it is in fact extremely dangerous.

The assertions were made by the Senator from New Mexico that there is no position taken by the administration. I would submit that a fair reading—and I would rest my case on this contention—of the letter of November 19, 1981, from Mr. Donovan that I referred to only in part is an explicit statement in support of this amendment. Mr. Donovan says in the first full paragraph on page 3 of his letter that:

> Eliminating MSHA authority to inspect these operations would effectively exclude a substantial portion of this hazardous industry from any regular Federal health and safety inspection.

The full letter supports that conclusion and the conclusion of the statement of position in greater detail.

I think there is no question from the language which I just read and a fair reading of this entire document that this is a statement by the administration in favor of continuing jurisdiction by MSHA.

SEVERAL SENATORS. Vote!

Mr. SCHMITT. If the Senator would yield, his quote is correct, but it is a statement of fact not followed by any recommendation from the administration relative to his amendment.

I understand why the Senator is interpreting it that way. I think if the Secretary of Labor could express a position, he probably would be in favor of the amendment of the Senator. But I do not see that in this letter, because I do not think that the OMB, as is indicated down here, allowed him to take that position.

Mr. SPECTER. I accept the statement of the Senator from New Mexico, as he articulates it, that were the Secretary of Labor to state a position he would be in favor of the amendment which I propose. I think it is implicit, but I will take the implication the Senator articulates.

Mr. SCHMITT. My understanding is that there is no official position from the Department of Labor. I think it is an extraneous fact. I think the point is the Senator from Arkansas has expressed the position of the Senate and I suspect it will be sustained one more time.

The PRESIDING OFFICER. The question is on the amendment.

Mr. SPECTER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered

Mr. SCHMITT. I yield to my distinguished colleague from West Virginia.

Mr. RANDOLPH. Mr. President, the Senator from West Virginia must comment on what has been said by his colleague from Arkansas. In essence, he has won this battle twice before in the Senate, not with my vote. Regardless of the closeness of the vote, I do want to indicate again that this matter is before the Committee on Labor and Human Resources, the proper forum for making this type of decision at least initially.

Mr. SARBANES. Will the Senator yield on that point? As I understand it, the Appropriations Committee addressed this issue this year, just within the recent past, and, as a committee, by a vote of 16 to 11, adopted the position contained in the amendment of the Senator from the Commonwealth of Pennsylvania. Is that correct?

Mr. PROXMIRE. The Senator from Maryland is correct. That is right.

Mr. WALLOP. Mr. President, I oppose the amendment of the Senator from Pennsylvania. There have been serious problems resulting from the implementation of the Federal Mine Safety and Health Act of 1977. I have been particularly concerned about the effect of this act on sand, gravel, and stone surface mining operations.

In 1977, the Congress approved the Federal Mine Safety and Health Act. This new law repealed the Metal and Non-Metallic Mine Safety Act and amended the Federal Coal Mine Safety and Health Act. All industries involved with mineral extraction were brought under the same law, mandating equal compliance with regulations, paperwork, and the payment of mandatory penalties. I did not vote for the Mine Safety and Health Act. Several reasons prompted me to vote against the bill.

First, our disappointing experience with the administration of the Occupational Safety and Health Act had made me exceedingly wary of new safety and health programs. Once the bureaucrats get their hands on these programs, they seem to launch a life and soul of their own.

A second reason for my vote was the obvious domination of coal mining in the program. Simply imposing an expensive safety and health program designed for coal mining on unrelated operations did not make sense. Last, I was concerned about implementation. There were not enough trained inspectors to properly enforce the program required by the act. Such a situation could only lead to frustration and confusion on the part of the mining industry and worker.

On August 7, 1978, I received the first complaint about the new Mine Safety and Health Administration from a small sand and gravel operator in Casper, Wyo. More complaints soon followed. In response, I have sought to develop legislation which would provide a more sensible approach to safety and health problems of the sand, stone, and gravel industries. On March 12, 1979, Senators BUMPERS, KASSEBAUM, PRYOR, and I introduced a bill, S. 625, to transfer these industries from coverage under the Mine Safety and Health Act to the Occupational Safety and Health Act. Forty

other Members of the Senate joined us in cosponsoring this legislation.

Though hearings were never held on the subject of transfer by this committee, the subject was raised during oversight hearings on the Mine Safety and Health Act in the spring of 1979. Industry, labor, and MSHA administrators all had an opportunity to discuss the issue. Despite the support for the legislation in both the Senate and the House of Representatives—where 214 Members cosponsored the Marlenee companion bill—no further action was taken on the bill by either the House or Senate Labor Committees. My frustration with the legislative process was rapidly approaching the level of frustration felt by the industry toward the administrative process.

This legislative inertia was temporarily overcome on July 29, 1980. I offered my bill as an amendment to the multiemployer pension plan amendments, and it was adopted by a vote of 52 to 37. The conference committee, which was conducted by the Labor Committees, subsequently dropped my amendment. However, we were successful in eliminating temporarily one of the onerous burdens of the program. The Bumpers amendment to the Labor appropriations bill prohibits the enforcement of the training provision for stone, gravel, and sand surface miners.

We have a responsibility to reduce and eliminate costly, ineffective, and inappropriate regulations. That is exactly the purpose of my bill. The proposal was reintroduced as S. 351 on February 3, 1981, and is now pending in the Senate Labor Committee, with 31 cosponsors.

It would perhaps be useful to review issues, particularly for those Members who are new to the Senate. A rather extensive record was developed in the last Congress during oversight hearings by both Labor Committees. The 96th Congress was dubbed the "Oversight Congress," and one major oversight for some Members was a lack of response to problems presented during hearings such as the MSHA sessions. Most of those Members are no longer with us.

The debate has become another classic business and labor confrontation. We are bombarded with lots of statistics, and the usual predictions of dire tragedy, bankruptcy, and so forth by both sides. The actual issues are far less cosmic in nature.

The first is whether the sand, stone, and gravel industries are mining operations. These industries are involved in the surface extraction of minerals. They use equipment similar to that employed by the surface mining of coal, metals, and other nonmetallic resources.

In addition, these industries have always been considered mining enterprises as far as Federal legislation has been concerned. I will concede to labor on this point. A second concern is the level of hazard in these industries. It is argued that all mines are hazardous operations, and require a separate safety and health program. The following table, prepared by the Congressional Research Service, indicates that sand, stone, and gravel surface mining has a better nonfatal disabling injury rate than other mining industries. The fatality rate is somewhat higher than the average mining rate. So, in another concession to labor, stone, sand, and gravel are hazardous occupations, as are many other occupations in our society.

A third point of contention is that the Federal Mine Safety and Health Act merely added all other mining operations to the Coal Mine Safety and Health Act. The result was to apply coal mining safety procedures and techniques to mining operations which had no relation to deep underground coal mining. It is argued that vertical safety standards respond to particular industry problems. However, as the hearing record states, efforts have been made by MSHA to combine standards. Neither business nor labor have demonstrated the validity of their arguments on this point.

While labor and business spokesmen have argued over these rather broad issues, specific requirements of the Mine Safety and Health Act have created real problems for the operators of stone, gravel, and sand surface mines. For instance, the law clearly states that an independent contractor will be considered as an operator. Any violation of MSHA by the contractor or his crew will result in a citation and fine for the contractor. However, MSHA has established a policy of citing and fining the owner of the surface mine, not the contractor, for contractor violations. Business is certainly right in complaining about this absurd policy.

Another fault with the program is mandatory penalties. Unlike OSHA, the mine safety program stresses only negative incentives for complying with the standards.

Operators are cited and fined for any and all violations. The quest for a fine results in penalties for the most minor violations, eliminates positive efforts at good faith compliance, and creates business mistrust due to subjective interpretation of standards by inspectors. Operators would regard the fines as a nuisance if they were not so expensive. Critics will argue that fines can be appealed. But, an appeal often costs more than the fine. One mine operator testified that an appeal of a $100 to $200 fine costs about $1,600. Only 5 percent of all citations are appealed. When one considers what a litigious society we live in, this rate of appeal is surprisingly low.

Unlike OSHA, there is no flexibility in the program. Violations under OSHA do not necessarily invoke a penalty, rather a citation is issued which requires prompt abatement. Maximum penalties under OSHA are one-tenth the amount under MSHA, though hazards are as serious under OSHA as they are under MSHA. It is encouraging that Congressman GAYDOS, chairman of the House Labor Subcommittee has recognized this problem, and has stated that mandatory penalty section may require revision.

A third problem with MSHA is the training requirement. As the hearing record clearly demonstrates, training, as required by the act, is a costly burden with little benefit for surface sand, stone and gravel producers. The rigidity of the requirement prohibits more sensible alternatives.

During the Senate debate on my proposal last year, I cited a survey of Wyoming sand, stone, and gravel companies which sought to determine the total cost of training loss of production time and administration. The results were as follows:

First, estimated number of employees to be trained (24-hour requirement), 869.

Second, estimated number of experienced employees to be trained (8 hours), 733.

Third, estimated number of instructors to be certified, 58.

Fourth, estimated administrative costs to implement MSHA's new health and safety training regulations, $220,486.

Fifth, estimated cost of production time lost due to MSHA's training requirements, $479,816.

Sixth, total estimated cost to these businesses in fulfilling all requirements of the health and safety training requirements mandated by section 115 of the 1977 mine safety amendments, $1,181,317.

Seventh, percentage increase in finished product costs resulting solely from above costs, 10 percent.

One last objection is the lack of onsite consultation. MSHA has created an adversary relation between Government and business. Rather than cooperating with business and labor to create a safe and healthy workplace, MSHA is absorbed by the search for violations and penalties. Even the steelworkers have conceded that consultation should be permitted.

Our inability to provide reasonable, simple, and practical changes in MSHA, such as allowing consultation, has created a bad environment for this program. Unfortunately, it is a problem which permeates too many of our Federal programs. That is why we now have a mandate for change.

The change I have proposed is to transfer surface sand, stone, and gravel operations from jurisdiction under MSHA to the Occupational Safety and Health Administration. Something has to be seriously wrong in a program for anyone to advocate transfer to coverage under OSHA, but that is precisely what I advocate. This is not a ploy to sacrifice the safety and health of workers. OSHA exists mainly through the efforts of labor. It is a tough program, not without its faults. And, it is flexible, which is the one most glaring fault with MSHA.

I would like to include in the RECORD a comparison of the major provisions of the Mine Safety and Health Act and the Occupational Safety and Health Act prepared by the Library of Congress. The comparison is a graphic display of the rigidity/flexibility problem. I ask unanimous consent that this table be included in the RECORD.

Mr. President, an amendment to exempt these surface mines from MSHA and transfer them to OSHA has passed the Senate and the House twice. The continuing resolution, because of its current wording. exempts these surface mines from MSHA. I urge my colleagues to oppose the amendment of the Senator from Pennsylvania.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MINE SAFETY AND HEALTH

● Mr. KENNEDY. Mr. President, I support the amendment offered by the Senator from Pennsylvania, which would reaffirm the action of the Appropriations Committee regarding coverage under the Mine Safety and Health Act.

If we fail to adopt this amendment thousands of workers will face a greater risk of death or injury in the surface mines of this country.

The House amendment, which purportedly transfers jurisdiction over surface stone, sand, and gravel mines from MSHA to OSHA, would in fact totally exempt these mines and their workers from coverage under either statute.

OSHA is prohibited from inspecting facilities and operations which are under the jurisdiction of other Federal agencies.

Since the rider does not amend either statute but merely prohibits the expenditure of funds by MHSA, it would in effect exempt surface mines from coverage under both statutes, or at the very least encourage mine owners to resist OSHA enforcement.

Even if OSHA retained jurisdiction, surface mines would be virtually exempt from safety inspections.

The current OSHA appropriations rider exempts business with fewer than 10 employees from safety inspections.

Eighty-four percent of sand and gravel mines and 64 percent of stone mines employ fewer than 10 workers.

Mr. President, MSHA is a tough law. Two safety inspections of surface mines must be performed each year.

Mine owners may find these inspections bothersome but the dramatic reduction in the fatality and disabling injury rates in these mines since the passage of MSHA demonstrates how important these requirements are.

Fatality rates have declined by 38 percent since 1978. Disabling injury rates are down by 15 percent.

Despite this progress, surface. stone. sand, and gravel mines remain the most dangerous of all surface mines.

One hundred thirty-four have died in these mines since 1978, compared to 42 deaths in metal mines and 53 in surface metal mines.

We should eliminate safety inspections in these dangerous mines particularly when the evidence shows that increased inspections are saving lives.

Mr. President, legislation similar to the House-passed amendment has been pending before the Labor Committee since the beginning of the year.

Any action to amend MSHA should follow the normal legislative process.

I urge the adoption of the amendment.●

Mr. WILLIAMS. Mr. President, I support this amendment to restore funding to the Occupational Safety and Health Administration. Without this restoration, OSHA will have to conduct its operations with over $27 million less than its original budget request for 1982. We have already seen a significant decrease in OSHA operations in the last several months, and to my knowledge there has been no corresponding decline in workplace injuries or fatalities during this period. While we still hear talk of nitpicking enforcement and outmoded regulations, the fact of the matter is that OSHA has a mission of critical importance for the men and women of this country, and whatever problems do exist at that agency will not be solved by reducing the resources available to it.

To comply with the revised budget figures, without any restoration, OSHA will have to achieve a reduction in its personnel levels of major proportions. Last fiscal year, 160 slots were dropped from a total of 2,786 OSHA positions and under the revised figures, 90 more people would be removed or not replaced.

Already we have evidence of significant declines in OSHA enforcement activity. Workplace inspections have declined 17 percent, from a monthly average of 5,680 between January and October 1980 to 4,703 between February and August 1981. Comparing the same time periods, monthly followup inspections dropped 68 percent, from 1,012 a month to 326. The number of serious violation citations has declined 27 percent. Proposed and existing regulations concerning employee exposure to chemical hazards and other health and safety threats such as excessive noise, cotton dust, and lead, have been stayed, rescinded, or modified. In short, vigorous enforcement has been seriously lacking. Reduced funding for this vital program can only compound these problems.

Perhaps a small but significant example will best illustrate the damage that will be done with this attitude of cutting costs at all costs. The OSHA new directions program, which has had the support of Thorne Auchter, the Assistant Secretary for OSHA, as well as the support of many in the labor and business communities, will be cut over 60 percent, losing $9 million of its funding, without this restoration.

New directions is a program that provides seed money to groups in the business, labor, academic and public interest sectors so that programs in safety and health training and education can be developed and then become self-sustaining. The program has been a great success. It is an example of the best possible use of Government funds, to create and encourage the growth OSHA-related projects that can become self-supporting. The expenditure of these few million dollars will come back manyfold in a short period of time.

There are many other examples I could give of important work that OSHA has been doing. In the interests of time, I will stop now, having made the overall point clear. I can assure you that the workers of this country do not appreciate having the budget balanced on their backs, with disregard for their safety and health, and I would urge my colleagues to vote in support of this restoration amendment.

Mr. ROBERT C. BYRD. Mr. President, I am joining Senator SPECTER in offering this amendment. I believe he seeks to correct a very serious deficiency in the continuing resolution with respect to the Mine Safety and Health Administration.

I would like to review for a moment how the continuing resolution affects the Mine Safety and Health Administration's mine safety enforcement program. This joint resolution includes language on page 3 which reads as follows:

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed the House as of November 20, 1981, is different from that which would be available or granted under such Act as passed by the Senate as of November 20, 1981, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority: *Provided*, That where an item is included in only one version of an Act as passed by both Houses as of November 20, 1981, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations of the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriation Acts for the fiscal year 1981: *Provided further*, That for the purposes of this joint resolution, when an Act listed in this subsection has been reported to a House but not passed by that House as of November 20, 1981, it shall be deemed as having been passed by that House:

This language, I believe, is ambiguous. Depending on the interpretation of the word "item" in line 8, one can construe this language to mean that the "more restrictive authority" is controlling or that authority applicable in fiscal year 1981 is controlling.

I understand that conflicting interpretations were delivered yesterday with respect to the effect of this language on Mine Safety and Health Administrations enforcement authorities.

Also, I am told that the Office of Management and Budget has not been able to resolve its interpretation of the effect on this language on MSHA. So I believe that Senator SPECTER is doing us a service by clarifying the congressional intent on this matter. Without Senator SPECTER's clarification I expect the issue would have to be settled later by the courts.

Mr. President, the appropriations process is clearly not the proper forum to make detailed changes in enforcement programs affecting the health and safety of miners. And, this continuing resolution is an especially imperfect vehicle to consider such a change. The resolution fails to offer any detailed legislative explanation which I believe should accompany congressional decisions.

Where is the legislative history behind the House language? I am not aware of any hearings which the Appropriations Committee has held on this subject. On the other hand, these very same matters are being discussed in the appropriate place right now—that is Senator HATCH's Committee on Labor and Human Resources. S. 351 and other bills related to this matter have been reported out of subcommittee, I am told.

To prohibit sand and gravel enforcement funding in MSHA would be a preemption of the authorizing committee. The authorizing committee is looking at this matter carefully. We should let them complete the record on this matter before any recommendation is made to the Senate with respect to MSHA enforcement responsibilities.

Therefore, I urge you to vote for the amendment offered by Senator SPECTER.

[The following proceedings occurred after midnight.]

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania (Mr. SPECTER). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 35, nays 63, as follows:

[Rollcall Vote No. 413 Leg.]

YEAS—35

Biden	Glenn	Pell
Bradley	Hart	Percy
Burdick	Heinz	Proxmire
Byrd, Robert C.	Huddleston	Randolph
Cannon	Kennedy	Riegle
Chafee	Levin	Rudman
Cranston	Lugar	Sarbanes
D'Amato	Mathias	Sasser
DeConcini	Matsunaga	Specter
Dodd	Metzenbaum	Stafford
Durenberger	Mitchell	Williams
Eagleton	Moynihan	

NAYS—63

Abdnor	Garn	Murkowski
Andrews	Gorton	Nickles
Armstrong	Grassley	Nunn
Baker	Hatch	Packwood
Baucus	Hatfield	Pressler
Bentsen	Hawkins	Pryor
Boren	Hayakawa	Quayle
Boschwitz	Heflin	Roth
Bumpers	Helms	Schmitt
Byrd, Harry F., Jr.	Hollings	Simpson
	Humphrey	Stennis
Chiles	Inouye	Stevens
Cochran	Jackson	Symms
Cohen	Jepsen	Thurmond
Danforth	Johnston	Tower
Denton	Kassebaum	Tsongas
Dixon	Kasten	Wallop
Dole	Laxalt	Warner
Domenici	Long	Weicker
East	Mattingly	Zorinsky
Exon	McClure	
Ford	Melcher	

NOT VOTING—2

Goldwater	Leahy

So Mr. SPECTER's amendment (UP No. 682) was rejected.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHMITT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 662

Mr. HATFIELD. Mr. President, we have temporarily laid aside the Hatch amendment and we shall take it up shortly. We are now ready to remove that obstacle that we have been handling all evening and all day, the motion of the Senator from New Jersey (Mr. BRADLEY) to reconsider.

First, I ask unanimous consent that the motion to reconsider be temporarily laid aside so the Senator from New Jersey may offer an amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask the Chair to recognize the Senator from New Jersey so he may offer an amendment.

Mr. DANFORTH. Mr. President, may we have order, please?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BRADLEY. Mr. President, the amendment that I was going to offer at this time I shall withdraw because the issue that my amendment concerned was the retraining amendment that was dealt with earlier in the amendment offered by Senator DANFORTH, Senator MOYNIHAN, and myself. It is my understanding that that has now been worked out and I am pleased to yield to Senator DANFORTH and Senator MOYNIHAN for an explanation of what was worked out. I think it was a very satisfactory arrangement.

STATE STUDENT INCENTIVE GRANTS

Mr. President, I am pleased that the State student incentive grant program will continue to be available to assist undergraduate and graduate students in fiscal year 1982. This program represents a national commitment to the development of human capital through Federal investment in education. Federal efforts to improve the national economy are fatally flawed if we neglect to fully use all of those who are available to contribute to our economic growth. In establishing priorities for responsible fiscal management, we cannot forget the importance of a well educated and trained workforce. Funding SSIG shows our wise concern for the development of our human resources.

Federal support of higher education is a sound financial investment. Society benefits from developing more productive citizens, more knowledgeable voters, and more taxpayers. This is ample reason to continue Federal funding for higher education.

SSIG doubles the value of Federal funds by requiring a dollar-for-dollar match by the States. Through this program, the Federal Government helps educate children, in partnership with the States. SSIG is an incentive to States to assist students to finance their college educations.

The National Association of State Scholarship and Grant Programs credits SSIG with encouraging rapid State scholarship program growth since 1974–75. Prior to the beginning of the SSIG program during the 1974–75 academic year, only 31 States had statewide aid programs providing approximately $364 million to students. In the 1981–82 academic year, 57 States and territories have statewide, need-based aid programs, and the States appropriate about $887 million for this purpose. As the funding for SSIG has increased so has the growth of the statewide aid program.

For example, the greatest funding increase in the State programs occurred in the 1976–77 academic year when the SSIG appropriation more than doubled. In that year, SSIG funds increased from $20 to $44 million, and the total funding has been stable at $76.7 million and the State increases have been much smaller.

Without SSIG, many State scholarship programs would be eliminated. Although SSIG funds comprise only about 8 percent of all State aid program expenditures nationally, in 1980–81 the SSIG allocations represented one-half the program expenditures in 15 States and over one-third of the total program expenditures in 21 States. More than one-half of all the States—26—rely on the SSIG funds to provide over 20 percent of their total program funds.

Without SSIG many students currently supported by State programs would have to share the decreased Pell grants and SEOG grant funds. This would reduce the average per student grant and leave many students totally unsupported. New Jersey adds its SSIG funds to State funds and administers the combined funds in a tuition aid grant (TAG) program. The TAG program serves about 52,000 students per year. In 1980–81 TAG grants total $34.4 million with $2,083,898 in SSIG funds. Nationally 1,320,000 students were served in 1980–81 with $1,031,500,000 in combined State and Federal funds. SSIG funds represented $76.8 million or 8.42 percent of the funds.

I am pleased that this valuable program will continue to be available as an effective means of financing higher education.

Mr. DANFORTH. Mr. President, may we have order, please?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DANFORTH. Mr. President, we have worked out an agreement to deal with the trade adjustment assistance problem. First, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANFORTH. What is the status with respect to unprinted amendment 662?

The PRESIDING OFFICER. The amendment has been tabled and a motion to reconsider that vote has been pending off and on since that action.

Mr. DANFORTH. Mr. President, I ask unanimous consent that all action relating to amendment 662 be vitiated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

UP AMENDMENT NO. 683

(Purpose: To provide $98,560,000 for training, job search, and relocation allowances under the Trade Act of 1974)

Mr. DANFORTH. Mr. President, on behalf of myself, Senators MOYNIHAN, ROTH, BRADLEY, HEINZ, MITCHELL, SPECTER, EAGLETON, and PACKWOOD, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Missouri (Mr. DANFORTH), for himself, Mr. MOYNIHAN, Mr. ROTH, Mr. BRADLEY, Mr. HEINZ, Mr. MITCHELL, Mr. SPECTER, Mr. EAGLETON, Mr. PACKWOOD, and Mr. RIEGLE proposes an unprinted amendment numbered 683:

At the end of section 101(a) add the following new paragraph:

(6) Notwithstanding any other provision of this joint resolution, in addition to any sums otherwise appropriated there is appropriated an additional sum of $50,000,000 which shall be made available for training, job search allowances, and relocation allowances, under sections 236, 237, and 238 of the Trade Act of 1974.

Mr. DANFORTH. Mr. President, this is precisely the same amendment that was debated and voted on this afternoon, with the exception that the dollar amount in the earlier amendment, which was $98.6 million, has been reduced to $50 million. It is roughly a cutting in half of the dollar amount in the trade adjustment assistance retraining amendment.

As the Senate will recall, Mr. President, the vote on the motion to table the motion to reconsider the amendment was 47 to 47, an even split. Therefore, we have been negotiating with the distinguished Senator from New Mexico and we have agreed simply to split the difference.

I want to say that I very much appreciate the assistance of Senator SCHMITT and Senators DOLE, MOYNIHAN, BRADLEY, and others who have participated in the effort.

Mr. SCHMITT. Mr. President, I congratulate the Senator from Missouri on helping to work out this compromise. It is satisfactory to me, and I believe to the committee. I strongly recommend it to the Senate.

Mr. MOYNIHAN. Mr. President, may I first ask unanimous consent that the Senator from Massachusetts (Mr. KENNEDY) be added as a cosponsor to this amendment?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I join my distinguished colleagues from Missouri in expressing our appreciation to the Senator from New Mexico and perhaps especially to the distinguished chairman of the Committee on Finance, whose concern has been to see that there be this acceptable resolution. I thank my colleagues from Missouri, of course, who has led the way.

The question is on agreeing to the amendment.

The amendment (UP No. 683) was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Does the Senator wish to withdraw the previous amendment?

Mr. SCHMITT. I believe the previous amendment was withdrawn.

Mr. DANFORTH. Mr. President, what I wish to do is to withdraw amendment 662; and in lieu of that, we have just voted on the substitute.

The PRESIDING OFFICER. The Senator is correct.

The Senator from New Mexico.

Mr. SCHMITT. Mr. President, a parliamentary inquiry, merely to clean this up: Would it be appropriate at this point to request unanimous consent to do what the Senator from Missouri has just requested?

The PRESIDING OFFICER. It has been done.

The question recurs on the amendment of the Senator from Utah.

UP AMENDMENT NO. 681 (AS MODIFIED)

(Purpose: To provide funds for health promotion and disease prevention activities, and for activities under the Developmental Disabilities Assistance and Bill of Rights Act of 1981)

Mr. HATCH. Mr. President, on behalf of myself, Mr. RANDOLPH, Mr. KENNEDY, Mr. WEICKER, and Mr. CHILES, I send a modified amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH), for himself and others, proposes an unprinted amendment numbered 681, as modified.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modified amendment is as follows:

At the end of the joint resolution, add the following:

SEC. 124. Notwithstanding any other provision of this joint resolution, there are appropriated to the Department of Health and Human Services $61,180,000 for activities under the Developmental Disabilities Assistance and Bill of Rights Act of 1981, and $1,754,000 for health promotion and disease prevention activities of the Office of the Assistant Secretary for Health.

Mr. HATCH. Mr. President this amendment restores $8.43 million to the appropriation level for the developmental disabilities program bringing it to the reconciliation mark of $61,180,000 and funds the Office of Disease Prevention and Health Promotion within the Department of Health and Human Services by providing $1,754,000 instead of the $1 million level under the continuing resolution. The total add back is $9.184 million.

The Developmental Disabilities Act was originally passed in order to coordinate and provide services where necessary for the more severely handicapped persons of our Nation. This law is a vehicle to help eliminate gaps in services with emphasis on providing services to rural and underserved regions.

The Office of Disease Prevention and Health Promotion in the Office of the Assistant Secretary for Health is responsible for disease prevention policy and planning efforts, and also coordinates prevention-related activities in all DHHS agencies.

Mr. President, I ask my colleagues to consider this amendment to restore funding to two programs within the Labor-HHS sections included in this continuing resolution proposal.

This amendment proposes a funding level of $61,180,000 for the developmental disability program—an addback of $8,430,000. This addback is essential in order to maintain services for the 3 million developmentally disabled of our Nation. Also included in this amendment is a restoration of funds for the Office of Disease Prevention and Health Promotion in the Department of Health and Human Services to $1,754,000—an addback of $754,000.

The developmental disabilities program is divided into four major components consisting of State grants, protection and advocacy, special projects, and university-affiliated facilities. Each has a major function or role in the provision of services to developmentally disabled persons.

STATE GRANTS

For the past 4 years, the basic State grant program has remained at the same level of appropriation of $53,180 million having to adjust for inflation and increased costs of mandated activities without additional funds. Forty-nine States, the District of Columbia, and Puerto Rico each received a formula grant of at least $250,000 based on population, per capita income, and financial need. These formula grants were matched by State of local funds on a 75 Federal–25 State or local ratio. Currently, Virginia and the trust territories do not participate in the State grant program but they have applied for inclusion this year. The additional cost of providing a share for these States without increasing funds back to the fiscal year 1981 prerescission figure will put a strain on the States' already tight financial load.

PROTECTION AND ADVOCACY

During the last 5 years the demand for protection and advocacy services has steadily increased to a point where 30,000 developmentally disabled have received assistance in 1981. This year, participation has risen dramatically as service providers cut back due to reduced funding in an already inadequate service system. This program's appropriation must be $8 million in order to continue its effectiveness.

SPECIAL PROJECTS

Grants of national significance and special projects aided the developmental

disabilities program in developing new services and combinations of services for individuals who are developmentally disabled. Through the years, these grants brought together the resources of the university-affiliated facilities, the creativity of private organizations, and the experience of State agencies in designing and developing new and varied service models for individuals who are handicapped. This same funding source provided the necessary technical assistance needed to deliver these new service models to the developmental disabilities program at the State and local level. For fiscal year 1982, my Labor and Human Resources Committee requested $2.5 million for special projects.

UNIVERSITY-AFFILIATED FACILITIES

Thirty-six university-affiliated facilities (UAF's) and five satellite centers are now funded throughout the country under the DD Act. These programs now serve 66,000 severely developmentally disabled who are referred because diagnostic and treatment services are not otherwise available. The satellites provide services to the rural and underserved regions of the Nation. In addition, 77,000 professionals were trained during fiscal year 1981 in UAF's. Cuts proposed would eliminate services to 6,400 handicapped children who would be unable to find services elsewhere, train 7,700 fewer personnel and increase Federal and State welfare support costs by $32 million a year.

THE OFFICE OF DISEASE PREVENTION AND HEALTH PROMOTION

Another activity we must be engaged in to enhance the health of our citizens is preventive medicine and health promotion. Our national expenditure for health care now approximates $250 billion, and is increasing at astonishing rates annually. Unfortunately, a great deal of this money is spent on treating diseases and chronic conditions which are preventable.

Although it is imperative that we reduce our Federal spending in all areas, and health programs cannot be exempt from these reductions, it seems particularly unwise to me to economize in the area of prevention. These are only a few of the reasons I am proposing to restore adequate funding for the Office of Disease Prevention and Health Promotion. Health prevention programs have the greatest likelihood of contributing to reduced health costs in the long run. Certainly the efforts to prevent disease, and promote health through public education deserves our support at this time.

The Office of Disease Prevention and Health Promotion has been effective in accomplishing the goals implied in the title of this office. They coordinate all activities in prevention in the Department of Health and Human Services, provide liaison with the private sector, coordinate all programs in nutrition, provide technical assistance for planning and implementation of prevention-promotion efforts, and disseminate health information. They are also currently working to implement plans to achieve the 1990 objective outlined in "Promoting Health/Preventing Disease: Objectives for the Nation," which was published just last year.

I am certain Secretary Richard Schweiker shares my viewpoint on this issue. We held full committee hearings on preventive medicine and health promotion in July of this year. Secretary Schweiker was our lead speaker, and stated at that time:

In the framework of the Department of Health and Human Services, I am personally committed to a prominent role for health promotion and disease prevention as an essential element of our health strategy—indeed as our highest health priority.

Assistant Secretary Edward Brandt also recently stated at an address before the annual meeting of the Institute of Medicine the "prevention is the keystone" of the administration's approach to solving our Nation's health problems. Continuation of Federal support for the Office of Disease Prevention and Health Promotion also enjoys the support of an impressive number of prestigious professional organizations and volunteer agencies, including:

American Heart Association, American Lung Association, American College of Preventive Medicine, Association of Teachers of Preventive Medicine, American Public Health Association, Coalition for Health Funding, American Cancer Society, March of Dimes, Coalition for Health and the Environment, National Urban League, National Association of Nurses, American College of Cardiology, and American Red Cross.

I urge my colleagues in the Senate to vote for this amendment. Although this is a time of fiscal austerity, can we in the long run really afford to sever these handicapped persons from their lifeline when progress has just become evident? Can we not sustain a very effective and important effort within Health and Human Services which focuses on prevention and long-term cost saving? I propose that we can and I strongly urge my colleagues to support this amendment.

I ask unanimous consent to have printed in the RECORD a table in connection with this matter.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEVELOPMENTAL DISABILITIES PROGRAM

	Actual, fiscal year 1981	Program authorization, fiscal year 1982	Reagan's September request	Senate appropriation, fiscal year 1982	House appropriation, fiscal year 1982	C.R. without amendment	C.R. with Hatch amendment
State grants	42,145	43,180	29,660	37,500	43,432	37,500	43,180
Protection and advocacy	7,303	8,000	4,000	7,500	7,000	7,500	8,000
Subtotal	49,448	51,180	33,660	45,000	50,432	45,000	51,180
Special projects	2,746	2,500	2,464	0	2,500	2,500	2,500
University affiliated: Facilities and satellites	7,237	7,500	3,696	5,250	7,500	5,250	7,500
Total	59,431	61,180	39,820	50,250	60,432	52,750	61,180

● Mr. KENNEDY. Mr. President, I am pleased to cosponsor Senator HATCH's amendment to maintain current funding levels for the Development Disabilities Assistance and Bill of Rights Act.

Congress spoke with a clear voice this past August when it reauthorized the DD program as a separate, categorical program at current funding levels for the next 3 years.

The message was this: we support the important role of the Federal Government created by the DD Act to assist States in planning for, coordinating, monitoring, and providing research, training, and needed services to their more than 3 million developmentally disabled residents.

Without Senator HATCH's amendment 12 of the 36 university affiliated facilities supported through the DD program will be eliminated.

UAF's are the sole comprehensive training program in the field of mental retardation and developmental disabilities.

Each year UAF's train 140,000 students, professionals, paraprofessionls, and parents.

UAF's also provide direct services to more than 68,000 developmentally disabled people annually, many of whom might otherwise be institutionalized but for UAF's which are the only integrated service providers able to deal with the complexity of their needs. UAF's have thus enabled families to remain intact and have prevented the multiple costs of institutionalization, costs in dollars and human misery.

UAF's have also been our vanguard in the research battle against mental retardation and other developmental disabilities. UAF supported research has led to PKU screening and discovery of the fetal alcohol syndromes. If screening projects used at UAF's were used nationwide, the incidence of mental retardation would be reduced by 50 percent.

This amendment is also critical to insure continuance of the protection and advocacy agencies in 49 States.

During their short lives, these agencies have marked a major advance in the

movement to assure that the human and legal rights of all developmentally disabled people are secured.

No struggle to proclaim and insure fundamental human rights has been harder or more tragic than the struggle of the developmentally disabled.

The recent Supreme Court decision in the Pennhurst case spotlights again the complexity of this issue. We must recognize the difficulty in achieving a national transition from institutional care to community-based settings. But we must insure that the Bill of Rights has meaning for the lives of developmentally disabled people. This amendment is critical to equip protection and advocacy agencies with sufficient funds to provide that meaning.

Finally, this amendment is necessary to continue the vital work of State councils which are responsible for identifying needed services in their States, planning for how those needs will be met in a coordinated and comprehensive fashion, and monitoring the quality of services provided.

These roles of State councils become more and more critical as the administration pushes to decentralize, deregulate, and reduce needed services to handicapped people.

The increase which this amendment represents is certainly a small price to pay for insuring a future of hope and opportunity for millions of developmentally disabled people.

I also commend Senator HATCH for including additional funds for health promotion.

These funds are among the most cost-effective health dollars spent by the Federal Government.

I urge the adoption of this amendment.●

Mr. RANDOLPH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Chair cannot hear the speaker. Will those people conversing in the rear of the Chamber please desist?

Mr. HATCH. Mr. President, I notice that the distinguished Senator from West Virginia would like to make some remarks, and I yield.

Mr. RANDOLPH. Mr. President, the able Senator from Utah (Mr. HATCH) who chairs the Committee on Labor and Human Resources, has been in the forefront not only in the last few months but also for many years, in attempting, always in a constructive manner, to aid those persons who are handicapped. These people do not need a handout, but a helping hand. In reference to those of the disabled groups for whom he now speaks, the same is true.

The Developmental Disabilities Act targets resources on those individuals with a severe handicap which originated during their developmental years.

The State grant program provides funds for planning and coordinating services for developmentally disabled individuals as well as providing funds for "gap-filling" services. Protection and advocacy activities for the developmentally disabled are also carried out under this act.

Those of us privileged to join him in this matter commend him for what he is doing, and I hope the Senate will show its approval.

Mr. HATCH. I thank my colleague.

Mr. President, I understand that the distinguished floor manager of the resolution will accept this amendment.

Mr. SCHMITT. Mr. President, first of all, I express my appreciation for the cooperation we have received from the Senator from Utah.

I cannot say that I am entirely happy about the add-on of the dollar amount; but, once again, I am happy to see that the Senate recognizes the problems of the Nation's handicapped, as it has continued to do tonight.

It is unfortunate that so many other areas of comparable need and value in the budget cannot be assisted in the same way due to the major budgetary constraints under which we are operating.

I believe the Senator from Utah has a reasonable compromise which he has offered by his modified amendment, and I am happy to accept it and recommend it to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (UP No. 681), as modified, was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHMITT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the committee amendment.

Mr. SCHMITT. Mr. President, I ask unanimous consent that, once again, the committee amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHMITT. Mr. President, I believe that in the pecking order of things, the Senator from Utah is to be recognized at this point.

The PRESIDING OFFICER. The Senator from Utah.

UP AMENDMENT NO. 684

(Purpose: To increase the amount of appropriation available to Title IV–B of the Comprehensive Employment and Training Act)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. HATCH), for himself, Mr. QUAYLE, and Mrs. HAWKINS, proposes an uprinted amendment numbered 684.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution, insert the following:

SEC. . Notwithstanding any other provision of this joint resolution, there is appropriated $10,000,000 for part B of Title IV of the Comprehensive Employment and Training Act relating to the Job Corps which is in addition to the amounts appropriated under this joint resolution which would otherwise be made available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981, for the Job Corps.

Mr. HATCH. Mr. President, this amendment adds $10 million more to the Job Corps program.

As my colleagues know, it is a rare instance in which I rise to support additional Federal funding. I believe, however, that the circumstances under which I do so today justify the event.

Only a few weeks ago, the Bureau of Labor Statistics reported that youth unemployment was at an alltime high, particularly among black teenagers. The youth unemployment rate is up over 19 percent overall and at an outrageous level of 48 percent for blacks. What I ask, will be the future of our free enterprise system if in 20 years our Nation's adult population must take over the factories, services and retail stores without having had the chance to lay groundwork for their occupations when they were young?

Everyone of us in the Senate, I would venture, had the experience of working as teenagers. In my case, I was an apprentice metal lather. Now, we may not have chosen to follow in the same business we worked in as young people, but I personally valued the experience very much. There is nothing quite as energizing as being able to reach one goal and build on it. Things like self-esteem, maturity, responsibility, and getting along with others are the intrinsic benefits which come from a young person's employment and training experience as well as his or her formal education.

Today, because so many young people lack the basic skills and motivation necessary to find jobs in private sector labor market, and because our economic situation does not permit business to create enough youth jobs at the current wage level, youth are becoming discouraged and cynical of our free enterprise system. As a matter of fact, some economists estimate that the youth unemployment rate may be higher than stated due to the discouraged worker effect, which is simply that many teenagers become so discouraged in their search of jobs that they drop out of the labor force altogether and, therefore, are not counted as unemployed.

All of this has me very worried. We have not provided in any way for a solution to the youth unemployment problem and we seem to have dismissed the fact that this problem may create subsidiary societal problems: Crime, vandalism, drug and alcohol abuse, and a coming generation of adults who are underprepared to take over our Nation's institutions. We have not enacted a youth opportunity wage. This will not solve all the problems of your unemployment, but it is an action we might take to help. We have, in the appropriations process, cut both the Job Corps and the title IV–A youth programs in CETA. We are now beyond the point of cutting fat

and waste, but we are now cutting actual participant slots.

Members of Congress, interest groups and my constituents in Utah also know that I have staunchly supported President Reagan's economic recovery program. I believe firmly that cuts in spending must be made as well as cuts in taxes. I will continue to vote for spending reductions when it is in our country's best interests to do so.

However, I am today proposing to increase the level of funding for CETA's title IV–B, the Job Corps, to the level which was agreed to in the Omnibus Reconciliation Act. We all remember that act as one over which a lot of blood and sweat was poured. The funding recommendation for Job Corps in that document was $106 million less than the original administration proposal. The Labor and Human Resources Committee, with the subsequent concurrence of the House-Senate miniconference on reconciliation, believed that this reduction was appropriate as it did not reduce the actual number of slots for participants, would not necessitate the closure of any Job Corps centers, and would allow a modest expenditure for the highest priority capital improvements. The level of funding we are now debating, $600 million, will mean the closure of five Job Corps centers and the elimination of approximately 2,000 slots.

The Job Corps is a unique concept for providing skills, training, and job counseling to young people. Those of you who may have spent some time down on the mall this week have had this concept demonstrated for you firsthand. The Job Corps serves primarily disadvantaged youth: 85 percent are high school dropouts and 100 percent are below the poverty level. As many as 25 percent have been rejected for enlistment into the U.S. Armed Forces due to their inability to meet minimum entrance requirements. The individual Job Corps centers, managed and operated by public and private organizations, concentrate on developing competency in the basic educational skills and in providing the skills training required for employment in the private sector or acceptance into the military.

The training programs have been designed by centers, in close collaboration with business and labor unions. The basic Job Corps programs are recognized for their effectiveness in not only basic education and general training, but in changing the attitudes of formerly discouraged young people. The private sector's faith in the Job Corps is exhibited by its willingness to be involved in the operation of Job Corps centers or in launching innovative programs which complement Job Corps training and provide advanced learning and career development opportunities.

Further, Job Corps centers are residential and provide students with the kind of support that accrues from having nutritious meals, health services, student government, organized sports and recreation, and the chance to see life in a positive atmosphere. This unique concept is one through which teenagers can develop some self-discipline, respect for others, respect for authority, and can receive the friendship and support of their fellow students. Counselors are equipped to handle personal problems. The concept is to permit students to become wellrounded, productive individuals who can cope with the day-to-day problems we all face and who can derive some self-satisfaction from having done so.

The success of the concept is clear from the statistics: In 1979, 93 percent of Job Corps enrollees were placed either in private sector jobs, admitted to school, or entered the Armed Forces. The placement rate of the Job Corps has increased steadily since it was created in 1964. Mathematica Policy Research, Inc., in a study recently performed for the Employment and Training Administration of the Department of Labor found that—

Corpsmembers averaged over four weeks more employment per year than the control group.

Corpsmembers averaged approximately $500 more per year in earnings than the control group.

There was double the likelihood of entrance into the United States armed forces.

Corpsmembers were three times as likely to earn a high school diploma or equivalent.

Five percent of Corpsmembers went on to college, while none of the control group did.

Corpsmembers averaged three fewer weeks of public assistance than control group.

Corpsmembers averaged one week less per year of Unemployment Insurance than control group.

There were significant Job Corps related effects in terms of reducing extra-marital children in females.

Robert Taggart, in a study just issued by the W. E. Upjohn Institute for Employment Research, estimates the social benefit-cost ratio of the Job Corps is about 1:45. His study is comprehensive since it includes such factors as reduced criminal activity—approximately $2,112 per Corps member—reduced treatment costs for drug and alcohol abuse—about $30 per Corps member—reduced dependence on transfer payments—approximately $1,515 per Corps member—and most importantly, increased post-program output—about $3,896 per Corps member.

Mr. President, it seems incongruous to me that we express outrage at the high level of youth unemployment, the lack of workers in skilled trades, the growth in Federal transfer payments for which society receives no service in return, and the loss of American industrial capacity and at the same time make a severe reduction in one of the few measurably beneficial programs in CETA. While other elements of CETA are of concern as well, pending our reauthorization next year, I feel that the Job Corps has made particular progress in reaching the very hard-to-reach young people in our country. In this respect, it is distinctive and deserves to be funded at a level which will preserve all the current aspects of this concept and its level of service. I hope all Senators will join me in support of this amendment.

Mr. President, I reserve the remainder of my time.

Mr. President, this is essential in order to prevent the loss of some of the major leaders in the Job Corps movement. This is one of the programs that really does work for the hardcore unemployed.

I believe this is a reasonable compromise that the distinguished Senator from New Mexico and I have struck. I certainly appreciate his accommodating my needs and those of the Labor and Human Resources Committee, of which I am chairman, in this matter, and I thank him for accepting this amendment.

Mr. SCHMITT. Mr. President, once again, the Senator from Utah has shown an excellent spirit of compromise on this issue.

The Committee and the Subcommittee on Appropriations for Labor, Health and Human Resources and Education have long recognized exactly what the Senator from Utah has said, that the Job Corps is a program that works.

It has a success rate of over 90 percent for the placement of its graduates in permanent income-earning positions; and the committee has already, independent of this amendment, taken a very strong position in favor of this program.

However, under the circumstances, $10 million in addition certainly will mean a great deal to the program, and I am happy to accept the amendment on my behalf, and I recommend it to the Senate.

Mr. MOYNIHAN. Mr. President, I was a member of the task force on poverty established by President Johnson which drew up the Economic Opportunity Act of 1964, about which we have heard very few pleasant things from the other side of the aisle until just recently.

I should like to note that as winter makes its way upon us, as spring will thereupon undoubtedly follow, upon which summer will follow, then fall, then another election, we are pleased to learn how many of the failed programs of the Great Society turn out to have heretofore unnoticed merit, such that amendments are put forth on their behalf by persons who perhaps heretofore had not had the opportunity to discern the innate goodness and the recorded and fine achievements of these programs.

This is an advance, and all of us should welcome the recognition, as Congress makes its way toward yet another adjournment sine die and yet another judgment by the people that not everything done in the 1960's turns out to be unacceptable in the 1980's.

I congratulate all those who have come, however late, to this perception.

Mr. HATCH. Mr. President, I just add that I have been a strong supporter of the Job Corps because I believe it is a good program. It is one of the few that is. It is one of the few hopes we have with regard to the hardcore unemployed. There may be other ways and there may be other approaches. I might even prefer other approaches as we get into this in the future, especially those that would further augment private sector employment. The Job Corps does that; and for that reason, I think my amendment is a good one.

Mr. SCHMITT. Mr. President, I appreciate the eloquent remarks of the Senator from New York, I think he also would

recognize that we are being very selective in the programs, that through experience, have shown some promise and are continuing to try to encourage those programs.

Unfortunately, the majority of the programs under the scrutiny in this area have not shown such promise and the Senate as a whole, both sides of the aisle, have in their wisdom decide to proceed onto sunnier times with respect to job training programs and other assistance to those who through the years have not been well served by many of the programs.

Fortunately, the Job Corps has begun to work finally and is showing considerable promise, and this side of the aisle as well as many other Senators are showing that in their support for it.

I move the amendment.

● Mr. WILLIAMS. Mr. President, I support the increase in funding for employment and training programs.

This amendment would merely bring the Senate funding level more closely in line with that proposed by the House. The amount still falls within the reconciliation guidelines.

As we are all aware, the unemployment rate in this country now stands at 8 percent with the assurance that rate will continue to spiral.

At a time when this Nation's economy is already experiencing double-digit inflation and we are in the midst of a major recession, we desperately need every American to be trained and educated to join the labor force and to work at maximum capacity.

It makes no sense to eliminate employment opportunities for individuals who are making a contribution as part of the workforce. What objective can possibly be served by placing more individuals on unemployment and welfare roles at a time when we are seeking to develop a program of economic recovery?

The administration has pledged support to explore methods of expanding private sector initiatives. I support that concept and encourage such an expansion of job opportunities.

I would submit, however, that we have an immediate need to provide job training and opportunities now—not just exploration.

Since November 4, the budget cutters have consistently reminded us of the message sent by the American people to the leaders of this Nation of their desire for a change in direction. In my view, another message is involved in many of the cuts proposed by this administration.

It is a message to the unemployed individuals, and it says, that in our efforts to balance the budget, we are eliminating their jobs, that they are no longer important enough to receive our help and that they do not have the opportunity to work their way toward a better life.

I do not believe we can afford to ignore the dire predicament of our economy. But, I also do not believe that we are going to eradicate that predicament by taking away job training and opportunities.

I urge support of this amendment.●

Mr. RANDOLPH. Mr. President, products created by the Job Corps in Jefferson County, W. Va., have been used by the government of the District of Columbia in the lessening of waste and litter.

The Corps has participated in programs to improve the land with the elimination of soil erosion.

Increased use of the Harpers Ferry National Historical Park is evidenced by the efforts of these young people, many of them from city environs as they worked to provide facilities which made this area more attractive to an increasing number of visitors.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

The amendment (UP No. 684) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, we are moving along fairly well. We have had to lay a few aside and now we are getting those cleaned up.

Mr. President, one more time. I at this time as a comanager of the bill set aside the committee amendment and ask the Chair to recognize the Senator from North Dakota for the purpose of finishing up an amendment and then following him will be the Senator from Arizona, Senator DECONCINI.

UP AMENDMENT NO. 685

Mr. ANDREWS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Dakota (Mr. ANDREWS) proposes an unprinted amendment numbered 685.

Mr. ANDREWS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution insert:

SEC. . Notwithstanding any other provision of law or of this joint resolution:

Subchapter V of chapter 55 of title 5, United States Code, is amended by adding the following new section 5546a after section 5546:

"SEC. 5546a. Operational responsibility differential for employees of the Federal Aviation Administration.'

"(a) An employee of the Federal Aviation Administration, as such term is defined in subsection (b) of this section, shall be eligible for an operational responsibility differential equal to five percent of his rate of basic pay, and such differential is in addition to and not in lieu of any other premium pay to which the employee may be entitled.

(b) For purposes of this section, the term "employee" includes:

(1) persons occupying positions not lower than the GS–9 level in the air traffic controller series in air traffic control centers or terminals or in flight service stations, persons occupying positions not lower than the GS–9 or WG–10 level in airway facilities sectors, and persons occupying flight inspection crewmember positions not lower than the GS–11 in flight inspection field offices, the duties of whose positions are determined by the Federal Aviation Administrator to be directly involved in or responsible for the operation or maintenance of the air traffic control sytsem; and

(2) persons occupying flight test pilot positions not lower than the GS–12 level in regions or centers, the duties of whose positions are determined by the Federal Aviation Administrator to be unusually taxing and critical to the advancement of safety in the national airspace system.

The Federal Aviation Administrator may prescribe regulations to determine the application of this subsection.

(c) The provisions of section 5547 of this title relating to limitation of premium pay shall not apply to an employee of the Federal Aviation Administration who is eligible for the operational responsibility differential authorized by this section.

The analysis of subchapter V of chapter 55 of title 5, United States Code, is amended by inserting the following new item after section 5546:

"SEC. 5546a. Operational responsibility differential for employees of the Federal Aviation Administration."

Subchapter V of chapter 55 of title 5, United States Code, is amended by adding the following new section 5546b after section 5546a:

"SEC. 5546b. Operational currency pay for air traffic controllers".

"An employee of the Federal Aviation Administration, classified in the air traffic controller series, who is employed in an air traffic control center or terminal and who is not required as a condition of his employment to be certified by the Federal Aviation Administrator as medically qualified for and proficient in the separation and control of air traffic shall be eligible to receive upon attaining such certification of medical and proficiency qualifications an operational currency differential of 1.6 percent of his rate of basic pay while so certified".

The analysis of subchapter V of chapter 55 of title 5, United States Code, is amended by inserting the following new item after section 5546a:

"SEC. 5546b. Operational currency pay for air traffic controllers".

Subchapter V of chapter 55 of title 5, United States Code, is amended by adding the following new section 5546c following section 5546b:

"SEC. 5546c. Pay for on-the-job training by air traffic controllers".

"An air traffic controller selected by the Federal Aviation Administration and assigned to provide on-the-job training to another air traffic controller who is directly involved in the separation and control of live air traffic shall be eligible to receive premium pay at a rate equal to 10 percent of his rate of basic pay for the time that he provides such training, and such premium pay shall be in addition to and not in lieu of any other premium pay to which the air traffic controller may be entitled".

The analysis of subchapter V of chapter 55 of title 5, United States Code, is amended by inserting the following new section after section 5546b:

"SEC. 5546c. Pay for on-the-job training by air traffic controllers".

Subchapter V of chapter 55 of title 5, United States Code, is amended by adding the following new section 5546d after section 5546c:

"SEC. 5546d. Premium pay for loss of meal period".

"An air traffic controller or a flight service station specialist employed by the Federal Aviation Administration, working a regularly scheduled 8-hour period of service and who is required by his supervisor to work that

8-hour period without a 30 minute meal break shall be paid one-half hour at the rate of one and one-half times his rate of basic pay. The meal period shall be granted during the fourth through sixth hour of such 8-hour period."

The analysis of subchapter V of chapter 55 of title 5, United States Code, is amended by inserting the following new item after section 5546c:

"SEC. 5546d. Premium pay for loss of meal period".

Section 5532 of title 5, United States Code, is amended by adding a new subsection (f) to read as follows:

"(f) Notwithstanding any other provision of law, retired members of a uniformed service who are temporarily employed in an air traffic control function or in a related training function during a period determined by the Federal Aviation Administrator to require special air traffic recruitment efforts, shall be entitled to continue to receive full retired or retainer pay in addition to the salary for the position occupied. The provisions of this subsection shall be effective until December 31, 1984".

Section 8344 of title 5, United States Code, is amended by adding a new subsection (f) to read as follows:

"(f) Notwithstanding any other provision of law, an annuitant, receiving an annuity from the Fund, upon appointment to a position in an air traffic control function or in a related training function during a period determined by the Federal Aviation Administrator to require special air traffic recruitment efforts, shall be entitled to continue to receive the full amount of the annuity in addition to the salary for the position occupied. The provisions of this subsection shall only be applicable to annuitants who filed an application for retirement with their employing agency before August 3, 1981 or whose retirement from the Civil Service occurred before August 3, 1981. The provisions of this subsection shall be effective until December 31, 1984".

Section 4109 of title 5, United States Code, is amended by adding a new subsection (c) to read as follows:

"(c) Notwithstanding subsection (a)(1) of this section, the Federal Aviation Administrator may pay a person undergoing training as an air traffic controller at that employee's rate of basic pay for time the employee is assigned to training in excess of 40 hours in a workweek".

Section 8339(e) of title 5, United States Code, is amended by striking the period at the end of the second sentence and adding the following in lieu thereof: ", except that this provision shall not apply to an individual who has received a refund of civil service retirement deductions pursuant to section 8342 of this title covering any period in which he was employed as an air traffic controller, unless the individual redeposits the amounts refunded pursuant to section 8334 (d) of this title."

The amendments made by sections 2, 3, 10, and 11 of this Act shall take effect as of August 3, 1981, commencing with shifts beginning on or after 5:00 a.m. Eastern Daylight Time. The amendments made by other sections of this Act shall take effect on the first day of the first applicable pay period which begins after the date of enactment of this Act, except for sections 1 and 13 which shall be effective upon enactment.

Mr. ANDREWS. Mr. President, this is an amendment that puts an adjustment in the pay scale of certain FAA employees who are necessary at this particular point in time.

This amendment has been cleared by the distinguished minority leader, the majority leader, the ranking minority member of the Appropriations Committee, the Senator from Wisconsin; the chairman of the Appropriations Committee, Senator CHILES, who is ranking on the Transportation Committee and myself, of course, as chairman of the Transportation Committee.

I yield to the Senator from Alaska.

Mr. STEVENS. Mr. President, I am sure there is no disagreement about the debt we owe the men and women in the FAA who have kept our air traffic control system operating both safely and efficiently since the controllers strike in early August. Few of us would have anticipated that despite the magnitude of the controllers walk-out, our air traffic system is operating at about 80 percent of the prestrike commercial traffic levels. That kind of effort richly deserves our recognition today.

I would also add that all my conversations with the users of the air traffic system indicate convincingly that the system is operating not only the controllers who have stuck with the FAA, but also others in the FAA who have performed extraordinarily in providing that level of safety.

In the aftermath of the strike by the professional air traffic controllers, it is critical that we undertake an expedited effort to restaff our air traffic control facilities at the appropriate and necessary levels to insure the continued safety of the flying public. Special recruitment procedures and increased emphasis on controller training will be necessary. To best meet the needs of the system, I support this amendment to provide special recruitment incentives, and to assure that the current workforce receives equitable pay treatment. This amendment does not require an additional appropriation, as funding is currently present in H.R. 4209 to fully cover the costs of my proposal.

This amendment, Mr. President, will enable the Federal Aviation Administration to temporarily appoint retired military and civil service annuitants to position in air traffic control functions and related training functions without a reduction in their annuities. They would be hired to fill short-term needs, and would be used only in positions for which they are fully qualified—I want to emphasize here that safety will not be compromised in any manner by the appointment of such individuals. When the FAA Administrator has determined that the need for such a special controller recruitment effort has terminated, these special employees will return to their retired status.

Also proposing that designated classes of FAA employees receive an operational responsibility differential equal to 5 percent of their basic rate of pay in recognition of the important role they have played and continue to play in the operation and maintenance of the air traffic control system. In addition, certain personnel—such as data system specialists and planning and procedures specialists in FAA terminals and centers—would be entitled to receive an operational currency differential of 1.6 percent of their base pay.

Mr. President, the air traffic controllers who provide training to other air traffic controllers are assuming an extra responsibility on top of their already significant duties. I propose a premium pay of 10 percent of their basic rate of pay to those air traffic controllers. The premium pay would be in addition to other premium pay to which the controller is entitled.

Further, I am proposing an amendment to the training provisions of title 5 so that an air traffic controller may receive pay for time in a training status in excess of a 40-hour workweek. Pay would be at the rate of basic pay, not at overtime rates. These provisions, Mr. President, recognize that intensified training efforts may be necessary to rebuild the air traffic system in a timely manner.

Although the FAA seeks to provide each controller with time for a meal break, this is not always possible given unusual workload conditions which may arise at a particular facility. Accordingly, I am proposing that, on those occasions when a half-hour meal break cannot be granted at a reasonable time during an 8-hour shift, a controller shall be paid at one and one-half times his basic rate of pay for the time spent working rather than on meal break.

The last aspect of this amendment, Mr. President, would clarify the special controller retirement program which guarantees a minimum 50-percent annuity to a retiring controller. My proposal would amend the controller retirement statute to make clear that a controller who has withdrawn money from the retirement fund will not receive the minimum annuity of 50 percent unless he has redeposited those contributions. As presently drafted, section 8336(e) of title 5 could be construed to mean that a controller who resigns and withdraws all of his retirement contributions to be eligible for a minimum 50-percent annuity upon reemployment. Of course, that is not the intent of the provisions, and this amendment today would clarify that.

Mr. President, I urge my colleagues to support my amendment so that we can begin to rebuild our Nation's air traffic control system.

Mr. President, I ask unanimous consent to have printed in the RECORD the section-by-section analysis of the amendment.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 5546a. This section authorizes designated classes of Federal Aviation Administration employees to receive an operational responsibility differential of 5 percent of their basic salary. Only designated types of employees at or above specified grade levels could be entitled to receive the operational responsibility in recognition of the fact that employees at the lower grade levels have fewer operational responsibilities. The Federal Aviation Administrator would have discretion to determine position coverage within the statutory guidelines. For example, for coverage to apply to a specific flight test pilot position, the Administrator would need to determine that the duties of the position are both unusually taxing and critical to the advancement of safety of the national airspace system; for other types of designated positions to be covered, the Administrator

would need to determine that the duties are directly involved in or responsible for the operation or maintenance of the air traffic control system. Subsection (c) of proposed section 5546a provides that FAA employees who are eligible for the operational responsibility differential are exempted from the limitation on premium pay of section 5547 of title 5.

Section 5546b. This section would provide an incentive for employees in air traffic control centers and terminals who are classified as controllers but who are not required by the FAA to maintain certification of medical and operational currency to seek such certification. It would provide premium pay of 1.6 percent of base pay to an individual who receives such certification during the period that he maintains that certification.

Section 5546c. This section would entitle air traffic controllers to 10 percent premium pay for providing on-the-job training to other controllers who are engaged in separating and controlling live air traffic. It would not apply to instructors at the FAA Academy where all training is performed under simulated air traffic conditions or to classroom training at the facilities.

Section 5546d. This section would either assure air traffic controllers an uninterrupted meal break of one-half hour's duration for each full eight hours they work or in lieu of that it would provide premium compensation for that one-half hour period should workload not permit such a break.

Sections 5532 and 8344. These sections would permit the Federal Aviation Administrator to temporarily employ at his discretion retired members of the uniformed services and Civil Service annuitants in FAA air traffic control functions or in related training functions, while permitting the retirees to retain their full annuities and full salaries for the positions occupied. The individuals covered may be employed only during a period defined by the Administrator as requiring special air traffic control recruitment efforts. An employee will be returned to his retirement status when the need for his services is determined by the Administrator to have terminated. In the case of Civil Service annuitants, they must have retired or have filed an application for retirement with their employing agency before August 3, 1981, in order to receive the benefits of this proposal; otherwise, the proposal could serve as an inducement for individuals to retire. The provisions do not provide any special tenure to these employees who are temporarily employed nor do they alter in any way the existing authority of the Administrator to separate employees on temporary appointments at any time.

Section 4109. This section would permit air traffic controller trainees to receive pay for time assigned to training in excess of 40 hours in a week. Pay would be at the rate of basic pay, not at special overtime rates.

Section 8339(e). This section would clarify the special controller early retirement program. At the present time, the law could be construed to entitle a controller to a minimum annuity of 50 percent even if he has withdrawn all his retirement contributions and failed to repay them. The amendment made by this section would make it clear that a controller is entitled to a 50 percent minimum annuity only if he has redeposited into the Civil Service Retirement Fund all withdrawals he has previously made from the Fund; otherwise, the controller's retirement will be calculated in the same manner as for other Federal employees and may result in less than a 50 percent annuity.

The final changes provide for the effective dates of the amendments.

Mr. STEVENS. It is an amendment that has no budgetary impact because the funds are available.

Mr. ANDREWS. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

The amendment (UP No. 685) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I set aside the technical committee amendment in order for the Chair to recognize the Senator from Arizona (Mr. DeConcini).

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, I thank the chairman for recognition.

UP AMENDMENT NO. 686

(Purpose: To disapprove in its entirety the proposed deferral of budget authority for Veterans' Administration health-care facility construction)

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arizona (Mr. DECONCINI) for himself, Mr. CRANSTON, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. MITCHELL, Mr. BRADLEY, Mr. GLENN, Mr. METZENBAUM, Mr. WEICKER, Mr. WILLIAMS and Mr. SASSSER.

Mr. DECONCINI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 16, strike out all on lines 1 through 5 and insert in lieu thereof the following:

(43) The Congress disapproves the proposed deferral D82-140, which would defer the amount of $91,300,000 of budget authority for the Veterans' Administration, as set forth in the message transmitted by the President to the Congress on October 23, 1981, under section 1013 of the Impoundment Control Act of 1974. Such disapproval of such deferral shall be effective upon the date of the enactment into law of this resolution and the enactment of this resolution shall, for the purposes of the Impoundment Control Act of 1974, have the same effect as passage by either House of Congress on such date of an impoundment resolution (as defined in section 1011(4) of such Act) disapproving such deferral.

Mr. DECONCINI. Mr. President, without losing my floor privileges, I am glad to yield to the Senator from Ohio to make a statement.

Mr. GLENN. Mr. President, I thank the distinguished Senator very much.

Mr. President, I rise to support the amendment by the Senator from Arizona; I am a cosponsor of his amendment as well as of Senate Resolution 239.

First, I am interested in the pending amendment because of the direct impact of this deferral on the State of Ohio, specifically on the Chillicothe Veterans' Administration Medical Center. This center is a nonaffiliated psychiatric facility located in south central Ohio. The 345-acre facility has a total authorized bed capacity of 1,107 hospital and 99 nursing home care beds situated in 13 patient buildings. Chillicothe serves the nearly 1.3 million veterans residing in medical district 13, providing health services to veterans from a wide geographic range in the Ohio, West Virginia and Kentucky area.

The mission of this health care facility is to provide quality primary and secondary care in psychiatry and primary care in medicine, rehabilitation medicine and dentistry to veterans.

In addition to general hospital care, facilities exist for the provision of intermediate care and nursing home care. Primary and follow-up care are provided through ambulatory care clinics, including podiatry, optometry, respiratory intensive care and cardiology, and through residential care follow-up. Unique capabilities exist at this facility in the provision of specialized rehabilitation medicine services, alcoholic rehabilitation, vocational rehabilitation and compensated work therapy.

The Chillicothe facility's major buildings were built during the 1920's and 1930's. The first phase of a programed facility improvement was completed in 1979. This project, costing $10 million, renovated five buildings. Phase II, which would renovate three additional buildings, was fully funded for the fiscal year 1981. It is this phase of the needed ongoing renovation program that the Administration is proposing to defer for yet another year. A report on a survey conducted by the American Legion at the Chillicothe facility notes that the unremodeled psychiatric wards are currently in violation of the life safety code due to exit deficiencies and, I understand, in noncompliance with the Joint Commission on the Accreditation of Hospitals standards on patient privacy. I believe our veterans deserve better.

Beyond my specfic interest in the Chillicothe facility, I fully share the concerns so eloquently expressed by the Senator from California (Mr. CRANSTON), when he introduced Senate Resolution 239. The deferral notice states "this amount is deferred while the administration reviews all major construction projects for VA medical facilities and considers alternative methods for providing readily available quality medical care." This is a euphemism for mainstreaming or vouchering out which could undermine the whole VA health care system.

We have an obligation to provide quality health services to our Nation's veterans and I strongly support the continued provision of that care through the VA medical care system. I believe this amendment should be adopted by the Senate in order to send a strong message to this administration that we are not interested in any proposals which threaten the continued viability of the VA medical care system.

I am glad to recommend this amendment to my colleagues with great enthusiasm. I think it is very valuable, and I compliment my distinguished colleague for bringing it to our attention.

Mr. DECONCINI. Mr. President, the amendment I am offering would disapprove the deferral (D82–140) of five major VA construction projects totaling $91.3 million.

The distinguished ranking member of the Senate Veterans Affairs' Committee, Senator CRANSTON, originally introduced this impoundment resolution on November 5, 1981, and joins me as an original cosponsor of this amendment today. Also joining us as original cosponsors are Senators RANDOLPH, MATSUNAGA, MITCHELL, BRADLEY, GLENN, METZENBAUM, WEICKER, WILLIAMS, and SASSER.

Mr. President, this amendment would disapprove the deferral of the following five VA major construction projects:

First, a research and education addition at Long Beach, Calif., in the amount of $11.4 million;

Second, a nursing home and parking garage at Washington, D.C., in the amount of $22.4 million;

Third, a phased replacement facility at Chillicothe, Ohio, in the amount of $13.7 million;

Fourth, a surgical addition at Palo Alto, Calif., in the amount of $14.8 million; and

Fifth, a facility renovation at East Orange, N.J., in the amount of $29 million.

It should be noted, Mr. President, that the deferral of the first two construction projects—those at Long Beach, Calif., and Washington, D.C.—have already been disapproved and are incorporated as part of the continuing resolution. I applaud that action but believe that the deferral of all five of the construction projects contained in D82–140 should be disapproved for the following reasons.

First and foremost, Mr. President, the message accompanying this deferral raises a fundamental policy issue. That message, which has signed by the President and transmitted to Congress on October 23 states, and I quote:

> This amount is deferred while the Administration reviews all the major construction projects for VA medical facilities and considers alternative methods for providing readily available quality medical care for eligible veterans.

Let me underscore the point that this is the only justification that the President provides for this deferral.

Now, Mr. President, what alternative methods could the Administration possibly be considering for providing readily available quality medical care for eligible veterans? The only alternative method conceivable would be some scheme whereby veterans would receive treatment in non-VA medical facilities by way of a voucher system with the Federal Government picking up the costs.

To embark upon a course of vouchering or mainstreaming veterans into the private health care sector is not only bad policy, it represents a violation of our commitment to the men and women who have served their Nation with honor during periods of war. A veteran is a unique individual, with unique health care needs and an independent health care system within the Veterans' Administration was specifically designed to meet those needs. If we begin the process of mainstreaming, or contracting out, it will surely signal the demise of an independent health care system within the VA.

Mr. President, I categorically reject vouchering or mainstreaming as a policy option. Every major veterans' organization in the country categorically rejects this concept. The Chief Medical Director of the VA, Dr. Donald Custis, emphatically rejects this idea. The Administrator of the VA, Mr. Robert Nimmo, during his confirmation hearings before the Senate Veterans' Affairs Committee registered his opposition to the concept of mainstreaming. Yet here we are, once again, wondering if the administration is seriously considering such an option. I urge every member of this body to support this amendment so we can lay this matter to rest once and for all.

Although my primary purpose for disapproving this deferral is based on my strong objections to the language of the deferral message, I believe these projects should move forward on schedule for additional reasons. Mr. President, the Nation has a moral obligation to provide quality health care to the Nation's veterans at each of the 172 hospitals within the VA medical system. Many of these facilities are antiquated and are in desperate need of renovation and repair. Others require design changes to accommodate the installation of the latest advances in medical equipment and technology. Still others require additional operating room space so veterans will not be faced with long delays for essential surgical procedures. Let me give you an example of the situation in my home State of Arizona.

The Prescott VA Medical Center has only one surgical suite. Whenever two surgical procedures are required simultaneously, one must be performed at a local hospital, and this is not an infrequent occurrence. Additionally, the surgical recovery suite is located on a different floor from the surgical suite at the opposite end of the building. Clearly, this hospital needs immediate attention if it is to fulfill its promise of quality health care for the veterans it serves, yet no construction is planned for this facility until 1984.

Mr. President, if the VA does not have adequate funding to meet the continous need for upgrading and repair of existing facilities within the system, it will be unable to maintain its current reputation as a health resource system of the highest caliber. Our veterans deserve the best medical care available and that is the type of care they have historically received. Any significant decline in the quality of care in the VA hospital system, however, will inevitably lead to its demise.

Mr. President, I believe this deferral should be disapproved for yet another reason. Our VA hospitals are already overburdened and additional pressures will inevitably be placed on the system by an increasingly aged veteran population. Twelve million World War II veterans are rapidly approaching an average age of 65. It is precisely at this point in life when most individuals require additional medical attention and care. This is not the time to be delaying construction projects when we know with certitude that an ever-increasing number of eligible veterans are going to need additional care.

Mr. President, I also believe this deferral should be disapproved because it will ultimately result in increased costs. The VA estimates that a 1-year delay of the five projects the Administration has proposed to defer will add $25.7 million to their total projected costs. A 1-year delay on the three projects not incorporated in the continuing resolution will add $17.8 million to the cost of those projects. These are not insignificant amounts, Mr. President.

If our ultimate objective is to reduce VA health care costs, it cannot be achieved by delaying essential construction projects. We can expect the cost of construction to continue to escalate and any project delays will necessarily result in the Federal Government footing a larger bill.

Mr. President, I would also note the importance that the second sentence of our amendment would add to the provision disapproving the deferral. That part of our amendment is designed to trigger the provisions of the Impoundment Control Act of 1974 requiring that, when a proposed deferral is approved, the funds be made available for obligation and authorizing the Comptroller General to enforce that requirement in court.

It is important to note, however, that, under sections 1012(B) and 1016 of that Act, the requirement that funds be made available for obligation and this enforcement provision apply only where either House of Congress has passed an impoundment resolution disapproving the proposed deferral. Section 1011(4) of the act defines the term "Impoundment Resolution" as a resolution of either House "which only expresses its disapproval of a proposed deferral."

Since the continuing resolution obviously does not meet that definition, language specifying that enactment of the provision disapproving the deferral shall have the same effect as passage of an impoundment resolution seems necessary in order for the disapproval to have the intended effect.

Mr. President, I respectfully request that the communications I have received from the American Legion, the Disabled American Veterans, Veterans of Foreign Wars, AMVETS and the Paralyzed Veterans of America in support of this amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAILGRAM MESSAGE

We seek your support for Senator DeConcini's effort to disapprove the deferral of $91.3 million in VA hospital construction appropriations.

Deferral of these funds will delay the construction or renovation of five VA facilities. This delay, when considering the impact of inflation, will result in increased construction costs.

E. PHILIP RIGGIN,
Director, National Legislative Commission, the American Legion.

Hon. DENNIS DECONCINI,
Senate Office Building,
Washington, D.C.

On behalf of the more than 1.9 million men and women of the Veterans of Foreign Wars of the United States, I urge in the strongest possible terms your support and vote tomorrow, November 19, for the DeConcini-Cranstan et al. amendment, to the continuing resolution disapproving deferral D82–140, the justification for which would be the first step in destroying the VA hospital and medical care system by contracting out medical care for disabled veterans.

ARTHUR J. FELLWOCK,
National Commander-in-Chief, Veterans of Foreign Wars of the United States.

PARALYZED VETERANS OF AMERICA,
November 13, 1981.

Hon. DENNIS DECONCINI,
Senate Committee on Appropriations, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR DECONCINI: Paralyzed Veterans of America urgently requests your support for passage of Senate Resolution 239. This Resolution was introduced by Senator Alan Cranston in response to a proposed deferral, D82–140, which would withhold $91.3 million in appropriated Veterans Administration medical funds in FY 1982. The Deferral Message indicates the Administration is seeking to delay funding while alternative methods for providing medical care for eligible veterans is being considered. This action comes at a time when VA health care facilities are already stretched to the limit in providing care to our nation's veterans. It is estimated that the delay caused by a deferral could add $25.7 million to the total projected costs for the projects concerned. The Senate has traditionally supported an independent VA health-care system with adequate funding.

Again, PVA requests your support for passage of Senate Resolution 239.

Sincerely yours,

R. JACK POWELL,
Executive Director.

DISABLED AMERICAN VETERANS,
November 19, 1981.

Hon. DENNIS DECONCINI,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DECONCINI: I have been informed of your intention to offer an amendment to H.J. Res. 357, Fiscal Year 1982 Continuing Appropriations for all Federal Departments and Agencies, when that measure is considered on the floor of the U.S. Senate.

As I understand your amendment, it would, with respect to funding for the Veterans Administration, disapprove deferral D82–140 and thereby allow the VA to proceed with five major health care construction projects that have been previously authorized.

Senator DeConcini, speaking on behalf of the 700,000 members of the Disabled American Veterans, I wish to state that you have our organization's strong and unqualified support.

As you, we believe that responsible maintenance, improvement and expansion of our VA Hospital System must continue if our nation is to fulfill its responsibility to provide quality medical care to America's sick and disabled veteran population.

You are to be commended for the leadership role you have assumed on this most important issue. I trust that you will receive the full support of your colleagues in the United States Senate.

Sincerely yours,

SHERMAN E. ROODZANT,
National Commander.

AMVETS,
Lanham, Md., November 19, 1981.

Hon. DENNIS DECONCINI,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DECONCINI: On November 12, 1981, I addressed a letter to Senator Alan Cranston expressing AMVETS approval for his proposed resolution disapproving the deferral of 91.3 million dollars of funds previously appropriated that were to be expended this year for the VA hospital construction. I am quoting two paragraphs from that letter:

"Your anxiety about the President's proposed deferral of appropriations for 5 VA major construction projects that was forwarded to the Congress on October 23 is shared by AMVETS. We feel, as you do, that there is no jurisdiction for the proposed deferral of 91.3 millions of dollar funds previously appropriated that were to be expended this fiscal year. There is no viable alternative for providing readily available quality medical care for eligible veterans. We also view the possibility of a veteran's health care program turning into a voucher system with veterans receiving health care in non-VA hospitals paid for by the Federal Government. This path, referred to as 'Mainstreaming', favored by the private Medical Sector, can lead to only one destination: The inevitable demise of the VA health care system. And, we are convinced, that such an obituary is currently being written by the Administration and others who are intent to see the passing of the VA health care system as we know it today.

"We are completely in agreement with and unequivocably endorse your resolution disapproving the deferral of major construction funds with opposition to any suggestion that there is any appropriate role for the concept of 'Mainstreaming' or 'vouchering out' veterans' health care. Your efforts in combating such attempts are greatly appreciated by the membership of AMVETS."

We would appreciate your support of the resolution.

Very truly yours,

GABRIEL P. BRINSKY,
Acting National Executive Director.

Mr. DECONCINI. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I am pleased to rise in support of the amendment of my distinguished colleague (Mr. DECONCINI) with whom I am pleased to serve on the Veterans' Affairs Committee. The Senator from Arizona is a great friend of our Nation's veterans. In this his first year on the committee, he has proven to be active and effective in protecting their interests.

His amendment derives from the impoundment resolution, Senate Resolution 239, which I introduced on November 5 on behalf of myself and the Senator from Arizona and eight other Senators, to disapprove the October 23, 1981, proposed deferral. D82–140, of five Veterans' Administration medical construction projects. As Senator DECONCINI has noted, our resolution has the strong, unified support of the Veterans' organizations.

These organizations and those of us supporting the resolution and this amendment clearly see the central issue here as far transcending the merits of the projects involved—the merits of which are not in dispute, all are necessary and have previously been approved by the Congress. The central issue is whether the Senate is going to endorse or reject a concept—the vouchering-out of veterans' health care services—that would undermine the very foundation of a strong, independent VA health care system to meet the needs of sick and disabled veterans and could lead to the dismantling of that system.

In his October 23 message, the President proposes to defer funds covered by deferral D82–140 "pending completion of a project review" described in the enclosed deferral report as being "while the administration reviews all major construction projects for VA medical facilities and considers alternative methods for providing readily available quality medical care for eligible veterans."

Mr. President, the only alternative to the provision of care through VA facilities that has been under consideration within and without the administration is to provide veterans with health care in non-VA hospitals by way of a voucher system, with the Federal Government paying for the care received. This is the so-called "mainstreaming" approach in non-VA hospitals, a misnomer in my view because the VA is already in the mainstream of modern medicine. That the administration is giving such an alternative serious consideration is troublesome enough; but I find it especially disconcerting that the President himself, by specifically explaining the basis for the deferral—in the transmittal message that he himself signed—apparently approves of his administration's consideration of such an alternative, an alternative that clearly is the first giant step toward shutting down the entire VA hospital system.

I unequivocally reject such an approach, and I strongly urge my colleagues do so as well. In my view, once you start down the road of vouchering, it becomes inevitable that the whole VA system will lose its identity, its vitality, and its cohesiveness and will eventually wither away.

Thus, I strongly believe that any deferral based on giving the executive branch time to explore this alternative is extremely ill-advised. It deserves to be turned down flatly and decisively by approval of this amendment. That is why I introduced S. Res. 239.

ARGUMENTS AGAINST VOUCHERING OUT

Mr. President, on November 5, in introducing that impoundment resolution to disapprove the proposed deferral, I made a detailed statement explaining why disapproval of the deferral is so important. [That statement appears in the daily edition of the RECORD for that date on pages S13032 through S13041.] I will not reiterate in full all of the views expressed in that statement, but I do feel it is important to highlight some of the arguments against the deferral.

Mr. President, the VA runs a nationwide, comprehensive health-care system through which veterans with disabilities incurred during their service are given the treatment that they need and deserve. Providing such care is a national

moral commitment of the highest order. Any suggestion such as in the President's message that our obligation to service-connected veterans can be met by government payment for their health care in community facilities is simplistic and overlooks the unique benefits of the VA system.

By virtue of its obligation to care for service-connected veterans, the VA system has developed great skill and expertise in treating the immediate and residual effects of injuries related to combat service, such as amputations, spinal-cord injuries, and many others, including the psychological after-effects of combat. Although under "vouchering-out" there may be facilities in some communities that could provide comparable care for some of these disabilities, there would be no way to insure that service-connected disabled veterans would receive either the comprehensiveness of care or the priority for getting it that they now receive in the VA system.

Moreover, any kind of vouchering system would also lead to financially needy veterans and coupled—with what appear to be inevitable cutbacks under medicare and medicaid and other Federal health-care programs—elderly veterans with non-service-connected disabilities having to go without needed medical care or receiving less than adequate care.

Substituting access in community facilities in place of the VA system would have a number of other significant drawbacks. Under legislation, H.R. 3499, just signed by the President on November 3, Public Law 97-72, and another bill, S. 266, currently passed by both Houses and awaiting resolution of differences, the VA is given a formal role as the primary backup to the Department of Defense to treat casualties of armed conflict. Any significant reduction of VA health care resources would preclude the VA from filling this very vital role.

Mr. President, the VA is a national health-care resource that is becoming ever more important as the Nation's population ages and the need for acute and extended care, health care facilities grows as a result. In anticipation of the significant increase in the number of aging veterans that will be turning to the system in the near future as the over 12 million World War II veterans reach an average age of 65, the VA has become a leader in both research on the aging process and the effects of aging and on caring for the diseases and disabilities that come with aging. Because of its extensive relationships with medical schools throughout the country, the VA's actions in this regard hold promise of far-reaching impact.

Although the primary importance of the VA's research and education efforts in cooperation with affiliated medical schools and other health care professional training institutions is to improve the quality of care provided to eligible veterans. These efforts have larger benefits for all society. Last year, for example, over one-third of all medical students received some of their training in VA facilities as did 70,000 nursing and allied health students.

CONFUSION ABOUT THE ADMINISTRATION'S POSITION

Mr. President, I thought the administration understood and appreciated the importance of and need for the VA health care system. Certainly, that was the clear impression I got when Robert P. Nimmo, now Administrator of Veterans' Affairs, told the committee just this past July 9 at his confirmation hearing—in response to a question from the committee chairman, my good friend from Wyoming (Mr. SIMPSON), on his "position on the need for a separate, an independent VA medical care program"—that:

Well, I think it is indispensable. I think that a separate independent VA medical care program represents a commitment of the people. It represents a commitment of the President.

I am fully aware that the siren song of mainstreaming and some other things have been floating around, but those are hazardous ideas that ought not to be pursued.

Mr. Nimmo reiterated this view in response to my request for clarification as to whether it was clear that his rejection of "mainstreaming" reflected the President's position. He responded:

As I understand it, I think the President has been quite clear on that.

And the Chief Medical Director of the Veterans' Administration, Dr. Donald L. Custis, has spoken out forthrightly in opposition to "mainstreaming" on numerous occasions. In a comprehensive discussion of this topic that he delivered to the American Legion Department of Minnesota the day following his meeting with the American Medical Association's board of trustees to discuss a resolution pending before that body that advocated the "mainstreaming of services to veterans", Dr. Custis stated, as he had to the AMA, with reference to the pending resolution:

To advocate such an option [mainstreaming] is entirely contrary to the historical position and commitment of the electorate and the law.

Mr. President, in light of Dr. Custis' views of mainstreaming, at a Veterans' Affairs Committee hearing on November 5, I raised with him my concerns regarding and sought clarification of the stated justification for this deferral. Dr. Custis indicated that he could provide no clarification and that he had not received any clarification on the meaning of the justification since October 23, when the deferral was forwarded to the Congress. When I asked Dr. Custis if he was concerned about the meaning of the statement, he replied "I'm confused and concerned." I certainly share his reaction in that regard.

Mr. President, I ask unanimous consent that the transcript of my exchange with Dr. Custis at the committee's November 5 hearing be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

EXCERPT FROM SENATE VETERANS' AFFAIRS COMMITTEE HEARING, NOVEMBER 5, 1981

Senator CRANSTON. Don, in my opening remarks I referred to my concerns about the ominous implications of Circular A-76, in light of the deferral of budget authority in the major construction account that the President sent the Congress on October 23.

It seems to me that the statement in the justification for that deferral that the funds were being deferred while the Administration considers alternative methods for providing readily available, quality medical care for eligible veterans, which I believe must refer to proposals to provide veterans with health care in the private sector at Government expense, maybe the first giant step towards shutting down the entire VA hospital system.

I know that Chairman Simpson feels that there is no such implication. But I would like to say that, as you know, Administrator Nimmo, at his confirmation hearing, strongly supported the need for separate and independent VA medical care system and, with reference to proposals to mainstream veteran's health care, stated that those are hazardous ideas that ought not to be pursued.

He also indicated to both the Chairman and me that the President's views on these issues were the same as his. That's what Chairman Simpson was referring to.

I'm also aware that you have repeatedly spoken out against mainstreaming proposals. Do you have any comment on what the Administration is planning by way of its consideration of these alternative methods, so-called, for providing health care to veterans?

Dr. CUSTIS. Senator, I really can shed no light on the meaning or even the implication of that phrase in the deferral request.

I've always felt that the threat—and I do indeed consider it a threat—of mainstreaming is from the private sector, and not from within the Federal establishment.

As a matter of fact, the Deputy Director of OMB, on more than one occasion, has indicated to me that OMB has no interest in mainstreaming veteran care to the private sector.

Senator CRANSTON. Are you concerned about what the real meaning of those words are?

Dr. CUSTIS. I'm confused and concerned, Senator.

Senator CRANSTON. Have you been given any clarification at all on this score since October 23 when the deferral message was sent to Congress?

Dr. CUSTIS. No, Sir.

Mr. CRANSTON. Apparently his presentation to the AMA was quite persuasive because the "mainstreaming" resolution failed to gain support. Instead, a watered-down resolution reaffirming the need to maintain the historical relationship between the AMA and the VA health-care system was adopted by the AMA this summer.

Mr. President, I would note for my colleagues' reference that the full text of Dr. Custis' very thoughtful and persuasive remarks to the American Legion Department of Minnesota on the issue of "mainstreaming" is printed in the daily edition of the RECORD for November 5, 1981, on pages S13035 and S13036.

The views, moreover, Mr. President, there was good reason to believe that of Administrator Nimmo and Chief Medical Director Custis were shared elsewhere in the administration. Earlier this year, in the June 1 issue of U.S. Medicine it was noted that—

Donald Moran, Associate Director for Human Resources, Veterans and Labor in the Office of Management and Budget assured the National Association of VA Physicians that the idea of "mainstreaming" veterans' care—that is, shifting it to the private sector—is one the Administration is neither pursuing nor even interested in.

This assurance seems totally at odds with the reference in the administration's deferral documents on to giving active consideration to "alternative

methods of providing readily available quality medical care for eligible veterans."

Mr. President, as the Senator from Arizona has noted, the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, AMVETS, and the Paralyzed Veterans of America are all strongly in support of our proposal to disapprove the deferral in its entirety.

To cite one example, in a telegram that Arthur J. Fellwock, the national commander-in-chief, Veterans of Foreign Wars, sent to each Senator today, Mr. Fellwock expressed the VFW's support for this amendment and succinctly identified the issue. He stated, with respect to the stated justification for the deferral, that it "would be the first step in destroying the VA hospital and medical care system by contracting out medical care for disabled veterans."

Mr. President, I ask unanimous consent that Commander-in-Chief Fellwock's telegram to me be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NOVEMBER 19, 1981.

Hon. ALAN CRANSTON,
Senate Office Building,
Washington, D.C.

On behalf of the more than 1.9 million men and women of the Veterans of Foreign Wars of the United States, I urge in the strongest possible terms your support and vote tomorrow, November 19, for the DeConcini-Cranston et al. amendment to the continuing resolution disapproving deferral D82-140, the justification for which would be the first step in destroying the VA hospital and medical care system by contracting out medical care for disabled veterans.

ARTHUR J. FELLWOCK,
National Commander-in-Chief, Veterans of Foreign War of the United States.

DEFERRAL WILL RESULT IN SUBSTANTIAL PROJECT COST ESCALATION

Mr. CRANSTON. Mr. President, in addition to the need to express strong congressional disagreement with any proposal to dismantle the VA health-care system, deferral D82-140 should be rejected for sound economic and fiscal reasons. Delay in undertaking the various projects covered by the deferral can only result in increased governmental expense. According to informal contacts with VA staff, the so-called inflation cost of this deferral—the difference in the fiscal year 1983 cost over the fiscal year 1982 cost for the five projects—is $25.7 million. This inflation cost for the three projects not covered by the continuing resolution is $16.4 million. I see no valid reason to incur such additional expense for the construction of projects the need for which is not in dispute. I do not believe American taxpayers want us to spend $25.7 million—or $16.4 million—to give this administration time to consider a proposal for dismantling the VA health-care system.

TRIGGERING IMPOUNDMENT CONTROL ACT PROVISIONS

Mr. President, I would also like to note that I concur fully with the explanation given by my friend, the Senator from Arizona, regarding the intended effect of and the need for the provision in our amendment making the disapproval of the deferral effective for the purposes of the impoundment control act. It would clearly be unwise to run the risk—which we would be running if that provision were not included—that the congressional disapproval of the deferral would not be given full effect under that act.

CONCLUSION

Mr. President, I want to note that I do not consider veterans' programs and benefits to be sacred cows. The Congress achieved spending reductions in veterans' programs through the reconciliation process for fiscal year 1981 and for fiscal year 1982 in the Omnibus Budget Reconciliation Act of 1982, and has worked and is working in other ways to achieve economies in VA programs, such as facilitating the sharing of VA and DOD health-care resources through the passage of S. 266, which the Senate passed on October 27 and the House passed with amendments on November 4. But the VA health-care system must be maintained, and I believe the Senate should go on record in that regard by registering its resounding opposition to deferral D82-140 which is premised totally on consideration of ways to eliminate the VA hospital system as we know it today.

Therefore, I strongly urge that my colleagues support this amendment and, in doing so, make clear their firm support for a strong, independent VA health-care system. As I stated earlier, the central issue here is whether the Senate endorses or rejects a concept that would undermine the VA health-care system. A vote for the amendment is a vote to reject that concept.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, as a cosponsor, I rise in strong support of the amendment offered by the Senator from Arizona (Mr. DECONCINI).

Mr. President, it cannot be overemphasized that the national VA health care system is of vital importance in ensuring that all veterans, receive comprehensive, readily available health care, no matter where in the country they reside in cities, in suburbs, or in rural areas. Certainly, many community facilities around the country would be able to provide equal, if not better care for veterans. But the fact remains that there are many, many areas of this Nation which would not be able to guarantee veterans the quality care they have been promised in exchange for their military service.

I would also like to call to the attention of my colleagues the fact that over the next decade, most of the 12.6 million veterans of World War II, now averaging 59.1 years of age, will be 65 years of age and older. According to the Veterans' Administration, veterans over 65 need five times—I repeat—five times as much health care overall than those under 65. Every 5 years after 1985, another 4 to 5 million veterans will join the over-65 group, and, by 1995, there will be an estimated 8,043,000 veterans over age 65, a figure which is nearly triple the 1980 level.

VA officials predict that as a result, the demand for VA hospital facilities for patients over 65 will jump by 11,000 beds over the next 6 years. And the number of veterans needing nursing home care is projected to soar from 120,000 in 1980 to 272,000 by the year 2000.

In view of these ominous projections, Mr. President, I say to my colleagues that rather than reducing VA health care funding, rather than deferring or eliminating the construction of new VA health care facilities, rather than studying the mainstreaming of veterans health care, we should get on with the work of trying to deal adequately with the future health care needs of our aging veterans population.

Mr. President, the independence of the VA health care system must be maintained if we are to have any reasonable chance to reach this goal and fulfill our commitment to the health care of our Nation's 30 million veterans.

By adopting this amendment, the Senate can go on record in strong opposition to any plan which would in any way compromise or dismantle the VA health care system. I urge its adoption.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I rise in opposition to this amendment. As has been mentioned by the Senator from Arizona, of the five in this resolution, two of them have already been taken care of. In the first continuing resolution, Senator DECONCINI offered the amendment on behalf of the Senator from California, Senator CRANSTON, referred it from the committee, the Subcommittee on HUD and Independent Agencies, and the full committee to the floor. I agreed to accept the deletion of those two, the overturning of the deferral. So two of the five have been taken out.

Now, with this additional attempt, I suppose I am a little bit sorry that I allowed that to take place on the last continuing resolution. I guess the crumb was not sufficient.

The thing that bothers me, if there was ever a Federal case made out of three additional facilities that are expensive, when all we are talking about is a deferral, not a rescission; we are talking about a deferral.

I cannot even understand this talk about the beginning of the removal of the whole VA health care system, 172 hospitals, because we are asked to defer the expenditures on construction on three that are questionable while the administration studies it. The resolution reads:

Disapproving the proposal to defer budget authority for Veterans' Administration health-care facility construction while the Administration considers alternative methods for providing readily available quality medical care for eligible veterans.

Now, what we are saying is we are not even giving the administration a chance to study that and make a recommendation. Maybe the Senators who are in favor of this amendment would disagree totally with the recommendations. But to insinuate that this is the opening wedge to destroy 172 hospitals by a simple request to defer while we have a study, I think is unreasonable.

But let me go further, in a HUD and independent agencies budget that provides most of the low-income housing for this country, of what we are doing. In making the cuts, I was able to cut $10 billion in the 1982 budget below the 1981 budget. Most of it in assisted housing for low income. But it really is worse than that, because all this talk about destroying the veteran program, we are increasing the veteran programs by $1.5 billion. So that means we really cut the assisted housing program and a lot of others in the HUD and independent agencies budget by $11.5 billion.

Yet we are being told here on the floor of the Senate that we are shortchanging the veterans with only a billion and a half dollar increase and we cannot have a deferral waiting for a proposal.

Now, I happen to be a member of the Reserve Officers Association, the Veterans of Foreign Wars, and the American Legion. I belong to them all. I spent 24 years in the military. I am hardly antiveteran.

We also ought to recognize that if there were ever a sacred cow, this is it. And I would go far enough to suggest that the authorizing committee, the Veterans' Affairs Committee, is a lobbyist for these organizations. They do not need to lobby for themselves. They have a committee that lobbies for them. I wonder who represents the Senators and the taxpayers. We have a committee that represents these groups.

Now, a billion and a half dollars is not peanuts. I think it is time the veterans shared in solving the problems of this country.

As I said, I spent 24 years in the military. I do not have any service-connected disability. I did not get hurt on my active duty. I did not get sick during those 24 years. Just because I get older and I served for 24 years, why are we paying massive amounts of money for non-service-connected disability? Let us take care of those who were injured in the war or because of their service they were injured. But this Veterans' Administration is the fattest pig we have that I am aware of in any budget that I deal with. We simply do not have the guts to say that. Anything they want, the VFW and the American Legion. I do not ever remember being asked, as a dues-paying member, how I felt about those. I have never been asked. I do not make those decisions for those organizations.

I do not know who gets hurt more by inflation and high interest rates than a lot of veterans who are really disabled and really have problems.

Again, I am just going to close by saying that we have an 11½ billion decrease for people for assisted housing and a lot of other programs in the $60 billion budget so we can provide an extra $1½ billion, but we cannot afford to defer.

There is no need to carry this on—it is 1 o'clock in the morning—making a big Federal case out of it. I just hope my colleagues will recognize and not forget that there is a $1½ billion increase for the veterans in this budget. I do not know who else is getting that. Everybody else is taking their share of the cuts, and I am not even asking that. I am asking for a deferral while we have a study.

So I hope the Senate would defeat this amendment.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. As chairman of the Veterans' Affairs Committee, I am sure that my mailroom will crank up in the next few days because of my opposition to this amendment. I share many of the sentiments expressed by the Senator from Utah. This amendment is substantially identical to Senate Resolution 239, introduced on November 5 by my good friend from California, the ranking minority member of the Senate Veterans' Affairs Committee. Both would disapprove the deferral of appropriations for certain Veterans' Administration construction projects, because, as stated by the Senator from California in his thorough and very lengthy remarks on the occasion of the introduction of Senate Resolution 239, the deferral of these projects is regarded as "the first giant step toward shutting down the entire VA hospital system."

Mr. President, I appreciate my colleagues' deep and very sincere concern for the integrity of the VA health care system. And they can rest assured that I, as chairman of the Veterans' Affairs Committee and a veteran myself, agree with their main contention that the idea of dismantling the VA hospital system and mainstreaming veteran patients into the civilian health-care system is indeed the ultimate threat to the integrity of the VA hospital system and is not in the best interests of this Nation's veterans. But I simply cannot agree, Mr. President, that this particular deferral either can or should be characterized as a referendum on the issue of mainstreaming. That is just not so.

In his October 23, 1981, message to the Congress, President Reagan included a deferral, numbered D82–140, of $91.2 million in budget authority which had been approved for expenditure on five major construction projects: Specifically a phased facility replacement at Chillicothe, Ohio, VA Medical Center—$13.7 million; a facility renovation at the East Orange, N.J., VA Medical Center—$29 million; a research and education addition at the Long Beach VA Medical Center—$11.4 million; a surgical addition at the Palo Alto, Calif., VA Medical Center—$14.8 millon; and a nursing home and parking garage at the Washington, D.C., VA Medical Center—$22.4 million. The justification for the President's deferral states:

This amount is deferred while the Administration reviews all major construction projects for VA medical facilities and considers alternative methods for providing readily available quality medical care for eligible veterans.

The deferral further notes, under the heading "Estimated Effects," that such deferral action may result in the delay of these projects while VA's medical facility construction program is being evaluated.

Out in my neck of the woods, when I used to legislate in Wyoming, we used to say, "Keep your eye on the rabbit." Mainstreaming has nothing to do with this; absolutely nothing.

Mr. President, this deferral can and will do nothing more than postpone until the end of fiscal year 1982, further expenditures on five VA construction projects—two in California, one in Washington, D.C., one in New Jersey, and one in Ohio. What the Senators from California and Arizona and their cosponsors—two of them representing New Jersey and two representing Ohio—apparently seek to do is to transform this postponement into something much larger and far more sinister, by means of placing an unfortunate emphasis and misconstruction on the language used by the Administration to justify the deferral. The Senator from California concluded in his November 5 remarks:

The only alternative to the provision of care through VA facilities that has been under consideration within and without the Administration is to provide veterans with health care in non-VA hospitals by way of a voucher system, with the Federal Government paying for the care received.

Mr. President, I do not agree, and I am certain that the administration would not agree, that mainstreaming is the only alternative to the construction of these five projects; I do not even believe that the Administration regards it as an alternative. I was reassured on this point by the testimony of Administrator Nimmo at his confirmation hearing on July 9. In response to my question:

What is your position on the need for a separate, an independent VA medical care program?

He responded:

I think it is indispensible. I think that a separate independent VA medical care program represents a commitment of the people. It represents a commitment of the President to veterans.

I am fully aware that the siren song of mainstreaming and some other things have been floating around, but those are hazardous ideas that ought not to be pursued.

I understand there is legislation now proposing that Veterans' Administration medical facilities provide a backup to Department of Defense facilities in time of a national emergency. Clearly we must have, to perform that role, an independent VA medical care program with all that that entails.

And if we were to submit to the siren song of mainstreaming, we would immediately see, I think, what you might call a "brain drain" in connection with our medical facilities. We would—if we lost the requirement and responsibility for acute care, very quickly lose the capability to care for the veterans as we are now doing.

Further than that, with the aging of the veteran population, as you alluded to earlier, we are going to have an increased requirement for acute care facilities, because as people grow older, the incidence of acute medical problems increase. We must have the capability to deal with that. I think it can only be done if we do maintain an independent VA medical care program.

A recent interview with Administrator Nimmo in the October 1 issue of U.S. Medicine indicates that his commitment to an independent VA medical care program continues undiminished after several months in office. Mr. Nimmo stated

that the original OMB proposals for cuts in medical care programs "were not all that good," that he has known President Reagan for 14 years and has "no question" about the President's commitment to a high-quality health care system, but that, as VA Administrator, he is in the process of "going back through—the VA—budget and identifying areas where I can make some further reductions if need be * * *. It may become necessary to slow some construction projects."

The article concludes by reporting:

Nimmo stated that he views mainstreaming and vouchering as the most "expensive ways possible" to deliver health care to veterans.

"All you have to do is look at CHAMPUS to know how expensive vouchering would be," he said.

"Since I think these things are bad ideas, then obviously I'm not going to close any hospitals, either," he added.

"In terms of beds, there will be no reductions unless Congress mandates them," he said. "And I don't think they're going to do that."

I ask unanimous consent that the entirety of this interview, entitled "VA Seeks to Avoid Medical Care Cuts," as published in U.S. Medicine be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SIMPSON. Mainstreaming is not going to come to pass while I am chairman of the committee. I can assure you of that.

Mr. President, the phrase "alternative methods," as used by the Administration in its justification for this deferral, should not be read out of context. It clearly and specifically refers only to "major construction projects for VA medical facilities"—that is construction; it does not refer to existing hospitals or to the entire VA medical care system. It specifically contemplates nothing more than a thorough evaluation of the "VA's medical facility construction program".

Well, Mr. President, I will not wax on into the wee hours of the morning, but I will say this to you: Enormous amounts of money are spent each year for major VA construction projects. In fiscal 1982, the total amount spent could be about $800 million. A single new hospital can cost several hundred million dollars. At this moment, the VA is working on over 1,000 assorted construction projects, both major and minor, and has plans for an additional 272 major projects to be completed within the next 5 years, at a combined estimated cost of over $5.7 billion. As to some of these projects, substantial questions have been raised. For example, the VA's No. 1 construction priority is a new hospital to replace an aging and inadequate facility in Minneapolis, Minn. When I came on the committee, they approved $15 million for it. I thought that was for the whole thing. That was only for "design and site preparation"—and next year we will be called upon to authorize an additional $267 million for actual construction. The facility that the VA wants to build will have 845 beds, but the Minneapolis Metropolitan Council, after reviewing the situation, recommended, among other things that not more than 609 inpatient beds were necessary. The council's position was based upon the recommendations of the Minneapolis Metropolitan Health Board, which is composed of 30 members, half of them consumers, and half professional providers of health care within the seven-county metropolitan area. Of course, these recommendations are in no way binding on the VA, but the VA did respond by challenging the metropolitan council's underlying assumptions regarding expected lengths of stay and discharge rates, but made no mention of the fact that the University of Minnesota, which is affiliated with the Minneapolis VA Medical Center, is presently planning to build a major replacement hospital approximately 6 miles from the proposed VA replacement hospital, at a cost of as much as $250 million. It would certainly seem appropriate for the VA to consider the full impact of this new university hospital, and to consider whether increased cooperation with, or closer location to, the university hospital would be feasible or might reduce the necessary size and expense of the proposed VA facility. Moreover, in this situation, as with all major VA construction projects, it would certainly be appropriate to evaluate and reevaluate all underlying actuarial projections of need and usage, also taking into consideration the possibility of future restrictions and tightened enforcement mechanisms relating to eligibility for VA medical care. At this point, I ask unanimous consent that the Veterans' Administration's comments on recommendation No. 1 of the metropolitan council regarding the replacement VA medical center in Minneapolis, Minn., be printed in the RECORD at the conclusion of my remarks.

These are the type of problems, Mr. President, that the administration's justification language is clearly aimed at. It does not contemplate, and certainly should not be construed by either Congress or the VA, as recommending mainstreaming, or even as requiring that the VA should cancel a few construction projects entirely and retain only x number of the most desperately needed projects. It should be construed to mean only what it says—that in light of the fact that these are times of constrained Federal resources, it has never been more important to review carefully every pending major construction project, taking into consideration all local and national needs and circumstances in order to guarantee that the project is no more extensive or more costly than it ought to be, and to assure that if a particular project is found not to warrant the priority previously attributed to it, funding should and will be deferred.

I should add, Mr. President, that we should not be obsessively concerned with the inflation cost of postponing construction, since the review occasioned by postponement might well suggest revisions, whether yielding cost-savings or not, that would more than justify the delay.

Mr. President, I do not wish to excessively dwell on the question of what is the proper interpretation of the administrations' justification language, since it may really be nothing more than a side issue. The only practical, immediate and legal effect of this deferral is to postpone for less than 1 year the construction of these five projects. No one is bound by either the statement of justification or the statement of estimated effects. They are nonbinding recommendations to the Administrator, without the force and effect of legislation, to the effect that the VA ought to review its construction programs.

On the subject of the deferred projects themselves, I should note, as did the able Senator from California in his remarks, that, with respect to two of the five projects involved, both the House and Senate have already voiced their disapproval of a deferral. During the consideration of H.R. 4034, the HUD-Independent Agencies Appropriations Act for fiscal year 1982, the House initiated a disapproval of the deferral of the Washington, D.C. nursing home and parking garage project. The Senate then proceeded to pass its own version of H.R. 4034, and in doing so, endorsed the House's action with respect to the Washington project, and added, upon the initiative of the Senator from California, a disapproval of the deferral of the research and education addition at the VAMC in Long Beach, Calif. A conference report was then worked out incorporating this additional disapproval, and the conference report was then passed by the House by a very close vote, 209 to 197. Congressional endorsement of both disapproval resolutions was further established by the incorporation of the entire conference report into the continuing resolution—now Public Law 97-51—"as if such act—H.R. 4034—had been enacted into law". In addition, it is important to note that disapproval of both these deferrals has again been included in the continuing resolution before us today, in section 101(f)(43).

However, in light of present budgetary constraints, and since I disagree with the Senators from Arizona and California that this resolution should be interpreted as a referendum on mainstreaming, I cannot support Senate Resolution 239 or the present amendment. Assuming that the Long Beach and Washington projects are funded by Congress, the net effect of allowing this deferral to stand will be to reduce fiscal 1982 appropriations by $57.5 million.

I would conclude, Mr. President, by saying this: When I assumed the chairmanship of the Veterans' Affairs Committee, a fascinating chore, I might add, I had sincere hopes that, and indeed it was my understanding from many of the discussions with my worthy colleague from California, the ranking minority member, that this committee, more than any other standing committee in the U.S. Senate, could continue to and always had functioned most effectively on a nonpartisan basis. Increasingly, however, I find the minority squared off against the majority, playing more of a partisan role, and, as in the present case, distorting what might have been a simple and practical matter of bipartisan consensus on a compelling budgetary issue

which did not even remotely call for the interjection of the nongermane and highly emotion-charged issue of mainstreaming. Such conduct serves only to impede this administration's goal and the previous administrations goal—recognized as a valid and essential one I think—of encouraging, through deferrals such as this, a uniformly cautious and responsible major construction spending policy in the VA.

Mr. President, we must indeed try to keep our eye on the rabbit; 70 percent of the people in the veterans hospitals are nonservice disabled and half of those are being treated for alcoholism. You can serve in the U.S. Armed Forces for 2 months and draw a broad variety of veterans' benefits. We are going to look into that. When you get to be 65, you are considered disabled and are entitled to draw full benefits under the compensation program. We will look into that one, too. When you are 65 years old, you can now go into the health care system, regardless of your income or your net worth, and receive the care and attention of the Federal Government. We will look into that one, too.

I do believe, Mr. President, that this deferral is an excellent and useful device for providing the Administrator of Veterans' Affairs and this administration with an opportunity to review their projects and their priorities, in this particular construction area, in order to be certain that this Nation's tax dollars are used in the most effective manner to insure for our veterans the very finest quality health care system that money can purchase. I continue to pledge my support for this goal.

EXHIBIT 1

VA SEEKS TO AVOID MEDICAL CARE CUTS

(By Nancy Tomich)

WASHINGTON.—The fiscal 1983 budget request developed by the Veterans Administration seeks to maintain the current level of medical care, agency administrator Robert P. Nimmo has said.

The 1983 request must be approved by the Office of Management and Budget before it is sent to Congress, but Nimmo indicated he is not worried about that.

What happened last March, when OMB directed a $450 reduction in the Department of Medicine and Surgery budget over two fiscal years, was that the fiscal management agency did not understand the President's intentions, Nimmo said.

"The President came to office promising he was going to cut the budget by $45 billion," Nimmo observed during an interview. "He really just had a matter of days in terms of the budget sequence to come up with those cuts.

"Unfortunately, Dave Stockman came up with some proposals which were not all that good," Nimmo said.

"The President saw the error of that, and virtually all the mistakes were corrected in the bipartisan budget amendment (which made no cuts in VA's medical care program)."

Nimmo said he has known President Reagan for 14 years and has "no question" about the President's commitment to a high-quality health care system.

"My problem is not to carry out a 'hatchet job' for OMB," he said, "but rather to continue to deliver the benefits that Congress has authorized and to do it in such a way that we, to the extent possible, contain escalating costs."

Nimmo said the agency's total budget is slated to increase by $1 billion in fiscal 1983, enough to pay cost-of-living increases in some compensation programs.

But, "out of prudence," he will try to identify areas where further reductions can be made if necessary, without "erosion" in the health care system.

The Department of Medicine and Surgery will not be affected by these reductions in terms of personnel or beds levels, he said, but may have to develop some "management efficiencies."

"I'm also going back through that budget and identifying areas where I can make some further reductions if need be. . . . It may become necessary to slow some construction projects."

"It's hard to tell what the economy will bring," he observed.

Nimmo said he and former chief of staff Edgar L. (Nick) Longworth, who resigned just two weeks after his appointment was announced, parted ways last month because they differed in their perceptions of the role Longworth was to play.

"I had in mind a coordinating position, to be sure everything that reached my desk had been properly coordinated throughout the staff and the departments of the agency. It was never meant to be a decision-making position or one in which anyone in any way was to be denied access to my office.

"It was to be a coordinating office—nothing more nor less than that," Nimmo related.

"As time went by I found it was just not working out that way. Nick and I just could not quite come to agreement on what the office was to do.

"So Mr. Longworth finally decided he probably ought to pursue other interests."

Nimmo said the other special assistants whose resignations were requested situation.

"They were people who came here on the transition team. I suppose they were for the most part Mr. Longworth's selections. But I don't really know, because I wasn't here."

The transition period now is over, Nimmo observed, "and I need those positions to put together the management team which I think the agency needs."

"That's the whole point," he said. "Those people, valuable though they may have been during the transition period, are really not management people."

Nimmo said he regards improving the management structure of the VA as his top priority right now.

"We have some tough challenges coming in the years ahead, given the aging veteran population and the increasing demands that will be placed on our health care system particularly, and at the same time try to contain costs so that our whole operation is not rejected by the taxpayer."

In the past eight years the agency's budget has gone from $11.5 billion to $25 billion. Nimmo noted.

"Unless we make some major progress in containing costs we're going to be over $50 billion in the next five to six years, just by the natural progression of things," he predicted.

"We simply have to find ways of managing better than we have been doing."

One thing he is pinning his hopes on is improvements in the agency's use of computers

VA now has a "vast network" of computers, he said, but that network has "grown like topsy" without any "strategic planning."

"Because of that we are suffering a lack of credibility both with the Office of Management and Budget and with the committees on the Hill," he said.

Nimmo asserted the constraints placed on the agency by OMB in making computer purchases—they must receive OMB approval—have come because "they've been convinced we didn't know what we were doing."

"While I wouldn't want to characterize it quite that way," he said, "I think it is clear our computer acquisition program has not been as carefully thought out and as systematicaly pursued as it should have been."

Nimmo said computers can be used to attain management efficiencies in the VA hospitals, for example.

"We simply don't know what is going on in the hospitals from day to day. We have no objective way of judging how well a hospital administrator is performing, in terms of cost-benefit ratios."

Nimmo said he could not imagine a proprietary hospital chain trying to operate without computerization.

Computers also could be used to run benefit checks on veterans in the VA hospitals, he suggested.

Nimmo said he believes the personnel changes he is making—combined with creation of a long-range planning staff to address systematic computerization—should help convince OMB the agency has mended its ways.

"And I'll do it partly by personal persuasion," he said. "I think the events of recent weeks (firing five special assistants) have persuaded a lot of people that I'm serious about running this organization and running it properly."

Another area within the agency that will be looked at for savings is the travel budget, Nimmo said.

"We have almost no way of controlling how much people travel, who travels—all those things are sort of lost in the process."

And there is a tremendous amount of money characterized as "maintenance and operating"—a categorization which makes it difficult to find waste because it is so broad.

This category needs to be broken down, Nimmo said.

Nimmo said he is concerned over the trend in Congress to legislate entitlement to care by disease categories—such as radiation exposure.

"To the extent that legislation is adopted which either enriches existing benefits or establishes new ones, it is inevitably going to cause deterioration in some of the traditional benefits," he said.

"I have gone out of my way during the last two or three months to caution veterans groups about endorsing or supporting legislation whose benefits may seem to be attractive at the moment but may cause serious erosion in some of the more traditional and important benefits.

"I've been a politican myself." (Nimmo spent eight years in the California state legislature.)

"I know how tempting it is every election year to introduce a measure that will gain some political support or seem to be popular at the moment, but will wind up costing money down the road."

That's why the national debt is almost $1 trillion, he added.

Nimmo said another area he intends to look at is the "relocation costs" borne by the agency when employes move, at a cost of between $15,000 and $18,000 per move.

With 172 hospitals, he said, people are "constantly on the move."

"It's my perception after signing off on a great many personnel actions over the past two to three months that we probably move people more than we need to."

Nimmo said he has not had much time to examine the affiliations that exist between VA hospitals and medical schools.

However he said he is concerned that at least in some instances the agency tends to locate hospitals "more because of affiliations than the veterans to be served."

He said he is not suggesting that VA has been putting hospitals where they aren't needed. But, he added, there may be a tendency to favor a site where there is an affiliation.

He said the long-range planning staff, among other things, will try to estimate the impact the aging veteran population is going to have on the medical care system.

If social security is scaled back, or if the medicare co-payment rises, VA may have to absorb patients who otherwise would have used the medicare program.

The long-range planning group will consist of about a half dozen staff members working directly under Nimmo.

They will develop criteria for determining where hospitals and nursing homes should be located. Nimmo said—criteria he said are needed to stop the trend of locating hospitals where congressmen want them.

Nimmo said he has never seen a shred of evidence that the Office of Management and Budget wishes to "do in" the VA.

"I've seen nothing to support these cries of alarm except the serious mistake that was made last March (when DM&S budget cuts were directed by OMB), and those proposals were not carried out."

Nimmo stated that he views mainstreaming and vouchering as the most "expensive ways possible" to deliver health care to veterans.

"All you have to do is look at CHAMPUS to know how expensive vouchering would be," he said.

"Since I think these things are bad ideas, then obviously I'm not going to close any hospitals, either," he added.

"In terms of beds, there will be no reductions unless Congress mandates them," he said. "And I don't think they're going to do that."

Veterans' Administration Comments on the Recommendations of the Metropolitan Council Regarding the Replacement VA Medical Center in Minneapolis, Minn.

RECOMMENDATION NO. 1, A

The total hospital bed size (acute and non-acute) should not exceed that number of beds which supportable data suggests is needed. Analysis of the data provided in this report suggest that a maximum of 609 hospital inpatient beds (acute and non-acute) be constructed at the same site to replace the present Minneapolis VAMC inpatient hospital facility.

VA COMMENT

The Metropolitan Health Board (MHB) estimate of 609 beds was determined by utilizing 1979 VA discharge rates, 1974 community lengths of stay, and adjusting the percentage of 65 and over admissions to derive 493 acute beds which were not specific to individual bed sections. Additionally, 116 non-acute beds were added which includes:

30-bed chemical dependency unit
10-bed GRECC unit
6-bed long-term neurology
30-bed non-acute intermediate care
30-bed non-acute rehabilitation
10-bed hemodialysis

Two issues related to the bed-sizing methodology used by the VA were central to the decision reached by the MHB.

1. The VA, by incorporating more recent community lengths of stay rather than the 1974 data used in the bed study would reduce the number of beds needed, and

2. The most recent patient treatment file data were not used to calculate discharge rates.

The following comments relate to these two issues.

VA's estimate of 705 beds for 1985 was developed from the application of an early version of the model which did not trend discharge rates and used the 1974 community length of stay to determine the number of acute beds. The 705 estimate from the model was the basis for the 725 beds recommended for the Minneapolis replacement hospital after consideration by VA professional staff of many health care delivery-related factors.

Since development of this estimate, several modifications have been made to improve the bed-sizing model. These modifications were agreed to by GAO. Among them are trending of VA discharge rates for the most recent four year period and use of multi-level care survey results to distribute non-acute beds.

Recent application of these modifications (May 1980) to VAMC Minneapolis resulted in the following:

1. Using 1974 community length of stay data with four years of trended discharge rates yields 789 total beds for 1985—578 of which would be acute.

2. Using 1976 community length of stay data, which is the latest data compatible with VA's disease classification system, with a four year discharge rate trend yields 787 total beds for 1985—558 of which would be acute.

In other words, if the VA had based its request for beds on the data suggested by the MHB more beds, not fewer, would be needed.

Not only has the MHB misjudged the impact of updated data on bed needs, they also misunderstood the intricacies of the model especially as it relates to non-hospital requirements. Contrary to the MHB's belief, the model does not just rearrange hospital beds. In fact, the form of the model used to size VAMC Minneapolis redistributes 201 "hospital" bed equivalents to nursing home care (40), outpatient care (130) and other alternatives to hospital care (31).

Mr. THURMOND. Mr. President, I rise today to join Chairman Simpson of the Veterans' Affairs Committee and Chairman GARN of the Appropriations Subcommittee in opposition to this amendment which would disapprove deferral of five Veterans' Administration medical facility construction projects.

My distinguished colleague from Arizona has portrayed this deferral as a first major step towards mainstreaming health care for our Nation's veterans. This assertion ignores other alternatives which may exist and which will be carefully considered. Close study of these projects could very conceivably lead to reappraisal of priorities in the VA construction program. It may be that these projects can be reduced or altered to save money. In any case, it is unfair to describe this deferral as a move toward mainstreaming.

I intend, therefore, to vote in opposition to this amendment and urge my colleagues to do the same.

(Mr. WARNER assumed the chair.)

Mr. DECONCINI. Mr. President, I thank the distinguished chairman for his untiring efforts in conducting numerous hearings. I think he has given us a fair menu this evening as to what he is going to look into in that committee. I shake for the veterans of this country that we are not only going to consider mainstreaming and vouchering, but we are going to consider every other facet of the Veterans' Administration.

It seems to me like this country can be proud of the veterans health care system that has been put together, indeed by administrations of both Democrats and Republicans, of Members in both Houses, in both parties, consistently standing up and articulating the case for the veterans.

In this case before us here I cannot conclude any other alternative. Granted, the Senator from Wyoming has far more expertise than I do from his work on the committee. Perhaps there are alternatives that he could share with us besides mainstreaming and vouchering. Yet, in submitting its deferral under the Budget Act, section 1013, paragraph 6, states the administration is supposed to submit—

All facts, circumstances and considerations relating to or bearing upon the proposed deferral, and the decision to effect such proposal, including an analysis of such facts, circumstances, and considerations in terms of their application to any legal authority and specific elements of legal authority invoked by him—

Meaning the President. It continues:

to justify such proposed deferral.

I ask unanimous consent that this paragraph be printed in the RECORD.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

(6) all facts, circumstances, and considerations relating to or bearing upon the proposed deferral and the decision to effect the proposed deferral, including an analysis of such facts, circumstances, and considerations in terms of their application to any legal authority and specific elements of legal authority invoked by him to justify such proposed deferral, and to the maximum extent practicable, the estimated effect of the proposed deferral upon the objects, purposes, and programs for which the budget authority is provided.

Mr. DECONCINI. It seems to me what we have here are some simple and clear words. I will read them again:

And consider alternative methods for providing readily available quality medical care for eligible veterans.

It appears to me the administration has not followed through and because of that, the fear of this Senator is that this might be the beginning.

We will recall when the administration offered its budget we had a nifty little $950 million request to cut back on veterans' health care. Fortunately, this body rose to the occasion and stopped at least half of that. I think that here we have the beginning of that effort once again. I am not prepared to take it as a partisan basis because I am more than willing at any time to grant to the Senator from Wyoming as being pro veteran, being in support of this country's veterans, but I happen to have an honest disagreement. It is not based on the fact that he is a Republican and I am a Democrat. It is based on the fact that in my interpretation, under the budget constraints that this administration and this Nation of ours finds itself in today, there are efforts, continuous efforts, to cut wherever possible. Here we have a clear effort to go back on what Congress has authorized and appropriated money for by deferring five projects or three projects. We now have the Senator from Utah indicating that, well, he threw a crumb here and it was not enough. I will take that, if he wants to call it a crumb, but I do not think it is enough.

In fact, what we have an opportunity tonight to do is to give the veterans what this body has already voted on, authorized, and appropriated. I do not think

we are asking any more for the veterans or anything less.

Mr. GARN. Mr. President, may I say again that I am amazed at the scope of this debate. Once again, we are dismantling the whole health care system.

Let me say very briefly what we are deferring. In one hospital, we are deferring new elevators, central air-conditionings, nurse call systems where applicable.

These hospitals continue to function, Mr. President. We are not talking about closing, not talking about a rescission. There is another project that would provide for correction of patient privacy, central air-conditioning, heating system again, electrical improvements.

They may very well need to be made. We are talking about deferring some remodeling and some improvements while a study is being made. That is why, frankly, as much respect as I have for my colleagues from Arizona, California, and Hawaii, the rhetoric about destroying the health care system would refer to modernization for a while and some remodeling. It is beyond my comprehension how that leads to destruction of the system.

Mr. MURKOWSKI. Mr. President, I rise in support of Senator SIMPSON's opposition to the amendment offered by Senator DECONCINI. Senator DECONCINI's amendment would reverse the deferral of money that would have funded five veterans construction projects in four States. These five projects are not on the Veterans' Administration's list of high-priority projects. Funding for two of the projects has been restored in the continuing resolution as sent to the Senate by the House.

Senator SIMPSON is entirely correct in his assertion that the issue raised by the amendment of Senator DECONCINI is one of funding five projects and should not be clouded by the extraneous issue of mainstreaming. I do not share the concern of Senator DECONCINI and cosponsors to his amendment that the resolution for deferral of funds for these projects includes language that would indicate support by the administration for mainstreaming. Such an inference from the text of the resolution is unwarranted and is in clear contradiction with the stated position of the administration.

In his September request for an additional 12-percent across-the-board cut in fiscal year 1982 appropriations levels, the President specifically exempted the veteran health care system from any reductions in funding. I think this is a clear example of his commitment to the present veteran health care system. Robert Nimmo, the new Administrator of the Veterans' Administration, said in his confirmation hearings that it was his understanding the President is personally opposed to mainstreaming as a means of funding the veteran health care system.

As a veteran and member of the Veterans' Committee, I would like to emphasize my admiration and support for the fine leadership of Senator SIMPSON as chairman of the Veterans' Affairs Committee. I am confident here, as always, that he has the best interests of the veterans of this Nation in mind in his opposition to this amendment. The issue which the Senate faces with this amendment is the funding of veterans construction projects and not the issue of mainstreaming. I hope this distinction is clear to the Senate and thank Senator SIMPSON for his efforts to make this point clear.

Mr. BRADLEY. Mr. President, the administration has proposed to defer $91.3 million in funds authorized and appropriated by law for major construction projects by the Veterans' Administration. I am pleased to cosponsor this amendment and outraged that the administration intends to hold back expenditures voted by the Congress and needed by the veterans of our country.

Mr. President, as I have argued before, there are two reasons why we should keep our commitments to veterans programs and support this amendment. The first is the commitment we as a people have made to the soldiers and sailors and airmen who have fought for our country on our behalf. These military men and women put duty to country before thoughts of self. We owe them a deep debt of gratitude, and we should not go back on our commitment to their health and welfare.

The second reason we should support this amendment is our commitment to the soldiers, sailors, and airmen of the future. Many of us are eager to avoid the need to coerce young people into the Armed Forces. One way to encourage young people to volunteer to serve in their country's Armed Forces is to make military service worthwhile; make the experience challenging and exciting; pay soldiers, sailors, and airmen a decent wage; help those recruits who do not pick up marketable skills while in the military to go to college when they get out; and, finally, promise to care for them if they are disabled in the line of duty to their country. To the extent that we do not offer these encouragements, we make it more difficult to enlist volunteers, and we make the draft more likely.

Mr. President, the $91.3 million that the administration now proposes to defer would fund five major construction projects, one in Washington, D.C., two in California, one in Ohio, and one in New Jersey. This last project is a long-overdue and oft-postponed facility renovation at the 900 bed veterans medical center in East Orange, N.J. It would correct various fire and safety deficiencies and it would provide air-conditioning in the wards. Committees in both Houses of Congress, majorities in the full House and full Senate, and the President all agreed that this renovation is needed and justified. Now the administration wants to overturn that decision.

Mr. President, we have a commitment to military men and women who have served their country well in the past. We have an obligation to those young people considering the benefits of service to their country. And we cannot allow the economic mistakes of this administration to be used as an excuse to overturn the judgment of the Congress.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. I ask unanimous consent that the Senator from Nebraska (Mr. EXON) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GARN. Mr. President, I move to lay the amendment of the Senator from Arizona on the table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment of the Senator from Arizona on the table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also anounce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 58, nays 39, as follows:

[Rollcall Vote No. 414 Leg.]

YEAS—58

Abdnor	Gorton	Nickles
Andrews	Grassley	Packwood
Armstrong	Hatch	Percy
Baker	Hatfield	Pressler
Baucus	Hawkins	Proxmire
Bentsen	Hayakawa	Quayle
Boschwitz	Heinz	Roth
Byrd, Harry F., Jr.	Helms	Rudman
	Humphrey	Schmitt
Chafee	Jepsen	Simpson
Cochran	Johnston	Specter
Cohen	Kassebaum	Stafford
D'Amato	Kasten	Stevens
Danforth	Laxalt	Symms
Denton	Long	Thurmond
Dole	Lugar	Tower
Domenici	Mathias	Wallop
Durenberger	Mattingly	Warner
East	McClure	Weicker
Garn	Murkowski	

NAYS—39

Biden	Exon	Mitchell
Boren	Ford	Moynihan
Bradley	Glenn	Nunn
Bumpers	Hart	Pell
Burdick	Heflin	Pryor
Byrd, Robert C.	Hollings	Randolph
Cannon	Huddleston	Riegle
Chiles	Inouye	Sarbanes
Cranston	Jackson	Sasser
DeConcini	Levin	Stennis
Dixon	Matsunaga	Tsongas
Dodd	Melcher	Williams
Eagleton	Metzenbaum	Zorinsky

NOT VOTING—3

Goldwater	Kennedy	Leahy

So the motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. GARN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, there will be one additional amendment offered by the Senator from Arizona (Mr. DECONCINI) which should be a very brief amendment.

Then there will be two very brief technical amendments offered by Senator STEVENS and Senator GARN. Then we will move at that point to the leadership amendment which will be offered by the leaders, Mr. BAKER and Mr. ROBERT C. BYRD.

We have following that 14 amendments listed by Members who have contacted me. I think probably most of them will go rather rapidly.

There is one I believe that Mr. HART has that will need about an hour and perhaps one by Mr. HUDDLESTON that may require about a half-hour. I think most of them will be rather brief.

Mr. HUDDLESTON. A half-hour equally divided.

Mr. HATFIELD. Mr. President, I ask that the Senator from Arizona be recognized and we will set aside the technical amendment of the committee.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

UP AMENDMENT NO. 687

Mr. DECONCINI. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Arizona (Mr. DECONCINI) proposes an unprinted amendment numbered 687.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 16, line 5, strike out the period and insert in lieu thereof a semicolon and "and such disapproval of such deferral shall be effective upon the date of the enactment into law of this resolution and the enactment of this resolution shall, for the purposes of the Impoundment Control Act of 1974, have the same effect as passage by either House of Congress on such date of an impoundment resolution (as defined in section 1011(4) of such Act) disapproving such deferral.".

Mr. DECONCINI. Mr. President, this amendment is, very simply, the second sentence of my previous amendment. Its sole purpose is to insure that the deferrals which have been incorporated in the continuing resolution will have the same force and effect as passage of an impoundment resolution by the Senate. Since an impoundment resolution is the only mechanism under the Impoundment Control Act of 1974 available to Congress for the disapproval of deferrals, and since the continuing resolution is clearly not an impoundment resolution, I just want to insure that language relating to these deferrals is technically adequate.

UP AMENDMENT NO. 688

Mr. CRANSTON. Mr. President, I send an unprinted perfecting amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated. The bill clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an unprinted amendment numbered 688 to the DeConcini unprinted amendment numbered 687:

UP AMENDMENT NO. 687

(Purpose: To disapprove the Administration's plan, as described in deferral notice D82–140, to study alternative methods for providing medical care to veterans who are eligible for Veteran's Administration health care and reaffirm the Congress commitment to maintenance of the Veterans' Administration health-care system)

At the end of the matter proposed to be inserted by the amendment of Mr. DECONCINI, insert the following: "The Congress disapproves the plan announced in such deferral notice to study alternative methods for providing readily available quality medical care for eligible veterans and reaffirms its historic commitment to the maintenance of a comprehensive, nationwide Veterans' Administration health-care system for the provision of direct health-care services to eligible veterans.".

Mr. CRANSTON. Mr. President, I very much regret that the Senate has failed to approve our amendment to disapprove the deferral in its entirety. I believe that the situation giving rise to our offering that amendment clearly warranted its adoption.

However, I was pleased to hear in opposition to our amendment that the opponents do not wish to endorse the notion that consideration should be given to vouchering out or mainstreaming veterans health care services as an alternative method for meeting the health-care needs of veterans who are eligible for VA care.

I believe this is a nonpartisan position on which there is agreement on both sides of the aisle.

Therefore, I believe that the amendment I have just offered, which clearly expresses rejection of that concept as embodied in the deferral notice provides the Senate and Congress with an appropriate opportunity to go on record—Clearly and forcefully—in this regard and to reaffirm our historic commitment to the maintenance of the comprehensive, nationwide VA health care system for the provision of direct health care services to eligible veterans. In the face of that serious threat to the VA system that the stated basis for the proposed deferral presents, the Nation's veterans deserve no less than a clear, unequivocal statement from Congress that it continues its support for that vitally important network of health care services.

In the context of a provision rejecting the deferral of two of the projects involved, I believe that the pending amendment will effectively transmit the message that so greatly needs to be sent at this time to reassure the Nation's veterans of our firm resolve that the Nation's commitment to them will not be broken.

As I stated to my colleagues on the Veterans' Affairs Committee at a hearing of our committee on the day I introduced Senate Resolution 239 to disapprove the deferral, the situation created by the stated justification for the referral makes the congressional reaction to it a true watershed—a continental divide—in the history of the VA health care system. This is the time for us to stand up and be counted as advocates or opponents of that system. I believe my colleagues on both sides of the aisle strongly support the VA system.

Therefore, this is an amendment that I believe all Senators can and should support and I urge adoption of the amendment.

Mr. DECONCINI. Mr. President, I wholeheartedly and enthusiastically endorse Senator CRANSTON's amendment to my amendment. I know of no other Member of this body who has contributed more to the well-being of the Nation's veterans than my friend and colleague, Senator CRANSTON. I am indeed honored to serve with him on the Senate Veterans' Affairs Committee.

As I stated previously, my most serious objections to the administration's deferral—(D82–140) was the message which accompanied that deferral stating that these funds were being deferred "while the administration reviews all projects for VA medical facilities and considers alternate methods for providing readily available quality medical care for eligible veterans." While I regret that our previous amendment was rejected, my overriding concern is the maintenance of an independent health care system of the highest quality within the Veterans' Administration. That is the overriding concern of all the major veterans' organizations and that should be the overriding concern of every Member of the Senate.

Adoption of the Cranston amendment will simply disapprove the administration's plan, if it has one, to seek alternate sources of medical care for our Nation's veterans and will put this body on record in strong support of an independent VA health care system. This is an issue of crucial importance to our veterans and I urge my colleagues to support the Cranston amendment.

I ask for the yeas and nays on the Senator's amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATFIELD. Mr. President, I move to table the original amendment by the Senator from Arizona.

Mr. SARBANES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SARBANES. Will the tabling motion carry with it the perfecting amendment proposed by the Senator from California addressed to the problem of the move of veterans to a voucher system?

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the motion to table.

The yeas and nays have not been ordered by the Senator from Oregon.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Mr. President, may I have one moment to respond to the amendment?

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senator may proceed for 30 seconds.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I can do it in 30 seconds.

It is disappointing to see an amendment like this come in at this moment when we have not been aware of it. As the chairman of the Veterans' Affairs Committee, it comes right back to the same old thing that we were talking about, the nonpartisan approach on the committee. We seem to pride ourselves on that, and then we get a little whiz bang like this.

There is nothing quite appropriate about it. I do not really enjoy it.

I hope we can hurdle it in the Veterans' Affairs Committee, and I am sure we will because the Senator from California and I will be discussing it rather thoroughly.

Thank you very much.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon to lay on the table the amendment of the Senator from Arizona.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS) and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I also anounce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 43, as follows:

[Rollcall Vote No. 415 Leg.]

YEAS—53

Abdnor	Gorton	Nickles
Andrews	Grassley	Packwood
Armstrong	Hatch	Percy
Baker	Hatfield	Pressler
Boschwitz	Hawkins	Proxmire
Byrd, Harry F., Jr.	Hayakawa	Quayle
Chafee	Heinz	Roth
Cochran	Helms	Rudman
Cohen	Humphrey	Schmitt
D'Amato	Jepsen	Simpson
Danforth	Kassebaum	Specter
Denton	Kasten	Stafford
Dole	Laxalt	Stevens
Domenici	Lugar	Symms
Durenberger	Mathias	Thurmond
East	Mattingly	Tower
Garn	McClure	Wallop
	Murkowski	Warner

NAYS—43

Baucus	Ford	Moynihan
Bentsen	Glenn	Nunn
Biden	Hart	Pell
Boren	Heflin	Pryor
Bradley	Hollings	Randolph
Burdick	Huddleston	Riegle
Byrd, Robert C.	Inouye	Sarbanes
Cannon	Jackson	Sasser
Chiles	Johnston	Stennis
Cranston	Levin	Tsongas
DeConcini	Long	Weicker
Dixon	Matsunaga	Williams
Dodd	Melcher	Zorinsky
Eagleton	Metzenbaum	
Exon	Mitchell	

NOT VOTING—4

Bumpers	Kennedy	Leahy
Goldwater		

So the motion to lay on the table UP amendment No. 687 was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. HATFIELD. Mr. President, as a comanager of the bill, I now set aside the technical amendment of the bill in order that the leadership may be recognized for the offering of an amendment.

Mr. President, I ask the Chair to recognize the Senator from Tennessee.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

UP AMENDMENT NO. 689

(Purpose: To reduce the total funds appropriated or otherwise made available by the joint resolution with certain exclusions, by four per centum)

Mr. BAKER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER) proposes an unprinted amendment numbered 689.

Mr. BAKER. Mr. President, I would like the clerk to read the amendment.

The assistant legislative clerk read as follows:

At the appropriate place in the joint resolution add the following new section:

"SEC. . Notwithstanding any other provisions of law or of this joint resolution, the total budget authority provided by this joint resolution for payments not required by law shall be reduced by 4 per centum: *Provided*, That of the amount provided in this joint resolution for each appropriation account, activity, program and project, the amount reduced shall not exceed 5 per centum, and that no account, activity, program or project may be terminated as a result of these reductions: *Provided further*, That this section shall not apply to budget authority provided by this joint resolution for the Department of Defense Appropriation Act, 1982; the Military Construction Appropriation Act, 1982; Title IV of the Commerce, State, Justice and the Judiciary Appropriations Act, 1982; the Food Stamp program as provided for in section 101(h) of this joint resolution; for the Veterans' Administration medical care account; the Foreign Assistance and Related Programs Appropriations Act, 1982; and to any account, activity, program or project involving spending authority defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), including the Payment to State and Local Government Fiscal Assistance Trust Fund (31 U.S.C. 1221-1263): *Provided further*, That this section shall not apply to any account, activity, program or project for which funds are provided by a 1982 appropriation Act enacted into law subsequent to the enactment of this joint resolution: *Provided further*, That this section shall not apply to funding provided by this joint resolution in those cases where funding is provided by a bill, or a title of a bill, or an account in a title of a bill, which is incorporated by reference and funded by this joint resolution, at a level at or below the most recent budget request as of the date of enactment of this joint resolution:"

Mr. BAKER. Mr. President, I yield the floor. Before I do, however, I anticipate that the distinguished minority leader may offer a perfecting amendment to my amendment. I yield the floor.

UP AMENDMENT NO. 690

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk on behalf of myself, Mr. LEVIN, Mr. PROXMIRE, Mr. CRANSTON, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), for himself, Mr. LEVIN, Mr. PROXMIRE, and Mr. CRANSTON, proposes an unprinted amendment numbered 690 to unprinted amendment numbered 689:

To the amendment of Mr. BAKER, add the following: "Notwithstanding any other provision of this Joint Resolution, it shall expire on March 30, 1982."

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the names of Mr. DECONCINI, Mr. PRYOR, Mr. EXON, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. CANNON, and Mr. RANDOLPH be added to my amendment as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I am prepared to say, Mr. President, that if the Baker amendment is amended by the Byrd amendment, it will still be my intention to support that amendment, as amended. The effect of my statement is to say that I am agreeable to a March 30 expiration date. It is my hope that the minority leader would be in a position to support the amendment, as amended by his amendment. Can I inquire of the minority lead of his intention in that regard?

Mr. ROBERT C. BYRD. Mr. President, it is my intention to support Mr. BAKER's amendment if my amendment to the amendment is agreed to. Let me say, however, that this does not commit any other Senator. I do not attempt to do that. It is my personal position. The reason I do that is because I believe it is vitally important that we not subvert the appropriations process by setting the precedent, for the first time that I can recall, of a least potentially wrapping all appropriations bills, with the exception of the legislative appropriation bill, in one continuing resolution that will extend throughout the entire fiscal year, through and including September 30.

We offered this amendment a day or so ago. It was defeated on a very, very close vote, almost a party-line vote. I think it is vitally important that we draw the date back to March 30. I would prefer December 18, but March 30 is the date that is addressed.

I will support Mr. BAKER's amendment if my perfecting amendment is agreed to.

In this respect, let me pay tribute to Mr. LEVIN who has put the Senate on notice, I understand, in my absence earlier today, that he intends to speak extensively if the September 30 date is not changed to March 30. I want to commend him for the position he took. He would not be alone, let me stay. I admire his dedication to his principles.

Mr. BAKER. Mr. President, I thank the minority leader. May I say that I stated earlier today, and I reiterate now, that I am prepared to announce that the Defense appropriations bill will be made the pending business or the Senate will turn to it on November 30. If the minority leader wishes me to announce that at this time, I will do it at this time.

Mr. ROBERT C. BYRD. If that is agreeable to my colleagues, that will be fine.

Mr. BAKER. I see no objection on this side.

DEFENSE APPROPRIATIONS

Mr. BAKER. I asked unanimous consent, Mr. President, that 1 hour after the Senate convenes on November 30, 1981, the Senate turn to the consideration of the Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Reserving the right to object, Mr. President, would the Senator wish to make a further addition to that?

Mr. BAKER. Mr. President, if the Senate at that time is engaged in debate on another bill, including the Department of Defense authorizations bill, I ask that that be temporarily laid aside so that we may fulfill this request.

Mr. JOHNSTON. And that it be the order of business upon the finishing of the Department of Defense appropriations bill?

Mr. BAKER. I add that to my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I think nobody is altogether happy with this hodgepodge, but I think it is the best thing that can be done under the circumstances. I am perfectly agreeable to the Byrd amendment. I would point out that the President originally proposed the March date. It has not been the position of the administration for the last several days. I know this is not personally pleasing to the distinguished chairman of the Appropriations Committee. I want my colleagues to know that I have consulted and conferred with the chairman of the Appropriations Committee and while this is not his preference or point of view, he has agreed that I may be released from the commitment I made to him in this respect.

Mr. President, I have no further debate to present.

Mr. HART. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. HART. Is the majority leader in a position to inform the Senate that the Senate has the authority under the law to grant to the President the right to discretionarily reduce funding in whatever programs he desires?

Mr. BAKER. I thank the Senator. He does have authority to do what is described in this amendment. There are sharp limitations in this amendment on what can be done. It provides for a 4 percent across-the-board cut, not more than 5 percent. It provides not more than 5 percent in one function can be changed. No program can be eliminated. There are a number of other safeguards. I think it tracks with other things we have done under similar circumstances and I am convinced we do have that authority.

Mr. LONG. How much does the Senator estimate will be saved by this amendment?

Mr. BAKER. Mr. President, let me put it this way: according to the figures I have, it would be $5.7 billion in budget authority and $3.6 billion in outlays.

Mr. ROBERT C. BYRD. Will the distinguished majority leader yield?

Mr. BAKER. I yield.

Mr. ROBERT C. BYRD. Mr. President, I am not sure I have made myself clear in my statement. I have been in West Virginia meeting with a group.

I want to make it indubitably clear that if the amendment I have offered is agreed to, then, of course, I will support the majority leader's amendment, as amended.

Furthermore, may I ask the distinguished majority leader if he is in a position to state, if his amendment, as amended, is agreed to, or to give any assurance that the conferees on his side of the aisle will hold firm to that March 30 date in conference?

Mr. BAKER. Yes, Mr. President, I am in a position to say that I fully expect that conferees from this side of the aisle will hold very firm indeed to that date.

Mr. President, may I correct the figures I gave to the distinguished Senator from Louisiana, ranking member of the Finance Committee. We changed one proviso in the amendment after my memorandum was prepared. We added veterans medical benefits as an exemption. That would change those numbers so that the effect of this amendment would be a $5.3 billion budget authority instead of $5.7 billion and $3.2 billion in outlays instead of $3.6 billion.

Mr. HART. Mr. President, will the majority leader yield for an observation?

Mr. BAKER. Yes, I yield.

Mr. HART. Mr. President, I understand the dilemma the Senate finds itself in. I appreciate the leadership the leaders intend to give. May I say with all due respect to the minority leader, I do not find the change of date cures the fundamentally unwise and potentially illegal and, I think, marginally unconstitutional nature of the amendment as I understand it that is offered by the majority leader.

I do not think it is within the authority of the U.S. Senate or the Congress of the United States to grant to the Chief Executive of this country the arbitrary authority to cut programs willy-nilly as he chooses. I do not think it has a thing to do with the date that this authority ends. I think this is a very, very serious and unwise precedent.

I thank the majority leader.

Mr. BAKER. Mr. President, I yield now to the Senator from Idaho.

Mr. McCLURE. Mr. President, I think there may be a need to clarify the meaning of one of the provisions. Can the Senator indicate to me what is meant by the proviso that this reduction shall not reduce any bill, title or account below the budget request estimate?

Mr. BAKER. Mr. President, this is the way the proviso would work. The measuring rod is the President's budget request as of the date this joint resolution is enacted, which essentially is his September budget request. This amount would be broken down into totals for each individual appropriations bill, for each title within each appropriation bill, and finally by each individual budget account.

The amounts for each bill, title, and account in the continuing resolution would be similarly laid out.

The next step is to compare the President's estimate to those in the continuing resolution.

The first comparison is for a bill as a whole. If the continuing resolution level for a whole bill is at or below the President's request, that bill is not subject to the 4-percent cut.

If the continuing resolution level for a whole bill is over the President's request, the next step is to compare each title within the bill. If the continuing resolution level for any title within the bill is at or below the President's request, that title is not subject to the 4-percent cut.

If the continuing resolution level for a title within a bill is over the President's request, the final step is to compare each budget account within the title. If the continuing resolution level for any account within the title is at or below the President's request, that account is not subject to the 4-percent cut.

Finally, all of the above comparisons are based only on those elements of the continuing resolution that are not explicitly exempted from the 4 percent-cut.

Mr. McCLURE. Will the Senator yield further on that point?

Mr. BAKER. Yes, I yield.

Mr. McCLURE. Would it not also be the case that if, under the comparisons he has made, the test were slightly above the latest budget request and the 4-percent cut would take it below the latest budget request, the cut would be limited to that amount which would take it to the latest budget request?

Mr. BAKER. Yes, the Senator is correct, as I understand it.

I yield now to the Senator from Nebraska.

Mr. EXON. I thank my friend for yielding for a question.

Mr. President, I should like to pose this question to the majority leader. Let us assume that the amendment offered by

the majority leader and as amended by the minority leader passes and if, after conference with the House, something essentially totaling the figures that will thereby result in the continuing resolution, is the majority leader in a position to say whether or not the President is likely to approve that, or are we still faced with the threat of a Presidential veto?

Mr. BAKER. Mr. President, I thank the Senator for that question. I should have covered that in my opening remarks.

I am in a position to advise the Senate that if this bill passes with the Baker-Byrd amendment attached and survives conference in essentially that condition, the President will sign the bill.

Mr. GLENN addressed the Chair.

Mr. BAKER. Mr. President, I yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I rise to express my support for the remarks of the Senator from Colorado. I think he is right on. I think what we are doing here will have great consequences. I do not like it. We, in effect, went along with the reconciliation process last year, bypassed all the normal procedures, because we realized that with a new administration, we were in effect changing direction. We went along with that.

Now, for the second year, we are going along with a new fact, a continuing resolution that bypasses all the normal procedures built up over 200 years in this body. I find it difficult to believe that we are just going along with this, this evening, but that appears to be the case.

It appears that just a threat from a President down the avenue is now enough to make us toe the mark here and just say that, in spite of the fact that we went through the authorizing process on these different bills, that we went through the appropriations process on these bills, we are all off by 4 percent or 5 percent or 3 percent or whatever percent it is that they want to pick down the avenue.

I know I gave bills in the committees that I am on far greater consideration than that. If I thought they could have been cut by 5 percent or 4 percent or whatever percent, I would have voted to cut them in the committee.

Now, here we are with all the functions of Government, except those exempted here, just saying, sure, we were 5 percent off or 4 percent off or whatever percent off; and here we are, at 2:15 in the morning, going to say that all those functions of Government now have that amount in them, that we can just toss authority to the President to make those changes. I know we are going to go and pass this, I guess, tonight, but I would not feel I was doing my duty if I did not object to this.

I think the Senator from West Virginia, in order to shorten time on this, feels he is doing the right thing. But this will hurt me very much that for 2 years now, we are bypassing all the normal procedure. I have spoken to several people on the other side of the aisle who say, well, they are going to go along with this, but they are very concerned about it and do not want to see us continue with it. I find that very disturbing, because it means we are voting as a pack on one side of the aisle or the other.

I do not like to lead any charge against it on this side of the aisle for partisan political reasons, but I think just the history of this Republic has shown that our system has been well served, very, very well served by the protections we have built into this system and the authorizing appropriation process.

Now, here, two years in a row, we are in effect going to bypass these protections by a reconciliation process one year and by this continuing resolution the second year. It goes for the full fiscal year. I think what we are doing here tonight is very unwise and shows that, in effect, we are saying that what we have really done in the committees in the past is irresponsible, was at least 4 percent off, or we would not be giving the President this authority. I think we should consider this much more closely than we are doing tonight just under the duress of the threat of a Presidential veto.

Mr. BAKER. I yield to the minority leader, Mr. President.

Mr. ROBERT C. BYRD. Mr. President, let me say for the record that the position I am taking is not a partisan position on this side of the aisle with respect to a 4-percent cut. I respect the viewpoints that have been expressed by Mr. HART, Mr. GLENN, or any Senator on this side who may wish to vote against Mr. BAKER's amendment as amended if it is amended. They have a perfect right to do so. I have some misgivings myself.

I intend to vote for the Baker amendment if it is amended by my amendment. But it is not a party position on this side. Senators may vote any way they see fit.

Mr. BAKER. Mr. President, I yield to the Senator from South Carolina.

Mr. HOLLINGS. The hour is late, Mr. President, so I will speak briefly. My colleagues have spoken eloquently on the fact that Congress is abrogating its responsibilities. But why? Cutting $3.2 billion out of a $700 billion budget does not sound very significant. After all, we have already cut this bill about $24 billion deeper than the President proposed in March. And we are only $3 billion over his September request. Why do we want to cut $3 billion more? Because the President wills that we make this cut. Why does he will it? Because of his speech on September 24. When he spoke to the American people in September he made recommendations relative to cuts in entitlements. He made recommendations on tax increases and various other measures. He did not get into any specifics then and he has not filled us in since then. His recommendations have all been abandoned: All except this title $3-billion cut that he now wants us to make.

The majority leader, the chairman of the Finance Committee, and the chairman of the Budget Committee implored the President to develop a plan to turn the economy around—to let us in Congress do something meaningful—to give reassurances to the American people and to provide an opportunity, in honesty and in all candor, for Reaganomics to work. We all know now that the Reagan plan needs major surgery.

But what this amendment does, in essence, is adulterate further the congressional budget process—by coming in with a percentage cut at this time and leaving specific funding decisions up to the President. It misleads not just Congress, in its zeal here to get out at 2 or 3 o'clock in the morning, but the public as well. So you really think that with a $3 billion cut something is really being done about the economy and about high interest rates? Will this $3-billion cut be a quick fix to straighten out the economy?

The problem is not $3 billion. The deficits over the next 3 years will average about $100 billion a year, yet the President is saying, "Don't do anything else until next year. We are not going to change our policies. So long as you cut this $3.2 billion out of the budget, then Congress will meet my budget target and that will solve the problems of the economy and everything else."

I'm sorry, but this is a total charade.

A lot of hard work had been done by the majority and minority leaders and the Appropriations Committee, and we have to move ahead. But to come in at this late hour—and it is not criticism of the leadership, minority or majority—and ask us to blindly cut $3 billion to meet the President's target is a tremendous charade. It is a $3.2 billion solution to a $100 billion problem. It just will not work.

Mr. BAKER. Mr. President, I yield to the Senator from Louisiana and then the Senator from Michigan.

Mr. LONG. Mr. President, I will vote for the Baker amendment, with or without the Byrd amendment.

We are going to vote sometime soon on a constitutional amendment to require a balanced budget, in this Congress or a future Congress. It has been reported by the committee. I believe it will pass.

When we are required to have a balanced budget, we will be doing this kind of thing with appropriation bills. All this does is to simply say that we will reduce this bill by enough, after we are through. All night long we have been adding things, and now we will try to get the genie back in the bottle.

This is nothing compared to what we will have to do if we ever pass that constitutional amendment to say that we will have to have a balanced budget. If we have that—and we are voting tonight to balance the budget—this will be nothing, just a drop in the bucket, compared to what it will take to have a balanced budget.

Having voted for some add-ons tonight, I am pleased to vote for the amendment to get this back inside what the President thinks he can sign.

Mr. BAKER. I thank the Senator.

Mr. President, I yield to the Senator from Michigan.

Mr. LEVIN. Mr. President, I am, of course, happy to cosponsor the amendment of Senator ROBERT C. BYRD. It was his position yesterday and that of Senator STENNIS, Senator PROXMIRE, Senator PRYOR, and others who spoke about what we were doing to the appropriation process if we adopted the continuing resolution which lasted to the end of the fiscal year which caused me to take

the position I took here tonight, one I otherwise would not have been prone to take, because I do not like to threaten unlimited debate to accomplish an end.

Nonetheless, their eloquence yesterday in terms of the meaning of a continuing resolution for the whole Government, to last through September 30, moved me to do that.

I also appreciate the kind words Senator ROBERT C. BYRD spoke about me tonight. I hope his amendment is agreed to. I hope the vehicle to which it is attached loses.

I hope Senator BAKER'S amendment is defeated, for the reasons that have been stated so well tonight by the Senator from Colorado, the Senator from South Carolina, the Senator from Ohio, and others.

There will be other vehicles to establish the March 31 date if the Baker amendment as amended by the Byrd amendment is defeated. There will be other vehicles by which we can keep a March 31 date without adopting an amendment which is a blank check for $3 billion outlays to the President.

We are not making the cuts as we should, as the legislative body. We are simply saying to the President, "You make the cuts where you want." I do not think that is carrying out our responsibility. For that reason, although I am delighted that the majority leader has accepted the March 31 date as part of his amendment, I am sorry that I cannot support his amendment.

Mr. BAKER. I assure the Senator that next time I will not try so hard to please him.

Mr. President, I yield to the Senator from New York.

Mr. MOYNIHAN. Mr. President, I simply want to record myself as one of those in this body who must sense that in the history of the American Republic, there never has been proposed, much less has there been enacted, such an extraordinary delegation of legislative powers to the Executive. We are frittering away the powers from Congress. We will not be well-remembered for that.

Mr. BAKER. Mr. President, I yield to the Senator from New Mexico.

Mr. DOMENICI. I thank the Senator.

Mr. President, I really was not going to speak to the substance or to those who think this is some unusual and untoward delegation of authority. I was going to suggest that we should tonight recognize the distinguished junior Senator from Georgia, who worked so hard in an effort to bring to a head the kind of amendment which is sponsored by the majority leader. The junior Senator from Georgia worked in committee, and he worked on the floor diligently on many of the bills, to attempt to get us to reduce them by some percentage figure.

I personally am aware of that, and I know that the majority leader would join me in indicating his appreciation for it; because, basically, it did lay the groundwork for what I hope will pass tonight.

I just want to say to Senators that I am sure none of us really likes this approach. I am sure we would feel much more comfortable and perhaps feel that we were doing our duty better if we were able to produce each and every appropriation bill and if, as a matter of fact, we determined with exact precision what would be spent in each and every account. I think the reason we are here is that that cannot be done. It is quite obvious that that is not going to occur.

This amendment does not do the things that others have said. It is quite precise. On many occasions in this body, we have given Presidents the kind of discretion that we have given here. The test is whether or not there are standards and guidelines against which to measure the President's actions; and the amendment that our distinguished majority leader is offering is filled with those things.

It refers to 4 percent of about 15 percent of the budget. Entitlements are not in this, and many other things. In addition, the President cannot take from any account in excess of 5 percent. In addition, if certain accounts are already below his September budget, he cannot take anything out of them.

So when you look at it, it is a pretty good exercise by this body, if it is adopted—and I hope it will be—of complying with this President's requirements and request that we reduce the outlays in budget authority. We are going to do that. It is not going to bring the budget in balance. But in terms of abandoning our priorities, I do not think it comes close to many things we have done here before.

Mr. HART. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. HART. Article I of the Constitution gives the appropriation power to Congress, not the executive branch. That is exactly what the Baker amendment attempts to do tonight, to transfer that power to the executive branch, and that is not in the Constitution of the United States.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BAKER. I yield to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I think we should put that into context, because we have also a consitutional provision that says the power of Congress to legislate cannot be delegated. Yet, we know that we constantly delegate authorities, within guidelines, and the courts have defined those guidelines.

So, aside from that parallel in the delegation of legislative authority, Congress has frequently delegated discretion in budget matters, in spending matters, to the President.

As an example, if we look back in history, in the period between 1967 and 1973, Congress gave Democratic and Republican administrations such discretion in 5 of those 6 years.

And I think that in some of those years there was much broader delegation of authority than is granted here. So it is not without precedent, and it certainly, as the Senator from New Mexico has indicated, is not without very strict limits on the delegation of that authority.

Frankly, I share the feeling with very many others that if we had more time we might be able to do the appropriations process in a more precise manner and not end up with this result.

But it was Congress that set the time on the expiration of the continuing resolution. The deadline against which we are working is a deadline that we imposed and, therefore, we have a limited amount of time and we are making the cuts. We are directing the cuts. We are giving the President a very narrow discretion within which he can exercise how those cuts may be adjusted within the various accounts.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I shall just take 2 minutes.

I think we all know it here. We are doing something that is a little extraordinary. I will not take the time tonight, because no one is interested, to debate the points that are made by the Senator from Idaho. At a minimum we are all, as one famous American in this Chamber once said, in an advertising campaign, in your heart you know we are changing the game plan a bit here.

My question is a very practical one. The Senator from New Mexico is correct. We are talking about 4 percent of 15 percent. The Senator from South Carolina is correct. We are talking about $3 billion plus, and we need $100 billion. We are talking about efforts here tonight that are really a tempest in the teapot in terms of the amount of dollars involved here.

We are going to have a cumulative deficit of tens of billions of dollars unless something fundamentally changes in the budget and economic program of the President and/or this Congress or both, hopefully both.

Here we are tonight standing on the floor, standing before America as a body that is deciding at a minimum we are going to put in question some of our own powers for 4 percent of 15 percent which will have no effect on anything, anything at all except to satisfy a President who has decided that there is a political expediency in having Congress cower.

That is what this is all about because it is 4 percent of 15 percent adding up to $3 billion plus when we need $100 billion, and we are here tonight as a great deliberative body delegating authority to the President.

We all have incredibly short memories. During the early seventies we did give such power to former Presidents which we lived to rue.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. BIDEN. I better sit down.

Mr. CHILES. I wonder if the Senator will just yield on that point?

Mr. BIDEN. I yield.

Mr. CHILES. I think I have heard that said a lot of times, as to what powers to impound funds the President used to have. I do not believe we in Congress ever gave the President such powers. I have heard it said that the Budget Act took away the President's impoundment powers. The Budget Act did not. The

President did not have impoundment powers. In every court case and every court test that has ever been made right up to the Supreme Court, the court has ruled that the President cannot have impoundment powers.

President Nixon decided to claim for himself powers to impound, and his Attorney General said he had those powers, and they came around and said it, and we in Congress got concerned and we started trying to figure how to counteract his claim and stop his impoundment attempts, and from that came the Budget Act.

But at the same time, proceeding on another track there were court cases that were working their way through the courts. In every one of those cases the court upheld the proposition that the President did not have the power to impound funds. It was not the Budget Act that took it away from him. He did not have it to start with by virtue of our constitutional duties and the power over the purse given to Congress in the Constitution.

Mr. BIDEN. I think the Senator is right. Even if he is not right, even if the Senator from Idaho is correct, what are we doing? Why are we doing this for such a small amount? Why are we doing this when we are only talking about the margin? Why are we going through this? If we want to do it let us do it. If we want to give it away let us give it away. Let them balance the budget. Give them $100 billion. Why do it? Why die on a small cross?

The PRESIDING OFFICER. The question is on the perfecting amendment.

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, when we had the Reconciliation Act involving 251 separate pieces of legislation I made the record that I was going to support that procedure one time.

I am going to reluctantly support this procedure one time.

As I tried to explain earlier tonight, I believe we have gotten ourselves into this problem because we continue to put off our appropriations bills and we have not caught up now for 3 years in terms of the appropriations process. We must find a way to do it.

I hope we will do that.

Some of my friends say that this amendment delegates too much to the President, but I view this as a mandate to the administration to save at least 4 percent on each one of these items that we have not cut.

I have been on the Appropriations Committee now for 11 years, but it is hard to recall a single bill on which there was not at least a 4-percent carryover. We have tried to cut as much as we can. I cannot believe there is not 4-percent potential savings left in these bills despite the close scrutiny we have given to them.

The Senator from Delaware seems to imply that because we cannot get the $100 billion in one bill that this amount of little over $3 billion is not sufficient.

The reason is to make this gesture to the President, to the executive, the administration, to mandate them to save at least 4 percent.

I was here at the time we had the argument over the impoundment. I recall very well what happened the first time a President impounded funds. That next year Congress appropriated about twice as much for each one of those accounts, and then he impounded those.

Then about 3 years later the court held that the impoundments were not lawful in the first and second years. By that time, the third year, we were carrying, actually doubling, the accounts for appropriations. We got ourselves into this budget mess. It is now uncontrollable.

It was not the executive branch that gave the country the problem of appropriating too much money. It was Congress.

The problem we face today is, is it reconcilable? It better be or our whole monetary and fiscal system of this country is going to be seriously in trouble.

I say to my good friend from Delaware I would much rather mandate the President and the executive agencies to save 4 percent than I would to do nothing.

We are taking a step toward fiscal solvency with this savings gesture. From my point of view, it is substantial to save over $3 billion of the taxpayers' money.

Mr. RIEGLE. Mr. President, I wish to respond to the Senator from Alaska by saying if he really believes that he should come up and visit the Budget Committee one of these days and sit in on the sessions we have been having there because we are in serious trouble in this country. We have a major recession on our hands. That was not part of the Reagan administration economic plan, but it is here now. We have over 8½ million people unemployed in this country, the largest number we have had unemployed since 1939. We have a major need for a midcourse correction in the economic plan.

The people down the street at the White House want to go away for Christmas. They do not want to talk about it now. They do not want to talk about it until the 15th of January, nearly 60 days from now.

The problem we are facing is in the tens of billions of dollars. We have deficits that we are looking at 3 years out that approach $200 billion. We are still dealing with doctored economic assumptions.

You know that as well as I do, and the whole country knows now, because of the Stockman admissions, that we have not changed those false economic assumptions and to come in here now and turn the process in the Senate upside down with this kind of a small saving for what is obviously a political purpose I think just sells the country short.

If you want to talk about dealing with the problem as it really is, I think most of us here are willing to stay the whole night or for the next 2 weeks, if necessary, to try to deal with it. But we have got real problems, and to try to paper over them by creating this kind of a situation, and to put so much focus on such a small item, and in the process set aside the normal procedures of the Senate, I just think is wrong.

I do not understand exactly why you are doing it, and I do not just address this to the Senator from Alaska. I would say to the majority leader we have appropriation bills that have passed the Senate, passed the House, gone to conference, been approved, and are sitting on the calendar that could be brought up tonight, could have been brought up yesterday, could be brought up tomorrow. I do not know why they are not coming up. I do not know why all these bills are being shoveled into a continuing resolution. I do not see any justification for that. But if you want to talk about serious problems, let us talk about the fact that the economic program has spun out of control, and that is what we ought to be adjusting. But I do not hear anybody rushing forward to deal with that problem.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I appreciate the recognition on the part of the Chair.

I wanted to address a couple of questions to the majority leader about the amendment, if I might. First of all, would the majority leader inform me as to which of the appropriation bills will not be affected in any way by the proposed cuts contained in his amendment, in their entirety? I will then turn to part of the appropriations. But which are excluded altogether?

Mr. BAKER. Mr. President, I believe only three of those listed on the first page of the amendment, the Department of Defense Appropriation Act, the Military Construction Appropriation Act, and the Foreign Assistance and Related Programs Appropriation Act.

Mr. SARBANES. So foreign assistance would not be cut in any way, military construction, and defense appropriation.

Mr. BAKER. Yes.

It is my understanding, by the way, that the Senator from Wisconsin intends to offer an amendment to the Baker amendment to delete foreign assistance; that is, assuming that the Byrd amendment is adopted and the Baker amendment is open to amendment at that point.

Mr. SARBANES. Would the majority leader inform me what constitutes the most recent budget request as of the date of enactment of the joint resolution?

Mr. BAKER. September 24.

Mr. SARBANES. If we were to receive a budget request prior to the enactment of this joint resolution, would that be covered by the amendment?

Mr. BAKER. Mr. President, I assume that is true. But I would be extraordinarily surprised if between now and tomorrow midnight, when I trust we will have a continuing resolution passed and a conference report adopted by both houses and delivered to the President, that such a request would emerge.

Mr. SARBANES. I would be very surprised, too. But I think it only makes, perhaps on a fairly minor point, underscores, what the Senator from Colorado and the Senator from Ohio, the points they were making earlier in the discus-

sion on this proposed amendment in terms of the abdication of the responsibility of the role of the Congress with respect to appropriation matters and the turning over to the President of an enormous degree of discretionary power to deal with very important matters.

We have been through a very long and involved process both in committee and on the floor trying to reach some judgments as to the appropriate funding levels for a whole range of programs on which the health, the education, and, indeed, the lives of our people are involved.

Now we are coming along at this late hour and this late juncture and simply giving over to the President the authority to make significant reductions in those programs, with all of the impact that that will have. If that is not an abdication of our responsibility to exercise an independent judgment with respect to the appropriation of funds and the policy that goes with the appropriation of funds, and we know well enough that the authorizing legislation means nothing until the money is there to back it up, yet we are giving to the President in a whole range of areas where we have spent days and weeks trying to arrive at the appropriate figures for funding those programs and to make those judgments, we are simply turning that discretion over to the President, which does not seem to me to be a very well-advised move.

I would certainly hope we would not, and I assume we will not, receive a most recent budget request between the time this is passed out of here tonight and its enactment of the joint resolution, but it is certainly open under this amendment for that to happen. I think that only underscores the nature of the exercise.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I have been listening to the arguments that have been made here, and I think that certain things are pretty clear. One, we are not going to get a continuing resolution that is not going to be vetoed unless the spending total of that resolution is cut, and I guess 4 percent is the figure it is going to have to be cut.

I think that there have also been pointed out very eloquently tonight the dangers that we have of surrendering Congress constitutional authority if we provide for the process that is now set before us in the Baker amendment, that of allowing the President to make these cuts.

As you think about that, it is not going to be the President who is going to make the cuts. It is going to be some bureaucrat who is going to make the cuts, and that bureaucrat is going to look and see, and he is going to be able to take the amount of one-twentieth out of any program, and that is the 5 percent. The President is not going to make those million dollar detailed spending decisions; some bureaucrat who no one elected will decide.

Now, we have gone through the appropriation process, through the authorization process, those programs have gone through the winnowing process and other programs have been knocked out, and we have decided as the people's representatives that some programs ought to be cut, and others sought to be maintained. Now the Baker amendment would allow one-twentieth of those best programs to be wiped out by a middle-level bureaucrat. The people are never going to be able to find out who did it. We in Congress are never going to be able to find out who did it. They are going to be faceless and nameless, and no one is going to know who they are.

We ought to have to stand and answer for it if we cut a program. We are going to stand and answer for our votes tonight. But here many of us have had the luxury, and I have voted for some amendments, of adding to some programs. Here this amendment will allow members to turn around and say that while they added to those programs, after all, the President is going to take away 4 percent of that. So Congress does not have to be responsible for balancing the budget.

Members can say it was the President's fault; the President did it. We answer our mail that way. Where in the world will we ever stop with this? If you think this is something now about 4 percent, where do you think we are going to be on March 30 when we start talking about extending the continuing resolution and what kind of authority we are going to give the President at that time?

The President is going to come out in January with some new budget figures. We know what those figures are going to be. We know how bad the deficit is going to be, and we know the kind of cuts we are going to talk about. Are we in Congress going to make those cuts or are we going to say "Let the President do it"? Maybe it will be 10 percent, maybe higher than that; give him the authority to cut 20 percent. Well, that is great. We can go and beef up those programs, write our letters to the veterans and write our letters to the schoolteachers and write our letters to the crippled children, the parents of the crippled children, and say, "I voted for that program. The bad old President cut that program."

You do not find CHILES' name on that. At the same time to the people who want us to balance the budget, we will say that we voted for the provision and allowed the President to adjust the program to make the cuts. There is something wrong with that, something wrong with answering the public in two different ways.

There is something wrong with that. How are people going to grade us? How are they going to tell what we stand for, what we think are the priorities of Government? This amendment asks us to surrender that responsibility to stand up and be counted, and it looks to me like we are about to give that away.

I am about to make a motion, and that motion is going to be that we recommit this bill to the Appropriations Committee and that we give the Appropriations Committee 5 hours—we have got 11 other amendments and they will certainly take 5 hours—that we give our Appropriations Committee—that is us—5 hours to cut 4 percent then to bring it back and give us all a chance to vote on it so that we can kind of stand up and say, "We were willing to cut this and this was the priority. These were the places where we said we had to make the cuts."

I will exempt the same things in my motion that the Baker amendment exempts, so that the procedural issue is clear. And I will make one other exemption. I will move that later, if my amendment fails, as a modification to the Baker amendment, and that is to exempt the law enforcement agencies from cuts. I think we are exempting defense here, and we certainly ought to be exempting those agencies that are defending our homes and our families, but I will argue that matter at length later.

It seems to me that if we are of the opinion that we have to have these cuts, that we have to run the Government, that the bill is going to be vetoed if we do not make 4-percent worth of cuts, then for goodness sakes, let us have the courage to make the cuts ourselves. Let us do it within the legislative process provided for in the Constitution, which gives Congress the responsibility to control spending.

Let us not surrender our duty. Let us not delegate that authority. Let us not hide behind the claim that we gave that job of balancing the budget to the President to do and it was just that kind of a point in time; that we just did not have time to do our job; that we did not want to bother to have to go through and find the cuts. That is a copout. That is really not carrying out the role that we were given to do, that we were elected to do. And I think it will preserve the process.

I listened to the distinguished Senator from Mississippi when he started speaking in the Appropriations Committee and started warning us when we were looking at the September 30 date, warning us about the continuing resolution. He said that when he came to the Senate—and that is not so many years back—when he came to the Senate there was not any such thing as a continuing resolution; they did not know what that was. That is something we generated within the last few years.

But now that we have it, look what is about to be added to that continuing resolution tonight. It looks like we are about to add a provision that we give the President the authority to make these cuts.

I guess the only thing we would have to come down here for is sundown and payday, because the rest of the time we would not have to worry much about anything. We can go on a continuing resolution and we could give the President the authority to make the cuts and let the bureaucrats make the cuts. We would not have much to do. We probably could keep getting elected because we would not ever have to determine what the priorities are. We would not ever have to take a stand as to whether we thought one program was more important than the other. That just seems to me—even at 5 minutes to 3 in the morning—that that would be a heck of a mistake for us to do.

I send to the desk a motion to recommit and ask for its immediate considera-

tion. Actually, I move that we recommit with instructions to report back specific cuts adding to 4 percent of the non-excluded programs and activities.

The PRESIDING OFFICER. The clerk will state the motion.

The assistant legislative clerk read as follows:

The Senator from Florida (Mr. CHILES) submits a motion as follows:

I move to recommit the Continuing Resolution (H.J. Res. 357) to the Appropriations Committee with the following instructions:

"(a) that the bill be reported back to the Senate with proposed amendments to reduce specific programs or activities, other than entitlements (as defined in Section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974), including payments to the State and Local Government Fiscal Assistance Trust Fund; and other than the law-enforcement activities of the Department of Justice, the Customs Service in the Department of the Treasury, and the Coast Guard; and other than projects or activities for which funding would be made available in the Department of Defense Appropriations Act, 1982, or the Military Construction Appropriations Act, 1982, or the Foreign Assistance and Related Programs Appropriations Act, 1982; or Title IV of the Commerce, State, Justice and the Judiciary Appropriations Act, 1982; and other than the Food Stamp Program as provided for in Section 101(h) of this joint resolution; by amounts sufficient to reduce the total amount of budget authority and outlays for non-excluded programs or activities by four percent below the total amount provided for such non-excluded programs or activities in the Resolution as reported by the Senate Appropriations Committee; and that

"( ) the Resolution, containing such amendments, shall be reported back to the Senate no later than five hours after adoption of this motion."

Mr. BAKER. Mr. President, I move to table the motion and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee (Mr. BAKER) to table the motion to recommit of the Senator from Florida (Mr. CHILES). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER (Mr. RUDMAN). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 55, nays 42, as follows:

[Rollcall Vote No. 416 Leg.]

YEAS—55

Abdnor	Cohen	Durenberger
Andrews	D'Amato	East
Armstrong	Danforth	Exon
Baker	Denton	Garn
Boschwitz	Dole	Gorton
Chafee	Domenici	Grassley
Hatch	Mathias	Simpson
Hatfield	Mattingly	Specter
Hawkins	McClure	Stafford
Hayakawa	Melcher	Stennis
Heinz	Murkowski	Stevens
Helms	Nickles	Symms
Hollings	Packwood	Thurmond
Jepsen	Percy	Tower
Kassebaum	Pressler	Wallop
Kasten	Quayle	Warner
Laxalt	Roth	Weicker
Long	Rudman	
Lugar	Schmitt	

NAYS—42

Baucus	Dixon	Mitchell
Bentsen	Dodd	Moynihan
Biden	Eagleton	Nunn
Boren	Ford	Pell
Bradley	Glenn	Proxmire
Bumpers	Hart	Pryor
Burdick	Heflin	Randolph
Byrd, Harry F., Jr.	Huddleston	Riegle
Byrd, Robert C.	Humphrey	Sarbanes
Cannon	Inouye	Sasser
Chiles	Jackson	Tsongas
Cochran	Johnston	Williams
Cranston	Levin	Zorinsky
DeConcini	Matsunaga	
	Metzenbaum	

NOT VOTING—3

Goldwater	Kennedy	Leahy

So the motion to lay on the table the motion to recommit was agreed to.

Mr. BAKER. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question recurs on the amendment of the Senator from West Virginia (Mr. ROBERT C. BYRD) to the amendment of the Senator from Tennessee (Mr. BAKER).

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of Senator ROBERT C. BYRD to the amendment of the Senator from Tennessee. The yeas and nays have been ordered. The clerk will call the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 94, nays 3, as follows:

[Rollcall Vote No. 417 Leg.]

YEAS—94

Abdnor	Cranston	Hawkins
Andrews	D'Amato	Hayakawa
Armstrong	Danforth	Heflin
Baker	DeConcini	Heinz
Baucus	Denton	Helms
Bentsen	Dixon	Hollings
Biden	Dodd	Huddleston
Boren	Dole	Humphrey
Boschwitz	Domenici	Inouye
Bradley	Durenberger	Jackson
Bumpers	Eagleton	Jepsen
Burdick	East	Johnston
Byrd, Harry F., Jr.	Exon	Kassebaum
Byrd, Robert C.	Ford	Kasten
Cannon	Garn	Laxalt
Chafee	Glenn	Levin
Chiles	Gorton	Long
Cochran	Grassley	Lugar
Cohen	Hart	Mathias
	Hatch	Matsunaga
	Hatfield	Mattingly
	Hawkins	McClure
	Hayakawa	Melcher
	Heflin	Metzenbaum
	Heinz	Mitchell
	Helms	Moynihan
	Hollings	Murkowski
	Huddleston	Nickles
	Humphrey	Nunn
	Inouye	Packwood
	Jackson	Pell
	Jepsen	Pressler
	Johnston	Proxmire
	Kassebaum	Pryor
	Kasten	Quayle
	Laxalt	Randolph
	Levin	Riegle
	Long	Roth
	Lugar	Rudman
	Mathias	Sarbanes
	Matsunaga	Sasser
	Mattingly	Schmitt
	McClure	Simpson
	Melcher	Specter
	Metzenbaum	Stafford
	Mitchell	Stennis
	Moynihan	Symms
	Murkowski	Thurmond
	Nickles	Tower
	Nunn	Tsongas
	Packwood	Wallop
	Pell	Warner
	Pressler	Weicker
	Proxmire	Williams
	Pryor	Zorinsky
	Quayle	
	Randolph	
	Riegle	
	Roth	
	Rudman	
	Sarbanes	
	Sasser	
	Schmitt	
	Simpson	
	Specter	

NAYS—3

Hatfield	Percy	Stevens

NOT VOTING—3

Goldwater	Kennedy	Leahy

So the amendment (UP No. 690) was agreed to.

UP AMENDMENT NO. 691

Mr. PROXMIRE. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE), for himself, Mr. RANDOLPH, and Mr. ROBERT C. BYRD, proposes an unprinted amendment numbered 691 to the amendment by the Senator from Tennessee (Mr. BAKER), numbered 689:

On page 1 lines 14–15 delete "the Foreign Assistance and Related Programs Appropriation Act, 1982;"

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to my leader.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to reconsider the vote by which my amendment was agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which my amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, what this amendment does is to eliminate the exemption from the 4-percent cut for foreign aid. In other words, it would provide exactly the same treatment for foreign aid as we provide for the other parts of this bill, except the others that are exempted.

We cut 4 percent from Federal aid for education, for educational aid for the handicapped, for Environmental Protection Agency, for housing, but not for foreign aid.

We have already cut these others very sharply. As a matter of fact, on the average, we have cut domestic programs about 16 percent. Foreign aid has been shaved a little. It has been cut about 3 percent. Now we are going to cut a further 4 percent from these domestic programs and nothing from foreign aid.

Why should we not apply the same rules to the foreign aid program as we apply to all the other programs? We

would save a potential $400 million by doing this.

Mr. President, I know that there are some who will argue that the foreign aid bill is one that has requirements that are unpredictable because what happens, of course, in foreign countries is beyond our control.

But I call the attention of the Senate to the fact that this Baker resolution provides a considerable flexibility in the last sentence on page 2. It specifies, and I read:

> That the Administration may request, and upon approval of both Appropriations Committees of the House and Senate and the appropriate House and Senate authorizing committees of jurisdiction, may transfer.

Mr. BAKER. Mr. President, that was taken out.

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. Mr. President, the fact is that the foreign aid bill, of course, is a bill that has, as I understand it, some $10 billion in it. This would cut it only 4 percent. There, therefore, would be considerable flexibility to move within that account which is already provided in the underlying resolution.

So, Mr. President, at this late hour I certainly do not intend to detain the Senate. The issue is very simple and very clear. There is no question that foreign aid in my judgment should be treated like every other program, no better and no worse. It has been treated much better up to date. But since we are making these cuts in these programs that are so important to all our citizens, we should treat foreign aid the same.

Mr. President, I yield the floor.

Mr. PERCY. I wish to indicate to my collegues in the strongest voice I can at this early hour in the morning my firm support for the position taken by the majority leader and the chairman of the Foreign Operations Subcommittee of the Appropriations Committee.

The foreign assistance programs of the United States represent U.S. foreign policy. Just the day before yesterday the President of the United States scored a major foreign policy victory with his speech on arms control, a victory which the Senate ratified today by a vote of 95 to 0. This is not a time, therefore, to give the President a foreign policy defeat by rejecting this foreign assistance request.

As I have said many times before, the current foreign aid budget has already been cut to the bone. The Foreign Relations Committee reduced the President's already austere request by $900 million. The Appropriations Committee made further reductions so that now the foreign assistance programs have been cut 16 percent from the President's March request.

Any further reductions could do significant damage to U.S. national security policy as has been eloquently stated by Secretary of State Al Haig. The President relies on these programs to keep the fragile peace in the Middle East and to provide political stability in other vital areas of the world such as Egypt, Israel, Turkey, the Sudan, and South Korea. We are not talking about a give-away program, we are talking about vital U.S. national security interests.

This bill actually provides $288 million less than the President's request for the World Banks International Development Association (IDA). To cut even further would harm U.S. foreign policy consistency and reliability, the cornerstone of President Reagan's foreign policy.

Mr. CRANSTON. Mr. President, I rise to speak just very briefly against this amendment.

The foreign assistance bill has already taken into account the 12½-percent cut requested by President Reagan. Thus another 4- to 5-percent cut would mean a cut of 16½ to 17½ perecnt in foreign assistance.

So far the budget cuts have not affected aid to Israel and Egypt. They are the prime beneficiaries of the aid bill. But given the large cuts already made it is inevitable that additional cuts will mean cuts in assistance programs involving those countries as well as others.

Fifty percent of the outlays for next year will go to three countries, Israel, Egypt, and Turkey, all nations where we have very important national security interests.

We need to show continued support to Egypt, certainly in the light of the events that have been transpiring in that country. We need to help both Egypt and Israel continue the Camp David peace process. Part of the funding needed is for the specific purpose of paying the cost of Camp David, such as relocating airfields.

I think it would be very, very unwise from the point of view of our national interests and our national security to make further cuts in this particular area.

Mr. PROXMIRE. Mr. President, will the Senator from California yield?

Mr. CRANSTON. I yield.

Mr. PROXMIRE. The Senator from California indicated we already made substantial cuts in foreign aid. What I referred to was the comparison of the present foreign aid appropriation with the appropriation of 1981 and in that comparison it is only 3-percent less compared to a very, very much sharper cut in these other programs that are so important.

The Senator is absolutely right in indicating that foreign aid is a valuable program and a useful program, and I am not trying to demean it. All these programs are good or we would not have made these appropriations.

I am just saying we should treat them alike. Of course, there are some elements here in the defense program that are absolutely essential and in which we will not make a reduction, but as to foreign aid it is very hard for this Senator to understand why we should give foreign aid a status that we do not give to aid for the handicapped, medical research and all these other domestic programs that are also fine programs.

Mr. CRANSTON. The Senate approved some aid for handicapped people today. I think we all know that our national security is deeply involved in the particular programs that we would attack by the Senator's amendment.

Mr. HATFIELD. Mr. President, as has been stated there have been already substantial cuts made in the foreign aid appropriations bill.

Therefore, I move to table the amendment proposed by the Senator from Wisconsin and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon to lay on the table the amendment of the Senator from Wisconsin.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 49, as follows:

[Rollcall Vote No. 418 Leg.]

YEAS—48

Andrews	Garn	Metzenbaum
Baker	Glenn	Moynihan
Biden	Hart	Packwood
Boschwitz	Hatch	Pell
Bradley	Hatfield	Percy
Chafee	Hawkins	Quayle
Cochran	Hayakawa	Simpson
Cohen	Heinz	Specter
Cranston	Hollings	Stevens
D'Amato	Inouye	Thurmond
Danforth	Jepsen	Tower
Denton	Kasten	Tsongas
Dodd	Laxalt	Wallop
Dole	Levin	Weicker
Domenici	Mathias	Williams
East	Mattingly	Zorinsky

NAYS—49

Abdnor	Ford	Nickles
Armstrong	Gorton	Nunn
Baucus	Grassley	Pressler
Bentsen	Heflin	Proxmire
Boren	Helms	Pryor
Bumpers	Huddleston	Randolph
Burdick	Humphrey	Riegle
Byrd, Harry F., Jr.	Jackson	Roth
	Johnston	Rudman
Byrd, Robert C.	Kassebaum	Sarbanes
Cannon	Long	Sasser
Chiles	Lugar	Schmitt
DeConcini	Matsunaga	Stafford
Dixon	McClure	Stennis
Durenberger	Melcher	Symms
Eagleton	Mitchell	Warner
Exon	Murkowski	

NOT VOTING—3

Goldwater	Kennedy	Leahy

So the motion to lay on the table UP amendment No. 691 was rejected.

(Later the following occurred:)

Mr. BRADLEY. Mr. President, I ask unanimous consent that my vote on rollcall vote No. 418 be changed from "nay" to "yea." It will not affect the outcome of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing rollcall vote has been changed to reflect the above order.)

The PRESIDING OFFICER. The question recurs on the amendment. The yeas and nays have been ordered.

Mr. BAKER. Mr. President, would the distinguished managers of the bill and the sponsor of the amendment consider vitiating the yeas and nays?

Mr. PROXMIRE. I will be glad to do it.

Mr. BAKER. Mr. President, I withdraw my request.

Mr. BUMPERS. Mr. President, would the majority leader request a 10-minute rollcall?

Mr. BAKER. Yes.

Mr. President, I ask unanimous consent that there be a 10-minute rollcall.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question recurs on agreeing to the amendment of the Senator from Wisconsin (Mr. PROXMIRE). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER (Mr. NICKLES). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 62, nays 35, as follows:

[Rollcall Vote No. 419 Leg.]

YEAS—62

Abdnor	Garn	Nickles
Armstrong	Gorton	Nunn
Baucus	Grassley	Pressler
Bentsen	Hart	Proxmire
Boren	Hatch	Pryor
Bumpers	Hawkins	Quayle
Burdick	Heflin	Randolph
Byrd, Harry F., Jr.	Helms	Riegle
Byrd, Robert C.	Huddleston	Roth
Cannon	Humphrey	Rudman
Chiles	Jackson	Sarbanes
DeConcini	Jepsen	Sasser
Denton	Johnston	Schmitt
Dixon	Kassebaum	Simpson
Dole	Long	Stafford
Domenici	Matsunaga	Stennis
Durenberger	Mattingly	Stevens
Eagleton	McClure	Symms
Exon	Melcher	Wallop
Ford	Mitchell	Warner
	Murkowski	Zorinsky

NAYS—35

Andrews	East	Metzenbaum
Baker	Glenn	Moynihan
Biden	Hatfield	Packwood
Boschwitz	Hayakawa	Pell
Bradley	Heinz	Percy
Chafee	Hollings	Specter
Cochran	Inouye	Thurmond
Cohen	Kasten	Tower
Cranston	Laxalt	Tsongas
D'Amato	Levin	Weicker
Danforth	Lugar	Williams
Dodd	Mathias	

NOT VOTING—3

Goldwater	Kennedy	Leahy

So Mr. PROXMIRE's amendment (UP No. 691) was agreed to.

(Later the following occurred:)

Mr. BRADLEY. Mr. President, I ask unanimous consent that my vote on rollcall vote No. 419 be changed from "yea" to "nay." It will not affect the outcome of the vote.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(The foregoing rollcall vote has been changed to reflect the above order.)

UP AMENDMENT NO. 692

(Purpose: To exempt law enforcement activities from further budget reductions)

Mr. CHILES. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mr. CHILES), for himself, Mr. BENTSEN, Mr. NUNN, Mr. ROBERT C. BYRD, Mr. RANDOLPH, Mr. SASSER, Mr. DECONCINI, and Mr. MATTINGLY proposes an unprinted amendment numbered 692 to unprinted amendment numbered 689:

"FISCAL ASSISTANCE TRUST FUND (31 U.S.C. 1221–1263)"

Insert after the following: "the law enforcement activities and programs of the Department of Justice, the law enforcement activities of the Customs Service and the Internal Revenue Service in the Department of the Treasury, and the law enforcement activities of the Coast Guard:"

Mr. CHILES. Mr. President, what this amendment would do would be simply to exempt those law enforcement agencies who are on the line, who fight the battle against crime.

We have already exempted the Defense Department, and certainly that is necessary. But I think most of us know that one of the greatest threats we have today is not so much from the external enemy as it is from the crime that we have within the borders of our Nation.

The hour is late, I could speak a long time on this subject if I felt it was necessary. I would like to know if my amendment could be accepted?

Mr. STEVENS. May this Senator ask one question?

Mr. CHILES. Yes.

Mr. STEVENS. If I were to prevail upon the sponsor of the Baker amendment to accept the Senator's amendment, would he support it?

Mr. CHILES. I have discussed that with the majority leader and told him that it would certainly make the amendment look more palatable to me.

Mr. STEVENS. I do not find that an answer at 4 o'clock in the morning.

Mr. CHILES. Let me say, on the other hand, if this amendment is not to be accepted, maybe people should go home and get some sleep, because I am prepared to talk more than a little bit about crime and the tragedy it works on our Nation and what it is doing to my State.

We had some interesting hearings, about 5 days' worth of hearings, on the Permanent Subcommittee on Investigations of the Senate Governmental Affairs Committee. I wish everybody had been there to hear those hearings. But I am prepared now to let everybody have a chance to hear about those hearings because I think it is important for the Members to know what crime is doing to tear the fabric of the Nation and particularly the fabric of my State.

The people in my State are about as frustrated about this subject as they can be and I think there are some people in my State who would forgo their social security checks for a day or so if they thought it was because I was here trying to do something here to help battle crime.

I would like to say, Mr. President, that I hope that I will not have to do that. But I need to tell everybody that I will go for as long as I can stand here. I have those 5 days of hearings to tell you all about. Then I think there are an awful lot of things that we ought to talk about that needs to be done to fight crime. I am certainly prepared to do that.

I think, Mr. President, that most of the Members of this body recognize that if we are going to exempt defense, certainly, when we talk about crime we are talking about the enemies of our people. We are having an invasion of drugs into this country. It is an international invasion, an international conspiracy. My State happens to stick out as a peninsula and we sort of get the worst of it. But it does not all stay there. It is going to be a lot of other places as well.

I yield to the Senator from Georgia.

Mr. NUNN. I just say to the Senator that I believe he is absolutely correct in proposing this amendment. There is no more serious problem we face in this country. Certainly the invasion of drugs is just as dangerous as any external problem we face. I think the Senator is absolutely correct.

Mr. LONG. Will the Senator yield?

Mr. CHILES. Yes, I yield.

Mr. LONG. Can the Senator tell me what is involved here, what the 4-percent cut applied to this will be, how much money is involved in this amendment?

Mr. CHILES. A grand total of about $281 million.

Mr. President, I ask unanimous consent to have printed in the RECORD a table that provides budget data regarding our law enforcement agencies and the impact of exempting these agencies from the 4-percent cut.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1982 BUDGET REQUESTS

[Dollar amounts in millions]

Agency	January 1981 (Carter)	March 1981	September 1981	Cuts from January 1981	Senate levels in H.J. Res 357	Impact of 4 percent cut exemption
FBI	$743.6	$739.0	$696.0	$47.5	742.6	29.7
DEA	236.2	228.5	201.0	35.2	231.8	9.3
U.S. Attorneys and Marshals		291.2	273.7	17.5	291.9	9.7
IRS	2,649.2	2,566.0	2,454.0	195.2	2,584.1	103.4
Customs Service	510.2	480.0	451.2	59.0	503.5	20.1
Coast Guard	2,200.7	2,193.0	1,964.4	236.3	2,739.3	89.6
INS	383.0	363.0	496.3		496.3	19.8
Total						281.6

Mr. LONG. Well, we just saved about $400 million by eliminating the exception for foreign aid, so if the amendment were accepted, we would still be well ahead of what the objective was of the Baker amendment. I do not think the managers would be unwilling to accept the amendment.

Mr. BENTSEN. Mr. President, if he will yield, I thank the Senator from Florida for what he has done. I am happy to support him and would like to be a cosponsor.

If the Senator from Alaska is looking for one more vote to make this amendment acceptable, he has that vote. I think this is so important that——

Mr. STEVENS. Mr. President, at 4 o'clock in the morning, I understand that. I am willing to accept it on that basis.

Mr. HATFIELD. Mr. President, I am prepared to accept the amendment of the Senator from Florida and move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 692) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. CRANSTON. Mr. President, to paraphrase the words of Paul Newman's principal adversary in the movie "Cool Hand Luke," "What we have here is a failure to enumerate."

It is amazingly easy to cut budgets when one does not have to spell out where the cuts are coming from.

All one needs is a magic asterisk to designate unspecified cuts, and one can balance one's budget in a hurry.

In the 1976 election campaign, candidate Ronald Reagan offered such a plan. "If elected President," he said, "I will balance the budget with the stroke of the pen."

A few days later, when forced to specify his cuts, his proposal proved so unpopular it was dropped entirely.

Well, President Reagan has learned something about balancing budgets. He no longer proposes them.

I oppose the move to delegate to the President our responsibility to determine the component parts of the budget.

The well-defined procedures established by the Congressional Budget and Anti-Impoundment Act of 1974 have been continuously eroded this year by the procedures supported by the Republican leadership.

The Senate has abdicated its constitutional responsibilities to exercise the power of the purse in order to rubberstamp whatever the administration sends down.

Now we are going even further. By adopting the pending amendment, we not only provide automatic support for whatever the President proposes—merely because he has proposed it. We also now don't even ask what the President proposes. We give him a blank check.

I'm glad we have voted to eliminate one of the very worst features of the measure that originally came before us: The suggestion that we should go through the entire year on a continuing resolution, that constituted an incredible abandonment of our responsibilities. I applaud the leadership and courage exerted by the Senator from Michigan (Mr. LEVIN) on that issue, and I am delighted that I was able to join with him and the minority leader, Senator BYRD, as principal sponsor of the March 30 amendment.

But the inclusion of that provision in the amendment now pending does not cure its fundamental flaws, and so I urge my colleagues to oppose the pending resolution.●

UP AMENDMENT NO. 689, AS AMENDED

Mr. GORTON. Mr. President, this 4-percent across-the-board cut in certain appropriations is not an economic or spending policy; it is a fruitless attempt to hide the fact that we now have more. To attach for a third time the same discretionary programs which were the primary subject of reconciliation and the sole subject of the President's September spending cut proposals while ignoring entitlement programs, defense spending and the need for additional revenue in order to balance the budget by 1984 is both unjust and ineffective. That balance, in turn, is essential to the lower interest rates, lower inflation, and economic recovery. We must have a program which is both balanced and fair. This amendment moves us away from that goal, not toward it.

Mr. BAKER. Mr. President, have the yeas and nays been ordered on the Baker amendment?

The PRESIDING OFFICER. They have not at this time.

Mr. BAKER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the amendment of the Senator from Tennessee (Mr. BAKER).

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 62, nays 35, as follows:

[Rollcall Vote No. 420 Leg.]

YEAS—62

Abdnor	Byrd, Robert C.	East
Andrews	D'Amato	Exon
Armstrong	Danforth	Ford
Baker	DeConcini	Garn
Bentsen	Denton	Grassley
Boren	Dixon	Hatch
Boschwitz	Dole	Hawkins
Byrd, Harry F., Jr.	Domenici	Hayakawa
	Durenberger	Heflin
Helms	Melcher	Sasser
Huddleston	Murkowski	Schmitt
Humphrey	Nickles	Simpson
Inouye	Nunn	Specter
Jepsen	Packwood	Stennis
Johnston	Percy	Stevens
Kasten	Pressler	Symms
Laxalt	Proxmire	Thurmond
Long	Pryor	Tower
Lugar	Quayle	Wallop
Mattingly	Roth	Warner
McClure	Rudman	Zorinsky

NAYS—35

Baucus	Eagleton	Metzenbaum
Biden	Glenn	Mitchell
Bradley	Gorton	Moynihan
Bumpers	Hart	Pell
Burdick	Hatfield	Randolph
Cannon	Heinz	Riegle
Chafee	Hollings	Sarbanes
Chiles	Jackson	Stafford
Cochran	Kassebaum	Tsongas
Cohen	Levin	Weicker
Cranston	Mathias	Williams
Dodd	Matsunaga	

NOT VOTING—3

Goldwater	Kennedy	Leahy

So the amendment (UP No. 689) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, as comanager of the bill I wish to set aside the committee technical amendment in order to take up the amendment of Mr. JEPSEN from Iowa. I ask the Chair to recognize the Senator from Iowa as the next in line for amendments.

Mr. HART. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HART. Mr. President, do the precedent and rules of the Senate permit the floor manager of the bill to instruct the Chair as to which Senator is to be recognized?

The PRESIDING OFFICER. They do not.

Mr. HART. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HART. Did the Chair notice which Senator was seeking recognition?

The PRESIDING OFFICER. The Chair did note the Senator from Oregon and also the Senator from Colorado was seeking recognition.

Mr. HATFIELD. Mr. President, I wish to respond to the Senator from Colorado.

We have on both sides been keeping the list of Senators who have asked to present amendments. For almost 2½ days we have accommodated Senators in their schedules to and from the Chamber.

This list has been in the hands of the majority leader, the minority leader, the manager on the minority side, the manager on the majority side, the assistant majority leader, and the assistant minority leader.

So, all I am suggesting is that is the only way we can orderly proceed with all the amendments that we have had.

The name of the Senator from Colorado has been on the list all this evening. And his name will be up very shortly. That is the best way we found to proceed.

Mr. HART. I appreciate the floor manager's position on this. I did not see any other Senator seeking recognition. I was prepared to offer my amendment.

UP AMENDMENT NO. 693

(Purpose: To limit the use of funds for the Federal Election Commission after March 30, 1982)

Mr. JEPSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Iowa (Mr. JEPSEN), for himself and Mr. Armstrong, proposes an unprinted amendment numbered 693:

At the end of the joint resolution add the following:

"SEC. . Notwithstanding any other provision of this joint resolution, the funds available for expenses necessary to carry out the provisions of the Federal Election Campaign Act of 1979 shall not be available after March 15th, 1982 for the Federal Election Commission the authorization of which is not continued by statute".

Mr. JEPSEN. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. FORD. Mr. President, will the Senator from Iowa yield to me for a question?

Mr. JEPSEN. I yield.

Mr. FORD. I am going to oppose the Senator's amendment. He knows that. We had a conference back and forth.

Now that the proposal of the majority leader has been overwhelmingly supported here and the date on that amendment is March 30 and the Senator's amendment is March 30, is there any need for us to get into the discussion and then the yeas and nays as it relates to the Senator's amendment?

Mr. JEPSEN. We changed the amendment. I thought that the authorization alone was something that prompted an opportunity for people to have a voice and apply this thing by way of any reform recommendations they would want. I was advised just before I was recognized here that what the Senator said was correct.

So I changed the date from March 30 to March 15 which really is only a token, but it is a token to indicate, and if the Senator will let me finish my opening statement——

Mr. FORD. I will be glad to. I was only trying to prevent keeping us here any later for an amendment that might be moot.

Mr. JEPSEN. And the Senator would have been absolutely correct as usual, absolutely correct.

Mr. FORD. I hope that the Senator will agree with me when we debate the amendment.

Mr. JEPSEN. Mr. President, the Senator from Colorado and I are offering what we believe is a very simple, straightforward amendment. It would discontinue funds for the Federal Election Commission unless Congress moves to reauthorize the Commission. As most of my colleagues are aware, the Commission's authorization ran out on September 30 of this year.

I would like to take a moment to explain why the Jepsen-Armstrong amendment is being offered.

For several months now, Senators from both sides of the aisle have been talking about seeking reforms in the Federal election laws. Unfortunately, after many months of discussion, it still does not appear that any progress is being made.

To his credit, Senator MATHIAS, chairman of the Senate Rules Committee, has scheduled hearings on this important issue. I hope that more hearings will be held so that all persons wishing to testify on the FEC will have an opportunity to do so. In addition, I am confident that the Senate leadership will make time available on the calendar, should the Rules Committee report out a bill. What I am most concerned about, and I think a number of my colleagues share this concern, is the possibility that any reform measure the Senate might act upon, will get bottled up in a House-Senate conference committee.

Senator ARMSTRONG and I are offering this amendment to insure that this does not happen. Our amendment makes certain that Congress will address the issue of FEC reform sometime between now and March 15, 1982.

It is conceivable that between now and then Congress will approve a bill which will actually strengthen the hand of the Commission. On the other hand, Congress could decide to merely tinker with the law. Finally, Congress could decide to abolish the Commission. Whatever the outcome, the final decision will be based upon action taken on authorizing legislation. The Jepsen-Armstrong amendment will not change this process, it only acts as the catalyst for activating the process.

I cannot stress enough the fact that the only intent of this amendment is to make sure that Congress addresses the issue of FEC reform. I do not have a crystals ball so I am not in a position to predict what Congress will decide to do when next March rolls around. But if this amendment is adopted, it will make sure that something is done.

Because this amendment does not dictate a solution to the problem but rather establishes the timetable, I would hope that all of my colleagues could support this amendment. If you have any concerns about either the Commission or the law, I suggest that the proper vote would be to vote for this amendment.

As I mentioned at the beginning of my statement, Mr. President, I believe the amendment is fairly straightforward. I will therefore keep my remarks brief.

And these are the end of them.

Mr. MATHIAS. Mr. President, I oppose this amendment. I oppose it reluctantly because the Senator from Iowa and I have had a number of discussions but those discussions have led us to an agreement as he has already said to examine this and take some action on it. In fact the hearings are scheduled to begin in 4 hours and 50 minutes. The witnesses are rolling restlessly in their sleep thinking of what they are going to say in 4 hours and 50 minutes.

If we hang around here much longer, we are not going to be there for that hearing. We will miss the hearing because of the amendment.

I hope the Senator from Iowa will let us work the normal process and not run in on this continuing resolution.

Mr. JEPSEN. Mr. President, will the Senator yield?

Mr. MATHIAS. The Senator has the floor.

Mr. JEPSEN. Can the Senator in any way give me an assurance from friends of his or acquaintances, colleagues of his in the House of Representatives whom I do not know about that they will take up and consider the bill when the Senate acts upon it?

Mr. MATHIAS. Now the Senator knows that as much as I would like to give him that assurance, I am not able to do that, nor am I able to give him any assurance, nor do I think the Senator from Oregon is able to give him any assurance that the House of Representatives will like it any better in this bill than they will in any other bill.

So we all have to take our chances on that.

Mr. JEPSEN. I thank the Senator. It does reinforce the point that I had made here that my big concern was the House of Representatives will not act on it, and this will give them an opportunity to do so because it will require that it be reauthorized by statute. That is all it does. It does not point up a solution. It just sets a timetable for the process to take place.

Mr. FORD. Mr. President, I am prepared to vote. I think they were waiting for me to say something. I think the distinguished chairman of the Rules Committee said it all. This basically kills the Federal Election Commission if it is passed. It eliminates the independent oversight and meaningful enforcement of the Nation's campaign laws.

We start our hearings tomorrow. We have hearings next week. We have contracted for the Harvard report as it relates to Federal elections. We have served notice and the House has served notice, and they will not entertain this amendment on the continuing resolution. We would be eliminating the public's right to know, and I have learned very emphatically from the majority leader of the Senate when he called me a long time ago when I tried to put an amendment on a bill, when he said:

I would probably agree with the Senator from Kentucky, but it has not gone the route yet. It has not gone to the committee, it has not been discussed in the committee, and before we consider it on the floor it would have to be considered in the committee and go through the rightful process of this distinguished body.

So I say to the Senator from Iowa I regret that he wants to push this, but we are trying hard to accommodate him, trying hard to get the Harvard report in. We are going to have witnesses in, we are going to be looking at the changes, and I do not think the Senator wants to kill the Federal Election Commission, and I do not think he wants to eliminate meaningful enforcement of the Nation's campaign laws, and I ask my colleagues to oppose this amendment.

Mr. JEPSEN. Mr. President, I will not take any more time except for 30 seconds to say that I submit what we are talking about here again is setting a timetable for the process to take its course, which is a little bit of a push primarily because of the concern about the House.

I submit that any time you can get ROGER JEPSEN, Eugene McCarthy, the American Civil Liberties Union, and the American Conservative Union together there must be something to the argument, and they all agree that we need reform on the Federal Election Commission.

I yield to the Senator from Colorado.

Mr. ARMSTRONG. Mr. President, the amendment which the Senator from Iowa and I present addresses itself not only to reform of the Federal Election Commission but to a broader problem that relates to the integrity of the appropriations process.

I am aware, as I am sure all Senators are, that there is a great deal of spending appropriated by this continuing resolution for which there is no authorization.

I wonder if the distinguished manager of the bill can tell us what dollar figure might be attached in the continuing resolution to spending for which there is no present authorization?

Mr. FORD. Mr. President, will the Senator answer this question? The authorizing legislation has been on the calendar and been there for months, and this side has not objected to taking up the authorization. Can you tell this Senator who has been objecting to this body's consideration of the authorization for the Federal Election Commission? I will be glad to proceed then with this colloquy.

Mr. ARMSTRONG. I have noted with interest—I did not address that question to the Senator from Kentucky. I was addressing it to the managers of the bill for the purpose of inquiry. I am advised there are large amounts appropriated herein which are not for purposes authorized by law, and it would be helpful, I think, to the consideration by the Senate to have some idea of what the magnitude of that is. Would anybody——

Mr. GLENN. Is the Senator talking about the Federal Election Commission or overall, the whole continuing resolution? I think that is a very interesting figure and I would like to know that also.

Mr. ARMSTRONG. I think Senators will find the figure is not just several million dollars for the Federal Election Commission but, in fact, it is several billion dollars. I do not have the figure on the tip of my tongue, but I think we are all well aware that Congress has gotten itself into the practice of continuing appropriations when no authorizing legislation has been adopted. I am not prepared tonight to tick off the list, although I could mention several appropriations.

Mr. ANDREWS. The B–1, the MX, the military, much of it is military, a whole host of which are not authorized, as the Senator knows.

Mr. ARMSTRONG. That is correct.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. ARMSTRONG. Yes, I will be happy to yield.

Mr. GLENN. I do not understand the point the Senator is driving towards. But I am questioning in my own mind the question he has raised. Can the President then, if we pass this continuing resolution, exercise this 4 percent across-the-board cut in these areas for which there is no authorizing legislation passed here? Does the continuing resolution exempt him from having to have the authorization before he can legitimately spend that money?

Mr. ARMSTRONG. The Senator from Ohio raises an intriguing question to which I am not prepared to respond. But having thus attracted the attention of the body to the broader policy considerations, I would like to now return to the specific question raised by the amendment of the Senator from Iowa.

It would be, I think, a proper determination of the Senate to say, "Look, we are just not going to appropriate any more for those purposes which are not authorized by law."

Indeed it will be my purpose on some future date to offer an amendment to that end, to just say that we are going to go back to the historic process of appropriating only for those purposes which have first been authorized. That protects the integrity of the appropriations process; that protects the integrity and legislative jurisdiction of the authorizing committees.

Neither the Senator from Iowa nor I wish to go that far tonight, certainly not at 4:45 a.m. So it is the suggestion of Senator JEPSEN and myself that we set a deadline for this one particular agency for which hearings are scheduled, for which some legislative changes are widely thought to be needed, to simply say that on and after a certain date that further spending would not be in order, would not be permitted by this appropriation, unless authorizing legislation is adopted.

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. ARMSTRONG. If I can continue for about 30 seconds more, I will then be prepared to yield the floor. I have said my piece.

The issue, first, is whether or not we ought to have authorizing legislation for the Federal Election Commission, and whether it can be accomplished by March 31, which, it seems to me, is the first question; and, second, whether or not it would be a good procedure for us to authorize for all appropriated amounts, and I think it will be a worthwhile and modest step in that direction, and I would urge the Senators to vote for our amendment.

Mr. DECONCINI. Mr. President, the Senator from Ohio pointed out and raised a point that is very interesting, and I will only ask the Senator from Colorado if we are going to apply this, as the Senator from Iowa and the Senator from Colorado would like to do so, to the Federal Election Commission, that maybe we ought to apply it to the defense portion that has not been authorized and, as I view all of that, as does the Senator from Colorado, I wonder if he would like to entertain the idea of expanding that and including the defense portion of this continuing resolution?

Mr. ARMSTRONG. Mr. President, if the Senator will yield, I would be happy to respond to his question. As a matter of principle I would be pleased to do exactly as the Senator from Arizona suggests, and at some future date it will be my expectation and intention to offer such an amendment, and I would be pleased if the Senator from Arizona would join me in that effort.

I think the practice of appropriating for projects, for functions, which are not authorized by law is basically injurious to the process. Why then single out the Federal Election Commission for that particular treatment tonight? The answer is very simple. That judgment was made by Senator JEPSEN in consultation with a number of people around this room with whom he has been working for several months to obtain some way of focusing the attention of the Congress on the need for authorizing legislation for this particular agency.

Specifically, I believe this formulation was arrived at in consideration of Senator JEPSEN's and others' removing their holds from the Treasury, Post Office appropriation bill which contains the Federal Election Commission appropriation, at least that is my understanding and, perhaps others know more about it.

So this not something that is a spur-of-the-moment idea.

It is simply an orderly way to bring the matter before the body, and in the same spirit I would invite others to joint the Senator from Arizona and myself in looking for a process by which we could get everything authorized before it is appropriated. I think it is too ambitious to do tonight, but over the next several months it would be proper to do it.

Mr. DECONCINI. It seems to me if the Senator wishes to do that, and I would like to participate in such an exercise, it seems improper for me at least to single out one agency today. That makes me fear that this maybe is really an intent that the Federal Election Commission see its day to be buried, and I would much rather see us do it on a basis where no single agency is singled out tonight unless we are prepared to expand that amendment and go the route the Senator from Colorado suggested.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

UP AMENDMENT NO. 694

Mr. FORD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky (Mr. FORD) proposes an unprinted amendment numbered 691.

Mr. FORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Since April 30, 1981, the authorization bill has been at the desk. The Rules Committee performed its job

and somebody has had a hold on it. I have now amended your amendment to include the authorization, and we will see who has a hold on the funds for the Federal Election Commission.

SEVERAL SENATORS. Vote!

Mr. STEVENS. Mr. President, I request the amendment be read. I cannot quite understand the Senator's statement.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read as follows:

At the end of the amendment add the following:

That section 314 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439c) is amended, in the second sentence thereof, by—

(1) striking out the word "and" where it appears immediately after "1978", and

(2) by inserting immediately before the period at the end thereof the following: ", and $9,746,000 for the fiscal year ending September 30, 1982".

Mr. STEVENS. Mr. President, I do not want to seem obtuse, but I do not quite understand what my friend from Kentucky is attempting to do. I have seen many bills that have passed the Senate which have included items making various appropriations subject to authorization. The question of the items in the defense bill come from a matter of tradition of how new weapons systems have been handled for agencies that have general authorization already. We have had the B–1 started and stopped through the appropriation process in the past. I do not think however, this example is relevant to the FEC.

The question about the FEC involves its status with respect to the authorization process. It is my understanding that each of the major Presidential candidates involved in the most recent Presidential election asked us to modify the FEC. I say to my friend from Kentucky, we have tried to reach an agreement, concerning the FEC authorization bill. But, we have been unable to reach an agreement because every time we come up with some kind of a formula dealing with needed reform, someone voices objection.

It is just an authorization, as you know, to continue the FEC, to make no major changes in it. We are awaiting these hearings the Senator from Maryland has agreed to hold, and that is the main reason for the delay in the authorization bill.

I do support the concept that the FEC ought to be reauthorized before we get to the time of March 31, which is the date we agreed upon as the expiration date for the continuing resolution.

Mr. FORD. No, March 15, by the amendment.

Mr. STEVENS. March 15. The amendment offered by the Senator from Iowa says the authorization bill ought to pass by March 15, so we can tell whether it ought to be included in the continuing resolution or whatever else might take its place as a result of the appropriations process. But I do not know how we are going to address this issue as far as making any changes in it unless there is some limitation on the further expenditures of Federal funds without authorization. There is no authorization for the FEC today.

Mr. FORD. Will the Senator yield to me for just a moment so we might enter into a discussion?

Mr. STEVENS. Yes.

Mr. FORD. One of the complaints that has been raised by the proponents of this amendment has been that there is no authorization is because the majority will not let the bill be taken up. And the reason the majority will not let it be taken up is because there is a hold on your side.

No. 2, the majority leader announced the other day that he was not going to have any holds on bills any more, but this one has been on board now since April 30. The Rules Committee did their job. We are allowing one or two people on that side to hold up the authorization and now complain about the FEC, that we cannot put it in this bill because there is no authorization.

I just want to say to the good Senator that I understand what is happening here. I hope he understands what I am doing, because I am putting the authorization now on this amendment, amending this amendment, and that authorization is there. I think the appropriation implies authorization. I think that implies authorization. So, if we appropriate on this bill, that is implied authorization.

We know, and the Senator that proposed the amendment knows, that the House will not take it. He wants a symbolic vote here tonight. And I think that is wrong. I think it is absolutely wrong.

So, I say to my good friend, I have done what I think is proper here. The Rules Committee did their job. We are trying to do your job.

We contracted with Harvard for their report, which will be here in January. We are having hearings today. We are having hearings next Tuesday. The Senators that objected to what is going on in the FEC and want to make some changes have every right to come and testify and let it go through the normal process. Here we are shortcutting it.

Mr. STEVENS. I do not want to debate the FEC with the Senator now, because I think this is what the debate is leading up to.

The amendment offered by the Senator from Kentucky is redundant. The money for the FEC is in the other bill and it is incorporated in the continuing resolution. That is why this amendment is necessary, to find some way to tell the Congress that you have to reform the FEC before we continue to fund the agency after March 31. I support this position. If you want to get into the reasons, I will be glad to do it. I think it is a little early in the morning to do it, but this is a reasonable position.

I know the Senator from Kentucky has supported amendments in the past that limited appropriations to authorizations. I have, and I am sure that other Members of this body have as well.

This is a reasonable way to put a constraint around us. The Senator is right, I have told the Senator that in all probability it cannot survive the conference. But it would certainly indicate this Senate's position that something must be done about the authorization of the FEC.

Again, I do not know who intends to do what about this amendment. I hope the Senator would withdraw it. It is a redundant amendment. Let us have a vote on the Jepsen amendment one way or the other. It would be an item discussed in conference. The Senator from Kentucky is absolutely correct, the House is not going to take it. It is my understanding they will not take it. But at least I think we ought to get the Senate on record that we want to stop the further expenditures of money by the FEC without authorization.

The timing and practices of the FEC are subject to question.

The impact of what this FEC is doing is judge, jury, advocate, and investigator. The whole array of opinions that come across Senator's desks—are literally meaningless. I do not know what we can do to get it back under control except by having a provision which says you cannot spend any more money unless it is specifically authorized by Congress.

This is a redundant amendment, I say to my good friend from Kentucky. The funds referenced are untimed within the other bill now. Why do you want to add it here again?

Mr. FORD. Because, I say to my good friend from Alaska, the distinguished majority whip, we were given the impression that there was no authorization and that was the reason for the amendment.

Mr. STEVENS. But this is not an authorization. This is appropriation. The Senator is right, the money in the other bill implies authorization, I say to the Senator from Kentucky. This does not imply it any further. This is not a necessary amendment to be offered in the process right now.

If the Senator from Kentucky wants to offer the authorization bill and have that debated here, that might be another thing. But, as other Senators have said here tonight, if that happens, then there might be a long conversation on this floor.

(Mr. ROTH assumed the chair.)

Mr. FORD. Well, I have heard that before tonight. And everyone who has said that has won.

Mr. STEVENS. I said it.

Mr. FORD. Everyone who has said that "It is going to be a long night if I don't get my amendment on" has won.

Mr. STEVENS. I did not say that. I did not say I want anything on my amendment. I said anyone who attempts to get that FEC authorization bill in this bill tonight is going to be here for a long time. And there is no need for that redundant amendment because the money is already incorporated in this bill.

I think it is high time we had some action by the Senate to put some parameters around this FEC. I supported the FEC. I was on both committees that worked on the FEC at the time it was authorized. I sat on the conference in two capacities and worked on it. I believe in the FEC. But when I see what has happened to it, I cannot believe what they have done after having sat there and having been part of the original group that set forth the congressional intent as to what the FEC would do.

Mr. DECONCINI. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. DECONCINI. Could the Senator from Alaska recollect about his motion in the committee?

Mr. STEVENS. I made a motion in the committee to take the money out entirely. My motion was defeated.

Mr. DECONCINI. That is what I thought. If the Senator will continue to yield, it seems to me that that is an indication that we are trying to end this agency.

Mr. STEVENS. No, no. I told the committee at the time that we knew the position of the House. In order to get their attention, a strong Senate position must be taken. I expected we would compromise and come out about the same place and have enough money to run the FEC until March. I so stated in committee. The whole idea was to end up with a compromise with the House as to how long we would fund the FEC for this fiscal year. That is the intent of this amendment, to fund the FEC through March 15 and if it is not authorized by that time, they cannot have any more funds, unless it is continued on March 31 when this particular working restriction expires.

You have to recognize what the Senator from Iowa has done. The issue comes before us again on March 31. If it ceases on the 15th, it can be addressed again on the 31st. I thought it was eminently fair to take this approach.

Mr. DECONCINI. Will the Senator yield for a question?

Mr. STEVENS. Yes.

Mr. DECONCINI. Is the Senator really telling me, as apparently he is telling the Appropriations Committee, that this is really symbolic?

Mr. STEVENS. No. I want the funds for the FEC limited to the period of time that I would consider reasonable for authorization of the FEC.

Mr. DECONCINI. The Senator from Alaska has already said that he does believe that the Senator from Kentucky is correct, that the House will never accept it. Are we not really talking about something symbolic here?

Mr. STEVENS. Well, I think the House will accept some concept of limitation of funds on the FEC as a compromise in this resolution. I do not think they would do what I want to do, to cut the funds out entirely until we got the authorization.

Mr. SARBANES. Will the Senator yield for a question?

Mr. STEVENS. Yes.

Mr. SARBANES. If the amendment of the Senator from Iowa is not adopted, what is the status of the FEC?

Mr. STEVENS. They can continue until March 31 to spend funds.

Mr. SARBANES. And if the amendment is adopted, what is the status?

Mr. STEVENS. They can continue to spend funds through March 15.

Mr. SARBANES. Why is it proper for the Senator from Iowa to come to us now for 45 minutes in this context when, as a consequence of the amendment offered by the minority leader to the amendment of the majority leader, the March 30 date was established in any event with respect to this agency and the others in this bill? It seems to me he ought to withdraw the amendment or we ought to go to a vote on the amendment offered by the Senator from Kentucky and resolve the situation.

All of the things that the Senator has just asserted are in the bill right now effective March 30. We have been tied up here now for almost an hour because of this amendment for 15 days.

Mr. STEVENS. We are trying to put a fence around the FEC to compel an authorization bill to be passed. This amendment will do it.

Mr. SARBANES. The fence is there. March 30.

Mr. STEVENS. That is no fence at all. It will just be continued again and again as it has been in the past. So many programs have been continued through the appropriations process without any authorization at all. The Senator from Colorado is absolutely right about that. There is program after program that is funded in this continuing resolution that has no authorization at all.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. STEVENS. Yes.

Mr. FORD. I ask the distinguished Senator from Alaska, is he aware of who made the motion in the Rules Committee to approve the authorization of the Federal Election Commission?

Mr. STEVENS. I say to my good friend from Kentucky I do not know the answer to that question.

Mr. FORD. It was the majority leader of the Senate who made the motion in the committee. That is No. 1.

Now, No. 2, that has been held at the desk since April 30. There has been no reason for us not to have an authorization for the Federal Election Commission, unless there is a hold placed on it. The leadership has not called it from the calendar to be acted upon. Is that correct?

Mr. STEVENS. Mr. President, the Senator is partially correct. I have been one who has been trying to coordinate a bipartisan group to try to evolve a plan to see what we could do to bring about some sort of a spur to the enactment of a bill which contains some reforms as opposed to the reauthorization of the FEC without any response of the prior Presidential candidates or all the people who asked us to make changes in the FEC.

Mr. FORD. I will ask this question: Would the Senator agree that probably the attitude of the Rules Committee may have changed since January, and that we now have a new chairman, with hearings working? Harvard has been paid and their report will come in January. Does that not mean that we are on the right track to get the kind of reform the Senator wants?

Mr. STEVENS. I will answer the question this way. I see my good friend behind me. He has responded, I would say, in part to the conversations that have taken place at times concerning the FEC. As chairman of the Rules Committee, and I am sure the Senator from Kentucky has cooperated in this, he is scheduling hearings now. When we first started these discussions, there was no such response. It is true now that we have hearings scheduled.

Now that we have hearings scheduled I am quite hopeful that we will get an authorization bill passed. This amendment would assure that we would get an authorization bill passed which would make it effective, to make sure there is no misunderstanding, for the 1984 election. No one is attempting to deal with the 1982 election. It is too late to do that. We are looking to the 1984 election.

The Senator from Kentucky knows as well as I know of the letters and communications the Congress has received from those involved in the Presidential election in 1980. Some response is mandated by the Congress in this session if it is not going to turn into a political football in terms of the 1983 approach to the 1984 election. That is what we are working on.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. STEVENS. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. It seems to me that the Senator from Alaska has raised a question that should be addressed. Why are we picking out the Federal Election Commission as the one agency without an authorization that we are going to cut off early under the continuing resolution? We are saying the Federal Election Commission can only go to the 15th of March and everybody else can go to the 31st of March. Why make that invidious comparison between this agency and all other agencies?

If the intent is to jerk the chain, it will be perfectly possible to jerk the chain 2 weeks later. If the intent is to create another kind of a crisis situation, we have enough crises around here. We do not have to invent any more. We do not need artificial crises.

This amendment takes us without any prior discussion or notice by surprise at 4:30 in the morning. We have not had preparation for it. The net effect of a prolonged debate on this is that we are going to call off the hearings and the whole process will be delayed.

● Mr. PELL. Mr. President, the issue raised by this amendment is not one of the proper level of funding which should be made for a Federal agency. Rather the issue is whether there should be an independent Federal agency charged with overseeing and administering the Federal electoral process.

This is a question which has been thoroughly debated by the Congress and decided on a number of occasions. Both in the creation of and subsequent amendments to the Federal Election Campaign Act and in annual authorizations for the Federal Election Commission the Congress has clearly stated that such an independent body should exist.

Thus, until the Congress in the proper fashion reverses itself and decides that such an agency should not exist—and I stress that the Congress has not done so—the Federal Election Commission should be provided the necessary funds to carry out for the full fiscal year the tasks mandated by law.

This amendment is a type of guerilla warfare being waged against an agency which is merely trying to the best of its

ability to fulfill the duties assigned to it in law by the Congress.

The Senate could properly debate at considerable length the manner in which the Federal Election Commission over the years has carried out its mandate. I personally happen to think the Commission has performed well under very difficult circumstances and constraints. However, I recognize that there are many of a different view and I respect their views.

But the performance of the FEC is not a proper issue to be debating here and now during consideration of the continuing resolution.

The Committee on Rules and Administration reported an FEC authorization bill to the full Senate on April 30. I believe that bill is the proper forum for debating the issues raised in the amendment by the senior Senator from Iowa and I would suggest to him that he use his influence with the leadership to have this legislation called up and debated by this body.

This is a back door attempt to dismantle or at least cripple an agency properly established by statute and I urge my colleagues to reject it.●

Mr. CRANSTON. Mr. President, I move to lay the amendment offered by the Senator from Iowa on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DECONCINI. Mr. President, does that in effect table the amendment of the Senator from Kentucky?

Mr. CRANSTON. Yes.

The PRESIDING OFFICER. It does not table it, but it carries with it the amendment of the Senator from Kentucky.

Mr. DECONCINI. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Iowa. The yeas and nays have been ordered. The clerk will call the roll.

Mr. JEPSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JEPSEN. Mr. President, I withdraw my request.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The result was announced—yeas 65, nays 31, as follows:

[Rollcall Vote No. 421 Leg.]

YEAS—65

Andrews	Bradley	Chiles
Baucus	Bumpers	Cochran
Bentsen	Burdick	Cohen
Biden	Byrd, Robert C.	Cranston
Boren	Cannon	Danforth
Boschwitz	Chafee	DeConcini
Dixon	Inouye	Percy
Dodd	Jackson	Proxmire
Domenici	Johnston	Pryor
Durenberger	Kassebaum	Randolph
Eagleton	Levin	Riegle
Exon	Long	Roth
Ford	Lugar	Sarbanes
Glenn	Mathias	Sasser
Gorton	Matsunaga	Simpson
Hart	Melcher	Specter
Hatch	Metzenbaum	Stafford
Hatfield	Mitchell	Tsongas
Heflin	Moynihan	Wallop
Heinz	Nunn	Weicker
Hollings	Packwood	Williams
Huddleston	Pell	

NAYS—31

Abdnor	Hawkins	Pressler
Armstrong	Hayakawa	Quayle
Baker	Helms	Rudman
Byrd, Harry F., Jr.	Humphrey	Schmitt
D'Amato	Jepsen	Stevens
Denton	Kasten	Symms
Dole	Laxalt	Thurmond
East	Mattingly	Tower
Garn	McClure	Warner
Grassley	Murkowski	Zorinsky
	Nickles	

NOT VOTING—4

Goldwater	Leahy	Stennis
Kennedy		

So the motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, many Senators have asked about the remaining amendments. Let me update the situation.

We have Mr. LEVIN, who I urge the Chair to recognize next in the pecking order; then Mr. HART; then Mr. GARN; then Mr. STEVENS; then Mr. DOLE, who has three; Mr. HUDDLESTON, and Mr. ANDREWS.

We have about 10 amendments remaining, and I believe there will be a rollcall vote on at least one, possibly two.

So I urge all Members to be as brief as possible.

At this time, as a comanager of the resolution, I set aside the committee's technical amendment, in order that the Senator from Michigan may present an amendment.

Mr. LEVIN. I would like to review some language included in the joint statement of managers on the Interior appropriations bill that provides the funding levels requested in the continuing resolution before us today. This was discussed yesterday by Senators JACKSON and JOHNSTON and I am sorry that I did not have the opportunity to raise this with them at that time. As an active participant in the consideration of the Alaska National Interest Lands Conservation Act and as one particularly interested in the question of the Arctic National Wildlife Refuge, I am concerned with the enforcement of the law and the management of the refuge.

The joint statement of managers as part of amendment 12 on page 10 reads:

Within available funds, the Service is . . . to provide $300,000 for the North Slope study for transfer to the Geological Survey. This will permit the Survey to discharge its duties as the lead agency in assessment of oil and gas exploration development and production on the Arctic Wildlife Refuge pursuant to Section 1002 of Public Law 96-487. There is no objection to initial development on new Alaskan refuges while the refuge management plans are being prepared.

Yesterday's discussion covered two of the major difficulties with this language and I thank my colleagues for clarifying the record first as pertains to the proper administration of activities occurring on the refuge by the Fish and Wildlife Service and not the Geological Survey, and second to make perfectly clear that this language in no way authorizes any leasing, development, or production of oil and gas from the coastal plain of the Arctic National Wildlife Refuge unless and until specifically approved by an act of Congress.

There is a third problem with the joint statement. The sentence which reads, "There is no objection to initial development on new Alaskan refuges while the refuge management plans are being prepared" would seem to suggest that "development" on new refuge lands in Alaska can begin before the statutory requirement for compatibility tests based on comprehensive management plans is met. This would be a clear violation of both the Alaska Lands Act and the Refuge Administration Act, as amended, just as was the language in the previous sentence suggesting that the Geological Survey is the lead agency in assessment of oil and gas exploration development, and production.

Quoting from U.S. District Court Judge James Von der Heydt's November 2, 1981 decision:

From a review of the Refuge Act, ANICA, and the legislative histories of both acts, the court holds that Secretary Watt's transfer of § 3142 (d) and (h) functions from FWS to USGS, and his assignment to USGS of lead responsibility for approving § 3142(e) plans, was a clear error of judgment beyond his statutory authority.

Accordingly, it is ordered . . .

(4) That defendant James Watt re-assign and delegate to defendant Director of the U.S. Fish and Wildlife Service full responsibility for all of the requirements under § 1002 (d), (e), and (h) of the Alaska National Interest Lands Conservation Act.

I believe that this decision accurately reflects congressional intent as to the management of the refuge.

I ask unanimous consent to have printed in the RECORD the letter to Secretary Watt that Senator JACKSON and I sent earlier this year. It includes the colloquy between Senators JACKSON and NELSON that discussed the role for the Fish and Wildlife Service:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON ENERGY
AND NATURAL RESOURCES,
Washington, D.C., May 20, 1981.

Hon. JAMES G. WATT,
Secretary, Department of the Interior, Washington, D.C.

DEAR MR. SECRETARY: One of the most volatile issues in the Alaskan Lands debate was the treatment given the Coastal Plain of the Arctic Wildlife Range.

As you are no doubt aware, the House-passed bill would have designated the area as wilderness, with no exploration whatsoever for oil and gas. The amendment reported by the Committee on Energy and Natural Resources would have provided for a com-

prehensive resource assessment—including wildlife, wilderness, and oil and gas values—of the Range's Coastal Plain. The compromise reached on the Senate floor, and enacted into law, allows seismic exploration on the Coastal Plain to begin after a baseline study is conducted and the appropriate safeguards are developed to guide these activities. This language was designed to carefully balance protection of the Range's outstanding wildlife and subsistence resources with analysis of its potential oil and gas reserves.

On March 12, you issued a directive transferring lead agency responsibilities for implementing Section 1002 of the Alaska National Interest Lands Conservation Act (P.L. 96-487) from the U.S. Fish and Wildlife Service to the U.S. Geologic Survey. Having now had an opportunity to carefully review the directive, we would appreciate additional information and clarification of several matters.

First, the major premise of the compromise as it pertained to the baseline study required under Section 102(c), was that some new environmental information was needed to ensure the development of adequate guidelines for assessing seismic exploration plans. We applaud your initiative in moving quickly to implement this section of the Act. However, it is imperative that sufficient time be allowed for the collection of the new data; that these data be used in developing the guidelines; and that this data-gathering process continue throughout the period of seismic exploration.

Second, we would appreciate your assurance that all the relevant expertise within the Department will be involved in preparing the guidelines and the environmental impact statement required by Section 1002 (d). In particular, the legislative history of the compromise is quite clear on the importance of the Fish and Wildlife Service's role:

"Mr. NELSON. Although the bill does not explicitly say so, I would assume that it is your intent that the Fish and Wildlife Service have the lead within the Department of the Interior in designing the criteria and guidelines to protect the caribou, other wildlife and their habitat. Of course, other agencies would also be involved and consulted, but it seems to me appropriate that the FWS play the key role in this program. Does the Senator agree?

"Mr. JACKSON. Yes, I believe it is appropriate for the FWS to have the lead responsibility for developing the wildlife protection stipulations, in coordination with the appropriate offices of the Interior Department."

Third, and most important, we are unclear as to where the final decision on approving exploration plans will rest. Your directive states that "it shall be the USGS Director's responsibility to approve the exploration plans with the concurrence of the FWS." Since FWS is the land managing agency, wouldn't it have the final say on activities occurring on lands under its jurisdiction?

Finally, your directive is silent on which agency will fulfill the requirements of Section 1002(f), "Modification to Exploration Plans." Again, because it is the land managing agency, we assume that FWS will perform this function. Are we correct in this assumption?

We hope that by raising our questions with you now, we can avoid any misunderstandings later. We look forward to hearing from you soon.

Thank you.

Sincerely,

HENRY M. JACKSON,
U.S. Senator.
CARL LEVIN,
U.S. Senator.

REGARDING OIL AND GAS ON THE ARCTIC PLAIN

Mr. TSONGAS. I thank the Senator from Washington (Mr. JACKSON) and the Senator from Louisiana (Mr. JOHNSTON) for clearing up a potentially serious matter regarding the arctic wildlife refuge coast plains study and wildlife refuge management plans authorized in the Alaska National Interest Lands Conservation Act (Public Law 96-487).

My concern is over the language referred to by the Senator from Washington in the statement of managers accompanying the Interior appropriations bill for fiscal year 1982. At first glance, that language might be viewed as a backdoor attempt to amend ANILCA or the Wildlife Refuge Administration Act. As a principal cosponsor of the compromise Alaska lands bill, which was enacted last December, and a survivor of one of the most heated legislative battles ever to be visited upon the Congress, I was relieved to hear that my colleagues on the Appropriations Committee were not attempting to reopen the debate on that act through the language in question.

For those who might be contemplating amending ANILCA for whatever reason, I would urge that the dust be allowed to settle on that statute for a while. Otherwise, all of the divergent interests and organizations who participated in the Alaska lands debates would be reactivated to resume the battle all over again. At the moment, there appears to be a truce of sorts regarding the Alaska Lands Act. It should remain that way for now. I am therefore relieved to hear that there has been no breaking of that truce here by our colleagues attempting to amend this historic act without the benefit of full public hearings and debate.

UP AMENDMENT NO. 695

(Purpose: To require department and agency heads to act to meet the funding levels for guarantees and insurance provided for in this joint resolution subject only to the absence of qualified applicants)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Michigan (Mr. LEVIN) proposes an unprinted amendment numbered 695.

Mr. LEVIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution, add the following new section:

"SEC. . Notwithstanding any other provision of this joint resolution, subject only to the absence of qualified applicants, and within the limits of funds and authority available, the head of each department and agency for which authority to enter into commitments to guarantee or insure is provided for in this joint resolution shall enter into commitments to guarantee or insure in the full amounts provided for in this joint resolution or other applicable law."

Mr. LEVIN. Mr. President, the amendment I offer here today would clarify the intent of Congress with respect to guaranteed and insured loans. This amendment simply requires the head of each agency and department to enter into commitments to guarantee or insure loans, mortgages, and so forth, specified by Congress, subject only to the availability of qualified applicants.

For many guarantee and insurance programs, Congress has established in authorizing legislation and appropriations bills ceilings which limit total commitments. The Appropriations Committee, has in some instances already specified in report language that the administration is to utilize guarantees to the full amounts authorized.

However, the administration on November 5, 1981, announced a proposal to reduce fiscal year 1982 loan guarantee commitments by $20.4 million in 14 programs administered by nine departments and agencies. This announcement flies in the face congressional actions setting program levels and explicit committee statements. This unilateral action also raises serious questions about the institutional role of Congress; whether our efforts to establish levels for guarantee programs has any meaning at all when the executive branch arbitrarily makes changes without notification, let alone approval.

It is my belief that the authorizing committee made careful analyses of the need for program levels for guarantees which they set. It is also my belief that the authorizing committees expected these guarantees to be used without arbitrary limits imposed which bear no relation to that need. My amendment clarifies the congressional intent in this regard.

This amendment, however, does not set a "floor" on the amount of guarantees which must be utilized during the life of the continuing resolution. It is not my desire to require agency and department heads to meet a specific level of guarantees if there are not qualified applicants. Rather, it is my desire to see such agency and department heads utilize guarantees for qualified applicants without arbitrary limits being imposed.

Mr. President, I understand this amendment has been cleared on both sides of the aisle.

Mr. GARN. Mr. President, as I have indicated in my opening statement in reference to the HUD-Independent Agencies appropriations subsection, the administration has proposed reductions of $20.3 billion in new commitments for loan guarantees during fiscal year 1982. Eighty percent of the total reductions occur in programs under the jurisdiction of the HUD Subcommittee. I would like to note that the conferees on the HUD appropriations bill has established a loan guarantee level of $68.25 billion for GNMA mortgage backed securities. This limitation is $4.25 billion above the requested level. In addition, the conferees have established a loan limitation of $225 million for the community development action grant—section 108 loan guarantee

program. Since the Budget Control Impoundment Act does not specifically address the issue of loan guarantees and credit control, it is possible that the administration could restrict loan guarantee levels below the ceilings provided in appropriations acts. It is my belief that the Congress establishes these ceilings to permit the commitment of loan guarantees, to eligible applicants, up to the level provided in such acts. If we wish to limit or restrict the credit activities of various programs, the Congress would do so by reducing the limitations contained in the appropriations acts.

Therefore, I will accept the amendment offered by my distinguished colleague and assure him that both the Banking Committee and the Appropriations Committee will be looking into this issue of loan guarantees and we will exercise our option to reduce the ceilings in the event this seems to be in the interest of the economy. Until such time that we make that decision, I believe that the Senator's amendment clarifies the intent of Congress and squarely places the responsibility with us, where it belongs.

Mr. President, the Senator from Michigan is correct. I am willing to accept this amendment but mainly because it is 5:30 in the morning. If it were a different time of day we would have a longer discussion about the effects of loan guarantees and availability of credit in the credit market on interest rates.

Beyond that I will simply accept it reluctantly.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan.

The amendment (UP No. 695) was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, the next Senator on the list we have is Senator HART.

I wonder if the Senator from Colorado will be willing to enter into a time agreement on his amendment.

Mr. HART. I will indeed.

Mr. President, I ask unanimous consent that this amendment occupy not more than 20 minutes equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, does the Senator wish to ask for the yeas and nays?

Mr. HART. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATFIELD. Mr. President, I as comanager of the bill set aside the committee technical amendment in order that the Senator from Colorado will be able to present an amendment.

UP AMENDMENT NO. 696

(Purpose: To appropriate funds for the Environmental Protection Agency and the Council on Environmental Quality according to the conference report on the HUD-Independent Agencies Appropriations Act)

Mr. HART. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. HART) proposes an unprinted amendment numbered 696 (for himself, Mr. STAFFORD, Mr. LEAHY, Mr. EAGLETON, Mr. RANDOLPH, and Mr. BURDICK):

On page 9, line 14, delete all through line 7 of page 10, and redesignate the following items accordingly.

Mr. HART. Mr. President, this amendment is offered on behalf of myself and my cosponsors, Senator STAFFORD, Senator LEAHY, Senator EAGLETON, Senator RANDOLPH, and Senator BURDICK.

The amendment would restore the operating budgets of the Environmental Protection Agency and the Council on Environmental Quality to the level in the conference report on the HUD-independent agencies appropriations bill which I believe was adopted in September.

The amount of money compared to that in the overall budget and many of the figures that we dealt with over the past day or so is not all that great.

This amendment covering both these agencies would add back $130 million to the operating budget.

But, Mr. President, the significance of this money for these two agencies is great. Even with this amendment the EPA operating budget would be cut by almost 12 percent of the 1981 level instead of the over 21 percent as proposed by the committee in the continuing resolution and the Council on Environmental Quality's operating budget would be cut by almost 68 percent instead of by almost 72 percent.

Mr. President, I emphasize even with this amendment that the budget of these agencies is being cut substantially.

The further cuts proposed by the Appropriations Committee would be so deep that I think this country's fundamental environmental laws would be in jeopardy.

Mr. President, what is at stake here is not just the budget of the EPA, it is the ability of the lead environmental agency of the Government to carry out the mandate given it by Congress and that mandate is law and it includes the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the new superfund law, the Solid Waste Disposal Act, and the Conservation Recovery Act.

Mr. President, what ever mandate was given, whomever among elected officials of the Federal Government in 1980 it was not a mandate to reverse the progress this country has made in the past 10 or 12 years in cleaning up this country's environment and giving us a healthy environment for ourselves and for future generations.

I do not think anyone would claim that that was the purpose of whatever the outcomes of the recent election. Yet if we take the step that is advocated by this resolution and do not add back the funds that is exactly what we are going to be doing, reverse the 10 or 12 years of progress in the environmental area and giving the people of this country a less healthy and less safe environment in which to live.

We will be seriously jeopardizing the ability of this Government and the Environmental Protection Agency to carry out the laws which we have passed and ordered to carry out.

So, Mr. President, in a word, I ask the Senator to seriously consider adding back these funds. The cut in the Environmental Protection Agency's budget will still be in the range of 12 percent if we do not add those funds back, that cut will go up to almost 22 percent and make it for all practical purposes make the EPA unable to carry out much of the mandate which Congress and the laws of the United States have given it.

Mr. President, I reserve the remainder of my time.

Mr. GARN. Mr. President, in the full Appropriations Committee a similar amendment as this was debated on the basis of a 14 to 8 vote.

I am a little bit surprised at some of the comments made because they do not take into consideration some of the add-ons that were put back in by me as chairman of the subcommittee in the full committee.

The Senator from Colorado mentioned the superfund. The superfund was restored back to the $200 million level, fiscal 1982 level, and I also suggest that the "Dear Colleague" letter that was sent out is a little misleading in that it does not show the $200 million superfund at all.

In the conference report, the Hart amendment, or the continuing resolution it makes a considerable difference in the amount of money available, the total of $1,289,411,000 rather than $1,623,130,000 shown in the chart.

I suggest that that is one big difference; $200 million is quite a bit of money in the superfund and that full amount was restored to that full amount.

In addition, EPA under the amendment entered in the full Appropriations Committee could transfer back the entire $69.9 million back in their salary account.

I also suggest that it has been ignored that in most of the critical areas I added back in over $12 million. There were conference add-ons for clean lakes, water quality manpower planning and training, academic training, State rural water training and technical assistance, the Chesapeake Bay programs, and the Great Lakes program, stationary source enforcement, energy review and permits, pesticides certification and training, environmental emergency response and prevention, and the proposed reductions from the committee do not affect at all

EPA State and local grants programs. None of these are reduced even from the March level:

Air quality, water quality, public water system underground injection control, hazardous waste management, pesticides enforcement, and toxic enforcement.

I am a little bit surprised at the impression that somehow we are cutting and that these add-ons that were put back in are not being considered and particularly the superfund restored to the $200 million level.

This simply adds where we are $40 million over the September request. This simply puts us $170 million over.

I reserve the remainder of my time.

Mr. HART. Mr. President, I hasten to point out in response to the Senator from Utah that his substitute amendment before the committee added just under $13 million to the President's request. By action taken within the past hour in adopting the Baker amendment, the 4-percent across-the-board cuts, that will reduce the funding for EPA by $14½ million, thus completely eliminating the Garn substitute in the committee.

All the things the Senator from Utah just said were added back just got struck out.

So this money will add the funds the Senator from Utah was talking about and other much needed operating funds to carry out the mandate of the EPA.

Mr. GARN. Mr. President, to assume that the additional 4-percent cuts will occur in the same area simply is not correct. In salary account, $69 million, there will be no 4-percent cut whatsoever the way the Baker amendment works, and I am not going to go through that whole scenario of the bill, title, and account. But many of those areas being below would be exempted, and research and development would not be reduced.

I am not going to take the time, even the full 10 minutes, to go back and argue all of these points. We have done it in the Appropriations Committee; it has been done over and over again, and the areas in which this money was put back in were in critical areas, and those would stay and not be affected by the 4 percent.

There is still the transferability I talked about, and I did not mention the $24 million restoration beyond the $13 million he mentioned, which I also said was restored to the superfund. I will just add that all of these items are in conference with the House at higher levels.

SENATOR RANDOLPH SUPPORTS FULL FUNDING FOR ENVIRONMENTAL PROGRAMS

Mr. RANDOLPH. Mr. President, I am pleased to join with several of my colleagues in sponsoring an amendment to provide funding for the Environmental Protection Agency and Council on Environmental Quality at the level that was agreed to by House and Senate conferees in September of this year. The level of support contained in this amendment is lean at best. The additional $130 million in reductions proposed for these programs by the administration and the Appropriations Committee could prove crippling. The conference agreement figures contained in this amendment signify a considerable effort on both sides to conform to the administration's request for serious budget reductions in a reasoned and responsible fashion.

I have repeatedly registered my deep concern as to the Environmental Protection Agency's ability to carry out its responsibilities with greatly diminished fiscal and human resources. Not only is the Agency already behind in meeting many program deadlines, the hazardous waste regulatory program under the Solid Waste Disposal Act and the fledgling superfund program both require a greatly increased commitment from the Agency. The figure agreed to in conference represents a reduction of $160 million from the amount actually spent in fiscal year 1981. The revised figure reported by the Appropriations Committee suggests a further cut amounting to 80 percent of the cut this Agency's budget has already sustained compared to what it spent in the prior fiscal year.

One activity that has been severely affected by these budget cuts is the research and development program. This area is responsible for investigating toxic health effects and providing necessary information for setting standards as required by law. I am concerned as to the implications of further reduction of support for this important function. Additionally, with increased delegation of responsibility to States for carrying out the environmental programs, I doubt the ability of the Agency to provide both the technical assistance and resources needed to make this delegation effective.

In the case of the Council on Environmental Quality, the budget figures agreed to in conference represent less than one-third of the amount actually spent by the Council last year. The reorganized version of this group where personnel levels have been reduced by two-thirds but the legislatively mandated responsibilities remain unchanged, was budgeted at slightly more than $1 million A further $125,000 cut to the Council's budget represents a further 12-percent reduction. This percentage removed from such a small account could further impede the Council's ability to carry out its responsibilities.

While it is clear that the American public wants a less wasteful Government, it is also clear they do not want a retreat on the Federal Government's commitment to work toward cleaner and hea!thier environment. This is evidenced by national polls and witnessed by the volume of mail I receive from West Virginians. They are deservedly concerned that the air they breathe, the water they drink, and the lakes and streams they enjoy, are threatened by a diminished commitment on our part to provide the necessary framework to continue the progress we initiated in writing good laws and building a strong agency to carry them through. They are even more deservedly concerned about the implications a retreat now might represent to the world of the future.

The proposal before us is a worthy amendment. It represents a realistic view of budgetary constraints, tempered by a recognition for the benefits we all will realize in maintaining an adequate level of support for these vitally important functions within the Federal Government. I urge my colleagues to join me in supporting this amendment.

Mr. HART. I doubt that any Senators on the floor, including the Senator from Utah, the distinguished majority leader, the Senator from Tennessee, know exactly what the 4-percent across-the-board cut will be in any agency, including EPA.

I think the action the Senate has taken in the early hours is an action where we will not know the cuts agency-by-agency, program-by-program for months—we will not know, let alone tonight—where we have cut 4 percent from the EPA. This money will restore it, and I ask all of our colleagues to think very seriously about what is going to lead to a healthier environment for the people of this country.

I am prepared to yield back the remainder of my time.

Mr. GARN. I am prepared to yield back the remainder of my time.

I move to table the Hart amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah to lay on the table the amendment of the Senator from Colorado. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) would vote "nay."

The PRESIDING OFFICER (Mr. HATCH). Are there any other Senators who wish to vote?

The result was announced—yeas 59, nays 37, as follows:

[Rollcall Vote No. 422 Leg.]

YEAS—59

Abdnor	Garn	Murkowski
Andrews	Glenn	Nickles
Armstrong	Grassley	Packwood
Baker	Hatch	Percy
Boren	Hatfield	Pressler
Boschwitz	Hawkins	Proxmire
Byrd, Harry F., Jr.	Hayakawa	Pryor
	Heflin	Quayle
Byrd, Robert C.	Heinz	Rudman
Cannon	Helms	Sasser
Cochran	Humhprey	Schmitt
D'Amato	Jepsen	Simpson
Danforth	Kassebaum	Specter
DeConcini	Kasten	Stevens
Denton	Laxalt	Symms
Dixon	Long	Thurmond
Dole	Lugar	Tower
Domenici	Mattingly	Wallop
Durenberger	McClure	Warner
East	Melcher	Zorinsky

NAYS—37

Baucus	Chiles	Gorton
Bentsen	Cohen	Hart
Biden	Cranston	Hollings
Bradley	Dodd	Huddleston
Bumpers	Eagleton	Inouye
Burdick	Exon	Jackson
Chafee	Ford	Johnston

Levin	Nunn	Stafford
Mathias	Pell	Tsongas
Matsunaga	Randolph	Weicker
Metzenbaum	Riegle	Williams
Mitchell	Roth	
Moynihan	Sarbanes	

NOT VOTING—4

Goldwater	Leahy	Stennis
Kennedy		

So the motion to lay on the table UP amendment No. 696 was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, as comanager of the bill, I would now set aside the committee technical amendment in order that Senator STEVENS might offer an amendment.

UP AMENDMENT NO. 697

(Purpose: To conform section 280A to section 162(a) of the Internal Revenue Code)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 697.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert:

SEC. . (a) Subsection (f) of section 280A of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following paragraph:

"(4) Coordination with section 162(a)(2), etc.—

Nothing in this section shall be construed to disallow any deduction allowable under section 162(a)(2) (or any deduction which meets the tests of section 162(a)(2) but is allowable under another provision of this title) by reason of the taxpayer's being away from home in the pursuit of a trade or business (other than the trade or business of renting dwelling units)."

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1981.

Mr. STEVENS. Mr. President, this is a technical amendment which has been cleared with the chairman and ranking minority member of the Finance Committee.

It is a slightly embarrassing position. I want to call the Senate's attention to the fact that after the Senate had voted to adopt the amendment I offered at the time the continuing resolution was before the Senate the last time dealing with expenses of Members away from home, the Joint Committee on Taxation staff came to visit me and worked with my staff and the Finance Committee staff subsequently trying to resolve the situation they described because of section 162(a)(2) of the Internal Revenue Code.

I am informed that under that code, a married Member of Congress who had a member of the family who lived with him for more than 2 weeks in 1 month would make it impossible for the Member to deduct any portion of his living expenses because of the provisions of 162(a), which is the so-called vacation home or home-away-from-home section which prevents the deduction of expenses if a home is used for more than 2 weeks a month.

The amendment before the Senate now is a totally technical amendment to require coordination of 162(a) with section 280A, which was amended by the section which the Senate adopted previously.

As a technical amendment, it will insure that the vacation home concept will not apply to Members of Congress.

Ironically, as existing law stands, I am informed that a person who is not married who has such a home would not be affected by this provision.

Mr. President, this has been cleared all around. I hope the Senate will accept it and accept my apology for the error of the previous amendment.

Mr. HATFIELD. Mr. President, the amendment has been checked and it is acceptable.

Mr. DOLE. Mr. President, recently we enacted a change in the Internal Revenue Code to allow Members of Congress the same business deductions that this country has allowed all other businessmen. Specifically, the Internal Revenue Code has long recognized that ordinary and necessary expenses of a businessman incurred because he must be away from home on business are deductible in determining his taxable income.

Until this year, however, Congressmen have been limited in the amount of living expenses in Washington that are deductible. This limit was set at an arbitrary and obviously inadequate $3,000 per year.

This amendment is essentially technical in nature. It assures that no deduction otherwise allowable will be denied merely because it conflicts with the rules limiting deductions relating to a residence under a very technical interpretation of section 280A of the Internal Revenue Code. A Member could be denied a business deduction because he was fortunate enough to have his family with him in Washington. This is a very unfortunate and unintended limitation on the business expense deduction, and this Senator cannot conceive of anyone who would argue that any Member should be denied a business deduction because his family was willing to come to Washington to join him.

This amendment will assure that no technical interpretation of the Internal Revenue Code would cause this unreasonable result. This Senator strongly believes that this change is long overdue. There is no reason why, in the face of the inflation which has escalated the costs of living in the Washington area so greatly over the last several years, the arbitrary $3,000 limitation should not be removed. No one can argue with a straight face that living in this area costs only $3,000 a year. This limitation is an anachronism which should have been removed from the law long ago.

Mr. HATFIELD. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 697) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I would now set aside the technical amendment of the committee in order that the Senator from Utah (Mr. GARN) may offer an amendment.

UP AMENDMENT NO. 698

(Purpose: Changes the amounts available for FEMA in accordance with the most recent budget request (no net impact on budget authority))

Mr. GARN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes an unprinted amendment numbered 698.

Mr. GARN. Mr. President, I ask that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, line 15 strike "$324,720,000" and insert "$301,694,000".

On page 10, line 18 strike "$73,364,720" and insert "$93,879,000".

On page 10, line 22 strike "$122,134,320" and insert "$121,829,000".

On page 11, line 2 strike "$65,087,440" and insert "$67,906,000".

Mr. GARN. Mr. President, I believe this amendment has been cleared on both sides. I have checked it with the distinguished ranking minority member, Senator HUDDLESTON. He has no problem with the amendment.

Mr. President, on Tuesday the full committee accepted my amendment to reduce FEMA's salaries and expenses account from the conference agreement level of $83,369,000 to the administration's proposed September budget level of $73,364,720. Today, however, I received from the administration a revised budget amendment to increase the agency's salaries and expenses account to $93,879,000. Therefore, the amendment I am offering would provide FEMA with an additional $20,510,000 for salaries and expenses and A.T. & T. tariff increases. This amendment will not have an impact on the total budget authority since it is financed through offsetting reductions elsewhere within FEMA.

The 12-percent reduction in FEMA's salaries and expenses originally proposed would have, according to the administration, required that FEMA's entire work force be furloughed for 25 percent of the fiscal year. Such a drastic furlough would have completely disrupted FEMA's ability to perform its very vital national security mission as

well as the agency's responsibility of responding to major civil emergencies.

I have checked with the distinguished ranking minority member (Mr. HUDDLESTON) of the subcommittee and he sees no problem with this amendment.

Mr. HATFIELD. Mr. President, the Senator is correct. The amendment is acceptable, and I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 698) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Now, Mr. President, I would set aside the technical amendment of the committee in order that the Senator from North Dakota may offer an amendment.

Mr. ANDREWS. Mr. President, I yield to the Senator from Washington.

UP AMENDMENT NO. 699

(Purpose: To provide emergency relief for highways damaged by the eruption of Mount St. Helens volcano)

Mr. GORTON. Mr. President, I send an amendment to the desk, in behalf of myself and Senator JACKSON, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. GORTON), for himself and Mr. JACKSON, proposes an unprinted amendment numbered 699.

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. . Notwithstanding any other provision of law or of this joint resolution, of the fiscal year 1982 Highway Trust Funds available for emergency relief, $17,000,000 shall be made available for damaged highways or for the prevention of damage to highways in the area affected by eruptions of the Mount St. Helens volcano.

Mr. GORTON. Mr. President, this amendment earmarks $17 million from the highway trust funds available for emergency relief in connection with the prevention of damage to highways caused by the eruption of Mount St. Helens volcano. It is, in effect, a reprograming of moneys appropriated for that purpose, which were appropriated last year. It has been approved by the chairman of the subcommittee.

Mr. JACKSON. Mr. President, I join in Senator GORTON's amendment to earmark $17 million from the fiscal year 1982 highway emergency relief funds for preventive work in the Mount St. Helens area.

Mr. President, the Corps of Engineers has stated that a normal year would move an estimated 35 million cubic yards of sediment through the Toutle River into the Cowlitz and Columbia Rivers.

I am concerned that a major storm would move significantly more sediment with unknown impacts on the level of protection.

Preventive work to protect the highways and urban areas needs to be accomplished this year. Otherwise, the flood threat along the river could increase dramatically.

I expect, and Senator GORTON agrees, the Federal Highway Administration to seek out and use the Corps' engineering expertise in any preventive work that needs to be accomplished.

Therefore, Mr. President, I urge adoption of this amendment.

Mr. ANDREWS. Mr. President, the problems in the Mount St. Helens area are still very, very much evident. The Senators from Washington have brought this to the attention of the committee. The committee has no objection. This does not add to the cost of the bill. I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 699) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I will set aside the committee technical amendment in order that the Senator from Kansas can offer two amendments.

UP AMENDMENT NO. 700

(Purpose: To prevent Federal judges from receiving again a pay raise notwithstanding the contrary intent of Congress)

Mr. DOLE. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 700.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add at the end of the bill the following new Section:

"SEC. . Notwithstanding any other provision of law or of this Joint Resolution, none of the funds appropriated by this Joint Resolution or by any other Act shall be obligated or expended to increase, after the date of enactment of this Joint Resolution, any salary of any Federal judge or Justice of the Supreme Court, except as may be specifically authorized by Act of Congress hereafter enacted; *provided, further,* that nothing in this limitation shall be construed to reduce any salary which may be in effect at the time of enactment of this Joint Resolution nor shall this limitation be construed in any manner to reduce the salary of any Federal judge or of any Justice of the Supreme Court."

Mr. DOLE. Mr. President, this amendment can be disposed of very quickly. It was offered to an earlier appropriations bill on behalf of myself and the distinguished Senator from Florida (Mrs. HAWKINS).

What the amendment does is to put an end to the automatic, backdoor pay raises for Federal judges. We had an example of that here about 2 months ago, the so-called midnight pay raise for Federal judges.

The amendment addresses a major problem in existing law which permits a virtual automatic salary increase built into the statutory system.

Under the Salary Adjustments Act of 1975 and the Pay Comparability Act of 1970, each year the President passes on to Congress recommendations made by the Department of Labor for increasing judicial salaries.

Should Congress manage not to vote down these increases before midnight on September 30 of a given year, they automatically take effect for the next fiscal year. This year Congress missed the deadline by only 27 minutes and, in an effort to give effect to its intent to cap judicial salaries, even went so far as to stop the clock before midnight. Despite this last minute rush of activity and even though salary increases for other Federal employees were capped, the country has still been saddled with judicial salary increases that Congress did not intend to authorize.

The reason is the Supreme Court's holding last winter in the case of *United States* v. *Will,* 449 U.S. 200. There, the Court ruled that article III of the Constitution prohibits alteration of the salaries of Federal judges on or after October 1 because the new rates vest on that date. A present failure by Congress to move quickly enough, even though a delay of only a few minutes, can have harmful consequences for congressional budget plans.

My amendment would remedy this situation by prohibiting judicial pay increases unless they were specifically authorized by Congress. I urge my colleagues to support this amendment.

Mr. President, let me make it clear that I am not one of those who oppose pay increases for Federal judges or Members of Congress, but it seems to me that we have to bring some semblance of reason to the entire system. This would be a step in the right direction.

I know of no objection to the amendment.

Mr. HATFIELD. Mr. President, the Senator is correct. The amendment has been reviewed and is perfectly acceptable to the committee and to the managers. I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 700) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 701

(Purpose: Substitute amendment relating to the application or Revenue Ruling 81–216 and certain other regulations)

Mr. DOLE. Mr. President, I offer an amendment in the second degree in the

nature of a substitute to the committee amendment for myself, Senators D'AMATO, WEICKER, STEVENS, METZENBAUM, BRADLEY, MOYNIHAN, and DIXON. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) for himself and Senators D'AMATO, WEICKER, STEVENS, METZENBAUM, BRADLEY, MOYNIHAN, and DIXON, proposes an unprinted amendment numbered 701:

In lieu of the language proposed to be inserted, insert the following:

SEC. 112. (a) None of the funds appropriated by this Act may be used to—

(1) enforce Revenue Ruling 81–216 or the proposed amendments to Income Tax Regulations § 1.103–7 and § 1.103–10 which were published in the Federal Register on October 8, 1981, or

(2) propose, promulgate, or enforce any ruling or regulation reaching the same result as, or a result similar to, such Revenue Ruling or Regulations,

in connection with a qualified issue, or

(3) issue rulings or regulations which treat as exempt from taxation under section 103(b)(6) of the Internal Revenue Code of 1954 any interest earned on unobligation the proceeds of which are used for a disqualified facility.

(b)(1) For purposes of subsection (a), the term "qualified issue" means a single issue (whether or not part of a composite or multiple series of issues)—

(A) all of the obligations of which are directly or indirectly guaranteed or secured by—

(i) a State or political subdivision thereof or an instrumentality or either, or

(ii) in the case of an issue all of the proceeds of which are used for agricultural purposes, a qualified person (within the meaning of section 46(c)(8)(D) of the Internal Revenue Code of 1954 determined without regard to clauses (iii) and (iv) thereof), and

(B) none of the proceeds of which are used in connection with a disqualified facility or a facility with respect to which, at any time before January 1, 1987—

(i) any disqualified person used more than 5 percent of the facility, or

(ii) more than 25 percent of the facility is (in the aggregate) used by disqualified persons.

For purposes of subparagraph (B), use by a related person (within the meaning of section 103(b)(6)(C) of such Code) shall be treated as use by the disqualified person.

(2)(A) For purposes of paragraph (1), the term "disqualified person" means a person (other than an exempt person within the meaning of section 103(b)(3) of such Code) which has aggregate capital expenditures for any purpose which, for the period beginning October 1, 1979, and ending September 30, 1982, exceed $25,000,000.

(B) For purposes of determining the aggregate capital expenditures of any person under subparagraph (A), there shall be taken into account the capital expenditures of all persons which are—

(i) related persons (within the meaning of section 103(b)(6)(C) of such Code) with respect to such person; or

(ii) guarantors of any portion of the issue with respect to which a determination is being made under this subsection other than a guarantor which—

(I) is a State or a political subdivision thereof or an instrumentality of either, or

(II) in the case of an issue all of the proceeds of which are used for agricultural purposes, a person described in paragraph (1)(A)(ii).

(C) For purposes of this paragraph, the term "capital expenditures" has the meaning given such term by section 103(b)(6)(D) of such Code, except that such term shall not include any amount paid or incurred by the taxpayer which constitutes a qualified research expense (within the meaning of section 44F(b) of such Code).

(c) For purposes of subsection (a) and subparagraph (b)(1)(B), a "disqualified facility" is any private or commercial

(i) golf course,

(ii) country club,

(iii) massage parlor, or

(iv) tennis club.

(d) It is the sense of the Senate that after August 23, 1981, and until Congress enacts legislation which affects section 103(b)(6) of such Code, the Secretary of the Treasury or his delegate should in all cases enforce any ruling or regulation described in subsection (a)(1) or (2) in a manner consistent with the provisions of subsection (a).

Mr. DOLE. Mr. President, this amendment is cosponsored by a number of Senators who have been working on this amendment for about 3 weeks. I commend the distinguished Senator from New York (Mr. D'AMATO) for his untiring efforts. I also commend his staff, my staff, and Senator METZENBAUM and his staff and others, Senator STEVENS and Senator WEICKER and their staffs for their efforts.

What we have done is try to tighten up the issuance of multiple lot industrial development bonds and to send a signal about tightening the issuance of all IDB's.

This amendment is intended to replace an amendment sponsored by those Senators I have mentioned and adopted by the Appropriations Committee. Their original amendment would have prohibited the Treasury Department from enforcing revenue ruling 81–216, a ruling interpreting present law to prohibit multiple lot or umbrella bonds—those bond issues where an issuer or corporate user strings together a series of bond issues with some form of common or "pooled" security. The substitute puts certain limits on the original amendment.

It is important, crucially important, however, to note that neither the original amendment nor this compromise substitute in any way amends substantive law. Both speak only to the enforcement of the law—neither changes the Internal Revenue Code.

BIG BUSINESS IDB USE

Why then is this substitute amendment important? It is important because it sends the message that these bonds, this Federal credit subsidy, is not for big businesses.

The ruling that spawned this amendment, and the proposed regulations that would replace that ruling, do not merely affect small business and the State-sponsored umbrella bond programs designed to provide small business with federally subsidized credit. They also affect big business and big business multi-State or multicounty bond issues.

Prior to 81–216, it was common practice for major corporations—manufacturers, motel chains, fast food franchisors—to float multiple lots of $1 million bonds—all commonly guaranteed by the parent corporation or sold to a single investor—to finance capital expenditures all over the country. A fast food chain, for instance, could float a $20 million linked series of bonds in $1 million lots—each lot for a different hamburger stand in 20 different counties—but all lots backed not just by one stand but also by the credit of the national chain. The bonds holders, in such a case, certainly do not believe they are investing in a part of a single $1 million bond issue. They look to the credit of the national chain and the revenues from all the bond-financed projects for security. Ruling 81–216, and the proposed regulations, would prevent this.

If the substitute is not accepted, we benefit not just the Mom and Pop grocery stores and the little tool and die manufacturer in a dying northeastern city. We help Dow Chemical and McDonalds, too.

In fact, it appears that overriding 81–216 without any limits as the resolution now does, would disproportionately help big business—of the composite or multiple lot issues that have been submitted to the IRS for "grandfather" relief from 81–216, 75 percent are to be used by big business, corporations with nationally known names.

While the IRS cannot disclose the taxpayers' names, they have given us figures and broken down those figures by industry group. There have been requests for relief for $1,093 billion in bonds. Of that $319.8 million are for big, nationally recognizable businesses:

	Millions
Big textile companies	$48.8
Big chemical companies	116.7
Big hotel/motel companies	66.9
Big fast food companies	114.2
Big private hospital operators	25.8
Other big business	445.5

Though the IRS cannot disclose taxpayers' names, commercial sources can, and they confirm that big business was the primary target of 81–216. Moody's Bond Survey, dated August 17, 1981, for instance, shows a number of composite issues for big corporations planned for late August, presumably forestalled by 81–216:

	Millions
Dow Chemical	$21.7
St. Regis Paper	5.5
American Stores Co	17.25
W. R. Grace & Co	4.6
Kimberly Clark	3.0
RCA Corporation	2.0

Other information obtained by the Treasury under circumstances where taxpayers confidentially need not be maintained shows a similar pattern of big business use:

	Millions
International Paper Co	$12.15
J. P. Stevens & Co., Inc	30.3
Spring Mills, Inc	5.7
The Bendix Corporation	12.7
Scott Paper	8.8

Information compiled by the Congressional Budget Office on big business use of composite IDB's is truly eye-opening. Since January 1977 a large number of large corporations have issued millions of dollars worth of composite bonds. Let me read you a few examples:

	Millions
Airco	$10
Armco	17.4
Burlington Industries	17
Colt Industries	24
Container Corp. of America	15.7
Dow Chemical	35.7
General Motors	6.8
B. F. Goodrich	10.1
Hoover Universal	30.2
International Harvester	11.4
Kroger	10.8
McDonalds	42
Nabisco	6.7
PPG Industries	10
Ralston Purina	12.1
Safeway	14.3
Union Company	25
Weyerhaeuser	51.4

These companies have done nothing wrong—I do not criticize them for using composite IDB's—I criticize myself and Congress for permitting them to use composite bonds. And I shall continue to press for a substantive change to the code that will stop these companies from using any IDB's—composite issues or otherwise.

The National Federation of Independent Businesses, a leading small business organization, just completed a poll of their membership on the use of small issue IDB's generally. 40,000 to 50,000 members responded. These are true small businesses—the average member has 8 employees and $500,000 annual gross sales—the sort of business that is the backbone of American enterprise—the source of the most jobs and the most new ideas. The results? Only 37 percent were for the continued availability of any small issue IDB's—any small issue bonds, not just composite bonds. Forty-nine percent were opposed to the issuance of any small issue bonds. The real small businessmen know who use this credit subsidy—they know that large- and moderate-sized businesses can use these bonds, particularly composite bonds, easier than they can. They want this abuse stopped.

A vote against the compromise substitute is, quite simply, a vote for big businesses continued exploitation of this program. If we send big business that message today we may as well junk any responsible plans to reform IDB's into an effective, small business capital formation tool. If we send big business that message today we might as well vote for Federal credit subsidies for everybody.

ONLY THE BIGGEST OF BIG BUSINESS ELIMINATED

The compromise substitute would limit big business use of composite bonds, and composite bonds only, with a $25 million, 3-year capital expenditure limit; $25 million over 3 years is not much of a limit. It only eliminates the biggest of big business—the Fortune 1,000—the type of corporation that, on the average, has more than $150 million annually in business receipts and that has more than $150 million in total assets. These megacorporations constitute only one-tenth of 1 percent of all corporations. If these companies were prohibited from using any small issue IDB's—and that is not what we are doing today—we would be taking a very small bite, about 16 percent, out of the total small issue IDB program—16 percent out of $9.2 billion of bonds that result, this year alone, in over a billion dollars of lost revenue to the Treasury.

For my taste, this is too small a bite. I would prefer a $10 million limit, or even smaller, to take this credit subsidy away from big business. The top one-tenth of 1 percent—companies with $150 million in annual receipts—seems a pretty select group. My definition of big business goes quite a bit deeper.

I accepted this compromise $25 million figure only because it is a step in the right direction—not because it is where I would like to stop. When the Finance Committee considers substantive IDB legislation I would like to consider a lower limit. I hope the small business community, in the interim, will seriously consider whether we should cut a little deeper than the top one-tenth of 1 percent.

STATE OR LOCAL BACKING

The second message this substitute sends is that State and locally guaranteed or backed bonds are to be favored over bonds that are issued without that backing. In the composite or multiple lot area, this means that State-backed programs such as New York's Job Development Authority or Connecticut's small business program would be permitted if this amended the Code while McDonalds-backed composite bonds are not.

Where a State or locality puts some of its credit on the line, then we are relatively assured that a responsible State or local official will look carefully at the users of these bonds. Where no State or local commitment is required, not even the most responsible public official can withstand the pressure to hand out a Federal credit subsidy to just about anybody—because it does not cost him anything at all. And we cannot blame him, really, since his competition in the neighboring State will be under the same pressure and just may give in.

State or local backing makes it easier to say no—easier for States and localities to target the Federal credit subsidy to those who deserve it.

SUBSTANTIVE LEGISLATION SHOULD GO FURTHER

To eliminate all the abusive uses of IDB's, substantive legislation ought to go further than this amendment would indicate. The limits in this amendment are a step in the right direction but ought to be much tighter. In addition, we should consider putting a limit on the total amount of bonds any one firm has outstanding at any given time. Further, the combination of the accelerated cost recovery system that we enacted this year, when added to tax-free financing is too rich. Substantive legislation ought to soak up some of the excess gravy and prohibit the full use of both ACRS and IDB's. Procedural restraints are also necessary.

In sum, then, this substitute sends a message—a little garbled perhaps—but clear in one respect at least: big business should not use IDB's. I wish the message could be stronger but, for the time being this will suffice.

NO PRACTICAL EFFECT

Neither this amendment nor the one it replaces can change substantive law. Neither amendment can restore the so-called status quo of August 23, 1981, the date 81-216 was published. Neither amendment will have a practical effect—this tempest in a teapot is symbolic—and the signals sent are far from clear.

Why will neither have a practical effect? Because no appropriations measure can have a practical effect in the tax-free bond area. Only a change to substantive law, a change to the Internal Revenue Code, can reverse the effect of revenue ruling 81-216, and substantive law cannot be changed on an appropriations bill or continuing resolution. All we can do here is prohibit enforcement of an interpretation of law for a limited period.

Why will the enforcement prohibition not work? Remember that tax-exempt bonds cannot be sold without a tax lawyer's opinion or a ruling letter from the IRS stating that the bonds are exempt. No tax lawyer will render an unqualified favorable opinion on a multiple lot bond issue just because the IRS cannot enforce their regulations for a few months. Call them—my staff called several reputable bond counsel and all agreed—they could not issue a clean opinion, appropriations rider or not appropriations rider.

An appropriations rider will not give the tax lawyer adequate comfort and unless he's comfortable, the all-important clean tax opinions will not be forthcoming. The result? Nothing—no tax opinions, no bonds. Until the Finance Committee holds hearings on this issue and marks up a bill, and until Congress amends the code, this is as it should be.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. DOLE. Yes, I yield.

Mr. HATFIELD. Mr. President, I yield to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, the Senator from Kansas has spoken about the efforts that have been made to bring this amendment about.

Mr. President, the vitality of the industrial revenue bond program is threatened by a few egregious abuses. These abuses represent a small percentage of the IRB program, but the revenue loss they represent is by no means inconsequential. I believe that these abuses must stop.

An IRB is nothing more than a federally-subsidized loan to a private business. This subsidy makes good sense when it is used to create jobs and to preserve a community's economic base. But it makes no sense, Mr. President, for the taxpayers of this country to subsidize private country clubs, golf courses, tennis clubs, and even massage parlors.

The amendment offered today, Mr. President, will in no way restrict the use of IRB's for the purposes for which they were intended—encouraging productive investments.

What it does, Mr. President, is prohibit the Internal Revenue Service from issuing regulations or rulings permitting IRB financing for golf courses, country clubs, tennis clubs, or massage parlors. It also prohibits the use of umbrella bonds to finance these activities.

I believe that these small changes in the IRB program are a good first step in

making this program more productive and more valuable to the taxpayer. And I believe that these changes make good business sense.

I urge the Senate to eliminate the abuses in the IRB program and to adopt this amendment.

I ask unanimous consent to have several newspaper articles pertaining to this subject printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Cleveland Press, Apr. 29, 1980]

COMMISSIONERS AID RACQUETBALL CLUB BUILDERS ON BONDS

(By Betty Klaric)

For the second time, Cuyahoga County commissioners have helped builders planning to construct a racquetball club on a site in Mayfield Heights.

The commissioners yesterday approved $1.3 million in tax-free, low-interest industrial revenue bonds (IRBs) for William M. Weber, Alan W. Wood and Gerald B. Medinger, general partners of the Eleven Co.

The three will use the money to buy land and build a two-story recreation club opposite Golden Gate Shopping Center.

Last year, the commissioners approved a $1,685,000 IRB for another firm to build a racquetball club on the same site. The bonds never were issued, however.

IRBs allow firms to borrow money at below-market interest rates—in this case at 12 percent for 18 months and then at 14 percent from Ohio Savings Corp.—because the interest income is not taxable for federal income tax purposes.

Referring to the recent Press series on the county's IRB program, Commissioner Robert Sweeney declared:

"From time to time, we get a reaction from the media concerning the recreation industry and IRB financing. This board is of the opinion that recreational industry development is important as well as any other area of business activity."

He predicted there will be more and more applications for IRB financing for recreation as leisure time increases.

Commissioner Edward Feighan said Squire, Sanders & Dempsey is the only local firm that has refused to act as bond counsel on recreational IRBs.

Lawyers from Squire, Sanders question whether the Ohio Constitution authorizes such IRBs.

Ronald Neill, attorney with Calfee, Halter and Griswold and bond counsel for the Eleven Co., told Feighan, "Of the bond counsels active in the Cleveland area, only one first categorically refuses to be involved in recreational facilities."

Neill told The Press that the persons involved in the Eleven Co., are different from those in the bond issue previously approved for this property.

The Eleven Co. will lease the facility to be operated as a private club by the Mayfield Racquetball Club Inc. Neill said membership will be open to all.

Also approved yesterday was a $1.2 million IRB for Cablevision Entertainment Services Inc. to provide cable services in Bedford Heights.

After approving a $700,000 IRB for the Oatey Co. to renovate and equip a plant at 4700 W. 160th St., the commissioners said they would not actually issue the bonds unless the firm agrees to improve its present minority hiring of four of 114 persons.

PUBLIC ASSISTANCE, FEIGHAN CHARGES—STOUFFER GETS NOD FOR BOND FINANCING

(By Gary R. Clark)

The Stouffer Corp. obtained initial approval by Cuyahoga County commissioners yesterday for $1 million in industrial revenue bonds despite protests from a union local and a complaint that the firm was already the beneficiary of a form of public assistance.

Commissioners Robert E. Sweeney and Virgil E. Brown, as the first step in the bond financing, voted to employ the law firm of Squire Sanders & Dempsey to act as bond counsel for Stouffer, which plans to build two restaurants on the plaza level of the new National City Bank building at E. 9th St. and Euclid Ave.

Commissioner Edward F. Feighan voted against hiring the bond counsel. He called tax-free revenue bonds a form of public assistance, and said Stouffer was already the beneficiary of another public assistance program.

Feighan said the bank building was awarded tax abatement by the city of Cleveland, which would permit Stouffer to pay lower rents for the two restaurants than would have been paid without it.

A Stouffer representative said the firm would actually pay higher rent at the bank building than in most other locations. Feighan however, argued that the rent would have been even higher without tax abatement.

The revenue bond issue was to have been before the commissioners last week, but was removed from the agenda at Sweeney's request. He was out of town last week, but his presence yesterday gave Stouffer a majority vote for the bond financing.

Sweeney said he favored issuing the bonds because the project would improve the economic vitality of the area, although, he said, he was aware of the problems unions have had with Stouffer.

Last week, Local 10 of the Hotel, Motel, Restaurant Employees and Bartenders union asked the commissioners to reject Stouffer's request. The union has been involved in a lengthy fight with Stouffer over employee representation at Stouffer's Inn on the Square.

Sweeney, however, said the Stouffer project would result in 80 new jobs, 16 of which were guaranteed for minorities.

Brown said he believed employees had been "unfairly dealt with" by Stouffer, but that that was not a legal reason for denying the revenue bond financing.

[From the Washington Post, Sept. 17, 1980]

INDUSTRIAL LOANS SUBSIDIZE ARRAY OF VIRGINIA FIRMS

(By Thomas Grubisich)

When a group of investors decided to build a golf course in Virginia Beach, one of the first places they went to find financing was not a bank but a little-known public agency called the Virginia Beach Development Authority.

Although a golf course might not seem to be what an industry-hunting agency would want, the investors were not disappointed.

The development authority quickly approved the project, giving the investors a document called a "resolution of inducement" that they could take to almost any bank and cash in for a low-interest, $1.5 million loan subsidized indirectly by American taxpayers.

While many people might question the propriety of public support for such a project, officials of the Virginia Beach Golf Club, which plans to build the course, see it differently. "It will enhance the [tourist] industry," said the club's attorney, Thomas C. Broyles. "Right now, people don't come to Virginia Beach to play golf because the courses are extremely busy."

The arrangement—called "welfare for business" by critics—is not unusual or illegal in industry-hungry Virginia. Businesses there have financed everything from executive aircraft to race-car tracks and supermarkets with publicly approved loans that used to go almost exclusively to finance factories, warehouses and other more traditional industries.

Thanks to what is generally conceded to be one of the least stringent laws in the nation covering industrial development bonds, all a Virginia development authority has to do, if it has any doubts, is to get a local circuit court judge to endorse a "petition of validation," which states that a project is qualified under Virginia law for a loan that will be exempt from both federal and state income taxes. Such petitions are frequently sought—and routinely given.

"It's a good deal for everyone," insists Alfred Shilling, a Richmond lawyer who has handled so many of the transactions that he's known in Virginia municipal circles as "Mr. Bond Counsel." Beneficiaries of the program, Shilling says, include both the borrowers—who get low-interest loans—and banks and other lending institutions, which don't have to pay any income taxes on the interest they make on the loans. By eliminating the taxes, businesses often are able to get loans that cut in half their financing costs.

Shilling makes no apologies for the program. "We've got welfare for the farmers, we've got welfare for the poor—this is just another level of subsidy," he said.

Critics say the program is making losers of the American taxpayer. In 1979, the tax-free loans nationwide cost the U.S. Treasury about $1 billion, according to a study by the Congressional Budget Office.

Virginia authorities aren't alone in their enthusiasm for such financing schemes. A Chester, Pa., development agency issued a bond for a night spot featuring topless go-go dancers, an arrangement that has not gone unnoticed on Capitol Hill.

"It appears we're looking at a very wasteful federal subsidy program to promote construction of massage parlors, dirty bookstores and fast-food restaurants," complains Rep. Sam M. Gibbons (D-Fla.), chairman of the House Ways and Means oversight subcommittee. "The whole idea would be silly if it wasn't a waste of federal dollars."

Yet Congress, which created the scheme in 1968 to help industry-poor regions, has set few limits on the scheme's use and set no reporting requirements, leaving that up to the states. That's just the way the Virginians like it.

Take the Norfolk industrial authority, for example. It recently approved industrial bonds for two firms—Virginia Chemicals and the Royster Co.—so they could buy private aircraft to ferry their executives to branch plants. The authority's justification was that when commercial airlines dropped their Norfolk service, the companies' executives had no easy and quick way to get to their branches."

I don't feel a bit uncomfortable," said one authority official. "If the companies didn't have adequate transportation, they might leave Norfolk."

In another celebrated case, an industrial authority in Chesapeake issued bonds to finance construction of a supermarket in a Richmond suburb. The rationale: construction of the grocery would help farmers in Chesapeake.

The bonds have also generated friction between localities. The town of Lexington, in the Shenandoah Valley southwest of Washington, is fighting efforts by the industrial authority in surrounding Rockbridge County to grant a $2 million bond to the giant Kmart retail chain to build a store near the town. In a case it is appealing to the Virginia Supreme Court, Lexington is arguing that the new Kmart would adversely affect the two small department stores located in its downtown.

(Largely by using subsidized bonds, Kmart has been able to become the second biggest retailer in the United States in less than a

decade, passing long-established companies like Montgomery Ward. According to the yet-to-be-published Congressional Budget Office study, Kmart, between 1975 and 1979, built 60 stores in 18 states with a total of $126 million in low-cost bonds.)

The biggest commercial project to be endorsed for a low-cost loan in Virginia is a Daytona-style race-car speedway that would be built in Dinwiddie County southwest of Petersburg near the North Carolina border. The speedway, which would be built by Paul Sawyer Associates of Richmond, would cost $8.5 million.

In Northern Virginia, the most controversial project to date was the Fairfax Economic Development Authority's recent approval of a $7 million office building to be built by direct-mail wizard Richard Viguerie, who has been a longtime champion of the free enterprise system. After his loan application was approved by the agency, Viguerie said he saw no reason why he should let his philosophical attitudes stand in the way of his using a program that could save him money.

While many businesses have been able to benefit by low-cost loans granted through industrial development bonds, the lending banks have profited too. Because almost all banks are in the highest tax bracket—46 percent—almost half of the interest on their conventional loans goes for federal income taxes. That means that a conventional loan at, say, 13 percent, will return a profit of only about 7 percent. But a tax-free loan, based on current lending practices, would be about 8½ percent, or almost 25 percent more profitable than the higher interest conventional loan.

EACH NEW JOB TO COST $350,000 AT GARAGE

(By Betty Claric)

Cuyahoga County's issuing $4.9 million in industrial revenue bonds to build a downtown parking garage employing five persons may be one of the most costly ways to create jobs, comparisons show.

It is estimated that each of the parking garage jobs will cost taxpayers more than $350,000, compared to estimates of $7,600 to $22,650 to provide jobs under other programs.

The IRB involves more money per job than any other IRB approved so far by the county.

The $350,000 estimate comes from a formula used by the U.S. Treasury Department to estimate national annual revenue losses through tax-free bonds.

The $4.9 million in bonds were approved by county commissioners for Alvin Krenzler, business developer and Appeals Court judge, for a garage and parking lot on the former site of the Hippodrome Building and Theater.

The IRB job creation estimate compares with an $8,000 average cost for jobs created under the federal Urban Development Action Grant program, according to a Washington UDAG spokesman.

Labor Secretary Ray Marshall recently estimated the Federal Government spends an average of $118,730 for each job created under its revenue sharing program.

Marshall put the cost of each job created through local public works projects at $22,650 and through the Comprehensive Employment and Training Act's public service employment at $7,630.

The cost for each job that might be generated as the result of a general personal income tax cut was estimated by Marshall at $20,230.

A Washington spokesman for the Economic Development Administration said that it invests an average of $13,500 for each job created in the private sector as the result of its public works grants.

The $350,000 per job cost under the Krenzler IRB represents a conservative estimate of the taxes that would be paid over the life of the bonds if the project was privately financed.

What makes IRBs attractive to investors is that the interest income is exempt from federal income taxation.

The federal tax subsidy is reflected in lower interest rates for borrowing money to finance a project.

The public purpose for IRBs is to create and preserve jobs and aid the economy. County Commissioner Robert Sweeney points out that the project also will create temporary construction jobs and subsequently add to local and federal tax revenues.

The major portion of the parking garage IRBs are to be sold at a 10% interest rate that will be adjusted every three years for a term of 20 years.

Cynthia Wallace, as economist on the revenue estimating staff of the U.S. Treasury Department, makes projections of revenue to be lost through issuance of all kinds of taxfree bonds throughout the country.

That is done, she explained, by assuming the taxes that would have been paid had the same project been financed on the private taxable market, instead of with taxfree bonds.

Assuming the bond buyer is in the 30% federal income tax bracket—a conservative estimate for buyers of tax-free bonds, according to Ms. Wallace—it would take a 14% taxable interest rate to attract a buyer of a 10% tax-free interest bond, she said.

To allow for the fact that the interest rate on the IRBs for the garage will be adjusted every three years, she said it would be reasonable to assume an overall tax rate of 12% for financing on the private lending market.

Using the 12% rate and a 30% tax bracket, the federal tax subsidy for the garage over 20 years would be $1,852,200.

Over the 20-year-life of the bonds, assuming a 12% interest rate, the total amount of interest to be paid by Krenzler would be $6,174,000, according to calculations by the county's Office of Budget and Management.

Using these figures, the cost per job comes to 370,440.

Ms. Wallace cautioned that variables may be present in local situations on individual bonds. However, she said that using a 12% interest rate and a 30% tax bracket were very conservative assumptions.

Defending the commissioners' approval of the garage IRBs. Sweeney said it is not fair to calculate the IRB job cost because of Krenzler's plans to build either one or two 22-story office building next to it.

"I'm positive the other buildings will be built and this will be an excellent improvement for downtown Euclid Ave.," said Sweeney. He said he assumed IRBs would be sought for their construction, too.

Mr. HATFIELD. Mr. President, this is the last of the committee amendments that had been set aside. The amendment now offered by Mr. DOLE and his colleagues will provide a solution to that problem that we faced all during the consideration of the bill. So I say that it is totally acceptable to the committee. We shall be very happy to dispose of it.

Before I move its adoption, I yield to the Senator from New York for comments, since he was the mover of the amendment in the committee itself.

Mr. D'AMATO. Mr. President, this compromise is not a precedent for future legislation, it is offered in the spirit of compromise.

The main purpose of this compromise is to send a clear message that this Congress is steadfast in its support of the IDB program.

While the stand-alone IDB program is necessary for economic development and local officials should have the option of authorizing an IDB to any firm, the multiple lot program is primarily to provide tax-exempt financing to small businesses and give them a better chance to compete in today's inflationary economy.

The first part of this amendment makes it clear that this Congress believes that the IRS was in error when it issued Revenue Ruling 81–216. We have with this amendment prohibited their enforcement of this ruling and prohibited them from issuing any new rulings or regulations which would have a similar effect.

This amendment clearly protects the "Aggie Bond" program. We have to remember that IDB's in multiple lots are just as important to agricultural users as they are for small businessmen.

For every dollar of IDB's issued the Federal Government receives more back in taxes than they lose in a tax exemption. This is because of the tremendous feedback effects resulting from higher corporate profits, more people with jobs, and fewer people on the unemployment rolls.

The final section of this amendment expresses the sense of the Senate that even after this appropriations bill is over, the Secretary of the Treasury should continue to enforce the IDB program as if this amendment is still in effect. We must never again have a ruling from the IRS as outrageous as 81–216.

The 19–1 vote in the Appropriations Committee made clear our intention to prohibit the enforcement of 81–216 without any qualifiers on this ban on enforcement. This substitute is offered merely in spirit of compromise. We will have further legislation in this area. We will strengthen the IDB program, but for now an all encompassing sense of the Senate resolution is necessary to keep the IRS from ruining the IDB program.

Mr. President, the primary purpose of this compromise amendment is to send a clear message that this Congress is steadfast in its support of the industrial development bond program. This amendment is offered in the spirit of compromise and should not be taken as a precedent for future legislation in this area.

While I believe that the single issue stands alone, a IDB program is very necessary to promote economic development and local officials should have the option of authorizing an IDB to any firm, the multiple lot program is primarily used to provide tax-exempt financing to small businesses and give them a better chance to compete in today's inflationary economy. In fact, it is a necessary lifeline to these small businesses.

The first part of this amendment makes it clear that this Congress believes that the IRS was in error when it issued Revenue Ruling 81–216. This amendment has prohibited the enforcement of this ruling and prohibited them from issuing any new rulings or regulations which would have a similar effect.

The Dole, D'Amato, Weicker, Stevens amendment clearly protects the "Aggie Bond" program. We must remember that

IDB's in multiple lots are just as important to agricultural users as they are for small businessmen. In addition, for every dollar of IDB's issued the Federal Government receives more back in taxes than they lose in a tax exemption. This is because of the tremendous feedback effects resulting from higher corporate profits, more people with jobs, and fewer people on the unemployment rolls.

Finally, this amendment expresses the sense of the Senate that even after this appropriations bill is over, the Secretary of the Treasury should continue to enforce the IDB program as if this amendment is still in effect. We must never again have a ruling from the IRS as outrageous as 81–216.

Mr. President, I thank the distinguished chairmen of the Committee on Finance (Mr. DOLE), Mr. HATFIELD, and Mr. METZENBAUM, in addition to Senator STEVENS, Senator WEICKER, and their staffs, for having worked out a compromise in a most difficult situation. I think it is important that industrial revenue bonds be maintained and I think this compromise goes a long way toward indicating our intentions to the Treasury Department yet curing some of the deficiencies that exist.

Mr. SASSER. Mr. President, I rise in strong opposition to the substitute amendment put forth by Senator DOLE that would seriously restrict the use of industrial development bonds.

During this time of economic recession when we badly need to encourage more economic growth and investment here we have an amendment that would strike at the heart of State and local economic developments throughout the country.

In my own State of Tennessee, industrial development bonds have proved very successful.

For example, in the city of Memphis, the Center City Commission has issued some $7 million in industrial revenue bonds that have resulted in the rehabilitation of a total of 7 building encompassing some 219,000 square feet. The projects themselves generated some additional 180 construction jobs and have helped spur some $75 million dollars in additional downtown construction which is leading to a tremendous revitalization of the downtown Memphis area.

In another case, in a largely rural area, we find that the Dayco Corp. based in Dayton, Ohio has used a $7.5 million industrial revenue bond together with $4.2 million in other financing to finance a major plant expansion in Dyersburg, Tennessee which recently helped create an additional 170 jobs for this rural area.

Indeed, Dayco's use of industrial revenue bonds in this area since 1960 helped create some 1,100 jobs.

The use of industrial revenue bonds is central to State and local economic development programs in many urban and rural areas. The bonds represent a willingness on the part of the local community to help in the process of job creation and job expansion. And this whole process is free of any interference from Washington.

But now what do we have here?

Now we have the distinguished Senator from Kansas, Mr. DOLE, offering an amendment that would virtually shut down the industrial bond precess. I know that the Senator is very concerned about our Nation's economic recovery. That is why he took the lead in enacting the President's tax plan which provided for such substantial reductions in the taxes of American business. And I must say that I fail to understand why he is offering an amendment that works in such a contrary direction to the President's desire to have a strong economic recovery.

I understand that the intent of the Dole amendment is ostensibly to curb the well publicized abuses in this otherwise valuable program. I question, however, whether this is the best way to go about seeking a cure.

The Dole amendment has a deceiving appeal. Placing a cap on the size of a firm that may avail itself of the small issue exemption sounds, at first blush, like a reasonable and simple solution. Once this precedent has been established, however, it becomes that much easier to come back later and limit, or cap, all issues of industrial development bonds.

I am fearful of setting such precedents. I am reluctant because of the appreciation I have for the tremendous value of this program to the industrial development of my State and others. He would risk sacrificing the many benefits of the program by acting hastily now.

The distinguished Senator from Kansas has already pledged to introduce legislation on this issue by next year. He has promised to hold extensive hearings on the subject as well. I applaud this commitment because I know that we need to know more about the program before we change it.

The purpose of the program is industrial development and job creation. Creating artifical distinctions now on the basis of the size of the user may very well sacrifice development and new jobs that we can ill afford to lose.

In the 20-year period ending in 1970, almost 78,000 new jobs were created in Tennessee as a result of IDB financing totaling $439 million. Speaking as one whose State has had this kind of success with the program—Tennessee development authorities in 1980 alone issued $274 million worth of IDB's—I am not eager to do anything that would jeopardize this valuable development tool.

Mr. WEICKER. Mr. President, I am very pleased to be a cosponsor of the amendment offered by the chairman of the Finance Committee, Senator DOLE. I believe the amendment represents a practical and reasonable solution to the problem created by the Internal Revenue Service when it issued Revenue Ruling 81–216 on August 24, which paralyzed the small-issue, composite industrial development bond (IDB) program in most States.

The amendment is the product of literally weeks of negotiations to develop an appropriate Senate response to Revenue Ruling 81–216, and makes some modifications in the amendment adopted in committee as part of the continuing resolution.

The amendment we are offering today would apply solely to composite, or "umbrella" bond programs and would have the effect of reversing the IRS action for companies whose capital expenditures are less than $25 million. In other words, qualified companies could continue to participate in umbrella bond issues and economic development authorities could revert to their prior practice of packaging or pooling small issue IDB's into multiple lots. In short, Mr. President, by adoption of this amendment, we are returning to the status quo of pre-August 24, 1981 for qualified companies.

I am gratified that my original bill, S. 1635, introduced on September 17, is the genesis of the amendment before us today. I introduced that bill in an effort to suspend IRS enforcement of Revenue Ruling 81–216 because I felt it came at the worst possible time for small business and for local economic development. Interest rates were at record high levels—and are still astronomical, particularly for small business; and conventional economic development aid was being cut to the bone. The last remaining opportunity for reasonable cost financing for small business, and for promoting local economic development, the tax-exempt industrial development bond, would be destroyed if IRS had its way.

True, there have been some abuses in the IDB program. But these were concentrated in large part in the so-called "stand alone" program, not the umbrella bond program. Of course, some of the participants in the composite program were not small businesses in some States, but IRS does not have the legal authority to prevent their participation. Instead, IRS essentially killed the whole small issue umbrella bond program with Revenue Ruling 81–216. They used a shotgun when a scalpel would have been better. To get at a few alleged abuses, IRS went after all small issue umbrella bond programs.

In Connecticut for example, where all umbrella bond repayments are guaranteed by the appropriate jurisdiction and where small business is nearly the exclusive user—acknowledged to be one of the finest such programs in the United States—the umbrella bond program ground to a complete halt. Small businesses that had commitments in the pipeline were denied IDB's and the entire State economic development program was threatened with extinction.

I introduced S. 1635 because I could not believe the Senate would sit back and permit the IRS to throw the baby out with the bathwater by sweeping away the entire small issue IDB program with a stroke of the pen. Senate enactment of our amendment sustains my original position and tells the IRS in no uncertain terms that they were wrong; that they went beyond their authority; and that Congress wants the tax-exempt umbrella bond program to go forward for the qualified companies even where bonds are pooled into a multiple lot that may exceed $1 million.

Mr. President, this amendment is not a perfect solution to the revenue ruling program. If I had my druthers, we would simply reverse the ruling by legislative

veto. But I understand the concerns of my good friend from Kansas and want to have the participation of the Finance Committee in the solution we work out. I think we have that unanimity in this amendment and I only hope IRS will heed our intent and permit the issuance of multiple lot IDB's upon enactment.

In this regard, Mr. President, I know there is some concern among bond counsels that subsequent legislation could jeopardize the tax-exempt status of bonds issued under the provisions of this amendment. I wish to make it clear that it is my understanding that any subsequent substantive legislation will not have a retroactivity provision.

Furthermore, I wish to reemphasize that this amendment applies only to the umbrella or composite bond program. While I share the desire to rid the IDB program of any abuses, the amendment was precipitated by Revenue Ruling 81–216. Nothing contained in this amendment, therefore, should be construed to represent a precedent for any subsequent IDB program reform legislation. I hope we will have such legislation and intend to continue working closely with the Finance Committee to develop the appropriate language. But I wish to make it clear that I do not feel bound to extend any provision of this amendment to that bill.

Mr. President, the small issue industrial development program has been a very productive program. In Connecticut, the umbrella bond program has been responsible for making loans totaling more than $195 million to growing small businesses since 1973. Those bonds went to over 518 companies and created 9,400 new jobs. In addition, they allowed another 19,500 jobs to be retained. Needless to say, this program has been very important to Connecticut's economy and has been an enormous source of Federal tax revenues.

In summary, Mr. President, Revenue Ruling 81–216 has been counterproductive as it applies to State run umbrella bond programs. Adoption of this amendment will put the Senate firmly on record that the pooling of these small issue development bonds for qualified companies should go forward. I urge my colleagues to support this amendment.

Mr. DOLE. Mr. President, will the Senator from Oregon yield for a moment?

Mr. HATFIELD. Yes.

Mr. DOLE. Mr. President, as the principal author of the amendment now being considered, I would like to clarify one detail of the amendment. Under the amendment as it has been worked out with the Senator from Ohio (Mr. METZENBAUM) and others, "massage parlors" are made ineligible for IDB financing. This Senator wants to make it clear that the term "massage parlor" does not encompass every facility in which a massage is given. Real massages are given in Elizabeth Arden facilities, at YMCA's, and in legitimate sports clubs. We do not aim to disqualify such facilities from using IDB financing provided they otherwise meet the tests provided in this legislation and under existing law. We only seek to disqualify facilities the principal activity of which purports to be the giving of massages.

Mr. President, these are legitimate massage parlors as opposed to others that Senator METZENBAUM had in mind.

Mr. ROTH. Mr. President, will the Senator add my name as a cosponsor?

Mr. DOLE. I ask unanimous consent that that be done, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 701) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move adoption of the excepted committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The excepted committee amendment, page 21, lines 9 through 22, was agreed to.

The excepted committee amendment is as follows:

SEC. 112. (a) None of the funds appropriated by this joint resolution may be used to—

(1) enforce Revenue Ruling 81–216 or the proposed amendments to Income Tax Regulations sections 1.103–7 and 1.103–10 which were published in the Federal Register on October 8, 1981, or

(2) propose, promulgate, or enforce any ruling or regulation reaching the same result as, or a result similar to, such revenue ruling or regulations.

(b) It is the sense of the Senate that after August 23, 1981, the Secretary of the Treasury or his delegate should in all cases enforce any ruling or regulation described in subsection (a) (1) or (2) in a manner consistent with the provisions of subsection (a).

Mr. HATFIELD. I move to reconsider the vote, Mr. President.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, we are down to the last two amendments. I no longer have to set aside the committee technical amendment. I yield at this time to the distinguished Senator from Kentucky (Mr. HUDDLESTON) for the purpose of offering an amendment.

UP AMENDMENT NO. 702

(Purpose: To decrease the appropriation for bilingual education.)

Mr. HUDDLESTON. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kentucky (Mr. HUDDLESTON) proposes an unprinted amendment numbered 702.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following new section:

Sec. . Notwithstanding any other provision of this joint resolution, the dollar amount of funds made available under this joint resolution which would otherwise be made available under H.R. 4560, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1982, as reported to the Senate on November 9, 1981 (contained in such reported bill on page 48, line 13), shall be $126,553,000.

Mr. HUDDLESTON. Mr. President, this amendment will reduce funding for bilingual education from the committee's recommendation of $143,810,000 to the President's requested level of $126,553,000. This funding level represents a 12-percent decrease in funding for bilingual education which the President asked for in late September.

Mr. President, we are all aware that most education programs have had funding reductions this year. The basic State grant program for education of the handicapped is funded at $69 million below the reconciliation level. The State grant program for vocational rehabilitation is funded at $44.8 million below reconciliation. Adult education is $10 million below reconciliation. Pell grants are $276 million below the reconciliation level.

However, bilingual education is not experiencing any reduction from the amount authorized in reconciliation. Full funding has been provided for bilingual education and I strongly believe this is not justified. The effectiveness of bilingual education is questioned year after year. I am deeply concerned about the direction that this program is taking and believe that in a time of fiscal uncertainty, we cannot provide full funding for this program while other more important education programs have funding levels well below those authorized in reconciliation.

The Department of Education recently completed a report, which has yet to be officially released, which shows that bilingual education programs are not working. This report examined over 300 documents concerning bilingual education which makes it the most comprehensive review that has been done on the program to date. The report concluded that the case for the effectiveness of transitional bilingual education is so weak that exclusive reliance on this instruction method is clearly not justified. Too little is known about the problems of educating language minority students for the Federal Government to prescribe a specific remedy for helping them.

The report also noted that there is no justification for assuming that it is necessary to teach nonlanguage subjects in the child's native tongue for the student to make satisfactory progress in school. It pointed out that immersion programs, which involve structured curriculums in English for both language and nonlanguage subject areas, show promising re-

sults and should be given more attention in program development.

This report shows that there are major problems with the bilingual education program and hence little justification for the Federal Government to continue to pour money into the program when other areas of education are suffering.

Congress passed the Bilingual Education Act as a means of providing transitional English language instruction for students whose main language was not English. The idea was to get these students to learn English as quickly as possible so they could be placed in the regular classroom environment. Yet, this is not happening.

The Bilingual Education Act requires an individual evaluation of a child who has remained in the program for 2 years so that the need for continued services can be established. However, even officials of the Department of Education admit that there is no enforcement of this provision. There is nothing to encourage the directors of bilingual programs to see that students learn English as quickly as possible. As a result, students can remain in the program indefinitely, which is clearly contrary to the intent of Congress.

The recent Department of Education report notes that intensive English programs are showing promising results and should be given more consideration in developing programs for limited-English speaking students. These programs provide an effective means of directing the bilingual education program back to its original goal of providing transitional instruction to help assimilate students into the regular classroom environment.

The results of this report support similar findings that came from a national evaluation of bilingual education that was completed in 1977 by the American Institutes for Research (AIR). In this study, it was found that students in bilingual education programs were doing no better at learning English or any other subject than non-English speaking students who had been placed in regular classes. A large number of the project directors who were interviewed for this study indicated that even after students were able to function in English, they remained in bilingual programs.

The case for bilingual education has not been proven. Admittedly, few studies have been done on which method of instruction is best for teaching language-minority students English. However, of the studies that are available, it is clear that bilingual programs are no better, and in some cases even worse, than programs which teach students English as quickly as possible. Thus, it is difficult to justify full funding when other education programs have experienced large reductions.

Finally, we must remember that this country was built on the foundation of a number of different immigrant groups who merged together to form one unique society. We were only able to do this by having the immigrants learn the language that binds us together—English. By learning this common language, they were able to be quickly assimilated into society. That was the goal of the bilingual education program when it first started—to teach students English so that they could become a part of our unique society. Unfortunately, we find that this goal has been lost. Consequently, I do not believe we can continue to promote a program whose focus has gone beyond congressional intent. The funding reduction I am proposing conforms with the President's request to reduce funding an additional 12 percent. I urge the adoption of this amendment.

Mr. President, I think it is clear that this is a program that has proven not to be working. It is simply asking that the funding be reduced to the level that the President has requested.

Mr. SCHMITT. Mr. President, I am sorry that the Senator from Kentucky has chosen to offer an amendment that would further decrease the level of funding for bilingual education, which was already decreased by $17.5 million from the fiscal year 1981 level. The committee justified this on the basis of two other actions. One is that we have begun to weight this funding more toward increasing the supply of teachers who can work toward English proficiency in the elementary grades, where the greatest difficulty of bilingual education exists, where, in my experience, and I am sure in the experience of Senator DOMENICI, as we grew up in New Mexico, we saw more and more of our non-English proficient friends in kindergarten and elementary school fall farther and farther behind because they were never given the opportunity to learn English to the point where they could compete directly with others.

In addition, at Senator HUDDLESTON'S request and with my own personal efforts to strengthen along the lines he has suggested, the committee has included strong report language as follows:

The Committee places a high priority on programs which enable language minority students to learn English and be assimilated as quickly as possible into the regular classroom environment. The Committee directs the Secretary of Education to give preference to funding bilingual education programs in school districts which include an intensive English course in their program of instruction.

Mr. President, even though we have moved that far to accommodate the Senator and to make realistic adjustments in this program—downward adjustments—the Senator now asks for an additional $17 million to be cut from the program.

The amendment, to that degree, would eliminate services to at least 132 local school districts, and potentially as many as 77,000 young children would not be served.

Mr. President, the success of bilingual programs can be directly attributed to the supply of teachers in the field, as I indicated, and we are weighting our emphasis toward that problem. The Senate level in this area of $32 million is the same as the A–1 level for training. Further reductions proposed would defeat the purposes of the program.

I hope the Senator from Kentucky will accept the efforts to date of the committee, to improve the emphasis of the program, to emphasize English proficiency, and recognize that the reports from which he has quoted no longer have any high degree of credibility within the Department of Education or within the education or within the educational community. They are out of date.

We are looking forward to a continued evaluation of this program and hope that the efforts of the committee over the last 2 or 3 years to improve the emphasis on English proficiency, to improve the overall efficiency and quality of the bilingual program, will become obvious in the very near future.

So, Mr. President, I hope the Senate will not agree to this cut. It is not necessary. In fact, it is only on top of reductions that already have been made in this program, as in most other programs under this bill.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 702) was rejected.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 703

Mr. HATFIELD. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment numbered 703.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, strike out lines 24 and 25 and insert in lieu thereof: "for in the conference report and joint explanatory statement of the committee of conference (H. Rept. 97–345) filed in the House of Representatives on November 19, 1981, as if such Act had been enacted into law."

Mr. HATFIELD. Mr. President, this is simply a technical amendment to adjust the reference figure for the energy and water appropriation bill in the continuing resolution to the conference figure, because a conference has been held subsequent to the passage of the bill by the Senate and in the present language, which is the bill as passed by the Senate. So I move the adoption of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 703) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ANNOUNCEMENT OF POSITION ON UP AMENDMENT NO. 677

Mr. BRADLEY. Mr. President, I was unavoidably absent on the Hatfield motion to table the Sasser amendment. If I

were present, I would have voted no and I ask to be recorded accordingly.

PROGRAM LEVELS FOR WIC AND CSFP

Mr. EAGLETON. Mr. President, I am pleased that the joint resolution includes an amendment I offered in committee to protect the special supplemental food program for women, infants, and children (WIC) and the commodity supplemental food program (CSFP) from reductions in participation.

The first continuing resolution required that current participation levels in these programs be maintained. The Department of Agriculture took nearly a month to allocate WIC funds to States under the continuing resolution, and the program continued to operate during this period only because States had unspent fiscal year 1981 funds available. Now, these unspent funds are virtually all gone, and many States have no funds to continue operating beyond November 20. If the Department again takes several weeks to allocate funds, many WIC programs will close their doors in the interim, and hundreds of thousands of pregnant women, infants, and children may be denied WIC prescription foods for several weeks when these foods are needed.

The resolution, therefore, provides that all funds appropriated for these programs in the first quarter of fiscal year 1982 must be allocated to States immediately upon enactment of this joint resolution. Normally, the Secretary would have to wait up to 30 days until OMB apportions these moneys, before payments could be made to the States. However, because such a delay would cause chaos in the States, we have waived the provisions of section 665(d)(2) of title 31 United States Code and have directed the Secretary to allocate all first quarter funds immediately—which means within a few days and not a few weeks, so that States have their full first quarter allocation in hand before December 1 when they begin issuing December benefits.

As the Senate report and floor action on the Agriculture, Rural Development, and Related Agencies Appropriations Act makes clear, the first quarter WIC allocation is one-quarter of the $942 million WIC appropriation—or about $235 million—minus the $85 million to $90 million in funds distributed under the first continuing resolution. This means that the remaining first quarter WIC allocation is about $145 million to $150 million, and this amount must be fully allocated to States immediately upon enactment.

The joint resolution also contains a provision to insure that irreparable harm does not result to WIC and CSFP participants in the event that the administration submits a special message deferring or rescinding any part of the funds made available under this joint resolution. When a deferral is submitted, the Executive may normally operate a program at the reduced level that is being sought. While the situation regarding a rescission is less clear, it is likely that the administration would similarly seek to operate programs at the lower level while any rescission request is pending.

If this occurs in the WIC or CSFP programs, however, incalculable harm will result. WIC and CSFP are two of the only Federal programs in which benefits are provided on a monthly basis to eligible participants—but in which the program is funded as a discretionary program rather than as an entitlement. As a result, a deferral or rescission would lead to hundreds of thousands of women, infants, and children being thrown off these programs for several months even if Congress ultimately disapprove the rescission or deferral.

The Congress has made clear on many occasions this year that it will not agree to a reduction in the WIC program. It would be tragic if as many as two-thirds of a million persons at nutritional risk were terminated from this program due to a deferral or rescission request, only to have such a request rejected.

The resolution insures that this will not occur. It requires that while a deferral or rescission regarding the WIC or CSFP program is pending, funds may not be impounded or otherwise withheld from obligation to the extent that any such withholding of funds would cause participation to fall below September 1981 levels. To that extent it requires the obligation and outlay of this budget authority within the meaning of the terms of section 1400(4) of title 31 United States Code. The resolution guarantees and requires that all States at least maintain September 1981 participation levels during the time any deferral or rescission is pending. Any reduction of caseload below the September 1981 levels in any State—or any action by the Secretary to fail to provide any State sufficient funds to maintain September 1981 caseloads—would be a clear violation of the joint resolution.

The resolution also stipulates that the Secretary may not seek to spend at a lower rate during a deferral or rescission by reducing food packages provided to participants. The resolution calls for maintaining benefit levels during the time a deferral or rescission is pending, by which we mean that the WIC food packages must be maintained. This is also consistent with the provisions of section 17(c) of the Child Nutrition Act which prohibits the Secretary from ratably reducing the amount of foods that may be provided under the WIC program.

The Secretary makes projections on the amounts that the WIC and CSFP food packages will cost in fiscal year 1982, and the Secretary would be required to use these projections in determining minimum funding needs necessary to maintain September participation during the time any rescission or deferral is pending.

These provisions of the continuing resolution are fully consistent with the Impoundment Control Act (ICA). Section 1001 of the ICA (31 U.S.C. 1400(4)) provides that nothing contained in the ICA or amendments made by the act supercede any provision of law "which requires the obligation of budget authority or the making of outlays thereunder." Essentially, the ICA provides that the Congress can enact legislation which requires the expenditure of moneys and thereby exempt all or part of those moneys from a rescission or deferral. This is what we have done in this continuing resolution.

In addition, nothing in the continuing resolution would preclude the administration from requesting a rescission to its September budget level. If approved, the rescission would take effect. The language of the continuing resolution is carefully limited to the time period during which a rescission is pending and action by Congress on a rescission request has not been completed. The continuing resolution language would, in effect, rule out deferrals below the funding levels needed to maintain the September 1981 caseload.

Despite this, I would hope that the administration would not seek any deferral or rescission of these important programs, and would faithfully carry out the provisions of this resolution that fund these programs. The resolution incorporates the conference agreement on the agricultural, rural development, and related agencies appropriations bill, which provides $942 million in fiscal year 1982 funds for the WIC program, and requires that these funds be combined with unspent funds from fiscal year 1981 and be fully utilized. The conference agreement requires overall average fiscal year 1982 WIC participation to be brought as close as possible to the historic 2.2 million participation level. This means that the Secretary must immediately bring participation back to the 2.2 million level in as expeditious manner as possible, recognizing this is likely to take a few months, and then maintain participation at the 2.2 million level for the duration of the fiscal year. There are clearly sufficient funds provided for this to be accomplished. This will bring overall average fiscal year 1982 participation close to the 2.2 million benchmark, as the conference agreement directs.

The Secretary must also fully utilize all available resources for the commodity supplemental food program, and serve the maximum number of participants consistent with available resources.

MEDICALLY UNDERSERVED AREAS

Mr. CRANSTON. Mr. President, for myself and the distinguished Senator from Massachusetts (Mr. KENNEDY), I would like to ask the able Senator from Missouri (Mr. EAGLETON), as a member of the Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, certain questions regarding language in Senate Report 97–268, accompanying H.R. 4560, the Labor, Health and Human Services, Education, and Related Agencies appropriations bill for fiscal year 1982. That bill as reported is, in part, incorporated by reference in the continuing resolution. The report, on page 31, states:

> The Committee directs that there be no change in the criteria or the application of such criteria for designating medically underserved areas consistent with the criteria in section 905 of the Omnibus Budget Reconciliation Act of 1981. This does not preclude the use of up-to-date census data.

We would like to clarify briefly the intent of the language in the committee report with the Senator from Missouri, who was the proponent of this language in the committee. Our first question is

whether the report language is intended to preclude changes in the weighting of the values used in computing the index of medical underservice (IMU) that is used to identify MUA's.

Mr. EAGLETON. Mr. President, the language is not intended to have that effect. What is intended is that the existing criteria be retained, including the four criteria used in computing the IMU—the infant mortality rate, the primary care physician per population ratio, the percentage of population aged 65 or over, and the percentage of population with family income below the poverty line—and other present criteria not reflected in the IMU scoring. However, there is no intention to preclude changes in the weights used in computing the IMU, such as the weighting changes that the Department of Health and Human Services has proposed in connection with its October 14, 1981, notice in the Federal Register, on page 50677. In that notice, the Department stated that it was adjusting the weights for two of the IMU criteria for which new data had become available—infant mortality and primary care physician per population—and that its purpose in making the adjustment was so that the values for these criteria in computing the IMU "would remain stable notwithstanding the changes in national data regarding" those criteria.

Mr. CRANSTON. Mr. President, our next question relates to what the direction not to change "the application of such criteria" was intended to preclude.

Mr. EAGLETON. Mr. President, as the distinguished Senators from California and Massachusetts are aware, the Department, in the October 14 Federal Register notice and a followup October 28 notice, on pages 53320 through 53359 of the Federal Register, has proposed the dedesignation of a vast number of MUA's based on the use of countywide data in cases in which the designation was originally based on subcounty data. We consider such a change in the application of the criteria to be unfair to the community health centers (CHC's) concerned. Thus, the direction not to make any changes in the application of the criteria is intended to require the Department, in considering the possible dedesignation of an MUA, to use subcounty data corresponding specifically to the data on which the designation was originally based for the geographic area or population group concerned.

In this connection, I would note that the report language specifically exempts the use of up-to-date census data from the preclusion. This is because census data, which is used for the subpoverty population and the population over age 65, is readily available on a subcounty basis and thus poses no problem in terms of its application to the criteria. We expect the relevant 1980 census data to become available in the spring or summer of 1982.

Mr. KENNEDY. Mr. President, I thank my good friend, the Senator from Missouri, for making these important clarifications. As ranking minority member of the Labor and Human Resources Committee and a reconciliation conferee for consideration of the provision that was enacted as section 905 of the Omnibus Budget Reconciliation Act of 1981, I would note that, in my view, implementation of the report language in accordance with the clarifications that the Senator has provided would be fully consistent with the criteria in section 905 of the reconciliation measure.

Mr. EAGLETON. Mr. President, I am very pleased that the distinguished Senator from Massachusetts agrees with me that implementation of the report language in the manner I have described would be consistent with that provision of the Omnibus Budget Reconciliation Act of 1981.

Mr. CRANSTON. I thank both Senators for the clarification and assurances that they have provided. Both of them have a long history of constructive, effective work in helping to insure that medical care is available to those members of our society who would otherwise lack access to it. Their efforts here today are further evidence of their dedication to that goal.

Mr. BRADLEY. Mr. President, I wish to state to Senator SCHMITT, when I learned that the Senate Appropriations Committee provided no funding for the State student incentive grant program for fiscal year 1982, it was my intention to offer an amendment to provide funds to continue the program. I now understand that, under House Joint Resolution 357, the continuing resolution which is before us, the $76.7 million level recommended in the House-passed Labor, Health, and Human Services, and Education Appropriations Act is the level at which the SSIG program will be continued. I refer to the provision on page 3, lines 8 through 16 of House Joint Resolution 357 as amended by the Senate Appropriations Committee.

Mr. SCHMITT. Mr. President, the Senator from New Jersey is correct. While the full committee has agreed to eliminate funding for the program in fiscal year 1982, a program cannot be eliminated through a continuing resolution when only one House has deleted funding for it. So, according to the provision to which he referred, since the SSIG program is included only in the House version of the Labor, Health, and Human Services, and Education appropriations bill, SSIG would be continued at the lower of the appropriation recommended by the House or the current rate. Since both of these levels are $76.7 million, with passage and signing of Senate Joint Resolution 357, SSIG would be funded at $76.7 million in fiscal year 1982, pending final action on the regular bill.

Mr. BRADLEY. Mr. President, I appreciate this clarification by the Senator from New Mexico.

BUSINESS ENERGY TAX CREDITS

Mr. WALLOP. Mr. President, I would like to rise at this time in support of section 113 of the continuing resolution concerning the energy tax credits which was added at the request of the distinguished Senator from Arizona, Mr. DECONCINI. While I have some concerns about the exact wording of that section I joined with the Senator from Rhode Island (Mr. CHAFEE) in the introduction of Senate Resolution 232, on which this section 113 is based, and I strongly support its intent.

I have long been interested in the subject of tax incentives to encourage energy conservation. In fact, on September 25, 1979, during the last Congress, I introduced my first bill in this area. That legislation was followed toward the end of that Congress by a revised bill, S. 3006. That legislation was the subject of hearings before the Senate Committee on Finance last year and was the predecessor to S. 750, which was the subject of hearings earlier this fall and is presently pending before the Finance Committee.

To say that those most recent hearings evidenced strong support for the concepts embodied in S. 750 would be a distinct understatement. Nine separate panels of witnesses all testified strongly in support of the continuation and improvement of the existing scheme of energy tax credits. While the Treasury Department was not able to support the legislation at that time, they did adopt a position of neutrality on my proposal and agreed to continue to work with us to fine tune it. That process is now underway and we hope to have legislation which the administration can support ready for introduction early next year.

It is important to note that what we are talking about now are investment decisions. Industrial efficiency investments are in direct competition for the capital expenditures of any industrial entity. S. 750 is designed to provide a limited priority to those investments which will either save energy or result in the production or use of energy other than oil and gas. Industrial energy conservation, together with the use of alternative energy sources, is of interest and concern to the entire Nation. That message is made quite clear by looking at the strong list of cosponsors of S. 750, including the distinguished Senator from Rhode Island (Mr. CHAFEE) and the distinguished Senator from Arizona (Mr. DECONCINI). These cosponsors, who now number in excess of 15, come from both sides of the aisle. Further, they are representatives from energy-producing States, as well as from energy-consuming States. It reflects a kind of philosophical unanimity which is of obvious benefit to the country.

As my colleagues in the Senate are well aware, during the debate on the President's tax bill the distinguished Senator from Massachusetts (Mr. KENNEDY), offered an amendment which contained the essence of my legislation. While I was unable to support Senator KENNEDY'S efforts at that time, I assured him it was not because of the merits of the issue, but rather that I felt it was an inappropriate time for the Senate to consider this matter. At that time I assured him, with the support of both the distinguished chairman of the Finance Committee (Mr. DOLE) and the distinguished majority leader (Mr. BAKER), that the Senate Finance Committee would move expeditiously to consider my legislation and other energy tax credit legislation pending before it.

We have done that as evidenced by hearings which I chaired in the Energy and Agricultural Taxation Subcommittee on two bills—my bill, S. 750, and S. 1288, a bill to provide tax credits for the commercial sector, introduced by Senator DURENBERGER. I would like to advise the full Senate at this time that it is my firm intention to move early next year to urge the Finance Committee to consider this or similar legislation. The energy credits for industrial energy conservation and alternative energy production are generally scheduled to expire at the end of 1982. Thus I feel it critical that we begin to send the signal that they will be renewed in some form as early as possible in the next session of this Congress.

I see the distinguished chairman of the Finance Committee (Mr. DOLE) is on the floor and I wonder if I might have his attention. He and I have discussed the issue of energy tax incentives at various times and I appreciate the support he has given me as we have attempted to develop a consensus within the committee on the future for these incentives. As he knows, I am very concerned about the industrial conservation and alternative energy production tax credits which are generally scheduled to expire at the end of 1982. As he also knows, I am anxious to have the Finance Committee consider those credits and, in particular, legislation on which I recently held hearings, S. 750, and I wonder if he might give us some guidance as to his plans for the Senate Finance Committee.

Mr. DOLE. Yes, I would. First let me express to the Senate my sincere appreciation of the fine work that Senator WALLOP has done this year as chairman of our Subcommittee on Energy and Agricultural Taxation. This is one of the most difficult jurisdictional areas within the Finance Committee's purview and I think Senator WALLOP has demonstrated outstanding leadership in the way in which he has handled his responsibilities to date.

Mr. WALLOP. I thank my distinguished chairman very much.

Mr. DOLE. As I have indicated previously to the distinguished Senator from Wyoming (Mr. WALLOP). I, like he, believe that the Finance Committee must try to address the issue of these expiring energy tax credits early in the next session of Congress. I suspect that we will have a variety of very significant tax issues presented to us in the next session and it is my view that consideration of the energy tax credit issues ought to proceed, together with our consideration of those other issues. I think the distinguished Senator from Wyoming (Mr. WALLOP) has done a fine job in preparing the background and laying the foundation for consideration of his legislation and I look forward to working with him next year when the full Senate Finance Committee begins its consideration of his proposals. I should caution, however, that we may very well face the task of raising a substantial amount of additional Federal revenue next year and any extension of energy credits will have to be consistent with our overall fiscal objectives.

Mr. WALLOP. I certainly agree with my distinguished chairman that any extension or restructuring of these credits must fit within responsible budget limitations. I thank the Senator from Kansas (Mr. DOLE) for his support and look forward to working with him next year on legislation to make the energy credits more effective to achieve their originally intended goals.

As I mentioned earlier, while I support section 113 of the continuing resolution, I do have some questions about its effect. If I might have the attention of my distinguished colleagues the Senator from Rhode Island (Mr. CHAFEE), the Senator from Oregon (Mr. HATFIELD), and the Senator from Arizona (Mr. DECONCINI), I would like to ask two questions.

First, I am concerned that this section of the continuing resolution may be viewed as being somewhat inflexible in its application and may restrict the Finance Committee's ability to do certain things. For example, while I have always strongly supported the concept of energy conservation and alternative energy production tax credits, it is my feeling that some of the credits are not working as intended. In other words, the essence of my proposal, S. 750, is not only to extend the credits but to improve their effectiveness. To that end, that legislation along with other proposals which I currently have under consideration, would make several improvements to the existing structure of the energy tax credits. My specific question, then, is first, is it the intent of this section as well as the original resolution to not only prevent premature termination of the existing tax credits, but also to encourage the Finance Committee to consider selective extensions of the effective period for these credits, for example, some of those which are presently scheduled to expire in 1982?

Second, is it the further intention of the authors of this provision and the original resolution that the Finance Committee will have the flexibility to make improvements within the structure of the credits and not be encouraged merely to continue the credits or extend them in their current form if, indeed, it is the feeling of the Finance Committee that the current form of the credits needs improvement?

Mr. CHAFEE. First, let me thank the distinguished Senator from Wyoming (Mr. WALLOP) for the interest he has shown in this area and his continued leadership on the issue of energy tax incentives.

In response to your specific questions, it is clearly my view that the intent of the original resolution is to express the sense of the Senate in support of the existing incentives, and it is also my understanding that the language of the continuing resolution reflects that same intent. It is entirely consistent in my view for the Finance Committee to begin to examine these credits next year and to consider extending some of the credits and making them more effective. I do not feel that this resolution in anyway hampers your proposed approach to these credits. In fact, I believe it indicates to the Senate Finance Committee the strong support that exists within the Senate for the concept of these credits and that recommended improvements are certainly welcome.

Mr. DECONCINI. I agree with the interpretation of the Senator from Rhode Island. It is certainly not my intent to eliminate or even interfere with the proper role of the Finance Committee. I do find it important, however, that this body express clearly at this time its support for the continuation of those Federal tax incentives for energy conservation and the development of renewable energy sources which we have provided for in sections 38, 44C, and 44D, and other appropriate sections of the Internal Revenue Code of 1954. I deeply appreciate the support given by the Appropriations Committee and I thank the distinguished chairman for his patience. I would also like to commend my distinguished colleagues, Senator CHAFEE and Senator MATSUNAGA, for their leadership in gaining such broad bipartisan support for the resolution. I believe there were 64 cosponsors at last count.

Mr. HATFIELD. That is also my understanding of that language in the continuing resolution.

Mr. WALLOP. I appreciate very much the response of the Senators and I would like to congratulate the Senator from Arizona (Mr. DECONCINI) on his most timely and effective work in the Appropriations Committee in urging this language be included in the continuing resolution, and also recognize the outstanding work of the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Hawaii (Mr. MATSUNAGA). Let me indicate to you that that was my interpretation of the original resolution and why I strongly support section 113 of the continuing resolution. These credits should be examined and I look forward to working in the Finance Committee with the distinguished Senator from Rhode Island (Mr. CHAFEE) in that effort. He has always been an extremely effective member of the Finance Committee whose views are widely listened to by the members of that committee and of the Senate as a whole and it would be of great help to me to be able to count on his assistance in bringing that legislation forward.

Mr. CHAFEE. I thank the Senator from Wyoming (Mr. WALLOP) for his kind remarks and I assure him that as I have taken a strong interest in the resolution here before us I likewise will be anxious to participate in the Finance Committee deliberations on the Senator's bill and on other issues relating in general to the existing structure of energy conservation and alternative energy production tax incentives.

Mr. WALLOP. I look forward to the Senator's assistance. Of particular interest to me, as the Senator knows, are the two areas of industrial energy conservation and alternative energy production development. On the energy conservation side I have been working for some time now on a proposal which would allow industry more flexibility in making investments that would qualify for these tax incentives. The current industrial energy

conservation incentives are quite restrictive and in my view where they work, they work somewhat by accident. That is not to say, as I have stressed many times, that they should be eliminated. Rather, it says to me that rather than merely extending them, because I think the concept is good, we ought to look at how to make them more effective. My legislation would improve upon the list approach of current law by providing a new category of investment which would require the taxpayer only to show that his investment had resulted in a saving of so much energy per unit of output. Further, the legislation contains provisions designed to assure that those investments which are so cost effective that they ought to go forward on their own will only receive a reduced credit. Likewise, the legislation would only grant a reduced credit to those investments which are so expensive that they are not sufficiently cost effective that they ought to receive the same level of tax encouragement.

I believe this approach is workable. The vast majority of the witnesses that appeared before my subcommittee last month likewise so believe and I am anxious that the Finance Committee now should get on with the process of consideration of my legislation.

The second area of deep concern to me has been the development of effective incentives for alternative energy development. S. 750, in its current form, contains incentives for the conversion of industrial facilities from the use of oil and gas to coal, and for the production of alternative fuels. We heard considerable testimony at our hearings that other areas of alternative energy development likewise need to be addressed in the development of effective incentives. For example, the current tax incentives, as they have been administered by the Internal Revenue Service, has discriminated against the development of our extensive oil shale and tar sand resources. I am considering legislation to address that imbalance. Further, the application of these credits to synthetic fuel facilities is an area that needs further consideration to provide an effective tax credit incentive as a complement to the commitment we made when the Senate approved the Synthetic Fuels Corporation to assist a limited number of commercial-sized synthetic fuel facilities.

I notice that the distinguished majority leader (Mr. BAKER) is currently on the floor. He and I have discussed this previously and are currently working on legislation in this area. My concern in the synthetic fuels area is that we carry through on the commitment that we made in the last Congress to encourage at least the beginning phases of the development of this potentially important industry. I believe this is still an important goal and that we cannot afford to move away from it merely because of changing perceptions of the need for such a program due to temporary surpluses of oil in the worldwide markets. There are several things we need to do with the existing credits to perfect their application to the synthetic fuels industry. This must be done early next year to make possible the development of these facilities and to carry forward our commitment to those investors who have placed at risk millions of dollars of their own capital on the expectation of a continued program of effective tax incentives to encourage the development of this fledgling industry. In my view three things need to be done to carry out that commitment. First, consideration needs to be given to revising the effective date provisions for the energy credit on these facilities so that development of the facilities can count on the credit for investments made after 1982. Second, the language of the credit as it applies to synthetic fuel facilities needs to be clarified to avoid an extremely restrictive interpretation which IRS has taken which has effectively eliminated the credit for a substantial part of the investment in equipment needed to make these facilities operable. Third, because these projects have such a long construction period, revision needs to be made to the recently passed accelerated capital recovery system to allow accelerated depreciation to be claimed during the construction period. The allowance of progress expenditure depreciation was an essential figure of all of the originally proposed capital recovery schemes, but was removed at the last minute from the Economic Recovery Tax Act in order to allow for the leasing rules. Disallowance of progress expenditure depreciation will have a major impact on the economic viability of these high-cost long construction period synthetic fuel facilities. I know the distinguished majority leader shares my concerns and perhaps he might like to comment at this time.

Mr. BAKER. I thank the distinguished Senator from Wyoming (Mr. WALLOP) for his leadership in this area. The Senator from Wyoming is correct in recognizing my interest in synthetic fuels development. As he knows, I am particularly concerned as to the need to make the existing credits an effective investment incentive for synthetic fuel facilities. As the distinguished Senator from Hawaii (Mr. MATSUNAGA) indicated in his remarks upon the introduction of Senate Resolution 232, one of the projects which could be significantly affected by actions in the energy credit area is a synfuel project in my State. Failure to extend the existing tax credits applicable to that project would have a severe impact on the ability to arrange private financing for the facility. Development of some first generation commercial synfuel facilities which tap some of our vast eastern coal resources must be a national priority if we are to attain our goal of energy self-sufficiency. The beauty of the tax credit approach is that it does not require governmental intervention into select projects on a project-by-project basis. Thus, the tax incentives of which we speak would be available to private entrepreneurs willing to make the necessary financial commitments on their own to go ahead with these projects.

I would like to take one more moment, Mr. President, to thank the distinguished Senator from Rhode Island (Mr. CHAFEE) for his interest and leadership on this matter. This section of the pending legislation—section 113—is based on his initiative, Senate Resolution 232. I support the intent of that resolution and appreciate the opportunity to engage in this colloquy to clarify the flexibility intended by its author.

In closing, again let me thank you, Senator WALLOP, for your leadership in this area and express my support to you of your efforts to have these issues considered early next year by the Senate Finance Committee.

Mr. WALLOP. I thank the distinguished majority leader for his comments and look forward to his continuing support in this area.

I would also like to thank my distinguished colleagues for their leadership in this area and indicate my continued support for their efforts.

MENTAL HEALTH BENEFITS FOR FEDERAL EMPLOYEES

Mr. D'AMATO. Mr. President, I introduced an amendment on November 5 to maintain Blue Cross/Blue Shield's mental health benefits for Federal employees at the 1981 level because Blue Cross had reduced the copayment from 80–20 to 70–30 in 1981 with no limit to the visits; and for 1982 they are proposing to reduce the copayment to 50–50, with a limit of 50 visits. There is something wrong with the Federal employees health benefit program when the Director of the Office of Personnel Management can discriminate against one class of patients by arbitrarily telling the insurance carriers to take their cuts out of mental health.

The American Medical Association supports my amendment because they believe that mental health benefits should be equal and comparable to medical benefits. What is equal and comparable? When mental health benefits are counted as a supplemental benefit equally in every way as medical benefits, that is "equal and comparable." For example, if the duration and frequency of visits to treat medical disorders is determined by medical necessity, then the duration and frequency of visits to treat mental and nervous disorders should be similarly treated. Putting an arbitrary limit of 50 visits on the treatment of nervous and mental disorders denies the mental health professional the opportunity to prescribe a correct and optimal amount of treatment, and denies those Federal workers the right to intensive psychotherapy or psychoanalysis, which may necessitate daily visits.

If the copayment for the supplemental is 80–20, then it should be 80–20 to both medical and mental disorders. If the deductible is $100, then it should be $100 for medical and mental. The same lifetime coverages should apply to both medical and mental. This is what I believe "equal and comparable" to mean.

In my correspondence with my colleagues, I have said I realized OPM's economic shortfall; I did not ask for more benefits or more money from the Federal Government. As a Senator from New York, I have received thousands of letters and calls from Federal employees asking me to encourage OPM not to make mental health benefits one of the primary targets of the cuts. I feel the cuts would have been more reasonable had they been made equally.

I understand Senator STEVENS' posi-

tion. As chairman of the Postal and Civil Service Subcommittee, he is concerned that Blue Cross would drop out of the 1982 season leaving over half the Federal employees without that coverage. I also am encouraged that both Senator STEVENS, and the House Civil Service Subcommittee are prepared to revamp the entire Federal employment health benefit program early in 1982.

There is a need to have a governmental comment and review, to have the negotiations open, and to provide a system whereby mental health benefits are offered on the same footing with the supplemental medical benefits. I look forward to participating in the hearings that Senator STEVENS will be holding on this subject. I also believe there is a need for expert testimony in this field to factually correct some of the misconceptions regarding this treatment; certainly, if we were talking about heart disease, we would want testimony from a cardiologist. I would like to suggest that a mental health professional from the State of New York testify in behalf of the American Psychiatric Association and the American Psychoanalytic Association.

I want to commend Senator STEVENS and his staff for the cooperation they have given to me and my staff on working toward a solution to this problem.

Mr. STEVENS. Mr. President, I would like to commend Senator D'AMATO for his willingness to recognize the reality of the situation we face.

It is important we let the 1982 Federal employment health benefit program follow this year's course without further interference. Due to spiralling costs and budget constraints, we need to look seriously at revamping the program. To make any changes at this time, however, could prove disastrous.

I have asked the GAO to start an in-depth study of alternative methods of providing insurance for Federal employees, and I am committed to holding hearings in early 1982 on this subject. At that time, I would be pleased to have the distinguished Senator from New York testify, as well as a New York mental health professional representing the American Psychiatric Association and the American Psychoanalytical Association.

I am prepared to support adequate coverage for mental health benefits. Mental health care should be treated the same as other forms of health care. If reductions in Federal employee health care should become necessary, no form, including the mental health benefit, should be forced to bear a greater share of the reductions.

Mrs. HAWKINS. Mr. President, I am pleased to associate myself with the remarks of my distinguished colleagues from Alaska and New York, Senators STEVENS and D'AMATO, concerting mental health benefits under the Federal employee's health benefits plan. Earlier this year, during the consideration of legislation to establish a mental health, alcoholism, and drug abuse block grant, I fought to insure that Federal funding for mental health would not be discriminated against. I was afraid that the stigma against mental illness and the reluctance of mentally ill individuals to express their need for Federal assistance in this area would result in a loss of funding for this critical area. Fortunately, through the efforts of Senator HATCH and other members of the Senate Labor and Human Resources Committee, we were able to insure an earmarking of funds for mental health programs which would phase out as States absorbed the administration and distribution of funds under this block grant.

It is for these reasons that I supported the proposed D'Amato amendment. And it is for these reasons that I support the efforts of Senator D'AMATO and Senator STEVENS to review the procedures of the Office of Personnel Management that resulted in this reduction in mental health benefits. I am concerned that mental health benefits under the Federal employees health benefits plan is being unfairly discriminated against. The Office of Personnel Management is faced with making reductions in the Federal cost under the FEHB program. I realize that these reductions in health benefits must be made, but I am concerned that a unilateral decision was made by the Office of Personnel Management, notwithstanding clear congressional expressions of concern, that mental health benefits be reduced.

Last April, the chairman of the Senate Labor and Human Resources Committee joined Senators D'AMATO, DOMENICI, and WARNER in a letter to OPM and Blue Cross-Blue Shield urging that "Federal employees coverage for outpatient psychotherapy be restored to the previous level of 20-percent payment by the employee and 80 percent by insurance, and that the $50,000 lifetime limit on treatment for nervous and mental disorders be removed"; the OPM and Blue Cross-Blue Shield have chosen to not only ignore this congressional recommendation, but to further reduce the Federal copayment and impose a visit maximum as well.

Mr. President, I am concerned that the Office of Personnel Management took this unilateral action in defiance of congressional intent, and without considering the effect that this reduction will have on the individuals who are dependent upon these health benefits. Because of the stigma that still exists concerning mental illness, many individuals are reluctant to seek the professional help they need. This action by the Office of Personnel Management seems to reinforce this stigma, by deeming mental health benefits the most expendable.

I support and am grateful for Senator STEVEN's initiative to hold hearings to revamp the entire Federal employees health benefits program. I support his and Senator D'AMATO's efforts to insure that mental health benefits will be provided on an equal and comparable basis to medical benefits.

ENERGY CREDITS

Mr. MITCHELL. Mr. President, I am pleased to note that the continuing resolution contains the basic thrust of Senate Resolution 232. This resolution, which has gained the support of over 60 Senators, expresses the sense of the Senate that the existing tax credits for conservation and renewable energy development should not be eliminated or reduced.

I have addressed the Senate before on my views of the importance of the tax credits and of the need for Senate Resolution 232. I believe that the credits are essential to maintaining a balanced energy policy. With the budget cuts already enacted, the credits are the only conservation and renewable energy sources. Furthermore, the announcement by the President that the administration is considering a proposal to repeal the energy credits has made businesses and individuals reluctant to pursue energy related investments. An affirmative statement by the Senate in support of the credits will encourage them to continue their investment.

One of the tax credits that is protected by the resolution is an 11-percent credit for investments in hydroelectric facilities. This credit is especially important for Maine, because hydroelectric energy is one of our few indigenous energy resources generally available throughout the State.

The National Alliance for Hydroelectric Energy has prepared a paper discussing several issues involved in the effect of the tax credit on hydroelectric energy development. I found the paper very informative and would like to share it with my colleagues.

I ask unanimous consent that it be included in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

ASSESSMENT OF ENERGY TAX CREDITS

ISSUE

The repeal of the Energy Tax Act is contrary to the underlying premise of the program for economic recovery that was enacted this spring.

DISCUSSION

The proposed repeal of the energy tax credit is inconsistent with the administration's program for economic recovery. Earlier this year, the administration asked Congress to reduce or completely eliminate many of the direct spending energy programs that were enacted during recent years. In urging the acceptance of these recommendations, the administration assured Congress that existing tax incentives for energy conservation and alternative energy production would be retained and that they would provide the added incentive needed to stimulate energy development. In the case of the hydropower industry, the administration recommended the complete elimination of DOE's small-scale hydropower program on the ground that the combined 21 percent energy and regular investment tax credit for hydropower projects provides a sufficient incentive for hydropower development:

The administration will propose a 34 percent reduction in energy supply programs in geothermal, energy storage, electric energy systems, energy impact assistance, environmental studies, uranium resource assessments and hydropower as part of the general effort to employ market forces instead of bureaucratically-administered programs to achieve national energy goals. These reductions will:

Terminate subsidies for all additional small hydropower demonstrations since sufficient incentives are already provided through a 21 percent investment tax credit

and through credit programs in the Department of Agriculture.*

Many members of the private sector and many members of Congress supported the President's program because of the administration's assurances that the tax incentives for alternative energy development would be retained. The repeal of the energy tax credit would be a direct repudiation of this basic understanding between the administration and its supporters in Congress and the private sector. It would also undermine the very foundation of the energy program contained in the President's economic recovery program.

ISSUE

The Energy Tax Credit for hydropower projects will not result in revenue loss to the Treasury because the cost of the credit will be more than offset by increased tax revenues to the Treasury.

DISCUSSION

The energy tax credit represents an initial cash outlay by the government to stimulate the development of hydropower projects. However, because of the additional taxes that will be collected on the operating profits of the additional hydropower projects which are developed as a result of the credit, the energy tax credit results in a net revenue gain, not a net revenue loss, to the Treasury. Initial projections by the National Alliance for Hydropower Energy indicate that the total additional tax revenue generated for the Treasury by projects which would not have been built without the credit is at least 1.5 times as great as the total revenue loss attributable to the credit.

ISSUE

If the administration proposes the repeal of the energy tax credit, it will further undermine the confidence of Wall Street and the business community in its economic recovery program.

DISCUSSION

Since it assumed power, the Reagan administration has pursued conflicting policies regarding the energy tax credit. It urged Congress to reduce or completely eliminate many of the direct spending energy programs enacted during the Carter administration, relying on the availability of the energy tax credit to stimulate alternative energy development and energy conservation. At the same time, however, it proposed extremely restrictive "at risk" rules as part of the Economic Recovery Tax Act. If enacted in the form proposed by the administration, these rules would have substantially diminished the impact of the energy and investment tax credits. These proposals sent conflicting signals to the energy industry, and certainly contributed to the business community's lack of confidence in the administration's program.

Congress accepted many of the administration's recommended cuts in direct spending programs, but expressly exempted many energy projects from the proposed at-risk rules. The energy industry had just begun to adjust to the changed climate created by these congressional actions when the administration announced its intention to seek repeal of all of the tax incentives for alternative energy development and energy conservation. This has once again created uncertainty regarding the future of the alternative energy industry. This continuing atmosphere of uncertainty has further aggravated the lack of confidence on the part of industry and Wall Street in the President's economic recovery program, and is reminiscent of the constant changes in policy which were so damaging to national confidence during the Carter administration.

In order to restore confidence in the consistency of the administration's policies and in order to permit the critical development of renewable domestic energy resources, the Treasury Department should pursue policies which are consistent with the prior actions of the administration and Congress, and should not propose the repeal of the energy tax credit.

ISSUE

Other incentives do not provide adequate support for hydropower development.

DISCUSSION

It has been argued that incentives provided in the recent economic recovery tax act are adequate to stimulate hydropower development. However, this is simply not the case. Preliminary studies conducted by the National Alliance For Hydroelectric Energy demonstrate that the replacement of the ADR depreciation system with the ACRS system will only increase the return to hydropower developers by merely 5 percent (see the following table).

RETURN ON EQUITY

With Energy Tax Credit:

	Percent
ADR	21.7
ACRS	22.8

Without Energy Tax Credit:

	Percent
ADR	12.1
ACRS	12.7

While the research and development credit is of some interest in refining hydropower equipment design, established technology is now available off-the-shelf to equip new facilities. Thus, the research and development credit will leave little impact on the growth of installed hydropower capacity.

ISSUE

If the energy tax credit for hydroelectric development is repealed, energy decisions will not be based on the true cost of energy alternatives, and the lack of parity between hydropower and the oil industry will be exaggerated.

DISCUSSION

One argument that has been raised to justify the repeal of the energy tax credit is that without the credit, energy will be priced to reflect its true cost and energy choices will therefore be based solely on the relative cost of various forms of energy. However, this is not the case, since energy choices would still be distorted due to heavy subsidies which remain in place for conventional sources of energy, and particularly for imported petroleum. Oil and gas receive a substantial subsidy as a result of the deduction for intangible drilling and development costs and the availability of percentage depletion.

A particularly substantial subsidy for the use of imported oil is the "DOD surcharge"—the incremental portion of the defense budget necessary to "protect" our heavy dependence on Middle East and other foreign sources of petroleum. It is estimated that a quarter of our defense budget is spent to protect our foreign sources of energy. This is equivalent to $20 per barrel of imported oil, bringing the total cost of imported petroleum to more than $55 per barrel.

The federal government has also provided substantial subsidies to the nuclear industry. These subsidies include funding for research and development and for commercialization. Over the years, billions of dollars have been spent on these subsidies. The subsidies are not reflected in the cost of energy to the consumer, but are instead paid out of general tax revenues.

If the hydropower tax credit is repealed, while substantial subsidies for imported petroleum and other conventional sources of energy remain in effect, market forces will be skewed and will not truly determine energy choices. In fact, Government incentives will actually encourage the use of conventional energy forms over the use of hydropower as an energy source. This result is clearly contrary to both our near term and our long term national interest. The energy tax credit for hydropower is necessary to offset, in part, this imbalance.

ISSUE

The energy tax credit for hydropower projects is necessary to encourage hydropower development.

DISCUSSION

Many energy projects, and particularly hydroelectric projects, entail such high capital costs that they do not ordinarily provide a sufficient rate of return to attract investors. While the availability of the energy tax credit has made these energy projects attractive to a variety of corporate and individual investors, these investors would probably not invest in such projects if the energy tax credit were repealed.

The typical return on equity of the 90th percentile of Fortune 500 corporations in 1980 was 22 percent after taxes. With the energy tax credit, a typical hydropower project offers a return of 22.8 percent after taxes. However, without the energy tax credit, the return on investment of a typical hydropower drops by 44 percent to 12.7 percent. Because this reduced rate of return is actually less than can be realized on many other, more conventional investment, few investors would be interested in hydropower projects if the energy tax credit were repealed.

ISSUE

Constant changes in government policy have created a particularly unfavorable climate for the development of the emerging hydropower industry.

DISCUSSION

Although hydropower is one of the oldest forms of energy production—having supplied 40 percent of U.S. power in 1940—the small-scale hydropower industry is essentially a new industry. Even under normal circumstances, a new industry is uncertain and precarious in its infancy. However, the constant reversals of federal policy and the substantial periods of uncertainty surrounding the regulatory and financial climate for hydropower development have dramatically increased the risks associated with the industry. This administration cannot expect the industry to develop into a flourishing, self-sustaining industry amidst the constantly changing signals from Washington. If the hydropower industry is ever to develop into a stable industry, which is capable of making a substantial contribution to the resolution of the nation's energy crisis, the administration must begin to give it consistent treatment.

ISSUE

The energy tax credit has been an effective incentive.

DISCUSSION

The energy tax credit, in combination with other Federal incentives, has been an extremely effective incentive for hydropower development. This is demonstrated by the substantial rise in the number of preliminary permit applications filed with the Federal Energy Regulatory Commission. In 1976, only two such applications were filed. By the end of 1981, it is expected that more than 1,800 applications will have been filed. These 1,800 applications represent more than 18,000 megawatts of installed capacity. This dramatic increase is in large part due to the stimulative effect of the hydropower credit.

ISSUE

Renewable energy resources can make a significant contribution to the resolution of the nation's energy crisis.

DISCUSSION

Studies show that the total energy potential from hydropower, geothermal energy, wind energy, cogeneration and waste recycling is almost 5 billion barrels of oil equivalent (BOE) per year. The latter is equal to

*The President's Budget Reform Plan, White House, (1981), p. 4–18.

approximately 13 million BOE per day which is about twice our daily oil imports.

The national interest requires the maximum development of these renewable resources in order to minimize our dependence on increasingly insecure foreign energy sources. Energy tax credits can have significant impact in stimulating this development. It would be a serious mistake to withdraw the critical support provided by energy tax credits at this time.

ISSUE

The energy tax credit is particularly important under current economic circumstances to offset the impact of rising interest rates.

DISCUSSION

The energy tax credit is a necessary incentive to promote the development of the hydropower industry. However, it is particularly important in these times of rising interest rates. Interest rates during recent months have been unusually high, and are not expected to decrease substantially in the foreseeable future. The energy tax credit on a typical project which must be financed at 21 percent interest has the same effect as an 8 percent reduction in the interest rate. Even at 13 percent interest, many hydropower projects barely provide a sufficient return on investments to attract investors. Without the benefit of the energy tax credit, these hydropower projects would be completely unjustifiable.

IN SUPPORT OF ENERGY TAX CREDITS

Mr. CHAFEE. Mr. President, I commend the Appropriations Committee for including in the continuing appropriations resolution section 113 which states the following:

It is the sense of the Senate that the President of the United States should not include in his recommendations for revenue enhancements any recommendations which would have the effect of reducing Federal tax incentives for energy conservation or the development of renewable energy sources.

This language, which was brought before the committee by Senator DECONCINI, parallels Senate Resolution 232 which I introduced last month with Senator MATSUNAGA, Senator DECONCINI, and a broad bipartisan coalition of 60 other Senators. In addition, an identical resolution circulated in the House of Representatives has been cosponsored by 260 Members of that body.

Our intent is quite simple and direct. We are sending the administration a clear message that Congress will not accept a reduction or early termination of the conservation and renewable energy tax incentives now in the Internal Revenue Code.

Each year since 1977, these tax credits have helped about 5 million taxpayers, both businesses and individuals, make expensive energy-saving investments. The credits offset from 15 to 40 percent of the cost of purchasing and installing items ranging from insulation and weatherstripping to solar and wind energy systems. They were enacted for a limited period of time, most expiring by the end of 1985, to help Americans help their country achieve the important goal of independence from imported foreign oil.

It is clearly the view of a majority of the Senate and House that the energy tax incentives for conservation and renewable energy supply will remain in place in the Tax Code. Furthermore, Mr. President, we take this opportunity to reassure both the purchasers and manufacturers of energy equipment qualifying for the various tax credits that they may proceed with their investment plans with the certainty that Congress will stand behind these tax incentives.

At this point, I would like the RECORD to show that the following Senators are firmly in support of the existing energy tax credits: Mr. CHAFEE, Mr. MATSUNAGA, Mr. PELL, Mr. RUDMAN, Mr. MITCHELL, Mr. STAFFORD, Mr. DODD, Mr. DURENBERGER, Mr. BAUCUS, Mr. LEAHY, Mr. GOLDWATER, Mr. TSONGAS, Mr. PACKWOOD, Mr. CRANSTON, Mr. DECONCINI, Mr. BURDICK, Mr. LEVIN, Mr. RIEGLE, Mr. KENNEDY, Mr. HATFIELD, Mr. EXON, Mr. COHEN, Mr. ZORINSKY, Mr. D'AMATO, Mr. HART, Mr. HUDDLESTON, Mr. QUAYLE, Mr. ANDREWS, Mr. PERCY, Mr. SPECTER, Mr. BRADLEY, Mr. HEINZ, Mr. HAYAKAWA, Mr. ARMSTRONG, Mr. BOSCHWITZ, Mr. RANDOLPH, Mr. HEFLIN, Mr. HUMPHREY, Mr. BUMPERS, Mr. PRYOR, Mr. SARBANES, Mr. FORD, Mr. GORTON, Mr. WILLIAMS, Mr. CHILES, Mr. MELCHER, Mr. JACKSON, Mr. CANNON, Mr. INOUYE, Mr. METZENBAUM, Mr. HOLLINGS, Mr. SCHMITT, Mr. SASSER, Mr. WALLOP, Mr. DIXON, Mr. STEVENS, Mrs. HAWKINS, Mr. KASTEN, Mr. PROXMIRE, Mr. EAGLETON, Mr. MOYNIHAN, Mr. WEICKER, and Mr. MURKOWSKI.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS AMENDMENT TO THE CONTINUING RESOLUTION

Mr. GLENN. Mr. President, during markup of the continuing resolution—House Joint Resolution 357—on Tuesday of this week, Senator ABDNOR added language to the bill which will prohibit the premature reorganization of the Bureau of Alcohol, Tobacco and Firearms (BATF) of the Department of the Treasury. The pertinent language is as follows:

Provided no funds are made available pursuant to this resolution to accomplish or implement a proposed reorganization of the BATF before March 15, 1982, such reorganization plan may be implemented after March 15, 1982, unless disapproved by the House and Senate Committees on Appropriations.

Shortly after the Senate began consideration of House Joint Resolution 357 yesterday, the Senator from South Dakota (Mr. ABDNOR) and I engaged in a colloquy in which he assured me that it was his intention, as well as the intention of the Committee on Appropriations, that BATF's arson enforcement program would be maintained and effectuated under any ultimate reorganization plan that is finally approved.

Because of the limitation language and the assurance I received from the subcommittee chairman, I did not go forward with my proposed amendment to insure adequate funding levels for BATF's arson enforcement program. When the Senate completes action on House Joint Resolution 357 today or tomorrow, I will urge the conferees to insist on an adequate level of funding for this worthwhile program.

Arson in the United States: Represents the highest rate of arson in the world; has become this Nation's fastest growing crime, quadrupling in the last 10 years and increasing tenfold in dollar losses; represents 25 percent of all fires and also 25 percent of your fire insuance premiums; kills 1,000 people annually; injures as many as 10,000 more; causes direct property losses of at least $1.3 billion; and results in indirect losses estimated at up to $15 billion.

The most effective Federal program aimed at cracking down on those who put the torch to property is the antiarson program of the BATF. The BATF arson enforcement program has been a model of Federal, State, local cooperation. Through it, the Federal Government has provided vital assistance to States and localities which bear the major law enforcement responsibility in this area. This is attested to by the recent adoption of a resolution in support of the program by the International Association of Chiefs of Police.

BATF has organized national response teams capable of responding to any location in the country within 24 hours to assist in major arson investigations which have, in the 12 months which ended August 31, 1981, resulted in 8 indictments out of 21 investigations, with 4 cases being determined to be accidental and the remaining 9 cases still under active investigation; initiated 667 arson investigations which resulted in 303 suspects being recommended for prosecution during fiscal year 1980, with a ratio of 45 defendants per 100 investigations compared to the national average of 9 defendants per 100 investigations. In addition, 79 defendants were convicted during fiscal year 1980 and cases are still pending against others; organized task forces, such as the one which solved the MGM Grand Hotel fire in Las Vegas; achieved conviction rates in arson cases of 40 percent, 60 percent, 81 percent, and 91 percent in Philadelphia, Chicago, Houston, and Los Angeles, respectively; conducted arson-for-profit training courses for State and local investigators; and provided laboratory assistance in complex cases.

BATF's antiarson program is cost-effective. In fiscal year 1980, BATF's investigative efforts resulted in $54 million in "insurance dollars saved"—the potential payout saved for arson-related claims. Moreover, the elimination of the program would result in what I consider inexcusable waste—the waste of the invaluable human resources present in the technical and investigative expertise of the Bureau's special agents in this field, who are the product of extensive experience and training.

The Treasury Department's reorganization plan is a hasty and ill-conceived plan under which as many as 2,200 employees, including 330 in the arson enforcement program, may lose their jobs. The Department has not bothered to study what the impact of such a reorganization would be on the agency's law enforcement activities. The Department's proposed unilateral action would deprive Congress of its prerogative to examine the reorganization plan and its potential impact on BATF's law enforcement activities.

At present, we have virtually no details or specifics about the plan, nor the rationale or policy behind it. I ask unan-

imous consent that a Treasury newsletter be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GLENN. Mr. President, this is the extent of the information I have been able to obtain from the Department concerning the reorganization. Similarly, I have not received any response to my letter dated October 1, 1981, to Secretary Regan expressing my concern about the BATF's arson program vis-a-vis the proposed reorganization, except to say that my letter was received.

This unilateral action by the Treasury Department operating under a veritable cloak of secrecy is totally unacceptable. Congress must hold hearings on the reorganization plan, especially since it would abandon BATF's arson enforcement program.

The elimination of this program is opposed by the International Chiefs of Police. I ask unanimous consent that a recent resolution by the ICP be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GLENN. Mr. President, the elimination of this program is also opposed by countless others who are engaged in the fight against arson daily. A recent letter I received from George J. DuBong, Esq., of the San Diego district attorney's office is illustrative. In his letter, Deputy District Attorney DuBong stated that:

Arson is a growing crime which poses a serious danger to the population. With the assistance of agencies such as BATF, we have been able to commence a program to attempt to combat this problem. In 1978 we only prosecuted six (6) cases; in 1979 we prosecuted twenty-three (23) cases and in 1980, after forming the special arson unit, we were able to prosecute seventy-seven (77) arson cases and have continued to increase those numbers in 1981. These figures do not reflect the number of investigations being conducted over the last two years of sophisticated arson-for-profit groups affecting Interstate Commerce or connected to organized crime. The loss of the BATF agents qualified as arson specialists would not only be a severe blow to the attempts to combat this crime, but also would be a tragic waste of money.

Despite the reorganization plan, the arson enforcement program is consistent with the administration's goals of getting tough on crime and promoting the concept of federalism. As its statistics indicate, BATF has been effective in fighting the violent crime of arson while striking the appropriate balance of Federal-State cooperation.

The arson enforcement program is also consistent with the administration's goal of assisting State and local authorities and expanding Federal jurisdiction over arson. In a recent statement before the Senate Judiciary Committee's Subcommittee on Criminal Law, Attorney General William French Smith stated:

The Federal Government should not and cannot usurp the primary criminal justice authority of the states. But that does not mean each must go its separate way, paying no heed to how it might assist the other in such a matter of common concern.

He continued:

The Federal Government has a fundamental responsibility to investigate and prosecute * * * complex white collar crimes that defy the ability of state and local governments operating under more limited jurisdictional constraints to deal with effectively.

This is precisely the role that BATF performs. BATF's enforcement approach has been structured toward the investigation of "arson-for-profit" schemes related to commercial or industrial interstate activities, especially those schemes perpetrated by members of organized crime, white-collar criminals, members of organized arson rings, or violent criminals. Priority attention is focused on assistance to State and local agencies who are experiencing significant arson problems that span multijurisdictional boundaries and/or exceed the capabilities of local authorities.

The Attorney General also stated that the administration will support legislation that would expand Federal jurisdiction over arson, that is, amend 18 U.S.C. 844(i) "to allow Federal authorities to investigate arson fires of buildings used in or affecting interstate commerce started by any means * * *" Since the investigative jurisdiction for BATF's arson enforcement program emanates from the statutory enforcement responsibilities defined in chapter 40 of title 18, United States Code, including 18 U.S.C. 844(i), it is the appropriate agency to fulfill the Federal responsibility of investigating and prosecuting these type of arson crimes.

In its report on September 22, 1981, the Senate Appropriations Committee also recognized that BATF "is in a unique position to combat certain types of arson crimes under the 'explosive jurisdiction' mandated in title 11 of the Organized Crime Control Act of 1970 and title 2 of the Gun Control Act of 1968." The report continues:

In defining the term "explosive" in Title 11, Congress made clear its intent to cover every conceivable type of explosive material utilized by the criminal element to damage or destroy persons and/or property. BATF has the statutory jurisdiction and the responsibility to attack explosives-related arson crimes that warrant Federal attention or assistance. BATF has initiated a realistic approach to the fight against the arson crime problem by selectively focusing on the investigation of explosives-related arson-for-profit schemes directed toward commercial/industrial interstate activities, when the perpetrators of these crimes are suspected members of organized crime, white collar criminals, members of organized arson rings, or other violent criminals. BATF's arson program further provides for investigative assistance to state and local authorities experiencing a significant arson problem, especially when the nature or magnitude of the problem exceeds their jurisdiction or resources. BATF has promoted and applied the task force approach to attack identified arson problems in specific areas. BATF has four national response teams located in the Midwest, Northeast, Southeast and Western regions of the country. These teams have the capability of providing a 24-hour response to any location in the country to assist in the investigation of explosives-related incidents of extreme, major proportions.

Mr. President, I hope that my colleagues in both Houses of Congress will join me in continuing this extremely effective arson enforcement program within the Department of Treasury.

EXHIBIT 1

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS FUNCTIONS TO BE REASSIGNED

The Department of Treasury announced today that the functions and personnel of the Bureau of Alcohol, Tobacco and Firearms (BATF) will be reassigned to the U.S. Secret Service and the U.S. Customs Service.

Upon the completion of certain administrative and technical measures and Congressional appropriation of necessary funds, the statutory firearms and exlosives enforcement functions and personnel will be reassigned to the Secret Service; the alcohol and tobacco revenue collection and regulatory functions and personnel will be reassigned to the Customs Service. Both the Secret Service and Customs are part of the Treasury Department.

The Bureau of Alcohol, Tobacco and Firearms as a separate organization will no longer exist.

The reorganization will improve the effectiveness and efficiency of both Customs and the Secret Service. It will allow a significant sayings in administrative costs and will provide a more effective utilization of personnel in the Department.

Personnel whose positions are affected as a result of the phaseout of BATF will be given every possible assistance for placement in other positions within the Treasury Department. Treasury Department bureaus have been requested to give preference to BATF employees when hiring to fill vacant positions.

EXHIBIT 2

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS ANTI-ARSON EFFORTS 1981

Whereas, The International Association of Chiefs of Police is a professional law enforcement association comprised of chief law enforcement administrators from the United States and 66 nations; and

Whereas, Arson and arson-related crimes represent a significant and growing law enforcement problem in the United States; and

Whereas, The widespread and indiscriminate character of arson crimes result in death and injury to targeted and innocent victims alike, thereby creating a serious hazard to public safety, causing billions of dollars in property loss yearly; and

Whereas, Arson schemes are often complex, multijurisdictional and geographically unconfining in nature, with the presence of organized crime and white collar criminals further compounding the problem for state/local agencies acting alone; and

Whereas, The Bureau of Alcohol, Tobacco and Firearms active role through the application of Arson Task Force units, National Response Teams, training, laboratory and technical expertise has provided, in concert with other federal agencies, invaluable assistance to state/local agencies in addressing violent arson crimes on a national basis; now, therefore, be it

Resolved, That the International Association of Chiefs of Police opposes any curtailment to federal anti-arson activity and support; and be it further

Resolved, That the International Association of Chiefs of Police supports and endorses the continued efforts of the Bureau of Alcohol, Tobacco and Firearms to address those elements of arson-related criminal activity that warrants federal emphasis; and be it further

Resolved, That copies of this Resolution be forwarded to the President of the United States, the Attorney General of the United States, the Director of the Office of Manage-

ment and Budget and to other appropriate parties interested in the prevention and control of arson.

FUNDING FOR VETERANS' PROGRAMS

Mr. CRANSTON. Mr. President, as ranking minority member of the Veterans' Affairs Committee, I would like to comment on the funding levels provided in the second continuing resolution for fiscal year 1982, House Joint Resolution 357, now pending before the Senate.

VETERANS' ADMINISTRATION PROGRAMS GENERALLY

With respect to Veterans' Administration programs generally, I was pleased to note that with respect to two major VA accounts—the medical care account, which funds the operation and maintenance of VA health-care facilities, and the general operating expenses account (GOE), which funds the administration of all VA benefit programs other than health care—the Appropriations Committee rejected, as did the House in its version of this resolution, the large cuts that the President had recommended in the levels set forth in the conference report on H.R. 4034, the HUD-Independent Agencies Appropriations Act, 1982.

The administration's position on the appropriate fiscal year 1982 funding levels for these accounts was dealt with in a recent exchange of correspondence—printed in full on pages 26870-26871 of the daily edition of the CONGRESSIONAL RECORD for November 5, 1981—between myself and the Administrator of Veterans' Affairs Robert P. Nimmo. In Bob Nimmo's November 5 letter to me in response to my October 20 letter to him, he stated:

For the record, I did meet with the Deputy Director of OMB, Mr. Ed Harper, and other OMB senior officials to discuss the September 30 revisions and to express my particular concern about the magnitude of reductions in the Medical Care and General Operating Expenses appropriations. Based on our discussions and on their understanding of the President's commitment to a high quality VA health care system and to the maintenance of the current benefit service level, it was agreed that the Administration would not oppose restoration of $296.9 million in Medical Care and $55.8 million in General Operating Expenses, as reflecteed in the Conference Report for 1982 appropriations. As I have already noted, we are functioning under the Continuing Resolution with this understanding.

In conclusion, I am quite pleased at having been able to work effectively within the Administration to protect those essential veterans programs that the President so strongly supports.

Thus, insofar as those two accounts are concerned, the House of Representatives in passing this resolution and the Senate Appropriations Committees in reporting it were in agreement that fiscal year 1982 funding should be provided at the HUD-Independent Agencies conference report levels and, I am pleased to note, the Administration acquiesced in those decisions.

Also, I am gratified that the distinguished majority leader (Mr. BAKER) agreed to my suggestion to him that his amendment to make an overall 4-percent reduction in various accounts expressly provide an exception for the VA's medical care account.

With respect to the remaining nonentitlement VA accounts, the Appropriations Committee recommended the same cuts from the HUD-Independent Agencies conference report as the President has proposed, and those accounts, together with the GOE account, are all subject to the 4-percent-reduction provision adopted by the Senate—without my support, I might add. I believe that these cuts are unwarranted but, since the House has, in its version of this continuing resolution, adopted the HUD-Independent Agencies conference report levels, I believe that there is room for satisfactory outcomes to be achieved.

Thus, Mr. President, I would hope that—based on the House action on the HUD-Independent Agencies conference report as well as on this continuing resolution—the House conferees would resolutely resist any cuts substantially below the conference report levels for the VA nonentitlement accounts other than medical care and GOE.

GI BILL CORRESPONDENCE TRAINING BENEFITS

Mr. President, I note, with respect to appropriations for the veterans' readjustment benefits account, that the continuing resolution as reported would incorporate the funding level proposed in the President's September 30, 1981, revised budget request $1,938,800,000, which is $280 million higher than the level previously requested by the administration. The basis for this increase is, according to the revised budget request, to "provide funds to handle increases in trainee caseloads and average payments." In addition, the President's budget request notes that this level "reflects offsets due to the termination of assistance for flight training, the reduction in assistance for correspondence courses, and the elimination of the education loan program."

I would also note that, since this is an entitlement account, it is also excluded from the 4-percent-reduction provision.

Thus, the President's budget request and the pending resolution take into account the cost savings related to veterans' readjustment benefits that were signed into law by the President in section 2004 of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35. Specifically, the level now contained in the pending continuing resolution reflects the modification made in the authority for GI bill benefits.

Thus, with specific reference to benefits for correspondence training, the pending measure provides funding based on the reduction, from 70 to 55 percent—in the portion of the established charges that the VA pays under section 1786(a) of title 38, United States Code—that took effect under the Reconciliation Act with respect to course work completed and submitted after September 30, 1981.

Mr. President, it is important to note that the continuing resolution provision for the veterans' readjustment benefits account specifically supercedes the provision in the conference report on H.R. 4034—H. Rept. No. 97-222—the HUD-Independent Agencies Appropriations Act, 1982, for that account.

As I discussed that conference report provision in my statement on an amendment to S. 266, the proposed "Veterans' Administration and Department of Defense Health-Care Resources Sharing Act"—which appeared on pages S12255-7 of the daily edition of the RECORD for October 27, 1981—some question existed as to whether a veteran's entitlement to GI bill correspondence training benefits would be considered as continuing to exist under the HUD-Independent Agencies conference report as incorporated by reference into the first continuing resolution, House Joint Resolution 325.

In my view, the entitlement did continue, and I am very pleased that, by including the President's revised budget request for the readjustment benefits account, which includes funding for correspondence training, this second continuing resolution as it will be passed by the Senate, would resolve all doubt on that score. Under the pending measure, GI bil benefits for correspondence training clearly would continue to be available.

DISABLED VETERANS OUTREACH PROGRAM

Mr. President, I initiated a November 4 letter, in which nine of my colleagues on the Senate Veterans' Affairs Committee joined, to the distinguished chairman of the Subcommittee on Labor-HHS-Education Appropriations (Mr. SCHMITT) to express our strong support for funding of the disabled veterans outreach program (DVOP) in fiscal year 1982 at the level of $43 million, the same level approved by the House in H.R. 4560, the Labor-HHS-Education Appropriations Act, 1982.

This program, which is conducted pursuant to section 2003A of title 38, United States Code, which I authored in the Veterans' Rehabilitation and Education Act of 1980, is one of the most successful and significant efforts addressing the problems of unemployment among disabled veterans—specifically among service-connected disabled Vietnam-era veterans. Since its inception in 1977, DVOP has contributed to the placement of more than 174,000 disabled veterans in jobs.

On November 12, Chairman SCHMITT advised me by letter that the full Committee on Appropriations had approved, in connection with H.R. 4560, an earmarking of the $43 million we had requested for DVOP in fiscal year 1982. This level, as he pointed out in his letter, would fund the staff level—approximately 2,000—required by title 38 for the program.

Mr. President, I am very grateful to the Appropriations Committee for taking this action, and I would note that section 101(a) of the continuing resolution as reported would provide a $43-million funding level for this important program to help disabled veterans secure productive employment.

I ask unanimous consent, Mr. President, that the November 4 and November 12 letters to which I referred be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., November 4, 1981.

Hon. HARRISON SCHMITT,
Chairman, Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Committee on Appropriations, Washington, D.C.

DEAR JACK: We would like to convey to you, and to the members of the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, our strong support for the Disabled Veterans Outreach Program (DVOP) and for funding of this program in fiscal year 1982 at the level of $43 million—the level already approved by the House of Representatives in H.R. 4560. We believe that the DVOP program, which is conducted pursuant to section 2003A of title 38, United States Code, as added by the Veterans' Rehabilitation and Education Act of 1980, is one of the most successful and significant efforts addressing the problem of unemployment among disabled veterans—specifically among service-connected disabled Vietnam-era veterans.

Under the DVOP program, veterans—most of whom are disabled Vietnam-era veterans—are assigned to local employment service offices and other locations. It is their job to identify other disabled veterans in need of employment assistance and to provide needed employment services, including counseling, job development, and placement. This program is designed to employ on the DVOP staff formerly unemployed disabled veterans who understand the needs of other veterans in the same predicament and can serve as models demonstrating to employers how well disabled veterans can work when given a chance. A heavy emphasis is placed on the development of, and placement in, private sector jobs.

The success of the DVOP program has been impressive. To date, more than 174,000 disabled Vietnam-era veterans have been placed in jobs as a result of DVOP efforts. The DVOP program is also a very effective complement to the veterans' readjustment counseling program, which is conducted by the Veterans' Administration and through which Vietnam-era veterans still encountering difficulties in making successful transitions from military to civilian life may seek assistance at storefront "Vet Centers". The number one problem expressed by veterans who have sought assistance at the Vet Centers is unemployment. Thus, the DVOP program, through referrals from the Vet Centers functions as an integral part of the readjustment process.

We therefore request Jack that you give careful consideration to our interest in and commitment to the DVOP program in connection with your considerations.

We would appreciate your favorable consideration of this request. Please let us know if we can provide any additional information concerning DVOP or any other matter.

With warm regards,
Cordially,
Alan Simpson, Chairman, Alan Cranston, Ranking Minority Member, Strom Thurmond, Robert T. Stafford, Bob Kasten, Jeremiah Denton, Frank H. Murkowski, Jennings Randolph, Spark M. Matsunaga, and George Mitchell.

U.S. SENATE,
Washington, D.C., November 12, 1981.

Hon. ALAN CRANSTON,
Committee on Veterans' Affairs, Washington, D.C.

DEAR ALAN: Thank you for your letter expressing support for funding the Disabled Veterans Outreach Program (DVOP) at $43,000,000 in fiscal 1982.

The full Appropriations Committee in marking up the Labor-HHS-Education Bill last week provided $680,200,000 for employment services, which includes $43,000,000 for DVOP. While the Committee recommendation for the Employment Service is lower than the House level, it is $81,380,000 above the President's September budget request of $598,820,000, and it will provide approximately 2,000 staff for DVOP.

With best wishes,
Sincerely,
HARRISON H. SCHMITT,
Chairman, Labor-HHS-Education Appropriations Subcommittee.

Mr. CRANSTON. Mr. President, although it is clearly possible for all VA programs to be funded at adequate levels in this resolution and that the agency will, therefore, be able during the period covered by the resolution to carry out our commitment to meeting the needs of our Nation's veterans, I remain concerned that the regular appropriations bill, H.R. 4034, is still awaiting final action.

Thus, I urge, in order for the VA operations to be placed on a secure footing with adequate funding for the entire year, that prompt action be taken on the conference report on H.R. 4034.

DISBURSEMENT OF LIEAP FUNDS

● Mr. STAFFORD. Mr. President, I have a question for the Senator from New Mexico, the Chairman of the Subcommittee for Health and Human Services Appropriations.

Mr. Chairman, I have been advised by the State of Vermont that the Office of Management and Budget has adopted a policy which would restrict the release of money to the States to equal quarterly installments under the low income energy assistance block grant. That would mean the State allocations would be released in equal amounts in October 1981, January 1982, April 1982, and July 1982. As the chairman is well aware, it is not a quarterly need for the northern tier States. Funds released in April and July 1982 would be of little use. Vermont and the other northern tier States clearly need the money released now to meet the home heating needs of the needy during the winter. The Senator from New Mexico recognized this problem and put the Appropriations Committee on record in the report on H.R. 4560, that the Office of Management and Budget (OMB) and the Department of Health and Human Services (HHS) should exercise flexbility in disbursing the money for the program to reflect the needs of the States.

Therefore, my question to the Senator from New Mexico is: Does the chairman intend that the language in the report on H.R. 4560 apply to disbursement of low income energy assistance funds under this continuing resolution? In addition, does the committee mean by the term flexibility that OMB and HHS should provide advance release of most of the funds to meet winter's needs?

Mr. SCHMITT. The Senator from Vermont is correct. The committee in its report has directed both the Department of HHS and OMB to apportion funds for the low income energy program in a timely and reasonable manner. Clearly this would mean that States like Vermont would receive most of their money in the winter months●

HUD AND INDEPENDENT AGENCIES APPROPRIATIONS CONFERENCE REPORT

● Mr. MOYNIHAN. With regard to the conference report on the HUD and independent agencies appropriations bill, I am concerned about 1982 appropriations for the National Science Foundation. I would like to ask the distinguished Senator from Utah (Mr. GARN), if it is the Senator's understanding that the Foundation will still have expendable funds for science education?

Mr. GARN. Yes; under the Senate proposal the Foundation will have $20,000,000 for science education; this is $11,288,000 over the administration's September request.

Mr. MOYNIHAN. I am interested, in particular, in the science education activities of an organization in New York, the Children's Television Workshop. Will funds be available to continue programs like the Workshop's educational television series "3–2–1 Contact"?

Mr. GARN. It would be my strong recommendation that the Foundation continue to fund "3–2–1 Contact" although, of course, NSF is free to choose how it will expend these funds. Our subcommittee in the Senate heard testimony from the Children's Television Workshop this year and it is clear that this program is doing a fine job of presenting science education to a large audience.

Mr. MOYNIHAN. I thank the Senator from Utah. I understand that this series has a wide audience and it seems a reasonable way to help educate our young people in the scientific discipline.●

U.S. FIRE ADMINISTRATION

● Mr. KASTEN. Will the Senator yield for a question?

Mr. GARN. I would be glad to yield to the Senator from Wisconsin.

Mr. KASTEN. As chairman of the authorizing subcommittee for the U.S. Fire Administration, an agency within the Federal Emergency Management Agency, I am concerned about FEMA's proposal to eliminate totally its support of the technical research work done at the Center for Fire Research in the Department of Commerce.

Since 1979, when the Fire Administration was moved from Commerce to FEMA, Congress has appropriated funds to FEMA to be "passed through" to the Center. In 1982, this passthrough was expected to be $4 million, representing nearly half of the Center's funds.

The record our subcommittee developed in connection with the reauthorization of the Fire Administration last spring indicated that the work done at the Center was of high quality and very important to our Nation's fire prevention effort.

The passthrough was specifically authorized in the authorizing legislation we subsequently developed. I fear that totally eliminating FEMA's support for the Center will severely cripple this program.

Do I understand correctly that the Appropriations Committee has directed FEMA to continue its support of the Center for Fire Research?

Mr. GARN. The Senator is correct. FEMA is directed to make $4 million available to the Center for Fire Research as contemplated in the March budget revisions.

Mr. KASTEN. I thank the Senator for his response.●

FLATHEAD RIVER BASIN FUNDING

● Mr. BAUCUS. Mr. President, this year's appropriations process has, understandably, created many uncertainties about funding for many programs.

Last July, during the Senate's consideration of the HUD-Independent Agencies appropriations measure, I queried Senator GARN on the floor about funding for the Flathead Basin environmental impact study. Begun nearly 5 years ago, this study is in its last year. For reasons I have noted often in the past, it is critical that this study be completed. Last July, the distinguished Senator from Utah and Chairman of the HUD Appropriations Subcommittee assured me that EPA's budget contained funding to complete the study.

Mr. President, I wish to again ask Senator GARN if it is his understanding that funds agreed upon in July to complete the study will be available under the continuing resolution we are considering today. As I understand the continuing resolution, it provides that the HUD-Independent Agency programs will be continued at the rate of the conference committee agreement. I understand, too, that this agreement contains funding to complete the Flathead River Basin study.

Mr. GARN. Mr. President, my distinguished colleague from Montana, Senator BAUCUS, is quite correct. Let me again commend him for his diligent efforts in seeing this study through to its completion.

Mr. BAUCUS. Mr. President, I thank my distinguished colleague, Senator GARN.●

IMPACT AID PROGRAM

● Mr. EXON. Mr. President, I would like to engage in a colloquy with the distinguished chairman of the Senate Appropriations Subcommittee on Labor, HHS, and Education regarding the impact aid program.

Mr. President, I have been concerned for some time that the current regulations for the impact aid program discriminate against a small number of impacted districts in this country, and I believe this situation should be corrected. The Department of Education has also recognized that there is a problem in this area, and the Department is in favor of a change in the regulations. Unfortunately, this small, noncontroversial change has been lost in a much larger effort to revise all regulations for the impact aid program, and these new regulations are stalled in the executive branch.

Mr. President, I would very much like to see the following amendment added to the funding bill now under consideration.

In calculating a local contribution rate under Chapter 45 of the Code of Federal Regulations, Part 115, a local educational agency may choose to delete impacted districts' data from any proposed group of comparable education agencies. Notwithstanding any other provisions of this Act, a local educational agency's 1982 payment will be calculated as if this provision had been in effect for 1981.

If this addition were made it would solve the problem. However, I understand that the chairman is reluctant to add legislative language to appropriations bills, and I respect the chairman's wishes in this regard.

Therefore, I am happy to join with the distinguished chairman in this colloquy so that the intent of Congress is established for the record, and so that the Department of Education may be guided by this colloquy in its future impact aid calculations.

Allow me to explain briefly the purpose and effect of my proposed change. As we all know, the impact aid program is designed to help local school districts which, because of a Federal presence in that area, have inadequate local resources to support a respectable educational program. The relative need of the impacted districts is expressed in terms of a per-pupil rate of support. There are several different methods by which this rate can be determined, and the methods are chosen by each State education agency for the impacted districts in that State. In a few States, the method which is most appropriate is distorted by the fact that the impacted district itself must include its own financial data along with nonimpacted districts in order to determine its rate, upon which Federal payments are made.

Let me give you a simple example. Suppose an impacted district with local financial resources of $200 per pupil is compared with five other districts with a resource base of $2,000 per pupil. The way the impact aid program is suppose to work is that the impacted district should receive a Federal payment to bring it up to the $2,000 level. However, under the current impact aid regulations, the impacted district must average itself in with the other five districts. The average per-pupil support in this example is $1,700 for the six schools, and the inclusion of the impacted district in the calculations lowers its rightful Federal support by $300 per pupil. If other impacted districts are included in the comparable group as well, the distortion can be even greater. This can make a real difference in the educational program that the school can offer.

The President, I am told that the number of districts that would be affected by my rule change is minimal. Only a few school districts in a few States would be able to use the change I am suggesting, according to both the Federal Department of Education and the Congressional Research Service. No additional appropriations would be necessary to make this minor regulation change.

Mr. President, the reason I am interested in this modification is that school districts in Nebraska have been discriminated against because of the present method of calculation. Three of these districts are very small districts with a large percentage of Indian children. Other districts are located near Offutt Air Force Base, and are highly impacted because of the location of the Strategic Air Command Headquarters.

Mr. SCHMITT. I am pleased to enter into this colloquy with the Senator from Nebraska. I appreciate the point the Senator has made about the need for this rule change, and I have checked with the Appropriations Committee, headed by the Senator from Oregon to see if he was aware of this problem and if he recommended handling it through this colloquy. I am pleased to report that the chairman agrees that this change is appropriate.

I will also bring this matter to the attention of the House in the conference committee, so that the intent of the Senate is clearly reflected in conference action.●

● Mr. JOHNSTON. Mr. President, section 101(g) of House Joint Resolution 357 provides funds for various activities and projects in the Department of the Interior at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (H. Rept. No. 97–315) as approved by the House on November 12, 1981. I commend the chairman of the Interior Subcommittee, the distinguished senior Senator from Idaho, for including language during committee markup to clarify the legislative history of this report by particularly pointing out that the directives include those clarified on the House floor on November 12, 1981.

This is especially important with respect to understanding the conferees action on the States assistance portion of the land and water conservation fund. As many of my colleagues will remember, as passed by the Senate, H.R. 4035 included about $99 million for the Federal share of the land and water fund and $100 million for assistance to States and local governments.

Due to the severe budgetary constraints we faced in conference, and despite the persistent efforts many of us made to find a way of continuing this program at even drastically reduced rates, the conferees were unable to find an acceptable compromise and fiscal year 1982 funding was deleted entirely.

I and many other conferees were disappointed by this decision, Mr. President, but we were pleased that the conferees adopted language specifically noting the importance of this aspect of the fund and stating that the decision was not a decision to terminate the program in perpetuity, but that the funding recommendation was made for fiscal year 1982 alone. We all hope that the administration will request funds for the program in fiscal year 1983 and urge those officials to do so. Language to this effect is included in the House debate on H.R. 4035 as reported from conference on November 12.

Assistance to States and local governments provided through the Land and Water Fund is one of the best examples of creative federalism we have. For a very modest initial investment, State and local governments have carried the major fiscal and management responsibilities for meeting our Nation's park and recreation demands. The provision of these facilities has frequently lessened management pressures and costs at a number of Federal sites and has provided easily accessible recreation opportunities to literally hundreds of millions of Americans each year.

Mr. President, a recent article in the New York Times dramatically illustrates the impact of cutting off the Federal share of the State assistance provision, and I ask that this article be printed in its entirety at the end of my remarks.

I hope we will be able to resume funding for this program in fiscal year 1983, that the administration will find a way to submit a budget request for it, and that State and local governments will be able to find a way to bridge this 1-year gap. It is certainly my intent to try to accomplish these goals.

The article follows:

[From the New York Times, Nov. 16, 1981]

FEDERAL FINANCING FOR STATE'S PARKS CUT FROM BUDGET

(By Deirdre Carmody)

All $15.4 million in Federal funds for New York State parks has been eliminated as part of the Reagan Administration's budget cuts, according to the State Parks and Recreation Commissioner.

"What is the degree of the cut?" said the Commissioner, Orin Lehman. "It isn't 30 percent, it isn't 50 percent. It's 100 percent."

The cuts, which Mr. Lehman described for the first time in an interview, have eliminated all four programs through which the state received Federal assistance for its parks in the past. Besides the $15.4 million received last year, the cuts will cost the state more than 1,000 federally financed park jobs, some of which have already been phased out.

JONES BEACH PROGRAM HARD HIT

One of the hardest-hit programs is the six-year, $26 million rehabilitation of Jones Beach that was announced by Governor Carey last year. The Federal Government had been scheduled to provide half the money. The Jones Beach project is considered important because facilities are deteriorating and badly in need of repair while attendance keeps growing.

Many other projects throughout the state will have to be abandoned or seek funds elsewhere. These include pocket parks, tennis courts, rehabilitation projects, sewer lines, swimming pools, dams and athletic fields.

Money provded by the Federal Land and Water Conservation Fund in the past ranged from $860,000 for rehabilitation of the Broadway malls in Manhattan to $360,000 for an ice skating rink for the town of Fulton in Oswego County.

The elimination of Land and Water Conservation Fund grants, which have provided New York State with $172 million since 1965, is the most drastic cut. Over the years, these funds have gone to more than 1,000 state and local parks and recreation projects. The money for these grants came from offshore oil leases.

"The fund was originally set up because Congress realized that most Americans use their own local parks or state parks more than they use the national parks; it was set up to help the states and communities and enhance outdoor receration," Commissioner Lehman said in an interview. "It was considered a partnership between the Federal Government and the states."

Some of the programs, such as the Young Adult Conservation Corps, began being phased out several months ago. Other cuts went into effect on Oct. 1, with the start of the 1982 Federal fiscal year. The combination of budget cuts was completed Nov. 5 when a Senate-House conference committee eliminated the Land and Water Conservation Fund.

SEEKING A BOND ISSUE

Commissioner Lehman said that the cuts would be so detrimental to maintenance of the state parks system that the was "hopeful" the Governor and the Legislature could be persuaded to put a parks preservation bond issue on the ballot next year.

"We are hopeful that the Governor and the Legislature might see fit to have a park preservation bond act in 1982," Mr. Lehman said. "We've checked it with some of the people in the Governor's office. They've encouraged us to go ahead. They've said, 'Bring us your plan and we'll see.' "

He said that the proposed bond issue would be "in the $400 million area." Recreation bond issues have been approved by the voters of New York State since the first one was proposed by Gov. Alfred E. Smith in 1924.

In addition to the Land and Water Conservation Fund, the other programs that have been eliminated are:

The Urban Park and Receration Recovery Program, which had awarded a total of $11.7 million in grants to New York State since 1978. Nineteen cities and five counties were eligible for these funds.

The Comprehensive Employment and Training Act, known as CETA, under which the State Parks Department was able to employ 650 workers, who were paid with Federal funds. These unskilled workers did painting, cleanup, conservation and restoration jobs.

The Young Adult Conservation Corps, a federally financed employment program that provided the state last year with 360 workers aged 16 to 33. These workers repaired structures, built camps, fixed picnic areas and did other similar jobs.

ASKING FOUNDATIONS TO HELP

To mitigate the effect of the cuts, Commissioner Lehman said, the state is now "going heavily after foundations, corporations, and friends' groups" to take over some of the projects.

He pointed out that the Reagan Administration had said from the beginning that little money would be available to build new parks. He said, however, that New York State had been way ahead of the Administration, having decided seven years ago not to spend money on acquiring new land, but to use funds to take care of the existing parks.

Parks officials point out that the parks have never been as popular as they are now, because people have more leisure time and are preoccupied with health.

BUILT DURING DEPRESSION

Many of the facilities in the state were built during the Depression and are in serious need of maintenance and repair, the officials said.

In addition, as the economy bites more and more into people's purses and it becomes more expensive to travel, people are staying home and using their local parks. Recreation has also become a year-round pastime. As a result, golf courses that were once deserted when they were covered with snow have now become cross-country skiing areas, and parks that were empty during the winter are now used year-round by joggers.

"We do understand the frustration of the American public with taxes, waste and inefficiency," Commissioner Lehman said. "I don't think anyone objects to eliminating that and we know that budgets have to be cut. What we object to is being shut out."●

PUBLIC BUILDING PROJECT APPROPRIATIONS

● Mr. STAFFORD. Mr. President, I note that H.R. 4121, the Treasury, Postal Service and General Government Appropriations Act as reported from the Appropriations Committee and section 111 of the continuing resolution contain funds for several public building projects that were not included in S. 533, the Public Buildings Act of 1981.

My colleagues will recall that S. 533 passed the Senate last May 6 by a vote of 93 to 0. Passage represented the culmination of more than 3 years' effort by the Committee on Environment and Public Works to reform and reorganize the public buildings program of the General Services Administration.

Among the significant changes, the bill requires—for the first time in the history of the Government's building program—continual long-range planning to foresee and meet the Government's building needs, establishes policies and priorities to be followed in locating Federal offices and administering the program, sets up organizational and procedural frameworks that promote better architectural design, and establishes a goal on the amount of leased space that can be used to satisfy the Government's permanent office needs.

However, title VIII marks the bill's most significant departure from existing practices in the public buildings program. It establishes building authorization procedures much like those in use in the military construction program. It is designed to provide the Congress with the information necessary in order to authorize an annual program for GSA as the orderly framework for the agency's annual appropriation. In this way Congress can oversee program management and establish priorities. This procedure also affords the reconciliation process of a Senate-House conference, together with the constitutional safeguard of final action by the President, that goes along with almost every other program of Government.

The Committee on Environment and Public Works has been greatly concerned that the present system of authorization by resolution is inadequate and inappropriate. Under the current system, proposed projects are referred to the Committee on Environment and Public Works of the Senate and Committee on Public Works and Transportation of the House one by one, throughout the year, without regard to the availability of appropriations, and without any logical explanation of the priorities of needs represented by the proposals. They do not require the consideration of the full Senate or House. They do not require the concurrence of the President. They do not fall within the provisions of the Congressional Budget Act of 1974 and therefore are outside the congressional budget process.

This piecemeal, ad hoc procedure by which building projects have been authorized for years contrasts sharply to the bill's orderly and fiscally disciplined public buildings planning and approval procedures. Passage of S. 533 and the similar bill passed by the Senate last year (S. 2080) marked the first time in over 20 years that the full Senate had debated and voted upon policies, procedures, and projects relating to the Nation's building policies.

Mr. President, I am very concerned that inclusion in the appropriations bill (H.R. 4121) of a number of unauthorized projects which are also not a part of S. 533 represents a betrayal or turn away from the reforms that the Committee on Environment and Public Works has worked for 3 years and continues to work hard to institute and which were unanimously adopted by the Senate.

Mr. HATFIELD. Will the Senator yield?

Mr. STAFFORD. I would be happy to yield to my friend from Oregon, the chairman of the Appropriations Committee.

Mr. HATFIELD. I understand the concern of the chairman of the Committee

on Environment and Public Works. I share a number of the concerns you have raised, and I support your efforts to develop a new, comprehensive legislation on public buildings. Such legislation has passed the Senate twice by overwhelming margins, and I voted in favor of both S. 2080 last year and S. 533 earlier this year.

Yet, the continuing failure on the part of the House to act leads to a situation where the authorization bill (S. 533) is not enacted. I certainly do not want to indicate or imply that inclusion in this bill of unauthorized public building projects means that we are not supportive of the reforms and policies contained in the Public Buildings Act. Nor is it our intention to ignore or bypass the authorizing committee. Were S. 533 to be enacted, I would make every effort to see to it that unauthorized projects were not included in the Treasury-Postal Service appropriations bill.

Mr. STAFFORD. Mr. President, I appreciate the remarks of the Senator from Oregon and I look forward to working with him in the future on these important matters.●

IN SUPPORT OF WEICKER AMENDMENT (UP NO. 671)

● Mr. CHAFEE. Mr. President, I support Senator WEICKER's amendment to add $200 million to the low-income fuel assistance program. The administration has proposed a budget of $1.4 billion for the program and the Senate has proposed $1.65 billion as compared to the funding level in fiscal year 1981 which was $1.85 billion.

As a cosponsor of the Weicker amendment, I want to express my concern about the adverse consequences of cutting the program funding below the fiscal year 1981 level. In my own State of Rhode Island, the program provided assistance to nearly 30,000 households this year. The number of eligible households is expected to rise to nearly 34,000 in the next year. If the administration figure is finally approved, Rhode Island's share of program money will drop from $12.4 million, which is the amount received in 1981, to $8.4 million. If the Senate figure is adopted, the State's share will drop to approximately $9 million. Even the Senate figure of $1.65 will have a devastating impact on the State's ability to help the truly needy this winter.

I realize that if the Weicker amendment is adopted, it will put the continuing resolution level nearly $700 million over the administration's September budget request. However, we should not be trying to balance the budget from social programs alone. I urge my colleagues to join with me in supporting the Weicker amendment.●

● Mr. BRADLEY. Mr. President, the resolution now before the Senate for final approval would provide necessary interim funding for the entire range of Federal Government programs and responsibilities until regular appropriations bills are enacted into law. Without such a resolution, the Government could not legally proceed beyond midnight tomorrow, except to assure the national security and to protect life and property.

Under the pressure of this time deadline and under the threat of a Presidential veto, some very unwise provisions have been added to the continuing resolution. Most damaging, I believe, is the 4 percent across-the-board cut in the nondefense portion of the budget, excepting only social security, medicare, veterans' pensions and other entitlement programs required by law. I cannot support these reductions in funding—which not only hurt our chances for real economic growth, but, in many cases, will have devastating effects on many Americans.

Mr. President, before I get into my specific objections. I would like to establish the framework for my opposition to this resolution.

Mr. President, in the debate on the budget and Federal spending, it is important to recognize that some Government spending is essential to achieve economic growth, and only economic growth will provide us with the revenues that we need to fulfill our commitments to the elderly, to the poor and to the disabled. Only economic growth can give us the optimism about the future that will assure rising living standards for the next generation.

I oppose this resolution because the reductions in appropriations for key programs will impair our country's prospect for a bright economic future.

Mr. President, in order to promote economic growth, you need investment. But investment is more than simply investment in new plant and equipment. I do not think there is much dispute in this body that our industrial plant has deteriorated; that it consists of plant and equipment which was built for a world where oil was $3 a barrel, not $40 a barrel; that it does not produce as much output per unit of input as it should; and that we invest 10 percent of our GNP versus 15 percent for West Germany and 20 percent for Japan. We need new plant and equipment. And we have amply provided the incentives for such investment in this year's tax bill.

But increased investment in new plant and equipment is not sufficient. There are three other kinds of investment that are required.

First is the investment in our economic infrastructure, in the railroads and highways and mass transit systems of our country. Look at the next decade and project where we are going to get our economic growth. Hypothesize a growing world economy. You would have to argue that we must increase our exports, moving away from an investment-led economy to an export-led economy. If you look at those areas where we have an advantage, Mr. President, clearly one of those is coal. The problem is that you cannot get the coal from the mines to the ports because the railroads are not good enough. We must rebuild our railroads, ports, bridges, highways, and mass transit systems if we are to move people to jobs and goods to markets.

What would this resolution do to promote this vital rebuilding? Mr. President, I must report that it would do great harm. It would allow up to 5 percent further reductions in the already inadequate amounts recently approved by the conferees in the transportation appropriations bill. For urban mass transit research and training, this Congress has already approved reductions of nearly $6 million under last year's levels. For railroad research and development, this Congress has already approved reductions of $11 million under last year's levels. For Amtrak, this Congress has already approved reductions of over $160 million under last year's levels. And, this Congress has already approved reductions of over $13 million for airport research, engineering, and development.

Mr. President, these funds for urban mass transit, for the railroads, for the airways, for the highways, and for other aspects of our vital transportation infrastructure are directly related to getting the economy back on the path of sustained growth.

Mr. President, there is a second kind of investment that is equally important and is complementary to our investment in plant and equipment and in economic infrastructure. That is investment in people, in programs which help to assure their health and in providing opportunities for obtaining the education and training required for full participation in the economy. What we need, Mr. President, is a work force that is healthy, a work force that is trained, a work force that is skilled, a work force that has a view of future improvements in the standard of living that will assure maximum contributions to the economy.

What would this resolution do to promote a healthy, trained, powerfully motivated work force? Mr. President, I must report that it would do great harm. Again, it would allow up to 5-percent further reductions in the amounts provided in the appropriations bill, resulting in budgets well below the funding levels envisioned in the omnibus Reconciliation Act we passed just last July.

Let me review some of the appropriations cuts already approved by either the Senate or House committee, from which another 5 percent could well be subtracted. For the maternal and child health block grant, which provides essential prenatal care and primary and preventive services to low-income mothers and children, the House committee has approved reductions of $40 million below the reconciliation level of $373 million. The reconciliation amount reflected cuts of 17 percent below the 1981 level. The block grants for primary health care, preventive services and alcohol, drug abuse and mental health services, each of which suffered sharper reductions in the Reconciliation Act, would be threatened with additional 5-percent cuts.

Turning to education, the resolution before us would allow up to another 5 percent in funding cuts in title I of the Elementary and Secondary Education Act, a program that aids those school districts in the country that enroll significant numbers of disadvantaged children. The Senate committee has already approved a reduction of almost $100 million below the fiscal year 1981 appropriation and approximately $475 million below the funding authorized in Reconciliation.

Title I aid translates into school books and classroom and lab equipment which enable these low-income children to learn

and advance up the educational ladder. The opportunity to get an adequate education can mean a great deal to the future employability of these students. If such opportunities are not provided, there is a very real danger that these young people, many of them living in our central cities, will develop little or no stake in our society. By the 1990's these young Americans will not be 10 or 15 but in their 20's and 30's, still with few skills, no jobs and no stake in our society. That will be precisely the time, in the mid-1990's, when we will face a labor shortage, precisely the time we will need all the available manpower we can marshal.

Mr. President, we must make sure that these individuals have an adequate education. We must also make sure that they have an opportunity to go on to college or to other postsecondary education so they can develop their skills as fully as possible. The economic development potential of this country depends upon the maximum efficient utilization of our manpower. To lose any potential contributions through cutting back on aid to the most disadvantaged school districts in the country, or through inadequate funding of Pell grants and other assistance to needy students is surely a false economy.

Our programs of Federal assistance for education constitute but one part of our investments in human capital. If we look at our labor force, we see many citizens who are out of work, experienced workers who no longer have jobs because of competition from abroad. Competition from other economies did not appear overnight. People are buying foreign automobiles because they get 40 miles a gallon and are quality products. Not only the automobile industry is affected; other industries in this country have already lost their competitive advantage or will in the near term.

What we in Government must be concerned about are the people working in those industries. To be consistent with maximizing our economic growth, we have to make sure that those individuals are retrained from the less competitive sectors of our society to the more competitive sectors. We need a serious retraining program which will equip experienced workers with the skills that will enable them to move into the more vibrant parts of the private sector that are going to contribute the most to the growth potential of this country in the next decade.

This resolution, in providing for severely reduced levels of funding for worker retraining under trade adjustment assistance and youth training programs, severely undermines our national interest in a skilled, motivated work force, both now and in the 1990's.

Mr. President, the third area requiring a strong Federal commitment is our important investments in research and development. We must make sure that we remain on the cutting edge of technological change if we are to retain our competitive advantage in the world economy. Yet this resolution would allow additional 5-percent reductions in funding for the National Science Foundation.

NSF's programs in science education and research are of great importance and the program of instrumentation grants will help to modernize the teaching laboratories where our future scientists learn their craft and develop the skills that are essential to putting us back on the path of vibrant economic growth. The resolution would also allow 5-percent cuts in funding for the National Institutes of Health, the vital center of our extraordinary biomedical research efforts.

In recognition of the importance accorded to NIH's impressive record of contributions to our understanding of disease, and to the development of approaches to treatment and prevention, both appropriations committees have approved funding which exceeds the 1981 level. Still, the Senate version, which would prevail under this resolution, falls below the House level by $16 million and would be vulnerable to additional losses of $19 million.

Finally, Mr. President, NASA must be added to the list of threatened R. & D. agencies.

Already, budget cuts have endangered a large part of NASA's nondefense program—those in space science, space applications, aeronautics, and space technology. These are precisely the areas which, in the next decade and beyond, are going to give this country the kind of commercially valuable competitive advantage that it can attain only if the Government makes these expenditures. By reducing NASA's nondefense funding, we are really handing Japan and West Germany an enormous opportunity to catch up and to compete with us in the economically productive uses of space. To throw away our current advantage in space should be unthinkable; with this resolution, we will be starting down that path.

Mr. President, the reductions in nondefense programs called for under the continuing resolution should be rejected. The economies to be achieved by the additional 4 percent across-the-board cut are false economies. To realize short-term budgetary savings, larger long-term objectives are imperiled. The future health of our economy requires a more farsighted view. It requires investments in plant and equipment, in our economic infrastructure, in human capital, and in research and development. The resolution cut all of those investments and we cannot afford to postpone them.

For these reasons, Mr. President, I must oppose this continuing resolution and urge my colleagues to do likewise.●

● Mr. CHILES. Mr. President, I would like to take the opportunity to clarify with Chairman HATFIELD the funding levels in this continuing resolution. The last continuing resolution stated that programs would be funded at a level "not exceeding" funding levels specified in House-passed appropriations bills or current rates of funding. This provision caused considerable confusion and controversy. In many cases, the administration used that provision to withhold obligation of funding intended by Congress. It is my understanding that this resolution specifically provides funding at exactly the rate referenced in the House or Senate bill. Under the terms of this resolution, therefore, the administration will have to fund programs at the rate provided in the relevant bill or conference report.

Mr. HATFIELD. Mr. President, Senator CHILES is correct in his understanding. We have worked to hold spending in this resolution down to the lowest possible level, while still setting congressional priorities for specific programs. In any case where the administration disagreed with those priorities, it would have to submit a rescission or deferral request in accordance with the Budget Act. I would hope that the rescission and deferral procedures be used only for limited issues of policy disagreement, rather than for a wholesale attempt to rewrite appropriations bills.

Mr. CHILES. I thank the distinguished chairman for this clarification. Would the chairman also agree that deferrals, as provided for in the Budget Act, are intended to be used for temporary delays in funding, and not to make a change in the annual funding level?

Mr. HATFIELD. The Senator from Florida is correct.

Mr. CHILES. I thank the chairman once again.

Mr. President, I would like to ask a question to clarify the impact of this amendment.

In the 1980 supplemental $350 million was made available for emergency relief highway projects. Of that total, I am informed $22 million remains available.

When the $350 million was first made available in the 1980 supplemental up to $50 million was to be made available for reconstruction of the Sunshine Skyway Bridge across the mouth of Tampa Bay.

The highway department is scheduled to pay out approximately $19 million of the funds remaining from the 1980 supplemental to the State of Florida for the Sunshine Skyway Bridge this fiscal year.

Am I correct in assuming that this amendment will not impact the scheduled payment of emergency relief funds to the State of Florida?

Mr. GORTON. I thank the Senator from Florida for his question and would like to assure him that this amendment will not impact the scheduled payment of funds to the State of Florida. My amendment has the effect of earmarking fiscal year 1982 emergency relief funds and will not impact those moneys made available through the 1980 supplemental.●

LOW-INCOME ENERGY ASSISTANCE

● Mr. HEINZ. Mr. President, I am pleased today to cosponsor this amendment, which will assure that the low-income energy assistance program will continue to respond to the urgent needs of so many elderly, poor, and handicapped people. I simply wish to make two points.

First, this amendment does not bust the budget. It simply brings the funding for this program right up to the level that we all agreed to in the August reconciliation bill. It does not spend 1 penny more than that level.

Second, the importance of this program to older Americans cannot be overstated. As we were reminded in Pennsylvania only last week by the new rate increase of the Philadelphia Gas Co. The elderly are among the most vulnerable to astronomical increases in fuel costs since their incomes often cannot keep pace

with rapid rises in home energy costs. They are the people now paying nearly 30 percent of their incomes on energy, as opposed to 8 percent for the average household. And they are the people who are least able to adjust to sudden changes in the cost of energy since they are less physically able to cope with temperature changes than other individuals.

When President Carter moved to decontrol the price of oil, we as a nation decided that a substantial part of the revenues from a windfall profits tax should be set aside and refunded to those hardest pressed by rising energy bills. This obligation to people living on low and fixed incomes remains today. We would be breaking a solemn commitment should we fail to provide the aid they need to cope with the precipitous increases in fuel prices we have experienced. Benefits indexed to inflation such as SSI, social security, and others offer partial relief, but increases in home energy costs clearly continue to outstrip benefits. In the past 5 years alone, from March 1976 to March 1981, energy costs have risen 122.8 percent, compared to a 58.6-percent increase in the Consumer Price Index.

Mr. President, the need this program addresses is clear and urgent. I am well aware that the great challenge facing us today is to make effective and responsible use of stringently limited funds. The low-income energy assistance program does so. An oversight hearing on this topic was held by the Special Committee on Aging, of which I am chairman. Witnesses ranging from elderly recipients to State administrators unanimously testified that countless poor and elderly Americans literally could not afford to stay in their homes without this program. Furthermore, this amendment does not increase funding for low-income energy assistance; rather, it merely keeps funding constant with regard to last year's program and this year's Omnibus Reconciliation Act.

Home fuel prices are not going to come down this winter, and the winter is not going to be any warmer. I believe we must take this opportunity to maintain our support for this vital program.●

Mr. HATFIELD. Mr. President, I know of no other amendments at this time.

If an order has not been entered for the yeas and nays, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators wishing to vote?

The result was announced—yeas 70, nays 26, as follows:

[Rollcall Vote No. 423 Leg.]

YEAS—70

Abdnor	Exon	McClure
Andrews	Ford	Melcher
Baker	Garn	Murkowski
Baucus	Gorton	Nunn
Bentsen	Hatch	Packwood
Boren	Hatfield	Percy
Boschwitz	Hawkins	Pressler
Burdick	Hayakawa	Proxmire
Byrd, Harry F., Jr.	Heflin	Quayle
	Heinz	Randolph
Byrd, Robert C.	Helms	Rudman
Cannon	Huddleston	Sasser
Chafee	Humphrey	Schmitt
Cochran	Inouye	Simpson
Cohen	Jackson	Specter
D'Amato	Jepsen	Stafford
Danforth	Johnston	Stevens
DeConcini	Kassebaum	Thurmond
Denton	Kasten	Tower
Dixon	Laxalt	Wallop
Dole	Long	Warner
Domenici	Lugar	Weicker
Durenberger	Mathias	Zorinsky
East	Mattingly	

NAYS—26

Armstrong	Grassley	Pell
Biden	Hart	Pryor
Bradley	Hollings	Riegle
Bumpers	Levin	Roth
Chiles	Matsunaga	Sarbanes
Cranston	Metzenbaum	Symms
Dodd	Mitchell	Tsongas
Eagleton	Moynihan	Williams
Glenn	Nickles	

NOT VOTING—4

Goldwater	Leahy	Stennis
Kennedy		

So the joint resolution (H.J. Res. 357), as amended, was passed.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move that the Senate insist on its amendments to House Joint Resolution 357 and request a conference with the House of Representatives on the disagreeing votes of the two houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. HATFIELD, Mr. STEVENS, Mr. WEICKER, Mr. MCCLURE, Mr. LAXALT, Mr. GARN, Mr. SCHMITT, Mr. COCHRAN, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. D'AMATO, Mr. MATTINGLY, Mr. RUDMAN, Mr. SPECTER, Mr. PROXMIRE, Mr. STENNIS, Mr. BYRD of West Virginia, Mr. INOUYE, Mr. HOLLINGS, Mr. EAGLETON, Mr. CHILES, Mr. JOHNSTON, Mr. HUDDLESTON, Mr. BURDICK, Mr. SASSER, Mr. DECONCINI, and Mr. BUMPERS, conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, it is now 9 minutes before 7 in the morning. The Senate convened on yesterday morning at 10 o'clock.

I understand what an arduous undertaking it is for the Members to sustain such a diligence of effort for that length of time. But I believe it was the only practical course and I wish to express my appreciation to all Senators, to staff and to the officers and employees of the Senate for remaining through the night and permitting us to complete action on this continuing resolution.

We have conducted 25 rollcall votes since 10 a.m. Thursday. I believe there were 15 rollcall votes on Wednesday. Mr. President, that is a prodigious amount of work. I commend everyone for their participation and I once again express my appreciation to all Senators.

I especially express my appreciation to the distinguished chairman of the Appropriations Committee and the manager of the bill, Senator HATFIELD, and the distinguished ranking minority member and comanager of the bill, Senator PROXMIRE.

THE ALASKAN GAS PIPELINE

Mr. PERCY. Mr. President, I would like to express my deep concern with one provision of the waiver package—the so-called prebilling provision which allows consumers to be charged for the cost of building the pipeline before the project is actually completed. I share with opponents of the waiver package a distaste for shifting the risk of building the pipeline system to consumers—a risk that the financiers are unwilling to take themselves.

However, I feel that we can not leave untapped the 100 to 200 trillion cubic feet of potential natural gas reserves in Alaska. Although the need for the gas does not seem pressing now, sometime in the future I expect we will be thankful that we have pushed ahead with the project. In addition, our repeated assurances to the Canadians can not be ignored. They have accepted our assurances in good faith and we must back these assurances up. In addition, I have received personal assurances this morning from Canadian Ambassador Peter Towe that, and I quote:

> There is no advantage to a Canadian sponsor for taking advantage of precommencement billing and that every effort will be made, on the Canadians part, to ensure that various segments of the pipeline are completed simultaneously avoiding the need for pre-billing.

I deeply regret that we only have one shot at this waiver package. I am reluctantly voting for it. It is a costly insurance policy, but necessary. However, if an alternative financing mechanism can be found in the future, I would gladly support it and would actively discourage FERC from accepting the use of the prebilling provision.

START

Mr. HAYAKAWA. Mr. President, it was with full agreement and great respect that I listened to President Reagan

deliver his speech on the approaching negotiations with the Soviet Union about medium-range nuclear weapons in Europe. I have long believed that President Reagan would prove to be one of those Presidents who will be long remembered for his efforts to reduce the threat of nuclear war which hangs over all mankind. I believe that his speech on November 18 shows that the United States is indeed serious about arms control.

There has been a great deal of discussion about the President's plan to modernize our strategic nuclear forces. Many people have wondered whether this plan is a prelude to a renewed arms race or the prelude to serious negotiations. The President's speech should convince all who are willing to listen that the security of the free world is not in the hands of a warmonger.

We have all heard about the antinuclear demonstrations which have been staged in many parts of Europe. There have even been demonstrations in the United States. Like the President, I understand the concerns of the people, for the prospect of a nuclear war is indeed unthinkable. However, we must not forget that unless we are prepared to face the very serious and real questions which are posed by the threat of nuclear war we will only increase the level of insecurity and thereby increase the possibility of a nuclear war. Ignoring the threats of nuclear war will not make them go away—they will only make them worse. The President has faced those threats, and I believe that his plans for negotiations will insure that the peace is preserved.

There is a great deal of talk, especially in Europe, that NATO's plan to deploy cruise missiles and Pershing II missiles is a plan to fight a nuclear war in Europe which would leave the United States untouched. I believe, Mr. President, that a close examination of the facts will reveal that just the opposite is the case. The Soviet Union has long declared that any American warhead landing on the Soviet Union will be considered to have originated in the United States, thus leaving the United States open to nuclear attack. Since the proposed missiles would be American, their deployment would insure that the United States and her NATO allies would not be "decoupled," and that the United States would automatically become involved in any nuclear exchange in Europe. I believe that this principle is important, for it eliminates the possibility of a limited nuclear war. By guaranteeing that all nuclear conflicts become strategic exchanges, we can insure that both sides will realize that no one will win such a war.

Mr. President, I am very pleased with the new acronym "START," which stands for Strategic Arms Reduction Talks. I believe that it is important that we do work for arms reductions, not just arms limitation. SALT II set the limits so high that neither side would want to exceed them anyway. I hope and trust that that will not be the case this time.

Finally, I would like to emphasize the importance this speech should and I believe will have on those of our allies who in the past have questioned the sincerity of our devotion to arms control. The President has offered the Soviet Union the chance to reduce the spending on nuclear weapons. If they reject this offer, the world must see that they, and not we, are the threat to world peace.

Thank you, Mr. President.

ADDITIONAL STATEMENTS

IMPACT OF RAIL COAL RATES

● Mrs. HAWKINS. Mr. President, this week a distinguished Floridian, Mr. Ross Workman, delivered a message to the annual convention of the National Association of Regulatory Utility Commissioners, an organization that I formerly belonged to as a Public Service Commissioner from Florida, which should be of interest to each of us. The title of Mr. Workman's well researched address was "The Escalating Impact of Rail Coal Rates on Electric Utility Customers: What are the Defenses?" His answer to this question is: Competition!

As Mr. Workman points out, one way to keep energy costs down to encourage development of interstate coal slurry pipelines. For this reason, I decided to be an original cosponsor of S. 1844, the Coal Distribution and Utilization Act of 1981. This act furthers the development of coal pipelines by extending to some the ability to obtain necessary rights-of-way through the Federal power of eminent domain. Mr. Workman makes a compelling case for coal pipelines and for the adoption of S. 1844.

Mr. President, I ask that the full text of Mr. Workman's address be published in the RECORD.

The address follows:

REMARKS OF MR. ROSS WORKMAN

The title of our topic today is rather long—"The Escalating Impact of Rail Coal Rates on Electric Utility Customers: What Are the Defenses?" But I think I can sum up my answer to the question in one word—competition.

Few things are quite that simple, of course, so to be specific, the competition that I have in mind is that provided by coal slurry pipelines. One must also recognize the need for a diversity of transportation modes, including conveyor, truck, rail, barge, pipelines, or some combination of these, but today I'm going to talk primarily about coal pipelines.

Before discussing coal pipelines, which I believe are a partial though significant solution to the country's coal transportation needs, I will briefly review the nature and scope of the problems facing coal users and producers in the U.S. today.

With close to one-third of the world's reserves of coal, the United States should be well on its way to energy independence. The energy plans of both the Carter and Reagan Administrations called for dramatic increases in U.S. coal production, with current levels doubling sometime in the 1990s. Unfortunately, those plans are endangered by often inadequate and increasingly expensive transportation facilities that have helped make U.S. coal prices the highest in the world.

It is ironic that at the same time that we are trying to increase coal exports, a number of domestic coal users have found it cheaper to import coal from abroad. In recent years coal has been imported from such widely varying sources as Australia, Canada, Poland, and South Africa. And it was used in such diverse states as Florida, Louisiana, Minnesota, Texas, North Dakota, Alabama, and Washington. In addition, some southern utilities are considering coal imports from South America.

Because of escalating transportation costs, we are running the risk of pricing American coal out of world markets. What is worse is that those same escalating costs are also inhibiting the use of our own coal at home, a condition that is placing severe economic pressures on electric utility ratepayers.

From 1967 to 1980, variable rail costs in the United States rose 265 percent. Approximately two-thirds of rail rates are made up of variable costs, with the remaining one-third being composed of fixed costs. Coal pipelines enjoy a decided advantage when it comes to such costs. Coal pipelines are capital intensive, with approximately 70 percent fixed costs and only 30 percent variable costs. This helps protect pipelines from the more severe effects of inflation and can help stabilize rising energy costs.

It is worth reviewing the case of the City of San Antonio as an example of what the rise in rail rates has meant to one utility. In May, 1973 San Antonio's municipally-owned utility decided to build two coal-fired generating units, based in part on a rail rate quotation of $7.90 per ton from the Powder River basin to San Antonio. The rate is now $24.98 per ton. In the past five years alone, the rate has increased over 128 percent. That experience, although extreme, is by no means unusual.

While there were some regulatory restraints on rail rates in past years, they were largely removed last year with enactment of the Staggers Rail Act of 1980. Without effective competition, unregulated rail rates are expected to climb even more sharply in the future.

But competition is possible in the form of coal slurry pipelines, which are noiseless, safe, out of sight underground, and economically attractive for transporting large volumes of coal over long distances. Pipelines do not block traffic, divide towns, or create hazards at grade crossings. Coal slurry is nontoxic and nonflammable, and coal pipelines are environmentally superior to other transportation modes. More important, perhaps, is that pipelines are the only practical alternative to railroads in the long-distance, overland transportation of coal.

There is nothing new or experimental about coal pipelines. The technology was proved in Ohio more than 20 years ago. From 1957 through 1963, a 108-mile coal pipeline operated reliably in that state. Faced with competition from the technically proven Ohio pipeline and other proposed pipelines, the railroads agreed to allow unit trains for coal hauling for the first time. This produced a price reduction of almost 50 percent on coal traffic throughout the utility's service area. With this major victory for competition established, the pipeline was put in mothballs. Since then, various railroad spokesmen have claimed this proved that the line was a failure. The beneficiaries of the 50 percent rate reduction in Ohio, as well as the users of unit coal trains throughout the country, would disagree.

Encouraged by the success of that first coal pipeline, President Kennedy asked Congress in 1962 to help the depressed coal industry in Appalachia by providing eminent domain rights for other pipelines. His Secretary of Interior, Stuart Udall, urged—in words that remain timely—that coal pipelines be added "to the arsenal of tools available to our economy to combat rising energy costs."

America has one coal pipeline operating now, the Black Mesa Pipeline system, which carries approximately five million tons of coal per year over 273 miles from Arizona to the 1500 Mw Mohave Generating Plant in southern Nevada. In its 11 years of operation the Black Mesa pipeline has achieved over 99 percent operating availability, and it has transported the coal at costs substantially less than shipping by rail. It is interesting to note that this coal pipeline is owned and operated by the Southern Pacific Railway.

The struggle that was joined in 1962 to obtain Federal eminent domain legislation for coal slurry pipelines continues today, and the need for competition in the transportation marketplace is greater today than ever before. Nine pipeline projects are being proposed in the U.S., as shown on this slide.

To be more specific about the benefits of coal pipelines, I would like to turn briefly to the pipeline our Coalstream Pipeline Company is proposing to build. In broad terms, our 1,500-mile pipeline will bring more than 50 million tons of coal per year from the Illinois Basin and Appalachia to 16 electric generating plants in Georgia and Florida. In addition, an export facility, to be located somewhere along the southeastern coast, would add another 10–15 million tons per year to our pipeline total. Cost of the project, if completed late in this decade, is estimated to be about $5 billion.

A recent study by A. T. Kearney, Inc., compared the projected maximum rail and coal pipeline rates for transporting coal to the plants our pipeline will serve. The study found that, if the pipeline were built, possible savings in coal transportation costs for the 16 selected generating plants could amount to $54 billion over the first 20 years of the line's operation.

The report points out that, even if the pipeline were not built, just the threat of slurry pipeline competition following enactment of eminent domain legislation would probably result in coal transportation savings arising from the potential competition between the railroads and the proposed pipeline.

And there are other benefits, as outlined in a 1980 study by National Economic Research Associates, Inc. NERA indicated that the Coalstream Pipeline would lead to the production of 17.3 million tons of additional coal per year in Appalachia and the Illinois Basin; the addition of $432 million to the economies of the coal-producing states; the creation of approximately 5,200 new jobs for the area's miners; a reduction in the nation's oil imports and an improvement in the balance of payments; and an increase in tax revenues to the states involved.

Faced with such an impressive array of benefits from coal slurry pipelines, some railroad spokesmen fall back on well-worn arguments in opposing them. One contends that pipelines will skim off the cream of the coal-transportation business and damage railroads economically. Another is that the railroads can handle all the increase in coal traffic expected to develop by 1990 and beyond.

We disagree. As an example, recent studies based on authoritative coal demand forecasts confirm our long-held belief that our proposed Coalstream Pipeline's expected transportation of 54 million tons of coal per year to Southeastern utilities would not cause the railroads any revenue loss and that, in fact, they must be prepared to handle significantly increased amounts of tonnage by 1990. It should be noted that most of the generating plants scheduled to burn the increased volumes either have not yet been built, or they remain to be converted to use coal.

The studies show that:

(1) The Coalstream Pipeline could transport 49 percent of the total volumes of coal projected to be needed in the Southeast by 1990.

(2) At the same time, other transportation methods must be prepared to handle an 81 percent increase in their current volumes, or a growth from slightly over 31 million tons in 1980 to a projected 56.4 million tons in 1990.

These results are in line with Data Resources, Inc. projections, which concluded that should all the proposed coal slurry pipelines in this country be built, nationwide rail traffic must increase from a level of 468 million tons in 1980 to more than 675 million tons in 1990.

If the U.S. is to achieve that kind of increased coal production and use, it will require a concerted effort on the part of all transportation modes to get the coal to the marketplace. If the nation is to approach its goal of energy independence, coal slurry pipelines must become an integral part of the expanding transportation system.

Coal slurry pipelines are obviously an idea whose time has come, but they face a serious obstacle, largely as the result of opposition by the railroad industry. What is needed is Federal eminent domain legislation, similar to that afforded interstate natural gas pipelines.

The bill before the current Congress, H.R. 4230, The Coal Pipeline Act of 1981, was introduced in July by Congressman Morris Udall and an impressive list of co-sponsors presently totaling 36. It is one of the most balanced of the coal pipeline bills to be considered by the Congress in recent years.

As an aside, we see the Association of American Railroads' frequently expressed concern over pipeline water supplies as little more than a diversionary tactic. While we fully recognize the importance of water to the states, we emphatically reject the claim that The Coal Pipeline Act of 1981 will in any way infringe on the right of any state to control its own water. In fact, the state water law provisions in H.R. 4230 give the states greater control over their water resources than any legislation already in existence.

Moreover, the shipment of coal by pipeline uses considerably less water than would be required to convert it into electricity in a mine mouth powerplant or into a gas or liquid in a synthetic fuel plant. Water in the pipeline is neither wasted, nor consumed; it is merely transported with the coal to the distant powerplant where both coal and water will be beneficially used. The pipeline water will amount to about one-eighth of what is required for cooling tower make up.

Further, H.R. 4230 mandates that a "public convenience and necessity" standard be satisfied before any coal pipeline can have the right to eminent domain at the federal level. Passage of the bill should be a priority for a country that believes in competition and needs to achieve energy independence. America should not be priced out of burning American coal.

In conclusion, I might point out that this is not the first time a new transportation mode has been opposed by an established one in this country. Back in the 1820s, Governor Martin Van Buren of New York reportedly wrote to President Andrew Jackson on behalf of the American canal system, which was being threatened by a new form of transportation known as railroads.

Among the reasons given by the governor for opposing the railroads was the serious unemployment that would result. And among the jobs threatened were those of captains, cooks, drivers, lock tenders, boat builders, and tow-line, whip and harness makers, many of whom he claimed "would be left destitute."

As an indication of the kind of rhetoric that is occasionally used in these debates, I would like to read the final paragraph of the governor's letter.

"As you may well know, Mr. President, 'railroad' carriages are pulled at the enormous speed of 15 miles per hour by 'engines' which, in addition to endangering life and limb of passengers, roar and sport their way through the countryside, setting fire to crops, scaring the livestock, and frightening women and children. The Almighty certainly never intended that people should travel at such breakneck speed."

We often feel that somewhat the same type of arguments are being put forth today to oppose coal slurry pipelines. In at least one respect we think our transportation system would meet with Governor Van Buren's approval. Our pipelines will move coal at the eminently reasonable pace of four miles per hour.

Thank you very much.●

MILITARY MANPOWER AND THE ALL-VOLUNTEER FORCE

● Mr. COHEN. Mr. President, I would like to share with my colleagues some good news from the Department of Defense about military manpower and the All-Volunteer Army. I would also, however, like to offer a caution at the same time.

I am asking that an article from this morning's Washington Post and a report issued yesterday by Defense Secretary Caspar Weinberger be reprinted in the RECORD. They both point out that last year yielded encouraging success in both recruiting and reenlistment in the Armed Forces. The dramatic results in both fields are heartening to those of us who have been consistent supporters of the All-Volunteer Force.

We cannot, however, allow ourselves to be satisfied with the statistics shown in 1 year. Our national security demands that we continue to pay close attention to the needs of our military personnel and that we continue to do all we can to improve retention of existing troops and enlistment of new ones. I would ask that my colleagues carefully review the material which follows. While the figures announced by the Department of Defense are a source of encouragement, we must maintain a thorough-going commitment to our military personnel which transcends one set of statistics.

Mr. President, I ask that an article on the All-Volunteer Force and a press release on the All-Volunteer Force be printed in the RECORD.

The material follows:

PRESIDENT PRAISES MANPOWER GAINS OF ALL-VOLUNTEER FORCE

President Reagan reported yesterday that there were impressive military manpower gains in 1981 and said this shows the all-volunteer system is the best way to go in peacetime.

"The success of this past year shows that the voluntary system can work and represents the best way to meet our manpower requirements in times of peace," said Reagan in a statement coinciding with a Pentagon report on recruiting, reenlistment and quality performance in the past year.

Defense Secretary Caspar W. Weinberger called fiscal 1981, which ended Sept. 30, "one of the best recruiting and reenlistment years since the inception of the all-volunteer force, both in terms of quantity and quality."

And Pentagon manpower chief Lawrence Korb pitched in with a claim that fiscal 1981 was the "first time the services met and exceeded their authorized strength" since the draft ended in mid-1973.

All this added up to an attempt by the Reagan administration to neutralize arguments by critics in Congress and elsewhere who have contended the all-volunteer force is a failure and that the country should return to the peacetime draft.

In his statement, Reagan said all of the armed services met their recruiting goals in fiscal 1981, that reenlistment rates were up, that test scores had improved dramatically and that the services enrolled the highest ever proportion of high school graduates among volunteers.

Reagan and Weinberger credited the fiscal 1981 gains to higher pay, increased enlistment and reenlistment bonuses, improved educational benefits and "increased appre-

ciation and respect" for men and women in uniform.

Left unmentioned was what many military manpower specialists say privately is an important factor—the high rate of unemployment which makes military service more attractive to youths who might otherwise take jobs in the civilian economy.

Under prodding from Congress, the percentage of high school graduates rose in all services, with the most dramatic increase registered by the Army which reported that 78 percent of its male recruits last year held high school diplomas. This was an increase of 29 percent over fiscal 1980. The Army has had the most difficulty in attracting high school graduates.

The Pentagon reported that 61 percent of those eligible for reenlistment last year signed up for additional hitches, a rise of some 6 percent from the previous year.

The percentage of blacks in the armed forces decreased by about 1 percent to 19 percent in fiscal 1981. The black content of the Army remained at 30 percent, highest of all the services.

SECRETARY OF DEFENSE WEINBERGER ANNOUNCES YEAR-END RESULTS OF VOLUNTEER FORCE ACCESSIONS, REENLISTMENTS ARE ENCOURAGING

Secretary of Defense Caspar W. Weinberger today announced that the year ending September 30, 1981, was one of the best recruiting and reenlistment years since the inception of the All-Volunteer Force (AVF), both in terms of quantity and quality.

Each Service met its strength objectives and there was a significant improvement over FY 1980 in both the number and proportions of new recruits who scored average or above on the enlistment test. In addition, the Armed Services as a whole recruited a higher percentage of high school diploma graduates in FY 1981 than ever before, even during conscription.

The reenlistment rates also improved for every Service over FY 1980 levels. The improvement was not restricted to the Active Force. Secretary Weinberger noted that the preliminary FY 1981 Selected Reserve results also show significant increases over the FY 1980 experience particularly in the Army components.

The Secretary of Defense cited a number of reasons for this year's strong performance. These include increases in pay and the total compensation package provided by the Congress, increased recruiting resources, a variety of training and assignment enlistment options, enhanced educational benefits, and the growing support and appreciation of the American public for our young men and women in uniform.

Looking forward to the rest of the 1980s, the Secretary stated that the Department should be able to recruit and retain sufficient numbers and types of volunteers to man the force if the all-volunteer force continues to receive the support of Congress and the American people. Secretary Weinberger stated that examples of this support include the recently enacted pay raise, the requested recruiting and retention funds and the quality of life improvements needed to allow the Department of Defense (DoD) to remain competitive with the civilian sector in FY 1982.

Complicating the challenge of meeting future manpower requirements is the shrinking pool of military aged youth and Secretary Weinberger cautioned that recruiting may become more difficult in the years ahead. Moreover, such factors as a dramatic expansion of requirements could exacerbate the situation. To meet these challenges, military service must remain an attractive option to our youth and we must maintain the management flexibility to react to unforeseen events.

Secretary Weinberger noted that Defense exceeded the Congressional restrictions on the "quality" of accessions in FY 1981. While Defense was committed to man the force with the right number and kinds of recruits, the Congressionally-mandated restrictions hinder management flexibility and could affect our ability to meet manpower requirements in the future.

CONGRESSIONAL CONTROLS ON QUALITY ACCESSIONS

[Fiscal year 1981 DOD Authorization Act]

Fiscal year	Maximum percent category IVs	Minimum percent high school graduates
1981	25 DOD Average	65—Army Males.
1982	25 Each Service	65—Army Males.[1]
1983	20 Each Service	No Restrictions.

[1] Added as part of FY 1982 DOD Authorization Act.

In summary, Secretary Weinberger made the following points:

The Services met their recruiting goals in fiscal year 1981 and exceeded the Congressional recruit quality constraints.

Fiscal year 1981 was one of the best recruiting and retention years since the beginning of the All Volunteer Force and the fiscal year 1981 results represent a major improvement over fiscal year 1980 statistics.

Preliminary results show that fiscal year 1981 was a good year for the Selected Reserves and particularly for the Army Reserve and Army National Guard.

Continued support from Congress and the public is essential for success in the future.

MILITARY END STRENGTHS

Secretary Weinberger stated that the active force strength of the four Military Services at the end of fiscal year 1981 was 2,082,000. All Services attained their planned end strength.

ACTIVE MILITARY STRENGTH END OF FISCAL YEAR 1981 [1]

[Thousands]

Service	Congressional authorized fiscal year 1981 end strengths	Actual	Actual as percent of authorized
Army[2]	780	781	100
Navy	540	540	99+
Marine Corps	191	191	100
Air Force	569	570	100
DOD Total	2,080	2,082	100

[1] Excludes active duty military personnel paid from Civil Function and Reserve and National Guard appropriations.
[2] This reflects the Army legislation which revised upward the FY 1981 end strength by 4,700.

Note: Numbers in all tables may not add due to rounding.

Secretary Weinberger noted that the FY 1981 performance was the first time since FY 1974, the first full year of the AVF, that DoD completely met its authorized strength.

ACTIVE FORCE END STRENGTH

[Thousands]

	1964	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Authorization	(1)	2,553	2,329	2,190	2,149	2,091	2,093	2,085	2,056	2,052	2,080
Achievement	2,687	2,512	2,252	2,161	2,127	2,081	2,074	2,061	2,024	2,050	2,082
Percentage of Authorization	(1)	98	97	99	99	99	99	99	98	99+	100

[1] Congressional end strength authorizations were established in FY 1972.

A review of the strength data shows that both the female and black content of the Services changed slightly in FY 1981 relative to FY 1980. Female content increased by almost 14,000 or one half percent to nine percent, while black content decreased a percentage point.

TOTAL ACTIVE DUTY MILITARY STRENGTHS

[Total end strength [1] thousands]

Service	Fiscal year 1981			Fiscal year 1980		
	Total	Female	Black	Total	Female	Black
Army	777.0	73.3	232.4	772.7	69.0	229.2
Navy	535.9	39.8	57.9	521.5	34.7	54.2
Marine Corps	190.6	7.6	37.9	188.4	6.7	38.9
Air Force	565.9	62.9	73.0	553.5	59.9	79.5
DOD total	2,069.4	183.7	401.3	2,036.2	170.2	401.8

PERCENTAGE OF TOTAL END STRENGTH

Service	Fiscal year 1981		Fiscal year 1980	
	Female	Black	Female	Black
Army	9	30	9	30
Navy	7	11	7	10
Marine Corps	4	20	4	21
Air Force	11	13	11	14
DOD total	9	19	8	20

[1] Represents reported strength (officers and enlisted, excluding officer candidates).

RECRUITING SUMMARY

The Secretary of Defense said that the Military Services achieved 101 percent of their overall recruiting objective for FY 1981. This was true for all three general categories of personnel for which objectives were established: Non-prior service (NPS) male, NPS female, and prior service personnel.

ENLISTED ACCESSIONS—ALL SOURCES

[Thousands]

Service	Fiscal year 1981 Objective	Actual	Percent of objective	Fiscal year 1980 Objective	Actual	Percent of objective
Army	136.8	137.9	101	172.8	173.2	100
Navy	101.9	84.3	102	96.6	97.7	101
Marine Corps	42.6	44.0	103	43.7	44.3	101
Air Force	81.0	81.0	100	74.7	74.7	100
DOD total	362.3	367.3	101	387.8	389.9	101

Note—Nonprior Service Accessions. The four Services recruited 327,800 NPS people in Fiscal Year 1981. This included 268,100 males and 41,700 females.

FISCAL YEAR 1981 RECRUITING RESULTS

[Thousands]

NONPRIOR SERVICE ACCESSIONS—MALE

Service	Fiscal year 1981 Objective	Actual	Percent of objective	Fiscal year 1980 Objective	Actual	Percent of objective
Army	99.5	99.6	101	134.4	136.0	101
Navy	81.5	81.9	100	77.2	77.1	99
Marine Corps	38.1	38.6	101	39.6	39.5	99
Air Force	66.0	66.0	100	57.9	57.9	100
DOD Total	284.1	286.1	101	309.1	310.4	100

NONPRIOR SERVICE ACCESSIONS—FEMALE

Service	Fiscal year 1981 Objective	Actual	Percent of objective	Fiscal year 1980 Objective	Actual	Percent of objective
Army	18.3	18.3	100	23.4	22.2	95
Navy	10.1	10.1	100	10.8	10.9	101
Marine Corps	2.3	2.3	100	2.3	2.3	100
Air Force	11.0	11.0	100	13.9	13.9	100
DOD Total	41.6	41.7	100	50.4	49.4	98

NONPRIOR SERVICE ACCESSIONS—MALE AND FEMALE

Service	Fiscal year 1981 Total	Percent male	Percent female	Fiscal year 1980 Total	Percent male	Percent female
Army	117.9	84	16	158.2	86	14
Navy	92.0	89	11	88.0	88	12
Marine Corps	40.9	94	6	41.8	95	5
Air Force	76.9	86	14	71.8	81	19
DOD total	327.8	87	13	359.8	86	14

EDUCATION

Secretary Weinberger noted that the number of male high school diploma graduates recruited by all of the Services for FY 1981 was 25,000 above the number recruited last year. This is about a 12 percent increase. The Army recruited over 11,000 more male high school graduates and increased its proportion of male graduates from 49 percent in FY 1980 to 78 percent for FY 1981. Additionally, the Services increased the percentage of female non-prior accessions with high school diplomas from 86 percent in FY 1980 to 92 percent in FY 1981.

Secretary Weinberger stated that he was particularly encouraged by the proportion of new recruits who were high school graduates. Experience has demonstrated that a high school graduate is twice as likely to complete a three-year tour as is a nongraduate. Such performance not only improves force readiness but does so in a manner that is cost-effective for the American taxpayer.

NONPRIOR SERVICE ACCESSIONS—MALE & FEMALE HIGH SCHOOL DIPLOMA GRADUATE

[Total Numbers (Thousands)]

Service	Fiscal year 1981 Male	Female	Total	Fiscal year 1980 Male	Female	Total
Army	77.5	17.2	94.7	66.5	19.3	85.8
Navy	60.4	9.4	69.7	56.3	9.5	65.8
Marine Corps	30.4	2.3	32.8	30.2	2.3	32.5
Air Force	57.8	9.6	67.4	47.9	11.4	59.3
DOD total	226.1	38.5	264.6	201.0	42 5	243.5

PERCENTAGE OF NPS ACCESSIONS

Service	Fiscal year 1981 Male	Female	Total	Fiscal year 1980 Male	Female	Total
Army	78	94	80	49	87	54
Navy	74	93	76	73	87	75
Marine Corps	79	100	80	77	100	78
Air Force	88	88	88	83	82	83
DOD total	79	92	81	65	86	68

Comparisons with previous years shows that in fiscal year 1981 DOD brought in a higher percentage of high school diploma graduates than ever before, even during conscription.

A look at the trends in educational levels of Army accessions show similar results to those of DOD. In fact, the Army improvement in the proportions of high school graduates for fiscal year 1981 over previous years is more significant than it is for DOD as a whole.

The Services prefer to enlist individuals with higher Armed Forces Qualification Test (AFQT) scores because these recruits can be trained quicker and are more likely to qualify for specialized training in more occupational areas.

Secretary Weinberger indicated that the number of non-prior service enlistees DOD-wide who scored average or above on the AFQT increased by 21,700 in fiscal year 1981 over 1980. This represents an increase from 69 percent in fiscal year 1980 to 82 percent during fiscal year 1981. The Army experienced the largest increase going from 50 percent to 69 percent.

NON-PRIOR SERVICE ACCESSIONS—MALE & FEMALE AFQT CATEGORIES I-III

[Thousands]

Service	Fiscal year 1981 Number	Percent	Fiscal year 1980[1] Number	Percent
Army	81.5	69	79.3	50
Navy	80.6	88	72.5	82
Marine Corps	35.7	87	30.6	73
Air Force	71.4	93	65.0	91
DOD total	269.2	82	247.5	69

[1] Revised FY 1980 AFQT Distributions.

The AFQT scores of military accessions have fluctuated over the past two decades. From FY 1964–FY 1976, the proportion of new recruits in Categories I and II remained fairly constant. The percentage of enlistees in these two categories declined from FY 1977 through FY 1980; however, there was an increase in the proportion of above average recruits in FY 1981. In addition the percentage of average and above recruits (Category I–III combined) is higher in FY 1981 than it has been since FY 1978.

Once again the AFQT comparison made for DOD are particularly true for the Army.

BLACKS

The proportion of black non-prior service accessions declined from the previous fiscal year. In FY 1981, the percentage of blacks entering the military was 19 percent compared to 22 percent in FY 1980.

NON-PRIOR SERVICE ACCESSIONS—MALE AND FEMALE BLACKS

[Thousands]

Service	Fiscal year 1981		Fiscal year 1980	
	Number	Percent	Number	Percent
Army	32.2	27	47.2	30
Navy	11.5	13	11.8	13
Marine Corps	7.3	18	9.7	23
Air Force	10.8	14	10.8	15
DOD total	61.8	19	79.6	22

PRIOR SERVICE ACCESSIONS

The following table shows FY 1981 recruiting results for prior service personnel. As with their NPS objectives, the Services met or exceeded their requirements for this category of accessions and exceeded FY 1980 results. Increasing the number of prior service accessions not only decreases the demand for NPS enlistees but also reintroduces more senior trained and skilled people into the force.

PRIOR SERVICE ACCESSIONS

Service	Fiscal year 1981			Fiscal year 1980		
	Objective	Actual	Percent of Objective	Objective	Actual	Percent of Objective
Army	20.0	20.0	100	15.0	15.0	100
Navy	10.3	12.3	120	8.6	9.7	112
Marine Corps	2.2	3.1	140	1.8	2.5	137
Air Force	4.1	4.1	100	2.8	2.8	100
DOD total	36.6	39.5	108	28.3	30.1	106

REENLISTMENT SUMMARY

Secretary Weinberger said that the Navy, Marine Corps and Air Force all reenlisted more men and women than last year. Although the Army's reenlistment rate was higher for FY 1981, it reenlisted 4,900 fewer people because fewer people became eligible this past fiscal year. DOD-wide reenlistments increased by 16,700 or nine percent. The percentage of eligible separatees who reenlisted increased from 55 to 61. All Services reenlisted a higher proportion of eligibles in FY 1981 than they did in FY 1980.

FIRST TERM AND CAREER REENLISTMENTS

[Thousands]

Service	Fiscal year 1981			Fiscal year 1980		
	Eligibles	Reenlistments	Percent	Eligibles	Reenlistments	Percent
Army	116.7	77.9	67	133.0	82.8	62
Navy	94.3	51.5	55	86.3	41.6	48
Marine Corps	36.8	15.9	45	35.0	12.4	35
Air Force	93.5	61.6	66	89.1	53.5	60
DOD total	341.4	206.9	61	343.4	190.3	55

DOD-wide first-term reenlistment rate increased by 3.9 percentage points and the number of first-term reenlistments increased by nearly 4,700 over FY 1980. All Services experienced increases in their first-term reenlistment rates. The Army rate increased by 4.4 percentage points, but the actual number of reenlistments in FY 1981 declined due to a decline in the number eligible to reenlist.

FIRST TERM REENLISTMENTS

[Thousands]

Service	Fiscal year 1981			Fiscal year 1980		
	Eligibles	Reenlistments	Percent	Eligibles	Reenlistments	Percent
Army	38.8	21.3	55	50.3	25.4	51
Navy	55.1	23.0	42	53.7	19.7	37
Marine Corps	23.9	6.3	27	19.4	4.5	23
Air Force	43.9	18.8	43	24.2	15.1	36
DOD total	161.6	69.4	43	165.5	64.8	39

While the number eligible for career reenlistment in FY 1981 increased by 1,900 or one percent over FY 1980, the actual number of career reenlistments in FY 1981 increased by 12,000 or 10 percent. The Navy, Marine Corps, and Air Force increased both career reenlistment rates and numbers; the Army rate increased, but the number of reenlistments declined slightly. Navy increased its career reenlistment rate (5.8 percentage points) and its career reenlistment number (6,700 or 31 percent) over last year.

CAREER REENLISTMENT

[Thousands]

Service	Fiscal year 1981			Fiscal year 1980		
	Eligibles	Reenlistments	Percent	Eligibles	Reenlistments	Percen
Army	78.0	56.6	73	82.7	57.4	69
Navy	39.2	28.6	73	32.6	21.8	67
Air Force	49.7	42.8	86	46.9	38.4	82
Marine Corps	13.0	9.6	74	15.7	7.9	50
DOD total	179.8	137.5	76	177.9	125.5	71

Current first-term reenlistment rates are among the highest ever experienced.

Career reenlistment rates continue on an upward trend after several years of decline.

Particularly heartening is the turnaround in Navy Career Reenlistments.

This increase in rates for personnel in a second or subsequent term of service will help in reducing the Petty Officer shortfall.

PRELIMINARY SELECTED RESERVE MANPOWER AND STRENGTH ASSESSMENT AND FY 1981 RECRUITING RESULTS

Secretary Weinberger also announced that preliminary results for end FY 1981 indicate that the Selected Reserve strength was 899,000 as of September 30, 1981. This represents a gain of approximately 48,000 personnel since the end of FY 1980, and an increase of about 92,000 Selected Reservists since September 30, 1979.

PRELIMINARY SELECTED RESERVE STRENGTH [1]

[Thousands]

Component	Fiscal year 1981	Fiscal year 1980	Change from September 30, 1980
Army Reserve National Guard (ARNG)	390.0	366.6	+22.4
Army Reserve (USAR)	225.0	206.6	+18.4
Naval Reserve (USNR)	87.9	87.0	+.9
Marine Corps Reserve (USMCR)	37.0	35.4	+1.6
Air National Guard (ANG)	98.3	96.3	+2.0
Air Force Reserve (USAFR)	61.6	58.9	+2.6
DOD total	898.8	850.8	+48.0

[1] Includes full-time reservists serving on Active Duty Guard/Reserve (AGR) status.

Secretary Weinberger also stated that preliminary recruiting results for end FY 1981 indicate that the Selected Reserve achieved 106 percent of its overall recruiting objective for the fiscal year. Only the Naval and Marine Corps Reserves did not attain their recruiting objectives in FY 1981.

PRELIMINARY SELECTED RESERVE RECRUITING RESULTS
ALL SOURCES
[Thousands]

Component	Objective	Actual	Percent of objective
ARNG	95.8	96.4	101
USAR	59.5	67.9	114
USNR	28.5	27.3	96
USMCR	13.1	11.7	89
ANG	13.7	14.6	107
USAFR	11.8	18.2	155
DOD total	222.3	236.3	106

NON-PRIOR SERVICE

Component	Objective	Actual	Percent of objective
ARNG	50.6	52.4	104
USAR	30.3	31.9	105
USNR	3.6	2.9	80
USMCR	8.5	7.7	91
ANG	5.2	5.5	105
UASFR	3.2	3.1	97
DOD total	101.3	103.4	102

PRIOR SERVICE

Component	Objective	Actual	Percent of objective
ARNG	45.2	44.0	97
USAR	29.2	36.0	123
USNR	24.9	24.5	98
USMCR	4.7	4.1	87
ANG	8.5	9.2	108
USAFR	8.6	15.1	177
DOD total	121.0	123.8	110

Fiscal year 1981 data is preliminary. Data source for actual results is the Reserve Components Common Personnel Data System (RCCPDS) as reported in "Official Guard and Reserve Manpower Strengths and Statistics."●

LET US BE ECONOMIC COPYCATS

Mr. CRANSTON. Mr. President, a good friend of mine who chairs the Foothill Group, Inc., and serves on the board of directors of the American Business Conference—a coalition of the 100 fastest-growing businesses in the country—and on the board of the Center for Democratic Policy here in Washington, recently published a thought-provoking article which appeared on the Op Ed page of the Los Angeles Times on October 16. Because I feel he has something worth saying, not only about the Democratic Party but about the sort of economic alternatives we should be looking for, I would like to share Don Gevirtz' piece with my colleagues. I ask that his article be reprinted at this place in the RECORD.

The article follows:

[From the Los Angeles Times, Oct. 16, 1981]

DEMOCRATS AS ECONOMIC COPYCATS—PARTY MUST NOT LET DEFECTORS PUSH IT INTO THE GOP'S POSTURE

(By Don L. Gevirtz)

It may be understandable, from the short-term perspective, that many Democrats are plunging into the "conservative tide" that Ronald Reagan's election was said to represent. But such defections are exasperating to those of us Democrats who believe that it is time to reassert the party's once-strong leadership in economic affairs.

The defectors and fence-sitters would not only strip the Democratic Party of its very reason for being but also turn it into a copycat accomplice to the poorly devised and fundamentally unfair economic policies of the Republicans under Reagan. And the officeholders who present themselves as Democrats with Republican sympathies risk being the next to feel the frustration of Americans who sit out elections by the millions asking, "What difference does it make who wins?"

Those of us who believe that it does make a difference must make that difference clear by constructing an identifiable, clear-headed alternative to the cliche that American politics consists of Democratic welfarism on one side and Republican supply-side capitalism on the other.

At the very core of this challenge is finding a definition of our attitude toward capitalism itself. We must start abandoning many of the anti-capitalist overtones that have marked elements of Democratic thinking since the New Deal. Our quarrel with the Republicans should be not over the desirability of the free-market system but over how to make it fair, efficient and open to the entrepreneurial impulses of the American people.●

The Republican approach to capitalism, blindly allowing for the random accumulation of capital by large economic units, is deeply flawed. It is fundamentally inefficient, ineffective, without compassion and ultimately subversive to the long-term health of the free-enterprise system. Just nine months after Reaganomics arrived in Washington, business bankruptcies shot up a staggering 42% compared to the previous year, the worst jump in more than a decade. More than 90% of the failures occurred among enterprises with liabilities under $1 million. In fact, rather than being the beneficiaries, small and medium-sized businesses have become the prime victims of Republican policies.

The Reagan economic program decidedly favors large, multi-national corporations over small, innovative companies, which have provided four-fifths of all new jobs for American workers over the past decade. A prime example can be seen in Reagan's bill that favors the depreciation schedules of large, equipment-oriented companies over smaller firms concentrated in labor-intensive service and retail fields. Nor will this long-term depreciation scheme be very helpful to our high-technology entrepreneurs, fighting for their lives against determined Japanese competition, since their equipment changes very rapidly.

In Reagan's celebrated business tax cuts, nearly 80% will accrue to the 1,700 firms with more than $250 million in assets, with big oil chomping off $70 billion alone, thanks to its loyal friend in the White House.

Even the stratospheric interest rates that appeal to Reagan's strict monetarists are proving far less harmful to big corporations, which can utilize their full tax liability, than to small firms, which lack the scale of profitability to take full advantage of the tax benefits. The situation is particularly appalling for new enterprises faced with high startup costs and short-term losses.

These policies favoring large economic units are also undermining the innovative process, which is vital if we are to improve our productivity and meet the Japanese challenge in the marketplace. Large units simply are not as innovation-oriented as smaller, entrepreneurial companies. A National Science Foundation study concluded recently that small businesses produce 24 times the number of innovations per federal research dollar that large firms do.

Fifty percent of productivity increases in the United States between 1948 and 1969 were the direct result of entrepreneurial technological innovation. Research-intensive manufacturing industries boosted the nation's export surplus in that period from $5.9 billion to $29.3 billion, while industries without strong innovative tendencies, such as autos and steel, declined $16.5 billion, and by the late 1970s represented key contributors to the nation's persistent trade deficit. In the last decade, the output of technology-oriented enterprises has grown three times that of the low-technology big corporations so favored by Reagan. Problems faced by big corporations when trying to develop new technologies were typified in Exxon's inability to implement an electric-motor breakthrough after acquiring Reliance Electric expressly for that purpose.

The shortsightedness of Reagan's economic program could provide the Democratic Party with its fundamental political opportunity in the 1980s. Party leaders and officeholders should actively support and even spearhead the battle for increased incentives for business. We also must make it clear that our economic policies are directed primarily toward encouraging the growth of such industries as micro-processors and information technologies, which have the best chance of providing new economic and productivity growth in the nation.

The Democratic Party pledge to the coming dynamic young generation of entrepreneurs, and to the nation at large, must be one based on the benefits of a new "open capitalism" that encourages new companies, innovation, exports and jobs. To this end, the party should also identify itself with innovations involving employee ownership, stock options and incentives for minority businesses.

This posture would reconcile the party's now-alienated traditional constituencies, including workers, farmers and minorities. We would all become equal partners in resisting disastrous economic measures that, for example, now encourage companies like Du Pont to borrow millions to acquire Conoco while the average citizen cannot even finance a modest home.

The Democrats must become the party of economic as well as social diversity, linking the social progressiveness of the past with the forces now forging the future of technology and economic life. Already, on most non-economic issues facing the nation—abortion, the equal rights amendment, environmental protection, Social Security and checks on Pentagon waste—there is ample reason to believe, according to recent polls, that Democratic Party positions are closer to the majority opinion of Americans than those enshrined in the hard-right 1980 Republican platform.

Identification with decentralized, entrepreneurial capitalism has a long political tradition in America, and it is a tradition that must stand at the core of the Democratic Party's policy if it is to survive and thrive in the coming decade of challenge and change.

SENATOR PETE DOMENICI: WISE WORDS ON WATER POLICY

Mr. MOYNIHAN. Mr. President, much has been said in recent times of the manner in which this Nation has come to be divided amongst its various regions: the Frostbelt against the Sunbelt, the East versus the West and so forth.

This is all the more reason to pay particular attention to those who say

we must find equitable national approaches to problems which confront all parts of the country. Water policy, for example, has been desperately torn by profound regional interests yet it is an area which cries for solutions truly national in scope.

It is not, then, an insignificant occasion when a Senator from the West says that his region must work with those from the East to fashion a national water policy. Those from the West know, perhaps better than most, the importance of water and the role the Federal Government can play in bringing it to areas which need it. I have remarked often that it is a subject those from the East have not addressed with appropriate enthusiasm.

All this by way of saying that Senator PETE DOMENICI has offered us some excellent guidelines for effecting sensible water policy reform in an address he delivered earlier this month to the National Water Resources Association.

Senator DOMENICI says, and I quote him:

Unless we in the West develop a greater mutual understanding and alliance with the East in analyzing water issues and problems—an alliance that allows everyone to address his own particular water problems—I fear we may never see this vital program flourish again. And flourish it must.

The Senator, as he is on so many occasions, is absolutely right, although I must note that I have an interest of sorts here since Senator DOMENICI and I have collaborated on a bill, S. 621, which would enshrine many of the principles of which he speaks. We were told, at first, that Congress would never relinquish its role in water project selection and funding yet our bill has not been forgotten and it seems that more and more people are willing to give it more than casual consideration.

Well they should. As the State motto of New Mexico is something like crescit eundo ("it grows as it goes"), so too our bill grows on those who pay it more than a little attention.

In that spirit, I hope my colleagues will study Senator DOMENICI's thoughtful address and I ask that it be printed in the RECORD:

The material follows:

WATER POLICY OPPORTUNITIES FOR THE 1980's

There are two distinct honors that I carry with me to this platform this morning.

It is, first, a particular pleasure to welcome this great convention of the National Water Resources Association to my hometown and to our great State of New Mexico. Your presence here for your 50th annual convention recognizes the growing significance of Albuquerque as an important convention center, as well as the leadership of so many New Mexicans, particularly Steve Reynolds, in our national water resources development effort.

Secondly, it is a particular honor for me to join in your warm welcome for our great Secretary of the Interior, Jim Watt. I know that you share my feeling that we finally have a Secretary of the Interior who understands our problems in the West, a man who is not afraid to tackle the difficult issues, and a man who is equally right. He and I may occasionally disagree on issues—such as the need to continue Federal support for water research and desalination efforts, and for an independent board to coordinate national water policy.

But we're in tune 99 percent of the time. I am proud of that.

My only complaint, frankly, is with your executive vice president, Pat O'Meara. Now, Pat is a great leader. He is an articulate and thoughtful spokesman for water resources development. But his decision to put me on the program immediately after Jim Watt and right before Manny Lujan's luncheon speech certainly will assure that what I have to say will probably go unnoticed.

Despite that burden, I shall give it a try. I will make the effort because this is a period that is critical in the development of a wise, forward-looking water resources development program and policy. It is critical because new realities force us to reexamine our entire national approach on water project development. And it is critical because we finally have leadership in Washington that understands our problems.

We have just emerged from a period of darkness in evaluating water issues.

We faced uncertainty over the issue of what is called Federally reserved water rights. While that issue remains a vexing one—one which will require continued litigation and hard work—Jim Watt has made certain that we are on the road to a sound resolution.

We also confront the need to clarify and modernize the 1902 Act, to straighten out the problems relating to acreage limitations. I know that you share my sense of gratitude on this issue to my colleague, Representative Manuel Lujan. In his very important position as the ranking Republican on the House Interior Committee, Representative Lujan has taken the leadership to develop a sound approach to resolve the acreage limitation issue. I know that you were as pleased as I was to hear Secretary Watt discuss the Lujan bill with such enthusiasm.

Senator McClure, who is Chairman of the Senate's Energy Committee, plans soon to introduce a companion bill on our side. That may occur as early as this week. I hope that we will be able to hold House and Senate hearings on this issue sometime next month.

We need to get the acreage limitation issue resolved. And soon.

In addition, there are other issues now pending in the courts. One involves a direct attack on the ability of a state to manage its own waters for beneficial use. I share Jim Watt's belief in the sanctity of state control of water. That is essential to New Mexico and the West. If we in New Mexico lose this case, it could dramatically affect the development of water throughout the West, and its appropriations for the benefit of the people of the state. It is not too drastic to say that this case threatens the ability of every state in the West to control its own waters and, thus, its destiny.

But that issue, wisely, lies outside the responsibility of Washington. What rests in our sphere of responsibility is the program of water resources development undertaken by the various water resources agencies—the Bureau of Reclamation, the Army Corps of Engineers, and the Soil Conservation Service.

Everyone in this hall believes, as I do, that America needs more, not less, spending on Federal water development. But we also confront a run-away budget, one that now requires controls over spending for water projects, as with any other program. However painful, decisions like that are essential for the future economic development of the nation.

Let me illustrate what is going on. Later this week, the Senate will consider a Corps of Engineers appropriation for construction that is 10 per cent below last year's appropriation. The reduction recommended by the Appropriations Committee for the Bureau's construction program stands six percent under last year's construction appropriation.

Such declines in spending on water development are not new. Every year, while inflation eats away at the value of the dollar, spending has held steady or declined. The result: A dramatic drop in water development.

Spending on construction of Bureau projects, in constant dollars, is down by more than 25 percent over the past 15 years. The program of the Corps of Engineers has suffered even more—it is down by more than 50 percent over the same span.

This is just a tip of the iceberg of indicators demonstrating the fact that our water development effort lies in disarray. Put another way, the program is crumbling.

Between the Corps and the Bureau, we have an authorized—and unbuilt—backlog of work that totals some $50 billion.

It takes a generation—about 26 years—simply to get a typical water project from the point when the study starts until construction begins. It then takes many more years to complete construction.

We haven't seen any major authorization effort since the mid-1970's.

We haven't had any new starts for years.

Everything is done on an ad hoc basis.

There are no priorities.

And the states, often, are simply on-lookers.

I believe we must make some dramatic improvements.

Fortunately, this Administration understands the problem. Besides Jim Watt, we have Garrey Carruthers from New Mexico, who serves as the Assistant Secretary of the Interior for Land and Water. Bill Gianelli, who used to run California's water program, now oversees the work of the Corps of Engineers. Both men are doing outstanding jobs. These men are true friends of water development.

But I must reiterate my view that the time for major changes and improvements in the program is upon us. We need to reform the system at a time when we have friends in control, rather than those who oppose water development.

Personally, I believe we must approach this challenge with several principles in mind.

First, there must be greater state involvement. That is the touchstone of the Reagan-Watt philosophy. State leadership is wise. It represents the only approach that is likely to get the job done. We must develop a program and legislation that builds upon this concept.

Secondly, we must develop a workable mechanism for identifying and selecting priority water development projects. We must encourage rational choices among sound alternatives—not simply approval of whatever comes out of the pipeline.

Our current ad hoc approach to project selection simply fails to provide the public confidence we must have that our water project dollars are spent wisely.

Frankly, I don't believe Congress can be an effective forum for priority decisions among hundreds of sound, plus some not-so-vital projects.

Congress can—and must—make the policy choices. We can set the level of spending. But we simply cannot select wisely among the merits of various projects in various states. The result is what we see now—a little bit of everything, without any identification of priorities and with lots of public apathy.

Let me give you an example. If there was ever a water issue that deserved priority treatment, it was the depletion of the Ogallala Aquifer. As most of you know, the Ogallala is a vast aquifer stretching from Nebraska south through Colorado, Kansas, and Oklahoma into Texas and New Mexico. It is the breadbasket of our Nation, the feeding ground for much of our cattle, the foundation of much of the agricultural economy in the West.

And it is running dry.

Thanks to some legislation I developed a few years ago, a High Plains-Ogallala Study will soon be completed by the Commerce Department, working with the Corps of Engineers. That study will give the people of the High Plains states a series of options designed to reverse the depletion of the Ogallala waters—options from improved irrigation techniques to the possibility of major interbasin transfers of water. Unless we act, we may see an end to diversified economic growth in the West. If the High Plains area is permitted to return to dryland farming, the entire economic structure of much of the West will shift, and shift dramatically.

And yet there was no Federal concern over this issue until a couple of years ago. I am convinced that if the states had been permitted to become involved more directly in the water program, and if they had been charged with setting priorities, we would be much farther toward a sound solution for the Ogallala.

And, thirdly, we must confront the issue of project financing and cost-sharing. I have the great honor to serve as Chairman of the Senate's Budget Committee. This is a most challenging and exciting job, working to assure the implementation of President Reagan's program.

From that position, as well as from listening to Jim Watt today and examining the recent trends in water project development, there can be no more crucial issue for the water resources program than financing. We simply cannot expect any dramatic increase in Federal spending, without some new allocation of costs—either upfront financing, cost-recovery financing, or both.

Let me quote to you a sentence from President Reagan's most recent economic message:

"When the Federal Government provides a service directly to a particular industry or to a group of citizens, I believe that those who receive the benefits should bear the costs."

President Reagan has already developed proposals for cost-recovery from the commercial users of the inland waterways and our ocean ports. His top water experts—the men who are sharing this platform with me—are working on other cost-sharing initiatives, ones that we must address in the months ahead.

Unless we do, I see a continuing erosion of our water development program, which is so vital to a sound America.

As many of you know, I have developed my own proposal to improve the overall water resources program, to get water development moving forward. I, of course, am referring to S. 621—the so-called Domenici-Moynihan bill.

While many of its technicalities may need to be tinkered with, I remain convinced that its basic philosophical tenets are sound. They are ones upon which we can build with pride and effectiveness for the latter years of this century.

S. 621 creates a program that would allocate Federal dollars among the States, giving the States the responsibility for selecting most projects to be built by the Federal agencies.

In other words, S. 621 puts the States in the drivers seat. It provides greater certainty of funding to each State. It provides an automatic authorization process to short-circuit the tedious delays now built into the program. It creates an automatic process to clean out the deadwood—the old projects that no longer have local support.

And it requires a level of cost-sharing—25 percent—that I believe represents a sound starting point for discussion.

I know that there are those who say Congress will never relinquish its role in project selection and funding. Maybe that is so. Under S. 621, Congress would still review each of the big- multi-State projects.

But I believe our water resources effort will continue to suffer until the responsibility for progress can be shifted more fully to the States and to the beneficiaries.

And, I know there are those who wonder how in the world a Senator from New Mexico can gang up with a liberal from New York to develop a "water reform" bill. Haven't I been hoodwinked?

The answer is no! Maybe it's the other way around.

Unless we in the West develop a greater mutual understanding and alliance with the East in analyzing water issues and problems—an alliance that allows everyone to address his own particular water problems—I fear we may never see this vital program flourish again.

And flourish it must.

Water is our life!

Water is our future!

Unless we begin to pay more attention to creating a realistic program for the latter years of this century, we may lose that future.

Let us work together to avoid that danger.

Thank you.●

Mr. LYLE J. MOORE

● Mr. HAYAKAWA. Mr. President, I want to take this opportunity to recognize the outstanding career and loyal service in the communications field by Mr. Lyle J. Moore.

For 30 years, Mr. Moore has been intimately involved with the telecommunications aspects of many campaign both in the State of California and nationwide. His services with the Bell System included positions at all corporate levels with responsibility for planning, organizing and providing communication facilities. For the last 20 years, political customers have been his primary responsibility with assignments ranging from the establishment of systems through compliance with Federal and State campaign laws.

His specific assignments are recorded in the annals of history. In 1960 he was responsible for the communications at the Democratic National Convention in Los Angeles and organized and directed communications programs for the Nixon/Lodge campaign and debates. From the mid-1960s on, his path continued to link with that of Richard Nixon during various tours, the National Convention in San Francisco, and a 1969 State dinner in Los Angeles. Most recently, he had had administrative responsibility for communications during President Reagan's campaigns since 1966.

Lyle Moore is a native Californian. He was raised and schooled in Los Angeles and is currently a resident of San Gabriel with his wife and two children. He is a U.S. Army veteran of the World War II era, a member of the American Legion, on the executive committee of the Southern California Marine Radio Council, and in 1969 was Commander of the Flotilla 24 U.S. Coast Guard Auxiliary.

Aside from his job-related political activities, he has worked with the parties on local, State, and national levels to develop a more effective system of voter registration and election participation. The City of Los Angeles has seen fit to recognize his contributions to the communications industry numerous times. He received two Los Angeles City Council Resolutions, one for Planning and Organizing CCIR (International Radio Consultative Committee) 9th Plenary Assembly, and another for Outstanding Record of Accomplishment in the Field of Communications Locally, Nationally and Internationally. The Los Angeles Board of Supervisors awarded him a Resolution for Leadership in Developing Programs, National and International for New Systems of Communications and Navigation, and the Republican County Central Committee gave him a resolution for designing a News Release System for Political Candidates.

Mr. President, I am pleased to recognize the contributions of Mr. Moore.●

AUTHORITY TO RECEIVE MESSAGES

Mr. BAKER. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the House of Representatives during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 6 P.M. TODAY

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business this morning it stand in recess until the hour of 6 p.m. today.

The PRESIDING OFFICER. Without objection, is is so ordered.

RECESS UNTIL 6 P.M. TODAY

Mr. BAKER. Mr. President, if there is no other business to come before the Senate, I move, in accordance with the order just entered, that the Senate now stand in recess until the hour of 6 p.m.

The motion was agreed to, and at 6:52 a.m., the Senate recessed until Friday, November 20, 1981, at 6 p.m.

NOMINATIONS

Executive nominations received by the Senate November 19, 1981:

DEPARTMENT OF STATE

Kenneth Lee Brown, of California, a Career Member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of the Congo.

INTER-AMERICAN FOUNDATION

Marc E. Leland, of California, to be a Member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1982, vice Guy Feliz Erb, resigned.

Thomas O. Enders, of Connecticut, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1984, vice Viron P. Vaky, resigned.

M. Peter McPherson, of Maryland, to be a Member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1986, vice Paula Stern, resigned.

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of section 601(a), Public Law 96-513, 12 December 1980, and title 10, United States Code, section 624:

To be major general

Maj. Gen. Ames S. Albro, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Andrew H. Anderson, [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Thurman E. Anderson, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard W. Anson, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William S. Augerson, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Donald M. Babers, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles W. Bagnal, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Floyd W. Baker, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Quinn H. Becker, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Robert L. Bergquist, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Raymond H. Bishop, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard D. Boyle, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Arthur E. Brown, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward M. Browne, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John D. Bruen, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Paul P. Burns, [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Andrew P. Chambers, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Mary E. Clarke, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Neal Creighton, [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) John S. Crosby, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Howard G. Crowell, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Jerry R. Curry, [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) William S. deCamp, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Edward A. Dinges, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Henry Doctor, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Robert J. Donahue, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Benjamin E. Doty, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. David K. Doyle, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harry L. Dukes, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles W. Dyke, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. David W. Einsel, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) James N. Ellis, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Robert M. Elton, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Vincent E. Falter, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Joseph L. Fant III, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles J. Fiala, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert C. Forman, [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Robert H. Forman, [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Charles D. Franklin, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James E. Freeze, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Daniel W. French, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Niles J. Fulwyler, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John R. Galvin, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John D. Granger, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Henry H. Harper, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas F. Healy, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Elvin R. Heiberg III, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John A. Hemphill, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert L. Herriford, Sr., [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Arthur Holmes, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John W. Hudachek, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William K. Hunzeker, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward J. Huycke, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Theodore G. Jenes, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James H. Johnson, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Vaughn O. Lang, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Donald R. Lasher, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard D. Lawrence, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Allen H. Light, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen (promotable) Aaron L. Lilley, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James J. Lindsay, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Fred K. Mahaffey, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James P. Maloney, [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) George E. Marine, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Carl H. McNair, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Walter J. Mehl, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Louis C. Menetrey, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Bernhard T. Mittemeyer, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. William C. Moore, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Max W. Noah, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John B. Oblinger, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward C. O'Connor, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Joseph T. Palastra, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Elmer D. Pendleton, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James C. Pennington, [redacted], Army of the United States (brigadier general, United States Army).

Brig. Gen. (promotable) Garrison Rapmund, [redacted], Army of the United States (colonel, United States Army).

Maj. Gen. Benjamin F. Register, Jr., [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Roderick D. Renick, Jr., [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Hugh G. Robinson, [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Patrick M. Roddy, [redacted], Army of the United States (colonel, United States Army).

Maj. Gen. Vincent M. Russo, [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. William H. Schneider, [redacted], Army of the United States (colonel, United States Army).

Maj. Gen. Robert L. Schweitzer, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John W. Seigle, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Lawrence F. Skibbie, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold I. Small, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert B. Solomon, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Howard F. Stone, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Albert N. Stubblebine, III, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Duane H. Stubbs, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert A. Sullivan, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward L. Trobaugh, [redacted]

XX..., Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Dale A. Vesser, XXX-XX-XXXX, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Carl E. Vuono, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Maj. Gen. Louis C. Wagner, Jr., XXX-X... Army of the United States (brigadier general, U.S. Army).

Maj. Gen. David E. Watts, XXX-XX-XXXX, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James S. Welch, XXX-XX-XXXX, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard M. Wells, XXX-XX-XXXX, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James A. Williams, XXX-XX-XXXX, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John W. Woodmansee, Jr., XXX-X..., Army of the United States (colonel, U.S. Army).

To be brigadier general

Brig. Gen. Floyd C. Adams, Jr., XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert B. Adams, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) Edwin M. Aguanno, XX... XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Anthony F. Albright, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Jack A. Apperson, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Norman E. Archibald, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. John C. Bahnsen, Jr., XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. John L. Ballantyne III, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Llyle J. Barker, Jr., XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerald T. Bartlett, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard J. Bednar, XXX-XX-XXXX, Army of the United States colonel, U.S. Army)

Brig. Gen. Gerald H. Bethke, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frederick C. Biehusen, XXX-X... XX..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Zeb B. Bradford, Jr., XXX-X... XX... Army of the United States (colonel, U.S. Army).

Brig. Gen. Jack O. Bradshaw, XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James T. Bramlett, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (Promotable) Joe J. Breedlove, XX... XXX-X..., Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Charles F. Briggs, XXX-..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Leo A. Brooks, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Grail L. Brookshire, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Jeremiah J. Brophy, XXX-X... X... Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles W. Brown, XXX-XX-..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Dallas C. Brown, Jr., XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Frederic J. Brown III, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. John M. Brown, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) Lee D. Brown, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. David L. Buckner, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert H. Buker, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Jerry M. Bunyard, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Peter G. Burbules, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) William F. Burns, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Archie S. Cannon, Jr., XXX-XX... XX..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard G. Cardillo, XXX-XX-XXXX, Army of the United States (colonel U.S. Army).

Brig. Gen. William E. Carlson, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Thomas E. Carpenter III, XXX-X..., Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) William S. Carpenter, XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) James C. Cercy, XXX-X..., Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Hubert T. Chandler, XXX-XX... Army of the United States (colonel, U.S. Army).

Brig. Gen. James L. Collins, Jr., XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald W. Connelly, XXX-X... XX..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Michael J. Conrad, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Andrew L. Cooley, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) Johnnie H. Corns, XXX-X..., Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Walter C. Cousland, XXX-X..., Army of the United States (colonel, U.S. Army).

Col. (promotable) Eugene R. Cromartie, XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert T. Cutting, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Harold M. Davis, Jr., XXX-XX..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Sidney Davis, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Peter M. Dawkins, XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Donald J. Delandro, XXX-XX..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Norman G. Delbridge, Jr., XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. James R. DeMoss, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. James L. Dozier, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles F. Drenz, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. James E. Drummond, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Dwyre, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) Donald E. Eckelbarger, XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Charles H. Edmiston, Jr., XXX-XX..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Maurice O. Edmonds, XXX-X..., Army of the United States (colonel, U.S. Army).

Col. (promotable) Fred E. Elam, XXX-X..., Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Jack B. Farris, Jr., XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thomas J. Flynn, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Johnie Forte, Jr., XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. John W. Foss, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Eugene Fox, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph P. Franklin, XXX-X... XX..., Army of the United States (colonel, U.S. Army).

Col. (promotable) Forrest T. Gay, III, XX... XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles E. Getz, XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Wendell H. Gilbert, XXX-XX..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles F. Gorden, Jr., XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. William H. Gourley, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Todd P. Graham, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard G. Graves, XXX-X..., Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Donald J. Gudinas, XXX-XX-XXXX, Army of the United States (lieutenant colonel U.S. Army).

Brig. Gen. James R. Hall, Jr., XXX-XX-XXXX, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert D. Hammond, XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Bruce R. Harris, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry J. Hatch, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) Mildred E. P. Hedberg, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. James R. Henslick, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Brig. Gen. Bernard M. Herring, Jr., XXX-X..., Army of the United States (colonel, U.S. Army).

Brig. Gen. Patrick J. Hessian, XXX-XX-XXXX, Army of the United States (major, U.S. Army).

Brig. Gen. James M. Hesson, XXX-XX-XXXX, Army of the United States (colonel, U.S. Army).

Col. (promotable) Jere L. Hickman, XX...

[redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Donald C. Hilbert, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jerome B. Hilmes, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Fred Hissong, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Stanislaus J. Hoey, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Curtis F. Hoglan, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Ronald M. Holdaway, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Honor, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Houston P. Houser III, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Victor J. Hugo, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Cary B. Hutchinson, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Claude T. Ivey, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Hazel W. Johnson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Johnny J. Johnston, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Homer Johnstone, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth A. Jolemore, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Lincoln Jones III, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) France F. Jordan, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert M. Joyce, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Walter W. Kastenmayer, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thomas K. Kelly, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard S. Kem, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard D. Kenyon, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Claude M. Kicklighter, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John M. Kirk, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William E. Klein, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Eugene S. Korpal, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank F. Ledford, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Ray H. Lee, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Billie B. Lefler, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth C. Leuer, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth E. Lewi, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Bernard Loeffke, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph C. Lutz, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert G. Lynn, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Bobby J. Maddox, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Phillip H. Mason, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Church M. Matthews, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James F. McCall, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thomas P. McHugh, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John H. Mitchell, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John H. Moellering, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert F. Molinelli, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerald E. Monteith, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James E. Moore, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald R. Morelli, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert D. Morgan, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John T. Myers, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Cecil N. Neely, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Cecil N. Neely, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Thomas C. Nelson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Stephen E. Nichols, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John W. Nicholson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William E. Odom, [redacted], Army of the United States (colonel U.S. Army).

Brig. Gen. William G. O'Leksy, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Hardin L. Olson, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Allen K. Ono, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald M. O'Shei, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joe S. Owens, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Dave R. Palmer, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Ellis D. Parker, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Julius Parker, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Burton D. Patrick, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Christian Patte, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. August R. Pede, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Benjamin J. Pellegrini, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Harry D. Penzler, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald S. Pihl, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) James Piner, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert W. Pointer, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Bobby B. Porter, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William E. Potts, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Colin L. Powell, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Charles G. Prather, IV, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Roger J. Price, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John P. Prillaman, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Hugh J. Quinn, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank A. Ramsey, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Lloyd K. Rector, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Leonard J. Riley, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert W. Riscassi, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Colonel (Promotable) George R. Robertson, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thurman D. Rodgers, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John E. Rogers, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William C. Roll, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jimmy D. Ross, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Jackson E. Rozier, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Crosbie E. Saint, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Thomas A. Sands, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William R. Sarber, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard A. Scholtes, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry J Schumacher, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. H. Norman Schwarzkopf, [redacted]

[redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) James T. Shelton, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Mark J. Sisinyak, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph J. Skaff, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry G. Skeen, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Anthony A. Smith, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Douglas S Smith, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Isaac D. Smith, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Scott B. Smith, [redacted], Army of the United States (colonel, U.S. Army).

Brig Gen. Tommie G. Smith, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Harry E. Soyster, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. David W. Stallings, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Lynn H. Stevens, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Eugene L. Stillions, Jr, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Carl W. Stiner, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. George R. Stotser, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Tracey E. Strevey, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Roy M. Strom, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Leroy N. Suddath, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert J. Sunell, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William E. Sweet, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James R. Taylor, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James A. Teal, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles E. Teeter, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James E. Thompson, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Francis J. Toner, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Gary L. Turner, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Guthrie L. Turner, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. William G. T. Tuttle, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Nathan C. Vail, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James W. van Loben Sels, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert E. Wagner, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John F. Wall, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Chester L. Ward, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerald G. Watson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry G. Watson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Ronald L. Watts, [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Carlton P. Weidenthal, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Sidney T. Weinstein, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald P. Whalen, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Albin G. Wheeler, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Orren R. Whiddon, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Howard C. Whittaker, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert D. Wiegand, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard W. Wilmot, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William P. Winkler, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Leonard P. Wishart III, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. George K. Withers, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Frederick F. Woerner, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Col. (promotable) Jack D. Woodall, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Stephen R. Woods, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John J. Yeosock, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert S. Young, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Ronald W. Zeltman, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

IN THE NAVY

The following-named officers of the U.S. Navy for permanent promotion to the grade of rear admiral in the line and various staff corps, pursuant to title 10, United States Code, sections 5780, 5781, and 5791, or sections 611(a) and 614 of the Defense Officer Personnel Management Act (Public Law 96–513), as applicable, subject to qualifications therefor as provided by law:

LINE

Austin, Robert Clarke
Baldwin, John Ashby, Jr.
Booth, Peter Blake
Cassidy, Thomas Joseph, Jr.
Cooper, Daniel Leander
Davis, George Wilmot, Jr.
Felt, Donald Linn
Grich, Richard John
Hogan, Edward Joseph, Jr.
Howe, Jonathan Trumbull
Johnson, Roger David
Johnston, Fred William, Jr.
Kearns, William Anselm, Jr.
Klein, Verle Wesley
Martin, Edward Holmes
McArthur, John Chester
McCardell, James Elton, Jr.
McCarthy, Paul Fenton, Jr.
McCauley, William Frederick
Moore, Charles Julian
Moore, Virgil Wayne, Jr.
Myers, Lowell Richard
Parker, Jackson Knowles
Parker, John Theodore, Jr.
Peebles, Edward Metcalfe
Piotti, Walter Theodore, Jr.
Roane, Donald Patterson
Smith, Dickinson Miller
Smith, William Dee
Taylor, Clinton Wagner
Watson, Thomas Campbell, Jr.
Wellman, Harold Nixon
Williams Allen Dean
Wyatt, William Claudius, III
Young, Harold Lawrence

MEDICAL CORPS

Lowery, Clinton Hershey
Seaton, Lewis Hiram

The following-named officers of the U.S. Navy for permanent promotion to the grades of commodore and rear admiral when eligible in the line and various staff corps, pursuant to sections 611(a) and 614 of the Defense Officer Personnel Management Act (Public Law 96–513), as applicable, subject to qualifications therefor as provided by law:

LINE

Addams, John Franklin
Almstedt, Theodore A., Jr.
Arthur, Stanley Roger
Aut, Warren Edward
Batzler, John Richard
Box, Roger Elden
Chang, Ming Erh
Chatham, Walter Lewis
Demars, Bruce
Donnell, Joseph Stover, III
Dunleavy, Richard Michael
Fetterman, John Henry, Jr.
Flatley, James Henry, III
Furlong, George Morgan, Jr.
Hacker, Benjamin Thurman
Hekman, Peter Maynard, Jr.
Herberger, Albert Joseph
Holland, William Jeremiah, Jr.
Kelso, Frank Benton, II
Kohn, Edwin Rudolph, Jr.
Kurth, Ronald James
Mackay, Gerald Wallace
Marryott, Ronald Frank
McDowell, Don Hardin
Moranville, Kendall Elmer
Narmi, Ronald Eugene
Nyquist, John Walfrid
Paulson, Allan Gerald
Poindexter, John Marlan
Rogers, Robert Burnett
Schmitt, Robert William
Severance, Laverne Standard, Jr.
Steele, Ted Charles, Jr.
Storms, James Granville, III
Sutherland, Paul Edward, Jr.
Thompson, Richard Lee
Toole, Morton Egner
Walsh, William Albert
Williams, James Dale

MEDICAL CORPS

Cooley, Norman Vale, Jr.
Crews, Quintous Earl, Jr.
Elliott, Robert Cahoone
McDermott, William M., Jr.
Zimble, James Allen

SUPPLY CORPS

Sansone, Joseph Sarto, Jr.
Walker, Edward Keith, Jr.
Wilson, Donald Erwin

CIVIL ENGINEER CORPS

Conner, Donald Lee

DENTAL CORPS

McLeod, Carlton Joseph

EXTENSION OF REMARKS

FUTURE DIRECTIONS FOR THE SPACE PROGRAM

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. HORTON. Mr. Speaker, on September 16, 1981, the Washington chapter of the National Contract Management Association had the first of a new series of workshops and dinner meetings devoted to procurement issues facing individual agencies and to related agency programs. At this first meeting, which focused on NASA, Mr. Robert F. Allnut, NASA's Associate Deputy Administrator, presented an excellent summary of the space program's future outlook.

Bob, who served with me on the Government Procurement Commission in the early 1970's, presented an excellent summary of the space program's future. I found his remarks illuminating and I commend them to my colleagues.

The text follows:

THE PAST IS PROLOGUE

The growth of aviation can be thought of as divided into four distinct segments: first, demonstration of technology feasibility; second, rapid expansion of the technology base; third, convincing demonstrations of the utility of the technology in both commercial and military applications and, finally, the routine use of a highly efficient and reliable technology for commerce, trade and national defense.

In the emerging period from 1903 to 1927, from the Wright Brothers to Lindbergh's flight across the Atlantic, aeronautics technology was developed and used to accomplish one of mankind's oldest dreams—to fly! Advances during this period provided positive proof of the technical feasibility of aeronautical flight.

An entire technology base was created in order to solve problems which had never previously been encountered, problems involving aerodynamic design, airframe structures and propulsion systems. This period in aviation history clearly demonstrated that it was technologically feasible to build and fly machines that could expand our world from two to three dimensions.

The period from 1928 to 1939, from Lindbergh to World War II, was a time when aviation proved its utility as a carrier of mail, passengers, and high-value goods. Numerous flight instruments and controls were developed to create an all-weather capability. All-metal structures became firmly entrenched as the baseline for future aircraft with the introduction to service of such advanced aircraft as the Douglas DC-3. The initial motivating force for these advances was the use of aircraft to transport mail, a communications market. However, as aircraft capability evolved, a market began to develop rapidly for passenger transportation as well.

The third phase in the evolution of aeronautics created the mature basis for the aviation markets of today. Activities from 1939 to 1954, ending with the Korean War, were stimulated by a rapid infusion of funds and technology to develop airplanes into highly efficient machines. While the technology thrusts were intended to improve the efficiency and performance of military aircraft to accomplish their missions, the lasting effect of these technology developments was to provide viability for a much broader range of aircraft uses.

Aviation had now proven its maturity and worth. The technology from the war years was exploited to produce a series of new and derivative designs which could be used to change the character of the civilian marketplace. From 1955 to the present, the civilian marketplace has shaped the direction and pace in the continued evolution of aviation. Since 1955, the now-diversified field of aviation has captured nearly all of the intercity domestic mail business in the United States, the bulk of commercial passenger traffic, and a newly expanding, large fraction of the cargo transportation market.

THE ANALOGY TO SPACE

As with the early decades of aviation, the first two decades in space show evidence of evolving with distinct phases. In the 1960's large investments were made in the technologies necessary to enable growth in space mission objectives, starting from the broadcast of the faint beeps of Sputnik and Explorer as they circled the Earth to the explorations of Apollo astronauts on the surface of the Moon and the routine activities of orbiting cosmonauts in Soyuz. The decade of the 1960's was clearly analogous to the first twenty-year period of aviation; we proved that space flight and space systems were technologically feasible; just as the first period in aviation had proven that aircraft flight was feasible. The technologies that made these space accomplishments possible were similar to those in aviation, including new propulsion, power, structural and electronic systems. This era provided the impetus for low weight and high reliability in all subsystems. This rapid development proved by the end of the first decade in space that technology imposed no serious limitations on the dream of manned exploration of this new frontier from the Earth as far as Mars and Venus, our immediate neighbors.

In the United States, the 1970's brought a phase of consolidation and assessment of our future technology directions, and like the second period of the aviation era, we focused our technology in directions required to demonstrate utility. The 1970's proved beyond doubt that expensive space activities could be justified by more than just the challenge of adventure and the spur of international competition. Comsats, Landsats, Metsats, Seasat, and other applications spacecraft firmly demonstrated the advantages of relating to our own planet from the vantage point of near-earth space—the area that former NASA Administrator Tom Paine calls "the new continent." Again, as with aviation, communications was the first competitive market for the demonstration of utility. Intelsat's "Early Bird" satellite in 1965 led the way to radio, telephone and television communications, as the first arena for the commercial exploitation of space.

Space programs also were embraced by the scientific community as a valuable tool for gaining new understandings of our universe, often at a breathtaking rate. Skylab, the U.S. manned laboratory designed to demonstrate a number of applications of space, provided both an opening and a fiery close to a decade of demonstrating that space technology and space systems are more than just novelties. Most importantly, the United States Government made a significant commitment to the future by the development of a new kind of space transportation system, centered on the Space Shuttle. The dedication of a major share of the U.S. space budget to the development of Shuttle technology will, after our current birth pains, accelerate the transition to an expansive and thriving commercial activity in space. This decade was clearly one of preparation by the U.S. and Western Europe. Shuttle, TDRSS, Spacelab and Europe's Ariane launch vehicles each reflect substantial investment toward new capabilities for the 1980's.

As we now move into that decade, it is interesting to reflect on how far we have come and to compare our present state of maturity with the corresponding period in the evolution of aviation. While we have come a long way down the path to demonstration of utility, the task is not truly complete until we have demonstrated the operational usefulness of the Space Shuttle. Therefore, a fair comparison of our present status in space with an equally mature period in aviation is the mid-1930's. The present state of evolution of space systems seems to compare with the Ford Trimotor aircraft of 1933. The space equivalents of aviation's Concordes and wide-bodied jets can be expected near the end of this century.

With this analogy in mind, what can be said about space activities in the decade of the 1980's? Every sign points to a decade of vigorous activity. This activity will clearly be international in character, highly sophisticated in its technology, and rich in its contribution to scientific knowledge; and it will be activity that has an important commercial dimension as the economics of space flight become increasingly attractive.

Let me divide my version of the next 20 years into two categories—the Soviet Union and other international space powers; and, for the United States, national security, communication, remote sensing, space science, and space transportation and other logistics.

INTERNATIONAL CHARACTER OF SPACE

Europe's launch vehicle, the Ariane, has had two successful test launches and is scheduled to become operational next year. To fly on Ariane, ESA is developing operational communications satellites for point-to-point and maritime applications, and is studying L-Sat, a large communications technology satellite with the potential for direct broadcast applications. ESA is also planning land and ocean monitoring satellites as part of its Earth Observations program. France is developing Telecom, an operational point-to-point communications

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

satellite, and is cooperating with Germany to develop two TV Sats, direct broadcasting satellites to serve both countries. France also is developing the SPOT remote sensing satellite for launch in 1984. Arianespace, the company created by the Europeans to operate the Ariane system, is pursuing an aggressive worldwide marketing effort to attract non-European commercial customers.

Japan has developed and flown a family of launch vehicles, and is planning the H rocket, a new, heavier launcher for the mid-80's. After purchasing a first generation of experimental point-to-point broadcast and meteorology satellites, Japan is working on the next generation, which will incorporate a significant level of Japanese industrial participation. India has also successfully orbited test payloads on their homemade satellite launch vehicle, SLV-3. An Indian-built Earth observation satellite was launched by the Soviets in 1979, and a more ambitious operational remote sensing satellite is planned for launch aboard an Indian launch vehicle later in the 1980's. China has successfully orbited eight satellites and plans a geosynchronous launch capability early in this decade. Brazil has plans for a national launch vehicle to be developed and flown in the mid-1980's. Both China and Brazil are considering their own meteorological and remote sensing satellites.

Estimating what the Soviet Union will elect to do in their own space programs is difficult for a Western observer due to Soviet restrictions on the flow of information. The Soviet Union has stated its long-run goals, at several levels of authority, although without a public timetable.

The Soviet Union also has shown an awareness of the potential of reusable vehicles, and various Russian space officials have stated their own convictions that such development is essential. Considering the Soviet effort to maintain a position of leadership in space and the continued high level of Soviet flight activity (three to four times that of the United States), they have more compelling reasons to develop a reusable shuttle as a cost-saving device.

The Russians also speak confidently of building a large and permanent orbital station for many personnel to be used in conducting Earth applications work and scientific observation of the stars and as an orbital assembly, checkout, and launch facility to send manned expeditions to the Moon and planets. Certainly the Russians have accumulated an impressive record of long-duration space missions which have had as one objective studying man's ability to tolerate extended working stays in space. By their actions and their word, the Russians have made clear their intention to establish permanent manned occupancy of near-Earth space.

UNITED STATES SPACE EFFORTS

As we turn to the United States, the first point to be made is that the space arena is no longer dominated by NASA. For some years now, commercial communications by satellite have provided a large, growing and profitable market for communication companies, as well as satellite, earth terminal and electronic subsystem suppliers. In addition, the defense space budget is, to a first order, equivalent to NASA's. Our activities, because of their exploratory and high technological risk nature, receive the lion's share of media and public attention, but NASA is only a small and dwindling share of the total market.

About the national defense space mission, I will say little. Satellite communications, weather observation, and surveillance play central and rapidly expanding roles in our national security, as they do for the Soviet Union and, increasingly, for others. Inevitably, the very importance of these assets leads to plans for their attack and defense. The next two decades will see major strides in systems of these types along with, one would hope, discussions of how to avoid an ever continuing space weapons race. For the present, however, it is absolutely crucial to our national security that we be able to plan on secure national defense assets in space in a variety of threat situations.

In the civil sector (and technologies developed here can directly aid the national defense sector as well), we at NASA need to work on three key mission-limiting technologies—energy, data processing and transportation. We have programs to do each. I will just touch on the need for the first two, and then spend a minute on the third.

When NASA has finished work on the next generation of space electrical power systems—say in 1990—the cost per kilowatt hour in space will still be 1,000 times what it is on Earth. The day will come in this century when we will be processing materials commercially—"manufacturing" if you will—in Earth orbit. But power cost will severely limit what we can economically do until we get them much lower.

We have driven data processing costs from $100 per megabit to just over $5. And we hope to reach $1 by 1990. That's the good news. The bad news—also actually good—is that we are designing satellite instruments that can gather far more information—that's far more megabits—about the Earth. At $1 per megabit, it will cost a third of a billion dollars annually to process the data from one satellite in the 1990's.

Now for transportation. To satisfy the transportation and orbital operation needs of science and applications space missions and of national security space missions, NASA will complete the development and production of a fleet of Space Shuttles. NASA is participating with the U.S. Department of Defense in the development and production of the Inertial Upper State for use with the Shuttle in relatively low energy missions, and NASA is working with the European Space Agency in the Spacelab development. In addition, we are developing high energy orbital transfer vehicles to move satellites in low Earth orbit into geostationary, Earth departure and other high energy orbits, and to retrieve satellites both near and remote from the Shuttle.

We must, none of us, in the euphoria of engineering success on the first flight, lose sight of the Shuttle's real nature: it is a tool not an objective in its own right. It is a tool for opening space to activities formerly prohibited by cost or difficulty. It is a tool for whole new imaginative explorations of our universe—with man-tended machines like the upcoming Space Telescope that will see outward to edges of the universe and backward to the beginning of time. It is a tool that can allow rich new relationships with our international friends and peers, as we cooperate in such diverse areas as infrared astronomy, development of the Shuttle Spacelab payloads, or monitoring of global ocean conditions. It is a tool that can bring the high-vacuum, zero-gravity environment of space within the reach of our innovative commercial and industrial institutions—from which I confidently expect to see flow new products, unique processes, fresh industries, and new jobs. It is a tool for the Defense establishment which relies heavily on space systems to offset major imbalances between ourselves and our possible enemies. It is a tool for the future, a future of technological challenge and reward. It is, above all, a tool for the expansion of human horizons and the elevation of human aspirations.

A major use of this tool will be for space sciences. The mid-1980's will see the launch, via the Space Shuttle, of the 2.4-meter diameter Space Telescope—the most powerful astronomical telescope ever built. This device will provide an order of magnitude increase in capability for extragalactic astronomy and observational cosmology. The Space Telescope will carry the space science revolution—the veritable explosion of our knowledge of the universe—from the 1970's into a period of continuing and astounding discoveries in the 1980's and the 1990's. By the late-80's we hope to fly the Gamma Ray Observatory, a significant follow-up to the High Energy Astronomical Observatory series, and a Venus Orbiting Imaging Radar, to map the cloud-covered surface of Venus.

The first exploration of the solar system in its third dimension—away from the ecliptic plane—will occur through the launch of Europe's International Solar Polar Mission in 1986, and we will continue our investigation of the planets with a 1985 launch of the Galileo Mission to obtain more detailed reconnaissance and exploration of Jupiter and her moons—a miniature solar system in itself.

The 1990's also will see optional land, sea and atmospheric monitoring systems checking continuously from space on the health and vitality and general status of our environment and our resources. Some of these will, I believe, evolve into internationally-sponsored systems, while others will remain purely national or perhaps privately owned.

Fierce competiton in the field of satellite communications will, I believe, abate little, if at all, over the coming two decades. Jockeying for priorities in the relatively limited region of geosynchronous orbit will continue. The trend toward larger and larger spacecraft to occupy these limited positions will accelerate when the Shuttle's large payload bay and high energy upper stage is available. Dependent in large part on the outcome of NASA's research in new frequency bands and large structures, we may indeed see shared platforms in this Manhattan in the sky in the 1990's.

Finally, in transportation, I believe we will see by the 1990's a reusable Soviet Union launch system of some sort, and a second generation U.S. system as well. The speed with which these systems come into being will depend in no small measure on the uses foreseen for them. Any of several factors—heightened international tensions, or selection of the space option either for tapping solar energy or for nuclear waste disposal, as examples—could hasten these developments.

Clearly, mankind's adventure in space has hardly begun. The practical benefits of space have barely been tapped. Between now and the turn of the century the outlook for space is rich in rewards for the human mind and spirit, and rich in response to man's practical needs. These rewards can be for our society, to benefit all people. As Saint-Exupery has said, "As for the future, our task is not to foresee, but to enable it." NASA is working hard to enable a bold, bright future in space. I feel confident that we will have the vision and the perseverance to continue.●

EEC EXTRA-TERRITORIALITY THREATENS INTERNATIONAL INVESTMENT

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. SCHULZE. Mr. Speaker, once again I rise to alert the Congress to the increasing threat to world trade posed by proposals now under consideration in the European Community.

A new wave of radicalism is sweeping across Europe and is a new force threatening the ability of industrial nations to work together as trading and investing partners for a greater common good.

The President has powers to react to discrimination that effects U.S. commerce. My bill, H.R. 4407, makes explicit the implicit power to retaliate in the area of discrimination against U.S. direct investment overseas.

The United States has the least restrictive investment rules of any country in the world. It is our belief that the free market system will produce the best decisions, most of the time. This is no less true in the case of trade in goods and services than in the case of investment. We need clear-cut authority to retaliate against unreasonable, illegal, or discriminatory treatment by foreign governments.

The EEC proposals would be an unconscionable extension of properly sovereign jurisdiction to regulate within Europe. The following article from the International Herald Tribune, Tuesday, October 27, 1981, explains the impact of several current proposals circulating within the European Community.

[From the International Herald Tribune, Oct. 27, 1981]

EEC PROPOSALS WORRY LARGE U.S. COMPANIES

(By Craig Anderson and Marie-Martine Buckens)

BRUSSELS.—Increasing disquiet among U.S. multinational companies over efforts by the EEC to clamp down on the activities of large companies has led to attempts on both sides of the Atlantic to counteract the moves.

This week in Washington, three bills are to be presented to the House that would enable the administration to intervene directly or take retaliatory action if U.S. business interests are adversely affected by the activities of foreign states. Meanwhile, in Europe, more attention is being given to relaying the opinions of U.S. business leaders to Common Market policy-makers.

"There are currently pending in the EEC three legislative initiatives of particular concern to U.S. businesses which have affiliates or subsidiaries in Europe," said Joan Worden, a Washington business consultant.

"All appear to share a wholly unwarranted suspicion of transnational enterprises and all would impose radical and burdensome disclosure requirements and legal liabilities not only upon European subsidiaries but upon parent companies in the U.S. as well."

One plan, the Vredeling-Davignon proposal—named after Henk Vredeling and Etienne Davignon, its sponsors on the EEC Commission—would require companies to inform and consult with employers on decisions that would affect the interests of workers.

Bart Fisher, a Washington lawyer who advises U.S. companies on EEC affairs, said of the proposal: "The obligation to disclose what may be highly confidential data could wreak havoc in business operations."

The so-called seventh company law directive, now being discussed by the EEC's Council of Ministers, also has U.S. businesses concerned. It would require all large companies to publish consolidated accounts. But it is the third proposal, called the "ninth directive," that is seen as the most radical and potentially damaging.

Mrs. Worden said that the effect of this measure would be that, "in the event that a non-EEC parent made a decision detrimental to the interests of a subsidiary in the Common Market, the members of the board of directors of the parent could be held liable for the resulting damage, with unlimited personal liability."

Karl Gleichman, who heads the EEC Commission's multinationals department, siad: "It remains to be seen what the attitude of the U.S. administration will be towards these [EEC] bills. We expect to be contacted officially by the American government and cannot comment at this stage."

Mr. Gleichman added, however, that it was "curious to see Americans complaining about the extra-territoriality of laws. Often, it is precisely this aspect of U.S. antitrust rules which other countries complain about."

Under the bills to be presented to the U.S. House of Representatives on Wednesday, the president would be able to restrict investments in the United States from the countries involved, and U.S. citizens could be banned from divulging business information.

In Brussels, moves are afoot to strengthen the voice of U.S. business. The U.S. mission to the EEC has traditionally played a low-key role in promoting the interests of U.S. companies in the Common Market, but there have been reports that in the past few months the mission has been instructed to increase such efforts. Officials in the mission would not comment on the reports.

The corporate community is also taking action. Anne Harrington of the U.S. Chamber of Commerce in Brussels said: "American investment in Europe is substantial. Current EEC moves might not result in mass withdrawals, but expansion and investment could certaintly be affected."

Miss Harrington, citing the emergence among U.S. businesses of "a more coherent strategy towards the Common Market," noted that representatives from the U.S. Chamber of Commerce in the United States, for the U.S. National Foreign Trade Council and U.S. Chambers of Commerce in Europe met recently in an attempt to link their positions on EEC policy.●

AN OUTSTANDING EDUCATOR, EUGENE F. VARGAS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. STARK. Mr. Speaker, today I wish to honor the memory of an outstanding citizen of my district, Eugene F. Vargas, who passed away suddenly last month. At the time of his death, he was principal of Alisal School in Pleasanton, Calif. He had been an educator in the area for 25 years.

Gene grew up in Pleasanton, attending local schools. He played football for St. Mary's College in Moraga, but found his college career interrupted by the Korean war. He was stationed in Korea and Japan while in the military, but was able to resume his education at the University of San Francisco after the war.

Gene began teaching in Pleasanton in 1960 and was eventually principal of four schools. Often called the dean of local principals, Gene was a dedicated educator who always worked to promote professional growth, both in himself and in others. He had a fine ability to train administrators; he believed in his staff; he was a good listener who never forgot his friends or the people he grew up with.

Gene was a model to many people through his energetic approach to everything he confronted. He was admired for his honesty, openness, and generosity. He never forgot that his primary service was to the children of the district, and they knew it. In a memorial tree planting ceremony at Alisal School on October 23, 1981, the following was part of the children's feelings about him:

> We consider ourselves very lucky to have had a great principal like Mr. Vargas. He was more than just a principal. He was a good man who truly cared about us all. He would take the time to visit our classes and teach us . . . things. Mr. Vargas was nice to all the kids . . . but he was also stern when he needed to be . . . He will be remembered by everyone and live on in our hearts.

Mr. Speaker, I ask you, and all my colleagues in the House, to join me in honoring the memory of this fine man.●

CHARITY BEGINS AT HOME: SETTING TOP-LEVEL FISCAL EXAMPLES

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. LEBOUTILLIER. Mr. Speaker, in this time of concerted attack against the ravages of inflation, we in

Congress are making difficult expenditure reductions that only represent a small amount of the waste and fat that must still be pruned from the Federal Government. We are doing this because a decrease in high Federal expenditures will likely result in the reduction of the punishingly high inflation rate we now face.

All must sacrifice in order to fight the war on inflation. All must band together and make changes that will result in an improvement in the national economy. An excellent way to conduct this effort is to have "Uncle Sam"—a great progenitor of inflation himself—make some changes in pay scales.

Edward A. Morse of Port Washington, N.Y., has been thinking about how to do this for a long time. Mr. Morse was a financial affairs writer for the Associated Press for 16 years and has added much food for thought to the debate on how best to reduce inflation. In 1974, he authored an article for the New York Times entitled "Napoleon's Patch on Uncle Sam's Breeches." Using interesting and historical parallelism, Morse shows how Napoleon made efforts to improve national revenue collection in early 19th century France. Other later examples of American corporate and governmental salary restraint are offered.

While I am not an advocate of all of Mr. Morse's points, I believe that his thoughtful article deserves to be prominently considered by all economic policymakers. This 1974 article is as timely now as it was when it was authored. I offer Mr. Morse's article for the benefit of my colleagues:

NAPOLEON'S PATCH ON UNCLE SAM'S BREECHES

(By Edward A. Morse)

PORT WASHINGTON, N.Y.—Napoleon, who commanded the finances of a nation as well as its armies, once ordered his astounded tailor to patch a pair of riding breeches that were worn through at the seat.

This was typical of the frugal young Corsican who at the age of 30 took virtually absolute power as First Consul in 1800. Within a few months he averted national bankruptcy. He quickly stopped a raging inflation and balanced the budget every year in which he held office. He won so much confidence among the bourgeoisie that French Government bonds, which sold at 12 francs the day before he took office, advanced to 44 within his first year of power and reached 94.40 in seven years.

Even at the close of his career in 1815, after three disastrous military campaigns and two invasions of France itself, the country was financially sound, according to the historian Albert L. Guérard. Of course, the economics of France and the rest of the world in the Napoleonic era was simple compared to today's confusing mosaic.

How did Napoleon pull France out of the economic morass so promptly? According to Vincent Cronin's recent, excellent biography, "Napoleon Bonaparte," in his initial months as First Consul Napoleon saved France from imminent bankruptcy by raising five million francs from French and Italian bankers and nine million from a lottery.

For longer-term results he introduced a new and much tighter system for collecting income tax. It worked wonders. Meanwhile he put firm reins on the budgets of all his ministries.

The young Bonaparte thus became not only the creator but the admired embodiment of the national will during the years when he achieved so much for France in peaceful fields. Waterloo came much later.

The absence of strong leadership and a clear-cut national will to confront inflation and stop it has been commented upon in the press. True, America, 1974, is not France, 1800. But perhaps a patch or two on Uncle Sam's breeches in places where they have worn thin will stimulate national will.

Sporadic efforts have been made to provide inspiring example. As a member of the first Nixon Cabinet in 1970, George W. Romney, Secretary of Housing and Urban Development, proposed that the nation's leaders set an example in the fight against inflation, which was so much milder then, by refunding 25 per cent of their salaries to the Treasury. At the Cabinet meeting where he made his suggestion, the only response was dead silence.

After waiting in vain a couple of weeks for some support to develop, Mr. Romney refunded the equivalent of 25 per cent of his $60,000 salary to the Treasury. It was a lonely gesture.

President Ford asked Congress on Aug. 31 for a three-month delay of a 5.5 per cent pay increase to take effect Oct. 1 for all 3.6 million Federal employes "Federal employes," Mr. Ford said, "as one of the largest groups of workers in the country, have a special role to play in the fight against inflation because we in Government set the example." The Senate, however, refused to defer the increase.

Mr. Ford could set a really striking example if he wished. In times like these it would not be a crippling sacrifice for a President to refund 25 per cent of his $200,000 salary. After all, a President's expense allowances and perquisites are abundant.

What an example this would set for other high-ranking officeholders, not only in the Federal Government but in the states, cities, counties—even down to the level of well-paid administrators of local school districts whose salaries rise generously as homeowners are continuously squeezed by rising school taxes.

Business executives then could emulate politicians in setting examples, really sharing national leadership. Our most highly paid industrialist, Richard C. Gerstenberg, chairman of General Motors, might refund 25 per cent of his annual $923,000 and make do with a mere $692,250.

After such a gesture, Henry Ford, of the Ford Motor Company, and Lee A. Iacocca, its president, each of whom received $865,000 in salary and bonus, could surely do no less than return 25 per cent and struggle along on $648,750 each.

Undoubtedly, Harold S. Geneen, chairman of the International Telephone and Telegraph Corporation, would not want to be left out of the club. A similar cut would shave his $814,299 annual income to $610,724. This could be catching and sweep the public-spirited executive echelons of all of Fortune magazine's 500 corporations in a great patriotic war against inflation.

The whole thing would leave quite a few extra dollars around for badly needed corporate development, new jobs and even for trimming a few prices here and there. And, of course, let us not forget some of our very well-paid union leaders.

Granted, this would only be a small start in the fight against the complexities of inflation. But isn't a small start exactly what we've been waiting for?●

VETERANS' DAY ADDRESS

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. MAVROULES. Mr. Speaker, I would like to share with my colleagues a speech that one of our country's most distinguished educators delivered at the Commonwealth of Massachusett's Annual Observance of Veterans Day.

Dr. John R. Silber, President of Boston University, is universally acclaimed as a promoter of high standards in education.

Dr. Silber's remarks inspire renewed dedication to the cause of freedom and the role veterans have played defending this freedom.

I commend his thoughts to you as a source of inspiration to us all.

VETERANS' DAY ADDRESS BY JOHN R. SILBER

Governor King, Commissioner Collatos, Distinguished Guests, Friends.

I am deeply honored to take part today in this ceremony. We stand here at the center of Charles Bullfinch's magnificent Statehouse, surrounded by the visible signs of the heroism of more than a century of Massachusetts veterans. There are no flags here from our country's and our commonwealth's wars before 1861. There are no banners from King Phillip's War, from the Revolution, from the War of 1812, from the Mexican War. This is not hard to understand, for cloth surviving from that age is rare enough even when it has not been carried through shot and shell. And these earlier wars were fought by extremely small armies. It was not until the Civil War—in many ways, the first modern war—that Massachusetts raised regiment upon regiment. The flags in these cases are witness to that expansion. And in these cases we find well represented the Spanish-American War, the two World Wars, and the Korean War. There were few if any battle honors in these wars not won by some men from Massachusetts.

The soldiers that have fought under these flags have exemplified an intelligent love of country and determination to contribute to its survival. Massachusetts has in its history an exceptional group of veterans. In front of the State House—visible through the windows of Doric Hall—is the Robert Gould Shaw Monument, the masterwork of the great sculptor Augustus St. Gaudens. In the extraordinary relief that faces the State House, the young Shaw, a scion of white Massachusetts, leads his black soldiers towards Fort Wagner and the battle that would bring him death. We do right in Massachusetts to honor Robert Gould Shaw and his fellow officers of the 54th Massachusetts Volunteers. For in addition to the normal risks of war, they risked the chance, should they have been captured, of trial and execution under Southern laws making it a capital offense to arm blacks.

If we walk to the back of the Shaw monument, we will learn that as admirable as

these young white officers were, their black soldiers were at least as admirable.

The black troops of the 54th were free men who risked their lives for the freedom of others. And even had they escaped death capture might well have brought enslavement. And even as soldiers of the United States, they were not free from discrimination. They were segregated into an all-black unit, but this they endured because that was the only way they could fight to end slavery.

They were not permitted black officers, but this too they endured, for that was the only way they could fight to extend freedom.

And the government set a pay scale for them that was half that of the white soldiers. They did not have to endure this humiliation in order to fight slavery, and they refused it. For eighteen months they accepted the traditional pay of slaves—nothing but subsistence—rather than accept something less than the pay of soldiers of the United States. And after eighteen months, the government realized its error and paid them as befitted the soldiers they were.

The men of the 54th Massachusetts demonstrated for all the world that black men could understand their obligations to their society and fulfill them at the risk of death and enslavement. Late in the Civil War, there was a bill in the Confederate Congress to enlist slaves in the Confederate Army. One of the Senators, with more candor than is usual in political debate, said. "You don't understand. If they will make good soldiers, then everything we have been saying about slavery is wrong." Two years earlier, the men of the 54th had already made this point!

Our most recent war is conspicuous by its absence from these cases. And that too, is not so hard to understand. But we must not forget the sacrifices made by the young men of Massachusetts in Vietnam. More important, we must not forget the veterans of Vietnam, whether they are from Massachusetts or elsewhere. For these veterans are to an extraordinary degree deserving of our compassion and our support. They are the first American veterans not to have been welcomed home as heroes. America did not win their war. Some of us believe that this is because we ought not to have won it; others, because we sent our soldiers into battle without the determination to win; still others hold something of each of these positions. Whatever we may believe about merits and the conduct of the Vietnam war, we must agree as to the importance of public and individual support for its veterans. They took up a difficult and unpopular task because it was their duty: their government told them to, and we, the masters of that government, must resolve not be governed by base ingratitude in our treatment of them.

We should also resolve never again to fight an undeclared war. If a cause is worth sending millions of Americans to fight for, then it is worth placing the resources and support of the country unreservedly behind them. Nor should we ever again fight a war with armies conscripted through a class-conscious draft system that through the device of college exemption essentially relieved the middle and upper classes of their obligation for military service. I say this as a university president, conscious that the educational deferment, intended as a substantial benefit for higher education, in fact demoralized our students and imposed an unacceptable cost on our society.

If we ask ourselves why the millions of men represented by the flags around us went off to war, many never to return, many never to return whole, I suppose we would all say partiotism. Patriotism—the love of country—is a noble term denoting a noble virtue. But as a philosopher, I find the term inadequate, for it does not tell us anything about the nature of the beliefs and motives which underly patriotism.

Patriotism is an illustration of the Platonic principle of social dependence, or what I would call the principle of non-parasitism. By this I mean that no justification can be found for allowing any member of society to live as the parasite of other members, for to do so would mean that the parasite was somehow better—supremely better—than the host on which it depends. Yet by definition, parasites are incomplete entities that require another organism in order to exist: The parasite is always inferior to the host. In society, the interrelationship that ought to obtain among individuals is symbiosis, the relation by which two or more individuals cooperate for mutual survival and fulfillment.

The principle of non-parasitism is easily seen in the relation between the generations. We come into the world helpless, and for nearly two decades are largely dependent upon our parents. This relation would approach parasitism were it not for our obligation to our parents, which requires us to care for them at the ends of their lives just as they took care of us at the start of ours. Over time, the relation is symbiotic, and no person honorably exists ultimately at the expense of another.

In fact, our national defense is based on the principle of non-parasitism: that those who are qualified to defend the country in time of war shall do so and that the rest shall support them in every possible way and reward them for their service. That is the essential compact between our veterans and ourselves, the symbiotic relationship implicit in the national defense.

We often now hear jeering references to "old men who send the young to die in battle," but the fact is that the old men more often than not themselves went to battle a generation before when they themselves were young. And if the occasion arises, the young of today may some day as the old men be compelled to send young men to battle. When I observe that the habit of mankind has been for war, I do not approve of the fact. I deplore it, and there is no prospect more splendid than the idea of the world's last generation of veterans.

But we must not let our hope for such a time delude us into thinking that it has come. In the late 1930s, all over Europe, especially in England, a generation of idealistic youth believed that the last war had been fought. At Oxford, the debating society passed a famous resolution: "This House will not fight for King and Country." In doing so they helped to mislead Hitler about the British will to resist him and into a world war. Most of them did fight for King and Country, and a fearful number of them died bravely doing it. In contemporary Europe, the "peace" movement echoes the self-deluding rhetoric of those Oxford students. By maintaining that the United States poses as grave a threat to peace as the Soviet Union, they prepare the way for Soviet enslavement.

Today's ceremony originally commemorated the end of the First World War, as, at 11 minutes past 11 on the 11th day of the 11th month, the guns fell silent. Now we honor all our veterans of all our wars including the Civil War. In many a southern state house, the Confederate counterparts of those flags now rest, symbols of battles that were fought on both sides by Americans, and which are now seen by all as American victories.

We must never forget the views of our Founding Fathers. George Washington insisted that to preserve the peace we must be prepared for war.

Patrick Henry that liberty is worth fighting and even dying for.

Thomas Jefferson that the price of liberty is eternal vigilance.

Our veterans have neverforgotten those principles. And those of us who live in freedom to enjoy the fruits of liberty can never adequately repay our debt to them.

Those who gave their lives or limbs or years of service to the preservation of our freedom lay upon us the obligation of respect and veneration. Let us today remember all our veterans and especially those that are yet alive to receive our gratitude.●

THE PRESIDENT'S PEACE INITIATIVE

HON. MARC L. MARKS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. MARKS. Mr. Speaker, the President's historic speech yesterday makes clear his own and this administration's commitment to a diligent search for peace.

His offer to discuss not deploying the 572 Pershing II and cruise missiles in Europe if the Soviets would remove their intermediate range SS-20's, SS-4's and SS-5's serves to demonstrate the willingness of the United States to discuss not only arms limitation but arms reduction.

The motivation and rationale for the speech certainly included reassuring our NATO allies of this Nation's determination to continue searching for ways to reduce chances of war through confrontation or miscalculation. However, it would be both unfair and unwise to minimize the potential this speech has for achieving the goals the President actually sets forth. It is a genuine offer to continue the arms limitation and reduction processes that were first set in motion by the Nuclear Test Ban Treaty.

The President's willingness to discuss reductions in both theater and strategic nuclear weapons, plus his call on the Soviets to reduce their massive conventional forces in Warsaw Pact countries, should make clear to the world that the United States desires peace.

The President's poignant reminders of his meeting with Brezhnev a decade ago when they talked of peace are as telling as the President's short review of how America, after World War II, rebuilt rather than dominated a prostrate world.

Mr. Speaker, I support wholeheartedly the President's peace initiative. It is a sign of hope to all mankind—a sign that one of the strategic powers is aware of the need for continuing, arduous efforts in the cause of peace. I trust that our European allies, and other partisans of the arms reduction process, will demonstrate both their understanding of and support for the President's call for giving peace a chance.

I commend the President for his courage in continuing this Nation's tradition of searching for peace while remaining able and willing to defend the freedom we both represent and protect.●

ADMINISTRATION LACKING TERRITORIAL POLICY

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. WON PAT. Mr. Speaker, for many months I have been urging this administration to announce its territorial policy. Today, I testified before the Senate Energy Committee and once again called on the President to speed up a program which will help relieve the tremendous economic pressures facing all of America's territories.

There are hopeful signs of progress in this area. Within the near future I expect the Senate to approve the nomination of Mr. Pedro Sanjuan as the new Assistant Secretary of Interior for Territorial and International Affairs. I have met with Mr. Sanjuan on several occasions and believe that he possesses the character and experience to perform well in his new post. I wish him every success and as I said this morning, also urge that he bring to his office a more active role on behalf of the thousands of Americans living in the territories who need and want the assistance his office can provide.

As chairman of the Subcommittee on Insular Affairs, I stand ready to give Mr. Sanjuan and the Department of Interior every assistance where it comes to the formulation and implementation of a sound territorial policy. The stakes are too high to permit these areas to go through one economic crisis after another without sound proposals how to resolve these problems.

During my testimony today in support of Mr. Sanjuan's nomination, I also called on the administration to give detailed thought on just how their programs will affect Americans living in the territories. Tax cuts here are aimed at stimulating the economy; in the territories those same tax cuts could well bankrupt the local treasuries. We do not ask for charity. What we do need and urge is a sound policy toward the territories which will take into account our special problems and requirements. I do not believe this is asking too much of the Federal Government and I hope that Mr. Sanjuan can begin developing such a program immediately. He has my support and that of the territories and we wish him good luck in his new position. At this time I would appreciate having the text of my statement before the Senate Energy Committee included with these comments. Thank you.

[The statement follows:]

STATEMENT OF HON. ANTONIO B. WON PAT

Mr. Chairman, I thank you for this opportunity to appear today to offer testimony on the nomination of Mr. Pedro Sanjuan to be the first Assistant Secretary of Interior for Territorial and International Affairs.

With me today from Guam is Governor Paul Calvo, who will follow my presentation this morning and speak on behaf of myself, Speaker Thomas Tanaka and Senator Joe T. San Agustin, Democratic Minority Leader of the Guam Legislature.

I appear before you this morning as the Chairman of the House Subcommittee on Insular Affairs and as the Delegate from Guam. As such, I deeply appreciate having this opportunity to address the complex problems facing America's off-shore territories for which my committee has oversight and legislative responsibility. Governor Calvo's statement represents the collective views of Guam's elected officials.

I can think of no office in this Administration which is more crucial to the economic and political welfare of the territories than that which Mr. Sanjuan seeks to hold. The Office of Territorial and International Affairs is charged with carrying out the policies of this Administration in the territories and, as such, is widely regarded by residents of these areas to be the official voice of the United States Government in the islands.

Given these realities, I cannot help but wonder why it has taken so long to bring the nomination of Mr. Sanjuan to the Senate. I am equally dismayed why this Administration has yet to enunciate its official policy towards the territories. This failure to establish territorial policy with a responsible official in charge has resulted in a serious diminution of our ability to properly respond to the budget cuts—and the reductions imposed by the White House which have further increased our economic plight in all of the American off-shore areas.

In the eleven months since this Administration came to power it has been totally silent toward the territories. While I certainly understand that national problems have priority in the decision-making process, are we expecting too much for someone—anyone—to at least give us a hint of what we can expect? Perhaps they have had nothing to say. In that case, I would appreciate being told this so this committee and my own in the House can begin to take appropriate action to provide the territories with responsible leadership from Washington.

Instead we have seen a performance from downtown more suited to the sphinx. But I cannot afford to sit here, silent and doing nothing, while the rank and file of my constituency rant and rave. The problems of the territories demand action and we must have something done now, not in the distant future.

I want to make it clear for the record that my concern is not new. My first opportunity to address this issue directly came on February 5, when Interior Secretary James Watt appeared before the House Committee on Interior and Insular Affairs. At that meeting, Mr. Watt, in his maiden statement to the committee, completely ignored any reference to the territories.

On March 13, my subcommittee met with Undersecretary of Interior Donald Hodel to discuss the problems of the territories. We pointed out the need for swift action to help the territories cope with many problems. Mr. Hodel said that our meeting represented an educational experience for him and promised that, and I quote him. "should a crisis develop, you can count on Jim Watt to take personal charge."

Well, in my mind, the crisis has come and gone, and come again, and I am still waiting for someone in the Interior Department to "take personal charge."

On April 16, I learned that the White House had planned a highly publicized task force to study the problems facing Puerto Rico. I immediately wrote the President, urging him to either expand the Puerto Rico study to include the other territories, or authorize a separate task force for those islands. The problems we face are essentially the same in many areas and it would certainly be a welcome move if the other territories could be given the same attention. My answer came many weeks later—from a White House aide—thanking me for writing and noting that the Department of Interior had full responsibility for overseeing the welfare of the United States territories. A quick call to the Interior Department revealed that there was still no one in charge of territories. And I presume that Secretary Watt felt that this was not a crisis of sufficient severity to warrant his "personal" attention.

On August 28, I wrote the White House, urging that they do something about nominating someone to lead the Interior Department's Office of Territorial Affairs. Mr. Sanjuan had been announced for the job sometime prior to my writing but his nomination was nowhere in sight, nor was a territorial policy that we could even discuss. Again I received a tardy response, assuring me that the White House was working on the problem. I also asked the White House what it had in mind for the territories, and to this question I never did get a response.

For the record, I took to the House Floor on September 28 to again question why the Sanjuan nomination was not before the Senate and to again question just what was happening to a territorial policy. I noted that a lot of Budget cuts had gone through, with the territories losing millions in federal aid resulting from the lack of a comprehensive and cohesive policy.

It was clear that our lack of a territorial policy was becoming extremely detrimental to the islands, and we needed to work with the Administration promptly to see what could be done to assure that these areas were not unfairly hurt. Because the Administration did not have a territorial policy, it failed to understand how the budget cuts would impact on the islands, while it was proposing another round of budget reductions. Although the problems were clearly severe, the Interior Department failed to give us any reason to believe that someone was in charge of overseeing the territories and their problems.

The outlook for the territories' economic survival is indeed bleak. Guam, Puerto Rico,

the Virgin Islands, Samoa, and the Northern Marianas all face a major fiscal crisis this year, next year, and in the foreseeable future. As leaders of the various territories will note, and unless this Administration is willing to take charge and start planning what must be done for these areas, I fear for their future. Let no one doubt that these areas are suffering as much as any area here in the States, and in many instances more so. We have no safety net to be provided by private industry. Nor do we have an alternative source of resources. Like it or not, the islands are heavily dependent on Washington for local government operations, which has established a right to expect that Washington will take that fact into consideration when budgets and taxes are cut.

These latter two points are extremely important to the territories. Because of our unique relationship with the United States, coupled with the imposed federal constraints, the various territories are dependent on the Federal Government. Congress has done an outstanding job of recognizing its duties to the territories under the United States Constitution. And Washington also recoginizes the importance these areas represent in a strategic sense to this nation. Guam, in particular, is very proud of its strategic role in the defense of the United States, but often wonders if Washington recognizes this fact and why we need greater cooperation from the Department of Interior than has previously been forthcoming.

On December 3 and 4, my subcommittee, jointly with the Public Lands and National Parks Subcommittee, will conduct oversight hearings into the question of territorial policy and programs. I am particularly pleased, therefore, to urge that this committee confirm the nomination of Mr. Sanjuan so the process of oversight can proceed quickly and necessary legislative measures be undertaken.

With regard to the nominee, I believe that he brings a broad and interesting experience to the post. His past credentials are quite impressive and, in my meetings with this gentleman, he has proven to be a good student of territorial affairs. At least he has shown his willingness to learn.

I certainly wish Mr. Sanjuan well. His record of service is most distinguished and I believe that he is fully capable of facing up to the challenges of his new position.

Let me add that my comments here today are in no way meant to be regarded as critical of Mr. Sanjuan. Nor is this a partisan complaint. Rather, I want to single out the Department of Interior today for following a practice which has been common there for too many years. It is a practice which essentially does little for the territories. Frankly, I have been deeply disappointed for many years over the failure of the Interior Department to act more as an advocate for the territories and less as a guardian and defender of the U.S. Government. By virtue of its size alone, the Federal Government assumes the role of a fiscal Goliath in our lives. I doubt that Interior has to fear a territorial "David" rising up and smiting the U.S. Treasury.

I hope that the new Assistant Secretary for Territorial and International Affairs can bring his office into a more active role on behalf of the thousands of Americans living in the territories who need and want the assistance his office can provide. I assure this committee that anything I can do to make this a reality will be done.

Finally, Mr. Chairman, I want to request, on behalf of the Congressional Territorial Caucus, which I chair, that this committee consider a number of fundamental issues of territorial policy in its deliberations on this nomination.

The questions attached to my statement, which I request be included in the record of this hearing, have been identified by the Congressional Territorial Caucus as among the critical issues in Federal policy towards the insular areas. We believe that they need to be answered by Mr. Sanjuan, as nominee to be the Administration's lead official on territorial issues. We urge you to direct them to him and consider his response to them as you decide upon his confirmation. You should be aware that the Caucus, additionally, is determined to have answers to these basic territorial policy questions presented to my subcommittee during the oversight hearings on the functioning of the Office of Territorial and International Affairs I have scheduled for early next month.

In closing, let me note that Resident Commissioner Baltasar Corrada of Puerto Rico has asked me to convey to the committee both his support of the qualifications of Mr. Sanjuan and his keen interest in the nominee's response to the some three dozen policy questions that he and my other colleagues on the Congressional Territorial Caucus have raised. Thank you.●

JOBS FOR YOUNG PEOPLE

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. ERLENBORN. Mr. Speaker, I am today introducing a bill to help young people get jobs.

Unemployment among the youth of this Nation has substantially exceeded that of the general population for more than 10 years now, and that pattern is continuing. While unemployment in the total work force rose from 7 percent in July to 8 percent in October, teenage unemployment went from 18.1 to 20.6 percent. Among black and other nonwhite teenagers, the statistics are even darker—their unemployment rate has gone from about 35 percent to approximately 40 percent.

Given the announcement Sunday by the Chairman of the Council of Economic Advisers that unemployment will get worse before it gets better, the best thing we can do for these young people is to remove a major obstacle to their being hired: A minimum wage which discourages their employment and their opportunity to learn good working habits and needed skills.

To encourage employers to hire young people, my bill permits payment of 85 percent of the current minimum hourly rate for anyone under 19 years old for the first 6 months on a job and for full-time students. It is identical, for all practical purposes, to the Cornell-Simon amendment to the Fair Labor Standards Amendments of 1977, which was rejected by a tie-breaking vote.

Child labor laws would apply but, except for vacation periods, the youth wage could not be paid to students for more than 20 hours a week. Prior certification would not be required but a student would have to show a prospective employer proof of enrollment in school.

The Secretary of Labor could require payment of unpaid wages and overtime compensation from any employer who pays less than the youth wage or who extends the 180-day limit for youngsters not in school, who displaces workers who must be paid the regular minimum wage with those eligible for the youth rate, or who hires young people for 6 months, fires them, and then hires other youngsters.

The special youth wage has been debated in Congress more than once. On the last occasion, the bill instead created a Minimum Wage Study Commission and directed the Commission to study the issue.

The Commission early this year recommended against a "youth differential," but a minority report filed by one of the Commissioners was extremely critical of that recommendation. The majority disregarded the results of studies conducted by the Commission which showed that a youth wage could raise total teenage employment levels by a least 2.5 percent and create job opportunities for as many as 450,000 unemployed teenagers.

We should not abandon these young people. They deserve to have the doors to jobs opened for them, and my bill will do that.●

LETTER TO AMBASSADOR DOBRYNIN

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. MOLINARI. Mr. Speaker, yesterday I sent a letter to Soviet Ambassador Dobrynin requesting that he stress with his superiors in the Kremlin the importance of President Reagan's speech yesterday. I would also like to commend the President for his bold and courageous action in proposing a plan that would further world peace and encourage a substantive arms reduction. Mr. Speaker, I would like to include the text of my letter in the RECORD:

WASHINGTON, D.C., *November 18, 1981.*

His Excellency ANATOLY DOBRYNIN,
Ambassador to the United States,
Washington, D.C.

DEAR MR. AMBASSADOR: Today President Reagan called for the elimination of intermediate nuclear weapons under Soviet control, that currently are poised against virtually all of Europe and the Middle East.

I share the President's concern, and consider the reduction of such a threat to be crucial in the prevention of a nuclear in-

volvement that could, and probably would have wide ranging, devastating effects.

The Russian people, I am sure, along with all peace loving nations of the world, share a fervent desire to reduce the tensions that are threatening us all.

Therefore, on behalf of my constituency, and indeed all of the people of the United States, I implore you to stress to the Supreme Soviet the urgent need for immediate discussion of the issue. It would, without doubt, lead to a permanent resolution of what could very well be a question of world survival.

There is little doubt that all peace loving people are watching our two nations closely, yearning for a partnership of hope, that would soon become a partnership of peace.

Sincerely yours,

GUY V. MOLINARI,
Member of Congress.●

ILLINOIS GOVERNOR JAMES R. THOMPSON: FEDERAL PRISON CONSTRUCTION AID ESSENTIAL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. PORTER. Mr. Speaker, I have risen often on the floor of this House to decry the proliferation of violence in our Nation. I have also spoken of the crisis in our prisons.

Gov. James R. Thompson of my State of Illinois recently cochaired the President's Task Force on Violent Crime. This morning he eloquently addressed the Crime Subcommittee of the Judiciary Committee of the other body on the Task Force recommendations with regard to prison construction. Specifically, he testified in favor of S. 186, the House version of which is my H.R. 4620. Because this matter is of such great importance, I commend Governor Thompson's perceptive remarks to the Members:

TESTIMONY BY GOV. JAMES R. THOMPSON, ILLINOIS

When the Attorney General's Task Force on Violent Crime presented its report to Attorney General William French Smith last August, the report recommended that federal legislation be sought to provide $2 billion across four years to the states for prison construction. It is vital to this nation's criminal justice system that federal resources be allocated to aid the states in meeting the demand for prison bed space. More than two-thirds of our states are proposing or are building at least one major corrections facility. Illinois is above that average. At a cost of more than $70,000 per bed in many locations, some states have found they cannot afford to add to their inventories of prison beds.

The result is overcrowding, which creates a kind of incarceration that produces human beings at the end of the process who are more prone to violence in many cases than at their intake. States face the potential added costs of prison riots and court-directed overcrowding solutions that drain our state treasuries—treasuries already ravaged by inflation and a recession-wracked economy.

The Task Force recommendations to assist state corrections programs were presented in four parts:

1. We asked the Attorney General to seek $2 billion in federal funds to be made available over four years to the states for building corrections facilities. Criteria to obtain grants under the program would include a demonstration of need, a 25 per cent contribution by each state toward the overall construction cost, state assurance that operating funds would be available after construction is complete, with funds allocated under a formula measuring a state's need for prison construction in relation to all states.

2. We asked the National Institute of Corrections, which would administer the grants, to develop models within six months for minimum, medium and maximum security prisons of up to 750 beds each from which each state could select an appropriate model or models for construction. Also, we asked that the NIC complete studies on possible regional prisons, the feasibility of prison management by the private sector and funding needs of local jails. The Attorney General was asked to review the NIC findings and other data to determine whether added funding is needed after the four-year program is ended.

3. We asked the Attorney General to support legislation to amend the Federal Property and Administrative Services Act of 1949 to allow the conveyance of appropriate federal property to the states and local governments for correctional use and that such conveyances be given priority over other requests for the same property for other purposes.

We asked for legislation to amend the Vocational Education Act and other related statutes to permit state and local correctional bodies to gain access to existing funds to establish vocational and educational programs inside correctional institutions.

One of the most—perhaps the most—pressing violent crime issue in this nation is finding available space to keep dangerous criminals off the streets. Nearly every state is in crisis in this regard. Violent crime rates are rising. Public demands for harsher sentences and resultant higher conviction rates have produced unprecedented increases in our prison populations.

In Illinois, the situation is one which we reassess almost daily. Since 1977, we have spent $87 million in capital funds in Illinois to add prison beds to our adult corrections system. We have added 3,500 beds to bring our total to 13,250. Each of those beds is occupied. The 3,500 prison beds we already have added to the Illinois adult prison system since 1977, have placed an added demand on our operating funds of more than $42 million each year atop the construction costs. An additional 1,500 beds are in the construction or planning stage. But our prison officials estimate that our prison capacity will be 2,100 beds short of our estimated 16,800 prison population by 1985. We are now looking for sites and funds to meet this foreseen need.

The situation is particularly ominous in light of a federal court class action decision on the third of this month which held that the double-celling of inmates at our maximum security institution at Pontiac, Illinois constitutes "cruel and unusual" punishment under the Eighth Amendment. The court has given us 60 days to propose a plan to eliminate double-celling at the Pontiac Correctional Center by converting to single-cell housing. We are going to appeal that decision, but the outcome could clearly exacerbate the already heavy demands on our state treasury to the point we can no longer make ends meet.

If it stands, the Pontiac order would displace 400 inmates. There would be no space to accommodate them. Further, if the court ruling is upheld, it would displace a total of 3,000 inmates throughout our entire Illinois system. Again, we cannot accommodate this with our present capacity and we must regard it as a federal mandate because of its federal court origin.

It is against this critical backdrop, then, that I appear before you today.

I am in support of Senator Dole's proposal, Senate Bill 186, which has been introduced in the House by Representative John Porter of Illinois. In its present form it is a forward-thinking measure which, if approved, would be of inestimable help to states like Illinois, which are being pressed to the wall by the financial demands of a rising prison population at a time when every area of government service is being critically pared back to match the inflation-recession situation.

Putting violent criminals behind bars is a goal that extends from coast to coast. It is not indigenous to any one state. By the same token, providing space to lock them up is a national problem. It is in that context that I urge you to view with favor the request that resources be found to help individual states meet our urgent needs for the added prison beds to meet a truly legitimate national goal.●

INTEREST RATE CONTROLS

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. McEWEN. Mr. Speaker, the Subcommittee on General Oversight and Renegotiations of the House Committee on Banking, Finance and Urban Affairs today held an oversight hearing on the Depository Institutions Deregulation Committee.

I am concerned over a number of recent DIDC actions and submitted testimony to the subcommittee expressing my concerns and urging the committee to carefully watch the actions of the DIDC to insure that it operates in full compliance with the boundaries laid down by Public Law 96-221, which calls for a phaseout of interest rate controls.

I would like to take this opportunity to share my comments with the Members of the House:

STATEMENT OF CONGRESSMAN BOB MCEWEN

Mr. Chairman, members of the Subcommittee, I am pleased to have this opportunity to share with you my concerns over the actions of the Depository Institutions Deregulation Committee (DIDC) and the effect of these actions on savings and loans and, therefore, housing in my District.

I have heard from a number of savings and loan managers expressing concern over recent DIDC actions creating "wild card" accounts for individual retirement accounts (IRA's) and proposals to create other such "wild card" accounts in the near future. I share this concern.

While I understand the DIDC's wish to move to a deregulated environment and to provide the saver with a market rate of return on his or her savings, I find the timing of the action questionable.

First, Public Law 96-221 provided for a phaseout of interest rate controls over a six-year period as rapidly as economic conditions warrant. In addition, as I understand the law, the DIDC should be cognizant of the effect of their actions on the safety and soundness of depository institutions.

Second, P. L. 96-221 instructs the DIDC to provide an orderly transition to market rates of return on savings deposits.

It seems to me that the actions of the DIDC have followed none of these considerations so carefully set out by Congress when it enacted P. L. 96-221.

Most thrift institution's earnings are currently at a record low level. Many are struggling to survive in the current high interest rate environment. Their traditional source of income—mortgage lending—has been shut off because it is impossible to find qualified buyers at 17% and 18% interest rates. In addition, these institutions have not had time to incorporate the limited asset powers granted last year into their asset structure. Therefore, to impose an additional cost factor at this time by creating "wild card" accounts actually endangers the future stability of these institutions. It is obvious that those institutions with good earnings such as commercial banks and money market funds will be able to offer much higher rates on savings in order to attract these funds. In fact, it is quite likely that interest rates on these accounts will be offered at levels much higher than market. Thrift institutions are not in a position to compete equally in such an environment for either the IRA/Keogh funds or other such accounts that will be created in the near future.

I, therefore, urge this Committee to look carefully at the consequences of the DIDC action on all depository institutions and, particularly, on housing. I would hope that, at a minimum, this Subcommittee will urge the Congress to ensure that deregulation is accomplished by pegging interest rates on these accounts to a market rate index during the transition period guaranteed by P.L. 96-221. This action would eliminate the very real danger of predatory pricing that exists with "wild card" type of accounts.

In addition, I hope that we in the Congress will keep a watchful eye on the DIDC to ensure that this Committee in the future operates within the boundaries laid down by P.L. 96-221. I urge this Subcommittee to recommend appropriate, specific steps to ensure full compliance with that statute.

Thank you for the opportunity to share my concerns. I look forward to working with the members of this Subcommittee and the full Banking Committee to ensure a fair and equitable deregulation of interest rate controls.●

THE DISCOVERY OF PUERTO RICO ON NOVEMBER 19, 1493

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. CORRADA. Mr. Speaker, on November 19 Puerto Rico commemorates the 488th anniversary of its discovery by Christopher Columbus, the dreamer who gave the world of his time an added measure of continents and new, amazing cultures.

This was his second voyage, a far cry from his first high seas adventure of 1492, when he had only the *Pinta*, the *Niña* and the *Santa María* to seek what he thought would be a new passage to India.

In comparison, his flagship the *Marigalante* was now followed by 16 others, which carried more than 1,500 volunteers, most of them young men of noble lineage and empty purse, tempted by the promise of gold, honors, and exciting adventures. But there were also artisans, craftsmen anxious to work and share the benefits, and the missionaries who would propagate the Christian faith among the heathen.

The generosity of King Ferdinand and Queen Isabella had also filled these ships with what seemed most necessary for a fast colonization—and conquest—of the newly discovered lands: a large number of Andalusian horses, merchandise of all sorts to be disposed of, either traded or given away, at the admiral's discretion; seeds and plants that were then common in Spain—wheat, rye, rice, grapes; and fruit trees. No less important were the bovine cattle and other domestic animals, which would be raised to provide the settlers with much-needed food.

The fleet, commanded by Admiral Columbus, sailed from Cadiz on September 25, 1493, following a south-easterly route along the Canary Islands. There they made provision of some more cattle and fowl and, finally, on the 17th of October, he set his course to the south, where pretty soon a startling collection of islands filled the horizon. First was the one called Deseada (Desired, then Dominica and Marigalante, followed by Guadeloupe, Monserrate, Antigua, St. Martin, Saint Christopher, Saint Ursula (and the Eleven Thousand Virgins), and finally San Juan Bautista de Puerto Rico, which the natives called Boriquen.

Here Columbus decided to make provision of fresh water, and after searching for the most adequate harbor he anchored the *Marigalante* in a well protected bay, not too far away from the mouth of the Añasco River, in the western part of the island.

Our great historian Salvador Brau says that there was a small village close to the beach, among trees of dense foliage and climbing vines. A small group of men, headed by the admiral, went ashore, and found nearby abundant sweetwater springs, and they baptized the place as Puerto de los Pozos del Aguada, because of its excellence.

The explorers did not see a soul, so Columbus could not get any information about the island, which he baptized as Saint John the Baptist of the Rich Port; but in his diary he entered his admiration for this land, so green, crossed by many rivers, with rolling hills and a very mild climate. A monument erected near the Culebrinas River in Aguada today serves as a reminder to the world that Columbus was there. He left on November 22, setting course for Hispaniola.

San Juan later became the name of the Spanish settlement started by Juan Ponce de León, and eventually grew to be the capital city. The island, inversely, became known as Puerto Rico and is presently the only land under the American flag where Columbus ever set foot.●

ADDRESS TO THE PRESIDENT

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Ms. OAKAR. Mr. Speaker, I would like to use the vehicle of the floor of the House of Representatives by personally addressing the President of the United States.

Mr. President, let me begin by saying how much your statement asking for nuclear arms control has meant to the people of our country and to the people throughout the world. This truly compassionate, expansive, and enlightened gesture showed a great understanding of the basic integrity of humankinds' existence on this Earth. Now that this initial and very necessary step has been taken toward a peaceful coexistence, I would like to relate to you the very great needs of the American people during these trying times. I have recently traveled to parts of this wonderful country as a member of the House Banking and Urban Affairs Committee and have listened to the people—the aged, the young, the minorities, the small business people and the parents of growing children. Mr. President, they are suffering and asking for help, asking for the quality of their lives to be supported and abetted by we, the elected public officials. In Seattle, my colleagues and myself were particularly moved by a fine, young woman who is considered to be the backbone of our country; a mother of two young children, who was laid off from her job, whose unemployment insurance had just run out, who could not qualify for food stamps because she owned her house, who could not meet the payments on her house and so would lose it. Mr. President, what is she to do? What can we offer her? I ask you to attend to the suffering and pain of our people and show as much compassion to them, the people you and I originate from, as much compassion as you have shown to the world with your statement of yester-

day, with your enlightened realization of the possibilities of life and death on a worldwide scale. No matter how much thus alleviates the potential destruction of all we know as life, unless the quality of life is improved for our people, unless the pain of our people can be heard and eased, America will suffer. Mr. President, they and we, the Congress of the United States, look to you to hear them. A life well lived is a life worthwhile. Our greatest national asset—the people—need you now.●

HUMAN RIGHTS IN THE WORLD

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. BRODHEAD. Mr. Speaker, for the past several months, the issue of human rights has been virtually ignored in American foreign policy. At a time when the administration is beginning to propose new initiatives in the area of nuclear disarmament, and a qualified candidate has at last been nominated to fill the vacant position of Secretary of State for Human Rights and Humanitarian Affairs, I think it is appropriate to direct our attention to the defense and promotion of human rights in the world.

Nowhere is the issue of human rights more pressing at the present time than in the cases of Soviet Jews who seek to emigrate from the U.S.S.R.

The evidence is clear:

Only 368 Jews were permitted to emigrate from the Soviet Union last month, compared with more than 4,500 just 2 years ago. This is the lowest monthly figure since emigration began.

There has been a sharp upturn in the number of refusals for exit permission and an increase in nondelivery of invitations from abroad, which are necessary for applying for visas.

The waiting period for consideration of applications has been increased to almost 2 years.

Some people have waited for years for permission to emigrate. Abe Stolar, an American citizen who holds a valid American passport, applied for exit permission with his family which was approved and then revoked. He has been waiting since 1974. Alexander Maryasin, his wife Leah and daughter Faina applied more than 7 years ago. Both these families are still waiting. Their cases are not unusual.

There has been a sharp upturn in the number of "refuseniks" who are arrested or otherwise harassed by Soviet authorities. One such person, Alexander Paritsky, applied for permission to emigrate in 1976. Since that time he and his family were repeatedly harassed by the KGB. Paritsky was arrested and tried on charges of slander against the Soviet State. Last week, he was convicted and sentenced to 3 years in prison.

Even visitors to the Soviet Union are not immune from official discrimination. Recently one of my constituents, Gerald Rogers of the Detroit Committee for Soviet Jewry, who has previously traveled to the Soviet Union, was denied an entrance visa. No reason was given for this action, although it is strongly suspected that the refusal is related to Mr. Rogers' work on behalf of refuseniks.

Human rights is basic to what this country stands for. I hope the administration will restore it to its rightful place of prominence in the formulation of our foreign policy.●

WINERIES OF CERES, CALIF.

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. COELHO. Mr. Speaker, my native State of California is the leading producer of wine in the United States today. We have over 450 wineries which produced approximately 410 million gallons in 1980 alone.

One of the largest wineries in the United States is the JFJ Bronco Winery Co. of Ceres, Calif. The California wine business has always tended to be a family-oriented one, and the Bronco Winery is no exception. Through the dynamic and energetic abilities of two brothers, Joseph and Fred Franzia, and their cousin, John, the Bronco Winery had its beginnings in 1973. Since 1973, it has expanded into 1 of the 10 largest wineries in the United States today.

Initially the Franzias formed a marketing company which bought bulk wine in the San Joaquin Valley for brokerage to other wineries. They formed a wholesale distribution company which has become the foundation for today's wine production under their JFJ and CC Vineyards labels. Most of the Bronco's wine is sold and consumed in California under a variety of labels—in restaurants as house wine and in the air when champagne is poured for airline passengers.

The Franzia Bronco Winery is a further testament to the excellent wines that are produced in my home State of California. The future of the California wine industry is a very promising one and it is made more so by people like the Franzias.

Mr. Speaker, I submit the following article on the Bronco Winery from the Modesto Bee, dated November 6, 1981, to be printed in its entirety.

CERES WINERY AMONG TOP 10 AND STILL GROWING

(By William D. Kane)

CERES.—Bronco Winery isn't listed in every guide to California wines, yet the winery's output is served throughout the state under a variety of labels, in restaurants as house wine and in the air when champagne is poured for airline passengers.

In fact, the JFJ Bronco Winery is among the 10 largest wineries in the U.S., now producing 2 million cases of wine annually.

Bronco will be the featured winery today at this year's Modesto Chamber of Commerce Wine Appreciation and Information Luncheon.

Nestled in the "country" three miles southwest of Ceres, the Bronco Winery is off the wine-tasting tourists' path—there is no tasting room—and the rows of insulated stainless steel storage tanks resemble a petroleum tank farm.

The dynamic young "brothers and cousin" Bronco partnership started in 1973 when John (the cousin) and brothers Joseph and Fred Franzia left the family's Franzia Winery near Ripon after it was purchased by the Coca-Cola Bottling Co. of New York.

The three had grown up in the wine industry, and John earned a degree in enology—the study of wines and wine making—at the University of California at Davis and serves as winemaker.

They decided at the outset to form a marketing company, reversing the usual process of planting vineyards, finding a home for the grapes and ultimately building a winery.

"We had a chance to go to Napa Valley," John explained, "but we knew this two-county area (San Joaquin and Stanislaus) the best and all we knew was the jug wine business."

What happened was the three started out buying bulk wine in the San Joaquin Valley for brokerage to other wineries, and they formed a wholesale distribution company—which has become the foundation for today's wine production under their JFJ and CC Vineyards labels.

Sine 1974, Bronco also has been a major distributor for premium Robert Mondavi, Charles Krug, Sebastiani, Estrella, C.K. Mondavi, Oakville and Pope Valley wines and Hans Kornell champagnes.

But the Franzia's wasted no time in building the Ceres winery and the bottling lines started rolling in September 1974. For the first three years, they bottled in bulk for other wineries. The "Bronco" label appeared in 1977 but it has since been dropped.

More and more storage tanks were built including a $190,000 expansion this year to add 19 new tanks, to bring the Ceres winery's capacity to 19 million gallons.

When the Franzias started looking for a varietal grape plant, a deal was struck with the Getty Oil company which had extensive vineyard production in the Fresno area. A 17 million gallon capacity storage facility and crushing plant was built with JFJ Bronco as the lease operator. Some of that wine is shipped to Ceres for bottling.

Fred Franzia handles the Fresno plant with double-duty this year as president of the California Wine Institute, a job he says keeps him constantly on the road.

Joe sells the wine, assisted by 42 field representatives. "Our philosophy has always been to give personal service, and offer consistency and affordable prices. As owners, we deal directly with our customers. We're out there every day selling, and it all adds

up, since we don't advertise and it's mostly word-of-mouth," Joe said.

About 40 percent of the Ceres winery's output goes into the JFJ and CC Vineyards label. Bottlings for other customers include a Central Valley Vineyards label for the Winn-Dixie markets in Florida, Three Mountains and Cedar Creek Cellars labels, among others. Most of Bronco's wine, however, is sold and drunk in California.

"Our ultimate goal is to go East," John said, "but we'll send our own people so we have control. It's best when your primary interest is in your own brand."

Bronco is content to make good wine from Central Valley grapes and sell it at the low end of the price market, the Franzias say. "We tried making varietals for our carafe bottlings, but the price scared people away. We started out with a 'jug wine' thinking—we just know that business best," John said.●

STATEMENT BY CONGRESSWOMAN BOBBI FIEDLER IN REACTION TO PRESIDENT REAGAN'S FOREIGN POLICY SPEECH

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Ms. FIEDLER. Mr. Speaker, President Reagan's speech on arms limitation has the potential to be the realization of the administration's commitment to initiate real and meaningful negotiations in this area. By offering to completely halt the deployment of new U.S. theater weapons, President Reagan has served notice to the Soviet Union that the ball is now in its court. If the Soviet Union declines to answer this initiative for disarmament with action and cooperation, it is time for world public opinion to realize where the responsibility for the increase in nuclear weapons in Europe lies.

In the seventies, the United States dismantled its European-based missile forces—Thor, Jupiter, Matador, and Mace missiles were all retired. The Soviet Union retired nothing. Its SS-4 and SS-5 missiles, dating to that period, remain in service, their large, dirty warheads targeted on the great cities of Europe. The Soviets, however, were unsatisfied even with this uncontested advantage. In the late sixties, they deployed the SS-20, a modern, mobile, state-of-the-art missile. Each SS-20 launcher has three missiles it can fire. Each SS-20 missile carries three independently targetable warheads. Able to strike targets as far away as Iceland, the SS-20 put all of NATO's defensive strength within reach of Soviet nuclear power, opening up Europe to Soviet nuclear blackmail. It is small wonder that the countries of Europe asked the United States, at that time, to modernize its theater nuclear forces with Pershing II and ground-launched cruise missiles (GLCM) weapons systems.

The President has now offered to replace this balance of armed deterrence with a broad and sweeping plan for disarmament. While we cannot be too optimistic of the chances that the Soviet Union will accept this plan, it remains for us to show that this is an important first step for peace and not a propaganda ploy. I believe the President's offer to the Soviet Union to begin strategic arms reduction talks—START—offers a chance to follow up this offer with the first ever real mutual reductions in strategic forces since 1945.

I believe that the President is in a unique position to achieve arms control through bilateral negotiations. With his reputation for supporting a strong military, there would be no illusion in anyone's mind that we are negotiating from a position of weakness or fear. The President has, through his record, the authority to secure an arms reduction agreement that will be acceptable to the American Congress and people, an authority that earlier administrations have too often lacked.

Today, we have seen what I hope will be the first step in a new process of arms limitation. If, through this process, peace can be secured by reason and negotiation rather than armed force, then it may well prove to be one of the most significant acts of our time.●

RECONSTRUCTION AND REHABILITATION OF THE MARTIN LUTHER KING BRIDGE CROSSING THE MISSISSIPPI RIVER

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. YOUNG of Missouri. Mr. Speaker, I am pleased to introduce legislation today in the House which will allow the Secretary of Transportation to carry out a project to improve the Interstate Highway System by diverting a portion of the traffic from bridges on the Interstate Highway System across the Mississippi River presently operating above design capacity to other bridges in the vicinity of such Interstate bridge. This goal will be achieved by allowing the recipient State to rehabilitate an existing highway bridge spanning the Mississippi River in the St. Louis metropolitan area.

Mr. Speaker, the United States has more than 500,000 bridges, and slightly over 200,000 of these are deficient. This means that almost 4 out of every 10 bridges in this country are deficient. The Federal Highway Administration currently estimates that it will cost $4.1 billion to rehabilitate or replace these bridges. The threat to safety, inconvenience, and the financial burden of these 200,000 deteriorated and obsolete bridges is of national concern. Over time, many older bridges weaken by weather, erosion, vibration, decay, metal fatigue, and other factors. Increasing amounts of traffic and heavier vehicles have hastened this deterioration. These deteriorated bridges increase the potential for accidents, limit the use of the roads and highways, and cause traffic congestion and additional travel time. They contribute to an increase in traffic deaths, injuries, property damage, fuel consumption, air pollution, and the cost of goods and services. The extent of the safety hazard involved is evidenced by Federal Highway Administration estimates that about 150 of these bridges will collapse each year.

Mr. Speaker, in my own State of Missouri, 16,033 of the State's 24,515 bridges are structurally weak or functionally obsolete and need to be rehabilitated or replaced. This is the highest percentage of bridges in the country (65.4 percent) needing rehabilitation. In the State of Missouri alone, it would cost an estimated $4.96 billion to restore these 16,033 deficient bridges. In the neighboring State of Illinois, there are 8,947 deficient bridges. Illinois estimates that it would cost about $2.6 billion to replace or rehabilitate all of its deficient bridges or about $4 billion over the next 5 years.

In short, the United States has over half a million bridges, about 75 percent of which were built before 1935 and about 40 percent of which are deficient. Costs to replace or rehabilitate these deficient bridges are substantially greater than resources that are being made available to restore them. Limited Federal bridge program funds are not adequate to meet the cost of replacing and rehabilitating even 3 percent of these deficient bridges. State appropriations are even lower. The Federal Government is, however, the major source of funding to rehabilitate these deficient bridges through the special bridge replacement program first established in the Federal Aid Highway Act of 1970. The Surface Transportation Act of 1978 extended and expanded this program to what is now known as the highway bridge replacement and rehabilitation program. At that time, $4.2 billion was authorized for 1979 through 1982 for bridge replacement and rehabilitation. Authorizations have averaged about $120 million per year for the program's first 7 years and slightly over $1 billion for the last 4 years. The 1982 authorization follows this trend. Nationwide, since this program was first funded, some 1,877 bridges have been rebuilt and another 4,448 are underway. This constitutes only about 2 per-

cent of all deficient bridges. At this rate, it will take some 375 years to update the 200,000 deficient bridges, not including future deterioration.

According to a recent Government Accounting Office report, the criteria used by the Federal Highway Administration to select bridges for Federal funding, does not adequately deliver assistance to those bridges in the worst condition or most in need. This is evidenced by the fact that only 10 States account for about 80 percent of the total money spent. Further, bridge programs funds are being allocated to the States based on outdated and incomplete needs data. The allocations are based on 1978 calculations that have not been updated and do not include off-system bridges. Mr. Speaker, this is an important fact because four of the five bridges crossing the Mississippi River between my own State of Missouri and the State of Illinois, in the St. Louis metropolitan area, are not even considered when allocating Federal funds under this bridge program, while these off-system bridges are generally in worse condition than bridges on the Federal-Aid system. The interstate traffic carried by these river crossings is vital to the economic health of the entire Midwestern region, and particularly to transcontinental traffic not to mention the immediate standard metropolitan statistical area. Only one federally assisted bridge, the Poplar Street Bridge, provides adequate access for this important urban bridge corridor. As a result, this one federally assisted bridge is operating above capacity and is subject to increased deterioration while the remaining four bridges crossing the Mississippi River go practically unused and virtually unrepaired.

How can the States of Missouri and Illinois be expected to rehabilitate these important bridges when they are not even considered in the allocation of Federal funding? The continued viability of this urban bridge corridor is clearly a matter of national concern and a matter which should be addressed by this House. Local sources hold no hope of ever meeting the expense involved in rehabilitating even one of these structures. Without Federal assistance, four major bridge structures will be left to deteriorate beyond the point when restoration is possible and only one bridge will be left to carry all regional traffic. In the St. Louis metropolitan area, the movement of persons and goods across the Mississippi River has reached a critical volume in relation to the capacity of existing and planned bridge structures to efficiently accommodate present transportation demands. I submit, Mr. Speaker, that severe off-system bridge conditions combined with a lack of adequate Federal funding, while considering the potential which exists for diverting traffic from interstate bridges operating above capacity to other off-system bridges in the vicinity warrants legislation to provide funding to rehabilitate selected bridges crossing the Mississippi River in the St. Louis metropolitan area. The grant which I propose will greatly improve the bridge network serving this metropolitan area as an integrated, mutually reinforcing traffic system, operating through the presence of all component bridges.

I urge my colleagues to join me in preserving this most important urban bridge corridor.●

DOUBLE CELEBRATION

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. CORRADA. Mr. Speaker, the traditional holiday of Thanksgiving, which the Nation commemorates next Thursday, the 26th of November 1981, will be the occasion for a double celebration for the Honorable Jorge L. Córdova, my predecessor as the 11th Resident Commissioner from Puerto Rico, who served in the House of Representatives during the years 1969 through 1972.

Mr. Córdova, a dedicated public servant and legislator, still remembered with respect and affection by many of the present members, will also celebrate with his wife Dora (nee Rodriguez) their 50th wedding anniversary. They will be joined for the joyful gathering in Puerto Rico by their children: Jorge L., Jr.; Elvira (Mrs. R. A. González); Irene (Mrs. Horacio Subirá), and Fernando, and their many grandchildren.

Prior to coming to the Congress, Judge Córdova had a very distinguished public and professional career. After his graduation from Catholic University (B.A. 1928) and Harvard University (LL.B., 1931) he returned to Puerto Rico to practice law, and was appointed a judge of the San Juan Superior Court (1940–45). Subsequently, he was appointed an associate justice of the Supreme Court of Puerto Rico (1945–46). He did not enter the field of active partisan politics, but never ceased to support actively his long time dream of statehood for the island.

On November 5, 1968, he was elected for a 4-year term as the Resident Commissioner from Puerto Rico. It was one of those rare cases, in which a son follows the footsteps of his father. Judge Córdova's father, the Hon. Félix Córdova-Dávila, was also his predecessor as Resident Commissioner (1917–1932); a position which he resigned in 1932 to become an associate justice of the Puerto Rican Supreme Court.

During his 4-year incumbency Mr. Córdova supported and obtained the approval of very important legislation for Puerto Rico, including the amendment to the House rules, in 1970, by which the Resident Commissioner is granted the right to vote in those House committees to which he may belong. Needless to say, the amendment widened tremendously the scope of the position of the Puerto Rican representative in the Congress.

Today, our hearts go to Jorge and Dora as they commemorate their golden wedding anniversary, and my wife Beatriz and I join the many well wishers to this happy, exemplary couple. May God bless them and their dear ones, for many more years to come.●

MOBILIZING THE AIRWAVES—FREEDOM'S CHALLENGE TO TOTALITARIANISM

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. LEBOUTILLIER. Mr. Speaker, yesterday, November 18, I introduced part II of a study entitled "Mobilizing the Airwaves: The Challenge of the Voice of America and RFE/RL" published by the Heritage Foundation. In this study, the author, Mr. Paul Olkovsky, research assistant for the Heritage Foundation, examines the current status of the radios and how to increase their effectiveness. He points out that with the pursuit of détente and the proclamation that America must get over its inordinate fear of communism, the radios have been seriously underfunded and allowed to lapse into technical obsolescence.

I commend this study to my colleagues. Part III is printed as follows:

[From the Heritage Foundation]

MANAGEMENT AND CONTROL

(By Paul Olkovsky)

Because of the non-governmental nature of RFE/RL, the Board of International Broadcasting was created to grant and oversee funds allocated by the Congress to the radio. This has created dual management, consisting of the Board of Directors of Radio Free Europe/Radio Liberty and the Board of International Broadcasting. The BIB has been headed by political appointees, while the Board of Directors of RFE/RL has been staffed by professionals. There is friction between the two bodies.

Lack of funding, poor programming, and shortage of personnel, are some of the issues. However, the primary source of discontent has been BIB actions perceived as a detriment to the radio. Since 1973, there have been solid proposals for revitalization, yet the BIB has asked for only moderate increases in funding for the radio. John Gronouski, previous chairman of the BIB, even wanted to allow officials of the Communist governments of Eastern Europe and the Soviet Union "equal time" to respond to

RFE/RL broadcasts which they felt to "be unfair." Many at RFE/RL opposed this recommendation, since Communist governments have a monopoly on the domestic media. Some RFE/RL executives feel that the BIB has been a hindrance to the radio and a source of negative and inaccurate leaks to the media. They feel that BIB should try harder to obtain more funds and find ways to promote financial efficiency. Instead, RFE/RL administrators have had to spend time on Capitol Hill lobbying to counter the efforts of the BIB.

It is widely felt in Congress that the current management structure is awkward. Pending legislation would eliminate the RFE/RL Board of Directors and allow the BIB full control of RFE/RL. Senator Claiborne Pell (D-R.I.) has introduced an amendment for the fiscal year 1982 budget authorization; it has passed the Senate and is now before the House. It states:

Sec. 304(a) The Board for International Broadcasting Act of 1973 is amended by adding to the end thereof the following new section:

"MERGER OF THE BOARD FOR INTERNATIONAL BROADCASTING AND THE RFE/RL BOARD

"Sec. 11. (a) Effective January 1, 1982, no grant may be made under this Act to RFE/RL, Incorporated, unless the certificate of incorporation of RFE/RL, Incorporated, has been amended to provide that—

"(1) the Board of Directors of RFE/RL, Incorporated, shall consist of the members of the Board for International Broadcasting and of no other members; and

"(2) such Board of Directors shall make all major policy determinations governing the operation of RFE/RL, Incorporated, and shall appoint and fix the compensation of such managerial officers and employees of RFE/RL, Incorporated, as it seems necessary to carry out the requirements of this Act.

"(b) Compliance with the requirement of Paragraph (1) of subsection (a) shall not be construed to make RFE/RL, Incorporated, a Federal agency or instrumentality." [8]

This proposal, similar to George McGovern's abortive proposal of 1977, could have several negative effects. It would make the U.S. government directly responsible for what is broadcast by RFE/RL, which would be awkward should the Administration be engaged in SALT or other delicate negotiations with the Soviets. Moreover, opponents of this amendment contend it would mean that direct control of the radio would be in the hands of presidential appointees whose main commitment would be to the specific foreign policy of the President. Thus RFE/RL could become as bland as VOA did during the Nixon and Ford Administrations.

Proponents of the Pell Amendment perceive it to be the way to unify management of RFE/RL, the BIB and the Board of Directors of the RFE/RL. Currently, the only leverage the BIB chairman holds is the threat to withhold funds, which is impractical in most circumstances. It has been further suggested that the passage of the amendment would allow the current Administration as well as future administrations more authority over the radio, necessary because the funds of taxpayers enable the radios to exist. Consideration of the amendment is expected during November.

[8] CONGRESSIONAL RECORD, June 17, 1978, pp. S6387-8.

PERSONNEL PROBLEMS AT VOA

The VOA runs as an agency of the United States International Communication Agency. Employees are part of the Civil Service and are given GS ratings. (Some are also Reserve Foreign Service Officers and contract employees.) For many years, quiet animosity has existed between career foreign service information officers, who are often placed temporarily in the VOA as service directors, and career VOA staff. Advancement is another source of frustration within the language services: the best rating one can achieve in assignments other than editor is GS-11. While an employee can be promoted to other positions, such as a news writer, such positions use only English. As a result, some of the most effective bilingual employees leave VOA for better opportunities both in and out of the federal government. The positions are then often filled with emigre personnel who are not as fluent in English as their assignments require. Consequently, mistakes both in translation and in the home language become more frequent.

FUNDING

Since the Soviet Union spends approximately $300 million on jamming alone, the Soviets spend more money on U.S.-sponsored broadcasts than the U.S. government does. Inflation, increased energy costs, and fluctuating currency rates have impaired growth of the radios.

Radio Free Europe/Radio Liberty has been limited to a growth in funding of between 5.9 percent and 9.4 percent; this has not kept pace with inflation. Indeed, it has been barely adequate to continue operations. Hiring new talent, inaugurating new programs, undertaking needed long-term maintenance have all been beyond the financial reach of the radio. RFE/RL has allotted $2.4 million for fiscal year 1981 to move some of the Munich staff to New York City, as recommended by the General Accounting Office. The Reagan Administration reconsidered the political and morale effects of this move and recommended against implementing it. The Administration also allowed RFE/RL to keep the funds allotted as a supplemental for operations. However, the funds had to be used to offset the $3 million in damages caused by the bomb blast in Munich in February of 1981. Additional operational budget funds were needed to completely cover the damages. The final amount given to the radio in excess of funds originally appropriated by Congress was $4 million. As for the fiscal year 1982, the administration has cut the operating budget by 12 percent from the original figure proposed. This would mean an increase of approximately 8 percent from the fiscal year 1981 budget—an amount woefully inadequate.[9]

For the Voice of America, the picture is somewhat brighter. Congress has allotted $79.3 million to augment the transmitter facilities on Botswana and Sri Lanka. This project will be especially important to the Central and Southeast Asian region where the present transmitting capabilities have been weak. However, the budget is still inadequate. In 1977, the budget for ICA (upon which VOA is dependent) was $320,766,000; the proposed 1982 budget as of September 1981 is $466,638,000. In 1977 dollars this is $288,206,000, or a real dollar decrease of $32 million.

[9] Figures according to Arthur D. Levin, Financial Manager for the Board for International Broadcasting.

VOA still lacks funds to broadcast the hours needed to counter Communist jamming and propaganda. The engineering staff is shorthanded, as are most of the services. In almost every language service there are positions vacant, in part through lack of funds. Both VOA and RFE/RL still lack the resources to finish replacing 1950's vacuum-tube era equipment.

OPERATION BUDGETS OF RFE/FL AND VOA

Fiscal year	VOA	RFE/RL	DM conv. rate
1978	$69,728,000	$64,457,000	2.58
1979	75,294,000	72,490,000	2.1075
1980	85,670,000	80,430,000	1.93
1981	99,087,000	97,495,000	1.74
1982 (projected)	[10]107,022,000	86,500,014	1.93

[10] As of this writing, the Office of Management and Budget has announced that the International Communications Agency will have to cut 12 percent from its original fiscal year 1982 budget. The effect on the VOA operational budget is unknown, although the transmitter augmentation will not be affected.

A proposal from Congressman Courter addresses the problem of technical facility modernization of RFE/RO. Among his major points are:

Replacement of obsolescent medium wave transmitters in West Germany for East European coverage.

Installation of 10 to 12 transmitters at new West European site for coverage of European targets.

Erection of eight transmitters at a new Middle Eastern/South Asian site of Soviet Central Asian and West Siberian coverage.

Miscellaneous technical improvements.

Replacement of obsolescent transmitters in West Germany for coverage of European targets.

This package, based on a more modest proposal by RFE/RL, is estimated to cost $130 million. A bill to appropriate the necessary funds is now being written and potential co-sponsors are being sought.

SECURITY

Since Radio Free Europe/Radio Liberty links with the CIA were severed, individual safety has been a major problem. Employees have been threatened and the intelligence agencies of several of the Eastern Bloc countries have attempted to recruit them. RFE/RL's equipment and facilities have also been the target of Eastern Bloc sabotage. The vulnerability of the radio was nakedly exposed on February 21, 1981, when the Munich headquarters was bombed. The blast caused several million dollars in damage to equipment and hurt morale seriously. Although repairs have been made, the attack was successful in diverting the operating supplemental funds granted to the station by the Reagan Administration.

On July 25, 1981, Jack Anderson reported that the personal secretary of the central news director had been arrested by Bavarian police on charges of spying for the Romanian secret police. In that same article, Anderson reported that Emil Georgescu, a supervising program editor, complained of being harassed by death threats and physical abuse by the Romanian secret police. A few days after the article was published, Georgescu was stabbed twenty-six times in his garage and required intensive care treatment.

Another example of problems with security occurred in the early seventies. When Vladimir Bukovsky was freed from prison for a short time in 1970, he was given a samizdat (an underground dissident publica-

tion) by Vladimir Osipov with Osipov's own handwritten corrections on it. Bukovsky then passed the document to the West, where it was subsequently placed in the Radio Liberty samizdat archive. In 1974, when Bukovsky again was in prison, he was interrogated by the KGB about Osipov. As Bukovsky was denying any knowledge of Osipov, the interrogator produced the same samizdat he had passed to the West four years earlier. It was unmistakably the same because it contained the corrections in Osipov's handwriting. The cover sheet had the Radio Liberty Archieve logo and was stamped with the date it was receiving. As a result, the Soviet authorities sentenced Osipov to four years in prison.

The staff and facilities of RFE/RL must be protected since they are and will continue to be targets of Eastern Bloc covert actions. The government of the Federal Republic of Germany is reluctant to cooperate with the radio because it views RFE/RL as a strictly American operation. An added factor is that some officials in the FRG government view RFE/RL as an obstacle to the forging of closer ties to the Soviet Union and East Germany.

The following steps could improve security:

The CIA should once again conduct background investigations of potential employees.

Updates on the clearances of employees working for RFE/RL should be conducted as soon as possible.

Funds for conventional security of the physical plant should be increased.

These measures should apply not only to the facility in Munich, but to all RFE/RL personnel and property abroad.

CONCLUSION

Voice of America and Radio Free Europe/Radio Liberty have suffered from insufficient funding, technical inadequacy, and over-restrictive programming guidelines. Even under these conditions, the staffs have done a remarkable job. From what is known, both radios have wide audiences despite jamming and weak signals. However, much improvement is necessary. The Solidarity movement in Poland, the invasion of Afghanistan, and nationalist and religious awakening in the Soviet Union all point to a new era in the Eastern Bloc—and new opportunities for the West. International broadcasting to those areas is vital. As Congressman Courter observed:

The truth is one of our greatest weapons—and, as such it should be regarded as an essential element in our defense policy. It is an extremely cost-effective non-military weapon that we must use as energetically as possible in order to prevent ever having to use our military weapons.[11]

VOA and RFE/RL should be permitted to coordinate broadcasts in terms of what geographic areas can and cannot be reached, which transmitters can be shared, and what each knows about the audiences reached or not being reached. Further neglect of the radios would be a waste of a great national security resource.●

[11] Representative Jim Courter, "Truth is a powerful weapon," The Washington Star, August 9, 1980.

PERSONAL EXPLANATION

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mrs. SCHNEIDER. Mr. Speaker, due to my attendance at a memorial service for a close and valued friend, I was unable to be in attendance during a portion of today's proceedings. Had I been present for the vote on which I was absent, I would have cast my vote as follows:

Rollcall No. 324, to resolve into the Committee of the Whole for the consideration of H.R. 3663, "aye."●

VIEWS FROM A VIETNAM VETERAN

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. DASCHLE. Mr. Speaker, today I met with a very courageous young man who has wheeled and hitchhiked from Los Angeles to Washington, D.C. over the past 5 weeks in his wheelchair. Max Inglett has a message to tell this country and I only wish that every American could hear it. For the benefit of my colleagues, I insert the following press statement he made preceding his trek across our country. While I may not be in total agreement with each of the proposals offered, I believe that veterans such as Max Inglett need to be heard.

STATEMENT OF MAX INGLETT

As many of you are aware. I was one of the hunger strikers at the Wadsworth VA Hospital in Los Angeles. What began there in May has not ended. And it will not end as long as the Reagan administration refuses to respond to the pleas of those who have answered our country's call. If we are raised and taught since childhood to show patriotism to our country, it is only justified that our country return that patriotism. Regardless of the validity of the cause, we were ordered to serve. As you know I have been hitchhiking and wheeling in my wheelchair coast to coast. The reason is to emphasize a personal sense of urgency to the American people. Over 70,000 veterans have committed suicide since the duration of the Vietnam war. That suicide rate is now rising to 33 percent higher than the national average. The VA says that 95 percent of Vietnam veterans have little or no problems. They say the issue is overdramatized. I, and the statistics say they are wrong. These issues can no longer be ignored. It is the only way to close the door, and attempt to began a new productive life.

We must now begin to heal the wounds that America is still suffering from our involvement in Southeast Asia. One positive way of accomplishing this goal will be to assure the American people that Vietnam will not happen again. This can be done by bringing before the voters on the next national ballot in 1982 a proposal that would:

A. Prohibit the United States Government "by law" from ever again sending American combat troops into an undeclared war, to intervene in another country's internal conflict.

B. Set a lid or ceiling on the number of "military advisors" being sent into a foreign combat situation, and

C. Clearly define and re-evaluate the exact functions of a military advisor. The second goal is to implore and to impress upon the President that the only way that we as Vietnam veterans can have that assurance that the President really does understand and recognizes our plight is for him to sit down with those who have experienced them.

I wish to make it clear that while I disagree with many of the policies of the Reagan administration, particularly the budget cuts that drastically impair the survival of the disadvantaged American people, I continue to have respect for the President of the United States and therefore intend to show that respect for Mr. Reagan. It is at this time planned to hold a press briefing in each overnight stop. I am especially interested in meeting with college and high school students, citizen action groups, local legislators but particularly as many veterans groups as possible. I have been self-contained, unaccompanied, with a backpack strapped to my wheelchair. I will be receiving advanced weather reports and will be prepared for those conditions as is appropriate. I will be taking care of my personal medical care myself during the overnight stops.

The following is a copy of a telegram sent to President Ronald Reagan:

"DEAR MR. PRESIDENT: I would like to convey to you my happiness and congratulations on your recovery and my admiration for your display of courage, strength and reassurance during what came close to being a time of national crisis. I, along with the rest of America, prayed for that recovery and a quick end to your suffering.

"However, Mr. President, there are still a lot of young men who are suffering. Men who, like you, have been under fire. Many who like you, were physically wounded. Many who have emotional scars that will never disappear. Thousands of our brothers and fathers never made it back from a place called Vietnam. I know first hand, I was there. As you may know, I was one of the Vietnam veterans of the hunger strike in Los Angeles. I was one of the "motley crew", to quote a famous American.

"I could probably list a dozen reasons why I became involved with the hunger strike and the veterans movement. However, the two most important reasons are that I love and believe in my country with all my heart and that I really believe that the goals we seek must be accomplished if Vietnam is finally to be put to rest. Not just for those of us who served there, but indeed for America. I guess you could say that right now I really feel that I'm fighting for my country, in Vietnam, I did not. The reason I'm writing this letter Mr. President is because I do not want young boys to ever be sent to "another Vietnam". I believe in a strong national defense and in protecting our country. Even from a wheelchair, I would still defend my country in whatever way I could but I think that you would agree that Vietnam turned out to be an entirely different situation. It is for this reason that on Saturday, October 3, 1981, I will leave unaccompanied to hitch-hike coast to coast to Washington,

D.C. to gain support for a proposal that I and many Americans feel would offer the American people that guarantee that we would not be involved in another Vietnam. That proposal is as follows:"

[Refer to 3-point proposal in press release]

"Therefor in closing, Mr. President, I would like to take this opportunity to request a personal meeting with you to discuss the issues that I have attempted to address in the letter.

"Respectifully yours,

"MICHAEL D. "MAX" INGLETT."

During my venture across country I, and the goals we seek have been met with overwhelming support: And this reaffirms my conviction that finally, I can proudly say that I feel that I am serving my country. And untimately the future of America.

Thank you and God bless America.●

THE EXODUS OF SENIOR EXECUTIVES FROM FEDERAL GOVERNMENT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. WOLF. Mr. Speaker, as with any complex organization, the effectiveness and productivity of the Government is dependent on the quality of the top executives and scientists managing and implementing national policy. Because of the current pay cap which has retarded pay raises for 4 years and because of the consequent pay compression, these top executives are resigning or retiring from Government service at staggering rates. The loss of such talent, expertise, and institutional memory cannot help but severely damage the Government. The exodus is most pronounced in the high technology fields such as engineering, science, and medicine, but it is having nearly as devastating effects Governmentwide. The following are a few cases in point of individuals who have resigned from Government in favor of private sector positions:

Dr. Philip Leder reluctantly resigned this past summer as Chief of the Molecular Genetics Laboratory, National Institute of Child Health and Human Development. After an 18-year career as a Government scientist, a career that brought him national acclaim in molecular science and genetic development, Leder is now a professor and chairman of the genetics department at Harvard Medical School. With two of his three children now in college, Leder, 46, attributed his decision to resign to financial considerations.

I would have loved to stay in government, but it wasn't possible because of the pay cap and the absence of government programs to help with education expenses (Universities give professional courtesy tuition breaks to offspring of professors or liberalized loans, et cetera).

Leder ruminated on his departure:

A government laboratory is a precious resource. It enabled me to do the basic research on recombinant DNA that no private organization could afford, research that is just not bearing real fruit. Leaving this operation is sad and is done with great reluctance. Government has to be served well, by competent people, and yet—they are being driven away. Public service should be the very highest calling of mankind. The opportunity to literally serve the common weal. With conditions and attitudes prevelent today, it is clear that government employees are hardly so regarded.

In a case remarkably akin to that of Leder's, Dr. Robert Levy resigned as Director of the National Heart, Lung, and Blood Institute of Health to double his salary as dean of Tufts Medical School. And Levy is only the most recent case in point. Two former Directors of the National Cancer Institute have left within the last several years to take higher paying jobs.

Robert VanNess, who was Director of the Energy Department's Office of Financial Incentives, quit in June to take a job as a procurement officer for Burns and Rowe, an architectural and engineering firm in Oradell, N.J. Only 11 years short of his pension, VanNess took a new job with vastly less responsibility and pressure, at an increase in salary.

At various times in his 19-year career in Government, VanNess was the contracting officer of $2 billion in nuclear submarine construction for the U.S. Navy and for $10 billion in price supports, loan and market guarantees for alternative energy experiments. His former supervisor, Hilary J. Rauch, Director of Procurement and Assistance Management at Energy, calls VanNess "a producer, a guy who could make things happen, the type of person you sorely hate to see go, exactly the kind of person the Government needs, extremely competent with great capacity for growth." Adds Rauch:

I invested a lot of (training) time with him for the long range good of the Department. Quite frankly, he was pushing me pretty hard. (That is, he was so competent that he was threatening to take away his boss's job.)

"It just wasn't possible," VanNess said, "to provide education and a reasonable environment for my children." He said:

The pay was clearly out of line for my responsibility. It didn't make sense to spend my most productive years depending on the whim of Congress for whatever modest increase they might provide at erratic moments.

Berton J. Roth, Deputy Director for Procurement and Assistance Management for the Department of Energy, referred to the loss to the Government as "very great as VanNess, now in his early forties, would have been one of the top leaders had he decided to stay in Government service."

Roth went on to speak of another situation in the Department of Energy.

Immediately preceding Bob VanNess out the door was another young man we had recognized as an obvious candidate for Senior Executive Service and we had, over the past four years, given him developmental assignments grooming him for higher level jobs. This young man (Steve Morgan) at an age of about 30 was working as a GS-15 and, in my view, in another year or so we would have pushed him into Senior Executive Service. He also left government service because of the salary cap and, while he was not at the cap, he saw no future over his next 25 working years with the federal government.

Resignations clearly threaten and will continue to threaten the retention of able Government executives. A recent study by OPM revealed that the rate of resignations within the SES ranks soared by 56 percent over the past year. Unfortunately, if the current pay situation is not addressed in November, such losses as the ones listed above will continue.●

FIFTH ANNIVERSARY OF THE UKRAINIAN HELSINKI GROUP

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. COUGHLIN. Mr. Speaker, I join my colleagues today to commemorate the anniversary of the founding of the Ukrainian Public Group to Promote the Implementation of the Helsinki accords. Established just 5 years ago, on November 9, 1976, in Kiev, the Ukrainian Helsinki Monitoring Group has become the vanguard of Ukrainian efforts to monitor and insure Soviet compliance with the Universal Declaration of Human Rights and other human rights provisions of the 1975 Helinski accords.

Unfortunately, the Ukrainian Helsinki Group has suffered the most severe repression of any of the five Soviet Helsinki Monitoring Groups. It is a sad commentary indeed that all of the original members as well as many of those who subsequently joined the Ukrainian Helsinki Group have been subject to imprisonment, exile, or continued harrassment by Soviet authorities merely for their participation in the group.

Having been involved for some time now in efforts to secure the safety and the release of Mykola Rudenko—the group's founder—I now am more keenly aware of the personal risk which faces each member of the group as well as the resistance with which their efforts have been met by Soviet authorities. While political issues—such as the question of Ukrainian independence—cannot be avoided completely, the Ukrainian Helsinki Group has stated time and again that its intention is to deal with humanitarian, rather than political, issues. Nonethe-

less, its efforts repeatedly have been met with resistance and repression by the Soviet Government, despite the fact that that government, by its own accord, agreed in Helsinki in 1975 to honor and uphold certain basic rights for all its citizens. This, however, should not come as a surprise to any of us.

I am proud to stand here today to give recognition to this fifth anniversary of the founding of the Ukrainian Helsinki Monitoring Group and to honor the courage and determination of its members. Let us also take this opportunity to reaffirm and strengthen our own commitment to human rights the world over.●

RECONCILIATION IS NEEDED IN THE AIR TRAFFIC CONTROLLER DISPUTE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. VENTO. Mr. Speaker, can America afford the inconvenience, expense, and the potential compromising of air traffic safety brought about by the Reagan administration's continued vindictiveness in dealing with the fired air traffic controllers? We as Members of Congress have an obligation to search for and seek out answers to the problems that face our society, yet the problem of dealing with the consequences of firing the striking air traffic controllers has evaded thoughtful consideration from this body.

The actions leading to the present situation have been well aired and need not be repeated. What must be stressed, is the fact that a problem exists that is magnified in human as well as economic terms. The careers and family lives of thousands of air traffic controllers have been ruined, all for the sake of driving home the point that PATCO went on strike illegally. It may be easy to say that in this showdown, the administration won and PATCO lost, but in the end we find that no one is a winner and everyone is a loser. The Government, the air traffic controllers, the public, and the economy are all suffering in this situation.

I bring to the attention of my colleagues, a recent column by William Sumner which appeared in the St. Paul Dispatch. I share Mr. Sumner's sentiments that it is time to bury the vindictiveness that has plagued the air traffic controller situation.

The article follows:

[From the St. Paul Dispatch, Nov. 2, 1981]

IT'S TIME TO BURY VINDICTIVENESS AND REHIRE THE CONTROLLERS

(By William Sumner)

I suppose there are some, including the president, who get some sort of personal satisfaction over the conquest of a cocky union that was going to ground America. A cocky union, and voluble union leaders who attempted to win the impossible on the evening TV news. They defied the law and the president and it looks as though the punishment is to be permanent.

Legal maneuvers continue, but they seem half-hearted. The professional air controllers (PATCO) appear to be finished.

The administration is savoring the victory. PATCO may be down, goes the thinking, but we can still kick it.

It won't be the first time a certain unbecoming vindictiveness has been observed working in the mind of Ronald Reagan. From the start, a meanness of spirit has been apparent among Reagan's troops. It wasn't so much a well-needed cleanup of social programs leaking at the seams, for example, as it was a display of contempt for the poor.

The school lunch program comes to mind. Surely it has been a mess. Anyone with kids in school knew there was more nutrition in a sack lunch. But out of it came, for a time, the sarcastic phrase, "Let them eat ketchup." The food stamp program was abused. Suddenly, about a million have been cut off. This is reform? The aid to dependent children program has been abused. So a half million have been arbitrarily hacked off in defiance, seemingly, of conservative ideals that would encourage recipients to work their way off this form of welfare.

I don't think Reagan got any mandate and I don't think he got a mandate for this, nor, for that matter, for going to vindictive, childish lengths with the air controllers.

I don't think we have to re-hash the strike issues which propelled the controllers' union out of the towers on Aug 3. They were well paid and had been given an offer that still seems generous. They struck illegally when no one would give them the moon. The 10,000 or so controllers now directing traffic appear likely soon to be enjoying the benefits the PATCO negotiators had won and which were rejected by the union.

The Federal Aviation Administration wants to bring the number of controllers up to 14,000, slightly under the number at work before the strike began. I don't know what this means in terms of training new personnel, for military controllers are still at work in the towers in unspecified numbers. Training continues apace. But the controllers now working are still working beyond 40 hours a week and are said to be in need of rest. To accomplish this, the numbers of flights will be cut down further, by 5 percent. Flights are now up to 83 percent of normal and it seems to be too much.

So there are practical reasons for amnesty even if one leaned toward getting even. PATCO broke the law, but we seem to be more generous toward felons than would be the spirit in evidence here. We need controllers. Why not put up signs saying, "Air Controllers Wanted," and give the erstwhile strikers a crack at the jobs? Why not indeed? We want that pound of flesh. The members of the now decertified union can't take any federal job, as a matter of fact.

Meanwhile, many strikers are ruined. They were used to good salaries and, no doubt, a lot of them had mortgages to match. They have proficiency in a specialized field and many have been reduced to taking unskilled jobs in attempts to feed their families. Mind you, they didn't hold up anyone, or take bribes or shoot anybody, but, in Reagan's mind, they are in the same category as child molesters. Or so it seems.

Sure, they were cocky to the point of being insufferable and they broke the government's no-strike law. But I'll bet that most just went along, as so often happens, conned by their leaders and faintly intimidated along with it. Case by case, as individuals, they should be considered for the new jobs. They are needed, needed almost as much as Reagan needs a stirring dose of humanity.●

FOREIGN INVESTMENT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. ROSENTHAL. Mr. Speaker, the Los Angeles Times recently published an article which forcefully describes the growing concern over foreign investment in major U.S. industries. I am deeply disturbed by the influx of foreign takeovers, especially in such industries as banking, energy, and real estate. The recent announcement by the Government-owned Kuwait Petroleum Corp. to purchase Santa Fe International Corp. typifies the serious ramifications of foreign investment. The Government Operations Subcommittee on Commerce, Consumer and Monetary Affairs, which I chair, has been examining the implications of foreign investment with specific focus on the Santa Fe acquisition. I urge my colleagues to pay close attention to the sentiments expressed the Los Angeles Times report. The text of the article follows:

CONCERN GROWS—FOREIGNERS' INVESTMENTS IN U.S. RISE

(By Karen Tumulty)

It was in 1965, when American impressions of the Middle East were colored more by the movie "Lawrence of Arabia" than by the economic power of OPEC, that Richard H. Jenrette was introduced to the up-and-coming son of a Saudi Arabian spice merchant. Jenrette, the chairman and a founder of Donaldson, Lufkin & Jenrette, Inc., a New York brokerage firm, recalls that Suleiman Olayan was the first Saudi he had ever met.

Sixteen years later, Olayan and Saudi Prince Khaled ibn Abdullah al Saud own about 16% of Jenrette's brokerage—more than he does.

The stock in Jenrette's firm is only a small portion of the vast U.S. investment portfolio owned by Olayan's family interests and managed for them by former U.S. Treasury Secretary William E. Simon.

Their stake of about 1% in Chase Manhattan Bank is second only to that of its former chairman, David Rockefeller. They also hold 7.6% of First Chicago Corp., parent company of the nation's ninth-largest bank, and significant interests in at least a half-dozen other financial institutions. And Olayan sits on the board of directors of Mobil Corp.

$480 BILLION IN HOLDINGS

Olayan is one of a growing number of foreign investors in the United States. By Commerce Department estimates, the value of foreigners' holdings reached $480.9 billion

last year. The figure was a 16% increase from 1979, and critics of the manner in which federal record keepers track foreign holdings contend that even that astronomical sum greatly understates the worth of U.S. assets under non-U.S. ownership.

Such household staples as Alka-Seltzer, Baskin-Robbins ice cream and Libby's canned foods are produced by foreign-owned companies in the United States. In recent years, foreign conglomerates have bought such American institutions as Saks Fifth Avenue, A&P grocery stores and Howard Johnson's, the restaurant and motel chain. Farmers have complained that well-heeled foreigners have bid up the price of U.S. agricultural land to the point where it becomes unaffordable to Americans.

FOREIGNERS BUYING BANKS

And even as foreign-held deposits in U.S. banks have grown, foreigners have also turned to buying the banks themselves. California Banking Department officials estimate that when Midland Bank Ltd. of London completes its takeover of Crocker National Corp., parent of Crocker National Bank, almost one-quarter of California banking assets will be under foreign ownership.

As reports of foreign takeovers continue on an almost daily basis, so does a growing uneasiness over how much of the domestic economy is controlled by foreigners.

"When the history of this period is written, I'm sure that historians will marvel at the spectacle of a powerful nation surrendering its economic might without resistance," former Massachusetts Banking Commissioner Carol Greenwald testified in 1979 hearings before a House subcommittee.

She and other critics charge that in its eagerness to be a good host to foreign investment, the United States is ignoring the danger of losing control over its own future.

Moreover, the critics contend, the government so far has made only a desultory effort to collect information on the extent and nature of foreign investment in this country—thereby making it difficult to determine if and where real dangers may exist.

And as foreign investors continue to become more aggressive, buying entire U.S. companies where once they were careful to own only a small share of any one firm, the risks are certain to mount, these critics insist.

"The dangers of foreign investment take several forms, but they all reduce to one common denominator—a challenge to national sovereignty," argues Benjamin Cohen of Tufts University's Fletcher School of Law and Diplomacy.

Despite such expressions of alarm, the prevailing view in government and among economists, bankers and other analysts is that foreign investment is harmless, even desirable. Supporters of foreign investment assert that it provides the U.S. economy with a much-needed injection of capital and gives foreigners a stake in keeping domestic industry healthy. In that sense, they see it as insurance, rather than a threat.

In some instances, such as French-owned Renault's takeover of American Motors Corp., foreign investment gives ailing U.S. companies access to the technology they need to keep pace in an increasingly competitive world market. Thus, it saves—and even creates—jobs in the United States.

JOBS FOR MANY AMERICANS

By Commerce Department estimates, about 1.6 million people held jobs in firms with more than 10 percent foreign ownership in 1979, the last year for which data is available. The figure was a 24 percent increase from the previous year. By contrast, employment in such foreign-held firms grew by only 3 percent annually during the early years of the decade.

Supporters of foreign investment point out that the size of foreign holdings, while huge, is tiny in comparison to the scale of the entire economy—less than 5 percent of estimated total U.S. assets—and is much smaller than the $603.6 billion that Americans have invested overseas. They also contend that foreign owners of U.S. industry are looking for good investments, not control, and generally are content to allow U.S. managers to operate those businesses with little interference.

The debate over foreign investment—and the uncomfortable ambivalence that surrounds it—has intensified since the announcement last month of a $2.5-billion bid for Santa Fe International Corp. by the government-owned Kuwait Petroleum Corp.

The purchase of the drilling and engineering firm would rank as the largest takeover ever of a U.S. firm by an oil-rich Middle Eastern nation. But its size is not the only new dimension the proposed Santa Fe International purchase adds to the debate over foreign investment. It has also opened an argument over what types of foreign ownership the United States should allow: While a private foreign investor may be expected to act as a domestic owner would—that is, to make the investment as profitable as possible—critics have suggested that government-owned foreign investors may operate according to a different, more insidious agenda.

For example, in hearings by the House subcommittee on commerce, consumer and monetary affairs, subcommittee Chairman Benjamin S. Rosenthal (D-N.Y.) suggested that the Kuwait government might want to stifle Santa Fe International's work on synthetic fuels development, because those new types of fuels may someday compete with the petroleum that fuels the Kuwaiti economy. And, he asked, under Kuwaiti government ownership, can Santa Fe International really be expected to keep out of foreign hands the confidential information it gathers during its construction work on U.S. nuclear power plants?

QUESTIONS OF AN OPEC BOYCOTT

Further, Rosenthal asked, would Santa Fe International operations be affected by a future OPEC boycott?

Rosenthal suggested that a Kuwait-owned Santa Fe International might become an instrument of that nation's political policies, even when those policies conflict with U.S. interests. He thus echoed concerns voiced by other critics that, for example, a U.S. company owned by an Arab nation might be directed to comply with a boycott of Israeli firms or products.

Kuwaiti officials and Sante Fe International executives contended that foreign-government ownership would present no such conflicts for the company. "This is to be a U.S. subsidiary under U.S. laws," Abdul Razzak Mohammed Mulla Hussain, managing director of the Kuwaiti company, told Rosenthal.

Instead of getting simpler with the passage of time and the accumulation of experience, the issue of foreign investment grows more complex.

Certainly, it is not the clear-cut subject it was during the nation's early years, when European capital established the U.S. economy and financed its growth. France funded much of the American Revolution; Erie Canal bonds were traded on the London market in 1817. In fact, it was not until the 20th Century that U.S. holdings abroad began to exceed the amount of foreign investment the United States was taking in.

As early as 1791, Alexander Hamilton expressed a view that has since dominated the nation's policy toward foreign investors.

Instead of seeing them as rivals, Hamilton wrote, their capital "ought to be considered as a most valuable auxiliary, conducing to put in motion a greater quantity of productive labor and a greater portion of useful enterprise than could exist without it."

Former Comptroller of the Currency John Heimann echoed that 200-year-old opinion in his 1979 report to Congress, in which he wrote: "The open-door policy is rooted in economic principle."

"Foreign investment in the United States benefits the economy in the same way as domestic investment, leading to increased competitive ability, greater employment, higher production and improved technology," Heimann wrote.

But even those who argue most vehemently that the door to the U.S. economy should be held open to foreign investors concede they should not be given completely free access.

Foreigners are subject to the same antitrust laws that limit the scale of domestic acquisitions. Federal law also restricts foreign investment in such strategically sensitive industries as communications, transportation and defense contracting.

ROLES HIT AS INADEQUATE

However, Rosenthal's panel, which has long been outspoken in its concern about the issue, has criticized the existing regulations as "piecemeal, haphazard and illogical."

"They do not protect the United States in many equally important national interest sectors (such as banking, food and food distribution, computers and high technology, oil and coal, and real estate)," the committee wrote in a report last year.

In some respects, the fears of foreign domination of the U.S. economy are ironic. It was, after all, 15 years ago that French author Jean Jacques Servan-Schreiber's best-selling book "The American Challenge" sent waves of alarm through Europe. Its warning: American technology and know-how was wiping out Europe's tradition-bound, small-scale entrepreneurs. Within 15 years, Servan-Schreiber predicted, American industry in Europe—not Europe itself—would be the world's greatest industrial force other than the United States and Russia.

But with the first world oil shock in 1973, Americans' perceptions of their own economic power began to shift. They feared their own vulnerability to OPEC's "oil weapon" and its "money weapon," billions of accumulated petrodollars. In 1976, novelist Paul Erdman made U.S. best-seller lists with "The Crash of '79," which had a plot built on an eerie doomsday scenario in which the Saudis collapse the Western financial system by draining their deposits from U.S. financial institutions.

AMERICAN CHALLENGE MET

Of course, neither Servan-Schreiber's nor Erdman's scenarios have come to pass. European countries are struggling under a load of economic problems, but they have met the feared American Challenge by developing their own competitors that rival U.S.

multinationals in many industries; in the United States the year 1979 ushered in another oil crunch, but not a crash.

Smoldering uneasiness remained, however, fanned by revelations of growing amounts being invested in the United States. The news often comes under such headlines as "The Canadians Are Coming! The Canadians Are Coming!" and "Foreign Banks Are Coming! Foreign Banks Are Coming!"

And indeed, foreign investors are coming to the United States, for a variety of reasons. Among the attractions are:

Its political stability, which has grown increasingly important in light of international developments, such as the nationalization of much of French industry under France's new socialist administration.

Its depressed stock market. With many companies' stocks selling at prices far below the value of the assets they hold, they are seen as a bargain.

FEWER CURBS IN UNITED STATES

Its attitude toward foreign investors. Unlike many countries, where foreigners are not allowed to own controlling interest of domestic companies, the United States puts few restrictions on its foreign investors.

Its size. "Other countries cannot handle this amount of investment," Commerce Department economist Michael A. Goodwin said, noting the United States has three times the value of stocks, bonds, currency and other monetary instruments as the rest of the world combined.

The investment takes a variety of forms.

Billions of the dollars that OPEC has gathered through its oil sales have found their way into top-quality corporate debt, certificates of deposit, Treasury bonds, and other types of high-yielding securities.

The Treasury Department estimated that OPEC treasury bond and note holdings were 22% of all foreign holdings of such securities in 1980 but said that amount was less than 3% of total outstanding Treasury debt.

David T. Mizrahi, editor of the New York-based newsletter MidEast Report, has contended that the oil-exporting nations' U.S. assets total between $150 billion and $200 billion, as much as four times as high as official Treasury Department estimates, although still less than 2% of the value of all U.S. assets.

THIRD PARTY INVESTING

"The U.S. Treasury, in all practicality, is unable to obtain highly accurate and comprehensive data on Middle East OPEC country investments in the United States," Mizrahi told Rosenthal's subcommittee.

"A good portion of those investments is being made through third parties, including foreign banks and companies established in the Caribbean region, Luxembourg or Panama," he explained.

By funneling their investments through holding companies incorporated in certain nations, foreigners can disguise their identities and also take advantage of favorable tax treaties between the United States and those countries. Olayan's interest in the Donaldson, Lufkin firm, for example, is held by his Competrol Establishment, which is based in Liechtenstein.

There is also a growing sentiment that the government should make a better effort at gathering and distributing information on the nature and extent of foreign financial interests in the United States.

"They don't really keep what I consider accurate records on it," AFL-CIO economist Elizabeth Jager complained. "Unions have not resisted foreign investment per se, but that does not mean they don't want accurate information."

Data escapes public disclosure in a number of ways. Federal regulations prohibit the Treasury Department from revealing the identities of individual investors in government securities. Officials argue that making that information public would discourage many privacy-concious people from investing in U.S. government issues.

Additionally, federal law does not require that foreign investors make public their holdings of less than 10% of any U.S. firm. And while the Securities and Exchange Commission requires reporting of all interests greater than 5% of any firm whose stock is publicy traded, that does not apply to private concerns.

"They seem to think that an effective monitoring system would deter investment, which has not been true anywhere else in the world," Jager said.

Particularly controversial has been the fact that application of the existing rules makes it difficult to determine how much members of the Organization of Petroleum Exporting Countries are investing in U.S. government securities.

Fixed-interest securities traditionally have been favored by the financially conservative Saudi government, which is the largest OPEC investor, Mizrahi said.

Critics have suggested that the scenario in Erdman's "Crash of '79" is not all that far-out. More plausibly, they say, those deposits could be used as political bargaining chips.

THE ONLY GAME GOING

But others note that if foreign deposits were removed from the United States, their holders would find no other financial system large enough to accommodate them. In effect, they would have nowhere to put them. Further, they point out, the United States could freeze those assets in a national emergency, as it did during the Iranian crisis.

Increasingly, foreign investors are believed to be buying the common stocks of U.S. companies. The Treasury Department estimated in its latest survey that foreign "portfolio" stock holdings—those in which owners hold less than 10% of a company's shares—reached $47.9 billion in 1978, almost double the amount reported four years earlier.

However, Assistant Treasury Secretary Marc Leland expressed no alarm over that growth. In testimony before the Rosenthal subcommittee, he said the stock investments were not concentrated in the hands of a few countries, were small in comparison to the size of the market and did not dominate any sector of the economy.

Of greater concern are "direct" investments, those in which ownership of an enterprise or property is more than 10%. More central than the idea of ownership is the concept of control. How much control do foreigners exercise over U.S. companies? How much is desirable?

There is much evidence to suggest that the amount of control that foreign owners actually exert over their U.S. properties is small, although it varies according to the nature of the owner.

By and large, said David Bauer, who tracks foreign takeovers of manufacturing firms for the New York-based Conference Board, a research organization supported by corporate sponsors, individual investors have sought types of investments that require little day-to-day attention. That, he said, explains a preference for such types of holdings as office buildings and farmland.

Even in cases where foreigners have bought total ownership of U.S. firms, noted the Commerce Department's Goodwin, they have done it intending to "leave the management in place as it is."

Donn Hartley, vice president of Thomas Tilling Inc., a British firm that has purchased 30 U.S. companies since 1977, explained, "We buy them and leave them alone. What we bring to the table is financial discipline and planning discipline and deep pockets."

Hartley explained that Tilling looks to buy relatively small U.S. firms—with sales, for example, that range from $10 million to $15 million—that are strong competitors, but lack the financing they need to grow.

DREAM SHAREHOLDERS

After a typical Tilling acquisition, he said, "the guys who built that company are the ones who are still running it."

Jenrette described the Saudis who own 14% of his firm as having "all the attributes of a dream shareholder."

"They've never exerted any pressure on me in any way," he added. In fact, he said, having partial Saudi ownership has proven beneficial to his business, as his shareholders used their influences in the Middle East to help the firm gain new customers.

But Jenrette conceded he might not be so sanguine if Olayan held a majority interest in his firm. "It's a delicate balance," he said.

Although California Deputy Banking Commissioner Robert Cameron said his agency is giving "more concern" to the issue of foreign ownership, he said experience indicates that foreign bank owners are "basically operating the banks in a manner very similar to the way the previous owner did."

But others disagree. "Distant ownership does complicate the ability of local communities to influence bank management," Greenwald, the former Massachusetts banking official, asserted in congressional testimony. "Boston bankers, simply because they live in Massachusetts and have done so for years, are more likely to care about what happens to Massachusetts communities."

ISSUE OF LOCAL CONCERN

Pointing to U.S. conglomerates as an example of what happens under absentee ownership, she said, "They've been much more economically oriented . . . in closing local plants. They have not had the same concerns that local ownership did about destroying the economic base of a community."

A relatively new concern has been the implications of a foreign government, rather than private capital, owning U.S. businesses.

Critics of deals such as the Santa Fe International takeover, in which the government of Kuwait would own the U.S. firm, tick off a number of potential problems and conflicts.

They see such purchases as a means through which foreign governments may gain quick access to U.S. technology. During questioning at a subcommittee hearing last month, Rosenthal told a Santa Fe International executive, "You're delivering for $2.5 billion—and it's probably a good buy—a hell of a lot of U.S. expertise."

And critics argue that when the interests of the acquired company conflict with the owner country's goals, the owner is most likely to opt against the acquired company. For instance, they say, if a country has chosen boosting its own employment rate as a top priority, it is unlikely to support ex-

pansion and growth of a U.S. company in competition with its own work force.

We need to know whether the assets, technology and resource of Santa Fe (International) will be subject to policies established by the government of Kuwait or by the Organization of Petroleum Exporting Countries," Rosenthal said.

Although the Santa Fe International purchase has garnered national attention, it is not the first example of a foreign government buying a dominant share of a U.S. company.

Last year, for example, French government-owned Renault increased its ownership of American Motors to 46% and last July bought AMC warrants that could give it almost 52%. It was the culmination of a partnership begun in 1979, when the two companies agreed to build a Renault car in AMC's Kenosha, Wis., assembly plant.

Instead of criticism, the takeover of AMC has drawn wide praise. "I am very pleased that our association with Renault is maturing in this way," AMC Chairman Gerald C. Meyers said last year. "It assures AMC, its employees, dealers and stockholders a secure and profitable future." Analysts agree that the relationship has saved AMC from bankruptcy.

Renault also owns 20% of Beverly Hills-based Mack Trucks, Inc.

FOREIGNERS SOUGHT OUT

As high interest rates make it more difficult for U.S. firms to raise their own capital, they are, in fact, seeking foreign investment. Goodwin said her Commerce Department office regularly receives inquiries from small-business owners looking for rich foreigners to buy them out.

Last month, the U.S. Conference of Mayors held a five-day conference in Zurich to lure European investors to U.S. cities hard-hit by federal budget cuts. More than 100 city and state governments participated.

"State development agencies work overtime to encourage foreign investors," Goodwin said.

However, critics are quick to assert that there is a difference between the foreign companies that set up new offices and factories in the United States and those that acquire existing ones.

"When I was commissioner of banks in Massachusetts," Greenwald testified, "I let it be known that, unlike my predecessor, I would welcome applications from large foreign banks to open branches in Boston."

Such a measure stimulates competition, she said. But an acquisition of a large domestic bank by a foreign one amounts to "replacing one oligopolist with another," she added.

Drawing the line between foreign investments that benefit the economy and those which pose a threat is the task of the Committee on Foreign Investment in the United States, an interagency group charged with monitoring proposed acquisitions. Chaired by the Treasury Department's Leland, it has committed itself to the long-held "open door" policy in international trade and thus confined its activities largely to studying investments by foreign government-controlled entities.

INTERAGENCY GROUP CRITICIZED

It currently is looking into the French government-controlled Elf Aquitaine Group's purchase of Texasgulf Inc., Stamford, Conn., and several recent petroleum-related purchases by the Kuwaitis.

Rosenthal's subcommittee has blasted Leland's unit as "a dormant entity, administered by Treasury, whose primary purpose appears to be to forestall further foreign investment legislation and not to determine harm to the U.S. economy." Thus, the subcommittee charged, it "has grossly neglected its responsibilities to the President, the Congress and the public."

Leland defends his group's work. "Since its formation, (it) has operated on the basic premise that its review activities should be limited to cases where there is a genuine concern about U.S. national interest," he told the subcommittee.

And there lies the center of the debate. For the time being at least, it seems federal regulators have determined that foreign investors have not yet given cause for a "genuine" concern. Rosenthal's subcommittee has held numerous hearings on the subject, but it is a surveillance panel and not empowered to introduce legislation. While a handful of states have passed legislation to limit farmland purchases by foreigners, government officials say foreign holdings account for less than 1% of U.S. agricultural acreage and pose little threat to U.S. control of its own lands.

But there is a growing uneasiness over whether the United States is equipped to recognize a danger, if it did exist.

That sentiment was expressed in one witness' complaint to the Rosenthal subcommittee: "There are very few major countries in the world today that are as naive and ignorant concerning the size and nature of foreign investment in their countries as the United States is."●

WHALERS QUIETLY HARPOON CONSERVATION MEASURES

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. BONKER. Mr. Speaker, some of the whaling nations of the International Whaling Commission have once again shown their true colors: They support conservationist measures when the public spotlight is on them at the annual July IWC meeting in England, but file objections to these rules when the spotlight has dimmed. Unless the United States and other nonwhaling countries loudly protest these objections, we can expect the Soviet Union, Brazil, and South Korea to file additional objections within the next 2 months.

The House and Senate have gone on record strongly supporting U.S. conservation efforts in the IWC; we should not let the whalers sneak their objections past us. The objections, filed by Japan, Iceland, and Norway against the ban on the cruel nonexplosive harpoon, and by Japan against the suspension of sperm whaling, are a slap in the face to whale protection. In fact, these two rules were adopted by an overwhelming majority of the Commission members after having granted concessions to whaling interests.

An article that I wish to submit for the record, a November 17 Seattle Times editorial entitled "Whaling Nations Can't Go on Breaking Rules," supports the action I believe we should take in response. The United States should invoke the sanctions provided under the Pelly and Packwood-Magnuson amendments: ban imports of the objectors' fisheries products and cut off their fishing allocation in our 200-mile waters.

The Congress must not ignore the whalers' actions. We should make our commitment to whale protection credible and give the whalers a strong response.

WHALING NATIONS CAN'T GO ON BREAKING RULES

"I urge you to act in the brief time remaining to impress upon the whaling nations . . . the depth of our national commitment to conserve and protect whales . . . these magnificent mammals."

Who wrote those words? A member of Greenpeace? Jane Fonda? Jacques Cousteau?

Nope. They were written by Interior Secretary James Watt, a man regarded widely as unlikely to have a "Save the Whales" bumper sticker on his car.

The letter was sent this month to Secretary of State Alexander Haig (whose critics say might be expected to have a "Nuke the Whales" bumper sticker on his car.)

Watt's letter was part of an effort to prevent the world's few remaining whaling nations from filing formal objections to the International Whaling Commission's latest rules to protect whales.

Adopted last July, the new rules would ban killing of sperm whales and forbid use of "cold harpoons"—a 19th Century weapon that usually means agony for the whales before they die.

The effort failed. Japan, Norway and Iceland filed objections last week. The Soviet Union, South Korea and Brazil now have 90 days to file, which they probably will do.

Since the commission has no enforcement powers, whaling nations simply by filing objections can go right on breaking the rules without fear of penalty.

Well, not totally without fear. Congress has passed two laws potentially detrimental to whaling nations. One is the Pelly amendment (named after a former Washington congressman, the late Tom Pelly), which provides for a ban on U.S. imports of fisheries products from nations that violate I.W.C. rules. The other is the Packwood-Magnuson amendment, which permits the President to bar whaling nations from fishing inside the U.S. 200-mile limit.

Will the administration use these punitive laws—which never have been invoked—to pressure whaling nations to play by the rules? Obviously the trade and diplomatic consequences must be considered, but we think the strongest possible action is in order.

Whaling nations have been able to circumvent I.W.C. rules with impunity for too long.

The matter is now before the Commerce Department, which must make a recommendation to the President. We don't know what kind of bumper sticker Commerce Secretary Malcolm Baldrige has on his car, but we hope it's "Stick it to the Whalers."●

REGULATORY REFORM

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. HILLIS. Mr. Speaker, I recently sent a letter to about 600 of my constituents requesting that they help in identifying excessive or particularly burdensome Federal regulations. These constituents were either small businessmen, or people who had expressed an interest in small business issues.

As many of my colleagues know, Vice President BUSH is heading the Presidential task force on regulatory relief. When I met with the Vice President in October, he requested help in identifying Federal regulations which needed review. This is a grassroots effort in which many Members are participating in order to find as many Federal regulations as possible.

The response I received from my letter was very encouraging. It is obvious that the American people are eager to help the President and the Vice President in getting the Federal Government streamlined and off the backs of American businesses. Due to the numerous letters I received, I have summarized the responses of a sample of representative letters. While I sent a copy of each letter to the Vice President's task force, I am inserting in the RECORD a copy of the summary for the benefit of the House.

Since the inception of EPA, OSHA, and ERISA, our cost related to each area have continued to escalate with respect to excessive paper work as well as direct operating expense. To convey all the problems with each of these areas in detail would require a book * * *

We have had considerable difficulty in complying with the changing EPA rules and regulations. As an example, our company owned a foundry in Marion, Indiana. In 1977, in order to comply with the then current EPA standards, it embarked upon a $500,000 capital expenditure program. At the completion of the project, the standards were revised and the company found it was no longer in compliance leaving it no alternative but to terminate operations which, in turn, placed approximately 300 people out of work.

In my opinion, OSHA has, for the most part, outlived its usefulness. In addition to being genuinely concerned about the safety of employees, today's industry has a monetary incentive to insure that the employee works in a safe environment. With the high cost of Worker's Compensation Insurance, companies are continually seeking ways to operate plants more safely and are making capital expenditures on an ongoing basis to improve working conditions. Routine OSHA inspections are expensive to both industry and the taxpayer.

With the advent of ERISA came reporting requirements that have caused companies to employ additional people to comply with this act. Also, it provides for a liability to a subsidiary company beyond its assets. If these liabilities were to appear on corporate balance sheets, I suspect there would be some notable companies with negative equity. In our particular case, we have been turned away from potential turn-around acquisitions because of the excess liability we would incur. Many of these companies have gone out of business when it's possible they could have been salvaged. Since 1980, ERISA extends to multiemployer plans which results in a company incurring an unfunded liability regardless of having no hand in the adminstration of the funds or expenses.—Gene Hainen, Avis Industrial Corp., Upland, Ind.

Reduce SBA office to State level only. Reduce Farmers Home Administration to State level and allow banks to dispense the loans, more especially on housing. The county offices are not effective. They have lost the sensitivity and seem more interested in loaning money for airports; post offices; fire stations; county-city buildings; street and sewer projects and have completely forgotten about the needs of farmers for Rural Housing.—George Slabaugh, President, Village Green Homes, Inc., Etna Green, Ind.

Most bowling centers operate seven days a week. Previously, the law recognized this by permitting a 48 hour week before overtime payments of 1½ times regular rate. Now this has been reduced to 40 hours raising our wage bill and making scheduling of help difficult.—Bob Donahue, Cedar Crest Lanes, Kokomo, Ind.

Remove the restrictions from the auto industry: (a) mileage goals; (b) bumper requirements; (c) speedometer requirements.

Permit the states to set their own speed limits.

Readjust or continue (but not increase) pollution rules on auto and industry.—Robert H. Colwell, Carmel, Ind.

We retail feed, fertilizer, farm chemicals, seed, and other miscellaneous products used for the production of livestock and crops. We purchase grain for the main purpose of shipment to terminal export points. We also have grain storage space for our customers use under the Federal Warehouse Licensing Program, use in custom feed, or sale at a later date. We are involved in the provision of custom services to our customers such as custom crop spraying, delivery of bulk and bag materials, extension of credit, contracting of livestock (mainly layers and hogs), and the promotion of information pertaining to all the products which we sell. These products and services are common to many country elevator operations.

We have always been under the registration service of the state program in conjunction with Purdue University for fertilizer, seed, and feed, and recently pesticide products. More recently, the FDA has become involved with the feed inspection program pertaining to the use of drug additives to livestock feed. We have become involved with the Board of Health which handles the testing of moisture meters, the Division of Weights and Measures which handles the regulation of scales, and the Department of Financial Institutions under the Indiana Uniform Consumer Credit Code for the carrying charge we utilize on our accounts receivable. Since we are Federally Warehoused, we come under the Department of Agriculture Warehousing Division and because we purchase and resell grain, we are involved with the new Indiana Grain Dealer Licensing and Bonding Law. Because we furnish a group health and hospital plan and a profit sharing plan for our employees we now are involved with the Pension Reform Act of 1974, commonly referred to as ERISA. This requires us to file forms with both the Department of Labor and the Internal Revenue Service. Also, we have filed with the Environmental Protection Agency concerning pollution and energy used in the drying of grain. We have business band radios which require filing with the Federal Communications Commission. The equal opportunity program has brought forth all types of forms from our major suppliers for us to file. OSHA continues to stagger our imagination as to what their final requirements will be. The preceding are in addition to tax forms required for state sales, gross sales, Social Security, Internal Revenue, unemployment, road use, workmen's compensation.

We feel that there are probably close to 300 governmental forms a year which must be made out, that require approximately 80 days for our bookkeeping department to handle. We also need the special aid of our auditor utilizing about 120 hours as well as 80 hours for our legal counsel to fill out special forms.—Gordon Taiclet, President, Buckeye Feed & Supply, Inc.

I do not know of one new mortgage loan, as of this date, that was created by the All Savers Certificates. Supposedly, when these were enacted, it was to help aid the housing and farming industry. In my inquiries among realtors throughout the state, not one new loan, directly related to the All Savers Certificates, was issued.—Joseph Pencek, Pencek/Realtors-Developers, Kokomo, Ind.

As you probably know, everyone from Sears to American Express has become a, quote, "Bank" or financial institution without the guidelines imposed on commercial banks.

These financial entitites and "cash funds" operate at an unfair advantage with commercial banks who must not only put up reserves and insurance on their deposits, but are regulated as to what rate they may pay for their funds and in what vehicles they may invest.

Equal parity must be established among all financial entities if the commercial bank is to survive as we know it.—Tom F. Lyons, 1st National Bank of Madison County, Senior Vice President and Cashier, Anderson, Ind.

My concern with the federal regulation governing the pharmaceutical industry are not with the regulations per se, but with the federal "red tape" involved and the extensive time it takes to show compliance with said regulations. Federal "Job Justification", if you will.—John Edmundowicz, Carmel, Ind.●

THE HOUSING SITUATION

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. OAKAR. Mr. Speaker, as a member of the House Banking Subcommittee on Housing and Community Development and a member of the House Select Committee on Aging, I am seriously concerned with the availability, the conditions, and the dramatic impact of the recent budget cuts on the housing situation, in general,

and specifically, disturbed about housing for the elderly across our Nation.

Only yesterday, figures were released that revealed housing starts are 43 percent below figures in October of last year. This percentage decline is devastating to the industry as a whole and has a critically adverse effect on the elderly as a sector of the population.

Many of our older Americans have no choice but to live in housing that more fortunate Americans would shun—that most safety departments would declare condemned and that most human beings would consider unconscionable.

Approximately 552,000 older persons live in public housing built by HUD. Seventeen percent of the urban elderly and 30 percent of the rural elderly live in housing that is physically deficient. In my own city of Cleveland, 90 to 95 percent of the federally assisted high rise housing estates are occupied by elderly persons. Some 41 percent of the 1,744 million households currently receiving rent subsidies are elderly. Estimates indicated that for every low-income elderly occupant, there may be as many as three older persons waiting for a unit. Approximately 616,693 elderly persons live in units subsidized by section 8. As you are well aware, the administration proposed and had adopted a provision to increase the tenant contribution to 30 percent—727,340 elderly subsidized tenants will be affected by these increases. All funding for congregate housing programs are eliminated and reduced funding for section 202 (housing for the elderly and the handicapped) has already drastically decreased the number of new housing starts.

Currently, 105,000 older persons live in units built by section 202. At least 65,416 older persons in rural areas live in units built under the Farmers Home Administration, section 515. This program has been cut by 12 percent.

Mr. Speaker, it is totally beyond my comprehension that this Nation which stands tall and proud in the defense of human rights for people around the world, dares to deny to the mothers, the fathers, the grandfathers, the grandmothers—their basic earned right to safe, decent, and adequate housing. The decisions made by this Congress, as relates to slashing housing opportunities, will surely come back to haunt us. Perhaps it will be these same legislators and administrators who will wake up in their twilight years and find themselves waiting in line for housing which is either unavailable or in deplorable condition.●

CHILD PASSENGER SAFETY WEEK

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. PANETTA. Mr. Speaker, the week of November 8 was recognized as Child Passenger Safety Week in Monterey County, Calif. I would like to take this opportunity to commend the county on its efforts in recognizing the importance of child passenger safety and encourage the use of child restraint devices.

The dangers of unrestrained child passengers have been clearly depicted. Too many times, we have become aware of automobile accidents in which child passengers are killed or seriously injured. In many of these instances, adequate child restraint devices could have lessened or even prevented the seriousness of the injury occurred in these accidents. Over the past few years, there has been an increase in the purchase and use of child passenger safety devices, and this is certainly a worthwhile development. Parents are now being encouraged to purchase child restraint devices along with the purchase of other necessary infant goods.

The importance of the use of child passenger safety devices cannot be generally taken for granted. I am hopeful that the designation of Child Passenger Safety Week in Monterey County will bring vital attention to this concern and will increase the awareness of the residents in the community. I urge my colleagues' attention to this matter.●

STOPPING THE SALE OF SILVER FROM OUR NATIONAL STOCKPILE

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. CRAIG. Mr. Speaker, today I am joined by my colleague, Congressman HANSEN, in introducing two pieces of legislation aimed at assuring that any sale of silver from the strategic stockpile would be accomplished without undue interruption of the silver market.

The first bill is a companion bill to the McClure-Symms legislation (S. 1823). It would require that the President reevaluate the need for a silver stockpile goal, and if he determines that the silver stockpile be disposed of, that the disposal could only occur through a coinage program.

The second bill is very simple. This bill will amend the Omnibus Budget Reconciliation Act of 1981 to delete language that allows for the sale of silver from our strategic stockpile.

Mr. Speaker, over the past 5 months the issue of silver sale has been greatly publicized in the national media and in my home State of Idaho. I am in opposition to the sale of silver because of its immediate detrimental impacts on the mining industry and my State of Idaho. I am not alone in my opposition to the sale of silver. Senator MCCLURE and Senator SYMMS and Congressman HANSEN have all worked very hard to find a workable alternative to the sale of the silver from our national stockpile.

The time to worry about strategic mineral availability is now, not during a crisis when a shortage of minerals could cause this Nation to alter its foreign policy. This is why Congressman HANSEN and myself are introducing these bills today.

Preliminary results of a study being done by the General Accounting Office (GAO), on the effects and consequences of the Government's silver sale have cast serious doubts upon the sale of silver from the strategic stockpile. GAO's efforts to date have shown:

First, identified demand for silver during periods of national emergency that have not been considered;

Second, identified uncertainties relating to the availability of both domestic and foreign supplies that have not been addressed;

Third, found that the data used to support the zeroing of the strategic silver stockpile is extremely soft;

Fourth, found that the war scenario, upon which the stockpile goals are established, is being reevaluated due to the Sadat assassination;

Fifth, the sale has raised the wrath of our major foreign suppliers including Peru, Mexico, and Canada, all of whom have protested to the U.S. State Department;

Sixth, GAO recommends alternatives to the silver sale such as the legislation I introduced which would restructure the quantity of stockpiled materials, as well as a coinage program.

Consequently, the GAO has indicated that the sale of silver should be postponed and that alternatives to selling the silver on the open market should be explored. Further, I would like to list a few more important reasons why the sale of the silver from our national stockpile should be halted:

First, the availability of silver is essential to the national security, economic well-being and industrial production of the United States;

Second, the United States is not self-sufficient with regard to silver, and in times of national emergency, foreign sources supply may be needed to meet

total industrial, military, and essential civilian needs;

Third, the United States is strongly interdependent with other nations through international trade which with respect to silver and stockpile disposals have the potential of causing adverse international repercussions;

Fourth, in terms of the amount of certain materials that are still needed in the strategic and critical materials stockpile is seriously deficient, and at the present rate of funding, it will be many years before the stockpile's goals are filled.

In conclusion, Mr. Speaker, let me restate that we are adamantly opposed to sale of silver and the prevailing attitude that we have no need for silver in our strategic stockpile. We would like to emphasize that if the administration continues to sell silver from our stockpile, we will continue our efforts to stop the sale, and at the minimum, require a method of sale which would have the least impact upon our mining industry and have the greatest return to the people of this country.●

FREE THE FEDERAL HOSTAGES

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. WOLF. Mr. Speaker, in the last 2 days both the New York Times and the Washington Post have printed editorials in support of the effort to raise the cap on Federal executive salaries. As these editorials point out, there are sound economic reasons for doing so now. I ask that the text of the Washington Post editorial be printed at this point in the RECORD. Good government benefits everyone, and I urge my colleagues to consider the merits of raising the pay cap for Federal executives.

[From the Washington Post, Nov. 19, 1981]

FREE THE FEDERAL HOSTAGES

Congress has another chance today to do right by top federal officials. Sen. Ted Stevens, chairman of the civil service subcommittee, will be urging the Senate to raise the cap on federal executives salaries as part of the spending bill Congress must complete today to keep federal funds flowing.

We have heard from all sides that the problem of pay compression at the top levels of civilian and military pay is causing a massive loss of scarce talent. Pentagon officials are especially alarmed at the loss of technical and administrative personnel to high-paying defense contractors. Early retirements among federal executives in all agencies have reached such alarming proportions—over 95 percent of those newly eligible to retire are now doing so, compared with only 17 percent five years ago—that the General Accounting Office recently estimated that lifting the pay cap could actually save the government money because of reduced pension costs.

While other factors may contribute to this exodus, the pay cap must be a major contributor. Federal executives now earn only 5.5 percent more than they did five years ago. Over the same period, private-sector executive salaries rose 40 percent and cost-of-living adjustments pushed up federal pensions by 55 percent. For those who have stayed behind, the cap has caused severe management and morale problems. Pay increases at lower grade levels have forced more and more workers up against the pay ceiling. At the moment there is nothing beyond self-esteem to motivate workers to accept the added duties and pressures associated with a promotion within the top five civil service levels.

The Stevens amendment would not remove the pay cap entirely. It would, however, improve the competitiveness of top federal salaries somewhat and restore some incentive for promotion at the top grade levels. For several years now, Congress has held federal officials hostage to its own reluctance either to take the heat for raising congressional pay—to which federal pay is now tied—or allow federal executives to earn more than congressmen. Whatever the merits of a congressional pay raise—and there are many separate factors involved in that matter—it is time for Congress to release its federal hostages.●

A TRIBUTE TO ALEXANDER E. BARKAN, NATIONAL COPE DIRECTOR

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. GUARINI. Mr. Speaker, it was with mixed emotions that I recently learned that Alexander E. Barkan, the national director of the Committee on Political Education for the AFL-CIO, was retiring in early January 1982.

A native of Bayonne, N.J., one of the major cities in my congressional district, Al Barkan can, at the age of 72, look back on a long and outstanding career, a career which saw great advances in the role of the working man and woman in the American political system.

Because of his contribution in expanding the participation of working men and women in the democratic process, Al Barkan holds a unique place in recent American political history. He began his duties on the Committee on Political Education in 1955. He served as an assistant director and deputy director before becoming national director in 1963. During those years he has been responsible for the voter registration of millions of union members. He also built and expanded programs on issue information and direct political involvement.

In the process, Al Barkan not only helped build the AFL-CIO into an effective political force, but also expanded the base of our great democratic system. Today, union members register to vote and vote in percentages greater than the rest of the electorate. This simply was not the case before he headed COPE.

Mr. Speaker, we, as a nation, owe a great deal to men like Al Barkan. His unique combination of idealism and organizational pragmatism has contributed to a larger and better informed electorate. I thank him for his service, and I hope that he will remain active in the political world after his retirement.●

HONOR FOR GOVERNOR DAVIS

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. HUCKABY. Mr. Speaker, I would like to submit for the record this article written by one of the most distinguished members of the Washington press corps, Mr. Edgar Poe. Mr. Poe has written about the notable two-term Governor of Louisiana, Hon. James Houston "Jimmie" Davis. Governor Davis is a native of the Fifth Congressional District of Louisiana, which I serve. I would like to take this opportunity to insert this excellent account of Governor Davis into the RECORD at this time. The article follows:

D.C. HONORS JIMMIE DAVIS

(By Edgar Poe, Washington Bureau)

WASHINGTON—A few nights ago, as an autumn rain swept over Washington, hundreds of people streamed into a Constitution Avenue auditorium nearly halfway between the White House and the Capitol.

They were attending the Smithsonian Institution's Performing Arts Country Music series. Jimmie Davis and the Chuck Wagon Group were the honored performers.

They came to hear and see the twice governor of Louisiana, far better known nationally for his smash hit, "You Are My Sunshine," than for his governorship tenures and his brief career in the movies, mostly Westerns.

James Houston Davis, member of the Country Music Hall of Fame and the Song Writers Hall of America, arrived in Washington in a converted Pullman-like bus with all conveniences for him and his traveling troupers after a performance the night before in Pennsylvania.

Before and after his singing Jimmie Davis shared with the big assembly a wide range of memories of his youthful years in the red clay and pine-studded hills of Jackson Parish.

The former Louisiana governor was born in 1902 near the deep-rural community of Beech Springs. There were 11 Davis children, their parents, plus grandpa and grandma, who lived in a two-bedroom sharecroppers cabin.

If a poll had been taken before that program it might have shown that many of the people did not know Jimmie Davis served as chief executive of Louisiana, in 1944-48 and 1960-64. The first time he was "drafted" to succeed Gov. Sam Jones of Lake Charles, who could not succeed himself because of the then one-term constitutional limit in office. Now a person can serve two four-year terms before leaving the office.

The people came from all over the District of Columbia and suburban Maryland and Virginia to see and hear a prolific tunesmith who penned "You Are My Sunshine," one of the most popular songs of this century, and numerous others including "Nobody's Darling But Mine" and a sacred song, "Some One to Care."

At the end of the Smithsonian performance, a man with his wife walked up to another man and said: "You can tell the people in Louisiana that Jimmie Davis is an excellent ambassador for his state."

Traveling with Mr. Davis as performing artists are his wife, Anna Carter Davis, her sister Rose and their brother Roy Carter. Jimmie Davis' first wife was the late Alvern Adams Davis of Shreveport, a gracious First Lady of Louisiana and a member of the Louisiana State University Board of Supervisors. She died in 1962 in the middle of her husband's second term.

In his little talks between the music, Davis said some people had been inquiring about his age. He said facetiously that on Dec. 1 he will be 104 and that his wife is 10 years older.

Jimmie Davis and the gospel quartet, which began in Texas in 1935, have sold millions of albums worldwide. He said "You Are My Sunshine" is now played and sung in nearly every country in the world.

Years ago such widely known musical figures as the Andrews Sisters, Guy Lombardo and Bing Crosby contributed to the early success of "You Are My Sunshine."

Not all of his songs were hits or near-hits by any means. Some opponents in his gubernatorial races took him to task for recording what they described as risque songs totally out of line for a man seeking the highest elective office in Louisiana. They were recorded in his early career. His 1934 successful release, "Nobody's Darlin' But Mine," was a big boost for him up the country music ladder.

The simplicity of Jimmie Davis' childhood spilled over into his musical writing and singing. This is spelled out in the 187-page book, "You Are My Sunshine, The Jimmie Davis Story" a biography by Gus Weill. The governor autographed a number of books after the show here.

There was cotton-picking time, and mules and wagon for transportation and farming. At Christmastime there were an apple, an orange and a stick of candy. For entertainment there were singings at people's homes, candy pulls where a lot of romances had their inceptions. To raise money to buy basketball uniforms, there were box suppers at the little country school house.

When a member of the family died the body was placed in a homemade wooden box and taken in a silent community wagon caravan to the church cemetery to be placed in a grave dug by neighbors.

Jimmie Davis worked his way through Louisiana College at Pineville. He ran out of funds the end of the first year and returned to the field in Jackson County, where he raised three bales of sharecropper cotton so he could return.

He became professor of history at Dodd College, a young women's institution at Shreveport. It was there that he began singing once a week over radio station KWKH under the simple title of "Jimmie" before his full identity was discovered by his history students.

His first elected office was that of police commissioner of Shreveport. In this race his style of politics was so successful he never abandoned it. He used a band to draw a crowd. Never again was there simply a speech. After four years as police commissioner, he was elected Louisiana public service commissioner, triumphing over all opponents with a 30,000 majority.

Subsequently he was "drafted" to succeed Gov. Sam H. Jones of Lake Charles. In that wartime campaign, he described his opposition as awesome. The opponents included incumbent U.S. Rep. Jimmy H. Morrison of Hammond, former U.S. Rep. Lewis Morgan, Vincent Moseley of Opelousas and Dudley J. LeBlanc of Abbeville.

Firing the opening gun of his campaign at Jonesboro, the seat of his native parish, he never mentioned the opposition. He recruited a band to accompany his songs that people knew. One of his favorite stump songs was "No Letter Today." This often brought tears to the women in the audience who had loved ones from Europe to the South Pacific.

In French South Louisiana he included "Big Mamou" and "Jolie Blonde."

At the Smithsonian Institution concert, after the songs Jimmie Davis invited the audience, to their delight, to join him in singing the chorus of "You Are My Sunshine."

As a closure, he suggested the audience join him in singing the chorus of "When the Saints Go Marching In."

A magnificent rush of musical voices in harmony poured out from the auditorium. There was also encore after encore for the Louisiana troubadour and his traveling artists.●

REJECT THE FARM BILL CONFERENCE REPORT

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. PEYSER. Mr. Speaker, the conference report on the farm bill will be reaching the floor for action in the next few weeks. While many are going to find fault with the price levels agreed to for various commodities, the most outrageous sellout of the House position has taken place on sugar and peanuts.

There was no compromise worthy of mention between the positions of the House and Senate on sugar. It was a complete loss for the House. We now have a sugar program where we had none, and we also have returned to the quotas and price supports for peanuts.

It is my hope that my colleagues will join me to defeat the conference report and, thereafter, to instruct the conferees to insist on the House position on these two issues.

With the administration pushing for more budget cuts, and with President Reagan clearly expressing his concern that the farm bill would put the Government more into agriculture, rather than less, I believe we have an obligation to reject this conference report, particularly as it exceeds the President's budget by nearly $610 million.

At this point in the RECORD, I would like to insert a recent editorial by the New York Times, which states succinctly the case supporting the defeat of the farm bill conference report. I commend this editorial to my colleagues.

[From the New York Times, Nov. 13, 1981]

FIASCO ON THE FARM

House and Senate conferees are still dotting the "i"'s and crossing the "$"'s on a new farm bill, but the outlines are clear enough. Not surprisingly, price supports for grains and dairy products are less generous than farmers wished, but considerably more generous than taxpayers and consumers might have hoped.

No similar spirit of compromise is evident, however, in the sugar and peanut price support programs. Ignoring the wishes of the House, the conferees have given these growers almost exactly what they want. Only a rebellion by the House can restore some sanity to the farm program.

To raise peanuts, a farmer must lease or buy land from a farmer already admitted to the select circle of legal peanut growers. This year, responding to calls for budget cuts and smarting from peanut price rises, the House voted to scrap all acreage restrictions. The House measure, sponsored by Stanley Lundine, Democrat of New York, would have opened the market to all, with crop values protected by less wasteful Government-set minimum prices.

One victory, however, did not win this war. The House conferees, drawn largely from the Agriculture Committee, accepted a Senate "compromise" that is no compromise at all. Acreage restrictions are out, but in name only. In their place are marketing quotas that provide almost identical benefits for the same landowners. Anyone may be able to grow peanuts, but only those who had acreage allotments can sell them in the United States.

When it came to sugar, the Senate voted a minimum price of 18 cents a pound, 50 percent more than the world price. This would add an extra $2 billion a year to the nation's bill for sweeteners. And, by encouraging domestic production, it would drastically limit imports from poor countries, like the Dominican Republic, which depend on the American sugar market for survival. So a wiser House majority, led by Peter Peyser, the New York Democrat, voted against any sugar program at all.

Senate conferees were prepared to make a deal: support sugar prices, but cut the cost to consumers by lowering the floor to 16 cents. In fact, no bargaining was needed. Rather than representing the sentiments of the House, its conferees supinely voted 15 to 1 simply to accept the Senate bill.

The Reagan Administration is reportedly unhappy with the cave-in, but wants no battle with the farm lobbies. Thus the only hope for balanced legislation lies with the House. A majority there voted to cut the peanut and sugar programs. The same majority can vote to send the conference bill back to committee, this time for some real compromises.●

REACTION TO PRESIDENT REAGAN'S INITIATIVE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. BROOMFIELD. Mr. Speaker, the praise for President Reagan's peace initiative has been profuse in Western Europe. The President's eloquently stated and thoughtfully conceived policy on arms reduction has elicited support from our allies abroad. Chancellor Schmidt of West Germany declared that President Reagan's speech confirmed his portrayal of the President as a man of peace who is willing to negotiate. He further stated that the speech contained everything that the West Germans could have wished for, and that it gave him a firm basis on which to talk to the Soviet Union during Brezhnev's visit next week to Bonn. Prime Minister Thatcher of the United Kingdom said the speech was warmly received in hearts and minds across the Continent. The Italian Government stated that President Reagan's endorsement of the European position was deeply appreciated.

It is not only reassuring, but essential, that we have the support of our allies in Western Europe on this matter. It would have been reassuring, as well, if the Soviet Union had indicated that the peace initiative was a positive contribution toward arms control. But, alas, they have revealed their true nature with their vicious propaganda attack. Rather than accepting the President's initiative as a step in the right direction to reduce armaments and tension in Europe, they have characterized it as a ploy designed to stalemate the forthcoming nuclear arms talks in Geneva. Again, the Soviet Union has demonstrated that it is primarily interested in subverting the NATO alliance and dominating the European theatre through intimidating threats of nuclear reprisal.

The Soviets' use of faulty figures to validate their position is transparent. Rather than limiting the discussion to United States and Soviet missiles systems, they have claimed that U.S. bombers based in Europe should be counted, but they have conspicuously not included their own bomber force. Moreover, they have stated that the U.S. submarine force should be counted in the intermediate range calculations, yet they have again excluded their own submarine force. In any event, submarine systems have heretofore been included in strategic arms limitation talks, not intermediate range theatre talks. And finally, they have said that the British and French nuclear forces should be included. Not only are these countries sovereign and exercise independent control over their nuclear weapons, but France has not been in the military arm of NATO since the mid-1960's. The inclusion of the nuclear forces of our allies would be equivalent to the United States demanding that China's nuclear forces be counted on the Soviet side, since China is a Communist country and a potential enemy. Clearly, such a proposition on either side is not to be taken seriously, and the Soviet insistence upon such merely underscores their true intentions to undermine the President's initiative.

The Soviets callous disregard for the peace initiative reflects their long-term goals in the nuclear arms arena. They are not seeking meaningful reductions to stabilize a dangerous situation, rather they are seeking to take advantage of every situation in order to enhance their own military might to the detriment of the West. I am sure that Moscow's line will be parroted by Western pacificst and Communist front groups. Rather than dismiss their criticism out of hand, we must copy President Reagan's example. We must face the questions head on and challenge the erroneous assumptions devised by the Soviets.

In the long run, if we are resolute, we can convince the Soviet Union that they must negotiate arms reductions on an equitable basis with us. The support of our allies has been greatly appreciated. We must not falter in driving home the fact that it is the Soviet Union that is being uncooperative in ending the nuclear arms race, and that it is the United States and our allies that are pursuing peace for mankind.●

DECLARATION FOR PEACE

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. LOWERY of California. Mr. Speaker, I congratulate President Reagan on his foreign policy address and commend him for taking the leadership role in efforts to bring about disarmament, not on a unilateral basis, but through mutual and meaningful arms reduction. There is probably no issue before civilized mankind more important than bringing some control to the spread of nuclear weapons, whether they are on the Continent of Europe or throughout the world itself.

I sincerely hope the President's initiative will place us in a strong opening position as we go into negotiations with the Soviet Union on the question of theater nuclear weapons deployment. Clearly, the Soviets have engaged in a very intensive propaganda offensive in Europe to discredit America's commitment to arms control. This must be expected and is certainly in accord with their style and past behavior. They have skillfully attempted to divide the NATO Alliance and to play on the fears of Europeans that Europe would be used as a battleground by the superpowers. They point their fingers at the United States while they continue to deploy medium-range nuclear warheads, at the rate of one SS-20 per week, primarily aimed at Europe.

The President has very effectively taken the offensive out of the Soviets' hands. He has spoken most convincingly and in such a persuasive manner that our Europen friends should be encouraged.

I also applaud the President's announcement that the NATO alliance is prepared to forgo the deployment of new land based, intermediate-range missiles in Europe, provided the Soviets agree to eliminate their enormously hostile and destabilizing force of SS-20, SS-4, and SS-5 missiles. Taken in full consultation with our NATO Allies, this decision should once and for all reassure the people of Europe and the world that the United States is committed to the pursuit of peace and stability in its relationship with the Soviet Union.

Our eminently reasonable offer will appropriately test the Soviets' self-declared dedication to a peaceful and harmonious relationship with the Western alliance. I can only hope that the Soviet Union recognizes and acts on this unique opportunity to reverse what otherwise could prove to be another costly spiral in the nuclear arms race.●

TRIBUTE TO OWEN MANNING

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. APPLEGATE. Mr. Speaker, I am here today to pay tribute to Owen Manning of Coshocton, Ohio, for his accomplishments and service to the rural people of this Nation. Born in Kentucky in 1920, Owen received his early education in the schools of Kentucky and was first employed as an electrical engineer for a consulting engineering firm in Lexington. He later entered the service in World War II, advancing to the rank of sergeant. Following his discharge from the Army in 1945 Owen returned to Kentucky and became the chief engineer for the Fleming-Mason Electric Cooperative. Then in 1955, he moved to Coshocton, Ohio where he was general manager of the Frontier Power Co. This is where his association with the rural electric system began.

In the early 1960's Manning helped form the Buckeye Power, Inc., to supply electric power for over 200,000

customers in 77 counties in Ohio. This pioneering effort was the first time in the Nation's history that an investor-owned utility and member-owned utility joined together to serve their mutual customers. Since that time, many similar organizations have been formed throughout the country. Manning served as president of Buckeye Power for over 14 years and is currently a member of the board. This rural electric system is considered one of the outstanding ones in the Nation.

In addition to these efforts, Owen was instrumental in forming the National Rural Utilities Cooperative Finance Corp. in Washington, D.C., of which he served as president in 1978. Because of his numerous contributions as a leader in rural America, Owen was invited to the White House in 1978 by President Carter.

Owen Manning has significantly contributed to numerous civic organizations in Coshocton County as well as received many awards for his leadership and participation. I am proud to have the privilege to pay tribute to a great gentleman and a friend, Owen Manning.●

U.N. COMMISSION ON HUMAN RIGHTS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. BONKER. Mr. Speaker, last Monday, the Foreign Affairs Subcommittee on Human Rights and International Organizations, which I chair, held a hearing to review the work of the 37th and the upcoming 38th session of the United Nations Commission on Human Rights. Since I had the privilege of representing the Congress at the 37th session, I thought the following report would be of interest to my distinguished colleagues.

The report follows:

I had the privilege of representing the Congress at several meetings of the 37th session of the United Nations Commission on Human Rights. That Commission met from February 2 to March 14, 1981. While I was in Geneva two important issues of concern were debated and acted upon. The first concerned Chile and the continuation of the mandate of a special rapporteur. The second concerned the continuation of the special working group on missing and disappeared persons.

I was very disappointed and dismayed over the United States' official actions and votes on these two questions.

As the report of the special rapporteur on Chile was discussed, we once again heard the familiar refrains concerning the status of human rights in Chile. The special rapporteur stated: "There had not been improvement in the human rights situation in Chile and that in certain respects it had, on the contrary, deteriorated in comparison with the same period in 1979, particularly as regards the alteration of the traditional democratic legal system and its institutions and the repression of human rights activities of the Catholic Church and academic life."

Despite all the reports condemning the Chilean regime and despite all the reports that nothing had changed in Chile from the previous years, the Reagan administration by its words and deeds left no doubt as to who had its support and sympathies. Reversing the position we had supported at the 36th session of the United Nations Commission on Human Rights, the Reagan Administration representative voted to oppose the continuation of the mandate of the special rapporteur claiming "the situation of human rights has improved." His term was extended anyway by a vote of 22 for, 4 against, and 17 abstentions. The United States had the dubious distinction of being on the side of Argentina, Uruguay, and Brazil. Our allies in the Western block were all opposed to our position and tried to work out a compromise. When that failed they all abstained on the resolution's final vote. They were appalled and astonished.

I was especially displeased over the action of the U.S. delegation concerning the continuation of the special working group on missing and disappeared persons. The Subcommittee conducted a series of hearings in 1979 and 1980 on the subject of disappearances and passed a resolution calling for U.N. action that was overwhelmingly adopted by the House. During the 36th session of the United Nations Commission on Human Rights, under the skillful leadership of Jerry Shestack who enlisted the support of our allies and Third World countries, a working group was established to deal with the thousands of cases of missing and disappeared persons. In the one year of its existence, the working group was credited with having done an extraordinary job and nearly everyone (except Argentina) agreed that its mandate should be renewed. Unfortunately, the Reagan Administration's policy of tilting towards Argentina meant that unless Argentina approved, the U.S. would vote against the renewal of the working group's mandate. Fortunately, due to the great work of our Western allies (especially the British), the U.S. was saved the embarrassment of having to cast a vote—a consensus was reached to continue the working group for another year.

On both of these issues our Western allies were puzzled. The Reagan Administration's representative was down-playing the repression of governments friendly to the United States and at the same time, making speeches identifying terrorism as major problem. However, by his votes on these issues he had aligned the United States with regimes that practice terrorism against their own people. This Administration is fond of talking about the alleged double standards followed on human rights in the Carter Administration. Yet, at the 37th session of the United Nations Commission on Human Rights, more attention was paid by the U.S. representative to human rights abuses of Cuba, Nicaragua, and other regimes of the left than to the human rights abuses of right wing regimes perceived as friendly to the U.S.

We in Congress have followed the practice of condemning human rights violations no matter where they occur and it is my hope that in the future, this Administration's policy will be closer to that of the Congress. As Under Secretary Willian Clark's memo said: ". . . We will have to speak honestly about our friends' human rights violations and justify any decision wherein other considerations (economic, military, etc.) are determinative. There is no escaping this without destroying the credibility of our policy, for otherwise we would be simply coddling friends and criticizing foes . . . Our struggle is for political liberty. We seek to improve human rights performance whenever we reasonably can. We desire to demonstrate, by acting to defend liberty and identifying its enemies, that the difference between East and West is the crucial political distinction of our times."

One newspaper account describing the work of the U.S. delegation at the 37th session reported that, parting company from its Western allies, the U.S. voted against condemning Israeli settlements in the occupied territories and apartheid in South Africa. The U.S. discouraged any talk about the right to development and after having insisted that any inquiry of human rights violations in El Salvador must be evenhanded, abstained when that suggestion was adopted. During the 36th session, the U.S. expended considerable effort to successfully place the case of Andre Sakharov on the agenda. But at the 37th session, the U.S. delegation was outmaneuvered as the Soviet Union was successful in having the Sakharov question removed.

However, this is not say that there were no positive developments. Prominent among the features of this session were the large number of countries discussed during confidential procedures and the public debate that followed; the discussion of El Salvador; the completion after 21 years of a draft declaration on the elimination of all forms of intolerance and discrimination based on religion or belief; the renewal of the mandate of the working group on missing and disappeared persons and the special rapporteur on Chile.

I should hasten to add that the U.S. delegation chaired by Michael Novak, despite the fact that it was sent to Geneva at the last minute with very little time for preparations, worked hard and diligently on many issues. Their positions and votes, featuring the de-emphasis of human rights in foreign policy, with which I disagreed, were under instructions from the Reagan Administration in Washington, D.C.

It is my hope that at the 38th session the U.S. will take some positive initiatives and regain a leadership role in the human rights area. The delegation should be strengthened by the fact that our chief representative will be a veteran of the last session. After nine months, we now have an Assistant Secretary for Human Rights and Humanitarian Affairs and the Reagan Administration has enunciated its policy on human rights as spelled out in the State Department memo. I welcome this new effort and further hope that the U.S. representative will give the State Department the needed guidance which will truly give our country a human rights policy that is balanced.●

AMERICAN EDUCATION WEEK

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. GOODLING. Mr. Speaker, the week beginning November 15, 1981,

has been designated as American Education Week. As the President has noted in his proclamation, we are fortunate to have the right to oversee our children's education. We should never lose sight of the fact that in the United States the primary responsibility for educating our youth has rested with parents. State and local educators have always provided assistance to parents in achieving educational goals and organizing our school systems. The people of our Nation have conciously chosen to offer a primary and secondary education to all of our young people and the unique and fascinating characteristic of this adventure has been the primacy of local control and decisionmaking over the fundamental educational program.

In the wake of so much pessimism regarding the dire effects of budget reductions, I would like to remind my colleagues of the positive steps taken by Congress during this past session to restore a large measure of State and local control over many educational policy decisions.

We should all be aware of the conventional wisdom that education should be a Federal interest and a State and local responsibility. It appears that some people in Washington lost sight of this notion over the past decade. However, I would be the first person to say that the Federal Government must continue to give attention to people with special needs. Federal education policy, while targeting students to receive special assistance, should provide the local school officials and parents the flexibility to develop the methods through which Federal goals can be attained. I am convinced that the proliferation of overly prescriptive Federal categorical aid programs over the years—accompanied by reams of Federal regulations—actually became counterproductive. Many of us who are closely involved in these programs soon realized that educators were so threatened by Federal auditors that they began to place more emphasis on developing a "clean audit trail" rather than developing a dynamic creative educational program for students. That is why I am optimistic today.

Under the leadership of my colleague from Ohio, JOHN ASHBROOK, the Congress has blazed a new trail along the path of commonsense. Starting next school year, the trend toward responsibility for educational excellence will again shift toward the State and local education agencies and the parents and students that they serve. I am optimistic that the competence and dedication of these people will prove effective and will clearly demonstrate that the source of wisdom does not reside along the banks of the Potomac. That is why this week, American Education Week, I am personally excited about the prospects for the future of our schools and students.●

AMERICA'S PROGRAM FOR PEACE

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. FORSYTHE. Mr. Speaker, yesterday, President Reagan delivered a truly historic speech. In outlining this Nation's agenda for peace, he not only reaffirmed the American commitment to the Atlantic Alliance and our desire to reduce the massive buildup of arms in Europe but also challenged the Soviet Union to join in reducing nuclear and conventional forces so that peace and security can be achieved throughout the world. As the President said:

> There is no reason why people in any part of the world should have to live in the permanent fear of war or it specter. I believe the time has come for all nations to act in a responsible spirit that does not threaten other states. I believe the time is right to move forward on arms control and the resolution of critical regional disputes at the conference table.

I, too, share these sentiments. For many months now, Moscow has been waging a propaganda campaign to discredit American commitment to arms control in an attempt to divide the Atlantic Alliance by playing on the fears of many Europeans who see their homeland as the battleground of the two superpowers. I am proud that the President has very effectively popped the Soviet's propaganda balloon and taken the high road.

President Reagan has offered an alternative which not only can be used as a framework for peace but also offers a way out of a costly arms buildup for all countries involved. Serious people in this country, in Europe and in the Soviet Union ought to listen.●

TRIBUTE TO H. STUART KNIGHT

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. RODINO. Mr. Speaker, before this session adjourns, I ask that my colleagues in the Congess join me in paying tribute to a man who has recently announced he is ending his Federal career after 35 years of extraordinarily dedicated service—H. Stuart Knight, Director of the U.S. Secret Service.

Appointed from the ranks to the Office of Director in 1973, Stu Knight skillfully and successfully led the Secret Service through some shocking episodes in our history: The scandal of Watergate, assassination attempts on the life of President Ford in 1975, and, most recently, the attack on President Reagan last March, in which one of his own men was wounded.

Through all these traumatic events, Stu Knight's leadership, his integrity, honesty, selflessness, and professionalism exemplified the dedication and ability that has become synonymous with the Secret Service.

His loyalty to the Office of the President and to the principles and ideals of our democratic institutions was largely responsible for the manner in which the Secret Service maintained and enhanced its reputation for nonpartisan dedication and superior competence in law enforcement during years when so many agencies of Government became suspect and had to undergo the closest scrutiny.

To dwell on each of Stu Knight's accomplishments during the last 8 years would be impossible at this time. However, his countless contributions to the Secret Service and to the international law enforcement community are personified in the image he has given us of a devoted, able, and effective leader in law enforcement.

I join his legion of friends and admirers in extending my best wishes and my gratitude for the splendid job he has done.

The Secret Service, the Department of the Treasury and the Nation will be hard pressed to find an individual who can fill the chair that will be left vacant when Stu Knight retires on November 30, 1981.●

STRATEGIC ARMS REDUCTION TALKS

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. DREIER. Mr. Speaker, I rise today in support of the bold arms reduction initiative outlined by President Reagan in his speech before the National Press Club. I urge my colleagues to join with me in working with the President to enhance global security by reducing the threat of nuclear war.

I have long been an advocate of a fair and verifiable reduction in nuclear and conventional armaments by the world's superpowers. The President has presented a clear framework for achieving this goal. The proposal is called START—strategic arms reduction talks. Specifically, the President has called for:

> The dismantling of Soviet SS-20, SS-4 and S-5 missiles aimed at Western Europe in exchange for the cancellation of the deployment of U.S. Pershing II and ground launched cruise missiles.
>
> The opening of negotiations of further reductions of strategic arms as early as possi-

ble next year to achieve "substantial reductions in nuclear arms which would result in levels that are equal and verifiable."

The reduction of conventional forces stationed in Europe.

The establishment of a conference to develop effective measures to reduce the chance of war arising out of uncertainty or miscalculation.

I believe that these measures, if enacted, will be a monumental step toward the establishment of a more secure world. As the President pointed out, the threat to that security has been greatly increased by recent Soviet arms buildups. During the past decade the Soviet Union has increased its real military spending by about one-third and increased the size of its armed forces so that they now number more than double those of the United States. During this same 10-year period, the United States has decreased its military spending. In addition, while NATO has displayed no new intermediate range nuclear missiles and was indeed reducing warheads by 100, the Soviets were busy deploying new SS-20 missiles which contain over 750 warheads.

The President has made it clear that he will not allow the United States to be threatened by a Soviet military superiority, nor will he allow the NATO alliance to be weakened. In both these positions, I believe President Reagan is absolutely correct.

The President, however, has offered a plan to work with the Soviets to put an end to the arms race. He has offered not vague phrases, but a concrete proposal. We should applaud the President for this initiative as we await the Soviet response. Indeed, as President Reagan concluded his speech, we look for all nations to join in this effort to create a world in which "the strong are just and the weak secure and the peace preserved." I would hope that my colleagues will join with the President to make this vision a reality.●

A TRIBUTE TO RINBAN TOKUNAGA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. MINETA. Mr. Speaker, it gives me great pleasure to rise today to honor one of Santa Clara County's outstanding members of the clergy, Rev. Kyoshiro Tokunaga, who will be retiring on December 31, 1981, after serving the San Jose Buddhist Church for 30 years.

Reverend Tokunaga was born in Tokyo, Japan, on November 2, 1905. Shortly after his birth his father emigrated to the United States and his mother and the rest of the family joined is father in Denver in 1918. He graduated from the University of Denver in 1932. During this time he taught Sunday school and Japanese language school at the Denver Buddhist Church. Throughout his young life, he continually taught both Sunday school and Japanese language school at the Senshin Buddhist Church in Los Angeles, Harbor City, and Long Beach. In 1938, he went to the San Diego Buddhist Church and in 1939-40 he went to Japan and toured Manchuria before returning to the United States.

At the onset of World War II he was arrested as an alien and sent to a detention camp. He was interned originally at Santa Fe, N. Mex., and finally at Crystal City, Tex.

After the war and his release from camp, he returned to the Denver area and later moved to Los Angeles where he attended graduate school at USC. In 1951, he was transferred to the San Jose Buddhist Church as its executive secretary. The next few years found him pursuing the studies necessary to become a minister. During this time he studied at both Stanford and in Japan. In 1959, he became a minister for the San Jose Buddhist Church.

In 1976, when the classification of Betsuin was assigned to the San Jose Buddhist Church, the Reverend Tokunaga was given the title of Rinban. Betsuin status is given only to a larger church in a given area to serve as the "mother church" to provide leadership, guidance, and counseling to smaller churches in the area and its head minister becomes a Rinban.

Rinban Tokunaga has been active in many aspects of the church, having served as a member of the bishops advisory committee, and the BCA ministerial research committee, as chairman of District Ministerial Association and the chairman of Coast Ministerial Association.

In addition to his church related work, he has found time to be a guest lecturer at San Jose State University in Eastern philosophy. He has spoken at many community and civic functions over the years and has been an active participant in the Council of Churches of Santa Clara County whose goal is to further common goals among churches of all denominations.

In his retirement, it is Rinban Tokunaga's goal to translate Buddhist writing into English. He is a most respected clergyman among the Buddhist ministers in the United States and is a picture of man of compassion and humility as well as a scholar who has a deep and sincere understanding of the teachings of the Lord Buddha.

Mr. Speaker, I ask you and all my colleagues in the House of Representatives to join me in saluting this outstanding member of the clergy and in wishing Rinban Tokunaga the very best in his retirement.●

HIGH TEMPERATURE GAS-COOLED REACTORS (HTGR)—FORT ST. VRAIN ACHIEVES 100-PERCENT REACTOR POWER

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. LOWERY of California. Mr. Speaker, the high temperature gas-cooled reactor (HTGR) offers unique advantages over the current generation of fission reactors. It is capable of providing higher efficiency electricity production and consumes less uranium than the water-cooled reactors currently in use.

Because it uses helium as a coolant, and high heat-absorbing graphite as a moderator, the HTGR offers inherent safety advantages which address both public safety concerns and protection of the utility plant investment. Additionally, the HTGR is unique among utility systems in its capability to produce high temperature steam or heat at temperatures matched to meet the requirements of major process industries—oil, chemical, synfuels, aluminum, and so forth—and therefore to displace the fossil fuels that would otherwise be required in these industries.

The Fort St. Vrain nuclear powerplant, designed and built by General Atomic Co. of San Diego for Public Service Co. of Colorado, is the only operating commercial-size HTGR in the world. Early data analysis from the plant, installed north of Denver, confirms the unique advantages of the high temperature gas-cooled reactor concept.

The plant, which attained 100-percent reactor power on November 6, 1981, showed an operating efficiency of more than 38.5 percent. That is higher than any other nuclear powerplant in the United States, and about 20 percent more efficient than water-cooled nuclear powerplants.

According to Dr. Corwin L. Rickard, executive vice president of General Atomic and a leader of the team that has pioneered HTGR development in the United States, all systems in the advanced nuclear power system performed at or near design conditions during the full-power test run. The helium coolant in the HTGR left the reactor core at design conditions—1400° F—and produced 995° steam at 2,430 pounds per square inch with reheat to 990° at 530 pse to drive the plant's 330,000-kilowatt turbine generator. The 12 high-temperature steam generators—the first in this country—met all design performance conditions. Of helical coil design, the heat exchangers produced 2.2 million pounds of steam per hour for the first full load test.

Furthermore, according to Dr. Rickard, the amount of radioactivity carried in the helium flow was less than one-fiftieth of the design limit; impressive evidence of the structural integrity of the dense carbon-coated fuel particles and the graphite core structure. The circulators that move helium between the hot core and steam-producing heat exchangers achieve more than 100 percent of their design flow of 3.4 million pounds per hour.

Mr. Speaker, I wish to take this opportunity to commend Dr. Rickard and his colleagues for their tremendous contributions to the advancement of this important technology, and to encourage continued congressional support of their efforts.●

RENEWABLE ENERGY

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. MAVROULES. Mr. Speaker, on November 17, 1981, I introduced H.R. 5005, the Department of Defense Renewable Energy Utilization Act of 1982. I commend this bill to my colleagues for it gives the DOD a greater role in reshaping its own energy needs and consumption patterns:

H.R. 5005

A bill to amend title 10, United States Code, to promote the use of solar and other renewable forms of energy in military facilities and equipment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Department of Defense Renewable Energy Utilization Act of 1982".

FINDINGS

SEC. 2. The Congress finds that—

(1) the mission of the Department of Defense is successfully to protect the United States from foreign aggression;

(2) in carrying out this mission, the Department of Defense consumes vast amounts of energy (primarily nonrenewable fossil fuels), and is, in fact, the largest single user of energy in the United States;

(3) the Nation's consumption of fossil fuels and reliance on foreign sources of such fuels could be significantly reduced if the Department of Defense used renewable forms of energy, particularly solar energy, to supply a portion of its energy needs;

(4) many uses of solar and other renewable forms of energy in military facilities and equipment have been shown to be cost effective and reliable, and additional cost effective and reliable uses will be developed as scientific and technological knowledge advances;

(5) in implementing existing law that mandates cost effective solar energy systems shall be used in new military facilities, the Department of Defense has applied the statutory term "cost effective" in a manner which fails to accomplish the intent of the Congress to promote the use of solar energy systems;

(6) the national interests of energy security and fiscal responsibility demand that the Department of Defense use energy systems using solar and other renewable sources of energy (including systems that generate electricity) in new military facilities and equipment when those systems are cost effective and reliable for defense purposes;

(7) the Department of Defense has the capability to carry out an aggressive program to study the cost effectiveness of various uses of solar and other renewable forms of energy in military facilities and equipment, and to install, maintain, and monitor systems applying such uses; and

(8) implementation of such a program will result in many technological spin-offs adaptable to the needs of the private sector, will assure a growing market for energy systems powered by solar and other renewable forms of energy, and will hasten the general commercial, residential, industrial, agricultural, and governmental use of such systems in the United States and abroad.

PROCUREMENT OF ENERGY SYSTEMS POWERED BY RENEWABLE FORMS OF ENERGY

SEC. 3. (a) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2391. Procurement of energy systems powered by renewable forms of energy

"(a)(1) When procuring energy systems to supply the energy needs of a military department, the Secretary of such military department, whenever possible, shall procure energy systems powered by solar or other renewable forms of energy that have been shown to be cost effective, reliable, and otherwise suited to supplying such needs (such as energy systems powered by solar or other renewable forms of energy supplying energy for mobile power systems, cathodic protection of pipelines, remote communications sites, mobile radar sites, navigational aids, military range monitoring and conditioning equipment, load center power, water pumping and purification, cathodic protection of water towers and bridges, perimeter security devices, data links, repeater stations, emergency and rescue communications, lighting, remote instrumentation, marking and warning devices, monitoring and sensing devices, and remote weather stations and transmitters).

"(2) It is the sense of the Congress that up to 20 percent of the amount spent under paragraph (1) to procure energy systems using solar or other forms of renewable energy should be spent to procure such energy systems from small business concerns.

"(b)(1) For purposes of carrying out subsection (a) and section 2688(a), the Secretary of Defense shall undertake studies to identify applications of the use of solar and other renewable forms of energy to supply the energy needs of the Department of Defense that are cost effective and reliable.

"(2) Not later than 2 years after the date of the enactment of this Act, and every 2 years thereafter, the Secretary of Defense shall submit to the Committees on Armed Services of the House of Representatives and of the Senate a report containing the findings of such studies and any recommendations for legislative action.

"(c) For purposes of this section—

"(1) the term 'cost eeffective' shall have the meaning given to it in section 2688(b); and

"(2) the term 'energy systems' includes energy systems that generate electricity.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2391. Procurement of energy systems using renewable forms of energy.".

USE OF RENEWABLE FORMS OF ENERGY IN NEW FACILITIES

SEC. 4. (a) Section 2688 of title 10, United States Code, is amended—

(1) in subseciton (a)—

(A) by inserting "(1)" after "(a)";

(B) by striking out "solar energy systems" the first place it appears and inserting in lieu thereof "energy systems using solar or other renewable forms of energy (including systems that produce electricity)";

(C) by striking out "solar energy has" and inserting in lieu there of "such systems have";

(D) by striking out "solar energy" the third place it appears and inserting in lieu thereof "such"; and

(E) by adding at the end the following new paragraph:

"(2) It is the sense of the Congress that up to 20 percent of the amount spent to purchase such systems should be spent to purchase such systems from small business concerns."; and

(2) in subsection (b)—

(A) by striking out "a solar energy system" and inserting in lieu thereof "an energy system using solar or other renewable forms of energy (including systems that produce electricity)"; and

(B) in paragraph (2) by striking out "a solar system" and inserting in lieu thereof "any such system".

(b) The heading of such section is amended to read as follows:

"§ 2688. Use of renewable forms of energy in new facilities".

(c) The item in the table of sections of such chapter relating to section 2688 is amended to read as follows:

"2688. Use of renewable forms of energy in new facilities.".●

CAN WE HAVE EXCELLENCE IN EDUCATION?

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1981

● Mr. SPENCE. Mr. Speaker, on November 6 and 7, the University of South Carolina Third Annual Conference on Educational Issues and Research was held on the University of South Carolina campus. The keynote speaker was Dr. Donald J. Senese, Assistant Secretary for Educational Research and Improvement, U.S. Department of Education, who is also a graduate of the University of South Carolina.

Dr. Senese raised a number of important and timely issues in his address to these distinguished educators. He also paid tribute to three of my constituents who have contributed to the field of education: Mrs. Mae Clark, Dr. Inez C. Eddings, and Mrs. Myra Wyman.

I would like to enter Dr. Senese's remarks, "Can We Have Excellence in Education?", in the CONGRESSIONAL RECORD, and I commend them to the attention of my colleagues. I believe that he has pointed the way we must follow if we are to reverse the downward trend which we have experienced in education in recent years.

CAN WE HAVE EXCELLENCE IN EDUCATION?

(By Donald J. Senese, Ph. D.)

Dean Mulhern and distinguished educators, I am proud to say that I received my master's and doctorate degree from the University of South Carolina and did research for my master's thesis and dissertation on South Carolina History.

As one walks across this campus and views the buildings—Lieber, Pinckney, Legare, Sloan, Calhoun and Barnwell—the campus is alive with those individuals who made South Carolina a great State.

I bring you greetings from Education Secretary Terrel H. Bell. South Carolina can be proud of its congressional delegation featuring Senator J. Strom Thurmond, President pro tempore of the U.S. Senate and chairman of the Senate Judiciary Committee, and Representative Floyd Spence, the Congressman from this district, who serves so ably on the House Armed Services Committee and House Ethics Committee. There is Jim Edwards, Secretary of Energy, my special assistant, Dr. George Youstra, who is from South Carolina, as well as Lee Atwater at the White House. There are distinguished South Carolinians at all levels of Government in our Nation's Capital.

Before I officially begin, I want to pay tribute tonight to three South Carolinians who did so much to encourage me in my education, and I am pleased they are here tonight: Mrs. Mae Clark of Cayce; Dr. Inez Eddings, who served as superintendent of the Richland County Schools, and Mrs. Myra Wyman, who taught Latin and an appreciation of Western civilization here in Columbia. They have served as an inspiration to many students.

The topic of my talk this evening, "Can We Have Excellence in Education?", may seem a surprising challenge to you, especially if you think we already have excellence in education in America.

If you are new in the field of education, you might have thought, "Can we? I thought we did!"

There is nothing like the exuberance of youth when there is a challenge to be met. We all benefit from the very presence of the indomitable spirit of youth, and new teachers, fresh out of college, make an important contribution to the faculties they join by the enthusiasm which they infuse into the school's atmosphere. I commend those of you who have answered the call to the teaching profession.

On the other hand, if you have been around awhile, and in addition to your academic degrees, you have added experience from the school of hard knocks, you are wise indeed, and you know that while we do have an outstanding educational system in our country, we have lost ground in the last decade in the area of quality of education.

We are putting children through the mills of learning, and they are exiting the twelfth grade with diplomas in hand, but are they ready for higher education or for apprenticeship in a vocation or to meet the challenges in a society growing more complex and requiring more knowledge of technology?

What has education done for them? Or, to put it another way—even more bluntly perhaps—are they really educated? That distinguished scholar of the American educational system, Dr. Russell Kirk, has put it this way: "A great many are schooled; very few are educated."

Some react to education like the old seaman once reacted to a lighthouse he used to stare at day after day as the fog rolled in from the sea: "The light shines; we ring the bell and blow the horn; but the fog comes in all the same!"

The purpose of education surely has always been to dispel the fog of ignorance and, where the fog persists, to give us a sense of direction as we make our way through it. Teachers have provided that guiding light on the long road to knowledge and wisdom.

One measure of enlightenment, or learning achievement, if you will, the SAT test score, has shown a steady decline nationwide for the past fifteen years.

Quantitatively, we have excelled. We have made education equally available to everyone. In 1980, enrollment in institutions of higher education reached an all-time high of 12.1 million. During this school year, expenditures for public and private education at all levels are expected to reach $198 billion, compared to outlays of $181 billion in 1980-1981. The high school graduating class of 1982 will be close to 3 million.

The estimates of the number of earned degrees to be conferred during the year 1981-1982 are: bachelor's degrees, 945,000; first-professional degrees, 72,000; master's degrees, 300,000; and doctorates, 33,000.

In spite of seemingly stupendous efforts being put into education, parents—and even students themselves—are less than satisfied with the results.

Public perception of education is that schools are failing in their responsibility to educate the youth of America.

A story that represents the widespread dissatisfaction with our schools comes to my mind. A young man complained to his mother, "I don't want to go to school. The courseware is dull. The teachers are always complaining. The students are wild and undisciplined. The cafeteria food is lousy. Give me two good reasons why I should go to school." and his mother replied, "one, you are 39 years old, and two, you are the principal."

The consumer is always explicit in his demands, and in the field of education, competency is a commodity that is in great demand. Across the length and breadth of this land, parents are demanding that schools produce students who are competent in basic skills. They know, without the benefit of a testing program, whether or not their children are competent in reading, writing, and math skills. Parents know that grades of A's and B's on a report card don't mean a thing unless they represent true achievement.

Parent's aren't buying social promotion and grade inflation any longer for their children. Promotions that do not represent true progress deceive both parents and students. A student who has been pushed along with his peers may find himself in over his head and unable to catch up when basic skills, which would have provided a foundation on which to build more profound subject matter, have not been mastered.

Inflating the value of a grade reduces competition in the classroom by making it easier to get a passing grade. A student quickly learns that he can get by without really exerting himself.

For a while, students, parents, and the school administration may be fooled by inflated report cards but, eventually, as in the story of the emperor's new clothes, people face the truth.

The moment of truth has arrived. The day of judgment is here. Parents are putting educators to the test. They are taking stock of the system and asking: What are your standards?

Parents are paying high taxes for education—the average cost for each student in public schools is $2,200 per year—and parents expect to get something for that money. Instead, they feel that they are being shortchanged. They are demanding a solution for today's crisis in the schools.

Can we blame them? We are spending more money than ever before on education, yet achievement scores have been declining with an alarming persistence. A high school diploma sometimes only affirms that a student has occupied space in school for a required number of years.

In an effort to prove their public school systems can work, most States have adopted minimum competency examinations. These require a bottom line competency or mastery of certain levels of achievement before a student can graduate.

The purpose of such tests is not to demonstrate fluency in a subject. Minimum competency means "just getting by." One problem with the concept of minimum competency testing is that when we expect little, we get little.

I think our students deserve better than that. We ought to give equal consideration to maximum competency—a program wherein a student might aspire to something higher than himself and thereby learn to prove his worth. Certainly, we should challenge students to strive for excellence rather than allowing this generation of budding minds to settle into a dormant state of mediocrity.

Perhaps I should have chosen as my topic this evening "The Need for Greater Expectations."

I believe children will rise to the level of expectancy. If we set high standards for students, they will meet them.

We need a reformation, a return to high standards in education. Secretary Bell has said our education system has become flabby. It has. We need to put some muscle in it.

In too many instances, students are not being given a firm foundation on which to build future careers. Instead, they are being offered a marshmallow curriculum.

In California we can see what a devastating effect superficial courses have had on student achievement. Recognized as the land of adventure and promise, California has been a trendsetter in education and technology as well as in many other areas. Yet, in the past ten years California's test scores have dropped from 52nd to 34th percentile in reading and from 42nd to 28th percentile in language for seniors.

Some critics are trying to blame proposition 13 which was passed in 1978 resulting in budget cuts that would not have had an impact on the schools until fiscal year 1979. Could there be another cause for test scores to decline steadily for the past decade in California?

A recent article in the Washington Post—headlined "California High Schools Wearing 'National Dunce Cap'"—reported an increase in the number of students taking "Lifestyle" instead of more traditional academic courses. I don't know if "Lifestyle"

courses include surfing and beachcombing, but that title certainly does not suggest academic rigor.

According to the article, seniors who were interviewed said students gravitate toward one of the new courses, "Human Physiology," as an easy way to meet the science requirement without wrestling with chemistry.[1]

In his book, "Decadence and Renewal in the Higher Learning," Dr. Russell Kirk, well-known author and lecturer, analyzes the decline in education standards that has characterized our schools for the last thirty years and notes the purposelessness and intellectual disorder among students that has accompanied that decline.

When our schools fail to educate the students, we are wasting our greatest resource—our mental capabilities. South Carolina's State motto should be our goal in education: "Prepared in Mind and Resources."

I think one of the problems has been that over the past decade there has been a heavy political emphasis at the Federal level on access and equity in education to the extent that overall quality has been neglected.

No one benefits from a lowering of standards—not even minority and disadvantaged groups.

I believe students themselves want to be challenged. They should be given the opportunity to enjoy the Sweet Taste of Accomplishment. They'll get hooked on it and come back for more.

That wise sage Aristotle observed that, "educated men are as much superior to uneducated men as the living are to the dead." To make that distinction true today, we need to quicken education with the spirit of purpose and high endeavor.

It is trite but true to say that things are not the way they used to be in the elementary and secondary classroom. Teachers do not rule the room as they once did. Combative situations between teachers and students, once unheard of—or at least rare—now occur with alarming frequency.

In some severe inner-city cases, principals should probably post signs over classroom doors—"Combat zone. Enter at your own risk."

We have so slackened the reins of discipline that no one is in control.

What has happened is that, while attempting to help minority groups, the underprivileged, and the handicapped and to rehabilitate those with psychological problems and even criminal backgrounds, our society has become so permissive that the very concept and essence of authority has been jeopardized.

The result has been that academic standards have slipped and so has the teacher's prestige.

I realize I am painting a dreary picture of the education landscape. Of course, there are schools that have outstanding administrators, teachers, and students.

Two weeks ago Herb Sang, superintendent of public schools in Jacksonville, Florida, addressed an education forum at the Horace Mann Learning Center in Washington, D.C., and described the successful turn-around that has taken place in the Jacksonville school system in the last five years. Disgraced with disaccreditation in 1964, the school system has risen to national prominence as one of the most outstanding schools systems in the country.

However, when statistics show a 15-year decline in nationwide test scores, a decline in public confidence in our schools, and an increase in violence in the classroom, we cannot take comfort in the patches of evidence of excellence that remain; we must address our failings and set about to improve our education system. Even though SAT scores seemed to stabilize last year, that is just not good enough after a decade of declining scores.

It is always easier to identify problems than it is to find solutions.

Nevertheless, I would like to enumerate for you what I believe to be the major problems facing us in education today.

Loss of prestige is a significant factor influencing the teacher job market. Once considered noble, the teaching profession has slipped from its lofty pedestal of honor to the footstool of society.

Low salaries and lack of advancement possibilities are deterring some of the better students from choosing teaching as a career. Instead, they are going into more lucrative fields, such as, law, medicine, business administration, engineering, or computer science. A side-effect of this movement has been that more parents are better educated than their children's teachers than what used to be and this has led to teachers being held in lower esteem by the community.

A decline in rewards of teaching has led to teachers leaving education and finding new careers.

Without the incentives of salary, prestige, and opportunities for upward mobility, the brighter college students are not choosing education for a career, and many of the better teachers are leaving the classroom to go into administrative positions or into other careers.

In short, we are losing quality students and teachers to other fields of endeavor. This is a serious problem confronting teacher colleges everywhere, including here at U.S.C.

Without quality teachers, it is difficult, if not impossible, to have quality learning. You may have heard the story of the businessman, the lawyer, and the teacher who met at a social club. When the waiter came to take their orders, the businessman said, "I'll have an I.W."

The waiter thought a moment and then said, "All right, that's an Irish whiskey." He then asked the lawyer what he would like to have and the lawyer responded, "I'll have an I.W.W."

The waiter paused a moment and then said, "Oh, yes, Italian white wine." He then turned to the teacher, who, by the way, was a math teacher.

"I'll have a fifteen," said the teacher.

The waiter looked puzzled and finally said, "Well, you have me there. What is a fifteen?"

The math teacher quickly replied, "Oh, that's Seagram's Seven with Seven-Up."

Of course, the joke overstates the situation; but the inference gives us pause for thought. The pursuit of excellence in education must begin with quality teaching. Teacher colleges should prepare students with a solid foundation in subject matter so that teachers going into the classrooms will be as knowledgeable in their field as are doctors, lawyers, businessmen, and other professional people.

Education theory does serve a purpose, but it is also practical and quite respectable to be able to add seven and seven and get fourteen.

Now I know you would like to ask the question: If a teacher does know his subject well, what is going to keep him from leaving the classroom for a higher paying position in industry?

One answer is that teaching historically has been more than just a career—it has been a calling, and I believe there will always be a certain number of very dedicated people who will be attracted to teaching for that reason.

This view is depicted at the end of the play, "A Man for All Seasons." You may remember the scene where Thomas More urges a young man to return to his university studies.

"Be a teacher, be a great teacher," More tells him.

"And if I am, who will know?"

Thomas More responds, "Yourself, your pupils, and God. Not a bad audience, sir, not a bad audience."

Such dedication deserves recompense; teachers have to eat and someone has to pay the rent. In addition to improving salaries, I think school boards are going to have to borrow a page from the businessman's handbook and offer further incentives to teachers.

Some school systems are doing just that. Education Week recently reported, for example, that Houston schools are paying bonuses to keep teachers. Better pay and recognition for top performance will help attract and keep good teachers.

Louisiana has recently launched a State teacher-improvement program, and many of the States, including South Carolina, have added a new requirement for teacher certification: passing a State teachers' exam.

A good teacher with a solid grasp of his subject commands the respect of his students much more so than the teacher who is ill-prepared. The truly learned teacher also brings prestige to his profession. And the good teacher will always be in demand.

Can we have excellence in education? Yes, but only if we have all of the ingredients that make up a good school. Herb Sang's formula, which is succeeding in Jacksonville, Florida, is: Discipline plus patriotism plus courtesy plus academics equals a successful school. Recognized nationally for his outstanding achievements, Herb Sang has been named by the National School Boards Association as one of the top 100 school administrators in North America.

According to a study conducted by the National Institute of Education, the five ingredients most necessary for an effective school are:

1. A principal who provides strong administrative leadership, especially in regard to instructional matters;

2. An orderly climate; learning can take place only when there is an atmosphere of peace and order;

3. Basic skills; the curriculum must offer academic courses packed with substance. In order to develop intellectually, the mind needs to be nourished on the meat of academics rather than the milk and marshmallow of easy-out, introductory courses that only skim the surface of knowledge.

4. Confident teachers; teachers must believe that all children can learn, and they must set high standards for them. Where expectancy is high, learning is high.

5. Measurement; schools need to monitor and assess the learning that is taking place. When performance is measured, performance improves.

Yes, I believe we can have excellence in education. We have lost nothing that cannot be regained by a renewal of our commitment to excellence in education.

[1] The Washington Post, Friday, October 16, 1981. p. A3.

The Reagan administration has given a high priority to stimulating excellence in education. Last August Secretary Bell established a National Commission on Excellence to examine American education and to highlight its strong points. The Commission has been charged with the following responsibilities:

It will review and synthesize data on the quality of learning in the Nation's schools, both public and private;

It will examine, compare, and contrast the curricula, standards, and expectations of the educational systems of several advanced countries with those of the United States;

It will study a representative sampling of university and college admission standards;

The Commission will hold hearings, receive testimony and expert advice on efforts that could and should be taken to foster high levels of academic excellence in the Nation's schools, colleges and universities; and, perhaps most important of all,

The Commission will review and describe those school programs that are recognized as preparing students who consistently attain higher than average scores on college entrance examinations.

Those are just some of the responsibilities of the Commission on Excellence, and, as I said, probably their most important task will be to find out and tell the rest of us how those schools who consistently turn out top students are doing it. We need to know the reasons for their success.

One means of reaching a greater level of excellence is through the application of technology to teaching methods. The integration of technology into the learning experience can provide a cohesive thread which will upgrade the level of achievement.

South Carolina has set an exemplary record in the use of television as a supplement to traditional educational materials. Pioneering in the late 50's in the use of that medium, South Carolina educators have been successful in using ETV to achieve educational objectives.

We are on the edge of exciting new frontiers leading into the fantastic world of technology, and we must keep pace with progress in that realm if education is to lead, rather than follow, civilization.

But, we cannot overlook, nor underestimate, the importance of the teacher-pupil relationship in the learning process. The human touch provides inspiration, encouragement, and understanding, which we all need in order to develop our mental and physical capabilities.

Education is a complex universe made up of many worlds, each moving in its own sphere. The interrelated components have a contribution to make toward our common goal of excellence.

Teacher colleges move in one orbit, while administrators and classroom teachers function in another world; they are out there working in the trenches, so to speak, where the real world exists. Our colleges and universities, guided by State policies, must prepare school personnel for that real world.

According to Secretary Bell, the most sweeping challenge in education has to do with teacher competence. He has said that the States must change their policies that relate to the education, certification, promotion, reward, and retention of teachers. At the present time, only 16 States require applicants for teacher certification to be tested for competency. The South Carolina Legislature has just passed a law requiring teachers to pass the National Teachers' exam for certification.

Surrounding the colleges and neighborhood schools are parents and the community. Those satellites play a key role in the success or failure of a school. A recent study by the Southern Regional Education Board concluded that caring parents and an involved community contribute immeasurably to the success of a school. In fact, students are more highly motivated when parents and the community are involved in school activities.

Can we have excellence in education? Yes, if we make that our expection and discipline ourselves toward that goal.

True education requires discipline, a fine sense of selection, discrimination between what is worth knowing and not worth knowing, an appreciation of the mastery of skills before frills.

Teachers are not social reformers charged with remaking society or finding solutions to social ills. Teachers are torch bearers; they enlighten the minds of their pupils with the wisdom of the ages, and that wisdom is made up of the components of concrete knowledge.

The primary purpose of education is to help each student master basic skills in language arts, mathematics, social studies, and science so that he is able to go on from there and develop his particular talent to its fullest potential. Anything less than that falls short of the mark of excellence.

Let us go forward toward the mark of our high calling and, together, achieve that degree of mastery in education deserving of the term excellence. Thank you for inviting me to share these thoughts with you. It has been my pleasure.●